

DEPARTMENT OF TRANSPORTATION

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY03 Adjusted Base	FY04 Recommended	% Change Over FY03	FY05 Recommended	% Change Over FY04
GPR	59,700	168,900	182.9	168,900	0.0
PR-O	3,441,800	4,215,300	22.5	4,215,300	0.0
PR-S	1,469,300	213,100	-85.5	213,100	0.0
SEG-F	716,322,200	594,121,900	-17.1	619,222,100	4.2
SEG-L	72,206,200	72,804,800	0.8	73,918,400	1.5
SEG-O	1,269,946,200	1,014,955,900	-20.1	1,098,199,800	8.2
SEG-S	164,381,100	359,835,600	118.9	410,597,300	14.1
TOTAL	2,227,826,500	2,046,315,500	-8.1	2,206,534,900	7.8

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY03 Adjusted Base	FY04 Recommended	FTE Change From FY03	FY05 Recommended	FTE Change From FY04
PR-O	13.00	17.00	4.00	17.00	0.00
PR-S	3.00	3.00	0.00	3.00	0.00
SEG-F	974.55	971.55	-3.00	965.00	-6.55
SEG-O	2,935.78	2,785.28	-150.50	2,626.83	-158.45
SEG-S	16.00	24.00	8.00	24.00	0.00
TOTAL	3,942.33	3,800.83	-141.50	3,635.83	-165.00

AGENCY DESCRIPTION

The department is headed by a secretary appointed by the Governor. The department is responsible for the planning, promotion and protection of all transportation systems in the state. The department's major responsibilities involve highways, motor vehicles, traffic law enforcement, railroads, waterways, mass transit and aeronautics. The powers and duties of the department are specified in state statutes. Under the direction of the secretary, these responsibilities are carried out by six divisions and the executive offices within the department.

MISSION

The mission of the department is to provide leadership in the development and operation of a safe and efficient transportation system. The vision of the department calls for dedicated people creating transportation solutions through innovation and exceptional service.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Aids

Goal: Provide direct aid to counties and municipalities to assist them with transportation-related activities.

Objective/Activity: Focus resources from the general transportation aids formula on direct transportation-related activities.

Program 2: Local Transportation Assistance

Goal: Provide assistance to maintain a safe and efficient transportation system and maximize the economic development impacts of this assistance.

Objective/Activity: Reduce the percentage of local bridges that are structurally deficient.

Program 3: State Highway Facilities

Goal: Develop, rehabilitate and preserve Wisconsin's state trunk highway system in a cost-effective manner through the use of tested techniques to ensure roads and bridges continue providing service.

Objective/Activity: Increase the average annual present serviceability index (PSI) value for the state highway system and reduce the average annual pavement distress index (PDI) value for the state highway system.

Reduce from 1999 levels the percentage of bridges that are structurally deficient.

Continue to improve construction and design efficiency as measured by the department's design on time index (DTI), design on budget index (DBI) and product quality index (PQI).

Program 4: General Transportation Operations

Goal: Efficiently administer Wisconsin's state transportation programs.

Objective/Activity: Continue the efficient administration of programs through increased on-the-job safety by reducing the rate of on-the-job injuries in the department.

Program 5: Motor Vehicle Services and Enforcement

Goal: Effective enforcement of traffic safety and vehicle registration laws and efficient provision of motor vehicle services.

Objective/Activity: Reduce crash, injury and fatality rates on Wisconsin's transportation system.

Improve the level of safety among motor carriers on the state's highways.

Continue to improve customer satisfaction with Division of Motor Vehicles' services and products over time.

Continue to improve the Division of Motor Vehicles' cost-effective delivery of products and services.

PERFORMANCE MEASURES

HISTORICAL DATA

Prog. No.	Performance Measure	Actual 2000 ¹
1.	Police costs, as a percentage of total general transportation aids eligible costs.	N/A
2.	Percentage of local bridges that are structurally deficient.	6.32%
3.	Average annual present serviceability index (PSI) and pavement distress index (PDI) values.	3.20 PSI 36.38 PDI
3.	Percentage of state bridges that are structurally deficient.	9.1%
3.	The annual scores of the three indices compared to the goal set for each index. ²	97% DTI 88% DBI 84% DQI 94% CQI
4.	Lost-time work injuries per number of department employees.	1.3%
5.	The number of speed-related crashes in SPEEDWAVES target areas.	3-5% reduction
5.	The percentage of trucks that are inspected and found to have out-of-service safety and weight violations.	24%
5.	Customer satisfaction index (CSI) score.	7.0
5.	Number of Division of Motor Vehicles' products issued per hour.	7.69

Note: Based on calendar year.

¹Figures represent goals rather than actual values.

²The indices are design on time index (DTI), design on budget index (DBI) and product quality index, which is a combination of the design quality index (DQI) and construction quality index (CQI) of the project.

2001 AND 2002 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2001	Actual 2001	Goal 2002	Actual 2002
1.	Police costs, as a percentage of total general transportation aids eligible costs. ¹	N/A	23.4	N/A	24.2
2.	Percentage of local bridges that are structurally deficient.	20%	22%	20%	21%
3.	Average annual present serviceability index (PSI) and pavement distress index (PDI) values. ²	3.20 PSI 36.38 PDI	3.50 PSI 31.52 PDI	3.21 PSI 35.77 PDI	3.80 PSI 24.70 PDI
3.	Percentage of state bridges that are structurally deficient.	9.1%	9.2%	8.5%	7.6%
3.	The annual scores of the three indices compared to the goal set for each index. ³	97% DTI 88% DBI 84% DQI 94% CQI	81.8% DTI 80.6% DBI 75.9% DQI 82.3% CQI	80% DTI 82% DBI 86% DQI 95% CQI	83.5% DTI 81.4% DBI 93.5% DQI 92.8% CQI
4.	Lost-time work injuries per number of department employees.	Reduce	2.16%	Reduce	2.23%
5.	The number of speed-related crashes in SPEEDWAVES target areas. ⁴	N/A	N/A	N/A	N/A
5.	The percentage of trucks that are inspected and found to have out-of-service safety and weight violations.	Continuous reduction	24.8% (down from 26% in 2000)	Continuous reduction	22.3% (down from 2001)
5.	Customer satisfaction index (CSI) score.	Achieve aggregate score of 7	Achieved aggregate score of 6.1	Achieve aggregate score of 7	Achieved aggregate score of 6.5
5.	Number of Division of Motor Vehicles' products issued per hour.	Increase number of products/hour	7.32 products/hour	Increase number of products/hour	7.69 products/hour

Note: Based on calendar year.

¹There is a one-year lag between general transportation aids funding and costs submitted (i.e., 2001 general transportation aids funding is based on costs incurred in 2000 and 2002 is based on 2001).

²Recent changes in technology and departmental measurement procedures make the data unreliable, so it is invalid to compare PSI/PDI numbers across years. The department is working to correct this problem, but it may not be solved in the near term.

³The indices are design on time index (DTI), design on budget index (DBI) and product quality index, which is a combination of the design quality index (DQI) and construction quality index (CQI) of the project.

⁴This program has undergone major revisions and is no longer comparable with past safety projects. The goal of reducing speed-related crashes, fatalities and injuries remains the same.

2003, 2004 AND 2005 GOALS

Prog. No.	Performance Measure	Goal 2003	Goal 2004	Goal 2005
1.	Police costs, as a percentage of total general transportation aids eligible costs. ¹	N/A	N/A	N/A
2.	Percentage of local bridges that are structurally deficient.	20%	19%	18%
3.	Average annual present serviceability index (PSI) and pavement distress index (PDI) values. ²	N/A	N/A	N/A
3.	Percentage of state bridges that are structurally deficient.	7.5%	7.3%	7.0%
3.	The annual scores of the three indices. ³	85% DTI 83% DBI 84% DQI	87% DTI 85% DBI 84% DQI	89% DTI 87% DBI 84% DQI
4.	Lost-time work injuries per number of department employees.	1.52%	1.3%	1.0%
5.	The number of speed-related crashes in SPEEDWAVES target areas. ⁴	N/A	N/A	N/A
5.	The percentage of trucks that are inspected and found to have out-of-service safety and weight violations.	21%	20%	20%
5.	Customer satisfaction index (CSI) score.	7.0	7.0	7.0
5.	Number of Division of Motor Vehicles' products issued per hour.	7.75	7.85	7.95

Note: Based on calendar year.

¹The general transportation aids calculation was changed in 1999, and police costs are being tracked to see if formula change has any effect on local police costs.

²Recent changes in technology and departmental measurement procedures make it inappropriate to compare PSI/PDI numbers across years. The department is working to correct this problem, but it may not be solved in the near term.

³The indices are design on time index (DTI), design on budget index (DBI) and design quality index (DQI). The construction quality index (CQI) is not included because district work load and staffing constraints have necessitated dropping this effort for now at least. Department managers are developing a recommendation for a less time intensive measure of construction quality.

⁴This program has undergone major revisions and is no longer comparable with past safety projects. The goal of reducing speed-related crashes, fatalities and injuries remains the same.

DEPARTMENT OF TRANSPORTATION**GOVERNOR'S BUDGET RECOMMENDATIONS****RECOMMENDATIONS**

1. Budget Efficiency Measures
2. Budget Reorganization – Office of the Commissioner of Railroads
3. Attorney Consolidation Initiative
4. Program and Segregated Revenue Lapses
5. Transportation Funding
6. Maintaining Federal Revenue
7. General Transportation Aids and Local Road Improvement Program
8. Major Highway Program
9. State Highway Rehabilitation Program
10. Marquette Interchange
11. State Highway Maintenance Program
12. Transit and Elderly and Disabled Transportation Aids
13. Rail Assistance
14. Harbor Assistance Program
15. State Patrol Operations
16. Motor Vehicle Operations
17. Minor Items
18. Revenue Reestimate
19. Debt Service Reestimate
20. Standard Budget Adjustments

ITEMS NOT APPROVED

21. Intermodal Facility and Track Upgrades
22. Oversight for Southeast Freeway Projects
23. Planning Initiatives
24. Wisconsin Highway Research Funding
25. Fond du Lac Metropolitan Planning Organization
26. Facility Preventive Maintenance and Repair
27. Recreational Vehicle Study
28. Increased Department Insurance Premiums
29. Demand Management Funding Increase
30. Motor Vehicle Fee Implementation Costs
31. Data Processing Charges
32. State Patrol Radio Coverage Expansion
33. State Patrol Radio Infrastructure
34. State Patrol Fleet Inflation
35. Rent Adjustments

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY02	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY04	FY05	FY04	FY05
GENERAL PURPOSE REVENUE		\$59.7	\$59.7	\$59.7	\$168.9	\$168.9
State Operations		59.7	59.7	59.7	168.9	168.9
FEDERAL REVENUE (1)	670,270.1	716,322.2	673,305.2	695,809.7	594,121.9	619,222.1
State Operations	470,615.5	519,484.2	474,387.8	496,366.3	409,628.7	429,085.1
Local Assistance	193,359.8	191,788.7	193,868.1	194,394.1	179,852.0	185,337.4
Aids to Ind. & Org.	6,294.8	5,049.3	5,049.3	5,049.3	4,641.2	4,799.6
PROGRAM REVENUE (2)	5,225.3	4,911.1	4,448.4	4,448.4	4,428.4	4,428.4
State Operations	4,829.8	4,911.1	4,448.4	4,448.4	4,428.4	4,428.4
Local Assistance	395.5					
SEGREGATED REVENUE (3)	1,440,471.3	1,506,533.5	1,800,428.9	2,086,664.9	1,447,596.3	1,582,715.5
State Operations	853,187.4	894,381.8	1,164,327.9	1,432,440.7	821,798.2	942,503.6
Local Assistance	570,952.0	593,594.5	617,543.8	635,667.0	609,320.7	623,234.5
Aids to Ind. & Org.	16,331.9	18,557.2	18,557.2	18,557.2	16,477.4	16,977.4
TOTALS-ANNUAL	2,115,966.7	2,227,826.5	2,478,242.2	2,786,982.7	2,046,315.5	2,206,534.9
State Operations	1,328,632.7	1,418,836.8	1,643,223.8	1,933,315.1	1,236,024.2	1,376,186.0
Local Assistance	764,707.3	785,383.2	811,411.9	830,061.1	789,172.7	808,571.9
Aids to Ind. & Org.	22,626.7	23,606.5	23,606.5	23,606.5	21,118.6	21,777.0

- (1) Includes Program Revenue-Federal and Segregated Revenue-Federal
- (2) Includes Program Revenue-Service and Program Revenue-Other
- (3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY04	FY05	FY04	FY05
FEDERAL REVENUE (1)	974.55	971.55	965.00	971.55	965.00
PROGRAM REVENUE (2)	16.00	20.00	20.00	20.00	20.00
SEGREGATED REVENUE (3)	2,951.78	2,981.78	2,995.33	2,809.28	2,650.83
TOTALS-ANNUAL	3,942.33	3,973.33	3,980.33	3,800.83	3,635.83

- (1) Includes Program Revenue-Federal and Segregated Revenue-Federal
- (2) Includes Program Revenue-Service and Program Revenue-Other
- (3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local
- (4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY02	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY04	FY05	FY04	FY05
1. Aids	\$515,825.6	\$519,276.2	\$540,334.6	\$554,099.1	\$533,411.3	\$545,969.9
2. Local transportation assistance	277,366.6	305,475.2	311,054.7	315,939.4	291,969.7	299,855.4
3. State highway facilities	1,085,177.5	1,148,873.9	1,350,901.1	1,638,335.4	958,261.2	1,096,201.9
4. General transportation operations	92,029.2	106,301.3	114,139.0	115,079.6	108,931.0	109,153.2
5. Motor vehicle services and enforcement	140,769.2	142,655.3	156,446.0	158,083.9	149,039.8	150,281.8
6. Debt services	5,318.1	5,244.6	5,366.8	5,445.3	4,702.5	5,072.7
9. General provisions	-519.5					
TOTALS	2,115,966.7	2,227,826.5	2,478,242.2	2,786,982.7	2,046,315.5	2,206,534.9

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY04	FY05	FY04	FY05
2. Local transportation assistance		4.00	4.00	4.00	4.00
4. General transportation operations	508.00	518.00	532.00	485.00	469.00
5. Motor vehicle services and enforcement	1,653.10	1,656.35	1,650.35	1,619.85	1,525.85
9. General provisions	1,781.23	1,794.98	1,793.98	1,691.98	1,636.98
TOTALS	3,942.33	3,973.33	3,980.33	3,800.83	3,635.83

(4) All positions are State Operations unless otherwise specified

1. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	0	0.00	0	0.00	-15,000,000	-142.50	-15,000,000	-300.50
TOTAL	0	0.00	0	0.00	-15,000,000	-142.50	-15,000,000	-300.50

The Governor recommends reducing expenditure and position authority in the department's state operations and local assistance appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) eliminating position vacancies and reducing LTE and out-of-state travel funding across programs; (b) eliminating the department's space renovation budget; (c) delaying license plate reissuance; (d) reducing consultant contracts in state highway programs; (e) removing state funding for the Freight Rail Infrastructure Improvement Program; (f) eliminating aerial traffic enforcement; and (g) holding one recruit class per biennium for the Divisions of Motor Vehicles and State Patrol.

2. Budget Reorganization – Office of the Commissioner of Railroads

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	608,800	4.00	608,800	4.00	588,800	4.00	588,800	4.00
TOTAL	608,800	4.00	608,800	4.00	588,800	4.00	588,800	4.00

The Governor recommends eliminating the Office of the Commissioner of Railroads and transferring position and expenditure authority to the department to consolidate the regulation of railroad crossings and to create operational efficiencies. As part of the transfer, the department would be authorized to regulate the safety and management of railroad crossings and signals. The Governor also recommends consolidating the office's hearing functions into the Department of Administration's Division of Hearings and Appeals. See Public Service Commission, Item #2, and Department of Administration, Item #9.

3. Attorney Consolidation Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	0	-2.00	0	-1.00	0	-2.00	0	-1.00
SEG-O	235,900	2.00	235,900	2.00	0	-7.00	0	-7.00
TOTAL	235,900	0.00	235,900	1.00	0	-9.00	0	-8.00

The Governor recommends improving the provision of state legal services by consolidating attorneys under the secretary of the Department of Administration. The Department of Administration secretary will determine the assignment of attorneys to individual agencies. The initiative results in the reduction of position authority within the department and the transfer of 7.0 FTE positions to the Department of Administration. Funding related to the transferred positions will remain in the department's budget to purchase legal services from the Department of Administration. See Department of Administration, Item #10.

4. Program and Segregated Revenue Lapses

The Governor recommends transferring balances to the general fund from the transportation fund in the amount of \$15,000,000 in each year.

5. Transportation Funding

The Governor recommends increasing automobile registration and title transfer fees and expanding the department's authority to use revenue bonding for the state highway programs. The new fees will be \$55 for automobile registration and \$18.50 for title transfers, which sets the new total title transfer cost at \$36.50, including a \$7.50 supplemental title transfer fee and a \$10.50 environmental impact fee (see Department of Natural Resources, Item #2). The increased fees will fund high priority transportation needs and assist in maintaining a coverage ratio that will help the state retain its AA (Fitch), AA- (Standard & Poors) and Aa3 (Moody's) revenue bond ratings.

The additional revenue bonding authority and revenue reallocations will allow the department to continue to preserve the state's existing transportation infrastructure, absorb a portion of the expected \$105,000,000 federal funding reduction, and assist local governments and school districts in meeting their transportation costs (see Shared Revenue and Tax Relief, Item #3, and Department of Public Instruction, Item #4). In addition, the lack of dedicated federal funding for the Marquette Interchange project requires the state to reallocate existing federal funding to this project and use state funding sources to pay for the majority of the costs of reconstructing this important section of the federal Interstate Highway system. See Items #8, #9 and #10.

6. Maintaining Federal Revenue

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	0	0.00	201,200	0.00	0	0.00	201,200	0.00
TOTAL	0	0.00	201,200	0.00	0	0.00	201,200	0.00

The Governor recommends the following to maximize federal transportation revenues:

1. Lower the prohibited blood alcohol concentration from 0.1 percent to 0.08 percent for first and second operating a motor vehicle while intoxicated offenses. To avoid loss of \$9.1 million in federal FY04, Wisconsin must certify by July 15, 2003, that a conforming law will be in effect on or before September 30, 2003. The amount of federal revenue withheld will continue to increase each federal fiscal year up to a maximum of eight percent (about \$40 million) annually.
2. Provide one-time funding to match a federal grant of \$804,600 over the biennium to implement provisions of the federal Motor Carrier Safety Improvement Act of 1999, which are intended to enhance highway safety by ensuring only safe commercial motor vehicle operators are licensed. Wisconsin has until September 30, 2005, to comply with the provisions or lose up to \$27.4 million federal funding annually and be prohibited from issuing commercial driver licenses.
3. Modify current outdoor advertising restrictions along scenic byways to bring Wisconsin's law into compliance with federal requirements and ensure continued maximization of the amount of federal highway funds the state receives. If the state remains out of compliance, the Federal Highway Administration could penalize the state through a ten percent reduction in the state's federal highway aid.

7. General Transportation Aids and Local Road Improvement Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	12,444,900	0.00	22,508,500	0.00	12,444,900	0.00	22,508,500	0.00
SEG-L	598,600	0.00	1,212,200	0.00	598,600	0.00	1,212,200	0.00
TOTAL	13,043,500	0.00	23,720,700	0.00	13,043,500	0.00	23,720,700	0.00

The Governor recommends funding for the general transportation aid program to fully fund 2003 payments and provide an inflationary increase of 2.5 percent for 2004 and 2005 aids payments to counties and municipalities. The increases include \$2,857,200 SEG in FY04 and \$5,136,400 SEG in FY05 for transportation aids to counties and \$8,989,100 SEG in FY04 and \$16,159,900 SEG in FY05 for transportation aids to municipalities. The Governor further recommends providing an inflationary increase of 2.5 percent for the Local Road Improvement Program. The program provides state funds for up to 50 percent of total project costs for improvements to existing local roads and streets.

8. Major Highway Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	0	0.00	0	0.00	-29,215,500	0.00	-26,750,100	0.00
SEG-O	2,776,000	0.00	5,621,300	0.00	-34,648,100	0.00	-18,072,400	0.00
SEG-S	3,239,100	0.00	6,559,300	0.00	43,156,300	0.00	28,082,100	0.00
TOTAL	6,015,100	0.00	12,180,600	0.00	-20,707,300	0.00	-16,740,400	0.00

The Governor recommends adjusting state and federal funding and providing an additional \$331,516,600 in transportation revenue bonding authority to continue the major highway program and reallocate state funding to higher priority areas. The funding provided is expected to meet the estimated costs of enumerated major highway projects already under construction during the 2003-05 biennium.

9. State Highway Rehabilitation Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	0	0.00	0	0.00	-38,705,900	0.00	-24,806,400	0.00
SEG-O	14,803,800	0.00	29,977,700	0.00	-206,056,800	0.00	-163,366,200	0.00
SEG-S	0	0.00	0	0.00	147,708,000	0.00	128,135,700	0.00
TOTAL	14,803,800	0.00	29,977,700	0.00	-97,054,700	0.00	-60,036,900	0.00

The Governor recommends adjusting funding for state highway rehabilitation to reflect a reestimate of federal highway aids to be received in each year and a reallocation of state funding to higher priority areas. The Governor further recommends establishing revenue bond authority for the department to use bond proceeds to ensure that the existing state highway infrastructure is preserved.

10. Marquette Interchange

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	8,000,000	0.00	36,400,000	0.00	16,249,800	0.00	24,174,000	0.00
SEG-O	63,974,300	0.00	152,574,300	0.00	-32,302,400	0.00	-40,226,600	0.00
SEG-S	144,100,000	0.00	287,100,000	0.00	0	0.00	85,500,000	0.00
TOTAL	216,074,300	0.00	476,074,300	0.00	-16,052,600	0.00	69,447,400	0.00

The Governor recommends providing funding to continue work on the reconstruction of the Marquette Interchange in the City of Milwaukee. Reconstruction of the interchange would take place over four years and be completed in 2008. The Governor further recommends the following: (a) establish revenue bond authority for the department to expend bond proceeds for the reconstruction project; and (b) modify current law relating to the West Canal Street project to comply with the original intent to allow extension of the street to address traffic mitigation needs and serve as a catalyst for redevelopment in the area.

11. State Highway Maintenance Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	23,231,600	0.00	28,049,300	0.00	3,327,100	0.00	15,434,700	0.00
TOTAL	23,231,600	0.00	28,049,300	0.00	3,327,100	0.00	15,434,700	0.00

The Governor recommends the following as part of the State Highway Maintenance Program: (a) provide a 2.5 percent increase in each year (\$3,729,200 in FY04 and \$7,551,700 in FY05) to adjust for inflationary costs; (b) provide \$8,297,600 in FY05 to maintain a constant level of program operations; (c) transfer capital maintenance and traffic operations activities to the State Highway Rehabilitation Program to consolidate capital expenditures and create operational efficiencies; and (d) reallocate funding to support the removal of car-killed deer from highways. See Department of Natural Resources, Item #20.

12. Transit and Elderly and Disabled Transportation Aids

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	8,812,100	0.00	13,526,600	0.00	2,288,800	0.00	4,997,400	0.00
TOTAL	8,812,100	0.00	13,526,600	0.00	2,288,800	0.00	4,997,400	0.00

The Governor recommends providing funding to meet 2003 payments and provide an overall inflationary increase of 2.5 percent in 2004 and 2005 for the urban mass transit assistance program. The increased funding includes: (a) \$1,180,600 in FY04 and \$2,560,900 in FY05 for Tier A-1 aids; (b) \$315,400 in FY04 and \$685,600 in FY05 for Tier A-2 aids; (c) \$445,700 in FY04 and \$1,000,500 in FY05 for Tier B aids; and (d) \$125,900 in FY04 and \$302,500 in FY05 for Tier C aids. The Governor also recommends a 2.5 percent inflationary increase in FY04 and FY05 for the elderly and disabled county transportation aids program.

13. Rail Assistance

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	2,079,400	0.00	2,605,400	0.00	880,000	0.00	1,392,000	0.00
SEG-O	1,189,800	0.00	826,300	0.00	355,000	0.00	1,085,500	0.00
SEG-L	0	0.00	500,000	0.00	0	0.00	500,000	0.00
TOTAL	3,269,200	0.00	3,931,700	0.00	1,235,000	0.00	2,977,500	0.00

The Governor recommends the following to maintain and improve Wisconsin's rail infrastructure and service:

1. Provide \$220,000 SEG and \$880,000 SEG-F in FY04 and \$348,000 SEG and \$1,392,000 SEG-F in FY05 to reflect costs being negotiated in a new three-year contract with Amtrak for passenger rail service between Milwaukee and Chicago. The new contract will also expand service to include stops at a new rail station at General Mitchell International Airport.
2. Increase expenditure authority for the Freight Rail Infrastructure Improvement Program by \$500,000 SEG-L in FY05 to reflect loan repayments. This program offers low or no interest loans to railroads, shippers and local governments for a variety of capital improvement projects.
3. Increase bonding authority for the Freight Rail Preservation Program by \$4.5 million. This program assists in the preservation of abandoned railroad corridors when service is not immediately continued.
4. Provide \$400,000 SEG in FY05 and establish a structure to facilitate application for federal New Starts Program funding for development of commuter transit systems. The New Starts Program provides funding for design, construction and testing of mass transportation systems that use a separate right-of-way, rail line or suspended electric cable system.

14. Harbor Assistance Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	90,000	0.00	225,000	0.00	90,000	0.00	225,000	0.00
TOTAL	90,000	0.00	225,000	0.00	90,000	0.00	225,000	0.00

The Governor recommends providing \$3 million in new SEG-supported general obligation bonding authority for harbor projects. The program provides financial assistance to harbor communities along the Great Lakes and Mississippi River for projects maintaining or improving waterborne commerce.

15. State Patrol Operations

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	4,195,100	0.00	4,195,100	0.00	4,195,100	0.00	4,195,100	0.00
PR-O	156,600	0.00	156,600	0.00	156,600	0.00	156,600	0.00
TOTAL	4,351,700	0.00	4,351,700	0.00	4,351,700	0.00	4,351,700	0.00

The Governor recommends increasing funding to reflect the level of federal funding and program revenue received by the Division of State Patrol training academy and other division programs. In addition, provide \$56,600 PR in each year for the chemical testing program to meet increased costs related to recertification of breath-testing instrument operators, instrument maintenance and repair, and blood testing. The Governor further recommends reallocating 4.0 FTE positions to staff dispatch centers.

16. Motor Vehicle Operations

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	2,566,900	0.00	-3,754,800	0.00	2,566,900	0.00	-3,754,800	0.00
SEG-O	0	0.00	6,321,700	0.00	0	0.00	6,321,700	0.00
TOTAL	2,566,900	0.00	2,566,900	0.00	2,566,900	0.00	2,566,900	0.00

The Governor recommends the following to support the department's Division of Motor Vehicles:

1. Provide funding to cover costs of the inspection maintenance program required by federal clean air regulations and to reflect the restriction on use of federal congestion mitigation and air quality funds after FY04.
2. Provide funding in FY05 from the petroleum inspection fund to offset the loss of federal funds for the inspection maintenance program.
3. Extend the current ten percent surcharge for oversize/overweight vehicle permits until July 1, 2005, to cover costs of the automated oversize/overweight truck permit system.
4. Authorize the department to charge a convenience fee for accepting credit card payments to expand on-line and telephone permitting and renewal options.

17. Minor Items

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	813,300	0.00	697,500	0.00	-105,600	0.00	-225,000	0.00
SEG-S	4,564,200	8.00	4,472,400	22.00	4,564,200	8.00	4,472,400	8.00
TOTAL	5,377,500	8.00	5,169,900	22.00	4,458,600	8.00	4,247,400	8.00

The Governor recommends the following changes related to department operations: (a) create a separate appropriation and transfer \$598,300 in each year for the motorcycle rider education program to better address motorcycle safety needs; (b) provide 8.0 FTE positions to replace information technology consultant contracts and reduce funding by \$105,000 in FY04 and \$225,000 in FY05 to reflect estimated savings; (c) create a federal indirect cost reimbursement appropriation to offset administrative costs of delivering transportation programs; (d) expand the department's services appropriation to include postage costs; and (e) reallocate a 1.0 FTE position to improve Internet support.

18. Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	0	0.00	0	0.00	-17,342,900	0.00	-10,522,300	0.00
SEG-O	0	0.00	0	0.00	176,000	0.00	5,000	0.00
TOTAL	0	0.00	0	0.00	-17,166,900	0.00	-10,517,300	0.00

The Governor recommends adjusting the department's expenditure authority to reflect projected federal revenues to be received in each year and to allow the expenditure of transportation infrastructure loan fund interest income.

19. Debt Service Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	109,200	0.00	109,200	0.00
SEG-O	-237,800	0.00	-699,300	0.00	-876,300	0.00	-843,600	0.00
TOTAL	-237,800	0.00	-699,300	0.00	-767,100	0.00	-734,400	0.00

The Governor recommends adjusting the department's base budget to reflect a reestimate of debt service on authorized bonds.

20. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-F	-60,827,800	-1.00	-61,027,600	-8.55	-60,827,800	-1.00	-61,027,600	-8.55
PR-O	28,100	0.00	28,100	0.00	28,100	0.00	28,100	0.00
PR-S	-1,256,200	0.00	-1,256,200	0.00	-1,256,200	0.00	-1,256,200	0.00
SEG-O	5,317,100	-1.00	5,208,400	-1.45	15,317,100	-1.00	15,208,400	-1.45
SEG-S	26,000	0.00	26,000	0.00	26,000	0.00	26,000	0.00
TOTAL	-56,712,800	-2.00	-57,021,300	-10.00	-46,712,800	-2.00	-47,021,300	-10.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$3,552,700 in each year); (b) removal of noncontinuing elements from the base (-\$63,733,000 and -2.0 FTE positions in FY04 and -\$64,041,500 and -10.0 FTE positions in FY05); (c) full funding of continuing position salaries and fringe benefits (\$7,015,200 in each year); (d) funding of ongoing s. 13.10 supplements (\$10,000,000 in each year); (e) overtime (\$3,120,700 in each year); (f) night and weekend differential pay (\$274,300 in each year); (g) fifth week of vacation as cash (\$144,100 in each year); and (h) full funding of lease and directed moves costs (\$18,600 in each year).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Transportation.

Decision Item	Source of Funds	FY04		FY05	
		Dollars	Positions	Dollars	Positions
21. Intermodal Facility and Track Upgrades	SEG-O	1,000,000	0.00	4,000,000	0.00
22. Oversight for Southeast Freeway Projects	SEG-O	1,091,100	21.00	1,409,200	21.00
23. Planning Initiatives	SEG-O	2,076,800	0.00	3,060,800	0.00
24. Wisconsin Highway Research Funding	SEG-F	160,000	0.00	160,000	0.00
	SEG-O	40,000	0.00	40,000	0.00
25. Fond du Lac Metropolitan Planning Organization	SEG-F	809,400	0.00	909,400	0.00
	SEG-O	101,200	0.00	113,700	0.00
26. Facility Preventive Maintenance and Repair	SEG-O	340,000	0.00	1,340,000	0.00
27. Recreational Vehicle Study	SEG-O	250,000	0.00	0	0.00
28. Increased Department Insurance Premiums	SEG-O	251,700	0.00	367,500	0.00
29. Demand Management Funding Increase	SEG-O	32,000	0.00	32,000	0.00
30. Motor Vehicle Fee Implementation Costs	SEG-O	440,900	0.00	130,800	0.00
31. Data Processing Charges	SEG-O	1,684,700	0.00	2,421,200	0.00
32. State Patrol Radio Coverage Expansion	SEG-O	415,400	0.00	542,000	0.00
33. State Patrol Radio Infrastructure	SEG-O	0	0.00	1,052,200	0.00
34. State Patrol Fleet Inflation	SEG-O	147,700	0.00	267,700	0.00
35. Rent Adjustments	SEG-O	45,000	0.00	210,000	0.00
TOTAL OF ITEMS NOT APPROVED	SEG-F	969,400	0.00	1,069,400	0.00
	SEG-O	7,916,500	21.00	14,987,100	21.00