



The WisDOT Connector *Express*

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Governor Doyle unveils budget plan – transportation initiatives

Governor Jim Doyle's proposed 2007 – 2009 state budget calls for record investments in transportation as part of ongoing efforts to support economic growth and public safety. Along with continuing progress on southeast freeways, the budget plan addresses the statewide highway system, airports, railroads, harbors and mass transit.

Transportation initiatives:

- \$245 million for design, real estate and utility relocation for the I-94 North/South corridor between the Mitchell Interchange and the Illinois state line.
- \$24 million and 25 positions to begin engineering/environmental study for reconstruction of the Zoo Interchange in Milwaukee.
- An additional \$66 million over the biennium to provide inflationary increases for state highway maintenance and account for growth of the system.
- 2% inflationary increase each year for state highway rehabilitation, plus an additional \$6 million in the first year and \$18 million in the second year.
- 2% inflationary increases each year for aeronautics, mass transit and local aid programs.
- 1.5% inflationary increase each year for the Major Highway Program.
- \$22 million in increased bonding authority to support freight rail improvements.
- \$2.8 million to support Amtrak's Hiawatha service between Milwaukee and Chicago to include an additional rail car for each trip to enhance capacity.
- \$1 million for Kenosha/Racine/Milwaukee commuter rail preliminary engineering.
- Increase borrowing authority from \$48 million to \$80 million for Milwaukee-to-Madison passenger rail.
- \$12.7 million in new bonding authority to support harbor improvements
- \$22 million to support implementation of the federal REAL ID law funded through a \$10 federal security verification fee for driver licenses and ID cards.
- Funds to support Safe Routes to School, State Patrol equipment, fuel and facility needs.

Revenue initiatives:

To help address statewide transportation needs, the budget plan proposes the following revenue initiatives:

- An oil company assessment of 2.5% on motor fuel suppliers' gross receipts resulting from sales in Wisconsin. The assessment would not be made on ethanol or biodiesel producers, and would generate about \$270 million over the biennium for the transportation fund.
- A proposed \$20 increase in passenger vehicle registration fees from \$55 to \$75 beginning October 1, 2007. Registration fees for light trucks would also increase. These changes would generate about \$170 million for the state transportation fund.

Over the next several months, the Legislature's Joint Committee on Finance will review the entire state budget proposal before it goes before the state Assembly and Senate for a vote. The Governor will then have an opportunity to make veto changes and sign the budget into law. The state's current fiscal year ends at the end of June.

WisDOT Secretary addresses Congressional committee. Busalacchi wary of Public Private Partnerships to fund national highway needs

On February 13th, WisDOT Secretary Frank Busalacchi addressed the U.S. House Subcommittee on Highways and Transit regarding the feasibility of Public Private Partnerships (P3's). Busalacchi serves on the National Surface Transportation Policy and Revenue Study Commission that is considering a number of proposals to fund our nation's long-term transportation needs. Some states such as Indiana and Illinois, have entered long-term leases with private-sector investment firms in exchange for large up-front payments. The private firms then assume operation of the freeway segment and recoup their investments via toll revenues. Noting that P3's will not be able to generate sufficient revenues to meet national system-wide transportation needs, Busalacchi called upon the federal government to assume a stronger leadership role in transportation rather than allowing more public infrastructure to be turned over to private entities.

COMING UP

April 24, 2007 First Annual Tribal Transportation Conference, Radisson Hotel and Convention Center, Green Bay

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