

## Fiscal Estimate - 2005 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-3402/1</b>	<b>Introduction Number</b> <b>AB-678</b>	
<b>Subject</b>		
Changes to raw forest products fruits and vegetables overweight vehicle permit; creating surcharge; requiring raw forest products transporters to keep records		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
<b>Local:</b>		
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b>		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS 20.395 (3)(eq)		
<b>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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## Fiscal Estimate Narratives

DOT 1/17/2006

LRB Number	<b>05-3402/1</b>	Introduction Number	<b>AB-678</b>	Estimate Type	<b>Updated</b>
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### Assumptions Used in Arriving at Fiscal Estimate

This is the same as the fiscal estimate submitted on October 6, 2005. The only difference is the Department has now completed the process for soliciting information for and completed a highway impact study for this bill as required by s. 13.096(2), Stats. The complete study is attached under the long-range fiscal implications section below. The study considers Assembly Substitute Amendment 1 as offered by the prime authors 11/29/05 and concludes there will be increased costs as follows:

#### "CONCLUSION

The impact of this bill on bridges is substantial. The potential costs suggest a need for further refinement of the legislative intent and may benefit from further study of the range of benefits and costs associated with such a change. Information about the economics of the industry and impacts of this change on the industry's future as well as the feasibility of approaches to constrain cost impacts would be useful in better assessing the public benefits and costs of allowing increased weights.

It is expected that public costs will increase as a result of this bill. Further clarity or refinement of important details related to the specific definition of raw forest products, amounts of freight impacted and the routes (origins and destinations) for that freight, and expectations with regard to axle weights and spacings would affect the analysis. The issues and inter-relationships between economic impacts, truck configurations, expected compliance levels and enforcement constraints, and impacts on the public infrastructure, operational and safety issues, suggest that it may be appropriate to establish a special study, task force, or Legislative Council study to move forward any initiative to address these weight issues."

The bill expands exceptions allowed through permits to the statutory weight limits on public roadways. The expansion adds "intermediary lumber" to the raw forest products exception. No statutory definition is provided, nor is a common usage definition available for intermediary lumber. It is assumed to include only raw forest products that have been cut to dimensional lumber without any other treating or processing. It is further assumed the amount of this type of freight within Wisconsin is significant and represents a substantial increase in the number of loads transported in excess of statutory weight limits.

It is assumed weights in excess of statutory limits disproportionately increase the damage to roads and bridges, increasing public costs to construct, operate, and maintain those roads and bridges. While this bill proposes to increase the number of axles for vehicles operating under this exception as a means of mitigating a portion of the additional damage to roads and bridges, the axle spacings allowed under the bill do not meet the requirements of the federal formula used to determine whether the load is effectively spread over the axles used. It is assumed the additional weights will result in greater damage to roadways and bridges.

The bill provides a mechanism to allow prosecutors to use mandatory records retained by truckers. This approach is significantly different than the approach used in Minnesota. It is assumed this mechanism will have no significant deterrent effect on those operators choosing to operate in excess of legal or permitted weight limitations. The lack of an effective method of improving compliance is assumed to increase the existing concern over substantial damages caused by operators ignoring the weight limits in order to gain financially since the relatively small risk of being penalized for operating over weight. It is further assumed

the increased weight allowance and the additional axle will encourage both heavier and perhaps more illegal loads.

### **Long-Range Fiscal Implications**