

A

SUMMARY
JOINT COMMITTEE ON FINANCE
GPR APPROPRIATION STATUS
(Incorporating Committee Actions thru September 14, 2000)

	<u>1999-00</u>	<u>2000-01</u>	<u>1999-01</u> <u>Biennium</u>	<u>Releases</u> <u>to Date</u>	<u>Remaining</u> <u>Reserve</u>
Current Biennial Appropriation Amount [s. 20.865(4)(a)]	\$20,986,550	\$87,204,500	\$108,191,050	N.A.	N.A.
<u>Reserved For:</u>					
DOA -- Operation Fresh Start Project Funding	\$232,000	\$232,000	\$464,000	\$464,000	\$0
DOA -- Federal Surplus Property Grant	0	100,000	100,000	100,000	0
DOC -- Contract Beds Funding	13,799,000	44,834,400	58,633,400	43,047,600	15,585,800
DOC -- Community Corrections Funding	1,100,000	1,100,000	2,200,000	2,200,000	0
DOC -- Funds for Inmate Work Centers	1,299,600	3,067,000	4,366,600	1,299,600	3,067,000
DOC -- Sex Offenders Registry Web Site Development	331,100	0	331,100	0	331,100
DOC -- Salary Shortfalls	0	3,393,600	3,393,600	0	3,393,600
Elections Bd. -- WECF Grant Funding	0	870,000	870,000	0	870,000
DHFS -- MA Targeted Case Management	0	21,495,300	21,495,300	21,495,300	0
DHFS -- Funding for Rainbow Successor	1,000,000	0	1,000,000	500,000	500,000
DHFS -- Mendota MHI Body Alarms	233,000	0	233,000	233,000	0
DHFS -- Registry of Lead-Free or Lead-Safe Properties	0	520,000	520,000	520,000	0
Miscellaneous Appropriations -- Historically Significant Furnishings	400,000	0	400,000	400,000	0
Public Land Sales Reserve (see attached summary sheet)	650	0	650	0	650
DOR -- Funding for IT Systems Development	0	5,701,000	5,701,000	5,701,000	0
UW -- Funding for Increased Enrollment	0	3,800,000	3,800,000	3,800,000	0
DWD -- Additional KIDS Budget Funding	2,000,000	2,000,000	4,000,000	2,000,000	2,000,000
Reserved Balance	\$20,395,350	\$87,113,300	\$107,508,650	\$81,760,500	\$25,748,150
<u>Releases from Reserved Balance</u>					
DOA -- Operation Fresh Start Project Funding (12/21/99)	\$225,500	\$0	\$225,500		
DOA -- Operation Fresh Start Project Funding (9/14/00)	0	238,500	238,500		
DOA -- Federal Surplus Property Grant (7/12/00)	0	100,000	100,000		
DOC -- Contract Beds Funding (12/21/99)	9,613,500	26,581,500	36,195,000		
DOC -- Contract Beds (Monitoring Staff) (12/21/99)	291,000	493,300	784,300		
DOC -- Contract Beds (Planning and Institutional Staff) (12/21/99)	103,500	447,100	550,600		
DOC -- Contract Beds Funding (to DMA) [(7/12/00) Item VI]	105,300	0	105,300		
DOC -- Contract Beds Funding [(7/12/00) Item XVII]	2,677,900	0	2,677,900		
DOC -- Contract Beds Funding [(7/12/00) Item XX]	269,800	0	269,800		
DOC -- Contract Beds Funding (Return females) [(9/14/00) Item IV]	0	1,324,400	1,324,400		
DOC -- Contract Beds Funding (IT) [(9/14/00) Item VI]	0	718,200	718,200		
DOC -- Contract Beds Funding (Fox Lake Ed.) [(9/14/00) Item VII]	0	422,100	422,100		
DOC -- Community Corrections Funding (12/21/99)	1,100,000	0	1,100,000		
DOC -- Community Corrections Funding [(7/12/00) Item XX]	0	1,100,000	1,100,000		
DOC -- Funds for Inmate Work Centers [(7/12/00) Item XVIII]	1,231,600	0	1,231,600		
DOC -- Funds for Inmate Work Centers [(7/12/00) Item XX]	68,000	0	68,000		
DHFS -- Mendota MHI Body Alarms (12/21/99)	233,000	0	233,000		
DHFS -- MA Targeted Case Management (12/21/99)	0	21,495,300	21,495,300		
DHFS -- Rainbow Successor (Westside Healthcare Assoc) (3/2/00)	500,000	0	500,000		
DHFS -- Registry of Lead-Free or Lead-Safe Properties (6/30/00 Letter)	0	520,000	520,000		
Misc. Appropriations -- Historically Significant Furnishings (9/16/99)	400,000	0	400,000		
DOR -- Funding for IT Systems Development (7/12/00)	0	5,701,000	5,701,000		
UW -- Funding for Increased Enrollment (12/21/99)	0	3,800,000	3,800,000		
DWD -- Additional KIDS Budget Funding (5/3/00)	2,000,000	0	2,000,000		
Total Releases	\$18,819,100	\$62,941,400	\$81,760,500		
Remaining Reserved Balance	\$1,576,250	\$24,171,900	\$25,748,150		
Net Unreserved Balance Available	\$591,200	\$91,200	\$682,400		
<u>Releases from Unreserved Balance</u>					
DOA -- Funding for Additional ADAs (5/3/00)	\$0	\$235,300	\$235,300		
DOC -- Parole Commission Funding (5/3/00)	30,000	0	30,000		
Elections Bd -- Software Conversion Consultant (7/12/00)	0	35,000	35,000		
HEAB -- Position Salaries (9/16/99)	16,000	0	16,000		
HEAB -- Funding of Act 9 Positions (5/3/00)	15,500	28,400	43,900		
Legislative Technology Services Bureau (12/21/99)	67,900	173,600	241,500		
Director of State Courts -- Research Staff (5/3/00)	16,000	24,000	40,000		
Total Releases	\$145,400	\$496,300	\$641,700		
Net Unreserved Balance Remaining	\$445,800	(\$405,100)	\$40,700		
TOTAL AVAILABLE					
(Net Reserved & Unreserved Balances Remaining)	\$2,022,050	\$23,766,800	\$25,788,850		

SUMMARY
 JOINT COMMITTEE ON FINANCE
 PR APPROPRIATION STATUS
 (Incorporating Committee Actions thru September 14, 2000)

	<u>1999-00</u>	<u>2000-01</u>	<u>1999-01 Biennium</u>	<u>Releases to Date</u>	<u>Remaining Reserve</u>
Current Biennial Appropriation Amount [s. 20.865(4)(g)]	\$956,000	\$2,191,500	\$3,147,500		
<u>Reserved For:</u>					
DOA -- Gaming Revenues for State Aid Program	\$500,000	\$500,000	\$1,000,000	\$500,000	\$500,000
DHFS -- BadgerCare Premiums for Native Americans	300,000	400,000	700,000	0	700,000
PSC -- Remodeling of Attorney Office Space	84,000	0	84,000	84,000	0
R&L -- Funding for IT Consultants	72,000	72,000	144,000	0	144,000
DOR -- Funding for IT Systems Development	0	1,219,500	1,219,500	1,219,500	0
	<hr/>				
Reserved Balance	\$956,000	\$2,191,500	\$3,147,500	\$1,803,500	\$1,344,000
 <u>Releases from Reserved Balance</u>					
DOA -- Gaming Revenues for State Aid Program (5/3/00)	\$500,000	\$0	\$500,000		
PSC -- Remodeling of Attorney Office Space (12/16/99 -- s. 16.515)	84,000	0	84,000		
DOR -- Funding for IT System Development (7/12/00)	0	1,219,500	1,219,500		
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Total Releases	\$584,000	\$1,219,500	\$1,803,500		
Remaining Reserved Balance	\$372,000	\$972,000	\$1,344,000		

SUMMARY
JOINT COMMITTEE ON FINANCE
FED APPROPRIATION STATUS
(Incorporating Committee Actions thru September 14, 2000)

	<u>1999-00</u>	<u>2000-01</u>	<u>1999-01</u> <u>Biennium</u>	<u>Releases</u> <u>to Date</u>	<u>Remaining</u> <u>Reserve</u>
Current Biennial Appropriation Amount [s. 20.865(4)(m)]	\$115,219,000	\$10,000,000	\$125,219,000		
<u>Reserved For:</u>					
DWD -- Start-Up Funding For the Next W-2 Agency Contracts	\$3,519,000	\$0	\$3,519,000	\$3,519,000	\$0
DWD -- Contingency Fund	102,000,000	0	102,000,000	0	102,000,000
DWD -- Workforce Advancement and Attachment Funding	9,700,000	10,000,000	19,700,000	19,700,000	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Reserved Balance	\$115,219,000	\$10,000,000	\$125,219,000	\$23,219,000	\$102,000,000
<u>Releases from Reserved Balance</u>					
DWD-Workforce Advancement and Attachment Funding (12/21/99)	\$9,700,000	\$10,000,000	\$19,700,000		
DWD-Startup Funding for Next W-2 Agency Contracts	3,519,000	0	3,519,000		
	<hr/>	<hr/>	<hr/>		
Total Releases	\$13,219,000	\$10,000,000	\$23,219,000		
Remaining Reserved Balance	\$102,000,000	\$0	\$102,000,000		

SUMMARY
JOINT COMMITTEE ON FINANCE
SEG APPROPRIATION STATUS
(Incorporating Committee Actions thru September 14, 2000)

	<u>1999-00</u>	<u>2000-01</u>	<u>1999-01</u> <u>Biennium</u>	<u>Releases</u> <u>to Date</u>	<u>Remaining</u> <u>Reserve</u>
Current Biennial Appropriation Amount [s. 20.865(4)(u)]	\$2,397,300	\$11,267,100	\$13,664,400		
<u>Reserved For:</u>					
DATCP -- Pesticide Database Development	\$400,000	\$0	\$400,000	\$0	\$400,000
PSC -- Universal Service Fund for 2000-01	0	8,000,000	8,000,000	6,900,000	1,100,000
TEACH Board -- Funds for Access Grants	1,997,300	3,267,100	5,264,400	0	5,264,400
	<hr/>				
Reserved Balance	\$2,397,300	\$11,267,100	\$13,664,400	\$6,900,000	\$6,764,400
 <u>Releases from Reserved Balance</u>					
PSC -- Universal Service Fund for 2000-01	\$0	\$6,900,000	\$6,900,000		
	<hr/>				
Total Releases	\$0	\$6,900,000	\$6,900,000		
 Remaining Reserved Balance	 \$2,397,300	 \$4,367,100	 \$6,764,400		

SUMMARY

DETAIL OF JOINT FINANCE COMMITTEE APPROPRIATED LEVELS
Status as of September 14, 2000

	<u>1999-00</u>	<u>2000-01</u>	<u>1999-01</u> <u>Biennium</u>
20.865(4)(a) Appropriation Total Summary - GPR			
Act 4	\$400,000	\$0	\$400,000
Act 9 (Biennial Budget)	20,254,800	83,790,900	104,045,700
Act 52	0	(500,000)	(500,000)
Act 113	0	520,000	520,000
Proceeds from Sale of Public Land--Winnebago Cty. Easement (Dec. 1999)	650	0	650
Transfer from DOC appropriation s. 20.410(1)(b) [7/12/00]	331,100	0	331,100
Transfer from DOC appropriation s. 20.410(1)(b) [9/14/00]	0	3,393,600	3,393,600
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Current Total	\$20,986,550	\$87,204,500	\$108,191,050
20.865(4)(g) Appropriation Total Summary - PR			
Act 9 (Biennial Budget)	\$956,000	\$2,191,500	\$3,147,500
20.865(4)(m) Appropriation Total Summary - FED			
Act 9 (Biennial Budget)	\$115,219,000	\$10,000,000	\$125,219,000
20.865(4)(u) Appropriation Total Summary - SEG			
Act 9 (Biennial Budget)	\$2,397,300	\$11,267,100	\$13,664,400

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

316 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-8535



ASSEMBLY CHAIR
JOHN GARD

315 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-2343

JOINT COMMITTEE ON FINANCE

MEMORANDUM

TO: Members
Joint Committee on Finance

FROM: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

SUBJECT: Mail Ballot Addressing Gubernatorial Partial Veto of Certain Action Taken at the
Committee's December 19, 2000, Meeting Under S. 13.10

DATE: January 17, 2001

On December 19, 2000, the Joint Committee on Finance met under s. 13.10 to consider several state agency requests. Among the items approved by the Committee were the following:

Department of Transportation. Replace the part of DOT's proposed federal expenditure plan transferring funds from highway construction programs to the section 402 safety program with the following adjustments: (a) delete \$450,000 FED from the state highway rehabilitation program; (b) delete \$150,000 FED from the local transportation facility improvement assistance program; (c) delete \$37,500 SEG-L from the local transportation facility improvement assistance program; (d) provide \$300,000 FED for grants for safe rider programs that arrange a ride home for intoxicated persons; and (e) provide \$300,000 FED for programs that serve as alternatives to incarceration for OWI offenders. In addition, direct DOT, in consultation with the Department of Corrections, to consider the pretrial intoxicated driver program as one option for using the funds under "e" above.

Department of Corrections. Require the Department of Corrections to provide public access to all records related to health care services, including final mortality reviews, in its possession.

On January 11, 2001, Governor Thompson signed the minutes, approving the Committee's actions, but in doing so, vetoed the following actions of the Committee:

Department of Transportation. The Governor's partial veto deleted the alternative treatment of funds transferred from the highway construction program to the section 402 safety program adopted by the Committee, thereby restoring the treatment of these funds contained in the Department's plan.

Department of Corrections. The Governor's partial veto deleted the provision that would have required the Department of Corrections to provide public access to all records, related to health care services, including final mortality reviews, in its possession.

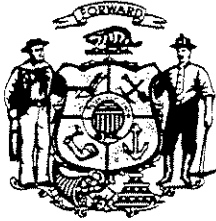
The Governor's objections were received by the Committee on January 12, 2001. Attached to this memorandum are copies of the Governor's veto message, those portions of the minutes which were vetoed, and the signature page of the minutes of the December 19, 2000, meeting.

Pursuant to s. 13.10(4) of the statutes, we are conducting a mail ballot to determine if the Committee's December 19, 2000, action on these matters should be upheld, regardless of the Governor's veto.

Please indicate your vote on the questions set forth on the accompanying ballots and return the ballots to our offices by noon on Friday, January 26.

BB:JG:dh

Attachments
Enclosures



TOMMY G. THOMPSON

Governor
State of Wisconsin

January 11, 2001

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
316 South, State Capitol
Madison, WI 53702

The Honorable John Gard, Co-Chair
Joint Committee on Finance
315 North, State Capitol
Madison, WI 53702

Dear Senator Burke, Representative Gard and Members:

Attached are the signed minutes of the December 19, 2000, section 13.10, Wisconsin Statutes, meeting.

Pursuant to section 13.10(4), Wisconsin Statutes, I am objecting to the Committee's action under two items of the minutes.

Regarding Item II, the Joint Committee on Finance approved the Department of Transportation's (DOT) plan to adjust state fiscal year 2000-01 appropriations to reflect the most recent estimates of federal funds appropriated to the department. In addition, Motion #350 redistributed the Federal Section 164 sanction funds so that \$4,298,100 FED would be transferred to the Hazard Elimination Safety Program and \$600,000 FED transferred to the Alcohol Safety Program (Section 402). Within the Alcohol Safety Program, the Committee directed the department to use \$300,000 FED for grants to safe rider programs and \$300,000 FED for programs that serve as alternatives to incarceration for operating while intoxicated (OWI) offenders.

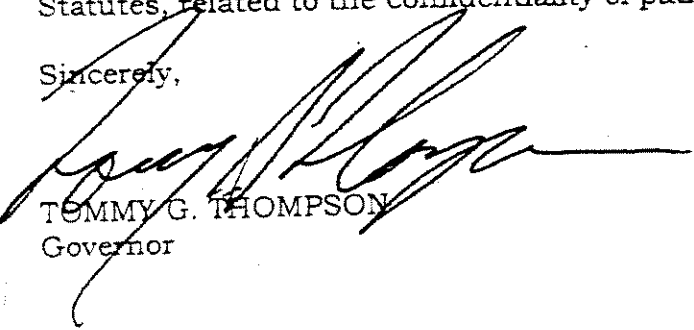
Preliminary data suggest that over 35 percent of the state's record number of traffic fatalities in 2000 were alcohol related. I object to the transfers required under Motion #350 because reducing the level of funding for the Alcohol Safety Program from what the department proposed would be counter to the state's efforts to reduce alcohol related traffic fatalities. In addition, 1999 Wisconsin Act 109 requires DOT to work in cooperation with the Department of Corrections and the Department of Health and Family Services to study alternatives for repeat OWI offenders. It would be premature to require the implementation of programs that serve as alternatives to incarceration for OWI offenders at this time without the completion of this study. Once a complete evaluation is accomplished, DOT will be better prepared to reallocate the Alcohol Safety Program funds.

The Honorable Brian Burke
The Honorable John Gard
Page Two
January 11, 2001

Regarding Item VIII, the Joint Committee on Finance approved a one-year extension of the contract between the Department of Corrections (DOC) and the Corrections Corporation of America, and Motion #324 to require DOC to provide public access to all records related to health care services, including final mortality reviews, in its possession.

I object to the directive to provide public access to all records related to health care services, including final mortality reviews, because the directive is too broad and conflicts with existing state laws under sections 146.82 and 146.38, Wisconsin Statutes, related to the confidentiality of patient medical records.

Sincerely,



TOMMY G. THOMPSON
Governor

Moved by Senator Cowles and seconded by Representative Gard to direct the Department of Transportation to hold \$9,100,000 in reserve in the transportation fund for future appropriation by the Legislature for infrastructure improvements associated with the redevelopment of Lambeau Field.

Ayes, 11; Noes, 5 [Decker, Shibilski, Plache, Ward, Huber]

Moved by Senator Plache and seconded by Senator Shibilski to modify DOT's proposed 2001 federal expenditure plan, as adopted above, as follows: (a) reduce the amount provided to the local transportation facility improvement assistance appropriation by \$136,600 FED; (b) provide \$136,600 FED for the local bridge improvement assistance appropriation; (c) reduce the SEG appropriation for highway and local bridge improvement assistance by \$136,600; and (d) provide \$136,600 SEG for the lift bridge aid appropriation. Specify that these adjustments shall not be considered part of the base for purposes of preparing the 2001-03 budget.

Ayes, 10; Noes, 6 [Gard, Kaufert, Albers, Duff, Ward, Huebsch]

~~Moved by Senator Decker and seconded by Senator Moore to replace the part of DOT's proposed federal expenditure plan transferring funds from highway construction programs to the section 402 program with the following adjustments: (a) delete \$450,000 FED from the state highway rehabilitation program; (b) delete \$150,000 FED from the local transportation facility improvement assistance program; (c) delete \$37,500 SEG-L from the local transportation facility improvement assistance program; (d) provide \$300,000 FED for grants for safe rider programs that arrange a ride home for intoxicated persons; and (e) provide \$300,000 FED for programs that serve as alternatives to incarceration for OWI offenders.~~

Vetoed
in Part

TGT

~~In addition, direct DOT, in consultation with the Department of Corrections, to consider the pre-trial intoxicated driver program as one option for using the funds under "e" above.~~

Vetoed
in Part

TGT

~~Ayes, 9; Noes, 7 [Burke, Cowles, Darling, Gard, Kaufert, Huebsch, Ward]~~

Vetoed

in Part
TGT

Moved by Representative Huber and seconded by Representative Kaufert to make the following changes to reflect the transfer of funds from the hazard elimination safety program to the section 402 program: (a) delete \$225,000 FED from the state highway rehabilitation program; (b) delete \$75,000 FED from the local transportation facility improvement assistance program; (c) delete \$18,800 SEG-L from the local transportation facility improvement assistance program; and (d) provide \$300,000 FED for grants to local governments for additional prosecutors for OWI cases.

In addition, specify that the Department shall spend the amount allowed by the federal government for the purposes specified under "d" above, up to a maximum of \$300,000. Specify that any portion of the \$300,000 FED that DOT is not allowed to use for the purposes specified under "d" above shall be used by the Department for the hazard elimination safety program.

Ayes, 10; Noes, 6 [Decker, Cowles, Darling, Gard, Albers, Huebsch]

(s.20.410(2)(a)) to fund salary and supplies and services costs. In addition, require the Parole Commission and the Department of Corrections to jointly report to the Committee by March 15, 2001, regarding: (a) the current status of Parole Commission's 2000-01 budget; (b) actions that have jointly been taken to effectively and efficiently administer the Parole Commission within the budgetary and personnel resources provided to the Commission in 2000-01; and (c) additional measures that will be jointly taken in the future to assist the Commission with budgetary planning and monitoring.

Ayes, 16; Noes, 0

VIII. Department of Corrections

Moved by Senator Burke and seconded by Representative Gard to approve a one-year extension of the contract between the Department of Corrections and the Corrections Corporation of America (CCA), from December 22, 2000, to December 21, 2001, with the following modifications: (a) modify Section 3 of the current contract with CCA to specify that the rates charged by CCA will be \$44 per day beginning December 22, 2000; and (b) specify that the transfer of inmates to CCA facilities other than those approved in Section 3 of the current contract is prohibited without prior approval by the Committee through a contract modification. Further, specify that, pursuant to authority granted to the Co-chairs by the Committee at the December 21, 1999, s.13.10 meeting, the Co-chairs certify the release of \$1,660,600 GPR from the unallotted reserve funding in Corrections' correctional contracts and agreements appropriation (s.20.410(1)(ab)) to support increased contract costs for the remainder of 2000-01.

Ayes, 11; Noes, 5 [Jauch, Moore, Shibilski, Plache, Riley]

Moved by Senator Moore and seconded by Senator Burke to direct that the Corrections Corporation of America (CCA) contract with the Department of Corrections be amended to include a provision to require CCA to provide the Department with copies of all internal audits, including operational, security, health care services and financial audits, upon completion of the audits. Require the Department of Corrections to provide public access to all internal audits provided to the Department by CCA.

Ayes, 7; Noes, 9 [Decker, Cowles, Darling, Gard, Kaufert, Albers, Ward, Huebsch, Duff]

~~Moved by Senator Moore and seconded by Senator Burke to require the Department of Corrections to provide public access to all records related to health care services, including final mortality reviews, in its possession~~

~~Ayes, 9; Noes, 7 [Cowles, Darling, Kaufert, Albers, Duff, Ward, Huebsch]~~

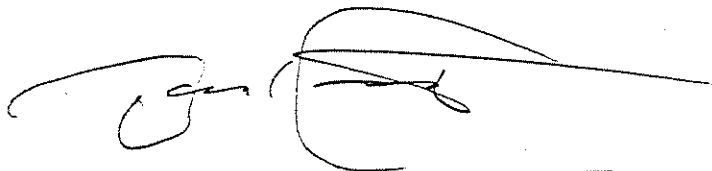
Vetoed
in Part

Vetoed
in Part

F. State Fair Park Energy Efficiency Project	Administration (Energy)	50,000
G. Development of Bio-Industrial Lubricants	Administration (Energy)	30,000
H. Energy Program Management	Administration (Energy)	<u>9,208*</u>
TOTAL		\$821,498

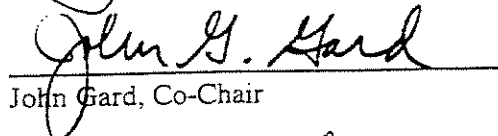
**Plus all future interest accruals.*

The following report was received by the Committee: Department of Administration's Position Report required under s. 16.50 (June 30 - September 30, 2000)



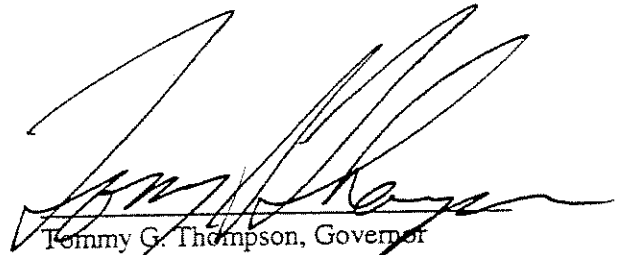
Daniel Caucutt, Secretary

Date: January 9, 2001



John Gard, Co-Chair

Date: January 9, 2001



Tommy G. Thompson, Governor

Date: January 11, 2001

13.10 Meeting
December 19, 2000
Agenda Item I

Issue: Transportation - DU and GB Packers License Plates Recommendation:

Comments:

No big deal either way. DOT is, however, getting annoying in their constant complaints and requests for more money to make specialized license plates.

Staff Recommendation: Alternative 1 (note: alt 2 also ok)

Prepared by: Barry



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

December 19, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Transportation: Section 13.10 Request for Funding to Produce Ducks Unlimited and Green Bay Packers License Plates -- Agenda Item I

REQUEST

The Department of Transportation requests \$231,700 in the appropriation for the Division of Motor Vehicles to reimburse the Division for the cost of producing a Ducks Unlimited license plate and a Green Bay Packers license plate, as created by 1999 Acts 92 and 167, respectively.

BACKGROUND

1999 Act 92 required DOT to issue a special license plate to persons interested in obtaining a plate supporting Ducks Unlimited, Inc. and its conservation efforts in the United States, Canada and Mexico. Similarly, 1999 Act 167 required DOT to issue a plate to persons interested in expressing their support of a professional football team whose home stadium is in Wisconsin, which is the Green Bay Packers. Both acts established a \$15 issuance and reissuance fee for the plates and an annual \$25 fee, in addition to the regular registration fee, which generates revenue for, respectively, Ducks Unlimited, Inc. and the maintenance and operating costs of the football stadium district associated with the plate (the Green Bay-Brown County Professional Football Stadium District). Not all of the revenue generated by the \$25 fees, however, is used for these purposes. Act 92 allows DOT to deduct from the revenue generated by the \$25 fee the Department's initial cost of producing the Ducks Unlimited plate or \$196,700, whichever is less. Act 167 allows DOT to deduct from the revenue generated by the \$25 fee the Department's initial data processing costs associated with the plate, or \$35,000, whichever is less. In addition, Act 167 establishes an appropriation to pay the licensing costs associated with the use of the team name or symbol using the revenue generated by the \$25 fee.

While both acts allow DOT to retain revenue equal to certain costs associated with producing the plates, this revenue is deposited in the transportation fund, but not credited to the appropriation for the Division of Motor Vehicles, from which these costs are funded. DOT's request would provide funding in DMV's appropriation equal to the maximum amount that DOT is allowed to deduct under the two acts for initial production costs, which would be provided from the current transportation fund balance.

The amounts that the two acts allow DOT to deduct for initial production costs are based on the Department's estimates of the data processing costs of producing the two plate types. The Department's estimate of initial data processing costs associated with the Green Bay Packers plate is \$35,000, while the estimated initial cost of producing the Ducks Unlimited plate is \$197,300 (slightly higher than the maximum amount allowed to be deducted under the act), of which \$191,600 is associated with data processing. The Department indicates that the data processing costs associated with the Packers plate are lower than the costs associated with the Ducks Unlimited plate because much of the work required to establish the Packers plate was done when the sesquicentennial license plate was created, in anticipation that the Packers plate would eventually be created. Since the Ducks Unlimited plate was not anticipated, no preparatory work was done for this plate.

For other special license plates created by earlier legislation, it was assumed that the total cost of data processing and other initial production work was about \$35,000. The Department indicates that these earlier estimates were based on incorrect or outdated assessments of what tasks need to be performed, how many programming days are required to perform those tasks and the cost per day for programming. For instance, the earlier estimates are based on an average of \$266 per day for a contract programmer, which was the rate paid in 1995, but the current cost is about \$500 per day. Also, in the earlier estimates, DOT underestimated the number of systems that have to be modified in order to accommodate a new, revenue-producing plate. Furthermore, based on the experience of producing the celebrate children plate, the Department has determined that some steps in the programming process took longer to complete than was originally expected.

ANALYSIS

The Ducks Unlimited and Green Bay Packers plates are not expected to be ready for issuance until sometime after January and so no revenue from the \$25 fees has yet been collected. DOT indicates, however, that since the Department is currently incurring costs for producing the plates, the request would appropriate funds from the transportation fund balance (estimated to be \$22,413,700 at the end of 2000-01), rather than using revenue from the \$25 plate fees. By approving this request, the Committee would be substituting current transportation fund revenue for future revenues, in anticipation that enough plates would be sold to generate the required revenue.

In the case of the Ducks Unlimited plate, 7,868 plates would need to be sold (initial sales or renewals) to generate enough revenue to equal the amount of funding being requested. DOT's fiscal estimate for the Ducks Unlimited plate estimated that 10,000 plates would be sold during the first year. In the case of the Packers plate, about 1,573 plates would need to be sold (initial sales or renewals) to generate enough revenue to pay for the data processing and licensing costs. The football plate provision was inserted by amendment into the football stadium financing bill after that bill was introduced. Consequently, DOT did not prepare an estimate of the number of plates that would be sold for the bill. However, for other Green Bay Packers plate bills introduced last session and in previous sessions, DOT estimated that about 14,000 plates would be sold in the first year.

Both acts allow DOT to retain an amount of plate revenue equal to the Department's actual initial costs of production, not to exceed \$196,700 in the case of the Ducks Unlimited plate and not to exceed \$35,000 in the case of the Green Bay Packers plate. DOT has requested the maximum amounts in both cases because the Department assumes that the actual costs will exceed the maximums. DOT has thus far spent about \$140,000 on the Ducks Unlimited plate. The Department indicates that the process of testing modified subprograms to determine whether they work can be very time-consuming and has yet to begin. DOT has already spent \$53,900 on the Green Bay Packers license plate, which exceeds the maximum amount that DOT may deduct for its costs on that plate.

DOT indicates that if this request is not approved, DMV will have to delay other data processing projects, such as the implementation of other legislative changes and the redesign of the vehicle registration database and associated programs. DOT's 2001-03 budget request for the Division of Motor Vehicles includes a request for \$1,500,000 annually to accelerate the redesign of the Division's databases, which has been underway for several years. The Department has also requested \$660,900 in 2001-02 to implement recent legislation that modified motor vehicle laws. These requests were made on the assumption that funding would be provided for the creation of the two special plates. If the license plate funding request is not approved, programming projects that are currently underway or that would begin later this year may have to be delayed until next fiscal year. In that case, any new funding provided for data processing in the 2001-03 biennium would have to be used on delayed projects before new projects can begin.

ALTERNATIVES

1. Approve the Department of Transportation's request to provide \$231,700 for the Division of Motor Vehicles to reimburse the Division for incurred and anticipated costs of performing the data processing and other initial preparatory work for producing the Ducks Unlimited and Green Bay Packers special license plates.

ok also - 2. Deny the request.

Prepared by: Jon Dyck

NO# Act 1

BURKE	(Y)	N	A
JECKER	(Y)	N	A
JAUCH	(Y)	N	A
MOORE	Y	(N)	A
SHIBILSKI	(Y)	N	A
PLACHE	(Y)	(N)	A
COWLES	(Y)	N	A
DARLING	(Y)	N	A
GARD	(Y)	N	A
PORTER <i>Huels</i>	(Y)	N	A
KAUFERT	(Y)	N	A
ALBERS	Y	(N)	A
DUFF	(Y)	N	A
WARD	(Y)	N	A
HUBER	(Y)	N	A
RILEY	(Y)	N	A

AYE 14 NO 2 ABS _____

TRANSPORTATION

Green Bay Packers License Plate Sales Report

Motion:

Move to require DOT to prepare a report to the Joint Committee on Finance on the number of Green Bay Packers license plates sold and the amount of revenue generated for the Green Bay-Brown County Professional Stadium District in the first 12 months of plate issuance, 15 months after the Department begins issuing those plates.

Note:

DOT indicates that the Green Bay Packers license plates will be issued beginning in February, 2001.

MO# 314

BURKE	(Y)	N	A
1 DECKER	(Y)	N	A
2 JAUCH	(Y)	N	A
MOORE	(Y)	N	A
SHIBILSKI	(Y)	N	A
PLACHE	(Y)	N	A
COWLES	(Y)	N	A
DARLING	(Y)	N	A
GARD	(Y)	N	A
PORTER #absch	(Y)	N	A
KAUFERT	(Y)	N	A
ALBERS	(Y)	N	A
DUFF	(Y)	N	A
WARD	(Y)	N	A
HUBER	(Y)	N	A
RILEY	(Y)	N	A

AYE 16 NO 0 ABS

I. Department of Transportation – Robert J. Cook, Executive Assistant

The department requests an increase of \$231,700 SEG in one-time spending authority for the vehicle registration, inspection and maintenance, driver licensing and aircraft registration, state funds appropriation under s. 20.395(5)(cq). Of this amount, \$196,700 SEG is associated with processing and development fees related to the Ducks Unlimited, Inc., license plate authorized in 1999 Wisconsin Act 92 and \$35,000 SEG is associated with processing and development fees related to professional football teams (Green Bay Packers) license plate authorized in 1999 Wisconsin Act 167.

Governor's Recommendation

Approve the request.



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: December 15, 2000

To: Members, Joint Committee on Finance

From: George Lightbourn, Secretary
Department of Administration

Subject: Section 13.10 Request from the Department of Transportation for
Additional Expenditure Authority Related to Special License Plate
Issuances.

Request

The department requests an increase of \$231,700 SEG in one-time spending authority for the vehicle registration, inspection and maintenance, driver licensing and aircraft registration, state funds appropriation under s. 20.395(5)(cq). Of this amount, \$196,700 SEG is associated with processing and development fees related to the Ducks Unlimited, Inc., license plate authorized in 1999 Wisconsin Act 92 and \$35,000 SEG is associated with processing and development fees related to professional football teams (Green Bay Packers) license plate authorized in 1999 Wisconsin Act 167.

Background

1999 Wisconsin Act 92 enumerated a special group plate supporting Ducks Unlimited, Inc., and its conservation efforts in the United States, Canada and Mexico. Act 92 establishes a \$15 fee for the issuance or reissuance of Ducks Unlimited plates and a \$25 annual fee to be used as a tax-deductible contribution to Ducks Unlimited, Inc. It also allows DOT to retain an amount up to \$196,700, from the \$25 annual fee, for the costs of producing the plates (e.g., plate design and data processing). All remaining revenue generated by the \$25 fee is to be deposited in the conservation fund and credited to an appropriation in the Department of Natural Resources for making payments to Ducks Unlimited, Inc.

Similarly, 1999 Wisconsin Act 167 enumerated a special group plate for certain professional football teams (Green Bay Packers). In addition to a \$15 fee for the issuance or reissuance of the Green Bay Packers commemorative plate, Act 167 requires DOT to collect a \$25 annual fee to be deposited into a separate

appropriation for costs associated with National Football League licensing fees and the reconstruction of Lambeau Field. However, DOT is permitted to retain an amount up to \$35,000 from the \$25 annual fee for costs related to the license plates initial production.

Analysis

DOT is requesting a one-time increase of \$231,700 SEG in expenditure authority in fiscal year 2000-2001 since neither act made an appropriation to address processing and development costs. Without the additional expenditure authority, the department will have to absorb the initial production costs for each plate. This will cause other high priority data processing efforts to be delayed.

DOT indicates the plates described above are tentatively scheduled for issuance in late February or March of 2001. The estimated cost for developing the special Ducks Unlimited, Inc. license plate is \$197,300 SEG. Thus far, approximately \$140,000 SEG has already been utilized for data processing and initial plate design.

The initial cost for developing the commemorative Green Bay Packers plate was estimated at \$35,000 SEG. However, the department indicates it has already incurred data processing costs of approximately \$53,000 SEG. The additional costs have been incurred due to the programming requirements of the present database system and the need to incorporate these changes in the new database system being developed by the department.

Recommendation

Approve the request.

Prepared by: John M. Etzler
266-1039



Wisconsin Department of Transportation

www.dot.state.wi.us

Tommy G. Thompson
Governor

Terrence D. Mulcahy, P.E.
Secretary

Office of the Secretary
4802 Sheboygan Ave., Rm. 120B
P.O. Box 7910
Madison, WI 53707-7910

November 29, 2000

Telephone: 608-266-1113
FAX: 608-266-9912
E-Mail: sec.exec@dot.state.wi.us

The Honorable Brian Burke
Wisconsin State Senator
Joint Committee on Finance
316 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882

The Honorable John Gard
Wisconsin State Representative
Joint Committee on Finance
315 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952

Dear Senator Burke and Representative Gard:

Summary of Request

The Department of Transportation requests a one-time increase of \$231,700 of expenditure authority in appropriation 563 for FY 01. This request will provide budget authority to expend funds identified in two recent legislative acts: \$196,700 expenditure authority for the funding provided in 1999 Wisconsin Act 92, the special registration plate associated with Ducks Unlimited, Inc., and \$35,000 expenditure authority for the funding provided in 1999 Wisconsin Act 167, the special registration plate associated with certain professional football teams (Green Bay Packers). The funding covers the initial costs of license plate production and is derived from the contributions by purchasers of these special group license plates.

Background of Request

1999 Wisconsin Act 92 provides that the first \$196,700 from the \$25 contributions of the Ducks Unlimited special group license plate be retained by the Department of Transportation to cover the initial costs of license plate production. All additional proceeds from the donations go to the Ducks Unlimited, Inc., to fund conservation efforts.

Similarly, 1999 Wisconsin Act 167 provides that the first \$35,000 from the \$25 contributions of the Green Bay Packers special group license plate be retained by the Department of Transportation to cover the initial costs of license plate production. All additional proceeds from the donations, after payment of the NFL licensing fee, will be used by the football stadium district for stadium maintenance and operating costs.

Neither act provided authority for the Department to expend these funds. Without the additional expenditure authority, the Department is absorbing the initial production costs, especially data processing efforts, for these two special group plates within the current budget. Other high priority data processing efforts will need to be reduced to ensure the Department does not exceed established expenditure authority.

Senator Brian Burke
Representative John Gard
Page 2
November 29, 2000

The Department believes this was not the intent of the Legislature. The Department was charged with the task of undertaking the necessary activities to create the new special group license plates for Ducks Unlimited and the Green Bay Packers. Further, by specifically providing funding in Act 92 and Act 167, the initial production of these license plates is to be paid for by the two groups benefiting from the special group plate.

How the Request Meets Statutory Criteria

Act 92 and Act 167 provided funding for the initial cost of plate production for the Ducks Unlimited and Green Bay Packer special group license plates. By approving the Department's request for additional spending authority in appropriation 563, the intent of Act 92 and Act 167 will be accomplished.

Thank you for your consideration. Alice Morehouse, Director of the Office of Policy and Budget, 608/267-9618, will be happy to provide additional information the Committee may require.

Sincerely,


Terrence D. Mulcahy, P.E.
Secretary

TDM:kp

13.10 Meeting
December 19, 2000
Agenda Item II

Issue: DOT - Transportation Plan for Adjusting Federal Aid

Comments:

This could get confusing. I doubt the Alternatives will be approved as written in the FB paper.

Basically, the DOT plan is ok and should be used as a starting point.

The potential motions that I know about, which make adjustments to the DOT plan are as follows:

- \$9.1 million for Lambeau Field (Gard/Cowles)
- \$1 million added to base for R&R safety improvements (note: Kreunen says Cowles is still going to do this)
- \$137,000 for lift-bridge aid (Plache)

You also probably need to try and protect the \$8 million for GM in Janesville, although that project could be funded with bonds if people want to go that route.

The Hoan Bridge should also be talked about (i.e. bring up DOT to discuss the current situation and potential costs). However, no motion should be needed at this time.

Staff Recommendation:

Part A - Alternative 1 (note: any combination of sub-parts under alt 2 would also be ok)

Part B - Alternative 1 (note: alt 2 and alt 3 would also be ok)

Prepared by: Barry



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

December 19, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Transportation: Plan for Adjusting 2000-01 Appropriations for Additional Federal Aid
-- Agenda Item II

REQUEST

The Department of Transportation requests 2000-01 appropriation increases to allocate \$41,696,800 in additional federal highway aid, as follows: (a) \$23,370,200 FED for state highway rehabilitation; (b) \$3,000,000 FED for major highway development; (c) \$473,300 FED for state highway maintenance; (d) \$1,696,300 FED for departmental management and operations; (e) \$8,000,000 FED for local roads for job preservation; (f) \$500,000 FED for rail passenger service; (g) \$4,148,900 FED for local transportation facility improvement assistance; and (h) \$508,100 FED for transportation enhancements. The Department requests that, of the amounts requested for these appropriations, the following amounts be added to the 2000-01 appropriation base: (a) \$15,243,100 for state highway rehabilitation; (b) \$4,573,000 for local transportation facility improvement assistance; and (c) \$508,100 for transportation enhancements.

In addition, the Department requests appropriation increases to reflect increases in nonhighway federal funds, as follows: (a) \$28,900,000 FED for aeronautics assistance; and (b) \$15,488,800 FED for transit and demand management. The Department requests that all of the requested aeronautics funding and \$6,500,000 of the funding requested for transit and demand management be added to the 2000-01 appropriation base.

Finally, the Department requests local funds appropriation increases to reflect the local match for programs that require such a match, as follows: (a) \$3,354,000 SEG-L for local transportation facility improvement assistance; (b) \$100,000 SEG-L for transportation enhancements; and (c) \$1,445,000 SEG-L for aeronautics assistance. The Department requests that \$829,800 of the

amount requested for local transportation facility improvement assistance and the full amount requested for the other two local funds appropriations be added to the 2000-01 appropriation base.

BACKGROUND

Current law requires the Department of Transportation to submit a plan to the Joint Committee on Finance for adjusting the Department's appropriations if federal transportation aid received by the state differs from the amounts estimated for the state biennial budget by more than 5%.

After the plan is submitted, the Co-chairs of the Committee are required to jointly determine if the plan is complete. Upon that finding, the Committee may meet to review the plan within the following 14 calendar days. The Committee may either approve or modify and approve the plan at that meeting. The Secretary of DOT is required to implement the plan approved by the Committee. If, within 14 calendar days, no meeting is held or the Committee does not approve a plan at a meeting, the Secretary of DOT is required to implement the plan initially submitted, if that plan has been found to be complete. The Co-chairs have scheduled this item for the Committee's December 19 meeting.

The biennial budget act for 1999-01 (Act 9) estimated that the state would receive \$503,600,000 in the portion of federal highway funds that is distributed by formula. Due to an increase in federal motor fuel tax collections above what had been estimated, the amount that Wisconsin will receive in federal highway formula funds in 2001 is \$530,888,800, which exceeds the Act 9 estimate by \$27,288,800. The state will also receive additional, nonformula federal highway funds, either in the form of discretionary grants awarded by the Federal Highway Administration or grants for specific projects earmarked in the appropriations act. These nonformula funds raise the total amount that the state will receive in 2001 by another \$13,372,600, to a total of \$544,261,400. This total exceeds the estimates of federal highway aid reflected in the Chapter 20 schedule (formula and nonformula amounts) for 2000-01 by 8.0%. The amount of formula funds that the state will receive exceeds the Chapter 20 amounts by 5.4%. By both measures, DOT is required to submit a plan adjusting appropriations to account for the additional federal funds.

Some of DOT's federal appropriations reflect federal highway formula funds as well as either nonformula federal highway funds (discretionary grants or earmarked funds) or nonhighway federal funds (such as federal traffic safety funds). DOT's plan reflects different assumptions about the amount of federal formula funds that are in these appropriations than the Legislature intended with the passage of Act 9, and so reports that the amount of highway formula funds reflected in the appropriation schedule is \$502,564,600. The plan allocates an amount equal to the difference between the amount of formula funds the state will receive, or \$530,888,800, and the assumed base of \$502,564,600. This difference is \$28,324,200. Since the plan was submitted, the Department has agreed that the intended amount of federal highway formula funds reflected in the appropriation schedule is \$503,600,000. Making this correction reduces the amount of new formula funds that are available to be allocated by the plan by \$1,035,400 to \$27,288,800. In the section of this

memorandum that describes the plan, DOT's plan is modified to allocate the corrected amount, using the same methodology that the Department used in allocating the \$28.3 million.

DOT's plan also requests increases to certain appropriations to allocate additional federal aid from other sources. These increases reflect funds that the state will receive for: (a) discretionary highway grants; (b) grants for highway projects earmarked in the federal appropriations act; (c) federal airport aid; and (d) federal transit aid. Since these funds are received for a specific project or have only one corresponding state appropriation, there are generally no alternatives to DOT's plan for distributing these funds. (One exception, described in the final section of this memorandum, titled "Other Appropriation Adjustments" is the treatment of a \$4,000,000 earmarked grant for improvements on USH 10.) The following description and analysis only considers the portion of the plan allocating federal highway formula funds. The appropriation adjustments that do not allow any discretion by the Department or the Committee are described in a separate section at the end of this memorandum.

DESCRIPTION OF THE PLAN

DOT has proposed allocating \$28,324,200 in federal highway formula funds among five appropriations, as follows: (a) \$13,970,900 for the state highway rehabilitation program; (b) \$8,000,000 for the local roads for job preservation program; (c) \$4,148,900 for the local transportation facility assistance program; (d) \$1,696,300 for the departmental management and operations; and (e) \$508,100 for the transportation enhancements program.

The plan indicates that the \$8,000,000 for the local roads for job preservation program is requested to provide funding for a grant for the City of Janesville to make road improvements in the vicinity of the General Motors plant. The plan requests that 75% of the remaining \$20,324,200 be provided for programs with a state focus and the remaining 25% be provided for programs with a local focus, on the grounds that this was the distribution reflected in the 2000-01 appropriation schedule as passed in Act 9. Of the amount distributed to local programs, 10% was requested for the transportation enhancements program and 90% was requested for the local transportation facility improvement assistance program. In addition, because of a federal provision requiring the state to transfer highway construction funds to safety programs, a total of \$1,665,400 is transferred from the state highway rehabilitation (\$1,249,100) and the local transportation facility improvement assistance (\$416,300) appropriations to the departmental management and operations appropriation.

As noted above, the amount of new funds that is actually available for allocation is \$27,288,800, once the correction is made to reflect the intended Chapter 20 base for formula funds. The following table shows the distribution of this amount using the same methods applied by DOT in distributing the \$28,324,200. For purposes of comparison, the table shows all appropriations that receive federal highway funds, but only the amounts in the appropriations that reflect federal highway formula funds are shown. In addition, since some programs are funded with a combination of federal, state and, in the case of major highway development, bond funds, the all-funds program totals are shown as well. The final column shows the percentage increase that

would result for each program if this modified distribution is approved. Further references in this memorandum to DOT's plan for allocating formula funds will refer to the modifications to DOT's plan, as presented in this table.

**Allocation of Additional Federal Highway Formula Funds Under DOT's Plan
(Modified to Show Correct Act 9 Base)**

	<u>2000-01 Appropriations</u>		<u>Modified DOT Plan Changes</u>	<u>Percent Change to Total</u>
	<u>Federal</u>	<u>Program Total*</u>		
Rail Passenger Service	\$3,675,400	\$4,083,800	\$0	0.0%
Local Bridge Improvement	26,288,200	34,760,500	0	0.0
Local Transportation Facility Improvement	71,379,700	71,379,700	3,923,700	5.5
Transportation Enhancements	6,248,000	6,248,000	482,200	7.7
Railroad Crossing Improvement	3,549,300	4,249,300	0	0.0
Surface Transportation Grants	2,720,000	2,720,000	0	0.0
Congestion Mitigation/Air Quality Improvement	12,498,500	12,498,500	0	0.0
Local Roads for Job Preservation	0	0	8,000,000	N.A.
Major Highway Development	57,948,500	220,013,900	0	0.0
State Highway Rehabilitation	301,215,500	549,651,700	13,217,500	2.4
State Highway Maintenance	1,194,000	155,932,300	0	0.0
Highway Administration and Planning	5,300,000	24,731,000	0	0.0
Departmental Management and Operations	8,728,100	58,873,600	1,665,400	2.8
Motor Vehicle Emission Inspection and Maintenance	<u>2,854,800</u>	<u>10,736,500</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$503,600,000	\$1,155,878,800	\$27,288,800	2.4%

* Includes federal, state and bond funds, but not local matching funds.

ANALYSIS OF DOT'S FORMULA FUNDS PLAN

Local Roads for Job Preservation

The plan requests \$8,000,000 for the local roads for job preservation program to provide a grant to the City of Janesville for making road improvements in the vicinity of the General Motors plant on the south side of the City. The total cost of the improvements is estimated at \$13,524,500. However, the City has already received a federal grant of \$3,000,000 for the project. The improvements to be done with this grant, which requires no local match, are considered to be a separate project, so the total cost of the remaining improvements is \$10,524,500. Janesville would provide \$2,524,500 toward the project and the \$8,000,000 in federal funds would be used for the rest. Construction is scheduled to begin in calendar year 2001.

The local roads for job preservation program was created by 1999 Act 146. Under the program, DOT is authorized to make a total of \$10,000,000 in grants. Grants can be made to any political subdivision for the development, construction, repair or improvement of a local road that the Department determines, subject to certain criteria, is necessary to support business and retain jobs in the vicinity of the local road. The recipient of the grant is required to pay at least 20% of the cost of the project. The act created a GPR appropriation and a FED appropriation for the program, but did not provide funding in these appropriations. A total of \$10,000,000 in general fund-supported general obligation bonding was also authorized for the program.

While DOT's plan requests that federal highway aid be provided to make the grant, the Committee could allocate the \$8,000,000 to other federal appropriations and require DOT, if the Department continues to offer the grant in 2000-01, to use the bond funds. The Building Commission would have to approve the issuance of the bonds. The debt service on this amount of bonds would be approximately \$660,000 GPR annually, assuming a twenty-year, flat repayment schedule.

Allocation of Remaining Federal Highway Formula Funds

After deducting the funding for the Janesville grant, DOT's plan would allocate the remaining formula funds among three programs. DOT indicates that since Act 9 allocates 75% of the federal highway aid to state programs and 25% to local programs, the plan would use a similar allocation of the remaining funds. Accordingly, 75% of \$19,288,800, or \$14,466,600 is requested for state highway rehabilitation. Of the remaining \$4,822,200, 90%, or \$4,340,000, is requested for local transportation facility improvement assistance and 10%, or \$482,200, is requested for transportation enhancements.

The Department indicates that the state highway rehabilitation program was chosen to receive the funds allocated for state programs for three reasons: (a) rehabilitation of principal highways is a high priority, but not enough funding is currently available to address construction needs identified by the Department; (b) certain design and construction costs have increased recently in response to changes in requirements for managing stormwater runoff; and (c) Act 9 provided an increase for the program that was below the rate of inflation.

Most of the funds allocated for local programs would be provided for the local transportation facility improvement assistance program, which provides grants to local governments to rehabilitate local roads that are considered principal arterials and, thus, are eligible for federal aid. DOT indicates that funding was requested for this program because requests for funds under the program exceed the amount of funding available.

DOT indicates that funding was requested for the transportation enhancements program so that the amount of unused federal apportionments distributed for this program does not increase significantly beyond current levels. Federal highway aid is provided by multi-year authorization acts in the form of apportionments, which are authorizations to obligate funds. The apportionments

are provided in several different categories representing different types of transportation improvements. The total amount of apportionments for all categories that Wisconsin will receive in 2001 is \$591.5 million. However, the amount of funds that the state can actually spend during the year (the \$530.9 million figure) is determined annually by an appropriations act and is in the form of a limit placed on the amount of apportionments the state may actually use. Since the state can not spend the full amount of the apportionments, there is flexibility on which types of apportionment categories are used. For instance, the state could use all of its bridge apportionments and leave a larger share of interstate maintenance apportionments unused. Unused apportionments are generally carried over into the following fiscal year. Transportation enhancements is a category of funds that may be used for non-highway enhancements to the transportation system, typically bicycle and pedestrian paths and bridges or the rehabilitation of historic transportation facilities or structures. In the past, the state has used a smaller percentage of transportation enhancement apportionments than other apportionment categories, resulting in an increase in the amount of unused apportionments in that category. More recent increases in the appropriation for transportation enhancement grants have resulted in an increase in the percentage of enhancement apportionments used, but DOT indicates a further increase would be required to avoid an increase in the balance of unused enhancements apportionments.

Under the law requiring DOT to submit a plan to allocate additional federal aid, the Committee is given the authority to make modifications to the plan, including modifications to any of DOT's appropriations. Given this flexibility, the Committee has several possible options:

- Move federal funds from one or more federal appropriations to one or more other federal appropriations.
- Use federal funds to replace state funds (in programs that use both sources) and then use the state funds to increase a program or programs that use only state funds.
- Use federal funds to replace revenue bond proceeds in the major highway development program.
- Use federal funds to replace state funds, leaving a balance in the transportation fund, thereby allowing these funds to be used to provide increases in programs that require statutory modifications.
- Use federal funds to replace state funds, leaving a balance in the transportation fund carrying over into the 2001-03 biennium, thereby allowing more flexibility to consider state transportation fund revenue and expenditure options.

Addition of Increases to the Base

DOT did not submit a budget request in September for the state highway programs and the local aid and assistance programs because the Department believed that the adjustments made by the plan approved by the Committee would establish the new 2000-01 base for the 2001-03 budget. The base is typically established when agencies file preliminary budget papers with DOA in July of the even-numbered years. In the plan, however, DOT proposes to include the increases in formula funds for the state highway rehabilitation, local transportation facility improvement assistance and transportation enhancements programs in the base for those programs for the purposes of preparing the 2001-03 budget. The following table shows the five appropriations that would be increased under the plan to reflect additional federal highway formula funds and the amounts that the plan would increase the 2000-01 base for those appropriations.

Federal Highway Formula Funds Appropriation Adjustments Under DOT's Plan And Requested Adjustments to 2000-01 Appropriation Base

	<u>Requested Appropriation Increase*</u>	<u>Requested 2000-01 Base Increase</u>
State Highway Rehabilitation	\$13,217,500	\$14,466,600
Departmental Management and Operations	1,665,400	0
Local Roads for Job Preservation	8,000,000	0
Local Transportation Facility Improvement	3,923,700	4,340,000
Transportation Enhancements	482,200	482,200

*Only requested federal highway formula funds adjustments are shown. Requested increases for earmarks or discretionary grants are not shown.

Since the \$8,000,000 requested for the local roads for job preservation program would be for a one-time expenditure, DOT has not asked that those funds be added to the base for that program. The \$1,665,400 increase requested for departmental management and operations represents a transfer of highway construction funds to a traffic safety grant program (discussed further in the next section). Since DOT believes that this transfer may not be made in future fiscal years, the plan requests that an amount equal to the transferred funds be added to the base of the state highway rehabilitation and local transportation facility improvement assistance appropriations.

The Committee may either vote to include or exclude the adjustments made by DOT's plan (or any adjustments made to the plan by the Committee) as part of the 2000-01 base. Including the requested funding in the base would be consistent with the actions of the Committee in approving the Department's plan for allocating additional funds received for federal fiscal year 1999. At that time, DOT's plan allocated a total of \$127.1 million in additional federal aid among the Department's appropriations, all of which was added to the 1998-99 base.

If the Committee decides not to include the increases to these programs, totaling \$19,288,800, in the base, the Committee and Legislature may have more flexibility in preparing the 2001-03 budget. In effect, the funding increases approved with the plan would be considered one-time increases and a total of at least \$54,577,600, or twice the total provided by the plan (including the amount provided for the Janesville grant), would remain unallocated for next biennium, assuming that the state receives at least as much federal aid in 2002 and 2003 as in 2001. If the Committee approves DOT's plan to add \$19,288,800 to the base, there would be at least \$16,000,000 in unallocated federal revenues over the next biennium, since the \$8,000,000 FED provided for the Janesville grant would not be added to the base.

The plan also requests that the \$28,900,000 increase for aeronautics assistance and \$6,500,000 of the \$15,488,800 increase for transit and demand management be included in the 2000-01 appropriation base. The portion of the transit funds that would be included in the base represents formula funds, while the remainder represents one-time discretionary or earmarked grants.

Federal OWI Law Sanction

The federal Transportation Equity Act for the 21st Century of 1998 included a provision that sanctions states, beginning with federal fiscal year 2001, that do not impose all of the following penalties for repeat operating while intoxicated offenders: (a) a one-year suspension of the offender's driver's license, with no driving privileges during that time; (b) the seizure or immobilization of, or installation of an ignition interlock device on, all vehicles owned by the offender; (c) an assessment of the offender's alcohol use and treatment, if necessary; and (d) not less than 30 days of community service or five days in jail for a second offense and not less than 60 days of community service or ten days in jail for a third or subsequent offense.

Wisconsin does not comply with the first two of these requirements. First, while a repeat OWI offender's license must be suspended for at least 12 months under Wisconsin law, the offender is allowed to receive an occupational license after only 60 days, in violation of the federal standard. Second, Wisconsin law allows courts to impose vehicle sanctions for a second or subsequent OWI offense, but does not require any such sanctions for a second offense, also in violation of the federal standard. Over half of the states are not in compliance with one or more of the four standards. Since Wisconsin is not in compliance with the federal standards, DOT must transfer \$4,898,100 in highway construction funds to two safety programs, the hazard elimination safety (HES) program and the state and community highway safety grant program (commonly referred to as the section 402 grant program, after its reference in Title 23 of the United States Code). The HES program funds small-scale construction projects to correct safety hazards on state highways and local roads. Adding turn lanes, traffic signals and guard rails are typical projects funded under the program. The section 402 grant program provides funds for various traffic safety initiatives, such as law enforcement and emergency medical equipment for local governments, saturation patrols and public information and education campaigns.

The state has the discretion as to which of these two programs receive the funds. Under DOT's plan, 66% of the amount, or \$3,232,700, would be transferred to the HES program and the remaining 34%, or \$1,665,400, would be transferred to the section 402 grant program. (These figures represent a slight modification of DOT's plan to make a technical correction.) Of the funds transferred to the section 402 grant program, 75%, or \$1,249,100, would come from the state highway rehabilitation appropriation and the remaining 25%, or \$416,300, would come from the local transportation facility improvement assistance appropriation. The funds would be transferred to the departmental management and operations appropriation, which is the current funding source for the section 402 grant program. The plan would reflect these appropriation transfers. The funds transferred from highway construction to the HES program would not involve an appropriation transfer, since HES projects are currently funded from the state highway rehabilitation appropriation or the local transportation facility improvement assistance appropriation, depending upon whether the projects are on a state highway or a local road.

DOT indicates that the additional funding for the section 402 grant program would be spent as follows: (a) \$530,000 for multi-jurisdiction corridor alcohol enforcement programs; (b) \$300,000 for grants for safe rider programs that arrange a ride home for intoxicated persons; (c) \$300,000 for grants for programs that provide rewards for motorists who report drunk drivers on the road; and (d) the remainder (\$535,400) for studies of the effectiveness of ignition interlock devices, alternatives to incarceration for OWI offenders, and the gathering of traffic safety data.

The Committee could modify the plan to change the distribution of transferred funds between these two safety programs. DOT indicates that there is sufficient demand for grants in both programs to absorb additional funds if the Committee makes such a modification, even if all the transferred funds were put in one program.

As shown in the table on the plan's requested adjustments to the 2000-01 appropriation base, the federal highway formula funds base for state highway rehabilitation would be increased by \$14,466,600, but the actual appropriation reflecting formula funds would be increased only by \$13,217,500, to reflect the transfer. (The total appropriation adjustment for rehabilitation would be higher than this because the plan would also make adjustments to reflect nonformula highway funds.) Similarly, the formula funds base for the local transportation facility improvement assistance appropriation would be increased by \$4,340,000, even though the actual appropriation would be increased by only \$3,923,700. The departmental management and operations appropriation would be increased by \$1,665,600 to reflect the transfer to the section 402 grant program, but this increase would not be reflected in the appropriation base.

DOT indicates that the plan requested this treatment of the funds because in future years the Department may choose to spend more or all of the transferred funds on the HES program instead of the section 402 program. If a transfer of funds to the section 402 grant program is made in future fiscal years, this transfer could be done administratively under the authority provided to DOT for the expenditure of federal funds.

Since increasing the base of an appropriation without actually reflecting the funds in the appropriation would not normally be done, the Committee may wish to consider including the funds transferred to the departmental management and operations appropriation for the section 402 program in the base for that appropriation, if the Committee approves this use of the funds. In this case, the funds would continue to be provided for the section 402 grant program during next biennium unless the Legislature decides upon an alternative treatment of the transferred funds during deliberations on the 2001-03 budget.

OTHER APPROPRIATION ADJUSTMENTS

DOT's plan requests adjustments for federal funds that the state will receive, but that are not distributed according to the federal highway aid formula. The plan also requests increases to local appropriations to reflect an increase in the local match that would be required in programs that would receive a federal increase under DOT's plan.

The plan would increase the appropriation for state highway rehabilitation by an additional \$9,399,300 to reflect the following: (a) an earmarked grant of \$4,000,000 for improvements to USH 10 between USH 45 and Freemont; (b) an earmarked grant of \$3,000,000 for preliminary design on a project to improve I-39/STH 29 in Wausau; (c) an earmarked grant of \$1,000,000 for technology improvements related to commercial motor vehicle inspections and safety; (d) an earmarked grant of \$500,000 for a planning study associated with USH 8 in western Wisconsin; (e) a discretionary grant of \$499,300 from the innovative bridge program for improvements using experimental materials on a bridge in Fond du Lac County; and (f) a discretionary grant of \$400,000 from the public lands highway program for improvements on CTH GG in the Chequamegon National Forest in Ashland County. The proposed Wausau project is a major highway development improvement, but since the project is not yet enumerated, the funds would be placed in the rehabilitation appropriation and be used to design elements of the project that could be classified as a rehabilitation project.

The plan requests that the \$4,000,000 grant for USH 10 be placed in the state highway rehabilitation appropriation, but, consistent with Congressional intent, DOT plans to use \$4,000,000 in other funds that would have been spent on USH 10 for railroad crossing improvements on the railroad corridor between Fond du Lac and the Fox Valley. According to DOT, the funds would be put into the state highway rehabilitation appropriation instead of the railroad crossing improvement appropriation to give the Department more flexibility in spending the funds. For instance, if the full \$4,000,000 can not all be spent on railroad crossing improvements, the Department would be able to use those funds for other purposes in the rehabilitation program before they lapse at the end of the federal fiscal year. However, if the Committee decides to shift the \$4,000,000 to the railroad crossing improvement appropriation to reflect the Department's intended use of the funds, DOT could still use the allotment process later in the fiscal year to move federal funds if needed to avoid lapses.

Other federal appropriations would be increased, as follows: (a) \$3,000,000 for major highway development to reflect an earmarked grant for improvements to STH 29 between Chippewa Falls and I-94; (b) \$500,000 for rail passenger appropriation to reflect an earmarked grant for railroad crossing upgrades between Milwaukee and Madison; (c) \$473,300 for highway maintenance and traffic operations to reflect a discretionary grant in the scenic byways program for marketing and improvements related to a scenic byways learning center in Prescott, adjacent to STH 35; (d) \$15,488,800 for transit and demand management to reflect an increase in the expected amount of federal transit operating and capital aid; and (e) \$28,900,000 for aeronautics assistance to reflect an increase in the expected amount of federal airport aid.

The plan would increase local funds appropriations to reflect required local matches. A technical correction would be required to the adjustments requested by DOT. The corrected amounts are as follows: (a) \$3,505,400 SEG-L for local transportation facility improvement assistance to reflect the match for that program and the local match for the Janesville project; (b) \$120,600 SEG-L for transportation enhancements; and (c) \$1,445,000 SEG-L for aeronautics assistance.

ALTERNATIVES

A. Appropriation Adjustments

1. Approve the Department's request with technical modifications to: (a) the amount of formula funds available to be distributed; (b) the amount of highway construction funds that are transferred to the section 402 safety grant program; and (c) the amount of additional SEG-L to reflect the local match for federal funds. The following table shows the appropriation adjustments under the modified plan.

	<u>Plan Increase</u>
Federal Funds Appropriations	
Rail Passenger Service	\$500,000
Local Transportation Facility Improvement	3,923,700
Transportation Enhancements	482,200
Local Roads for Job Preservation	8,000,000
Major Highway Development	3,000,000
State Highway Rehabilitation	22,616,800
State Highway Maintenance	473,300
Departmental Management and Operations	1,665,400
Transit and Demand Management	15,488,800
Aeronautics Assistance	<u>28,900,000</u>
TOTAL	\$85,050,200
Local Funds Appropriations	
Local Transportation Facility Improvement	\$3,505,100
Transportation Enhancements	120,600
Aeronautics Assistance	<u>1,445,500</u>
TOTAL	\$5,071,200

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2. Approve the appropriation adjustments under #1 as modified by one or more of the following:

a. Allocate the \$8,000,000 FED that the plan would provide for the local roads for job preservation program among other appropriations. (This would require DOT to use general fund-supported general obligation bonds for making a grant to the City of Janesville if the Department makes the grant in 2000-01.)

b. Modify the plan's allocation of \$4,898,100 FED in highway construction funds that the state is required to transfer to safety programs. (The plan would allocate \$1,655,400 to the section 402 safety grant program and 3,232,700 to the hazard elimination safety program.)

c. Transfer \$4,000,000 in federal funds to the railroad crossing improvement appropriation instead from the state highway rehabilitation appropriation.

B. 2000-01 Appropriation Base

1. Specify that the appropriation increases approved by the Committee shall be considered part of the 2000-01 appropriation base, as requested by the Department of Transportation's plan. This alternative would include funds transferred to the departmental management and operations appropriation due to a federal sanction provision in the base of the state highway rehabilitation and local transportation facility improvement assistance appropriations, from which those transfers are made. The following table shows the base adjustments proposed by the plan, as modified to make technical corrections. If the Committee modifies the allocation of funds, this alternative would also reflect those modifications in the base.

Federal Appropriations	
State Highway Rehabilitation	\$14,466,600
Departmental Management and Operations	0
Local Transportation Facility Improvement	4,340,000
Transportation Enhancements	482,200
Aeronautics Assistance	28,900,000
Mass Transit and Demand Management	<u>6,500,000</u>
TOTAL	\$54,688,800

Local Appropriations	
Local Transportation Facility Improvement	\$1,085,000
Transportation Enhancements	120,600
Aeronautics Assistance	<u>1,445,500</u>
TOTAL	\$2,651,100

2. Specify that the appropriation increases made by DOT's plan shall be considered part of the 2000-01 appropriation base. Include funds transferred to the departmental management and operations appropriation due to a federal sanction provision in the base of that appropriation instead of in the state highway rehabilitation and local transportation facility improvement assistance appropriations, from which those transfers are made. The following table shows the base adjustments under this alternative. If the Committee modifies the allocation of funds proposed by the plan, this alternative would also reflect those modifications in the base.

about

Federal Appropriations	
State Highway Rehabilitation	\$13,217,500
Departmental Management and Operations	1,665,400
Local Transportation Facility Improvement	3,923,700
Transportation Enhancements	482,200
Aeronautics Assistance	28,900,000
Mass Transit and Demand Management	<u>6,500,000</u>
TOTAL	\$54,688,800
Local Appropriations	
Local Transportation Facility Improvement	\$980,900
Transportation Enhancements	120,600
Aeronautics Assistance	<u>1,445,500</u>
TOTAL	\$2,547,000

3. Specify that the changes made to the 2000-01 appropriations by DOT's plan (plus any modifications made by the Committee) shall not be considered as part of the base for the purposes of preparing the 2001-03 budget.

Prepared by: Jon Dyck

MO# A1201

BURKE 1	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
MOORE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
PLACHE	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
DARLING	<input checked="" type="radio"/>	N	A
GARD 2	<input checked="" type="radio"/>	N	A
PORTER	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
DUFF	<input checked="" type="radio"/>	N	A
WARD	<input checked="" type="radio"/>	N	A
HUBER	<input checked="" type="radio"/>	N	A
RILEY	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS



WISCONSIN LEGISLATURE

P.O. Box 7882 • Madison, WI 53707-7882

December 18, 2000

Senator Brian Burke, Co-chair
Joint Committee on Finance
Room 316 South
State Capitol
Madison, WI 53702

Representative John Gard, Co-chair
Joint Committee on Finance
Room 315 North
State Capitol
Madison, WI 53702

HAND DELIVER

Dear Senator Burke and Representative Gard,

We understand that the Joint Committee on Finance plans to meet on Tuesday, December 19 to act on requests from the Department of Transportation for allocation of additional federal highway funds under s. 20.395. We would like to express our strong support for two items the Department has requested.

Under the Federal Fiscal Year 2001 Federal Expenditure Plan, we urge the committee to approve the Janesville Road Project in Appropriation 276. This amount represents \$2,524,200 for the local match portion of the project. We also support the Department's recommendation to use \$8 million of FFY 2001 federal formula funds for the Janesville project.

As you know, 1999 Wisconsin Act 146 created the Local Roads for Job Preservation program. The Legislative Fiscal Bureau has concluded that 1997 Act 86 allows federal funds above the five percent threshold to be used for this program.


DOT has determined the Janesville project qualifies for funding under the Local Roads program. Roads near the General Motors (GM) assembly plant need to be improved to create a more direct route from the Interstate for suppliers and reduce congestion on local streets. Currently, about 25% of the traffic surrounding the plant consists of heavy trucks. Right now, those trucks must travel on local residential streets, where delays occur because of other traffic, train crossings, and numerous intersections.

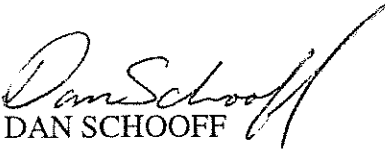
Senator Brian Burke
Representative John Gard
December 13, 2000
Page Two


Widening and reconstructing Beloit Avenue and Kellogg Avenue, constructing a new access road, and building a rail underpass will help GM maintain its just-in-time inventory system and eliminate much of the truck traffic in the local community. The City of Janesville maintains all of these streets, and they meet the definition of "local roads".

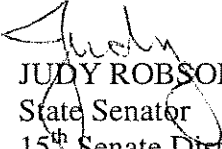
Many of our constituents work at the GM plant and their job security rests on making sure the plant remains economically viable and competitive. There was a lot of discussion at the recent Wisconsin Economic Summit about government action to attract new, high-tech businesses to this state. However, we must not overlook actions that can help us keep good, high-paying, family-supporting jobs that already exist. Joint Finance Committee approval of these DOT requests regarding the Local Roads for Job Preservation program is one step in that direction.


Sincerely,


WAYNE W. WOOD
State Representative
44th Assembly District


DAN SCHOOFF
State Representative
45th Assembly District


NEAL KEDZIE
State Representative
43rd Assembly District


JUDY ROBSON
State Senator
15th Senate District


JON ERPENBACH
State Senator
27th Senate District

Decker/Moore

Senator Decker
Senator Moore
Representative Albers

TRANSPORTATION

Safety Program Funding

Motion:

Move to replace the part of DOT's plan transferring funds from highway construction programs to the section 402 program with the following adjustments:

- a. -\$450,000 FED from the state highway rehabilitation program;
- b. -\$150,000 FED from the local transportation facility improvement assistance program;
- c. -\$37,500 SEG-L from the local transportation facility improvement assistance program;
- d. \$300,000 FED for grants for safe rider programs that arrange a ride home for intoxicated persons; and
- e. \$300,000 FED for programs that serve as alternatives to incarceration for OWI offenders.

Direct DOT, in consultation with the Department of Corrections, to consider the pretrial intoxicated driver intervention program as one option for using the funds under "e."

Note:

This motion would increase funding for the hazard elimination safety program by \$1,065,400 FED relative to the plan.

MO#	35	Y	N	A
BURKE		Y	(N)	A
DECKER	1	Y	N	A
JAUCH		Y	N	A
MOORE	2	Y	N	A
SHIBLSKI		Y	N	A
PLACHE		Y	N	A
COWLES		Y	N	A
DARLING		Y	(N)	A
GARD		Y	(N)	A
PORTER	<i>trucks</i>	Y	(N)	A
KAUFERT		Y	(N)	A
ALBERS		Y	(N)	A
DUFF		Y	N	A
WARD		Y	(N)	A
HUBER		Y	N	A
RILEY		Y	N	A

Huber/Kaufert

Representative Huber
Representative Kaufert

TRANSPORTATION

Safety Program Funding

Motion:

Move to make the following changes to reflect the transfer of funds from the hazard elimination safety program to the section 402 program:

- a. -\$225,000 FED from the state highway rehabilitation program;
- b. -\$75,000 FED from the local transportation facility improvement assistance program;
- c. -\$18,800 SEG-L from the local transportation facility improvement assistance program; and
- d. \$300,000 FED for grants to local governments for additional prosecutors for OWI cases.

Specify that the Department shall spend the amount allowed by the federal government for the purposes specified under "d," up to a maximum of \$300,000. Specify that any portion of the \$300,000 that DOT is not allowed to use for the purposes specified under "d" shall be used by the Department for the hazard elimination safety program.

Note:

This motion would decrease funding for the hazard elimination program by \$300,000 FED relative to motion #350.

MO# _____

GARD	Y	N	A
PORTER <i>Hueb</i>	Y	N	A
KAUFERT <i>2</i>	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER <i>1</i>	Y	N	A
RILEY	Y	N	A
BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
DARLING	Y	N	A

Motion #361

AYE 10 NO 6 ABS _____

