

**2001 DRAFTING REQUEST**

**Bill**

Received: **09/27/2000**

Received By: **nilsepe**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Etzler**

This file may be shown to any legislator: **NO**

Drafter: **nilsepe**

May Contact:

Alt. Drafters:

Subject: **Transportation - mass transit**

Extra Copies: **PJH, TNF**

**Pre Topic:**

DOA:.....Etzler - T027.

**Topic:**

Mass transit aid based on projected expenses

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	nilsepe 09/27/2000	hhagen 09/27/2000		_____			S&L
/P1			martykr 09/28/2000	_____	lrb_docadmin 09/28/2000		S&L
/1	fasttn 11/02/2000	hhagen 11/06/2000	martykr 11/06/2000	_____	lrb_docadmin 11/06/2000		

FE Sent For:

<END>

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/?	nilsepe 09/27/2000	hhagen 09/27/2000					S&L

/P1			martykr 09/28/2000		lrb_docadmin 09/28/2000		
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FE Sent For:

11 hml  
11/6/00

11/6

RS  
11/6

<END>

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1?	nilsepe	HP1 kmh 9/27/00	tnv 9/28	<u>Del</u> 9/28			

FE Sent For:

<END>





State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0559

PEN

Handwritten initials and a large circle containing the letters 'PL'.

DOA:.....Etzler – T027, Mass transit aid based on projected expenses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

Do Not  
Gen.

- 1 AN ACT ...; relating to: basing urban mass transit operating assistance payments
- 2 on projected expenses.

*Analysis by the Legislative Reference Bureau*

✓ TRANSPORTATION

✓ TRANSPORTATION AIDS

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. Aid paid for mass transit systems having annual operating expenses of \$20,000,000 or more (Tier A systems) is paid in a sum certain, while aid payable for smaller mass transit systems is determined under a formula. Under the formula, DOT makes state aid payments in amounts sufficient to ensure that the combination of state and federal aids contributed toward the operating expenses of an urban mass transit system equals the uniform percentage established by DOT for each of the two smaller classes of mass transit system. The percentage varies for the two smaller classes of mass transit systems but is uniform for all mass transit systems within a class. The two smaller classes are: 1) mass transit systems serving urban areas having a population of more than 50,000 (but having annual operating expenses of less than \$20,000,000 (Tier B systems); and 2) mass transit systems serving urban areas having a population of less than 50,000 (Tier C systems). "Operating expenses" used in this aid formula are based on actual operating costs from the second preceding year, with adjustments for the projected expenses of new services, for which historical cost data is not available.

or more

This bill deletes the requirement that annual transit aid payments for Tier B and Tier C systems be made based on actual operating costs from the second preceding year. The bill requires that annual state transit aid payments for Tier B and Tier C systems be based on estimated operating costs for that year, effective with calendar year 2001 payments.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

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move

SECTION 1. 85.20 (4) <sup>r</sup> ~~(rp)~~ of the statutes is repealed.

\*\*\*\*NOTE: Section 85.20 (4r) seems unnecessary, since projected costs will again be used to establish transit aid amounts. Is it OK to delete this subsection?

SECTION 2. 85.20 (4m) (a) (intro.) of the statutes is amended to read:

85.20 (4m) (a) (intro.) The department shall pay annually to the eligible applicant described in subd. 6. cm. the amount of aid specified in subd. 6. cm. The department shall pay annually to the eligible applicant described in subd. 6. d. the amount of aid specified in subd. 6. d. The department shall allocate an amount to each eligible applicant described in subd. 7. or 8. to ensure that the sum of state and federal aids for the projected operating expenses of each eligible applicant's urban mass transit system is equal to a uniform percentage, established by the department, of the projected operating expenses of the mass transit system for the calendar year. ~~For calendar year 1999, the operating expenses used to establish the uniform percentage shall be the projected operating expenses of an urban mass transit system. Subject to sub. (4r), for calendar year 2000 and thereafter the operating expenses used to establish the uniform percentage shall be the operating expenses incurred during the 2nd calendar year preceding the calendar year for which aid is paid under this section.~~ The department shall make allocations as follows:

History: 1973 c. 90, 333; 1975 c. 39; 1977 c. 29; 1979 c. 34 ss. 911p, 911r, 2102 (52) (a); 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1202 to 1207, 1232 to 1233; Stats. 1981 s. 85.20; 1983 a. 27; 1985 a. 29; 1987 a. 27; 1989 a. 31; 1991 a. 39, 239; 1993 a. 16, 279; 1995 a. 113, 201; 1997 a. 27; 1999 a. 9; 1999 a. 150 ss. 626, 672.

**SECTION 9352. Initial applicability; transportation.**

1

(1) URBAN MASS TRANSIT OPERATING ASSISTANCE. The treatment of sections 85.20

2

(4m) (a) of the statutes first applies to contracts for aid payable for calendar year

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2001.

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(END)

## Fast, Timothy

---

**From:** Buckmaster, Carol  
**Sent:** Tuesday, October 31, 2000 10:42 AM  
**To:** Fast, Timothy  
**Subject:** FW: Budget Draft T027, LRB-0559/P1

Tim - this one needs some changes.

-----Original Message-----

**From:** Donlin, James  
**Sent:** Tuesday, October 31, 2000 10:32 AM  
**To:** Buckmaster, Carol  
**Cc:** Hoelzel, James  
**Subject:** Budget Draft T027, LRB-0559/P1

Carol,

For draft T027 - Mass transit aid based on projected expenses - LRB-0559/P1, Sections 1 and 3 are fine, but Section 2 is not. Section 2 repeals s. 85.20(4r) in its entirety. We prefer the section be amended as follows:

85.20(4r) EXPANSION OF SERVICE. An eligible applicant shall notify the department if the eligible applicant anticipates receiving new or expanded services provided by an urban mass transit system in a manner that will increase operating expenses. The eligible applicant shall provide the notice during the calendar year preceding the calendar year in which the new or expanded services will first be provided. The notice shall include an estimate of the projected annual operating expenses of the new or expanded services. ~~The department may modify the projected annual operating expenses to an amount that the department considers reasonable. The department shall adjust the projected annual operating expenses for inflation and, for each calendar year for which actual operating costs of the new or expanded services are not known, shall add the adjusted projected annual operating expenses to the operating expenses used to determine the uniform percentage under sub. (4m)(a)(intro.).~~

Thanks,

Jim



2001 - 2002 LEGISLATURE

LRB-055902  
PEN: hmh & cjs: km  
TNF: C  
I (Redraft makes has been run)  
stays

SOON  
(Turned in 11/02/00)

DOA:.....Etzler - T027, Mass transit aid based on projected expenses  
FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

operating  
Do not gen.

1 AN ACT ... relating to: basing urban mass transit operating assistance payments  
2 on projected expenses.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

TRANSPORTATION AIDS

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. Aid paid for mass transit systems having annual operating expenses of \$20,000,000 or more (Tier A systems) is paid in a sum certain, while aid payable for smaller mass transit systems is determined under a formula. Under the formula, DOT makes state aid payments in amounts sufficient to ensure that the combination of state and federal aids contributed toward the operating expenses of an urban mass transit system equals the uniform percentage established by DOT for each of the two smaller classes of mass transit system. ~~The percentage varies for the two smaller classes of mass transit systems but is uniform for all mass transit systems within a class.~~ The two smaller classes are: 1) mass transit systems serving urban areas having a population of 50,000 or more but having annual operating expenses of less than \$20,000,000 (Tier B systems); and 2) mass transit systems serving urban areas having a population of less than 50,000 (Tier C systems). "Operating expenses" used in this aid formula are based on actual operating costs from the second preceding year, with adjustments for the projected expenses of new services, for which historical cost data is not available.

*NOTE* The bill also removes DOT authority to modify and adjust projected expenses of new services.

This bill deletes the requirement that annual transit aid payments for Tier B and Tier C systems be made based on actual operating costs from the second preceding year. The bill requires that annual state transit aid payments for Tier B and Tier C systems be based on estimated operating costs for that year, effective with calendar year 2001 payments.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 85.20 (4m) (a) (intro.) of the statutes is amended to read:

2           85.20 (4m) (a) (intro.) The department shall pay annually to the eligible  
3 applicant described in subd. 6. cm. the amount of aid specified in subd. 6. cm. The  
4 department shall pay annually to the eligible applicant described in subd. 6. d. the  
5 amount of aid specified in subd. 6. d. The department shall allocate an amount to  
6 each eligible applicant described in subd. 7. or 8. to ensure that the sum of state and  
7 federal aids for the projected operating expenses of each eligible applicant's urban  
8 mass transit system is equal to a uniform percentage, established by the department,  
9 of the projected operating expenses of the mass transit system for the calendar year.  
10 ~~For calendar year 1999, the operating expenses used to establish the uniform~~  
11 ~~percentage shall be the projected operating expenses of an urban mass transit~~  
12 ~~system. Subject to sub. (4r), for calendar year 2000 and thereafter the operating~~  
13 ~~expenses used to establish the uniform percentage shall be the operating expenses~~  
14 ~~incurred during the 2nd calendar year preceding the calendar year for which aid is~~  
15 ~~paid under this section.~~ The department shall make allocations as follows:

~~\*\*\*NOTE: Section 85.20 (4r) seems unnecessary, since projected costs will again be used to establish transit aid amounts. Is it OK to delete this subsection?~~

16           ~~SECTION 2.~~ 85.20 (4r) of the statutes is ~~repealed.~~

17           **SECTION 9352. Initial applicability; transportation.**

*Insert 2-16*

1 (1) URBAN MASS TRANSIT OPERATING ASSISTANCE. The treatment of section 85.20  
2 (4m) (a) of the statutes first applies to contracts for aid payable for calendar year  
3 2001.

4

(END)  
D-NOTE

(intro.) and (4r)

Insert 2-16

Section #. 85.20 (4r) of the statutes is amended to read:

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History: 1973 c. 90, 333; 1975 c. 39; 1977 c. 29; 1979 c. 34 ss. 911p, 911r, 2102 (52) (a); 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1202 to 1207, 1232 to 1233; Stats. 1981 s. 85.20; 1983 a. 27; 1985 a. 29; 1987 a. 27, 399; 1989 a. 31; 1991 a. 39, 239; 1993 a. 16, 279; 1995 a. 113, 201; 1997 a. 27; 1999 a. 9; 1999 a. 150 ss. 626, 672.

LRB-0559/1d1  
TNF: hnh/ejs:

DRAFTER'S NOTE

Deadline ✓

# This draft is identical to LRB-0559/P1, except  
that it amends (rather than repeals) s.  
85.20 (4r), stats.

TNF

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0559/1dn  
TNF:hmh&cjs:km

November 6, 2000

This draft is identical to LRB-0559/P1, except that it amends (rather than repeals) s. 85.20 (4r), stats.

Timothy N. Fast  
Senior Legislative Attorney  
Phone: (608) 266-9739  
E-mail: [tim.fast@legis.state.wi.us](mailto:tim.fast@legis.state.wi.us)



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0559/1  
TNF:hmh&cjs:km

DOA:.....Etzler – T027, Mass transit aid based on projected expenses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

- 1 AN ACT ...; relating to: basing urban mass transit operating assistance payments  
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**TRANSPORTATION**

**TRANSPORTATION AIDS**

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. Aid paid for mass transit systems having annual operating expenses of \$20,000,000 or more (Tier A systems) is paid in a sum certain, while aid payable for smaller mass transit systems is determined under a formula. Under the formula, DOT makes state aid payments in amounts sufficient to ensure that the combination of state and federal aids contributed toward the operating expenses of an urban mass transit system equals the uniform percentage established by DOT for each of the two smaller classes of mass transit system. The two smaller classes are: 1) mass transit systems serving urban areas having a population of 50,000 or more but having annual operating expenses of less than \$20,000,000 (Tier B systems); and 2) mass transit systems serving urban areas having a population of less than 50,000 (Tier C systems). "Operating expenses" used in this aid formula are based on actual operating costs from the second preceding year, with adjustments for the projected expenses of new services, for which historical cost data is not available.

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4 provided. The notice shall include an estimate of the projected annual operating  
5 expenses of the new or expanded services. ~~The department may modify the projected~~  
6 ~~annual operating expenses to an amount that the department considers reasonable.~~  
7 ~~The department shall adjust the projected annual operating expenses for inflation~~  
8 ~~and, for each calendar year for which actual operating costs of the new or expanded~~  
9 ~~services are not known, shall add the adjusted projected annual operating expenses~~  
10 ~~to the operating expenses used to determine the uniform percentage under sub. (4m)~~  
11 ~~(a) (intro.).~~

12 **SECTION 9352. Initial applicability; transportation.**

13 (1) URBAN MASS TRANSIT OPERATING ASSISTANCE. The treatment of section 85.20  
14 (4m) (a) (intro.) and (4r) of the statutes first applies to contracts for aid payable for  
15 calendar year 2001.

16 (END)