

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

| | | |
|---|--|-------------|
| LRB Number 07-3304/1 | Introduction Number SB-002 (OC7) | |
| Description State finances and appropriations for the Department of Transportation, the operations and programs of the Department of Transportation, creating an oil company assessment, commuter rail transit systems, authorized emergency vehicles, intoxicated operation of an aircraft, bonding authority, granting rule-making authority, making appropriations, and providing penalties | | |
| Fiscal Effect | | |
| State: | | |
| <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs | | |
| Local: | | |
| <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input checked="" type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts | | |
| Fund Sources Affected | | |
| <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS 20.395 and 20.865(4)(u) | | |
| Affected Ch. 20 Appropriations | | |
| Agency/Prepared By | Authorized Signature | Date |
| LFB/ Fred Ammerman (608) 266-3847 | Bob Lang (608) 266-3847 | 10/15/2007 |

Fiscal Estimate Narratives

LFB 10/15/2007

| | | |
|--|---|-------------------------------|
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Assumptions Used in Arriving at Fiscal Estimate

See attached document.

Long-Range Fiscal Implications

See attached document.

TRANSPORTATION

| Budget Summary | | | | | | FTE Position Summary | | | | |
|----------------|--------------------|----------------------|--------------------|---------------------|--------|----------------------|----------------------|-------------|--------------|--------------|
| Fund | 2006-07 | Special Session Bill | | 2007-09 Change Over | | 2006-07 | Special Session Bill | | 2008-09 | |
| | Adjusted Base | 2007-08 | 2008-09 | Base Year Doubled | Amount | | % | 2007-08 | 2008-09 | Over 2006-07 |
| GPR | \$68,659,900 | \$85,490,700 | \$90,414,400 | \$38,585,300 | 28.1% | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| FED | 755,875,800 | 771,110,300 | 777,440,400 | 36,799,100 | 2.4 | 850.61 | 845.61 | 844.61 | - 6.00 | - 0.7 |
| PR | 4,411,300 | 4,482,800 | 4,482,800 | 143,000 | 1.6 | 16.00 | 16.00 | 16.00 | 0.00 | 0.0 |
| SEG | 1,346,994,400 | 1,531,882,200 | 1,650,785,300 | 488,678,700 | 18.1 | 2,550.27 | 2,600.17 | 2,600.17 | 49.90 | 2.0 |
| SEG-L | 105,235,900 | 106,285,500 | 107,432,900 | 3,246,600 | 1.5 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 |
| SEG-S | <u>185,107,500</u> | <u>173,526,300</u> | <u>185,026,300</u> | <u>- 11,662,400</u> | - 3.2 | <u>9.05</u> | <u>7.00</u> | <u>7.00</u> | <u>-2.05</u> | - 22.7% |
| TOTAL | \$2,466,284,800 | \$2,672,777,800 | \$2,815,582,100 | \$555,790,300 | 11.3% | 3,425.93 | 3,468.78 | 3,467.78 | 41.85 | 1.2% |
| BR | | \$466,383,600 | | | | | | | | |

Budget Change Items

Transportation Finance

1. FUND CONDITION STATEMENT

Special Session Bill: The following table shows the transportation fund condition statement reflecting the transportation fund revenues and expenditures under the bill.

| | <u>2007-08</u> | <u>2008-09</u> |
|-------------------------------------|-------------------|-------------------|
| Unappropriated Balance, July 1 | \$13,713,000 | \$598,500 |
| Revenues | | |
| Motor Fuel Tax | \$995,800,000 | \$995,800,000 |
| Oil Company Assessment | 75,670,000 | 157,880,000 |
| Vehicle Registration Fees | 537,194,900 | 605,777,100 |
| Less Revenue Bond Debt Service | -174,227,500 | -179,767,300 |
| Driver's License Fees | 38,609,400 | 46,369,800 |
| Miscellaneous Motor Vehicle Fees | 24,300,500 | 24,408,500 |
| Aeronautical Fees and Taxes | 9,636,500 | 9,720,400 |
| Railroad Property Taxes | 19,037,200 | 19,418,000 |
| Motor Carrier Fees | 834,100 | 834,100 |
| Investment Earnings | 13,451,700 | 13,421,500 |
| Miscellaneous Departmental Revenues | <u>19,662,000</u> | <u>19,870,800</u> |
| Total Annual Revenues | \$1,559,968,800 | \$1,713,732,900 |
| | | |
| Total Available | \$1,573,681,800 | \$1,714,331,400 |
| Appropriations and Reserves | | |
| DOT Appropriations | \$1,531,519,600 | \$1,650,422,700 |
| Other Agency Appropriations | 35,146,200 | 50,053,200 |
| Less Estimated Lapses | -1,000,000 | -1,000,000 |
| Compensation and Other Reserves | <u>7,417,500</u> | <u>13,790,400</u> |
| Net Appropriations and Reserves | \$1,573,131,600 | \$1,713,266,300 |
| | | |
| Unappropriated Balance, June 30 | \$598,500 | \$1,065,100 |

2. FEDERAL HIGHWAY AID

Special Session Bill: Reestimate federal highway formula aid at \$642,141,300 in 2007-08 and \$648,524,500 in 2008-09. These amounts reflect increases of \$14,940,600 in 2007-08 and \$21,323,800 in 2008-09 over the total federal highway aid reflected in 2006-07 DOT appropriations. The fiscal effects of the reestimate are shown under the individual programs using these funds.

3. OIL COMPANY ASSESSMENT [Senate Modified]

| |
|-----------------------|
| SEG-REV \$233,550,000 |
|-----------------------|

Special Session Bill: Establish an oil company assessment that would initially apply to motor vehicle fuel sales on January 1, 2008 (an amendment to the bill is needed to accomplish this intent). Deposit the revenues from the assessment to the transportation fund and estimate increased revenues to the fund at \$75,670,000 in 2007-08 and \$157,880,000 in 2008-09.

Impose, for the privilege of doing business in this state, an assessment on each motor vehicle fuel supplier at the rate of 2.5% of the supplier's gross receipts in each calendar quarter. Specify that the assessment would apply to the gross receipts that are derived from the first sale

in this state of motor vehicle fuel received by the supplier for sale in this state, for sale for export to this state, or for export to this state. Define gross receipts to exclude any motor vehicle fuel receipts associated with federal and state excise taxes or the petroleum inspection fee.

Extend the current gasoline and diesel fuel exemptions to the state motor vehicle fuel excise tax to the proposed oil company assessment.

Specify the following for purposes of determining the amount of the oil company assessment to be imposed: (a) income derived from the first sale in this state of biodiesel fuel or ethanol blended with gasoline to create gasoline consisting of at least 85 percent ethanol (E85) would not be included in the supplier's gross receipts and would not be subject to the assessment (the ethanol portion of gasohol, which generally contains up to 10% ethanol, would not be excluded from the assessment); (b) with regard to a transfer of motor vehicle fuel from a supplier to a related party, the point of first sale in this state is the date of such transfer, and the gross receipts are calculated on a monthly basis using an index to be determined by rule by the Department of Revenue (DOR); and (c) there is only one point of first sale in this state with regard to the sale of the same motor vehicle fuel.

Specify that any person, including a terminal operator, who is not licensed by the state as a motor vehicle fuel supplier or exporter, and who either used any motor vehicle fuel in this state or has possession of any motor vehicle fuel, other than that contained in a motor vehicle's fuel tank, for which the assessment has not been paid or for which no supplier has incurred liability for paying the assessment, would be required to file a report, in the manner described by DOR. Require such persons to pay the oil company assessment based on the purchase price of the motor vehicle fuel. These provisions would capture smaller entities that handle fuel, or any person who handles fuel, on which the assessment has yet to be paid.

Require DOR to administer the oil company assessment and authorize the Department to take any action, conduct any proceeding, and impose interest and penalties. Specify that the assessments imposed for each calendar quarter would be due and payable on the last day of the month next succeeding the calendar quarter for which the assessments would be imposed, as provided by the Department by rule. Specify that the current statutory authorities of DOR and the statutory rights and privileges of the taxpayers relative to the assessment, administration, and enforcement of the state income and franchise taxes, as they apply to those taxes, would also apply to the oil company assessment.

Provide DOR the authority to promulgate emergency rules to implement the oil company assessment. DOR would not be required to provide evidence that promulgating these emergency rules is necessary for the preservation of the public peace, health, safety, or welfare and would not be required to provide a finding of emergency to promulgate the rules.

Prohibit any supplier who is subject to the oil company assessment from taking any action to increase or influence the selling price of motor vehicle fuel in order to recover the amount of the assessment. Specify that any supplier who takes such action would be subject to a penalty equal to either the amount of the gain the supplier received from any increase in the

selling price that is implemented in order to recover the assessment amount or imprisonment of not more than six months, or both. Specify that, at the DOR Secretary's request, the Attorney General may represent this state, or assist a district attorney, in prosecuting any case arising from the administration and enforcement of the oil company assessment.

Define the person or entity that would be subject to fine or imprisonment as an officer, employee, or other responsible person of a corporation or other form of business association or a member, employee, or other responsible person of a partnership, limited liability company, or sole proprietorship who, as such officer, employee, member, or other responsible person, is under a duty to establish the selling price of motor vehicle fuel.

Allow DOR to audit any supplier who would be subject to the oil company assessment to determine whether the supplier has taken any action to increase or influence the selling price of motor vehicle fuel in order to recover the amount of the assessment. Require the Department to annually submit a report to the Governor and the Legislature that contains information on any audits conducted in relation to this authority in the previous year. This audit authority would be in addition to any other audits the Department conducts relative to the oil company assessment.

For the purposes of the oil company assessment, establish the following definitions:

- a. "biodiesel fuel" would mean fuel comprised of monoalkyl esters of long chain fatty acids derived from vegetable oils or animal fats that is not blended with any petroleum product;
- b. "motor vehicle fuel, supplier, and terminal operator" would have the same meaning that is currently applied under the state's motor vehicle fuel and aviation fuel excise tax laws; and
- c. "related party" would mean a person whose relationship with the supplier is described under Section 267(b) of the federal Internal Revenue Code.

Specify that the oil company assessment would first apply to motor vehicle fuel sales on January 1, 2008. The revenue estimates in the bill were based on diesel fuel and gasoline prices of \$2.50 per gallon in calendar year 2008 and \$2.49 per gallon in calendar year 2009. The estimates were based on these fuel prices less the federal and state excise taxes on motor vehicle fuel (\$0.329 per gallon for state taxes, \$0.184 per gallon for federal gasoline taxes, and \$0.244 per gallon for federal diesel fuel taxes). Using these estimated net fuel prices, the assessment would be equal to an estimated 5.0 cents per gallon on gasoline and 4.8 cents per gallon on diesel fuel.

4. OIL COMPANY ASSESSMENT AUDIT POSITIONS
[Senate]

| | Funding Positions | |
|-----|-------------------|------|
| SEG | \$288,200 | 3.00 |

Special Session Bill: Provide \$100,900 SEG in 2007-08 and \$187,300 SEG in 2008-09 and 3.0 SEG positions annually under the Department of Revenue's motor vehicle fuel tax administration appropriation to assist in enforcing the oil

company assessment on motor vehicle fuel suppliers' gross receipts from fuel sales in Wisconsin (an amendment to the bill is needed to accomplish this intent).

5. AUTOMOBILE AND LIGHT TRUCK VEHICLE REGISTRATION FEE INCREASES [Senate Modified/Assembly Modified]

| | |
|---------|---------------|
| SEG-REV | \$143,928,600 |
|---------|---------------|

Special Session Bill: Increase the vehicle registration fee for passenger vehicles (automobiles, vans, and sport utility vehicles) by \$20, from \$55 to \$75. Increase the registration fees for light trucks, as follows: (a) by \$26.50, from \$48.50 to \$75, for trucks not more than 4,500 pounds; (b) by \$22.50, from \$61.50 to \$84, for trucks not more than 6,000 pounds; and (c) by \$28.50, from \$77.50 to \$106, for trucks not more than 8,000 pounds. Specify that these increases would become effective on January 1, 2008. Increase estimated transportation fund revenue by \$47,301,400 in 2007-08 and \$96,627,200 in 2008-09 to reflect these increases. Of these amounts, \$35,336,800 in 2007-08 and \$71,887,700 in 2008-09 would be associated with the increase in the passenger vehicle registration fee and \$11,964,600 in 2007-08 and \$24,739,500 in 2008-09 would be associated with the light truck fee increases.

6. HEAVY TRUCK REGISTRATION FEE INCREASES [Senate Modified]

| | |
|---------|--------------|
| SEG-REV | \$19,472,800 |
|---------|--------------|

Special Session Bill: Increase the amounts in the vehicle registration fee schedule for heavy trucks (over 8,000 pounds) by 10%, rounded to the nearest whole dollar, effective on January 1, 2008. Increase estimated transportation fund revenue by \$3,078,000 in 2007-08 and \$16,394,800 in 2008-09 to reflect these increases. The following table shows the existing fees and the fees under this item, by weight classification.

| <u>Weight up to: (In Pounds)</u> | <u>Current Fee</u> | <u>Proposed Fee</u> |
|--------------------------------------|--------------------|---------------------|
| 10,000 | \$119.50 | \$131.00 |
| 12,000 | 161.00 | 177.00 |
| 16,000 | 218.00 | 240.00 |
| 20,000 | 274.00 | 301.00 |
| 26,000 | 365.50 | 402.00 |
| 32,000 | 468.50 | 515.00 |
| 38,000 | 593.50 | 653.00 |
| 44,000 | 708.50 | 779.00 |
| 50,000 | 818.00 | 900.00 |
| 54,000 | 873.00 | 960.00 |
| 56,000 | 930.00 | 1,023.00 |
| 62,000 | 1,051.50 | 1,157.00 |
| 68,000 | 1,187.00 | 1,306.00 |
| 73,000 | 1,350.00 | 1,485.00 |
| 76,000 | 1,600.50 | 1,761.00 |
| 80,000 | 1,969.50 | 2,166.00 |

7. DRIVER LICENSE AND IDENTIFICATION CARD SECURITY VERIFICATION MANDATE FEE [Senate/Assembly] SEG-REV \$20,747,800

Special Session Bill: Create a \$10 federal security verification mandate fee, payable upon the issuance, renewal, upgrading, or reinstatement of any license, endorsement, or instruction permit and upon the issuance, renewal, or reinstatement of any identification card. Specify that the fee would also apply to the reinstatement of the Wisconsin operating privileges of a nonresident whose operating privileges are revoked under Wisconsin law, in cases where the period of revocation has expired and the nonresident obtains a valid license in his or her jurisdiction of residence. Specify that the \$10 fee would not apply to: (a) the issuance of a duplicate license or card in cases where the license or card holder's address is changed as the result of actions by postal or local authorities; or (b) the reinstatement of a driver's license following an administrative suspension for having a prohibited alcohol concentration if it is determined by a hearing examiner or court that the administrative suspension was improper. Specify that the fee would first apply to applications for licenses or cards received by the Department on January 1, 2008.

Increase estimated transportation fund revenues by \$6,915,900 in 2007-08 and \$13,831,900 in 2008-09 to reflect the creation of the \$10 fee. The fee created under this item would be intended to cover the implementation and ongoing costs of the federal Real ID Act.

8. SUPPLEMENTAL TITLE FEE INCREASE [Senate Modified] SEG-REV \$4,302,000

Special Session Bill: Increase the supplemental vehicle title fee by \$2.00, from \$7.50 to \$9.50, effective on January 1, 2008. Increase estimated transportation fund revenues by \$1,434,000 in 2007-08 and \$2,868,000 in 2008-09 to reflect this increase in the fee.

9. GENERAL FUND GENERAL OBLIGATION BOND DEBT SERVICE FOR TRANSPORTATION BONDS [Senate/Assembly] GPR \$38,585,300

Special Session Bill: Provide \$16,830,800 in 2007-08 and \$21,754,500 in 2008-09 to reflect an estimated increase in debt service payments on GPR-supported, general obligation bonds issued for the highway program. A total of \$565,480,400 in general obligation bonds was authorized for highway rehabilitation projects in the 2003-05 biennium and \$250,000,000 was authorized in the 2005-07 biennium. The debt service increases in this item, when added to the base of \$68,659,900, would bring total debt service on these bonds to \$85,490,700 in 2007-08 and \$90,414,400 in 2008-09.

10. TRANSPORTATION REVENUE BOND DEBT SERVICE REESTIMATES [Senate Modified/Assembly Modified] SEG-REV - \$48,629,200

Special Session Bill: Decrease estimated net transportation fund revenue by \$21,544,700 in 2007-08 and \$27,084,500 in 2008-09 to reflect increases in the amount of vehicle registration

revenue needed to pay principal and interest on transportation revenue bonds. Revenue bond debt service is paid from vehicle registration revenue prior to that revenue being deposited in the transportation fund. Consequently, debt service payments are considered a reduction in revenue rather than a transportation fund expenditure. Total transportation revenue bond debt service in 2006-07 is estimated at \$152,682,800, while under the bill debt service payments are estimated to increase to \$174,227,500 in 2007-08 and \$179,767,300 in 2008-09.

11. MARQUETTE INTERCHANGE PROJECT GENERAL OBLIGATION BOND REESTIMATE [Senate/Assembly]

| | |
|-----|--------------|
| SEG | \$21,355,000 |
|-----|--------------|

Special Session Bill: Provide \$10,677,800 in 2007-08 and \$10,677,200 to reflect a reestimate of debt service on \$213,100,000 in bonds authorized in the 2005-07 budget for the Marquette Interchange reconstruction project. Total debt service on the Marquette Interchange bonds is estimated at \$16,920,800 in 2007-08 and \$16,920,200 in 2008-09.

12. TRANSPORTATION FUND GENERAL OBLIGATION BOND REESTIMATE [Senate/Assembly]

| | |
|-----|-----------|
| SEG | -\$73,300 |
|-----|-----------|

Special Session Bill: Decrease funding by \$762,300 in 2007-08 and increase funding by \$689,000 in 2008-09 to reflect an estimate of debt service on general obligation bonds issued for harbor and freight rail improvement projects and on older bonds issued for highway projects and administrative facilities. The total debt service payments on these bonds is estimated at \$5,442,800 in 2007-08 and \$6,894,100 in 2008-09 under the bill, which reflects debt service on existing bonds, plus debt service on new bonding that would be authorized by the bill for freight rail projects (\$22,000,000) and harbor projects (\$12,700,000). The sum of the 2006-07 appropriation base for the applicable debt service appropriations reflected in this item is \$6,205,100, while the 2006-07 debt service payments in these appropriations is currently estimated at \$3,977,700. Consequently, some of the change under this item reflects realigning the base to actual debt service payments.

13. REVENUE BOND AUTHORIZATION [Senate Modified/ Assembly Modified]

| | |
|----|---------------|
| BR | \$332,783,600 |
|----|---------------|

Special Session Bill: Provide increased revenue bonding authority of \$332,783,600 for major highway development projects and administrative facilities. The increased authorization is the amount estimated to be needed for projects during the 2007-09 biennium, plus an additional amount for the following biennium to provide sufficient bonding authority to complete projects started in the 2007-09 biennium. The bonding authorization in the bill reflects the proposed use of bond proceeds under the major highway development program (\$135,227,200 in 2007-08 and \$146,727,200 in 2008-09) and for improvements to administrative facilities (\$6,000,000 annually).

14. JOINT COMMITTEE ON FINANCE REVIEW OF ALLOTMENT ADJUSTMENTS TO DEPARTMENT OF TRANSPORTATION FEDERAL APPROPRIATIONS [Assembly]

Special Session Bill: Prohibit the Department of Administration from approving an allotment adjustment to DOT's FED appropriations unless the adjustment is approved by the Joint Committee on Finance under a 14-day passive review process. Provide that this approval may be obtained as part of the current law process for submitting a plan when total federal highway aid deviates from budget estimates by more than 5%.

Local Transportation Aids

1. GENERAL TRANSPORTATION AIDS [Senate]

| | |
|-----|--------------|
| SEG | \$31,095,900 |
|-----|--------------|

Special Session Bill: Provide increased funding for general transportation aids as follows to provide 3.0% annual calendar year increases.

a. *County Aid.* Provide \$2,323,700 in 2007-08 and \$5,176,300 in 2008-09 to provide a total of \$95,087,700 in 2007-08 and \$97,940,300 in 2008-09. Set the calendar year distribution at \$96,492,900 for calendar year 2008 and \$99,387,700 for calendar year 2009 and thereafter.

b. *Municipal Aid.* Provide \$7,310,600 in 2007-08 and \$16,285,300 in 2008-09 to provide a total of \$299,157,100 in 2007-08 and \$308,131,800 in 2008-09. Set the calendar year distribution at \$303,578,100 for calendar year 2008 and \$312,685,400 for calendar year 2009 and thereafter.

Establish the mileage aid rate at \$1,956 for calendar year 2008 and \$2,015 for calendar year 2009 and thereafter, which represents a 3.0% annual increase to the 2007 rate of \$1,899 per mile. Repeal the statutory references to 2004 and 2005 calendar year aid payments and mileage aid rate amounts.

2. MASS TRANSIT OPERATING ASSISTANCE [Senate]

| | |
|-----|--------------|
| SEG | \$12,884,300 |
|-----|--------------|

Special Session Bill: Provide additional mass transit assistance of \$3,351,000 in 2007-08 and \$9,533,300 in 2008-09 in order to provide a 2.5% annual increase to all systems, plus an additional \$3.2 million annually to Tier A-1 and \$1.6 million annually split proportionately among the remaining tiers, beginning in 2008. During the biennium, the additional calendar year increases above the 2.5% increases would provide \$4 million to Tier A-1 and \$2 million to the remaining tiers. The increased funding would be distributed as follows: (a) \$2,038,600 in 2007-08 and \$5,925,600 in 2008-09 for Tier A-1 (Milwaukee); (b) \$475,600 in 2007-08 and \$1,307,500 in 2008-09 for Tier A-2 (Madison); (c) \$682,300 in 2007-08 and \$1,875,600 for Tier B transit systems; and (d) \$154,500 in 2007-08 and \$424,600 in 2008-09 for Tier C transit systems.

Set the calendar year distribution amounts at \$63,784,700 for 2008 and \$65,299,200 for 2009 and thereafter for Tier A-1, \$16,754,000 for 2008 and \$17,158,400 for 2009 and thereafter for Tier A-2, \$24,034,400 for 2008 and \$24,614,500 for 2009 and thereafter for Tier B, and \$5,440,500 for 2008 and \$5,571,800 for 2009 and thereafter for Tier C. Repeal statutory references relating to aid payments for each tier of systems for calendar years 2004 and 2005.

3. ELDERLY AND DISABLED TRANSPORTATION AIDS

| | |
|-----|-------------|
| SEG | \$1,005,500 |
|-----|-------------|

[Senate]

Special Session Bill: Provide \$332,400 in 2007-08 and \$673,100 in 2008-09 for county assistance in the provision of elderly and disabled specialized transportation services. Total state funding would equal \$12,705,400 in 2007-08 and \$13,046,100 in 2008-09. This would provide a 2.5% annual increase for elderly and disabled transportation based on the combined SEG funding for county assistance and capital aids, but would provide the total increase in the appropriation for county assistance.

4. LIFT BRIDGE AIDS [Senate]

Special Session Bill: Provide \$29,500 in 2007-08 and \$375,500 in 2008-09 for lift bridge aids to reimburse communities for the costs associated with the operation and maintenance of lift bridges on connecting highways. Funding for lift bridge aids would total \$1,948,400 in 2007-08 and \$2,294,400 in 2008-09.

| | |
|-----|-----------|
| SEG | \$405,000 |
|-----|-----------|

Local Transportation Assistance

1. MILWAUKEE TO CHICAGO PASSENGER RAIL SERVICE

| | |
|-------|-------------|
| SEG | \$1,313,700 |
| FED | 215,200 |
| Total | \$1,528,900 |

[Senate/Assembly]

Special Session Bill: Provide \$639,100 SEG and \$36,600 FED in 2007-08 and \$674,600 SEG and \$178,600 FED in 2008-09 to fund Wisconsin's share of the cost of Amtrak's Hiawatha train route between Milwaukee and Chicago. When added to base funding for the service, total funding would be \$6,345,300 in 2007-08 and \$6,522,800 in 2008-09, with 20% paid from the SEG appropriation for passenger rail service and 80% paid from the FED appropriation. Although the cost of Wisconsin's share for the service is \$6,285,900 in 2006-07, the base appropriations for passenger rail service total \$5,669,600, or \$616,300 less than the actual cost. Due to the effect of a partial veto in the 2005-07 budget act, DOT has been required to fund this additional cost from other sources. This item would restore full funding for the service in the passenger rail service appropriations based on estimates of the cost of the contract

in the next two years, plus provide an additional \$500,000 annually to add an additional train car on each train set to alleviate overcrowding. Wisconsin shares the cost of providing the service with Illinois, with Wisconsin paying 75% of the states' share and Illinois paying 25%.

2. PASSENGER RAIL SERVICE -- ADDITIONAL BONDING FOR MILWAUKEE TO MADISON SERVICE [Senate]

| | |
|----|--------------|
| BR | \$32,000,000 |
|----|--------------|

Special Session Bill: Provide \$32,000,000 of additional bonding authority for passenger rail service development. The additional bonding would be combined with \$48,000,000 of existing, unused bonding authority to provide a total of \$80,000,000 in general fund-supported, general obligation bonds. The intent would be to seek federal funds to provide 80% of the capital cost of upgrading the track and purchasing rail equipment for a high-speed rail route between Milwaukee and Madison. The state bonds would provide the other 20% of the cost, up to a total project cost of \$400 million. The Department has completed preliminary engineering and environmental study for the project and estimates the cost of establishing the service, depending upon various factors, at between \$400 million and \$500 million. Although there is currently no federal program to provide funding for the development of new passenger rail service, some proposals are being discussed in Congress.

3. PASSENGER RAIL SERVICE -- ELIGIBILITY OF ADDITIONAL ROUTES [Senate]

Special Session Bill: Modify existing general obligation bonding authority for passenger rail service improvements to specify that these bonds may be used for improvements related to new or existing service routes between Milwaukee and Chicago, between Madison and La Crosse, and between Madison and Eau Claire. The 1993-95 biennial budget authorized \$50 million in general obligation bonds (with debt service paid from the general fund) for passenger rail improvements. Under current law, that bonding can be used for the following three purposes: (a) an extension of Amtrak passenger rail service or other rail service from Milwaukee to Madison or from Milwaukee to Green Bay; (b) railroad track or rail passenger station improvements related to an Amtrak service extension, or the establishment of commuter rail service, between Milwaukee and Waukesha County; or (c) rail passenger station improvements related to an existing rail passenger service. Use of this bonding requires the approval of the Joint Committee on Finance. Currently, \$2,000,000 of this bonding has been approved for improvements at the Milwaukee Amtrak station, leaving \$48,000,000 in existing authority (the previous item would increase this by \$32,000,000).

4. KENOSHA-RACINE-MILWAUKEE COMMUTER RAIL EXTENSION PROJECT [Senate]

| | |
|-----|-------------|
| SEG | \$1,000,000 |
|-----|-------------|

Special Session Bill: Provide \$1,000,000 in 2007-08 for the Kenosha-Racine-Milwaukee commuter rail project in Southeastern Wisconsin under the commuter rail system development grant program. This program provides grants from a biennial appropriation to political subdivisions for the development or extension of commuter rail transit systems in this state.

Grants are limited to an amount equal to 50% of the portion of the project cost in excess of the federal aid funding for the project or 25% of the total project cost.

In 2005-06, the project received \$800,000 to assist in funding preliminary engineering work on the project. This preliminary engineering work has yet to be undertaken because the project has yet to receive Federal Transit Administration approval to advance to the preliminary engineering phase of development under the federal new starts program. The funding under the bill would be used to replace and supplement the \$800,000 provided in 2005-06, which lapsed to the state transportation fund at the end of the 2005-07 biennium.

Provide the Southeastern Wisconsin Regional Transit Authority (RTA) the responsibility to sponsor, develop, construct, and operate a commuter rail transit system connecting the cities of Kenosha, Racine, and Milwaukee, known as the KRM commuter rail link, and the following authority: (a) to levy a vehicle rental fee of up to \$15 per transaction in the three-county region (currently \$2 per rental transaction); (b) to expend funds to develop and construct the KRM commuter rail link; and (c) to issue up to \$50 million in bonds, excluding refunding bonds, for the anticipated local funding share required for initiating KRM commuter rail link service.

Specify the following relative to the bonds issued by the RTA: (a) the RTA could secure the bonds by a pledge of any income or revenues from any operations, rent, aids, grants, subsidies, contributions, or other source of funds; (b) neither the governing body of the RTA nor any person executing the bonds would be personally liable on the bonds by reason of the issuance of the bonds; (c) the bonds would not be debt of the counties that created the RTA and neither the counties nor the state would be liable for the payment of the bonds; (d) the bonds would only be payable out of funds or properties of the authority; and (e) these restrictions would have to be stated on the face of the bonds.

In addition, specify the following relative to RTA bonds, including refunding bonds: (a) the bonds would have to be authorized by resolution of the RTA's governing body; (b) the bonds could be issued under a resolution or under a trust indenture or other security instrument; (c) the bonds could be issued in one or more series and could be in the form of coupon bonds or registered bonds; (d) the bonds would have to bear the dates, mature at the times, bear interest at the rates, be in the denominations, have the rank or priority, be executed in the manner, be payable in the medium of payment and at the places, and be subject to the terms of redemption, with or without premium, as the resolution, trust indenture, or other security instrument provides; (e) the bonds would be issued for an essential public and governmental purpose and are public instrumentalities and, together with interest and income, are exempt from taxes; (f) the bonds could be sold by the RTA at public or private sales at the price or prices determined by the RTA; and (g) if any member of the RTA governing body whose signature appears on the bonds ceases to be member of the RTA governing body before the bonds are delivered, the signature would remain valid.

Provide the RTA the authority to issue refunding bonds for the purpose of paying any of its bonds at or prior to the maturity or upon acceleration or redemption. Specify that the RTA may issue refunding bonds at such time prior to the maturity or redemption of the refunded

bonds as the authority deems to be in the public interest. Provide that the refunding bonds may be issued in sufficient amounts to pay or provide the following: (a) the principal of the refunded bonds together with any redemption premium on the bonds and any interest accrued or to accrue to the date of payment of the bonds; (b) the expenses to issue refunding bonds; (c) the expenses of redeeming the bonds being refunded; and (d) such reserves for debt service or other capital or current expenses from the proceeds of the refunding bonds as may be required by the resolution or under a trust indenture or other security instrument.

Delete the current law provision that the RTA's report to the Legislature, which is due by November 15, 2008, must include a recommendation as to whether the responsibilities of the authority should be limited to collection and distribution of regional transit funding or should also include operation of transit service. Also, delete the requirement that the RTA's report must recommend whether the RTA should continue in existence beyond September 30, 2009.

Require the Southeastern Wisconsin Regional Transit Authority to conduct the following studies related to the Kenosha-Racine-Milwaukee commuter rail project: (a) a study on the feasibility of extending any proposed commuter rail project through the 30th Street corridor in the City of Milwaukee to the northern Milwaukee County line; and (b) a study on the feasibility of adding a commuter rail stop and station at points where any proposed commuter rail route would intersect National Avenue and/or Greenfield Avenue in the City of Milwaukee. Specify that the studies be included as part of the report to the Governor and Legislature that is required under current law.

**5. FREIGHT RAIL PRESERVATION PROGRAM [Senate/ Assembly]

| | |
|----|--------------|
| BR | \$22,000,000 |
|----|--------------|**

Special Session Bill: Provide \$22,000,000 in general obligation bonding authority for the freight rail preservation program to provide total, cumulative bonding authority of \$66,500,000 for the program. When fully issued, debt service on the \$22,000,000 in freight rail bonds would be \$1.8 million annually. Under the freight rail preservation program, the Department purchases abandoned railroad lines in order to preserve rail service to shippers on the lines through a third-party railroad company. The bonds may be used to acquire abandoned railroad lines or make improvements on lines already owned by the state. The \$22,000,000 in bonding provided by the bill would be an increase from the \$12,000,000 provided in the 2005-07 biennial budget. The increased funding could be used to upgrade tracks to accommodate the heavier rail cars now being used in the freight rail industry and to fund the purchase of additional abandoned lines.

**6. HARBOR ASSISTANCE PROGRAM [Senate/Assembly]

| | |
|----|--------------|
| BR | \$12,700,000 |
|----|--------------|**

Special Session Bill: Provide \$12,700,000 in general obligation bonding authority for the harbor assistance program, to bring the total, cumulative bonding authority for the program to \$53,400,000. When fully issued, the debt service on the \$12,700,000 in harbor bonds would be

\$1.0 million annually. Together with base funding of \$500,000 SEG annually for making grants for harbor improvements, the bonding authorized by the bill would provide a total of \$13,700,000 for grants over the biennium, which is the same amount provided in the 2005-07 biennium. However, unlike the 2005-07 budget, which earmarked \$8,100,000 for specific projects, there would be no specific allocations of the funding provided in this bill.

Create a SEG-L appropriation for the harbor assistance program to reflect contributions toward the cost of a harbor improvement project provided by a local unit of government or other source.

7. SAFE ROUTES TO SCHOOL PROGRAM [Senate/Assembly]

| | |
|-------|----------------|
| FED | \$7,830,100 |
| SEG-L | <u>783,000</u> |
| Total | \$8,613,100 |

Special Session Bill: Provide \$4,600,000 FED and \$460,000 SEG-L in 2007-08 and \$3,230,100 FED and \$323,000 SEG-L in 2008-09 in new appropriations for the safe routes to school program. Permit the Department to administer a safe routes to school program to award grants for infrastructure or noninfrastructure projects according to federal guidelines for the program.

Allow DOT, under the program, to award grants for infrastructure projects to any local general purpose government or any state agency. Federal law provisions for the program specify that a grant for an infrastructure project may be for the planning, design, and construction of infrastructure-related projects that will substantially improve the ability of students to walk and bicycle to school, including sidewalk improvements, traffic calming and speed reduction improvements, pedestrian and bicycle crossing improvements, on-street bicycle facilities, off-street bicycle and pedestrian facilities, secure bicycle parking facilities, and traffic diversion improvements in the vicinity of a primary or middle school.

Permit DOT to award grants for noninfrastructure-related activities under the program to any county, local governmental unit, Indian tribe, or private, nonprofit organization ("local governmental unit" is defined as a municipality, regional planning commission, special purpose district or local government association, authority, board, commission, department, independent agency, institution, or office). Federal law provisions for the program describe noninfrastructure activities as activities to encourage walking and bicycling to school, including public awareness campaigns and outreach to press and community leaders, traffic education and enforcement in the vicinity of schools, student sessions on bicycle and pedestrian safety, health, and environment, and funding for training, volunteers, and managers of safe routes to school programs.

Specify that DOT may award grants for both infrastructure and noninfrastructure projects to the same recipient.

The most recent federal surface transportation reauthorization act created the safe routes to school program for capital improvements or other initiatives to improve the safety of children traveling to school by bike or by foot. The federal funds, which are provided as part of the federal highway aid program, do not require a local match, but the Department assumes

that some local money could be used to supplement federal funds. Consequently, the bill would create a SEG-L appropriation and estimate funding equal to 10% of the federal appropriation for this local contribution. Although the state has received funding under the program since federal fiscal year 2005, the federal authorizing legislation passed too late in 2005 to include the creation of a state program to distribute the funds in the 2005-07 state budget. DOT distributed some federal safe routes to schools funding through the current transportation enhancements program structure, but only a portion of what could have been spent. The funding in the bill in 2007-08, therefore, represents an estimate of the funding that will be received by the state in federal fiscal year 2008, plus an additional amount to reflect a portion of the amount received under the federal program in the previous three federal fiscal years. The amount provided in 2008-09 reflects an estimate of the amount that will be received in federal fiscal year 2009.

8. LOCAL ROADS IMPROVEMENT PROGRAM FUNDING -- ENTITLEMENT COMPONENT [Senate]

| | |
|-------|------------------|
| SEG | \$1,254,200 |
| SEG-L | <u>1,254,200</u> |
| Total | \$2,508,400 |

Special Session Bill: Provide \$414,600 SEG and \$414,600 SEG-L in 2007-08 and \$839,600 SEG and \$839,600 SEG-L in 2008-09 for the local roads improvement program for making grants under the entitlement component of the program. These amounts represent increases of 2.5% annually. Total funding for the entitlement component would be \$17,000,300 SEG and \$17,000,300 SEG-L in 2007-08 and \$17,425,300 SEG and \$17,425,300 SEG-L in 2008-09. Grants are distributed under the entitlement component of the program to counties, municipalities, and towns based on formulas. The SEG-L increases reflect the required 50% local match for the program.

9. LOCAL ROADS IMPROVEMENT PROGRAM -- DISCRETIONARY COMPONENT [Senate]

| | |
|-------|----------------|
| SEG | \$529,400 |
| SEG-L | <u>529,400</u> |
| Total | \$1,058,800 |

Special Session Bill: Provide \$175,000 SEG and \$175,000 SEG-L in 2007-08 and \$354,400 SEG and \$354,400 SEG-L in 2008-09 for the discretionary grant component of the local roads improvement program to fund a 2.5% annual increase in the statutory allocations under the discretionary program. Set these allocations as follows: (a) \$5,381,300 in 2007-08 and \$5,515,800 in 2008-09 and annually thereafter for county projects; (b) \$1,025,000 in 2007-08 and \$1,050,600 in 2008-09 and annually thereafter for municipal projects; and (c) \$768,700 in 2007-08 and \$788,000 in 2008-09 and annually thereafter for town projects. The SEG-L amounts reflect the required 50% local match for discretionary grants.

10. LOCAL ROADS IMPROVEMENT PROGRAM -- GRANT FOR WASHBURN COUNTY VETERANS CEMETERY ROAD [Senate/Assembly]

Special Session Bill: Require DOT to make a grant of \$60,000 in the 2007-09 biennium, from the discretionary grants appropriation for the local roads improvement program, for the

improvement of a road accessing a state veterans cemetery in Washburn County. Specify that the grant shall be made to the first applicant that is eligible for the aid under the local roads improvement program that applies for the grant. Specify that the grant shall be made prior to any allocations to the components of the discretionary grant program and shall be in addition to any other grants or entitlements that the recipient may receive under the discretionary or entitlement components of the local roads improvement program. Specify that the grant shall be made notwithstanding limitations on the amount and use of aid, or eligibility requirements for receiving aid, under the local roads improvement program.

11. LOCAL ROADS IMPROVEMENT PROGRAM -- GRANT TO THE VILLAGE OF PLEASANT PRAIRIE [New Item]

Special Session Bill: Require the Department of Transportation to award a grant of \$1,200,000 during the 2007-09 biennium to the Village of Pleasant Prairie for an improvement project on 85th Street between 65th Avenue and 51st Avenue. Specify that the grant shall be made from the municipal subcomponent of the discretionary component of the local roads improvement program.

12. AERONAUTICS ASSISTANCE FUNDING [Senate]

| | |
|-----|-----------|
| SEG | \$953,800 |
|-----|-----------|

Special Session Bill: Provide \$315,300 in 2007-08 and \$638,500 in 2008-09 for the aeronautics assistance program, to increase the SEG-funded portion of the program by 2.5% annually. Total funding for the program would be \$13,048,500 SEG and \$74,000,000 FED in 2007-08 and \$13,371,700 SEG and \$74,000,000 FED in 2008-09. The total SEG funding amounts reflect the net effect of this item plus standard budget adjustments (-\$43,100 annually) and a separate item that would transfer funding into the program to reflect realignment of responsibilities and funding associated with departmental reorganization (\$32,100 annually).

13. STATE BICYCLE AND PEDESTRIAN FACILITIES PROGRAM [Assembly]

| | |
|-------|----------------|
| FED | \$2,720,000 |
| SEG-L | <u>680,000</u> |
| Total | \$3,400,000 |

Special Session Bill: Provide \$2,720,000 FED and \$680,000 SEG-L in 2008-09 to new appropriations for making grants for bicycle and pedestrian transportation projects. In addition, transfer the following amounts from existing local transportation assistance grant programs to the new appropriations: (a) \$3,485,700 FED and \$871,400 SEG-L annually from the congestion mitigation and air quality improvement grant program; and (b) \$4,692,500 FED and \$1,173,100 SEG-L annually from the transportation enhancements grant program. Specify that projects funded under the bicycle and pedestrian facilities grant program must be let by contract and awarded to the lowest competent and responsible bidder. Delete the current law provisions related to the surface transportation grant program. Modify current law provisions related to bicycle and pedestrian facilities grants to specify that the local match

percentage is at least 20%, instead of at least 25%, and specify that pedestrian facilities funded under the program shall not include sidewalks or street beautification measures.

14. ROAD IMPROVEMENT GRANT FOR THE TOWN OF POUND IN MARINETTE COUNTY [Senate]

Special Session Bill: Require DOT to award a grant of \$500,000 in the 2007-09 biennium to the Town of Pound in Marinette County from the SEG appropriation for the transportation economic assistance (TEA) program for the extension of North 19th Road to West 16th Road. Specify that the grant shall be made notwithstanding current TEA program eligibility criteria or local match requirements.

15. GRANT TO ASHLAND COUNTY FOR IMPROVEMENTS TO CTH H [Senate]

Special Session Bill: Require DOT to award a grant of \$2,100,000 in the 2007-09 biennium to Ashland County from the FED appropriation for local transportation facility improvement assistance for the improvement of CTH H on Madeline Island, if the Department determines that the CTH H project is eligible for federal aid during the biennium. Under current federal law, federal highway aid may not be used for highways that are classified as "minor collectors," which is the current classification of Ashland County CTH H. This item would require a grant to be made for the improvement of that highway if federal law is changed to allow the improvement.

16. GRANT FOR STREET IMPROVEMENTS IN THE CITY OF KENOSHA [Senate Modified]

Special Session Bill: Require DOT to make a grant of \$950,000 in the 2007-09 biennium to the City of Kenosha from the FED appropriation for local transportation facility improvement assistance for the extension of 39th Avenue from 18th Street to 26th Street, if the Department determines that the project is eligible for federal aid. Specify that the grant shall be made in addition to any other assistance that the City is eligible to receive under the program.

17. TRANSPORTATION ENHANCEMENTS GRANT FOR MILWAUKEE COUNTY [Senate]

Special Session Bill: Require DOT to make a grant of \$100,000 to Milwaukee County from the transportation enhancements grant program during the 2007-09 biennium for the construction of a pedestrian bridge and path at the Milwaukee Urban Ecology Center, if the Department determines that the project is eligible for federal aid. Specify that the County, in order to receive the grant, must apply for the grant and agree to pay the required 20% local match.

**18. TRANSPORTATION ENHANCEMENTS GRANT FOR THE CITY OF WHITEWATER
[Senate]**

Special Session Bill: Require DOT to award a grant to the City of Whitewater from the transportation enhancements grant program during the 2007-09 biennium for the extension of the Whitewater multi-use trail to Willis Ray Road, if the Department determines that the project is eligible for federal aid. Specify that the amount of the grant shall be \$150,000 or 80% of the cost of the project, whichever is less. Specify that the City, in order to receive the grant, must apply for the grant and agree to pay the required 20% local match.

**19. TRANSPORTATION ENHANCEMENTS GRANT FOR THE CITY OF RACINE
[Senate]**

Special Session Bill: Require DOT to award a grant of \$400,000 to the City of Racine from the transportation enhancements grant program in the 2007-09 biennium for a streetscaping project on 6th Street between Main Street and Grand Avenue, if the Department determines that the project is eligible for federal aid. Specify that the City, in order to receive the grant, must apply for the grant and agree to pay at least \$100,000 toward the cost of the project.

**20. TRANSPORTATION ENHANCEMENTS GRANT FOR THE TOWN OF ARMSTRONG
CREEK [Senate]**

Special Session Bill: Require DOT to award a grant from the transportation enhancements grant program to the Town of Armstrong Creek in Forest County for the historical restoration of the Red Bridge over Armstrong Creek in the 2007-09 biennium, if the Department determines that the project is eligible for federal aid. Specify that the amount of the grant shall be \$50,000, or 80% of the cost of the project, whichever is less. Specify that the Town, in order to receive the grant, must apply for a grant and agree to pay the required 20% local match.

**21. TRANSPORTATION ENHANCEMENTS GRANT FOR THE VILLAGE OF
FOOTVILLE [Senate]**

Special Session Bill: Require DOT to award a grant to the Village of Footville in Rock County from the transportation enhancements program in the 2007-09 biennium for the paving of a walking trail, if the Department determines that the project is eligible for federal transportation enhancements funds. Specify that the amount of the grant shall be \$15,000 or 80% of the project cost, whichever is less. Specify that the Village, in order to receive the grant, must apply for the grant and agree to pay the required 20% local match.

22. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM GRANT FOR THE CITY OF WEST ALLIS [Senate]

Senate: Require DOT to make a grant of \$800,000 to the City of West Allis from the congestion mitigation and air quality improvement (CMAQ) program in the 2007-09 biennium for the construction of the West Allis Cross-Town Bike Trail, if the Department determines that the project is eligible for federal aid. Specify that the City, in order to receive the grant, must apply for the grant and agree to pay the required 20% local match.

23. SAFE ROUTES TO SCHOOL GRANT FOR THE CITY OF JANESVILLE [Senate]

Special Session Bill: Require DOT to award a grant of \$235,000 to the City of Janesville from the safe routes to school program in the 2007-09 biennium for the construction of a pedestrian tunnel for the Spring Brook Trail under East Milwaukee Street, if the Department determines that the project is eligible for federal aid.

State Highway Program

1. SOUTHEAST WISCONSIN FREEWAY REHABILITATION -- I-94 NORTH-SOUTH FREEWAY RECONSTRUCTION [Senate]

| | |
|-------|-------------------|
| SEG | \$90,869,900 |
| FED | 23,848,500 |
| BR | <u>66,900,000</u> |
| Total | \$181,618,400 |

Special Session Bill: Provide \$17,084,000 SEG and \$8,125,200 FED in 2007-08 and \$73,785,900 SEG and \$15,723,300 FED in 2008-09 in the southeast Wisconsin freeway rehabilitation appropriations, and provide general obligation bonding authority of \$66,900,000, to begin preliminary work on the reconstruction of I-94 between the Mitchell Interchange in Milwaukee County and the Illinois state line. Modify the existing statutory bonding authorization for the Marquette Interchange to allow the bonds to also be used on the reconstruction of I-94. [The bonding authority provided in the 2005-07 budget for the reconstruction of the Marquette Interchange has already been issued. This item, however, would provide additional authority in the same bonding authorization and broaden the purposes for which the authorization can be used to include the I-94 project.] The bill does not reflect debt service payments on these bonds, based on the assumption that they would not be issued until late in the biennium, or in the 2009-11 biennium.

Include the I-94 north-south corridor in a list of reconstruction projects for which DOT may proceed with construction involving the addition of one or more lanes five miles or more in length. Define the "I-94 north-south corridor" as the Mitchell interchange of I-43, I-94, and I-

894 in Milwaukee County, I-94 from the Illinois-Wisconsin state line in Kenosha County proceeding northerly through the Mitchell Interchange to Howard Avenue in Milwaukee County, I-43/I-894 from the Mitchell Interchange proceeding westerly to 35th Street in Milwaukee County, the STH 119 Airport Spur Parkway between I-94 and General Mitchell International Airport in Milwaukee County, and all freeways, roadways, shoulders, interchange ramps, frontage roads, and collector road systems adjacent or related to these routes or interchanges. Under current law, statutory enumeration is required prior to any capacity expansion project on the southeast Wisconsin freeway system, but such enumeration does not require capacity expansion. The Department indicates that an environmental impact statement would be conducted to determine whether expansion of the freeway is warranted.

The total amount of funding that would be provided for the project is \$181,618,400, which would be used to purchase real estate, prepare an environmental impact statement, prepare the final design, and begin reconstruction on certain interchanges in Kenosha County (CTH C, STH 50, and STH 158). The Department indicates that reconstruction on selected interchanges would occur in 2009 and 2010 and reconstruction of the mainline of the freeway and remaining interchanges would occur between 2011 and 2016.

2. SOUTHEAST WISCONSIN FREEWAY REHABILITATION -- ZOO INTERCHANGE RECONSTRUCTION [Senate]

| | Funding | Positions |
|-----|--------------|-----------|
| SEG | \$24,000,000 | 25.00 |

Special Session Bill: Provide \$17,000,000 and 25.0 positions in 2007-08 and \$7,000,000 and 25.0 positions in 2008-09 for preliminary work related to the reconstruction of the Zoo Interchange in Milwaukee County. Define the "Zoo Interchange" as all freeways, including related interchange ramps, roadways, and shoulders, and all adjacent frontage roads and collector road systems, encompassing I-94, I-894, and USH 45 in Milwaukee County within the area bordered by I-894/USH 45 at the Union Pacific railroad underpass near Burnham Street to the south, I-94 at 76th Street to the east, I-94 at 116th Street to the west, and USH 45 at Center Street to the north. Under the Department's proposed schedule for the project, the environmental study and preliminary engineering analysis would occur in 2007 and 2008, final design (including addressing real estate and utility issues) would occur between 2009 and 2011, and construction would occur between 2012 and 2016.

The funding provided by the bill would be used to conduct an environmental study and preliminary engineering analysis for the project. The Department's intent is to conduct approximately one-half of this work with state staff and the other half using engineering consultants. The 25.0 positions provided by the bill would be used to conduct various activities related to this preparatory work, as well as oversee the consultant work. Of the funding provided, \$1,307,700 in 2007-08 and \$1,718,600 in 2008-09 would be for salary and fringe benefit costs for new positions and the remaining \$15,692,300 in 2007-08 and \$5,281,400 in 2008-09 would be for consultant contracts.

3. PROHIBITION AGAINST ADDITIONAL LANES ON I-94 NEAR WOOD NATIONAL CEMETERY IN MILWAUKEE COUNTY [Senate]

Special Session Bill: Specify that no southeast Wisconsin freeway rehabilitation project may include the addition of any lane for vehicular traffic on I-94 adjacent to Wood National Cemetery, between Hawley Road and the Stadium Interchange, in Milwaukee County.

4. STATE HIGHWAY MAINTENANCE AND TRAFFIC OPERATIONS FUNDING [Senate/Assembly]

| | |
|-----|--------------|
| SEG | \$66,294,300 |
|-----|--------------|

Special Session Bill: Provide \$28,964,000 in 2007-08 and \$37,330,300 in 2008-09 for the state highway maintenance and traffic operations program. The Department indicates that these amounts reflect the following components: (a) \$21,510,000 annually to cover the costs of contracting for county services and other routine maintenance activities; (b) \$3,960,400 in 2007-08 and \$8,019,800 in 2008-09 for 2.5% annual inflationary increases, calculated on a base that excludes state-funded salary and fringe benefit costs; and (c) \$3,493,600 in 2007-08 and \$7,800,500 in 2008-09 to reflect projected growth in traffic and the number of lane miles on the state highway system. Base funding for the program is \$178,588,100.

5. STATE HIGHWAY REHABILITATION FUNDING [Senate]

| | |
|-------|---------------|
| SEG | \$164,461,300 |
| FED | - 1,724,800 |
| Total | \$162,736,500 |

Special Session Bill: Provide increases of \$58,129,100 in 2007-08 and \$104,607,400 in 2008-09 for the state highway rehabilitation program. Of these amounts, the funding in 2007-08 would be provided with \$57,638,000 SEG and \$491,100 FED, while the funding in 2008-09 is the net effect of an increase of \$106,823,300 SEG and a decrease of \$2,215,900 FED. These amounts reflect increases of 9.6% in 2007-08 and 7.0% in 2008-09, calculated on a base that excludes state-funded salary and fringe benefit costs. Total funding for the program under the bill would be \$668,586,200 in 2007-08 and \$715,064,500 in 2008-09, which reflects the effect of this item, standard budget adjustments (\$1,611,800 annually), and a separate item that would transfer funding out of the program to reflect realignment of responsibilities and funding associated with departmental reorganization (-\$3,702,500 annually). The following table shows the total funding for the program under the bill, by fund source, in relation to the 2006-07 base.

| <u>Fund</u> | <u>2006-07 Base</u> | <u>Governor</u> | |
|-------------|---------------------|--------------------|--------------------|
| | | <u>2007-08</u> | <u>2008-09</u> |
| SEG | \$264,584,600 | \$320,131,900 | \$369,317,200 |
| FED | <u>347,963,200</u> | <u>348,454,300</u> | <u>345,747,300</u> |
| Total | \$612,547,800 | \$668,586,200 | \$715,064,500 |

6. MAJOR HIGHWAY DEVELOPMENT FUNDING [Senate Modified]

| | |
|-------|--------------|
| SEG | \$61,571,500 |
| SEG-S | - 11,500,000 |
| Total | \$50,071,500 |

Special Session Bill: Provide funding increases of \$15,507,100 in 2007-08 and \$34,564,400 in 2008-09 for the major highway development program, which is the net effect of decreases in the use of transportation revenue bonds and increases in the use of SEG funds for the program, as follows: (a) a decrease of \$11,500,000 SEG-S (revenue bonds) and an increase of \$27,007,100 SEG in 2007-08; and (b) an increase of \$34,564,400 SEG in 2008-09. The net increase amounts to an increase of 5.2% in 2007-08 and 6.1% in 2008-09, calculated on a base that excludes state-funded salary and fringe benefit costs. Total funding for the program, including SEG, FED, and bonding, would be \$314,413,300 in 2007-08 and \$333,470,600 in 2008-09, which reflects the net effect of this item, plus a \$62,500 annual increase for standard budget adjustments. The following table shows the total proposed funding for the program, by fund source, in relation to the 2006-07 base.

| <u>Fund</u> | <u>2006-07 Base</u> | <u>Governor</u> | |
|-------------|---------------------|--------------------|--------------------|
| | | <u>2007-08</u> | <u>2008-09</u> |
| SEG | \$73,141,500 | \$100,211,100 | \$107,768,400 |
| FED | 78,975,000 | 78,975,000 | 78,975,000 |
| SEG-S | <u>146,727,200</u> | <u>135,227,200</u> | <u>146,727,200</u> |
| Total | \$298,843,700 | \$314,413,300 | \$333,470,600 |

7. MAJOR HIGHWAY DEVELOPMENT PROJECT PROGRESS REPORT [Assembly]

Special Session Bill: Require DOT, by February 1 of each year, to include with its semi-annual report on the cost of all enumerated major highway development projects an updated project schedule for all projects, showing the annual funding required until completion for each project.

8. USH 51 EXPANSION PROJECT IN DANE COUNTY [Senate/Assembly]

Special Session Bill: Require DOT to commence, in 2007-08, the preparation of an environmental impact statement or environmental assessment, as applicable, for the USH 51 north segment reconstruction project in Dane County, which includes expanding the highway to a four-lane divided highway from the intersection of USH 51 and Reardon Road to just north of the intersection of USH 51 and CTH V/Grinde Road in the Village of De Forest. Require the Department to commence construction of this project no later than December 31, 2012.

9. HIGHWAYS SIGNS FOR ATTRACTIONS IN MILWAUKEE COUNTY [Senate/Assembly]

Special Session Bill: Require DOT to install and maintain tourist-oriented directional

signs on I-94 in Milwaukee County that highlight lakefront attractions in the City of Milwaukee. Specify that the signs shall include information about the Milwaukee Art Museum, Discovery World, the Betty Brinn Children's Museum, Summerfest, and the Milwaukee County War Memorial. Specify that signs shall be placed at the following locations: (a) on the north-bound side of I-94 between Rawson Avenue and College Avenue; and (b) on the east-bound side of I-94 in the proximity of the Waukesha County/Milwaukee County line. Require DOT to also install temporary signs providing driving directions to these attractions until the completion of the Marquette Interchange reconstruction project or until July 1, 2010, whichever occurs first.

10. MARS CHEESE CASTLE SIGNS [New Item]

Special Session Bill: Allow the Mars Cheese Castle business in Kenosha County to relocate its on-premise advertising signs located near the intersection of I-94 and STH 142 in Kenosha County, notwithstanding any local, county, or state restrictions on the signs.

11. STUDY OF HIGHWAY ROUTES THROUGH THE CITY OF RIPON [Senate/Assembly]

Special Session Bill: Require DOT to conduct a study of a proposal to reroute state highways through the City of Ripon as follows: (a) for STH 23, on Berlin Road, Oshkosh Street and Douglas Street; (b) for STH 44, on CTH KK and Douglas Street; and (c) for STH 49, on CTH KK, Douglas Street, Oshkosh Street, and Berlin Road. Require the Department to prepare a report summarizing the results of the study and present that report to the Joint Committee on Finance by June 30, 2008.

12. DESIGNATE DONALD J. SCHNEIDER HIGHWAY [Senate]

Special Session Bill: Require DOT to designate and mark the route of USH 8 between USH 53 and the City of Turtle Lake in Barron County as the "Donald J. Schneider Highway" in recognition of former Wisconsin Chief Clerk Donald J. Schneider for his many years of service to the Wisconsin Senate and the people of Wisconsin.

13. RONALD REAGAN MEMORIAL HIGHWAY [Assembly]

Special Session Bill: Require DOT to designate and mark the route of USH 14 from the Wisconsin-Illinois border to Madison as the "Ronald Reagan Memorial Highway" in recognition and appreciation of the public career of Ronald Reagan, who served for two terms of office with distinction as the 40th President of the United States of America and who subsequently demonstrated grace and dignity in his struggle with Alzheimer's disease.

14. BUSINESS HIGHWAY 51 WIDENING PROJECT IN MARATHON COUNTY [Assembly]

| | |
|-----|-----------|
| SEG | \$238,300 |
|-----|-----------|

Special Session Bill: Require DOT to award a grant of \$200,000 in the 2007-09 biennium from the transportation economic assistance (TEA) program to the Village of Rothschild in Marathon County for the widening of Business Highway 51 in the Village from two lanes to four lanes, and related improvements. Specify that, in order to receive the grant, the Village must apply for the grant and agree to pay the required 50% local match for the project, but specify that other TEA program provisions do not apply to the grant. Provide \$238,300 SEG in 2008-09 in the SEG appropriation for state highway rehabilitation and require DOT to provide a grant of that amount in the 2007-09 biennium to the Village of Rothschild for the Business Highway 51 project.

15. USH 14 RESURFACING PROJECT IN ROCK AND WALWORTH COUNTIES [Senate]

Special Session Bill: Require DOT to complete a pavement resurfacing project on USH 14 between CTH O and STH 89 in Rock and Walworth counties during the 2007-09 biennium. This resurfacing project is estimated to cost between \$2.5 million and \$3.0 million.

16. PAVEMENT REHABILITATION PROJECT ON I-43 IN ROCK COUNTY [Senate]

Special Session Bill: Require DOT to complete a pavement rehabilitation project on I-43 between I-39/I-90 and STH 140 in Rock County during the 2007-09 biennium. This rehabilitation project is estimated to cost \$6.8 million.

17. TRANSPORTATION STUDY FOR CTH T AND STH 312 IN THE CITY OF EAU CLAIRE [Senate]

Special Session Bill: Require DOT to conduct a study that examines potential transportation improvements that could improve the access to businesses and promote economic development along CTH T north of STH 312 in the City of Eau Claire. Require the Department to submit a report to the Governor and the Legislature summarizing the results of the study by June 30, 2008.

18. STUDY OF EXTENSION OF STH 138 IN ROCK COUNTY [Senate]

Special Session Bill: Require DOT to study whether Tolles Road in Rock County should be added to the state trunk highway system as an extension of STH 138. Require the Department to report the results of the study to the Governor and Legislature by June 30, 2008.

19. UTILITY COSTS ASSOCIATED WITH STH 78 PROJECT IN THE VILLAGE OF MERRIMAC [Senate]

Special Session Bill: Require DOT to pay 75% of the cost of the relocation of water and sewer utilities lying under STH 78 in the Village of Merrimac if the Department reconstructs the segment of the highway within the Village and requires the utilities to be relocated to a lower depth. The cost of the utility work is estimated at \$894,000, so the Department's share of the costs under this item would be \$670,500.

20. REIMBURSEMENT OF UTILITY COSTS IN THE CITY OF CRANDON [Senate]

Special Session Bill: Require DOT, during the 2007-09 biennium, to reimburse the City of Crandon for a portion of the costs of installing water and sewer utilities across USH 8 associated with the development of a Best Western hotel in the City. Specify that the portion of costs to be paid shall be equal to the difference between the actual costs of the utility construction and the estimated cost of the construction if traffic had been detoured off of USH 8 during construction, up to a maximum of \$150,000. Require the City to submit a request to the Department that includes the actual cost of the utility work and an estimate of the alternative costs, as determined by the City. Specify that the reimbursement payment shall be made from the state highway rehabilitation SEG appropriation, notwithstanding current law expenditure authority under that appropriation.

21. TRAFFIC SIGNALS IN THE TOWN OF ALBION IN DANE COUNTY [Senate]

Special Session Bill: Require DOT to install traffic signals in the 2007-09 biennium at the intersection of USH 51 and Albion Road/Haugen Road in the Town of Albion in Dane County.

22. STILLWATER BRIDGE FINANCIAL CONSULTANT [Assembly]

Special Session Bill: Require DOT to enter into a contract during the 2007-09 biennium for a financial consultant to work on aspects of the financing of the construction of the Stillwater Bridge, utilizing federal funds provided to the state for that purpose.

23. CONSTRUCTION SCHEDULE FOR STH 23 MAJOR HIGHWAY DEVELOPMENT PROJECT [Assembly]

Special Session Bill: Require DOT to begin construction on the enumerated major highway development project on STH 23 between STH 67 and USH 41 in Fond du Lac and Sheboygan counties by July 1, 2009, and complete construction of the project by July 1, 2011.

24. RECONSTRUCTION OF STH 13 IN THE CITY OF COLBY [Assembly]

Special Session Bill: Require DOT to start a reconstruction project on STH 13 (Division Street) within the City of Colby in Marathon County in 2008-09.

25. CONSTRUCTION PROJECT ON USH 14 IN THE VILLAGE OF OREGON [Assembly]

Special Session Bill: Require DOT to complete a reconstruction project, during the 2007-09 biennium, in the Village of Oregon in Dane County on USH 14 between CTH MM and STH 138 involving the replacement of the pavement and the construction of an additional lane in each direction.

26. PROHIBIT CONSTRUCTION OF A TRUCK WEIGH STATION IN THE VILLAGE OF ROCKLAND [Assembly]

Special Session Bill: Prohibit DOT from constructing or locating a truck weight enforcement facility in or adjacent to the Village of Rockland in La Crosse County.

27. VALUE ENGINEERING FOR HIGHWAY IMPROVEMENT PROJECTS [Assembly]

Special Session Bill: Require DOT to employ value engineering for any highway improvement project for which the cost of construction, utilities, and rights-of-way is in excess of a certain threshold, equal to \$5,000,000 initially, adjusted annually, beginning on the first day of the 13th month after the effective date of this provision, to any change in the cost of construction, utilities, and rights-of-way. Define "value engineering" as the term is defined under federal law, which is the systematic application of recognized techniques by a multi-disciplined team to identify the function of a product or service, establish a worth for that function, generate alternatives through the use of creative thinking, and provide the needed functions to accomplish the original purpose of the project, reliably, and at the lowest life-cycle cost without sacrificing safety, necessary quality, and environmental attributes of the project. Require DOT to assure that a value engineering study and analysis is performed on each such project. Require DOT to establish criteria for determining which projects, in addition to those that meet the cost threshold, on which the Department will employ value engineering. Specify that after review and for compelling reasons, the Department Secretary may waive the value engineering requirement for any project, provided that the waiver states, in writing, the reasons for the waiver and applies only to a single project. Specify that any value engineering study and analysis related to engineering work performed by a consultant may not be performed by the same consultant unless that consultant maintains separate and distinct organizational separation of its value engineering and design sections.

Require the Department, for each project for which a value engineering study and analysis is conducted, to include in the study and analysis an identification of the cost of all design

elements considered as context-sensitive design, as determined by the Department, and the Department's justification for increasing the project's cost by including these elements.

Require the Department to submit an annual report to the Governor and the appropriate standing committees of the Legislature on the Department's employment of value engineering, the criteria established for employing value engineering on projects that do not meet the cost threshold, and all waivers of the requirement. Require the report to include all the following information: (a) the number of value engineering studies conducted; (b) the cost of conducting the studies; (c) the estimated construction cost of the projects studied; (d) the total number of study recommendations; (e) the total estimated savings that would result from all recommendations if approved and implemented; (f) the number of recommendations approved; (g) the total savings that resulted from the approved recommendations; and (h) the cost of all context-sensitive design elements included with the completed project. Require all project information included in the report to be reported on a cumulative basis from the inception of the project and on an updated basis for the period since the Department's last report.

Specify that these requirements first apply to highway improvement projects for which engineering work is commenced on the first day of the third month beginning after the general effective date of the bill.

28. TRUCK SIZE AND WEIGHT LAW STUDY [Assembly]

Special Session Bill: Require DOT to contract for a study of Wisconsin's truck size and weight limit laws, to identify changes in those laws that would have a net benefit to Wisconsin's economy, when considering the costs of protecting highway infrastructure and safety, and the benefits that would result from reducing the cost of truck transportation. Specify that the consultant that undertakes the study shall review those vehicle configurations, changes in seasonal restrictions, and other policy issues that were found to have a net benefit in the cost-benefit analysis in the Minnesota truck size and weight project final report that was issued in June, 2006. Require DOT to appoint an advisory committee to assist in the review and report. Specify that the advisory committee shall include representation from the Department of Commerce and local governmental units, trucking companies, industries and small businesses that depend on truck transport, enforcement agencies, and other groups and individuals that are interested in and knowledgeable about truck size and weight limits. Specify that all advisory committee members may present written commentary on or dissenting views from the report and require DOT to include that commentary and any dissents into the final report. Require the consultant that undertakes the study to prepare a report on the results of the study and require DOT to submit the report to the Legislature, no later than January 1, 2009.

Motor Vehicles

1. IMPLEMENTATION OF THE FEDERAL REAL ID ACT [Senate/Assembly]

| | Funding | Positions |
|-----|--------------|-----------|
| SEG | \$21,989,300 | 25.90 |

Special Session Bill: Provide \$9,805,300 and 25.9 positions in 2007-08 and \$12,184,000 and 25.9 positions in 2008-09 for the implementation of provisions in the federal Real ID Act related to driver licensing and identification card issuance. Transfer these funding amounts to the Joint Committee on Finance's supplemental appropriation. Specify that the Department may submit one or more requests to the Committee during the 2007-09 biennium for up to \$9,805,300 in 2007-08 and \$12,184,000 in 2008-09 for implementing provisions of the Real ID Act. Specify that the Committee may provide a supplement for the cost of implementing the Real ID Act, up to these amounts, without being required to find that an emergency exists. Specify that if the Committee determines that no moneys are needed to implement the Real ID Act, or an amount less than the amounts specified, the Committee may provide a supplement to any other DOT SEG appropriation, up to the difference between the specified amounts and the amount of any supplement provided to implement the Real ID Act.

The following sections describe the provisions in the bill intended to comply with the Real ID Act. Specify, unless otherwise specified below, that these provisions take effect on May 11, 2008, or on the date that the Department specifies in a notice published in the Wisconsin Administrative Register, whichever is later. Specify that if the DOT Secretary determines, prior to May 11, 2008, that the Department will be ready to complete full implementation of the provisions of the Real ID Act prior to May 11, 2008, the Secretary shall be required to publish a notice in the Administrative Register that the provisions of the bill related to the Real ID Act shall become effective on May 11, 2008. Specify that if the Secretary determines that the Department will not be ready to complete full implementation of the Real ID Act provisions prior to May 11, 2008, the Secretary shall be required to publish a notice in the Administrative Register to this effect and, as soon as the Department is ready to complete full implementation of the Real ID Act provisions, to publish a notice in the Administrative Register that states the date on which the Real ID Act provisions of the bill will become effective.

Driver's License and Identification Card Requirements

Prohibit the Department of Transportation from processing an application, received after May 10, 2008, for initial issuance or renewal of a driver's license or identification card, and prohibit the Department from issuing a license or card, unless the applicant presents or provides the following information, and the Department verifies the information in the manner and to the extent required under federal law: (a) an identification document that includes either the applicant's photograph or both the applicant's full legal name and date of birth; (b) documentation showing the applicant's date of birth, which may be the identification document listed under "a"; (c) proof of the applicant's social security number, or verification that the

applicant is not eligible for a social security number; (d) documentation showing the applicant's name and address of principal residence; and (e) documentary proof that the applicant is a citizen of the United States or otherwise is legally present in the United States, subject to certain federal and state requirements, where applicable, relating to the issuance of a hazardous materials endorsement for a commercial driver's license. Prohibit the Department from accepting any foreign documents, other than an official passport, to satisfy the above requirements. Specify that these procedures also apply to an application for a license made after a prior license was cancelled and an application for an occupational license.

Repeal a current law provision that requires a person applying for an initial driver's license or identification card to submit satisfactory proof of his or her name and date of birth, reflecting the fact that such proof of name and date of birth are included in the new requirements described above. Modifications to provisions related to social security numbers and the issuance of driver's licenses and identification cards to non-citizens are described in more detail in a later section.

Specify that the documentation requirements outlined above do not apply to an application for renewal of a license or card if: (a) the applicant had previously provided the required information and the Department verified the information and recorded the date of verification, in connection with a prior application submitted after May 10, 2008; and (b) the applicant is a U.S. citizen or permanent legal resident. Require the Department to establish an effective procedure to confirm or verify an applicant's information under these circumstances, including the verification of the applicant's social security number or ineligibility for a social security number.

Specify that the Department may, by rule, require that applications received after May 10, 2008, for reinstatement of driver's licenses or identification cards, issuance of occupational licenses, reissuance of driver's licenses, and issuance of duplicate licenses, be processed in a manner consistent with the requirements outlined above for initial issuance or renewal of driver's licenses and identification cards.

Permit DOT to issue a receipt to an applicant for a driver's license or identification card that shall be valid as a driver's license or identification card during the period in which the Department processes the application, up to a maximum of 30 days.

Provisions Related to Non-Citizens

Modify current law provisions that specify that a driver's license or identification card issued to a person who is not a United States citizen shall expire on the date that the person's legal presence in the United States is no longer authorized, as follows: (a) specify, effective on the bill's general effective date, that these special expiration date provisions do not apply to a non-citizen who has achieved permanent residency status; (b) specify, also effective on the bill's general effective date, that the expiration date of a license (including an occupational license) is the date that the license or card would otherwise expire if issued to a U.S. citizen if that date is earlier than the date on which the person's legal presence expires; and (c) specify, effective May

11, 2008, that a license or card expires on the date that the applicant's legal presence expires or one year after the date of issuance or renewal, whichever is earlier, if the applicant's legal status is based on either of the following: (i) a pending application for asylum in the U.S.; (ii) a pending or approved application for temporary protected status; (iii) an approved deferred action status; or (iv) a pending application for adjustment of status to that of an alien lawfully admitted for permanent residence or conditional permanent residence. Specify that no license or card issued to an applicant whose legal presence in the United States is temporary [the conditions listed under (c)(iii) above] may be renewed unless the applicant presents or provides valid documentary proof that the status by which the applicant qualified for the license or card has been extended by the Secretary of the federal Department of Homeland Security. Require DOT to notify license or card holders of these renewal documentation requirements in the renewal notice sent prior to the expiration date of the license or card.

Specify that for any driver's license or identification card issued to a person whose status is temporary, the license or card shall display on the front side, in addition to any required legend or label indicating the type of license, a legend identifying the license or card as temporary. Specify that a temporary driver's license issued under this provision must contain a photograph of the holder. Specify that, if the license or card is issued for a period of less than eight years, the Department does not have to take a photograph of the applicant upon renewal of the card or license and the applicant does not need to undergo a vision examination (for a driver's license), provided that the applicant would be photographed and subject to a vision examination at least once every eight years. Repeal the current law provision that requires a driver's license issued to a person who is not a United States citizen to display the date on which the person's legal presence in the United States expires.

Modify provisions related to the documentation that must be provided by an applicant who is not a U.S. citizen to demonstrate his or her legal temporary or permanent status to: (a) specify that the provisions are subject to existing federal and state requirements related to the issuance of a hazardous materials endorsement, where applicable; and (b) make nonsubstantive wording changes to current law documentation provisions for consistency with federal terminology.

Provisions Related to Photographs

Delete current law provisions that allow a driver's license to be issued without taking a photograph of the applicant in situations where the Department allows, by rule, such a license to be issued. (The Department provides a photo exemption by rule in cases where an applicant's religious convictions do not allow the applicant to be photographed or in cases of temporary disfigurement.) Delete a provision that allows the Department to issue a license without a photograph if the applicant is stationed outside Wisconsin in military service and in other situations where the Department deems such action appropriate.

Specify that photographs taken of applicants for a driver's license or identification card must be digital and include a facial image capture.

Provisions Related to Social Security Numbers

Modify a current law provision that requires an applicant for a driver's license or identification card who does not have a social security number to submit a statement made or subscribed under oath or affirmation that he or she does not have a social security number, to specify that the statement must also indicate that the applicant is not eligible for a social security number. (DOT, by rule, currently allows applicants who may be eligible for a social security number but, for religious reasons, have not received one, to apply for a license without submitting a social security number. The Real ID Act would preclude such an exemption.) Specify that the submitted statement shall provide the basis or reason that the applicant is not eligible for a social security number, as well as any information requested by DOT that may be needed for purposes of the verification of that fact. Specify that the form of the statement shall be prescribed by DOT with the assistance of the Department of Workforce Development, instead of, under current law, prescribed solely by DWD. Require DOT to adopt procedures for the purposes of verifying that an applicant is not eligible for a social security number.

Require DOT, if an applicant presents a social security number that is already registered to or associated with another person, to direct the applicant to investigate and take appropriate action to resolve the discrepancy. Prohibit DOT from issuing a license or identification card in these circumstances until the discrepancy is resolved.

Verification and Electronic Storage of Application Documentation

Require DOT, in processing any application for a driver's license or identification card, to: (a) capture a digital image of each document provided by the applicant; (b) maintain each image in an electronic and transferable format in the applicant's record file for at least ten years; and (c) record in the file the date that each application document is verified. Specify that each person's driver record file shall include any demerit points assessed for the person and all information in data fields printed on any license issued to the person.

Modify a provision that requires DOT to share, upon request, any applicant or driver record information with the driver licensing agencies of other states, to: (a) require DOT to provide electronic access to driver record and application file information, notwithstanding current law confidentiality provisions related to signatures, social security numbers, and photographs; and (b) change the word "states" to "jurisdictions" to be consistent with Real ID Act terminology. Specify that records in the Department's driver record files, including copies of documents submitted upon application for a driver's license, must be maintained in an electronic and transferable format.

Specify that records maintained for holders of identification cards shall include any application received for the card, information on any reinstatement or cancellation of an identification card, and information in all data fields printed on any card issued to the person. Require, in addition, that the record include, for at least ten years, a digital image of all documents provided to DOT in the application process and the date that each document was verified. Require DOT to provide, upon request, any record in the identification card file,

including providing electronic access to any such record, to the driver licensing agencies of other jurisdictions.

Permit DOT to provide, upon request, any information collected in the application process for a driver's license or identification card, including providing electronic access to the information, to the Department of Health and Family Services for the sole purpose of verification by DHFS of birth certificate information.

Security Features and Content of Driver's Licenses and Identification Cards

Require all driver's licenses and identification cards to contain physical security features consistent with any requirement under federal law. The Real ID Act requires all complying states to use a common, machine-readable technology in the cards and to include security features on the cards designed to prevent tampering with, or counterfeiting of, the cards. Specify that driver's licenses and identification cards must display the holder's full legal name (as opposed to "full name" under current law) and principal residence address (as opposed to "residence address"). Require the license or card to include the holder's signature, instead of, under current law, a facsimile of the signature or space upon which the holder is to write his or her signature.

Background Investigations of Licensing Personnel

Require DOT, with the assistance of the Department of Justice and notwithstanding current law provisions that prohibit employment discrimination on the basis of various factors, to conduct a background investigation of any person who has been selected to fill a position within the Division of Motor Vehicles responsible for issuing driver's licenses and identification cards, first applying to persons selected to fill positions on January 1, 2008. Specify that the background investigation may include requiring the person to be fingerprinted on two fingerprint cards, each bearing a complete set of the person's fingerprints, or by other technologies approved by law enforcement agencies. Require DOJ to submit any such fingerprint cards to the Federal Bureau of Investigation for the purposes of verifying the identity of the person and obtaining records of his or her criminal arrests and convictions. Permit DOT, at any interval determined appropriate, to conduct additional background investigations of the persons initially tested, as described above, and of other persons employed by the Department within the Division of Motor Vehicles. Require DOT to promulgate rules governing the confidentiality of the information obtained about DOT employees during such background investigations.

Require DOT, as a precondition to allowing access to any information system containing information maintained by DMV, to require any person to whom access is granted to be subject to a background investigation, first applying to persons requesting access on the first day of the fourth month after the bill's general effective date. Specify that the employer of the person to whom access is granted, including a state agency or the person, in the case of self-employment, shall conduct the background investigation in a manner prescribed by DOT, pay any cost associated with the background investigation, and certify the results. Specify that the

Department may require, as part of this background investigation, that the person be fingerprinted in the same manner as described above in the background investigation procedure for DMV personnel. Specify that DOT, notwithstanding employment discrimination provisions, may deny or restrict access to any driver record information requested based on the results of the background investigation. Require DOT to promulgate rules governing background investigations for persons given access to DMV information under these provisions, and the confidentiality of the background information obtained.

Miscellaneous Provisions

Modify current law provisions that prohibit the Department from releasing various types of personal information, except to certain specified authorities, by specifying that the information shall also be provided to the driver licensing agencies of other jurisdictions. These provisions affect driver record and identification card information, personal identifying information, photographs, signatures, social security numbers, license actions taken against juveniles, and suspensions or revocations for underage alcohol violations. Include district attorneys in the list of authorized entities that are entitled to have access to personal identifying information, to make the list of authorities that have access to this information consistent with the list of entities with such access to the other information.

Modify a provision that requires a person holding a driver's license or identification card whose address changes to either apply for a duplicate license or card or notify the Department of the address change with 10 days of the change, to instead specify that such application for a duplicate license or card or notification of the change shall be made within 30 days.

Prohibit DOT from issuing an identification card to a person previously issued a driver's license in another jurisdiction unless the person surrenders to DOT any valid driver's license issued by another jurisdiction. Specify that such surrender operates as a cancellation of the license insofar as the person's privilege to operate a motor vehicle in Wisconsin is concerned. Require DOT to destroy any surrendered license within 30 days following the issuance of the identification card, and report to the jurisdiction that issued the surrendered driver's license that the license has been destroyed and the person has been issued an identification card in Wisconsin.

Require DOT to cancel an identification card whenever the Department receives information from a local, state, or federal agency that the card holder no longer satisfies the requirements for issuance of a card under provisions that require the applicant to submit proof of U.S. citizenship or proof of legal presence for non-citizens. Specify that an identification card cancelled under these circumstances may not be reinstated until these requirements are again satisfied. This treatment of identification cards is similar to a current law provision relating to driver's licenses.

Delete a provision allowing the \$18 fee for the initial issuance of a "Class D" driver's license to be prorated if the license is valid for less than the ordinary effective period for that license. This change would mean that an initial issuance of a temporary license for an applicant

who does not have permanent legal status in the United States would not be prorated.

2. EXTEND IDENTIFICATION CARD PERIOD [Senate/Assembly]

| | |
|---------|-------------|
| SEG-REV | \$1,598,300 |
|---------|-------------|

Special Session Bill: Extend the expiration period of identification cards from four years to eight years and increase the fee for identification cards from \$9 for a four-year card to \$18 for an eight-year card. Increase estimated transportation fund revenues by \$532,700 in 2007-08 and \$1,065,600 in 2008-09 to reflect this change. Specify that this change would first apply to applications for cards received by the Department on January 1, 2008.

3. MOTOR CARRIER REGISTRATION SYSTEM [Senate/Assembly]

| | |
|-----|-----------|
| SEG | \$228,000 |
|-----|-----------|

Special Session Bill: Provide \$214,000 in 2007-08 and \$14,000 in 2008-09 for implementation costs associated with transitioning from the federally-authorized, single-state registration system (for filing proof of insurance and operating authority for motor carriers) to the unified carrier registration system (for proof of operating authority only).

Modify current law provisions related to participation in the single-state registration system to specify that DOT may participate in the unified carrier registration system for motor carriers, including private motor carriers, in accordance with federal law. Specify that DOT may, consistent with federal law, establish by rule an annual fee for a motor vehicle that is operated in Wisconsin and that is subject to the unified carrier registration system. (The current fee for motor vehicles operated under the single-state registration system is \$5 per vehicle. Under the unified carrier registration system, the U.S. DOT will establish the level of the fees that are collected.) Specify that DOT may not administer both an insurance registration system under the single-state registration system and the unified carrier registration system. (Under current federal law, the state may no longer administer the single-state registration system for filing proof of insurance.)

The federal authorization for the single-state registration system expired on January 1, 2007. The unified carrier registration system will replace the single-state registration system, although the multi-state agreement that governs the unified carrier registration system has not yet been completed. Only common motor carriers engaged in interstate commerce (for-hire motor carriers) were required to register under the single-state registration system, while the unified carrier registration system will require all motor carriers to register and pay fees. However, instead of paying a fee for each vehicle and for each state in which the carrier operates, under the unified carrier registration system, motor carriers will pay a single fee for their entire fleet, regardless of how many states in which they operate. Of the funding that would be provided under this item, \$200,000 in 2007-08 would be for computer system modifications to switch to the new fee system and \$14,000 annually would be for dues paid by the state to the unified carrier registration system. The Department estimates that the failure to join the unified carrier registration system would result in the annual loss of approximately \$2.1

million in base transportation fund revenues.

4. NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM [Senate/Assembly]

| | |
|-----|-----------|
| SEG | \$140,700 |
|-----|-----------|

Special Session Bill: Provide \$60,300 in 2007-08 and \$80,400 in 2008-09 to pay the cost for the state's participation in the National Motor Vehicle Title Information System (NMVTIS). NMVTIS collects information on motor vehicles from participating states and maintains a database in order to prevent fraudulent vehicle transactions and track stolen vehicles. The system is maintained by the American Association of Motor Vehicle Administrators (AAMVA), which requires participating states to make maintenance payments based upon the number of vehicles titled in the state. Wisconsin's payments have been subsidized by AAMVA since the state joined in 2004, but that subsidy will expire in October, 2007. The funding provided under this item would allow DOT to make up the difference in the participation cost after the subsidy expires.

5. VEHICLE EMISSIONS INSPECTION PROGRAM [Senate/Assembly]

| | |
|-----|--------------|
| SEG | -\$1,080,200 |
|-----|--------------|

Special Session Bill: Provide \$50,000 in 2007-08 to pay estimated increased costs under the Department's contract with a private firm to manage the vehicle emissions and inspection program in southeastern Wisconsin and reduce funding by \$1,130,200 in 2008-09 to reflect a re-estimate of the cost of the contract as the result of program modifications, described below. Transfer \$12,144,200 in 2008-09 (all remaining funding in that year) to the Joint Committee on Finance's supplemental appropriation. Specify that the Department may submit a request to the Committee for the fourth quarterly meeting of 2007-08 for up to \$12,144,200 in 2008-09 for implementing changes to, and contract costs under, the vehicle emissions inspection program. Specify that the Committee may provide a supplement for these costs, up to \$12,144,200, without being required to find that an emergency exists. Specify that if the Committee determines that no moneys are needed for these costs, or an amount less than the amount specified is needed, the Committee may provide a supplement to any other DOT SEG appropriation, up to the difference between \$12,144,200 and the amount of any supplement provided for program changes and contract costs.

Exempt from emissions testing vehicles of model year 1995 or earlier, instead of, under current law, vehicles of model year 1967 or earlier. Require emission testing of vehicles up to 8,500 pounds for vehicles of model year 2006 and earlier and of vehicles up to 14,000 pounds for vehicles of model year 2007 and later. Under current law, vehicles that are up to 10,000 pounds are subject to testing. Require vehicles powered by diesel fuel (and weighing 14,000 pounds or less) to be subject to testing, beginning with vehicles of model year 2007.

Permit DOT to establish alternate methods for emissions testing and equipment inspection in addition to the current method of testing by private contractor, provided that such

alternate methods include the tests required under federal law and that the results of the tests are contemporaneously furnished in writing to the person having the vehicle inspected. Specify that these methods may include the installation and operation by the Department of self-service inspection stations and the utilization of any technology related to emissions or data transmission with which motor vehicles may be equipped. Permit DOT to establish methods for emissions testing and equipment inspection specifically applicable to self-service stations, and, if such methods are established, require DOT to include these methods in the administrative rules for the program.

Specify that the contract with the firm to conduct testing at stations that are not self-service may authorize or require the contractor to install and operate self-service inspection stations and may allow the use of different methods for emissions testing and equipment inspection than those used at inspection stations that are not self-service. Specify that the testing methods established for self-service stations operated by the contractor must be consistent with those established for self-service stations installed and operated by the Department.

Modify the current law provision that entitles a person whose vehicle failed one test to have the vehicle retested within 30 days, to specify that in cases where the initial test was conducted using an alternate testing method, the subsequent test must be conducted at the same location where the original test was conducted.

Specify that these changes would take effect on July 1, 2008.

Require DOT to conduct a study of alternative program models for the vehicle emissions inspection program, including an examination of the possibility of remote emissions testing and testing performed by certified motor vehicle dealers that electronically transmit test results to the Department. Require DOT to submit a report by May 1, 2008, to the chief clerk of each house of the Legislature for distribution to the appropriate standing committees dealing with transportation matters.

6. DRIVER'S LICENSES USED FOR IDENTIFICATION PURPOSES FOLLOWING CANCELLATION [Senate/Assembly]

Special Session Bill: Specify that in cases in which a driver's license is cancelled prior to the date it would otherwise expire due to a determination that the license holder's eyesight does not meet DOT's standards for the safe operation of a vehicle, the driver's license card may be used as a valid identification card until the expiration date on the license, without requiring the holder to pay an identification card issuance fee. Specify that for a license to be used as an identification card in these circumstances, the license must be temporarily surrendered to the Department. Require the Department, upon surrender of the license, to update its records to reflect this change, to make a distinctive mark on the license to indicate that it is not valid as a driver's license, but is valid for purposes of identification, and to return the license to the holder.

7. HIGHWAY WEIGHT LIMITS FOR VEHICLES EQUIPPED WITH IDLE REDUCTION TECHNOLOGY [Senate/Assembly]

Special Session Bill: Specify that current law gross vehicle weight limitations or weight limitations for any one axle or axle group, including special or seasonal weight limitations, may be exceeded, in the case of a heavy-duty vehicle equipped with idle reduction technology, by not more than 400 pounds or the weight of the idle reduction technology, whichever is less. Specify, however, that this exemption applies only if the heavy-duty vehicle operator, upon request, proves, by written certification, that the idle reduction technology is fully functional at all times. Define "heavy-duty vehicle" as the term is defined under federal law, which is a vehicle that has a gross vehicle weight rating greater than 8,500 pounds and that is powered by a diesel engine. Define "idle reduction technology" as the term is defined under federal law, which is an auxiliary power unit, advanced truck stop electrification system, or other technology that is used to reduce long-duration idling and that allows the main drive engine or auxiliary refrigeration engine to be shut down. Specify that this change would first apply to vehicles operated on the effective date of the bill.

8. FORFEITURES FOR CERTAIN OVERWEIGHT TRUCK VIOLATIONS [Senate/Assembly]

Special Session Bill: Modify penalty provisions for truck weight limit violations for combination trucks carrying raw forest products to specify that the forfeitures apply to all such truck combinations, instead of, under current law, only truck combinations with six or more axles.

9. DIVISION OF MOTOR VEHICLES SERVICE CENTERS [Assembly]

Special Session Bill: Require DOT to maintain in regular service a Division of Motor Vehicles service center in every municipality where a service center was located as of December 1, 2006, unless an alternate plan for providing service is submitted by DOT and approved by the Joint Committee on Finance under a 14-day passive review process. Specify that if the Department closed any service center in a municipality between December 1, 2006, and the effective date of the bill, and the Department maintains no other center in that municipality on the effective date of the bill, DOT shall, as soon as possible, open a local examining center in that municipality, and may not subsequently close that center.

10. ORGAN TRANSPLANT VEHICLES TREATED AS AUTHORIZED EMERGENCY VEHICLES [Assembly]

Special Session Bill: Include the following vehicles related to organ transplantation in the definition of "authorized emergency vehicle:" (a) privately owned motor vehicles being used by an organ procurement organization, or by any person under an agreement with an organ procurement organization, to transport organs for human transplantation or to transport medi-

cal personnel for the purpose of performing human organ harvesting or transplantation immediately after the transportation; and (b) privately owned motor vehicles being operated in the course of a business and being used, in response to an emergency call from a treating physician or his or her designee declaring the transportation to be an emergency, to transport medical devices or equipment to a hospital or ambulatory surgery center, or to pick up medical devices or equipment for immediate transportation to a hospital or ambulatory surgery center, if the medical devices or equipment are to be used for human implantation or for urgent medical treatment immediately after the transportation.

Extend the current law privileges associated with authorized emergency vehicles (such as the authority to exceed the posted speed limit or proceed through a red light) to these vehicles, when transporting an organ for human transplantation, or when transporting medical personnel for the purpose of performing human organ harvesting or transplantation immediately after the transportation, provided that the following conditions are met: (a) the operator of the vehicle has successfully completed a safety and training course in emergency vehicle operation that is taken at a technical college or that is approved by DOT; and (b) the vehicle being operated is plainly marked, in a manner prescribed by DOT, to identify it as an authorized emergency vehicle related to organ transplantation.

Specify that these vehicles may be equipped with red or red and white warning lights and shall be so equipped if exercising the privileges associated with authorized emergency vehicles. Specify that the operator of an emergency vehicle related to organ transplantation may only use warning lights and siren when transporting an organ for human transplantation, or when transporting medical personnel for the purpose of performing human organ harvesting or transplantation immediately after the transportation. (Authorized emergency vehicles are required to be equipped with a siren under current law, a requirement that would extend to emergency vehicles related to organ transplantation.)

Specify that these provisions would first apply to vehicles operated on the effective date of the bill.

11. OPERATING AN AIRCRAFT WHILE INTOXICATED [Assembly]

Special Session Bill: Modify provisions that prohibit the operation of an aircraft while under the influence of intoxicating liquor or controlled substances to also prohibit the operation of an aircraft with a prohibited alcohol concentration. Define "prohibited alcohol concentration" for the purposes of this provision as an alcohol concentration of 0.04 or more if there is no passenger in the aircraft or more than 0.0 if there is a passenger in the aircraft. Modify current law penalties for violations of the prohibition against operating an aircraft while under the influence of intoxicating liquor or controlled substances to create the same penalties for operating under the influence or with a prohibited alcohol concentration and to make those forfeitures, fines, and terms of imprisonment conform to current law forfeitures, fines, and terms of imprisonment for operating a motor vehicle while under the influence of intoxicating liquor or with a prohibited blood alcohol concentration, including penalty enhancers for having a minor pas-

senger and having a blood alcohol concentration over certain thresholds. Require courts, for a person convicted of an offense of operating an aircraft while under the influence of intoxicating liquor or with a prohibited blood alcohol concentration, to order an assessment of the person's alcohol use and apply the same provisions and procedures to such assessments that apply under current law for assessments under the state's motor vehicle operating while intoxicated law. Specify that offenses of operating an aircraft while under the influence of intoxicating liquor or with a prohibited blood alcohol concentration shall be included in the list of offenses that are counted as prior offenses for the purposes of determining the penalties for convictions of operating a motor vehicle while intoxicated, and related offenses.

Modify penalty provisions related to the reckless operation of an aircraft to specify that a person may be required to: (a) forfeit not less than \$25 nor more than \$200 for a first offense, instead of paying a fine of not less than \$10 nor more than \$100, under current law; and (b) pay a fine of not less than \$50 nor more than \$500 or be imprisoned for not more than one year in the county jail, or both, for a second or subsequent offense in a four-year period.

State Patrol

1. STATE PATROL FLEET COSTS [Senate/Assembly]

| | |
|-----|-------------|
| SEG | \$1,078,200 |
|-----|-------------|

Special Session Bill: Provide \$550,000 in 2007-08 and \$528,200 in 2008-09 for anticipated increases in State Patrol fleet costs. These amounts would be an increase of 12.0% in 2007-08, relative to 2006-07, and a decrease of 0.4% in 2008-09, relative to 2007-08. These amounts are based on projections of miles driven by State Patrol vehicles, fuel prices, the purchase cost of vehicles, and other costs related to maintaining the vehicle fleet.

2. STATE PATROL RADIO REPLACEMENT [Senate/Assembly]

| | |
|-----|-----------|
| SEG | \$371,400 |
|-----|-----------|

Special Session Bill: Provide \$371,400 in 2008-09 for the first year of payments on a five-year master lease-purchase of new communication radios for State Patrol vehicles. The Department would purchase 600 radios at a total cost of \$1,584,000. The Department indicates that the replacement of the current radios is required to comply with Federal Communications Commission rules, which mandate the use of digital, narrow band equipment by 2013.

3. MOTORCYCLE SAFETY GRANT [Assembly]

Special Session Bill: Require DOT to award a grant of \$75,000 annually during the 2007-09 biennium to a motorcycling organization that is composed primarily of motorcycle riders, that includes the promotion of motorcycle safety as one of its objectives, and that has a

statewide membership. Specify that the grants shall be used to conduct a "rider-to-rider" campaign to reduce impaired motorcycle riding by educating motorcyclists about the dangers of impaired riding, with the goal of reducing the number of motorcycle accidents, injuries, and fatalities. Specify that the grant recipient, as a condition of receiving the grant, must provide to DOT a proposed budget for the use of the grant funds to conduct such a campaign and must provide an audited financial statement of its use of the grant funds, prepared in accordance with generally accepted accounting principles.

Require DOT to include a proposal to spend \$75,000 in the federal traffic safety plans prepared for federal fiscal years 2008 and 2009 to fund the grants for the impaired rider campaign. Require DOT to award the grant from the Department's FED appropriation for highway safety if this proposal is approved and require the grant to be made within three months of the approval.

Departmentwide

1. STANDARD BUDGET ADJUSTMENTS [Senate/ Assembly]

| | Funding | Positions |
|-------|----------------|-------------|
| SEG | \$19,310,000 | - 3.00 |
| FED | 1,774,500 | - 6.00 |
| SEG-S | 137,800 | 0.00 |
| PR | <u>143,000</u> | <u>0.00</u> |
| Total | \$21,365,300 | - 9.00 |

Special Session Bill: Adjust the base budget for: (a) turnover reduction (-\$3,607,200 SEG and -\$54,500 FED annually); (b) removal of noncontinuing elements (-\$207,100 SEG, -3.00 SEG positions, and -5.00 FED positions in 2007-08 and -\$257,500 SEG, -3.00 SEG positions, -\$53,100 FED, and -6.00 FED positions in 2008-09); (c) full funding of continuing position salaries and fringe benefits (\$10,375,300 SEG, \$887,100 FED, \$54,100 SEG-S, and -\$100,500 PR annually); (d) overtime (\$2,841,800 SEG, \$75,800 FED, \$14,500 SEG-S, and \$172,000 PR annually); (e) night and weekend salary differentials (\$265,200 SEG, \$5,400 FED, and \$300 SEG-S annually); and (f) full funding of lease costs and directed moves (\$12,200 SEG annually).

2. MAINTENANCE AND UTILITY FUNDING [Senate/ Assembly]

| | |
|-----|-----------|
| SEG | \$968,200 |
|-----|-----------|

Special Session Bill: Provide \$484,100 annually in the departmental management and operations appropriation for building and grounds maintenance costs associated with the Department's commercial motor vehicle size and weight enforcement facilities and for increased utility costs at other facilities management by the Department. As part of a reorganization of responsibilities, the Department's Division of Business Management (DBM) is assuming the responsibility for the maintenance of the 13 commercial motor vehicle enforcement facilities from the Division of State Patrol (DSP). Of the amount provided by the bill, \$237,700 annually would be to allow DBM to assume the maintenance costs of those facilities. There is no

corresponding decrease in funding for DSP to reflect this transfer. Three of the enforcement facilities have either recently been expanded or are in the process of expansion, which is expected to increase the utility costs at those facilities. Another \$33,200 annually would be for projected increases in utility costs associated with an expansion of these three facilities. Finally, \$213,200 annually would be for increases in the cost of utilities for all other Department-managed buildings and facilities.

3. RENT COSTS FOR DIVISION OF MOTOR VEHICLES SERVICE CENTERS [Senate/ Assembly]

| | |
|-----|-----------|
| SEG | \$355,000 |
|-----|-----------|

Special Session Bill: Provide \$203,000 in 2007-08 and \$152,000 in 2008-09 in the departmental management and operations appropriation for costs associated with the move of the Division of Motor Vehicles service centers in Madison (west Madison location) and Waukesha. It is anticipated that both service centers will be moved to new locations during 2007-08. The funding in the bill would cover moving costs and anticipated higher rent costs.

4. DEPARTMENTAL REALIGNMENT [Senate/Assembly]

| Funding Positions | | |
|-------------------|-------------|--------|
| FED | \$2,135,600 | 0.00 |
| SEG | 292,800 | 2.00 |
| SEG-S | - 300,200 | - 2.05 |
| Total | \$2,128,200 | - 0.05 |

Special Session Bill: Provide \$1,067,800 FED, \$146,400 SEG and 2.00 SEG positions annually and delete \$150,100 SEG-S and 2.05 SEG-S positions annually associated with a realignment of departmental funding and functions between divisions and bureaus. Although this item generally reflects the movement of funding and functions between appropriations, it results in a net increase in funding in FED and SEG appropriations. The net increase in FED funding reflects standard budget adjustments to the appropriations for departmental management and operations (\$1,918,800 annually) and administration and planning (-\$851,000 annually). Normally, these adjustments would have been included in the standard budget adjustment decision items, but were included in this departmental reorganization decision item in the bill. The net increase in SEG funding reflects the conversion of 2.0 SEG-S positions and associated funding in the Department's printing service center to 2.0 SEG-funded positions in the departmental management and operations appropriation. Other adjustments generally reflect the transfer of funding and positions from various program areas to the Department's Division of Business Management, to reflect a centralization of certain functions, such as facilities management and data processing. In addition, 0.05 SEG-S vacant position and associated funding of \$3,700 SEG-S would be eliminated in the Department's service center appropriation for data processing services.