

**TRANSPORTATION AND  
PROPERTY TAX RELIEF**

**PUBLIC SERVICE COMMISSION**

*Departmentwide*

**1. SUNSET DATE FOR WIRELESS 911 GRANTS**

**Senate:** Delete the provision recommended by the Governor and approved by the Joint Committee on Finance that would prohibit the Public Service Commission from encumbering or expending money for grants or supplemental grants to wireless providers and local governments or for the Commission's administrative costs related to those grants, after April 1, 2009. Delay the current law provisions for two years that establish sunset dates for wireless providers to impose monthly surcharges and for the Commission to make grants or supplemental grants to wireless providers and local governments or for the Commission's administrative costs related to those grants. Authorize wireless providers and local governments to apply to the Commission through June 30, 2008, with estimates and supporting documentation of costs eligible for reimbursement under current law provisions. This provision would delay the sunset of the surcharge and extend the grant program for two years.

*MDK* **Assembly:** No change to Joint Finance. *OK KMY*

**2. EXEMPTION OF CELL PHONE PROVIDERS FROM UNIVERSAL SERVICE FUND PROVISIONS**

*MDK* **Senate:** Delete the provision adopted by the Joint Committee on Finance that would repeal the current law provision that extends universal service fund provisions to commercial mobile radio service providers if the Public Service Commission promulgates rules that designate commercial mobile radio service providers as eligible to receive universal service funding under both the federal and state universal service fund programs. *b 0555/v* *OK KMY*

**Assembly:** Modify the provision adopted by the Joint Committee on Finance that repeals the current law provision that authorizes the Public Service Commission to promulgate rules extending universal service fund provisions to commercial mobile radio service providers to also authorize the Commission to promulgate rules to designate commercial mobile radio service providers, who petition the Commission, as eligible telecommunications carriers for purposes of participation under the federal universal service fund.

**3. LIMITATION ON UNIVERSAL SERVICE FUND CONTRIBUTIONS**

*MDK* **Senate:** No change to Joint Finance. *OK KMY*

**Assembly:** Limit universal service fund contributions by telecommunications providers to \$32,038,400 annually. The Joint Committee on Finance approved the Governor's recommendation to repeal the \$6 million annual limitation on the total amount of contributions to the universal service fund that the Public Service Commission may require from telecommunications providers to fund the Commission's related appropriation. In addition to the eight PSC programs funded from the Commission's appropriation, the universal service fund provides funding for five other programs. Proposed funding for the 13 programs totals \$31,341,600 in 2007-08 and \$32,038,400 in 2008-09. This provision would cap contributions at an amount sufficient to fund all USF appropriations at their proposed funding levels. However, any future increases in appropriations would have to be accompanied by offsetting decreases in other appropriations or an increase in the contribution limitation.

**4. AUDIT OF UNIVERSAL SERVICE FUND PROGRAMS**

**Senate:** No change to Joint Finance.

**Assembly:** Direct the Legislative Audit Bureau to conduct a performance audit each year of at least one of the programs that receives funding from the universal service fund. Direct the Bureau to distribute one copy of each audit to the Public Service Commission, the co-chairs of the Joint Committee on Finance, and the co-chairs of the Joint Audit Committee. Currently, 13 programs receive funding from the universal service fund.

**5. HYDROELECTRIC LIMITATION UNDER RENEWABLE ENERGY PORTFOLIO REQUIREMENTS**

**Senate/Assembly:** Delete the provision adopted by the Joint Committee on Finance that would repeal the 60 megawatt limitation on resources that derive electricity from hydroelectric power that is included in the list of renewable resources for purposes of an electric provider complying with renewable energy requirements under current law. State law imposes a renewable energy portfolio standard that requires electric utilities and cooperatives to sell a minimum, specified amount of electricity from renewable resources to their customers by certain dates. For resources that derive electricity from hydroelectric power, this provision would retain the current law limitation of less than 60 megawatts.

**6. REPEAL NUCLEAR MORATORIUM STATUTE**

**Senate:** No change to Joint Finance.

**Assembly:** Repeal the current law provision that prohibits the Public Service Commission from authorizing the construction of a nuclear power plant unless the Commission finds that there is a facility with sufficient capacity to receive the spent nuclear fuel from all nuclear power plants in Wisconsin and that construction of the power plant is economically

advantageous to ratepayers. This provision is identical to that included in 2007 Assembly Bill 346.

7. PSC REPORT INVESTIGATING ALTERNATIVE ENERGY STRATEGIES

*MOK* **Senate:** No change to Joint Finance. *dk K-11/12*

**Assembly:** Require the Public Service Commission to undertake an investigation of alternative energy strategies that the state could pursue to meet the anticipated demand for electricity in 2033, which is the final year in which the operating licenses of the nuclear power plants in Wisconsin are set or expected to expire. Specify that the study shall be designed to provide guidance to the Commission, the Legislature, and the electric power industry in formulating policy and conducting planning regarding the future sources of electric power that will be available in this state, including intermediate and longer-term strategies for achieving outcomes identified in the investigation. Require that the Commission's investigation be based on the development of scenarios that project in the forecast period the total demand for electricity and the proportions of electricity that are expected to be generated by different types of fuel. Specify that the Commission shall do all of the following in designing and preparing these scenarios:

a. Incorporate appropriate factors, including the continuation of a reliable and adequate supply of electricity, the expected retirement of existing electric generating facilities, and construction of new electric generating facilities, the importation of electricity into the state, and expected improvements in the electric transmission system;

b. Include scenarios that include electric generating technologies that use coal as a fuel and produce no or minimal emissions of carbon dioxide, that use nuclear fuel in advanced light water reactors, and that use both types of technologies;

c. Base the scenarios on the assumed implementation of a range of energy efficiency programs, ranging from continuation of the current programs to implementation of programs that produce the maximum energy savings foreseen by the Commission, and of a range of regulatory programs that result in an effective cost of air emissions of carbon dioxide ranging from \$0 per ton to the highest amount per ton foreseen by the Commission; and

d. Identify the expected economic costs and environmental impacts of each scenario using established methodologies that facilitate comparisons of the scenarios.

Direct the Commission to submit a report based on its investigation to the Legislature no later than the first day of the 19<sup>th</sup> month after the effective date of the act. Direct the Commission to appoint a committee to advise the Commission on the investigation and its report on the investigation. Require the Energy Institute of the University of Wisconsin-Madison to assist the Commission in conducting the investigation. Prohibit the Commission from considering a factual conclusion in the report in making a determination necessary for the approval of a certificate of public convenience and necessity for a new large power plant or high-voltage

transmission line unless the conclusion is independently corroborated in a hearing on the application for the certificate.

These provisions are identical to those included in 2007 Assembly Bill 347.

**8. PSC ADVOCACY ON NUCLEAR STORAGE ISSUES**

**Senate:** No change to Joint Finance.

**Assembly:** Modify the current law provision that directs the Public Service Commission to serve as an advocate for the state before federal government agencies on matters related to the long-term disposal of radioactive waste to clarify that the Commission's activities pertain to high-level radioactive waste. Extend the Commission's advocacy to include matters related to centralized interim storage and any license application submitted to the Nuclear Regulatory Commission for a license to operate a federal repository for the long-term disposal of high-level radioactive and transuranic waste. Specify that the Commission's advocacy activities may include participating in proceedings before federal government agencies or regulatory agencies of other states, requesting the Wisconsin Attorney General to intervene in related federal proceedings, participating in intervention or advocacy activities of other states or interstate organizations, or other forms of advocacy, as the Commission determines are appropriate. Require owners and operators of nuclear power plants to provide data or other information to the Commission and assist the Commission, to the fullest extent possible, in fulfilling its advocacy duties. These provisions are identical to those included in 2007 Assembly Bill 348.

***Office of the Commissioner of Railroads***

**1. ELIMINATE SAFETY ANALYST POSITION IN THE OFFICE OF THE COMMISSIONER OF RAILROADS**

**Senate:** No change to Joint Finance.

**Assembly:** Delete \$49,500 and 1.0 position annually to reflect the elimination of a vacant railroad safety analyst position in the Office of the Commissioner of Railroads. The position has been vacant since September 30, 2002. With the elimination of this position, the Office would have two remaining railroad safety analyst positions. This restores a provision included in SB 40 that was deleted in the Joint Finance substitute amendment

	Change to JFC Funding Positions	
PR	-\$99,000	- 1.00

**SHARED REVENUE AND TAX RELIEF**

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8-1191*

**1. COUNTY AND MUNICIPAL AID -- FUNDING LEVEL**

**Senate:** No change to Joint Finance.

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**Assembly:** Delete the provision recommended by the Governor and approved by the Joint Committee on Finance that would increase payments under the county and municipal aid program by \$15 million annually, beginning in 2008 (2008-09), and, instead, reduce payments under the county and municipal aid program by \$42,985,200 in 2008 (2008-09). Decrease payments to each county by 5%. Decrease payments by 12.5% for those municipalities with both 2007 populations exceeding 20,000 and 2007 county and municipal aid payments exceeding \$250 per capita. This would reduce payments by \$28,732,100 for Milwaukee, by \$3,311,200 for Racine, by \$2,072,600 for Beloit, and by \$1,008,500 for Superior. Estimate the 2008 distribution at \$816,718,000, which includes payments totaling \$149,358,900 for counties and \$667,359,100 for municipalities. Specify that payments to each county and municipality in 2009 and thereafter would equal the amounts received in 2008.

	<b>Chg. to JFC</b>
GPR	-\$57,985,200

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8-1195*

**2. PUBLIC UTILITY AID -- FORMULA CHANGES**

**Senate:** Modify current law provisions related to state aid payments to municipalities and counties containing production plants as follows. Discontinue the nine-mill utility aid payments on production plants that began operation prior to 2004 and authorize payments under the provisions created by 2003 Wisconsin Act 31 that result in payments of \$2,000 per megawatt of capacity, or \$4,000 per megawatt of capacity if the production plant derives energy from an alternative energy resource, provided the municipality where the production plant is located receives a higher payment under the capacity-based distribution formula. Provide that after a payment for a production plant is made under the capacity-based distribution formula, subsequent payments cannot be made under the nine-mill formula. Repeal the current law provision that limits the value used to calculate payments under the nine-mill formula to no less than the value used to calculate payments in 1990. Extend these provisions to aid payments beginning in 2009. Require the Department to convene a study group by December 31, 2008, comprised of residents of communities that host public utility property, representatives of light, heat, and power companies, electric cooperatives, and municipal utilities, individuals with expertise related to public utility taxation and transmission line siting, and any other individuals who DOR believes to have expertise related to the study to assess the feasibility and desirability of imposing local general property taxes, or their equivalent, on property, other than production plants, of light,

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heat, and power companies, electric cooperatives, and municipal utilities. Require the study group to issue a report containing its findings and recommendations to the Legislature by May 1, 2009. These provisions would take effect beginning in 2009. Due to this timing, no fiscal effect is reported for the 2007-09 biennium. Under current law, payments for production plants are estimated at \$19.9 million. Under the proposal, aid payments for production plants of \$29.5 million are estimated. Consequently, the provisions would increase aid payments on production plants by an estimated \$9.6 million, beginning in 2009-10.

**Assembly:** Modify current law provisions related to municipalities and counties containing production plants by discontinuing the nine-mill utility aid payments for plants that began operation prior to 2004 and authorizing payments of \$2,000 per megawatt of capacity, or \$4,000 per megawatt of capacity if the plant derives energy from an alternative energy resource.

The Assembly provisions are identical to those adopted by the Senate with three exceptions: (a) the Assembly would require 50% of any aid increases for plants moving from the nine-mill formula to the capacity-based formula to be used to reduce the increase in the allowable levy under the levy limitation authorized under other provisions of the bill; (b) the Assembly would change the distribution of any capacity-based aid for production plants that generate electricity from wind power so that a town where a plant is located receives two-thirds of the payment, as opposed to one-third under current law, and a county where a plant is located receives one-third of the payment, as opposed to two-thirds under current law; and (c) the Assembly would not require the Department of Revenue to convene a study group and produce a report that assesses the feasibility and desirability of imposing local general property taxes, or their equivalent, on property, other than production plants, of light, heat, and power companies and similar entities.

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### 3. PUBLIC UTILITY AID -- INCREASE PER CAPITA PAYMENT LIMIT

**Senate:** Increase the per capita payment limit from \$300 to \$425 for municipalities and from \$100 to \$125 for counties under the public utility aid component of the shared revenue program, beginning with payments in 2009. This provision would interact with other utility aid changes in the amendment to increase payments to three municipalities by \$310,000 annually, beginning in 2009-10 (City of Alma, \$120,000; Town of Carlton, \$120,000; and Town of Two Creeks, \$70,000). No payment changes to counties are estimated.

**Assembly:** No change to Joint Finance.

### 4. MUNICIPAL AID FOR LOSS OF MANUFACTURING TAX BASE

**Senate:** Create a one-time aid payment in 2008-09 for municipalities with manufacturing tax base reductions. Provide payments to municipalities that meet three eligibility criteria: (a) the full value of taxable manufacturing personal property and real estate equaled at least 3.2% of the municipality's total equalized value in 2005; (b) the taxable full value of manufacturing personal property and real estate, combined, declined by at least 2.0% between 2005 and 2006;

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and (c) the municipality had a 2005(06) full value tax rate for municipal purposes of at least one mill. Calculate the aid payment to each eligible municipality by subtracting the combined value of manufacturing personal property and real estate in 2006 from the combined value of manufacturing personal property and real estate in 2005, and multiplying the difference by the municipality's 2005(06) full value tax rate for municipal purposes. Pay 15% of each payment in July and the balance of the payment in November of 2008. Fund the payments from the municipal aid account appropriation by reducing the payment in 2008 to each municipality that would otherwise be made from that appropriation by a uniform percentage. Calculate the uniform percentage by dividing the sum of all payments for manufacturing tax base reductions to eligible municipalities by the total distribution for 2008 to all municipalities under the county and municipal aid program. The Department of Revenue would calculate and make payments under this provision using applicable procedures authorized under current law provisions for the county and municipal aid program. It is estimated that this provision would result in aid payments to 74 municipalities totaling \$1.3 million. This would reduce county and municipal aid payments by an estimated 0.2% compared to the amounts under the substitute amendment.

**Assembly:** No change to Joint Finance.

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\$15,400 from WDF*

**5. DELETE COUNTY AID FUND**

**Senate:** No change to Joint Finance.

**Assembly:** Delete the provisions recommended by the Governor and modified by the Joint Committee on Finance that would create a county aid fund consisting of revenues from the real estate transfer fee. Delete appropriations related to the fund for the community youth and family aids program and the circuit court support payments program and for payments to counties under the shared revenue and county and municipal aid programs. Decrease SEG expenditures by \$110,054,500 in 2007-08 and \$120,087,500 in 2008-09, and increase GPR expenditures by identical amounts to reflect the deletion of the county aid account appropriation. Other entries related to the county aid fund are located under Circuit Courts, Department of Corrections, and General Fund Taxes.

	Chg. to JFC
GPR	\$230,142,000
SEG	- 230,142,000
Total	\$0

**6. DELETE COUNTY LEVY RESTRAINT PROGRAM**

**Senate:** No change to Joint Finance.

**Assembly:** Delete the provisions recommended by the Governor and adopted by the Joint Committee on Finance that would create a county levy restraint program beginning in 2009.



7. PAYMENTS FOR MUNICIPAL SERVICES -- CITY OF MADISON

Senate: No change to Joint Finance.

Assembly: Decrease funding for the payments for municipal services appropriation by \$5,000,000 annually to reflect a reduction in payments to the City of Madison. Direct the Department of Administration to calculate payments to other municipalities and to assess chargebacks to agencies as if the appropriation had not been reduced. The latter provision would keep payments to all other municipalities and GPR-Earned from agency chargebacks unchanged from current law. Madison's payment in 2006-07 was \$8,800,471.

	Chg. to JFC
GPR	-\$10,000,000

8. SCHOOL LEVY TAX CREDIT

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provisions relating to distributing \$100,000,000 under a new first-dollar credit and, instead, increase the current school levy tax credit distribution for the 2008(09) property tax year and for each year thereafter by \$200,000,000, from \$593,050,000 to \$793,050,000. Since the school levy tax credits appearing on the December, 2008, property tax bills would not be paid until July, 2009, additional funding for the credit would not be needed until 2009-10.

9. HOMESTEAD TAX CREDIT CHANGES

Senate: No change to Joint Finance.

Assembly: Delete the homestead tax credit formula changes that would index the maximum income level, maximum property taxes, and income threshold formula factors by the annual change in the consumer price index beginning in tax year 2007. This would reduce the estimated cost of the credit by \$10.3 million in 2007-08 and \$16.1 million in 2008-09.

	Chg. to JFC
GPR	-\$106,600,000

Restrict the homestead tax credit to those claimants who are either 65, or older, married, or have one or more dependents. This would reduce the estimated cost of the credit by \$44.5 million in 2007-08 and \$45.1 million in 2008-09, compared to current law. Increase the maximum income level factor of the credit formula for the remaining claimants from \$24,500 to \$25,800, effective in tax year 2007, and index this factor to changes in the consumer price index, effective in tax year 2009. The following chart shows the parameters of the homestead credit under current law and under the proposal, which would increase the estimated costs of the credit by \$5.1 million in 2007-08 and \$4.3 million in 2008-09. The combined effect of restricting the credit to those claimants who are either 65, or older, married, or have one or more dependents, while providing these remaining claimants an expanded credit, would reduce the estimated cost of the credit by \$39.4 million in 2007-08 and \$40.8 million in 2008-09, compared to current law.

Current Law      Proposed

Maximum Income	\$24,500	\$25,800
Maximum Property Taxes	1,450	1,450
Property Tax Reimbursement Rate	80%	80.0%
Income Threshold	8,000	8,000
Rate that Income Reduces Eligible Taxes	8.788%	8.146%
Maximum Credit	1,160	1,160

**10. LEVY LIMIT FOR COUNTIES AND MUNICIPALITIES**

**Senate:** Exclude county special charges from the limitation on 2006 municipal property tax levies if the special charge is identified as being for the recovery of unlawful real estate taxes on a municipality's statement of taxes for 2006 that was filed with the Department of Revenue and the special charge resulted from a 2005 tax amount that was rescinded due to an error, as defined under current law provisions. This provision would change the levy limit law for 2006(07) to cause the property tax levies for 12 municipalities to comply with the limitation. As a result, the Department of Revenue would be precluded from imposing a levy limit penalty on these municipalities by withholding an estimated \$27,300 from their 2007 county and municipal aid payments. Because withheld amounts lapse to the state's general fund, the provision would decrease the GPR lapse by \$27,300 in 2007-08. Based on a preliminary list of levy limit penalties for 2007, this provision would eliminate the following penalties:

<b>Chg. to JFC</b>
GPR-Lapse    - \$27,300

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<u>Municipality</u>	<u>County</u>	<u>Amount</u>
T. Middleton	Dane	\$9,551
T. Eaton	Brown	6,314
V. Shorewood Hills	Dane	4,588
T. Solon Springs	Douglas	3,785
T. Georgetown	Polk	1,248
T. Mount Ida	Grant	680
T. Hazelhurst	Oneida	546
V. Eleva	Trempealeau	241
T. Farmington	La Crosse	164
T. Laketown	Polk	104
T. Stanton	St. Croix	51
T. Parkland	Douglas	13

**Assembly:** Replace provisions proposed by the Governor and modified by the Joint Committee on Finance that would impose a levy limit on counties and municipalities in 2007 and 2008 with the following provisions.

**Imposition.** Prohibit any city, village, town, or county from increasing its municipal or county tax levy by more than a maximum allowable amount determined through formula. Provide that the maximum allowable increase be calculated by multiplying the prior year levy by a valuation factor. Define the valuation factor for counties as the percentage equal to the greater of 0% or the percentage change in the county's equalized value due to new construction, less improvements removed, as determined for January 1 equalized values in the year of the levy. Define the valuation factor for municipalities as the percentage equal to the sum of the change in the municipality's equalized value due to new construction, less improvements removed, as determined for January 1 equalized values in the year of the levy, but not less than \$0, and 50% of the value increment of any tax increment district in the previous year, provided the Department of Revenue (DOR) does not certify a value increment for the district in the current year due to the district's termination, divided by the municipality's equalized value for the year two years before the levy. Extend the limit to amounts levied in 2007, 2008, and 2009.

**Exclusions.** Exclude from the limitation any amounts levied: (a) as tax increments by a city, village, town, or county; (b) for the payment of any general obligation debt service on debt authorized on or after July 1, 2005, and before July 1, 2007, and secured by the full faith and credit of the city, village, town, or county; (c) for a county children with disabilities education board by a county; (d) for school purposes by a first class city; (e) for the payment of any general obligation debt service on debt authorized by a referendum on or after July 1, 2007, and secured by the full faith and credit of the city, village, town, or county; (f) for the operation of a county-wide emergency medical services system; (g) for providing police protection services, as defined by the village board, for the levy immediately succeeding the incorporation of a town as a village, if the town did not have a police department at the time of incorporation; (h) for town bridge and culvert construction and repair by a county; or (i) for fire charges assessed by a joint fire department that would cause the municipality to exceed its allowable levy, provided that the joint fire department's total charges increase relative to the prior year by a rate less than or equal to 2% plus the percentage change in the consumer price index and the governing body of each municipality served by the joint fire department adopts a resolution in favor of the municipality exceeding its limit. Define joint fire department, by way of cross-reference to current law provisions, as a joint fire department created by a village with a population of 5,000 or more with a city or town or with another village, by a city with another city, or by a municipality with another governmental unit or Indian tribe through an intergovernmental cooperation contract.

**Adjustments.** Specify that the levy limit shall be adjusted, as determined by DOR as follows: (a) if a municipality or county transfers to another governmental unit responsibility for providing any service that it provided in the preceding year, the levy increase limit otherwise applicable to the municipality or county would be decreased to reflect the cost that the municipality or county would have incurred to provide the service; (b) if a municipality or county increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit, the levy increase limit otherwise applicable to the municipality or county would be increased to reflect the cost of providing that service; (c) if a service has been provided in part of the county by the county and in part of the county by a separate governmental unit and the provision of the service is consolidated at the county level, the levy increase limit otherwise

applicable to the county would be increased to reflect the total cost of providing the service; (d) if a city or village annexes property from a town, the annexing municipality's levy increase limit would be increased by an amount equal to the town levy on the annexed territory in the preceding year and the levy increase limit for the town from which the property was annexed would be decreased by the same amount; (e) if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, as the result of the city, village, town, or county adopting a resolution before July 1, 2005, authorizing the issuance of debt, the levy increase limit would be increased by the difference between the two amounts; or (f) if a lease payment related to a lease revenue bond for a political subdivision in the preceding year is less than the amount of the lease payment needed in the current year, as a result of the issuance of a lease revenue bond before July 1, 2005, the levy increase limit in the current year would be increased by the difference between the two amounts. Specify that debt service includes debt service on debt issued or reissued to fund or refund outstanding obligations, interest on outstanding obligations, or the payment of related issuance costs or redemption premiums secured by the full faith and credit of the municipality or county.

Referendum. Create a procedure under which a city, village, town, or county may exceed its levy increase limit if the local government's governing body adopts a resolution to that effect and the electors of the municipality or county approve the resolution in a referendum. Require the resolution and referendum to specify the proposed amount of the levy increase above the limit and whether the amount of the proposed increase is for a single year only or is ongoing. Authorize the local government to hold a special referendum, with regard to a referendum relating to the levy in 2005 or in another odd-numbered year. Require the local government to hold a referendum at the same time as the next spring primary or election or September primary or general election, with regard to a referendum relating to the levy in 2006 or in another even-numbered year. Require the referendum to be held in accordance with current law provisions enumerated in chapters 5 to 12 of the state statutes.

Require the referendum question to be submitted to the electors as follows: "Under state law, the increase in the levy of the .... (name of county or municipality) for the tax to be imposed for the next fiscal year, .... (year), is limited to ....%, which results in a levy of \$.... Shall the .... (name of the county or municipality) be allowed to exceed this limit and increase the levy for the next fiscal year, .... (year), by a total of ....%, which results in a levy of \$....?". Specify that a town with a population below 2,000 may exceed its levy increase limit if the annual town meeting or a special town meeting adopts a resolution to that effect, if the town board has adopted a resolution supporting the increase and placing the question on the meeting's agenda. Require the clerk of the municipality or county to publish notices regarding the referendum or town meeting prior to the time it is held and to certify the results of the referendum or town resolution to DOR within 14 days of the referendum or meeting.

Penalty. Require DOR to reduce the county and municipal aid payment of any municipality or county that imposes a tax levy in excess of the amount allowed under these provisions. Establish the reduction as the amount equal to the excess tax levy. Provide that the aid reduction be imposed in the year after the excess amount is levied. Provide that any withheld state aid amounts be lapsed to the general fund. Require a county or municipality to calculate its allowable levy based on the

prior year's levy adopted by its governing body, as opposed to its actual levy, if DOR determines that the county or municipal clerk through mistake or inadvertence in preparing or delivering the tax roll caused the actual levy to be different from the adopted levy. Require the Department to waive any penalties otherwise imposed based on these provisions.

**11. IMPACT OF LOCAL FISCAL CONTROLS ON STATE EXPENDITURES AND REVENUES**

**Senate:** No change to Joint Finance. *med. doyle*

**Assembly:** Decrease GPR sum sufficient appropriations as follows to reflect estimated property tax reductions due to the local fiscal control policies adopted by the Assembly: (a) -\$200,000 in 2007-08 and -\$500,000 in 2008-09 for the homestead tax credit; (b) -\$100,000 in 2007-08 and -\$300,000 in 2008-09 for the farmland preservation tax credit; and (c) -\$600,000 in 2008-09 for state aid for tax exempt computers, cash registers, and fax machines. Increase estimated general fund revenues as follows to reflect the impact of lower property taxes on state income taxes: (a) \$700,000 in 2007-08 and \$2,400,000 in 2008-09 due to lower estimated school property tax/rent credits against individual income tax liabilities; and (b) \$1,200,000 in 2007-08 and \$5,600,000 in 2008-09 due to lower estimated property tax deductions claimed against business tax liabilities.

	Chg. to JFC
GPR	-\$1,700,000
GPR-REV	\$9,900,000

**12. DELETE PROPERTY TAX EXEMPTION FOR LOW-INCOME HOUSING**

**Senate/Assembly:** Delete the provisions adopted by the Joint Committee on Finance regarding the exemption of low-income residential housing from the property tax.

**13. PROPERTY TAX EXEMPTION FOR TREATMENT PLANT AND POLLUTION ABATEMENT EQUIPMENT**

**Senate/Assembly:** Modify the property tax exemption for treatment plant and pollution abatement equipment as follows. Expand the current law provision that requires waste treatment facilities to be used to treat industrial wastes or air contaminants to instead require facilities to be used exclusively and directly to remove, store, or cause a physical or chemical change in industrial waste or air contaminants. Define used exclusively to mean to the exclusion of all other uses except for other uses not exceeding 5% of total use or except to produce heat or steam for a manufacturing process, if the total fuel consists of either 95% or more industrial waste that would otherwise be considered superfluous, discarded, or fugitive material or 50% or more of wood chips, sawdust, or other wood residue from the paper and wood products manufacturing process, if the wood chips, sawdust, or other wood residue would otherwise be considered superfluous, discarded, or fugitive material. Repeal the current law provision that specifies that industrial waste includes wood chips, sawdust, or other wood residue from the

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paper and wood products manufacturing process that can be used as fuel and would otherwise be considered superfluous, discarded, or fugitive material.

Continue, but recodify, the current law provisions that exclude other wastes from the definition of industrial waste and that define industrial waste as waste resulting from any process of industry, trade, or business, or the development of any natural resource. In addition, specify that industrial waste has no monetary or market value, except as specified in the definition of "used exclusively," and that industrial waste would otherwise be considered as superfluous, discarded, or fugitive material. Recodify the current law definition of air contaminants. Amend cross-references to the property tax exemption for treatment plant and pollution abatement equipment in current law provisions regarding claims for the recovery of unlawful taxes, taxation of public utilities, general sales and use taxation ( the definition in the property tax statute is used to determine eligibility for a sales tax exemption), and public utility aid.

With regard to property tax assessments and to claims for the recovery of illegal taxes, extend these provisions to first apply as of January 1, 2007, but specify that any changes related to general sales and use taxation take effect on the first day of the second month after publication of the act. In addition, specify that objections to assessments as of January 1, 2007, that are affected by these provisions may be filed no later than 60 days after the effective date of the act or the time allowed under current law, whichever is later. Specify that the changes related to general sales and use taxation would not apply to tangible personal property purchased in fulfillment of a contract to construct, repair, or improve a waste treatment facility, if the contract is entered into, or a formal bid is made, prior to the effective date of the act and the tangible personal property is affixed and made a structural part of the waste treatment facility.

#### 14. PROPERTY TAX EXEMPTION FOR RESTAURANT KITCHEN EQUIPMENT

**Senate:** No change to Joint Finance.

**Assembly:** Provide a property tax exemption for machinery, including refrigerators and other storage equipment, used primarily in the operation of a restaurant's kitchen to prepare or serve food or beverages, regardless of whether the machinery is attached to real property, effective with property assessed as of January 1, 2008. Define restaurant to include pizza delivery establishments, snack bars, beverage bars, take-out food shops, mobile food services (including mobile snack stands, mobile canteens, and ice cream vendors), and any other entity required to have a permit issued by DHFS or a local health department for a hotel, restaurant, or vending machine.

**15. DELETE PROPERTY TAX EXEMPTION FOR AUTOMATIC TELLER MACHINES**

**Senate:** Modify the property tax exemption for computers to exclude automatic teller machines, effective with property assessed as of January 1, 2008. Automatic teller machines are currently considered computers and, therefore, are exempt from property taxation. By amending the exemption statute to specifically exclude automatic teller machines from the definition of computers, state aid payments for exempt computers would decrease. However, no fiscal effect is reported for this biennium because the provision would first affect payments in July, 2009. In the 2001-03 biennial budget bill, the Legislature included a similar provision, which was removed from the bill through partial veto. At that time, the value of automatic teller machines was estimated at \$45.5 million. Based on estimated tax rates for 2008(09), removing that value from the computer exemption would reduce state aid payments by an estimated \$900,000 in 2009-10.

*ok K-111*  
**Assembly:** No change to Joint Finance.

**16. DEFINITION OF AGRICULTURAL LAND**

**Senate:** Modify the current law definition of agricultural land to exclude any land that is platted and zoned for residential, commercial, or industrial use, effective with property assessed as of January 1, 2008. Agricultural land is valued based on its use, while all other property is valued based on its highest and best use. To be classified as agricultural property, property must be devoted to an agricultural use, such as growing crops and producing livestock. This provision would cause land that is devoted to an agricultural use, but is also platted and zoned for a residential, commercial, or industrial use, to be included in a classification other than agricultural land and valued for property tax purposes according to its highest and best use. The amount of property meeting this definition is unknown, but the taxable value of that property would likely increase and cause taxes to be shifted between owners of taxable property. State collections from the state forestry tax would increase in proportion to any increase in taxable value, which would result in an unknown increase in revenue to the forestry account of the conservation fund.

*ok K-111*  
**Assembly:** No change to Joint Finance.

**17. DISTRIBUTION OF THE PENALTY FOR CONVERTING AGRICULTURAL LAND**

*ok K-111*  
**Senate:** No change to Joint Finance.

**Assembly:** Require counties to distribute penalties assessed for converting agricultural land to another use to the affected municipalities within 30 days after receipt of the payment. Current law does not provide a deadline for this distribution.

*ok K-111*  
**18. LIMIT THE SCOPE OF DIRECT LEGISLATION**

*MES*  
**Senate:** No change to Joint Finance.

*Delay Prop for deadline for Bagley/Wage/using*

**Assembly:** Exclude proposed ordinances or resolutions that do not substantially relate to any city or village function or responsibility or are primarily ceremonial or aspirational from the current law provision that requires the governing body of a city or village, upon receipt of a petition requesting the adoption of an ordinance or resolution, to either adopt the ordinance or resolution or submit the ordinance or resolution to a vote of the electorate. Specify that this modification would first apply to petitions filed on the general effective date of the bill. This provision is identical to that included in 2007 Assembly Bill 363.

*in part ABG 6/1/81 ✓*

**TRANSPORTATION**

*no gut it transportation*

*OK BOSPOV*

**1. OIL COMPANY ASSESSMENT**

**Senate:** Modify the oil company assessment to create a graduated scale of rates at which gross receipts would be assessed based on each supplier's annual amount of gross receipts during each state fiscal year, rather than assessing all gross receipts at 2.5%. This would increase revenue associated with the assessment by an estimated \$2.8 million 2007-08 and \$0.3 million in 2008-09. The following table lists the various rates at which each segment of a supplier's taxable gross receipts would be assessed.

**Chg. to JFC**  
SEG-REV \$29,700,000

<u>Increment of Annual Gross Receipts</u>	<u>Oil Company Assessment Rate</u>
\$0 to \$15,000,000	0.0%
\$15,000,001 to \$75,000,000	0.5
\$75,000,001 to \$120,000,000	1.5
Over \$120,000,000	3.0

*OK per JK although no incls*

*See 2005 for examples*

Increase estimated revenues by \$36.0 million in 2007-08 and decrease estimated revenues by \$9.4 million in 2008-09 from the oil company assessment associated with the following modifications to the proposed assessment: (a) specifying that the oil company assessment would first apply to motor vehicle fuel sales on October 1, 2007, rather than January 1, 2008, as specified in the Joint Finance Committee substitute amendment (\$40.7 million increase in 2007-08); and (b) extending all the current law exemptions to the motor vehicle fuel tax to the proposed oil company assessment (-\$4.7 million in 2007-08 and -\$9.4 million in 2008-09). These two modifications reflect the Governor's revised recommendations for the proposed oil company assessment.

**Assembly:** Eliminate the provision of the Joint Finance substitute amendment that would establish an oil company assessment. Reduce

**Chg. to JFC**  
SEG-REV - \$247,650,000

*actor sched for phase 1 January*



estimated transportation fund revenues by \$80,370,000 in 2007-08 and \$167,280,000 in 2008-09 to reflect this change.

*VK ✓*  
*R-1082 ✓*  
*OK*  
*PS*  
*JK*  
*although*  
*no*  
*index*

## 2. OIL COMPANY ASSESSMENT ADMINISTRATION

**Senate:** Decrease funding in 2007-08 by \$48,300 in salary, fringe benefit, and overtime funding for the three auditor positions in the Department of Revenue created to monitor motor vehicle fuel supplier compliance with the oil company assessment provisions. The funding decrease for the positions reflects that the positions would only be filled for nine months in 2007-08. Funding for the positions would be \$152,200 in 2007-08 and \$187,300 in 2008-09

	Chg. to JFC
SEG	-\$48,300

In addition, adopt the following modifications to the oil company assessment:

a. define gross receipts to mean all consideration received from the first sale of motor vehicle fuel received by a supplier for sale in this state, for sale for export to this state, or for export to this state, but not including state or federal excise taxes, or petroleum inspection fees, collected from the purchaser; and

b. specify that the person responsible for taking any action to increase or influence the selling price of motor vehicle fuel to recover the amount of the oil company assessment would be subject to the possible penalty or six-month prison term and define person to mean the officer, employee, or other responsible person of a corporation or other form of business association or the partner, member, employee, or other responsible person of a partnership, limited liability company, or sole proprietorship who, as such officer, employee, partner, member, or other responsible person, has a duty to establish the selling price of motor vehicle fuel.

**Assembly:** Delete \$200,500 SEG in 2007-08 and \$187,300 SEG in 2008-09 and 3.0 SEG positions annually in the Department of Revenue for the administration of the assessment.

	Change to JFC Funding Positions
SEG	-\$387,800 -3.00

## 3. HEAVY TRUCK REGISTRATION FEE INCREASES

**Senate:** 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 October 1, 2007, or on the day after publication, whichever is later. Increase estimated transportation fund revenue by \$10,309,100 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.

	Chg. to JFC
SEG-REV	\$26,703,900

<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

**Assembly:** Increase the amounts in the vehicle registration fee schedule for heavy trucks (over 8,000 pounds) by 15%, rounded to the nearest whole dollar, effective on October 1, 2007, or on the day after publication, whichever is later. Increase estimated transportation fund revenue by \$15,463,700 in 2007-08 and \$24,592,200 in 2008-09 to reflect these increases. The following table shows the existing fees and the fees under this item, by weight classification.

<b>Chg. to JFC</b>
SEG-REV \$40,055,900

<u>Weight up to: (In Pounds)</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
10,000	\$119.50	\$137.00
12,000	161.00	185.00
16,000	218.00	251.00
20,000	274.00	315.00
26,000	365.50	420.00
32,000	468.50	539.00
38,000	593.50	683.00
44,000	708.50	815.00
50,000	818.00	941.00
54,000	873.00	1,004.00
56,000	930.00	1,070.00
62,000	1,051.50	1,209.00
68,000	1,187.00	1,365.00
73,000	1,350.00	1,553.00
76,000	1,600.50	1,841.00
80,000	1,969.50	2,265.00

**4. VEHICLE TITLE FEE INCREASE**

**Senate:** No change to Joint Finance.

**Assembly:** Increase the standard vehicle title fee from \$28.50 to \$38.50, effective October 1, 2007, or the first day of the third month beginning after publication, whichever is later. Estimate increased transportation fund revenues at \$10,800,000 in 2007-08 and \$14,300,000 in 2008-09 to reflect this change.

Chg. to JFC	
SEG-REV	\$25,100,000

**5. CONVERSION OF APPROPRIATIONS FROM THE GENERAL FUND TO THE TRANSPORTATION FUND**

**Senate:** Delete \$33,913,500 SEG and 0.75 SEG position in 2008-09 and provide \$33,913,500 GPR and 0.75 GPR position in 2008-09 to reflect the elimination, for the second year of the biennium, of provisions in the Joint Finance substitute amendment that would convert 16 GPR appropriations in non-DOT agencies from GPR to SEG. Under this item, the conversion of these appropriations would be in effect only for 2007-08.

Change to JFC Funding Positions		
GPR	\$33,913,500	0.75
SEG	<u>-33,913,500</u>	<u>-0.75</u>
Total	\$0	0.00

*OK Kelley*  
**Assembly:** Delete provisions in the Joint Finance substitute amendment that would convert 16 appropriations in non-DOT agencies from GPR to SEG. Delete \$33,913,500 SEG and 0.75 SEG position annually and provide \$33,913,500 GPR and 0.75 GPR position annually to reflect this change.

Change to JFC Funding Positions		
GPR	\$67,827,000	0.75
SEG	<u>-67,827,000</u>	<u>-0.75</u>
Total	\$0	0.00

**6. SUPPLEMENTAL TITLE FEE TRANSFER**

*ANG 5/12/10*  
**Senate:** Delete \$13,623,000 SEG in 2008-09 and provide \$13,623,000 GPR in 2008-09 to reflect the elimination, for the second year of the biennium, of a provision in the Joint Finance substitute amendment that would make the annual transfer to the nonpoint pollution account of the environmental fund (equal to the revenue generated by the supplemental title fee) from the transportation fund instead of the general fund. Under this item, the use of the transportation fund to make a transfer to the environmental fund would be in effect only for 2007-08.

Chg. to JFC	
GPR	\$13,623,000
SEG	<u>-13,623,000</u>
Total	\$0

*OK Kelley*  
**Assembly:** Delete a provision in the Joint Finance substitute amendment that would make the annual transfer to the nonpoint pollution account of the environmental fund (equal to the revenue generated by the supplemental title fee) from the transportation fund

Chg. to JFC	
GPR	\$21,045,000
SEG	<u>-21,045,000</u>
Total	\$0

instead of the general fund. Delete \$10,290,000 SEG in 2007-08 and \$10,755,000 SEG in 2008-09 and provide \$10,290,000 GPR in 2007-08 and \$10,755,000 GPR in 2008-09 to reflect this change. Delete a provision in the Joint Finance substitute amendment that would increase the supplemental title fee by \$2 and, instead, increase the standard vehicle title fee by \$2.

**7. TRANSPORTATION FUND APPROPRIATION FOR SUPPLEMENTING GENERAL FUND DEBT SERVICE**

**Senate:** Delete \$43,300,000 SEG in 2008-09 and provide \$43,300,000 GPR in 2008-09 to reflect the elimination, for the second year of the biennium, of a provision in the Joint Finance substitute amendment that would create a transportation fund appropriation to supplement an existing GPR appropriation for debt service on bonds issued in the 2003-05 and 2005-07 biennia to replace transportation fund revenues that were used for general fund programs or purposes. Under this item, the supplemental SEG debt service appropriation would be in effect only for 2007-08.

Chg. to JFC	
GPR	\$43,300,000
SEG	-43,300,000
Total	\$0

*Handwritten initials/signature*

**Assembly:** Delete a provision in the Joint Finance substitute amendment that would create a transportation fund appropriation to supplement an existing GPR appropriation for debt service on bonds issued in the 2003-05 and 2005-07 biennium to replace transportation fund revenues that were used for general fund programs or purposes. Delete \$26,600,000 SEG in 2007-08 and \$43,300,000 SEG in 2008-09 and provide \$26,600,000 GPR in 2007-08 and \$43,300,000 GPR in 2008-09 to reflect this change.

Chg. to JFC	
GPR	\$69,900,000
SEG	-69,900,000
Total	\$0

**8. TRANSFER OF SALES TAX ON VEHICLES AND RELATED PRODUCTS TO THE TRANSPORTATION FUND**

**Senate:** No change to Joint Finance.

**Assembly:** Require the Department of Revenue, by July 1, 2009, to estimate the amount of revenue generated by the tax on the sale and use of motor vehicles, motor vehicle parts, and motor vehicle services in fiscal year 2008-09. Require DOR, beginning on July 1, 2009, and on each July 1, thereafter, to estimate the amount of such sales tax to be generated in the current fiscal year. Specify, beginning with 2009-10, that an amount equal to 50% of the difference between the amount of vehicle-related sales tax estimated to be generated in the current fiscal year and the amount of such sales tax generated in fiscal year 2008-09, if the amount is positive, shall be transferred each year to the transportation fund. Create a sum sufficient, GPR appropriation for transferring the amounts computed by the Department of Revenue to the transportation fund.

## **9. TRANSPORTATION BONDING POLICY PLAN**

**Senate:** Require DOT to submit to the Department of Administration and the Legislative Fiscal Bureau, with each biennial budget request, a plan for the following ten-year period that includes, for each fiscal year of the ten-year period, an estimate of total transportation fund revenues, the proposed types and amounts of bonds to be issued for transportation needs, the proposed expenditure amounts from bond proceeds for transportation needs, and estimated debt service related to repayment of these bonds. Require the ten-year plan to include various funding scenarios for transportation needs showing different levels of transportation fund expenditures, from bond proceeds and from cash sources, and different levels of transportation fund revenues. Specify that at least one scenario shall reflect the achievement of a stable debt service percentage by the end of the ten-year period of the plan. Specify that if any scenario results in an increasing debt service percentage, the plan shall identify the estimated reduction of net revenues from this increasing debt service and the potential consequences for specific transportation-related programs resulting from these reduced net revenues.

**Assembly:** No change to Joint Finance.

## **10. RESTRICTION ON THE USE OF TRANSPORTATION FUND**

**Senate:** No change to Joint Finance.

**Assembly:** Specify that the executive budget bill cannot propose amending, repealing, or notwithstanding the provisions of s. 25.40(3) of the statutes regarding allowable uses of the transportation fund.

## **11. PROCEDURE FOR ELIMINATING TRANSPORTATION FUND DEFICIT**

**Senate:** No change to Joint Finance.

**Assembly:** Require DOT, whenever the Department determines that a projected biennium-ending budgetary deficit in the transportation fund exceeds \$30,000,000, to develop a plan to eliminate the projected deficit by reducing all DOT SEG appropriations, other than those for debt service and sum sufficient appropriations, as equitably as reasonable. Specify that the plan may not include the reduction of any state funds appropriation if the reduction would violate a condition imposed by the federal government on the receipt of federal funds or if the reduction would violate the federal or state constitution. Require the Department to submit the plan to the Joint Committee on Finance for approval under a 14-day passive review process. Provide that a plan under this provision may reduce SEG continuing appropriations and may also reduce other SEG appropriations that are not otherwise subject to reduction by the Joint Committee on Finance.

**12. JOINT COMMITTEE ON FINANCE REVIEW OF ALLOTMENT ADJUSTMENTS TO DEPARTMENT OF TRANSPORTATION FEDERAL APPROPRIATIONS**

**Senate:** No change to Joint Finance.

**Assembly:** 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%.

**13. GENERAL TRANSPORTATION AIDS**

**Senate:** Provide increased funding for general transportation aids as follows to provide 3.0% annual calendar year increases, instead of 2.0% under the substitute amendment:

	<b>Chg. to JFC</b>
SEG	\$7,865,700

a. *County Aid.* Provide \$468,500 in 2007-08 and \$1,428,700 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 \$1,473,700 in 2007-08 and \$4,494,800 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.

**Assembly:** No change to Joint Finance.

**14. MASS TRANSIT OPERATING ASSISTANCE**

**Senate:** Provide additional mass transit assistance of \$1,328,300 in 2007-08 and \$5,447,300 in 2008-09 in order to provide a 2.5% annual increase to all systems, compared to a 2.0% increase under the Joint Finance substitute amendment, 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) \$873,900 in 2007-08 and \$3,572,800 in 2008-09 for Tier A-1 (Milwaukee); (b) \$164,700 in 2007-08 and \$679,400 in 2008-09 for Tier A-2 (Madison); (c) \$236,200 in 2007-08 and \$974,500 for Tier B transit systems; and (d) \$53,500 in 2007-08 and \$220,600 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

	<b>Chg. to JFC</b>
SEG	\$6,775,600

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.

**Assembly:** No change to Joint Finance.

**15. LIFT BRIDGE AIDS**

**Senate:** 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.

	Chg. to JFC
SEG	\$405,000

**Assembly:** No change to Joint Finance.

**16. ELDERLY AND DISABLED AIDS**

**Senate:** Provide \$66,500 in 2007-08 and \$136,000 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, rather than 2.0% under the substitute amendment, based on the combined SEG funding for county assistance and capital aids, but would provide the total increase in the appropriation for county assistance.

	Chg. to JFC
SEG	\$202,500

**Assembly:** No change to Joint Finance.

**17. MILWAUKEE TO CHICAGO PASSENGER RAIL SERVICE**

**Senate/Assembly:** Reduce funding for the state's share of the Amtrak Hiawatha route by \$122,700 SEG and \$491,100 FED in 2007-08 and \$126,000 SEG and \$504,100 FED in 2008-09 to reflect a new estimate of the cost to maintain the service, with an additional rail car for each train set to alleviate overcrowding. Total funding for the service would be \$6,345,300 (\$1,269,100 SEG and \$5,076,200 FED) in 2007-08 and \$6,522,800 (\$1,304,600 SEG and \$5,218,200 FED) in 2008-09.

	Chg. to JFC
SEG	- \$248,700
FED	- 995,200
Total	- \$1,243,900

**18. PASSENGER RAIL SERVICE BONDING**

**Senate:** Modify existing general obligation bonding authority for passenger rail service improvements to specify that the bonds may be used for improvements to establish rail service between Madison and Eau Claire.

**Assembly:** Delete a provision in the Joint Finance substitute amendment that would provide \$32,000,000 in additional general fund-supported, general obligation bonding for passenger rail service improvements.

	Chg. to JFC
BR	-\$32,000,000

**19. KENOSHA-RACINE-MILWAUKEE COMMUTER RAIL EXTENSION PROJECT**

**Senate:** 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.

**Assembly:** Delete \$1,000,000 in 2007-08 that would be provided in DOT's appropriation for commuter rail service under the Joint Committee on Finance substitute amendment for preliminary engineering for the Kenosha-Racine-Milwaukee commuter rail extension project. Provide \$800,000 instead (for a net reduction of \$200,000) in the Joint Committee on Finance supplemental appropriation. Specify that the Committee may approve a request by the Department of Transportation to transfer that amount to DOT's appropriation for commuter rail service only if the Legislature has passed and the Governor has signed an act establishing a financing mechanism sufficient to pay all nonfederal costs, including capital and operating costs, for the commuter rail service. Specify that revenue generated by a current-law \$2 charge on vehicle rental contracts that was established by 2005 Act 25 to support the costs of a regional transit authority in southeastern Wisconsin may not be used for the purposes of lobbying or contracting for lobbying.

	Chg. to JFC
SEG	-\$200,000

**20. LOCAL ROADS IMPROVEMENT PROGRAM -- ENTITLEMENT COMPONENT**

**Senate:** Provide \$82,900 SEG and \$82,900 SEG-L in 2007-08 and \$169,600 SEG and \$169,600 SEG-L in 2008-09 for the entitlement component of the local roads improvement program, to provide total increases of 2.5% annually for the program, instead of 2.0% under the substitute amendment.

	Chg. to JFC
SEG	\$252,500
SEG-L	<u>252,500</u>
Total	\$505,000

**Assembly:** No change to Joint Finance.

**21. LOCAL ROADS IMPROVEMENT PROGRAM -- DISCRETIONARY COMPONENT**

**Senate:** Provide \$35,000 SEG and \$35,000 SEG-L in 2007-08 and \$71,600 SEG and \$71,600 SEG-L in 2008-09 for the discretionary component of the local roads improvement program, to provide total increases of 2.5% annually, instead of 2.0% under the substitute amendment. Establish statutory distributions for the components of the program, 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.

	Chg. to JFC
SEG	\$106,600
SEG-L	<u>106,600</u>
Total	\$213,200

**Assembly:** No change to Joint Finance.

**22. AERONAUTICS ASSISTANCE**

**Senate:** Provide \$63,100 in 2007-08 and \$129,000 in 2008-09 for the aeronautics assistance program, to provide total increases of 2.5% annually, instead of 2.0% annually under the substitute amendment.

	Chg. to JFC
SEG	\$192,100

**Assembly:** No change to Joint Finance.

**23. ELIMINATE AVIATION CAREER EDUCATION PROGRAM**

**Senate:** No change to Joint Finance.

**Assembly:** Delete \$155,300 annually for the aviation career education (ACE) program to eliminate funding for the program. Delete statutory provisions establishing the program.

	Chg. to JFC
SEG	- \$310,600

**24. ROAD IMPROVEMENT GRANT FOR THE TOWN OF POUND IN MARINETTE COUNTY**

**Senate:** 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 19<sup>th</sup> Road to West 16<sup>th</sup> Road. Specify that the grant shall be made notwithstanding current TEA program eligibility criteria or local match requirements.

**Assembly:** No change to Joint Finance.

**25. GRANT TO ASHLAND COUNTY FOR IMPROVEMENTS TO CTH H**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**26. GRANT FOR STREET IMPROVEMENTS IN THE CITY OF KENOSHA**

**Senate:** Require DOT to make a grant of \$800,000 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.

**Assembly:** No change to Joint Finance.

**27. TRANSPORTATION ENHANCEMENTS GRANT FOR MILWAUKEE COUNTY**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**28. TRANSPORTATION ENHANCEMENTS GRANT FOR THE CITY OF WHITEWATER**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**29. TRANSPORTATION ENHANCEMENTS GRANT FOR THE CITY OF RACINE**

**Senate:** 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 6<sup>th</sup> 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.

**Assembly:** No change to Joint Finance.

**30. TRANSPORTATION ENHANCEMENTS GRANT FOR THE TOWN OF ARMSTRONG CREEK**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**31. TRANSPORTATION ENHANCEMENTS GRANT FOR THE VILLAGE OF FOOTVILLE**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**32. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM GRANT FOR THE CITY OF WEST ALLIS**

**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.

**Assembly:** No change to Joint Finance.

**33. SAFE ROUTES TO SCHOOL GRANT FOR THE CITY OF JANESVILLE**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**34. GRANT FOR STREET IMPROVEMENT IN THE VILLAGE OF RIB LAKE**

**Senate:** No change to Joint Finance.

**Assembly:** Require DOT to award a grant of \$5,750 during the 2007-09 biennium from the municipal subcomponent of the discretionary component of the local roads improvement program to the Village of Rib Lake in Taylor County for the improvement of Mc Comb Avenue in the Village. Specify that limitations under this program, including the minimum cost of a project to be eligible for funding (currently \$250,000), do not apply to the awarding of this grant.

**35. STATE BICYCLE AND PEDESTRIAN FACILITIES PROGRAM**

**Senate:** No change to Joint Finance.

**Assembly:** Transfer funding from local transportation assistance grant programs to new appropriations for making grants for bicycle and pedestrian transportation projects, to provide a total of \$8,178,200 FED and \$2,044,500 SEG-L in 2007-08 and \$10,898,200 FED and \$2,724,500 SEG-L in 2008-09. Make the transfers as follows: (a) \$2,720,000 FED and \$680,000 SEG-L in 2008-09 from the surface transportation grant program; (b) \$3,485,700 FED and \$871,400 SEG-L annually from the congestion mitigation and air quality improvement grant program; and (c) \$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.

**36. STATE HIGHWAY REHABILITATION FUNDING LEVEL**

**Senate:** Provide \$39,582,400 SEG and \$491,100 FED in 2007-08 and \$60,850,900 SEG and \$504,100 FED in 2008-09 for the state highway rehabilitation program, to provide total increases of 9.6% in 2007-08 and 7.0% in 2008-09 for the program.

Chg. to JFC	
SEG	\$100,433,300
FED	<u>995,200</u>
Total	\$101,428,500

**Assembly:** Provide \$11,000,000 SEG and \$491,100 FED in 2007-08 and \$504,100 FED in 2008-09 for the state highway rehabilitation program, to provide total increases of 4.9% in 2007-08 and 2.2% in 2008-09 for the program.

Chg. to JFC	
SEG	\$11,000,000
FED	<u>995,200</u>
Total	\$11,995,200

**37. MAJOR HIGHWAY DEVELOPMENT FUNDING INCREASE**

**Senate:** Provide \$11,031,800 in 2007-08 and \$25,546,500 in 2008-09 for the major highway development program, to provide total increases of 5.2% in 2007-08 and 6.1% in 2008-09 for the program.

Chg. to JFC	
SEG	\$36,578,300

**Assembly:** No change to Joint Finance.

**38. MAJOR HIGHWAY DEVELOPMENT BONDING REDUCTION**

**Senate/Assembly:** Provide \$19,011,100 SEG in 2007-08 and \$20,668,400 SEG in 2008-09 for the major highway development program and decrease the appropriation of revenue bonds (SEG-S) by corresponding amounts, to maintain the use of revenue bonds at the base level. Increase estimated transportation fund revenues by \$600,900 in 2008-09 to reflect a reduction in debt service payments in that year. Reduce the bonding authorization under the substitute amendment by \$39,679,500 to reflect the reduction in the use of revenue bonds.

Chg. to JFC	
SEG	\$39,679,500
SEG-S	<u>- 39,679,500</u>
Total	\$0
SEG-REV	\$600,900
BR	<u>- 39,679,500</u>
Total	-\$39,078,600

**39. MAJOR HIGHWAY DEVELOPMENT PROJECT PROGRESS REPORT**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**40. SOUTHEAST WISCONSIN FREEWAY BONDING REDUCTION**

**Senate:** Provide \$23,300,000 SEG in 2008-09 for the I-94 north-south freeway project and reduce the bond authorization for the project by \$23,300,000.

Chg. to JFC	
SEG	\$23,300,000
BR	-\$23,300,000

**Assembly:** No change to Joint Finance.

**41. ZOO INTERCHANGE PROJECT**

**Senate:** Delete the provision in the Joint Finance substitute amendment that would enumerate the Zoo Interchange project in the statutes to allow the construction of additional lanes on that project.

**Assembly:** Delete 25.0 positions annually to reflect the elimination of positions provided in the Joint Finance substitute amendment for preliminary work related to the reconstruction of the Zoo Interchange in Milwaukee County. Transfer funding for these positions to the Department's budget for consulting engineers.

Chg. to JFC	
SEG	- 25.00

**42. PROHIBITION AGAINST ADDITIONAL LANES ON I-94 NEAR WOOD NATIONAL CEMETERY IN MILWAUKEE COUNTY**

**Senate:** 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.

**Assembly:** No change to Joint Finance

**43. BUSINESS HIGHWAY 51 WIDENING PROJECT IN MARATHON COUNTY**

**Senate:** No change to Joint Finance.

**Assembly:** 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

Chg. to JFC	
SEG	\$238,300

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.

#### 44. STATE HIGHWAY MAPS

**Senate:** No change to Joint Finance.

**Assembly:** Delete \$232,000 in 2007-08 for the printing of state highway maps and specify that DOT may only print maps in one year of each fiscal biennium.

	Chg. to JFC
SEG	-\$232,000

#### 45. USH 14 RESURFACING PROJECT IN ROCK AND WALWORTH COUNTIES

**Senate:** 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.

**Assembly:** No change to Joint Finance.

#### 46. PAVEMENT REHABILITATION PROJECT ON I-43 IN ROCK COUNTY

**Senate:** 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.

**Assembly:** No change to Joint Finance.

#### 47. TRANSPORTATION STUDY FOR CTH T AND STH 312 IN THE CITY OF EAU CLAIRE

**Senate:** 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.

**Assembly:** No change to Joint Finance.



**48. STUDY OF EXTENSION OF STH 138 IN ROCK COUNTY**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**49. UTILITY COSTS ASSOCIATED WITH STH 78 PROJECT IN THE VILLAGE OF MERRIMAC**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**50. REIMBURSEMENT OF UTILITY COSTS IN THE CITY OF CRANDON**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**51. TRAFFIC SIGNALS IN THE TOWN OF ALBION IN DANE COUNTY**

**Senate:** 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.

**Assembly:** No change to Joint Finance.

**52. STILLWATER BRIDGE FINANCIAL CONSULTANT**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**53. CONSTRUCTION SCHEDULE FOR STH 23 MAJOR HIGHWAY DEVELOPMENT PROJECT**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**54. RECONSTRUCTION OF STH 13 IN THE CITY OF COLBY**

**Senate:** No change to Joint Finance.

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

**55. CONSTRUCTION PROJECT ON USH 14 IN THE VILLAGE OF OREGON**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**56. PROHIBIT CONSTRUCTION OF A TRUCK WEIGH STATION IN THE VILLAGE OF ROCKLAND**

**Senate:** No change to Joint Finance.

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

## 57. VALUE ENGINEERING FOR HIGHWAY IMPROVEMENT PROJECTS

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**58. APPLICABILITY OF PREVAILING WAGE PROVISIONS TO STATE HIGHWAY AND BUILDING CONSTRUCTION CONTRACTS AND MUNICIPAL CONSTRUCTION CONTRACTS**

**Senate:** No change to Joint Finance.

**Assembly:** Modify current law prevailing wage provisions that exempt truck drivers in the business of delivering mineral aggregate from a fixed place of business to a state highway improvement project, state building construction, or municipal construction work site to specify that such exemption applies unless the mineral aggregate is immediately incorporated into the work at its final location of placement directly or through spreaders from the transporting vehicle, without the need to pick up and move the material to that final location. Under current law, the exemption applies unless the mineral aggregate is to be immediately incorporated into the work, and not stockpiled or further transported by truck, by depositing the material substantially in place, directly or through spreaders from the transporting vehicle. Specify that this change would first apply to workers who are affected by a collective bargaining agreement that contains provisions that are inconsistent with the change on the day on which the agreement expires or is extended, modified, or renewed, whichever occurs first.

**59. TRUCK SIZE AND WEIGHT LAW STUDY**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**60. DEPARTMENT OF TRANSPORTATION PERMITS FOR ACTIVITIES ALONG STATE TRUNK HIGHWAYS WITHIN MUNICIPAL LIMITS**

**Senate:** No change to Joint Finance.

**Assembly:** Specify that a municipality may approve the creation of any access point to a controlled access state trunk highway located within the municipality if the Department of Transportation denies or fails to provide approval for such access within 60 days after a request for approval is made. Specify that such approval by the municipality shall be provided in writing and shall specify the terms and conditions on which the approval is given.

Specify that a municipality may issue a permit approving and authorizing any work, activity, or alteration with respect to a state trunk highway (such as the creation of a driveway access point) within the municipality if the Department denies an application for a permit or fails to approve a permit within 60 days after application for the permit is made to the Department. Specify that such a permit may be issued by the municipality regardless of what authority maintains the highway or whether the highway has been designated a connecting highway. Specify that such permit approval may be made notwithstanding current law procedures related to the denial of a permit by the Department.

**61. DONALD J. SCHNEIDER HIGHWAY**

**Senate:** No change to Joint Finance.

**Assembly:** Delete a provision of the Joint Finance substitute amendment that would designate a segment of USH 8 in Barron County as the "Donald J. Schneider Highway."

**62. RONALD REAGAN MEMORIAL HIGHWAY**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

**63. DELETE SINGLE LICENSE PLATE**

**Senate/Assembly:** Delete the provision in the Joint Finance substitute amendment that would eliminate the requirement that DOT distribute two license plates for each vehicle and that two license plates

	Chg. to JFC
SEG	\$499,400

be displayed. Provide \$249,700 annually to restore funding for issuing two plates.

#### **64. DIVISION OF MOTOR VEHICLES SERVICE CENTERS**

**Senate:** No change to Joint Finance.

**Assembly:** 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.

#### **65. ORGAN TRANSPLANT VEHICLES TREATED AS AUTHORIZED EMERGENCY VEHICLES**

**Senate:** No change to Joint Finance.

**Assembly:** 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 medical 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.

**66. VEHICLE IMMOBILIZATION AND IMPOUNDMENT FOR REPEATED PARKING VIOLATIONS**

**Senate:** No change to Joint Finance.

**Assembly:** Authorize the governing body of any municipality or county to adopt an ordinance that provides for the immobilization or the removal, impoundment, and disposal of vehicles owned by habitual parking violators. Define "habitual parking violator" as a person who has received, more than 28 days previously, three or more parking tickets that remain unpaid and for which the person has not scheduled an appearance in court in response to the citations. Specify that the ordinance shall be limited to motor vehicles for which all the following apply: (a) the municipality or county has cited the owner of the motor vehicle for three or more parking violations that, at the time of the vehicle's immobilization or removal, occurred more than 28 days previously and for which the owner has neither paid the forfeiture for each of these violations nor scheduled an appearance in court in response to each of these citations; and (b) the municipality or county has mailed to the last-known address of the owner at least one notice that specifies, for each citation, the date on which the citation was issued, the license number of the vehicle involved, the place where the citation may be paid, the amount of the forfeiture, and the means by which the citation may be contested. Specify that the notice must also inform the owner of the vehicle immobilization and impoundment provisions, and that the notice may be included with any other notice provided by the municipality or county to the owner.

Specify that the municipal or county ordinance shall authorize any parking enforcer who discovers any motor vehicle to which the immobilization or impoundment provisions apply that is legally or illegally parked on any portion of the street, highway, or publicly owned or leased parking facility within the corporate limits of the municipality or county to cause the motor vehicle to be immobilized with an immobilization device or removed to a suitable place of impoundment, or both. Specify that the parking enforcer shall be required to provide notice of the immobilization or impoundment to the chief of police or sheriff and, in cases of impoundment, notice of the name and last-known address of the vehicle owner to the towing service. Specify that the ordinance shall also: (a) specify whether the municipality or county

may contract with a third party for the performance of services related to immobilization or removal of motor vehicles, which shall be rendered only at the request of a parking enforcer; (b) provide for a reasonable removal fee, if any, that will be charged to remove an immobilization device placed on a vehicle; (c) provide for the recovery of reasonable towing or storage charges associated with the removal or impoundment of a vehicle, and of reasonable charges associated with disposal of a vehicle; and (d) require that, if the vehicle is immobilized, the parking enforcer or a third-party contractor place a written notice on the vehicle, in a highly visible location and in a reasonably secure manner, that: (1) warns any driver of the vehicle that the immobilization device has been placed on the vehicle; (2) provides information on the unpaid parking tickets associated with the vehicle or a telephone number at which an individual is available to provide such information 24 hours a day; and (3) states the amount of the immobilization device removal fee, if any, that is in addition to any amount of unpaid traffic tickets. Specify that the owner of any motor vehicle immobilized or removed under these provisions is responsible for all charges associated with immobilizing, removing, impounding, and disposing of the motor vehicle and that any charges not recovered from the sale of the motor vehicle may be recovered in a civil action by the municipality or county against the owner. Specify that the ordinance related to immobilization may prohibit any person from removing, disconnecting, tampering with, or otherwise circumventing the operation of an immobilization device, except upon release of the motor vehicle to the owner or to make necessary repairs to a malfunctioning immobilization device.

Specify that the municipal or county ordinance must prohibit the municipality or county from issuing a parking ticket for a vehicle that has been immobilized in a time-limited, legal parking space, within the first four hours after the vehicle is immobilized and during any hours in which the municipal court or clerk's office of the circuit court that would be contacted to arrange an appearance related to unpaid tickets is not open for regular business. Specify that the ordinance must require the municipality or county, or a third-party contractor, to remove an immobilization device, or provide sufficient information to allow the vehicle owner to remove the device, without undue delay, not to exceed three hours, after receiving notice that the person has satisfied the requirements for release.

Specify that the owner of a motor vehicle that has been immobilized or removed and impounded for repeated unpaid parking tickets may secure release of the vehicle by paying any charges related to the immobilization or impoundment and all forfeitures for unpaid tickets, or by scheduling an appearance in court in response to the unpaid tickets. Specify that the court, in cases where an immobilized or impounded vehicle was released because the owner scheduled a court appearance on the unpaid tickets, but for which the owner failed to appear in court as scheduled or failed to comply with the court order with respect to the unpaid tickets, may order a law enforcement officer, or an authorized employee or contractor of the municipality or county, to immobilize the motor vehicle or have the vehicle removed and impounded. Specify, in addition, that the municipality or county may have the vehicle immobilized or impounded in these circumstances. Specify that if a court orders a vehicle to be immobilized under these circumstances, the court shall order a law enforcement officer, or an



authorized employee or contractor of the municipality or county to remove the immobilization device if the vehicle owner subsequently complies with the court order.

Specify that current law procedures and provisions related to the impoundment and disposal of unregistered vehicles apply to the impoundment for repeated unpaid parking tickets, except for the requirements related to the release of the vehicle, and that the current law procedures related to the removal and storage of vehicles as the result of a parking violation apply to vehicles removed and stored for repeated unpaid parking tickets. Specify that current law provisions related to the use of immobilization devices in a parking area not on a highway do not apply to the immobilization of vehicles for repeated unpaid parking tickets.

## **67. OPERATING AN AIRCRAFT WHILE INTOXICATED**

**Senate:** No change to Joint Finance.

**Assembly:** Adopt provisions of 2007 Assembly Bill 89, as follows:

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 passenger 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.

**68. MOTORCYCLE SAFETY GRANT**

**Senate:** No change to Joint Finance.

**Assembly:** Modify a provision in the Joint Finance substitute amendment that would require DOT to award a grant of \$75,000 annually during the 2007-09 biennium to a motorcycling organization for a "rider-to-rider" campaign to reduce impaired motorcycle riding by educating motorcyclists about the dangers of impaired riding, to eliminate the requirement that the grant be provided using state funds if federal funds are not provided for the grant. Transfer \$75,000 SEG annually from the Joint Committee on Finance supplemental appropriation to the Department's appropriation for the State Patrol to reverse the part of the provision related to providing the grant with state funds.