

CR 85-94

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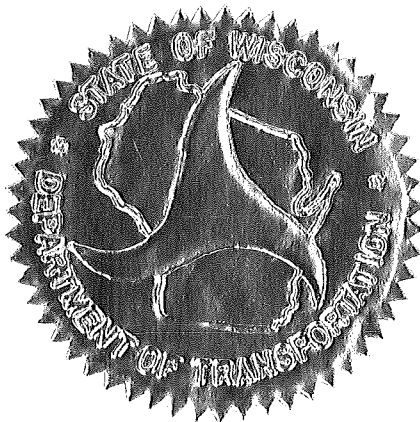
STATE OF WISCONSIN)
) ss.
DEPARTMENT OF TRANSPORTATION)

OCT 15 1985
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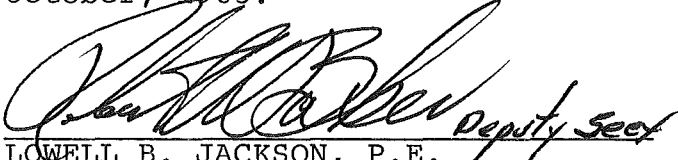
TO ALL TO WHOM THESE PRESENTS COME, GREETINGS:

I, Lowell B. Jackson, Secretary of the Wisconsin Department of Transportation and custodian of the official records do hereby certify that the annexed rule relating to the rural and small urban area public transportation assistance program was duly approved and adopted by this Department on October 14, 1985.

I further certify that the annexed copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of such original.



IN TESTIMONY WHEREOF, I have here-
onto set my hand and affixed the
official seal of the Department
at the Hill Farms State Office
Building in the City of Madison,
Wisconsin, this 14th day of
October, 1985.


LOWELL B. JACKSON, P.E.
for Secretary
Wisconsin Department of
Transportation

12-1-85

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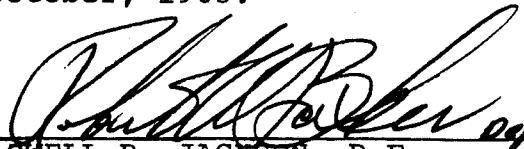
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LOWELL B. JACKSON, P.E.
for Secretary
Wisconsin Department of
Transportation

OFFICE OF THE SECRETARY

IN THE MATTER OF REPEALING S. TRANS	*	
6.06(1)(a); OF RENUMBERING S. TRANS	*	
6.06(1)(b) to (g); OF AMENDING SS. TRANS	*	
6.02(2), 6.03(1)(b) 1, 3, 4, 6 and 7,	*	ORDER
6.04(2) and 6.07(2); AND TO AMEND, AS	*	ADOPTING
RENUMBERED, S. 6.06(1)(b) OF THE	*	RULE
WISCONSIN ADMINISTRATIVE CODE, RELATING	*	
TO THE RURAL AND SMALL URBAN AREA PUBLIC	*	
TRANSPORTATION ASSISTANCE PROGRAM	*	

Analysis Prepared by the Wisconsin Department of Transportation

General summary of proposed rule. The Department of Transportation is authorized to adopt and revise rules with respect to the administration of funds available under the federal rural and small urban area public transportation program, commonly known as the federal section 18 program. The rule changes first proposed on May 31, 1985, on which hearings have been held, revised the program priorities; eligibility standards, application filing deadline and enumeration of items ineligible as project expenses. Major provisions of the rule as originally proposed were:

- A. Establish a priority for distributing available program funds in the following descending order:
 1. Small urban area public transportation services;
 2. Rural area public transportation services including services to and within Indian reservations;
 3. Intercity public transportation services.
- B. Require that all applicants for funds in 1986 and in the years thereafter be either public bodies or federally recognized Indian tribal governing bodies.
- C. Change the filing deadline for applications from December 1 to November 15.
- D. Modify the enumeration of items listed as not "eligible project expenses" to make that enumeration conform with existing federal policies and requirements.

The rule provisions identified in B, C and D above remain in the rule. The provisions described in A above, however, have been deleted.

Respecting A, the establishment of priorities for distributing available program funds was originally proposed because of the threat of a substantial reduction in or even elimination of program operating assistance funds at the federal level during development of the federal budget. Indications at this time are that the 1986 federal budget will not contain the previously anticipated substantial reductions in the Section 18 program appropriations. The combination of the now anticipated Wisconsin Section 18 program allocation for 1986 plus available carryover funds should be sufficient to meet most, if not all, of the program needs for calendar year 1986. Thus, the department is at this time deleting its previous proposal establishing priorities for distributing program funds. Unless the federal appropriations for 1987 are substantially increased, however, a method for distributing funds will need to be established for 1987 and beyond.

Initial regulatory flexibility analysis. This rule may affect some small businesses providing public transportation. It will not, however, have a significant economic effect upon a substantial number of small businesses. Before the rulemaking hearings, the advance notice stated that the rule could affect small businesses, and the Department of Development was notified concerning the proposed rule. The Department of Transportation, however, has received no comments of any sort from anyone, either at the hearings or otherwise, about the effect of the rule upon small businesses. Furthermore, although the Department of Transportation has considered methods for reducing the rule's impact on any small business that may be affected by it, it does not appear feasible to do so. Thus, under sec. 227.018(3m), Stats., a final regulatory flexibility analysis is not required.

Fiscal estimate. The section 18 program is entirely federally funded. The department is the state agency responsible for distributing the federal section 18 program funds allocated to the state. Those rule amendments requiring applicants to be public bodies or Indian tribal governing bodies and those rule amendments changing the application filing deadline will have no fiscal impact upon local public bodies. The amendments which expand eligible project expenses, however, may increase expenditures for local governments receiving transportation services from private providers. The department estimates that these increased local contributions could total approximately \$47,000 statewide for all 11 transit systems presently in the program and affected by the change. These affected transit systems are primarily shared-ride taxi systems.

Preparation. This analysis was prepared by Ron Morse of the Department's Bureau of Transit (608)266-9637 and by Philip Peterson of the Department's Office of General Counsel (608)266-8810.

Pursuant to the authority vested in the state of Wisconsin, department of transportation, by s. 85.16(1), Stats., the department of transportation hereby proposes to amend, repeal and renumber rules interpreting s. 85.23, Stats., as follows:

SECTION 1. Trans 6.02(2) is amended to read:

Trans 6.02(2). "Eligible applicants" means local public bodies, ~~private transportation providers and~~ or federally recognized Indian reservations, tribal governing bodies, but does not include private transportation providers.

SECTION 2. Trans 6.03(1)(b)1, 3, 4, 6 and 7 are amended to read:

1. Depreciation and amortization except for privately publicly owned systems facilities and equipment not receiving state operating assistance under s. 85.20, Stats.;

3. Interest expense, except that privately owned systems not receiving state operating assistance under s. 85.20, Stats., may include interest on short-term debt obligation;

4. Profit, except for privately owned systems not receiving state operating assistance under s. 85.20, Stats. Such private Private systems are eligible for profit which shall be a fixed fee and cannot may not exceed 10% of the gross contract costs;

6. Lease payments to a related party which are a less than arms length agreement, ~~except for privately owned systems not receiving state operating assistance under s. 85.20, Stats.~~ Only actual eligible expenses of owning the property, including depreciation and taxes, shall be allowed;

7. Lease payments by small urban area systems for revenue passenger vehicles, unless ~~the grantee is a privately-owned system~~ ~~not receiving state operating assistance under S-85-207-Stats-7 or~~ ~~a situation~~ situations exists exist necessitating a short-term lease leases. In this subdivision, 'short-term lease' means a lease of one year or less in duration. If the grantee is actively pursuing a federal grant to purchase vehicles, the eligibility of lease payments may be extended until delivery of the purchased vehicles;

SECTION 3. Trans 6.04(2) is amended to read:

Trans 6.04(2). Any uncommitted ~~balance~~ balances of the state's ~~current or preceding project year's annual apportionment~~ apportionments from the general fund or any unexpended ~~balance~~ balances from previous obligations shall be carried forward to the following year's year operating assistance fund.

SECTION 4. Trans 6.06(1)(a) is repealed.

SECTION 5. Trans 6.06(1)(b), (c), (d), (e), (f) and (g) are ~~renumbered~~ (a), (b), (c), (d), (e) and (f).

SECTION 6. Trans 6.06(1)(b), as renumbered, is amended to read:

Trans 6.06(1)(b). Projects to initiate a public transportation service ~~in areas other than urbanized;~~

SECTION 7. Trans 6.07(2) is amended to read:

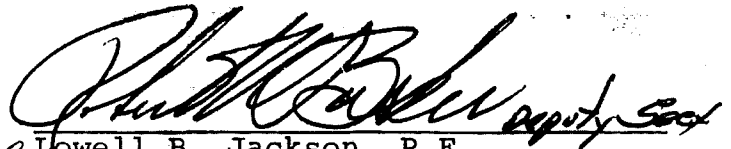
Trans 6.07(2). Applications shall be submitted to the department no later than ~~December--1~~ November 15 of the year immediately preceding the project year. Prior to November 15,

~~Applicants~~ applicants may request up to a 30-day extension of this date, and the department may grant those requests. No application for operating assistance ~~or~~ capital assistance received after ~~January-1~~ December 15 of the year preceding the project year may be funded unless the secretary of transportation determines that a later date is appropriate in order to properly respond to an emergency situation.

(END OF RULE TEXT)

This proposed rule shall take effect on the first day of the month following publication as provided in s. 227.026(1)(intro.), Stats.

Signed at Madison, Wisconsin,
this 14th day of October,
1985.



Lowell B. Jackson, P.E.

Secretary

Wisconsin Department of Transportation



State of Wisconsin \ DEPARTMENT OF TRANSPORTATION



PLEASE REPLY TO:

OFFICE OF GENERAL COUNSEL

4802 Sheboygan Avenue
P.O. Box 7910
Madison, WI 53707-7910
Telephone: (608) 266-8810

14 October 1985

Mr. Gary Poulson
Assistant Revisor of Statutes
411 West, State Capitol
Madison, Wisconsin 53702

RE: Clearinghouse Rule 85-94;
In the Matter of TRANS 6, Wisconsin Administrative Code,
Relating to the Rural and Small Urban Area Public
Transportation Assistance Program.

Dear Mr. Poulson:

Enclosed for filing, pursuant to sec. 227.023, Wis. Stats., is a certified copy of CR 85-94, an administrative rule relating to the rural and small urban area public transportation assistance program. An additional, uncertified copy of CR 85-94 is enclosed to be used as a printer's copy. This rule is submitted by the Wisconsin Department of Transportation.

Sincerely,

Philip Peterson
Deputy General Counsel

PPP/cfd
Enclosure
CC: K. Sue Gallagher
Maynard Schneider
Douglas Haist
Jim Beckwith
Ron Morse