



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0161/3
ARG:sac:rs

DOA:.....Byrnes, BB0235 – Appropriation and operational changes allowing sponsorship agreements

FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: sponsorship and partnership agreements.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

HIGHWAYS

Under current law, DOT is responsible for maintenance of the state trunk highway system. Maintenance activities include snow and ice control, vegetation management, and other operations required on a continuing basis to preserve state highways or to provide adequate traffic service. For purposes of DOT's maintenance activities, bikeways established by DOT are considered state trunk highways. Also under current law, DOT may construct and maintain certain roadside improvements along or close to state trunk highways, including rest areas, overlooks, turnouts, and windbreak hedges.

This bill allows DOT to enter into sponsorship agreements under which DOT displays advertising, promotional, or sponsorship material, or other information, associated with the sponsor at locations owned or controlled by DOT in exchange for the sponsor's payment of fees or provision of services, including maintenance services, to DOT. The bill also allows DOT to enter into partnership agreements under which DOT authorizes a partner to engage in commercial activity at locations owned or controlled by DOT in exchange for the partner's payment of fees or provision of services, including maintenance services, to DOT. A sponsor or partner

may be a public or private entity or an individual. All fees received by DOT under the agreement may be used by DOT for the following: 1) the maintenance and repair of state trunk highways, state highway roadside improvements, and certain bridges that are not on the state trunk highway system; 2) other highway operations relating to the maintenance of state trunk highways, state highway roadside improvements, and certain bridges that are not on the state trunk highway system; 3) routine maintenance activities performed under contract with DOT; 4) the issuance of oversize vehicle permits; and 5) DOT's disadvantaged business demonstration and training program. The contract for any sponsorship agreement or partnership agreement entered into by DOT must be awarded on the basis of competitive proposals to the person submitting the most advantageous competitive proposal, as determined by DOT.

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

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

SECTION 1. 20.395 (3) (eg) of the statutes is created to read:

20.395 (3) (eg) *Supplement from sponsorship and partnership agreements, state funds.* From the general fund, all moneys received under s. 84.01 (36) (d) for any purpose described in s. 20.395 (3) (eq) or (es).

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

***NOTE: This provision depends on the enactment of s. 20.395 (3) (es), created in LRB-0254, which is also a DOT agency budget draft. If LRB-0254 is not included in the budget, this provision will need to be revised. I note that s. 20.395 (3) (eq) is modified in LRB-0254 and the analysis in this bill reflects that modification as well as the text of created s. 20.395 (3) (es).

SECTION 2. 25.40 (1) (a) 31. of the statutes is created to read:

25.40 (1) (a) 31. Fees received under s. 84.01 (36) (d) that are deposited in the general fund and credited to the appropriation account under s. 20.395 (3) (eg).

SECTION 3. 84.01 (36) of the statutes is created to read:

84.01 (36) SPONSORSHIP AND PARTNERSHIP AGREEMENTS. (a) In this subsection:

1. "Partner" means any person, whether public or private, that enters into an agreement with the department under par. (c).

2. "Sponsor" means any person, whether public or private, that enters into an agreement with the department under par. (b).

(b) Notwithstanding ss. 86.19 (1) and 86.191 (1), the department may enter into sponsorship agreements under which the department displays advertising, promotional, or sponsorship material, or other information, associated with the sponsor at locations owned or controlled by the department in exchange for the sponsor's payment of fees or provision of services to the department.

(c) Notwithstanding s. 84.25 (11), the department may enter into partnership agreements under which the department authorizes a partner to engage in commercial activity at locations owned or controlled by the department in exchange for the partner's payment of fees or provision of services to the department.

(d) All fees received under this subsection shall be deposited in the general fund and credited to the appropriation account under s. 20.395 (3) (eg).

(e) For each agreement under par. (b) or (c), the contract shall be awarded on the basis of competitive proposals in accordance with procedures established by the department. Requests for proposals shall be advertised in the manner determined by the department. Each contract shall be awarded to the person submitting the most advantageous competitive proposal as determined by the department. If the proposal of the person submitting the most advantageous competitive proposal is determined by the department to be less than the estimated reasonable value to the department or not in the public interest, the department may reject all proposals. The secretary shall enter into each contract on behalf of the state. Every such contract is exempted from ss. 16.70 to 16.75, 16.755 to 16.82, 16.87, and 16.89, but ss. 16.528, 16.752, 16.753, and 16.754 apply to the contract.

***NOTE: This draft omits reconciled s. 84.07 (1). The treatment of s. 84.07 (1) that previously appeared in LRB-0161 has been added to LRB-0254.

SECTION 4. 84.07 (1r) of the statutes is created to read:

84.07 (1r) SPONSORSHIP AND PARTNERSHIP AGREEMENTS. The department may enter into sponsorship and partnership agreements under s. 84.01 (36) that require the sponsor or partner to perform maintenance activities, in accordance with the department's standards, for the benefit of the department.

SECTION 5. 84.29 (5) of the statutes is amended to read:

84.29 (5) CONSTRUCTION OF GRADE SEPARATIONS AT INTERSECTIONS. In the furtherance of the public interest and general welfare of the state and the traveling public in the development of the interstate system, the department is authorized and empowered to construct grade separations at intersections of any interstate highway with other public highways and railroads and to change and adjust the lines of public highways and if necessary combine or relocate the same to adjust traffic service to grade separation structures. The entire cost of grade separations and relocations and alterations of local roads as so determined by the department shall be a part of the construction of and financed as a part of the cost of the interstate highway. The department may by agreement with a county or municipality or by order summarily vacate or relocate any town, county, city or village highway as part of the construction of an interstate highway but shall pay any damage legally payable under existing law to any property owner directly injured by the vacation or relocation of such street or highway. The department is empowered to enter into agreement with the unit of government having jurisdiction over the local highway relocated or altered as a part of the interstate highway improvement with respect to maintenance thereof, and in the absence of mutual agreement to the contrary, such relocated or altered highway

shall be maintained by the unit of government having jurisdiction thereof before it was so relocated or altered, except any parts thereof which the department determines to be useful in the operation of or for access to the interstate highway, which parts shall be maintained by the state, subject to s. 84.07 (1r), as a part of the interstate highway. The action by the department relative to vacation and relocation or combining a public highway under jurisdiction of any county, town, city or village shall be conclusive.

SECTION 6. 84.295 (6) of the statutes is amended to read:

84.295 **(6)** CONSTRUCTION OF GRADE SEPARATIONS AT INTERSECTIONS. In the furtherance of the public interest and general welfare of the state and the traveling public in the development of freeways or expressways, the department is authorized and empowered to construct grade separations at intersections of any freeway or expressway with other public highways and railroads and to change and adjust the lines of public highways and if necessary combine, relocate or extend the same to adjust traffic service to grade separation structures. The entire cost of grade separations and relocations, alterations or extensions of local roads as so determined by the department shall be a part of the construction of and financed as a part of the cost of the freeway or expressway. The department may by agreement with a county or municipality or by order summarily vacate or relocate any town, county, city or village highway as part of the construction of a freeway or expressway but shall pay any damage legally payable under existing law to any property owner directly injured by the vacation or relocation of such street or highway. The department is empowered to enter into agreement with the units of government having jurisdiction over a local highway relocated, altered or extended as a part of the freeway or expressway improvement with respect to maintenance thereof, and in the absence

of mutual agreement to the contrary, such relocated, altered or extended highway shall be maintained by the unit of government having jurisdiction thereof before it was so relocated, altered or extended, except any parts thereof which the department determines to be useful in operation of or for access to the freeway or expressway, including structures over the freeway or expressway, which parts shall be maintained by the state, subject to s. 84.07 (1r), as a part of the freeway or expressway. The action by the department relative to vacation, relocation, extension or combining of a public highway under jurisdiction of any county, town, city or village shall be conclusive.

(END)