# Wisconsin Legislative Council ACT MEMO



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#### 2023 Wisconsin Act 13 [2023 Senate Bill 247]

#### Agricultural Roads Improvement Program Grants

2023 Wisconsin Act 13 creates a temporary program, within the Local Roads Improvement Program (LRIP),<sup>1</sup> that provides grants to local governments to reimburse up to 90 percent of a local government's reimbursable costs for eligible agricultural road projects.

# ELIGIBILITY

Under the act, a project is eligible for an agricultural roads improvement grant if all of the following apply:

- The project is to improve a highway functionally classified by the Department of Transportation (DOT) as a local road or minor collector or a bridge or culvert on a highway functionally classified by the department as a local road or minor collector.
- If the project is solely for the improvement of a bridge or culvert, the bridge or culvert is 20 feet or less in length and is not eligible for funding under a federal program providing support for bridge improvements.
- The highway, bridge, or culvert provides access to agricultural lands or facilities used for the production of agricultural goods, including forest products, and is used by at least one agricultural producer.
- The highway is designated as a class "B" highway due to structural deficiencies, or has been subject to a posted weight limitation for at least one month during the previous year.
- After the completion of the project, the highway will not be designated as a class "B" highway and will not be subject to a posted weight limitation other than under extraordinary or emergency circumstances.

# **APPLICATION AND PROJECT SELECTION**

The act requires DOT to prescribe the form, nature, and extent of information contained in an application for a grant. If feasible, the application may not exceed two pages in length and must be reasonably accessible to local governments with limited staffing resources. If the application is for a

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<sup>&</sup>lt;sup>1</sup> LRIP reimburses local governments for improving seriously deteriorating highways. LRIP provides grants of state funds for capital improvements on existing county, town, city, and village roads, and for feasibility studies for such improvements. Generally, grants may cover up to 50 percent of the total project cost. In each of the 2019-21 and 2021-23 biennial budget acts, however, the Legislature provided supplemental LRIP funds that could be used to reimburse up to 90 percent of project costs.

project to improve a class "B" highway, DOT must require the applicant to state when the highway was designated as a class "B" highway.

The act requires DOT to establish a committee to review grant applications and award grants. The committee membership must have geographically diverse representation and must include representatives of agricultural industries and local governments eligible for agricultural roads improvement grants. DOT and the committee must select projects that provide the greatest benefit to agricultural producers in this state using the following criteria:

- Projects that improve access by the largest number of agricultural producers to agricultural lands and facilities used for the production of agricultural goods, including forest products.
- Projects that will result in reduction of any of the following for agricultural producers:
  - Repeated trips at reduced weights.
  - Labor costs.
  - Fuel costs.
  - o Mileage upon and damage to equipment used in agricultural production.
  - Costs other than any of the above resulting from a highway being designated as a Class "B" highway or being subject to a posted weight limit under other than extraordinary or emergency circumstances.
- Projects that will result in the greatest positive economic impact.
- Projects for which the highway, bridge, or culvert provides the only feasible access to agricultural lands used for the production of agricultural goods.
- Projects that are the subject of a grant application by a local government that faces demonstrable fiscal or administrative difficulties in completing high way projects.
- Projects that will result in the transportation of the largest amount of agricultural goods, including forest products.
- Projects that improve access to agricultural lands or facilities used for the production of agricultural goods, including forest products, for more than one agricultural producer.

DOT must also attempt to award grants to political subdivisions in all geographic areas of the state.

# **GRANT AWARDS AND ADMINISTRATION**

A grant may reimburse up to 90 percent of eligible costs. Eligible costs include any cost related to the project, including costs of planning, designing, engineering, and constructing an agricultural road project. A local government may apply for partial payment, but not more frequently than quarterly.

Under the act, a local government that is awarded a grant may designate DOT to act as a fiscal agent of the local government for purposes of a project funded by the grant. When acting as a fiscal agent, DOT must, upon request, pay reimbursable project costs when the costs are incurred by the local government and retain or receive grant funds as reimbursement for those payments.

The act prohibits a local government from designating a highway, bridge, or culvert improved with an agricultural roads improvement grant as a class "B" highway or posting a weight limitation. An exception to this prohibition allows the local government to designate or post the highway, bridge, or culvert under extraordinary or emergency circumstances if the local government obtains a pavement or

structural analysis by a professional engineer or the relevant county highway commissioner that supports the weight limitation and certifies to DOT the reason for the weight limitation.

#### **SUNSET**

The act prohibits DOT from awarding any agricultural roads improvement grants after June 23, 2026, and prohibits the department from reimbursing any costs incurred under the act's provisions after June 23, 2028.

The act also generally sunsets the act's provisions on June 24, 2028. The act excepts from this sunset the provision prohibiting a local unit of government from designating a highway improved with an agricultural roads improvement grant a Class "B" highway or posting a special weight limitation absent extraordinary or emergency circumstances, and the provision prohibiting the department from reimbursing costs incurred under the act after June 23, 2028.

Effective date: June 23, 2023

For a full history of the bill, visit the Legislature's <u>bill history page</u>.

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