October 20, 2006

Dear Wisconsinite,

Thank you for your recent letter regarding funding for bicycle and pedestrian facilities in Wisconsin. Governor Doyle and I share a vision of a safe, efficient and balanced statewide transportation system that includes bicycle and pedestrian facilities.

From your letter and many others I have received, as well as through recent media reports, it is clear that the interest in bicycle and pedestrian facilities is impassioned. However, I have noted that there is a considerable amount of misinformation and misunderstanding in the areas of federal funding, state budgets, and project selections.

There are numerous federal programs that pertain to transportation. When discussing bicycle and pedestrian facilities, the Transportation Enhancements Program is probably the most notable, but certainly not the only source.

You may be surprised that there is actually no federal funding provided specifically for the Transportation Enhancements Program. Rather, as with all other formula-based federal transportation programs, the federal transportation act provides a maximum amount that may be spent for eligible activities in the Transportation Enhancements Program, but no actual funding. Instead, federal formula funding is provided to each state in a lump sum for the state to allocate depending on the needs in that state. Another important issue is that the federal funding lump sum equals only 85 to 90 percent of the total of all of the federal program maximums.

The Governor, with assistance from the Department of Transportation, prepares the transportation budget request. The Wisconsin State Legislature makes final decisions on the allocation of federal funding in the biennial budget process. Once the budget becomes law, the Department must spend federal funding as directed in the budget. For example, in the 2003-05 biennial budget, the State Legislature eliminated funding for the Surface Transportation Discretionary Program, a key program for bicycle and pedestrian facilities. In the 2005-07 biennial budget, Governor Doyle, recognizing the shortage of funding for such activities, wanted funding for the program restored and included it in his budget request. However, the State Legislature again eliminated funding for the program.

Another common bit of misinformation is that Wisconsin spends only 30 percent of available federal Transportation Enhancements funding. First, the state does not receive any specific funding for the Transportation Enhancements Program. The maximum is actually what we can spend on Enhancement eligible projects, not just through the Enhancement program. «Header_name» Page 2 October 20, 2006

Additional federal funding is spent on Transportation Enhancements projects in other state programs. In state fiscal year 2005, the state spent \$14.6 million on federal Transportation Enhancements projects -- about half of which were in the state Transportation Enhancements Program and half in the State Highway Program. That equals over 78 percent of the federal maximum, more than double the 30 percent recently quoted.

In fact, over the past six years, the range of spending on federal Transportation Enhancements activities has ranged from \$8.7 million to \$14.6 million annually, or about 52 to 78 percent of the federal maximums. Plus, additional state and federal funds are spent each year on bicycle and pedestrian facilities, such as separate bike lanes, wider paved shoulders, and sidewalks as part of highway projects, with additional funding spent in other programs as well.

Yet another issue is that the Transportation Enhancements Program funds much more than bicycle and pedestrian facilities. Other federally eligible activities include streetscaping, lighting, and historical transportation facilities. Which projects are picked for funding is determined by a selection committee of 13 individuals, including state legislators, representatives from state agencies, local officials and stakeholders, including the Bicycle Federation of Wisconsin. Several of the projects picked this year by the committee were not bicycle projects. Also, if additional funding became available there is no guarantee the money would be applied toward bicycle activities. Again, this would be up to the committee to decide.

Another issue that limits funding for bicycle and pedestrian projects are federal earmarks. As noted in many reports, the current local Transportation Enhancements Program cycle was programmed at about \$9 million, or \$3.5 million lower than funding made available for the program in the state budget. That \$3.5 million "reduction" is due entirely to federal earmarks for bicycle and pedestrian facilities. These federal earmarks did not provide any additional funding to the state, but, because they are federally earmarked, they are mandated and must be funded before other projects, regardless of their priority or importance compared to other projects applied for through the program.

Again, thank you for your interest in bicycle and pedestrian facilities in Wisconsin. I hope I was able to clear up some of the misunderstanding and misinformation that is circulating regarding funding for those facilities. I also want to reiterate that bicycle and pedestrian facilities are an important part of the state's transportation system for recreation, mobility, and access to jobs. As Governor Doyle develops his transportation budget request, all modes, including bicycle and pedestrian, will be considered in meeting the transportation needs of Wisconsin's citizens within the constraints of scarce resources.

If you have additional questions or thoughts on this or any other transportation issue, please contact my office.

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Sincerely,

Frank J. Busalacchi Secretary