



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #763

Lift Bridge Aids (Transportation -- Local Transportation Aid)

CURRENT LAW

Municipalities are reimbursed, from a biennial appropriation, for 100% of actual costs incurred in operating and maintaining swing or lift bridges on connecting highways. If the biennial appropriation is insufficient to provide full reimbursement, payments are prorated in the manner deemed desirable by the Department of Transportation (DOT). In 2008-09, \$2,294,400 SEG is provided to make lift bridge payments.

GOVERNOR

Reduce funding by \$22,900 SEG annually, and set the annual funding amount for the lift bridge aids appropriation at \$2,271,500 SEG, as part of the 1% across-the-board reduction in most non-federal appropriations.

DISCUSSION POINTS

1. Lift bridge aid is paid on the first Monday in July for costs incurred during the previous calendar year. For example, the lift bridge aid payment made in July, 2009, will be in reimbursement for actual costs incurred by the cities during calendar year 2008 (the cities must submit documentation of their costs by January 31). There are currently 10 lift bridges on connecting highways operating in the state, which are located in the cities of Green Bay, Manitowoc, Milwaukee, Racine, and Two Rivers.

2. If state funding is not sufficient to cover the annual costs of operation of the lift bridges, the available funds are prorated to pay a percentage of actual costs. Funding for lift bridge aids was increased in 2008-09 from \$1,948,400 to the current base level of \$2,294,400.

3. From 1984-85 (1983 costs) through 2002-03 (2001 costs), the state appropriated

funds sufficient to reimburse 100% of the local calendar year costs for operating and maintaining swing or lift bridges on connecting highways. Prorated payments occurred in 2003-04 (93.8% of 2002 costs) and 2004-05 (89.4% of 2003 costs). Since that time, no annual payments have been prorated.

4. The following table indicates the 2008 actual costs submitted for each bridge. Under the bill, the funding available in 2009-10 would be \$2,271,500, which exceeds the costs submitted by just under \$400. Since the appropriation is biennial, DOT can take this extra funding from the second year of the biennium.

2008 Lift Bridge Submitted Costs

<u>Bridge</u>	<u>Submitted Costs</u>
Green Bay -- Main Street	\$437,216
Manitowoc -- 8th Street	210,742
Manitowoc -- 10th Street	12,534
Milwaukee -- Broadway Street	354,760
Milwaukee -- Kinnickinnic and 1st	341,974
Milwaukee -- State Street	20,293
Milwaukee -- Wells Street	21,690
Racine -- Main Street	465,725
Racine -- State Street	<u>406,964</u>
 TOTAL	 \$2,271,898

5. The eligible municipalities have also submitted projected lift bridge costs for the 2009 calendar year, which will be reimbursed through the 2010-11 lift bridge appropriation. These estimated costs total \$2,777,000, which exceeds the funding amount under the bill (\$2,271,500). According to DOT officials, specific, nonrecurring repairs needed for the Racine bridges in 2009 are the primary reason for the cost increase in that year. In order to fully fund estimated 2009 costs, the Committee would have to provide \$505,500 in 2010-11 (Alternative 2). A decision to fund 90% of the estimated 2009 costs would require an increase of \$227,800 (Alternative 3). Alternatively, if no increase in funding is provided (Alternative 1), 2010-11 lift bridge payments would be prorated at 81.8% of the estimated 2009 costs.

6. Under the bill, other DOT local transportation aids programs would receive a 1% across-the-board reduction, including general transportation aid, connecting highway aids, county forest road aids, elderly and disabled capital aids, and expressway policing aids to Milwaukee County.

ALTERNATIVES

1. Approve the Governor's recommendation to establish funding for lift bridge aids at \$2,271,500 annually (2010 payments would be prorated at 81.8%, based on estimated 2009 costs).

2. Provide \$505,500 SEG in 2010-11 for lift bridge aids to reimburse communities for the costs associated with the operation and maintenance of lift bridges on connecting highways. Total funding would be \$2,777,000 SEG in 2010-11.

ALT 2	Change to Bill Funding
SEG	\$505,500

3. Provide \$227,800 SEG in 2010-11 for lift bridge aids to reimburse communities for 90% of the estimated costs associated with the operation and maintenance of lift bridges on connecting highways. Total funding would be \$2,499,300 SEG in 2010-11.

ALT 3	Change to Bill Funding
SEG	\$227,800

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