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Major Highway Development Program (Transportation -- State Highway Program)

[LFB 2021-23 Budget Summary: Page 582, #4]

CURRENT LAW

The major highway development program is responsible for the expansion of existing highways, construction of new highways, and certain high-cost highway rehabilitation projects. In the 2019-21 biennium, a total of $565.6 million was provided for the major highway development program.

A major highway development project is, with certain exceptions, any improvement project that either has a total cost in excess of $108,700,000, or, that has a total cost in excess of $43,500,000 and expands highway capacity. For this purpose, capacity expansion includes: (a) construction of a new highway of 2.5 miles or more in length; (b) relocation of 2.5 miles or more of existing roadway; (c) the addition of one or more lanes at least five miles in length; or (d) the improvement of 10 miles or more of an existing divided highway to freeway standards. Projects exceeding the $108,700,000 threshold must be approved by the Transportation Projects Commission (TPC) prior to the Department of Transportation (DOT) beginning construction. Projects exceeding the $43,500,000 cost threshold, and meeting the capacity expansion definitions, must be enumerated in the statutes prior to construction which can only happen after approval by the TPC. Highway rehabilitation projects are considered major highway projects if they have an estimated cost exceeding $108.7 million. Exceptions to these standards are provided for southeast Wisconsin freeway megaprojects (exceeding $727.6 million), high-cost bridge projects (exceeding $150 million), and major interstate bridge projects (with the state's share over $100 million).

DISCUSSION POINTS

Background

1. There are three main components of the state highway improvement program: (a) the state highway rehabilitation program; (b) the major highway development program; and (c) the southeast Wisconsin freeway megaprojects program. As shown in Attachment 1, the major highway development program has, historically, been second largest of these programs, with a proportionate share of program funding over the past decade generally in the range of 20% to 30% of the total funding for these three programs.

2. Major highway projects that meet the statutory capacity expansion thresholds must be enumerated in the statutes before DOT can begin construction. Potential projects are considered for enumeration by the Transportation Projects Commission, a body consisting of the Governor, as chair, five senators, five representatives, three public members appointed by the Governor, and the DOT Secretary (a nonvoting member). DOT submits potential projects to the TPC for consideration and also submits a recommendation of which projects should be advanced for enumeration. The TPC then makes a recommendation to the Governor and Legislature regarding project enumeration. Major highway projects that meet the definition based on the high-cost threshold, but not the capacity expansion thresholds, must be approved by the TPC prior to construction, but do not need to be enumerated in the statutes.

3. There are two statutory restrictions on the TPC's recommendations for capacity expansion projects. First, the TPC is prohibited from recommending a project for enumeration unless the project, along with all other enumerated projects, can be started within six years following the project's enumeration, assuming a constant, real-dollar program size throughout the period. [The Commission, however, may recommend a project that could not otherwise be started within the six-year time period if it also recommends a funding proposal for the major highway development program that would allow the project to be started in six years.] No projects were recommended for enumeration between 2002 and 2008 in part because of this restriction, although four projects were enumerated in the 2003-05 biennial budget without being recommended by the TPC (the requirement for projects to be recommended by the TPC prior to enumeration was enacted later in the 2003-05 biennium). Second, the TPC is prohibited from recommending a project for enumeration unless a final environmental impact statement or assessment has been approved by the Federal Highway Administration (FHWA). This requirement is intended to ensure that potential projects can be completed within a reasonable time of enumeration and that the TPC has reasonably complete information on the cost and impacts of the project.

Recent Project Developments

4. The TPC did not meet between December, 2014, and December, 2019. Given the substantial amount of time that elapsed, the future costs associated with approved and enumerated projects had began to dwindle. However, the TPC has become more active in the 2019-21 biennium, meeting in both December, 2019, and December, 2020, as it begins to approve projects as others conclude.

5. At the December, 2020, meeting, following the recommendation of the Department, the

TPC approved the removal of two projects previously approved for environmental study because it was determined narrower-scoped improvements could instead be completed for these facilities as part of the state highway rehabilitation program. The removed projects include: (a) reconstructing I-94 from USH 12 to STH 65 in St. Croix County; and (b) expanding USH 12 from STH 59 in Whitewater to STH 67 in Elkhorn in Walworth County.

6. In addition, due to increasing congestion and safety concerns, at the recommendation of the Department, the TPC approved restarting an environmental study of an improvement project to 56.3 miles of I-39/90/94 from USH 12 in Madison to USH 12 in the Wisconsin Dells. The previous environmental assessment was cancelled in March, 2017, by the FHWA. Including this project, there are now three major highway development projects being formally studied. The other two projects include: (a) 18.7 miles of USH 12 from USH 14 to CTH N (Madison Beltline) in Dane County; and (b) 11 miles of USH 51 from USH 12 to STH 19 (Stoughton Road) in Dane County. The total estimated costs remaining to complete these studies is $28.9 million according to the Department's February, 2021, TPC report.

7. At the December, 2020, meeting, the TPC also approved two projects for construction as high-cost projects in the major highway development program based on the recommendation of the Department: (a) replacing the existing I-39/90/94 bridges over the Wisconsin River in Columbia County to improve the structural integrity of the bridges and allow for a potential, future expansion to four lanes in each direction, estimated to cost $144.4 million; and (b) reconstructing 18.6 miles of USH 51 from I-39/90 in Stoughton to USH 12/18 in McFarland in Dane County to address safety and congestion issues, deteriorated pavement, and a lack of bicycle and pedestrian accommodations, for which the costs are to be announced in August, 2021, but are estimated to exceed $174.1 million. The two projects approved do not require enumeration to begin construction because they were approved as high-cost projects that do not meet the statutory capacity expansion thresholds. The Department estimates the I-39/90/94 bridge project could be open to traffic in 2026, while the USH 51 project schedule is expected to be announced in August, 2021.

8. The 2019-21 biennial budget act enumerated two projects as major highway development projects: (a) the I-43 project between Silver Spring Drive and STH 60 in Milwaukee and Ozaukee counties, which has an estimated cost of $556.3 million; and (b) the I-41 project between STH 96 in the town of Grand Chute and CTH F in the town of Lawrence, located in Outagamie and Brown counties. At the time of enumeration for the I-41 project, the project did not have an approved environmental document or a formal cost estimate.

9. Two projects were completed in the 2019-21 biennium: (a) a project, enumerated in 2011, from Winnebago CTH CB to Oneida Street on USH 10 and STH 441 in Calumet and Winnebago counties, which cost $378.0 million and opened to traffic in November, 2019; and (b) a project, approved in 2011, on USH 18/151 on the Madison Beltline by Verona Road in Dane County, which cost $263.1 million and opened to traffic in October, 2020.

10. Estimated project expenditures in the Department's most recent report to the TPC in February, 2021, show that remaining inflation-adjusted program costs total $910.7 million ($586.3 million in the 2021-23 biennium and $324.4 million beyond the upcoming biennium), although two projects do not yet have a formal cost estimate. The largest known amount of remaining project costs in the major highway development program are associated with the I-43 project in Milwaukee and

Ozaukee counties. The project has an estimated total cost of $556.3 million, with an estimated remaining cost of $505.4 million in the 2021-23 biennium. The I-43 project includes the reconstruction of 14 miles of the interstate from Silver Spring Drive in Glendale in Milwaukee County to STH 60 in Grafton in Ozaukee County, including the expansion of the current four lanes to six lanes. According to the Department, this is the busiest four-lane freeway in Wisconsin. Construction is expected to be substantially let in the 2021-23 biennium, with construction ongoing after 2022-23. While its final cost estimate is not yet known, the I-41 project will have likely have significant costs for the majors program in future biennia.

11. Each February and August, DOT is required to submit a report to the TPC that provides project cost information and an ongoing expenditure schedule for planned work in the major highway development and southeast Wisconsin freeway megaprojects programs. As shown in the table below, the Department's February, 2021, report to the TPC indicated that total project costs of $586.3 million are expected in the biennium in order to fund planned major highway development expenditures.

TABLE 1

Major Highway Development Program
Planned Expenditures
($ in Millions)

	February, 2021, TPC Report*		
	2021-22	2022-23	Biennium
Planned Expenditures -- Existing Projects			
I-43: Silver Spring Dr. - STH 60	$266.6	$238.8	$505.4
I-41: STH 96 - Brown CTH F**	7.0	35.5	42.5
USH 51: I-39/90 - USH 12/18**	8.0	3.0	11.0
STH 23: STH 67 - USH 41	7.0	2.3	9.3
I-39/90/94: Bridges over Wisconsin River	3.0	4.1	7.1
STH 50: I-41/94 - 43rd Ave	3.1	0.0	3.1
USH 53: La Crosse Corridor	0.0	0.0	0.0
Subtotal	$302.6	$283.7	$586.3

*Reflects inflation-adjusted costs estimates reported by DOT to the TPC in February, 2021.

**A final cost estimate for this project has not yet been conducted.

Transportation Fund Concerns, Bonding and Debt Service

12. While the 2019-21 budget increased revenues to the transportation fund, the coronavirus pandemic has dampened the impact of those revenue increases to the fund, as well as to ongoing base level revenues. Thus, in compiling the 2021-23 budget, the Governor recommends, significant reduction to the base level SEG funding for the SHR program and the southeast Wisconsin freeway megaprojects program, which freed up SEG funding to fund the local supplement program, as well as providing other SEG funding increases to general transportation aid, transit programs, state highway maintenance, and to the State Patrol. The Governor recommends replacing the SEG funding with $318.5 million in SEG-supported general obligation bonds for the SHR program ($278.5 million) and the megaprojects program ($40.0 million).

13. In an earlier action, the Committee adopted the adjusted base level funding amounts as the starting point for its 2021-23 transportation budget actions under Assembly Substitute Amendment 1 (ASA 1) to AB 68/Senate Substitute Amendment 1 (SSA1) to SB 111. This action provides base level SEG funding for the state highway improvement programs, and all other DOT programs. As a result, expenditures from the transportation fund are significantly higher than under the Governor's recommendations. Subsequently, under Motion #24, the Committee by adopting standard budget adjustments and reestimates of sum sufficient debt service appropriations reduced SEG appropriations by $46.5 million in 2021-22 and $31.4 million in 2022-23. However, despite these earlier actions and slightly higher estimated revenues, the estimated 2022-23 ending balance for the transportation fund is estimated at -$32.3 million under the ASA 1/SSA 1. This projected negative balance is prior to funding any of the Governor's 2021-23 biennial budget recommendations. Thus, under current estimates, the availability of transportation fund revenues to fund above-base transportation programming is limited. Additional reductions to base level funding, and/or the authorization of bonding in lieu of SEG funding for the state highway improvement program would be needed to balance the fund in the 2021-23 biennium under the substitute amendments.

14. The state transportation fund provides funding for a variety of state operations, like Division of Motor Vehicles services and State Patrol, as well improvements and maintenance of the state's highway infrastructure. In addition, the fund provides SEG monies for the local transportation operations primarily through general transportation aids and mass transit operating assistance as well as for a variety of local infrastructure improvement programs. Several of these programs have received SEG funding increases in recent biennia. Such SEG funding from the transportation fund that is allocated or committed to local programs, especially on an ongoing basis, reduces the amount of SEG funding available to fund DOT operations and the state highway improvement program. The question then arises as to whether the state's transportation fund has the financial ability to support both local highway infrastructure and the state highway infrastructure. On the other hand, since the 2005(06) property tax year, the Department of Revenue (DOR) has administered a levy limit program that restricts the year-to-year increases in county and municipal property tax levies, which some contend inhibits the ability of local governments to raise the revenue needed to maintain and rehabilitate their transportation infrastructure.

15. While revenues are expected to be higher in the biennium compared to last biennium, primarily due to the fully implemented title and registration fee increases enacted under 2019 Act 9, the pandemic has dampened the anticipated amount of revenue growth to the fund in the biennium relative to the revenues projected during 2019 Act 9 deliberations. As the Governor recommends, bonding would likely have to be used to replace of SEG "cash" removed from the state highway improvement program in order to maintain the needed level of investment in the system. While some level of SEG-supported bonding is necessary to fund long-term highway infrastructure improvements, such heavy reliance on bonding for the state highway improvement program due to limited SEG funds being available, whether as a result of limited revenue growth to the fund, or the significant use of SEG funding for other purposes such as the increases to local transportation programs, will continue to be a concern.

16. From 2009-10 through 2016-17, the transportation fund-supported debt service as a percentage of gross transportation fund revenue (excluding federal aid, bond revenue, and transfers

from other funds) increased from 10.9% to 19.0% due to the heavy reliance on borrowing prior to, and during, that period. Since that time, due to less reliance on bonding in recent biennia, along with the 2019 Act 9 revenue increases, debt service as a percentage of revenue has decreased to 18.5% and is expected to decrease to 17.2% by the end of 2020-21. Under the Governor's recommendations, this percentage would increase to 17.3% in 2021-22 and 18.1% in 2022-23, primarily as a result of the large amount of SHR bonding being recommended. In the 2021-23 biennium, the Department is scheduled to retire an estimated $464.6 million in transportation fund-supported bonds ($283.3 million in transportation revenue bonds and $181.3 million in transportation fund-supported, general obligation bonds). Maintaining a transportation fund-supported borrowing level less than this amount would have the effect of improving the ratio of debt service to gross revenues in the transportation fund.

17. Under Motion #24, the Committee earlier approved standard budget adjustment (SBA) reductions to the major highway development program of $868,700 SEG annually and $136,900 FED annually. Table 2 below shows the effect of Motion #24 on the major highway development program funding level prior to further Committee action.

TABLE 2

2021-23 Major Highway Development Program
Committee Base Budget Changes

	SEG	FED	Total
Adjusted Base Funding Level	$50,618,200	$343,343,200	$393,961,400
Motion #24	-1,737,400	-273,800	-2,011,200
Program Prior to Further JFC Action	$48,880,800	$343,069,400	$391,950,200

18. The availability of transportation fund revenue to fund any of the alternatives described in this paper would depend on other actions taken by the Committee relative to the use of available SEG funds. This would include actions relating to above base SEG funding increases for local transportation programs, state highway maintenance, and State Patrol, and the level of SEG funding needed in the biennium to support transportation-related debt authorized for the 2021-23 biennium.

Funding Level

19. The alternatives presented in this paper include the Governor's 2021-23 biennial budget recommendations, an alternative utilizing existing transportation revenue bond authority to lower the amount of new bonding required, and a 2020-21 base level budget scenario. Table 3 below provides a comparison of the program's funding levels under each alternative discussed in this paper.

TABLE 3

Potential 2021-23 Major Highway Development Program Funding Levels

Potential Funding Levels*	SEG	FED	Authorized Transportation Revenue Bonds***	Total
Base Budget (Alt. 3)**	$48,880,800	$343,069,400	$0	$391,950,200
Governor (Alt. 1)	50,223,200	366,353,600	149,023,200	565,600,000
Existing TRB Auth. (Alt. 2)	50,223,200	366,353,600	128,258,200	544,835,000

*Amounts shown comprise all major highway development recommendation items, including adjustments to the base and standard budget adjustments.
**As modified by earlier actions of the Committee in May, 2021.
***Does not include existing transportation revenue bond authority of $33,765,000 (Alt. #3) or $20,765,000 (Alt. #2).

20. The Governor's recommendation of $565.6 million provides $20.7 million less for the majors projects in the 2021-23 biennium than the $586.3 million identified in the report's cost schedule (see Table 1). However, DOT indicates there is sufficient existing SEG carryover funding to fully fund the $586.3 million in planned expenditures if the program is funded at the Governor's recommendation in the 2021-23 biennium. Therefore, Alternative 1 and 2 listed in Table 3, and discussed in this paper, would provide funding sufficient to fund the current 2021-23 TPC cost schedule.

21. As part of the $565.6 million recommended, the Governor recommends an increase to the statutory transportation revenue bond authority of $149.0 million. Estimated reductions to transportation fund revenue, associated with the partial issuance of the bonds under the Governor's recommendations would equal $943,900 in 2021-22, and $6,978,200 in 2022-23. Once fully issued, estimated debt service on the bonds associated with this alternative would equal $11,958,100 annually. The Governor's recommendations for the major highway development program for the 2021-23 biennium are shown in the table below. [Alternative 1]

TABLE 4

Major Highway Development Program Funding --
2021-23 Governor's Recommendations

Fund	Alternative 1*		
	2021-22	2022-23	Biennial Total
SEG	$25,111,600	$25,111,600	$50,223,200
FED	182,176,800	184,176,800	366,353,600
Trans. Rev. Bonds/SEG-S	75,511,600	73,511,600	149,023,200
Total	$282,800,000	$282,800,000	$565,600,000

*Amounts shown comprise all major highway development recommendation items, including adjustments to the base and standard budget adjustments.

Debt Service (Alternative 1)			
2021-22	2022-23	Biennial Total	Annualized Once Fully Issued
$943,900	$6,978,200	$7,922,100	$11,958,100

22. Under Series 2021-A, DOA Capital Finance issued transportation revenue bonds that generated net proceeds that resulted in $182,255,000 being available to fund DOT highway and administrative facility costs. However, $33,765,000 of those proceeds, which were used to fund projects, were associated with bond premium proceeds rather than existing bonding authority. As a result, an additional $33,765,000 in existing TRB bonding authority remains uncommitted to any highway or administrative facility projects. As with the 2019-21 biennium, the Committee may want to fund the administrative facilities program (discussed in a separate issue paper) with some of this existing transportation revenue bond authority. This program is recommended to be funded at $13.0 million in the 2021-23 biennium by both the Department and the Governor in order to complete priority projects. Accounting for $13.0 million of the existing authority being allocated to the administrative facilities program, $20,765,000 could be used to fund the major highway development program in the biennium, which would require a lesser amount of new bonding authority than is recommended by the Governor.

23. If the Committee were to designate $20,765,000 in existing bonding authority to fund major highway development projects in the biennium, the Committee would also have to provide $10,382,500 SEG-S funding in each year in order to provide DOT the expenditure authority to expend those bond proceeds (this would be the same SEG-S appropriations as the Governor recommends). Because the total bond issuance in the biennium under this alternative would equal the total amount recommended by the Governor (with different compositions of new versus existing authority), estimated reductions in transportation fund revenue associated with the issuance of these bonds would be the same as under the Governor's recommendations. Thus, estimated reductions to transportation fund revenue, associated with the partial issuance of the bonds under this alternative would again equal $943,900 in 2021-22, and $6,978,200 in 2022-23. Once fully issued, estimated debt service on

the bonds associated with this alternative would equal $11,958,100 annually. The following table details the biennial funding under the alternative that provides $20,765,000 in existing bonding authority to the major highway development program to fund the program at the level required to maintain the cost schedule in the February, 2021, TPC report but with a smaller amount of new bond authorizations. [Alternative 2]

TABLE 5

Major Highway Development Program Funding -- 2021-23 - Use of Existing Bond Authority Alternative

	Alternative 2*		
Fund	2021-22	2022-23	Biennial Total
SEG	$25,111,600	$25,111,600	$50,223,200
FED	182,176,800	184,176,800	366,353,600
Trans. Rev. Bonds/SEG-S	65,129,100	63,129,100	128,258,200
Existing Rev. Bonds/SEG-S	10,382,500	10,382,500	20,765,000
Total	$282,800,000	$282,800,000	$565,600,000

*Amounts shown comprise all major highway development recommendation items, including adjustments to the base and standard budget adjustments.

Debt Service (Alternative 2)			
2021-22	2022-23	Biennial Total	Annualized Once Fully Issued
$943,900	$6,978,200	$7,922,100	$11,958,100

24. Under a base budget, the composition of program funding (SEG and FED) reflects the 2020-21 base year, plus the standard budget adjustments adopted by the Committee. The base budget alternative would provide less total funding compared to the Governor's recommended level, but could utilize the $33,765,000 in existing revenue bond authority in the biennium (base SEG-S authority would remain at $86,587,300, an amount much higher than the $33,765,000 in available bonding proceeds in the biennium under this alternative). However, this alternative would not fully fund the current TPC cost schedule for the 2021-23 biennium and would lead to project delays. Estimated reductions to transportation fund revenue, associated with the partial issuance of the existing revenue bonds under the Governor's recommendations would equal $422,100 in 2021-22, and $2,709,400 in 2022-23. If the Committee took no action, Table 6 below displays the major highway development program funding level in the biennium.

TABLE 6

Major Highway Development Program Funding --
2021-23 TPC Funding Level
Base Budget Alternative

Fund	Alternative 3* 2021-22	2022-23	Biennial Total
SEG	$24,440,400	$24,440,400	$48,880,800
FED	171,534,700	171,534,700	343,069,400
Existing Rev. Bonds	16,882,500	16,882,500	33,765,000
Total	$212,857,600	$212,857,600	$425,715,200

*As modified by earlier actions of the Committee under Motion #24 in May, 2021.

Debt Service (Alternative 3) 2021-22	2022-23	Biennial Total	Annualized Once Fully Issued
$422,100	$2,709,400	$3,131,500	$2,709,400

25. As noted, DOT has available approximately $33.8 million in authorized, but unissued transportation revenue bond authority. If the major highway development program were to be funded at base level and utilize this in existing transportation revenue bond authority, the Committee would not be able to fund the administrative facilities program using existing transportation revenue bond authority, as it did in the 2019-21 biennium. This program is recommended to be funded at $13.0 million in the 2021-23 biennium by both the Department and the Governor in order to complete priority projects. Thus, $13.0 million in new bonding authority would have to be provided if the Committee chose to fund DOT's administration facilities program.

Other Factors Related to Program Funding

26. In 2019-21 budget discussions, the Department noted that the state highway rehabilitation program's funding level has a significant impact on highway conditions. However, DOT has also stressed that major highway development and southeast Wisconsin freeway megaprojects must also be funded at a sufficient level in order to avoid spillover effects that would negatively affect these highway conditions over time. Although both of these programs typically deal with capacity expansion issues, these reconstruction projects eliminate the highway rehabilitation needs on those redeveloped highways. Absent sufficient funding for the majors and megaprojects programs, additional pressure would be placed on state highway rehabilitation program funding, primarily due to significant age-related infrastructure issues in the southeast region of the state, as well as other regions of the state.

27. Lastly, it should be again noted that DOT has approximately $33.8 million of its existing transportation revenue bond authority that remains uncommitted. In addition to providing any of the funding levels for alternatives described in this paper, the Committee could elect to use the existing

authority to offset the level of bonding (or other funds) that would be required to fund those alternatives. However, as noted, the Committee may want to utilize some of the existing authority for the administrative facilities program (recommended by the Department and Governor to be funded at $13.0 million in the 2021-23 biennium) as it did in the 2015-17 and 2019-21 biennia.

28. The availability of transportation fund revenue to fund any of the alternatives described in this paper would depend on other actions taken by the Committee relative to SEG revenue to the fund, overall state highway improvement program SEG funding, local transportation program SEG funding, and the level of transportation fund-supported debt authorized for the 2021-23 biennium.

ALTERNATIVES

1. Make the following changes to major highway development program funding in order to provide a 2021-23 funding level of $565,600,000: (a) increases of $671,200 SEG annually; (b) increases of $10,642,100 FED in 2021-22 and $12,642,100 FED in 2022-23; and (c) decreases of $11,075,700 SEG-S (revenue bond proceeds) in 2021-22 and $13,075,700 SEG-S in 2022-23. This would require the Committee to increase the statutory transportation revenue bond authority associated with this funding level to authorize $149,023,200 in new bonding. Estimate reductions to transportation fund revenue, associated with the partial issuance of these bonds, of $943,900 SEG-REV in 2021-22, and $6,978,200 SEG-REV in 2022-23. Once fully issued, estimated transportation fund revenue reductions associated with this alternative would equal $12.0 million annually. This funding reflects the change to base level funding as modified by standard budget adjustments made under earlier actions of the Committee.

ALT 1	**Change to Base**	
	Revenue	Funding
SEG	- $7,922,100	$1,342,400
FED	0	23,284,200
SEG-S	0	- 24,151,400
TRB-SEG	0	149,023,200
Total	- $7,922,100	$149,498,400

2. Make the following changes to major highway development program funding in order to provide a 2021-23 funding level of $565,600,000: (a) increases of $671,200 SEG annually; (b) increases of $10,642,100 FED in 2021-22 and $12,642,100 FED in 2022-23; and (c) decreases of $11,075,700 SEG-S (revenue bond proceeds) in 2021-22 and $13,075,700 SEG-S in 2022-23. This would require the Committee to increase the statutory transportation revenue bond authority associated with this funding level to authorize $128,258,200 in new bonds, and to allocate $20,765,000 in existing authority for these purposes. Estimate reductions to transportation fund revenue, associated with the partial issuance of these bonds, of $943,900 SEG-REV in 2021-22, and $6,978,200 SEG-REV in 2022-23. Once fully issued, estimated transportation fund revenue reductions associated with this alternative would equal $12.0 million annually. This funding reflects the change to base level funding as modified by standard budget adjustments made under earlier actions of the Committee.

ALT 2	Change to Base Revenue	Funding
SEG	- $7,922,100	$1,342,400
FED	0	23,284,200
SEG-S	0	- 24,151,400
TRB-SEG	0	128,258,200
Total	- $7,922,100	$128,733,400

3. Take no action. A base level funding of $425,715,200 would remain. Estimate reductions in transportation fund revenues of $422,100 SEG-REV in 2021-22 and $2,709,400 SEG-REV in 2022-23 associated with debt service on bonds that would be issued under the Department's existing revenue bond authority. This funding reflects the change to base level funding as modified by the standard budget adjustments made under earlier actions of the Committee.

ALT 3	Change to Base Revenue
SEG	- $3,131,500

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Attachment

ATTACHMENT

Recent Biennial Funding Levels for Three Main Components of State Highway Improvement Program ($ in Millions)

Biennium	State Highway Rehabilitation	Major Highway Development	Southeast Wisconsin Freeways	Total
2011-13	$1,607.6	$743.6	$420.0	$2,771.2
2013-15	1,640.4	728.4	517.0	2,885.8
2015-17	1,698.0	641.1	414.6	2,753.7
2017-19	1,626.2	563.7	535.6	2,725.7
2019-21	1,937.8	564.2	226.4	2,728.4
2021-23*	$2,004.5	$565.6	$82.0	$2,652.1

Biennium	State Highway Rehabilitation	Major Highway Development	Southeast Wisconsin Freeways	Total
2011-13	58.0%	26.8%	15.2%	100.0%
2013-15	56.8	25.2	17.9	100.0
2015-17	61.7	23.3	15.1	100.0
2017-19	59.7	20.7	19.6	100.0
2019-21	71.0	20.7	8.3	100.0
2021-23*	75.6%	21.3	3.1%	100%

*Governor's budget recommendation after correcting for technical errata, excluding the design build bonding recommendation, which could be used for any of the components of the state highway improvement program.