Legislative Fiscal Bureau

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April 30, 2009   Joint Committee on Finance   Paper #775

Transportation Enhancements (DOT -- Local Transportation Assistance)

[LFB 2009-11 Budget Summary: Page 623, #8]

CURRENT LAW

The transportation enhancements program provides grants of federal funds to local governments for nontraditional transportation projects, such as bicycle and pedestrian facilities, or rehabilitation of historic transportation buildings or structures. The federal American Recovery and Reinvestment Act of 2009 (economic stimulus act) designates 3% of the highway aid provided to each state for transportation enhancements. Under that provision, Wisconsin received a $15,873,400 apportionment for transportation enhancements.

GOVERNOR

Provide $12,683,300 FED in 2009-10 for the local transportation enhancements grant program from federal stimulus funds.

MODIFICATION

Adjust the 2009-10 FED appropriation for local transportation enhancements grants to reflect the amount of economic stimulus funds received for transportation enhancements that will remain for obligation in that year after accounting for obligations made for projects in 2008-09.

> **Explanation:**   The bill would reflect 80% of the total amount of transportation enhancements funds received by the state under the economic stimulus act in 2010-11, on the assumption that the remainder would be obligated in 2008-09. Based on preliminary information, it is estimated that the amount remaining for use in 2009-10 will be somewhat more than that, although the precise amount will not be known until after the Department's May 27 stimulus project letting, which includes one enhancements project, approved by the Committee at its March 17 meeting to review the Governor's request for stimulus funding for local transportation projects. Under this modification, an adjustment would be made following the letting to reflect the actual amount of those funds remaining.

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