



## Legislative Fiscal Bureau

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June 6, 2023

Joint Committee on Finance

Paper #785

### State Highway Rehabilitation Program (Transportation – State Highway Program)

[LFB 2023-25 Budget Summary: Page 641, #2]

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#### CURRENT LAW

The Department of Transportation (DOT) state highway rehabilitation program is responsible for the reconstruction, reconditioning, and resurfacing of the highways and bridges of the state highway system, except for highway projects that exceed the capacity expansion thresholds for the major highway development, southeast Wisconsin freeway megaprojects, high-cost bridge, and major interstate bridge programs. In 2021-23, a total of \$2,207.2 million (\$1,118.0 million in state funds and \$1,089.2 million in federal funds) was provided for the state highway rehabilitation program.

#### DISCUSSION POINTS

##### Background

1. DOT's state highway improvement program is responsible for the construction, reconstruction, and rehabilitation of the state's 11,750-mile state trunk highway system, consisting of interstate highways, U.S. highways, and state highways. The program is made up of three main components: (a) the state highway rehabilitation (SHR) program; (b) the major highway development program; and (c) the southeast Wisconsin freeway megaprojects ("southeast megaprojects") program. As shown in Attachment 1, the SHR program is the largest of these programs, with a proportionate share of program funding over the past decade generally in the range of 55% to 75% of the total funding for these three programs. In addition to these programs, DOT also operates the major interstate bridge program, which constructs or reconstructs state highway bridges crossing a river that forms that boundary of the state, for which the state's share of costs is estimated to exceed \$100 million. Assembly Bill 43/Senate Bill 70 (AB 43/SB 70) would authorize \$47.2 million in

transportation fund-supported bonds for the major interstate bridge program in 2023-25 to initiate a project to reconstruct the John A. Blatnik Bridge, which spans between the City of Superior with Duluth, Minnesota.

2. While the other state highway improvement program components are project-specific, SHR provides funding for projects statewide each year. DOT identifies individual SHR projects by utilizing data-driven asset management practices, as outlined in the Department's transportation asset management plan. Asset management is defined as a strategic and systematic process of maintaining and improving physical transportation infrastructure to achieve and sustain a desired state of good repair for the highway system at minimum practicable cost. As a result, individual SHR projects are selected based on their projected impact and cost-effectiveness, among other considerations.

3. The Department also maintains a comprehensive, six-year program (or schedule) for state highway rehabilitation projects, as well as a four-year prioritized listing of state highway projects via its statewide transportation improvement program, which is required under federal law. Attachment 2 shows the proportionate, regional distribution of SHR funding in the Department's current six-year program. As shown in the attachment, SHR program funds are expected to be used to complete highway improvement projects in each of the Department's five designated regions (southwest, southeast, northeast, north central, and northwest) over the next six years.

4. The statutes also require the Department to maintain an inventory of completed highway project designs with estimated construction costs equal to or greater than 30% of the annual funding provided for the SHR program. Thus, the Department possesses an inventory of projects that can be advanced with any funding that is provided to the program. However, these project inventories are dynamic, and can change due to factors such as projects' federal aid eligibility, cost trends, and other factors.

5. As shown in Table 1, SHR program funding increased from \$1,626.2 million in 2017-19, to \$1,937.8 million in 2019-21, and to \$2,207 million in 2021-23, or an increase of 35.7% over the past two biennia. However, \$139.2 million in additional program funding in the 2021-23 biennium was appropriated due the federal Infrastructure Investment and Jobs Act (IIJA), which was enacted in November, 2021, after the 2021-23 state budget was adopted. IIJA is expected to provide state with an increased level of federal transportation funding in the five years following its enactment (2021-22 through 2025-26). As a result, the SHR program was provided with additional funding of \$123.6 million in 2021-22 and \$15.6 million in 2022-23 under federal funding plans that were submitted by DOT and approved by the Joint Committee on Finance under the first two years of IIJA.

**TABLE 1**

**State Highway Rehabilitation Program Funding Since 2011-13  
(\$ in Millions)**

<u>Biennium</u>	<u>SHR Funding</u>	<u>% Change</u>
2011-13	\$1,607.6	
2013-15	1,640.4	2.0%
2015-17	1,698.0	3.5
2017-19	1,626.2	-4.2
2019-21	1,937.8	19.2
2021-23	2,207.2*	13.9

\*SHR program funding in the 2021-23 biennium was increased by \$123.6 million in 2021-22 and \$15.6 million in 2022-23 under DOT federal funding plans in each year of the biennium, as approved by the Joint Committee on Finance.

6. The SHR program has the highest funding level of any DOT program, and is the Department's primary program for the reconstruction, reconditioning, and resurfacing of state highway system roads and bridges. Thus, data on state highway system pavement conditions can provide an indication of the SHR program's performance. Table 2 displays data on state highway pavement conditions over the past six years for both backbone and non-backbone state highways. Backbone highways include roadways comprising 1,588 miles of the 11,750 mile state highway system, including multilane interstate, US, and state highways that connect the major regions and economic centers of the state, as well as to the national highway system outside of Wisconsin. The remainder of the system is classified as "non-backbone" and is generally comprised of lower order or lower traffic volume state highways. The Department's goal is to have 90% of backbone highway pavement, and 80% of non-backbone highway pavement rated fair or above.

**TABLE 2**

**Pavement Condition of Backbone and Non-Backbone State Highways, 2017-2022**

<i>Backbone State Highways</i>				
<u>Year</u>	<u>Very Good/ Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>
2017	62.0%	32.8%	4.2%	1.0%
2018	63.8	31.9	3.2	1.1
2019	62.7	31.5	4.5	1.3
2020	60.7	33.1	4.9	1.3
2021	60.3	31.1	7.1	1.5
2022	60.9	30.6	7.3	1.2
<i>Non-Backbone State Highways</i>				
<u>Year</u>	<u>Very Good/ Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>
2017	35.1%	26.2%	18.1%	20.6%
2018	37.7	25.5	18.3	18.5
2019	39.7	23.4	17.6	19.3
2020	39.7	23.3	15.7	21.3
2021	38.5	24.1	17.5	19.9
2022	41.3	23.3	16.2	19.2

7. As shown in the table, the Department is currently meeting its pavement condition goals for the state highway system. However, mixed trends have also been observed during the period displayed. The percentage of non-backbone state highways in very good or excellent conditions has grown from 35.1% in 2017 to 41.3% in 2022, but the percentage of backbone state highways in either fair or poor condition also increased from 5.2% in 2017 to 8.5% in 2022. Some notes can also be made regarding these data. First, DOT also operates other programs that could impact state highway conditions, such as the state highway maintenance and traffic operations program, which conducts a variety of activities to maintain state highways including minor pavement repair, and the major highway development and southeast Wisconsin freeway megaprojects programs, which fund larger, more costly projects to reconstruct portions of the state highway system. Thus, the data may not provide a perfect indication of the SHR program's performance. Second, some SHR projects may take several years to complete. As a result, the state highway pavement condition data displayed for 2022 may not completely reflect the additional funding that has been provided to the program since the 2019-21 budget, including the additional federal funding received by the program under IJA.

8. Table 3 shows the SHR program's adjusted base funding level for the 2023-25 biennium (including standard budget adjustments), as well as the amounts recommended for the program under AB 43/SB 70. The bills would provide total funding of \$2,214.6 million to the program in 2023-25, which is 0.3% higher than the program's actual funding level in 2021-23 after including the additional federal aid provided under IJA, and 5.5% higher than the program's 2023-25 annual adjusted base funding doubled.

**TABLE 3**

**State Highway Rehabilitation Program Funding --  
Comparison of Base Funding to AB 43/SB 70**

<u>Fund</u>	<u>Adjusted Base *</u>	<u>AB 43/SB 70*</u>		<u>Biennial Total</u>
		<u>2023-24</u>	<u>2024-25</u>	
SEG	\$560,203,600	\$580,432,300	\$609,489,800	\$1,189,922,100
FED	<u>489,402,600</u>	<u>513,623,700</u>	<u>511,093,000</u>	<u>1,024,716,700</u>
Total	\$1,049,606,200	\$1,094,056,000	\$1,120,582,800	\$2,214,638,800
<b>% Change to Adj. Base Doubled</b>				5.5%

\*Amounts shown include base funding, adjustments to the base, and standard budget adjustments, but do not include the 5% turnover reduction adopted for the program under Motion #12.

9. Through earlier action under Motion #12, the Committee reduced the total funding available to the SHR program in the biennium by increasing the turnover reduction standard budget adjustment from 3% to 5%, associated with program staffing costs. In order to match the program funding in AB 43/SB 70, the Committee would have to provide that same level of funding back to the program, which would allow the funding to be used the program's project construction costs.

10. The alternatives discussed in this paper include the AB 43/SB 70 recommendation for the SHR program, as well as two primary alternatives for program funding: (a) alternatives to substitute some of the recommended SEG with FED funding; and (b) an alternative to provide general purpose revenue (GPR) to the program. A third alternative would supply funding to the program associated with Motion #12, which increased the turnover to 5%. Table 4 provides a comparison of the program's funding levels under each alternative discussed in the paper.

**TABLE 4**

**Potential State Highway Rehabilitation Program Funding Levels**

<u>Potential Funding Levels</u>	<u>2023-25 Biennium</u>			
	<u>SEG</u>	<u>FED</u>	<u>GPR</u>	<u>Total</u>
<b>A. Federal Funding and Segregated Revenue</b>				
AB 43/SB 70 (Alt. A1)	\$1,189,922,100	\$1,024,716,700	\$0	\$2,214,638,800
Swap FED with SE Megas (Alt. A2)	1,173,594,700	1,041,044,100	0	2,214,638,800
Additional FED (Alt. A3)	1,151,244,700	1,063,394,100	0	2,214,638,800
Base Budget (Alt. A4)	1,120,407,200	978,805,200	0	2,099,212,400
<b>B. General Purpose Revenue</b>				
Provide GPR (Alt. B1)	-\$100,000,000	\$0	\$100,000,000	\$0
Base Budget (Alt. B2)	0	0	0	0
<b>C. Restore Turnover Reduction Funding</b>				
<i>Motion #12 - 5% Turnover</i>	-\$1,221,800	-\$1,289,600	\$0	-\$2,511,400
Restore Turnover Reduction (Alt. C1)	1,221,800	1,289,600	0	2,511,400
Base Budget (Alt. C2)	0	0	0	0

**A. Federal Funding and Segregated Revenue**

11. AB 43/SB 70 would provide total funding of \$2,214.6 million for the SHR program. This would increase the program's funding level by 0.3% compared to 2021-23, after the program's biennial funding level had increased by 35.7% between the 2017-19 and 2021-23 biennia. While program funding has increased in recent years, inflationary demands have also grown in the transportation sector. The U.S. consumer price index increased by 5.0% in the one year between March, 2022 and March, 2023, and by 14.0% over the two years prior to March, 2023. Over the same period, the Department's construction cost index, which tracks prices on a weighted "basket" of construction inputs such as asphalt, concrete pavement, and labor, rose by 19.0% in one year and 30.5% over two years. DOT notes that the actual cost increases observed in its projects may be less than what its construction cost index would suggest. For example, through May, 2023, the overall cost of lets for DOT projects in the 2022-23 fiscal year were only 4.8% higher than anticipated in project budgets. Whatever the level of inflation, cost increases may lead to decreased real return on investment for funding provided to the SHR program.

12. The Department indicates that the recommended funding level would be necessary to maintain its current six-year program of SHR projects in the 2023-25 biennium. This conclusion is based on an analysis conducted by the Department, which was used to determine the level of funding that is necessary to maintain purchasing power in the program given inflation in the transportation sector. This analysis further shows that if program funding were adjusted for inflation in this manner over the next ten years (from 2023-25 through 2031-33), it would result in 20.0% of roadway miles on the state highway system being in poor condition at the end of the 2031-33 biennium, while if the program's funding level were maintained without being adjusted for inflation over this period, it would result in 24.2% of state highway miles being in poor condition at the end of the 2031-33

biennium. Thus, DOT's analysis suggests that continued funding increases would be needed in the SHR program to prevent a decline in pavement conditions on the state highway system. Table 5 shows the recommended funding level for the SHR program under AB 43/SB 70. [Alternative A1]

**TABLE 5**

**State Highway Rehabilitation Program Funding --  
AB 43/SB 70 Recommendation**

<u>Fund</u>	<u>Alternative A1*</u>		<u>Biennial Total</u>
	<u>2023-24</u>	<u>2024-25</u>	
SEG	\$580,432,300	\$609,489,800	\$1,189,922,100
FED	<u>513,623,700</u>	<u>511,093,000</u>	<u>1,024,716,700</u>
Total	\$1,094,056,000	\$1,120,582,800	\$2,214,638,800

\*Amounts shown include base funding, adjustments to the base, and standard budget adjustments, but do not include the 5% turnover reduction adopted for the program under Motion #12.

13. While the bills would allocate \$1,189.9 million SEG to the SHR program in 2023-25, limited SEG revenues may be available in the biennium. Projected transportation revenues have been revised downward in the biennium from the amounts recommended in AB 43/SB 70, as revenue collections in 2022-23 are lower than expected and relevant economic outlook factors for 2023-25 have worsened since the bill was introduced. Meanwhile, demands for the expenditure of transportation fund revenues may increase in 2023-25 and beyond due to large upcoming projects, such as the I-41 from Appleton to De Pere, I-94 East-West, and the Blatnik Bridge reconstruction projects, the southern bridge construction project in Brown county, and inflationary demands across transportation programs.

14. In a separate paper for the southeast megaprojects program, an alternative is provided to supply \$8.2 million annually in additional SEG to the southeast megaprojects program to meet federal match requirements, and make a corresponding reduction of \$8.2 million FED annually for the program. If this alternative for the southeast megaprojects program were adopted, the additional \$8.2 million FED annually that would be made available under the alternative could instead be allocated to the SHR program, which would mitigate any strain on transportation fund SEG revenues in the biennium. In addition to the funding provided under Alternative A1, this alternative would provide \$8,163,700 FED annually and a corresponding reduction of \$8,163,700 SEG annually for the SHR program, as shown in Table 6. [Alternative A2]

**TABLE 6**

**State Highway Rehabilitation Program Funding --  
Swap FED with Southeast Wisconsin Freeway Megaprojects Program**

<u>Fund</u>	<u>Alternative A2*</u>		<u>Biennial Total</u>
	<u>2023-24</u>	<u>2024-25</u>	
SEG	\$572,268,600	\$601,326,100	\$1,173,594,700
FED	<u>521,787,400</u>	<u>519,256,700</u>	<u>1,041,044,100</u>
Total	\$1,094,056,000	\$1,120,582,800	\$2,214,638,800

\*Amounts shown include base funding, adjustments to the base, and standard budget adjustments, but do not include the 5% turnover reduction adopted for the program under Motion #12.

15. Similarly, further reductions in SHR SEG funding in the 2023-25 biennium could be made by reallocating additional FED associated with two other AB 43/SB 70 recommendations. These FED amounts could be swapped for SEG funding in the SHR program. As outlined in separate individual papers, these actions would be to: (a) provide half of the recommended federal funding (\$6.2 million FED annually) for DOT's highway system management and operations appropriation (see paper #789); and (b) reallocate \$5.0 million annually in recommended funding for the local bridge improvement assistance program to the SHR program (see paper #775). [The additional \$5.0 million annually that would be reallocated from the AB 43/SB 70 local bridge program recommendation could only be used for improving highway bridges under this alternative, as this funding would be provided from the federal bridge formula program.] This action could be taken in addition to swapping FED funding with the southeast megaprojects program under Alternative A2, and would result in an additional \$11.2 million FED annually being swapped for SEG in the SHR program, as shown in Table 7. This would reduce SHR SEG funding by \$22.4 million in the 2023-25 biennium. [Alternative A3]

**TABLE 7**

**State Highway Rehabilitation Program Funding --  
Additional FED**

<u>Fund</u>	<u>Alternative A3*</u>		<u>Biennial Total</u>
	<u>2023-24</u>	<u>2024-25</u>	
SEG	\$561,093,600	\$590,151,100	\$1,151,244,700
FED	<u>532,962,400</u>	<u>530,431,700</u>	<u>1,063,394,100</u>
Total	\$1,094,056,000	\$1,120,582,800	\$2,214,638,800

\*Amounts shown include base funding, adjustments to the base, and standard budget adjustments, but do not include the 5% turnover reduction adopted for the program under Motion #12.

16. The Department uses both SEG and FED revenues for a variety of state operations, like



Division of Motor Vehicles services and State Patrol, as well maintenance of the state's highway infrastructure. The question arises as to whether the state's transportation fund has the financial ability to support both local highway infrastructure and the state highway infrastructure. AB 43/SB 70 recommends a 4% annual increase to general transportation aids, the local roads improvement program (LRIP), and mass transit operating assistance, and would also provide \$50,000,000 SEG annually on an ongoing basis for an LRIP-supplemental program. When transportation fund revenues are committed to these local programs, especially on a recurring basis, it reduces the amount of revenues available to fund DOT operations and the state highway improvement program. This could again put pressure on the ability of the transportation fund to meet the state's obligations on the state highway system without additional resources or bonding, which may constrain the Department's ability to provide additional funding to the SHR program.

17. In addition, the Department's FED appropriation for the SHR program is an all moneys received appropriation, which allows the Department to spend additional federal aid in the program beyond the amounts in the schedule of appropriations, with approval from the Department of Administration. Thus, even if the additional recommended FED for the SHR program were denied, as in the past, the Department could allocate any additional FED it receives to the SHR program. In past years, when the Department receives a larger than expected amount of federal transportation aid, it has often allocated excess funds to the SHR program, which maintains a large inventory of projects that can be advanced if necessary.

18. In past years, the Department has on occasion reallocated FED from other programs to the SHR program when those programs were unable to entirely obligate designated federal funds by the end of the federal fiscal year. For example, this occurred in 2021-22 with the surface transportation program (STP), which awards grants of federal funds to local governments for projects to improve local roads. The Department initially solicited local STP projects in 2021-22, but later some of the approved local projects became ineligible because some recipients were unable to deliver the project in a timely manner, or were unable to comply with federal rules. The Department then reallocated those funds (with approval from the Department of Administration) to the SHR program, which has an inventory of projects that are ready to advance, in order to obligate the funding before the end of the federal fiscal year and avoid federal penalties. This is another means in which additional federal funds are provided to the SHR program beyond what is initially budgeted.

19. Increased funding has also been provided to the SHR program in recent years, as the program's biennial funding level was increased by 35.7% between the 2017-19 and 2021-23 biennia. This is due in part to the Department's allocation of additional FED to the program following the enactment of IIJA. Given that additional funding has been provided to the SHR program in past years, that the Department is capable allocate additional FED to the program outside of the budget process, as applicable, and that limited transportation fund revenues are available in 2023-25, the program's base funding level could be retained. This would provide base level funding of \$2,099.2 million to the program in the biennium, which would be less than program funding in the 2021-23 biennium when the program received additional federal funds under IIJA, but would still be greater than the program's pre-IIJA biennial funding level of \$1,937.8 million in 2019-21. Table 8 shows adjusted the adjusted base level that would be provided to the program under this alternative. [Alternative A4]

**TABLE 8**

**Southeast Wisconsin Freeway Megaprojects Program Funding --  
2023-25 Base Budget**

<u>Fund</u>	<u>Alternative A4*</u>		<u>Biennial Total</u>
	<u>2023-24</u>	<u>2024-25</u>	
SEG	\$560,203,600	\$560,203,600	\$1,120,407,200
FED	<u>489,402,600</u>	<u>489,402,600</u>	<u>978,805,200</u>
Total	\$1,049,606,200	\$1,049,606,200	\$2,099,212,400

\*Amounts shown include base funding, adjustments to the base, and standard budget adjustments, but do not include the 5% turnover reduction adopted for the program under Motion #12.

**B. Provide General Purpose Revenue**

20. While limited SEG revenues may be available from the transportation fund in the 2023-25 biennium, the general fund has large one-time revenues available in 2023-24. The use of general fund revenues for transportation may also be justified on the grounds that the state's transportation system contributes to the health of the overall economy, beyond just the users of the transportation system who bear most of its costs (via user fees such as the motor fuel tax and vehicle registration fees). To provide an adequate level of funding to maintain purchasing power in the SHR program and prevent the deterioration of state highway pavement conditions, while limiting transportation fund expenditures, \$100.0 million GPR could be provided to the SHR program in 2023-24, and a corresponding amount of SEG funding could be reduced from the program. This would also require the creation of a continuing GPR appropriation for the SHR program in order to expend these funds. [Alternative B1] This alternative could also be denied if the surplus one-time GPR revenues that are available in 2023-24 are used for other purposes. [Alternative B2]

**C. Restore Turnover Reduction Funding**

21. Under Motion #12, the Committee earlier approved SEG and FED standard budget adjustments for the SHR program, but also modified the standard budget adjustments under AB 43/SB 70 by increasing the turnover reduction standard budget adjustment from 3% to 5%. This revision to the turnover reduction standard budget adjustment resulted in a decrease of base funding for the program, as shown in Table 8. This change is not reflected in the discussion on the earlier alternatives in the paper.

**TABLE 9**

**2023-25 State Highway Rehabilitation Program  
5% Turnover Reduction under Motion #12**

	<u>SEG</u>	<u>FED</u>	<u>Total</u>
Adjusted Base Funding Level	\$560,203,600	\$489,402,600	\$1,049,606,200
5% Turnover Reduction (Motion #12)	<u>-610,900</u>	<u>-644,800</u>	<u>-1,255,700</u>
Program Prior to Further JFC Action	\$559,592,700	\$488,757,800	\$1,048,350,500

22. As shown in the table, this action alone resulted in a decrease in total funding for the southeast megaprojects program of \$1,255,700 annually. The decreases of \$610,900 SEG and \$644,800 FED annually could be restored to the SHR program in order to provide the same amount of funding for the program as the amount recommended in AB 43/SB 70. This alternative could also include a specification requiring that the restored funding would be used for programmatic expenditures, rather than personnel expenditures. [Alternative C1]

23. The Committee's prior decision under Motion #12 to increase the program's turnover reduction standard budget adjustment would be maintained if no further action is taken. This would result in less funding being provided to the program than would be provided under the bill. [Alternative C2]

**ALTERNATIVES**

**A. Federal Funding and Segregated Revenue**

1. Provide increases of \$20,228,700 SEG in 2023-24 and \$49,286,200 SEG in 2024-25, and \$24,221,100 FED in 2023-24 and \$21,690,400 FED in 2024-25 to the state highway rehabilitation program.

<b>ALT A1</b>	<b>Change to Base</b>
FED	\$45,911,500
SEG	<u>69,514,900</u>
Total	\$115,426,400

2. Provide increases of \$12,065,000 SEG in 2023-24 and \$41,122,500 SEG in 2024-25, and \$32,384,800 FED in 2023-24 and \$29,854,100 FED in 2024-25 to the state highway rehabilitation program.

<b>ALT A2</b>	<b>Change to Base</b>
FED	\$62,238,900
SEG	<u>53,187,500</u>
Total	\$115,426,400

3. Provide increases of \$890,000 SEG in 2023-24 and \$29,947,500 SEG in 2024-25, and \$43,559,800 FED in 2023-24 and \$41,029,100 FED in 2024-25 to the state highway rehabilitation program.

ALT A3	Change to Base
FED	\$84,588,900
SEG	<u>30,837,500</u>
Total	\$115,426,400

4. Take no action. Adjusted base level funding of \$2,099.2 million would be provided to the state highway rehabilitation in the 2023-25 biennium.

**B. Provide General Purpose Revenue**

1. Create a continuing GPR appropriation for the state highway rehabilitation program, and provide \$100,000,000 GPR to the program in 2023-24. Provide a corresponding reduction of \$100,000,000 SEG for the program in 2023-24.

ALT B1	Change to Base
GPR	\$100,000,000
SEG	<u>- \$100,000,000</u>
Total	\$0

2. Take no action.

**C. Restore Turnover Reduction Funding**

1. Provide \$610,900 SEG and \$644,800 FED annually for the southeast Wisconsin freeway megaprojects program, in order to restore funding for the program that was previously reduced under Motion #12, which increased the turnover reduction standard budget adjustment for the program from 3% to 5%. Specify that this funding be used for programmatic expenditures, rather than personnel expenditures.

ALT C1	Change to Base
FED	\$1,289,600
SEG	<u>1,221,800</u>
Total	\$2,511,400

2. Take no action.

Prepared by: Peter Mosher  
Attachment

**ATTACHMENT 1**

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

<u>Biennium</u>	<u>State Highway Rehabilitation</u>	<u>Major Highway Development</u>	<u>Southeast Wisconsin Freeways</u>	<u>Total</u>
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	2,725.5
2019-21	1,937.8	564.2	226.4	2,728.4
2021-23	2,207.2*	565.6	82.0	2,854.8
2023-25**	\$2,214.6	\$591.3	\$237.8	\$3,043.7

<u>Biennium</u>	<u>State Highway Rehabilitation</u>	<u>Major Highway Development</u>	<u>Southeast Wisconsin Freeways</u>	<u>Total</u>
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	19.7	100.0
2019-21	71.0	20.7	8.3	100.0
2021-23	77.3*	19.8	2.9	100.0
2023-25**	72.8%	19.4%	7.8%	100.0%

\*SHR program funding in the 2021-23 biennium was increased by \$123.6 million in 2021-22 and \$15.6 million in 2022-23 under DOT federal funding plans in each year of the biennium, as approved by the Joint Committee on Finance.

\*\*Amounts shown for 2023-25 reflect recommended funding under AB 43/SB 70.



## ATTACHMENT 2

### Current Regional State Highway Funding Allocations

<u>Allocations</u>	<u>% of Total Funding</u>
<b>Regions (Non-Backbone)*</b>	
Southwest Region	20.4%
Southeast Region	13.7
Northeast Region	7.2
North Central Region	9.0
Northwest Region	<u>13.4</u>
Subtotal	63.6%
<b>Centrally-Scheduled (Backbone)</b>	36.4%
Total	100.0%

Note: The regional allocation of state highway rehabilitation program funding is for non-backbone highways, which are typically lower-order or relatively less travelled highways in the state. The centrally-scheduled funding is provided for projects on the state's backbone highway system, which is a 1,588-mile system of highways connecting major economic areas of the state.

\*The five regions and the counties in each region are:

- North Central Region: Adams, Florence, Forest, Green Lake, Iron, Langlade, Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano, Vilas, Waupaca, Waushara, and Wood counties.
- Northeast Region: Brown, Calumet, Door, Fond du Lac, Kewaunee, Manitowoc, Marinette, Oconto, Outagamie, Sheboygan, and Winnebago counties.
- Northwest Region: Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Clark, Douglas, Dunn, Eau Claire, Jackson, Pepin, Pierce, Polk, Rusk, St. Croix, Sawyer, Taylor, Trempealeau, and Washburn counties.
- Southeast Region: Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha counties.
- Southwest Region: Columbia, Crawford, Dane, Dodge, Grant, Green, Iowa, Jefferson, Juneau, La Crosse, Lafayette, Monroe, Richland, Rock, Sauk, and Vernon counties.

