



Transportation Moves Wisconsin's Economy

Wisconsin's economic competitiveness is dependent upon numerous factors but perhaps none more directly than a safe and efficient transportation system. In the new-millennium economy businesses are much more transient, with the ability to move to areas with the most favorable climate. The factors that are most often cited by business executives for locating their business are an educated workforce and a modern, efficient transportation system. Wisconsin can position itself favorably to compete in a global economy with significantly changing demographics. However, wise investments must be made today in order to ensure competitiveness in the future. As part of this, the state must:

1. Generate Sufficient Revenues to Address Pressing Needs

- The bipartisan Joint Legislative Committee on Transportation Needs and Finance (Road to the Future Committee) documented a \$698 million annual transportation funding shortfall just to meet existing needs in key programs.
- Steep construction inflation – almost 30% in the last two years – is significantly reducing the purchasing power of existing revenue sources.
- Consumers have reacted to high gas prices by shifting to more fuel-efficient vehicles. This trend and the repeal of gas tax indexing has limited the growth of revenue from the gas tax.

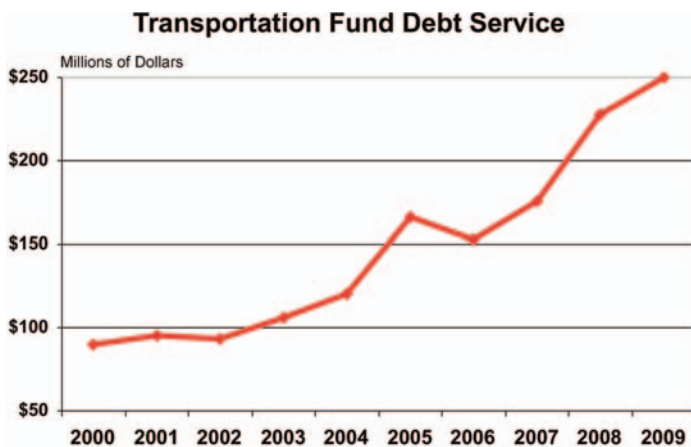
Report Card on Wisconsin's Infrastructure		
	2003	2007
Roads	C-	D+
Bridges	B-	C
Transit	C+	C+

Source: American Society of Civil Engineers – Wisconsin Chapter, ASCE 2007 Wisconsin Report Card.

2. Ensure Transportation User Fees Are Used Only for Transportation

- The Transportation Fund is supported primarily by user fees – the gas tax and the vehicle registration fee.
- Consumer confidence in the integrity of the Transportation Fund – the belief that their money will be used for the intended purpose – is important to the long-term health of Wisconsin's transportation system.
- The Governor's budget proposes to spend \$165 million of these user fees on items that have historically not been considered "transportation".

3. Utilize Bonding Responsibly



- Wisconsin relies on debt to fund a significant portion of its transportation investment. Debt service consumes over 12 cents of every state transportation dollar.
- In the last two budgets, transportation funds were transferred to general fund programs and replaced with General Fund-supported general obligation bonds. The Governor's budget shifts \$70 million in debt service for these bonds back to the Transportation Fund.



TDA is a statewide alliance representing over 400 transportation stakeholders committed to working together for the best in transportation. TDA members include businesses, labor, units of government, and organizations, as well as individuals.

"A solid transportation infrastructure is critical to the continued economic growth and vitality of Janesville. Manufacturing has long been an important industry here, and we are now emerging as a center for wholesale trade, distribution, and logistics. It's not an exaggeration to say that our ability to retain existing companies and attract new employers in these industrial sectors depends in great measure on the continued development of our system of roads, our rail connections, and our airport."

John Beckord,
President Forward Janesville, Inc.

"The tremendous growth of paratransit – that is, the ADA-mandated, door-to-door transportation service city bus systems must provide to persons unable to access or navigate the fixed-route system, has made our systems much more costly to operate...As society continues to age rapidly and people live longer than ever before, this growth will not subside any time soon!

Without public transportation, so many residents of the Chippewa Valley would not have access to jobs, schools, medical facilities, etc. They would not be able to meet their basic needs!"

Gwen Larson
Transit Manager, City of Eau Claire

"There is a huge disconnect right now between a Transportation Fund that is experiencing NO NATURAL REVENUE GROWTH and a construction industry that is experiencing STEEP PRICE INCREASES in commodities across the board. For example, we have seen a 30% increase over the past year in the main commodity - OIL."

Larry Usack
Company Manager, Northeast Asphalt

Source: Joint Legislative Committee on Transportation Needs and Finance Final Report.

Transportation Development Association
131 W. Wilson Street, #302
Madison, WI 53703

phone: (608) 256-7044 • fax: (608) 256-7079 • www.tdawisconsin.org