



'Raid' on transportation funds may kill road projects, builders say

[Steven Elbow](#) — 5/07/2008 4:44 pm

Road builders are getting jittery over the possible impacts of the failure by legislative leaders to pass a budget repair bill, which may lead to a scale-back on road projects.

The state has until next Tuesday to find a way to finance scheduled road projects, as Gov. Jim Doyle has warned that he'll use money from the transportation fund to balance the state's books. Transportation Secretary Frank Busalacchi has posted a notice on the agency's web site warning builders that if no quick solution to the budget impasse is found, money for road projects set to be paid out in May and June "could be reduced dramatically."

On Tuesday, the Transportation Development Association, a trade group that represents more than 400 members, many of them connected to the road construction industry, issued a press release with the title "Seven days to black Tuesday," branding Doyle's proposal as a "doomsday option."

Craig Thompson, TDA executive director, said the May and June projects represent a third of total 2008 transportation projects.

"If Tuesday rolls around and the DOT does not move forward on any or all of these projects it will mean more than simply pushing them back a couple weeks, even if agreement is reached shortly after," Thompson warned. "There is limited time in Wisconsin's spring/summer construction season. This would likely doom these projects for this year."

Efforts to hammer out a deal to fill a \$527 million budget gap have been hampered by differences over where to find the money in tight economic times, and negotiations between state Assembly Speaker Mike Huesch, R-West Salem, Senate Majority Leader Russ Decker, D-Weston, and Doyle have yet to bear fruit.

If talks drag on much longer, Doyle has said he plans to use money from the state's transportation fund to maintain government obligations. That money would be replaced through borrowing, but the bonds for borrowing the money can't be issued until the Legislature comes up with a budget plan and sends it to Doyle.

Department of Transportation spokeswoman Peg Schmitt said failure to make the May and June construction payouts -- known as "lets" and paid out the second Tuesday of each month -- will have a definite impact on road projects, but she declined to be specific.

Thompson said there are 106 projects at stake, including high profile upgrades to Interstate 94 in Jefferson County, Highway 51-29 in Wausau, Highway 41 in Fond du Lac, Oshkosh and Peshtigo, and Highway 53 and Interstate 90 in La Crosse County. The impasse could also affect Dane County projects on the Bellline, the interchange at Old Sauk and Mineral Point roads and Columbus Road in Sun Prairie.

He said that if the lets are postponed, "I think many of the 106 projects would not be done this year. I don't think it's just a few."

Doyle spokesman Lee Sensenbrenner said the governor has little option but to use the transportation money to balance the state's books.

"If the Legislature doesn't pass a budget repair bill, the administration is forced to take action to balance the general fund budget," he said, which the governor is required to do. "The only real way to do that is to take from transportation, and in turn DOT would be left with delaying some of the projects."

Doyle's proposal to use transportation funds doesn't sit well with legislative leaders.

"Folks in our caucus hope that doesn't have to be done," said Decker spokeswoman Carrie Lynch. "They're hoping that they have some other means to deal with a potential shortfall."

But she said there is still hope that a budget deal can be reached before Tuesday.

"Those are important to a lot of road builders," she said of the construction payments, "and a lot of them need those May lets to continue their companies."

John Murray, spokesman for Huebsch, said, "There is significant resistance in our caucus to that option."