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## **DOT puts brakes on 5 major road projects in budget crunch**

Milwaukee Journal Sentinel (Patrick Marley)

September 29, 2015

The state Department of Transportation is delaying five major road projects for at least two years because it doesn't have the money for the work under the state budget crafted by Gov. Scott Walker and his fellow Republicans in the Legislature.

The delays — including on some stretches that already have orange barrels on the road — could end up being longer because legislators for years have been unable to come up with ways to find new revenue for highways.

The delays on the five projects will likely have a cascading effect that will push off work on future projects, but the department hasn't said what those could be.

Among the stalled projects are a major interchange in Madison, expansions in the Fox Valley and the widening of Interstate 39/90 from the Illinois state line to Madison.

The delays will cause the cost of the projects to rise because of inflation. Estimates of the added costs are expected in February.

Work on the projects won't stop, but it will slow down.

Officials have the ability to tap into an additional \$350 million that could mitigate the delays but so far haven't done so.

Walker wanted to borrow a record \$1.3 billion over two years for transportation, but GOP lawmakers said that was too much. In a compromise, they agreed to borrow \$500 million initially. The department was given the ability to ask for an additional \$350 million, which would be released with the approval of the Legislature's budget-writing Joint Finance Committee.

The department hasn't asked for the additional bonding, and Senate Republicans have expressed reluctance to release it even if the department asked.

Senate Majority Leader Scott Fitzgerald (R-Juneau) plans to discuss issuing additional bonding with Walker and Assembly leaders in a meeting this week, said his spokeswoman, Myranda Tanck. In a written statement, she noted Senate Republicans "have had concerns about the level of proposed transportation bonding throughout the budget process."

The delays surprised Sen. Roger Roth (R-Appleton), who told WHBY-AM this month he did not expect any delays on Highway 10/441 in the Fox Valley. The highway is being expanded and reconstructed between Highway 41 and Highway 47.

But the \$482 million project is one of those the DOT is pushing back, putting off its completion until 2021. Construction began last year, so drivers will have to put up with road work on that stretch for at least seven years under the revised schedule.

"Everything we'd been hearing over the course of the summer was the 441/10 project was going to be a main focus and priority for them," Roth said of the DOT on Tuesday.

He said he was unsure if he would support issuing additional bonds to get the project back on track, saying the state had to balance road building with its overall debt load. He noted he doesn't sit on the budget committee that has the power to issue the extra bonds.

"That is a decision that I don't get to make," Roth said.

Sen. Jon Erpenbach of Middleton, a Democrat who sits on the budget committee, said he backed issuing the additional bonds and urged Walker to call a special legislative session to address long-term funding for roads.

"In the end, it's very bad for our economy to do that," he said of the delays. "And it's only going to cost more."

The five projects will face two-year delays, said DOT spokeswoman Peg Schmitt. But that time frame assumes lawmakers will inject more money into roads in the future.

If they don't, the delays will be even longer.

Republicans for years have said they want to put more money toward roads, but have rejected raising gas taxes and registration fees.

"We're very concerned about what kind of impact these delays have obviously on the construction industry, on the industries that supply and support our industry. But we're also concerned about the impacts they have on the various parts of the state and their local economies," said Pat Goss, executive director of the Wisconsin Transportation Builders Association.

In addition to Highway 10/441, the department is delaying:

- Widening I-39/90 from four lanes to six from the Illinois state line to Madison. Construction on the \$1.2 billion project began this year and was to be finished in 2021. Now, it won't be done until at least 2023.
- Expanding and reconstructing the Verona Road Interchange on Madison's Beltline and the surrounding area. The \$251 million project, begun in 2013, is having its completion date moved from 2019 until at least 2021.
- Reconstructing 11 miles of Highway 15 near New London in Outagamie County. Preliminary work has been done on the \$148 million project, which runs between Highway 76 and Highway 45. Completion is being delayed until at least 2021.
- Improving Highway 23 between Fond du Lac and Plymouth. The \$151 million project has already been put on hold because of litigation by environmentalists. The project was to begin next year, but the DOT agreed this summer to reopen its environmental review because of a lawsuit brought by 1,000 Friends of Wisconsin.

The project could get restarted with the approval of U.S. District Judge Lynn Adelman in Milwaukee. But even if OK'd by the judge, Highway 23 will remain stalled because of DOT's latest plans.

Schmitt gave 2020 as a tentative date for completion of that project.

### **Dems call for attention to transportation funding in Wisconsin**

Wisconsin Radio Network

September 29, 2015

Wisconsin Governor Scott Walker requested \$1.3 billion in borrowing for transportation projects when he proposed his 2015-16 state budget. Legislators on the Republican controlled Joint Finance Committee ended up cutting that amount by some \$450 million, despite warnings that the reduction would result in project delays. Negotiations over the transportation piece of the budget consumed several weeks, and were a contentious issue for Republicans.

Now, numerous projects around the state are being delayed.

Democratic lawmakers in Madison say those delays needn't have happened, if the legislature had adopted some of the recommendations contained in a report on long-term transportation fund needs. That report, issued by a commission headed by Transportation Secretary Mark Gottlieb, was released nearly two years ago, and went essentially ignored.

“It would be nice if we actually looked at some of those recommendations and decided to adopt them,” said Representative Chris Danou (D-Trempealeau), who serves on the Assembly Transportation Committee. “Secretary Gottlieb offered a number of viable options, and I think they’re still viable.”

The Transportation Finance Policy Commission released the recommendations in January of 2013, after meeting for over a year. They included a gas tax increase, and a new vehicle registration fee based on miles driven, to help the state close a funding gap estimated at about \$5 billion for the next decade. Those recommendations were immediately rejected.

“We will not support raising the gas tax or instituting mileage-based registration fees as a means to fund our roads,” Assembly Speaker Robin Vos said at the time.

State Senator Jon Erpenbach (D-Middleton) said the budget negotiators failure to consider any revenue enhancements – like those contained in the commission report – can be tied to Governor Walker’s presidential ambitions. “It was good for Walker’s campaign for president, because he was tough in not raising taxes. But the result of that is that major projects all over the state of Wisconsin are going to be put on hold,” Erpenbach said.

Recently reported two-year delays include phase two of the Verona Road project in Dane County, and the I-90/39 expansion in Rock County.

“The Republicans, if they’re going to be in the majority, have to be able to govern,” Erpenbach said. “They have to be able to say to Governor Walker, ‘look, for the good of the state of Wisconsin, we do need to raise the gas tax.’ Otherwise, our roads are going to fall apart, and we’ll never finish the projects started.”

### **Wisconsin delays work on major road projects**

Appleton Post Crescent

September 29, 2015

Wisconsin transportation officials are pushing back completion dates for five major road projects because the state budget didn't lay out enough money for them.

The projects will be delayed for at least two years — and possibly longer — if legislators can't come up with ways to find new revenue going forward, the Milwaukee Journal Sentinel reported Tuesday (<http://bit.ly/1iIFtxo>). The delays will cause the projects' costs to increase because of inflation, though the state Department of Transportation hasn't said by how much.

Gov. Scott Walker proposed borrowing a record \$1.3 billion for roads in his executive state budget proposal. But his fellow Republicans in the Legislature said that was too much and scaled the borrowing back to \$500 million.

The GOP gave DOT the ability to request an additional \$350 million from the Legislature's powerful Joint Finance Committee. The agency hasn't asked for the additional borrowing authority, and Senate Republicans say they're reluctant to grant the request if it comes. The DOT identified the five projects for delays because they weren't slated to be completed in the 2015-17 biennium, DOT spokeswoman Peg Schmitt said in an email to The Associated Press. She said the agency anticipates asking for some additional borrowing authority "at some point," though she didn't elaborate.

### **Wisconsin delays work on 5 major road projects**

Eau Claire Leader Telegram

September 29, 2015

MADISON, Wis. (AP) — Wisconsin transportation officials are delaying work on five major road projects because the state budget didn't lay out enough money for them.

The Milwaukee Journal Sentinel reports in its online edition Tuesday that the stalled projects include reconstructing Highway 10/441 in the Fox Valley; expanding Interstate 39/90 from Madison to Illinois; reconstructing the Verona Road Interchange in Madison; reconstructing Highway 15 near New London; and completing long-running work on Highway 23 between Fond du Lac and Sheboygan.

Gov. Scott Walker wanted to borrow \$1.3 billion for roads, but Republican lawmakers said that was too much and scaled the borrowing back to \$500 million in the state budget.

## **Outagamie Exec calls for action on 10/441 construction delay**

FOX 11 News (Milwaukee)

October 1, 2015

As a major road project in the Fox Valley faces delays, Gov. Scott Walker is calling on Senate Republicans to approve money and prevent the Highway 10/441 interchange project from lasting an extra two years - until 2022.

Outagamie County Executive Tom Nelson wants Walker to call a special Legislative session to address the state's transportation budget. Senate and Assembly Democrats also made the same request Thursday in letters to the governor.

Walker said a special session won't happen.

"There's no need for a special session," Walker told reporters during a stop at PDQ Manufacturing in the Town of Lawrence. "The money's in the budget."

Nelson said he has major concerns about public safety and economic delays if the project is stretched out.

"My job is to advocate and stand up for my community and share the frustration of thousands of motorists and constituents all along 41-441 calling for some sensible solution," said Nelson. Gov. Walker blamed the delay on the Legislature's finance committee.

"Let's be clear," said Walker. "The projects the Department of Transportation talked about the other day are not being delayed because of the budgetary crunch. They're being delayed because the finance committee is not meeting to release the funds for those projects."

Gov. Walker proposed borrowing a record \$1.3 billion for roads in his executive state budget proposal. But his fellow Republicans in the Legislature said that was too much and scaled the borrowing back to \$500 million.

The GOP gave DOT the ability to request an additional \$350 million from the budget committee.

The agency hasn't asked for the additional borrowing authority.

The DOT identified the five projects for delays because they weren't slated to be completed in the 2015-17 biennium, DOT spokeswoman Peg Schmitt told the Associated Press. She said the agency anticipates asking for some additional borrowing authority "at some point," though she didn't elaborate.

A DOT spokesman tells FOX 11 the delay on the 10/441 project is on the Oneida Street interchange and straightening out some of the curves. The expansion of the Roland Kampo Bridge is unaffected. The project was scheduled to wrap up in 2020.

State Rep. John Nygren, R-Marinette, the Assembly chair of the budget committee, says Assembly Republicans are ready to meet to discuss the request. Nygren says he's frustrated

because a major project in the Milwaukee area - the Zoo Interchange - is moving forward on schedule.

"We are willing in the Assembly to meet," said Nygren. "It would appear that the Senate has had second thoughts on the agreement that was passed. Because of that, that's the reason we're not meeting."

State Sen. Alberta Darling, R-River Hills, the Senate leader of the committee, did not respond to FOX 11's requests for comment Thursday.

Walker called the Senate concerns "legitimate," but he hopes a meeting will happen in the next month.

"I believe that when people see the projects that are being delayed and the impact it's going to have on jobs in the state, my belief is ultimately the members of the state Senate on the finance committee will see fit to move that going forward," said Walker.

Fox Valley lawmakers - Republicans and Democrats - say they will keep pushing for action. "Of course I'm disappointed," said State Rep. Mike Rohrkaste, R-Neenah. "This is not good for the area, this is not good for businesses, it's not good for the people from point A to point B."

Other projects in Northeast Wisconsin facing new delays are on Highway 15 near New London and Highway 23 between Fond du Lac and Sheboygan.

### **Democrats call for special session on delayed transportation projects**

The Daily Cardinal

October 4, 2015

National and state Democratic lawmakers are calling for a special legislative session to address delays to road projects announced last week, saying the setbacks will hamper Wisconsin's economy.

U.S. Rep. Mark Pocan, D-Wis., state Senate Minority Leader Jennifer Shilling, D-La Crosse, and Assembly Minority Leader Peter Barca, D-Kenosha, are among those asking Gov. Scott Walker to convene the special session to fully fund road construction projects that would otherwise be delayed.

The Wisconsin Department of Transportation announced last week that five major road projects, including construction on Verona Road in Dane County, would be pushed back at least two years after cuts in the most recent budget.

Barca and Assembly Democratic leaders asked Walker in a letter to reconsider those funding cuts and called for a special session, saying the state's transportation infrastructure was "crumbling."

“It is time to stop playing politics and commit resources to these essential investments,” the legislators wrote. “Road and building projects are a central component to our state’s economy, both directly and indirectly contributing to the state’s job creation.”

However, Walker has called a special session unnecessary, saying the onus is on the Joint Finance Committee to approve state borrowing for the delayed projects.

Assembly Speaker Robin Vos, R-Rochester, has also insisted a special session is unnecessary and bristled at the Democrats’ requests.

"I think we have plenty of time to do it in the regular session," Vos said at a press conference prior to Assembly session Sept. 24.

### **Joy Cardin Show – Wisconsin Public Radio**

October 5, 2015

Republican legislative leaders plan to unveil a bill this week to overhaul the Government Accountability Board. In the State Capitol Report, Joy Cardin and WPR’s state government reporter Shawn Johnson discuss the possible changes. They also examine state Democrats’ call for a special session to address delayed road projects, Gov. Scott Walker’s declining poll numbers and other developments in Wisconsin government.

### **Scott Walker asks Senate Republicans for more road borrowing**

Milwaukee Journal Sentinel (Patrick Marley and Jason Stein)

October 6, 2015

Gov. Scott Walker on Tuesday urged Senate Republicans to approve additional borrowing to help put back on track at least some of the five major highway projects that are facing delays.

Walker's administration announced last week it was delaying the five projects and disclosed Monday it would be pushing back work on other, smaller ones. The Department of Transportation has not yet revealed which additional projects would be delayed.

Walker and a panel of lawmakers have the ability to issue an additional \$350 million in debt for roadwork. Of that, \$200 million could be issued now and \$150 million in the fiscal year that begins July 1.

"We think there are ways that we can squeeze out some savings and find some ways to work with you on that, but I would be hopeful that at some point in the future at least some portion of that could be freed up," the GOP governor told Republican senators.

Walker did not take questions from reporters afterward. It's unclear how much the additional borrowing would mitigate the delays.

Myranda Tanck, a spokeswoman for Senate Majority Leader Scott Fitzgerald (R-Juneau), said after the meeting it would be a "tough sell" to persuade Senate Republicans to approve more

bonds for road projects, particularly if they would have to be paid back from the state's main account instead of the transportation fund.

The department announced last week it was delaying work on I-39/90 from the Illinois state line to Madison; Highway 151/Verona Road in Madison; Highway 10/441 in the Fox Valley; Highway 23 between Fond du Lac and Plymouth; and Highway 15 near New London in Outagamie County.

Work on the projects in many cases is underway. The work will continue, but at a slower pace that will delay completion for two years, unless additional bonding is approved.

Delaying four of those major projects would cost drivers \$160 million or more in inflation over two years, according to a projection released Monday by the University of Wisconsin-Whitewater and the Transportation Development Association of Wisconsin. The study was paid for by the trade group.

The department will release its own estimate on the cost of delays in February.

Walker wanted to borrow a record \$1.3 billion over two years for transportation, but his fellow Republicans who control the Legislature said that was too much. In a compromise, they agreed to borrow \$500 million initially as part of the state budget they adopted in July.

The department was given the ability to ask for an extra \$350 million, which would be released with the approval of the Legislature's Joint Finance Committee. The department has yet to ask for the additional sum.

Senate Republicans have expressed reluctance to issue the additional funding, in part because much of it would be paid back from the state's general fund, which is made up primarily of income and sales tax receipts and pays for school funding, health care for the poor and an array of programs. Usually, borrowing for highways is covered by the transportation fund, which is made up mostly of collections from the gas tax and vehicle registration fees.

Republicans in the Assembly and Democrats from both houses have called for issuing the additional bonds.

"Kicking the can down the road is ineffective and expensive," said Sen. Janis Ringhand (D-Evansville).

Senate Minority Leader Jennifer Shilling (D-La Crosse) said Democrats in her house support finding more money for roads and were willing to discuss raising gas taxes or raising vehicle registration fees, but did not endorse any specific idea.

"Those things are all on the table," she said. "We need to have a two-way conversation with the majority party to make any of this real."

Also Tuesday, Rep. Robb Kahl (D-Monona) announced he would introduce legislation to allow for annual, automatic inflationary increases in the gas tax. Under Kahl's plan, the Joint Finance Committee would have the power to halt the increases.

For decades, inflationary hikes to the gas tax went into effect every year. Legislators from both parties approved ending the practice in 2005, saying there should be votes for any increases. Since then, they haven't approved any increases to the tax.

While the DOT has said the delays will be for two years, they may end up being longer. The DOT's projection assumes lawmakers will inject new revenue into the transportation system in the years ahead. But legislators for years have struggled with finding ways to put more money toward roads, with Walker and some Republicans who control the Legislature ruling out raising gas taxes or registration fees.

The delays on the five projects will likely have a cascading effect that will push off work on future projects, but the department hasn't said what those could be.

### **Racine Journal Times editorial: Stop bickering, find way to get road projects done**

October 7, 2015

Even last spring, we could see this detour coming.

The state Department of Transportation last week announced it was putting the brakes on five major road projects in the state — pushing their completion back by two years.

Thankfully, the reconstruction of I-94 from Milwaukee south to the Illinois line was not snared in the slowdown, but the impact will be felt around the state — the projects include I-39/94 from Madison south to the Illinois line; Madison's Verona Road interchange and Beltline which has been torn up for months, work on Highway 23 from Fond du Lac to Plymouth, widening of Highway 10/441 in the Fox Valley and reconstruction of Highway 15 near New London.

Not only does that mean state motorists will face more months of coping with orange barrels on these major projects, it also means they will be paying more for them — slowdowns in construction typically boost the costs of the project.

The bump in the road this time was triggered by an intra-party dispute between Gov. Scott Walker and the state Legislature last spring over the state's two-year budget.

Walker wanted to borrow a record \$1.3 billion over two years for transportation funding, but GOP legislators balked at that spending level and a compromise was reached — \$500 million initially, with the Legislature's Joint Finance Committee having the ability to release another \$350 million.

That issue is expected to be raised this week between the governor and lawmakers — but even the release of the \$350 million may not be enough to avoid some project delays.

What is needed is for the governor and legislators to address the growing problem of paying for transportation infrastructure.

Walker and GOP leaders have said repeatedly they want to put more money toward roads, but have consistently refused to increase the gas tax and vehicle registration fees under their “no-tax-increase” mantra.

But this year, almost 20 cents of every dollar in the state’s road fund goes to pay off highway loans. Under Walker’s initial budget proposal that would have gone up to 25 cents on the dollar by 2017.

No one wants to pay more taxes, but borrowing more and delaying projects more will only increase the tax burden later on.

Wisconsin needs good roads and needs to find innovative ways to fund them — whether it be changing the way the gas tax is applied to reflect increasing fuel efficiency of vehicles, boosting registration fees or other proposals.

The governor and the GOP-controlled Legislature need to find a reasonable solution that faces up to the problem instead of running up the state’s charge card.

### **Highway budget fight hits close to home**

WBAY (Green Bay)

October 7, 2015

Highway budget fight hits close to home

Gov. Scott Walker is asking Senate Republicans to approve additional borrowing to avoid delays on a number of state road construction projects.

Last week the Wisconsin Department of Transportation said it was pushing back the completion of the Highway 10/441 interchange by a year and the overall project by two years.

The governor wants the Senate to authorize \$350 million in bonding. Of that bonding, \$200 could be issued now and the rest in the fiscal year beginning July 1.

The 10/441 project is one of five major road construction projects being delayed statewide.

At the Interstate 41/Highway 441 interchange and bridge over Little Lake Butte des Morts, Winnebago County Executive Mark Harris says, any slowdown because of funding might cost taxpayers more.

“If they push these projects off but don’t address revenues, there’s a possibility in the next cycle they still won’t have the money to do the projects on the list,” Harris warns.

“We knew all of this beforehand. We knew we needed a revenue source. The Legislature playing games like this I think is putting a lot of people at risk,” Neenah Mayor Dean Kaufert said.

Two other projects in the Fox Valley also face delays: Highway 23 between Fond du Lac and Sheboygan and Highway 15 from Greenville to New London. An agenda from the Village of Allouez in Brown County shows Highway 57 reconstruction may also be delayed until 2021 or 2022.

Senate Republicans have been reluctant to approve the bonding because it would be paid back through the state's general fund. Money there also has to fund schools, health care and other programs.

Some Democrats have suggested raising the gas tax to help pay for it.

The DOT says the work will continue but at a much slower pace.

"They need to be done," Harris said. "Delaying them both drives up the cost of the project, and there is cost to commuters in terms of delays and safety and perhaps damage to cars."

"There is some money available. They're going to have to prioritize it, and I think this will rank right up there with the prioritizing," Kaufert said. "They're keeping going with the Zoo interchange down in Milwaukee; that's unaffected. So the Fox Valley needs to say, 'Why not us?'"

### **Indexing of gas tax will help fund needed road projects**

The Herald-Independent (Monona / Cottage Grove)

October 8, 2015

By Rep. Robb Kahl

Over the last couple weeks, Wisconsinites have received some troubling news regarding our state's transportation infrastructure. The Wisconsin DOT announced that several major road projects across our state are being delayed by at least two years, including the Verona Road reconstruction project in the 47th Assembly District, which I represent.

A delay of at least two years means the businesses, which rely on these roads to bring in customers, will continue to struggle to make ends meet. This, in turn, will place the employees of these businesses at potential risk of losing their jobs. It also puts the jobs of the construction workers who are building these roads at risk, as the funding for their work dries up.

The delay in these projects is caused by one thing: a lack of investment in Wisconsin's aging transportation infrastructure. Instead of properly funding our transportation needs, Wisconsin's elected leadership has continued to cut funding, and the funding that has been provided, is being paid for with an unsustainable credit card approach.

This transportation problem has ripple effects. Road and building projects are a central component to the state's economy, both directly and indirectly contributing to the state's job creation. If we have a well-maintained and quality infrastructure, we're more likely to attract private business investment and grow our economy.

However, according to the U.S. Department of Transportation, Wisconsin has the third worst roads in the nation, with 71 percent of roads in poor or mediocre condition, and 1,970 structurally deficient or functionally obsolete bridges.

Our infrastructure is crumbling, and we need to find a long-term solution to this problem.

To address this crisis, I'm introducing a bill that will work to restore long-term funding for our transportation infrastructure by re-establishing the indexing of the gas tax. The indexing would be linked to the change in the U.S. consumer price index and would take effect May 1, 2017.

Indexing of the gas tax was repealed in 2006. Had it not been repealed, the price of gas would be \$2.36 a gallon, instead of where it is now at \$2.30. Paying an additional 6 cents per gallon is cheap compared to the economic costs of having a crumbling transportation infrastructure.

While this won't immediately fix our transportation funding shortfall, by restoring the indexing of the gas tax, we'll ensure that we will have a strong infrastructure in the future, without having to pay for it with the state's credit card and burdening our children with a mountain of debt.

This is a responsible course of action for the long-term funding of our transportation infrastructure, which will in turn help grow Wisconsin's economy.

Robb Kahl (D-Monona) is the state representative for the 47th Assembly District. He is the ranking Democratic member on the Assembly Transportation Committee and a member of the State Building Commission.

### **Gov. Walker wants borrowed money, Zoo Interchange savings to fund more road projects**

Fox 6 (Milwaukee)

October 8, 2015

Gov. Scott Walker, facing opposition from Senate Republicans, is scaling down his request to borrow money to finish road projects delayed by a lack of funding.

Walker on Thursday, October 8th said the state had found \$50 million in savings from the Zoo Interchange in Milwaukee County and other ongoing projects around Wisconsin.

Walker said he was now asking the Republican-controlled Legislature to free up over the next two years \$300 million in bonding set aside for roads. Earlier this week, he requested \$350 million over the same period.

The \$1.7 billion Zoo Interchange project is moving forward.

"It (the Zoo Interchange project) is still is on track. It's just good work by the Department of Transportation," Walker told reporters after touring a Milwaukee sheet metal fabricator on Thursday. "It wouldn't delay it in any way. It would still be on track."

A spokeswoman for the DOT didn't immediately return a phone call seeking details on the cost savings.

Sen. Alberta Darling (R-River Hills), co-chairwoman of the Legislature's budget-writing committee, remained noncommittal about Walker's amended request Thursday.

"Right now, we're looking for a solution that will be in the best benefit of our taxpayers and the safety of our state, so stay tuned and we'll let you know," Darling said.

The state budget approved this summer included \$500 million in borrowing for road construction and authorized the Legislature to allocate up to \$350 million more.

Walker on Tuesday urged Senate Republicans to free up the maximum-allowed amount, immediately running into headwinds among GOP leaders. Increasing the amount of bonding would be a "tough sell," a spokeswoman for Senate Majority Leader Scott Fitzgerald (R-Juneau) said.

Last week, DOT officials announced they were delaying five major projects for at least two years. The projects included improvements to Interstate 39/90 from Madison to the Illinois state line, U.S. 18/151 in Madison, State Road 23 in Fond du Lac and Sheboygan counties, U.S. 10/State Road 441 near Appleton, and State Road 15 in Outagamie County.

Rep. John Nygren (R-Marinette), co-chair of the Legislature's Joint Finance Committee, said last week that Assembly Republicans were ready to meet about the request and blamed Senate Republicans for the impasse.

"It would appear that the Senate has had second thoughts on the agreement that was passed," Nygren told WLUK-TV. "That's the reason we're not meeting."

Walker said the additional transportation funding was critical to the state's economy.

"We can't build these projects if they're not funding released to do it," Walker said. "Funding was included in the budget. This is not about a new revenue source. It's not about calling a special session as some have talked about. We don't need to do any of that."

DOT officials said Thursday there were a series of smaller projects across the state that would also be delayed because of funding woes.

### **DOT delays work on dozens of projects; Scott Walker wants more funding**

Milwaukee Journal Sentinel

October 8, 2015

Madison — A leaner Department of Transportation is pushing off work on dozens of road projects over the next six years, but GOP Gov. Scott Walker said Thursday he believed some of those could be put back on track if lawmakers OK at least \$150 million in borrowing this year.

Walker's administration announced last week the state was delaying five major projects, but a list compiled by the DOT shows scores of other, smaller-scale projects are being pushed off for the next six years. That's because of funding cuts that Walker and GOP lawmakers made this summer, Transportation Secretary Mark Gottlieb told legislators in a letter this week.

Some of the 225 projects outlined by the department are segments of larger projects. For instance, widening I-39/90 from the Illinois state line to Madison is listed as 32 separate projects. Nonetheless, the new DOT list means dozens of projects will be delayed in the coming years.

In a stop at Stoughton High School, Walker told reporters the five major projects could be put back on schedule if lawmakers released \$150 million in additional bonds and seized on promised savings from the massive Zoo Interchange reconstruction in Milwaukee.

Walker did not address the delays facing the other projects, which have not been formally announced.

"We think there's money in particular in the Zoo Interchange and then we think there's a lot of other savings we can squeeze out elsewhere across the state from other projects," Walker said. "My hope would be...we can get something close to \$150 million more (in borrowing). I think that would allow the projects we've talked about to go forward in this fiscal year."

Rep. John Nygren (R-Marinette), co-chairman of the budget-writing Joint Finance Committee, said the long list of delays shows the need for his committee to issue more bonds for roads. The Zoo Interchange is mostly staying on track, while projects elsewhere in the state are being put off — and that's not fair, he said.

"If we're going to do reductions, there needs to be some equality here," Nygren said. "As someone who represents Up North, it's kind of bothersome."

Assembly Speaker Robin Vos (R-Rochester) agreed. Lawmakers need to find a long-term fix to road funding, but for now should issue more bonds to prevent delays, he said.

"So much of the money we are generating is going into one project, the Zoo, and the rest of the state is suffering," he said.

But Sen. Howard Marklein (R-Spring Green), who sits on the Joint Finance Committee, said more borrowing is not the solution.

"I'm not in favor of it," he said. "I don't want to commit future revenue in the general fund that could be going for schools, UW, technical colleges and a lot of other good programs. I think it's bad policy to use the general fund credit card."

Marklein said he could back an increase in the gas tax, but acknowledged that's politically difficult. Highlighting that point, Walker on Thursday again ruled out raising the gas tax increase unless taxes in other areas were cut — a position he staked out in his re-election bid last year.

The DOT rewrites its six-year plan regularly, with a particular eye toward updating it after lawmakers approve the state budget every two years. With cuts to the road budget, the DOT needed to delay projects, Gottlieb told lawmakers.

The additional projects being put off cover everything from simple resurfacing jobs to top-to-bottom reconstructions. They include bridge rehabilitation work on I-43 in Milwaukee County and the resurfacing of a segment of Highway 18 in Waukesha County.

Work has not yet begun on the many of the projects. Their start dates are being delayed for a year or two under DOT plans.

For others, work is underway. That work will continue, but at a slower pace that will delay completion for two years — unless additional bonding is approved.

Last spring, Walker sought to borrow a record \$1.3 billion over two years for transportation to avoid raising gas taxes, but his fellow Republicans reduced that to borrowing \$500 million initially as part of the state budget approved in July. Lawmakers gave the administration the ability to ask for an extra \$350 million in borrowing, which would be released with the approval of the Joint Finance Committee.

Of that, up to \$200 million could be released now and \$150 million for the fiscal year that begins July 1. Walker's comments indicate he will seek most but not all of the bonding that would be available in this fiscal year.

Much of the additional borrowing would be paid back from the state's general fund, which is made up primarily of income and sales tax receipts. That's a departure from the usual practice of paying back bonds for highways from the transportation fund, which is made up mostly of collections from the gas tax and vehicle registration fees.

Senate Majority Leader Scott Fitzgerald (R-Juneau) said his caucus opposes paying back bonds for roads using the general fund.

Republicans in recent years have struggled for years with how to fund roads. The Legislative Audit Committee plans to vote next week to authorize a review of the highway-building program.

Meanwhile, Walker and transportation officials hope to capture savings on the Zoo Interchange. "We do this by using new techniques, materials and innovations, value engineering studies, reducing the scope of projects and other things," department spokeswoman Peg Schmitt said by email.

The five major projects that are being delayed are I-39/90 from the Illinois state line to Madison; Highway 151/Verona Road in Madison; Highway 10/441 in the Fox Valley; Highway 23 between Fond du Lac and Plymouth; and Highway 15 near New London in Outagamie County.

Delaying four of those major projects would cost the state \$160 million or more in inflation over two years, according to a projection released Monday by the University of Wisconsin-Whitewater and paid for by the Transportation Development Association of Wisconsin, a trade group.

Senate Minority Leader Jennifer Shilling (D-La Crosse) had said Democrats in her house support finding more money for roads and were willing to discuss raising gas taxes or raising vehicle registration fees but have not endorsed any specific idea.

**UPDATES: Wisconsin DOT announces additional road project delays (4 updates to story)**

NBC 15 (Madison)

Thursday, Oct. 8, 2015

MADISON, Wis. (AP) -- The Wisconsin Department of Transportation has announced additional road project delays caused by a lack of funding.

The department this week notified state lawmakers that it was delaying work on smaller scale projects over the next six years. This comes after it announced delays on five major projects, caused by the Legislature not approving additional borrowing to pay for them.

Gov. Scott Walker told Assembly Republicans earlier this week he wanted to work with them to borrow more money to pay for the work. The budget allows for up to \$350 million in borrowing over the next two years.

Walker said Thursday he thought some of the delayed projects could be paid for with at least \$150 million in borrowing this year.

*NBC 15 (Madison) October 6, 2015*

MADISON, Wis. (AP) -- Gov. Scott Walker says he wants to work with Republican senators to find a solution to funding for road projects in Wisconsin that has led to a delay in some work.

Walker spoke to Republican state senators in the Capitol on Tuesday.

He also voiced his support for replacing the nonpartisan Government Accountability Board with a bipartisan panel, banning the sale of aborted fetal tissue and overhauling the state's 110-year-old civil service system.

Walker says he hopes at least "some portion" of \$350 million set aside in the state budget for transportation projects can be tapped to continue road projects.

Walker's Department of Transportation last week announced it was delaying work on five major projects for two years.

Walker told senators he's willing to work with them on alternatives.

*NBC 15 (Madison) October 1, 2015*

MADISON, Wis. (AP) -- Democratic lawmakers are demanding Republican Gov. Scott Walker call a special legislative session to deal with a shortfall in road project funding.

Walker proposed borrowing \$1.3 billion for roads in the state budget. His fellow Republicans scaled that back to \$500 million in the spending plan's final version.

Earlier this week state transportation officials said they've pushed back completion dates for five major projects by two years because the budget didn't lay out enough money to finish them.

Senate Minority Leader Jennifer Shilling, a La Crosse Democrat, and a host of Assembly Democrats on Thursday demanded the governor call a special session to approve additional funding.

Walker's spokeswoman didn't immediately respond to email messages.

*NBC 15 (Madison) September 29, 2015*

MADISON, Wis. (AP) -- Wisconsin transportation officials are delaying work on five major road projects because the state budget didn't lay out enough money for them.

The Milwaukee Journal Sentinel reports in its online edition Tuesday that the stalled projects include reconstructing Highway 10/441 in the Fox Valley; expanding Interstate 39/90 from Madison to Illinois; reconstructing the Verona Road Interchange in Madison; reconstructing Highway 15 near New London; and completing long-running work on Highway 23 between Fond du Lac and Sheboygan.

Gov. Scott Walker wanted to borrow \$1.3 billion for roads, but Republican lawmakers said that was too much and scaled the borrowing back to \$500 million in the state budget.

### **Beloit businesses urge Walker to find funds for 39/90 work**

Beloit Daily News  
October 12, 2015

Members of the Beloit business community are urging Gov. Scott Walker to find a way to pay for the I-39/90 project.

In a timeline sent out last month by the Wisconsin Department of Transportation, major construction is delayed until 2019. Previously that work was scheduled to begin in spring 2017.

The I-39/90 expansion project extends approximately 45 miles, along Interstate 39/90 from the Illinois state line to Madison. As part of the project all lanes will be widened to three to four lanes from Beloit to Madison. Currently, it's only two lanes in each direction, although there are some parts near Madison where it is extended to three lanes. The project is estimated to cost nearly \$900 million.

"Across the state, Chambers of Commerce are calling for transportation funding to rebuild our infrastructure here in Wisconsin. Why? Because it has a direct impact on businesses, tourism and our image and branding. Businesses need the assurance that their products can travel to market safely and quickly. It's estimated that visitors spend over \$1 billion each year in Dane and Rock counties on food, lodging and shopping. Moreover, right now it's one of the first things that you notice when driving in from Illinois, the fact that the highway goes from three lanes into two ... that and the fact that it needs to be redone. Not to mention the interchanges; the one for

Milwaukee Road is practically a death trap," said Tim Dutter, executive director of the Greater Beloit Chamber, in an email.

"Most people take out loans for their home and for their car; they feel that these are things that are important enough to use a loan. The state needs to view infrastructure updates in the same way. I'm sure it gives the governor heartburn to take out bonds to pay for the highway projects. However, at least at this point he realizes the need for it, and he understands that the cost will continue to accrue over time. Let's take the hit now and make the sacrifices that we need to in order to rebuild our highways and to fix our infrastructure in order to make Wisconsin a safer place. That's where the Greater Beloit Chamber is coming from," Dutter said.

A letter addressed to Walker from the Greater Beloit Chamber expresses support of his push to ask the state's Joint Finance Committee to allow for \$350 million in contingency bonding for the highway project.

Dutter said the push is a regional effort, supported by Forward Janesville, Rock County 5.0, the Greater Beloit Economic Development Corporation and the City of Beloit.

"It's a significant transportation asset for the area and giving its current design capacities and traffic loads, it's exceeding both the design and safety factors. It's an important transportation linkage, it's a vital corridor for moving goods and services and human capital," said James Otterstein, Rock County's economic development manager.

Walker initially proposed \$1.3 billion in borrowing over two years, which was reduced by the legislature. Representatives agreed to borrow \$500 million, with an option to make \$350 million more available. To date, legislators have not opened up the additional money.

"I get the concern, although I think it's a pretty good time to look at it," said Walker, according to the Associated Press.

### **Budget cuts lead DOT to delay projects**

La Crosse Tribune

October 13, 2015

Up to \$82 million in state highway maintenance and repairs in the region will be delayed at least a year or more due to transportation budget cuts, Wisconsin officials said.

About 32 projects -- including four originally slated to start next year -- in La Crosse, Vernon, Monroe, Crawford, Jackson and Trempealeau counties will be pushed back as the state Department of Transportation adjusts to limited funding in the 2015-2017 budget.

The budget adopted in July included \$500 million in borrowing for road projects, down from Gov. Scott Walker's request for \$1.3 billion, with another \$350 million available if the Joint Finance Committee consents.

While Walker last week urged the committee to authorize the additional \$350 million, the controlling Republican leaders have not responded.

“They said they would release the funds if asked,” said Senate Minority Leader Jennifer Shilling, D-La Crosse. “Now, they’re not releasing the funds.”

The region can’t afford to hold off on so many needed road and bridge repairs, Shilling said.

“It’s going to end up costing families millions more in the long run, not to mention the jobs lost,” she said.

In La Crosse County, work on Hwy. 33 from Shady Pines Road to Hwy. OA and from Kirschner Road to the Monroe County line, both set for next year, now won’t start until 2017. The latter project had an estimated price tag of \$7.5 million to nearly \$10 million.

The short-term savings likely won’t pay off in the end, said Ron Chamberlain, La Crosse County highway commissioner.

“Any time you’re delaying a project, maintenance costs increase,” Chamberlain said.

As do the effects such projects have on the areas that must cope with the conditions before and during construction. Shilling pointed to the adjustments Prairie du Chien businesses and residents have made for the ongoing Marquette Road/Hwy. 35 project, now extended by the DOT into 2018.

The project delays in the five-county area range from \$250,000 to recondition a small section of Hwy. 54 in Jackson County to \$12.5 million to replace the Buffalo River bridge on Interstate 94 in far northern Trempealeau County.

The delays aren’t all the result of the funding cuts, said Jeff Gust, planning chief for the DOT’s southwest region. The department regularly “re-balances” its projects, reviewing them to gauge need and adjust priorities, Gust said.

In some cases, one delay produces a cascading effect that then pushed back related projects, he said.

“We’re doing the best job to balance the cuts as we can ... and make best use of our dollars,” Gust said.

He denied southwestern Wisconsin had been harder-hit by the cuts than the rest of the state.

“They tried to make this fair, across the board,” Gust said.

Shilling on Monday also renewed calls for a special session to address the transportation funding crunch and focus on long-term solutions for financing road construction.

State Rep. Robb Kahl, D-Monona, has introduced legislation that would restore annual gas tax indexing, which allows automatic increases based on the U.S. consumer price index. The state had such a system from 1985 to 2006; Republicans in July rejected a budget amendment to reinstate the indexing.

A higher gas tax would tap motorists who travel through the state, not just Wisconsin residents, Shilling reasoned.

Other possible options to generate more transportation money include raising fees for vehicle registrations and driver licenses, or sales tax on certain transportation-related items such as car parts or used vehicles, Shilling said.

A report prepared for the 2011-13 budget outlined some of the potential funding mechanisms, none of which ever were adopted.

Some legislators have been reluctant to debate the topic, knowing the governor's stance against any fee or tax increases for transportation funding.

But the time is right for the discussion, while between budget cycles, Shilling said.

"We shouldn't be doing it under the tick-tock of the budget clock ... so we don't hold the budget process hostage," Shilling said.

### **Transportation budget cuts delay \$82M in Wisconsin highway repairs**

WXOW La Crosse

October 13, 2015

Transportation budget cuts are set to delay up to \$82 million in state highway repair and maintenance affecting 114 projects in Western and South Western Wisconsin. In La Crosse and surrounding counties there are nearly 32 projects projected at more than \$53 million dollars that are being put on hold.

That includes work in La Crosse county on Highway 33 from Shady Pines Road to Highway OA, and from Kirschner Road to the Monroe County line. Both are set for next year. These projects now won't begin until 2017.

Senator Jennifer Shilling responded to these budget cuts saying the delays are going to cost taxpayers money in addition to killing job opportunities and said, "Regionally here, the DOT has said there are projects that they have to do just as a kind of an overlay or like a band-aid approach to some of the maintenance on these roads because the funding is not there for long term repairs."

Unless a stable long-term funding solution is identified the road and bridge maintenance projects could be delayed indefinitely.

### **Area road construction projects delayed because of budget cutbacks**

Eau Claire Leader Telegram

October 14, 2015

Three road construction projects in western Wisconsin have been delayed for a year because state legislators haven't approved borrowing additional dollars that would help fund those projects.

Without that added money, the state Department of Transportation budget for two-lane state highway repairs in this part of Wisconsin would be reduced by about \$4.5 million each of the next two years.

For the past decade, the region has received about \$54 million for road repairs and maintenance. The 2015-17 state budget would reduce that amount to about \$50 million, an 8 percent reduction.

Because of that cutback, resurfacing highways in Chippewa, Eau Claire and Pierce counties has been postponed to 2017 from their scheduled start dates of 2016 — a move that prepares the state Department of Transportation's northwest region for a worst-case scenario, said Tom Beekman, DOT systems planning and operations manager.

The three affected projects are:

- Resurfacing about 11 miles of U.S. 53, from Highway B to Highway 64, in Chippewa County.
- Resurfacing about 4.5 miles of Highway 85, from 1010th Street to Highway 37, in Eau Claire County.
- Resurfacing a stretch of Highway 128, from Highway 72 to Highway 29, in Pierce County.

The state Legislature is deciding whether to approve borrowing as much as \$350 million for road repairs during the next two years as roads are deteriorating. If that funding is approved, this part of Wisconsin would receive an additional \$6.4 million for this region's two-lane state highways, resulting in about \$2 million above the decade-long rate.

Beekman said that \$350 million would cover two years of funding programs for all state highways.

"We don't know if bonding is going to be approved or not, and we have to balance budgets with what we have," Beekman said. "If the bonding is passed, those projects come back, plus \$2 million more."

On Oct. 7, Jerry Mentzel, director of the Division of Transportation System Development northwest region, sent an email to state senators with an updated plan for project start dates. According to that schedule, this region's DOT has postponed 38 projects through 2021.

"The reason that so many of the projects moved out is we had to move our dollar amounts down to the assumption that bonding may not come," Beekman said.

Beekman said the DOT must predict when the roads will deteriorate, and sometimes those predictions, made at most six years in advance, don't meet their anticipated dates for reconstruction.

"Sometimes roads go bad worse than we anticipated, so we look for projects that are holding out better than hoped," he said. "We're always moving projects back and forth."

### **It's time to fix Wisconsin**

Superior Telegram - guest piece by Janis Ringhand, D-Evansville  
October 16, 2015

Now that Gov. Scott Walker is no longer running for president, we have an opportunity to shift focus and fix the problems facing the state. Before his 70-day foray into the presidential race,

Walker crafted a hastily prepared state budget that was more of a presidential campaign document than one meant to get Wisconsin back on track.

Instead of focusing on issues to help raise his profile among Republican primary voters, it is now time to bring our tax dollars home and accept the \$360 million in funding for BadgerCare and use those savings to restore the \$250 million cut to the University of Wisconsin System and provide additional funding for our public education system.

While Republicans have consistently and repeatedly declined to accept the money to expand BadgerCare, we should focus on an area that has had bipartisan agreement and support for decades, our transportation budget.

I call on Walker to bring the Legislature into special session in order to deal with the transportation funding crisis. What ultimately passed was \$500 million in borrowing with an additional \$350 million in bonding that can be released by the Joint Committee on Finance upon the request of the Department of Transportation, an overall cut of \$450 million.

As reported by Forward Janesville, "the first \$200 million of this bonding was to be released this year upon WisDOT's request to the Legislature's Joint Committee on Finance. That request has still not been made, resulting in the disheartening news about the Interstate 39/90 project. We thought the Legislature had a deal in place to release this funding, and were hoping that some of the money could be applied to the I-39/90 project. But it is our understanding that some members of the Wisconsin Senate have discouraged WisDOT from requesting this additional funding."

If Republican senators block the release of the funds, the resulting cut to the transportation program would be \$700 million.

The nonpartisan Legislative Fiscal Bureau, based on input from the Department of Transportation, stated that a \$300 million cut over the biennium to DOT's Major Highway Development Program would delay highway projects throughout the state. For example, the U.S. Highway 10/441 (Outagamie, Calumet and Winnebago counties), State Highway 15 (Outagamie County), U.S. Highway 18/151 (Dane County) and I-39/90 (Rock and Dane counties) projects would be delayed by two years. The Republicans went even further and slashed the major highway program by an additional \$50 million over the biennium. Who knows how long these and other projects would be delayed if the Republican-controlled Finance Committee refuses to release the \$350 million it holds in reserves.

Long a priority for our area, the reconstruction and expansion of the 45-mile stretch of I-39/90 between Madison and the Illinois state line will make needed safety improvements, aid state tourism and help create more economic development along one of the busiest stretches of highway in the state. According to DOT traffic counts, about 70,000 vehicles a day use the corridor. Nearly 35 percent of the traffic comes from heavy trucks.

This project has been talked about for a long time. In 2001, the state funded a study of the project but other projects have been prioritized ahead of it. As a result Forward Janesville, a 500-member economic development group, formed the I-39/90 Now Coalition in 2010 to help educate people on the importance of the project.

Business leaders realize the importance of this project not only for the local economy but the entire state as well. The Center for Freight & Infrastructure Research at UW-Madison found the roadway is responsible for moving \$650 million to \$800 million worth of commerce each day. The roadway has deteriorating pavement, traffic congestion creates frequent backups, and it has accident rates higher than the statewide average for similar roads. Delaying this project is jeopardizing safety and economic development.

Transportation has never been a partisan issue and shouldn't be one now. Roads are crumbling and projects are being delayed in areas represented by Democrats and Republicans alike. We should be able to work on this issue together and solve. People and businesses in every part of the state deserve a safe and efficient transportation system.

*Janis Ringhand, D-Evansville, represent the 15th District in the Wisconsin Senate.*

### **Pocan: Free up highway funds; Joins Spreitzer to urge state not to delay I-39/90 project**

Beloit Daily News  
October 17, 2015

"Inaction is killing us," U.S. Congressman Mark Pocan said today to describe the country's current infrastructure and transportation funding needs.

Pocan, D-Wisconsin, and State Rep. Mark Spreitzer, D-Beloit, held a joint news conference Friday at Beloit City Hall to urge for funds to be released by the state legislature's Joint Finance Committee. The release of funds would avoid costly delays in road construction projects, including I-39/90.

Pocan said a federal Department of Transportation report found Wisconsin to have the third worst roads in the country, with 71 percent of the roads in disrepair. The American Society of Civil Engineers ranked the state with a "D plus" rating.

"There are six bridges along I-39/90 that are classified structurally deficient," said Pocan.

Angela Adams, southwestern chief operations engineer for WisDOT, told the Beloit Daily News in December the term "structurally deficient" refers to the ability to carry heavy loads, but bridges deemed deficient are still safe.

Pocan cited a state DOT report which found 23 Rock County projects, amounting to 47 miles of road, would be delayed if the Joint Finance Committee did not release the \$350 million in contingency bonding for the highway projects. In a timeline sent out last month by the Wisconsin Department of Transportation, major construction is delayed until 2019. Previously that work was scheduled to begin in spring 2017.

This could cost the area nearly \$170 million, Pocan said.

The I-39/90 expansion project extends approximately 45 miles along the interstate highway from the Illinois state line to Madison. As part of the project all lanes will be widened to three to four lanes from Beloit to Madison. Currently, it's only two lanes in each direction, although there are

some parts near Madison where it is extended to three lanes. The project is estimated to cost nearly \$900 million.

Still, the issue isn't just plaguing the state, Pocan said. The country is struggling to fund transportation and infrastructure.

"One in six bridges across the country is old enough to be eligible for Medicare," said Pocan.

The Highway Trust Fund ends Oct. 29. The fund was passed in July to offer a temporary fix to funding highway programs while a long-term solution was sought.

Pocan said he received a draft that would authorize six years of funding, with three years actually funded. He took issue with the funding sources in the bill, which would include some increases in revenue and that the funding wasn't through gas tax but rather the Federal Reserve lending rate.

"If this is what we have on the table, this is at least allowing us to have something in place to provide that federal certainty," said Pocan. "It's our hope to commit to long-term funding when that three years is up."

Pocan said a "per mile" charge, which has been suggested as a funding source, would not be feasible at the moment because it wouldn't provide the immediate funding needs.

Spreitzer said while the \$350 million isn't enough, it would help keep the projects on track. He called on the Republican Party, including Rep. Amy Loudenbeck, a member of the Joint Finance Committee, and Gov. Scott Walker to step up.

"Republicans have to take the lead on this, I'd like to see them be a lot more proactive," said Spreitzer. "These projects don't follow party lines."

Spreitzer said in the long term there needs to be a bipartisan conversation about funding transportation. He said currently there is a bill that would index the gas tax to current levels. Indexing was repealed by the state in 2006.

"Every year we're bringing in the same or less than we did the year before," he said.

### **Biz Times: Milwaukee's Biz Blog**

Fixing Wisconsin's transportation finance shortfall (guest piece by Jason Culotta)

October 20, 2015

July marked the end of a contentious state budget process. Providing more funding for transportation needs was widely discussed, but reductions in the level of borrowing and delays in highway projects were the result.

This year many states adopted new revenues to keep up with costs, yet Wisconsin was not among them. Wisconsin has long relied on user fees to finance such spending, principally the gas tax (about \$1 billion annually) and vehicle registration fees (\$670 million). Neither of those sources has seen rate increases since 2006 and 2007, respectively.

Without new money, borrowing has been used to cover growing expenses. The 2013-15 budget provided \$991 million in infrastructure borrowing, compared to \$780 million prior.

Wisconsin provides local road aids to counties, towns, and municipalities and aid to local bus systems as well as rail and harbor improvements. However, most transportation appropriations are for highways.

The highway program consists of three main pillars: State Highway Rehabilitation (about \$800 million in annual expenditures for smaller projects), Major Highway Development (about \$370 million for larger projects outside Milwaukee such as Highway 441 in the Fox Cities and I-90 from Beloit to Madison), and the Southeast Wisconsin Freeway Megaprojects (about \$300 million last year).

The Megaprojects consist of 116 miles of freeways in and around Milwaukee that were first built in the 1950s and 60s. Only 23 miles has so far been rehabilitated or reconstructed.

State officials hoped to conclude the “Megs” with \$350 million annually over 15 years. Net costs could be reduced by literally billions of dollars compared to stretching these projects over three decades. But paying for the Megs cannot happen without increased funding. When the demands of “Rehab” and “Majors” and other infrastructure spending are taken into consideration, current revenues are clearly inadequate.

What options does Wisconsin realistically have? Efficiencies can always (and should) be pursued, though unlikely to generate sufficient offsets. Projects can be delayed, except that only adds to the price tag of projects which must be done. Tolling is a limited option; Wisconsin would require an act of Congress to toll an existing interstate. Other areas of the country have succeeded in similar requests, although it is a heavy lift. Tracking vehicle miles traveled is a new idea that has not been put into practice and draws strong public opposition, yet likely has a future in financing transportation.

Many states dedicate a significant portion of the general fund to infrastructure. Wisconsin will transfer \$38 million this year from its principal account, helpful but not enough to meet the demand. Shifting more general fund money is nearly impossible in an age of exploding entitlement costs. Wisconsin’s share of BadgerCare and related programs swelled by \$1.4 billion in the 2011-13 budget, \$850 million in 2013-15, and over \$650 million in the current document. This expense alone consumes most of the growth in tax collections, crowding out other priorities like schools and roads.

The vehicle registration fee, currently \$75 per year for most vehicles, could be raised. Boosting the fee by \$25 would add \$87 million annually, comprising part of the solution and similar to charges elsewhere. A 5-cent addition to the gas tax would generate about \$160 million more each year.

It’s easy to see why seven states have boosted the gas tax since January: other options aren’t as viable. If Wisconsin is to address its substantial transportation needs, we will be forced to consider a similar revenue increase – probably in the next budget.

*Jason Culotta is director of tax and transportation policy at Wisconsin Manufacturers & Commerce.*