



# Transportation

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Finance & Policy Commission

# Transportation Finance & Policy Commission

## 2011 Wisconsin Act 32

### Section 9148

- (c) The commission shall examine issues related to the future of transportation finance in this state, including all of the following:
  - The estimated costs of highway maintenance, rehabilitation, reconstruction, and expansion projects over a 10-year period, including both those currently identified in the department's 6-year program and those in the department's long-range transportation plans.
  - The estimated costs of local government transportation aid and assistance programs, including general transportation aids and mass transit operating assistance.
  - Projections of transportation fund revenues over the same 10-year period identified in subdivision 1.
  - Projections of transportation fund debt service for the use of bonds over the same 10-year period identified in subdivision 1., under various scenarios.
  - Various options for increasing transportation fund revenues or adjusting transportation fund expenditures over the 10-year period identified in subdivision 1. to achieve a stable balance between expenditures, revenues, and debt service.
  - The impact of highway project planning for specific projects on landowners with property abutting proposed improvements.
- (d) The commission shall prepare a report with its findings and recommendations and submit the report, no later than March 1, 2013, to the governor, the speaker of the assembly, the assembly minority leader, the senate majority leader, and the senate minority leader.

# Activities to Date

- Review of biennial budget
- Presentations on each:
  - State Trunk Hwy Program
  - State Hwy Development Program
  - S.E. Mega Projects
  - State Hwy Maintenance Program
  - Local Road & Bridge Program
  - General Transportation Aids
  - Transit Program
  - Bike/Ped Program
  - Rail Program
  - Harbor Program
  - Aviation Program

# Activities to Date

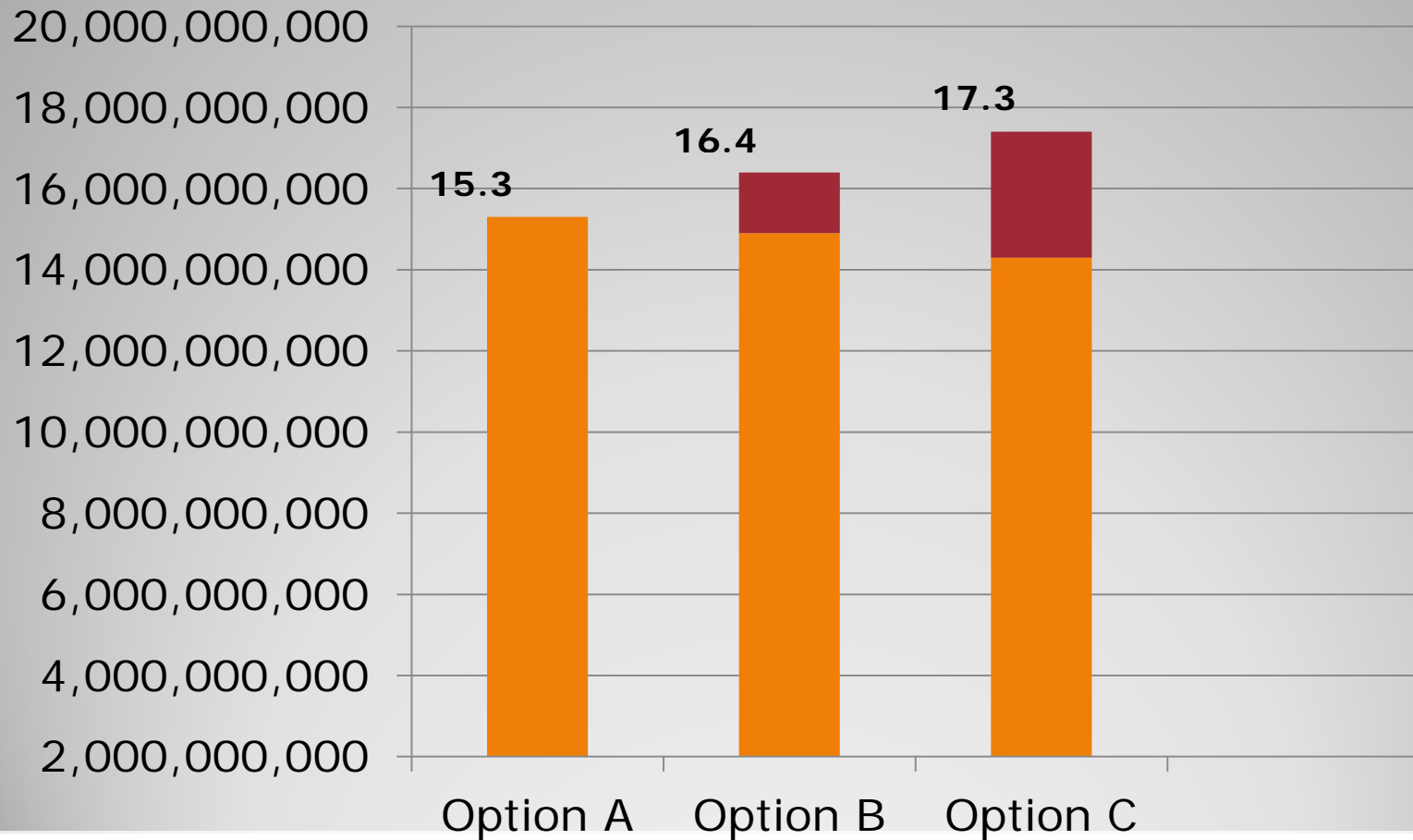
- Reviewed other state commissions
- Reviewed previous Wisconsin commissions
- Looked at population & other demographics
- Considered possible revenue scenarios
- Studied financing options employed in other states
- Held 3 public hearings
- Heard from more than 20 stakeholder groups
- Heard from more than 30 local elected officials

# Bonding and Debt Service

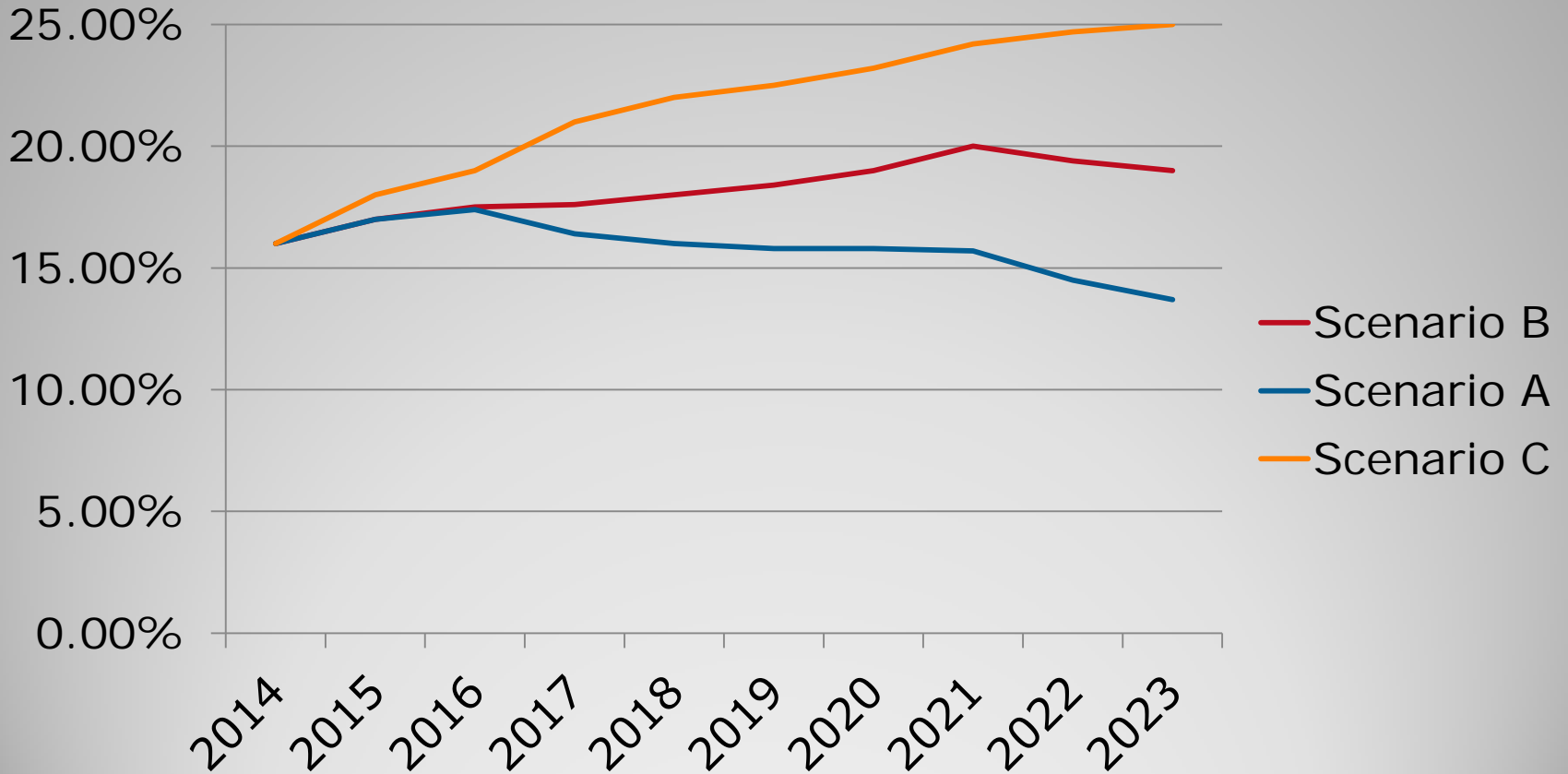
Three Options:

- A. No additional bonding
- B. Continue to issue TRBs at FY 13 level - \$165 million annually
- C. Continue to issue TRBs and GO Bonds at FY 13 levels - \$305.1 million annually

# State Revenues and Bond Proceeds



# Debt Service Impacts FY 14- FY 23



# Funding Needs Under Four Scenarios

- ❑ Scenario One – Disinvestment
- ❑ Scenario Two – Preservation
- ❑ Scenario Three – Capacity Management
- ❑ Scenario Four – Multi-Modal Enhancements



# Scenario One – Disinvestment

- ❑ No change in state, federal and bond funding
- ❑ No change in distribution across programs
- ❑ Purchasing power of funding declines over time
  - Declines an estimated 23.3% by the FY 22-23 biennium
  - Estimated loss is 15.7% over the 10-year period

## Scenario Two – Preservation

- ❑ Preserve current infrastructure conditions across all modes
- ❑ Preserve current service levels for transit and passenger rail
- ❑ Put Major Highway, SE Mega Projects and other state highway capacity projects on the shelf

# Scenario Three – Capacity Management

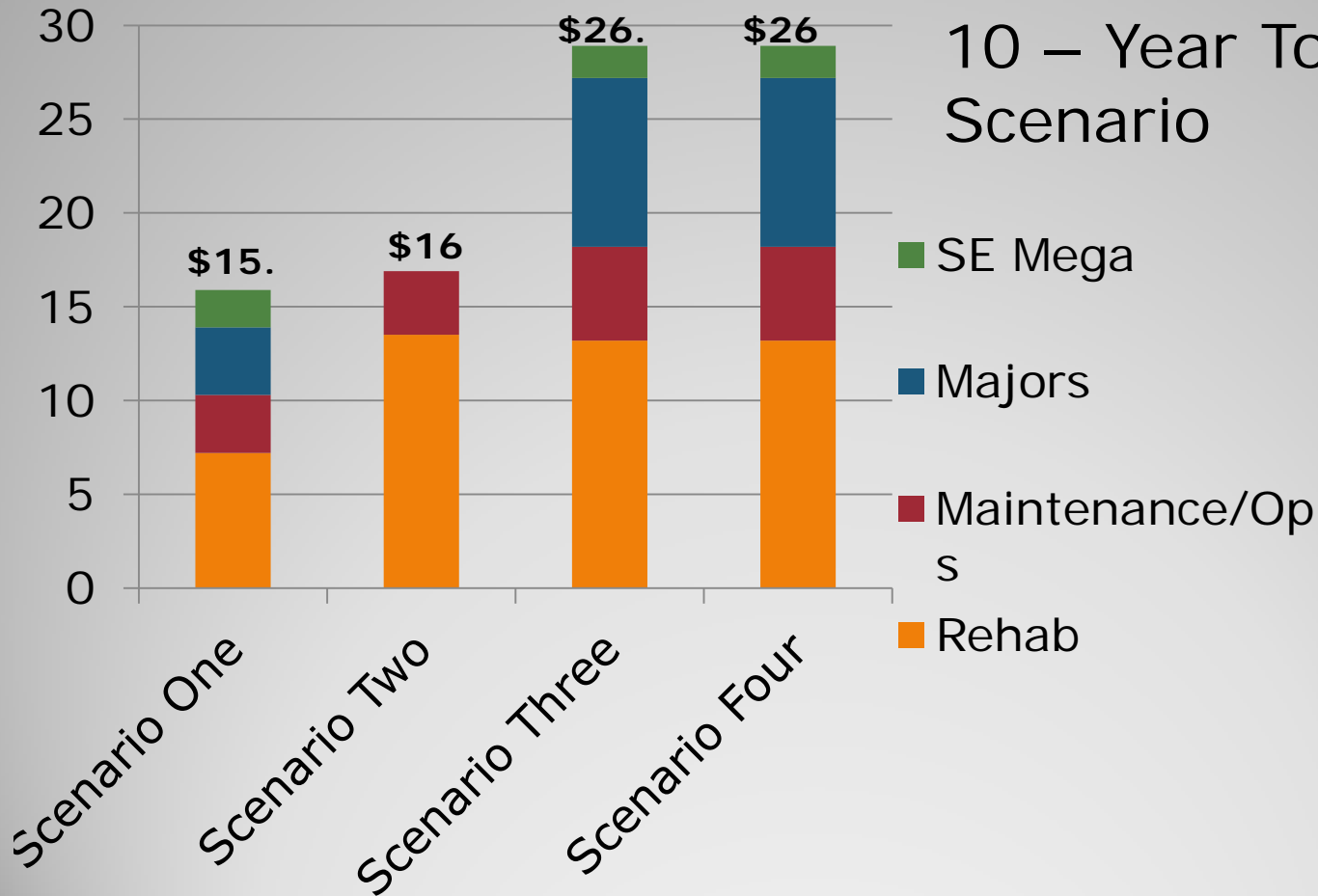
- ❑ Preserve current infrastructure conditions across all modes
- ❑ Implement state highway capacity expansion projects and keep miles of congestion stable
- ❑ Improve state highway maintenance and operations service levels

# Scenario Four – Multi – Mode Enhancements

- ❑ State and local highway programs stay at levels consistent with Scenario Three
- ❑ Increase 1) transit service levels for MCTS, 2) the share of operating costs covered by state and fed funds, 3) transit capital funding
- ❑ Improve infrastructure conditions on the state-owned rail system and at Wisconsin's commercial ports
- ❑ Implement the FAA's NextGen initiative

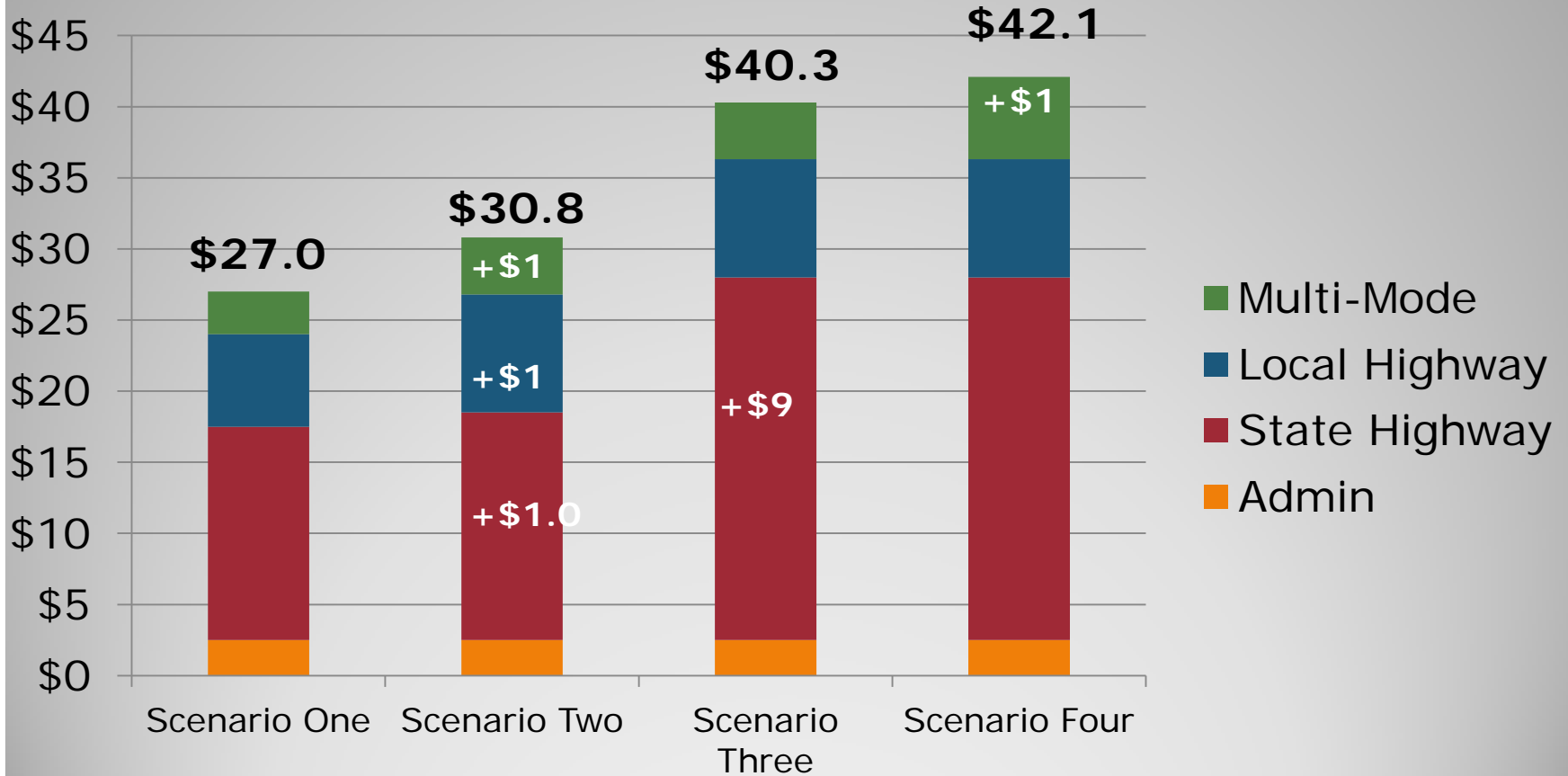
# State Highway Programs

10 – Year Totals By Scenario



# Comparison of Scenarios

Billions





**Thank You**