



TDA Budget Update #2

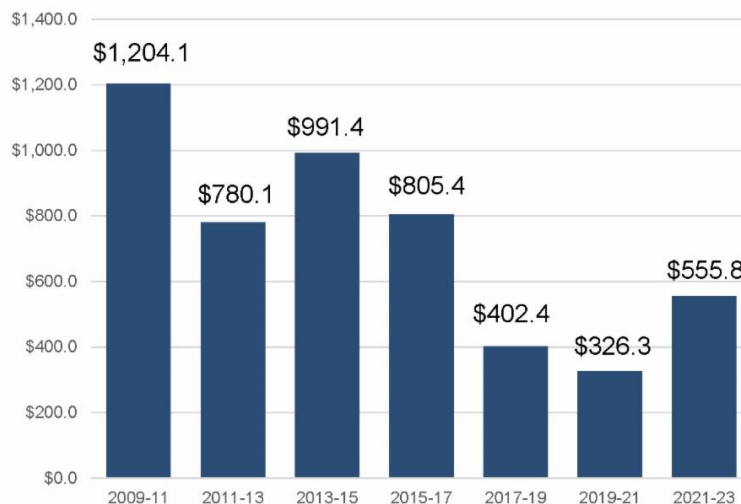
2/17/2021

Yesterday, the governor released his budget proposal. TDA staff is still combing through the details. Here is a summary of the governor's budget recommendations:

Revenue/Bonding

- The proposal includes no new state revenue.
- State transportation revenue (SEG) is projected to be roughly \$260 million below base levels primarily because of the pandemic-induced transportation revenue losses.
- Increased projected federal funding partially offsets the state transportation revenue shortfall resulting in a net revenue deficit of \$246 million.
- The proposal includes \$556 million in new bonding. This amount is still historically low. However, it is higher than the last two biennia to fill the SEG hole.

Bonding (In Millions)



Program Details

Highway Program

- State Highway Rehabilitation Program increases by approximately \$48 million over the prior biennium. The about \$19 million increase over base is to maintain program purchasing power.
- Major Highway Development Program funding remains at 2019-21 levels.
- The budget proposal includes enumeration of the I-94 East-West project.
- Southeast Wisconsin Mega Project funding is down as the state wraps up the Zoo Interchange and prepares for the I-94 East-West project.
- The governor recommends authorizing \$20 million in bonding to fund projects using design-build.

Program	2019-21	2021-23 Gov. Budget	Difference	% Change
State Highway Rehab	\$1,937.8	\$1,986.0	\$48.2	2.49%
Major Highway Development	\$564.2	\$565.7	\$1.5	.27%
SE. Wisconsin Freeway	\$226.4	\$82.0	-\$144.4	-63.78%
Total	\$2,728.4	\$2,633.7	-\$94.7	-3.47%

Local Aids

- Establishes a \$75 million Multimodal Local Supplement Grant program.
- Ups General Transportation Aids by 2% a year, more than \$19 million over the biennium.
- Increases Mass Transit Operating Aids 2.5% a year, \$3.5 million over the biennium.
- \$10 million in Transit Capital Assistance grants each year.
- Increases funding for the Specialized Transportation Assistance Program by \$69,200 over the biennium and increased Paratransit Aids by 2.5% a year.
- Provides \$15 million for a new pilot program for critical infrastructure. The program would reconstruct transportation facilities that are at high risk due to extreme weather events.
- Increases Transportation Employment Mobility \$4 million a year to provide more mobility and access to employment.

Ports and Rail

- \$20 million in bonding for the Freight Rail Preservation Program.
- \$15.3 million in bonding for the Harbor Assistance Program.

Policy Items

- Includes complete streets and eminent domain for paths.
- \$5 million in bonding for electric vehicle charging infrastructure.

Next, the Legislative Fiscal Bureau will analyze the governor's budget proposal and issue a summary in about a month.

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