

The State of Wisconsin Transportation

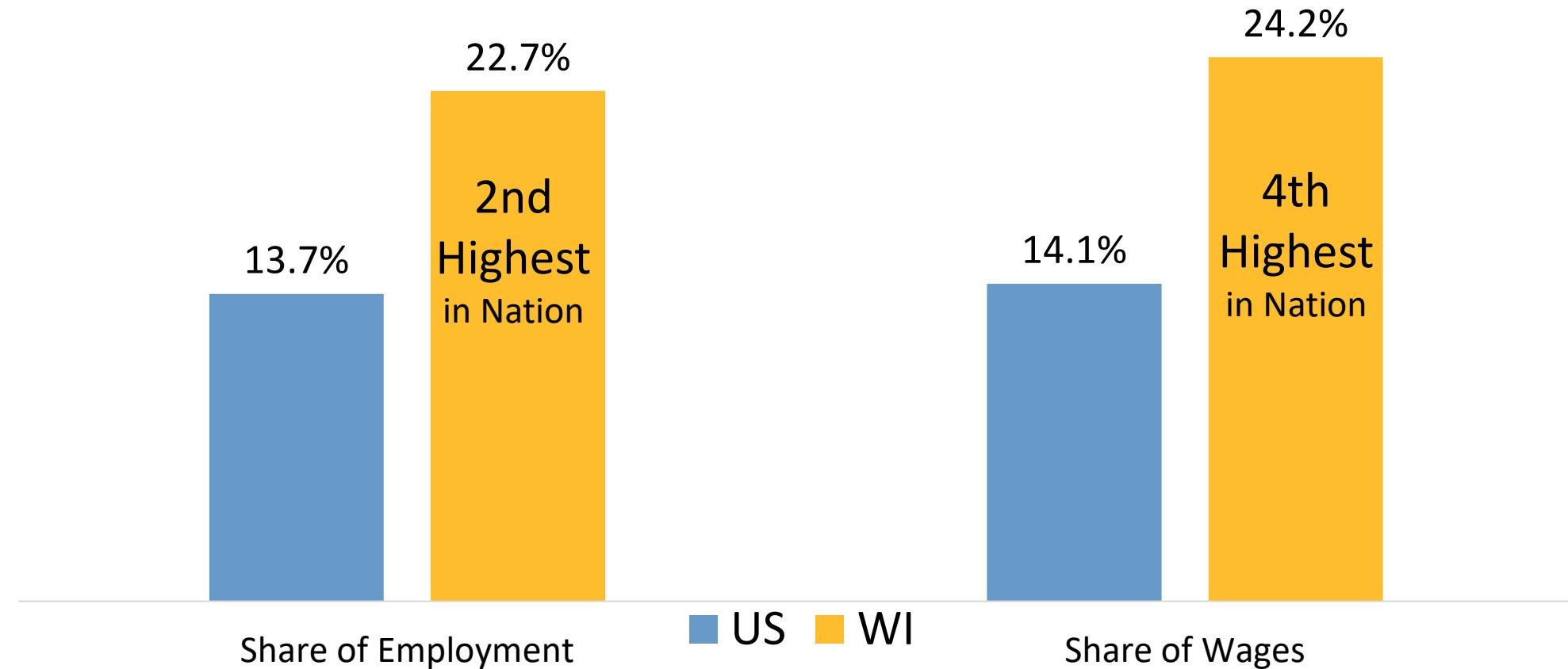
January 2026



Wisconsin's Transportation-Dependent Economy

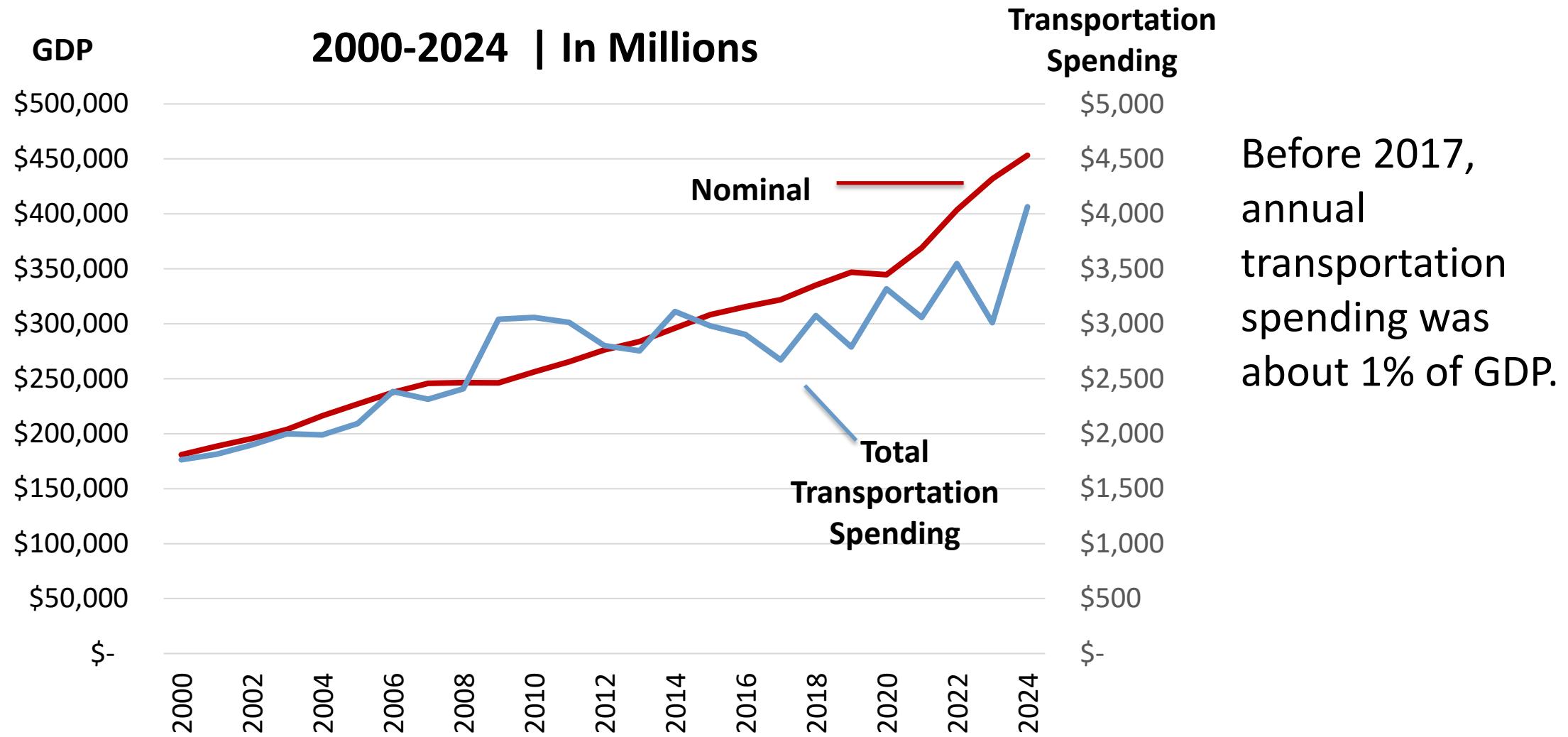
Transportation-Dependent Industries Critical for Wisconsin

Employment & Wage Shares, Manufacturing, Trucking, Agriculture, & Mining, WI & US, 2023



Wisconsin's Transportation-Dependent Economy

Investment is Not Keeping Up with the Economy

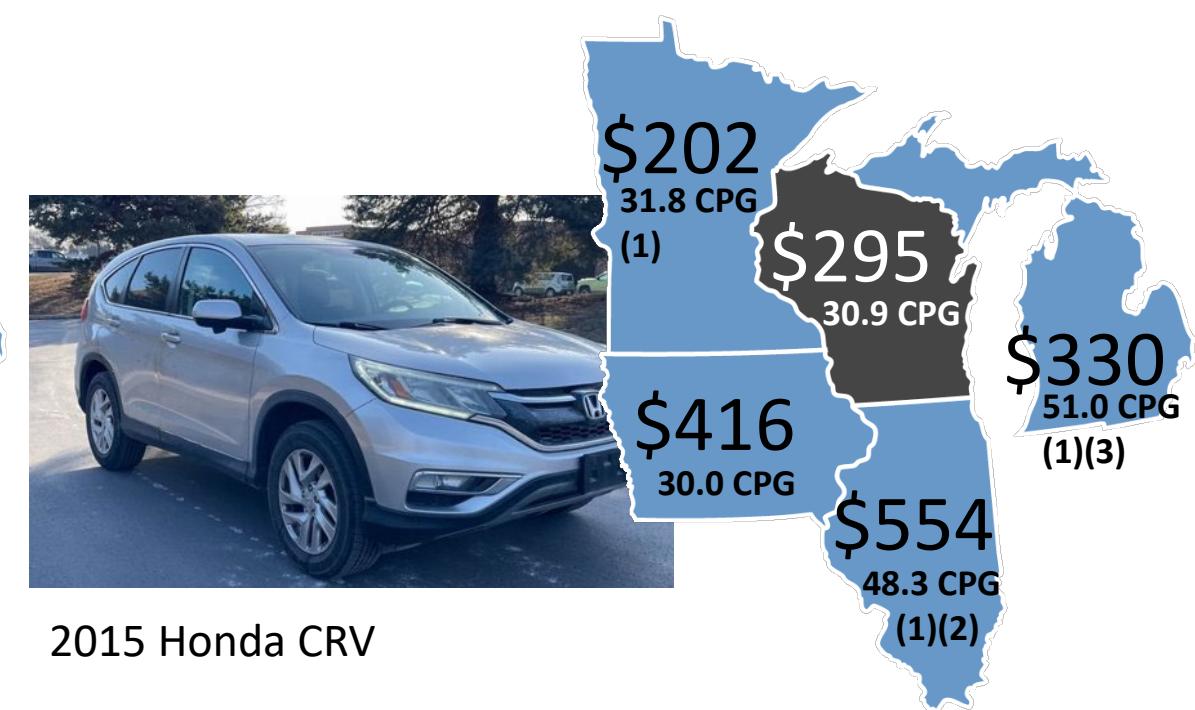
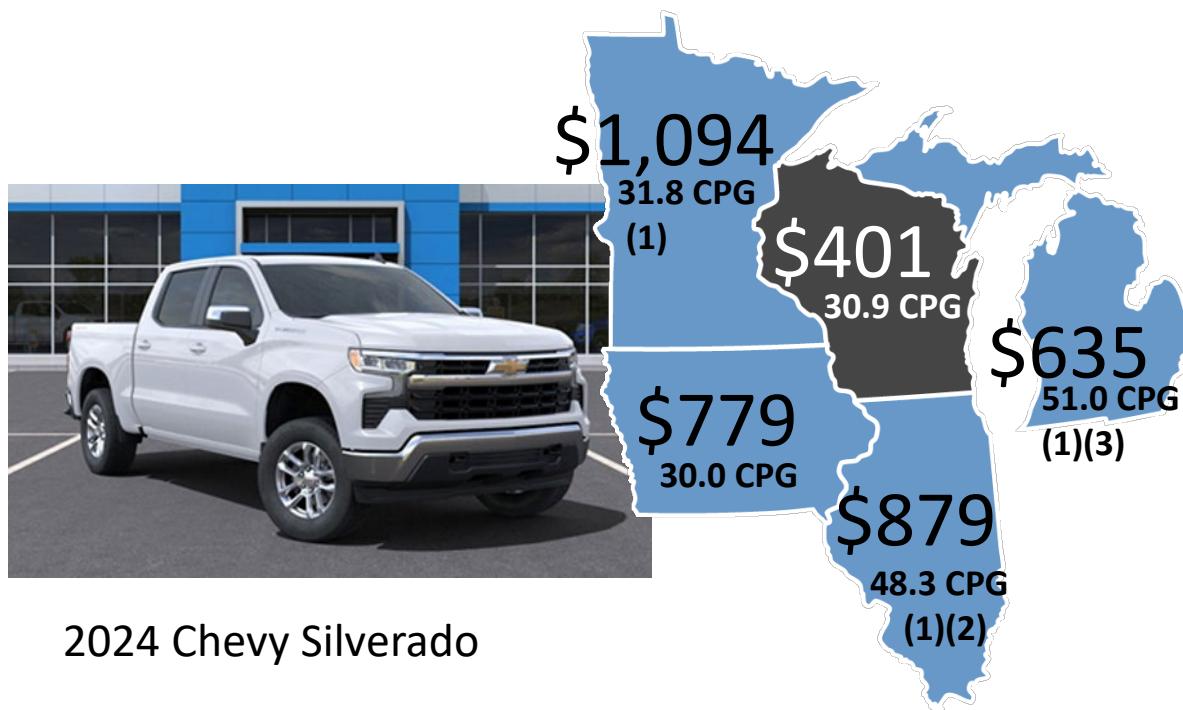


How Wisconsin Funds Transportation

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It's Cheaper to Drive in Wisconsin, Even in Madison

The cost for Wisconsin motorists to own and drive vehicles is the lowest in the Midwest in most cases. The exception is older vehicles, as MN's value-based tab fees drop 5-15% yearly for the first 10 years of ownership.



1) Annual adjustment to maintain purchasing power.

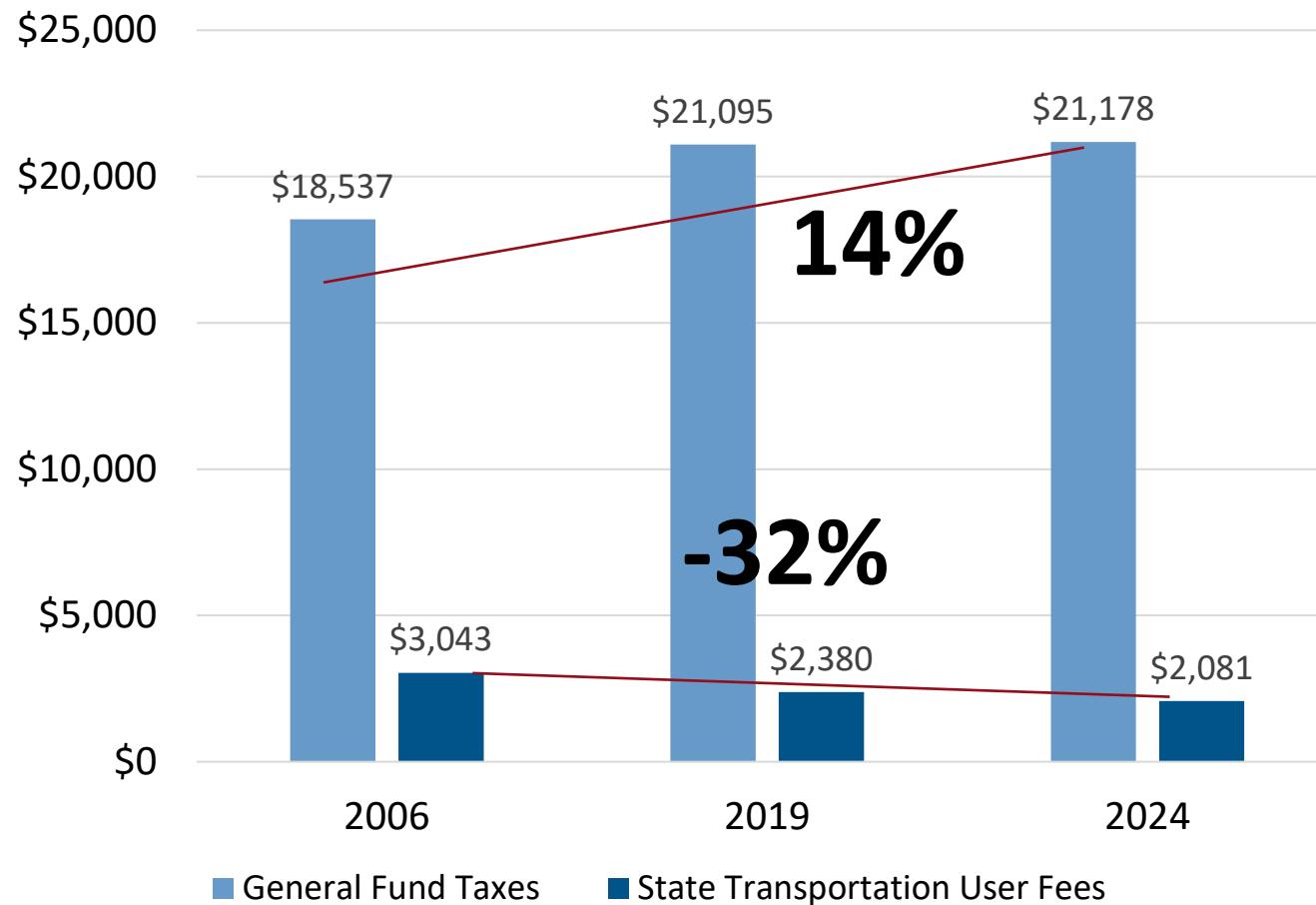
2) State also charges sales tax on gas. Est. rate including sales tax: +17 CPG IL.

3) Effective 1/1/2026 Michigan's 6% sales tax on gas becomes a 20-cent increase to the excise tax (reflected above).

How Wisconsin Funds Transportation

Transportation User Fees Don't Grow Like General Fund Taxes

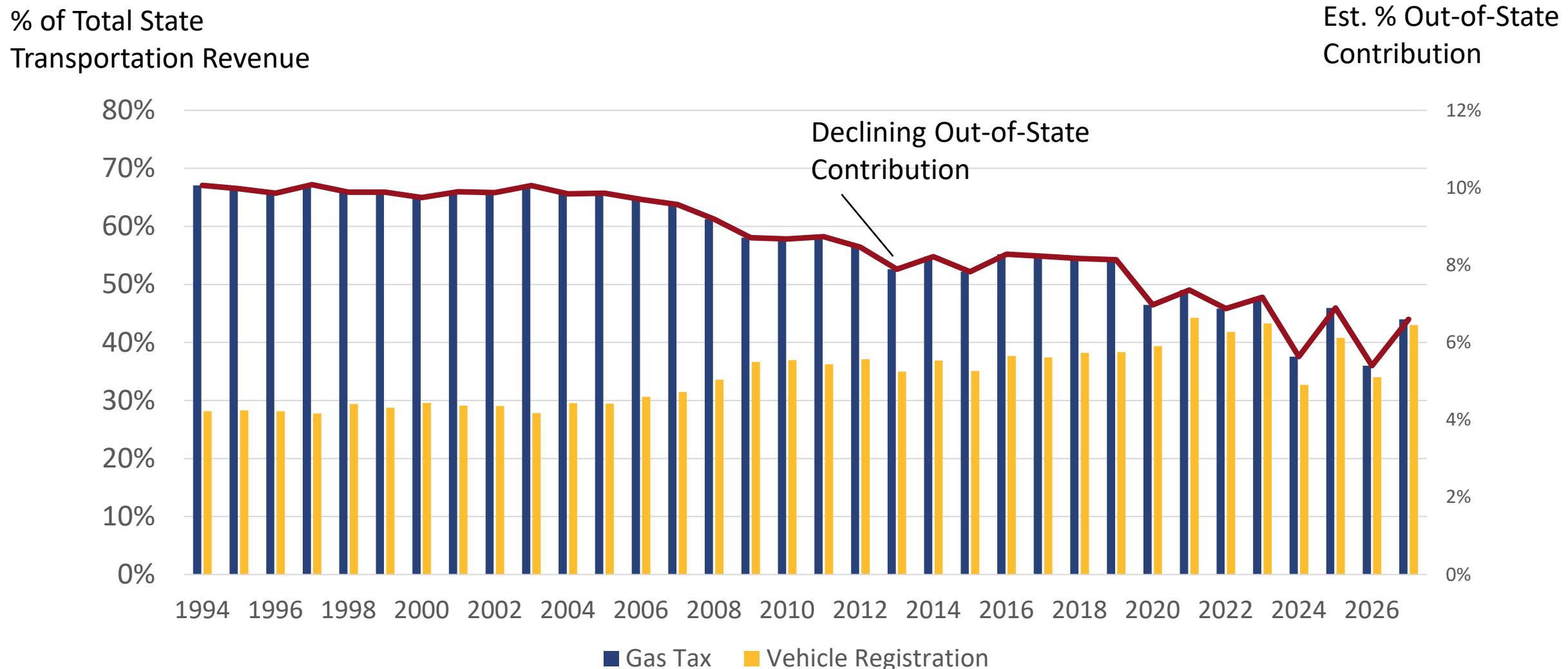
IN MILLIONS



- General Fund tax collections in 2024 dollars (CPI) increased 14%, despite tax cuts, with growing incomes, prices, and consumer spending buoying the fund.
- Transportation user fee revenue (in 2024 \$s, WCCI) **decreased 32%** despite some fee increases.

How Wisconsin Funds Transportation

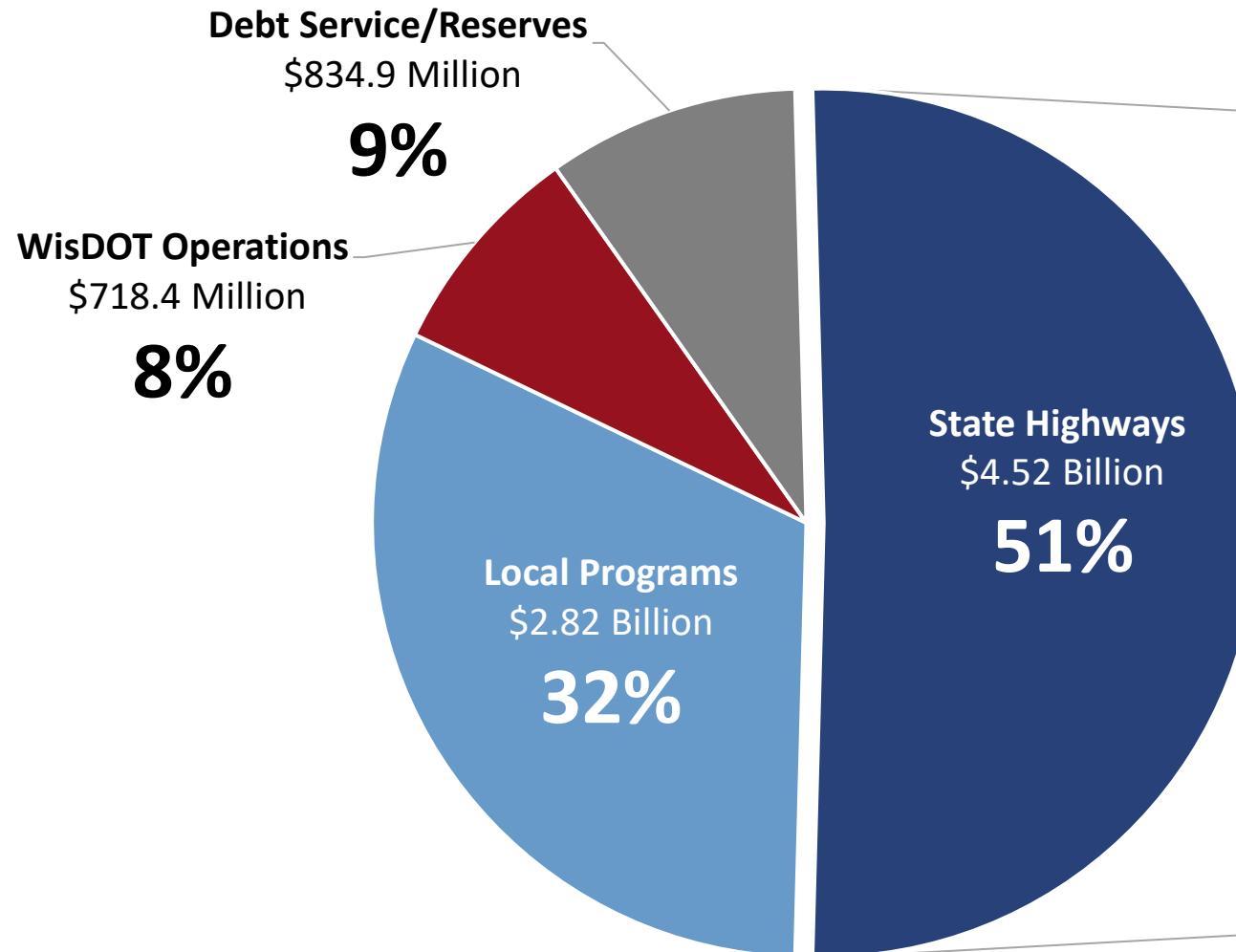
Percentage of Out-of-State Contribution Drops by More Than 30%



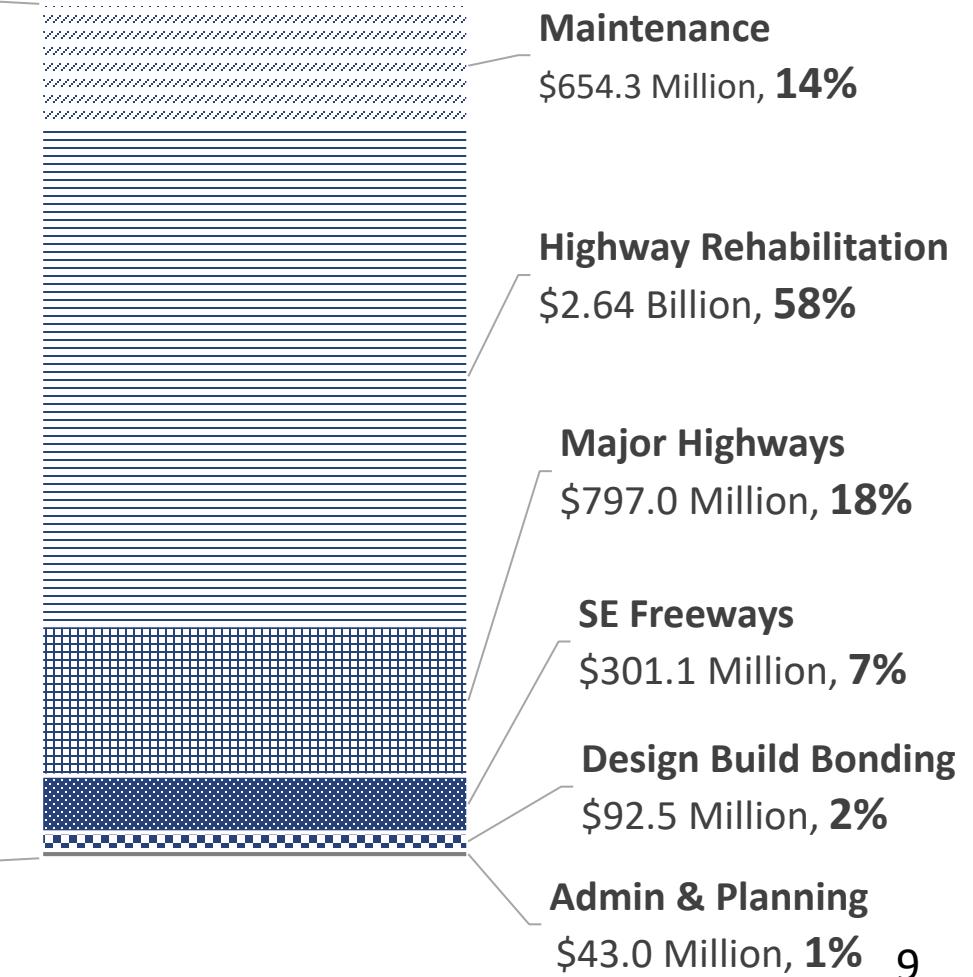
Where the Money Goes

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Majority of Highway Spending Aimed at Maintaining Highway Conditions

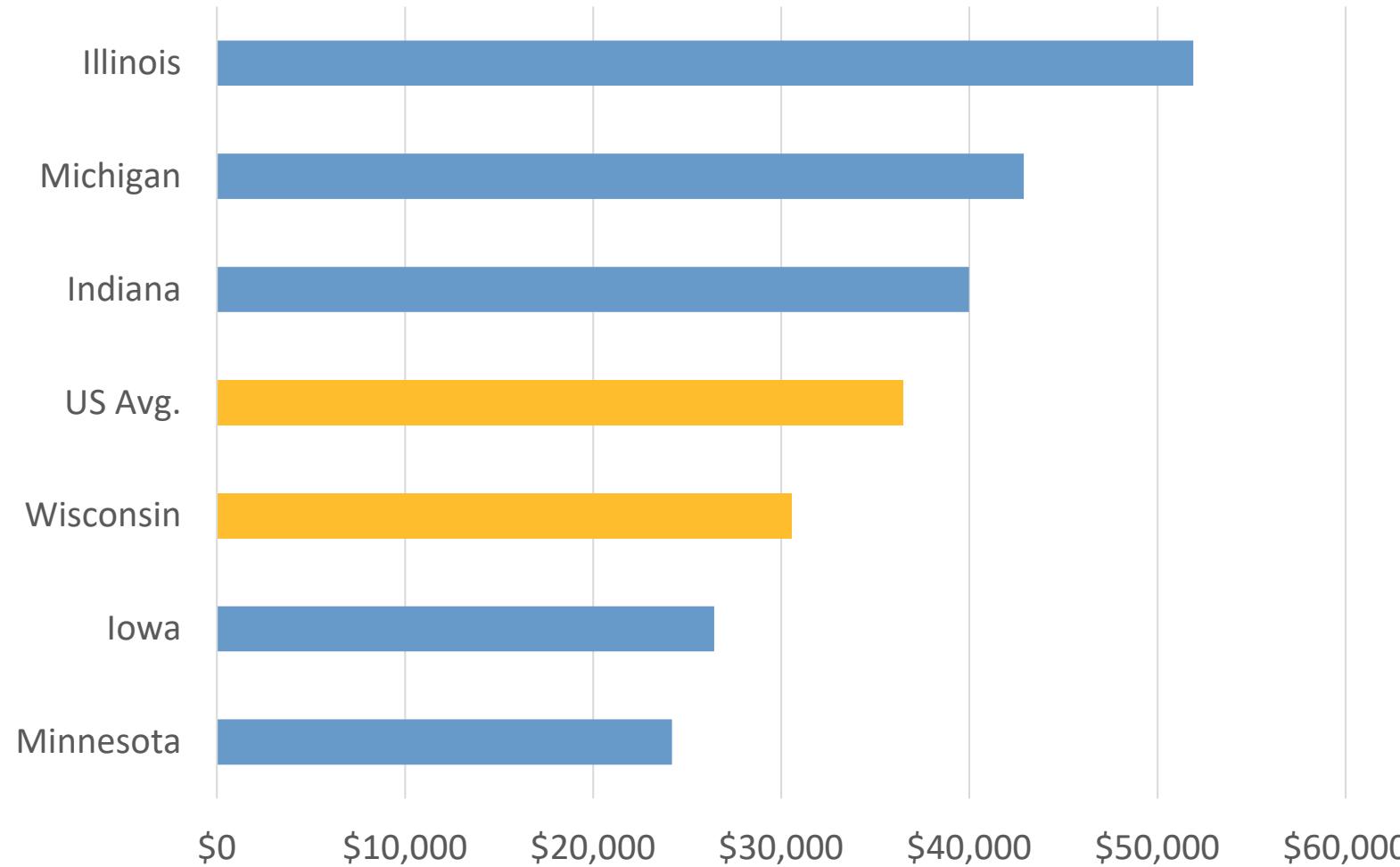


State Highway Detail



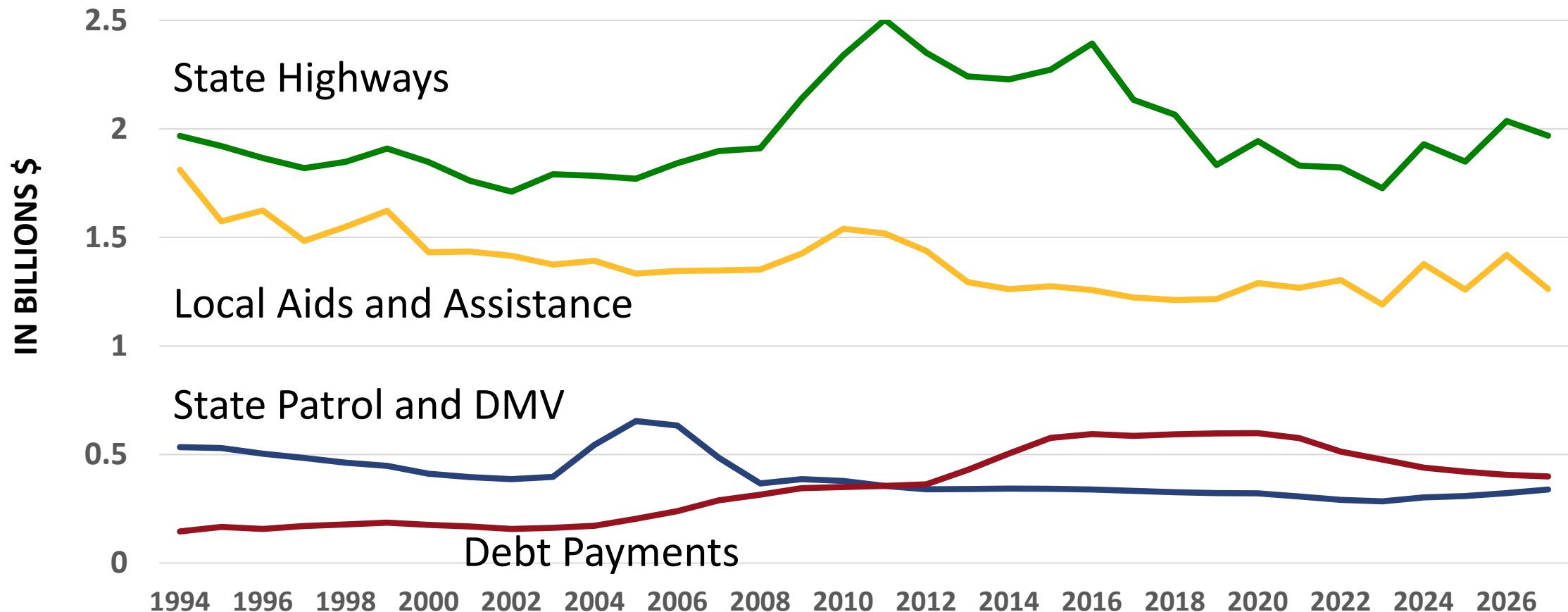
Where the Money Goes

***Wisconsin's Highway Construction Costs Lower Than National Average,
Most Neighbors*** (In 2015 Constant Dollars)



Where the Money Goes

Current Highway and Local Spending Declines in Real Dollars



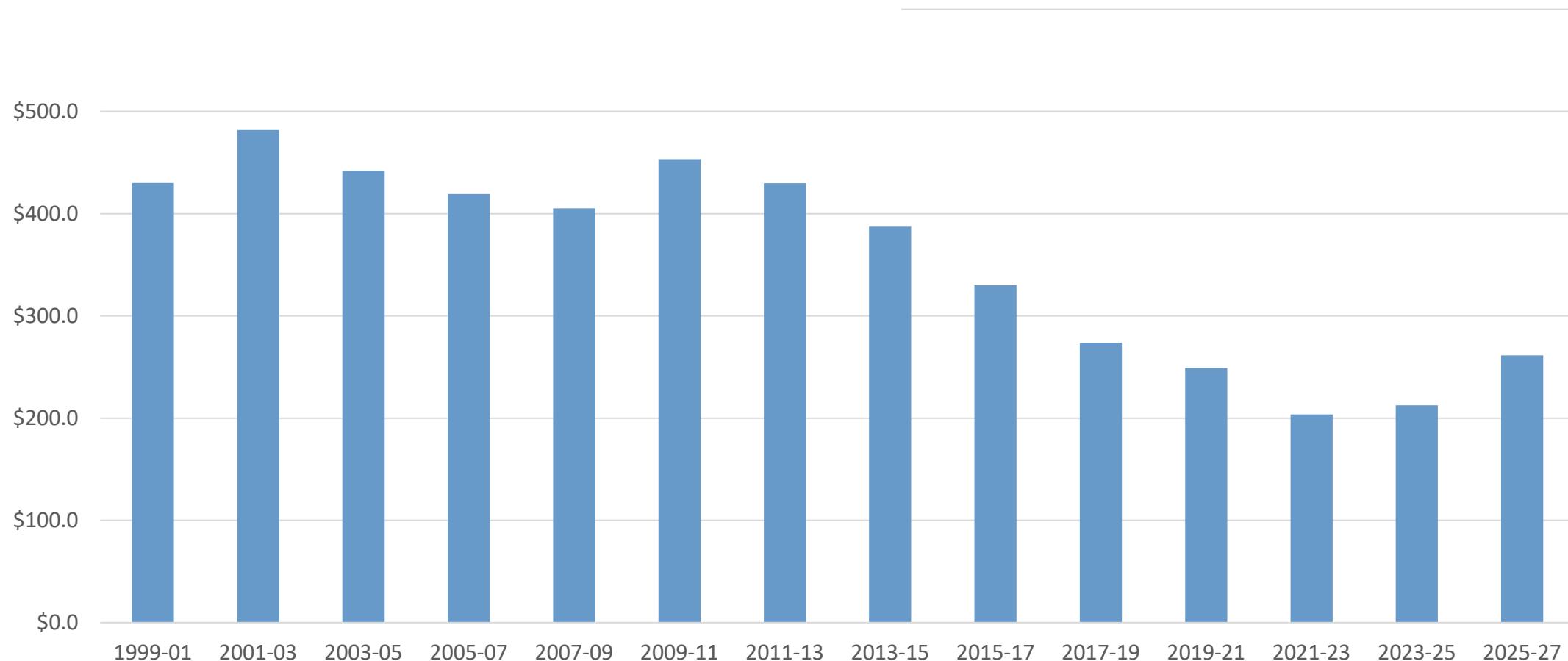
Spending by area, three-year rolling average, 1994 to 2027, inflation adjusted to 2023 dollars using CPI.

System Conditions

System Conditions

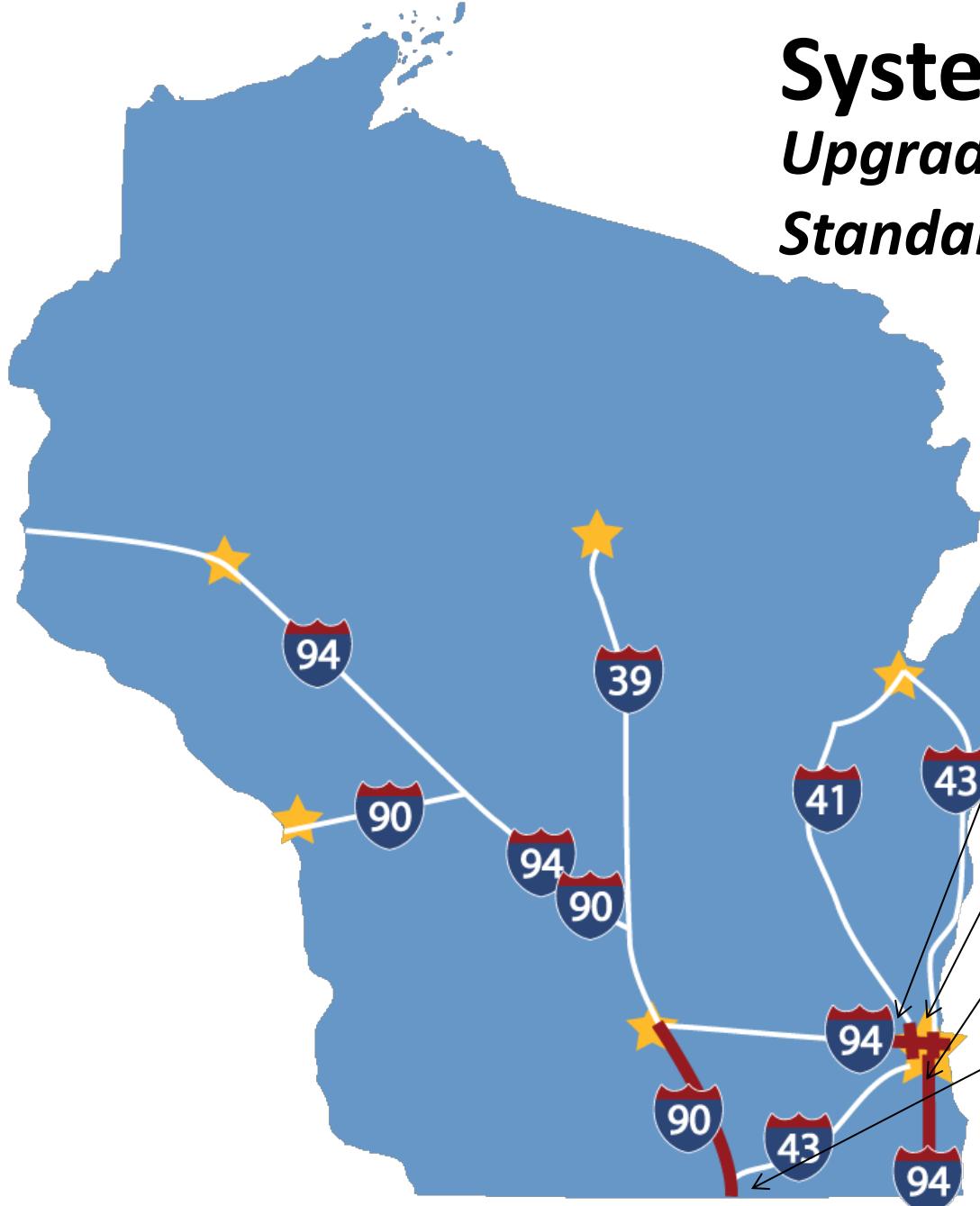
Real Major Highway Funding Lower Than 25 Years Ago

IN MILLIONS, 2000 \$s using Wis. Construction Cost Index



System Conditions

Upgrades for Current Economy and Design Standards Result in Significant Crash Reductions



Zoo Interchange 29%

Marquette Interchange 48%

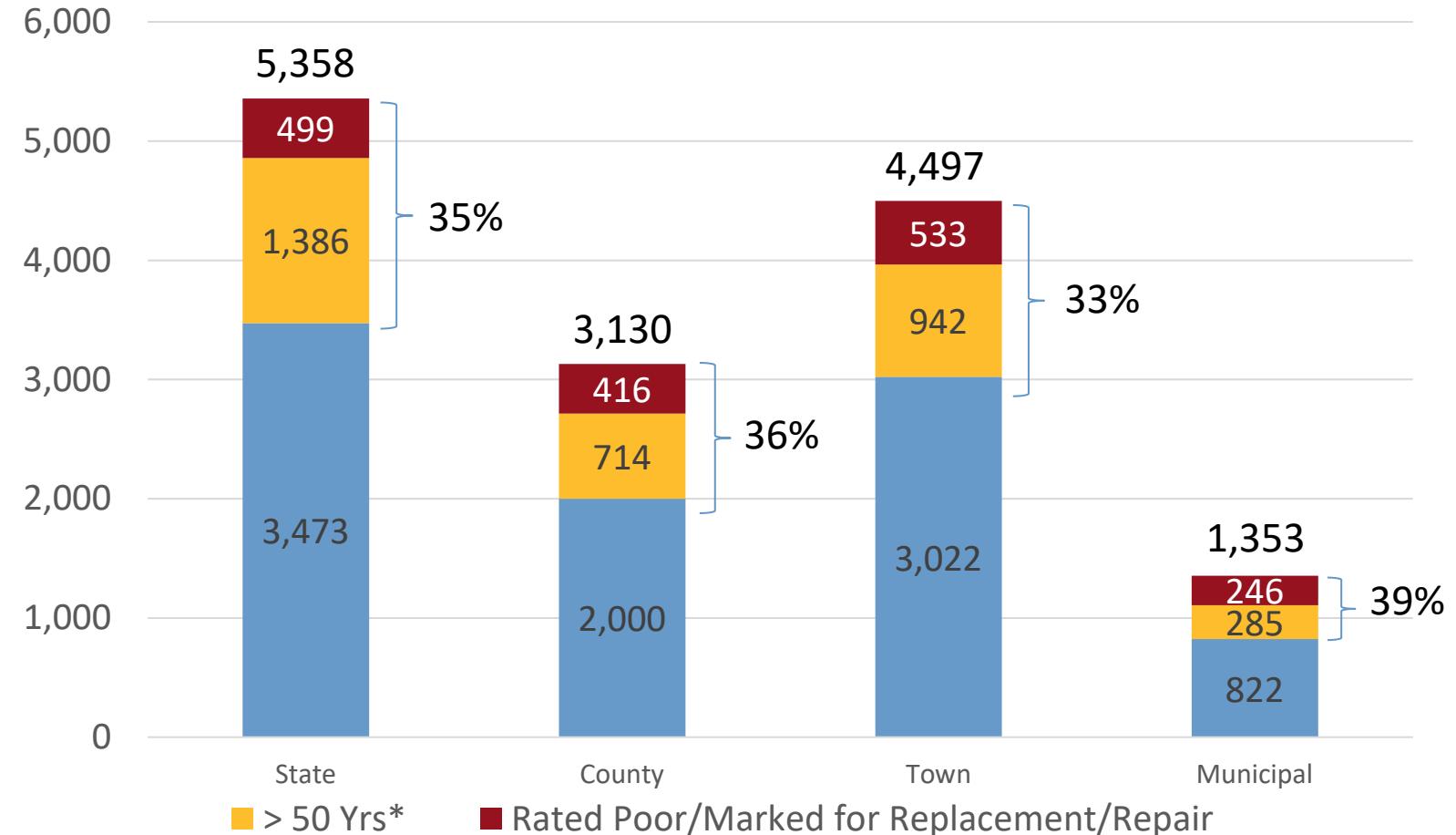
I-94 N-S 34%

I-39/90 27%

System Conditions

One in Three Bridges Deficient, Marked for Replacement, > 50 Years Old

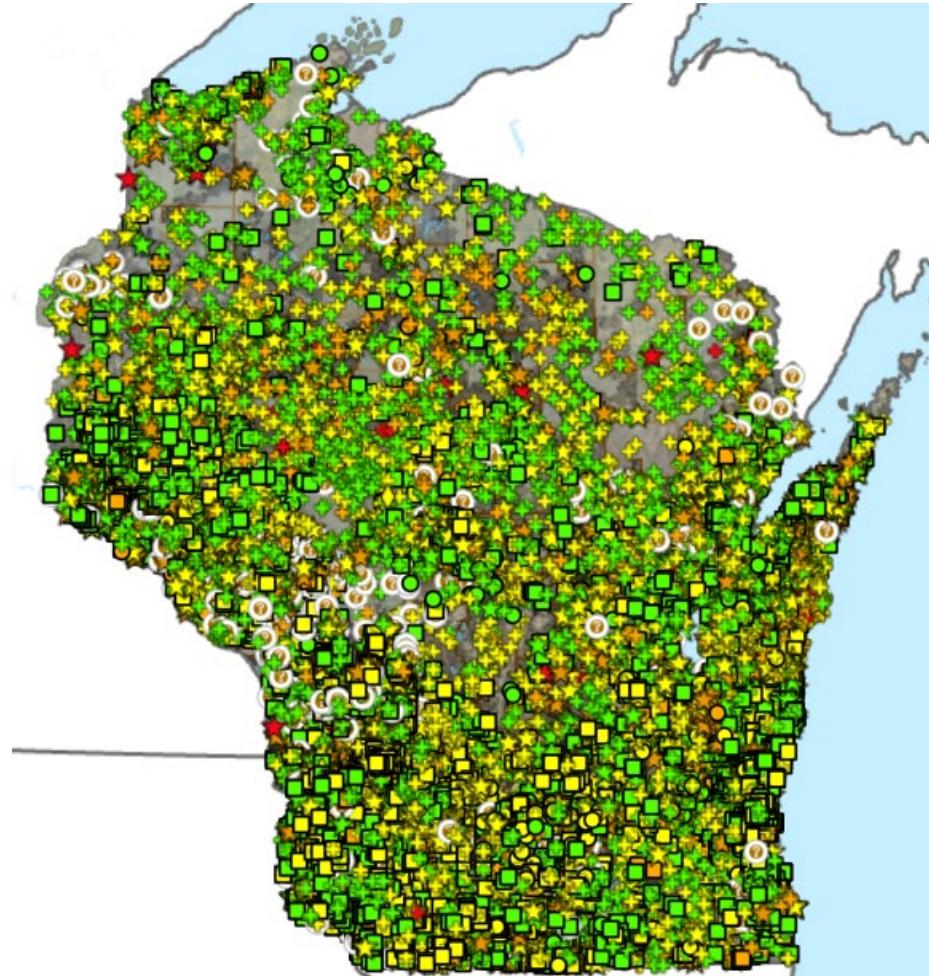
- WI has identified 1,744 bridge replacements/repairs (includes those rated poor), **estimated cost of \$2 billion**.
- Many other bridges are over 50 years old.
- 468 weight-posted bridges, about 90% on local systems.



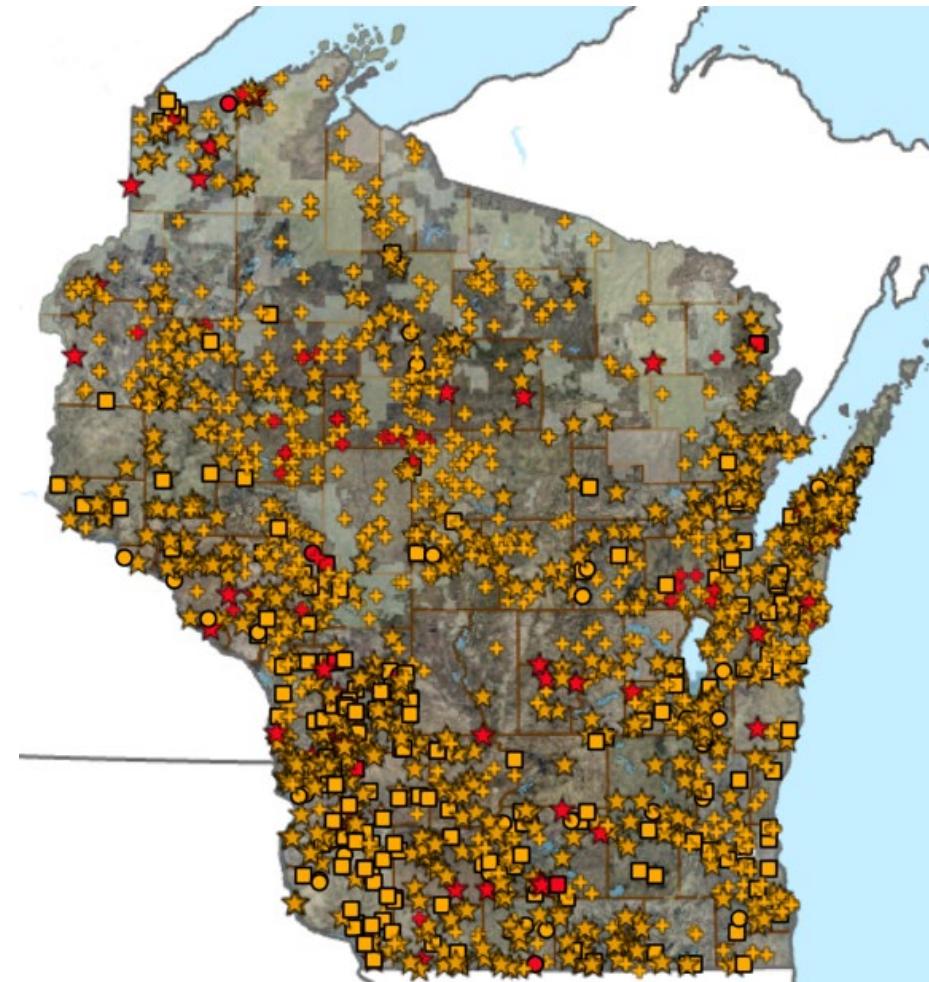
*With no major work in the last decade.

System Conditions

Small Bridges (6-20'): The Progress We've Made, The Work to Do



Nearly 17,000 Structures Inventoried



1,600+ Poor/Severe Structures

Conclusion

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2027-29 Shortfall of More Than \$1 Billion

Infrastructure Targets (in Millions \$):

Highway Capital Improvement Projects	2027-2029
I-41	\$209
US 51 Stoughton to McFarland	47
I-39/90/94 to the Dells	500
US-51 US 12 to WIS 19	12
I-94 East-West	499
Total	\$1,267

Amount Over Base Funding (excluding bonding)	\$560 Million
Local Capital Assistance (LRIP-S & ARIP)	\$250 Million
One-Time GPR Less One-Time Uses Including LRIP/ARIP	\$295 Million
Maintain SHR & Other Program Purchasing Power	\$200 Million+
Estimated Shortfall:	\$1.3 Billion+

Conclusion

Without Long-Term Fixes, Structural Shortfalls Return and Grow

- \$1 billion/year shortfall was well-documented by multiple reports, but it doesn't reflect all Wisconsin's evolving needs.
- Wisconsin made progress in the 2019-21, 2023-25, & 2025-27 budgets, but fixed flat fees and one-time funding don't keep up with inflation and structural deficits.
- An influx of funds from the federal infrastructure law helped but didn't solve the long-term Trust Fund challenges. Surface reauthorization expires in 2026, with ongoing funding uncertain.

