

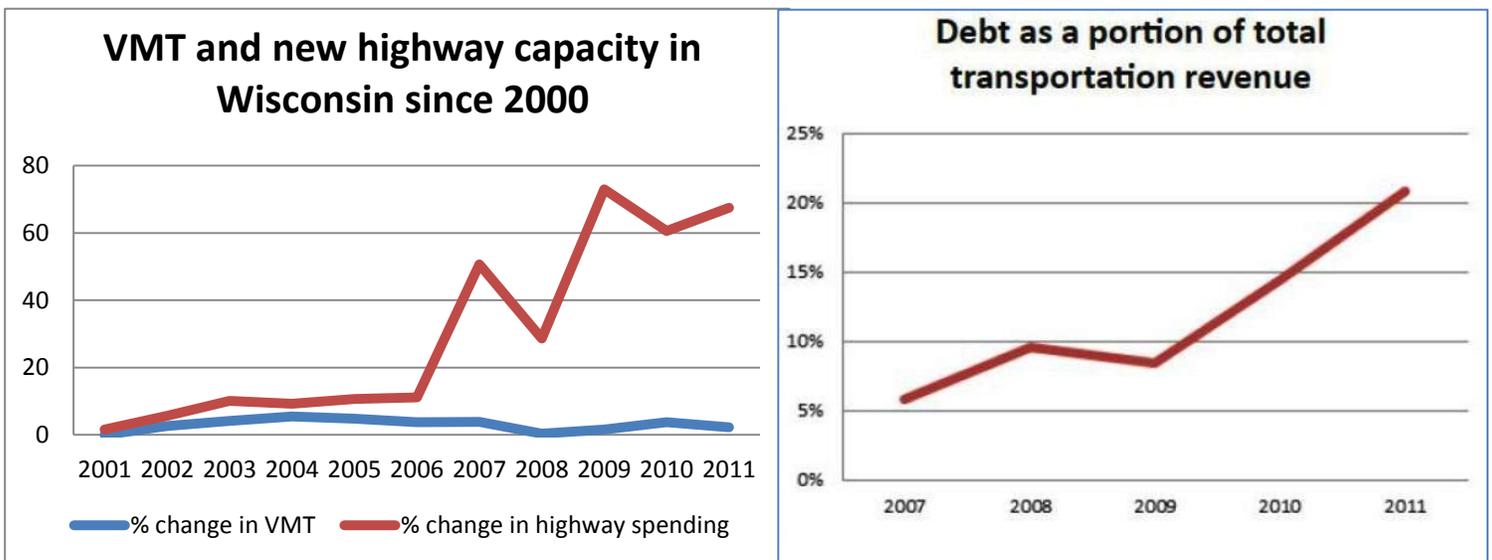
# The 10% Solution: Getting Wisconsin's Transportation Priorities Straight Cut Highway Waste, Fix Potholes, Reduce Deficit Spending

Wisconsin taxpayer dollars shouldn't be wasted on unnecessary and costly highway expenditures, when local transportation infrastructure is crumbling. Unfortunately, the transportation budget being considered by state leaders increases spending on highways while neglecting local needs. It's time to get our transportation priorities straight and invest taxpayer dollars wisely, maintaining a modern highway system while meeting local road repair and transit needs. The 10% Solution offers a budget alternative that achieves these goals.

## Unnecessary Highway Spending Wastes Taxpayer Money

Extravagant design and unjustified expansions have become too commonplace in Wisconsin's transportation budget:

- Wisconsin has chosen the most expensive option for construction in every case on the I-39/I-90 project.
- The official internal statement for the \$125 million Highway 15 widening project in Outagamie County states that an intersection improvement might be a lower-cost and viable alternative to a major highway construction project. It also states that without additional spending the Level of Service (LOS) on the road likely won't deteriorate until 2040.<sup>1</sup>



## Unaddressed Local Needs: Local Communities in Crisis

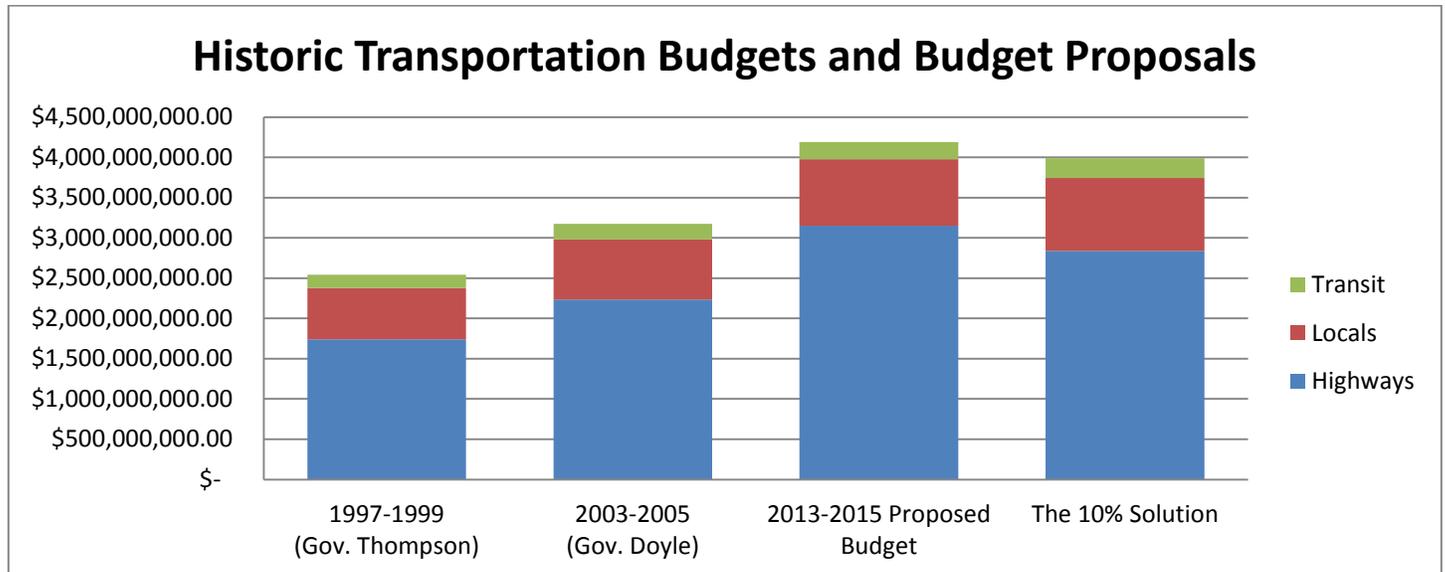
Cities, towns and villages are unable to carry out critical repair and maintenance of their local roads, while the state continues to increase spending on wasteful highways. Too many local roads and bridges across the state are in disrepair.

- Village boards, mayors and town officials struggle statewide to fix potholes and repair local roads, leaving many needs unaddressed as state reimbursements have declined sharply.
- The share of the Transportation Fund revenues for local roads has declined from 32% in 1998 to 19% in 2012.
- In constant dollars, state reimbursements for road maintenance to local communities have declined from \$446 million in 1998 to \$394 million in 2012, or a decrease of nearly 12%.
- Cuts to local reimbursements could kill projects that increase safety for bicyclists and pedestrians. Well-maintained roads and safe community access are vital to our local economies.
- Transit systems across the state are in danger of shutting down leaving many with no access to work, healthcare and other activities.

<sup>1</sup> <http://wispirg.org/reports/wip/building-boondoggles>

## The 10% Solution: Getting Our Transportation Priorities Straight

By establishing better discipline and sound budgeting principles, we can maintain our highways and fix critical problems. Cutting wasteful highway spending to reduce the structural deficit and address neglected local needs would enable our communities to plug the gaps in maintenance costs and transit service. The 10% Solution reduces highway funding by 10%, which will be used to increase local road reimbursements by 10% and transit funding by 10%, and reduce the structural deficit and cut transportation bonding by over \$200 million.



### 10% Cut to Highways

A 10% cut to the highway budget would provide over \$300 million to allow substantial increases in local road and transit funding – while reducing bonding, unnecessary spending and gold-plating new highway infrastructure.

### 10% Increase to Local Road Reimbursement

Maintaining quality local roads will support businesses in local communities, increase community vibrancy and safety, and provide an incentive for vehicles to get off the highways and contribute to local economies – instead of just driving through the state.

- While highway funding increased in the past couple budgets, local road funding has been slashed. A 10% increase for local road reimbursements will return over \$82 million to local communities.
- Although communities are eligible for reimbursements up to 85% of maintenance costs, cities and villages have received only 17% of eligible reimbursements in 2010. Increased funding will help pay for patching up potholes, safety improvements, road resurfacing and other local road upgrades.

### 10% Increase to Transit

Local transit funding received a devastating 10% cut in the 2011-2013 budget and the current budget proposal does not restore these cuts. In addition, the governor's budget proposes to move transit out of the transportation fund, forcing it to compete with other essential services like police and fire protection. A 10% increase to transit funding would reallocate a little over \$21 million, or 3 tenths of 1% of the overall transportation budget.

### \$200 Million Reduction in Structural Deficit

Bonding is borrowing money that we do not have, and in some cases for highway expenditures that we do not need. In addition, bonding creates a structural deficit, burdening taxpayers in the future, since we will have to pay interest on debt in future transportation budgets, further taking away from unaddressed local needs.