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Testimony of 1000 Friends of Wisconsin  
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Wisconsin Transportation Finance and Policy Commission  
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Thank you for the opportunity to present our views on the State of Wisconsin's Transportation Finances and Policies. 1000 Friends of Wisconsin is a statewide membership-based nonprofit organization that promotes healthy communities through good land use policies and smart transportation investments. Let me start out by saying that we fully understand that there is a serious problem with our current transportation financing system and our current policies and priorities. Our current and planned highway projects far exceed the capacity of the Transportation Fund to cover the costs of those planned projects. We must either radically increase our revenue stream to pay for those projects or we must radically scale back on the projects that we plan to undertake.

The shortfall in revenues is much worse than most of the general public could ever imagine. While most of the public believes that it is paying for state road costs when they pay their gas tax and auto registration fees, they are actually covering less than one half of the road costs in the state with those user fees. Wisconsin property taxpayers are footing more than one half of the road costs in the state of Wisconsin today. In fact, if we were to cover the current expenditures on roads in Wisconsin through the gasoline tax alone, we would have to increase the gas tax by 50 cents a gallon to cover those expenditures. Without changes, the problem will become worse as the per capita miles driven is shrinking and the fuel efficiency of vehicles is increasing. These two factors will mean even less revenue available for projects. It would be tempting to simply focus on how to raise revenues to cover the current plans but that would ignore the serious policy problems that we are confronted with.

Currently Wisconsin places the highest priority on the construction of new state highway capacity. That statement is based on the fact that those are the only projects that are funded completely by the Transportation Fund. While good Interstate highways and other major state highways are essential to a healthy economy, we strongly challenge the wisdom of favoring those highways over all other roads in the state.

This policy means that 11% of state highways have all of their construction and maintenance costs covered by user fees, while the other 90% of state roads rely heavily on the property tax.

This subsidy of state highways at the expense of local roads is unfairly hurting the state's vital center of commerce: the cities, villages and towns where we live and work. Communities with poor transportation infrastructure are not desirable places to live or work. Who wants to live in a community with bad roads, lots of potholes and lousy transit service? What do we say to those whose connections to work rely on transit?

The next generation of American leaders places a high priority on quality of life and a sense of place. Polls conducted by the Realtors have confirmed a change in attitude in young people and housing preference. 60% of the next generation of leaders prefer either attached housing (apartments and condo's) or small houses with small lots in urban areas. They also want transit. Yet our transportation policies ignore this trend and continue to invest in a 1960's infrastructure.

Our economic future depends on the vitality of our cities. We can't afford to have manufacturing and commerce relocate to other states because of failing cities.

Currently our centers of commerce must set aside as much as 20% of property tax revenues for road costs. With recently enacted revenue caps, reductions in revenue sharing and reduced general transportation aids and reduced transit aids, cities are facing a crisis in meeting the needs of residents and commerce. The most recently adopted state budget adds one more insult to the transportation needs of our centers of population: by eliminating (instead of expanding) Regional transit Authorities, the cities have one less tool to meet the needs of workers and commerce.

The citizens of Wisconsin deserve better than this. We should have a transportation system that is balanced and equitably funded.

We at 1000 Friends of Wisconsin are prepared to support adequate funding for a balanced transportation system. That balance **must** include significantly better support for local roads and significantly improved support for transit options. And yes, *where appropriate*, we also support investments in the transportation links in the state and interstate system that improve commerce in the state.

However, we are deeply skeptical that such a balance will be achieved at any time in the near future. The last budget showed that the current legislative leadership and the current administration are openly hostile to adequately funding transit and they have adopted policies that fail to meet the needs of communities throughout Wisconsin as demonstrated by the cuts in transportation aids while awarding significant increases in funding for major highway expansion projects. In short, they have supported a transportation system that we feel is radically out of synch with the state's needs.

Though we stand prepared to support changes in our transportation finance system that could include increased revenues for surface transportation infrastructure --- we will work as hard as we can to stop any increase in funding for surface transportation investments in Wisconsin that do not adequately fund local transportation needs.

Thank you for the opportunity to present our views.