

May 2, 2008

TO: Wisconsin Legislators

FROM:

Aggregate Producers of WI
American Automobile Association - Wisconsin
Midwest Equipment Dealers Association
Midwest Food Processors Association
National Federation of Independent Business – WI Chapter
Transportation Development Association
Wisconsin Auto & Truck Dealers Association
Wisconsin Automotive Aftermarket Association
Wisconsin Automotive Parts Association
Wisconsin Counties Association
Wisconsin Grocers Association
Wisconsin Housing Alliance
Wisconsin Innkeepers Association
Wisconsin Manufacturers & Commerce
Wisconsin Milk Haulers Association
Wisconsin Motor Carriers Association
Wisconsin Movers Association
Wisconsin Petroleum Council
Wisconsin Petroleum Marketers & Convenience Store Association
Wisconsin Towing Association
Wisconsin Towns Association
Wisconsin Transportation Builders Association

RE: Transportation Provisions of Budget Repair Bill

We strongly urge you to support the transportation provisions of the bi-partisan Budget Repair agreement negotiated by legislative leadership. We understand that Assembly Republican Speaker Mike Huebsch and Senate Democratic Majority Leader Russ Decker have agreed on transportation provisions that begin to restore the integrity of the Transportation Fund. We believe that infrastructure investment is critical to the long-term economic health of Wisconsin and can help reverse the bleak employment news throughout the state. This work by Democrats and Republicans demonstrates that the integrity of the Transportation Fund is not, and must not be, a partisan issue.

General Motors announced this week that it intends to lay off more than 750 workers at its Janesville plant. These are the kind of good-paying jobs with family-supporting benefits that have been the bedrock of Wisconsin's economy and its communities. Combined with other plant closings and mass layoffs, employers have announced their intention to cut more than 6,000 jobs around the state in just the first four months of 2008.

The Administration has indicated it will transfer up to \$144 million from the Transportation Fund if there is not a budget agreement in the very near future. According to the Wisconsin Department of Transportation, this transfer would result in a significant portion or all of the May 13 and June 10 highway and bridge lettings to be indefinitely postponed. That action would result in the potential loss of \$261 million in projects,

which would lead to the loss of 2,000 construction jobs in Wisconsin. These are the kind of good, family-supporting jobs that provide the tax revenue that supports General Fund priorities like education and health care.

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The May and June lettings represent approximately one-third of the state's planned transportation infrastructure investment in the current fiscal year. Postponement would not only result in fewer construction jobs this summer, but would lead to a less-reliable system that hurts, rather than helps, Wisconsin's efforts to grow its economy.

In the last three state budgets, \$1.1 billion in transportation revenue has been used to support General Fund spending. While GPR-supported bonding replaced a portion of these transferred revenues, this practice has failed to address the state's structural deficits and broken the public's trust in the transportation user fee concept to meet documented system needs.

We urge you to support the transportation provisions of the Budget Repair Bill, which will begin restoring the integrity of the Transportation Fund and provide good jobs in Wisconsin at a time when they are desperately needed.