

38. *Gold Star License Plate.* Require DOT to issue a special license plate for persons who have had an immediate family member die in combat while serving in the U.S. armed forces. Define "immediate family member" to mean a spouse, grandparent, parent, sibling, child, stepchild, stepparent, or grandchild, or the spouse of a grandparent, parent, sibling, child, stepchild, stepparent, or grandchild. Specify that the plate shall display a gold star flag and require the Department to consult the Brian LaViolette Scholarship Foundation, Inc., in designing the plate. Prohibit the Department from specifying a design for the plate unless the design is approved in writing by the Department of Veterans Affairs and by the Brian LaViolette Scholarship Foundation, Inc.. Specify that no issuance or reissuance fee shall be charged for the plate. Create an exception for the plate from a provision that prohibits new special group license plates from being authorized after October 1, 1998, except for under a procedure whereby groups apply for a special group plate. Create an exemption for the plate from redesign and plate replacement requirements. Specify that these provisions take effect on the first day of the fourth month beginning after publication of the bill. Provide \$10,000 SEG in 2005-06 and \$18,000 SEG in 2006-07 for the Division of Motor Vehicles' costs related to issuing these plates.

39. *Expressway Policing Aid.* Provide \$250,000 SEG annually for expressway policing aids, which would set total funding for these aids at \$1,290,800 SEG each year.

40. *Technical Corrections.* Make corrections (with no net funding or position change) to change the appropriation from which certain funding and position reductions were made under the departmental reorganization and budget reductions item to reflect the administration's intent, as follows: (a) reduce funding by \$66,700 SEG and 1.0 SEG position annually and \$139,300 FED and 2.0 FED positions in 2006-07 in the Bureau of Transportation Safety appropriations instead of, under the bill, the SEG and FED appropriations for departmental management and operations; and (b) reduce funding by \$103,600 FED and 1.0 FED position in 2006-07 in the appropriation for highway administration and planning instead of, under the bill, the FED appropriation for departmental management and operations.

41. *Modifications.* Adopt the two modifications in LFB Issue Paper #715, relating to a reestimate of terminal tax distribution payments (based on a reestimate of railroad ad valorem tax collections on railroad property) and conservation fund transfers (based on a reestimate of the motor fuel tax rate under statutory indexing provisions). Terminal tax payments are projected to be higher than the bill by \$50,900 SEG in 2005-06 and \$40,000 SEG in 2006-07. Transfers to the motor boat account are projected to be higher, relative to the Committee's earlier reestimate, by \$42,900 SEG in 2006-07.

42. *Petroleum Inspection Fund.* Make the following changes related to the petroleum inspection fund:

a. Adopt Paper 214, Alternative A1 to approve the Governor's recommendation to transfer \$10,860,600 in 2005-06 and \$20,000,000 in 2006-07 from the petroleum inspection fund to the general fund.

b. Decrease the PECFA awards appropriation by \$27,600,000 SEG in 2005-06 and \$30,400,000 SEG in 2006-07 to provide \$40.4 million in 2005-06 and \$37.6 million in 2006-07 for

PECFA claims.

c. Decrease the petroleum inspection fee by 1¢, from 3¢ to 2¢ per gallon, effective May 1, 2006. (This would decrease revenue to the petroleum inspection fund by approximately \$6.4 million in 2005-06 and \$39.5 million in 2006-07.)

d. Adopt Paper 214, Alternative C1, to delete \$49,076,000 in currently authorized, but unissued, PECFA revenue obligation bonding authority.

e. Direct the Department of Commerce to submit, as part of its 2007-09 biennial budget request, a proposal to phase-out the PECFA program.

43. *Diesel Truck Idling Reduction Unit Grant Program.* Create a diesel truck idling reduction unit grant program in Commerce that would provide financial assistance to motor carriers who transport freight, for voluntarily purchasing and field testing idling reduction units on a portion of the carrier's fleet of diesel trucks. The program would include the following components:

a. Define "idling reduction unit" as a device that is installed on a diesel truck to reduce the long-duration idling of the truck by providing heat, air conditioning, or electricity to the truck while the truck is parked or otherwise stationary without the operation of the main drive engine of the truck while the device is providing the heat, air conditioning, or electricity.

b. Authorize Commerce to award a grant during the five year period between July 1, 2006, and June 30, 2011, to a common motor carrier (currently defined in s. 194.01 (1)), contract motor carrier (defined in s. 194.01 (2)), or private motor carrier (defined in s. 194.01 (11)) for the purchase and field testing of one or more idling reduction units, subject to eligibility terms and conditions. Sunset the program on December 31, 2012, (18 months after the last grant could be awarded).

c. Create two appropriations from the segregated petroleum inspection fund and provide funding as follows: (a) \$1,000,000 SEG in 2006-07 in an annual appropriation for grants under the program; and (b) \$37,700 SEG in 2005-06 and \$48,900 SEG in 2006-07 with 1.0 SEG grants specialist position in an annual appropriation for administration of the program.

d. Specify that eligible costs would include the amount that the applicant has incurred or will incur to purchase and install one or more idling reduction units under the program.

e. Ineligible costs would include: (1) any cost of shipping an idling reduction unit, purchased with a grant under the program, from the manufacturer of the unit to the facility where the unit will be installed on the motor carrier's truck tractor as defined in s. 340.01 (73); (2) any cost of operating an idling reduction unit; and (3) any cost of maintaining an idling reduction unit.

f. A grant awarded under the program could equal up to 70% of the eligible costs based on the number of truck tractors with post-1998 diesel truck engines owned and operated by the applicant. Define "post-1998 diesel truck engine" as a heavy-duty highway diesel engine that complies with the air pollutant emission standards promulgated by the U.S. Environmental

Protection Agency under 42 U.S.C. s. 7521 for engine model year 1998 or a later model. The maximum number of idling reduction units per applicant which may be funded under the program would be as follows: (1) if the applicant owns and operates one truck tractor with a post-1998 diesel truck engines, the maximum number of funded idling reduction units would be one; (2) if the applicant owns and operates two to 10 truck tractors with post-1998 diesel truck engines, the maximum number of funded idling reduction units would be two; (3) if the applicant owns and operates 11 to 50 truck tractors with post-1998 diesel truck engines, the maximum number of funded idling reduction units would be two or 10% of the portion of the applicant's fleet with eligible engines, whichever is greater; (4) if the applicant owns and operates 51 to 250 truck tractors with post-1998 diesel truck engines, the maximum number of funded idling reduction units would be six or 7% of the portion of the applicant's fleet with eligible engines, whichever is greater; (5) if the applicant owns and operates 251 to 500 truck tractors with post-1998 diesel truck engines, the maximum number of funded idling reduction units would be 18 or 6% of the portion of the applicant's fleet with eligible engines, whichever is greater; (6) if the applicant owns and operates 501 to 2,500 truck tractors with post-1998 diesel truck engines, the maximum number of funded idling reduction units would be 25 or 5% of the portion of the applicant's fleet with eligible engines, whichever is greater; and (7) if the applicant owns and operates over 2,500 truck tractors with post-1998 diesel truck engines, the maximum number of funded idling reduction units would be 3% of the portion of the applicant's fleet with eligible engines.

g. Specify that an individual applicant may not receive, in any fiscal year, more than 20% of the amount appropriated for grants.

h. Allow Commerce to disburse a grant award over more than one fiscal year, subject to the availability of funds and the annual cap for an individual applicant.

i. Specify that an applicant must be headquartered in Wisconsin.

j. Specify that an applicant must install an idling reduction unit purchased under the program on a truck tractor that: (1) is owned and operated by the applicant; and (2) has a post-1998 diesel truck engine.

k. Require the applicant to pay 30% of the eligible costs for each idling reduction unit purchased under the program. Specify that the applicant may not use grants, loans, or other financial assistance from the state or local governments in Wisconsin to pay for the applicant's share of the eligible costs.

l. Require that the use of an idling reduction unit purchased under the program must result, in aggregate, in a decrease in emissions of one or more air contaminants, as defined in s. 285.01 (1), from the truck tractor on which the unit is installed or a decrease in the use of energy by the truck tractor on which the unit is installed.

m. Require that the applicant agree to collect information relating to the operation and performance of each idling reduction unit purchased under the program, as specified by Commerce, and to report that information to Commerce.

n. Require that if an applicant is awarded a grant for purchasing more than one idling reduction unit, the units must be from multiple manufacturers and multiple types of units, as specified by the Department.

o. Require that the applicant must comply with any other grant condition established by the Department.

p. Require that Commerce withhold payment of at least 20% of a grant award until the grant recipient has complied with the grant requirements, including reporting to the Department the operating and performance data required for each idling reduction unit purchased under the program.

q. Require Commerce to collect information from grant recipients on the operation and performance of idling reduction units purchased under the program. Require that the Department summarize the information collected on the operation and performance of idling reduction units and make it available to motor carriers in an appropriate and cost-effective manner, such as posting on the Department's Internet site.

r. Authorize Commerce to promulgate emergency administrative rules to administer the program, without the finding of an emergency.

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Note:

*Transportation Fund.* The following table provides a fund condition statement for the transportation fund under the motion.

### Estimated Transportation Fund Condition Under the Motion

	<u>2005-06</u>	<u>2006-07</u>
Unappropriated Balance, July 1	\$0	\$719,100
<b>Revenues</b>		
Motor Fuel Tax	\$993,992,600	\$1,032,788,500
Vehicle Registration Fees	463,257,700	473,334,400
Less Revenue Bond Debt Service	-148,144,200	-159,484,300
Driver's License Fees	30,548,200	30,853,600
Miscellaneous Motor Vehicle Fees	23,445,300	24,162,600
Aeronautical Fees and Taxes	10,873,700	11,062,800
Railroad Property Taxes	15,600,500	16,182,300
Motor Carrier Fees	3,000,000	3,000,000
Investment Earnings	6,186,300	6,771,800
Miscellaneous Departmental Revenues	<u>21,491,600</u>	<u>21,816,000</u>
Total Annual Revenues	\$1,420,251,700	\$1,460,487,700
 Total Available	 \$1,420,251,700	 \$1,461,206,800
<b>Appropriations, Reserves, and Fund Transfers</b>		
DOT Appropriations	\$1,123,088,300	\$1,426,268,200
Other Agency Appropriations	23,908,500	25,558,100
Less Estimated Lapses	-1,000,000	-1,000,000
Transfer to General Fund	268,058,100	0
Compensation and Other Reserves	<u>5,477,700</u>	<u>9,898,800</u>
Net Appropriations, Reserves, and Transfers	\$1,419,532,600	\$1,460,725,100
 Unappropriated Balance, June 30	 \$719,100	 \$481,700

*Petroleum Inspection Fund.* The following table shows the estimated balance of the petroleum inspection fund under the motion through June 30, 2009. Under the motion, it is uncertain whether there would be funds available to retire PECFA revenue obligation debt beyond the minimum required payments. While the table reflects that \$15 million balloon payments would likely need to be refinanced in both 2006-07 and 2007-08, it is possible that at least one of the balloon payments could be made, depending on the actual level of revenues and PECFA claim demand over the next three years. However, it also may be more difficult for the state to refinance bonds or to reissue short-term commercial paper as it matures, or outstanding debt may have to be refinanced at higher interest rates, because the fee reduction would provide a ratio of revenues to debt that may be less attractive to potential bond buyers.

**Estimated Petroleum Inspection Fund Condition Under the Motion  
(\$ In Millions)**

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Opening Balance -- July 1	\$53.1	\$59.7	\$26.7	\$15.3
<b>Revenues</b>				
Petroleum Inspection Fee	\$110.8	\$79.3	\$80.0	\$80.7
Revenue Obligation Debt Service	-32.4	-33.0	-34.6	-35.1
Interest Income and Other	0.2	0.2	0.1	0.1
Petroleum Bulk Tank Fees	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
Total Revenue	\$78.8	\$46.7	\$45.6	\$45.9
 Total Revenue Available	 \$131.9	 \$106.4	 \$72.3	 \$61.3
<b>Expenditures and Reserves</b>				
PECFA Awards from Appropriation	\$40.4	\$37.6	\$35.0	\$32.5
PECFA Administration	3.0	2.9	2.9	3.0
Other Programs	17.9	18.8	18.8	18.9
Reserves, Lapses and Encumbrances	<u>0.1</u>	<u>0.3</u>	<u>0.3</u>	<u>0.4</u>
Total Expenditures	\$61.4	\$59.7	\$57.0	\$54.8
 Less Transfers to the General Fund	 -\$10.9	 -\$20.0	 \$0.0	 \$0.0
 Closing Balance -- June 30	 \$59.7	 \$26.7	 \$15.3	 \$6.5

[Change to Bill: \$212,336,900 GPR; \$224,777,000 transportation SEG; -\$56,913,400 petroleum inspection fund SEG; -\$42,382,100 SEG-S; \$3,756,400 SEG-L; -\$45,571,800 transportation SEG-REV; -\$45,900,000 petroleum inspection fund SEG-REV; -\$268,058,100 SEG-Transfer; -\$191,740,000 transportation BR-REVENUE; -\$49,076,000 petroleum inspection fund BR-REVENUE; \$6,800,000 BR-GO; 18.25 transportation SEG positions; 1.0 petroleum inspection fund SEG position; and 0.75 GPR position]