2025-2027 Budget Talking Points
Transportation Funding

Transportation infrastructure is the backbone of Wisconsin. Quality roads allow for economic growth, improved public safety, reduced congestion, and increased connectivity between our communities. Unfortunately, we've seen a decline in local road quality, falling from 6.6 on a 10-point scale in 2010 to 6.2 in 2023. In the same period, the share of local roads rated as excellent or very good fell by 9.5%.

While Wisconsin municipalities are continually focused on transportation construction and maintenance, they're expected to do more with less as state aids have failed to keep pace with inflation. From 2000 to 2025, General Transportation Aids (GTAs) increased 60.4% while the Consumer Price Index increased by 90.7%. From 2020 to 2023, the Producer Price Index for concrete rose 20.2% while GTAs rose 4.0%.

Wisconsin's cities and villages maintain 20% of the state's local roads, yet 40% of local traffic takes place on these roads, a figure that increases when accounting for county and state highways running through cities and villages. Wisconsinites use these roads every day. Ensuring our roads keep up with the needs of Wisconsinites will strengthen our economy and enhance quality of life for residents.

General Transportation Aids

League's 2025-2027 Budget Request - Increase GTAs by 5% in Each Year of the Biennium

2025-27 Executive Budget - 3% Each Year *2023-25 State Budget - 2% Each Year*

General Transportation Aids (GTAs) are the primary mechanism for Wisconsin's cities and villages to offset the cost of road construction and maintenance. The statewide estimated transportation aid payments for cities and villages in 2025 equal 14% to 15.7% of reported costs for 2023.The state must increase the support for local roads. An increase in GTAs means an increase in the reimbursement for costs incurred to maintain Wisconsin's local roads, allowing for more potholes to be filled, more cracks to be sealed, and more roads to be paved in future years.

Local Roads Improvement Program

League's 2025-2027 Budget Request - Provide $150.0 million One-Time to LRIP-Supplemental

2025-27 Executive Budget - $100.0 million *2023-25 State Budget - $100.0 million*

With increasing costs and declining inflation-adjusted aids, too much of local road construction and maintenance has been patchwork, providing a short-term fix for a long-term problem. The Local Roads Improvement Program (LRIP) helps to fund high priority projects that may not otherwise receive attention, ensuring better road quality for residents and reduced maintenance burden for local leaders.

Connecting Highway Aids

League's 2025-2027 Budget Request - Increase Connection Highway Aids by 5% in Each Year of the Biennium (Less than $2.0 million Over the Biennium)

2025-27 Executive Budget - No Change *2023-25 State Budget - 25% Increase in 2024*

Many Wisconsin city and village roads serving as main streets or key arteries are designated as state trunk highways. 116 cities and villages receive Connecting Highway Aids to offset some of the costs for

maintaining that state owned highway until WisDOT performs a major reconstruction project. While a sizable increase in the last budget helped, aids are still falling short of true costs. The overall program is only funded at $17.0 million per year. Prior to the 2023-2025 budget, Connecting Highway Aids hadn't been increased since 1998 even though municipalities experienced substantial inflation over the period.

State Highway Rehabilitation Program

League's 2025-2027 Budget Request - Increase State Highway Rehabilitation by $200.0 million

2025-27 Executive Budget - $319,024,900 *2023-25 State Budget - $125,014,800*

Many of the remaining 494 cities and villages that don't receive Connecting Highway Aids also have a state trunk highway serving as a vital road in their community. Increases to the State Highway Rehabilitation Program will help ensure all these corridors serving as both a key local artery and state highway receive the work they need. Residents don't care who is responsible for road construction and maintenance, they just want to stop driving over potholes on the way to work and to the grocery store.

Transit Operating Assistance

League's 2025-2027 Budget Request - Provide $15.0 million for Tier C Transit

2025-27 Executive Budget - $5,031,400 *2023-25 State Budget - Not Applicable*

About 55% of trips taken on local transit systems are employment-related, while 14% are education-related, 20% are for shopping, and 11% are for health care. A reduction in transit makes it harder for people to get to work, school, grocery stores, and the doctor, impacting the quality of life for Wisconsinites. Therefore, at minimum, an overall 2% increase in Transit Operating Assistance is needed to ensure people can move throughout communities across Wisconsin on a daily basis.

Wisconsin has 79 transit systems, with 56 of those systems in Tier C which serves populations ranging from 2,500 to 50,000. 39 of the 56 in Tier C are what's known as shared-ride taxi services, where residents in smaller communities receive a reduced rate for taxi rides. In 2024, state aid only covered 13.0% of Tier C expenses, compared to 34.6% in 2004, making it harder for residents in more rural areas to hold employment and increasing emergency 911 services calls for seniors' routine medical needs like transport to appointments. $15.0 million will address the reclassification of five systems from Tier B to Tier C as a result of the 2020 Census and bring all Tier C Transit to about 25.0% of expenses covered through state aids. To reach 34.6% of expenses covered as it was in 2004, $23.0 million would need to invested in Tier C Transit for the reclassification and biennial amount of the increase.

Agricultural Roads Improvement Program

League's 2025-2027 Budget Request - Provide $100.0 to $150.0 million One-Time to ARIP

2025-27 Executive Budget - $50.0 million *2023-25 State Budget - $150.0 million*

The Agricultural Roads Improvement Program (ARIP) recognizes the importance of agriculture to our economy. While agricultural products are cultivated on farms, the process often starts and ends in cities and villages which host 60% of dairy processors and many other agriculture-centered businesses. We request that ARIP is renewed, and a **statutory change** is provided to allow non-weight restricted roads that serve agricultural producers, like routes to processing facilities, to qualify for the program.

Harbor Assistance Program

League's 2025-2027 Budget Request - Provide $30.0 million to the Harbor Assistance Program

2025-27 Executive Budget - $30.0 million *2023-25 State Budget - $20.0 million*

Wisconsin is blessed with over 820 miles of Great Lakes shoreline and 230 miles of Mississippi River shoreline and utilizes that strategic advantage to generate $1.68 billion in economic output from our ports and harbors. The Harbor Assistance Program helps improve and maintain waterborne commerce. An increase will ensure Menominee Harbor is funded and other harbors may compete for funding.