



Wisconsin Motor Carriers Association Good stuff.



"Promoting Safe and Reliable Truck Transportation"

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January 12, 2012

To: Members,
Wisconsin Transportation Finance and Policy Commission

Subject: Financing Transportation in Wisconsin

The Wisconsin Motor Carriers Association (WMCA) appreciates this opportunity to present our views to the Wisconsin Transportation Finance and Policy Commission relative to financing transportation in this state.

The WMCA is a non-profit trade association representing the interests of commercial motor vehicle operators within the state of Wisconsin. The association has 1,100 members, ranging from independent contractors with one truck to companies with thousands of trucks.

Integrity of the Transportation Fund

WMCA members have watched with dismay as over \$1.3 billion was transferred from the Transportation Fund for non-transportation programs. Those diversions have robbed us of needed highway and bridge improvements.

We supported legislation (SJR 23) approved last year that would provide a constitutional amendment to prohibit the use of transportation funds for non-transportation purposes.

Our members are convinced that maintaining the integrity of the Transportation Fund is the key to a solid transportation system in this state. The trucking industry wants and needs good highways and bridges and it is willing to pay for them. However, they will always question the wisdom of pouring more money into the "transportation bucket" if that bucket has serious leaks in it and the funds are being drained off for other purposes.

Truck User Fees Rank High In Wisconsin

Wisconsin ranks in the top ten in the country for both diesel fuel tax and registration fees paid by commercial motor vehicle operators. It should be kept in mind that Wisconsin is one of the few states that have paid for non-transportation programs with highway user fees. Most other states provide General Program Revenue assistance for transportation because a good transportation system contributes to the general economic condition of the state.

Tolls

WMCA members are willing to discuss any funding alternatives that are equitable and reasonable. However, it should be understood that the association has serious reservations about the use of toll roads in Wisconsin. These reservations are based on the following concerns:

1. Tolls can often cause diversion of traffic to non-tolled routes.
2. Tolling agencies are frequently governed by non-elected officials who have in many cases adopted irresponsible and unreasonable rate hikes, which have resulted in further diversions.
3. Frequently tolls are not "user fees" because the revenue generated by the tolls is used for other projects besides highways and bridges.
4. Trucks and passenger vehicles currently pay state and federal highway user fees for the roads they use. When these fees are paid in addition to tolls, it represents double-taxation.
5. Setting up another system to collect user fees seems inefficient given the administrative costs associated with building toll booths and collecting the tolls.

Attached you will find the WMCA background paper on tolls.

Funding Alternatives

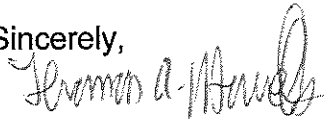
The Wisconsin Motor Carriers Association understands the need to explore alternative revenue sources to fund future transportation needs in Wisconsin. As you review transportation financing options, please consider the following:

1. Any discussion about transportation should also include ways to cut expenses and improve efficiency - not just raising additional revenue.
2. Consideration should be given to eliminating non-transportation programs from the Transportation Fund and utilizing "transportation user fees" only for transportation programs.
3. If additional revenue is raised, we encourage you to evaluate the fee alternatives based on:
 - Whether it is collected on a "pay as you go" basis;

- Whether it is equitable (measures actual use of the system);
- Whether there are assurances that the funds would be used for transportation;
- Whether the revenue source is predictable, providing a consistent flow of revenue for needed transportation projects;
- Avoiding unproven revenue sources that invites litigation and places future transportation revenues in jeopardy.

Thank you for the opportunity to provide the trucking industry perspective on this important topic.

Sincerely,

A handwritten signature in cursive script that reads "Thomas A. Howells". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Thomas A. Howells,
President