Iowa County Vehicle Registration Fee Fact Sheet
09-04-14

1) The State Legislature authorizes Counties to impose a vehicle registration fee for vehicles under 8,000# as one of three (sales tax/room tax/registration fees) "Local Government Revenue Options". Registration Fees are authorized within SS. 341.35 of the Wisconsin State Statutes.

2) A $15.00 County vehicle registration fee would bring in an estimated $345,000 per year to be directed as the county's (local) cost share match for highway road and bridge construction improvement projects within the Local Roads Improvement Program (LRIP) and Surface Transportation Program (STP-Bridge and STP-Rural) state-federal funding mechanisms. A $20.00 County registration fee would bring in an estimated $460,000 per year.

3) The current backlog of construction improvement projects within the LRIP and STP programs in Iowa County for the next four years is $7,171,680. Of that amount, the local cost share match require is estimated at $2,680,100, returning an estimated $4.4M of other source state and federal funding for Iowa County infra-structure. The local match amount required to be provided by the County is 37.4% of the overall estimated project costs. The registration fee proposed would provide 50% of the needed local matching funds to perform the following projects during construction years 2015 - 2018:
    - CTH E Bridge and Approaches in Town of Mifflin
    - CTH HK Bridge and Approaches in the Town of Moscow
    - CTH G Bridge and Approaches in the Town of Mifflin
    - CTH Y Bridge and Approaches in the Town of Dodgeville
    - CTH HH Bridge and Approaches in the Town of Arena
    - Design engineering fees for CTH F from STH 78 in Blanchardville to STH 39
    - CTH K from Mounds Park Road to STH 14 pavement repairs
    - 2.5 miles of pavement surface on either CTH BB, CTH N, or CTH T

4) The determination of projects to be funded by the federal Surface Transportation Program (STP) is based on entitlements and applications submitted every biennial cycle. Iowa County is currently placed in the top 10 counties in the state with regards to entitlement amounts for the STP-Bridge and STP-Rural programs. Entitlements are determined by the amount of funding eligible to be utilized by the county for funding improvement projects within the program. Those counties with high entitlements do not fully utilize monies available to them on an annual basis in comparison to their counterparts. Counties with lower entitlements have performed more projects and/or utilized more funding than their counterparts, resulting in proportionally more improvement projects on their system with higher amounts of other source (non-county) funding.

5) Since 1999, cost increases and funding decreases within highway department operations have eroded the ability to sustain a proactive capital highway and bridge replacement and improvement program. Some of these cost increases and funding decreases include the following:
    a. The portion of County Operating Tax Levy for the Highway department operations in 2014 is 94% of the amount provided in 1999; decreased in the period of 1999 and 2013 with $2,658,505.00 provided in 1999 versus $2,502,067 for 2014. 2009 was the lowest levy at $2,056,009 with 2006 the highest in the period at $2,745,856.

b. Funding from state registration fees and fuel taxes through General Transportation Aids (GTA) are currently being held stagnant compared to those of 2006; $871,072 in 2006 to $882,840 in 2014.
c. Fixed Labor costs for the department operations have increased in the time period from $13.86 / hour in 1999 to $18.86 / hour in 2014, along with healthcare and other increases.
d. In an effort to contain fixed labor costs; Highway Department staffing has decreased approximately 20% in the time period from 52 employees in 1999 to 43 employees in 2014.
e. Highway Department operational fuel costs have risen $293,300 annually between the period of 1999 and 2013; $117,160 in 1999 to $482,034 in 2013.
f. Highway Department machinery operation costs have increased $625,360/year in the time period from 1999 to 2013; $1,053,460 in 1999 to $1,678,820 in 2013.
g. Preventative maintenance chipseal wearing surface coating costs of application have increased 229% between the same time period of 1999 to 2013; $6,300 / mile versus $14,480 / mile, respectively.
h. Costs per ton for ¾" road gravel have increased in the time period by 191%; from $3.75 / ton in 1999 to $7.15 / ton in 2012.
i. Costs for a ton of asphalt oil for production of temporary and permanent hotmix asphalt surfaces has increased 314% in the time period; from $188.85 / ton in 2002 to $592.10 / ton in 2012.
j. Salt material costs for winter storm response applications have increased from $33.00 / ton in 1999 to $72.00 / ton for 2014, an increase of 218% in the time frame.
k. Stagnant funding sources coupled with rising costs for materials, operations, and labor have caused a decrease in preventative maintenance and capital improvement projects to the highway system.

6) The Highway Department has been forced to reduce the number of budgeted project maintenance and capital improvement project miles from the goals of 9 miles of new surfacing and 44 miles of chipseals (9/44) to 3 miles of paving and 22 miles of chipseal (3/22) to meet budgetary restrictions and increased costs, on average. The net result in the current operations is a stretch of county highway asphalt pavement surface is improved through a structural overlay or pulverized and replaced once in every 76 years; source 2014 PASER data for the county.

7) The Highway Department is annually required to fluctuate funding sources between expenditure projects to balance the books due to the above funding shortages and increased operating costs. The balancing act has resulted in lost state registration fee and gas tax monies allocated to the county through the Local Road Improvement program – County Highway Improvement Program Discretionary (CHIP-D). In 2009, the county returned $330,000 of allocated funding to other neighboring counties due to an inability to provide the necessary matching amounts of $330,000 to perform project improvements on county roads. The funding was split between the counties of Columbia and Jefferson.

8) The County Highway Trust Fund – General Transportation Aids percent reimbursed to counties has declined from the goal of 30% of eligible expenditures at initial inception in 1992 to 14.75% between the period of 2008 and 2012 for Iowa County.

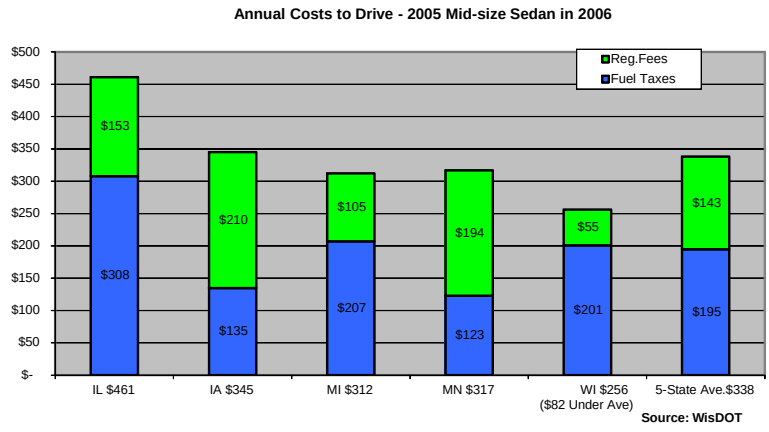
9) Revenue options for transportation related expenditures in the state of Wisconsin are the lowest in comparison with the surrounding Great Lakes States.

REVENUE OPTIONS: Wisconsin does not have the transporation funding options of neighboring states.
In fact, it has the most limited funding source for transportation in the nation.
The gas tax and vehicle registration fee provides over 90 percent of the state transportation revenue.
However, the gas tax will become less viable as a measure of system use due to increased vehicle fuel efficency and alternative fuels.

REGIONAL TRANSPORTATION REVENUE SOURCES	ILLINOIS	INDIANA	IOWA	MICHIGAN	MINNESOTA	WISCONSIN	
Moror Fuel Tax	X	X	X	X	X	X	
Registration Fees	X	X	X	X	X	X	
Bonding	X	X		X	X	X	
Road & Bridge Tolls	X	X		X			
General Fund Appropriations	X	X	X	X	X		
Motor Fuel Sales Tax				X			
Vehicle Sales Tax			X	X	X		
Vehicle -related Sales Tax				X			
Local Option Taxes	X	X	X	X	X		

Source: Transportation Development Association (TDA)

10) The current costs in Wisconsin for a mid-sized sedan vehicle registration is the lowest in the five state region ($82 under the five state average and $102 under the four state average, based upon WisDOT major city comparison graph below). In addition, the annual cost to fill the same vehicle with fuel in Wisconsin is less than surrounding states.



11) Advantages of a County Registration Fee include:

a. Provides an additional & reliable funding source for capital infra-structure improvements.
b. Fairest return of transportation dollar to the local traveling public.
c. Has minimal state bureaucratic effort/administrative costs for implementation. ($0.10/vehicle), estimated as $2,300/year.
d. Goes directly to County core transportation infra-structure capital replacement service.
e. Stays in the local community/county.
f. Not diluted by other demands & competition for funds.
g. Is leveraged against other state-federal funding sources to increase overall investment.