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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**2023 Senate Bill 247**

**Assembly  
Substitute Amendment 1**

### 2023 SENATE BILL 247

The Local Roads Improvement Program (LRIP) reimburses local governments for improving seriously deteriorating highways. LRIP provides grants of state funds for capital improvements on existing county, town, city, and village roads, and for feasibility studies for such improvements. Generally, grants may cover up to 50 percent of the total project cost. In each of the 2019-21 and 2021-23 biennial budget acts, however, the Legislature provided supplemental LRIP funds that could be used to reimburse up to 90 percent of project costs.

2023 Senate Bill 247, as passed by the Senate, makes “agricultural roads improvements” eligible for LRIP grants. An agricultural roads improvement project must improve a county, town, city, or village highway functionally classified by the Department of Transportation (DOT) as a local road or minor collector,<sup>1</sup> or a bridge or culvert on such a highway. Very generally, the bill establishes eligibility requirements for projects to receive funds under this program, directs DOT to prioritize certain criteria when awarding grants for agricultural road facility improvements, and provides various guidelines related to the administration of this grant program.

### ASSEMBLY SUBSTITUTE AMENDMENT 1

Similar to the bill as passed by the Senate, Assembly Substitute Amendment 1 makes “agricultural roads improvements” eligible for LRIP grants. Also similar to the bill, the substitute amendment establishes eligibility requirements for projects to receive funds under this program; enumerates criteria for selecting projects to receive grants; and provides guidelines related to the administration of this grant program. The substitute amendment sunsets the department’s authority to award grants under this program three years after the bill takes effect and sunsets the department’s authority to reimburse costs incurred under this program five years after the bill takes effect.

### ELIGIBILITY

The substitute amendment provides that an agricultural roads improvement project is not eligible for funding unless it meets all of the following criteria:

- The project is to improve a highway functionally classified by the department as a local road or minor collector or a bridge or culvert on a highway functionally classified by the department as a local road or minor collector.

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<sup>1</sup> For information on classification of highways, see DOT, [Functional Classification Criteria and Procedures](#) (Aug. 2022). Briefly, minor collectors and local roads provide access to homes and businesses and have generally lower speed limits and more limited mobility for through traffic than roads with higher classifications, such as arterials and major collectors.

- If the project is solely for the improvement of a bridge or culvert, the bridge or culvert is 20 feet or less in length and is not eligible for funding under a federal program providing support for bridge improvements.
- The highway, bridge, or culvert provides access to agricultural lands or facilities used for the production of agricultural goods, including forest products, and is used by at least one agricultural producer.
- The highway is designated as a class “B” highway due to structural deficiencies, or has been subject to a posted weight limitation for at least one month during the previous year.
- After the completion of the project, the highway will not be designated as a class “B” highway and will not be subject to a posted weight limitation other than under extraordinary or emergency circumstances.

## **Project Selection**

The substitute amendment requires DOT to establish a committee to review grant applications and award grants. The committee membership must have geographically diverse representation and must include representatives of agricultural industries and local governments eligible for agricultural roads improvements grants.

Under the substitute amendment, DOT and the committee must select projects that provide the greatest benefit to agricultural producers in this state using the following criteria:

- Projects that improves access by the largest number of agricultural producers to agricultural lands and facilities used for the production of agricultural goods, including forest products.
- Projects that will result in reduction of any of the following for agricultural producers:
  - Repeated trips at reduced weights.
  - Labor costs.
  - Fuel costs.
  - Mileage upon and damage to equipment used in agricultural production.
  - Costs other than any of the above resulting from a highway being designated as a Class “B” highway or being subject to a posted weight limit under other than extraordinary or emergency circumstances.
- Projects that will result in the greatest positive economic impact.
- Projects for which the highway, bridge, or culvert provides the only feasible access to agricultural lands used for the production of agricultural goods.
- Projects that are the subject of a grant application by a local government that faces demonstrable fiscal or administrative difficulties in completing highway projects.
- Projects that will result in the transportation of the largest amount of agricultural goods, including forest products.
- Projects that improve access to agricultural lands or facilities used for the production of agricultural goods, including forest products, for more than one agricultural producer.

The substitute amendment requires the department to attempt to award grants to political subdivisions in all geographic areas of the state.

## **Administration**

The substitute amendment directs DOT to prescribe the form, nature, and extent of information contained in an application for a grant. If feasible, the application may not exceed two pages in length and be reasonably accessible to local governments with limited staffing resources. If the application is for a project to improve a class “B” highway, DOT must require the applicant to state when the highway was designated as a class “B” highway.

Under the substitute amendment, a local government that is awarded a grant may designate DOT to act as a fiscal agent of the local government for purposes of a project funded by the grant. When acting as a fiscal agent, DOT must, upon request, pay reimbursable project costs when the costs are incurred by the local government and retain or receive grant funds as reimbursement for those payments.

A grant under the substitute amendment may reimburse up to 90 percent of project costs. Eligible costs include any cost related to the project, including costs of planning, designing, engineering, and constructing an agricultural road project. A local government may apply for partial payment, but not more frequently than quarterly.

The substitute amendment prevents a local government from designating a highway, bridge, or culvert improved with an agricultural roads improvement grant as a class “B” highway or posting a weight limitation. An exception to this prohibition allows the local government to designate or post the highway, bridge, or culvert under extraordinary or emergency circumstances if the local government obtains a pavement or structural analysis by a professional engineer or the relevant county highway commissioner that supports the weight limitation and certifies to DOT the reason for the weight limitation.

## **SUNSET**

The substitute amendment prohibits the department from awarding any agricultural roads improvements grants after three years from the date of the bill’s effective date, and prohibits the department from reimbursing any costs incurred under the bill’s provisions after five years from the bill’s effective date.

The substitute amendment generally sunsets the bill’s provisions five years from the bill’s effective date. The substitute amendment excepts from this sunset the provision prohibiting a local unit of government from designating a highway improved with an agricultural roads improvement grant a Class “B” highway or posting a special weight limitation absent extraordinary or emergency circumstances, and the provision prohibiting the department from reimbursing costs incurred under the bill after five years from the bill’s effective date.

## **BILL HISTORY**

Representative Tranel offered Assembly Substitute Amendment 1 to Senate Bill 247 on June 14, 2023. On that same day, the Assembly adopted the substitute amendment and passed the bill as amended, both on voice votes.

For a full history of the bill, visit the Legislature’s [bill history page](#).

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