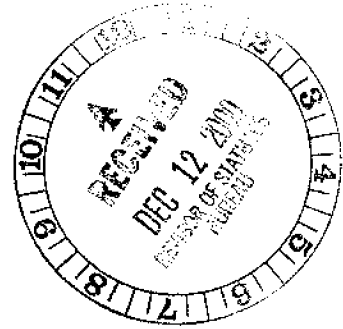


Clearinghouse Rule 00-137

CERTIFICATE



STATE OF WISCONSIN)
) ss.
DEPARTMENT OF TRANSPORTATION)

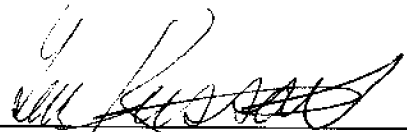
TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, TERRENCE D. MULCAHY, Secretary of the Wisconsin Department of Transportation and custodian of the official records, do hereby certify that the rule, relating to the **state public transit operating assistance program**, was duly approved and adopted by this Department on December 11, 2000.

I further certify that this copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of such original.

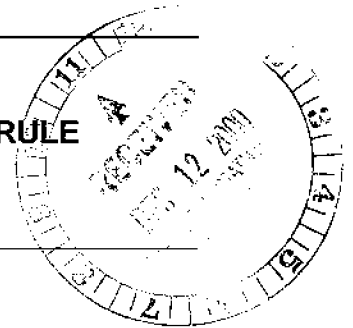


IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department of Transportation at 4802 Sheboygan Avenue, in the City of Madison, Wisconsin, this 11 day of **December**, 2000.



TERRENCE D. MULCAHY, P.E.
for Secretary

The Wisconsin Department of Transportation adopts an order to create TRANS 4.09(1)(title), (2)(title), (3)(title) and (4), relating to the state public transit operating assistance program.

ORDER ADOPTING RULE**Analysis Prepared by the Wisconsin Department of Transportation**

STATUTORY AUTHORITY: ss. 85.16(1) and 227.11(2), Stats.

STATUTES INTERPRETED: s. 85.20, Stats.

General Summary of Rule. Chapter Trans 4 establishes the Department's administrative interpretation of s. 85.20, Stats., and prescribes administrative policies and procedures for implementing the state urban public transit operating assistance program authorized under s. 85.20, Stats. 1999 Wisconsin Act 9 requires the Department to amend ch. Trans 4 to establish cost efficiency standards for all transit systems participating in the state aid program. In this amendment, the Department is proposing to use the six performance measures recommended by the Transit Advisory Council in 1997 as the basis for establishing the cost efficiency standards. The amendment defines the methodology to be used in establishing the standards, lays out a procedure for systems not meeting the standards to achieve compliance, and includes penalties for systems remaining out of compliance for a period of three years.

Fiscal Impact. The Department estimates that there will be no fiscal impact on the liabilities or revenues of any school district, vocational, technical and adult education district or sewerage district. The Department estimates that there will be no fiscal impact on liabilities of any county, city, village or town, except if the county, city, village or town is operating a transit system that is not in compliance with the cost efficiency standards set forth in this rule. The Department estimates that there will be no fiscal impact on state revenues or liabilities.

Final Regulatory Flexibility Analysis. The rule will have no adverse impact on small business.

Copies of Rule. Copies of the rule may be obtained upon request, without cost, by writing to Richard A. Martin, Department of Transportation, Bureau of Transit and Local Roads, Room 951, P. O. Box 7913, Madison, WI 53707-7913, or by calling (608) 266-6812. Hearing-impaired individuals may contact the Department using TDD (608) 266-3351. Alternative formats of the rule will be provided to individuals at their request.

TEXT OF RULE

Under the authority vested in the state of Wisconsin, department of transportation, by ss. 85.16(1) and 227.11(2), Stats., the department of transportation hereby amends a rule interpreting s. 85.20, Stats., relating to the state public transit operating assistance program.

SECTION 1. Trans 4.09(1)(title), (2)(title) and (3)(title) are created to read:

Trans 4.09(1)(title) TRANSIT DEVELOPMENT PROGRAMS.

(2)(title) PERFORMANCE GOALS.

(3)(title) QUARTERLY PERFORMANCE GOALS.

SECTION 2. Trans 4.09(4) is created to read:

Trans 4.09(4) COST EFFICIENCY STANDARDS. (a) The department shall assess the performance of each transit system receiving aid under the program on an annual basis, using the 6 performance indicators defined in sub. (2).

(b) For purposes of analysis, transit systems are divided into the following peer groups:

1. Milwaukee.
2. Madison.
3. Medium bus systems.
4. Small bus systems.
5. Commuter bus systems.
6. Shared-ride taxi systems.

(c) For the Milwaukee, Madison and medium bus tiers, peer groups of similar sized transit systems with similar operating characteristics external to the state will be developed to establish performance standards. Data used for these peer groups will be

the most recent available from the national transit database. For small bus, commuter bus, and shared-ride taxi tiers, standards shall be established using data from only in-state systems in these tiers, because no national database information is available for these types of systems. Data used will be from the preceding calendar year. Standards for each of the 6 performance measures defined in sub. (2) shall be set for each tier using a standard deviation. Systems that are within one standard deviation of the arithmetic mean shall be judged as in compliance with the standard for the measure. Systems whose performance is better than the one standard deviation shall also be judged as in compliance with the standard for the measure. Systems that meet the standards for 4 of the 6 performance measures shall be deemed in compliance with the cost efficiency standards, and no further action will be taken.

(d) If a transit system does not meet the cost efficiency standards as defined under par. (c), a time-trend analysis shall be performed, analyzing the 6 performance measures over the most recent 5-year period. Data used will be the data from the preceding calendar year. A system showing improvement in 4 of the 6 indicators would be deemed in compliance with the cost efficiency standards, and no further action will be taken.

(e) If a transit system does not meet the cost efficiency standards as defined under pars. (c) and (d), an assessment shall be made of the implementation status of recommendations made in the system's most recent management performance audit. A system which has made significant progress in implementing the majority of recommendations targeted at improving efficiency shall be deemed in compliance with the cost efficiency standards, and no further action will be taken.

(f) If a transit system does not meet the cost efficiency standards as defined under pars. (c) to (e), the following actions shall be taken:

1. If management performance audit recommendations have not been implemented, the department shall provide technical assistance to aid in the implementation of the recommendations. If consultant services are necessary, the transit system shall pay the nonfederal share of the costs.

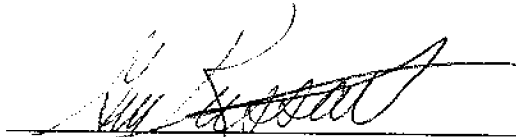
2. If a management performance audit has not been conducted within the last 3 years, the department shall schedule an audit as soon as possible.

(g) Systems deemed out of compliance with the cost efficiency standards as defined in pars. (c) to (e) shall be given a 3-year period in which to comply before being assessed a revenue penalty. After 3 years of noncompliance, a 10% revenue penalty shall be imposed, which will limit state aids to 90% of the state aid the system would have been entitled to if it were in compliance with the cost efficiency standards. The penalty shall remain in effect until the system comes into compliance.

(END OF RULE TEXT)

Effective Date. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22(2), Stats.

Signed at Madison, Wisconsin, this 11 day of December, 2000.



TERRENCE D. MULCAHY, P.E.

sc Secretary
Wisconsin Department of Transportation



Wisconsin Department of Transportation

www.dot.state.wi.us

Tommy G. Thompson
Governor

Terrence D. Mulcahy, P.E.
Secretary

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Madison, WI 53707-7910

Telephone: 608-266-8810
FAX: 608-267-6734
E-Mail: ogc.exec@dot.state.wi.us

December 12, 2000

Mr. Gary Poulson
Deputy Revisor of Statutes
131 West Wilson Street, Suite 800
Madison, Wisconsin 53703

RE: **CLEARINGHOUSE RULE 00-137**

In the Matter of the Adoption of **TRANS 4**, Wisconsin Administrative Code,
relating to the **state public transit operating assistance program**

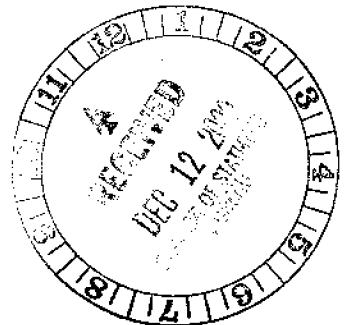
Dear Mr. Poulson:

Enclosed for filing, pursuant to s. 227.20, Wis. Stats., is a certified copy of **CR 00-137**, an administrative rule relating to the above-mentioned matter.

Sincerely,

Handwritten signature of Julie A. Johnson in cursive.

Julie A. Johnson
Paralegal



Enclosures

cc: Mike Goetzman
Alice Morehouse
Ruben Anthony
Linda Lovejoy
Dick Martin