



Legislative Fiscal Bureau

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September 13, 2018

TO: Senator Jennifer Shilling
Room 206 South, State Capitol

FROM: Emma Drilias, Fiscal Analyst

SUBJECT: Biennial Bonding Authorizations Since the 1999-01 Biennium

At your request, I am providing information relating to bonding authorizations in past biennia. The following table lists the net biennial bonding authorizations for transportation purposes and for all purposes (including transportation). These amounts include bonding authorized in each legislative session listed, although nearly all of the bonding was authorized as part of the biennial budget for that session.

TABLE 1

**Biennial Bonding Authorization
Excluding Economic Refunding Bonds
(\$ in Millions)**

<u>Biennium</u>	<u>Bonding for Transportation</u>	<u>Total Bonding -- All Purposes</u>
1999-01	\$199.1	\$1,764.4
2001-03	445.5	2,123.4
2003-05	915.5	1,494.7
2005-07	716.6	1,539.0
2007-09	590.9	2,814.3
2009-11	1,304.1	3,591.1
2011-13	680.1	1,896.7
2013-15	991.4	2,048.6
2015-17	805.4	652.2*
2017-19	402.4	851.3

*Previously authorized but unissued non-transportation related bonding amounts were repealed in the 2015-17 biennia, which results in a lower total bonding authorization than the transportation amount authorized.

Note: Since 2003-05, general fund-supported bonds have been authorized for transportation purposes and are included in the biennial bonding amounts above.

You also requested information on the growth in debt service on transportation fund-supported bonds. Specifically, you requested information on the growth in the ratio of transportation fund-supported debt service on those bonds as a percentage of transportation fund revenues. Table 2 provides this information.

TABLE 2

**Annual Growth in Gross Transportation Fund Revenue
(Excluding Federal Aid, Bond Revenue, and Transfers from Other Funds)
and Transportation Fund-Supported Debt Service
(\$ in Millions)**

<u>Fiscal Year</u>	<u>Gross Transportation Revenue</u>		<u>Transportation Debt Service</u>		<u>Debt Service as a % of Revenue</u>
	<u>Amount</u>	<u>Annual Change</u>	<u>Amount</u>	<u>Annual Change</u>	
2003-04	\$1,440.4		\$119.7		8.3%
2004-05	1,476.6	\$36.2	166.2	\$46.5	11.3
2005-06	1,517.0	40.4	148.2	-18.0	9.8
2006-07	1,606.5	89.5	165.3	17.1	10.3
2007-08	1,661.0	54.5	187.5	22.2	11.3
2008-09	1,687.3	26.3	191.0	3.5	11.3
2009-10	1,697.9	10.6	184.8	-6.2	10.9
2010-11	1,715.9	18.0	197.2	12.4	11.5
2011-12	1,743.9	28.0	240.7	43.5	13.8
2012-13	1,720.3	-23.6	259.5	18.8	15.1
2013-14	1,784.6	64.3	294.2	34.7	16.5
2014-15	1,808.4	23.8	314.4	20.2	17.4
2015-16	1,867.4	59.0	340.8	26.4	18.2
2016-17	1,873.6	6.2	356.9	16.1	19.0
2017-18*	1,902.8	29.2	369.3	12.4	19.4

*Revenue and debt service values in these years are estimates.

Note: Does not reflect general fund-supported debt service on bonds authorized and issued for transportation purposes.

Despite the lower total bonding authorization amounts in recent biennia as shown in Table 1, the transportation bonding amounts authorized in recent years have made up a larger share of the total bonding authorized compared to the two earliest biennia listed. Because bonds are issued for 20 years, the state continues to pay debt service on bonds issued during the period of high use of transportation-related funds shown in Table 2. As a result, debt service on transportation-related bonds has continued to grow despite the lower total bonding authorizations in recent biennia (and despite the authorization of general fund-supported bonds for transportation purposes).

I hope that this information is helpful. Please contact me if you have questions.

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