



KEVIN PETERSEN

STATE REPRESENTATIVE

Good afternoon, Chairwoman VanderMeer and members of the Assembly Committee on Transportation. Thank you for hearing AB 365 relating to permits for the overweight transport of pig iron.

AB 365 allows pig iron to be transported by trucks using the Department of Transportation's AG – Garbage, Refuse, and Recyclable Scrap permit, which allows trucks to carry overweight loads.

Pig iron, which has no commercial use on its own as a finished product, is used as a raw material to support the utilization of scrap iron and steel to create new iron and steel products.

Until recently, carriers transported pig iron under the DOT's AG permit, but the DOT in 2019 began enforcing their interpretation that pig iron could not be transported under this permit.

Waupaca Foundry barges pig iron to Lacrosse and then trucks the material to their Waupaca plants. The Waupaca Foundry estimates this costs them approximately 300 truckloads annually, since their carriers are not able to transport as much weight as before. The resulting financial burden for Waupaca Foundry has increased in the last 3 years to be in excess of \$500,000 per year because of this change.

AB365 uses DOT's current definitions of "metallic or nonmetallic scrap" and "recyclable scrap" for this permit and makes it clear that the definition also includes pig iron. Changes in the bill will allow the metal casting industry, and its carriers, to continue transporting pig iron at the weight levels they did previously. This will result in less trucks on the road and reduced transportation costs.

We have had conversations with the DOT regarding the changes that AB 365 makes. The agency was concerned that the language in the bill could risk federal funding. Our office has an amendment (which is attached to my testimony) that addresses their concern and will alleviate any issues with the loss of federal transportation funds.

Pig iron is used in Steelmaking as a high quality source of pure iron units. Demand for pig iron has increased in recent years as steelmakers realize that it offers distinct advantages over other alternate iron sources. Pig iron contains low residuals, produces lower nitrogen steels, and has a consistent chemistry.

Thank you for your consideration, and I am happy to answer any questions.



**Assembly Bill 365: Permits for the Overweight Transport of Pig Iron
Assembly Committee on Transportation
Testimony of Senator Joan Ballweg
January 9, 2024**

Thank you, Chair VanderMeer and members of the committee, for hearing this legislation about the transportation of pig iron.

Pig iron, which has no commercial use on its own as a finished product, is used as a raw material to support the utilization of scrap iron and steel to create new iron and steel products. Assembly Bill 365 allows pig iron to be transported by trucks using the Department of Transportation's (DOT) AG – Garbage, Refuse, and Recyclable Scrap permit, which allows trucks to carry overweight loads. The bill uses DOT's current definitions of "metallic or nonmetallic scrap" and "recyclable scrap" for this permit and makes it clear that the definition also includes pig iron.

Until recently, carriers transported pig iron under the aforementioned permit, but the DOT began enforcing their interpretation that pig iron could not be transported using this permit. In my district, this has cost the Waupaca Foundry up to \$500,000 and several hundred more truckloads per year, since their carriers are not able to transport as much weight as before.

We had productive discussions with the DOT regarding this legislation, and the agency requested an amendment to address concerns that the language in the bill could risk federal funding. Assembly Amendment 1 resolves this issue by making clear that this overweight permit to transport pig iron is not valid on highways designated as part of the national system of interstate or defense highways, except to the extent permitted under federal law.

This bill will allow the metalcasting industry and its carriers to continue transporting pig iron at the weight levels they did previously. This will result in fewer trucks on the road and reduced transportation costs. The bill is supported by Waupaca Foundry and Wisconsin Manufacturers & Commerce.

The senate companion bill, Senate Bill 363 passed the full senate as amended on a voice vote on November 14, 2023.

Thank you for your consideration for Assembly Bill 365.



Wisconsin Department of Transportation
Office of the Secretary
4822 Madison Yards Way, S903
Madison, WI 53705

Governor Tony Evers
Secretary Craig Thompson
wisconsindot.gov
Telephone: (608) 266-1114
FAX: (608) 266-9912
Email: sec.exec@dot.wi.gov

Written Testimony of Wisconsin Department of Transportation
Before the Assembly Committee on Transportation
January 9, 2023

Re: Assembly Bill 365, relating to permits for the overweight transport of pig iron.

Thank you, Chairwoman Vander Meer, and members of the committee for your consideration of the department's input on Assembly Bill 365, relating to permits for the overweight transport of pig iron. Likewise, the department appreciates the author's willingness to work with us on simple amendment language to resolve concerns we have with this bill.

Under Wis. Stats. Ss 348.27(9r) and (12) and Wis. Admin. Code ch. Trans 269, the Department may issue oversize, overweight permits to allow the transportation of divisible loads of garbage, refuse, recyclable scrap, and municipal sewage residue through the issuance of an "AG- Garbage, Refuse, and Recyclable Scrap" (AG) permit. Recyclable scrap means metallic or non-metallic material in waste for which there exists a commercially demonstrated processing or manufacturing technology which uses the material as a raw material, and which is transported for use as such a raw material, as defined by Wis. Admin. Code s. Trans 269.02(2)(d). The policy rationale for this permit is that policy makers determined that increased pavement and bridge damage was an acceptable cost in their efforts to incentivize recycling. Pig iron is currently ineligible for this permit since it is currently determined that it is not a raw material in waste. Senate Bill 363 would include pig iron in the definition of recyclable scrap, thus making it eligible for oversize, overweight permits.

The primary concern WisDOT has with Senate Bill 363 is the potential to jeopardize federal highway funding. Annually, the department must certify to the Federal Highway Administration that we are enforcing federal size and weight limits or risk reduction in funding. The vehicle size and weight limits allowed under the AG permit exceed federal limits. The amendment addresses our concern with operation on the interstate and national defense highways except to the extent permitted by federal law. The department has consulted with the bill authors on this issue, and we appreciate the opportunity to resolve this major concern.

Thank you for your time and consideration today. Please feel free to contact us with any questions the committee may have.



Wisconsin Department of Transportation - DTSD

Bureau of Highway Maintenance
Oversize/Overweight Permits
P.O. Box 7980
Madison, WI 53707-7980
osow@dot.wi.gov
(608) 266-7320

AG PERMIT CONDITION SHEET

GARBAGE, REFUSE, AND RECYCLABLE SCRAP

1. AUTHORITY & ELIGIBILITY

- Under Wis. Stats. ss. 348.27(9r) and (12) and Wis. Admin. Code ch. Trans 269, the Department may issue permits to allow the transportation of divisible loads of **garbage, refuse, recyclable scrap and municipal sewage residue**.
- "Garbage" means discarded materials resulting from the handling, processing, storage and consumption of food, as defined by Wis. Stats. s. 289.07(9).
 - The transporting vehicle must be a self-compactor equipped vehicle or a roll-off equipped truck or roll-off trailer that uses all axles, as required by Wis. Stats. s. 348.27(12)(b). *As affected by 2017 Wisconsin Act 59.*
- "Refuse" means any combustible and non-combustible rubbish including paper, wood, metal, glass, cloth and products thereof, litter and street rubbish, ashes, and lumber, concrete, and other debris resulting from the construction or demolition of structures, as defined by Wis. Stats. s. 348.27(12)(a).
 - The transporting vehicle must be a self-compactor equipped vehicle or a roll-off equipped truck or roll-off trailer that uses all axles, as required by Wis. Stats. s. 348.27(12)(b). *As affected by 2017 Wisconsin Act 59.*
- "Recyclable-scrap" means metallic or non-metallic material in waste for which there exists a commercially demonstrated processing or manufacturing technology which uses the material as a raw material, and which is transported for use as such a raw material, as defined by Wis. Admin. Code s. Trans 269.02(2)(d).
- "Municipal sewage residue material" is the residue material resulting from treatment of municipal sewage, including any chemical treatment added to the liquid.
 - The transporting vehicle must be a combination vehicle with a minimum of 5 axles, as required by Wis. Stats. s. 348.27(9r)(b).
- Pig Iron is not a raw material in waste and may not be hauled under this permit.
- This permit may be issued for overlength and overweight.

2. SIZE LIMITATIONS – VEHICLE & LOAD

- | | |
|------------------------------|---------------|
| • Single vehicle length | 50' |
| • Vehicle combination length | 75' |
| • Overall width | 8'6" (legal) |
| • Overall height | 13'6" (legal) |

3. WEIGHT LIMITATIONS

Axle weight limitations are outlined in Wis. Admin. Code s. Trans 251.05. Maximum permit weight is not affected by the distance between axle groups. It is based on the number of axles in each axle group. To determine the number of axles in a group, axles are assigned as belonging to either the front end or back end of a vehicle.

Municipal sewage residue material may not exceed 100,000 pounds GVW. (Wis. Stats. s. 348.27(9r)(b)).

# of Axles in Axle-Group	Class A Highways Weight (lbs.)	Class B Highways Weight (lbs.)	Limitations
1	20,000	14,000	Axle has less than 4 tires
1	25,000	17,000	Axle has 4 or more tires
2	42,000	28,400	
3 or more	55,000	38,200	

4. ROUTE LIMITATIONS

- This permit is valid for operation on the Milwaukee County Expressway except for those parts which are also part of the interstate highway system.
- Permits transporting garbage, refuse and recyclable scrap are not valid for operation on the Interstate, except for that portion of USH 51 between Wausau and STH 78 and that portion of STH 78 between USH 51 and the I 90/94 interchange near Portage which has been designated as I 39 and for that portion of USH 41 between I 94 at the Zoo Interchange and I 43 Green Bay, which has been designated as I 41.
- Permits transporting municipal sewage residue material are not valid for operation on the Interstate.

5. GENERAL OPERATING REQUIREMENTS

- Vehicles may be operated at the posted speed limit.
- Vehicles that are only overweight may operate 24 hours a day, including weekends and holidays.
- Permits are **suspended** during the annual spring thaw period, usually mid-March through mid-May.

6. INSURANCE REQUIREMENTS

- Bodily injury, each person \$150,000 or \$750,000 combined single limit
- Bodily injury, each accident \$450,000
- Property damage, each accident \$300,000

7. VEHICLE REGISTRATION REQUIREMENTS

- Vehicle or vehicles must be registered for not less than the maximum registration weight available or the permit weight, whichever is less.

8. PERMIT APPLICATION REQUIREMENTS

- Apply using Multiple Trip Form MV2612.
- Permits may be issued for 3 to 12 months.

9. PERMIT FEE INFORMATION

- Submit the required fee, per the table below, with your application.
- Make checks payable to: **Registration Fee Trust**.
- Calculate fees from the effective **day** of the permit, not the calendar months. (*Example: 9/5 to 11/20 – greater than 2 months to the day, but less than 3 months, would be calculated as 3 months.*)

Months:	12	11	10	9	8	7	6	5	4	3
Weight: 90,000	200.00	198.33	181.67	165.00	148.33	131.67	115.00	98.33	81.67	65.00
100,000	350.00	335.83	306.67	277.50	248.33	219.17	190.00	160.83	131.67	102.50
110,000	450.00	427.50	390.00	352.50	315.00	277.50	240.00	202.50	165.00	127.50
120,000	550.00	519.17	473.33	427.50	381.67	335.83	290.00	244.17	198.33	152.50
130,000	650.00	610.83	556.67	502.50	448.33	394.17	340.00	285.83	231.67	177.50
140,000	750.00	702.50	640.00	577.50	515.00	452.50	390.00	327.50	265.00	202.50
150,000	850.00	794.17	723.33	652.50	581.67	510.83	440.00	369.17	298.33	227.50
160,000	950.00	885.83	806.67	727.50	648.33	569.17	490.00	410.83	331.67	252.50
170,000	1050.00	977.50	890.00	802.50	715.00	627.50	540.00	452.50	365.00	277.50
180,000	1150.00	1069.17	973.33	877.50	781.67	685.83	590.00	494.17	398.33	302.50

May 2023



TO: Assembly Committee on Transportation

FROM: Evan Umpir, Director of Tax, Transportation, and Legal Affairs

DATE: January 9, 2023

RE: Support for AB 365, Relating to: permits for the overweight transport of pig iron.

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to **support Assembly Bill (AB) 365**. WMC supports this proposal as it will increase efficiency and help keep costs low for businesses and their customers.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes advocating for legislation, like AB 365, allowing for the issuance of overweight permits for the transportation of pig iron, which was previously allowed under the permit for metallic and nonmetallic scrap.

In 2022 there were 97 foundries employing over 11,200 individuals in Wisconsin. The Primary Metal Manufacturing industry subsector, which includes foundries, contributed nearly \$2 billion to state GDP in 2021. Foundries are a critical link in the supply chain and support countless other businesses and industries such as automotive and truck manufacturers, railroads, the energy extraction sector, and other industrial and manufacturing companies. Providing components and products in a cost-effective and timely manner is important for their customers, and ultimately, consumers.

Under current law an annual or consecutive trip overweight transport permit exists for scrap and sewage residue. *See* Wis. Stat. §348.27(9r). The permit covers “metallic or nonmetallic scrap for the purpose of recycling or processing.” Previously, DOT allowed the transport of pig iron using this permit. AB 365 simply ensures pig iron can be transported using this permit by importing the definition of “recyclable-scrap” in DOT administrative code (Trans §269.02(2)(d)) and explicitly including pig iron in the definition of metallic or nonmetallic scrap. Under the current interpretation of the permit, foundries must receive their pig iron through multiple, inefficient trips costing tens to hundreds of thousands of dollars more for foundries using pig iron, depending on the volume needed. **The money put towards these additional costs could otherwise be used to invest in employees and keep costs low for customers.** Also, without being able to utilize an overweight permit, truck drivers are diverted to handle this increased demand for pig iron transport, increasing costs for *all* shippers at a time when there is a CDL driver shortage that is only anticipated to worsen over the next decade.

WMC urges you to support this bill to keep Wisconsin a competitive place to do business for foundries by codifying previous practice allowing for transportation efficiency and lower transportation costs. Thank you for your consideration.