

## HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1246**

Toma \_\_\_\_\_ Floor Amendment

### ***County Transportation Excise Tax***

1. Modifies the maximum rate the County Transportation Excise Tax may be levied and collected at to:
  - a) 8.6% (\$.43), rather than 10% (\$.50) of the state transaction privilege tax (TPT) rate on January 1, 1990; and
  - b) 8.6%, rather than 10% of the jet fuel excise tax rate.
2. Changes the allocations of the County Transportation Excise Tax revenues to:
  - a) 53.5%, instead of 52%, to the Regional Area Road Fund (RARF) for freeways and other routes in the state highway system;
  - b) 18.5%, instead of 22%, to the RARF for major arterial streets, intersection improvements and regional programs. Requires at least 13.5% be distributed for major arterial streets and intersection improvements; and
  - c) 28%, instead of 26%, to the Public Transportation Fund for capital costs, maintenance and operation of public transportation mode classifications.
3. Modifies the allocation to the RARF for major arterial streets and regional programs by including intersection improvements.
4. Removes capital costs and utility relocation costs associated with the light rail system from the approved uses for the revenue allocated to the Public Transportation Fund.
5. Prohibits the allocated tax revenues for freeways, arterials and intersection improvements from being reduced.
6. Prohibits County Transportation Excise Tax revenues from being used for:
  - a) Light rail, commuter rail, street cars or trolleys;
  - b) Projects that result in a reduction in existing lane miles on a highway or a state highway;
  - c) Projects that will reduce existing lane miles on a street or roadway unless a third-party engineering study determines the reduction is necessary to reduce congestion, and the findings are presented in a public hearing;
  - d) Polling;
  - e) Active transportation projects; and

Amendment explanation prepared by J. Bassham

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- f) Light rail extension between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix.
- 7. Removes language that allowed up to 5% of the collected revenues to be transferred annually between the allocations.
- 8. Strikes the requirement that reallocations of the tax revenues be recommended by the Transportation Policy Committee and approved by the Regional Planning Agency Board and that changes over 2.5% go through the major investment change process.
- 9. Removes the major investment change process.

#### ***County Public Transportation Excise Tax***

- 10. Requires, if approved by the qualified electors voting at a county-wide election, a county with a population of 3,000,000 or more people to levy, and the Arizona Department of Transportation to collect a separate transportation excise tax (County Public Transportation Excise Tax) for public transportation beginning January 1, 2026.
- 11. Directs the County Public Transportation Excise Tax to be levied and collected:
  - a) At a rate of up to 1.3% (\$.065) of the TPT rate on January 1, 1990;
  - b) At a rate of up to 1.3% of the jet fuel excise tax rate; and
  - c) On the use or consumption of electricity or natural gas by customers in the county who are subject to use tax, at a rate equal to the state TPT rate that applies to customers engaging in the county in the utilities TPT classification.
- 12. Requires the net revenues collected by the Public Transportation Excise Tax to be distributed and deposited in the Public Transportation Fund for:
  - a) Capital costs, maintenance and operation of public transportation mode classifications; and
  - b) Capital costs and utility relocation costs associated with a light rail public transit system.
- 13. Defines *capital rehabilitation of the light rail system* as capital maintenance, repair or improvements ensuring regional assets remain in a state of good repair to preserve the safety and reliability of the system.
- 14. States that no more than 25% of County Public Transportation Excise Tax revenues may be used for capital rehabilitation of the light rail system.
- 15. States the Public Transportation Excise Tax will be in effect for 20 years.
- 16. Prohibits Public Transportation Excise Tax revenues from being used:
  - a) To influence the outcome of an election;
  - b) For polling;
  - c) For any project that will reduce existing lane miles on a highway or state highway, unless a third-party engineering study determines the reduction is necessary to reduce congestion, and the findings are presented in a public hearing;

- d) For light rail extension, commuter rail, street cars or trolleys; and
- e) To extend light rail between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix.

***Transportation Policy Committee (TPC)***

- 17. Modifies the membership of the TPC by increasing the number of members who represent regionwide business interests from 6 to 12, of whom:
  - a) Two, instead of one, represent transit interests;
  - b) Two, instead of one, represent freight interests;
  - c) Two represent commercial real estate interests; and
  - d) Two, instead of one, represent construction interests.
- 18. Requires the two added TPC members representing unincorporated areas of Maricopa County to be appointed jointly by the Speaker of the House of Representatives and the President of the Senate, instead of the Speaker and President each appointing one.
- 19. Adds two members, instead of one, to the TPC to represent taxpayer organizations.
- 20. Specifies an added member to the TPC will represent residential housing development interests instead of representing housing interests.

***Farebox Operating and Recovery Ratio Performance Standards***

- 21. Directs the public transportation element of the regional transportation plan to include the following performance standards:
  - a) A farebox operating ratio standard for existing bus route extensions that are in existence on the effective date and that are funded in whole or in part by the revenues of either transportation excise tax; and
  - b) A farebox recovery ratio standard for existing bus routes that are in existence on the effective date and that are funded in whole or in part by the revenues of either transportation excise tax.
- 22. Requires the outlined performance standards to be presented each fiscal year and to achieve the following percentages for each bus route in existence on the effective date:
  - a) For FY 2026 through FY 2028, 13%;
  - b) For FY 2029 through FY 2031, 16%; and
  - c) For FY 2032 and thereafter, 19%.
- 23. Directs the excess costs to be allocated among affected member municipalities according to the proportion of the bus route that is in each municipality if the regional public transportation authority (authority) fails to meet the outlined performance standards.
- 24. Requires member municipalities to pay their owed amounts from their perspective general funds to the Public Transportation Fund in the fiscal year following the fiscal year the shortfall occurred.

25. States that if the authority fails to meet the outlined 19% performance standard for FY 2032 and onward, the authority is required to proceed with a public bid for the operation of the failing bus route and is prohibited from submitting a proposal to bid.
26. Requires the authority to conduct a public bid to contract the operations for all new bus routes identified in the plan. The bid must require the perspective operators to demonstrate compliance with the following farebox operating ratio standards;
  - a) 13% within the first year of operating;
  - b) 16% within the fourth year of operating; and
  - c) 19% within the seventh year of operating and every subsequent year.
27. States that if the operator fails to meet the performance standards:
  - a) A new public bid may be conducted;
  - b) The failing bus route may be eliminated; or
  - c) A new bus route may be redesigned followed by a new public bid.
28. Exempts transportation services required by the 'Americans with Disabilities Act of 1990' [U.S.C §§ 12101-12213](#) from the farebox recovery ratio performance standard requirements.

#### ***County-wide Election***

29. Modifies the ballot measure to include the separate question of the County Public Transportation Excise Tax.
30. Includes a description of the ballot question for the County Public Transportation Excise Tax.
31. Changes the description of the ballot question for the County Transportation Excise Tax.

#### ***Miscellaneous***

32. Prohibits this state or a city, town, county or political subdivision of this state from restricting the use of or sale of a device based on the energy source consumed by the device or used to power the device.
33. Modifies the definition of *regional programs* to mean transportation projects selected through a performance-based process for arterial improvements, emerging technologies and the following air quality measures in areas proximately located near nonattaining air quality monitors;
  - a) Paving unpaved roads; and
  - b) Procuring street sweepers.
34. Changes the deadline for the regional planning agency to allocate at least \$90,000,000 for the implementation of commercial motor vehicle parking consistent with a regionally adopted truck parking plan to December 31, 2045, instead of December 31, 2050.
35. Requires the State Treasurer, instead of dividing and equally distributing \$5,000,000 to the Public Transportation Fund and Regional Planning Agency, to distribute every fiscal year from the Construction Fund;

- a) \$2,500,000 to the Public Transportation Fund; and
  - b) \$1,625,000 to the regional planning agency for planning and administering the plan.
36. Requires the speed limit for all types of motor vehicles to be at least 65 miles per hour on interstate system highways in a county with a population of 3,000,000 or more people.
  37. Prohibits public monies and tax revenues from the current county transportation excise tax from being used to extend light rail between 7<sup>th</sup> Avenue and 19<sup>th</sup> Avenue and Adams Street and Jefferson Street in Phoenix.
  38. Removes a legislative intent clause calling for the authority to extend fixed-route bus service on Bell Road from 75<sup>th</sup> Avenue to Reems Road.
  39. Adds a legislative intent clause calling for the development of State Route 30 between State Route 85 and Loop 303 to begin in the first phase of the plan and for the tax revenue allocated to freeways to fund the repavement of State Route 51.
  40. Includes a conditional enactment clause.
  41. Defines terms.
  42. Makes technical and conforming changes.

## TOMA FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1246

(Reference to TRANSPORTATION & INFRASTRUCTURE Committee amendment)

1 Page 1, between lines 1 and 2, insert:

2               "Section 1. Title 28, chapter 1, article 3, Arizona Revised  
3 Statutes, is amended by adding section 28-145, to read:

4                   28-145. Devices powered by or that consume an energy source:  
5                   restrictions prohibited

6               THIS STATE OR A CITY, TOWN, COUNTY OR POLITICAL SUBDIVISION OF THIS  
7       STATE MAY NOT RESTRICT THE USE OR SALE OF A DEVICE BASED ON THE ENERGY  
8       SOURCE THAT IS USED TO POWER THE DEVICE OR THAT IS CONSUMED BY THE DEVICE.  
9       FOR THE PURPOSES OF THIS SECTION, A DEVICE IS POWERED BY AN ENERGY SOURCE  
10      OR CONSUMES AN ENERGY SOURCE IF ANY SIGNIFICANT FUNCTION OF THE DEVICE USES  
11      THAT ENERGY SOURCE OR CONSUMES THAT ENERGY SOURCE TO ACCOMPLISH THE  
12      FUNCTION."

### 13 Renumber to conform

14 Page 3, between lines 4 and 5, insert:

15 "Sec. 3. Section 28-702.04, Arizona Revised Statutes, is amended to  
16 read:

20                   A. EXCEPT AS PROVIDED IN SUBSECTIONS C AND D OF THIS SECTION, the  
21 speed limit for all types of motor vehicles is sixty-five miles per hour on  
22 the interstate system highways located outside of an urbanized area with a  
23 population of fifty thousand or more persons, except that the director may  
24 declare a lower speed limit on the highways pursuant to section 28-702.

1           B. A person shall not drive a motor vehicle at a speed in excess of  
2           the maximum speed limit prescribed by this section.

3           C. The director may order the increase of the maximum speed limit  
4           prescribed in subsection A of this section to seventy-five miles per hour  
5           on an individual interstate system highway subject to this section or on  
6           all of the interstate system highways in this state as prescribed in  
7           section 28-702.

8           D. THE SPEED LIMIT FOR ALL TYPES OF MOTOR VEHICLES IS AT LEAST  
9           SIXTY-FIVE MILES PER HOUR ON THE INTERSTATE SYSTEM HIGHWAYS LOCATED IN A  
10          COUNTY THAT HAS A POPULATION OF THREE MILLION OR MORE PERSONS.

11          ~~E.~~ E. A violation of this section is a civil traffic violation, and  
12          the person is subject to a civil penalty that does not exceed the amount  
13          provided by section 28-1598.

14          ~~F.~~ F. For the purposes of this section, "urbanized area" means an  
15          urbanized area as defined in the decennial census by the United States  
16          bureau of the census."

17 Renumber to conform

18 Page 5, strike lines 5 and 6, insert "EMERGING TECHNOLOGIES AND THE FOLLOWING AIR  
19           QUALITY MEASURES IN AREAS PROXIMATELY LOCATED NEAR NONATTAINING AIR QUALITY  
20          MONITORS:

21           (a) PAVING UNPAVED ROADS.

22           (b) PROCURING STREET SWEEPERS."

23 Page 7, line 15, strike "and ~~intersection improvements~~" insert ", and"  
24          intersection improvements AND"

25 Line 24, after "STREETS" insert ", INTERSECTION IMPROVEMENTS"

26 Page 8, line 22, strike "and ~~intersections~~" insert ", and intersections AND"

27 Page 9, line 18, strike "\$5,000,000 to" insert "THE FOLLOWING"

28 Line 19, after "(a)" insert "\$2,500,000 TO"

29 Line 21, after "(b)" insert "\$1,625,000 TO"

30 Line 26, strike "1987-1988" insert "2024-2025"

1 Page 11, line 12, strike "Six" insert "TWELVE"; strike "one" insert "TWO"  
2 Line 13, strike "one" insert "TWO"  
3 Line 14, after the first "interests" insert ", TWO OF WHOM MUST REPRESENT  
4 COMMERCIAL REAL ESTATE INTERESTS"; strike "one" insert "TWO"  
5 Line 16, strike "three" insert "SIX"  
6 Line 24, strike the period insert "AND WHO ARE APPOINTED JOINTLY BY"  
7 Line 25, after "REPRESENTATIVES" insert a period strike remainder of line  
8 Line 27, after the comma strike remainder of line insert "TWO MEMBERS WHO  
9 REPRESENT"  
10 Line 28, strike "ORGANIZATION" insert "ORGANIZATIONS"; strike "IS" insert  
11 "ARE"  
12 Line 29, strike "THE MEMBER WHO IS" insert "MEMBERS WHO ARE"  
13 Line 30, strike "SERVES" insert "SERVE"  
14 Line 31, after "REPRESENTS" insert "RESIDENTIAL"  
15 Line 32, after "HOUSING" insert "DEVELOPMENT"  
16 Page 14, line 1, after "3" insert a period strike remainder of line  
17 Strike line 2  
18 Page 16, line 9, strike "AND" insert a comma; after "42-6105.01" insert "AND  
19 42-6105.02"  
20 Line 11, strike "OR" insert a comma; after "42-6105.01" insert "OR 42-6105.02"  
21 Page 17, line 7, after "process" insert ": posting"  
22 Line 14, strike "2050" insert "2045"  
23 Line 24, after "STREETS" insert ", INTERSECTION IMPROVEMENTS"  
24 Line 27, strike the colon  
25 Line 28, strike "(a)"  
26 Strike lines 30 and 31  
27 Page 18, strike lines 1 through 9, insert:  
28           C. THE PLAN SHALL ALLOCATE REVENUE COLLECTED UNDER SECTION  
29           42-6105.02 TO THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY SECTION 48-5103  
30           FOR BOTH:  
31           (a) CAPITAL COSTS, MAINTENANCE AND OPERATION OF PUBLIC  
32           TRANSPORTATION MODE CLASSIFICATIONS.

1                 (b) CAPITAL COSTS AND UTILITY RELOCATION COSTS ASSOCIATED WITH THE  
2         LIGHT RAIL SYSTEM."

3 Page 18, line 15, strike "AND" insert a comma

4     Line 16, after "C" insert "AND SECTION 42-6105.02, SUBSECTION C"

5     Line 20, strike "AND" insert a comma; after the second "C" insert "AND SECTION  
6         42-6105.02, SUBSECTION C"

7     Line 21, after "STREETS" insert ", INTERSECTION IMPROVEMENTS"

8     Line 24, strike "AND" insert a comma; after the second "C" insert "AND SECTION  
9         42-6105.02, SUBSECTION C"

10    Line 31, strike "AND" insert a comma; after "42-6105.01" insert "AND  
11         42-6105.02"

12 Page 19, line 2, strike "AND" insert a comma; after "42-6105.01" insert "AND  
13         42-6105.02"

14     Strike lines 4 through 26

15 Reletter to conform

16    Line 28, strike "OR" insert a comma; after "42-6105.01" insert "OR 42-6105.02"

17 Page 20, line 21, strike "OR" insert a comma; after "42-6105.01" insert "OR  
18         42-6105.02"

19 Page 27, between lines 10 and 11, insert:

20         "Sec. 24. Title 28, chapter 27, article 1, Arizona Revised Statutes,  
21     is amended by adding section 28-9204, to read:

22         28-9204. Public monies: prohibition

23         PUBLIC MONIES MAY NOT BE USED TO EXTEND LIGHT RAIL BETWEEN SEVENTH  
24     AVENUE AND NINETEENTH AVENUE AND ADAMS STREET AND JEFFERSON STREET IN  
25     PHOENIX."

26 Renumber to conform

27 Page 28, line 10, strike "and ~~intersection improvements~~" insert ", ~~and~~  
28     intersection improvements AND"

29 Between lines 17 and 18, insert:

30         "E. MONIES COLLECTED PURSUANT TO THIS SECTION MAY NOT BE USED TO  
31     EXTEND LIGHT RAIL BETWEEN SEVENTH AVENUE AND NINETEENTH AVENUE AND ADAMS  
32     STREET AND JEFFERSON STREET IN PHOENIX."

1 Page 28, line 19, strike "section" insert "sections"; after "42-6105.01" insert  
2       "and 42-6105.02"  
3     Line 21, strike the semicolon  
4     Strike line 22  
5     Line 28, strike "**TEN**" insert "**8.6**"  
6 Page 29, line 1, strike "**TEN**" insert "**8.6**"  
7     Line 16, strike "**FIFTY-TWO**" insert "**53.5**"  
8     Line 18, after the period insert "THE DISTRIBUTION MADE PURSUANT TO THIS  
9        PARAGRAPH MAY NOT BE DECREASED."  
10    Line 19, strike "**TWENTY-TWO**" insert "**18.5**"  
11    Line 20, after "STREETS" insert ", INTERSECTION IMPROVEMENTS"  
12    Line 21, after the period insert "AT LEAST 13.5 PERCENT OF THE MONIES  
13        DISTRIBUTED MUST BE DISTRIBUTED FOR MAJOR ARTERIAL STREETS AND INTERSECTION  
14        IMPROVEMENTS. THE PERCENTAGES PRESCRIBED PURSUANT TO THIS PARAGRAPH MAY NOT  
15        BE DECREASED."  
16    Line 22, strike "**TWENTY-SIX**" insert "**28**"; strike "**BOTH:**"  
17    Line 23, strike "(a)"  
18    Strike lines 25 through 29  
19 Reletter to conform  
20    Line 30, strike "SALES"; after "NOT" insert ":"  
21        1."  
22    Line 31, strike "EXTENSION" insert ", COMMUTER RAIL, STREET CARS OR TROLLIES"  
23 Page 30, strike lines 1 through 3  
24    Line 4, strike "1. MAY NOT" insert "2."  
25 Renumber to conform  
26    Line 5, strike "MAY ONLY"; after "POLLING" insert a period strike remainder of  
27        line  
28    Strike line 6  
29    Line 7, strike "MAY NOT"  
30    Line 8, strike "STREET OR"; after "28-101" insert "OR A STATE HIGHWAY AS  
31        DEFINED IN SECTION 28-101."

1 Page 30, strike lines 9 through 11, insert:

2           "5. BE SPENT ON ANY PROJECT THAT WILL RESULT IN A REDUCTION IN  
3 EXISTING LANE MILES ON A STREET AS DEFINED IN SECTION 28-101 OR A ROADWAY  
4 AS DEFINED IN SECTION 28-601, UNLESS A THIRD-PARTY ENGINEERING STUDY  
5 DETERMINES THAT A LANE MILE REDUCTION IS NECESSARY TO REDUCE CONGESTION AND  
6 THE FINDINGS ARE PRESENTED IN A PUBLIC HEARING.

7           6. BE SPENT ON ACTIVE TRANSPORTATION PROJECTS.

8           7. BE USED TO EXTEND LIGHT RAIL BETWEEN SEVENTH AVENUE AND  
9 NINETEENTH AVENUE AND ADAMS STREET AND JEFFERSON STREET IN PHOENIX.

10          42-6105.02. County transportation excise tax; public  
11                         transportation: counties with population of  
12                         three million or more persons

13          A. IF APPROVED BY THE QUALIFIED ELECTORS VOTING AT A COUNTYWIDE  
14 ELECTION, FROM AND AFTER DECEMBER 31, 2025, A COUNTY WITH A POPULATION OF  
15 THREE MILLION OR MORE PERSONS SHALL LEVY AND THE DEPARTMENT SHALL COLLECT A  
16 TAX AS PROVIDED BY THIS SECTION, IN ADDITION TO ALL OTHER TAXES.

17          B. THE TAX SHALL BE LEVIED AND COLLECTED:

18           1. AT A RATE OF NOT MORE THAN 1.3 PERCENT OF THE TRANSACTION  
19 PRIVILEGE TAX RATE PRESCRIBED BY SECTION 42-5010, SUBSECTION A THAT  
20 APPLIES, AS OF JANUARY 1, 1990, TO EACH PERSON ENGAGING OR CONTINUING IN  
21 THE COUNTY IN A BUSINESS TAXED UNDER CHAPTER 5, ARTICLE 1 OF THIS TITLE.

22           2. AT A RATE OF NOT MORE THAN 1.3 PERCENT OF THE RATE PRESCRIBED BY  
23 SECTION 42-5352, SUBSECTION A.

24           3. ON THE USE OR CONSUMPTION OF ELECTRICITY OR NATURAL GAS BY RETAIL  
25 ELECTRIC OR NATURAL GAS CUSTOMERS IN THE COUNTY WHO ARE SUBJECT TO USE TAX  
26 UNDER SECTION 42-5155, AT A RATE EQUAL TO THE TRANSACTION PRIVILEGE TAX  
27 RATE UNDER PARAGRAPH 1 OF THIS SUBSECTION THAT APPLIES TO PERSONS ENGAGING  
28 OR CONTINUING IN THE COUNTY IN THE UTILITIES TRANSACTION PRIVILEGE TAX  
29 CLASSIFICATION.

30          C. THE TAX LEVIED UNDER THIS SECTION SHALL BE IN EFFECT FOR A TERM  
31 OF TWENTY YEARS.

1           D. THE NET REVENUES COLLECTED UNDER THIS SECTION SHALL BE  
2 DISTRIBUTED AND DEPOSITED IN THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY  
3 SECTION 48-5103 FOR:

4           1. CAPITAL COSTS, MAINTENANCE AND OPERATION OF PUBLIC TRANSPORTATION  
5 MODE CLASSIFICATIONS.

6           2. CAPITAL COSTS AND UTILITY RELOCATION COSTS ASSOCIATED WITH A  
7 LIGHT RAIL PUBLIC TRANSIT SYSTEM.

8           E. NOT MORE THAN TWENTY-FIVE PERCENT OF THE REVENUES COLLECTED UNDER  
9 THIS SECTION MAY BE USED FOR CAPITAL REHABILITATION OF THE LIGHT RAIL  
10 SYSTEM. FOR THE PURPOSES OF THIS SUBSECTION, "CAPITAL REHABILITATION OF  
11 THE LIGHT RAIL SYSTEM" MEANS CAPITAL MAINTENANCE, REPAIR OR IMPROVEMENTS  
12 THAT ENSURE REGIONAL ASSETS REMAIN IN A STATE OF GOOD REPAIR TO PRESERVE  
13 THE SAFETY AND RELIABILITY OF THE LIGHT RAIL SYSTEM.

14           F. TAX REVENUES COLLECTED UNDER THIS SECTION MAY NOT:

15           1. BE USED FOR ANY LIGHT RAIL EXTENSION OR COMMUTER RAIL, STREET  
16 CARS OR TROLLIES.

17           2. BE USED TO INFLUENCE THE OUTCOME OF AN ELECTION.

18           3. BE SPENT ON POLLING.

19           4. BE SPENT ON ANY PROJECT THAT WILL RESULT IN A REDUCTION IN  
20 EXISTING LANE MILES ON A HIGHWAY AS DEFINED IN SECTION 28-101 OR A STATE  
21 HIGHWAY DEFINED IN SECTION 28-101, UNLESS A THIRD-PARTY ENGINEERING STUDY  
22 DETERMINES THAT A LANE MILE REDUCTION IS NECESSARY TO REDUCE CONGESTION AND  
23 THE FINDINGS ARE PRESENTED IN A PUBLIC HEARING.

24           5. BE USED TO EXTEND LIGHT RAIL BETWEEN SEVENTH AVENUE AND  
25 NINETEENTH AVENUE AND ADAMS STREET AND JEFFERSON STREET IN PHOENIX."

26 Page 31, line 14, strike "AND" insert a comma; after "42-6105.01" insert "AND  
27        42-6105.02"

28 Line 16, strike "OR" insert a comma

29 Line 17, strike ", SUBDIVISION (b)" insert "OR SECTION 42-6105.02, SUBSECTION  
30        D"

1 Page 32, between lines 12 and 13, insert:

2 "Sec. 30. Title 48, chapter 29, article 2, Arizona Revised Statutes,  
3 is amended by adding a new section 48-5121, to read:

4 48-5121. Public transportation element of the plan:  
5 definitions

6 A. THE PUBLIC TRANSPORTATION ELEMENT OF THE PLAN SHALL INCLUDE:

7 1. A FAREBOX OPERATING RATIO STANDARD FOR EXISTING BUS ROUTE  
8 EXTENSIONS THAT ARE IN EXISTENCE ON THE EFFECTIVE DATE OF THIS SECTION AND  
9 THAT ARE FUNDED IN WHOLE OR IN PART FROM REVENUES THAT ARE DISTRIBUTED  
10 PURSUANT TO SECTION 42-6105.01, SUBSECTION D, PARAGRAPH 3 OR SECTION  
11 42-6105.02, SUBSECTION D, PARAGRAPH 1.

12 2. A FAREBOX RECOVERY RATIO STANDARD FOR EXISTING BUS ROUTES THAT  
13 ARE IN EXISTENCE ON THE EFFECTIVE DATE OF THIS SECTION AND THAT ARE FUNDED  
14 IN WHOLE OR IN PART FROM REVENUES THAT ARE DISTRIBUTED PURSUANT TO SECTION  
15 42-6105.01, SUBSECTION D, PARAGRAPH 3 OR SECTION 42-6105.02, SUBSECTION D,  
16 PARAGRAPH 1.

17 B. THE STANDARDS PRESCRIBED IN SUBSECTION A OF THIS SECTION SHALL BE  
18 PRESENTED ON AN INDIVIDUAL FISCAL YEAR BASIS AND BY ANY MEASURES NECESSARY  
19 SHALL ACHIEVE THE FOLLOWING PERCENTAGES FOR EACH EXISTING BUS ROUTE THAT IS  
20 IN EXISTENCE ON THE EFFECTIVE DATE OF THIS SECTION:

21 1. FOR FISCAL YEARS 2025-2026 THROUGH 2027-2028, THIRTEEN PERCENT.  
22 2. FOR FISCAL YEARS 2028-2029 THROUGH 2030-2031, SIXTEEN PERCENT.  
23 3. FOR FISCAL YEAR 2031-2032 AND ALL SUBSEQUENT FISCAL YEARS,  
24 NINETEEN PERCENT.

25 C. IF THE AUTHORITY FAILS TO MEET THE PERFORMANCE STANDARDS  
26 PRESCRIBED IN SUBSECTION B, PARAGRAPH 1, 2 OR 3 OF THIS SECTION, THE EXCESS  
27 COSTS SHALL BE ALLOCATED AMONG THE AFFECTED MEMBER MUNICIPALITIES ACCORDING  
28 TO THE PROPORTION OF THE BUS ROUTE THAT IS LOCATED IN EACH MUNICIPALITY AND  
29 THE AFFECTED MEMBER MUNICIPALITIES SHALL PAY THE MONIES FROM THEIR  
30 RESPECTIVE GENERAL FUNDS TO THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY  
31 SECTION 48-5103 IN THE FISCAL YEAR FOLLOWING THE FISCAL YEAR IN WHICH THE  
32 SHORTFALL WAS INCURRED.

1           D. IF THE AUTHORITY FAILS TO MEET THE PERFORMANCE STANDARDS  
2 PRESCRIBED IN SUBSECTION B, PARAGRAPH 3 OF THIS SECTION, THE AUTHORITY  
3 SHALL PROCEED WITH A PUBLIC BID AS OUTLINED IN SUBSECTION E OF THIS SECTION  
4 FOR THE OPERATION OF THE FAILING BUS ROUTE AND SHALL BE PROHIBITED FROM  
5 SUBMITTING A PROPOSAL TO BID.

6           E. FOR ALL NEW BUS ROUTES IDENTIFIED IN THE PLAN, THE AUTHORITY  
7 SHALL CONDUCT A PUBLIC BID TO CONTRACT THE OPERATIONS ACCORDING TO THE  
8 REQUIREMENTS SET FORTH IN SECTION 41-2533. THE BID SHALL REQUIRE  
9 PROSPECTIVE OPERATORS TO DEMONSTRATE COMPLIANCE WITH THE FOLLOWING FAREBOX  
10 OPERATING RATIO STANDARDS:

- 11         1. THIRTEEN PERCENT WITHIN THE FIRST YEAR OF OPERATING.
- 12         2. SIXTEEN PERCENT WITHIN THE FOURTH YEAR OF OPERATING.
- 13         3. NINETEEN PERCENT WITHIN THE SEVENTH YEAR OF OPERATING AND EVERY  
14 SUBSEQUENT YEAR.

15           F. IF THE OPERATOR FAILS TO MEET THE PERFORMANCE STANDARDS  
16 PRESCRIBED IN SUBSECTION E, PARAGRAPH 3 OF THIS SECTION, ANY OF THE  
17 FOLLOWING MAY OCCUR:

- 18         1. A NEW PUBLIC BID MAY BE CONDUCTED.
  - 19         2. THE FAILING BUS ROUTE MAY BE ELIMINATED.
  - 20         3. A NEW BUS ROUTE MAY BE REDESIGNED FOLLOWED BY A NEW PUBLIC BID.
- 21           G. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FAREBOX  
22 RECOVERY RATIO STANDARDS DO NOT APPLY TO TRANSPORTATION SERVICES MANDATED  
23 BY THE AMERICANS WITH DISABILITIES ACT OF 1990 (P.L. 101-336; 104 STAT.  
24 327; 42 UNITED STATES CODE SECTIONS 12101 THROUGH 12213).

25           H. FOR THE PURPOSES OF THIS SECTION:

- 26         1. "FAREBOX OPERATING RATIO" MEANS THE PERFORMANCE STANDARD  
27 DETERMINED BY THE APPROXIMATE PERCENTAGE OF THE AUTHORITY'S OPERATING  
28 EXPENSES PAID FOR BY PASSENGER FARE REVENUE AND FARE REIMBURSEMENTS.
- 29         2. "FAREBOX RECOVERY RATIO" MEANS THE PERFORMANCE STANDARD  
30 DETERMINED BY THE PERCENTAGE OF OPERATING AND LONG-TERM EXPENSES PAID FOR  
31 BY PASSENGER FARE REVENUE AND FARE REIMBURSEMENTS.

1           3. "LONG-TERM EXPENSES" INCLUDE DEPRECIATION FOR EQUIPMENT AND  
2       FACILITIES, INTEREST EXPENSES ON BONDS AND CAPITAL REHABILITATION.

3           4. "PLAN" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-6351."

4 Rerumber to conform

5 Page 32, line 20, strike "section" insert "sections"; after "42-6105.01" insert  
6       "and 42-6105.02"

7       Line 27, strike "question" insert "measure"

8 Page 33, line 2, strike the third "the" insert "each"

9       Line 3, strike the first "the" insert "each"

10      Line 4, after "raised" insert "by each tax"

11      Line 5, after "which" insert "each of"

12      Line 12, after "of" insert "each"; strike "tax" insert "tax's"

13      Line 19, after "against" insert "each question on"

14      Line 25, after "opposing" insert "each question on"

15 Page 34, strike lines 16 through 22, insert:

16            A measure continuing .495 cents the current .5 cents  
17       transportation excise (sales) tax to address the regional  
18       transportation system.

19           .43 cents of the transportation excise (sales) tax will address  
20       building new freeways, expanding existing freeways with additional  
21       access and capacity, constructing streets and intersections,  
22       continuing transit offerings and expanding transit frequency and  
23       coverage based on demand. Revenues from this portion of the tax will  
24       be allocated as follows:

25           (a) 53.5 percent to freeways.

26           (b) 28 percent to public transit.

27           (c) 18.5 percent to arterial streets.

28           .065 cents of the transportation excise (sales) tax will  
29       address expanding public transit offerings, including maintenance of  
30       light rail. Revenues from this portion of the tax will be allocated  
31       for those purposes."

32      Line 27, strike "question" insert "questions"

1 Page 34, strike lines 28 through 32

2 Page 35, strike lines 1 through 6, insert:

3                 "(a) Do you favor the portion of a county transportation  
4                 excise (sales) tax for regional transportation purposes in \_\_\_\_\_  
5                 county for freeways, public transit and arterial streets? YES \_\_\_\_\_  
6                 NO \_\_\_\_\_

7                 (A "YES" vote has the effect of continuing .43 cents of the  
8                 transportation excise (sales) tax in \_\_\_\_\_ county for twenty  
9                 years to provide funding for transportation projects as contained in  
10                 the regional strategic transportation infrastructure investment plan  
11                 relating to freeways, public transit and arterial streets.)

12                 (A "NO" vote has the effect of rejecting .43 cents of the  
13                 transportation excise (sales) tax for transportation projects in  
14                 \_\_\_\_\_ county relating to freeways, public transit and arterial  
15                 streets.)

16                 (b) Do you favor the portion of a county transportation excise  
17                 (sales) tax for regional transportation purposes in \_\_\_\_\_ county  
18                 for expanding public transit offerings, including maintenance of  
19                 light rail? YES \_\_\_\_\_ NO \_\_\_\_\_

20                 (A "YES" vote has the effect of continuing .065 cents of the  
21                 transportation excise (sales) tax in \_\_\_\_\_ county for twenty  
22                 years to provide funding for transportation projects as contained in  
23                 the regional strategic transportation infrastructure investment plan  
24                 relating to expanding public transit offerings, including maintenance  
25                 of light rail.)

26                 (A "NO" vote has the effect of rejecting .065 cents of the  
27                 transportation excise (sales) tax for transportation projects in  
28                 \_\_\_\_\_ county as contained in the regional strategic  
29                 transportation infrastructure investment plan relating to expanding  
30                 public transit offerings, including maintenance of light rail.)"

1 Page 36, strike lines 6 through 9, insert "The legislature intends that:

2           1. The development of State Route 30 between State Route 85 and Loop  
3           303 will begin in the first phase of the plan as defined in section  
4           28-6351, Arizona Revised Statutes, as amended by this act, to allow  
5           right-of-way acquisition and construction of the facility to advance as  
6           monies become available.

7           2. The freeway allocations will fund repavement of State Route 51  
8           where need is identified."

9 Between lines 15 and 16, insert:

10           "Sec. 35. Conditional enactment

11           A. Section 42-6105.01, Arizona Revised Statutes, as added by this  
12           act, is effective only if the qualified electors approve the extension of  
13           the portion of the county transportation excise tax relating to freeways,  
14           public transit and arterial streets.

15           B. Section 42-6105.02, Arizona Revised Statutes, as added by this  
16           act, is effective only if the qualified electors approve the extension of  
17           the portion of the county transportation excise tax relating to expanding  
18           public transit offerings, including maintenance and extension of light  
19           rail."

20 Amend title to conform

BEN TOMA

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06/13/2023

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C: ED