

~~electronic certificates of title~~
(now: election; transportation tax; Maricopa County)

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SENATE BILL 1246

AN ACT

AMENDING TITLE 28, CHAPTER 1, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-145; AMENDING SECTIONS 28-304, 28-702.04, 28-6301, 28-6302, 28-6303, 28-6304, 28-6305 AND 28-6306, ARIZONA REVISED STATUTES; REPEALING SECTION 28-6307, ARIZONA REVISED STATUTES; AMENDING SECTION 28-6308, ARIZONA REVISED STATUTES; REPEALING SECTIONS 28-6309, 28-6310, 28-6311 AND 28-6312, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-6313 AND 28-6351, ARIZONA REVISED STATUTES; REPEALING SECTION 28-6352, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 17, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 28-6352; REPEALING SECTIONS 28-6353, 28-6354 AND 28-6355, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-6538, 28-6954, 28-7671, 28-7691 AND 28-7695, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 27, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-9204; AMENDING SECTION 42-6105, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 6, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 42-6105.01 AND 42-6105.02; AMENDING SECTIONS 48-5102 AND 48-5103, ARIZONA REVISED STATUTES; REPEALING SECTIONS 48-5106 AND 48-5121, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 29, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 48-5121; RELATING TO COUNTY TRANSPORTATION EXCISE TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
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
11 USES THAT ENERGY SOURCE OR CONSUMES THAT ENERGY SOURCE TO ACCOMPLISH THE
12 FUNCTION.
13 Sec. 2. Section 28-304, Arizona Revised Statutes, is amended to
14 read:
15 28-304. Powers and duties of the board; transportation
16 facilities
17 A. The board shall:
18 1. Develop and adopt a statewide transportation policy statement.
19 The policy statement shall be adopted as described in section 28-306.
20 2. Adopt a long-range statewide transportation plan. The plan
21 shall be adopted as described in section 28-307.
22 3. Adopt uniform transportation planning practices and performance
23 based planning processes for use by the department. The practices and
24 processes shall be developed as described in sections 28-502 and 28-503.
25 4. Adopt transportation system performance measures and factors and
26 data collection standards to be used by the department. The performance
27 measures, factors and standards shall be developed as described in
28 sections 28-504 and 28-505.
29 B. With respect to highways, the board shall:
30 1. Establish a complete system of state highway routes.
31 2. Determine which state highway routes or portions of the routes
32 are accepted into the state highway system and which state highway routes
33 to improve.
34 3. Establish, open, relocate or alter a portion of a state route or
35 state highway.
36 4. Vacate or abandon a portion of a state route or state highway as
37 prescribed in section 28-7209.
38 5. Sell board funding obligations to the state treasurer as
39 provided in section 28-7678.
40 C. The board shall:
41 1. Establish policies to guide the development or modification of
42 the five year transportation facilities construction program that are
43 consistent with the principles of ~~performance based~~ PERFORMANCE-BASED

1 planning developed pursuant to article 7 of this chapter. The percentage
2 of department discretionary monies allocated to the region in the ~~regional~~
3 ~~transportation~~ plan approved pursuant to chapter 17, article 1 of this
4 title shall not increase or decrease unless the board, in cooperation with
5 the regional planning agency, agrees to change the percentage of the
6 discretionary monies.

7 2. Award all construction contracts for transportation facilities.

8 3. Monitor the status of these construction projects.

9 D. The board shall determine priority program planning with respect
10 to transportation facilities using the ~~performance-based~~ PERFORMANCE-BASED
11 methods developed pursuant to article 7 of this chapter.

12 E. With respect to transportation facilities other than highways,
13 the board shall establish, open, relocate, alter, vacate or abandon all or
14 portions of the facilities.

15 F. With respect to aeronautics, the board shall perform the
16 functions prescribed in chapter 25 of this title.

17 G. The board shall not spend any monies, adopt any rules or
18 implement any policies or programs to convert signs to the metric system
19 or to require the use of the metric system with respect to designing or
20 preparing plans, specifications, estimates or other documents for any
21 highway project before the conversion or use is required by federal law,
22 except that the board may:

23 1. Spend monies and require the use of the metric system with
24 respect to designing or preparing plans, specifications, estimates or
25 other documents for a highway project that is awarded before October 1,
26 1997 and that is exclusively metric from its inception.

27 2. Prepare for conversion to and use of the metric system not more
28 than six months before the conversion or use is required by federal law.

29 Sec. 3. Section 28-702.04, Arizona Revised Statutes, is amended to
30 read:

31 28-702.04. Maximum speed limit on interstate highways outside
32 urbanized areas and within certain counties;
33 definition

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

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

42 C. The director may order the increase of the maximum speed limit
43 prescribed in subsection A of this section to seventy-five miles per hour

1 on an individual interstate system highway subject to this section or on
2 all of the interstate system highways in this state as prescribed in
3 section 28-702.

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

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

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

13 Sec. 4. Section 28-6301, Arizona Revised Statutes, is amended to
14 read:

15 28-6301. Definitions

16 In this article, unless the context otherwise requires:

17 1. ~~"Bond-related~~ BOND-RELATED expenses" means:

18 (a) Printing, publication or advertising expenses with respect to
19 the sale and issuance of any bonds.

20 (b) Fees, expenses and costs of registrars, paying agents and
21 transfer agents retained by the board.

22 (c) Fees, expenses and costs of attorneys, accountants, actuaries,
23 feasibility consultants, computer programmers or other experts employed to
24 aid in the sale and issuance of the bonds.

25 (d) Other costs, fees and expenses incurred or reasonably related
26 to the issuance, sale and administration of the bonds.

27 2. ~~"Bond-related~~ BOND-RELATED obligation" means any agreement or
28 contractual relationship between the board and any bank, trust company,
29 insurance company, surety bonding company, pension fund or other financial
30 institution providing increased credit on, or security for, the bonds or
31 liquidity for secondary market transactions.

32 3. "Bonds" means any bonds that are payable from the regional area
33 road fund as provided in chapter 21, article 2 of this title.

34 4. "Construction interest" means a company whose primary function
35 consists of building freeways, highways or major arterial streets.

36 5. "Controlled access highway" has the same meaning prescribed in
37 section 28-601.

38 6. "Freight interest" means a company that derives a substantial
39 portion of its revenue from transporting goods.

40 ~~7. "Major amendment" means either:~~

41 ~~(a) The addition or deletion of a freeway, route on the state~~
42 ~~highway system or a fixed guideway transit system.~~

1 ~~(b) The addition or deletion of a portion of a freeway, route on~~
2 ~~the state highway system or a fixed guideway transit system that either~~
3 ~~exceeds one mile in length or exceeds an estimated cost of forty million~~
4 ~~dollars as provided in the regional transportation plan.~~

5 ~~(c) The modification of a transportation project in a manner that~~
6 ~~eliminates a connection between freeway facilities or fixed guideway~~
7 ~~facilities.~~

8 7. "MAJOR ARTERIAL" MEANS AN INTERCONNECTED THOROUGHFARE WHOSE
9 PRIMARY FUNCTION IS TO LINK AREAS IN THE REGION AND TO DISTRIBUTE TRAFFIC
10 TO AND FROM CONTROLLED ACCESS HIGHWAYS, GENERALLY OF REGIONWIDE
11 SIGNIFICANCE AND OF VARYING CAPACITY DEPENDING ON THE TRAVEL DEMAND FOR
12 THE SPECIFIC DIRECTION AND ADJACENT LAND USES.

13 8. "PERFORMANCE-BASED" MEANS REGIONAL PLANNING AGENCY PROCESSES AND
14 PRACTICES THAT ARE CONSISTENT WITH FEDERAL LAW, INCLUDING REQUIREMENTS
15 PRESCRIBED IN 23 UNITED STATES CODE SECTION 134 AND 49 UNITED STATES CODE
16 SECTION 5303, AND STATE LAW, INCLUDING SYSTEM PERFORMANCE FACTORS SET
17 FORTH IN SECTION 28-505.

18 9. "PLAN" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-6351.

19 ~~8.~~ 10. "Population" means the population determined in the most
20 recent United States decennial census or the most recent special census as
21 provided in section 28-6532 and revisions to the decennial or special
22 census certified by the United States bureau of the census.

23 ~~9.~~ 11. "Public transportation" means moving passengers by means of
24 a conveyance operated by or for a political subdivision of this state,
25 including dial-a-ride transportation, special needs transportation and van
26 pool transportation but excluding school buses.

27 ~~10.~~ 12. "Public transportation system" means the combination of
28 individuals, vehicles, physical facilities, structures and equipment that
29 together provide, or facilitate providing, public transportation,
30 including buses, high occupancy vehicle roadway lanes and ramps, bus
31 pull-out lanes, bus and light rail waiting facilities, park and ride
32 parking lots, intelligent transportation systems and ridesharing
33 promotion.

34 13. "REGIONAL PROGRAMS" MEANS TRANSPORTATION PROJECTS THAT ARE
35 SELECTED THROUGH A PERFORMANCE-BASED PROCESS FOR ARTERIAL IMPROVEMENTS,
36 EMERGING TECHNOLOGIES AND THE FOLLOWING AIR QUALITY MEASURES IN AREAS
37 PROXIMATELY LOCATED NEAR NONATTAINING AIR QUALITY MONITORS:

38 (a) PAVING UNPAVED ROADS.

39 (b) PROCURING STREET SWEEPERS.

40 ~~11.~~ 14. "Regionwide business" means a company that provides goods
41 or services throughout the county.

42 ~~12.~~ 15. "Transit interest" means an individual with demonstrated
43 interest and experience with public transportation.

1 Sec. 5. Section 28-6302, Arizona Revised Statutes, is amended to
2 read:

3 28-6302. Transportation excise tax distribution; counties
4 with three million or more persons; regional area
5 road fund

6 A. In a county with a population of ~~one~~ THREE million ~~two hundred~~
7 ~~thousand~~ or more persons, the officer collecting transportation excise tax
8 monies pursuant to section 42-6105 OR 42-6105.01 that are designated for
9 deposit in the regional area road fund shall immediately transfer the
10 monies to the state treasurer. The state treasurer shall deposit the
11 monies in a fund designated for the county as the regional area road
12 fund. The state treasurer shall hold monies in the regional area road
13 fund as a trustee for the county.

14 B. Except as provided in this article, the county in which the
15 transportation excise taxes are levied has the beneficial interest in the
16 regional area road fund. This state has no beneficial interest in the
17 regional area road fund except as an obligee for reimbursement of state
18 monies that are advanced as salaries or expenses by this state or the
19 department and that are to be repaid by the regional area road fund.

20 C. Monies and investments within the regional area road fund may be
21 used and spent only as provided in this chapter. An appropriation of any
22 nature shall not be required before the expenditure of monies from the
23 regional area road fund. Monies in the bond proceeds account or
24 construction account of a regional area road fund may be obligated for
25 payment in future years for the purpose of right-of-way acquisition
26 subject to the limitations prescribed in sections 28-7001 and 28-7002, ~~and~~
27 section 42-6105, subsection D, paragraphs 1 and 2 AND SECTION 42-6105.01,
28 SUBSECTION D, PARAGRAPHS 1 AND 2. The state treasurer shall make payments
29 from the regional area road fund by check, and a warrant or voucher is not
30 necessary. Subject to the powers granted to the board in chapter 21,
31 article 2 of this title, the director shall administer monies deposited in
32 the regional area road fund.

33 Sec. 6. Section 28-6303, Arizona Revised Statutes, is amended to
34 read:

35 28-6303. Regional area road fund; separate accounts

36 A. The regional area road fund is divided into three separate
37 accounts designated as the bond account, the construction account and the
38 bond proceeds account.

39 B. The state treasurer shall:

40 1. Account separately for each account.

41 2. Make transfers between accounts only as provided in this article
42 or chapter 21, article 2 of this title.

1 3. Before any bonds are issued, deposit transportation excise tax
2 revenues transferred to the state treasurer in the construction account.
3 These revenues shall be expended as provided in this article.

4 4. After any bonds are issued, deposit transportation excise tax
5 revenues transferred to the state treasurer in the bond account first
6 until the bond account contains monies sufficient to meet all principal,
7 interest or redemption requirements for the current period as required by
8 any resolution of the board pertaining to the issuance of bonds.

9 5. After all current period requirements for all of the bonds are
10 deposited in the bond account, deposit the balance of transportation
11 excise tax revenues transferred to the state treasurer for the current
12 period in the construction account.

13 C. The state treasurer may:

14 1. Invest monies in any account of the regional area road fund in
15 any securities or obligations authorized by title 35, chapter 2,
16 article 2.

17 2. For the purpose of investments, commingle monies within the
18 regional area road fund with state monies if all interest earned on the
19 monies in the regional area road fund of a county is credited to the
20 respective account of the regional area road fund in which the investment
21 was made.

22 D. The department shall separately account for the uses of
23 transportation excise tax revenues deposited into the bond account and the
24 construction account in order to identify how the transportation excise
25 tax revenues are used pursuant to section 42-6105, subsection D,
26 paragraphs 1 and 2, for:

27 1. Freeways and other routes in the state highway system.

28 2. Major arterial streets, ~~and~~ intersection improvements AND
29 REGIONAL PROGRAMS IDENTIFIED IN THE PLAN, INCLUDING CAPITAL EXPENSE AND
30 IMPLEMENTATION STUDIES.

31 E. THE DEPARTMENT SHALL SEPARATELY ACCOUNT FOR THE USES OF
32 TRANSPORTATION EXCISE TAX REVENUES DEPOSITED IN THE BOND ACCOUNT AND THE
33 CONSTRUCTION ACCOUNT IN ORDER TO IDENTIFY HOW THE TRANSPORTATION EXCISE
34 TAX REVENUES ARE USED PURSUANT TO SECTION 42-6105.01, SUBSECTION D,
35 PARAGRAPHS 1 AND 2 FOR:

36 1. FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM.

37 2. MAJOR ARTERIAL STREETS, INTERSECTION IMPROVEMENTS AND REGIONAL
38 PROGRAMS IDENTIFIED IN THE PLAN, INCLUDING CAPITAL EXPENSE AND
39 IMPLEMENTATION STUDIES.

40 Sec. 7. Section 28-6304, Arizona Revised Statutes, is amended to
41 read:

42 28-6304. Bond account; expenditures

43 A. The state treasurer shall:

1 1. Hold monies in the bond account in trust for the owners of the
2 bonds.

3 2. Pay monies in the bond account to the county, to paying agents
4 or to the owners of the bonds directly in accordance with a resolution of
5 the board authorizing the issuance of the bonds.

6 B. Monies in the bond account may be used:

7 1. To pay ~~bond-related~~ BOND-RELATED expenses or recurring expenses
8 pertaining to administration and payment of the bonds.

9 2. For funding reserves for the payment of the bonds.

10 3. For payment of fees, charges and expenses incurred with respect
11 to ~~bond-related~~ BOND-RELATED obligations.

12 C. Monies in the bond proceeds account may be obligated or spent as
13 directed by the board, ACCORDING TO THE PLAN, for the:

14 1. Payment of all ~~bond-related~~ BOND-RELATED expenses.

15 2. Establishment and funding of reserve monies or to pay interest
16 on bonds during the expected period of construction.

17 3. Payment of fees, charges and expenses incurred with respect to
18 ~~bond-related~~ BOND-RELATED obligations.

19 4. Design, right-of-way purchase or construction related to new, or
20 improvements to, freeways and other routes in the state highway system
21 that are included in the ~~regional transportation~~ plan ~~of the county~~ and
22 that are accepted into the state highway system.

23 5. Design, right-of-way purchase or construction related to new, or
24 improvements to, major arterial streets, ~~and~~ intersections AND REGIONAL
25 PROGRAMS that are included in the ~~regional transportation~~ plan ~~of the~~
26 ~~county. For the purposes of this paragraph, "major arterial" means an~~
27 ~~interconnected thoroughfare whose primary function is to link areas in the~~
28 ~~region and to distribute traffic to and from controlled access highways,~~
29 ~~generally of regionwide significance and of varying capacity depending on~~
30 ~~the travel demand for the specific direction and adjacent land uses.~~

31 ~~6. Design and construction of interim roadways within the adopted~~
32 ~~corridors of the regional transportation plan of the county pursuant to~~
33 ~~section 28-6309.~~

34 ~~7. Right-of-way costs associated with the construction of interim~~
35 ~~roadways pursuant to section 28-6310.~~

36 ~~8.~~ 6. Payment of principal and interest on the bonds.

37 Sec. 8. Section 28-6305, Arizona Revised Statutes, is amended to
38 read:

39 28-6305. Construction account; expenditures; construction
40 contracts

41 A. Except as provided in subsection B of this section, monies in
42 the construction account of the regional area road fund shall be spent,
43 pledged or accumulated for the purposes provided in section 28-6304,

1 subsection C, paragraphs 4 and 5, including payment of interest on and
2 repayment of bonds and obligations issued pursuant to chapter 21 of this
3 title if the proceeds of the bonds or obligations are used for the
4 purposes provided in section 28-6304, subsection C, paragraphs 4 and 5.

5 B. Of the monies deposited in the construction account of the
6 regional area road fund under section 28-6303, the state treasurer shall:

7 1. In each fiscal year, divide and equally distribute ~~five million~~
8 ~~dollars to~~ THE FOLLOWING:

9 (a) \$2,500,000 TO the public transportation fund established in
10 that county under section 48-5103.

11 (b) \$1,625,000 TO the regional planning agency in that county for
12 planning and ~~administration of~~ ADMINISTERING the ~~regional transportation~~
13 plan approved pursuant to section 28-6308. The state treasurer shall
14 distribute monies under this subdivision through the department on or
15 before June 30 of each year.

16 2. Beginning with fiscal year ~~1987-1988~~ 2024-2025, adjust the
17 monies distributed under paragraph 1 OF THIS SUBSECTION by the annual
18 percentage change for the previous calendar year in the GDP price deflator
19 as defined in section 41-563.

20 C. The monies distributed under subsection B of this section shall
21 only be spent for planning and administering the ~~regional transportation~~
22 plan approved pursuant to section 28-6308 and the costs incurred by the
23 auditor general relating to performance audits under section 28-6313.
24 Before the beginning of each fiscal year, the respective governing bodies
25 of the members of the regional planning agency and the board of directors
26 of the regional public transportation authority shall explicitly identify
27 and approve in ~~the annual~~ budgets the monies to be spent under subsection
28 B of this section for the purposes allowed under this subsection. These
29 expenditures are subject to the annual audit of the governing bodies'
30 financial transactions.

31 D. The director may enter into construction contracts or contracts
32 incidental to construction contracts payable from monies in either the
33 bond proceeds account or the construction account or both the bond
34 proceeds and construction accounts.

35 Sec. 9. Section 28-6306, Arizona Revised Statutes, is amended to
36 read:

37 28-6306. Account expenditures; elections

38 A. Except as provided in subsection B OF THIS SECTION, monies from
39 any account in the regional area road fund shall not be spent to promote
40 or advocate a position, alternative or outcome of an election, to
41 influence public opinion or to pay or contract for consultants or advisors
42 to influence public opinion with respect to an election regarding taxes or

1 other sources of revenue for the fund or regarding the ~~regional~~
2 ~~transportation~~ plan.

3 B. Monies from any account in the regional area road fund may be
4 spent:

5 ~~1. As authorized by this article to determine public opinion before~~
6 ~~the election is called.~~

7 ~~2.~~ for costs specifically incurred with respect to a ballot issue
8 relating to a county transportation excise tax in a county with a
9 population of ~~one~~ THREE million ~~two hundred thousand~~ or more persons.

10 Sec. 10. Repeal

11 Section 28-6307, Arizona Revised Statutes, is repealed.

12 Sec. 11. Section 28-6308, Arizona Revised Statutes, is amended to
13 read:

14 28-6308. Regional planning agency transportation policy
15 committee

16 A. The regional planning agency in the county shall establish a
17 transportation policy committee consisting of ~~twenty-three~~ THE FOLLOWING
18 members ~~as follows~~:

19 1. Seventeen members of the regional planning agency, including one
20 member of the state transportation board who represents the county, one
21 member of the county board of supervisors and one member ~~representing~~ WHO
22 REPRESENTS Indian communities in the county.

23 2. ~~Six~~ TWELVE members who represent regionwide business interests,
24 ~~one~~ TWO of whom must represent transit interests, ~~one~~ TWO of whom must
25 represent freight interests, TWO OF WHOM MUST REPRESENT COMMERCIAL REAL
26 ESTATE INTERESTS and ~~one~~ TWO of whom must represent construction
27 interests. The president of the senate and the speaker of the house of
28 representatives shall each appoint ~~three~~ SIX members to the committee
29 pursuant to this paragraph. Members who are appointed pursuant to this
30 paragraph serve six-year terms. The chairperson of the regional planning
31 agency may submit names to the president of the senate and the speaker of
32 the house of representatives for consideration for appointment to the
33 transportation policy committee.

34 3. BEGINNING FISCAL YEAR 2024-2025, TWO MEMBERS WHO REPRESENT
35 UNINCORPORATED AREAS OF A COUNTY THAT HAS A POPULATION OF THREE MILLION OR
36 MORE PERSONS AND WHO ARE APPOINTED JOINTLY BY THE PRESIDENT OF THE SENATE
37 AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES. MEMBERS WHO ARE
38 APPOINTED PURSUANT TO THIS PARAGRAPH SERVE SIX-YEAR TERMS.

39 4. BEGINNING FISCAL YEAR 2024-2025, TWO MEMBERS WHO REPRESENT
40 TAXPAYER ORGANIZATIONS AND WHO ARE APPOINTED JOINTLY BY THE PRESIDENT OF
41 THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES. MEMBERS WHO
42 ARE APPOINTED PURSUANT TO THIS PARAGRAPH SERVE A SIX-YEAR TERM.

1 5. BEGINNING FISCAL YEAR 2024-2025, ONE MEMBER WHO REPRESENTS
2 RESIDENTIAL HOUSING DEVELOPMENT INTERESTS AND WHO IS APPOINTED JOINTLY BY
3 THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
4 REPRESENTATIVES. THE MEMBER WHO IS APPOINTED PURSUANT TO THIS PARAGRAPH
5 SERVES A SIX-YEAR TERM.

6 B. Through the regional planning agency, the transportation policy
7 committee BY A MAJORITY VOTE OF THE MEMBERS shall DO ALL OF THE FOLLOWING:

8 ~~2.~~ 1. Develop the plan in cooperation with the regional public
9 transportation authority in the county and the department ~~of~~
10 ~~transportation~~ and in consultation with the county board of supervisors,
11 Indian communities and cities and towns in the county.

12 ~~1.~~ 2. ~~By a majority vote of the members,~~ Recommend approval,
13 DISAPPROVAL OR MODIFICATION of ~~a twenty-year comprehensive,~~
14 ~~performance-based, multimodal and coordinated regional transportation plan~~
15 ~~in the county, including transportation corridors by priority and a~~
16 ~~schedule indicating the dates that construction will commence for projects~~
17 ~~contained in the plan.~~

18 ~~3.~~ ~~Submit the plan for review by the regional public transportation~~
19 ~~authority in the county, the state board of transportation, the county~~
20 ~~board of supervisors, Indian communities and cities and towns in the~~
21 ~~county at the alternatives stage of the plan and the final draft stage of~~
22 ~~the plan. After reviewing the plan, the regional public transportation~~
23 ~~authority in the county, the county board of supervisors and the state~~
24 ~~board of transportation, by majority vote of the members of each entity~~
25 ~~within thirty days after receiving the plan, shall submit a written~~
26 ~~recommendation to the transportation policy committee that the plan be~~
27 ~~approved, modified or disapproved. Within thirty days after receiving the~~
28 ~~plan, Indian communities and cities and towns in the county may submit a~~
29 ~~written recommendation to the transportation policy committee that the~~
30 ~~plan be approved, modified or disapproved.~~

31 ~~4.~~ ~~Consider plan modifications proposed by any of the entities as~~
32 ~~prescribed in paragraph 3 of this subsection.~~

33 ~~5.~~ ~~By majority vote, approve, disapprove or further modify each~~
34 ~~proposed plan modification.~~

35 ~~6.~~ ~~Provide a written response to the regional public transportation~~
36 ~~authority, the state board of transportation, the county board of~~
37 ~~supervisors and the entity that submitted the proposed modification within~~
38 ~~thirty days after the vote on the proposed modification explaining the~~
39 ~~affirmation, rejection or further modification of each proposed~~
40 ~~modification.~~

41 ~~7.~~ ~~Recommend the plan to the regional planning agency for approval~~
42 ~~for an air quality conformity analysis.~~

1 ~~C. The regional transportation plan:~~
2 ~~1. Shall include the following transportation mode classifications~~
3 ~~with a revenue allocation to each classification consistent with section~~
4 ~~42-6105, subsection D:~~
5 ~~(a) Freeways and other routes in the state highway system.~~
6 ~~(b) Major arterial streets and intersection improvements.~~
7 ~~(c) Public transportation systems.~~
8 ~~2. Shall provide a suggested construction schedule for the~~
9 ~~transportation projects contained in the plan.~~
10 ~~3. May be annually updated to introduce new controlled access~~
11 ~~highways, related grade separations and transportation projects or to~~
12 ~~modify the existing plan.~~
13 ~~4. Shall be developed to meet federal air quality requirements~~
14 ~~established for the region in which it is located.~~
15 ~~D. Transportation excise tax revenues that are distributed pursuant~~
16 ~~to section 42-6105, subsection D shall not be redistributed or used for~~
17 ~~other transportation modes. Except as provided by section 28-6353,~~
18 ~~subsections D, E and F, transportation excise tax revenues that are~~
19 ~~dedicated in the plan to a specific project or transportation system may~~
20 ~~only be redistributed to or otherwise used for another project within the~~
21 ~~same transportation mode if approved by a majority vote of the~~
22 ~~transportation policy committee.~~
23 3. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF CHANGES TO
24 THE ALLOCATIONS OF TRANSPORTATION EXCISE TAX REVENUES BETWEEN SECTION
25 28-6352, SUBSECTION B, PARAGRAPHS 1, 2 AND 3.
26 4. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF THE BUDGET
27 PROCESSES IDENTIFIED BY SECTION 28-6352, SUBSECTION D.
28 5. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF FUNDING
29 AWARDED THROUGH THE REGIONAL PROGRAMS PROCESS.
30 Sec. 12. Repeal
31 Sections 28-6309, 28-6310, 28-6311 and 28-6312, Arizona Revised
32 Statutes, are repealed.
33 Sec. 13. Section 28-6313, Arizona Revised Statutes, is amended to
34 read:
35 28-6313. Performance audits of proposed transportation
36 projects and systems
37 A. Beginning in 2010 and every fifth year thereafter, the auditor
38 general shall ~~contract with a nationally recognized independent auditor~~
39 ~~with expertise in evaluating multimodal transportation systems and in~~
40 ~~regional transportation planning to~~ conduct a performance audit, as
41 defined in section 41-1278, of the ~~regional transportation~~ plan and
42 projects scheduled for funding during the next five years.

1 B. With respect to light rail systems, the audit shall consider the
2 criteria used by the federal transit administration pursuant to 49 United
3 States Code section 5309(e)(1)(B) and the interrelationship among the
4 criteria to provide federal funding for light rail systems. For light
5 rail systems, the audit shall also consider:

- 6 1. Service levels.
- 7 2. Capital costs.
- 8 3. Operation and maintenance costs.
- 9 4. Transit ridership.

10 5. Farebox revenues.

11 C. The audit shall:

12 1. Examine the ~~regional transportation~~ plan and projects scheduled
13 for funding within each transportation mode based on the performance
14 factors established in section 28-505, subsection A, in the context of the
15 transportation system.

16 2. Review past expenditures of the ~~regional transportation~~ plan and
17 examine the performance of the system in relieving congestion and
18 improving mobility.

19 3. Make recommendations regarding whether further implementation of
20 a project or transportation system is warranted, warranted with
21 modifications or not warranted.

22 D. The auditor general or the auditors contracted to conduct the
23 audit shall periodically update the transportation policy committee
24 regarding the progress of the audit.

25 E. Within forty-five days after the release of the audit, the
26 regional public transportation authority, the state transportation board
27 and the county board of supervisors, by a majority vote of each entity,
28 shall submit written recommendations to the transportation policy
29 committee that the findings are agreed to or disagreed with and the
30 recommendations should be implemented, be implemented with modification or
31 not be implemented.

32 F. Within forty-five days after the audit's release, the regional
33 planning agency shall hold a public hearing on the audit findings and
34 recommendations.

35 G. The auditor general shall distribute copies of the audit to:

- 36 1. The regional planning agency.
- 37 2. The transportation policy committee.
- 38 3. The regional public transportation authority in the county.
- 39 4. The county board of supervisors.
- 40 5. The state transportation board.
- 41 6. The governor, secretary of state, president of the senate and

42 speaker of the house of representatives.

1 ~~7. The Arizona state library, archives and public records.~~

2 ~~8.~~ 7. Any other person who requests a copy pursuant to title 39,
3 chapter 1, article 2.

4 H. The state transportation board, regional planning agency,
5 regional public transportation authority and county board of supervisors
6 shall cooperate with and submit to the auditor general and the auditors
7 contracted to conduct the audit information necessary to conduct the
8 audits under this section.

9 I. The cost incurred by the auditor general in contracting with
10 independent auditors for conducting performance audits under subsection A
11 of this section shall be paid from revenues of the county transportation
12 excise tax under ~~section~~ SECTIONS 42-6105, 42-6105.01 AND 42-6105.02.
13 When due, the payments have priority over any other distribution
14 authorized by section 42-6105, 42-6105.01 OR 42-6105.02. The auditor
15 general shall deposit the payments in the audit services revolving fund
16 established by section 41-1279.06.

17 Sec. 14. Heading change

18 The article heading of title 28, chapter 17, article 2, Arizona
19 Revised Statutes, is changed from "REGIONAL TRANSPORTATION PLAN" to
20 "COUNTY TRANSPORTATION EXCISE TAX PLAN".

21 Sec. 15. Section 28-6351, Arizona Revised Statutes, is amended to
22 read:

23 28-6351. Definitions

24 In this article, unless the context otherwise requires:

25 ~~1. "Controlled access highway" has the same meaning prescribed in~~
26 ~~section 28-601.~~

27 ~~2.~~ 1. "Enhancement" means an addition that exceeds generally
28 accepted engineering or design standards for the specific type of
29 facility.

30 2. "PERFORMANCE-BASED" MEANS REGIONAL PLANNING AGENCY PROCESSES AND
31 PRACTICES THAT ARE CONSISTENT WITH FEDERAL LAW, INCLUDING REQUIREMENTS
32 PRESCRIBED IN 23 UNITED STATES CODE SECTION 134 AND 49 UNITED STATES CODE
33 SECTION 5303, AND STATE LAW, INCLUDING SYSTEM PERFORMANCE FACTORS SET
34 FORTH IN SECTION 28-505.

35 3. ~~"Regional transportation~~ Plan" means the ~~twenty-year~~
36 comprehensive, ~~performance-based~~ PERFORMANCE-BASED, multimodal and
37 coordinated regional STRATEGIC transportation INFRASTRUCTURE INVESTMENT
38 plan approved for the county pursuant to section 28-6308, as amended or
39 otherwise modified.

40 Sec. 16. Repeal

41 Section 28-6352, Arizona Revised Statutes, is repealed.

1 SUBSECTION C, SECTION 42-6105.01, SUBSECTION C AND SECTION 42-6105.02,
2 SUBSECTION C.

3 3. THE ESTIMATED COST OF MAJOR ARTERIAL STREETS, INTERSECTION
4 IMPROVEMENTS AND REGIONAL PROGRAMS DOES NOT EXCEED THE TOTAL AMOUNT OF
5 REVENUES ESTIMATED TO BE AVAILABLE OVER THE TERM OF THE TRANSPORTATION
6 EXCISE TAX AS PRESCRIBED BY SECTION 42-6105, SUBSECTION C, SECTION
7 42-6105.01, SUBSECTION C AND SECTION 42-6105.02, SUBSECTION C.

8 E. THE REGIONAL PLANNING AGENCY SHALL COORDINATE WITH IMPLEMENTING
9 PARTNERS ON THE BUDGET PROCESS PRESCRIBED IN SUBSECTION D OF THIS SECTION,
10 INCLUDING THE DEPARTMENT FOR FREEWAYS AND OTHER ROUTES IN THE STATE
11 HIGHWAY SYSTEM AND THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY IN THE
12 COUNTY FOR THE PUBLIC TRANSPORTATION SYSTEM.

13 F. THE REGIONAL PLANNING AGENCY SHALL DETERMINE THE USE OF THE
14 REVENUES COLLECTED UNDER SECTIONS 42-6105, 42-6105.01 AND 42-6105.02 FOR
15 CAPITAL PROJECTS THROUGH THE TRANSPORTATION IMPROVEMENT PROGRAM.

16 G. ANY BONDS ISSUED AGAINST PROCEEDS COLLECTED PURSUANT TO SECTIONS
17 42-6105, 42-6105.01 AND 42-6105.02 REQUIRE CONSULTATION WITH THE REGIONAL
18 PLANNING AGENCY.

19 H. THE REGIONAL PLANNING AGENCY SHALL ANNUALLY REPORT ON THE STATUS
20 OF THE PROJECTS FUNDED PURSUANT TO SECTION 42-6105, 42-6105.01 OR
21 42-6105.02 AND SHALL POST THE REPORT ON ITS WEBSITE.

22 I. REQUESTS FOR CHANGES TO TRANSPORTATION PROJECTS FUNDED IN THE
23 PLAN THAT WOULD MATERIALLY INCREASE COSTS SHALL BE SUBMITTED TO THE
24 REGIONAL PLANNING AGENCY FOR APPROVAL AND SUBMITTED BY THE REGIONAL
25 PLANNING AGENCY TO THE TRANSPORTATION POLICY COMMITTEE AND THE BOARD FOR
26 CONSIDERATION AND APPROVAL.

27 J. IF A LOCAL AUTHORITY REQUESTS AN ENHANCEMENT TO A TRANSPORTATION
28 PROJECT FUNDED IN THE PLAN, THE LOCAL AUTHORITY SHALL PAY ALL COSTS
29 ASSOCIATED WITH THE ENHANCEMENT.

30 K. THE PLAN SHALL REFLECT THE ALLOCATION OF REVENUES COLLECTED
31 UNDER SECTION 42-6105, SUBSECTION D THROUGH DECEMBER 31, 2025.

32 L. THE BUDGET PROCESS PRESCRIBED IN SUBSECTION D OF THIS SECTION
33 DOES NOT APPLY TO THE ANNUAL OPERATING BUDGET OF THE REGIONAL PUBLIC
34 TRANSPORTATION AUTHORITY IN THE COUNTY.

35 M. IF MONIES ARE APPROPRIATED BY THE LEGISLATURE FOR A PROJECT THAT
36 IS IDENTIFIED IN THE PLAN, THE USE OF THE MONIES FOR CONSTRUCTION REQUIRES
37 BOTH OF THE FOLLOWING:

38 1. THE PROJECT MUST BE ADVANCED AS APPROPRIATE TO REFLECT THE
39 ESTIMATED CONSTRUCTION START DATE.

40 2. THE MONIES MUST BE USED IN THE SAME MODAL CLASSIFICATION
41 SPECIFIED IN SUBSECTION B OF THIS SECTION.

42 N. IF A MUNICIPALITY PAYS FOR PUBLIC TRANSPORTATION SERVICE IN AN
43 ADJACENT MUNICIPALITY OR UNINCORPORATED AREA OF A COUNTY, THE COST OF THE

1 SERVICE SHALL BE ELIGIBLE FOR REIMBURSEMENT FROM MONIES COLLECTED UNDER
2 SECTION 42-6105, 42-6105.01 OR 42-6105.02. FOR THE PURPOSES OF THIS
3 SUBSECTION:

4 1. "MUNICIPALITY" MEANS A CITY OR TOWN.

5 2. "PUBLIC TRANSPORTATION SERVICE" INCLUDES CIRCULATOR SERVICE.

6 0. THE REGIONAL PLANNING AGENCY SHALL POST ON THE REGIONAL PLANNING
7 AGENCY'S WEBSITE A PUBLIC NOTICE ON ANY PROPOSED AMENDMENTS TO THE PLAN
8 THAT REQUIRES A NEW AIR QUALITY CONFORMITY DETERMINATION AND SHALL MAKE
9 THE RESULTS OF THE AIR QUALITY CONFORMITY ANALYSIS PUBLICLY AVAILABLE.

10 Sec. 18. Repeal

11 Sections 28-6353, 28-6354 and 28-6355, Arizona Revised Statutes, are
12 repealed.

13 Sec. 19. Section 28-6538, Arizona Revised Statutes, is amended to
14 read:

15 28-6538. Arizona highway user revenue fund distribution;
16 remaining monies; highway fund distribution;
17 contract authorization; plan requirements

18 A. Each fiscal year the department shall allocate and the state
19 treasurer shall distribute revenues of the Arizona highway user revenue
20 fund remaining after the distribution provided in sections 28-6534 and
21 28-6537 as follows:

22 1. To the state highway fund, fifty and one-half ~~per cent~~ PERCENT.

23 2. To the counties, nineteen ~~per cent~~ PERCENT.

24 3. To the incorporated cities and towns, twenty-seven and one-half
25 ~~per cent~~ PERCENT.

26 4. To incorporated cities with a population of three hundred
27 thousand or more persons, three ~~per cent~~ PERCENT.

28 B. At least twelve and six-tenths ~~per cent~~ PERCENT of the revenues
29 allocated each year to the state highway fund pursuant to subsection A of
30 this section shall be further distributed in the following proportions and
31 for the following purposes:

32 1. Seventy-five ~~per cent~~ PERCENT of the revenues shall be spent,
33 pledged or accumulated in counties with a population of one million five
34 hundred thousand or more persons for the design, right-of-way purchase or
35 construction of controlled access highways that are included in the
36 ~~regional transportation~~ plan ~~of the county~~ AS DEFINED IN SECTION 28-6351
37 and that are accepted into the state highway system either as a state
38 route or as a state highway.

39 2. Twenty-five ~~per cent~~ PERCENT of the revenues shall be spent,
40 pledged or accumulated in counties with a population of more than eight
41 hundred thousand but less than one million five hundred thousand persons
42 for:

1 (a) The design, right-of-way purchase or construction of controlled
2 access highways that are included in the ~~regional transportation~~ plan of
3 ~~the county~~ AS DEFINED IN SECTION 28-6351 and that are accepted into the
4 state highway system either as a state route or as a state highway or
5 related grade separations of controlled access highways that are included
6 in the ~~regional transportation~~ plan of ~~the county~~ AS DEFINED IN SECTION
7 28-6351.

8 (b) Notwithstanding sections 28-6993 and 28-6995, the design,
9 right-of-way purchase, construction, standard and reduced clearance grade
10 separation, extension and widening of arterial streets and highways that
11 are included in the ~~regional transportation~~ plan of ~~the county~~ AS DEFINED
12 IN SECTION 28-6351.

13 C. Of the monies allocated to the state highway fund pursuant to
14 subsection A of this section, not more than ~~five million dollars~~
15 \$5,000,000 annually shall be spent for the acquisition, construction or
16 improvement of entry roads to state parks or roads in state parks.

17 D. Expenditures for state matching monies for the federal
18 interstate system shall be in addition to the amount provided in
19 subsection B of this section.

20 E. The department may contract with a county, city or town to allow
21 the county, city or town to construct the streets or highways prescribed
22 in subsection B of this section.

23 F. A county described in subsection B of this section and the
24 cities and towns in the county, through their regional planning agency,
25 shall list transportation corridors by priority in the ~~regional~~
26 ~~transportation~~ plan AS DEFINED IN SECTION 28-6351. The ~~regional~~
27 ~~transportation~~ plan AS DEFINED IN SECTION 28-6351 may also provide a
28 suggested construction schedule for the transportation corridors contained
29 in the plan.

30 Sec. 20. Section 28-6954, Arizona Revised Statutes, is amended to
31 read:

32 28-6954. Program requirements

33 A. The five year transportation facilities construction program
34 shall:

35 1. Set forth estimated expenditures by project for engineering,
36 rights-of-way and construction.

37 2. Include detailed information by project as to location,
38 description and the reasons for the project's assigned priority.

39 3. List projects by priority and group them in the fiscal year
40 during which it is estimated construction can begin.

41 4. For the first year of the program, consist of projects that can
42 with reasonable certainty be advertised for public bidding.

1 5. Include a plan for the use of monies expected to be deposited in
2 a county's regional area road fund as provided in chapter 17, article 1 of
3 this title **THAT IS ALL OF THE FOLLOWING:**

4 (a) **CONSISTENT WITH THE PLAN AS DEFINED IN SECTION 28-6351.**

5 (b) **CONSISTENT WITH THE PROJECT BUDGET PROCESS SPECIFIED IN SECTION**
6 **28-6352, SUBSECTION D, PARAGRAPH 1.**

7 (c) **ANNUALLY UPDATED.**

8 6. Include a plan for the use of monies that are expected to accrue
9 in a county's regional transportation fund as provided in section 48-5310,
10 that are dedicated for street and highway purposes and that are in the
11 state highway system.

12 B. The department shall develop and use detailed criteria designed
13 to meet the transportation system performance measures adopted by the
14 board pursuant to section 28-304 in identifying projects for the five year
15 transportation facilities construction program. The project selection
16 process shall also conform to state and regional growth policies.

17 Sec. 21. Section 28-7671, Arizona Revised Statutes, is amended to
18 read:

19 **28-7671. Definitions**

20 In this article, unless the context otherwise requires:

21 1. "Eligible highway project" means a highway project that is both:

22 (a) On the federal aid system, national highway system or state
23 route or state highway system.

24 (b) Included in either:

25 (i) The department's state highway construction plan.

26 (ii) The transportation improvement plan of a regional association
27 of governments.

28 2. "Eligible transit capital project" means land, buildings or
29 motor vehicles or a combination of land, buildings and motor vehicles that
30 is included in the transportation improvement plan of a regional
31 association of governments and that is part of the federal transit
32 administration's rural public transportation program for entities that are
33 eligible pursuant to section 28-7676 and that have populations of less
34 than fifty thousand persons.

35 3. "Eligible transportation project" means a transportation project
36 that is eligible pursuant to section 28-7676.

37 4. "Federal SIB act" means section 350 of the national highway
38 system designation act of 1995 (P.L. 104-59; 109 Stat. 618), any
39 regulations adopted pursuant to that section and any other provisions of
40 federal law providing for state infrastructure banks, infrastructure
41 credit programs and other grant programs for highway purposes and any
42 regulations adopted pursuant to those laws.

1 5. "Fund" means the highway expansion and extension loan program
2 fund established by section 28-7674.

3 6. "Indian tribe" means any Indian tribe, band, group or community
4 that is recognized by the United States secretary of the interior and that
5 exercises governmental authority within the limits of any Indian
6 reservation under the jurisdiction of the United States government,
7 notwithstanding the issuance of any patent and including rights-of-way
8 running through the reservation.

9 7. "Loan repayment agreement" means one or more loan agreements,
10 instruments or other agreements providing for repayment of a loan or other
11 financial assistance and entered into by this state or its agencies,
12 including the department, or a political subdivision or Indian tribe.

13 8. "Political subdivision" means a county, city, town or special
14 taxing district authorized by law to construct or assist in the
15 construction of an eligible highway project or a county, city, town or
16 special taxing district established pursuant to section 48-5102 to
17 construct or assist in the construction of a transportation project.

18 9. "SIB cooperative agreement" means a cooperative agreement or
19 agreements entered into by the Arizona department of transportation with
20 the United States department of transportation pursuant to this article
21 and the federal SIB act.

22 10. "Transportation project" means all or a portion of a project
23 that is included in the state's transportation improvement program or a
24 ~~regional transportation~~ plan, as defined in section 28-6351, including the
25 project planning, environmental work, design, right-of-way acquisition or
26 construction for the transportation project and associated rolling stock
27 and operating systems but not including an eligible highway project.

28 Sec. 22. Section 28-7691, Arizona Revised Statutes, is amended to
29 read:

30 28-7691. Definitions

31 In this article, unless the context otherwise requires:

32 1. "Excise taxes" means all unrestricted excise, transaction,
33 franchise, privilege and business taxes, state shared ~~sales~~ TRANSACTION
34 PRIVILEGE and income taxes, fees for licenses and permits and state
35 revenue sharing that are levied and paid by a political subdivision or
36 contributed, levied or paid to the political subdivision and not earmarked
37 by the contributor or the political subdivision for a contrary or
38 inconsistent purpose.

39 2. "Political subdivision" means a county, city, town or special
40 taxing district established pursuant to section 48-5102 to construct or
41 assist in the construction of a transportation project.

42 3. "Transportation project" means all or a portion of a project
43 that is included in the state's transportation improvement program or a

1 ~~regional transportation~~ plan, as defined in section 28-6351, including the
2 project planning, environmental work, design, right-of-way acquisition or
3 construction for the transportation project and associated rolling stock
4 and operating systems.

5 4. "Transportation project advance agreement" means a written
6 agreement, entered into in accordance with section 28-7677 and section
7 9-500.17, 11-269.03 or 48-5122, between one or more political subdivisions
8 and the department, a regional planning agency, metropolitan planning
9 organization or council of governments or a designated grant recipient
10 under which the political subdivision advances monies to the department,
11 the regional planning agency, metropolitan planning organization or
12 council of governments or the designated grant recipient to accelerate a
13 transportation project and under which the recipient of the advanced
14 monies repays the advance.

15 5. "Transportation project advance revenues" means any revenues a
16 political subdivision receives under a transportation project advance
17 agreement, or as proceeds of transportation project advancement notes,
18 together with any earnings from the investment of the revenues.

19 6. "Transportation project advancement notes" means notes
20 authorized by this article.

21 Sec. 23. Section 28-7695, Arizona Revised Statutes, is amended to
22 read:

23 28-7695. Use of proceeds

24 A political subdivision shall use the proceeds from the sale of
25 transportation project advancement notes for payment of any of the
26 following:

27 1. Advances for a transportation project included in the state's
28 transportation improvement program or a ~~regional transportation~~ plan, as
29 defined in section 28-6351, under the transportation project advance
30 agreement that relates to the transportation project advancement notes.

31 2. Legal and financial costs and expenses incurred in issuing and
32 administering the notes.

33 3. Reimbursement to the political subdivision for monies previously
34 advanced to the department, a regional planning agency, metropolitan
35 planning organization or council of governments, a regional public
36 transportation authority or a designated grant recipient under the
37 transportation project advance agreement that relates to the
38 transportation project advancement notes.

39 4. If authorized by the political subdivision, payment of interest
40 that accrues on the notes before maturity.

41 5. Payment of the principal, premium or interest on other
42 obligations of the political subdivision to the extent that proceeds of

1 those obligations are applied to the financing of the transportation
2 project that relates to the transportation project advance agreement.

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

5 28-9204. Public monies; prohibition

6 PUBLIC MONIES MAY NOT BE USED TO EXTEND LIGHT RAIL BETWEEN SEVENTH
7 AVENUE AND NINETEENTH AVENUE AND ADAMS STREET AND JEFFERSON STREET IN
8 PHOENIX.

9 Sec. 25. Section 42-6105, Arizona Revised Statutes, is amended to
10 read:

11 42-6105. County transportation excise tax; counties with
12 population of one million two hundred thousand or
13 more persons

14 A. If approved by the qualified electors voting at a countywide
15 election, a county with a population of one million two hundred thousand
16 or more persons shall levy and the department shall collect a tax as
17 provided by this section, in addition to all other taxes.

18 B. The tax shall be levied and collected:

19 1. At a rate of not more than ten ~~per cent~~ PERCENT of the
20 transaction privilege tax rate prescribed by section 42-5010, subsection A
21 applying, as of January 1, 1990, to each person engaging or continuing in
22 the county in a business taxed under chapter 5, article 1 of this title.

23 2. At a rate of not more than ten ~~per cent~~ PERCENT of the rate
24 prescribed by section 42-5352, subsection A.

25 3. On the use or consumption of electricity or natural gas by
26 retail electric or natural gas customers in the county who are subject to
27 use tax under section 42-5155, at a rate equal to the transaction
28 privilege tax rate under paragraph 1 of this subsection applying to
29 persons engaging or continuing in the county in the utilities transaction
30 privilege tax classification.

31 C. The tax levied under this section shall be in effect for a term
32 of twenty years.

33 D. The net revenues collected under this section shall be
34 distributed and deposited as follows for use consistent with the ~~regional~~
35 ~~transportation~~ plan adopted under title 28, chapter 17, article ~~1~~ 2:

36 1. 56.2 ~~per cent~~ PERCENT to the regional area road fund pursuant to
37 section 28-6303 for freeways and other routes in the state highway system,
38 including capital expense and maintenance.

39 2. 10.5 ~~per cent~~ PERCENT to the regional area road fund pursuant to
40 section 28-6303 for major arterial streets, ~~and~~ intersection improvements
41 AND REGIONAL PROGRAMS, including capital expense and implementation
42 studies.

1 3. 33.3 ~~per cent~~ PERCENT to the public transportation fund pursuant
2 to section 48-5103 for:

3 (a) Capital costs, maintenance and operation of public
4 transportation classifications.

5 (b) Capital costs and utility relocation costs associated with a
6 light rail public transit system.

7 E. MONIES COLLECTED PURSUANT TO THIS SECTION MAY NOT BE USED TO
8 EXTEND LIGHT RAIL BETWEEN SEVENTH AVENUE AND NINETEENTH AVENUE AND ADAMS
9 STREET AND JEFFERSON STREET IN PHOENIX.

10 Sec. 26. Title 42, chapter 6, article 3, Arizona Revised Statutes,
11 is amended by adding sections 42-6105.01 and 42-6105.02, to read:

12 42-6105.01. County transportation excise tax; counties with
13 population of three million or more persons

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

18 B. THE TAX SHALL BE LEVIED AND COLLECTED:

19 1. AT A RATE OF NOT MORE THAN 8.6 PERCENT OF THE TRANSACTION
20 PRIVILEGE TAX RATE PRESCRIBED BY SECTION 42-5010, SUBSECTION A THAT
21 APPLIES, AS OF JANUARY 1, 1990, TO EACH PERSON ENGAGING OR CONTINUING IN
22 THE COUNTY IN A BUSINESS TAXED UNDER CHAPTER 5, ARTICLE 1 OF THIS TITLE.

23 2. AT A RATE OF NOT MORE THAN 8.6 PERCENT OF THE RATE PRESCRIBED BY
24 SECTION 42-5352, SUBSECTION A.

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

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

33 D. THE PLAN ADOPTED UNDER TITLE 28, CHAPTER 17, ARTICLE 2 SHALL
34 SPECIFY THE DISTRIBUTION OF MONIES COLLECTED UNDER THIS SECTION IN THE
35 REGIONAL AREA ROAD FUND ESTABLISHED PURSUANT TO SECTION 28-6302 OR THE
36 PUBLIC TRANSPORTATION FUND ESTABLISHED BY SECTION 48-5103. EXCEPT AS
37 PROVIDED IN SUBSECTIONS E AND F OF THIS SECTION, THE PLAN SHALL
38 DISTRIBUTE:

39 1. 53.5 PERCENT TO THE REGIONAL AREA ROAD FUND FOR FREEWAYS AND
40 OTHER ROUTES IN THE STATE HIGHWAY SYSTEM, INCLUDING CAPITAL EXPENSE AND
41 MAINTENANCE. THE DISTRIBUTION MADE PURSUANT TO THIS PARAGRAPH MAY NOT BE
42 DECREASED.

1 2. 18.5 PERCENT TO THE REGIONAL AREA ROAD FUND FOR MAJOR ARTERIAL
2 STREETS, INTERSECTION IMPROVEMENTS AND REGIONAL PROGRAMS, INCLUDING
3 CAPITAL EXPENSE AND IMPLEMENTATION STUDIES. AT LEAST 13.5 PERCENT OF THE
4 MONIES DISTRIBUTED MUST BE DISTRIBUTED FOR MAJOR ARTERIAL STREETS AND
5 INTERSECTION IMPROVEMENTS. THE PERCENTAGES PRESCRIBED PURSUANT TO THIS
6 PARAGRAPH MAY NOT BE DECREASED.

7 3. 28 PERCENT TO THE PUBLIC TRANSPORTATION FUND FOR CAPITAL COSTS,
8 MAINTENANCE AND OPERATION OF PUBLIC TRANSPORTATION MODE CLASSIFICATIONS.

9 E. TAX REVENUES COLLECTED UNDER THIS SECTION MAY NOT:

10 1. BE USED FOR ANY LIGHT RAIL, COMMUTER RAIL, STREET CARS OR
11 TROLLIES.

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

13 3. BE SPENT ON POLLING.

14 4. BE SPENT ON ANY PROJECT THAT WILL RESULT IN A REDUCTION IN
15 EXISTING LANE MILES ON A HIGHWAY AS DEFINED IN SECTION 28-101 OR A STATE
16 HIGHWAY AS DEFINED IN SECTION 28-101.

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

22 6. BE SPENT ON ACTIVE TRANSPORTATION PROJECTS.

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

25 42-6105.02. County transportation excise tax: public
26 transportation; counties with population of
27 three million or more persons

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

32 B. THE TAX SHALL BE LEVIED AND COLLECTED:

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

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

39 3. ON THE USE OR CONSUMPTION OF ELECTRICITY OR NATURAL GAS BY
40 RETAIL ELECTRIC OR NATURAL GAS CUSTOMERS IN THE COUNTY WHO ARE SUBJECT TO
41 USE TAX UNDER SECTION 42-5155, AT A RATE EQUAL TO THE TRANSACTION
42 PRIVILEGE TAX RATE UNDER PARAGRAPH 1 OF THIS SUBSECTION THAT APPLIES TO

1 PERSONS ENGAGING OR CONTINUING IN THE COUNTY IN THE UTILITIES TRANSACTION
2 PRIVILEGE TAX CLASSIFICATION.

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

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

8 1. CAPITAL COSTS, MAINTENANCE AND OPERATION OF PUBLIC
9 TRANSPORTATION MODE CLASSIFICATIONS.

10 2. CAPITAL COSTS AND UTILITY RELOCATION COSTS ASSOCIATED WITH A
11 LIGHT RAIL PUBLIC TRANSIT SYSTEM.

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

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

19 1. BE USED FOR ANY LIGHT RAIL EXTENSION OR COMMUTER RAIL, STREET
20 CARS OR TROLRIES.

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

22 3. BE SPENT ON POLLING.

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

28 5. BE USED TO EXTEND LIGHT RAIL BETWEEN SEVENTH AVENUE AND
29 NINETEENTH AVENUE AND ADAMS STREET AND JEFFERSON STREET IN PHOENIX.

30 Sec. 27. Section 48-5102, Arizona Revised Statutes, is amended to
31 read:

32 48-5102. Regional public transportation authority in counties
33 with population of three million or more persons;
34 establishment

35 ~~A. Beginning January 1, 1986, a regional public transportation~~
36 ~~authority is established in a county that has a population of one million~~
37 ~~two hundred thousand or more persons and that approves a transportation~~
38 ~~excise tax.~~

39 A. BEGINNING JANUARY 1, 2026, A REGIONAL PUBLIC TRANSPORTATION
40 AUTHORITY IS ESTABLISHED IN A COUNTY THAT HAS A POPULATION OF THREE
41 MILLION OR MORE PERSONS AND THAT APPROVES A COUNTY TRANSPORTATION EXCISE
42 TAX.

1 B. An authority is a tax levying public improvement district for
2 all purposes of article XIII, section 7, Constitution of Arizona, and has
3 the powers, privileges and immunities specifically granted by law. The
4 authority's property, bonds, debts and other obligations and interest on
5 and transfer of its bonds and obligations are free from taxation.

6 C. The authority may operate both within and outside the corporate
7 limits of the member municipalities.

8 Sec. 28. Section 48-5103, Arizona Revised Statutes, is amended to
9 read:

10 48-5103. Public transportation fund

11 A. A public transportation fund is established for the authority.
12 The fund consists of:

13 1. Monies appropriated by each municipality that is a member of the
14 authority or the county, if it elected to enter into the authority. Each
15 member municipality and member county shall appropriate monies to the
16 public transportation fund in an amount determined by the board.

17 2. Monies appropriated by a county that has not elected to enter
18 into the authority in an amount determined by the county board of
19 supervisors.

20 3. Transportation excise tax revenues that are allocated to the
21 fund pursuant to ~~section~~ SECTIONS 42-6105, 42-6105.01 AND 42-6105.02. The
22 board shall separately account for monies from transportation excise tax
23 revenues allocated pursuant to section 42-6105, subsection D, paragraph 3,
24 SECTION 42-6105.01, SUBSECTION D, PARAGRAPH 3 OR SECTION 42-6105.02,
25 SUBSECTION D for:

26 (a) A light rail public transit system.

27 (b) Capital costs for other public transportation.

28 (c) Operation and maintenance costs for other public
29 transportation.

30 4. Monies distributed under title 28, chapter 17, ~~article~~ ARTICLES
31 1 AND 2.

32 5. Grants, gifts or donations from public or private sources.

33 6. Monies granted by the federal government or appropriated by the
34 legislature.

35 7. Fares or other revenues collected in operating a public
36 transportation system.

37 B. On behalf of the authority, the fiscal agent shall administer
38 monies paid into the public transportation fund. Monies in the fund may
39 be spent pursuant to or to implement the public transportation element of
40 the ~~regional transportation~~ plan AS DEFINED IN SECTION 28-6351 developed
41 and approved by the regional planning agency, including reimbursement for
42 utility relocation costs as prescribed in section 48-5107, ~~adopted~~
43 ~~pursuant to section 48-5121~~ and for projects identified in the ~~regional~~

1 ~~transportation~~ plan adopted by the regional planning agency pursuant to
2 section ~~28-6308~~ 28-6352.

3 C. Monies in the fund shall not be spent to promote or advocate a
4 position, alternative or outcome of an election, to influence public
5 opinion or to pay or contract for consultants or advisors to influence
6 public opinion with respect to an election regarding taxes or other
7 sources of revenue for the fund or regarding the ~~regional transportation~~
8 plan AS DEFINED IN SECTION 28-6351.

9 Sec. 29. Repeal

10 Sections 48-5106 and 48-5121, Arizona Revised Statutes, are
11 repealed.

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

14 48-5121. Public transportation element of the plan;
15 definitions

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

17 1. A FAREBOX OPERATING RATIO STANDARD FOR EXISTING BUS ROUTE
18 EXTENSIONS THAT ARE IN EXISTENCE ON THE EFFECTIVE DATE OF THIS SECTION AND
19 THAT ARE FUNDED IN WHOLE OR IN PART FROM REVENUES THAT ARE DISTRIBUTED
20 PURSUANT TO SECTION 42-6105.01, SUBSECTION D, PARAGRAPH 3 OR SECTION
21 42-6105.02, SUBSECTION D, PARAGRAPH 1.

22 2. A FAREBOX RECOVERY RATIO STANDARD FOR EXISTING BUS ROUTES THAT
23 ARE IN EXISTENCE ON THE EFFECTIVE DATE OF THIS SECTION AND THAT ARE FUNDED
24 IN WHOLE OR IN PART FROM REVENUES THAT ARE DISTRIBUTED PURSUANT TO SECTION
25 42-6105.01, SUBSECTION D, PARAGRAPH 3 OR SECTION 42-6105.02, SUBSECTION D,
26 PARAGRAPH 1.

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

31 1. FOR FISCAL YEARS 2025-2026 THROUGH 2027-2028, THIRTEEN PERCENT.

32 2. FOR FISCAL YEARS 2028-2029 THROUGH 2030-2031, SIXTEEN PERCENT.

33 3. FOR FISCAL YEAR 2031-2032 AND ALL SUBSEQUENT FISCAL YEARS,
34 NINETEEN PERCENT.

35 C. IF THE AUTHORITY FAILS TO MEET THE PERFORMANCE STANDARDS
36 PRESCRIBED IN SUBSECTION B, PARAGRAPH 1, 2 OR 3 OF THIS SECTION, THE
37 EXCESS COSTS SHALL BE ALLOCATED AMONG THE AFFECTED MEMBER MUNICIPALITIES
38 ACCORDING TO THE PROPORTION OF THE BUS ROUTE THAT IS LOCATED IN EACH
39 MUNICIPALITY AND THE AFFECTED MEMBER MUNICIPALITIES SHALL PAY THE MONIES
40 FROM THEIR RESPECTIVE GENERAL FUNDS TO THE PUBLIC TRANSPORTATION FUND
41 ESTABLISHED BY SECTION 48-5103 IN THE FISCAL YEAR FOLLOWING THE FISCAL
42 YEAR IN WHICH THE 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
4 SECTION FOR THE OPERATION OF THE FAILING BUS ROUTE AND SHALL BE PROHIBITED
5 FROM 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.

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

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

35 Sec. 31. Election on transportation excise tax

36 A. During the period beginning four years before the date on which
37 an existing county transportation excise tax would otherwise be
38 discontinued and ending two years before the date on which an existing
39 county transportation excise tax would be discontinued, the board of
40 supervisors of any county with a population of three million or more
41 persons shall call a countywide election for the continuation of the
42 county transportation excise tax as described in sections 42-6105.01 and
43 42-6105.02, Arizona Revised Statutes, as added by this act.

1 Notwithstanding any other law, the county shall conduct an election on a
2 consolidated election date at least one year before the date on which an
3 existing county excise tax would otherwise be discontinued following the
4 call of the election.

5 B. In addition to any other requirements prescribed by law, the
6 board of supervisors shall prepare and print an 8½" x 11" publicity
7 pamphlet concerning the ballot measure and mail one copy of the pamphlet
8 to each household containing a registered voter in the county. The
9 mailings may be made over a period of days but shall be mailed for
10 delivery before the earliest date registered voters may receive early
11 ballots for the election. The publicity pamphlet shall contain:

12 1. A summary of the principal provisions of the issue presented to
13 the voters, including the rate of each transportation excise tax, the
14 number of years each tax will be in effect and the projected annual and
15 cumulative amount of revenues to be raised by each tax.

16 2. A statement describing the purposes for which each of the
17 transportation excise tax monies may be spent as provided by law,
18 including:

19 (a) A summary of the regional strategic transportation
20 infrastructure investment plan adopted pursuant to section 28-6308,
21 Arizona Revised Statutes, as amended by this act.

22 (b) A map of proposed routes and transportation corridors of all
23 major transportation projects.

24 (c) The estimated amount of each transportation excise tax's
25 revenues, together with other identified revenues, dedicated for each
26 transportation mode.

27 (d) The county elections department website address for additional
28 information on the regional strategic transportation infrastructure
29 investment plan.

30 3. The form of the ballot.

31 4. Any arguments for or against each question on the ballot
32 measure. Affirmative arguments, arranged in the order in which the
33 elections director received them, shall be placed before the negative
34 arguments, also arranged in the order in which they were received.

35 C. At a time determined by the county, a person may file with the
36 county elections director an argument, not more than three hundred words
37 in length, advocating or opposing each question on the ballot measure.
38 The person who files the argument shall also pay to the elections director
39 a publication fee prescribed by the board of supervisors. If the argument
40 is sponsored by one or more individuals, the argument shall be signed by
41 each sponsoring individual. If the argument is sponsored by one or more
42 organizations, the argument shall be signed by two executive officers of
43 each organization. If the argument is sponsored by one or more political

1 committees, the argument shall be signed by each committee's chairperson
2 or treasurer. Payment of the fee required by this subsection, or
3 reimbursement of the payor, constitutes sponsorship of the argument. The
4 names of persons who have signed arguments and the names of sponsoring
5 organizations shall appear with the argument in the pamphlet. The person
6 or persons signing the argument shall also give their residence or post
7 office box address and a telephone number, which may not appear in the
8 pamphlet.

9 D. In addition to any other ballot requirements prescribed by law,
10 the elections director shall cause the following to be printed on the
11 official ballot:

12 1. The designation of the measure as follows: "Relating to county
13 transportation excise (sales) taxes".

14 2. The title: Regional Strategic Transportation Infrastructure
15 Investment Plan.

16 3. A description of the ballot measure, which shall read as
17 follows:

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

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

- 27 (a) 53.5 percent to freeways.
28 (b) 28 percent to public transit.
29 (c) 18.5 percent to arterial streets.

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

34 4. Instructions directing the voter to the full text of the
35 official and descriptive titles containing the summary as printed in the
36 sample ballot and posted in the polling place. The ballot may include the
37 summary of the regional strategic transportation infrastructure investment
38 plan.

39 5. The questions submitted to the voters as follows:

40 (a) Do you favor the portion of a county transportation
41 excise (sales) tax for regional transportation purposes in
42 _____ county for freeways, public transit and arterial
43 streets? YES _____ NO _____

1 (A "YES" vote has the effect of continuing .43 cents of
2 the transportation excise (sales) tax in _____ county for
3 twenty years to provide funding for transportation projects as
4 contained in the regional strategic transportation
5 infrastructure investment plan relating to freeways, public
6 transit and arterial streets.)

7 (A "NO" vote has the effect of rejecting .43 cents of
8 the transportation excise (sales) tax for transportation
9 projects in _____ county relating to freeways, public
10 transit and arterial streets.)

11 (b) Do you favor the portion of a county transportation
12 excise (sales) tax for regional transportation purposes in
13 _____ county for expanding public transit offerings,
14 including maintenance of light rail? YES _____ NO _____

15 (A "YES" vote has the effect of continuing .065 cents of
16 the transportation excise (sales) tax in _____ county for
17 twenty years to provide funding for transportation projects as
18 contained in the regional strategic transportation
19 infrastructure investment plan relating to expanding public
20 transit offerings, including maintenance of light rail.)

21 (A "NO" vote has the effect of rejecting .065 cents of
22 the transportation excise (sales) tax for transportation
23 projects in _____ county as contained in the regional
24 strategic transportation infrastructure investment plan
25 relating to expanding public transit offerings, including
26 maintenance of light rail.)

27 E. Except as otherwise provided by this section, the election under
28 this section shall be conducted as nearly as practicable in the manner
29 prescribed for general elections in title 16, Arizona Revised Statutes.
30 The county election officer shall account for costs specifically incurred
31 with respect to the ballot issue under this section. Regardless of the
32 outcome of the election, and notwithstanding any other law, the state
33 treasurer shall pay the costs listed in this subsection specifically
34 incurred with respect to the ballot issue under this section from monies
35 paid into the county's regional area road fund on submission of the bill
36 by the county election officer. Costs specifically incurred with respect
37 to the ballot issue under this section include the following:

38 1. Costs of mailing, publishing, posting and printing ballots,
39 publicity pamphlets, notices, election materials and other matters
40 concerning the election.

41 2. Legal and other consulting fees and costs relating to the
42 election.

43 3. Telecommunications costs.

1 4. Compensation of the election board, county election officers and
2 employees and other labor costs incurred to administer, hold, canvass and
3 announce the results of the election.

4 5. Any other costs attributable to the election.

5 F. This section does not constitute a submission of any provision
6 of law to the people for approval under the power of the referendum.

7 G. Except as specifically provided in this section, the general
8 laws relating to elections apply to the election prescribed by this
9 section.

10 Sec. 32. Regional public transportation authority

11 This act does not invalidate an action by a regional public
12 transportation authority formed pursuant to law before the effective date
13 of this act.

14 Sec. 33. Legislative intent

15 The legislature intends that:

16 1. The development of State Route 30 between State Route 85 and
17 Loop 303 will begin in the first phase of the plan as defined in section
18 28-6351, Arizona Revised Statutes, as amended by this act, to allow
19 right-of-way acquisition and construction of the facility to advance as
20 monies become available.

21 2. The freeway allocations will fund repavement of State Route 51
22 where need is identified.

23 Sec. 34. Severability

24 If a provision of this act or its application to any person or
25 circumstance is held invalid, the invalidity does not affect other
26 provisions or applications of the act that can be given effect without the
27 invalid provision or application, and to this end the provisions of this
28 act are severable.

29 Sec. 35. Conditional enactment

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

34 B. Section 42-6105.02, Arizona Revised Statutes, as added by this
35 act, is effective only if the qualified electors approve the extension of
36 the portion of the county transportation excise tax relating to expanding
37 public transit offerings, including maintenance and extension of light
38 rail.