

transportation tax; election; Maricopa county

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SENATE BILL 1356

AN ACT

AMENDING SECTIONS 28-304, 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 SECTIONS 28-6352, 28-6353, 28-6354 AND 28-6355, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 17, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 28-6352; AMENDING SECTIONS 28-6538, 28-6954, 28-7562, 28-7671, 28-7691, 28-7695 AND 42-6105, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 6, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-6105.01; AMENDING SECTIONS 48-5102 AND 48-5103, ARIZONA REVISED STATUTES; REPEALING SECTIONS 48-5106 AND 48-5121, ARIZONA REVISED STATUTES; RELATING TO TRANSPORTATION PLANNING AND FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 28-304, Arizona Revised Statutes, is amended to
3 read:
4 28-304. Powers and duties of the board; transportation
5 facilities
6 A. The board shall:
7 1. Develop and adopt a statewide transportation policy statement.
8 The policy statement shall be adopted as described in section 28-306.
9 2. Adopt a long-range statewide transportation plan. The plan
10 shall be adopted as described in section 28-307.
11 3. Adopt uniform transportation planning practices and performance
12 based planning processes for use by the department. The practices and
13 processes shall be developed as described in sections 28-502 and 28-503.
14 4. Adopt transportation system performance measures and factors and
15 data collection standards to be used by the department. The performance
16 measures, factors and standards shall be developed as described in
17 sections 28-504 and 28-505.
18 B. With respect to highways, the board shall:
19 1. Establish a complete system of state highway routes.
20 2. Determine which state highway routes or portions of the routes
21 are accepted into the state highway system and which state highway routes
22 to improve.
23 3. Establish, open, relocate or alter a portion of a state route or
24 state highway.
25 4. Vacate or abandon a portion of a state route or state highway as
26 prescribed in section 28-7209.
27 5. Sell board funding obligations to the state treasurer as
28 provided in section 28-7678.
29 C. The board shall:
30 1. Establish policies to guide the development or modification of
31 the five year transportation facilities construction program that are
32 consistent with the principles of ~~performance-based~~ PERFORMANCE-BASED
33 planning developed pursuant to article 7 of this chapter. The percentage
34 of department discretionary monies allocated to the region in the ~~regional~~
35 ~~transportation~~ plan approved pursuant to chapter 17, article 1 of this
36 title shall not increase or decrease unless the board, in cooperation with
37 the regional planning agency, agrees to change the percentage of the
38 discretionary monies.
39 2. Award all construction contracts for transportation facilities.
40 3. Monitor the status of these construction projects.
41 D. The board shall determine priority program planning with respect
42 to transportation facilities using the ~~performance-based~~ PERFORMANCE-BASED
43 methods developed pursuant to article 7 of this chapter.

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

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

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

12 1. Spend monies and require the use of the metric system with
13 respect to designing or preparing plans, specifications, estimates or
14 other documents for a highway project that is awarded before October 1,
15 1997 and that is exclusively metric from its inception.

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

18 Sec. 2. Section 28-6301, Arizona Revised Statutes, is amended to
19 read:

20 28-6301. Definitions

21 In this article, unless the context otherwise requires:

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

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

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

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

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

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

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

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

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

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

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

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

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

10 ~~(c) The modification of a transportation project in a manner that~~
11 ~~eliminates a connection between freeway facilities or fixed guideway~~
12 ~~facilities.~~

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

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

19 ~~8.~~ 9. "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.~~ 10. "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.~~ 11. "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 12. "REGIONAL PROGRAMS" MEANS TRANSPORTATION PROJECTS THAT ARE
35 SELECTED THROUGH A PERFORMANCE-BASED PROCESS FOR ARTERIAL IMPROVEMENTS,
36 ACTIVE TRANSPORTATION, AIR QUALITY, EMERGING TECHNOLOGIES, INTELLIGENT
37 TRANSPORTATION SYSTEMS, SAFETY AND TRANSPORTATION DEMAND MANAGEMENT.

38 ~~11.~~ 13. "Regionwide business" means a company that provides goods
39 or services throughout the county.

40 ~~12.~~ 14. "Transit interest" means an individual with demonstrated
41 interest and experience with public transportation.

1 Sec. 3. 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. 4. 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.

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

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

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

10 C. The state treasurer may:

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

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

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

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

25 2. Major arterial streets and ~~intersection improvements~~ REGIONAL
26 PROGRAMS IDENTIFIED IN THE PLAN, INCLUDING CAPITAL EXPENSE AND
27 IMPLEMENTATION STUDIES.

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

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

34 2. MAJOR ARTERIAL STREETS AND REGIONAL PROGRAMS IDENTIFIED IN THE
35 PLAN, INCLUDING CAPITAL EXPENSE AND IMPLEMENTATION STUDIES.

36 Sec. 5. Section 28-6304, Arizona Revised Statutes, is amended to
37 read:

38 28-6304. Bond account; expenditures

39 A. The state treasurer shall:

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

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

- 1 B. Monies in the bond account may be used:
2 1. To pay ~~bond-related~~ BOND-RELATED expenses or recurring expenses
3 pertaining to administration and payment of the bonds.
4 2. For funding reserves for the payment of the bonds.
5 3. For payment of fees, charges and expenses incurred with respect
6 to ~~bond-related~~ BOND-RELATED obligations.

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

- 9 1. Payment of all ~~bond-related~~ BOND-RELATED expenses.
10 2. Establishment and funding of reserve monies or to pay interest
11 on bonds during the expected period of construction.
12 3. Payment of fees, charges and expenses incurred with respect to
13 ~~bond-related~~ BOND-RELATED obligations.

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

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

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

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

31 ~~8.~~ 6. Payment of principal and interest on the bonds.

32 7. DESIGN, CONSTRUCTION AND IMPLEMENTATION OF REGIONAL PROGRAMS AS
33 DEFINED BY THE PLAN.

34 Sec. 6. Section 28-6305, Arizona Revised Statutes, is amended to
35 read:

36 28-6305. Construction account; expenditures; construction
37 contracts

38 A. Except as provided in subsection B of this section, monies in
39 the construction account of the regional area road fund shall be spent,
40 pledged or accumulated for the purposes provided in section 28-6304,
41 subsection C, paragraphs 4 and 5, including payment of interest on and
42 repayment of bonds and obligations issued pursuant to chapter 21 of this
43 title if the proceeds of the bonds or obligations are used for the
44 purposes provided in section 28-6304, subsection C, paragraphs 4 and 5.

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

3 1. In each fiscal year, divide and equally distribute ~~five million~~
4 ~~dollars~~ \$5,000,000 to:

5 (a) The public transportation fund established in that county under
6 section 48-5103.

7 (b) The regional planning agency in that county for planning and
8 ~~administration of~~ ADMINISTERING the ~~regional transportation~~ plan approved
9 pursuant to section 28-6308. The state treasurer shall distribute monies
10 under this subdivision through the department on or before June 30 of each
11 year.

12 2. Beginning with fiscal year 1987-1988, adjust the monies
13 distributed under paragraph 1 OF THIS SUBSECTION by the annual percentage
14 change for the previous calendar year in the GDP price deflator as defined
15 in section 41-563.

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

27 D. The director may enter into construction contracts or contracts
28 incidental to construction contracts payable from monies in either the
29 bond proceeds account or the construction account or both the bond
30 proceeds and construction accounts.

31 Sec. 7. Section 28-6306, Arizona Revised Statutes, is amended to
32 read:

33 28-6306. Account expenditures; elections

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

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

43 1. As authorized by this article to determine public opinion before
44 the election is called.

1 ~~3. Submit the plan for review by the regional public transportation~~
2 ~~authority in the county, the state board of transportation, the county~~
3 ~~board of supervisors, Indian communities and cities and towns in the~~
4 ~~county at the alternatives stage of the plan and the final draft stage of~~
5 ~~the plan. After reviewing the plan, the regional public transportation~~
6 ~~authority in the county, the county board of supervisors and the state~~
7 ~~board of transportation, by majority vote of the members of each entity~~
8 ~~within thirty days after receiving the plan, shall submit a written~~
9 ~~recommendation to the transportation policy committee that the plan be~~
10 ~~approved, modified or disapproved. Within thirty days after receiving the~~
11 ~~plan, Indian communities and cities and towns in the county may submit a~~
12 ~~written recommendation to the transportation policy committee that the~~
13 ~~plan be approved, modified or disapproved.~~

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

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

18 ~~6. Provide a written response to the regional public transportation~~
19 ~~authority, the state board of transportation, the county board of~~
20 ~~supervisors and the entity that submitted the proposed modification within~~
21 ~~thirty days after the vote on the proposed modification explaining the~~
22 ~~affirmation, rejection or further modification of each proposed~~
23 ~~modification.~~

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

26 ~~C. The regional transportation plan:~~

27 ~~1. Shall include the following transportation mode classifications~~
28 ~~with a revenue allocation to each classification consistent with section~~
29 ~~42-6105, subsection D:~~

30 ~~(a) Freeways and other routes in the state highway system.~~

31 ~~(b) Major arterial streets and intersection improvements.~~

32 ~~(c) Public transportation systems.~~

33 ~~2. Shall provide a suggested construction schedule for the~~
34 ~~transportation projects contained in the plan.~~

35 ~~3. May be annually updated to introduce new controlled access~~
36 ~~highways, related grade separations and transportation projects or to~~
37 ~~modify the existing plan.~~

38 ~~4. Shall be developed to meet federal air quality requirements~~
39 ~~established for the region in which it is located.~~

40 ~~D. Transportation excise tax revenues that are distributed pursuant~~
41 ~~to section 42-6105, subsection D shall not be redistributed or used for~~
42 ~~other transportation modes. Except as provided by section 28-6353,~~
43 ~~subsections D, E and F, transportation excise tax revenues that are~~
44 ~~dedicated in the plan to a specific project or transportation system may~~
45 ~~only be redistributed to or otherwise used for another project within the~~

1 ~~same transportation mode if approved by a majority vote of the~~
2 ~~transportation policy committee.~~

3 3. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF CHANGES TO
4 THE ALLOCATIONS OF TRANSPORTATION EXCISE TAX REVENUES BETWEEN SECTION
5 28-6352, SUBSECTION B, PARAGRAPHS 1, 2 AND 3, INCLUDING INVESTMENT CHANGES
6 AS DESCRIBED IN SECTION 28-6352, SUBSECTIONS C AND H.

7 4. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF THE BUDGET
8 PROCESSES IDENTIFIED BY SECTION 28-6352, SUBSECTION D.

9 5. RECOMMEND APPROVAL, DISAPPROVAL, OR MODIFICATION OF FUNDING
10 AWARDED THROUGH THE REGIONAL PROGRAMS PROCESS.

11 Sec. 10. Repeal

12 Sections 28-6309, 28-6310, 28-6311 and 28-6312, Arizona Revised
13 Statutes, are repealed.

14 Sec. 11. Section 28-6313, Arizona Revised Statutes, is amended to
15 read:

16 28-6313. Performance audits of proposed transportation
17 projects and systems

18 A. Beginning in 2010 and every fifth year thereafter, the auditor
19 general shall ~~contract with a nationally recognized independent auditor~~
20 ~~with expertise in evaluating multimodal transportation systems and in~~
21 ~~regional transportation planning to~~ conduct a performance audit, as
22 defined in section 41-1278, of the ~~regional transportation~~ plan and
23 projects scheduled for funding during the next five years.

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

- 29 1. Service levels.
- 30 2. Capital costs.
- 31 3. Operation and maintenance costs.
- 32 4. Transit ridership.
- 33 5. Farebox revenues.

34 C. The audit shall:

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

39 2. Review past expenditures of the ~~regional transportation~~ plan and
40 examine the performance of the system in relieving congestion and
41 improving mobility.

42 3. Make recommendations regarding whether further implementation of
43 a project or transportation system is warranted, warranted with
44 modifications or not warranted.

1 D. The auditor general or the auditors contracted to conduct the
2 audit shall periodically update the transportation policy committee
3 regarding the progress of the audit.

4 E. Within forty-five days after the release of the audit, the
5 regional public transportation authority, the state transportation board
6 and the county board of supervisors, by a majority vote of each entity,
7 shall submit written recommendations to the transportation policy
8 committee that the findings are agreed to or disagreed with and the
9 recommendations should be implemented, be implemented with modification or
10 not be implemented.

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

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

- 15 1. The regional planning agency.
- 16 2. The transportation policy committee.
- 17 3. The regional public transportation authority in the county.
- 18 4. The county board of supervisors.
- 19 5. The state transportation board.
- 20 6. The governor, secretary of state, president of the senate and
21 speaker of the house of representatives.
- 22 7. The Arizona state library, archives and public records.
- 23 8. Any other person who requests a copy pursuant to title 39,
24 chapter 1, article 2.

25 H. The state transportation board, regional planning agency,
26 regional public transportation authority and county board of supervisors
27 shall cooperate with and submit to the auditor general and the auditors
28 contracted to conduct the audit information necessary to conduct the
29 audits under this section.

30 I. The cost incurred by the auditor general in contracting with
31 independent auditors for conducting performance audits under subsection A
32 of this section shall be paid from revenues of the county transportation
33 excise tax under ~~section~~ **SECTIONS 42-6105 AND 42-6105.01**. When due, the
34 payments have priority over any other distribution authorized by section
35 42-6105 **OR 42-6105.01**. The auditor general shall deposit the payments in
36 the audit services revolving fund established by section 41-1279.06.

37 Sec. 12. Heading change

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

1 Sec. 13. Section 28-6351, Arizona Revised Statutes, is amended to
2 read:

3 28-6351. Definitions

4 In this article, unless the context otherwise requires:

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

7 ~~2.~~ 1. "Enhancement" means an addition that exceeds generally
8 accepted engineering or design standards for the specific type of
9 facility.

10 ~~3.~~ 2. "~~Regional transportation~~ Plan" means the ~~twenty year~~
11 comprehensive, ~~performance based~~ PERFORMANCE-BASED, multimodal and
12 coordinated regional STRATEGIC transportation INFRASTRUCTURE INVESTMENT
13 plan approved for the county pursuant to section 28-6308, as amended or
14 otherwise modified.

15 Sec. 14. Repeal

16 Sections 28-6352, 28-6353, 28-6354 and 28-6355, Arizona Revised
17 Statutes, are repealed.

18 Sec. 15. Title 28, chapter 17, article 2, Arizona Revised Statutes,
19 is amended by adding a new section 28-6352, to read:

20 28-6352. County transportation excise tax; budget process

21 A. THE REGIONAL PLANNING AGENCY IN THE COUNTY SHALL DEVELOP AND
22 ADOPT A PLAN. THE PLAN SHALL BE MULTIMODAL AND SHALL BE DEVELOPED IN
23 COOPERATION WITH STATE AND LOCAL PUBLIC TRANSPORTATION AUTHORITIES AND
24 OPERATORS AND IN COORDINATION WITH THE DEPARTMENT. THE REGIONAL PLANNING
25 AGENCY SHALL CONSIDER TRUCK PARKING AVAILABILITY WHEN CONSIDERING THE
26 CONSTRUCTION, EXPANSION OR MODIFICATION OF FREEWAYS OR OTHER ROUTES IN THE
27 STATE HIGHWAY SYSTEM. ON OR BEFORE DECEMBER 31, 2049, THE REGIONAL
28 PLANNING AGENCY SHALL ALLOCATE AT LEAST \$90,000,000 FOR THE IMPLEMENTATION
29 OF COMMERCIAL MOTOR VEHICLE PARKING THAT IS CONSISTENT WITH A REGIONALLY
30 ADOPTED TRUCK PARKING PLAN, INCLUDING FUNDING FOR CONSTRUCTION, LAND
31 ACQUISITION, LEASE, MAINTENANCE OR OPERATIONS OR ENTRY INTO A
32 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.

33 B. THE PLAN SHALL ALLOCATE REVENUE COLLECTED UNDER SECTION
34 42-6105.01 AS FOLLOWS:

35 1. IN THE REGIONAL AREA ROAD FUND FOR FREEWAYS AND OTHER ROUTES IN
36 THE STATE HIGHWAY SYSTEM, INCLUDING CAPITAL EXPENSE AND MAINTENANCE.

37 2. IN THE REGIONAL AREA ROAD FUND FOR MAJOR ARTERIAL STREETS AND
38 REGIONAL PROGRAMS, INCLUDING CAPITAL EXPENSE AND IMPLEMENTATION STUDIES.

39 3. IN THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY SECTION 48-5103
40 FOR:

41 (a) CAPITAL COSTS, MAINTENANCE AND OPERATION OF PUBLIC
42 TRANSPORTATION MODE CLASSIFICATIONS.

43 (b) CAPITAL COSTS AND UTILITY RELOCATION COSTS ASSOCIATED WITH THE
44 LIGHT RAIL SYSTEM.

1 C. TRANSPORTATION EXCISE TAX REVENUES THAT ARE ALLOCATED PURSUANT
2 TO SUBSECTION B, PARAGRAPH 1, 2 OR 3 OF THIS SECTION MAY ONLY BE
3 REALLOCATED TO ANOTHER PARAGRAPH UNDER SUBSECTION B OF THIS SECTION IF THE
4 REALLOCATION IS RECOMMENDED FOR APPROVAL BY THE TRANSPORTATION POLICY
5 COMMITTEE AND APPROVED BY THE REGIONAL PLANNING AGENCY BOARD. NOT MORE
6 THAN TWO AND ONE-HALF PERCENT OF THE REVENUES COLLECTED UNDER SECTION
7 42-6105.01 MAY BE TRANSFERRED ANNUALLY BETWEEN SUBSECTION B, PARAGRAPHS 1,
8 2 AND 3 OF THIS SECTION WITHOUT GOING THROUGH THE MAJOR INVESTMENT CHANGE
9 PROCESS AS PRESCRIBED IN SUBSECTION H OF THIS SECTION.

10 D. BEGINNING FISCAL YEAR 2022-2023, THE REGIONAL PLANNING AGENCY
11 SHALL ADOPT A BUDGET PROCESS THAT ENSURES:

12 1. THE ESTIMATED COST OF THE FREEWAYS AND OTHER ROUTES IN THE
13 REGION'S STATE HIGHWAY SYSTEM DOES NOT EXCEED THE TOTAL AMOUNT OF REVENUES
14 ESTIMATED TO BE AVAILABLE OVER THE TERM OF THE TRANSPORTATION EXCISE TAX
15 AS PRESCRIBED BY SECTION 42-6105, SUBSECTION C AND SECTION 42-6105.01,
16 SUBSECTION C.

17 2. THE ESTIMATED COST OF THE PUBLIC TRANSPORTATION SYSTEM DOES NOT
18 EXCEED THE TOTAL AMOUNT OF REVENUES ESTIMATED TO BE AVAILABLE OVER THE
19 TERM OF THE TRANSPORTATION EXCISE TAX AS PRESCRIBED BY SECTION 42-6105,
20 SUBSECTION C AND SECTION 42-6105.01, SUBSECTION C.

21 3. THE ESTIMATED COST OF MAJOR ARTERIAL STREETS AND REGIONAL
22 PROGRAMS DOES NOT EXCEED THE TOTAL AMOUNT OF REVENUES ESTIMATED TO BE
23 AVAILABLE OVER THE TERM OF THE TRANSPORTATION EXCISE TAX AS PRESCRIBED BY
24 SECTION 42-6105, SUBSECTION C AND SECTION 42-6105.01, SUBSECTION C.

25 E. THE REGIONAL PLANNING AGENCY SHALL COORDINATE WITH IMPLEMENTING
26 PARTNERS ON THE BUDGET PROCESS PRESCRIBED IN SUBSECTION D OF THIS SECTION,
27 INCLUDING THE DEPARTMENT FOR FREEWAYS AND OTHER ROUTES IN THE STATE
28 HIGHWAY SYSTEM AND THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY IN THE
29 COUNTY FOR THE PUBLIC TRANSPORTATION SYSTEM.

30 F. THE REGIONAL PLANNING AGENCY SHALL DETERMINE THE USE OF THE
31 REVENUES COLLECTED UNDER SECTIONS 42-6105 AND 42-6105.01 FOR CAPITAL
32 PROJECTS THROUGH THE TRANSPORTATION IMPROVEMENT PROGRAM.

33 G. ANY BONDS ISSUED AGAINST PROCEEDS COLLECTED PURSUANT TO SECTIONS
34 42-6105 AND 42-6105.01 REQUIRE CONSULTATION WITH THE REGIONAL PLANNING
35 AGENCY.

36 H. THE MAJOR INVESTMENT CHANGE PROCESS REQUIRES THE FOLLOWING:

37 1. CONSIDERATION BY THE TRANSPORTATION POLICY COMMITTEE.

38 2. IDENTIFICATION OF THE PROJECTS AND PROGRAMS THAT WOULD BE
39 IMPACTED BY THE FUNDING TRANSFER.

40 3. A DETAILED, PERFORMANCE-BASED ASSESSMENT OF THE IMPACTED
41 PROJECTS AND PROGRAMS. THE PERFORMANCE-BASED ASSESSMENT MUST SUPPORT THE
42 PROPOSED MAJOR INVESTMENT CHANGE. THE ASSESSMENT SHALL ALSO SEEK,
43 CONSIDER AND DOCUMENT PUBLIC INPUT ON THE PROPOSED MAJOR INVESTMENT
44 CHANGE.

45 4. A ONE HUNDRED EIGHTY-DAY PUBLIC COMMENT PERIOD.

1 5. SUBMISSION OF THE PROPOSED MAJOR INVESTMENT CHANGE FOR REVIEW BY
2 THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY IN THE COUNTY, THE STATE
3 BOARD OF TRANSPORTATION AND THE COUNTY BOARD OF SUPERVISORS. AFTER
4 REVIEW, THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY IN THE COUNTY, THE
5 STATE BOARD OF TRANSPORTATION AND THE COUNTY BOARD OF SUPERVISORS, BY A
6 MAJORITY VOTE OF THE MEMBERS OF EACH BOARD AND WITHIN THIRTY DAYS AFTER
7 RECEIVING THE PROPOSED MAJOR INVESTMENT CHANGE, SHALL SUBMIT A WRITTEN
8 RECOMMENDATION TO THE REGIONAL PLANNING AGENCY THAT THE PROPOSED MAJOR
9 INVESTMENT CHANGE BE APPROVED, MODIFIED OR DISAPPROVED. IF THE REGIONAL
10 PUBLIC TRANSPORTATION AUTHORITY IN THE COUNTY, THE STATE BOARD OF
11 TRANSPORTATION OR THE COUNTY BOARD OF SUPERVISORS FAILS TO APPROVE THE
12 PROPOSED MAJOR INVESTMENT CHANGE, AN AFFIRMATIVE VOTE OF AT LEAST
13 SEVENTEEN MEMBERS OF THE TRANSPORTATION POLICY COMMITTEE IS REQUIRED TO
14 RECOMMEND APPROVAL AND PROCEED WITH THE MAJOR INVESTMENT CHANGE.

15 I. THE REGIONAL PLANNING AGENCY SHALL ANNUALLY REPORT ON THE STATUS
16 OF THE PROJECTS FUNDED PURSUANT TO SECTION 42-6105 OR 42-6105.01 AND SHALL
17 POST THE REPORT ON ITS WEBSITE.

18 J. REQUESTS FOR CHANGES TO TRANSPORTATION PROJECTS FUNDED IN THE
19 PLAN THAT WOULD MATERIALLY INCREASE COSTS SHALL BE SUBMITTED TO THE
20 REGIONAL PLANNING AGENCY FOR APPROVAL AND SUBMITTED BY THE REGIONAL
21 PLANNING AGENCY TO THE TRANSPORTATION POLICY COMMITTEE AND THE BOARD FOR
22 CONSIDERATION AND APPROVAL.

23 K. IF A LOCAL AUTHORITY REQUESTS AN ENHANCEMENT TO A TRANSPORTATION
24 PROJECT FUNDED IN THE PLAN, THE LOCAL AUTHORITY SHALL PAY ALL COSTS
25 ASSOCIATED WITH THE ENHANCEMENT.

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

28 M. THE BUDGET PROCESS PRESCRIBED IN SUBSECTION D OF THIS SECTION
29 DOES NOT APPLY TO THE ANNUAL OPERATING BUDGET OF THE REGIONAL PUBLIC
30 TRANSPORTATION AUTHORITY IN THE COUNTY.

31 N. IF MONIES ARE APPROPRIATED BY THE LEGISLATURE FOR A PROJECT THAT
32 IS IDENTIFIED IN THE PLAN, THE USE OF THE MONIES FOR CONSTRUCTION REQUIRES
33 BOTH OF THE FOLLOWING:

34 1. THE PROJECT MUST BE ADVANCED AS APPROPRIATE TO REFLECT THE
35 ESTIMATED CONSTRUCTION START DATE.

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

38 O. IF A MUNICIPALITY PAYS FOR PUBLIC TRANSPORTATION SERVICE IN AN
39 ADJACENT MUNICIPALITY OR UNINCORPORATED AREA OF A COUNTY, THE COST OF THE
40 SERVICE SHALL BE ELIGIBLE FOR REIMBURSEMENT FROM MONIES COLLECTED UNDER
41 SECTION 42-6105 OR 42-6105.01. FOR THE PURPOSES OF THIS SUBSECTION:

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

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

1 Sec. 16. Section 28-6538, Arizona Revised Statutes, is amended to
2 read:

3 28-6538. Arizona highway user revenue fund distribution;
4 remaining monies; highway fund distribution;
5 contract authorization; plan requirements

6 A. Each fiscal year the department shall allocate and the state
7 treasurer shall distribute revenues of the Arizona highway user revenue
8 fund remaining after the distribution provided in sections 28-6534 and
9 28-6537 as follows:

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

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

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

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

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

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

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

31 (a) The design, right-of-way purchase or construction of controlled
32 access highways that are included in the ~~regional transportation~~ plan ~~of~~
33 ~~the county~~ AS DEFINED IN SECTION 28-6351 and that are accepted into the
34 state highway system either as a state route or as a state highway or
35 related grade separations of controlled access highways that are included
36 in the ~~regional transportation~~ plan ~~of the county~~ AS DEFINED IN SECTION
37 28-6351.

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

43 C. Of the monies allocated to the state highway fund pursuant to
44 subsection A of this section, not more than ~~five million dollars~~

1 \$5,000,000 annually shall be spent for the acquisition, construction or
2 improvement of entry roads to state parks or roads in state parks.

3 D. Expenditures for state matching monies for the federal
4 interstate system shall be in addition to the amount provided in
5 subsection B of this section.

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

9 F. A county described in subsection B of this section and the
10 cities and towns in the county, through their regional planning agency,
11 shall list transportation corridors by priority in the ~~regional~~
12 ~~transportation~~ plan AS DEFINED IN SECTION 28-6351. The ~~regional~~
13 ~~transportation~~ plan AS DEFINED IN SECTION 28-6351 may also provide a
14 suggested construction schedule for the transportation corridors contained
15 in the plan.

16 Sec. 17. Section 28-6954, Arizona Revised Statutes, is amended to
17 read:

18 28-6954. Program requirements

19 A. The five year transportation facilities construction program
20 shall:

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

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

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

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

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

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

33 (b) CONSISTENT WITH THE PROJECT BUDGET PROCESS SPECIFIED IN SECTION
34 28-6352, SUBSECTION D, PARAGRAPH 1.

35 (c) ANNUALLY UPDATED.

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

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

1 Sec. 18. Section 28-7562, Arizona Revised Statutes, is amended to
2 read:

3 28-7562. Bond requirements

4 A. The bonds authorized by this article shall:

5 1. Be authorized by resolution of the board.

6 2. Bear such date or dates and mature at such time or times, not
7 exceeding the earlier of ~~twenty~~ TWENTY-FIVE years from their respective
8 dates or the date the transportation excise taxes securing the bonds
9 cease, as the resolution or resolutions may provide.

10 3. Bear interest at such rate or rates, including rates that may
11 vary from time to time pursuant to parameters set by the board in the
12 authorizing resolution.

13 4. Be in the denomination, be in the form, either coupon or
14 registered, be executed in the manner and be payable as to principal,
15 interest or premium in the medium of payment at the office of the state
16 treasurer of this state or at such other place or places as the board
17 provides either by automatic deposit, wire transfer or mail, as the
18 resolution or resolutions may provide.

19 5. Be subject to the terms of redemption, at the option of either
20 the board or the owner of the bond, as the resolution or resolutions may
21 provide.

22 B. The bonds may be sold at either public or private sale, above,
23 at or below par and on terms the board determines. Bonds to fund or
24 refund other bonds may be exchanged with the holders of bonds being funded
25 or refunded on terms the board determines.

26 Sec. 19. Section 28-7671, Arizona Revised Statutes, is amended to
27 read:

28 28-7671. Definitions

29 In this article, unless the context otherwise requires:

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

31 (a) On the federal aid system, national highway system or state
32 route or state highway system.

33 (b) Included in either:

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

35 (ii) The transportation improvement plan of a regional association
36 of governments.

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

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

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

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

9 6. "Indian tribe" means any Indian tribe, band, group or community
10 that is recognized by the United States secretary of the interior and that
11 exercises governmental authority within the limits of any Indian
12 reservation under the jurisdiction of the United States government,
13 notwithstanding the issuance of any patent and including rights-of-way
14 running through the reservation.

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

19 8. "Political subdivision" means a county, city, town or special
20 taxing district authorized by law to construct or assist in the
21 construction of an eligible highway project or a county, city, town or
22 special taxing district established pursuant to section 48-5102 to
23 construct or assist in the construction of a transportation project.

24 9. "SIB cooperative agreement" means a cooperative agreement or
25 agreements entered into by the Arizona department of transportation with
26 the United States department of transportation pursuant to this article
27 and the federal SIB act.

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

34 Sec. 20. Section 28-7691, Arizona Revised Statutes, is amended to
35 read:

36 28-7691. Definitions

37 In this article, unless the context otherwise requires:

38 1. "Excise taxes" means all unrestricted excise, transaction,
39 franchise, privilege and business taxes, state shared ~~sales~~ TRANSACTION
40 PRIVILEGE and income taxes, fees for licenses and permits and state
41 revenue sharing that are levied and paid by a political subdivision or
42 contributed, levied or paid to the political subdivision and not earmarked
43 by the contributor or the political subdivision for a contrary or
44 inconsistent purpose.

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

4 3. "Transportation project" means all or a portion of a project
5 that is included in the state's transportation improvement program or a
6 ~~regional transportation~~ plan, as defined in section 28-6351, including the
7 project planning, environmental work, design, right-of-way acquisition or
8 construction for the transportation project and associated rolling stock
9 and operating systems.

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

20 5. "Transportation project advance revenues" means any revenues a
21 political subdivision receives under a transportation project advance
22 agreement, or as proceeds of transportation project advancement notes,
23 together with any earnings from the investment of the revenues.

24 6. "Transportation project advancement notes" means notes
25 authorized by this article.

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

28 28-7695. Use of proceeds

29 A political subdivision shall use the proceeds from the sale of
30 transportation project advancement notes for payment of any of the
31 following:

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

36 2. Legal and financial costs and expenses incurred in issuing and
37 administering the notes.

38 3. Reimbursement to the political subdivision for monies previously
39 advanced to the department, a regional planning agency, metropolitan
40 planning organization or council of governments, a regional public
41 transportation authority or a designated grant recipient under the
42 transportation project advance agreement that relates to the
43 transportation project advancement notes.

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

1 F. NOT MORE THAN FOURTEEN PERCENT OF THE REVENUES COLLECTED
2 ANNUALLY UNDER THIS SECTION MAY BE SPENT ON LIGHT RAIL SYSTEMS IN A MANNER
3 DESCRIBED IN SUBSECTION D, PARAGRAPH 3, SUBDIVISION (b) OF THIS SECTION.

4 G. THE DISTRIBUTION SPECIFIED IN SUBSECTION D, PARAGRAPH 1 OF THIS
5 SECTION MAY NOT BE DECREASED.

6 H. MONIES COLLECTED PURSUANT TO THIS SECTION MAY NOT BE USED TO
7 INFLUENCE THE OUTCOME OF AN ELECTION.

8 I. THIS SECTION DOES NOT BECOME EFFECTIVE UNLESS AT AN ELECTION
9 HELD NOVEMBER 8, 2022 THE COUNTY TRANSPORTATION EXCISE TAX IS APPROVED BY
10 THE QUALIFIED ELECTORS.

11 Sec. 24. Section 48-5102, Arizona Revised Statutes, is amended to
12 read:

13 48-5102. Regional public transportation authority in counties
14 with population of three million or more persons;
15 establishment

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

20 A. BEGINNING JANUARY 1, 2026, A REGIONAL PUBLIC TRANSPORTATION
21 AUTHORITY IS ESTABLISHED IN A COUNTY THAT HAS A POPULATION OF THREE
22 MILLION OR MORE PERSONS AND THAT APPROVES A COUNTY TRANSPORTATION EXCISE
23 TAX.

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

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

31 Sec. 25. Section 48-5103, Arizona Revised Statutes, is amended to
32 read:

33 48-5103. Public transportation fund

34 A. A public transportation fund is established for the authority.
35 The fund consists of:

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

40 2. Monies appropriated by a county that has not elected to enter
41 into the authority in an amount determined by the county board of
42 supervisors.

43 3. Transportation excise tax revenues that are allocated to the
44 fund pursuant to ~~section~~ SECTIONS 42-6105 AND 42-6105.01. The board shall
45 separately account for monies from transportation excise tax revenues

1 allocated pursuant to section 42-6105, subsection D, paragraph 3 OR
2 SECTION 42-6105.01, SUBSECTION D, PARAGRAPH 3, SUBDIVISION (b) for:

3 (a) A light rail public transit system.

4 (b) Capital costs for other public transportation.

5 (c) Operation and maintenance costs for other public
6 transportation.

7 4. Monies distributed under title 28, chapter 17, ~~article~~ ARTICLES
8 1 AND 2.

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

10 6. Monies granted by the federal government or appropriated by the
11 legislature.

12 7. Fares or other revenues collected in operating a public
13 transportation system.

14 B. On behalf of the authority, the fiscal agent shall administer
15 monies paid into the public transportation fund. Monies in the fund may
16 be spent pursuant to or to implement the public transportation element of
17 the ~~regional transportation~~ plan AS DEFINED IN SECTION 28-6351 developed
18 and approved by the regional planning agency, including reimbursement for
19 utility relocation costs as prescribed in section 48-5107, ~~adopted~~
20 ~~pursuant to section 48-5121~~ and for projects identified in the ~~regional~~
21 ~~transportation~~ plan adopted by the regional planning agency pursuant to
22 section ~~28-6308~~ 28-6352.

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

29 Sec. 26. Repeal

30 Sections 48-5106 and 48-5121, Arizona Revised Statutes, are
31 repealed.

32 Sec. 27. Election on transportation excise tax

33 A. Before November 8, 2022, the board of supervisors of any county
34 with a population of three million or more persons shall call a countywide
35 election for the extension and levy of a county transportation excise tax
36 as provided by section 42-6105.01, Arizona Revised Statutes, as added by
37 this act, and on November 8, 2022, the board of supervisors shall conduct
38 the election.

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

1 1. A summary of the principal provisions of the issue presented to
2 the voters, including the rate of the transportation excise tax, the
3 number of years the tax will be in effect and the projected annual and
4 cumulative amount of revenues to be raised.

5 2. A statement describing the purposes for which the transportation
6 excise tax monies may be spent as provided by law, including:

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

10 (b) A map of proposed routes and transportation corridors of all
11 major transportation projects.

12 (c) The estimated amount of transportation excise tax revenues,
13 together with other identified revenues, dedicated for each transportation
14 mode.

15 (d) The Maricopa county elections department website address for
16 additional information on the regional strategic transportation
17 infrastructure investment plan.

18 3. The form of the ballot.

19 4. Any arguments for or against the ballot measure. Affirmative
20 arguments, arranged in the order in which the elections director received
21 them, shall be placed before the negative arguments, also arranged in the
22 order in which they were received.

23 C. On or before June 15, 2022, a person may file with the county
24 elections director an argument, not more than three hundred words in
25 length, advocating or opposing the ballot measure. The person who files
26 the argument shall also pay to the elections director a publication fee
27 prescribed by the board of supervisors. If the argument is sponsored by
28 one or more individuals, the argument shall be signed by each sponsoring
29 individual. If the argument is sponsored by one or more organizations,
30 the argument shall be signed by two executive officers of each
31 organization. If the argument is sponsored by one or more political
32 committees, the argument shall be signed by each committee's chairperson
33 or treasurer. Payment of the fee required by this subsection, or
34 reimbursement of the payor, constitutes sponsorship of the argument. The
35 names of persons who have signed arguments and the names of sponsoring
36 organizations shall appear with the argument in the pamphlet. The person
37 or persons signing the argument shall also give their residence or post
38 office box address and a telephone number, which may not appear in the
39 pamphlet.

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

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

1 2. The title: Regional Strategic Transportation Infrastructure
2 Investment Plan.

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

5 An economic development measure continuing the existing
6 transportation excise tax to improve travel times and choices,
7 reduce congestion, aid public safety, improve air quality and
8 address the regional transportation system by building,
9 modernizing and expanding new and existing freeways, streets
10 and intersections, investing in future transportation
11 technology and innovations, addressing transportation safety
12 issues, extending the light rail system, improving and
13 expanding regional bus transit and providing additional
14 dial-a-ride services for the elderly and persons with
15 disabilities, vanpool services and pedestrian paths and
16 bikeways.

17 4. Instructions directing the voter to the full text of the
18 official and descriptive titles containing the summary as printed in the
19 sample ballot and posted in the polling place. The ballot may include the
20 summary of the regional strategic transportation infrastructure investment
21 plan.

22 5. The question submitted to the voters as follows:

23 Do you favor the continuation of a county transaction
24 privilege (sales) tax for regional transportation purposes in
25 _____ county? YES _____ NO _____

26 (A "YES" vote has the effect of continuing the transaction
27 privilege (sales) tax in _____ county for twenty-five
28 years to provide funding for transportation projects as
29 contained in the regional strategic transportation
30 infrastructure investment plan.)

31 (A "NO" vote has the effect of rejecting the transaction
32 privilege (sales) tax for transportation purposes in
33 _____ county.)

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

- 1 1. Costs of mailing, publishing, posting and printing ballots,
2 publicity pamphlets, notices, election materials and other matters
3 concerning the election.
- 4 2. Legal and other consulting fees and costs relating to the
5 election.
- 6 3. Telecommunications costs.
- 7 4. Compensation of the election board, county election officers and
8 employees and other labor costs incurred to administer, hold, canvass and
9 announce the results of the election.
- 10 5. Any other costs attributable to the election.
- 11 F. This section does not constitute a submission of any provision
12 of law to the people for approval under the power of the referendum.
- 13 G. Except as specifically provided in this section, the general
14 laws relating to elections apply to the election prescribed by this
15 section.
- 16 Sec. 28. Regional public transportation authority
- 17 This act does not invalidate an action by a regional public
18 transportation authority formed pursuant to law before the effective date
19 of this act.
- 20 Sec. 29. Emergency
- 21 This act is an emergency measure that is necessary to preserve the
22 public peace, health or safety and is operative immediately as provided by
23 law.