

~~appropriation; SR 303; Route 60.~~  
(now: transportation excise tax; Maricopa County)

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

# SENATE BILL 1102

## 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 SECTIONS 28-6352 AND 28-6353, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 17, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING NEW SECTIONS 28-6352 AND 28-6353; REPEALING SECTIONS 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 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.

(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. Vehicle energy source; restrictions prohibited;  
5 exception

6 EXCEPT AS PROVIDED IN SECTION 28-737, SECTION 49-410 AND ITS  
7 IMPLEMENTING RULES AND SECTIONS 49-571 AND 49-573, THIS STATE OR A CITY,  
8 TOWN, COUNTY OR POLITICAL SUBDIVISION OF THIS STATE SHALL NOT RESTRICT THE  
9 USE OR SALE OF A VEHICLE IN THIS STATE IF THE RESTRICTION IS BASED ON THE  
10 VEHICLE'S ENERGY SOURCE. THIS SECTION DOES NOT APPLY TO GOVERNMENT-OWNED  
11 VEHICLES.

12 Sec. 2. Section 28-304, Arizona Revised Statutes, is amended to  
13 read:

14 28-304. Powers and duties of the board; transportation  
15 facilities

16 A. The board shall:

17 1. Develop and adopt a statewide transportation policy statement.  
18 The policy statement shall be adopted as described in section 28-306.

19 2. Adopt a long-range statewide transportation plan. The plan  
20 shall be adopted as described in section 28-307.

21 3. Adopt uniform transportation planning practices and ~~performance~~  
22 ~~based~~ PERFORMANCE-BASED planning processes for use by the department. The  
23 practices and processes shall be developed as described in sections 28-502  
24 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  
44 planning developed pursuant to article 7 of this chapter. The percentage

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

6 2. Award all construction contracts for transportation facilities.

7 3. Monitor the status of these construction projects.

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

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

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

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

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

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

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

30 28-702.04. Maximum speed limit on interstate highways outside  
31 urbanized areas and within certain counties:  
32 definition

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

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

41 C. The director may order the increase of the maximum speed limit  
42 prescribed in subsection A of this section to seventy-five miles per hour  
43 on an individual interstate system highway subject to this section or on

1 all of the interstate system highways in this state as prescribed in  
2 section 28-702.

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

7 1. A REDUCTION IN THE SPEED LIMIT FOR OPERATIONAL EFFICIENCY IS  
8 NECESSARY AS DETERMINED BY A DEPARTMENT-APPROVED THIRD-PARTY ENGINEERING  
9 STUDY OR ROAD SAFETY ASSESSMENT.

10 2. AN OPPORTUNITY FOR PUBLIC INPUT IS PROVIDED.

11 3. THE OVERALL SYSTEM CAPACITY AND TRANSPORTATION MOBILITY WILL NOT  
12 BE REDUCED.

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

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

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

21 28-6301. Definitions

22 In this article, unless the context otherwise requires:

23 1. "AIR QUALITY MEASURES" MEANS PAVING UNPAVED ROADS AND PROCURING  
24 STREET SWEEPERS TO HELP MEET THE REQUIREMENTS OF THE CLEAN AIR ACT AS  
25 DEFINED IN SECTION 49-401.01.

26 ~~1.~~ 2. "~~Bond-related~~ BOND-RELATED expenses" means:

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

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

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

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

36 ~~2.~~ 3. "~~Bond-related~~ BOND-RELATED obligation" means any agreement  
37 or contractual relationship between the board and any bank, trust company,  
38 insurance company, surety bonding company, pension fund or other financial  
39 institution providing increased credit on, or security for, the bonds or  
40 liquidity for secondary market transactions.

41 ~~3.~~ 4. "Bonds" means any bonds that are payable from the regional  
42 area road fund as provided in chapter 21, article 2 of this title.

1           ~~4.~~ 5. "Construction interest" means a company whose primary  
2 function consists of building freeways, highways or major arterial  
3 streets.

4           ~~5.~~ 6. "Controlled access highway" has the same meaning prescribed  
5 in section 28-601.

6           ~~6.~~ 7. "Freight interest" means a company that derives a  
7 substantial portion of its revenue from transporting goods.

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

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

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

15           ~~(c) The modification of a transportation project in a manner that  
16 eliminates a connection between freeway facilities or fixed guideway  
17 facilities.~~

18           8. "INTERSECTION IMPROVEMENTS" MEANS PROJECTS THAT ARE DESIGNED TO  
19 DECREASE VEHICLE CONGESTION, LOWER TRAVEL TIMES OR IMPROVE SAFETY.

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

25           10. "NONMOTORIZED MOBILITY INFRASTRUCTURE" MEANS THE IMPROVEMENT OF  
26 SAFETY, ACCESSIBILITY OR CONNECTIVITY THROUGH SIDEWALKS, CROSSWALKS, CURB  
27 RAMPS, ELEMENTS THAT ARE REQUIRED BY THE AMERICANS WITH DISABILITIES ACT  
28 OF 1990 (42 UNITED STATES CODE SECTIONS 12101 THROUGH 12213) OR OTHER  
29 COMPONENTS ADJACENT TO STREETS OR ROADWAYS FOR VULNERABLE ROAD USERS AS  
30 DEFINED IN 23 UNITED STATES CODE SECTION 148(a)(15).

31           11. "PERFORMANCE-BASED" MEANS REGIONAL PLANNING AGENCY PROCESSES  
32 AND PRACTICES THAT ARE CONSISTENT WITH FEDERAL LAW, INCLUDING:

33           (a) REQUIREMENTS PRESCRIBED IN 23 UNITED STATES CODE SECTION 134  
34 AND 49 UNITED STATES CODE SECTION 5303.

35           (b) SYSTEM PERFORMANCE FACTORS SET FORTH IN SECTION 28-505, AS  
36 APPLICABLE.

37           12. "PLAN" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-6351.

38           ~~8.~~ 13. "Population" means the population determined in the most  
39 recent United States decennial census or the most recent special census as  
40 provided in section 28-6532 and revisions to the decennial or special  
41 census certified by the United States bureau of the census.

42           ~~9.~~ 14. "Public transportation" means moving passengers by means of  
43 a conveyance operated by or for a political subdivision of this state,

1 including dial-a-ride transportation, special needs transportation and van  
2 pool transportation but excluding school buses.

3 ~~10.~~ 15. "Public transportation system" means the combination of  
4 individuals, vehicles, physical facilities, structures and equipment that  
5 together provide, or facilitate providing, public transportation,  
6 including buses, high occupancy vehicle roadway lanes and ramps, bus  
7 pull-out lanes, bus and light rail waiting facilities, park and ride  
8 parking lots, intelligent transportation systems and ridesharing  
9 promotion.

10 16. "REGIONAL TRANSPORTATION INFRASTRUCTURE" MEANS TRANSPORTATION  
11 PROJECTS THAT ARE SELECTED THROUGH A PERFORMANCE-BASED PROCESS FOR  
12 NONMOTORIZED MOBILITY INFRASTRUCTURE, EMERGING TECHNOLOGIES AND AIR  
13 QUALITY MEASURES.

14 ~~11.~~ 17. "Regionwide business" means a company that provides goods  
15 or services throughout the county.

16 ~~12.~~ 18. "Transit interest" means an individual with demonstrated  
17 interest and experience with public transportation.

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

20 28-6302. Transportation excise tax distribution; counties  
21 with three million or more persons; regional area  
22 road fund

23 A. In a county with a population of ~~one~~ THREE million ~~two hundred~~  
24 ~~thousand~~ or more persons, the officer collecting transportation excise tax  
25 monies pursuant to section 42-6105 OR 42-6105.01 that are designated for  
26 deposit in the regional area road fund shall immediately transfer the  
27 monies to the state treasurer. The state treasurer shall deposit the  
28 monies in a fund designated for the county as the regional area road  
29 fund. The state treasurer shall hold monies in the regional area road  
30 fund as a trustee for the county.

31 B. Except as provided in this article, the county in which the  
32 transportation excise taxes are levied has the beneficial interest in the  
33 regional area road fund. This state has no beneficial interest in the  
34 regional area road fund except as an obligee for reimbursement of state  
35 monies that are advanced as salaries or expenses by this state or the  
36 department and that are to be repaid by the regional area road fund.

37 C. Monies and investments within the regional area road fund may be  
38 used and spent only as provided in this chapter. An appropriation of any  
39 nature shall not be required before the expenditure of monies from the  
40 regional area road fund. Monies in the bond proceeds account or  
41 construction account of a regional area road fund may be obligated for  
42 payment in future years for the purpose of right-of-way acquisition  
43 subject to the limitations prescribed in sections 28-7001 and 28-7002, ~~and~~  
44 section 42-6105, subsection D, paragraphs 1 and 2 AND SECTION 42-6105.01,

1 **SUBSECTION D, PARAGRAPHS 1 AND 2.** The state treasurer shall make payments  
2 from the regional area road fund by check, and a warrant or voucher is not  
3 necessary. Subject to the powers granted to the board in chapter 21,  
4 article 2 of this title, the director shall administer monies deposited in  
5 the regional area road fund.

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

8 **28-6303. Regional area road fund; separate accounts**

9 A. The regional area road fund is divided into three separate  
10 accounts designated as the bond account, the construction account and the  
11 bond proceeds account.

12 B. The state treasurer shall:

13 1. Account separately for each account.

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

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

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

24 5. After all current period requirements for all of the bonds are  
25 deposited in the bond account, deposit the balance of transportation  
26 excise tax revenues transferred to the state treasurer for the current  
27 period in the construction account.

28 C. The state treasurer may:

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

32 2. For the purpose of investments, commingle monies within the  
33 regional area road fund with state monies if all interest earned on the  
34 monies in the regional area road fund of a county is credited to the  
35 respective account of the regional area road fund in which the investment  
36 was made.

37 D. The department shall separately account for the uses of  
38 transportation excise tax revenues deposited into the bond account and the  
39 construction account in order to identify how the transportation excise  
40 tax revenues are used pursuant to section 42-6105, subsection D,  
41 paragraphs 1 and 2, for:

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

1           2. Major arterial streets, ~~and~~ intersection improvements AND  
2 REGIONAL TRANSPORTATION INFRASTRUCTURE IDENTIFIED IN THE PLAN, INCLUDING  
3 CAPITAL EXPENSE AND IMPLEMENTATION STUDIES.

4           E. THE DEPARTMENT SHALL SEPARATELY ACCOUNT FOR THE USES OF  
5 TRANSPORTATION EXCISE TAX REVENUES DEPOSITED IN THE BOND ACCOUNT AND THE  
6 CONSTRUCTION ACCOUNT IN ORDER TO IDENTIFY HOW THE TRANSPORTATION EXCISE  
7 TAX REVENUES ARE USED PURSUANT TO SECTION 42-6105.01, SUBSECTION D,  
8 PARAGRAPHS 1 AND 2 FOR:

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

10           2. MAJOR ARTERIAL STREETS, INTERSECTION IMPROVEMENTS AND REGIONAL  
11 TRANSPORTATION INFRASTRUCTURE IDENTIFIED IN THE PLAN, INCLUDING CAPITAL  
12 EXPENSE AND IMPLEMENTATION STUDIES.

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

15           28-6304. Bond account; expenditures

16           A. The state treasurer shall:

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

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

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

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

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

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

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

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

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

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

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

39           5. Design, right-of-way purchase or construction related to new, or  
40 improvements to, major arterial streets, ~~and~~ intersections AND REGIONAL  
41 TRANSPORTATION INFRASTRUCTURE that are included in the ~~regional~~  
42 ~~transportation~~ plan ~~of the county~~. ~~For the purposes of this paragraph,~~  
43 ~~"major arterial" means an interconnected thoroughfare whose primary~~  
44 ~~function is to link areas in the region and to distribute traffic to and~~



1 ~~from controlled access highways, generally of regionwide significance and~~  
2 ~~of varying capacity depending on the travel demand for the specific~~  
3 ~~direction and adjacent land uses.~~

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

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

9 ~~8.~~ 6. Payment of principal and interest on the bonds.

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

12 28-6305. Construction account; expenditures; construction  
13 contracts

14 A. Except as provided in subsection B of this section, monies in  
15 the construction account of the regional area road fund shall be spent,  
16 pledged or accumulated for the purposes provided in section 28-6304,  
17 subsection C, paragraphs 4 and 5, including payment of interest on and  
18 repayment of bonds and obligations issued pursuant to chapter 21 of this  
19 title if the proceeds of the bonds or obligations are used for the  
20 purposes provided in section 28-6304, subsection C, paragraphs 4 and 5.

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

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

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

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

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

36 C. The monies distributed under subsection B of this section shall  
37 only be spent for planning and administering the ~~regional transportation~~  
38 plan approved pursuant to section 28-6308 and the costs incurred by the  
39 auditor general relating to performance audits under section 28-6313.  
40 Before the beginning of each fiscal year, the respective governing bodies  
41 of the members of the regional planning agency and the board of directors  
42 of the regional public transportation authority shall explicitly identify  
43 and approve in ~~the annual~~ budgets the monies to be spent under subsection  
44 B of this section for the purposes allowed under this subsection. These

1 expenditures are subject to the annual audit of the governing bodies'  
2 financial transactions.

3 D. The director may enter into construction contracts or contracts  
4 incidental to construction contracts payable from monies in either the  
5 bond proceeds account or the construction account or both the bond  
6 proceeds and construction accounts.

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

9 28-6306. Account expenditures; elections

10 A. Except as provided in subsection B ~~OF THIS SECTION~~, monies from  
11 any account in the regional area road fund shall not be spent to promote  
12 or advocate a position, alternative or outcome of an election, to  
13 influence public opinion or to pay or contract for consultants or advisors  
14 to influence public opinion with respect to an election regarding taxes or  
15 other sources of revenue for the fund or regarding the ~~regional~~  
16 ~~transportation~~ plan.

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

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

21 2. For costs specifically incurred with respect to a ballot issue  
22 relating to a county transportation excise tax in a county with a  
23 population of ~~one~~ **THREE** million ~~two hundred thousand~~ or more persons.

24 Sec. 10. Repeal

25 Section ~~28-6307~~, Arizona Revised Statutes, is repealed.

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

28 28-6308. Regional planning agency transportation policy  
29 committee

30 A. The regional planning agency in the county shall establish a  
31 transportation policy committee consisting of ~~twenty-three~~ **THE FOLLOWING**  
32 members ~~as follows~~:

33 1. ~~Seventeen~~ **EIGHTEEN** members of the regional planning agency,  
34 including one member of the state transportation board who represents the  
35 county, one member of the county board of supervisors and one member  
36 ~~representing~~ **WHO REPRESENTS** Indian communities in the county.

37 2. Six members who represent regionwide business interests, one of  
38 whom must represent transit interests, one of whom must represent freight  
39 interests and one of whom must represent construction interests. The  
40 president of the senate and the speaker of the house of representatives  
41 shall each appoint three members to the committee pursuant to this  
42 paragraph. Members who are appointed pursuant to this paragraph serve  
43 six-year terms. The chairperson of the regional planning agency may  
44 submit names to the president of the senate and the speaker of the house

1 of representatives for consideration for appointment to the transportation  
2 policy committee.

3 3. BEGINNING FISCAL YEAR 2024-2025, TWO MEMBERS WHO REPRESENT  
4 UNINCORPORATED AREAS OF A COUNTY THAT HAS A POPULATION OF THREE MILLION OR  
5 MORE PERSONS. THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF  
6 REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER PURSUANT TO THIS PARAGRAPH.  
7 MEMBERS WHO ARE APPOINTED PURSUANT TO THIS PARAGRAPH SERVE SIX-YEAR TERMS.

8 4. BEGINNING FISCAL YEAR 2024-2025, ONE MEMBER WHO REPRESENTS A  
9 TAXPAYER ORGANIZATION AND WHO IS APPOINTED JOINTLY BY THE PRESIDENT OF THE  
10 SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES. THE MEMBER WHO IS  
11 APPOINTED PURSUANT TO THIS PARAGRAPH SERVES A SIX-YEAR TERM.

12 5. BEGINNING FISCAL YEAR 2024-2025, ONE MEMBER WHO REPRESENTS  
13 RESIDENTIAL HOUSING DEVELOPMENT AND WHO IS APPOINTED JOINTLY BY THE  
14 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.  
15 THE MEMBER WHO IS APPOINTED PURSUANT TO THIS PARAGRAPH SERVES A SIX-YEAR  
16 TERM.

17 6. BEGINNING FISCAL YEAR 2024-2025, ONE MEMBER WHO REPRESENTS  
18 RESILIENCY INTERESTS AND WHO IS APPOINTED BY THE GOVERNOR. THE MEMBER WHO  
19 IS APPOINTED PURSUANT TO THIS PARAGRAPH SERVES A SIX-YEAR TERM.

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

22 ~~2.~~ 1. Develop the plan in cooperation with the regional public  
23 transportation authority in the county and the department ~~of~~  
24 ~~transportation~~ and in consultation with the county board of supervisors,  
25 Indian communities and cities and towns in the county.

26 ~~1. 2. By a majority vote of the members,~~ Recommend approval,  
27 ~~DISAPPROVAL OR MODIFICATION~~ of ~~a twenty-year comprehensive,~~  
28 ~~performance-based, multimodal and coordinated regional transportation plan~~  
29 ~~in the county, including transportation corridors by priority and a~~  
30 ~~schedule indicating the dates that construction will commence for projects~~  
31 ~~contained in the plan.~~

32 ~~3. Submit the plan for review by the regional public transportation~~  
33 ~~authority in the county, the state board of transportation, the county~~  
34 ~~board of supervisors, Indian communities and cities and towns in the~~  
35 ~~county at the alternatives stage of the plan and the final draft stage of~~  
36 ~~the plan. After reviewing the plan, the regional public transportation~~  
37 ~~authority in the county, the county board of supervisors and the state~~  
38 ~~board of transportation, by majority vote of the members of each entity~~  
39 ~~within thirty days after receiving the plan, shall submit a written~~  
40 ~~recommendation to the transportation policy committee that the plan be~~  
41 ~~approved, modified or disapproved. Within thirty days after receiving the~~  
42 ~~plan, Indian communities and cities and towns in the county may submit a~~  
43 ~~written recommendation to the transportation policy committee that the~~  
44 ~~plan be approved, modified or disapproved.~~

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

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

5 ~~6. Provide a written response to the regional public transportation~~  
6 ~~authority, the state board of transportation, the county board of~~  
7 ~~supervisors and the entity that submitted the proposed modification within~~  
8 ~~thirty days after the vote on the proposed modification explaining the~~  
9 ~~affirmation, rejection or further modification of each proposed~~  
10 ~~modification.~~

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

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

14 ~~1. Shall include the following transportation mode classifications~~  
15 ~~with a revenue allocation to each classification consistent with section~~  
16 ~~42-6105, subsection D:~~

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

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

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

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

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

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

27 ~~D. Transportation excise tax revenues that are distributed pursuant~~  
28 ~~to section 42-6105, subsection D shall not be redistributed or used for~~  
29 ~~other transportation modes. Except as provided by section 28-6353,~~  
30 ~~subsections D, E and F, transportation excise tax revenues that are~~  
31 ~~dedicated in the plan to a specific project or transportation system may~~  
32 ~~only be redistributed to or otherwise used for another project within the~~  
33 ~~same transportation mode if approved by a majority vote of the~~  
34 ~~transportation policy committee.~~

35 **3. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF THE BUDGET**  
36 **PROCESSES IDENTIFIED BY SECTION 28-6352, SUBSECTION C.**

37 **4. RECOMMEND APPROVAL, DISAPPROVAL OR MODIFICATION OF FUNDING**  
38 **AWARDED THROUGH THE REGIONAL TRANSPORTATION INFRASTRUCTURE PROCESS.**

39 **Sec. 12. Repeal**

40 **Sections 28-6309, 28-6310, 28-6311 and 28-6312, Arizona Revised**  
41 **Statutes, are repealed.**



- 1 G. The auditor general shall distribute copies of the audit to:  
2 1. The regional planning agency.  
3 2. The transportation policy committee.  
4 3. The regional public transportation authority in the county.  
5 4. The county board of supervisors.  
6 5. The state transportation board.  
7 6. The governor, secretary of state, president of the senate and  
8 speaker of the house of representatives.

9 ~~7. The Arizona state library, archives and public records.~~  
10 ~~8.~~ 7. Any other person who requests a copy pursuant to title 39,  
11 chapter 1, article 2.

12 H. The state transportation board, regional planning agency,  
13 regional public transportation authority and county board of supervisors  
14 shall cooperate with and submit to the auditor general and the auditors  
15 contracted to conduct the audit information necessary to conduct the  
16 audits under this section.

17 I. The cost incurred by the auditor general in contracting with  
18 independent auditors for conducting performance audits under subsection A  
19 of this section shall be paid from revenues of the county transportation  
20 excise tax under ~~section~~ SECTIONS 42-6105 AND 42-6105.01. When due, the  
21 payments have priority over any other distribution authorized by section  
22 42-6105 OR 42-6105.01. The auditor general shall deposit the payments in  
23 the audit services revolving fund established by section 41-1279.06.

24 Sec. 14. Heading change  
25 The article heading of title 28, chapter 17, article 2, Arizona  
26 Revised Statutes, is changed from "REGIONAL TRANSPORTATION PLAN" to  
27 "COUNTY TRANSPORTATION EXCISE TAX PLAN".

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

30 28-6351. Definitions

31 In this article, unless the context otherwise requires:

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

34 ~~2.~~ 1. "Enhancement" means an addition that exceeds generally  
35 accepted engineering or design standards for the specific type of  
36 facility.

37 ~~3.~~ 2. "~~Regional transportation~~ Plan" means the ~~twenty-year~~  
38 comprehensive, ~~performance-based~~ PERFORMANCE-BASED, multimodal and  
39 coordinated regional STRATEGIC transportation INFRASTRUCTURE INVESTMENT  
40 plan approved for the county pursuant to section 28-6308, as amended or  
41 otherwise modified.

42 Sec. 16. Repeal

43 Sections 28-6352 and 28-6353, Arizona Revised Statutes, are  
44 repealed.

1           Sec. 17. Title 28, chapter 17, article 2, Arizona Revised Statutes,  
2 is amended by adding new sections 28-6352 and 28-6353, to read:

3           28-6352. County transportation excise tax; budget process

4           A. THE REGIONAL PLANNING AGENCY IN THE COUNTY SHALL DEVELOP AND  
5 ADOPT A PLAN. THE PLAN SHALL BE MULTIMODAL AND SHALL BE DEVELOPED IN  
6 COOPERATION WITH STATE AND LOCAL PUBLIC TRANSPORTATION AUTHORITIES AND  
7 OPERATORS AND IN COORDINATION WITH THE DEPARTMENT. THE REGIONAL PLANNING  
8 AGENCY SHALL CONSIDER TRUCK PARKING AVAILABILITY WHEN CONSIDERING THE  
9 CONSTRUCTION, EXPANSION OR MODIFICATION OF FREEWAYS OR OTHER ROUTES IN THE  
10 STATE HIGHWAY SYSTEM. ON OR BEFORE DECEMBER 31, 2045, THE REGIONAL  
11 PLANNING AGENCY SHALL ALLOCATE AT LEAST \$90,000,000 FOR THE IMPLEMENTATION  
12 OF COMMERCIAL MOTOR VEHICLE PARKING THAT IS CONSISTENT WITH A REGIONALLY  
13 ADOPTED TRUCK PARKING PLAN, INCLUDING FUNDING FOR CONSTRUCTION, LAND  
14 ACQUISITION, LEASE, MAINTENANCE OR OPERATIONS OR ENTRY INTO A  
15 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.

16           B. THE PLAN SHALL ALLOCATE REVENUE COLLECTED UNDER SECTION  
17 42-6105.01 AS FOLLOWS:

18           1. IN THE REGIONAL AREA ROAD FUND ESTABLISHED BY SECTION 28-6302  
19 FOR FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM, INCLUDING  
20 CAPITAL EXPENSE AND MAINTENANCE.

21           2. IN THE REGIONAL AREA ROAD FUND ESTABLISHED BY SECTION 28-6302  
22 FOR MAJOR ARTERIAL STREETS, INTERSECTION IMPROVEMENTS AND REGIONAL  
23 TRANSPORTATION INFRASTRUCTURE, INCLUDING CAPITAL EXPENSE AND  
24 IMPLEMENTATION STUDIES.

25           3. IN THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY SECTION 48-5103  
26 FOR BOTH:

27           (a) CAPITAL COSTS, MAINTENANCE AND OPERATION OF PUBLIC  
28 TRANSPORTATION MODE CLASSIFICATIONS.

29           (b) CAPITAL REHABILITATION COSTS ASSOCIATED WITH THE LIGHT RAIL  
30 SYSTEM.

31           C. BEGINNING FISCAL YEAR 2023-2024, THE REGIONAL PLANNING AGENCY  
32 SHALL ADOPT A BUDGET PROCESS THAT ENSURES:

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

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

42           3. THE ESTIMATED COST OF MAJOR ARTERIAL STREETS, INTERSECTION  
43 IMPROVEMENTS AND REGIONAL TRANSPORTATION INFRASTRUCTURE DOES NOT EXCEED  
44 THE TOTAL AMOUNT OF REVENUES ESTIMATED TO BE AVAILABLE OVER THE TERM OF

1 THE TRANSPORTATION EXCISE TAX AS PRESCRIBED BY SECTION 42-6105, SUBSECTION  
2 C AND SECTION 42-6105.01, SUBSECTION C.

3 D. THE REGIONAL PLANNING AGENCY SHALL COORDINATE WITH IMPLEMENTING  
4 PARTNERS ON THE BUDGET PROCESS PRESCRIBED IN SUBSECTION C OF THIS SECTION,  
5 INCLUDING THE DEPARTMENT FOR FREEWAYS AND OTHER ROUTES IN THE STATE  
6 HIGHWAY SYSTEM AND THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY IN THE  
7 COUNTY FOR THE PUBLIC TRANSPORTATION SYSTEM.

8 E. THE REGIONAL PLANNING AGENCY SHALL DETERMINE THE USE OF THE  
9 REVENUES COLLECTED UNDER SECTIONS 42-6105 AND 42-6105.01 FOR CAPITAL  
10 PROJECTS THROUGH THE TRANSPORTATION IMPROVEMENT PROGRAM.

11 F. ANY BONDS ISSUED AGAINST PROCEEDS COLLECTED PURSUANT TO SECTIONS  
12 42-6105 AND 42-6105.01 REQUIRE CONSULTATION WITH THE REGIONAL PLANNING  
13 AGENCY.

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

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

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

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

27 K. THE BUDGET PROCESS PRESCRIBED IN SUBSECTION C OF THIS SECTION  
28 DOES NOT APPLY TO THE ANNUAL OPERATING BUDGET OF THE REGIONAL PUBLIC  
29 TRANSPORTATION AUTHORITY IN THE COUNTY.

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

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

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

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

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

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



1           28-6353. Public transportation farebox recovery audit; ratio;  
2                           exemption

3           A. IN A COUNTY WITH A POPULATION OF THREE MILLION OR MORE PERSONS,  
4 BEGINNING FISCAL YEAR 2026-2027, THE REGIONAL PUBLIC TRANSPORTATION  
5 AUTHORITY, IN COORDINATION WITH THE REGIONAL PLANNING AGENCY, SHALL  
6 CONDUCT A FAREBOX RECOVERY AUDIT OF OPERATING COSTS AND REVENUES FOR THE  
7 PREVIOUS FISCAL YEAR FOR ALL PUBLIC TRANSPORTATION AS DEFINED IN SECTION  
8 28-6301. THE AUDIT SHALL:

9           1. DOCUMENT ALL REVENUE SOURCES, INCLUDING FARES AND FUNDING  
10 GENERATED FROM SECTION 42-6105.01.

11           2. DETERMINE A FAREBOX RECOVERY RATIO CALCULATED BY THE PERCENTAGE  
12 OF OPERATING EXPENSES PAID FOR BY FARES AS A MEASURE OF COST EFFICIENCY.

13           3. DETAIL THE FAREBOX RECOVERY RATIO FOR THE ENTIRE REGIONAL PUBLIC  
14 TRANSPORTATION SYSTEM AND BY JURISDICTION.

15           4. BE PRESENTED TO THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
16 BOARD AND TRANSPORTATION POLICY COMMITTEE.

17           B. THE ANNUAL FAREBOX RECOVERY RATIO SHALL ACHIEVE THE FOLLOWING  
18 PERCENTAGES:

19           1. IN FISCAL YEAR 2026-2027 THROUGH FISCAL YEAR 2027-2028, TEN  
20 PERCENT.

21           2. IN FISCAL YEAR 2028-2029 THROUGH FISCAL YEAR 2030-2031, FIFTEEN  
22 PERCENT.

23           3. IN FISCAL YEAR 2031-2032 AND EACH SUBSEQUENT FISCAL YEAR, TWENTY  
24 PERCENT.

25           C. IF THE SYSTEMWIDE FAREBOX RECOVERY RATIO FAILS TO MEET THE  
26 PERCENTAGES PRESCRIBED BY SUBSECTION B OF THIS SECTION, THE REGIONAL  
27 PUBLIC TRANSPORTATION AUTHORITY MUST DEMONSTRATE THROUGH THE FAREBOX  
28 RECOVERY AUDIT THAT MONIES FROM SOURCES OTHER THAN SECTION 42-6105.01 MAKE  
29 UP THE DIFFERENCE BETWEEN THE FAREBOX RECOVERY RATIO AND THE PERCENTAGES  
30 PRESCRIBED BY SUBSECTION B OF THIS SECTION.

31           D. IF THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY CANNOT SATISFY  
32 THE REQUIREMENTS PRESCRIBED BY SUBSECTION C OF THIS SECTION, THE EXCESS  
33 COSTS SHALL BE ALLOCATED BETWEEN AFFECTED JURISDICTIONS ACCORDING TO THE  
34 PROPORTION OF SERVICE IN THAT JURISDICTION THAT FALLS BELOW THE PERCENTAGE  
35 REQUIREMENT PRESCRIBED BY SUBSECTION B OF THIS SECTION. THE AFFECTED  
36 JURISDICTIONS SHALL PAY MONIES FROM SOURCES OTHER THAN SECTION 42-6105.01  
37 TO THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY SECTION 48-5103 WITHIN  
38 TWO FISCAL YEARS FOLLOWING COMPLETION OF THE AUDIT. THE PAYMENTS SHALL BE  
39 DOCUMENTED AS PART OF FUTURE AUDITS.

40           E. VANPOOL SERVICES, RIDE CHOICE AND TRANSPORTATION SERVICE THAT  
41 ARE REQUIRED BY THE AMERICANS WITH DISABILITIES ACT OF 1990 (42 UNITED  
42 STATES CODE SECTIONS 12101 THROUGH 12213) ARE EXEMPT FROM THIS SECTION.

1           Sec. 18. Repeal  
2           Sections 28-6354 and 28-6355, Arizona Revised Statutes, are  
3 repealed.

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

6           28-6538. Arizona highway user revenue fund distribution;  
7                                   remaining monies; highway fund distribution;  
8                                   contract authorization; plan requirements

9           A. Each fiscal year the department shall allocate and the state  
10 treasurer shall distribute revenues of the Arizona highway user revenue  
11 fund remaining after the distribution provided in sections 28-6534 and  
12 28-6537 as follows:

- 13           1. To the state highway fund, fifty and one-half ~~per cent~~ PERCENT.
- 14           2. To the counties, nineteen ~~per cent~~ PERCENT.
- 15           3. To the incorporated cities and towns, twenty-seven and one-half  
16 ~~per cent~~ PERCENT.
- 17           4. To incorporated cities with a population of three hundred  
18 thousand or more persons, three ~~per cent~~ PERCENT.

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

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

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

34           (a) The design, right-of-way purchase or construction of controlled  
35 access highways that are included in the ~~regional transportation~~ plan ~~of~~  
36 ~~the county~~ AS DEFINED IN SECTION 28-6351 and that are accepted into the  
37 state highway system either as a state route or as a state highway or  
38 related grade separations of controlled access highways that are included  
39 in the ~~regional transportation~~ plan ~~of the county~~ AS DEFINED IN SECTION  
40 28-6351.

41           (b) Notwithstanding sections 28-6993 and 28-6995, the design,  
42 right-of-way purchase, construction, standard and reduced clearance grade  
43 separation, extension and widening of arterial streets and highways that

1 are included in the ~~regional transportation~~ plan ~~of the county~~ AS DEFINED  
2 IN SECTION 28-6351.

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

7 D. Expenditures for state matching monies for the federal  
8 interstate system shall be in addition to the amount provided in  
9 subsection B of this section.

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

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

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

22 28-6954. Program requirements

23 A. The five year transportation facilities construction program  
24 shall:

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

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

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

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

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

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

37 (b) CONSISTENT WITH THE PROJECT BUDGET PROCESS SPECIFIED IN SECTION  
38 28-6352, SUBSECTION C, PARAGRAPH 1.

39 (c) ANNUALLY UPDATED.

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

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

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

8           28-7671. Definitions

9           In this article, unless the context otherwise requires:

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

11           (a) On the federal aid system, national highway system or state  
12 route or state highway system.

13           (b) Included in either:

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

15           (ii) The transportation improvement plan of a regional association  
16 of governments.

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

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

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

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

34          6. "Indian tribe" means any Indian tribe, band, group or community  
35 that is recognized by the United States secretary of the interior and that  
36 exercises governmental authority within the limits of any Indian  
37 reservation under the jurisdiction of the United States government,  
38 notwithstanding the issuance of any patent and including rights-of-way  
39 running through the reservation.

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

1           8. "Political subdivision" means a county, city, town or special  
2 taxing district authorized by law to construct or assist in the  
3 construction of an eligible highway project or a county, city, town or  
4 special taxing district established pursuant to section 48-5102 to  
5 construct or assist in the construction of a transportation project.

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

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

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

18           28-7691. Definitions

19           In this article, unless the context otherwise requires:

20          1. "Excise taxes" means all unrestricted excise, transaction,  
21 franchise, privilege and business taxes, state shared ~~sales~~ TRANSACTION  
22 PRIVILEGE and income taxes, fees for licenses and permits and state  
23 revenue sharing that are levied and paid by a political subdivision or  
24 contributed, levied or paid to the political subdivision and not earmarked  
25 by the contributor or the political subdivision for a contrary or  
26 inconsistent purpose.

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

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

36          4. "Transportation project advance agreement" means a written  
37 agreement, entered into in accordance with section 28-7677 and section  
38 9-500.17, 11-269.03 or 48-5122, between one or more political subdivisions  
39 and the department, a regional planning agency, metropolitan planning  
40 organization or council of governments or a designated grant recipient  
41 under which the political subdivision advances monies to the department,  
42 the regional planning agency, metropolitan planning organization or  
43 council of governments or the designated grant recipient to accelerate a

1 transportation project and under which the recipient of the advanced  
2 monies repays the advance.

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

7 6. "Transportation project advancement notes" means notes  
8 authorized by this article.

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

11 28-7695. Use of proceeds

12 A political subdivision shall use the proceeds from the sale of  
13 transportation project advancement notes for payment of any of the  
14 following:

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

19 2. Legal and financial costs and expenses incurred in issuing and  
20 administering the notes.

21 3. Reimbursement to the political subdivision for monies previously  
22 advanced to the department, a regional planning agency, metropolitan  
23 planning organization or council of governments, a regional public  
24 transportation authority or a designated grant recipient under the  
25 transportation project advance agreement that relates to the  
26 transportation project advancement notes.

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

29 5. Payment of the principal, premium or interest on other  
30 obligations of the political subdivision to the extent that proceeds of  
31 those obligations are applied to the financing of the transportation  
32 project that relates to the transportation project advance agreement.

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

35 28-9204. Public monies; prohibition

36 NOTWITHSTANDING ANY OTHER LAW, PUBLIC MONIES MAY NOT BE USED TO  
37 EXTEND LIGHT RAIL SERVICE IN PHOENIX TO:

38 1. THE AREA WITH A BOUNDARY OF SEVENTEENTH AVENUE ON THE EAST,  
39 ADAMS STREET ON THE NORTH, EIGHTEENTH AVENUE ON THE WEST AND JEFFERSON  
40 STREET ON THE SOUTH.

41 2. ANY PROPERTY THAT IS WITHIN FIFTY LINEAR YARDS OF THE AREA  
42 DESCRIBED IN PARAGRAPH 1 OF THIS SECTION.



1           2. BE SPENT ON ANY PROJECT THAT WILL RESULT IN A REDUCTION IN  
2 EXISTING LANE MILES ON A HIGHWAY AS DEFINED IN SECTION 28-101 OR A STATE  
3 HIGHWAY AS DEFINED IN SECTION 28-101, UNLESS ALL OF THE FOLLOWING APPLY:

4           (a) RECONFIGURATION FOR OPERATIONAL EFFICIENCY IS NECESSARY AS  
5 DETERMINED BY A DEPARTMENT-APPROVED THIRD-PARTY ENGINEERING STUDY OR ROAD  
6 SAFETY ASSESSMENT.

7           (b) AN OPPORTUNITY FOR PUBLIC INPUT IS PROVIDED.

8           (c) THE OVERALL SYSTEM CAPACITY AND TRANSPORTATION MOBILITY WILL  
9 NOT BE REDUCED.

10          (d) THE REDUCTION WILL NOT INCREASE VEHICLE CONGESTION OR TRAVEL  
11 TIMES.

12          3. BE SPENT ON A PROJECT THAT RESULTS IN A REDUCTION IN EXISTING  
13 LANE MILES ON A STREET OR HIGHWAY AS DEFINED IN SECTION 28-601 OR A  
14 ROADWAY AS DEFINED IN SECTION 28-601 UNLESS ALL THE FOLLOWING APPLY:

15          (a) A THIRD-PARTY ENGINEERING STUDY DEMONSTRATES THAT THE PROJECT  
16 WILL NOT MATERIALLY INCREASE VEHICLE CONGESTION OR TRAVEL TIMES.

17          (b) AN OPPORTUNITY FOR PUBLIC INPUT IS PROVIDED.

18          (c) THE REDUCTION IS RECOMMENDED FOR APPROVAL BY AN AFFIRMATIVE  
19 VOTE OF THE TRANSPORTATION POLICY COMMITTEE.

20          F. THE DISTRIBUTION SPECIFIED IN SUBSECTION D, PARAGRAPHS 1 AND 2  
21 OF THIS SECTION MAY NOT BE DECREASED.

22          G. MONIES COLLECTED PURSUANT TO THIS SECTION MAY NOT BE USED TO  
23 INFLUENCE THE OUTCOME OF AN ELECTION.

24          H. NOT MORE THAN 3.5 PERCENT OF THE MONIES THAT ARE DISTRIBUTED  
25 PURSUANT TO SUBSECTION D, PARAGRAPH 3 OF THIS SECTION MAY BE USED FOR  
26 LIGHT RAIL CAPITAL REHABILITATION.

27          I. NOT MORE THAN FIVE PERCENT OF THE REVENUES COLLECTED UNDER THIS  
28 SECTION MAY BE USED FOR REGIONAL TRANSPORTATION INFRASTRUCTURE.

29          Sec. 26. Section 48-5102, Arizona Revised Statutes, is amended to  
30 read:

31           48-5102. Regional public transportation authority in counties  
32                                   with population of three million or more persons;  
33                                   establishment

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

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

42           B. An authority is a tax levying public improvement district for  
43 all purposes of article XIII, section 7, Constitution of Arizona, and has  
44 the powers, privileges and immunities specifically granted by law. The



1 authority's property, bonds, debts and other obligations and interest on  
2 and transfer of its bonds and obligations are free from taxation.

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

5 Sec. 27. Section 48-5103, Arizona Revised Statutes, is amended to  
6 read:

7 48-5103. Public transportation fund

8 A. A public transportation fund is established for the authority.  
9 The fund consists of:

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

14 2. Monies appropriated by a county that has not elected to enter  
15 into the authority in an amount determined by the county board of  
16 supervisors.

17 3. Transportation excise tax revenues that are allocated to the  
18 fund pursuant to ~~section~~ SECTIONS 42-6105 AND 42-6105.01. The board shall  
19 separately account for monies from transportation excise tax revenues  
20 allocated pursuant to section 42-6105, subsection D, paragraph 3 for:

21 (a) A light rail public transit system.

22 (b) Capital costs for other public transportation.

23 (c) Operation and maintenance costs for other public  
24 transportation.

25 4. Monies distributed under title 28, chapter 17, ~~article~~ ARTICLES  
26 1 AND 2.

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

28 6. Monies granted by the federal government or appropriated by the  
29 legislature.

30 7. Fares or other revenues collected in operating a public  
31 transportation system.

32 B. On behalf of the authority, the fiscal agent shall administer  
33 monies paid into the public transportation fund. Monies in the fund may  
34 be spent pursuant to or to implement the public transportation element of  
35 the ~~regional transportation~~ plan AS DEFINED IN SECTION 28-6351 developed  
36 and approved by the regional planning agency, including reimbursement for  
37 utility relocation costs as prescribed in section 48-5107, ~~adopted~~  
38 ~~pursuant to section 48-5121~~ and for projects identified in the ~~regional~~  
39 ~~transportation~~ plan adopted by the regional planning agency pursuant to  
40 section ~~28-6308~~ 28-6352.

41 C. Monies in the fund shall not be spent to promote or advocate a  
42 position, alternative or outcome of an election, to influence public  
43 opinion or to pay or contract for consultants or advisors to influence  
44 public opinion with respect to an election regarding taxes or other

1 sources of revenue for the fund or regarding the ~~regional transportation~~  
2 plan AS DEFINED IN SECTION 28-6351.

3 Sec. 28. Repeal

4 Sections 48-5106 and 48-5121, Arizona Revised Statutes, are  
5 repealed.

6 Sec. 29. Election on transportation excise tax

7 A. During the period beginning four years before the date on which  
8 an existing county transportation excise tax would otherwise be  
9 discontinued and ending two years before the date on which an existing  
10 county transportation excise tax would be discontinued, the board of  
11 supervisors of any county with a population of three million or more  
12 persons shall call a countywide election for the continuation of the  
13 county transportation excise tax as described in section 42-6105.01,  
14 Arizona Revised Statutes, as added by this act. Notwithstanding any other  
15 law, the county shall conduct an election on a consolidated election date  
16 at least one year before the date on which an existing county excise tax  
17 would otherwise be discontinued following the call of the election.

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

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

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

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

34 (b) A map of proposed routes and transportation corridors of all  
35 major transportation projects.

36 (c) The estimated amount of transportation excise tax revenues,  
37 together with other identified revenues, dedicated for each transportation  
38 mode.

39 (d) The county elections department website address for additional  
40 information on the regional strategic transportation infrastructure  
41 investment plan.

42 3. The form of the ballot.

43 4. Any arguments for or against the ballot measure. Affirmative  
44 arguments, arranged in the order in which the elections director received

1 them, shall be placed before the negative arguments, also arranged in the  
2 order in which they were received.

3 C. At a time determined by the county, a person may file with the  
4 county elections director an argument, not more than three hundred words  
5 in length, advocating or opposing the ballot measure. The person who  
6 files the argument shall also pay to the elections director a publication  
7 fee prescribed by the board of supervisors. If the argument is sponsored  
8 by one or more individuals, the argument shall be signed by each  
9 sponsoring individual. If the argument is sponsored by one or more  
10 organizations, the argument shall be signed by two executive officers of  
11 each organization. If the argument is sponsored by one or more political  
12 committees, the argument shall be signed by each committee's chairperson  
13 or treasurer. Payment of the fee required by this subsection, or  
14 reimbursement of the payor, constitutes sponsorship of the argument. The  
15 names of persons who have signed arguments and the names of sponsoring  
16 organizations shall appear with the argument in the pamphlet. The person  
17 or persons signing the argument shall also give their residence or post  
18 office box address and a telephone number, which may not appear in the  
19 pamphlet.

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

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

25 2. The title: Regional Strategic Transportation Infrastructure  
26 Investment Plan.

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

29 A measure continuing the current transportation excise (sales)  
30 tax to address the regional transportation system by building new  
31 freeways, expanding existing freeways with additional access and  
32 capacity, constructing streets and intersections, expanding transit  
33 by increasing the frequency of bus service, providing additional  
34 bus, dial-a-ride and vanpool services and providing for capital  
35 rehabilitation of light rail. Revenues will be allocated as  
36 follows:

37 (a) 40.5 percent to freeways and other routes in the state highway  
38 system.

39 (b) 37 percent to public transportation.

40 (c) 22.5 percent to arterial streets, intersection improvements and  
41 regional transportation infrastructure.

42 4. Instructions directing the voter to the full text of the  
43 official and descriptive titles containing the summary as printed in the  
44 sample ballot and posted in the polling place. The ballot may include the

1 summary of the regional strategic transportation infrastructure investment  
2 plan.

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

4 Do you favor the continuation of a county transaction  
5 privilege (sales) tax for regional transportation  
6 purposes in \_\_\_\_\_ county? YES \_\_\_\_\_ NO \_\_\_\_\_

7 (A "YES" vote has the effect of continuing the  
8 transaction privilege (sales) tax in \_\_\_\_\_ county  
9 for twenty years to provide funding for transportation  
10 projects as contained in the regional strategic  
11 transportation infrastructure investment plan.)

12 (A "NO" vote has the effect of rejecting the transaction  
13 privilege (sales) tax for transportation purposes in  
14 \_\_\_\_\_ county.)

15 E. Except as otherwise provided by this section, the election under  
16 this section shall be conducted as nearly as practicable in the manner  
17 prescribed for general elections in title 16, Arizona Revised Statutes.  
18 The county election officer shall account for costs specifically incurred  
19 with respect to the ballot issue under this section. Regardless of the  
20 outcome of the election, and notwithstanding any other law, the state  
21 treasurer shall pay the costs listed in this subsection specifically  
22 incurred with respect to the ballot issue under this section from monies  
23 paid into the county's regional area road fund on submission of the bill  
24 by the county election officer. Costs specifically incurred with respect  
25 to the ballot issue under this section include the following:

26 1. Costs of mailing, publishing, posting and printing ballots,  
27 publicity pamphlets, notices, election materials and other matters  
28 concerning the election.

29 2. Legal and other consulting fees and costs relating to the  
30 election.

31 3. Telecommunications costs.

32 4. Compensation of the election board, county election officers and  
33 employees and other labor costs incurred to administer, hold, canvass and  
34 announce the results of the election.

35 5. Any other costs attributable to the election.

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

38 G. Except as specifically provided in this section, the general  
39 laws relating to elections apply to the election prescribed by this  
40 section.

41 Sec. 30. Regional public transportation authority

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

1           Sec. 31. Legislative intent

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

7           Sec. 32. Severability

8           If a provision of this act or its application to any person or  
9 circumstance is held invalid, the invalidity does not affect other  
10 provisions or applications of the act that can be given effect without the  
11 invalid provision or application, and to this end the provisions of this  
12 act are severable.

13          Sec. 33. Conditional enactment

14          Section 42-6105.01, Arizona Revised Statutes, as added by this act,  
15 is effective only if the qualified electors approve the extension of the  
16 county transportation excise tax.