SB 1650

Introduced by
Senator Livingston: Representative Carroll

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-461.18; AMENDING TITLE 11, CHAPTER 2, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 11-242; AMENDING TITLE 11, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 11-804.01; AMENDING SECTION 28-5606, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 16, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-5606.01; AMENDING SECTIONS 28-6302, 28-6303, 28-6308, 28-6309, 28-6313, 28-6353, 28-6354 AND 28-6355, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 17, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-6356; AMENDING SECTIONS 28-6538, 28-6540, 28-7676, 28-7677 AND 42-5041, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 6, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-6105.01; AMENDING SECTION 48-5103, ARIZONA REVISED STATUTES; RELATING TO TRANSPORTATION FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 9, chapter 4, article 6, Arizona Revised Statutes, is amended by adding section 9-461.18, to read:

9-461.18. Transit study
If a city or town performs a study of ways to improve public transit, the city or town must include autonomous vehicles in the study in the same manner as vehicles that require a human driver.

Sec. 2. Heading change
The article heading of title 11, chapter 2, article 3, Arizona Revised Statutes, is changed from "CLERK OF BOARD" to "BOARD APPOINTMENTS".

Sec. 3. Title 11, chapter 2, article 3, Arizona Revised Statutes, is amended by adding section 11-242, to read:

11-242. Counties with three million or more persons; transportation planning assistant; duties
In a county with a population of three million or more persons, the board of supervisors shall appoint a transportation planning assistant who shall streamline bus service between the incorporated and unincorporated areas of the county.

Sec. 4. Title 11, chapter 6, article 1, Arizona Revised Statutes, is amended by adding section 11-804.01, to read:

11-804.01. Transit study
If a county performs a study of ways to improve public transit, the county must include autonomous vehicles in the study in the same manner as vehicles that require a human driver.

Sec. 5. Section 28-5606, Arizona Revised Statutes, is amended to read:

28-5606. Imposition of motor fuel taxes
A. In addition to all other taxes provided by law, a tax of eighteen cents $.18 per gallon is imposed on motor vehicle fuel possessed, used or consumed in this state. The rate prescribed in this subsection shall both:
1. Beginning January 1, 2022 and ending December 31, 2045, increase annually by $.01.
2. Beginning July 1, 2022, be adjusted annually to reflect the average annual change in the consumer price index published by the United States Department of Labor, Bureau of Labor Statistics.
B. To partially compensate this state for the use of its highways:
1. A use fuel tax is imposed on use fuel used in the propulsion of a light class motor vehicle on a highway in this state at the same rate per gallon as the motor vehicle fuel tax prescribed in subsection A of this section, except that there is no use fuel tax on alternative fuels. The rate prescribed in this paragraph shall both:
   (a) Beginning January 1, 2022, increase annually by $.01.
(b) BEGINNING JULY 1, 2022, BE ADJUSTED ANNUALLY TO REFLECT THE AVERAGE ANNUAL CHANGE IN THE CONSUMER PRICE INDEX PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS.

2. A use fuel tax is imposed on use fuel used in the propulsion of a use class motor vehicle on a highway in this state at the rate of twenty-six cents $ .26 for each gallon, except that there is no use fuel tax on alternative fuels and use class vehicles that are exempt pursuant to section 28-5432 from the weight fee prescribed in section 28-5433 are subject to the use fuel tax imposed by paragraph 1 of this subsection. THE RATE PRESCRIBED IN THIS PARAGRAPH SHALL BOTH:
   (a) BEGINNING JANUARY 1, 2022, INCREASE ANNUALLY BY $ .01.
   (b) BEGINNING JULY 1, 2022, BE ADJUSTED ANNUALLY TO REFLECT THE AVERAGE ANNUAL CHANGE IN THE CONSUMER PRICE INDEX PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS.

3. Through December 31, 2024, a use fuel tax is imposed on use fuel used in the propulsion of a motor vehicle transporting forest products in compliance with the requirements of section 41-1516 on a highway in this state at the rate of nine cents $ .09 for each gallon, except that there is no use fuel tax on alternative fuels.

C. The motor vehicle fuel and use fuel taxes imposed pursuant to this section and the aviation fuel taxes imposed pursuant to section 28-8344 are conclusively presumed to be direct taxes on the consumer or user but shall be collected and remitted to the department by suppliers for the purpose of convenience and facility only. Motor vehicle fuel, use fuel and aviation fuel taxes that are collected and paid to the department by a supplier are considered to be advance payments, shall be added to the price of motor vehicle fuel, use fuel or aviation fuel and shall be recovered from the consumer or user.

D. Motor vehicle fuel and use fuel taxes imposed pursuant to this section on the use of motor vehicle fuel and use fuel and the aviation fuel taxes imposed pursuant to section 28-8344 on the use of aviation fuel, other than by bulk transfer, arise at the time the motor vehicle, use or aviation fuel either:
   1. Is imported into this state and is measured by invoiced gallons received outside this state at a refinery, terminal or bulk plant for delivery to a destination in this state.
   2. Is removed, as measured by invoiced gallons, from the bulk transfer terminal system or from a qualified terminal in this state.
   3. Is removed, as measured by invoiced gallons, from the bulk transfer terminal system or from a qualified terminal or refinery outside this state for delivery to a destination in this state as represented on the shipping papers if a supplier imports the motor vehicle, use or aviation fuel for the account of the supplier or the supplier has made a tax precollection election pursuant to section 28-5636.
E. If motor fuel is removed from the bulk transfer terminal system or from a qualified terminal or is imported into this state, the original removal, transfer or importation of the motor fuel is subject to the collection of the tax. If this motor fuel is transported to another qualified terminal or reenters the bulk transfer terminal system, the subsequent sale of the motor fuel on which tax has been collected is not subject to collection of an additional tax if proper documentation is retained to support the transaction.

Sec. 6. Title 28, chapter 16, article 1, Arizona Revised Statutes, is amended by adding section 28-5606.01, to read:

28-5606.01. Electric and hybrid vehicles tax

IN ADDITION TO ALL OTHER TAXES PROVIDED BY LAW, BEGINNING JANUARY 1, 2022 A TAX IS IMPOSED ON A VEHICLE THAT IS REGISTERED IN THIS STATE, THAT ACCESSES A STREET OR HIGHWAY AND THAT IS PROPELLED BY ELECTRICITY OR BY A COMBINATION OF ELECTRICITY AND ANY FUEL THAT IS TAXED PURSUANT TO SECTION 28-5606 AS FOLLOWS:

1. FOR A VEHICLE THAT IS PROPELLED ONLY BY ALTERNATIVE FUEL, $500 PER YEAR.

2. FOR A VEHICLE THAT IS PROPELLED BY A COMBINATION OF ALTERNATIVE FUEL AND OTHER FUELS, $300 PER YEAR.

Sec. 7. Section 28-6302, Arizona Revised Statutes, is amended to read:

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

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

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

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

Sec. 8. Section 28-6303, Arizona Revised Statutes, is amended to
read:

28-6303. Regional area road fund; separate accounts
A. The regional area road fund is divided into three separate
accounts designated as the bond account, the construction account and the
bond proceeds account.
B. The state treasurer shall:
1. Account separately for each account.
2. Make transfers between accounts only as provided in this article
or chapter 21, article 2 of this title.
3. Before any bonds are issued, deposit transportation excise tax
revenues transferred to the state treasurer in the construction account.
These revenues shall be expended as provided in this article.
4. After any bonds are issued, deposit transportation excise tax
revenues transferred to the state treasurer in the bond account first
until the bond account contains monies sufficient to meet all principal,
interest or redemption requirements for the current period as required by
any resolution of the board pertaining to the issuance of bonds.
5. After all current period requirements for all of the bonds are
deposited in the bond account, deposit the balance of transportation
excise tax revenues transferred to the state treasurer for the current
period in the construction account.
C. The state treasurer may:
1. Invest monies in any account of the regional area road fund in
any securities or obligations authorized by title 35, chapter 2,
article 2.
2. For the purpose of investments, commingle monies within the
regional area road fund with state monies if all interest earned on the
monies in the regional area road fund of a county is credited to the
respective account of the regional area road fund in which the investment
was made.
D. The department shall separately account for the uses of
transportation excise tax revenues deposited into the bond account and
the construction account in order to identify how the transportation
excise tax revenues are used pursuant to section 42-6105, subsection D,
paragraphs 1 and 2 and SECTION 42-6105.01, SUBSECTION D, PARAGRAPHS 1 AND
2, for:
1. Freeways and other routes in the state highway system.
2. Major arterial streets and intersection improvements.

Sec. 9. Section 28-6308, Arizona Revised Statutes, is amended to read:

28-6308. Regional planning agency transportation policy
committee; regional transportation plan; plan
review process; committee termination

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

1. Seventeen members of the regional planning agency, including:
   (a) One member of the state transportation board who represents the
   county.
   (b) TWO MEMBERS of the county board of supervisors, and ONE OF WHOM
   REPRESENTS THE DISTRICT THAT HAS THE MOST PERSONS RESIDING IN
   UNINCORPORATED AREAS OF THE COUNTY.
   (c) One member representing Indian communities in the county.

2. Six members who represent regionwide business interests, one of
   whom must represent transit interests, one of whom must represent freight
   interests and one of whom must represent construction interests. The
   president of the senate and the speaker of the house of representatives
   shall each appoint three members to the committee pursuant to this
   paragraph. Members who are appointed pursuant to this paragraph serve
   six-year terms. The chairman of the regional planning agency may submit
   names to the president of the senate and the speaker of the house of
   representatives for consideration for appointment to the transportation
   policy committee.

B. Through the regional planning agency, the transportation policy
committee shall:

1. By a majority vote of the members, recommend approval of a
   twenty-year TWENTY-YEAR comprehensive, performance-based
   PERFORMANCE-BASED, multimodal and coordinated regional transportation plan
   in the county, including transportation corridors by priority and a
   schedule indicating the dates that construction will commence for projects
   contained in the plan.

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

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

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

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

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

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

C. The regional transportation plan:

1. Shall include the following transportation mode classifications with a revenue allocation to each classification consistent with section 42-6105, subsection D OR SECTION 42-6105.01, SUBSECTION D:

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

   (b) Major arterial streets and intersection improvements.

   (c) Public transportation systems.

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

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

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

D. Transportation excise tax revenues that are distributed pursuant to section 42-6105, subsection D OR SECTION 42-6105.01, SUBSECTION D shall not be redistributed or used for other transportation modes. Except as provided by section 28-6353, subsections D, E and F, transportation excise tax revenues that are dedicated in the plan to a specific project or transportation system may only be redistributed to or otherwise used for another project within the same transportation mode if approved by a majority vote of the transportation policy committee.

E. The committee established pursuant to this section ends on July 1, 2024 pursuant to section 41-3103 2044.
Sec. 10. Section 28-6309, Arizona Revised Statutes, is amended to read:

28-6309. Interim roadway pursuant to agreement
A. In addition to the authority provided in section 28-6310, subsections A, B and C, a city or town may enter into an intergovernmental agreement with the department for the design and construction of an interim roadway within a transportation corridor that is listed in the regional transportation plan of the county in which the city or town is located for temporary use pending construction of a controlled access highway.
B. The interim roadway authorized by this section shall be a controlled access roadway to which access is limited in the manner prescribed in the intergovernmental agreement.
C. The intergovernmental agreement may provide that the city or town shall indemnify and hold the state harmless for all costs and liabilities incurred during the construction of an interim roadway and resulting from the operation of an interim roadway constructed by a city or town pursuant to this section.
D. The intergovernmental agreement shall specify the following:
1. That the interim roadway shall be designed and constructed to mitigate any adverse environmental impact of the interim roadway on the surrounding area.
2. That the design and construction shall conform with standards determined by the director.
3. The manner in which access is limited to the interim roadway.
4. That the department shall reimburse the city or town from the regional area road fund or from state highway fund monies provided by section 28-6538, subsection E-C, paragraph 1 for the costs of the components of the interim roadway constructed pursuant to this section that are necessary for the construction of the controlled access highway pursuant to a date or reimbursement schedule mutually agreed on in writing by the board, the regional planning agency and the city or town.
5. The standards determined by the department pursuant to paragraph 2 of this subsection.
6. That the regional planning agency and the board have approved in writing the design and construction of the interim roadway.

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

28-6313. Performance audits of proposed transportation projects and systems
A. Beginning in 2010 and every fifth year thereafter, the auditor general shall contract with a nationally recognized independent auditor with expertise in evaluating multimodal transportation systems and in
regional transportation planning to conduct a performance audit, as defined in section 41-1278, of the regional transportation plan and projects scheduled for funding during the next five years.

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

1. Service levels.
2. Capital costs.
3. Operation and maintenance costs.
4. Transit ridership.
5. Farebox revenues.

C. The audit shall:

1. Examine the regional transportation plan and projects scheduled for funding within each transportation mode based on the performance factors established in section 28-505, subsection A, in the context of the transportation system.
2. Review past expenditures of the regional transportation plan and examine the performance of the system in relieving congestion and improving mobility.
3. Make recommendations regarding whether further implementation of a project or transportation system is warranted, warranted with modifications or not warranted.

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

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

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

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

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

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

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

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

Sec. 12. Section 28-6353, Arizona Revised Statutes, is amended to read:

28-6353. Regional transportation plan and project enhancements and changes

A. The regional planning agency in the county shall approve any change in the regional transportation plan and the projects funded in the regional transportation plan that affect the planning agency's transportation improvement program, including project priorities.

B. Requests for changes to transportation projects funded in the regional transportation plan that would materially increase costs shall be submitted to the regional planning agency for approval and submitted by the regional planning agency to the board for approval.

C. If a local authority requests an enhancement to a transportation project funded pursuant to the regional transportation plan, the local authority shall pay all costs associated with the enhancement.

D. The process prescribed in subsection E of this section is required if:

1. An audit finding pursuant to section 28-6313 recommends that a project or system in the regional transportation plan is not warranted or requires a modification that is a major amendment as defined in section 28-6301.

2. The transportation policy committee recommends to the regional planning agency a modification of the regional transportation plan that is a major amendment as defined in section 28-6301.

E. A major amendment requires the following:

1. Consideration by the transportation policy committee of alternatives in the same modal category that will relieve congestion and
improve mobility in the same general corridor addressed by the originally planned project or system.

2. If a reasonable option is identified as an alternative for the originally planned project or system, the transportation policy committee shall submit the proposed amendment for review by the regional public transportation authority in the county, the state board of transportation, the county board of supervisors, Indian communities and cities and towns in the county. After reviewing the proposed amendment, the board of directors of the regional public transportation authority, the state board of transportation and the county board of supervisors, by a majority vote of the members of each board within thirty days after receiving the proposed amendment, shall submit a written recommendation to the transportation policy committee that the proposed amendment be approved, modified or disapproved. Within thirty days after receiving the amendment, the Indian communities and cities and towns may also submit written recommendations to the transportation policy committee that the proposed amendment be approved, modified or disapproved.

3. If no reasonable option for an alternative to the originally planned project or system is identified, the transportation policy committee shall submit an amendment to delete the original project for review by the regional public transportation authority, the state board of transportation, the county board of supervisors, Indian communities and cities and towns in the county. After reviewing the proposed amendment, the board of directors of the regional public transportation authority, the state board of transportation and the county board of supervisors, by a majority vote of the members of each board within thirty days after receiving the proposed amendment, shall submit a written recommendation to the transportation policy committee that the proposed amendment be approved, modified or disapproved. Within thirty days after receiving the proposed amendment, Indian communities and cities and towns in the county may also submit written recommendations to the transportation policy committee that the proposed amendment be approved, modified or disapproved.

4. The transportation policy committee must consider any written recommendations submitted by any of the reviewing entities as prescribed by paragraph 2 or 3 of this subsection.

5. The transportation policy committee shall recommend approval, disapproval or modification of the proposed amendment to the regional planning agency for consideration.

F. The affirmative vote of seventeen members of the transportation policy committee is required to approve and proceed with either of the following:

1. Recommendation of a major amendment to the regional planning agency that fails to receive approval of either the regional public
transportation authority in the county, the state board of transportation
or the county board of supervisors as prescribed in this section.

2. A transportation project or system that is found to be
unwarranted by an audit as prescribed in this section.

G. NOTWITHSTANDING ANY OTHER LAW, A REGIONAL PLANNING AGENCY IN A
COUNTY WITH A POPULATION OF THREE MILLION OR MORE PERSONS SHALL GIVE A
PROJECT IN THE REGIONAL TRANSPORTATION PLAN A HIGHER PRIORITY FOR
COMPLETION IF EITHER:

1. THE FEDERAL GOVERNMENT PROVIDES FEDERAL MONIES FOR THE PROJECT.
2. A CITY OR TOWN MAKES A SINGLE SUM CONTRIBUTION TO THE PROJECT OF
AT LEAST FIVE PERCENT OF THE TOTAL COST OF THE PROJECT.

Sec. 13. Section 28-6354, Arizona Revised Statutes, is amended to
read:

28-6354. Annual report; hearing; priority criteria
A. The regional planning agency shall issue an annual report on the
status of the projects funded pursuant to section SECTIONS 42-6105 AND
42-6105.01 and shall hold a public hearing in the county within thirty
days after the report is issued. The report and the hearing shall address
the following topics:

1. The status of the projects.
2. Proposed changes to the regional transportation plan.
3. Proposed changes in corridor and corridor segment priorities and
to other projects funded pursuant to section SECTIONS 42-6105 AND
42-6105.01.
4. Project financing and project options.
5. The criteria used to establish priorities as required by
subsection B of this section.

B. The regional planning agency shall develop criteria to establish
the priority of corridors and corridor segments and other transportation
projects, including:

1. The extent of local public and private funding participation.
2. The social and community impact.
3. The establishment of a complete transportation system for the
region as rapidly as is practicable.
4. The construction of projects to serve regional transportation
needs.
5. The construction of segments that provide connectivity with
other elements of the regional transportation system.
6. Other relevant criteria developed by the regional planning
agency.

Sec. 14. Section 28-6355, Arizona Revised Statutes, is amended to
read:

28-6355. Documentation; regional area road fund reimbursement
A. The department shall document the acquisition of rights-of-way
for the freeways and other routes on the state highway system related to
the regional transportation plan, including any negotiations and
agreements for acquisition of rights-of-way.

B. The department shall reimburse the regional area road fund
established by section 28-6302 or the highway user revenue fund
established by section 28-6533 if the department uses property for
administrative purposes that is acquired for the freeways and other routes
on the state highway system related to the regional transportation plan
with monies from the regional area road fund or monies distributed from
the highway user revenue fund pursuant to section 28-6538, subsection
C. paragraph 1. The department shall determine the amount of the
reimbursement according to the fair rental value or the fair market value
of the property based on an independent appraisal. The department shall
allocate and reimburse the amount to the fund from which the monies were
taken.

Sec. 15. Title 28, chapter 17, article 2, Arizona Revised Statutes,
is amended by adding section 28-6356, to read:

28-6356. Regional planning agency; highway intersection; widening roadway

WHEN A REGIONAL PLANNING AGENCY IN A COUNTY WITH A POPULATION OF
THREE MILLION OR MORE PERSONS IS WORKING ON A PROJECT INVOLVING A HIGHWAY
INTERSECTION, THE REGIONAL PLANNING AGENCY, WHEN PROJECT CONDITIONS ARE
APPROPRIATE, SHALL WIDEN THE ROADWAY THAT LEADS TO THE HIGHWAY
INTERSECTION FOR AT LEAST ONE-QUARTER MILE FURTHER THAN IS ROUTINELY
WIDENED BEFORE THE EFFECTIVE DATE OF THIS SECTION.

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

28-6538. Arizona highway user revenue fund distribution; remaining monies; highway fund distribution; contract authorization; regional transportation plan requirements

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

1. To the state highway fund, fifty and one-half per-cent PERCENT.
2. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, to the
counties, nineteen per-cent PERCENT.
3. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, to the
incorporated cities and towns, twenty-seven and one-half per-cent PERCENT.
4. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, to
incorporated cities with a population of three hundred thousand or more
persons, three per-cent PERCENT.

B. EACH FISCAL YEAR THE DEPARTMENT SHALL ALLOCATE AND THE STATE
TREASURER SHALL DISTRIBUTE REVENUES RECEIVED PURSUANT TO SECTION 28-5606,
SUBSECTION A, PARAGRAPH 1 OR 2 OR SUBSECTION B, PARAGRAPH 1, SUBDIVISION (a) OR (b) OR PARAGRAPH 2, SUBDIVISION (a) OR (b) AS FOLLOWS:

1. FORTY PERCENT TO COUNTIES WITH A POPULATION OF AT LEAST THREE MILLION PERSONS AND CITIES AND TOWNS WITHIN THOSE COUNTIES.

2. SIXTY PERCENT TO COUNTIES WITH A POPULATION OF LESS THAN THREE MILLION PERSONS AND CITIES AND TOWNS WITHIN THOSE COUNTIES.

B. C. At least twelve and six-tenths percent of the revenues allocated each year to the state highway fund pursuant to subsection A of this section shall be further distributed in the following proportions and for the following purposes:

1. Seventy-five percent of the revenues shall be spent, pledged or accumulated in counties with a population of one million five hundred thousand or more persons for the design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan of the county and that are accepted into the state highway system either as a state route or as a state highway.

2. Twenty-five percent of the revenues shall be spent, pledged or accumulated in counties with a population of more than eight hundred thousand but less than one million five hundred thousand persons for:
   
   (a) The design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan of the county and that are accepted into the state highway system either as a state route or as a state highway or related grade separations of controlled access highways that are included in the regional transportation plan of the county.

   (b) Notwithstanding sections 28-6993 and 28-6995, the design, right-of-way purchase, construction, standard and reduced clearance grade separation, extension and widening of arterial streets and highways that are included in the regional transportation plan of the county.

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

E. F. Expenditures for state matching monies for the federal interstate system shall be in addition to the amount provided in subsection B of this section.

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

G. H. A county described in subsection B of this section and the cities and towns in the county, through their regional planning agency, shall list transportation corridors by priority in the regional transportation plan. The regional transportation plan may also provide a
suggested construction schedule for the transportation corridors contained in the plan.

Sec. 17. Section 28-6540, Arizona Revised Statutes, is amended to read:

28-6540. Arizona highway user revenue fund distribution; county, city and town proportions

Each month the state treasurer shall distribute all revenues credited to the Arizona highway user revenue fund pursuant to the proportions prescribed in section 28-6538, subsection SUBSECTIONS A AND B as follows:

1. Revenues allocated to the counties shall be further distributed to each individual county as follows:
   (a) Seventy-two percent based on the proportion that all reported sales of motor vehicle fuel subject to sections 28-5619 and 28-5620 and the estimated consumption of use fuel in the county bear to the total sales of motor vehicle fuel and the estimated consumption of use fuel throughout this state during the preceding calendar month.
   (b) Twenty-eight percent based on the proportion that the population of the unincorporated area of each county bears to the population of the unincorporated areas of all counties in this state.

2. Revenues allocated to the incorporated cities and towns pursuant to section 28-6538, subsection A, paragraph 3 shall be distributed on the basis of the following apportionments:
   (a) One-half shall be apportioned to each city or town on the basis that the population of each bears to the population of all cities and towns in this state.
   (b) The remaining one-half shall be apportioned first on the basis of the county origin of all reported sales of motor vehicle fuels in this state subject to sections 28-5619 and 28-5620, which amount shall be further apportioned among the several incorporated cities and towns in each county in the proportion that the population of each city or town bears to the total population of all cities and towns in the county.

3. Revenues allocated to incorporated cities with a population of three hundred thousand or more persons shall be apportioned among the cities for the acquisition of rights-of-way or construction of streets or highways based on population.

Sec. 18. Section 28-7676, Arizona Revised Statutes, is amended to read:

28-7676. Eligible project loans and other financial assistance

A. A political subdivision or this state or its agencies, including the department, may apply to the transportation board for any loan or other financial assistance from the fund to support an eligible project.
B. An Indian tribe may apply to the board for any loan or other financial assistance from the fund to support an eligible project that the board determines provides substantial public benefits.

C. Through December 31, 2004, of the total amount of monies and other assets in the fund, the board shall provide loans and other financial assistance for use as follows:

1. Fifty per cent in counties with a population of one million two hundred thousand or more persons according to the most recent United States decennial census.

2. Twenty-five per cent in counties with a population of five hundred thousand or more but less than one million two hundred thousand persons according to the most recent United States decennial census.

3. Twenty-five per cent in counties with a population of less than five hundred thousand persons according to the most recent United States decennial census.

D. The percentages prescribed in subsection C of this section apply over the prescribed time period and are not yearly allocations but do not apply to loans made by the board before August 6, 1999.

E. In compliance with any applicable federal requirements, the board shall:

1. Approve, disapprove or modify a simplified application form and guidelines.

2. Prescribe a simplified procedure to apply for and approve financial assistance.

3. Consider at least the following in selecting which eligible projects shall receive financial assistance:

   (a) Economic benefits.

   (b) Mobility.

   (c) Air quality.

   (d) Safety.

   (e) How quickly the applicant proposes to repay the loan.

   (f) The ability of the applicant to repay a loan according to the terms and conditions established by this section.

   (g) The availability of assistance for projects located in smaller cities and towns and rural areas.

4. Give a preference of up to twenty percent to eligible projects that include local, federal or private financial participation in accelerating the project. This preference shall be commensurate with the level of local, federal or private financial participation. The greater the percentage of local, federal or private financial participation is to the total cost of the project, the greater the preference that shall be given to the project.

F. The board may take any of the actions prescribed in subsection C of this section by resolution.
E. The board may impose conditions the board deems necessary to ensure that financial assistance under this article is used according to law and to comply with the applicable requirements of the federal SIB act and SIB cooperative agreements.

F. A loan under this section shall:

1. Bear interest at or below the market interest rate or rates, as determined by the board, to make the project that is the subject of the loan feasible. The interest rate for any loan shall be uniform with interest rates for comparable loans.

2. If the source of the loan is monies designated pursuant to a SIB cooperative agreement, be repaid not longer than ten years after the date the highway project is open to traffic.

3. If the source of the loan is monies other than those monies designated pursuant to a SIB cooperative agreement, be repaid not longer than five years after the date the highway project is open to traffic.

4. Be conditioned on the identification of a revenue source for repaying the loan.

5. Not be made for the nonfederal share of any project that has received a grant under title 23, United States Code.

6. If made to an Indian tribe, be conditioned on the establishment of a dedicated source under the control of a tribally chartered corporation or another tribal entity that is subject to suit by the attorney general to enforce the loan repayment agreement or be secured by assets that, in the event of default of the loan repayment agreement, are subject to execution by the attorney general without the waiver of any claim of sovereign immunity by the tribe.

G. The approval of a loan is conditioned on a written commitment by the political subdivision, the Indian tribe or this state or its agencies to complete all applicable reviews and approvals and to secure all required permits in a timely manner.

H. On the request of the board, the attorney general shall take whatever actions are necessary to enforce a loan repayment agreement and achieve repayment of loans provided by the board pursuant to this article.

I. The state treasurer, to the extent not otherwise expressly prohibited by law, may withhold from a defaulting city, town or county the next succeeding distribution of monies pursuant to chapter 18, article 2 of this title and section 42-6107 otherwise distributable to it, to the extent necessary to meet the certified amount of the deficiency, and shall deposit in the appropriate subaccount in the fund the amount so withheld, except that the state treasurer shall not withhold from the distribution any amount that is necessary, as certified in writing by the defaulting city, town or county to the state treasurer and the director, to make any required deposits then due for payment of principal and interest on bonds issued by a city or town pursuant to title 48, chapter 4, article 5 or by a county pursuant to title 11, chapter 2, article 12. Amounts so
certified shall be distributed to the city, town or county. The withholding and deposit in the appropriate subaccount in the fund by the state treasurer shall continue until the director certifies to the state treasurer that the default has been cured.

The recipient of any loan retains sole responsibility to ensure that any related eligible project is in compliance with any applicable federal, state or local environmental or other laws, rules or regulations. The board does not assume any responsibility for compliance by the awarding of financial assistance or other actions under this article. The awarding of financial assistance or any other actions by the board under this article do not constitute actions that subject the board to compliance with state or local environmental or other laws.

This article does not authorize a political subdivision to issue any bonds or incur any debt except in compliance with applicable law.

In order to repay any loan or other financial assistance from the fund, this state or its agencies, including the department, and a political subdivision may enter into a loan repayment agreement with the board.

A loan repayment agreement may be payable by a political subdivision, this state or its agencies or an Indian tribe from any revenues otherwise authorized by law to be used or pledged for street and highway purposes and may be secured by any other revenues authorized by law to be pledged to repay long-term obligations. Notwithstanding chapters 17 and 18 of this title, a loan repayment agreement may be payable from monies in a regional area road fund construction account and from revenues distributed pursuant to section 28-6538, subsection B.

Payments made pursuant to a loan repayment agreement are not subject to section 42-17106.

This section is exempt from title 41, chapter 6.

Sec. 19. Section 28-7677, Arizona Revised Statutes, is amended to read:

28-7677. Acceleration of right-of-way acquisition, design or construction of eligible highway and transportation projects

A. If the department enters into an agreement with a political subdivision or Indian tribe for accelerated right-of-way acquisition, design or construction of an eligible highway project, the agreement may provide for the advancing to the department by the political subdivision or Indian tribe of monies needed for the right-of-way acquisition, design or construction and for the repayment by the department of the advanced monies, with interest, if any, at the agreed on rate, to the political subdivision or Indian tribe. The political subdivision or Indian tribe may make an advance from any available monies, and any advance constitutes
an eligible investment for sinking funds or other funds of the political subdivision or Indian tribe.

B. The department shall repay the political subdivision or Indian tribe for an advance, together with interest, if any, on the advance at the agreed on rate, from monies available to the department for the eligible project pursuant to a mutually agreed on repayment schedule. The period for repayment shall not be more than five years from the date of the advance. Notwithstanding chapters 17 and 18 of this title, an advance, together with interest on the advance, may be repaid by the department from monies in a regional area road fund construction account and from revenues distributed pursuant to section 28-6538, subsection C.

C. If the department enters into an agreement with a political subdivision, regional planning agency, metropolitan planning organization or council of governments or designated grant recipient to accelerate a transportation project, the agreement may provide that the political subdivision may advance to the department monies needed for the transportation project. The agreement may also provide for the department's repayment of the advanced monies to the political subdivision with interest at a specified rate. The political subdivision may make an advance from any available monies. Any advance constitutes an eligible investment for sinking funds or other funds of the political subdivision.

D. The department's repayment as described in subsection C of this section shall be made from monies available to the department for the transportation project pursuant to the mutually agreed on repayment schedule. An advance, together with interest on the advance, may be repaid by the department from any lawfully available monies.

Sec. 20. Section 42-5041, Arizona Revised Statutes, is amended to read:

42-5041. Partial assessment of costs to local governments, councils and authorities

A. From and after June 30, 2015, the department shall assess and collect fees from cities, towns, counties, councils of governments and regional transportation authorities as determined by the director and as provided by this section to recover a portion of administrative, program and other operating costs incurred in providing administrative and collection services to local governments.

B. From and after June 30, 2015, AN ANNUAL fee is assessed to each county, city and town that receives state shared revenues pursuant to section 42-5029 or 43-206, to each council of governments that receives revenues pursuant to section 42-6105 OR 42-6105.01 and to each regional transportation authority located in a county with a population of more than four hundred thousand persons that receives revenues pursuant to section 42-6106.
C. In fiscal year 2015-2016, a fee is assessed to each city and town for which the department does not administer and collect transaction privilege taxes pursuant to chapter 6, article 1 of this title.

D. The department shall assess the fees under this section not later than July 31 each year, and the fees are payable immediately on assessment. If a county, city, town, council of governments or regional transportation authority fails to pay the assessment in full on or before September 30, the department shall notify the state treasurer who shall withhold the delinquent amount from the distribution of monies to the affected county, city or town pursuant to section 42-5029, from the distribution of monies to the affected council of governments pursuant to section 42-6105 or 42-6105.01 and from the distribution of monies to the affected regional transportation authority pursuant to section 42-6106, and continue to withhold monies until the entire amount of the assessment has been satisfied.

E. All monies paid to the department or withheld by the state treasurer for the fees assessed pursuant to subsection B of this section shall be credited to the department of revenue administrative fund established by section 42-1116.01.

F. All monies paid to the department or withheld by the state treasurer for the fees assessed pursuant to subsection C of this section shall be credited to the department of revenue IGA and ISA fund established pursuant to section 35-142.

G. Counties, cities and towns may meet their cost sharing obligation from any source of county, city or town revenue designated by the appropriate county, city or town. The county sources may include monies of any countywide special taxing jurisdiction in which the board of supervisors serves as the board of directors.

H. County, city and town contributions made pursuant to this section are excluded from the applicable expenditure limitations.

Sec. 21. Title 42, chapter 6, article 3, Arizona Revised Statutes, is amended by adding section 42-6105.01, to read:

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

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

B. THE TAX SHALL BE LEVIED AND COLLECTED:

1. AT A RATE OF NOT MORE THAN FIFTEEN PERCENT OF THE TRANSACTION PRIVILEGE TAX RATE PRESCRIBED BY SECTION 42-5010, SUBSECTION A THAT APPLIES, AS OF JANUARY 1, 2024, TO EACH PERSON ENGAGING OR CONTINUING IN THE COUNTY IN A BUSINESS TAXED UNDER CHAPTER 5, ARTICLE 1 OF THIS TITLE.
2.  AT A RATE OF NOT MORE THAN FIFTEEN PERCENT OF THE RATE PRESCRIBED BY SECTION 42-5352, SUBSECTION A.

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

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

D.  THE NET REVENUES COLLECTED UNDER THIS SECTION SHALL BE DISTRIBUTED AND DEPOSITED AS FOLLOWS FOR USE CONSISTENT WITH THE REGIONAL TRANSPORTATION PLAN ADOPTED PURSUANT TO TITLE 28, CHAPTER 17, ARTICLE 1:

1.  56.2 PERCENT TO THE REGIONAL AREA ROAD FUND PURSUANT TO SECTION 28-6303 FOR FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM, INCLUDING CAPITAL EXPENSE AND MAINTENANCE.

2.  10.5 PERCENT TO THE REGIONAL AREA ROAD FUND PURSUANT TO SECTION 28-6303 FOR MAJOR ARTERIAL STREETS AND INTERSECTION IMPROVEMENTS, INCLUDING CAPITAL EXPENSE AND IMPLEMENTATION STUDIES.

3.  33.3 PERCENT TO THE PUBLIC TRANSPORTATION FUND PURSUANT TO SECTION 48-5103 AS FOLLOWS:

   (a) FIFTY PERCENT FOR BUS OPERATIONS, INCLUDING BUS CIRCULATORS TO FACILITATE SERVICE TO UNINCORPORATED AREAS.

   (b) TWENTY PERCENT FOR BUS CAPITAL.

   (c) TWENTY PERCENT FOR RAIL SERVICES.

   (d) TEN PERCENT FOR COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AS DEFINED IN SECTION 41-1492.

E.  THIS SECTION IS NOT EFFECTIVE UNLESS AT AN ELECTION HELD NOVEMBER 8, 2022 THE COUNTY EXCISE TAX IS APPROVED BY THE QUALIFIED ELECTORS AS DESCRIBED IN SECTION 42-6105.01.  THE ENACTMENT OF THIS SECTION THAT IS CONDITIONED ON THE RESULTS OF THE ELECTION DOES NOT CONSTITUTE A SUBMISSION OF THIS SECTION TO THE VOTERS UNDER THE POWER OF THE REFERENDUM.

Sec. 22.  Section 48-5103, Arizona Revised Statutes, is amended to read:

48-5103.  Public transportation fund

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

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

2. Monies appropriated by a county that has not elected to enter into the authority in an amount determined by the county board of supervisors.
3. Transportation excise tax revenues that are allocated to the fund pursuant to Section 42-6105 AND 42-6105.01. The board shall separately account for monies from transportation excise tax revenues allocated pursuant to section 42-6105, subsection D, paragraph 3 OR SECTION 42-6105.01, SUBSECTION D, PARAGRAPH 3 for:
   (a) A light rail public transit system.
   (b) Capital costs for other public transportation.
   (c) Operation and maintenance costs for other public transportation.

4. Monies distributed under title 28, chapter 17, article 1.
5. Grants, gifts or donations from public or private sources.
6. Monies granted by the federal government or appropriated by the legislature.
7. Fares or other revenues collected in operating a public transportation system.

B. On behalf of the authority, the fiscal agent shall administer monies paid into the public transportation fund. Monies in the fund may be spent pursuant to or to implement the public transportation element of the regional transportation plan developed and approved by the regional planning agency, including reimbursement for utility relocation costs as prescribed in section 48-5107, adopted pursuant to section 48-5121 and for projects identified in the regional transportation plan adopted by the regional planning agency pursuant to section 28-6308.

C. Monies in the fund shall not be spent to promote or advocate a position, alternative or outcome of an election, to influence public opinion or to pay or contract for consultants or advisors to influence public opinion with respect to an election regarding taxes or other sources of revenue for the fund or regarding the regional transportation plan.

Sec. 23. Election on transportation excise tax
A. On November 8, 2022, the board of supervisors of any county with a population of three million or more persons shall call and conduct a countywide election for the extension and levy of a county transportation excise tax as provided by section 42-6105.01, Arizona Revised Statutes, as added by this act.

B. In addition to any other requirements prescribed by law, the board of supervisors shall prepare and print an 8½" x 11" publicity pamphlet concerning the ballot question and mail one copy of the pamphlet to each household containing a registered voter in the county. The mailings may be made over a period of days but shall be mailed for delivery before the earliest date registered voters may receive early ballots for the election. The publicity pamphlet shall contain:
   1. A summary of the principal provisions of the issue presented to the voters, including the rate of the transportation excise tax, the
number of years the tax will be in effect and the projected annual and cumulative amount of revenues to be raised.

2. A statement describing the purposes for which the transportation excise tax monies may be spent as provided by law, including:
   (a) A summary of the regional transportation plan adopted pursuant to section 28-6308, Arizona Revised Statutes, as amended by this act.
   (b) A map of proposed routes and transportation corridors of all major transportation projects and public transportation systems.
   (c) The estimated amount of transportation excise tax revenues, together with other identified revenues, dedicated for each transportation mode listed in section 42-6105.01, subsection D, Arizona Revised Statutes, as added by this act, and each public transportation system, and conditions and limitations on the use of the money within each transportation mode classification.
   (d) A summary of the conditions and prohibitions on redistributing transportation excise tax revenues under section 28-6308, subsection D, Arizona Revised Statutes.
   (e) The Maricopa county elections department website address for additional information on the regional transportation plan.

3. The form of the ballot.

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

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

D. In addition to any other ballot requirements prescribed by law, the elections director shall cause the following to be printed on the official ballot:
1. The designation of the measure as follows: "Relating to county transportation excise (sales) taxes".

2. The title: Regional Transportation Plan.

3. A description of the ballot measure, which shall read as follows:
   A measure continuing the current transportation excise (sales) tax to address the regional transportation system by building and maintaining new freeways, expanding existing freeways with additional access and capacity, constructing streets and intersections, expanding transit by extending the light rail system, increasing the frequency of bus service and providing additional bus, local circulator, dial-a-ride and vanpool services.

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

5. The question submitted to the voters as follows:
   Do you favor the continuation of a county transaction privilege (sales) tax for regional transportation purposes in ______ county? YES ______ NO ______

   (A "YES" vote has the effect of continuing the transaction privilege (sales) tax in ______ county for twenty years to provide funding for transportation projects as contained in the regional transportation plan.)

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

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

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

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

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

5. Any other costs attributable to the election.

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

Sec. 24. County expenditure limitation exemption
Monies collected pursuant to a county transportation excise tax pursuant to section 42-6105.01, Arizona Revised Statutes, as added by this act, that are spent according to the purposes described in article IX, section 20, subsection (3), paragraph (d), subdivisions (i) and (viii), Constitution of Arizona, are exempt from the county's expenditure limitation.

Sec. 25. Department of transportation highway projects
A. Notwithstanding any other law, the department shall widen the following:
1. Interstate 17 to four lanes in each direction between state route 74 and Black Canyon City.
2. Interstate 17 to three lanes in each direction from Black Canyon City to mile post 242.
3. Interstate 10 to four lanes in each direction between Verrado Way and at least state route 85.
4. Interstate 10 to at least three lanes in each direction between state route 85 and mile post 71.
5. Interstate 10 to four lanes in each direction between mile post 162 and mile post 167.

B. Notwithstanding any other law, the department shall construct a suspension bridge over a river when constructing state route 30.

Sec. 26. Requirements for enactment; two-thirds vote
Pursuant to article IX, section 22, Constitution of Arizona, this act is effective only on the affirmative vote of at least two-thirds of the members of each house of the legislature and is effective immediately on the signature of the governor or, if the governor vetoes this act, on the subsequent affirmative vote of at least three-fourths of the members of each house of the legislature.