



Arizona's Current Transportation Needs

Arizona will continue to grow possibly doubling its population by 2050 and there are inadequate funds to meet these challenges. According to Building a Quality Arizona's (BQAZ) *What Moves You Arizona* report issued by the Arizona Department of Transportation (ADOT) along with the state's Metropolitan Planning Organizations (MPOs), Council of Governments (COGs) and business leaders, **ADOT's challenge over the next 25 years will be prioritizing \$89 billion of transportation needs with only \$26 billion of expected revenue.** The Transportation Trade Corridor Alliance (TTCA) is making the case that our economy and jobs depend on a reliable, safe and efficient transportation system.

The **Sun Corridor** is one of the mega-regions in the United States and is one of the fastest growing areas in the country. The region is primarily comprised of Maricopa, Pinal and Pima Counties in central Arizona but also includes Santa Cruz and Yavapai Counties. The Sun Corridor represents the economic engine of Arizona with well over 80 percent of the population and economic activity of the state. The Joint Planning Advisory Council (JPAC) provides regular forums for discussions about economic development, transportation and the environment.

BQAZ, TTCA and JPAC all acknowledge that Arizona must further diversify its transportation modalities (multi-modal) to plan for continued growth statewide especially in the Sun Corridor Metropolitan Region.

Infrastructure is Important to the Overall Economy

AZAGC acknowledges Arizona needs a more diversified and innovation-based economy, but it could take a decade or more to accomplish this assuming there is broad-based and coordinated effort aimed at that goal. AZAGC agrees with the TTCA that a vibrant economy will be based on a strong exporting manufacturing sector. However, investing in infrastructure will create jobs immediately and give future generations an asset that improves their quality of life. The quickest way to get Arizona's economy moving forward again is to reverse the sharp decline in the construction industry.

Fuel Consumption is Decreasing

According to the latest numbers provided by the Arizona Department of Transportation, gasoline and use fuel consumption is down to 2004/05 levels.

State Transportation Funding is Decreasing

The Highway User Revenue Fund (HURF) distribution is currently below 2005 levels. In FY '14 \$1.241 billion was deposited into the HURF, which is less than what was deposited in FY '05.

"However, the path that Congress has been on for the past several years in Washington, passing 35 short-term bills since 2009, has undermined the health of the roads and bridges Arizonans rely on every day. It is past time to break this trend and move our nation's infrastructure forward with a responsible and thoughtful policy."

U.S. Senator John McCain
(R) Arizona

MAG Projects Cut

Due to the lack of revenue being generated from the regional area road fund now known as Maricopa County Excise tax, in 2009, the Maricopa Association of Governments (MAG) - the Valley's Metropolitan Planning Organization - revised their twenty-year plan by reducing the expected projects by \$6.6 billion.

State Highway Funds are Being Raided

From 1982 to 2015, over \$2.3 billion has been taken from transportation coffers. This equates to approximately 45,000 jobs over the last three decades.

Congress Must Extend the Highway Bill for a Longer Term

The nation's infrastructure is one of our greatest assets, as well as one of our most important responsibilities. As the system continues to age and reach the limits of its capacity, the federal government

must provide leadership in developing a fully integrated, multi-modal system capable of providing for the mobility demands of the nation.

AZAGC applauds the United States Senate for approving H.R. 22, the Developing a Reliable and Innovative Vision for the

Economy (DRIVE) Act. Senator McCain supported the Act while Senator Flake voted against it. AZAGC encourages the U.S. House of Representatives to follow the Senate's lead in passing a long-term bill.

Both the House and Senate passed short-term extensions which will push the debate to the end of October 2015. The Associated General Contractors of America has suggested a menu of funding options. These options can be found at www.agc.org.

AZAGC Supports Governor Doug Ducey's Proposal to Fund DPS

Last legislative session, Governor Doug Ducey's proposed budget included a plan to authorize the Director of the Department of Transportation to establish the amount of the vehicle registration fee. It was expected that the fee would initially be increased from \$8.00 to \$16.00 and the proceeds would be dedicated to funding the Highway Patrol within the Department of Public Safety.

It was estimated at the time, that the expected fee increase would generate \$42,387,904 in fiscal year 2016 to help fund DPS.

Since 1982
\$2.3 Billion
Has Been Raided from the HURF

AZAGC will work to:

**Eliminate the HURF Raids;
Increase the Registration Fee;
Get \$2.3 Billion Reimbursed;
Increase Statewide Funding; and
Pass a Long-Term
Federal Transportation Bill**