



Central Arizona Governments
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MetroPlan Greater Flagstaff
Northern Arizona Council of Gov'ts.
Sierra Vista Metro. Planning Org.
Southeastern AZ Governments Org.
Sun Corridor Metro. Planning Org.
Western Arizona Council of Gov'ts.
Yuma Metropolitan Planning Org.

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PLEASE SUPPORT LOCAL PROJECTS IN THE STATE BUDGET

The Rural Transportation Advocacy Council (RTAC), in coordination with the Greater Arizona regional transportation planning agencies, has developed a priority project list for state funding consideration which has been introduced as HB2396 by Yuma Rep. Tim Dunn. It is certainly not an exhaustive list of all the state's unmet needs and RTAC would be very supportive of any further legislative efforts providing further project funding, whether state or local, rural or urban. However, this legislation is very heavily oriented towards rural local road projects for the following reasons:

- Our transportation infrastructure is only as strong as its weakest link. State highways and local roads are all part of the same system and any deficiencies to local roads will greatly impair public safety, congestion, the economy, and even state highway performance.
- Revenue sharing links state funding to local roads. Local governments are prohibited from raising their own fuel taxes and other transportation-related revenues. In exchange, they receive a share and rely very heavily on state-collected HURF for their local roads. If investment shortfalls are addressed through earmarking rather than HURF increases, it's highly appropriate for both state and local projects to be included in that earmarking.
- HURF needs to be modernized and its current deficiencies greatly impacts rural areas. The state fuel tax has not been adjusted in over 30 years and inflation has eroded its purchasing power. This impacts both state highways and local roads.
- Local governments also contribute to funding the infrastructure. Counties do have the authority to pass regional transportation sales taxes. These regional taxes have greatly benefited the larger metropolitan areas but their potential impact is minimized in less populated counties. While they do contribute, smaller rural communities have very limited means to meet growing transportation demands.
- The projects included in HB2396 are relatively modest. 36 projects totaling \$50 million averages less than \$1.4 million per project. These would be relatively minor state investments that would have major impacts for many rural communities.
- While the new federal legislation provides increased opportunities for local projects, federal programs and funding still remain very heavily oriented towards the national and state highway systems. State highways will benefit far more from the new federal funding which further justifies a consideration of local projects in the state budget. Also, unlike metropolitan areas, there are no local governments in Greater Arizona eligible to administer a federal aid project which further complicates the ability of using federal funding on a rural local project.

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