Senate Engrossed House Bill

FILED

JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
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CHAPTER 147

HOUSE BILL 2507

AN ACT

AMENDING SECTIONS 42-6106, 48-5302, 48-5303, 48-5304, 48-5308 AND 48-5309, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 30, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 48-5314 AND 48-5315; RELATING TO REGIONAL TRANSPORTATION AUTHORITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 42-6106, Arizona Revised Statutes, is amended to read:

42-6106. County transportation excise tax; county population requirements

A. In a county with a population exceeding four hundred thousand but fewer than one million two hundred thousand persons, if ~~a majority of~~ APPROVED BY the qualified electors voting at a countywide ~~special~~ election, ~~or a majority of the qualified electors voting on the ballot proposition at a general election, approves the transportation excise tax,~~ the regional transportation authority IN THE COUNTY shall levy AND THE DEPARTMENT SHALL COLLECT A TRANSPORTATION EXCISE TAX up to the rate authorized by this section IN ADDITION TO ALL OTHER TAXES. ~~only with subsequent levy authority subject to prior legislative authorization, and the department shall collect a tax:~~

B. THE TAX SHALL BE LEVIED AND COLLECTED:

1. At a rate of not more than ten per cent of the transaction privilege tax rate prescribed by section 42-5010, subsection A in effect on January 1, 1990: ~~applying~~

(a) To each person engaging or continuing in the county in a business taxed under chapter 5, article 1 of this title.

(b) EXCEPT THAT FOR THE PURPOSES OF THIS PARAGRAPH WITH RESPECT TO THE PRIME CONTRACTING CLASSIFICATION UNDER SECTION 42-5075, THE GROSS PROCEEDS OF SALES OR GROSS INCOME THAT IS DEDUCTIBLE PURSUANT TO SECTION 42-5075, SUBSECTION B, PARAGRAPH 8 OR PURSUANT TO SECTION 42-5061, SUBSECTION A, PARAGRAPH 27 FOR SALES TO A CONTRACTOR WHO IS EXEMPT UNDER SECTION 42-5075, SUBSECTION B, PARAGRAPH 8 SHALL BE INCLUDED IN THE TAX BASE FOR PURPOSES OF THIS PARAGRAPH.

2. In the case of persons subject to the tax imposed under section 42-5352, subsection A, at a rate of not more than .305 cents per gallon of jet fuel sold.

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 applying to persons engaging or continuing in the county in the utilities transaction privilege tax classification.

~~B.~~ C. Any subsequent reduction in the transaction privilege tax rate PRESCRIBED BY CHAPTER 5, ARTICLE 1 OF THIS TITLE shall not reduce the tax which is approved and collected as prescribed in this section. The department shall collect the tax at a variable rate if the variable rate is specified in the ballot proposition. The department shall collect the tax at a modified rate if approved by a majority of the qualified electors voting.

~~C.~~ D. The net revenues collected under this section shall be deposited in the regional transportation fund pursuant to section 48-5307.

~~D.~~ E. The tax shall be levied under this section beginning January 1 or July 1, whichever date occurs first after approval by the voters, and may be in effect for a period of not more than ~~ten~~ TWENTY years.

Sec. 2. Section 48-5302, Arizona Revised Statutes, is amended to read:

48-5302. Regional transportation authority in counties with population of more than four hundred thousand but less than one million two hundred thousand persons; establishment

A. A regional transportation authority is established in a county with a population of more than four hundred thousand but less than one million two hundred thousand persons.

B. An authority is a public, political, tax levying public improvement and taxing subdivision of this state and a municipal corporation to the extent of the powers and privileges conferred by this chapter or granted generally by the constitution and statutes of this state, including immunity of its property and the interest income and gain on its bonds from taxation.

C. The membership of the authority consists of each municipality in the county, ~~and~~ the county AND ANY OTHER MEMBERS OF THE REGIONAL COUNCIL OF GOVERNMENTS. The authority may operate in all areas of the county in which it is organized.

D. The executive director of the regional council of governments acts as the executive director of the authority and serves in that specific role until replaced at the discretion of the board of the regional council of governments.

Sec. 3. Section 48-5303, Arizona Revised Statutes, is amended to read:

48-5303 Board of directors; executive director

A. ~~In a county,~~ The government of the authority is vested in a board of directors composed of the members ~~of the member jurisdictions~~ of the regional council of governments with one vote each when determining transportation policy as the regional transportation authority.

B. The members of the board shall:

1. Appoint a chairman from among the members at the first official meeting of the board.

2. By rule determine its officers, terms and procedures of appointment.

Sec. 4. Section 48-5304, Arizona Revised Statutes, is amended to read:

48-5304. Board duties

The board shall:

1. Determine the exclusive public transportation systems to be acquired and constructed, the means to finance the systems and whether to operate the systems or to let contracts for their operation. In the operation of the public transportation system the board may use public transportation facilities used by a municipality, subject to section 48-5308, subsection F.

2. Approve a request for an election to the board of supervisors ~~contingent on formal approval, including approval of proposed elements for the ten year regional transportation plan, of the request by the county and the city with the largest population in the county~~ for submission of the following issues to the electorate:

(a) Approval of a transportation excise tax authorized by section 42-6106.

(b) Approval of elements of the ~~ten year~~ regional transportation plan developed pursuant to section 48-5309 ~~as the ten year regional transportation plan~~.

(c) Approval of changes in the ~~ten year~~ regional transportation plan pursuant to section 48-5309, subsection B.

3. Produce annually a five year transportation improvement program that is consistent with the ~~ten year~~ regional transportation plan elements ~~approved by a majority of the qualified electors~~ and that contains the following:

(a) Projects financed with monies from the regional transportation fund.

(b) A description of each project, including a schedule of expenditures and sources of funding for each project.

(c) The political subdivision with responsibility for project implementation.

4. Assure that projects proposed for federal, state or local funding appear in the ~~regional transportation~~ authority's transportation improvement program and in the transportation improvement program of the regional council of governments.

5. Not later than January 1 of each year for publication in at least two newspapers of the county in January, assess and analyze the status and implications of the transportation improvement program with respect to the occurrence of substantial change as defined in section 48-5309 and with respect to the potential for or occurrence of the following conditions:

(a) An actual project expenditure that exceeds the project budget amount shown in the first year of the transportation improvement program by five per cent or more.

(b) A project cost amount that exceeds by ten per cent or more the project budget amount that appears in the first year of the transportation improvement program.

(c) First year and five year cumulative projected expenditures for all elements of the ~~ten year~~ regional transportation plan in the five year transportation improvement program that exceed revenue estimates for corresponding periods by twenty per cent or more.

6. ~~Provide for development of a supplement~~ DEVELOP SUPPLEMENTS to the ~~ten year~~ regional transportation plan ~~developed pursuant to section 48-5309 and approved as the ten year regional transportation plan by a majority of the qualified electors voting that encompasses~~ that encompass a period of

~~such duration as is necessary to be~~ TIME THAT IS coterminous with the effective period of a transportation excise tax approved pursuant to section 42-6106. ~~Provision for development of the~~ A supplement shall ~~be made~~ not BE DEVELOPED earlier than the fourth year and not later than the second year before the expiration of the ~~ten year~~ regional transportation plan.

7. Adopt an annual budget, hire employees and fix the compensation of its employees.

8. Cause a postaudit of the financial transactions and records of the ~~board~~ AUTHORITY to be made at least annually by a certified public accountant.

9. Adopt rules that are proper or necessary to regulate the use, operation and maintenance of its property and facilities, including its public transportation systems and related transportation facilities and services operating in its area of jurisdiction, and to carry into effect the powers granted to the board.

10. PROVIDE OPPORTUNITIES FOR INVOLVEMENT IN ALL ASPECTS OF THE PLANNING AND AMENDMENT PROCESS BY ALL AFFECTED INTERESTED PARTIES.

~~10.~~ 11. Appoint advisory committees as it deems necessary.

~~11.~~ 12. Have sole authority to implement the elements of the ~~ten year~~ regional transportation plan ~~approved by a majority of the qualified electors voting~~, including authority to contract for, absorb or acquire existing public transportation services as it deems necessary.

~~12.~~ 13. Coordinate the implementation of the regional transportation plan among the local jurisdictions.

~~13.~~ 14. Contract for financial, administrative, underwriting and trust services necessary to issue bonds pursuant to sections 48-5341 through 48-5347 and administer the regional transportation fund pursuant to section 48-5307, subsection B.

~~14.~~ 15. Hire legal counsel to represent the authority in any legal proceeding, accountants and other professional personnel as it deems necessary.

~~15.~~ 16. Set the priorities of the plan and administer and facilitate the distribution of monies in the regional transportation fund.

~~16.~~ 17. Delegate to the ~~general manager~~ EXECUTIVE DIRECTOR any of the administrative functions, powers or duties that the board believes the ~~general manager~~ EXECUTIVE DIRECTOR can competently, efficiently and properly perform.

~~17.~~ 18. Contract and enter into stipulations of any nature necessary and convenient for the full exercise of the powers granted in this chapter.

~~18.~~ 19. Do all things necessary to carry out the purposes of this chapter.

Sec. 5. Section 48-5308, Arizona Revised Statutes, is amended to read:

48-5308. Distribution from regional transportation fund

A. All monies in the bond account of the regional transportation fund shall be held in trust for the owners of the bonds. Monies in the bond account:

1. Shall be paid out to paying agents or directly to the owners of the bonds pursuant to the resolution or resolutions of the board authorizing the issuance of the bonds.

2. May be used to pay bond related expenses or recurring expenses pertaining to administration and payment of the bonds.

B. Monies in the bond proceeds account of the regional transportation fund may be obligated or spent as directed by the board for the purposes provided by subsection C of this section.

C. Except as provided in subsection D of this section, monies in the construction account of the regional transportation fund shall be spent, pledged or accumulated for the design, right-of-way purchase, construction, operation, maintenance and contiguous open space preservation purchase compatible with local environmental ordinance OF, AND within the expenditure limits for, each element of the ~~ten year~~ regional transportation plan~~, of each element approved by a majority of the qualified electors voting at a special or general election~~.

D. Notwithstanding any other law, from the monies deposited in the construction account of the regional transportation fund in each fiscal year, the board shall distribute:

1. To each municipality, excluding the municipality that has the largest population in the county, the greater amount of one per cent of the revenues collected from the transportation excise tax authorized pursuant to section 42-6106 or three hundred thousand dollars, to be used for purposes consistent with subsection C of this section.

2. An amount of not more than three hundred thousand dollars to the regional council of governments to hire professional planning, technical and administrative staff required to accomplish plan development for the authority pursuant to section 48-5309 and to perform the responsibilities as the authority may require.

E. The three hundred thousand dollar distributions prescribed by subsection D of this section are subject to:

1. Proration for any fiscal year in which a transportation excise tax authorized pursuant to section 42-6106 is collected for less than a full fiscal year.

2. Adjustment by the annual percentage change for the previous calendar year in the GDP price deflator, as defined in section 41-563, for each fiscal year after the first full fiscal year in which the transportation excise tax is collected.

F. ~~After the first June 30~~ BEGINNING WITH THE FIRST FISCAL YEAR following voter approval of the REGIONAL TRANSPORTATION plan ~~as provided in~~

~~section 42-6106~~, monies appropriated for each of the following purposes, if approved by a majority of the qualified electors voting at a special or general election, by each municipality or the county ~~of~~ IN the authority shall not be less than the total amount of general monies spent for those purposes in that municipality or county for fiscal year ~~1989-1990~~ 2003-2004 adjusted by the annual percentage change for the previous calendar year in the GDP price deflator as defined in section 41-563:

1. Roadway improvements, including controlled access highways, parkways and controlled access arterials, arterial upgrades and related grade separations.

2. Transit improvements for buses, including expansion of the bus fleet and its associated maintenance facility, expansion of express routes and associated connecting terminals, ridesharing, van pool fleet acquisition, including special projects for the handicapped and elderly, and park and ride lots.

3. An express and light rail system.

4. Bicycle projects, including striped lanes on arterials, neighborhood bike routes and planning of bikeways focused on major regional activity center destinations.

5. Pedestrian projects on arterial and collector streets, neighborhood walkways and walkways focused on major regional activity center destinations.

Sec. 6. Section 48-5309, Arizona Revised Statutes, is amended to read:

48-5309. Regional transportation plan; definition

A. The authority shall develop a ~~ten~~ TWENTY year regional transportation plan ~~for implementation~~ that is SUBJECT TO APPROVAL BY THE QUALIFIED ELECTORS OF THE COUNTY AND financed by a transportation excise tax approved pursuant to section 42-6106 and bonds issued pursuant to ~~sections 48-5341 through 48-5347~~ ARTICLE 2 OF THIS CHAPTER. The ~~ten year~~ regional transportation plan:

1. MAY GIVE PRIORITY TO MULTIMODAL TRANSPORTATION OPERATIONS AND IMPROVEMENTS ALONG CORRIDORS WHERE SEVENTY-FIVE PER CENT OR MORE OF THE ADJACENT CENSUS TRACTS HAD A POPULATION DENSITY OF AT LEAST THREE THOUSAND PERSONS PER SQUARE MILE ACCORDING TO THE MOST RECENT UNITED STATES DECENNIAL CENSUS.

~~1.~~ 2. Shall include a public transportation component.

~~2.~~ 3. May, among other things:

(a) Define and identify regional transportation corridors.

(b) Define the transportation problems, goals and needs for each corridor.

(c) Determine environmental, economic, energy and social policies to guide transportation investment decisions.

(d) Determine the impact of the plan on air quality, with one of the goals of the plan being the improvement of air quality.

(e) Order the priority of regional transportation corridors for development.

(f) Determine the mix of alternative transportation modes appropriate for development ~~in light of~~ CONSISTENT WITH the transportation goals and needs for each corridor. The mix may include sidewalks, rail service, buses, vans, para-transit, park and ride lots, bicycle facilities and any other facility or service reasonably related to transportation.

(g) Select appropriate public transportation technology.

(h) Determine the capacity for exclusive public transportation technologies.

(i) Determine operating performance criteria and costs for public transportation systems.

(j) Locate routes and access points to the public transportation systems.

(k) Determine the ridership of public transportation systems.

(l) Determine the need for landscape buffers, noise barriers, pedestrian bypasses, ~~multi-use~~ MULTIUSE paths and other environmental impact mitigation measures relating to the regional transportation plan.

B. ~~A ten year~~ THE regional transportation plan ~~that is approved by a majority of the qualified electors voting on submission of the plan adopted by the regional planning agency~~ may not be amended to add or delete an element or substantially change an element without prior approval of the electorate at a general or special election~~. Voter approval of an amendment or a substantial change shall be sought~~ pursuant to subsection ~~F~~ D of this section.

~~C.~~ The prior approval of the electorate required by THIS subsection ~~B of this section~~ is waived if a political subdivision causing changes within its jurisdiction to the ~~ten year~~ regional transportation plan incurs the incremental costs of implementing the proposed changes.

~~D. Within the time intervals specified by this subsection from the date of approval of a transportation excise tax as provided in section 42-6106, the regional transportation authority shall not distribute from the aggregate of transportation excise tax monies received at any time by the regional transportation fund an amount of monies that exceeds the percentage share of the transportation excise tax approved by a majority of the qualified electors voting for a transportation element of the ten year regional transportation plan by a relative percentage in excess of the percentage specified for the following time intervals:~~

~~1. Three years or less, fifteen per cent.~~

~~2. More than three years but not more than five years, ten per cent.~~

~~3. More than five years but not more than seven years, five per cent.~~

~~4. More than seven years but not more than nine years, two per cent.~~

~~5. More than nine years but not more than ten years, zero per cent.~~

~~E.~~ C. The proposition for a revised ~~ten year~~ regional transportation plan considered at an election held pursuant to subsection ~~F~~ D of this section shall adhere to the format applicable to the ballot proposition

approved by ~~a majority of~~ the qualified electors voting on the initial ~~ten year~~ regional transportation plan.

~~F.~~ D. If ~~one or more of the conditions specified by subsection G of this section occur~~ A SUBSTANTIAL CHANGE OCCURS, the board of ~~the authority~~ DIRECTORS shall request the county board of supervisors to provide a ballot proposition for consideration of a revised ~~ten year~~ regional transportation plan on or before the date of the next general election. ~~If~~ The board of supervisors ~~fails to~~ SHALL provide the proposition at the next general election. ~~or~~ If a majority of the qualified electors voting ~~at the election~~ ON THE ISSUE does not approve a ~~proposition for a~~ revised ~~ten year~~ regional transportation plan, expenditures authorized pursuant to section 48-5308, subsection C, except those obligated as of the date of the general election, are prohibited.

~~G.~~ E. ~~In~~ FOR THE PURPOSES OF this section, "substantial change" means a change that, based on data in the transportation improvement program developed pursuant to section 48-5304, paragraph 3, results in one or more of the following conditions:

1. A present worth of estimated expenditures required to complete all elements of the ~~ten year~~ regional transportation plan that exceeds the present worth of estimated revenues available to the regional transportation fund during the comparable period by ten per cent or more, except that estimated revenues from bond proceeds, if any, shall not exceed the bond capacity, less associated expenses, supported by estimates of unencumbered revenues for the initial ten years of authorization for the transportation excise tax. The preceding five year average of the GDP price deflator as defined in section 41-563 shall be used to discount the respective series of estimated revenues and expenditures to a present worth.

2. An estimated cost to complete one or more elements of the ~~ten year~~ regional transportation plan ~~as approved by a majority of the qualified electors voting~~ that exceeds the expenditure limitations of the ~~ten year regional transportation~~ plan as adjusted by the GDP price deflator as defined in section 41-563 by the following or greater percentages:

(a) Ten per cent for a single element of the plan.

(b) Fifteen per cent for any two elements of the plan.

(c) Twenty per cent for three or more elements of the plan.

Sec. 7. Title 48, chapter 30, article 1, Arizona Revised Statutes, is amended by adding sections 48-5314 and 48-5315, to read:

48-5314. <u>Election on regional transportation plan and excise tax</u>

A. THE BOARD SHALL:

1. ADOPT A TWENTY YEAR COMPREHENSIVE MULTIMODAL REGIONAL TRANSPORTATION PLAN CONSISTENT WITH THE REQUIREMENTS OF THIS ARTICLE, INCLUDING TRANSPORTATION CORRIDORS BY PRIORITY AND A SCHEDULE INDICATING THE DATES THAT CONSTRUCTION WILL BEGIN FOR PROJECTS CONTAINED IN THE PLAN.

2. REQUEST BY RESOLUTION CERTIFIED TO THE COUNTY BOARD OF SUPERVISORS THAT THE ISSUE OF LEVYING A TRANSPORTATION EXCISE TAX PURSUANT TO SECTION

42-6106 BE SUBMITTED TO THE QUALIFIED ELECTORS AT A COUNTYWIDE SPECIAL ELECTION OR PLACED ON THE BALLOT AT A COUNTYWIDE GENERAL ELECTION. WITHIN SIX MONTHS AFTER RECEIVING A CERTIFIED COPY OF THE RESOLUTION, THE COUNTY BOARD OF SUPERVISORS SHALL EITHER CALL A SPECIAL ELECTION OR PLACE THE ISSUE ON THE BALLOT OF A GENERAL ELECTION, SUBJECT TO THE REQUIREMENTS OF THIS SECTION.

B. THE ELECTION BALLOT SHALL INCLUDE A DESCRIPTION OF EACH TRANSPORTATION ELEMENT OF THE REGIONAL TRANSPORTATION PLAN INCLUDING A SEPARATE PERCENTAGE SHARE AND DOLLAR SHARE OF THE TRANSPORTATION EXCISE TAX REVENUES ALLOCATED TO EACH ELEMENT.

C. IN ADDITION TO ANY OTHER REQUIREMENTS PRESCRIBED BY LAW, THE COUNTY BOARD OF SUPERVISORS SHALL PREPARE AND PRINT A 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. THE DATE OF THE ELECTION.

2. THE INDIVIDUAL HOUSEHOLD'S POLLING PLACE AND THE TIME THE POLLS WILL BE OPEN.

3. 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.

4. 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 48-5309 AND SUBSECTION A OF THIS SECTION, INCLUDING A DESCRIPTION OF EACH TRANSPORTATION ELEMENT OF THE REGIONAL TRANSPORTATION PLAN.

(b) A MAP OF PROPOSED ROUTES AND TRANSPORTATION CORRIDORS OF ALL MAJOR TRANSPORTATION PROJECTS AND PUBLIC TRANSPORTATION SYSTEMS.

(c) THE PERCENTAGE SHARE AND DOLLAR AMOUNT OF TRANSPORTATION EXCISE TAX REVENUES, TOGETHER WITH OTHER IDENTIFIED REVENUES, DEDICATED FOR EACH TRANSPORTATION ELEMENT, TRANSPORTATION PROJECT AND PUBLIC TRANSPORTATION SYSTEM, AND CONDITIONS AND LIMITATIONS ON THE USE OF THE MONEY.

5. THE FORM OF THE BALLOT.

6. 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.

D. NOT LATER THAN NINETY DAYS BEFORE THE DATE OF THE ELECTION, 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, SUBJECT TO THE FOLLOWING REQUIREMENTS:

1. THE PERSON WHO FILES THE ARGUMENT SHALL ALSO PAY TO THE ELECTIONS DIRECTOR A PUBLICATION FEE PRESCRIBED BY THE BOARD OF SUPERVISORS. PAYMENT OF THE FEE REQUIRED BY THIS PARAGRAPH, OR REIMBURSEMENT OF THE PAYOR, CONSTITUTES SPONSORSHIP OF THE ARGUMENT.

2. IF THE ARGUMENT IS SPONSORED BY ONE OR MORE INDIVIDUALS, THE ARGUMENT SHALL BE SIGNED BY EACH SPONSORING INDIVIDUAL.

3. IF THE ARGUMENT IS SPONSORED BY ONE OR MORE ORGANIZATIONS, THE ARGUMENT SHALL BE SIGNED BY TWO EXECUTIVE OFFICERS OF EACH ORGANIZATION.

4. IF THE ARGUMENT IS SPONSORED BY ONE OR MORE POLITICAL COMMITTEES, THE ARGUMENT SHALL BE SIGNED BY EACH COMMITTEE'S CHAIRPERSON OR TREASURER.

5. 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 SHALL NOT APPEAR IN THE PAMPHLET.

E. 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. 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.

3. THE QUESTIONS SUBMITTED TO THE VOTERS AS FOLLOWS:

I. DO YOU APPROVE THE REGIONAL TRANSPORTATION PLAN FOR _____ COUNTY? YES _____ NO _____

(A "YES" VOTE INDICATES YOUR APPROVAL OF THE PROPOSED REGIONAL TRANSPORTATION PLAN AS DEVELOPED BY THE REGIONAL TRANSPORTATION AUTHORITY AND DESCRIBED IN THE ELECTION MATERIALS.)

(A "NO" VOTE INDICATES YOUR DISAPPROVAL OF THE PROPOSED REGIONAL TRANSPORTATION PLAN.)

II. DO YOU FAVOR THE LEVY OF A TRANSACTION PRIVILEGE (SALES) TAX FOR REGIONAL TRANSPORTATION PURPOSES IN _____ COUNTY? YES _____ NO _____

(A "YES" VOTE HAS THE EFFECT OF IMPOSING A TRANSACTION PRIVILEGE (SALES) TAX IN _____ COUNTY FOR _____ YEARS TO PROVIDE FUNDING FOR THE TRANSPORTATION PROJECTS CONTAINED IN THE REGIONAL TRANSPORTATION PLAN.)

(A "NO" VOTE HAS THE EFFECT OF REJECTING THE TRANSACTION PRIVILEGE (SALES) TAX FOR TRANSPORTATION PURPOSES IN _____ COUNTY.)

F. FOR EITHER BALLOT QUESTION I OR II TO BE APPROVED, BOTH THE PROPOSED REGIONAL TRANSPORTATION PLAN AND THE PROPOSED TRANSACTION PRIVILEGE TAX MUST BE APPROVED BY A MAJORITY OF THE QUALIFIED ELECTORS VOTING ON THE

MEASURE. IF EITHER BALLOT QUESTION I OR II FAILS TO BE APPROVED BY A MAJORITY OF THE QUALIFIED ELECTORS VOTING ON THE MEASURE, BOTH FAIL.

G. 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.

H. 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. PAYMENT SHALL BE MADE UNDER THIS SECTION FROM THE CITIES' SHARE OF LOCAL TRANSPORTATION ASSISTANCE FUND MONIES DISTRIBUTED UNDER SECTION 28-8102 TO THE CITIES AND TOWNS WITHIN THE COUNTY, AND FROM THE COUNTY'S SHARE OF THE COUNTY ASSISTANCE FUND UNDER SECTION 41-175. IF THE TRANSPORTATION EXCISE TAX IS APPROVED, THE REGIONAL TRANSPORTATION AUTHORITY SHALL REIMBURSE THE LOCAL TRANSPORTATION ASSISTANCE FUND AND THE COUNTY ASSISTANCE FUND FROM THE FIRST RECEIVED TRANSPORTATION EXCISE TAX REVENUES. THE FOLLOWING COSTS INCURRED BY THE COUNTY ELECTIONS OFFICER ARE AUTHORIZED FOR PAYMENT PURSUANT TO THIS SUBSECTION:

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.

48-5315. <u>Utility relocation reimbursement; definition</u>

A. IF COUNTY TRANSPORTATION EXCISE TAX MONIES COLLECTED PURSUANT TO SECTION 42-6106 ARE USED TO CONSTRUCT A LIGHT RAIL SYSTEM UNDER THE REGIONAL TRANSPORTATION PLAN, ALL COSTS FOR THE RELOCATION, AND REASONABLE ONGOING COSTS RELATED TO THE RELOCATION, OF UTILITY FACILITIES INCURRED AS A DIRECT RESULT OF THE CONSTRUCTION AND OPERATION OF THE LIGHT RAIL SYSTEM SHALL BE REIMBURSED BY THE LIGHT RAIL PROJECT TO THE UTILITY. THE BOARD SHALL MAKE THE PAYMENTS FROM TRANSPORTATION EXCISE TAX REVENUES WITHIN NINETY DAYS AFTER PRESENTATION OF A STATEMENT OF VERIFIED EXPENSES. THE STATEMENT OF VERIFIED EXPENSES SHALL NOT INCLUDE PROFIT BUT MAY INCLUDE A REASONABLE ALLOCATION OF GENERAL OVERHEAD. THE VERIFIED EXPENSES MAY BE REVIEWED AND AUDITED BY THE LIGHT RAIL OPERATOR. THE AUDIT MUST BE CONCLUDED WITHIN NINETY DAYS AND SHALL BE CONDUCTED PURSUANT TO STANDARD INDUSTRY ACCOUNTING PRINCIPLES.

B. IF THE RELOCATED UTILITY HAS EXISTING LAND RIGHTS, THE LIGHT RAIL OPERATOR SHALL RELOCATE THE UTILITY WITH EQUAL LAND RIGHTS. IF THE RELOCATED UTILITY IS OPERATING IN THE RIGHT OF WAY UNDER A PERMIT, THE LIGHT RAIL OPERATOR SHALL RELOCATE THE UTILITY ACCORDING TO THE UTILITY'S EXISTING RIGHTS UNDER THE PERMIT WITHIN THE RIGHT OF WAY.

C. THE LIGHT RAIL OPERATOR SHALL BE FULLY RESPONSIBLE FOR ACTS, NEGLIGENCE OR OMISSIONS OF ALL OF ITS EMPLOYEES ON THE PROJECT THAT RESULT IN DAMAGE TO UTILITY FACILITIES.

D. FOR THE PURPOSES OF THIS SECTION, "UTILITY" MEANS ANY PUBLIC SERVICE CORPORATION, LICENSED CABLE TELEVISION SYSTEM, TELEPHONE LINE OR TELEGRAPH LINE CORPORATION OR PERSON ENGAGED IN THE GENERATION, TRANSMISSION OR DELIVERY OF ELECTRICITY, NATURAL GAS, TELEPHONE, CABLE TELEVISION, TELEGRAPH OR WATER SERVICE, INCLUDING THIS STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THIS STATE.

Sec. 8. Intent regarding expenditure limitations

Monies collected pursuant to a county transportation excise tax pursuant to section 42-6106, Arizona Revised Statutes, as amended 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 jurisdiction's expenditure limitation.

APPROVED BY THE GOVERNOR APRIL 23, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 23, 2004.