

Resolution Number 2-18

A Resolution of the County Supervisors Association of Arizona Urging State Leaders Take Action to Increase State and Local Investment in Transportation Infrastructure

WHEREAS, the road building and maintenance responsibilities of Arizona's counties are critical to public safety, economic development and quality of life in Arizona, and

WHEREAS, the Highway User Revenue Fund, known as HURF, is the primary resource dedicated to state, county and municipal highway and road construction and maintenance, and

WHEREAS, HURF relies heavily on an 18 cent per gallon motor fuel tax that has not been raised since 1990, and is not indexed for inflation, leading to a substantial degradation in HURF purchasing power as the price of asphalt, rock products and heavy equipment has increased dramatically, and

WHEREAS, the emergence of new and developing technologies in addition to an increase in the sale of electric, hybrid, and other fuel efficient vehicles will inevitably continue to decrease state and local gas tax revenues, and

WHEREAS, the shifts from HURF to fund state obligations during the Great Recession have diverted over \$1 billion from state and local transportation systems since fiscal year 2009, and

WHEREAS, the reduced allocations from HURF to counties has resulted in counties suspending new construction, substantially decreasing road maintenance activities, and increasing designation of "primitive" roads, and

WHEREAS, the Arizona Association of County Engineers has identified that projected funding for county roadways and bridges will fall short of the necessary amount to maintain the county transportation system by \$2.2 billion over the next 10 years, and

WHEREAS, the Surface Transportation Funding Task Force (the Task Force), a group of transportation experts and economists appointed by the Arizona State Legislature in 2016, identified that \$40 billion in additional funding for HURF was necessary over the next 20 years to meet state and local transportation needs, and



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WHEREAS, the Task Force recommended the funding come from a phased in increase of 20 cents on motor fuel and use fuel taxes that was indexed to inflation, an additional registration fee on alternative fuel vehicles to act as an in-lieu motor fuel tax, a six percent sales tax on motor fuel and use fuel, and an increase in registration and title fees, and

WHEREAS, the need for additional transportation funding is evident from expert studies conducted and no action to authorize such funding will lead to the continued degradation of HURF due to increasing construction costs and technological trends:

NOW, THEREFORE, BE IT RESOLVED, the County Supervisors Association of Arizona hereby urges the Governor and Arizona State Legislature to:

- Increase ongoing investment in the state and local transportation systems by, for example, implementing the recommendations of the Surface Transportation Funding Task Force; and
- Provide city, town and county governments and regional transportation authorities additional power to generate local revenues to fund their transportation systems; and
- Complete the phase down of the use of HURF resources for purposes other than road activities and ensure those funds are restored to state and local government transportation departments.

APPROVED AND ADOPTED this 5^{th} day of October, 2018.

Anthony Smith President, County Supervisors Association of Arizona Pinal County Supervisors, District 4

ATTEST:

Craig A. Sullivan, Executive Director County Supervisors Association of Arizona