

OPPOSE Maricopa County Transit Tax

HB2598 Carroll (transportation tax; election; Maricopa County) (SB1365)

History

In 1985, Maricopa County voters approved a 20-year transportation tax increase that was designated exclusively to build new roads and freeways in the region. The first extension of the tax in 2003 was hotly debated over the question of whether any money should be spent on transit M&O and light rail. The final legislation passed with the creation of three funding buckets: 33.3% for transit (14% earmarked for light rail), 56.2% for freeways and highways and 10.5% for arterial streets and intersections. The proposed tax extension being considered this year, HB2598 and SB1356, is such a gross departure from the original purpose of the tax that it cannot be seriously called a “transportation” plan. It is nothing more than a full-blown local transit/pet project slush fund for cities and towns.

Dedicated Funding Sources for Freeways and Roads Eliminated

HB 2598/SB 1356 consolidates the three current statutory funding buckets into two: 52.5% dedicated to the Regional Area Road/Regional Program Fund and 32.5% in the Public Transportation Fund. As a result, only 33 new Freeway miles are even considered in the proposed plan and based on the proposed legislative language there is no guarantee they get built. Abandoning the core mission of the tax is shocking especially since Maricopa County is *the fastest growing county in the country*.

New Regional Area Road Fund allows for \$\$\$ to be siphoned off for non-transportation pet projects

HB2598/SB1356 eliminates the requirement that 2/3 of all funding must go toward new freeways, arterial roadways and intersections. Instead, the bill creates a new bucket called the Regional Area Road Fund, which allows roadway money to go toward undefined “regional programs” and “implementation studies.” There is no doubt that these “regional programs” will consist of ripping out lane miles for Complete Streets, adding bike lanes, sidewalks, trails, street trollies and other pet projects that have nothing to do with roads or regional transportation.

Additionally, the legislation allows up to 2.5% of revenues to be shifted annually at the discretion of local authorities. We will be lucky if any roads are built 15 years from now as MAG insiders use this provision to drain the road fund.

Regional Transportation Tax No Longer Just for Capital Projects

The Maricopa County Regional Transportation Excise Tax *was never* meant to be used as a funding stream to maintain infrastructure. That is why the tax is both “temporary” and requires legislative approval for each extension. This regional transportation tax was always meant for new capital projects that connect the varying parts of the state/region to ensure the efficient movement of people, goods and services across critical corridors of the state that would otherwise be nearly impossible to plan and construct without coordination among the varying jurisdictions. It is not supposed to be another funding bucket for general maintenance, which is all Prop 400 will be if approved by the legislature

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Regional Transit Has Been a Failure with No Plan to Improve

Currently 33.3% of all revenues from the Maricopa County regional tax go toward transit. Yet after spending billions on transit (bus, light rail, etc.) and steady population growth of over 1 million new residents, ridership declined from 2010 to 2019. And when the pandemic hit in 2020, ridership fell off a cliff. Boardings are less than half the rate they were prior to Covid-19, and it is not clear when (or if) we will hit pre-pandemic levels. **The most shocking stat of all: there are fewer daily transit riders per capita in 2019 than in 2005, prior to the existing tax going into effect.** Yet HB 2598/SB 1356 proposes to substantially *increase* the transit allocation, with no explanation for why people are leaving or how more money won't result in more failure.

Bill is a Tax Increase, not an “Extension”

HB2598/SB1356 repeals all statutory reference to the “20-year plan” and asks voters to pass this new tax for the next 25 years. This is a tax increase and shortchanges the legislature’s important role in ensuring “the plan” is accountable to taxpayers’ priorities.

“The Plan” Lacks Vision Innovation

By MAG’s own polling, residents identified new technology and innovation as a top priority. However, the plan does not consider the future. The plan fails to account for two major factors: 1. technology is changing every day in this space, and we should be looking to the future of autonomous vehicles and possibly new models such as ridesharing to replace traditional transit. 2. No one knows what “the new normal” looks like in travel behavior. Post covid, many people will likely never return to an office but will continue to remote work. These two factors should dictate a much shorter planning envelope than the typical 20-year, let alone 25 years.

Election Rigging

HB2598/SB 1356 allows for the use of taxpayer money to engage in electioneering to manipulate the outcome of the election. Both bills include a ballot description, drafted by the supporters of the measure, using their own poll tested language paid for by taxpayers (current statute allows for taxpayer funded polling for proposed transportation taxes). Normally the ballot description and “yes”/“no” language is drafted by an independent 3rd party to prevent voters from being misled—it is unthinkable that the campaign would be able to draft this language and prescribe it in statute. Even worse, HB2598/SB 1356 provides unlimited funding to political consultants, lawyers and election officials to provide “information” to voters about the tax and help conduct the election. **In effect, the tax extension will function as a multimillion-dollar GOTV effort, paid for by taxpayers, to drive supporters of the tax to the ballot.**

This isn’t a plan to build roads and freeways and improve how we move people from point A to point B. HB 2598 and SB 1356 is written to provide billions in funding to local jurisdictions for transit, M&O and undefined “regional programs” with no strings attached. The Club urges a NO vote on HB 2598 and SB 1356.