

The Arizona Free Enterprise Club respectfully opposes SB1102, the Prop 400 bill negotiated between the Governor and House and Senate Leadership. Compared to the Prop 400 Plan passed in June (SB1246), SB1102 rolls back many of the critical guardrails that would have prevented road diets, Vision Zero projects, and radical air quality “control measures.” It also significantly alters the funding (and definitions) for freeways and arterial roads and combines into a single question funding for light rail (rather than have it be a separate ballot question) and now allows for funding of streetcars, trolleys, and commuter rail. Below is a breakdown of some of the key changes that were made between the June Prop 400 plan (SB 1246) and the proposed plan agreed upon by the legislature and Gov Hobbs (SB 1102).

One Ballot Question Instead of Two

- June Bill: separated the tax into two: one for roads, highways, and bus service and the other for light rail.
- SB1102 is one tax and one ballot question.
- Two ballot questions provided true transparency and choice to voters, allowing them to vote to fund highways, roads, and bus service without being logrolled into funding light rail too.

Worse Funding Allocations

- June Bill: allocated 46% to freeways, 16% to roads, and 24% to buses, with up to 37% for transit if the second question with funding for light rail passed on the ballot.
- SB1102 allocates 40.5% for highways, 22.5% for roads, and 37% for transit, including light rail capital rehabilitation.
 - Although there is a prohibition on light rail extensions, in reality cities can offload their bus service onto Prop 400 to free up local resources to continue building light rail. Further, SB1102 would allow for transit funds to be used to build streetcar, trolleys, and commuter rail, and for road funds to be spent on road diets and Vision Zero.

Funds Vision Zero Throughout the Region & Transition Away From LOS Standard to VMT

- June Bill: did not include a definition for intersection improvements or nonmotorized mobility infrastructure.
- SB1102 defines “Intersection Improvements” as projects that are designed to lower “travel times” or “improve safety” and adds “nonmotorized mobility infrastructure” projects to the arterial bucket which includes projects “adjacent to streets or roadways for vulnerable road users as defined in 23 US Code Section 148(a)(15).”
 - These are key words for implementing Vision Zero, road diets, and adopt VMT reduction targets. The rationale for Vision Zero is “Improving Safety,” Nonmotorized Mobility Infrastructure requires traffic calming, protected bike paths, and security features to slow or stop motor vehicles, and Lowering Travel Times opens the door to Vehicle Miles Traveled limits by using land use planning to redesign communities so that travel distances are decreased which they claim will lower travel times, even though congestion is increased.

Allows for Road Diets

- SB1102 allows for lane reductions on highways and arterials if a “road safety” study shows reconfiguration is necessary for operational efficiency and it will not increase “travel times” (see above).
- June Bill: completely prohibited lane reductions for highways and required a third-party study determining a lane reduction on an arterial is *necessary* to reduce congestion without carve-outs and exceptions.

Farebox Recovery

- SB1102 requires *systemwide* farebox recovery standards but does not require failing lines to go to public bid or be eliminated.
- June Bill: required individual bus routes to meet farebox recovery ratios (one for short-term operating and another that captures long-term recovery including for future rehab or capital replacement), included a requirement to show farebox operating ratio standard for new or expanded routes, required a public bid to be conducted for failing bus routes, and allowed for the bus route to be eliminated.
 - Moving to a systemwide approach could allow Valley Metro to protect failing lines by subsidizing them with more efficient routes. Additionally, removing the requirement to eliminate failing lines provides no real incentive to comply and the provision in SB1102 is essentially self-reporting and self-policing.