



MEMORANDUM

Date: March 21, 2012

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Restoring State Diverted County Highway Funding**

Attached is a fact sheet containing information regarding reductions in the County's highway funding and the resulting adverse impacts to our streets and highways.

As you can see, the County has lost nearly \$35 million in transportation revenue since 2007. Most telling is the \$26 million – or 72 percent – that resulted from State legislative diversions.

CHH/mjk

Attachment

c: John Bernal, Deputy County Administrator for Public Works
Priscilla Cornelio, Transportation Director

RESTORING STATE DIVERTED COUNTY HIGHWAY FUNDING

- **Local streets and highways are falling apart.** The streets and highways in unincorporated Pima County, as well as in our cities and towns, require additional maintenance. In fact, the roads in the unincorporated area of Pima County and City of Tucson are literally falling apart; largely because of State diversions.
- **State Legislature diverts local money to balance State budget.** In 2002, the State Legislature began transferring gas tax monies previously dedicated to local governments for highway construction and maintenance to partially fund the State Department of Public Safety. Since the State budget crisis, beginning in 2008, the State has significantly accelerated the diversion of these dollars to fund State agencies; specifically, the Department of Public Safety and the Motor Vehicle Division of the Arizona Department of Transportation.
- **Significant adverse impact.** These diversions have significantly affected the ability of Pima County to maintain streets and highways in the unincorporated area. To date, over \$26 million has been diverted since 2002 by the State that would have been used for highway and street maintenance.
- **County road revenues continue to decline.** The County receives less road or highway revenues today that we did 10 years ago. This is due to State legislative diversions, higher vehicle fuel efficiency, and less travel due to economic conditions. In addition, the price of petroleum products used to pave and repair our streets has increased by 121 percent in the last 10 years. The table below shows this revenue decline.

| Fiscal Year | Transportation Revenue | Cumulative Loss from 2008 | Vehicle Fuel Efficiency (mpg for light vehicles) | Producer Price Index for Asphalt Paving Mixtures |
|---------------|--|---|--|--|
| 2002/03 | \$48,071,873 | | 19.8 | \$141 |
| 2003/04 | 51,334,009 | | 19.6 | 144 |
| 2004/05 | 53,878,131 | | 19.7 | 150 |
| 2005/06 | 56,936,526 | | 20.1 | 175 |
| 2006/07 | 58,637,774 | | 20.4 | 218 |
| 2007/08 | 57,847,338 | (\$ 790,436) | 21.0 | 228 |
| 2008/09 | 53,906,177 | (4,731,597) | 21.8 | 289 |
| 2009/10 | 50,535,192 | (8,102,582) | 22.4 | 276 |
| 2010/11 | 50,459,943 | (8,177,811) | 22.8 | 289 |
| 2011/12 | 45,767,907 | (12,869,867) | 23.6 | *312 |
| Totals | \$527,374,870 Total Revenue | (\$34,672,293) Total Loss Since 2007 | Change since FY 02/03 = 19.1% increase | *Estimated change since FY 02/03 = 121.2% increase |

- **Cities and towns need road money.** Diversions have also been made from all cities and towns in Pima County. These diversions total nearly \$54 million since 2002 and would also have been invested in city and town streets and highways.
- **Money must be used for street and highway maintenance. Contact your State legislators to tell them to return our road money.** The State Legislature needs to stop all Highway User Revenue Fund (HURF) diversions and return the diverted money to the counties, cities and towns to be used exclusively for roadway maintenance. The legislators listed below represent all or portions of Pima County. Please contact these legislators and urge them to return road maintenance and repair funding to Pima County.

| Representative Name | District | Party | Email | Phoenix | |
|---------------------|----------|-------|----------------------|-------------------|-------------------------|
| | | | | House Phone (602) | Local House Phone (520) |
| David W. Stevens | 25 | R | dstevens@azleg.gov | 926-4321 | 398-6000 |
| Peggy Judd | 25 | R | pjudd@azleg.gov | 926-5836 | 398-6000 |
| Terri Proud | 26 | R | tproud@azleg.gov | 926-3398 | 398-6000 |
| Vic Williams | 26 | R | vwilliams@azleg.gov | 926-5839 | 398-6000 |
| Sally Ann Gonzales | 27 | D | sgonzales@azleg.gov | 926-3278 | 398-6000 |
| Macario Saldate IV | 27 | D | msaldate@azleg.gov | 926-4171 | 398-6000 |
| Bruce Wheeler | 28 | D | bwheeler@azleg.gov | 926-3300 | 398-6000 |
| Steve Farley | 28 | D | sfarley@azleg.gov | 926-3022 | 398-6000 |
| Matt Heinz | 29 | D | mheinz@azleg.gov | 926-3424 | 398-6000 |
| Daniel Patterson | 29 | D | dpatterson@azleg.gov | 926-5342 | 398-6000 |
| Ted Vogt | 30 | R | tvogt@azleg.gov | 926-3235 | 398-6000 |
| David Gowan | 30 | R | dgowan@azleg.gov | 926-3312 | 398-6000 |

| Senator Name | District | Party | Email | Phoenix | |
|-----------------------|----------|-------|--------------------------|--------------------|--------------------------|
| | | | | Senate Phone (602) | Local Senate Phone (520) |
| Gail Griffin | 25 | R | ggriffin@azleg.gov | 926-5895 | 398-6000 |
| Al Melvin | 26 | R | amelvin@azleg.gov | 926-4326 | 398-6000 |
| Olivia Cajero Bedford | 27 | D | ocajerobedford@azleg.gov | 926-5835 | 398-6000 |
| Paula Aboud | 28 | D | paboud@azleg.gov | 926-5262 | 398-6000 |
| Linda Lopez | 29 | D | llopez@azleg.gov | 926-4089 | 398-6000 |
| Frank Antenori | 30 | R | fantenori@azleg.gov | 926-5683 | 398-6000 |