

Tucson Citizen

Group wants 1 percent transportation sales tax put to voters

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An initiative campaign launched Tuesday would put a \$42 billion, 30-year transportation funding plan on the books by boosting the state's sales tax by a penny for three decades.

Backers need to collect signatures of roughly 154,000 voters by July 3 to get it on the ballot in November.

The centerpiece of the so-called "Transportation and Infrastructure Moving Arizona's Economy Act" is the one-cent increase in the state sales tax. That tax is now 5.6 cents on the dollar before county and municipal rates are added.

Gov. Janet Napolitano backs the measure but the Legislature declined to put it on the ballot.

Supporters say the penny increase would raise \$42.6 billion over 30 years for projects that would "reduce traffic congestion, commute times and pollution by upgrading the state's transportation system."

The supporters, who include contractors and other business interests as well as Gov. Janet Napolitano, say they will spell out the planned uses of

the money in a plan that will be considered by the state Transportation Board in June.

However, the initiative's wording says the money from the sales tax increase would pay for highway construction projects as well as rail, transit and other transportation-related work.

The measure would authorize the state to enter into agreements with other levels of government, railroads and other entities for transportation projects, and it would authorize public-private partnerships for transportation projects.

It also would set up new funds for highway and rail projects and allow the sale of bonds that would be repaid from future revenue from the sales tax increase.

Specific shares of the money would be allowed to highway projects, rail projects and local transportation projects.

"Arizona voters can only meet these future transportation needs by dedicating a funding source — approved by Arizona voters — to finance transportation projects that will enable our state to grow wisely, protect our unique quality of life and ensure that the state's economy is strong into the future," the proposal stated.

Napolitano said the proposal would help Arizona keep pace with growth.

"It also addresses the simple fact that 'doing nothing in not an option. Arizona is distressingly close to the point at which we will have no money for new roads or new transit; we will only be able to pay for upkeep of aging infrastructure," she said in a prepared statement.

Even before it was filed late Tuesday, the proposal drew criticism from the head of the Goldwater Institute, a Libertarian-oriented think tank in Phoenix.

The proposal is flawed because it steers much of the revenue from the proposed sales tax increase to non-highway projects, said institute Chairman Tom Patterson.

"The sales tax should be a last resort for road building," Patterson said. "It's regressive, it taxes people who never use roads, and it stifles the economy. The right mix for transportation funding includes privatized projects."

Supporters of the measure tried but failed to get the Legislature to put a transportation proposal on the ballot, forcing them to resort to the initiative route.

That route is bound to be costly because the deadline to submit voter signatures is less than two months away, making it a seller's market for paid circulators of petitions.

ADDITIONAL INFORMATION

Combined sales tax rates for certain Arizona communities, including state, county and municipal rates:

Apache Junction 8.9

Bisbee 8.6

Bullhead City 7.85

Casa Grande 8.5

Coolidge 9.7

Cottonwood 8.550

Douglas 8.6

Flagstaff 8.326

Glendale 8.5

Kingman 7.85

Lake Havasu City 7.85

Marana 8.1

Mesa 8.05

Payson 8.72

Phoenix 8.3

Prescott 8.35

Prescott Valley 8.68

Scottsdale 7.95

Safford 8.6

Sierra Vista 7.85

Tempe 8.1

Tucson 8.1

Yuma 8.4

SOURCE: League of Arizona Cities and Towns