Report says bad roads cost Arizonans billions; push for more funding continues at Capitol

Rough roads are costing Arizona drivers about $2,000 each year in car repairs and time lost to traffic, according to a report officials released Tuesday amid a renewed push at the state Capitol to raise gas taxes.

The report from TRIP, a Washington, D.C. transportation nonprofit, concludes that the total cost to Arizona drivers from added vehicle repairs, crashes where the roadway was a contributing factor and added time and fuel expenses is worth $9.6 billion.

The report said 44% of major roads and highways in Arizona are in poor or mediocre condition, based on data from the Federal Highway Administration.

Officials from the League of Arizona Cities and Towns along with the County Supervisors Association of Arizona, representing all 91 incorporated municipalities and supervisors from all 15 counties, said the report shows the need for more tax revenue for road repairs.

"This is more ammunition, more evidence of the issue," said Rene Guillen, deputy director of the League of Arizona Cities and Towns.

Rep. Noel Campbell, R-Prescott, is sponsoring a proposal to double Arizona's 18-cent-per-gallon gas tax over the next three years to fund roads, but it has caused sharp division among Republicans at the Capitol.

Similar proposals in past years have been unsuccessful.

Guillen said the conversation about avoiding new taxes needs to change.

"The reality is, you are already paying this," he said Tuesday. "The taxpayer is paying it in one way or another."

Arizona last raised its gas tax in 1991. Guillen said that since 2013, 31 other states have raised gas taxes.

But the problem is twofold. Increased fuel efficiency and hybrid or electric car use reduces the amount of fuel sold, and thus taxes collected to fund road work.

"We really are falling behind," he said. "We would like to see real leadership here at the Capitol."

**New 'user fee' proposal for gas tax**

Officials at the news conference to release the report said they are not giving up hope on raising more money for roads despite the opposition to Campbell's bill or a pledge from Gov. Doug Ducey to veto any new tax proposals that the Legislature sends him.

"We look forward to that conversation with lawmakers," said Craig Sullivan, executive director of the County Supervisors Association.

Campbell said Tuesday that he is considering big changes to his bill to reach a compromise with lawmakers.

One idea, he said, is to add a "highway user fee," not a "tax," to another bill moving through the Legislature.

Sen. J.D. Mesnard, R-Chandler, has moved a wide-ranging tax bill from the Senate to the House, where Campbell's bill is waiting.

Mesnard's Senate Bill 1398 makes a host of changes to taxes, deduction amounts, credits and fees that will result in an $83.4 million reduction in statewide tax collections next year and $166 million in cuts by 2023.

"I thought it would be a grand bargain if we married an 'invest in Arizona highway user fee' onto his bill or his bill amended onto my bill," Campbell said. "That is a win for everybody. The state gets a tax reduction, and we get an investment in our transportation system."

While Campbell's gas-tax bill still awaits a full vote in the House, it has run into opposition from Republicans, including John Allen of Scottsdale, Warren Petersen of Gilbert, Mark Finchem of Oro Valley and Kevin Payne of Peoria.

"My constituents are coming to me asking, 'Why would you even consider raising this tax when you have this surplus?'" Payne said during a recent debate over the measure, referring to the approximately $1 billion surplus in state funds in the state budget this year.

While Campbell might be able to win over some needed votes if the gas issue and broader tax cuts are combined into a single bill, he also might lose some Democrats who don't support the broader tax cuts, he said.

**Combo bill needs fewer votes**

The hurdle to pass the bill gets lower by pairing the issues, Campbell said, because he would support a highway user fee that amounts to less than the overall cuts in Mesnard's bill.

Campbell said he would support increasing gas taxes 1 cent per year, which would result in about $40 million in new taxes in the first year. Mesnard's bill and its $83.4 million in cuts would still result in a net decrease even if the gas increase were to be tacked on at 1 cent per gallon per year for the next three years, he said.

A tax increase requires a two-thirds vote of the lawmakers. A bill that has an overall decrease requires just a simple majority.

"We can't be putting this off for years and years because leadership puts off the issue," Campbell said. "Hell, everybody knows the problem. That's not the issue, knowing. It's doing something."

Other figures from the TRIP report released Tuesday include:

- The 66.1 billion vehicle miles traveled on state roads in 2018 was a 34% increase over 2000.
- Phoenix area drivers lose about 62 hours a year in congested traffic, while that figure is 52 hours for those in Tucson.
- In 2018, 1,010 people in Arizona died in traffic accidents, a 31% increase from the 770 killed in 2014.
- TRIP estimates roadway features were a contributing factor in about 1/3 of fatal traffic accidents.
- Phoenix area drivers spend about $2,009 a year on added vehicle costs, lost time, wasted fuel and crashes, on average, because of congestion and poor road conditions.
- Tucson area drivers spend about $1,706 a year on added vehicle costs, lost time, wasted fuel and crashes, on average, because of congestion and poor road conditions.

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