

State of Arizona
House of Representatives
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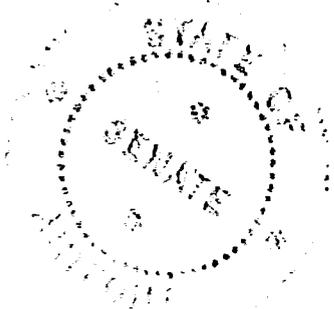
CHAPTER 342

HOUSE BILL 2660

AN ACT

AMENDING SECTIONS 9-481 AND 28-304, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 28-306 AND 28-307; AMENDING TITLE 28, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-335; AMENDING SECTION 28-363, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 7; AMENDING SECTION 28-6954, ARIZONA REVISED STATUTES; REPEALING SECTION 28-6956, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-7000 AND 41-1279.21, ARIZONA REVISED STATUTES; RELATING TO TRANSPORTATION PLANNING.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-481, Arizona Revised Statutes, is amended to
3 read:

4 9-481. Audits of cities and towns

5 A. The ~~city or town~~ governing body of each incorporated city or town
6 shall cause an audit to be made by a certified public accountant or public
7 accountant who is currently licensed by the Arizona state board of
8 accountancy and who is not an employee of the city or town. Audits shall be
9 made for each fiscal year for all incorporated cities. Audits shall be made
10 at least once for every two fiscal years for all incorporated towns, except
11 that AND the audit shall include financial transactions during both fiscal
12 years.

13 B. The audit and the audit report shall include all of the accounts
14 and funds of the city or town, including operating, special, utility, debt,
15 trust, pension, and all other money or property for which the city or town,
16 or any department or officer of the city or town, is responsible either
17 directly or indirectly. The audits shall be made in accordance with
18 generally accepted auditing standards, ~~and~~ The consequent audit report
19 shall contain financial statements that are in conformity with generally
20 accepted municipal accounting principles, ~~and~~ shall set forth the financial
21 position and results of the operations for each fund and account of the city
22 or town. The audit report shall also include the FOLLOWING:

23 1. THE professional opinion of the accountant or accountants with
24 respect to the financial statements, ~~or, if an opinion cannot be expressed,~~
25 a declaration of the reasons therefor AN OPINION CANNOT BE EXPRESSED.

26 2. BEGINNING WITH FISCAL YEAR 2003-2004, A DETERMINATION AS TO WHETHER
27 HIGHWAY USER REVENUE FUND MONIES RECEIVED BY THE CITY OR TOWN PURSUANT TO
28 TITLE 28, CHAPTER 18, ARTICLE 2 AND ANY OTHER DEDICATED STATE TRANSPORTATION
29 REVENUES RECEIVED BY THE CITY OR TOWN ARE BEING USED SOLELY FOR THE
30 AUTHORIZED TRANSPORTATION PURPOSES.

31 C. The audit shall begin as soon as possible after the close of the
32 fiscal year although interim auditing may be performed during the year or
33 years under audit. The audit shall be completed and the final audit report
34 shall be submitted within six months after the close of the fiscal year or
35 years audited.

36 D. Not less than three copies of the audit report shall be signed by
37 the auditor and filed with the city or town. The city or town shall
38 immediately make one copy of the report a public record which shall be open
39 to the public for inspection and one copy shall be deposited with the Arizona
40 state library, archives and public records.

41 Sec. 2. Section 28-304, Arizona Revised Statutes, is amended to read:

42 28-304. Powers and duties of the board; transportation
43 facilities

44 A. THE BOARD SHALL:

1 1. DEVELOP AND ADOPT A STATEWIDE TRANSPORTATION POLICY STATEMENT. THE
2 POLICY STATEMENT SHALL BE ADOPTED AS DESCRIBED IN SECTION 28-306.

3 2. ADOPT A LONG-RANGE STATEWIDE TRANSPORTATION PLAN. THE PLAN SHALL
4 BE ADOPTED AS DESCRIBED IN SECTION 28-307.

5 3. ADOPT UNIFORM TRANSPORTATION PLANNING PRACTICES AND PERFORMANCE
6 BASED PLANNING PROCESSES FOR USE BY THE DEPARTMENT. THE PRACTICES AND
7 PROCESSES SHALL BE DEVELOPED AS DESCRIBED IN SECTIONS 28-502 AND 28-503.

8 4. ADOPT TRANSPORTATION SYSTEM PERFORMANCE MEASURES AND FACTORS AND
9 DATA COLLECTION STANDARDS TO BE USED BY THE DEPARTMENT. THE PERFORMANCE
10 MEASURES, FACTORS AND STANDARDS SHALL BE DEVELOPED AS DESCRIBED IN SECTIONS
11 28-504 AND 28-505.

12 B. THE BOARD SHALL INITIALLY ADOPT THE PROCESSES, PRACTICES,
13 PROCEDURES, MEASURES, FACTORS AND STANDARDS PRESCRIBED IN SUBSECTION A,
14 PARAGRAPHS 3 AND 4 OF THIS SECTION ON OR BEFORE JULY 1, 2003.

15 A. C. With respect to highways, the board shall:

16 1. Establish a complete system of state highway routes.

17 2. Determine which state highway routes or portions of the routes are
18 accepted into the state highway system and which state highway routes to
19 improve.

20 3. Establish, open, relocate or alter a portion of a state route or
21 state highway.

22 4. Vacate or abandon a portion of a state route or state highway as
23 prescribed in section 28-7209.

24 5. Sell board funding obligations to the state treasurer as provided
25 in section 28-7678.

26 B. D. The board shall establish policies ~~and the relative weights~~
27 ~~given to criteria~~ to guide the development or modification of the five year
28 transportation facilities construction program THAT ARE CONSISTENT WITH THE
29 PRINCIPLES OF PERFORMANCE BASED PLANNING DEVELOPED PURSUANT TO ARTICLE 7 OF
30 THIS CHAPTER, award all construction contracts for transportation facilities
31 and monitor the status of these construction projects.

32 E. Consistent with the board's responsibilities, the board shall:

33 1. Approve, disapprove or modify the citizens transportation oversight
34 committee's recommendations on the five year construction program and the
35 life cycle management program for the regional freeway system as defined in
36 section 28-6351.

37 2. Respond to any complaint and approve, disapprove or modify
38 recommendations regarding a complaint forwarded to it by the citizens
39 transportation oversight committee within ninety days after the citizens
40 transportation oversight committee forwards a complaint to the board.

41 F. The board shall determine priority program planning with
42 respect to transportation facilities USING THE PERFORMANCE BASED METHODS
43 DEVELOPED PURSUANT TO ARTICLE 7 OF THIS CHAPTER.

1 ~~F.~~ G. With respect to transportation facilities other than highways,
2 the board shall establish, open, relocate, alter, vacate or abandon all or
3 portions of the facilities.

4 ~~F.~~ H. With respect to aeronautics, the board shall perform the
5 functions prescribed in chapter 25 of this title.

6 ~~G.~~ I. The board shall not spend any monies, adopt any rules or
7 implement any policies or programs to convert signs to the metric system or
8 to require the use of the metric system with respect to designing or
9 preparing plans, specifications, estimates or other documents for any highway
10 project before the conversion or use is required by federal law, except that
11 the board may:

12 1. Spend monies and require the use of the metric system with respect
13 to designing or preparing plans, specifications, estimates or other documents
14 for a highway project that is awarded before October 1, 1997 and that is
15 exclusively metric from its inception.

16 2. Prepare for conversion to and use of the metric system not more
17 than six months before the conversion or use is required by federal law.

18 Sec. 3. Title 28, chapter 2, article 1, Arizona Revised Statutes, is
19 amended by adding sections 28-306 and 28-307, to read:

20 28-306. Statewide transportation policy statement

21 A. THE BOARD SHALL DEVELOP A STATEWIDE TRANSPORTATION POLICY STATEMENT
22 AS PROVIDED IN THIS SECTION.

23 B. THE STATEWIDE TRANSPORTATION POLICY STATEMENT SHALL BE DEVELOPED
24 AND ADOPTED ON OR BEFORE JANUARY 1, 2003 AND SHALL BE REVIEWED AND UPDATED
25 ON OR BEFORE JANUARY 1 OF EACH ODD-NUMBERED YEAR THEREAFTER.

26 C. THE STATEWIDE TRANSPORTATION POLICY STATEMENT SHALL INCLUDE THE
27 PERFORMANCE EXPECTATIONS FOR THE STATEWIDE TRANSPORTATION SYSTEM OVER THE
28 NEXT TWENTY YEARS USING THE PERFORMANCE MEASURES DEVELOPED PURSUANT TO
29 SECTION 28-504. THE POLICY STATEMENT SHALL PROVIDE GUIDANCE TO THE
30 DEPARTMENT IN DEVELOPING A COMPREHENSIVE AND BALANCED STATEWIDE HIGHWAY
31 SYSTEM.

32 D. IN ESTABLISHING THE LONG-RANGE POLICY GOALS FOR THE STATEWIDE
33 TRANSPORTATION SYSTEM, THE BOARD SHALL ENSURE THAT THE FUTURE TRANSPORTATION
34 SYSTEM FACILITATES, RATHER THAN DIRECTS, FUTURE DEVELOPMENT IN THIS STATE.

35 E. IN ESTABLISHING THE STATEWIDE TRANSPORTATION POLICY STATEMENT, THE
36 BOARD SHALL CONSIDER, TO THE GREATEST EXTENT POSSIBLE, LOCAL, REGIONAL AND
37 TRIBAL TRANSPORTATION GOALS.

38 28-307. Long-range statewide transportation plan; board duties

39 A. THE BOARD SHALL DEVELOP A STATEWIDE TRANSPORTATION PLAN AS PROVIDED
40 IN THIS SECTION AND SECTION 28-506.

41 B. THE STATEWIDE PLAN SHALL BE ADOPTED ON OR BEFORE DECEMBER 31, 2004
42 AND SHALL BE REVIEWED AND UPDATED ON OR BEFORE JULY 1 OF EACH FIFTH YEAR
43 THEREAFTER. THE BOARD SHALL UPDATE THE DOLLAR ESTIMATES IN THE STATEWIDE
44 PLAN EVERY TWO YEARS IN CONJUNCTION WITH THE CERTIFICATIONS REQUIRED BY
45 SECTION 28-335.

1 C. IN ESTABLISHING THE STATEWIDE PLAN, THE BOARD SHALL ENDEAVOR TO
2 ENSURE THAT THE FUTURE TRANSPORTATION SYSTEM FACILITATES, RATHER THAN
3 DIRECTS, FUTURE DEVELOPMENT IN THIS STATE. TO THE GREATEST EXTENT POSSIBLE,
4 THE BOARD SHALL ENSURE THAT THE STATEWIDE PLAN REFLECTS THE FUTURE
5 TRANSPORTATION NEEDS OF THE VARIOUS AREAS OF THIS STATE AS REFLECTED IN
6 ADOPTED LOCAL AND REGIONAL LAND USE AND GENERAL PLANS.

7 D. IN ESTABLISHING THE STATEWIDE PLAN, THE BOARD SHALL CONSIDER, TO
8 THE GREATEST EXTENT POSSIBLE, LOCAL, REGIONAL AND TRIBAL TRANSPORTATION
9 PLANS.

10 Sec. 4. Title 28, chapter 2, article 2, Arizona Revised Statutes, is
11 amended by adding section 28-335, to read:

12 28-335. Comprehensive financial management system

13 A. THE DEPARTMENT SHALL ESTABLISH A COMPREHENSIVE FINANCIAL MANAGEMENT
14 SYSTEM.

15 B. THE COMPREHENSIVE FINANCIAL MANAGEMENT SYSTEM SHALL INCLUDE
16 SEPARATE CERTIFICATIONS OF FUTURE ESTIMATED REVENUES AND FUTURE ESTIMATED
17 SYSTEM COSTS AS REFLECTED IN THE LONG-RANGE STATEWIDE TRANSPORTATION PLAN
18 DEVELOPED AND UPDATED PURSUANT TO SECTIONS 28-307 AND 28-506. ALL
19 TRANSPORTATION REVENUES, INCLUDING FEDERAL, STATE, REGIONAL AND LOCAL
20 REVENUES, SHALL BE INCLUDED IN THE CERTIFICATIONS. ALL TRANSPORTATION COSTS
21 SHALL BE INCLUDED IN THE CERTIFICATION OF ANTICIPATED COSTS, INCLUDING
22 OPTIMAL LONG-TERM SYSTEM PRESERVATION COSTS AND SYSTEM MAINTENANCE AND
23 ADMINISTRATION COSTS AS WELL AS SYSTEM EXPANSION COSTS. IN DEVELOPING THE
24 DATA COLLECTION AND REPORTING METHODOLOGIES, UNTIL JANUARY 1, 2006, THE
25 DEPARTMENT SHALL PROVIDE FOR THE USE OF ESTIMATES OF THE ITEMS REQUIRED IN
26 THIS SECTION IF THE DEPARTMENT OR A REGIONAL OR LOCAL TRANSPORTATION AGENCY
27 IS UNABLE TO OBTAIN RELIABLE INFORMATION PERTAINING TO THE ITEMS REQUIRED.

28 C. THE DEPARTMENT SHALL COMPLETE THE CERTIFICATIONS ON OR BEFORE
29 DECEMBER 31, 2004 AND ON OR BEFORE JULY 1 OF EACH EVEN-NUMBERED YEAR
30 THEREAFTER.

31 D. ALL STATE, REGIONAL AND LOCAL TRANSPORTATION AGENCIES SHALL ASSIST
32 THE DEPARTMENT IN PREPARING THE CERTIFICATIONS. TRIBAL GOVERNMENTS ARE
33 ENCOURAGED TO ASSIST THE DEPARTMENT IN PREPARING THE CERTIFICATIONS.

34 E. IF THE DEPARTMENT IS UNABLE TO OBTAIN RELIABLE INFORMATION
35 CONCERNING THE REVENUES OR COSTS OF COMPONENTS OF THE TRANSPORTATION SYSTEM,
36 IT MAY DEVELOP AND USE ESTIMATES OF THOSE AMOUNTS IN ORDER TO COMPLY WITH
37 THIS SECTION.

38 Sec. 5. Section 28-363, Arizona Revised Statutes, is amended to read:

39 28-363. Duties of the director; administration

40 A. The director shall:

41 1. Supervise and administer the overall activities of the department
42 and its divisions and employees.

43 2. Appoint assistant directors for each of the divisions.

44 3. Provide for the assembly and distribution of information to the
45 public concerning department activities.

1 4. Delegate functions, duties or powers as the director deems
2 necessary to carry out the efficient operation of the department.

3 5. Exercise complete and exclusive operational control and
4 jurisdiction over the use of state highways and routes.

5 6. Coordinate the design, right-of-way purchase and construction of
6 controlled access highways that are either state routes or state highways and
7 related grade separations of controlled access highways.

8 7. Coordinate the design, right-of-way purchase, construction,
9 standard and reduced clearance grade separation, extension and widening of
10 arterial streets and highways under chapters 17 and 18 of this title.

11 8. Assist REGIONAL TRANSPORTATION PLANNING AGENCIES, COUNCILS OF
12 GOVERNMENT, TRIBAL GOVERNMENTS, counties, cities and towns in the development
13 of their regional AND LOCAL transportation plans ~~under chapters 17 and 18 of~~
14 ~~this title~~ to ensure that the streets, and highways AND OTHER REGIONALLY
15 SIGNIFICANT MODES OF TRANSPORTATION within each county form a AN INTEGRATED
16 AND EFFICIENT regional system.

17 9. On or before December 1, present an annual report to the speaker
18 of the house of representatives and the president of the senate documenting
19 the expenditures of monies under chapters 17 and 18 of this title during the
20 previous fiscal year relating to the design, right-of-way purchase or
21 construction of controlled access highways that are accepted in the state
22 highway system as state routes or state highways or related grade separations
23 of controlled access highways that are included in the regional
24 transportation plans of the counties.

25 10. Designate the necessary agencies for enforcing the provisions of
26 the laws the director administers or enforces.

27 11. Exercise other duties or powers as the director deems necessary to
28 carry out the efficient operation of the department.

29 12. Cooperate with the Arizona-Mexico commission in the governor's
30 office and with researchers at universities in this state to collect data and
31 conduct projects in the United States and Mexico on issues that are within
32 the scope of the department's duties and that relate to quality of life,
33 trade and economic development in this state in a manner that will help the
34 Arizona-Mexico commission to assess and enhance the economic competitiveness
35 of this state and of the Arizona-Mexico region.

36 13. Develop a plan to increase use of bypass routes by vehicles on days
37 of poor visibility in the Phoenix metropolitan area.

38 B. The assistant directors appointed pursuant to subsection A are
39 exempt from the state personnel system.

40 C. The director shall not spend any monies, adopt any rules or
41 implement any policies or programs to convert signs to the metric system or
42 to require the use of the metric system with respect to designing or
43 preparing plans, specifications, estimates or other documents for any highway
44 project before the conversion or use is required by federal law, except that
45 the director may:

1 1. Spend monies and require the use of the metric system with respect
2 to designing or preparing plans, specifications, estimates or other documents
3 for a highway project that is awarded before October 1, 1997 and that is
4 exclusively metric from its inception.

5 2. Prepare for conversion to and use of the metric system not more
6 than six months before the conversion or use is required by federal law.

7 Sec. 6. Title 28, chapter 2, Arizona Revised Statutes, is amended by
8 adding article 7, to read:

9 ARTICLE 7. TRANSPORTATION PLANNING

10 28-501. Definition of division

11 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES, "DIVISION"
12 MEANS THE TRANSPORTATION PLANNING DIVISION ESTABLISHED BY SECTION 28-332,
13 SUBSECTION C.

14 28-502. Transportation planning; uniform practices;
15 requirements

16 A. TRANSPORTATION PLANNING IN THIS STATE SHALL BE UNDERTAKEN IN
17 ACCORDANCE WITH THIS ARTICLE AND ANY APPLICABLE FEDERAL LAWS.

18 B. THE DIVISION SHALL DEVELOP FOR SUBMISSION TO THE BOARD, PURSUANT
19 TO SECTION 28-304, UNIFORM TRANSPORTATION PLANNING PRACTICES TO BE USED BY
20 THE DEPARTMENT. THESE PRACTICES SHALL BE USED IN THE CONDUCT OF ALL STUDIES
21 OR ANALYSES RELATING TO ANY TRANSPORTATION SYSTEM IMPROVEMENT TO BE INCLUDED
22 IN THE PLAN DEVELOPED PURSUANT TO SECTION 28-506.

23 28-503. Performance based planning and programming

24 A. THE DIVISION SHALL DEVELOP FOR SUBMISSION TO THE BOARD PERFORMANCE
25 BASED PLANNING AND PROGRAMMING PROCESSES FOR USE BY THE DEPARTMENT.

26 B. THE DIVISION SHALL CONSULT WITH LOCAL, REGIONAL AND TRIBAL
27 TRANSPORTATION AGENCIES BEFORE DEVELOPING THE PROCESSES. THE DIVISION SHALL
28 ENCOURAGE AND ASSIST TRIBAL TRANSPORTATION AGENCIES THAT WANT TO ADOPT THESE
29 PERFORMANCE BASED PLANNING AND PROGRAMMING PROCESSES.

30 C. THE PERFORMANCE BASED PLANNING AND PROGRAMMING PROCESSES SHALL
31 PROVIDE A MEANS OF EVALUATING THE CURRENT PERFORMANCE OF THE PLAN DEVELOPED
32 PURSUANT TO SECTION 28-506 AND THE FIVE YEAR TRANSPORTATION FACILITIES
33 CONSTRUCTION PROGRAM DEVELOPED PURSUANT TO SECTION 28-6951 AND FOR EVALUATING
34 AND PRIORITIZING PROPOSED CHANGES TO THE PLAN AND PROGRAM.

35 D. THE DEPARTMENT AND THE BOARD SHALL USE THE PERFORMANCE BASED
36 PLANNING AND PROGRAMMING PROCESSES IN DETERMINING FUTURE ALLOCATIONS OF STATE
37 AND FEDERAL FINANCIAL RESOURCES AMONG THE DEPARTMENT'S MAJOR PROGRAM
38 CATEGORIES.

39 E. THE PERFORMANCE BASED PLANNING AND PROGRAMMING PROCESSES SHALL BE
40 USED TO MONITOR AND EVALUATE THE PERFORMANCE OUTCOMES OF TRANSPORTATION
41 PLANNING AND PROGRAMMING DECISIONS MADE BY THE DEPARTMENT AND THE BOARD.

42 F. THE PERFORMANCE BASED PROCESSES SHALL:

43 1. BE PERIODICALLY REVIEWED AND UPDATED AS CONDITIONS AND SYSTEM
44 REQUIREMENTS CHANGE.

45 2. INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:

1 (a) UNIFORM TRANSPORTATION SYSTEM PERFORMANCE MEASURES ESTABLISHED
2 PURSUANT TO SECTION 28-504 AND THE ROUTINE COLLECTION AND REPORTING OF
3 ADOPTED PERFORMANCE MEASURES.

4 (b) UNIFORM TRANSPORTATION SYSTEM PERFORMANCE FACTORS FOR EVALUATING
5 EXISTING AND POTENTIAL PROJECTS AND SERVICES ESTABLISHED PURSUANT TO SECTION
6 28-505.

7 (c) WEIGHTS TO BE APPLIED TO THE PERFORMANCE FACTORS IDENTIFIED
8 PURSUANT TO SUBDIVISION (b) IN EVALUATING AND PRIORITIZING PROPOSED CHANGES
9 TO THE SYSTEM. THESE PERFORMANCE FACTOR WEIGHTS SHALL CONSIDER AND RECOGNIZE
10 LOCAL AND REGIONAL DIFFERENCES IN TRANSPORTATION SYSTEM PERFORMANCE
11 EXPECTATIONS AND SHALL BE USED IN ALL STATE TRANSPORTATION PLANNING.

12 (d) SYSTEMATIC FORECASTS OF THE ANTICIPATED PERFORMANCE OUTCOMES OF
13 PROPOSED EXPENDITURES.

14 (e) SYSTEMATIC PERIODIC REPORTING AND CERTIFICATION OF SYSTEM
15 PERFORMANCE.

16 3. INTEGRATE PLANNING, PROGRAMMING AND REPORTING PROCESSES TO ENSURE
17 A SUSTAINABLE AND RELIABLE HIGHWAY SYSTEM.

18 28-504. Transportation system performance measures; data
19 collection and reporting; methodologies

20 A. THE DIVISION SHALL DEVELOP FOR PRESENTATION TO THE BOARD
21 STANDARDIZED TRANSPORTATION SYSTEM PERFORMANCE MEASURES. IN ADDITION, THE
22 DIVISION SHALL IDENTIFY THE APPROPRIATE UNITS OF MEASUREMENT AND THE
23 PROCESSES FOR DETERMINING AND REPORTING THE PERFORMANCE MEASURES. THE GOAL
24 OF THE PERFORMANCE MEASURES IS TO DETERMINE THE EXTENT TO WHICH THE
25 TRANSPORTATION SYSTEM IS MOVING PEOPLE, GOODS AND SERVICES IN RELATION TO THE
26 COST OF SYSTEM PRESERVATION, MAINTENANCE AND EXPANSION.

27 B. THE STANDARDIZED TRANSPORTATION SYSTEM PERFORMANCE MEASURES SHALL
28 INCLUDE AT LEAST ALL OF THE FOLLOWING:

29 1. THE ESTIMATED NUMBER OF INDIVIDUALS TRANSPORTED.
30 2. THE ESTIMATED AMOUNT, BY WEIGHT OR VOLUME, OF FREIGHT TRANSPORTED.
31 3. THE NUMBER OF MILES TRAVELED.
32 4. THE NUMBER OF VEHICLES AND THE ESTIMATED CAPACITY OF THOSE
33 VEHICLES.

34 5. THE ESTIMATED COST PER INDIVIDUAL MOVED PER MILE.

35 C. THESE PERFORMANCE MEASURES SHALL SERVE AS THE BASIS FOR MONITORING
36 AND REPORTING ON THE PERFORMANCE OUTCOMES OF THE STATE'S HIGHWAY SYSTEM.

37 D. THE DIVISION SHALL DEVELOP TRANSPORTATION DATA COLLECTION AND
38 REPORTING METHODOLOGIES FOR SYSTEM PERFORMANCE MEASURES AND THE MAJOR
39 COMPONENTS OF THE LONG-RANGE PLAN. THE DIVISION SHALL CONSULT WITH LOCAL,
40 REGIONAL AND TRIBAL TRANSPORTATION AGENCIES BEFORE DEVELOPING THE
41 METHODOLOGIES.

42 E. THE DEPARTMENT SHALL COLLECT STANDARDIZED TRANSPORTATION DATA FOR
43 ALL EXISTING COMPONENTS AND ANY PROPOSED PROJECTS UNDER CONSIDERATION FOR
44 INCLUSION IN THE PLAN DEVELOPED PURSUANT TO SECTION 28-506 AND THE FIVE YEAR

1 TRANSPORTATION FACILITIES CONSTRUCTION PROGRAM DEVELOPED PURSUANT TO SECTION
2 28-6951.

3 28-505. Transportation system performance factors; weights

4 A. THE DIVISION SHALL DEVELOP FOR PRESENTATION TO THE BOARD STANDARD
5 TRANSPORTATION SYSTEM PERFORMANCE FACTORS THAT AT LEAST INCLUDE ALL OF THE
6 FOLLOWING VARIABLES:

- 7 1. SYSTEM PRESERVATION.
- 8 2. CONGESTION RELIEF.
- 9 3. ACCESSIBILITY.
- 10 4. INTEGRATION AND CONNECTIVITY WITH OTHER MODES.
- 11 5. ECONOMIC BENEFITS.
- 12 6. SAFETY.
- 13 7. AIR QUALITY AND OTHER ENVIRONMENTAL IMPACTS.
- 14 8. COST-EFFECTIVENESS OF A PROJECT OR SERVICE.
- 15 9. OPERATIONAL EFFICIENCY.
- 16 10. PROJECT READINESS.

17 B. THE DIVISION SHALL DEVELOP FOR PRESENTATION TO THE BOARD
18 TRANSPORTATION SYSTEM PERFORMANCE FACTOR WEIGHTS.

19 C. THE PERFORMANCE FACTORS AND WEIGHTS ESTABLISHED PURSUANT TO THIS
20 SECTION SHALL BE USED BY THE DEPARTMENT AND THE BOARD TO:

21 1. SELECT PROJECTS AND SERVICES IN THE FIVE YEAR TRANSPORTATION
22 FACILITIES CONSTRUCTION PROGRAM PURSUANT TO CHAPTER 20, ARTICLE 3 OF THIS
23 TITLE AND THE LONG-RANGE STATEWIDE TRANSPORTATION PLAN PURSUANT TO SECTION
24 28-307.

25 2. ALLOCATE STATE AND FEDERAL FINANCIAL RESOURCES AMONG THE
26 DEPARTMENT'S MAJOR PROGRAM CATEGORIES.

27 28-506. Long-range statewide transportation plan; division
28 duties

29 A. THE DIVISION SHALL PREPARE FOR PRESENTATION TO THE BOARD A
30 LONG-RANGE STATEWIDE TRANSPORTATION PLAN. THE DIVISION SHALL DEVELOP THE
31 PLAN UNDER THE BOARD'S DIRECTION IN ACCORDANCE WITH THE FOLLOWING:

32 1. THE PLAN SHALL INCLUDE ALL ANTICIPATED CRITICAL STATEWIDE HIGHWAY
33 SYSTEM NEEDS FOR THE NEXT TWENTY YEARS.

34 2. THE PLAN SHALL BE DEVELOPED USING THE PLANNING PRACTICES AND THE
35 PERFORMANCE BASED PLANNING PROCESSES ADOPTED BY THE BOARD PURSUANT TO SECTION
36 28-304.

37 3. TO THE EXTENT PRACTICABLE, THE PLAN SHALL REFLECT LOCAL GENERAL
38 LAND USE PLANS AND COUNTY COMPREHENSIVE LAND USE PLANS.

39 4. IN DEVELOPING THE PLAN, THE DIVISION SHALL CONSIDER ANY INFORMATION
40 DEVELOPED AS A RESULT OF FEDERALLY MANDATED PLANNING PROCESSES.

41 5. THE PLAN SHALL BE DEVELOPED IN ADDITION TO ANY FEDERALLY MANDATED
42 PLANNING REQUIREMENTS.

43 6. THE DIVISION SHALL DEVELOP THE PLAN EVERY FIVE YEARS FOR REVIEW AND
44 APPROVAL BY THE BOARD AS REQUIRED BY SECTION 28-307.

1 7. ALL DOLLAR AMOUNTS IN THE PLAN SHALL BE EXPRESSED IN CONSTANT
2 DOLLARS DENOMINATED IN THE YEAR OF ADOPTION BY THE BOARD.

3 8. THE DIVISION SHALL ANNUALLY IDENTIFY ANY PROJECTS OR SERVICES THAT
4 SHOULD BE CONSIDERED FOR INCLUSION IN THE NEXT PLAN.

5 B. THE PLAN SHALL INCLUDE:

6 1. ALL PROJECTS INCLUDED IN THE PLAN ADOPTED PURSUANT TO SECTION
7 28-307 AND ALL PROJECTS INCLUDED IN THE FIVE YEAR TRANSPORTATION FACILITIES
8 CONSTRUCTION PROGRAM DEVELOPED PURSUANT TO SECTION 28-6951. THESE PROJECTS
9 SHALL BE SPECIFICALLY IDENTIFIED PURSUANT TO SUBSECTIONS C AND D OF THIS
10 SECTION.

11 2. IN ADDITION TO THE PROJECTS IDENTIFIED IN PARAGRAPH 1 OF THIS
12 SUBSECTION, LUMP SUM COST ESTIMATES FOR ALL OTHER COMPONENTS OF THE STATEWIDE
13 HIGHWAY SYSTEM PURSUANT TO SUBSECTION E OF THIS SECTION.

14 C. FOR EACH STATEWIDE TRANSPORTATION PROJECT INCLUDED IN THE PLAN, THE
15 DIVISION SHALL DETERMINE AND INCLUDE IN THE PLAN THE FOLLOWING:

16 1. A DETAILED DESCRIPTION OF THE PROJECT, INCLUDING THE LOCATION OF
17 THE PROJECT.

18 2. ESTIMATES OF ANY REVENUES DIRECTLY ATTRIBUTABLE TO THE PROJECT,
19 INCLUDING PASSENGER CHARGES, TOLLS AND USER CHARGES.

20 3. THE ANTICIPATED PERFORMANCE OUTCOMES ASSOCIATED WITH THE PROJECT.

21 D. FOR EACH TRANSPORTATION CAPITAL PROJECT INCLUDED IN THE PLAN, THE
22 DIVISION SHALL DETERMINE SEPARATELY THE COST ESTIMATES FOR EACH OF THE
23 FOLLOWING:

24 1. RIGHT-OF-WAY ACQUISITION AND PREPARATION.

25 2. PROJECT DESIGN, PLANNING AND ENGINEERING.

26 3. PROJECT CONSTRUCTION.

27 4. ANY OTHER RELATED PROJECT COSTS.

28 E. THE DIVISION SHALL DEVELOP AND INCLUDE IN THE PLAN SEPARATE COST
29 ESTIMATES FOR THE FOLLOWING:

30 1. OPTIMAL LONG-TERM SYSTEM PRESERVATION OF EACH MAJOR TRANSPORTATION
31 SYSTEM COMPONENT.

32 2. APPROPRIATE COMPREHENSIVE SYSTEM MANAGEMENT.

33 3. APPROPRIATE SYSTEM MAINTENANCE AND OPERATIONS.

34 F. TO THE EXTENT THE DIVISION IS NOT ABLE TO DETERMINE ANY INFORMATION
35 REQUIRED IN SUBSECTION C OR D OF THIS SECTION, THE DIVISION SHALL DEVELOP A
36 REASONABLE ESTIMATE IN LIEU OF THE ACTUAL INFORMATION.

37 G. THE DIVISION SHALL DEVELOP AN ESTIMATE OF PROJECTED REVENUES FOR
38 THE TWENTY YEAR PERIOD OF THE PLAN BASED ON:

39 1. EXISTING AND ENACTED FUTURE REVENUE RATES AND SCHEDULES.

40 2. REASONABLE EXPECTED FUTURE CHANGES IN REVENUE RATES AND SCHEDULES.

41 H. IF THE REVENUES ESTIMATED PURSUANT TO SUBSECTION G, PARAGRAPH 1 OR
42 2 OF THIS SECTION ARE LESS THAN THE ESTIMATED COST OF THE PLAN, THE DIVISION
43 SHALL IDENTIFY THE SPECIFIC PORTIONS OF THE PLAN THAT COULD BE COMPLETED WITH
44 THE REVENUES ESTIMATED PURSUANT TO SUBSECTION G, PARAGRAPHS 1 AND 2 OF THIS
45 SECTION.

1 I. FOR THE PLAN, AND THE PORTIONS OF THE PLAN DETERMINED PURSUANT TO
2 SUBSECTION H OF THIS SECTION, THE DIVISION SHALL IDENTIFY THE YEARS IN WHICH
3 PROJECTS IN THE PLAN WOULD LIKELY BE INITIATED AND COMPLETED.

4 J. THE DIVISION SHALL ESTIMATE THE ANTICIPATED PERFORMANCE OUTCOMES
5 OF:

- 6 1. THE PLAN AS DEVELOPED BY THE DIVISION.
- 7 2. THE PORTION OF THE PLAN THAT COULD BE COMPLETED WITH THE REVENUE
8 ESTIMATE DETERMINED PURSUANT TO SUBSECTION G, PARAGRAPH 1 OF THIS SECTION.
- 9 3. THE PORTION OF THE PLAN THAT COULD BE COMPLETED WITH THE REVENUE
10 ESTIMATE DETERMINED PURSUANT TO SUBSECTION G, PARAGRAPH 2 OF THIS SECTION.

11 K. THE DIVISION SHALL MAINTAIN INFORMATION DEVELOPED CONCERNING THE
12 PROJECTS AND COSTS IDENTIFIED IN THE COURSE OF DEVELOPING THE PLAN IN A
13 GEOGRAPHICALLY ORIENTED DATABASE ESTABLISHED AND MAINTAINED IN ACCORDANCE
14 WITH SECTION 28-507.

15 28-507. Transportation system database

16 A. IN COOPERATION WITH LOCAL, REGIONAL AND TRIBAL AGENCIES, THE
17 DIVISION SHALL DEVELOP AND MAINTAIN A GEOGRAPHICALLY ORIENTED DATABASE OF THE
18 EXISTING AND PLANNED COMPONENTS OF THE STATEWIDE TRANSPORTATION SYSTEM. THE
19 DATABASE SHALL BE COMPLETE AND OPERATIONAL ON OR BEFORE JUNE 30, 2004.

20 B. THE DATABASE SHALL INCLUDE INFORMATION CONCERNING ALL PROJECTS
21 CONSIDERED FOR INCLUSION IN THE STATEWIDE TRANSPORTATION PLAN DEVELOPED
22 PURSUANT TO SECTION 28-506.

23 C. ALL CITIES, TOWNS, COUNTIES AND OTHER TRANSPORTATION AGENCIES THAT
24 RECEIVE STATE OR FEDERAL TRANSPORTATION MONIES SHALL MAINTAIN STANDARDIZED
25 RECORDS OF THEIR LONG-RANGE TRANSPORTATION NEEDS AND SHALL REPORT THESE NEEDS
26 TO THE DIVISION ON OR BEFORE SEPTEMBER 1 OF EACH YEAR. AS APPROPRIATE, LOCAL
27 TRANSPORTATION PLANNING AGENCIES MAY RELY ON THE PLANNING ACTIVITIES AND
28 REPORTS OF THE DEPARTMENT AND REGIONAL PLANNING AGENCIES IF THESE ACTIVITIES
29 AND REPORTS HAVE BEEN UNDERTAKEN PURSUANT TO REQUIREMENTS OF THIS ARTICLE.

30 D. IN COOPERATION WITH LOCAL, REGIONAL AND TRIBAL AGENCIES, THE
31 DIVISION SHALL PREPARE FOR PRESENTATION TO THE BOARD MINIMUM STANDARDS OR
32 GUIDELINES DELINEATING THE STANDARDIZED DATA AND INFORMATION THAT MUST BE
33 SUBMITTED PURSUANT TO THIS SECTION. THE MINIMUM STANDARDS SHALL RECOGNIZE
34 THE DIFFERENCES IN LOCAL OR REGIONAL CIRCUMSTANCES.

35 Sec. 7. Section 28-6954, Arizona Revised Statutes, is amended to read:
36 28-6954. Program requirements

37 A. The five year transportation facilities construction program shall:

- 38 1. Set forth estimated expenditures by project for engineering,
39 rights-of-way and construction.
- 40 2. Include detailed information by project as to location, description
41 and the reasons for the project's assigned priority.
- 42 3. List projects by priority and group them in the fiscal year during
43 which it is estimated construction can begin.
- 44 4. For the first year of the program, consist of projects that can
45 with reasonable certainty be advertised for public bidding.

1 5. Include a plan for the use of monies expected to be deposited in
2 a county's regional area road fund as provided in chapter 17, article 1 of
3 this title.

4 6. Include a plan for the use of monies that are expected to accrue
5 in a county's regional transportation fund as provided in section 48-5310,
6 that are dedicated for street and highway purposes and that are in the state
7 highway system.

8 B. THE DEPARTMENT SHALL DEVELOP AND USE DETAILED CRITERIA DESIGNED TO
9 MEET THE TRANSPORTATION SYSTEM PERFORMANCE MEASURES ADOPTED BY THE BOARD
10 PURSUANT TO SECTION 28-304 IN IDENTIFYING PROJECTS FOR THE FIVE YEAR
11 TRANSPORTATION FACILITIES CONSTRUCTION PROGRAM. THE PROJECT SELECTION
12 PROCESS SHALL ALSO CONFORM TO STATE AND REGIONAL GROWTH POLICIES.

13 Sec. 8. Repeal

14 Section 28-6956, Arizona Revised Statutes, is repealed.

15 Sec. 9. Section 28-7000, Arizona Revised Statutes, is amended to read:
16 28-7000. Contracts; exceptions

17 A. Notwithstanding section 28-6999, the department may enter into:

18 1. Construction contracts the performance of which may extend beyond
19 the close of the fiscal year.

20 2. Contracts or agreements for the purpose of right-of-way
21 acquisitions that may obligate state monies for payment up to ten years
22 before the estimated completion date of construction.

23 3. Contracts or agreements for the purpose of compensating a utility
24 for damages to the utility's facilities if the damages result from an
25 increase in the cost of maintenance, repair or replacement of the facilities
26 due to changes in the configuration or location of the utility's facilities
27 that are required to accommodate a transportation facility. This paragraph
28 applies to any contract or agreement in effect on the ~~effective date of this~~
29 ~~amendment to this section~~ AUGUST 9, 2001. For THE purposes of this paragraph,
30 "utility" includes the owner of the utility facilities and any person other
31 than the owner who is responsible for the cost of maintenance, repair or
32 replacement of the facilities.

33 B. Notwithstanding subsection A, paragraph 2 of this section, the
34 department may purchase rights-of-way for projects identified in the ~~twenty~~
35 ~~year transportation facilities construction plan established~~ LONG-RANGE
36 STATEWIDE TRANSPORTATION PLAN pursuant to ~~section 28-6956~~ SECTIONS 28-307 AND
37 28-506.

38 Sec. 10. Section 41-1279.21, Arizona Revised Statutes, is amended to
39 read:

40 41-1279.21. Powers and duties of auditor general relating to
41 counties, school districts and community colleges

42 A. In addition to other powers and duties prescribed by law, the
43 auditor general shall:

44 1. Conduct or cause to be conducted annual financial and compliance
45 audits of financial transactions and accounts kept by or for all

1 counties. EACH COUNTY SHALL PROVIDE FINANCIAL INFORMATION FOR INCLUSION IN
2 THE ANNUAL AUDIT THAT VERIFIES THAT HIGHWAY USER REVENUE FUND MONIES RECEIVED
3 BY THE COUNTY PURSUANT TO TITLE 28, CHAPTER 18, ARTICLE 2 AND ANY OTHER
4 DEDICATED STATE TRANSPORTATION REVENUES RECEIVED BY THE COUNTY ARE BEING USED
5 SOLELY FOR THE AUTHORIZED TRANSPORTATION PURPOSES.

6 2. Perform procedural reviews for school districts THAT ARE not
7 required to comply with the single audit act of 1984 (P.L. 98-502) at times
8 determined by the auditor general. These reviews may include evaluation of
9 administrative and accounting internal controls and reports on such reviews.

10 3. Conduct or cause to be conducted annual audits of financial
11 transactions and accounts kept by or for community college districts.

12 4. Approve contracts for financial and compliance auditing services
13 except if specific statutory authority is otherwise provided. The auditor
14 general shall ensure that such contract audits are conducted in accordance
15 with generally accepted governmental auditing standards and shall determine
16 if such audits meet minimum audit standards prescribed by the auditor
17 general. An audit shall not be accepted as meeting the requirements of this
18 paragraph until it has been approved by the auditor general.

19 5. Order and enforce a correct and uniform system of accounting by
20 county, community college district and school district officers and instruct
21 them in the proper mode of keeping accounts of their offices.

22 6. Require of county treasurers and custodians of county, community
23 college district or school district funds, as often as he THE AUDITOR GENERAL
24 deems necessary, a verified statement of their accounts.

25 7. Report to the committee and to the attorney general the refusal or
26 neglect of any county, community college district or school district officer
27 to conform to rules and regulations of his THE AUDITOR GENERAL'S office.

28 8. Report to the committee and to the governor the result of his THE
29 AUDITOR GENERAL'S examinations of county, community college district and
30 school district offices as often as required by public interest.

31 B. The auditor general may adopt rules providing for disapproving
32 contracts, and suspending or debaring any contractor providing financial and
33 compliance auditing services to a school district based upon applicable
34 standards similar to those adopted by this state under section 41-2613.

35 C. Notwithstanding any other law, the disapproval of a contract or the
36 suspension or debarment may be appealed to the superior court pursuant to
37 title 12, chapter 7, article 6.

38 Sec. 11. Initial long-range statewide transportation plan;
39 transportation needs information; estimates;
40 progress review and report

41 A. The board shall consider the recommendations and priorities
42 identified by the governor's transportation vision 21 task force when
43 developing and adopting the initial plan.

44 B. The planning division of the department of transportation shall
45 incorporate the needs information developed by the governor's transportation

1 vision 21 task force in the transportation system database established
2 pursuant to section 28-507, Arizona Revised Statutes, as added by this act.

3 C. To the extent that the planning division of the department of
4 transportation is unable to develop the specific information and estimates
5 required in section 28-506, Arizona Revised Statutes, as added by this act,
6 in connection with the statewide transportation plan to be reviewed and
7 adopted by the state transportation board pursuant to section 28-307, Arizona
8 Revised Statutes, as added by this act, on or before July 1, 2004, it shall
9 develop reasonable estimates of such required information and shall identify
10 such estimates in the plan.

11 D. The board shall monitor the progress made by the department of
12 transportation in developing improved transportation planning practices and
13 processes and performance measures, factors and standards described in title
14 28, chapter 2, article 7, Arizona Revised Statutes, as added by this
15 act. The board shall report the progress made to the governor, the president
16 of the senate, the speaker of the house of representatives, the chairpersons
17 of the appropriations committees and the chairpersons of the transportation
18 committees on or before December 31, 2003.

19 E. The department of transportation shall develop a timetable for
20 implementing the transportation planning improvements included in this act.
21 The timetable shall include the estimated start up costs and continuing costs
22 associated with such improvements. The department shall submit the timetable
23 and cost estimates to the governor, the speaker of the house of
24 representatives, the president of the senate, the chairpersons of the
25 appropriations committees and the chairpersons of the transportation
26 committees.

APPROVED BY THE GOVERNOR JUNE 4, 2002.

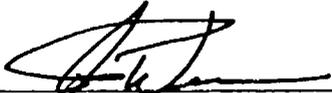
FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 4, 2002.



Passed the House April, 2002,

by the following vote: 48 Ayes,

0 Nays, 12 Not Voting

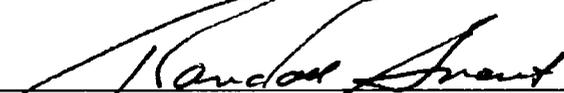

Speaker of the House


Chief Clerk of the House

Passed the Senate May 9, 2002,

by the following vote: 24 Ayes,

2 Nays, 4 Not Voting


President of the Senate


Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

 day of , 20

at o'clock M.

Secretary to the Governor

Approved this day of

 , 20 ,

at o'clock M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this day of , 20 ,

at o'clock M.

Secretary of State

H.B. 2660

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

May 20, 2002,

by the following vote: 52 Ayes,

3 Nays, 5 Not Voting

John Flake
Speaker of the House
Pro Tempore
Norman L. Moore
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

21 day of May, 2002

at 8:13 o'clock A M.

Fandora Lang
Secretary to the Governor

Approved this 4th day of

June, 2002,

at 10:19 o'clock A M.

Janet Napolitano
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 4 day of June, 2002

at 5:31 o'clock P M.

Robert Boyles
Secretary of State

H.B.2660