



RTAC LEGISLATIVE UPDATE JANUARY 29, 2009 (Part II)

The Arizona House and Senate Appropriations Committees both cleared their FY2009 budget adjustment bills earlier this evening clearing the way for final passage as early as tomorrow.

Amendments were added in both chambers that include substantial impacts to transportation infrastructure funding. Both versions now shift roughly \$85 Million of HURF revenue and an additional \$41 Million directly from the State Highway Fund to pay for DPS operations. The HURF revenue is split approximately in half between local governments and the State Highway Fund. This means the State Highway Fund will absorb another \$84 Million raid while local HURF will be reduced by roughly \$43 Million.

These reductions are in addition to the transfers described in my message earlier today which were as follows:

- \$21 Million reduction from the State Highway Fund
- \$3.5 Million reduction from the State Aviation Fund
- \$1,150,000 reduction from LTAF
- \$475,000 reduction from LTAF II
- \$104 Million reduction from STAN account.

I anticipate the budget fix passing tomorrow or Saturday at the latest.