



**Bullhead City Metro. Planning Org.**  
**Central Arizona Governments**  
**Central Yavapai Metro. Planning Org.**  
**Lake Havasu Metro. Planning Org.**  
**MetroPlan Greater Flagstaff**  
**Northern Arizona Council of Gov'ts.**  
**Sierra Vista Metro. Planning Org.**  
**Southeastern Arizona Governments Org.**  
**Sun Corridor Metro. Planning Org.**  
**Western Arizona Council of Gov'ts.**  
**Yuma Metropolitan Planning Org.**

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January 15, 2026

## **SUPPORT RURAL PRIORITY PROJECTS**

Please continue to prioritize transportation infrastructure in the state budget, as is proposed by HB2304, the annual RTAC priority project legislation, sponsored this year by House Transportation and Infrastructure Committee Chairman Leo Biasiucci.

The regional transportation planning organizations across Greater Arizona go through a roughly six month process every year to vet and prioritize transportation projects from their regions to include in this legislation. The projects are submitted and considered by the counties and municipalities, involving the local governments' professional transportation staff, executive management, and, ultimately, reviewed and approved by their local elected officials.

We have been drastically under-investing in our infrastructure for decades. Fuel taxes have not been adjusted for close to 35 years. For transportation construction, the purchasing power of a dollar in 1990 has now been reduced down to 41-cents. Yet, during that time, the state fuel tax rate has remained at 18-cents a gallon. In addition to inflation, revenue collections are also impacted by continually improving vehicle fuel efficiency standards and the increased use of alternative fuel vehicles. Impacts and demands are also heavily influenced by the aging condition of our infrastructure and the expansion and modernization demands of a State that has continually ranked at or near the top in nationwide population growth for most of the last half century.

Efforts to increase statewide transportation revenues and address the drastic under-investment levels are severely hampered by the super-majority vote requirements of both the legislature and the ballot. Fortunately, over the last five years, short of adjusting the permanent revenue streams, lawmakers have increasingly prioritized transportation infrastructure when one-time revenues have been available for state budget consideration. We appreciate the support provided for both state highway projects and local infrastructure.

In addition to the state highway system, local road networks are also heavily dependent on the Highway User Revenue Fund (HURF). Local governments are prohibited from setting their own transportation user-fee type revenue sources such as fuel and vehicle license taxes. In exchange, they are provided roughly half of what the state collects to build and maintain the local road networks. For that reason, it is highly appropriate for local projects to be considered when one-time state revenues are available.

Local governments are appreciative of this partnership and you will find that most of the local projects selected for HB2304 have some level of local funding contribution and also typically have close proximity and a major impact on a state highway. Thank you for your consideration and support. If you have any questions, please contact Kevin Adam of the Rural Transportation Advocacy Council at [kadam@rtac.net](mailto:kadam@rtac.net) or (480) 577-7209.