

# HURF Sweeps

A look at the last 10 years

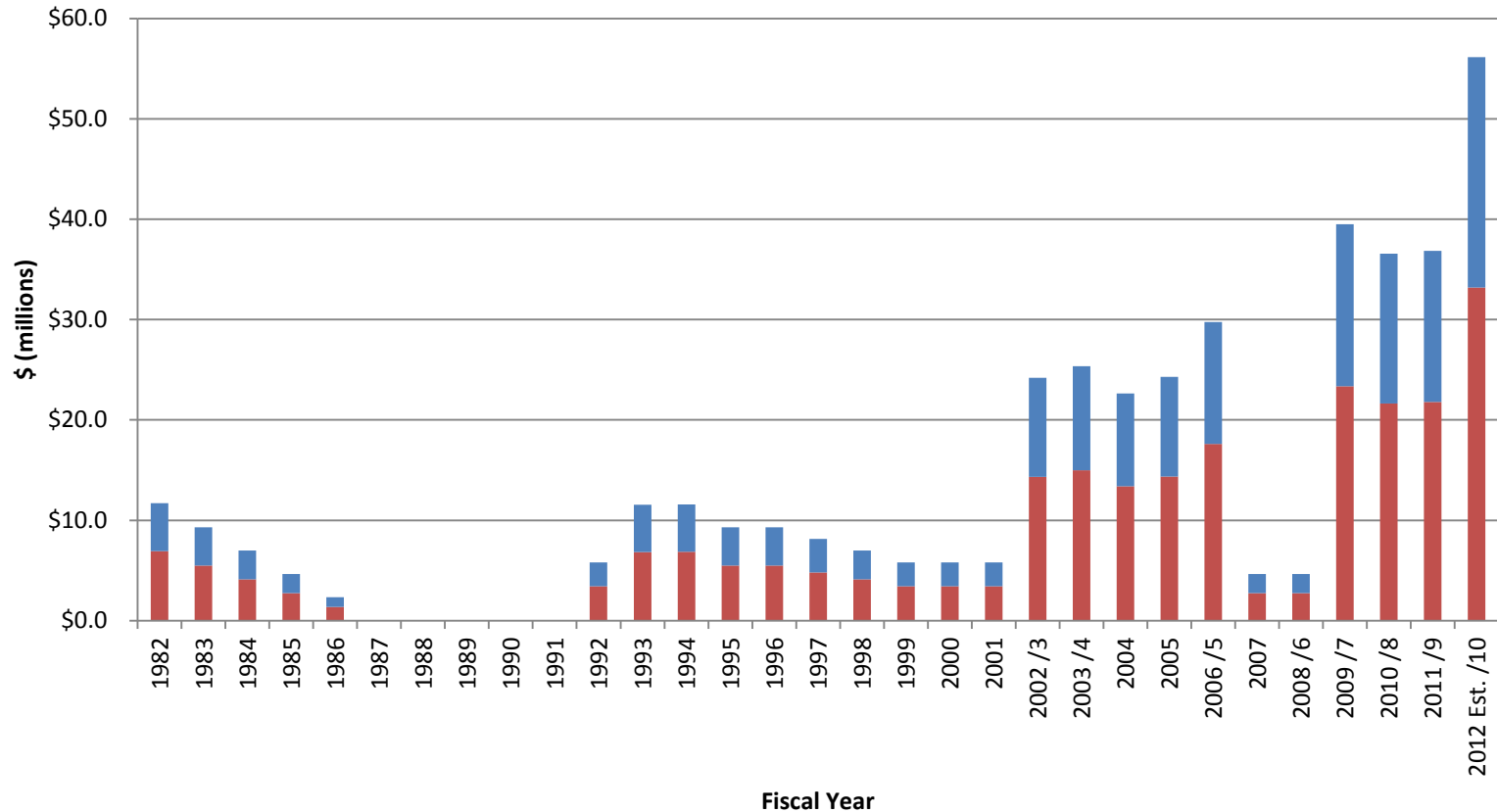
# The Value of HURF

- Highway User Revenue Fund (HURF) means Infrastructure
- Infrastructure means jobs and economic growth
- Let's put Arizona back to work.

# 11 years of Legislative Raids on HURF

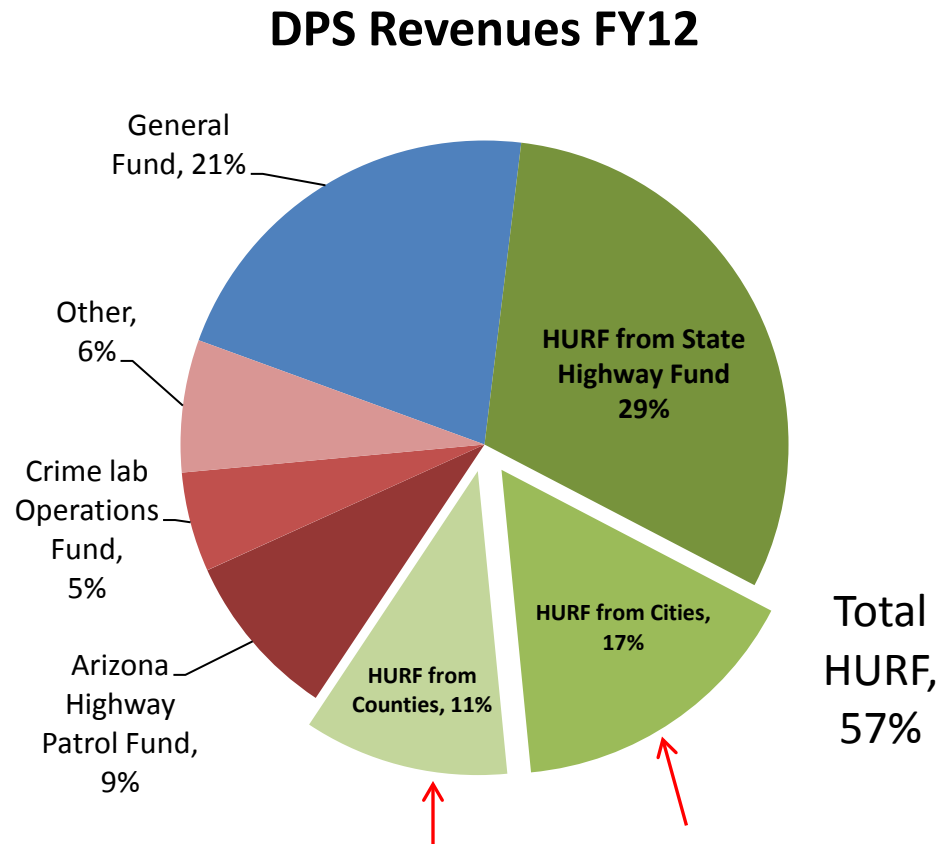
FY 2001-2012	
<b>Total Sweeps (100%):</b>	<b>\$668,000,000</b>
Sweeps from State Highway Fund (50.5%):	\$337,000,000
Sweeps from Cities (30.5%):	\$204,000,000
Sweeps from Counties (19%):	\$127,000,000

# HURF Transfer, Cities and Counties (1982-Present)



# Local Government *Paying* for State Departments

- **\$331 Million** from local government in FY01-12.
- Equates to more than **\$13,000** per DPS employee, per year.
- In FY12, **28%** of DPS' budget will come from HURF funds intended for local government. This is more than the General Fund contribution.

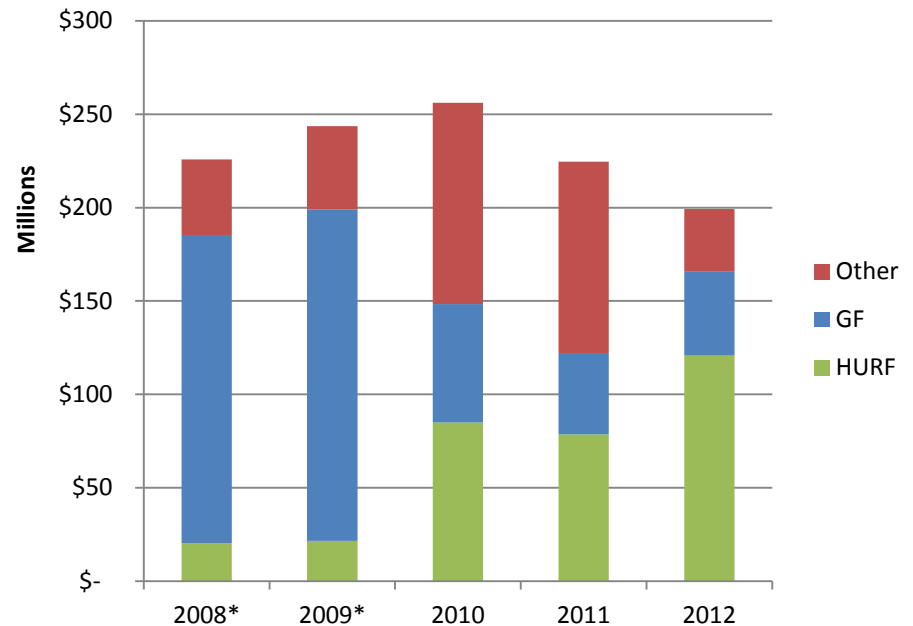


**Local Government "Contribution" to DPS**

# Was it always like this?

- 5 years ago, DPS collected **only 4%** of revenues from HURF. In FY12, DPS will collect **57%** of revenues from HURF.
- If this trend continues, DPS will collect **97%** of revenues from HURF by **2015.\*\***

DPS Revenues,  
(2008-2012)



\* In 2008 and 2009, revenue structure follows ARS §28-6537  
\*\*OLS Regression on 5 year trend of HURF funding as a % of DPS Revenues.

Source: JLBC, 2012 General Appropriations Bill

# It's Getting Worse...

- Currently more than **\$455 Million\*** in backlogs for construction, repair, and maintenance of municipal street projects.
- ADOT **bond rating downgrade** due to:  
  
**“The State's ability to divert, and history of diverting, revenues away from the SHF.”\*\***
- Many cities and towns have been forced to resort to maintenance measures only, creating **potential liability for deteriorating infrastructure.**

# Throttling Economic Development

- \$668 Million lost in non-residential construction means a loss of **19,000 jobs**.
- With AZ construction employment **down 54% since June 2006**, HURF sweeps have only continued to damage this necessary and valuable industry.



# What can be done?

- Return to original Constitutional intent, follow ARS §28-6537
- Stop using city and town funds to pay for State Agencies
- Improve economic development, add jobs, increase roadway quality and safety.