

REFERENCE TITLE: toll road companies; American headquarters

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HB 2087

Introduced by
Representatives Biggs: Murphy, Senator Johnson

AN ACT

AMENDING SECTION 28-7701, ARIZONA REVISED STATUTES; RELATING TO
TRANSPORTATION PROJECT PRIVATIZATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 28-7701, Arizona Revised Statutes, is amended to
3 read:

4 28-7701. Agreements with private entities; limitations

5 A. The department may request competing proposals from private
6 entities by advertising as prescribed in section 28-6923 and may enter into
7 written agreements with private entities relating to both of the following:

- 8 1. The construction of transportation facilities by private entities.
9 2. The lease of transportation facilities constructed pursuant to this
10 article by the department to private entities.

11 B. To facilitate the development of transportation facilities, the
12 agreements with private entities prescribed in subsection A of this section
13 may provide for any of the following:

- 14 1. The lease of state highway rights-of-way.
15 2. The lease of airspace over and under state highways.
16 3. The granting of easements of necessity.
17 4. The issuance of permits or other authorization for the private
18 entities to construct transportation facilities supplemental to existing
19 state transportation facilities.

20 C. An agreement with a private entity entered into pursuant to this
21 section shall provide for all of the following:

22 1. State ownership of the transportation facility constructed by a
23 private entity.

24 2. Lease of the transportation facility to the private entity for a
25 period mutually agreeable to the department and the private entity.

26 3. Notwithstanding section 28-7094, reversion to this state of the
27 transportation facility constructed by the private entity after the
28 expiration of the lease at no expense to this state, as consideration for the
29 lease granted by this state.

30 4. Reimbursement by the private entity to the department or any other
31 state agency for costs incurred after the written agreement is finalized,
32 including the costs of planning, environmental impact assessment, design,
33 maintenance, police services and any other service rendered.

34 5. Authorization for the private entity to impose and collect tolls
35 for the use of a transportation facility constructed by the private entity.

36 6. During the term of the lease, the private entity shall apply toll
37 revenues to:

38 (a) Capital outlay costs for the transportation facility plus interest
39 and principal repayment for any debt incurred.

40 (b) Costs associated with operations, toll collection and
41 administration of the facility.

42 (c) Payment to this state for reimbursement of the costs of
43 maintenance, police and other services if these services are performed by
44 this state pursuant to the written agreement with the private entity.

45 (d) A reasonable return on investment to the private entity.

1 D. The board shall not approve more than two proposals under this
2 article.

3 E. On negotiation of an agreement pursuant to this section, the
4 department shall make a copy of the agreement available at a public hearing
5 at a location convenient to the private entity's project and for at least
6 fifteen days before the public hearing. The notice of the public hearing
7 shall be published in a newspaper that has a circulation of at least fifty
8 thousand copies and that is regularly distributed in the county or counties
9 in which the private entity's project is located. The notice of the public
10 hearing shall announce the availability of the agreement and where a copy of
11 the agreement may be obtained or reviewed and shall state that comments may
12 be submitted in writing to the department within thirty days of the
13 availability of the agreement. The department may revise or renegotiate the
14 agreement based on the public comments it receives.

15 F. After compliance with subsection E of this section, the board may
16 give final approval to the project, project design, connections of the
17 roadway and agreement prescribed in this section and may authorize the
18 director to execute the agreement. The department shall make the agreement
19 submitted for the board's final approval available to the public and shall
20 give public notice of the availability of the agreement at least fifteen days
21 before the meeting of the board at which the approval will be considered.
22 The public notice shall be published in a newspaper that has a circulation of
23 at least fifty thousand copies and that is regularly distributed in the
24 county or counties in which the private entity's project is located and shall
25 specify where a copy of the agreement may be obtained or reviewed.

26 G. THE CORPORATE HEADQUARTERS OF ANY PRIVATE ENTITY THAT SUBMITS A
27 PROPOSAL TO THE DEPARTMENT PURSUANT TO SUBSECTION A OF THIS SECTION OR THAT
28 ENTERS INTO AN AGREEMENT WITH THE DEPARTMENT PURSUANT TO THIS SECTION, OR
29 BOTH, MUST BE LOCATED IN THE UNITED STATES.