Issue Number 1: **APPROVED!**
November 6th General Election

Issue Number 1

Percentage Represents Favorable Votes per County

- Green: Passed
- Red: Failed

Note:
- Red counties won by 8 votes
- Green counties lost by 15 votes
- All other counties won/lost by at least 100 votes
November 6th General Election
How Transportation Fared Nationwide

• Percentage of (31) ballot measures approved: 68

• Measures for increasing, extending or renewing a sales tax: 18

• Bond issues approved: 7

• Total value approved: $2.4 billion

• Average approval rate: 63%
Issue Number 1: What’s Next?

Hire a Program Manager
(January 2013)

Hire a Financial Advisor
(January 2013)

Hire Bond Counsel
(January 2013)
Issue Number 1: What’s Next?

Assign Projects to Existing On-Call Design Consultants (Early 2013)

Schedule Projects (Early 2013)

Issue Bonds (Late 2013)

Award First Contracts (Late 2013)
Challenges

- 12th largest system in the country
- 43rd in highway revenue per mile
- $23 billion in needs
- $4 billion in available revenue
# How We Compare

## Revenue Per Mile

<table>
<thead>
<tr>
<th>State</th>
<th>Miles</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkansas</td>
<td>16,382</td>
<td>$58,536</td>
</tr>
<tr>
<td>Illinois</td>
<td>16,161</td>
<td>$252,000</td>
</tr>
<tr>
<td>California</td>
<td>15,225</td>
<td>$682,000</td>
</tr>
<tr>
<td>New York</td>
<td>15,033</td>
<td>$237,000</td>
</tr>
<tr>
<td>Tennessee</td>
<td>13,793</td>
<td>$108,000</td>
</tr>
<tr>
<td>Florida</td>
<td>12,084</td>
<td>$694,532</td>
</tr>
</tbody>
</table>
Challenges

$100,000,000 Widening Program

$10,000,000 Overlay Program

$25,000,000 Bridge Program
Per-Gallon Tax is the **Primary Funding Source** for Highways

Fuel Consumption is **Declining**

Highway Revenues From Fuel are **Declining**
“. . . recommendations in this report. . . will provide a bold step forward in addressing the systemic flaws and sustainability issues that exist today in funding Arkansas’s roads.”

“The citizens of Arkansas deserve action on this, and they stand to benefit greatly through improvements to safety, mobility, and the economy.”
Revenue Proposals

• Reissue GARVEE Bonds for Interstate Rehabilitation Program

• State Aid Program for Cities

• Temporary One-Half Cent General Sales Tax to Fund a Multi-Year Construction Program

• Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries
Revenue Proposals

“Reissue GARVEE Bonds for Interstate Rehabilitation Program”

• Needed Vote of the People
• $575 Million in Bonds
• No New Taxes
Interstate Rehabilitation Program

1999

50 Projects | 360 Total Miles | $1.0 Billion
Interstate Condition Improved From 21% ‘Good’ to 72%

2011

Passed With 81% of Vote
75 +/- Projects | 455 Total Miles | $1.2 Billion
First Contracts Awarded in November
Interstate Rehabilitation Program

Projects Let to Contract

I-540
7.1 Miles | Hwy. 22 – I-40 | $78.8 Million

I-530
7.4 Miles | Bingham Rd. – Grant Co. Line | $13.5 Million

I-40
7.2 Miles | Mill Creek Rd. – Hwy. 331 | $42.3 Million

** IRP Projects Included in Largest Letting in AHTD History! **
Revenue Proposals

“State Aid Program for Cities”

• Dedicate 1¢ Per Gallon of Existing Motor Fuel Tax
• Identical to County Aid Program
• Funds Distributed by 9-Member Panel
• Passed in 2011; Triggered by Issue #1 Vote
Revenue Proposals

“Temporary One-Half Cent General Sales Tax to Fund a Multi-Year Construction Program”

• Sunset in 10 Years

• Used for Multi-Year Bond Program

• Would Generate $1.8 Billion Total Program

• Recommended to Refer to a Vote of the People
Blue Ribbon Committee Recommendations

“A Three-Course Meal”

★ Reissue GARVEE Bonds for IRP
★ State Aid Program for Cities
★ Issue 1 to Fund a Ten-Year Construction Program
☐ Sales Tax Revenue Transfer
State Revenue Sources

- Registration Fees (20%)
- Severance Tax (10%)
- Permits & Penalties (5%)

65% MOTOR FUELS TAX
State Revenue Sources

- Registration Fees (20%)
- Severance Tax (10%)
- Permits & Penalties (5%)

65% Motor Fuels Tax
Highway Revenue Sources
2012

60% FEDERAL

40% STATE
Highway Revenue Sources

2022

NEED DATA

NEED DATA
State Revenue Sources
State Revenue Sources

- Motor Fuels Tax (65%)
- Registration Fees (20%)
- Severance Tax (10%)
- Permits & Penalties (5%)
State Revenue Sources

Motor Fuels Tax (65%)
Registration Fees (20%)
Severance Tax (10%)
Permits & Penalties (5%)
Revenue Proposals

“Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries”

• Road user taxes

• State General Revenue Must Reach $2.2 Billion

• Transfer Phased in Over 10 Years

• $23 Million to AHTD in First Year (2014?)

• $1.5 Billion to AHTD Over 10 Years