New Name – New Identity

1929
Arkansas Highway and Department of Lands

1977
Arkansas State Highway and Transportation Department

2017
Arkansas Department of Transportation
Mission Statement

Provide safe and efficient transportation solutions to support Arkansas' economy and enhance the quality of life for generations to come.

Adopted June 7, 2017
Core Values

Safety – Safety first in all we do

Public Service – Focus on the greater good

Teamwork – One vision through collaboration and communication

Quality – Deliver reliable transportation solutions

Integrity – Commitment to ethics and transparency

Efficiency – Achieve maximum benefit through fiscal responsibility
Arkansas has the 3rd Lowest Administrative Cost Per Mile in the Nation

Arkansas = $2,107
Surrounding States Average = $4,334
National Average = $9,224
Promises Made

Arkansas Department of Transportation

Promises Kept
1999 Interstate Rehabilitation Program

50 Projects
356 Miles
$973 Million

Prior to Program
63% Poor or Mediocre

After Program
72% Good
2011 Interstate Rehabilitation Program

**Completed**
- 32 Projects
- 205 Miles
- $625 Million

**Under Construction**
- 14 Projects
- 87 Miles
- $492 Million

**Scheduled**
- 37 Projects
- 202 Miles
- $398 Million
Connecting Arkansas Program

**Completed**
- 4 Projects
- 19 Miles
- $141 Million

**Under Construction**
- 9 Projects
- 49 Miles
- $405 Million

**Scheduled**
- 23 Projects
- 117 Miles
- $1.33 Billion
Highway 549 (Future I-49)

Completed
New Location
5.5 Miles
$116 Million
Future Interstate 49

- Highway 22 to Interstate 40
- Alignment Approved 1997
- STIP – Preliminary Engineering $10 M
- Consultant Services
  - Environmental Reassessment
  - Conceptual Design
  - Cost Estimate
  - Toll Feasibility
  - Design/Build/Finance/Operate/Maintain
Interstate 40

Completed
Resurfacing
13.9 Miles
$8.4 Million

Scheduled
Resurfacing
17.0 Miles
$10-$15 Million
Completed
Reconstruction & Bridge Replacement
9.7 Miles
$75.2 Million

Scheduled
Resurfacing
3.9 Miles
$10-$15 Million
Highway 162

Substantially Complete
New Location
0.7 Miles
$9.6 Million

Partnering Project
Highway 71 / Highway 162

Under Construction
Resurfacing
1.6 Miles
$1.0 Million
Highway 282

Under Construction
Resurfacing
10.1 Miles
$1.6 Million
Highway 64B

Under Construction
Resurfacing
1.1 Miles
$380,000
Highway 64

Scheduled
Replace 2 Bridges
$1-$5 Million
Highway Condition and Needs
All State Highways – Including Interstates

Current Condition

- Poor: 13%
- Fair: 52%
- Good: 35%

2027 Pavement Preservation Capacity

- Poor: 21%
- Fair: 40%
- Good: 39%
Sebastian County Highway, 255 Section 4, 5X and 5 Log mile 0.00 - 4.48, 0.00 - 0.387 and 0.00 - 1.00 Truck Route on west side of Fort Smith through downtown
## Summary of Needs – 10 Years

<table>
<thead>
<tr>
<th>NEEDS CATEGORY</th>
<th>COST (x $1 M)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>System Preservation</strong></td>
<td></td>
</tr>
<tr>
<td>Pavement</td>
<td>$3,438</td>
</tr>
<tr>
<td>Bridges</td>
<td>$1,238</td>
</tr>
<tr>
<td><strong>Capacity</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$3,236</td>
</tr>
<tr>
<td><strong>Safety</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$787</td>
</tr>
<tr>
<td><strong>Maintenance</strong></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>$202</td>
</tr>
<tr>
<td>Facilities</td>
<td>$70</td>
</tr>
<tr>
<td>ITS</td>
<td>$30</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$9,001</td>
</tr>
</tbody>
</table>
## Summary: Needs vs Revenue – 10 Years

### 2016 Dollars

<table>
<thead>
<tr>
<th>Description</th>
<th>AMOUNT (x $1 M)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ESTIMATED REVENUE</strong>&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>$4,415</td>
</tr>
<tr>
<td>Federal-aid + State</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL NEEDS</strong>&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>$9,001</td>
</tr>
<tr>
<td>Pavement, Bridges, Capacity, Safety, Equipment, Facilities, ITS</td>
<td></td>
</tr>
<tr>
<td><strong>SHORTFALL</strong></td>
<td>$4,586</td>
</tr>
</tbody>
</table>

---

<sup>(1)</sup> Revenue Not Currently Dedicated to Routine Maintenance, Administration and Operations

<sup>(2)</sup> Does Not Include Economic Development Connectors or Congressionally-Designated High Priority Corridors
## Summary of Remaining Cost

### Capital Improvements for Economic Development

<table>
<thead>
<tr>
<th>IMPROVEMENT CATEGORY</th>
<th>COST (x $1 M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four-Lane Grid System</td>
<td></td>
</tr>
<tr>
<td>High Priority Corridors (Future Interstates)</td>
<td>$7,022</td>
</tr>
<tr>
<td>High Priority Corridors (Other)</td>
<td>$2,528</td>
</tr>
<tr>
<td>Remaining Four-Lane Grid</td>
<td>$2,247</td>
</tr>
<tr>
<td>Other Regional Connections</td>
<td>$562</td>
</tr>
<tr>
<td>Economic Development Connections</td>
<td>$337</td>
</tr>
<tr>
<td>New Location Routes / New or Modified Interchanges</td>
<td>$921</td>
</tr>
<tr>
<td>Other Major Widening</td>
<td>$258</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$13,876</strong></td>
</tr>
</tbody>
</table>
## Summary: Needs & Capital Improvements vs Revenue

### 2016 Dollars

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (x $1 M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Federal-Aid + State Revenue (10 Years)</td>
<td>$4,415</td>
</tr>
<tr>
<td>Total System Preservation Needs (10 Years) (Pavement, Bridges, Capacity,</td>
<td>$9,001</td>
</tr>
<tr>
<td>Safety Equipment, Facilities)</td>
<td></td>
</tr>
<tr>
<td>Total Capital Improvements</td>
<td>$13,876</td>
</tr>
<tr>
<td><strong>TOTAL NEEDS</strong></td>
<td><strong>$22,878</strong></td>
</tr>
<tr>
<td><strong>SHORTFALL</strong></td>
<td><strong>$18,463</strong></td>
</tr>
</tbody>
</table>
How Did We Get Here?
Challenges

- 12th largest system in the country
- 42nd in highway revenue per mile.

- $9 billion in needs
- $4.4 billion in available revenue
$100,000,000 Widening Program

THEN

22 years ago, in 1995, 33 miles of Highway could be widened.

NOW

As of 2015, using the same resources, only 15 miles of Highway could be widened.
22 years ago, in 1995, **200 miles** of Highway could be overlaid.

As of 2015, using the same resources, only **54 miles** of Highway could be overlaid.
Average Monthly Household Expenditures

- Electricity/Gas: $160.00
- TV/Internet: $124.00
- Telephone: $161.00
- Roads: $46.00
Where Are We Going?
"As to the long-term solutions, it emphasizes that it is difficult to get a referral of this General Assembly out to the voters, and that I hope the leadership of our state and the business community and others will look at an initiated act that might go on the ballot for a highway program," he said. "Otherwise, we'll continue to debate the long-term solution in future sessions."

Governor Asa Hutchinson
Looking Forward

“We proved we can’t do it through the legislative process so far with the political situation we’re in. It’s got to be a ballot initiative.”

Representative Dan Douglas
R-Bentonville
Governor’s Highway Funding Working Group

- Immediate: $50 Million
- Short-term (0-3 years): $110 Million
- Mid-term (3-5 years): $250 Million
- Long-term (6-9 years): $400 Million

All figures are annual amounts for state highways.
## Revenue Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Highway Revenue&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Cent Motor Fuel Tax Increase</td>
<td>$ 14 M</td>
</tr>
<tr>
<td>Remove Sales Tax Exemption (Wholesale $1.70 per Gallon)&lt;sup&gt;2&lt;/sup&gt;</td>
<td>$ 108 M</td>
</tr>
<tr>
<td>6.5% Sales Tax (Wholesale $1.70 per Gallon)</td>
<td>$ 156 M</td>
</tr>
<tr>
<td>$10 Registration Fee Increase (Cars and Pickups)</td>
<td>$ 19 M</td>
</tr>
<tr>
<td>Transfer Sales Tax on New and Used Vehicles&lt;sup&gt;2&lt;/sup&gt;</td>
<td>$ 228 M</td>
</tr>
<tr>
<td>Transfer Sales Tax on Auto Repair Parts, Services, etc.&lt;sup&gt;2&lt;/sup&gt;</td>
<td>$ 74 M</td>
</tr>
<tr>
<td>1% General Sales Tax</td>
<td>$ 344 M</td>
</tr>
</tbody>
</table>

<sup>1</sup> Amount shown is annual net to highways – after deduction for CFA/CSF and 30% to cities and counties.

<sup>2</sup> Transfer of 4.5% (“general” portion of statewide sales tax)
## Options for Generating Additional Revenue

<table>
<thead>
<tr>
<th>Source</th>
<th>$200 Million for Highways&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>$300 Million for Highways&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>$400 Million for Highways&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Tax</td>
<td>14.2¢</td>
<td>21.3¢</td>
<td>28.4¢</td>
</tr>
<tr>
<td>Sales Tax on Fuel (wholesale)</td>
<td>8.33%</td>
<td>12.5%</td>
<td>16.67%</td>
</tr>
<tr>
<td>Registration Fee</td>
<td>$104</td>
<td>$156</td>
<td>$208</td>
</tr>
<tr>
<td>General Sales Tax&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>0.58%</td>
<td>0.87%</td>
<td>1.16%</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Amount shown is annual net to highways – after deduction for CFA/CSF and 30% to cities and counties.

<sup>(2)</sup> Transfer of 4.5% (“general” portion of statewide sales tax)
Total Road User Revenue
$1,076.5 Million

Distribution:

General Revenue
$460.7 Million (43%)

Highway Revenue
$615.9 Million (57%)
## Possible Initiated Act

<table>
<thead>
<tr>
<th>Year</th>
<th>Road User Revenue 5-Year Phase-In</th>
<th>Increase Motor Fuel Tax Gasoline + 5 cents Diesel + 10 cents 3-Year Phase-In Indexed for Inflation After 2022 Not to Exceed 2% Per Year</th>
<th>Act 1 Repealed Securities Reserve + Surplus</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$ 96.4</td>
<td>$ 44.9</td>
<td>$ (68.0)</td>
<td>$ 73.3</td>
<td>$ 51.3</td>
</tr>
<tr>
<td>2021</td>
<td>$ 196.7</td>
<td>$ 90.7</td>
<td>$ (68.0)</td>
<td>$ 219.4</td>
<td>$ 153.6</td>
</tr>
<tr>
<td>2022</td>
<td>$ 301.0</td>
<td>$ 138.7</td>
<td>$ (68.0)</td>
<td>$ 371.7</td>
<td>$ 260.2</td>
</tr>
<tr>
<td>2023</td>
<td>$ 409.4</td>
<td>$ 140.1</td>
<td>$ (68.0)</td>
<td>$ 481.5</td>
<td>$ 337.0</td>
</tr>
<tr>
<td>2024</td>
<td>$ 521.9</td>
<td>$ 141.5</td>
<td>$ (68.0)</td>
<td>$ 595.5</td>
<td>$ 416.8</td>
</tr>
</tbody>
</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024** $ 595.5 $ 416.8
Possible Initiated Act

<table>
<thead>
<tr>
<th>Year</th>
<th>Road User Revenue 5-Year Phase-In</th>
<th>Increase Diesel + 2 cents Indexed for Inflation Not to Exceed 2% Per Year</th>
<th>Renew 1/4 cent Sales Tax</th>
<th>Act 1 Repealed Securities Reserve + Surplus</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$96.4</td>
<td>$12.4</td>
<td></td>
<td>$ (68.0)</td>
<td>$40.9</td>
<td>$28.6</td>
</tr>
<tr>
<td>2021</td>
<td>$196.7</td>
<td>$12.5</td>
<td></td>
<td>$ (68.0)</td>
<td>$141.3</td>
<td>$98.9</td>
</tr>
<tr>
<td>2022</td>
<td>$301.0</td>
<td>$12.7</td>
<td></td>
<td>$ (68.0)</td>
<td>$245.7</td>
<td>$172.0</td>
</tr>
<tr>
<td>2023</td>
<td>$409.4</td>
<td>$12.8</td>
<td></td>
<td>$ (68.0)</td>
<td>$354.2</td>
<td>$247.9</td>
</tr>
<tr>
<td>2024</td>
<td>$521.9</td>
<td>$12.9</td>
<td>$144.1</td>
<td>$ (68.0)</td>
<td>$611.0</td>
<td>$427.7</td>
</tr>
</tbody>
</table>

TOTAL TO THE HIGHWAY FUND IN YEAR 2024 $611.0 $427.7
<table>
<thead>
<tr>
<th>Year</th>
<th>Partial Road User Revenue (Does NOT Include Auto Repair, Parts and Services) 5-Year Phase-In</th>
<th>Add Excise Tax to Motor Fuels (wholesale price) 6%</th>
<th>Act 1 Repealed Securities Reserve + Surplus</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$ 73.5</td>
<td>$ 222.7</td>
<td>$ (68.0)</td>
<td>$ 228.2</td>
<td>$ 159.7</td>
</tr>
<tr>
<td>2021</td>
<td>$ 150.0</td>
<td>$ 227.2</td>
<td>$ (68.0)</td>
<td>$ 309.1</td>
<td>$ 216.4</td>
</tr>
<tr>
<td>2022</td>
<td>$ 229.4</td>
<td>$ 231.7</td>
<td>$ (68.0)</td>
<td>$ 393.1</td>
<td>$ 275.2</td>
</tr>
<tr>
<td>2023</td>
<td>$ 312.0</td>
<td>$ 236.3</td>
<td>$ (68.0)</td>
<td>$ 480.4</td>
<td>$ 336.3</td>
</tr>
<tr>
<td>2024</td>
<td>$ 397.8</td>
<td>$ 241.1</td>
<td>$ (68.0)</td>
<td>$ 570.9</td>
<td>$ 399.6</td>
</tr>
</tbody>
</table>

TOTAL TO THE HIGHWAY FUND IN YEAR 2024 $ 570.9 $ 399.6
### Possible Initiated Act

<table>
<thead>
<tr>
<th>Year</th>
<th>Add Excise Tax to Motor Fuels (wholesale price) 6%</th>
<th>Increase Registration Fees on Autos and Pickups by $20</th>
<th>Renew 1/2 cent Sales Tax</th>
<th>Act 1 Repealed Securities Reserve + Surplus</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$222.7</td>
<td>$57.2</td>
<td></td>
<td>$ (68.0)</td>
<td>$211.9</td>
<td>$148.3</td>
</tr>
<tr>
<td>2021</td>
<td>$227.2</td>
<td>$57.7</td>
<td></td>
<td>$ (68.0)</td>
<td>$216.9</td>
<td>$151.8</td>
</tr>
<tr>
<td>2022</td>
<td>$231.7</td>
<td>$58.3</td>
<td></td>
<td>$ (68.0)</td>
<td>$222.0</td>
<td>$155.4</td>
</tr>
<tr>
<td>2023</td>
<td>$236.3</td>
<td>$58.9</td>
<td></td>
<td>$ (68.0)</td>
<td>$227.2</td>
<td>$159.1</td>
</tr>
<tr>
<td>2024</td>
<td>$241.1</td>
<td>$59.5</td>
<td>$288.3</td>
<td>$ (68.0)</td>
<td>$520.8</td>
<td>$364.6</td>
</tr>
</tbody>
</table>

**TOTAL ADDITIONAL TO THE HIGHWAY FUND IN YEAR 2024** $520.8 $364.6
Possible Initiated Act

CITIZENS OPINION SURVEY ON HIGHWAYS IN ARKANSAS

MAIL OR EMAIL RESPONSES TO:
ARIDOT
Public Information
P.O. Box 2281
Little Rock, AR 72203
info@arkansashighways.com

Are you satisfied with the condition of the existing state highway system?

○ Yes ○ No

What highways in your area need improvements, and what type of improvements do they need?

Priority 1: ___________________________
Priority 2: ___________________________
Priority 3: ___________________________
Priority 4: ___________________________

If you want better highway conditions, the Arkansas Department of Transportation will need additional funds. Would you support a new highway program that would generate additional revenue?

○ Yes ○ No

Which of the following sources do you recommend be utilized in obtaining additional funds (check all that apply):

☐ Increase in gas tax
☐ Increase in diesel tax
☐ Increase in sales tax (dedicated to highways)
☐ Increase in vehicle registration fees
☐ Add sales tax on wholesale price of motor fuels
☐ Transfer existing sales and use tax on motor vehicles and related parts and service (currently collected but not paid to highways)
☐ Other (please specify):

Would you be willing to sign a petition to put a highway revenue proposal on the 2018 general election ballot?

○ Yes ○ No

If Yes, what County do you live in?

(Optional) Contact Information: name, email, etc.

Online Form Available Here: www.ArkansasHighways.com
Mission Statement

Provide safe and efficient transportation solutions to support Arkansas’ economy and enhance the quality of life for generations to come.

$1 Billion in Highway Investment = 22,000 Jobs
Total Road User Revenue
$1,076.5 Million

Distribution:

General Revenue
$460.7 Million (43%)

Highway Revenue
$615.9 Million (57%)
Arkansas Department of Transportation

- ArkansasHighways.com
- ConnectingArkansasProgram.com
- Vimeo.com/AHTD
- IDriveArkansas.com
- Twitter.com @AHTD
Questions?