Arkansas State Highway Commission Meeting

Wednesday, July 26, 2017
Agenda Item 2

Commending District 10 and

Heavy Bridge Maintenance Section
Thursday, July 6
Monday, July 10
Appreciation
Agenda Item 3
Consideration of Minute Orders
Agenda Item 4
State Highway Revenue Update
### JUNE 2016-2017 REVENUE

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Fuel Registration</td>
<td>$280.0</td>
<td>$287.1</td>
</tr>
<tr>
<td>Permits &amp; Penalties</td>
<td>$91.9</td>
<td>$89.1</td>
</tr>
<tr>
<td>Other</td>
<td>$16.3</td>
<td>$15.8</td>
</tr>
<tr>
<td>Natural Gas Severance Tax</td>
<td>$6.7</td>
<td>$6.8</td>
</tr>
<tr>
<td>Interest</td>
<td>$21.1</td>
<td>$25.3</td>
</tr>
<tr>
<td>Diesel Tax</td>
<td>$5.2</td>
<td>$5.4</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$406.3</strong></td>
<td><strong>$411.6</strong></td>
</tr>
</tbody>
</table>

**Variance**
- Motor Fuel Registration: $5.1 (1.8%)
- Permits & Penalties: -$2.8 (-3.1%)
- Other: -$0.5 (-3.1%)
- Natural Gas Severance Tax: $0.1 (1.5%)
- Interest: $4.2 (19.9%)
- Diesel Tax: $0.2 (3.9%)
- Total Revenues: -$1.0 (-5.9%)
- **Total Revenue Variance**: $5.3 (1.3%)

**Revenue Variance**
- Motor Fuel Registration: $5.1 (1.8%)
- Permits & Penalties: -$2.8 (-3.1%)
- Other: -$0.5 (-3.1%)
- Natural Gas Severance Tax: $0.1 (1.5%)
- Interest: $4.2 (19.9%)
- Diesel Tax: $0.2 (3.9%)
- Total Revenues: -$1.0 (-5.9%)
- **Total Revenue Variance**: $5.3 (1.3%)

(MILLIONS)
FY 2017 BUDGETED VS. ACTUAL - JUNE

<table>
<thead>
<tr>
<th>VARIANCE</th>
<th>MOTOR FUEL</th>
<th>REGISTRATION</th>
<th>PERMITS &amp; PENALTIES</th>
<th>OTHER</th>
<th>NATURAL GAS SEVERANCE TAX</th>
<th>INTEREST</th>
<th>DIESEL TAX</th>
<th>TOTAL REVENUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>% CHANGE</td>
<td>6.7%</td>
<td>8.7%</td>
<td>-11.7%</td>
<td>15.3%</td>
<td>-5.2%</td>
<td>58.8%</td>
<td>-8.5%</td>
<td>5.9%</td>
</tr>
<tr>
<td>$17.9</td>
<td>$269.2</td>
<td>$82.0</td>
<td>$17.9</td>
<td>$5.9</td>
<td>$26.7</td>
<td>$3.4</td>
<td>$2.0</td>
<td>$388.6</td>
</tr>
<tr>
<td>$7.1</td>
<td>$287.1</td>
<td>$89.1</td>
<td>$15.8</td>
<td>$6.8</td>
<td>$25.3</td>
<td>$5.4</td>
<td>$1.4</td>
<td>$411.6</td>
</tr>
<tr>
<td>$-2.1</td>
<td>$-16.5</td>
<td>$-17.9</td>
<td>$-2.1</td>
<td>$-5.2</td>
<td>$-1.4</td>
<td>$-1.4</td>
<td>$-1.4</td>
<td>$-16.5-$17.9</td>
</tr>
</tbody>
</table>

(MILLIONS)
JUNE 2016-2017 FUEL CONSUMPTION

| VARIANCE | 42.4 | 35.0 | -0.10 | 77.3 |
| % CHANGE | 2.9% | 5.7% | -9.2% | 3.7% |

FY 2016 FY 2017
GASOLINE 1,468.3 1,510.7
DIESEL 617.4 652.4
ALTERNATIVE FUELS 1.040 0.944
TOTAL 2,086.8 2,164.0
<table>
<thead>
<tr>
<th>Fuel</th>
<th>Previous 12 Months (millions)</th>
<th>Current 12 Months (millions)</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline</td>
<td>1,468,301,107</td>
<td>1,510,760,000</td>
<td>2.89%</td>
</tr>
<tr>
<td>Diesel</td>
<td>617,439,245</td>
<td>652,411,789</td>
<td>5.66%</td>
</tr>
<tr>
<td>Alternative</td>
<td>1,040,170</td>
<td>944,223</td>
<td>-9.22%</td>
</tr>
<tr>
<td>Total</td>
<td>2,086,780,522</td>
<td>2,164,116,072</td>
<td>3.71%</td>
</tr>
<tr>
<td>Mon</td>
<td>Projected Net</td>
<td>Actual Receipts</td>
<td>Variance</td>
</tr>
<tr>
<td>-----</td>
<td>---------------</td>
<td>-----------------</td>
<td>----------</td>
</tr>
<tr>
<td>Jul</td>
<td>15,050,000</td>
<td>14,379,331</td>
<td>(670,669)</td>
</tr>
<tr>
<td>Aug</td>
<td>15,470,000</td>
<td>14,938,713</td>
<td>(531,287)</td>
</tr>
<tr>
<td>Sept</td>
<td>15,540,000</td>
<td>14,919,739</td>
<td>(620,261)</td>
</tr>
<tr>
<td>Oct</td>
<td>14,840,000</td>
<td>14,758,990</td>
<td>(81,020 )</td>
</tr>
<tr>
<td>Nov</td>
<td>14,560,000</td>
<td>13,957,069</td>
<td>(602,931)</td>
</tr>
<tr>
<td>Dec</td>
<td>14,420,000</td>
<td>15,217,841</td>
<td>797,841</td>
</tr>
<tr>
<td>Jan</td>
<td>15,330,000</td>
<td>15,126,234</td>
<td>(203,766)</td>
</tr>
<tr>
<td>Feb</td>
<td>13,650,000</td>
<td>13,436,898</td>
<td>(213,102)</td>
</tr>
<tr>
<td>Mar</td>
<td>15,190,000</td>
<td>14,499,139</td>
<td>(690,861)</td>
</tr>
<tr>
<td>Apr</td>
<td>14,770,000</td>
<td>14,469,768</td>
<td>(300,232)</td>
</tr>
<tr>
<td>May</td>
<td>14,980,000</td>
<td>14,449,556</td>
<td>(530,444)</td>
</tr>
<tr>
<td>Jun</td>
<td>14,630,000</td>
<td>15,265,462</td>
<td>635,462</td>
</tr>
<tr>
<td>Total</td>
<td>178,430,000</td>
<td>175,418,731</td>
<td>(3,011,269)</td>
</tr>
</tbody>
</table>
### Half-Cent Sales Tax
**Projected vs Actual**

<table>
<thead>
<tr>
<th>Projected Net</th>
<th>Actual Receipts</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>$666,610,000</td>
<td>$663,731,713</td>
<td>$(2,878,287)</td>
<td>-0.43%</td>
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</tbody>
</table>
Agenda Item 5

Status of Federal Highway and Transit Funding Issues
Looking Forward to 2018 and Beyond

- Federal Fiscal Year 2018
  - FAST Act Funding Levels for Highways are Honored
  - TIGER is Eliminated
  - Transit Funding Cut
- Federal Fiscal Year 2019 and 2020 Levels Capped
- Beyond Federal Fiscal Year 2020 – 40% Reduction
Federal vs. State Funding

1993 Highway Funding Breakdown
- State: 64%
- Federal: 36%

2017 Highway Funding Breakdown
- State: 46%
- Federal: 54%
Looking Forward to 2018 and Beyond

• Call for Highway Trust Fund Fix
  • Bipartisan Majority of the House of Representatives
  • Long Term Solution

• House Appropriations Committee Approves Legislation

• House Legislation
  • Eliminates TIGER
  • Reduces Funding for Transit
Infrastructure For Rebuilding America (INFRA) Grants

• Replaces FASTLANE Grants

• Key Objectives
  ✓ Support Economic Vitality
  ✓ Leverage Federal Funding
  ✓ Use Innovative Approaches
  ✓ Hold Grants Recipients Accountable

• Applications Due November 2, 2017

• Eligible Projects

• Funding Breakdown
INFRA Grants Applications

Bella Vista Bypass
Joint Application with Missouri
Would Complete 4-Lane to Pineville, MO

Highway 70 to Sevier Street
Widen to 6-Lanes
Includes Interchange Improvements
INFRA Grants Applications

30 Crossing
- Widen to 6-Lanes
- Includes Interchange Improvements

Baptist Hospital to University Ave.
- Widen to 6-Lanes
- Includes Interchange Improvements

Interstate 555 Improvements
- Pavement and Bridge Preservation Projects
Agenda Item 6
2011 Interstate Rehabilitation Program and Connecting Arkansas Program
Hwy. 104 - Hwy. 65B (F)

Completed
Miles: 205
Amount: $625 M
Interstate Rehabilitation Program

Under Construction
Miles: 97
Amount: $559 M

Hwy. 65B - Hwy. 65 (F)
Scheduled for 2017
Amount: $1 - $5 M
Scheduled for 2018
Miles: 6
Amount: $77 M
Scheduled for 2019-2023
Miles: 185
Amount: $264 M
Completed
Miles: 19
Amount: $141 M
Under Construction

Miles: 53
Amount: $427 M
Connecting Arkansas Program

Scheduled for 2017
Miles: 43
Amount: $317 M
Connecting Arkansas Program

Scheduled for 2018-2020
Miles: 70
Amount: $990 M
Agenda Item 7
Transportation News
Texas P3 Project Exits Bankruptcy

- SH130 Concession Company Recently Exited Bankruptcy
- Operates 41-mile Toll Road
- Split Tolls with TxDOT
- Opened in 2012
- Filed Bankruptcy in 2014
Indiana Takes Over Failed Privatized Highway

• I-69 Project – 21 Miles – $476 Million
• Began in 2014
• Behind Schedule
• Company Filed for Bankruptcy
• State to Assume Financial Risk, Operate and Maintain
Oregon Approves Transportation Bill

- $5.3 Billion Over Next 10 Years
- Increases Taxes and Fees
- Received Broad Support
West Virginia Approves Increased Transportation Funding

- Provides Up To $2.8 Billion
- Creates Nearly 48,000 Jobs
- Fuel Tax Increased
- Fees Increased
Agenda Item 8
Consultant Selection: On-Call Right of Way Acquisition Services (2017-2020)
Agenda Item 9
Bid Letting Results
July 19, 2017
## Summary of the July 19th Bid Letting

<table>
<thead>
<tr>
<th>Type Projects</th>
<th>Number of Projects</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>18</td>
<td>125,546,032</td>
</tr>
<tr>
<td>City</td>
<td>13</td>
<td>4,263,115</td>
</tr>
<tr>
<td>County</td>
<td>21</td>
<td>6,777,165</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52</strong></td>
<td><strong>136,586,312</strong></td>
</tr>
</tbody>
</table>
# Details of the July 19th Bid Letting

<table>
<thead>
<tr>
<th>Route</th>
<th>County</th>
<th>Job Name</th>
<th>Contractor</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>77</td>
<td>Crittenden</td>
<td>I-40 – North (Hwy. 77)</td>
<td>APAC-Tennessee</td>
<td>1,042,595</td>
</tr>
<tr>
<td>530</td>
<td>Jefferson</td>
<td>Hwy. 65B – Hwy. 65</td>
<td>Webber, LLC</td>
<td>67,232,300</td>
</tr>
<tr>
<td>65B</td>
<td>Jefferson</td>
<td>Bryant St. – Convention Center Drive (Pine Bluff)</td>
<td>Redstone Construction Group</td>
<td>4,335,723</td>
</tr>
<tr>
<td>40</td>
<td>Franklin</td>
<td>I-40 Slide Repair (Ozark)</td>
<td>No Bids Received</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Fulton</td>
<td>Izard Co. Line – Hwy. 62</td>
<td>All Bids Rejected</td>
<td></td>
</tr>
<tr>
<td>356</td>
<td>Cleburne</td>
<td>Hwy. 25 – Hwy. 225 (Quitman)</td>
<td>Atlas Asphalt</td>
<td>291,018</td>
</tr>
</tbody>
</table>
## Details of the July 19th Bid Letting

<table>
<thead>
<tr>
<th>Route</th>
<th>County</th>
<th>Job Name</th>
<th>Contractor</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>62</td>
<td>Fulton</td>
<td>Hwy. 289 – West</td>
<td>Atlas Asphalt</td>
<td>420,478</td>
</tr>
<tr>
<td>122</td>
<td>Independence</td>
<td>Hwy. 14 – North</td>
<td>Asphalt Producers</td>
<td>474,496</td>
</tr>
<tr>
<td>323</td>
<td>Prairie</td>
<td>Biene Creek Culvert Replacement</td>
<td>Mobley Contractors</td>
<td>547,858</td>
</tr>
<tr>
<td>167</td>
<td>Calhoun</td>
<td>Hampton – Hwy. 274 (Widening)</td>
<td>McGeorge Contracting</td>
<td>21,759,588</td>
</tr>
<tr>
<td>60</td>
<td>Perry</td>
<td>New Dixie – Sweet Home</td>
<td>Rogers Group</td>
<td>1,520,392</td>
</tr>
<tr>
<td>64</td>
<td>Johnson</td>
<td>Franklin Co. Line – Coal Hill (Sel. Secs.)</td>
<td>All Bids Rejected</td>
<td></td>
</tr>
</tbody>
</table>
## Details of the July 19th Bid Letting

<table>
<thead>
<tr>
<th>Route</th>
<th>County</th>
<th>Job Name</th>
<th>Contractor</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Yell</td>
<td>Dale Bend Road – Redbud Lane (Ola) (Sel. Secs.)</td>
<td>Blackstone Construction</td>
<td>664,216</td>
</tr>
<tr>
<td>65</td>
<td>Newton &amp; Searcy</td>
<td>Western Grove – St. Joe</td>
<td>APAC-Central</td>
<td>3,561,903</td>
</tr>
<tr>
<td>94 &amp; 264</td>
<td>Benton</td>
<td>Hwys. 94 &amp; 264 (Sel. Secs.)</td>
<td>APAC-Central</td>
<td>891,346</td>
</tr>
<tr>
<td>135</td>
<td>Greene</td>
<td>Craighead Co. Line – North</td>
<td>No Bids Received</td>
<td></td>
</tr>
<tr>
<td>139</td>
<td>Clay</td>
<td>Hwy. 90 – North</td>
<td>Delta Asphalt</td>
<td>485,055</td>
</tr>
<tr>
<td>163</td>
<td>Poinsett</td>
<td>Hwy. 14 – Hwy. 214</td>
<td>Atlas Asphalt</td>
<td>749,299</td>
</tr>
<tr>
<td>Route</td>
<td>County</td>
<td>Job Name</td>
<td>Contractor</td>
<td>Award Amount</td>
</tr>
<tr>
<td>-------</td>
<td>-----------------</td>
<td>-----------------------------------------------</td>
<td>-----------------</td>
<td>--------------</td>
</tr>
<tr>
<td>140</td>
<td>Mississippi</td>
<td>Hwy. 136 – East</td>
<td>Delta Asphalt</td>
<td>1,414,643</td>
</tr>
<tr>
<td>135</td>
<td>Poinsett</td>
<td>Hwy. 140 North &amp; South (Lepanto)</td>
<td>Atlas Asphalt</td>
<td>503,199</td>
</tr>
<tr>
<td>226</td>
<td>Craighead</td>
<td>Jonesboro City Limits – Hwy. 63 (Jonesboro)</td>
<td>Atlas Asphalt</td>
<td>502,828</td>
</tr>
<tr>
<td>64</td>
<td>White, Woodruff, &amp; Cross</td>
<td>Hwy. 367 – Crittenden Co. Line</td>
<td>Atlas Asphalt</td>
<td>19,149,095</td>
</tr>
</tbody>
</table>
Agenda Item 10

Possible 2018 Ballot Measure
Possible 2018 Initiated Act Timeline

✓ June 7, 2017 – Decision on whether to pursue

✓ June – October 2017 – Discussion, stakeholder meetings, and possible polling

- October 18, 2017 – Decision on funding proposal
- Early November 2017 – Begin development of ballot language
- Early January 2018 – Submit ballot language to Attorney General
- February – June 2018 – Publish ballot language in statewide newspaper
- February – June 2018 – Signature collection
- July 13, 2018 – Deadline to file petitions with Secretary of State
- November 14, 2018 – General election
Where We’ve Been

ARKANSAS
HIGHWAY NEEDS AND FINANCES
1974 to 1988
FOR
STATE HIGHWAYS, COUNTY ROADS
AND CITY STREETS

A REPORT TO:
THE ARKANSAS HIGHWAY NEEDS STUDY COMMITTEE,
ARKANSAS LEGISLATURE COUNCIL,
SEPTEMBER, 1988

BY:
R. A. KOLBIS ASSOCIATES, INC.,
3215 Excutive Boulevard
Bethesda, Maryland 20814

FINAL REPORT
December 1, 2010

GOVERNOR’S WORKING GROUP
ON
HIGHWAY FUNDING
Short-Term Recommendation

December 15, 2015
Presented to:
The Honorable Asa Hutchinson, Governor
“Recent national studies have shown that the nation’s highways are deteriorating faster than they are being improved. This is not the fault of the nation’s highway departments. It is the fault of too little funding.”
“In funding highway needs, legislators are faced with the problem of assessing their relative impact in a climate of general opposition to increased taxes which provide the sources of funds. As a result, it is not uncommon to find highway needs studies resulting in little or no legislative action.”
Where We’ve Been

1985 – Rural Road Program
‘Getting Arkansas Out of the Mud’

1991 – Highway Improvement Program
“In all cases, it should be recognized that bond financing constitutes a borrowing on future revenue and is not a new source of revenue… If a program of bond financing is adopted by the state, provision must still be made to obtain additional revenues to provide for all of the needs and requirements, including the repayment of the bonds.”
Where We’re Going

CITIZENS OPINION SURVEY ON HIGHWAYS IN ARKANSAS

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 State Highway and Transportation Department will need additional funds. Would you support a new highway program that would generate additional revenues?
▷ 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 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

Would you be willing to sign a petition to put a highway revenue proposal on the 2019 general election ballot?
▷ Yes ◁ No

How did you hear about this survey?
▷ Presentation
▷ Presentation/Print
▷ Website/Search Engine
▷ Social Media
▷ Family or Friend
▷ Other

Optional:
Name:
Address:
City, State, Zip:
Are you satisfied with the condition of the existing state highway system?

- Yes: 17%
- No: 81%
- No Answer: 2%

Would you support a new highway program that would generate additional revenue?

- Yes: 74%
- No: 22%
- No Answer: 4%
Survey Results

Which of the following sources do you recommend be utilized in obtaining additional funds?

- Transfer existing sales and use tax: 29%
- Increase Gas Tax: 14%
- Increase Diesel Tax: 21%
- Increase Sales Tax: 12%
- Increase Registration fees: 15%
- Add on wholesale price of motor fuels: 9%
- Add on w/s price of motor fuels: 9%
- Transfer existing sales and use tax: 29%
- Increase Gas Tax: 14%
- Increase Diesel Tax: 21%
Survey Results

How did you hear about us?

- Social Media: 35%
- Website/Search Engine: 16%
- TV: 28%
- Radio: 7%
- Print: 2%
- Family or Friend: 18%
- Other: 18%

Would you be willing to sign a petition?

- Yes: 71%
- No: 26%
- Blank: 3%
“...the figures [for highway needs] often total to amounts that are considerably in excess of current legislative provisions. This often has resulted in legislators apparently doubting the realism of the figures and therefore, taking little or no action to provide the required funding. So the needs continue to exist and grow until the next needs study.”
Arkansas Legislative Audit - Review of Highway Funding

- **Purpose:**
  - To review and verify ARDOT information, estimates and calculations related to highway funding

- **Report Objectives:**
  - History of funding sources
  - History of construction and maintenance costs
  - State match needed for Federal funds
  - Additional State revenue to meet system preservation needs
  - History of bond activities
• Draft Report Underway
• Final Report Anticipated Late Summer
What Funding Level?
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 Menu

<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)
## Fiscal Year 2016 - State Revenue Sources

### Revenue Sources

<table>
<thead>
<tr>
<th>Source Description</th>
<th>Total State Revenue</th>
<th>Net Revenue Amount</th>
<th>Yearly Amount to Auto</th>
<th>Yearly Amount to Others</th>
<th>Yearly Amount to Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Motor Fuels Revenue</td>
<td>$400.40 M</td>
<td>$363.91 M</td>
<td>$19.31 M</td>
<td>$19.31 M</td>
<td>$19.31 M</td>
</tr>
<tr>
<td>B. Motor Vehicles Registration Fees</td>
<td>$124.15 M</td>
<td>$114.39 M</td>
<td>$10.03 M</td>
<td>$10.03 M</td>
<td>$10.03 M</td>
</tr>
<tr>
<td>C. Miscellaneous Revenues</td>
<td>$37.80 M</td>
<td>$36.65 M</td>
<td>$3.17 M</td>
<td>$3.17 M</td>
<td>$3.17 M</td>
</tr>
</tbody>
</table>

### Other Revenue Sources

<table>
<thead>
<tr>
<th>Source Description</th>
<th>Total State Revenue</th>
<th>Net Revenue Amount</th>
<th>Yearly Amount to Auto</th>
<th>Yearly Amount to Others</th>
<th>Yearly Amount to Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Highway-user Sources</td>
<td>$254.10 M</td>
<td>$221.95 M</td>
<td>$13.15 M</td>
<td>$13.15 M</td>
<td>$13.15 M</td>
</tr>
<tr>
<td>B. Non-Highway-user Sources</td>
<td>$328.25 M</td>
<td>$294.7 M</td>
<td>$13.05 M</td>
<td>$13.05 M</td>
<td>$13.05 M</td>
</tr>
</tbody>
</table>

### Detailed Revenue Items

- **Motor Fuels Revenue**
  - Gasoline (29.5¢ per gallon)
  - Diesel (33.9¢ per gallon)
  - LPG (11.5¢ per gallon)
- **Motor Vehicles Registration Fees**
  - Automobiles & Pickups
  - Heavy Trucks (Includes In-state and Out-of-state)
  - Other Vehicles
- **Miscellaneous Revenues**
- **Total Current Revenues**

### Revenue Menu

- **Highway-user Sources**
  - Additional 1 cent Motor Fuel Tax
  - 1 cent Motor Fuel Tax
  - 1 cent Gasoline Tax
  - 1 cent Diesel Tax
  - Increased Registration Fees on Auto & Pickups by $10
- **Non-Highway-user Sources**
  - New Vehicles
  - Used Vehicles
  - Auto Repair, Parts, and Services
  - Retail Tire Sales
  - Off Road Diesel Fuel
  - Weight Distance Tax (1 cent per mile)
  - One Dollar Safety Fee
  - One Dollar Tire Fee

### Other Sources

- **Sales Tax Exemptions on Motor Fuels**
  - Wholesale price of $1.70 per gallon
- **Add 1% Excise Tax to Motor Fuels**
  - Gasoline
  - Diesel
- **Transfer of 5% Sales Tax to**
  - New Vehicles
  - Used Vehicles
  - Auto Repair, Parts, and Services
  - Retail Tire Sales
  - Off Road Diesel Fuel
- **Add 1% Surcharge on**
  - New Vehicles
  - Used Vehicles
  - Auto Repair, Parts, and Services
  - Retail Tire Sales
  - Off Road Diesel Fuel
  - Weight Distance Tax (1 cent per mile)
  - One Dollar Safety Fee
  - One Dollar Tire Fee

### Revenue Menu

- **Highway-user Sources**
  - Additional 1 cent Motor Fuel Tax
  - 1 cent Motor Fuel Tax
  - 1 cent Gasoline Tax
  - 1 cent Diesel Tax
  - Increased Registration Fees on Auto & Pickups by $10
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  - Retail Tire Sales
  - Off Road Diesel Fuel
  - Weight Distance Tax (1 cent per mile)
  - One Dollar Safety Fee
  - One Dollar Tire Fee
“There are relatively few, if any, acceptable new state-level revenue sources for funding highways, roads, and streets… One of the more significant revenue sources being used by other states for revenue purposes includes a gross receipts or sales tax on new and used motor vehicle sales…”
“One possibility for new revenues is related to the sale of used automobiles and trucks within the state. These sales are presently exempt from the 3 percent gross receipts tax. Removing this exemption and designating these revenues for highway purposes would provide new revenues estimated at $5-6 million annually.”

1979 Study by RJ Hansen and Associates
Agenda Item 11

Upcoming Events
Upcoming Events

July 27

State Hwy 25 Ribbon Cutting | Commission & Director Bennett
9:00 a.m. | Conway, AR

Hope Rotary Club | Lorie Tudor
12:00 p.m. | Hope, AR
August 1-4
AASHTO Joint Meeting | Director Bennett
Cincinnati, OH

August 3
Saline Co. Republicans | Commissioner Taldo
6:30 p.m. | Benton, AR
Conway Area Leadership Institute | Randy Ort
12:00 p.m. | Conway, AR

August 7
El Dorado Rotary Club | Randy Ort
12:00 p.m. | El Dorado, AR

August 8
Cabot Rotary Club | Director Bennett
12:00 p.m. | Cabot, AR
Upcoming Events

August 8
Beebe Chamber of Commerce | Randy Ort
12:00 p.m. | Beebe, AR

August 9
AR Association of Counties | Director Bennett
3:00 p.m. | Little Rock, AR

August 11-16
SASHTO Annual Meeting | Director Bennett
Norfolk, VA

August 14
Concrete Paving Association | Tony Sullivan
2:30 p.m. | Norman, OK
August 15
Lake Village Chamber of Commerce | Commissioner Moore
12:00 p.m. | Lake Village, AR

August 16
Bentonville/Bella Vista Rotary Club | Lorie Tudor
7:00 a.m. | Bella Vista, AR
Arkadelphia Kiwanis | Gill Rogers
11:00 a.m. | Arkadelphia, AR

August 20-23
AASHTO/AGC/ARTBA Joint Executive Meeting | Director Bennett
Couer D’Alene, ID

August 23
AR Forest and Paper Council | Lorie Tudor
1:00 p.m. | Little Rock, AR
August 23
Jonesboro Kiwanis Club | Randy Ort
12:00 p.m. | Jonesboro, AR

August 24
University Rotary Club of Jonesboro | Randy Ort
7:00 a.m. | Jonesboro, AR

August 25
Arkadelphia Chamber of Commerce/Rotary Club | Director Bennett
12:00 p.m. | Arkadelphia, AR

August 28
West Memphis Rotary Club | Randy Ort
12:00 p.m. | West Memphis, AR
Upcoming Events

August 30
Ft. Smith Rotary Club | Director Bennett
12:00 p.m. | Ft. Smith, AR

September 6
Arkansas Highway Commission Meeting

October 26
Joint Committee Meeting & Tour
House: Public Transportation
Senate: Transportation Technology & Legislative Affairs
10:00 a.m. | Central Offices
Agenda Item 12

Other Business and Discussion
ACEC Engineering Excellence Awards
Category E: Environmental
ACEC Engineering Excellence Awards
Category H: Grand Conceptor

Bridgefarmer & Associates for Big Rock Interchange
International Bridge Conference
Eugene C. Figg Jr. Medal for Signature Bridges