1929
Arkansas Highway and Department of Lands

1977
Arkansas State Highway and Transportation Department

2017
Arkansas Department of Transportation
Provide safe and efficient transportation solutions to support Arkansas’ economy and enhance the quality of life for generations to come.

Adopted June 7, 2017
Arkansas has the 3rd Lowest Administrative Cost Per Mile in the Nation

Arkansas = $2,107
Surrounding States Average = $4,334
National Average = $9,224
1999 IRP
- 50 Projects
- 356 Miles
- $1+ Billion

2011 IRP
- 83 Projects
- 494 Miles
- $1.3 Billion

2012 CAP
- 36 Projects
- 185 Miles
- $1.8 Billion
½ Cent Sales Tax Turnback Funds

**Craighead County**
Received $3.1 Million to date
Projected to Receive $5.1 Million
Total $8.2 Million (Ending in 2023)

**City of Jonesboro**
Received $5.2 Million to date
Projected to Receive $8.6 Million
Total $13.8 Million (Ending in 2023)
City of Bay
Received $140,000 to date
Projected to Receive $240,000
Total $380,000 (Ending in 2023)

City of Bono
Received $165,000 to date
Projected to Receive $280,000
Total $445,000 (Ending in 2023)

City of Brookland
Received $190,000 to date
Projected to Receive $370,000
Total $560,000 (Ending in 2023)
Interchange Improvements

Scheduled
$5-10 Million

INTERSTATE
555

49 1
Highway 1B Widening

Scheduled ½ Mile
$1-5 Million
BNSF Railroad Overpass

Scheduled
$15-20 Million

Job 100824
BNSF Railroad Overpass (Hwy. 18) (Jonesboro) (S)
Hwy. 18, Sec. 4
Craighead County
Scheduled
5.5 Miles
$10 Million Allocated
Total Construction: $20-30 Million
Highway 49 Operational Improvements

Scheduled
1.3 Miles
$20-30 Million
Highway 351 Widening

Scheduled
1 Mile
$5-10 Million
Highway 351 (Airport Rd.) Railroad Overpass

Scheduled
$5-10 Million
Intersection Improvements

**Completed**
- 1 Project
- $1.2 Million

**Scheduled**
- 4 Projects
- $17 Million
Interstate 555 Preservation Projects

**Completed**
- 6 Miles
- $2 Million

**Under Construction**
- 2 Miles
- $12.3 Million

**Scheduled**
- 5 Projects
- 40 Miles
- $42 Million
Completed
2 Projects
5 Miles
$1.5 Million

Scheduled
5 Projects
14.5 Miles
$5 Million

Under Construction
5 Projects
16 Miles
$3 Million
Other State Highways – Excluding Interstates

<table>
<thead>
<tr>
<th>Condition</th>
<th>2027 Condition</th>
<th>Current Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>43%</td>
<td>37%</td>
</tr>
<tr>
<td>Fair</td>
<td>41%</td>
<td>54%</td>
</tr>
<tr>
<td>Good</td>
<td>16%</td>
<td>8%</td>
</tr>
</tbody>
</table>

- Poor
- Fair
- Good
Pay a **Little Now**

Overlay

$100,000 per lane mile

Pay a **Whole Lot Later**

Reconstruction

$1,500,000 per lane mile
Great amount of uncertainty at the federal level

State funds stagnant at best
General Revenues vs ARDOT Net Highway Revenues

Excludes County & City Aid funds | Excludes CAP funds
Federal vs. State Funding

1993
Hwy. Funding Breakdown

Fed 36%
State 64%

2016
Hwy. Funding Breakdown

Fed 54%
State 46%
22 years ago, in 1995, **33 miles** of Highway could be widened.

As of 2015, using the same resources, only **15 miles** of Highway could be widened.
THEN

22 years ago, in 1995, **200 miles** of Highway could be overlaid.

NOW

As of 2015, using the same resources, only **54 miles** of Highway could be overlaid.
Challenges

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

- $22.9 billion in needs
- $4.4 billion in available revenue
Arkansas Legislative Audit

- May 16, 2017 – 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

- August 31, 2017 – Report Released
ALA staff reviewed projected revenues and expenditures for fiscal years 2017 through 2020 ....for consistency and reasonableness when compared with prior years.

### Exhibit III
Arkansas Department of Transportation (ArDOT)
Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Funds Needed for Highway Construction Plan</th>
<th>Annual Funds Available for Highway Construction</th>
<th>Additional Annual State Revenues Needed for Highway Construction Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Preservation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pavement</td>
<td>$387,000,000</td>
<td>$137,000,000</td>
<td>$250,000,000</td>
</tr>
<tr>
<td>Bridges</td>
<td>117,000,000</td>
<td>90,000,000</td>
<td>27,000,000</td>
</tr>
<tr>
<td>Total System Preservation</td>
<td>504,000,000</td>
<td>227,000,000</td>
<td>277,000,000</td>
</tr>
<tr>
<td>Capacity Relief</td>
<td>305,000,000</td>
<td>157,000,000</td>
<td>148,000,000</td>
</tr>
<tr>
<td>Safety Improvements</td>
<td>86,000,000</td>
<td>44,000,000</td>
<td>42,000,000</td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment upgrades</td>
<td>19,000,000</td>
<td>19,000,000</td>
<td></td>
</tr>
<tr>
<td>Facilities upgrades</td>
<td>8,000,000</td>
<td>8,000,000</td>
<td></td>
</tr>
<tr>
<td>Intelligent Transportation System (ITS)</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td></td>
</tr>
<tr>
<td>Total Maintenance</td>
<td>30,000,000</td>
<td>19,000,000</td>
<td>11,000,000</td>
</tr>
<tr>
<td>Totals</td>
<td>$925,000,000</td>
<td>$447,000,000</td>
<td>$478,000,000</td>
</tr>
</tbody>
</table>

Note: Amounts shown are rounded.
ALA staff reviewed supporting documentation obtained from ARDOT to verify that costs for the projects were reasonable, based on historical information.
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
# Options for Generating Additional Revenue for Highways

<table>
<thead>
<tr>
<th>Source</th>
<th>$400 Million for Highways&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Tax</td>
<td>28.4¢</td>
</tr>
<tr>
<td>Sales Tax on Fuel (wholesale)</td>
<td>16.67%</td>
</tr>
<tr>
<td>Registration Fee</td>
<td>$208</td>
</tr>
<tr>
<td>General Sales Tax&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>1.16%</td>
</tr>
</tbody>
</table>

1. Amount shown is annual net to highways – after deduction for CFA/CSF and 30% to cities and counties.
2. Transfer of 4.5% (“general” portion of statewide sales tax)
Possible Initiated Act

**Citizens Opinion Survey**

On Highways in Arkansas

1. Are you satisfied with the condition of the existing state highway system?
   - [ ] Yes
   - [ ] No

2. What highways in your area need improvements, and what type of improvements do they need?
   - Priority 1: ________________________________
   - Priority 2: ________________________________
   - Priority 3: ________________________________
   - Priority 4: ________________________________

3. 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

4. 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):

5. 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.

Website: www.ArkansasHighways.com
Survey Results

Are you satisfied with the condition of the existing highway system?
- No: 73%
- Yes: 24%
- Answer: 3%

Would you support a new highway program that would generate additional revenue?
- No: 21%
- Yes: 75%
- Answer: 4%
Which of the following sources do you recommend be utilized in obtaining additional funds?

- **Transfer existing sales and use tax**: 1,717 (63%)
- **Add on w/s price of motor fuels**: 511 (19%)
- **Increase Registration fees**: 842 (31%)
- **Increase Sales Tax**: 719 (26%)
- **Increase Diesel Tax**: 1,273 (47%)
- **Increase Gas Tax**: 859 (31%)
Total Road User Revenue
$1,076.5 Million

Distribution:

General Revenue
$460.7 Million (43%)

Highway Revenue
$615.9 Million (57%)
CITIZENS OPINION SURVEY
ON HIGHWAYS IN ARKANSAS

MAIL OR EMAIL RESPONSES TO:
ARIDOT
Public Information
P.O. Box 2261
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
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☐ Increase in sales tax (dedicated to highways)
☐ Increase in vehicle registration fees
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☐ 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

meeting name - date
Arkansas Department of Transportation

- ARDOT.gov
- ConnectingArkansasProgram.com
- Vimeo.com/myARDOT
- IDriveArkansas.com
- Twitter.com @myARDOT