ACTSEP?
Arkansas Commercial Truck Safety and Education Program (ACTSEP)

• **Act 1176 of 2013**
  – 15% Registration Fee
  – $2 Million / Year Set-Aside

• **Purpose**
  – Improve Commercial Truck Industry Safety
  – Ensure Safe Movement of Goods
  • Cooperative Public-Private Programs
    a) Increased Enforcement
    b) Regulatory Compliance
    c) Industry Training
    d) Educational Programs
Arkansas Commercial Truck Safety and Education Program (ACTSEPP)

- Application Review Committee
  - Arkansas Highway Police Chief and Major
  - ARDOT’s Assistant Chief Engineer for Planning
  - President of the Arkansas Trucking Association
  - Trucking Industry Representative
December 2, 2014 – February 2, 2015

1st ACTSEP Application Cycle

University of Central Arkansas

- Awarded $3 million
- Endowed Chair in Motor Carrier Management
- 4-year Supply Chain Logistics Management Degree
- Workforce Training
“We are always yapping about the ‘Good Old Days’ and how we look away back and enjoy it, but I tell you there is a lot of hooey to it.”

– Will Rogers
• First Commission Created
  ✓ No Highway Department
  ✓ No Highway System
• $72,000 Total Budget
• 36,000 Miles of Public Roads
The Twenties

- Highway System Created
- Highway Department Created
- First Gas Tax – 1 cent per gallon
- 200,000 Vehicles/8,800 highway miles (1,400 Paved)
- Highway Commission Structure Changed Twice
The Thirties and Forties

- Gas Tax Raised to 6.5 cents per Gallon
- 1960’s Before Next Increase
- Commission Structure Changed Four More Times
- 9,700 Highway Miles (4,900 Paved)
- Too much Political Influence on Highways
  – Growing Discontent
The Fifties

• **1951 - Highway Audit Commission Report**
  
  “the advice, counsel and expert know-how which is available from the Department’s own technical and administrative staffs bear scant weight indeed when they are in conflict with the political pressures and political promises of the moment.”

• **Interstate Era**

• **11,000 Miles State Highways (8,800 Paved)**

• **9 Legislative Acts Restructured Commission since 1913**

• **1952 – Mack Blackwell Amendment**

Widening Hwy 67 near Malvern, 1956
The Sixties and Seventies

- No changes to Commission Structure
- Department became Debt Free
- Legislature transferred nearly 4,400 more miles of County Roads to Highway System
- Department adds “Transportation” to its name – Authority Expanded
- 1st State to Complete its Interstate System (1975)
- 16,000 Highway Miles (15,000 Paved)
The Eighties and Nineties

- 1985 – Rural Road Program – out of the mud
- Early Retirements – huge workforce turnover
- 1991 – Highway Improvement Program
- 1993 – Last Federal Gas Tax Increase
- 1999 – Last State Gas Tax Increase
- 1999 – Interstate Rehabilitation Program – First Highway Bond Issue in 50 years
- I-540 (now I-49) and I-530 Completed
- 16,400 Highway Miles
The New Millennium

- Winter Weather in Dec 2000 and Jan 2001 cost almost $40 M.
- New White River Bridge on Hwy 64 at Augusta opened in 2001.
- 2011 – 2nd Interstate Rehabilitation Program
- 2012 – Connecting Arkansas Program
- Governor’s Working Group on Highway Funding
- 16,400 miles State Highways
New Name – New Identity

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
Employment Levels Efficiency

Year | Employees
--- | ---
1979 | 4,200
2000 | 3,800
2017 | 3,679
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
About Us
3rd Largest State Agency
(3,679 Employees)

Maintains
16,418 miles of Highway
7,335 Bridges

Central Offices in Little Rock

10 Districts Statewide
Ten Highway Districts
ArDOT Administration
Highway Project Delivery

- Planning and Scheduling
  - System Management Analysis
  - Planning Studies
  - Statewide Transportation Improvement Program (STIP)
- Project Development
  - Environmental Analysis and Report
  - Surveys
  - Design
  - Right-of-Way Acquisition
  - Utility Relocation
- Award Contract
Transportation Planning & Policy
Pavement Management

ARAN (Automatic Road Analyzer)

- Gyroscopes
- Inertial Navigation
- 3 HD Row Cameras
- Lasers and Accelerometers
- Macro-texture Laser
- Scanning Laser Rut Measurement System
- 2 HD Row Cameras
- Line Scan Infrared Pavement Imaging System
- DMI

ARAN®
Automatic Road Analyzer
Multi-Media Highway Information System (MMHIS)
Program Management
Design Branch

Assistant Chief Engineer Planning
- Environmental
- Program Management
- Surveys
- System Information and Research
- Transportation Planning and Policy

Assistant Chief Engineer Design
- Bridge
- Consultant Contracts
- Right of Way
- Roadway Design
- State Aid

Assistant Chief Engineer Operations
- Construction
- Maintenance
- Materials
- Ten Districts

Assistant Chief Engineer Administration
- Computer Services
- Equipment and Procurement
- Fiscal Services
- Governmental Relations
- Human Resources

Citizens of Arkansas
- Governor and Legislature
- Highway Commission
- Director
- Deputy Director and Chief Operating Officer

Alternative Project Delivery Director
- Connecting Arkansas Program Administrator
- EEO/DBE
- Highway Police
- Internal Audit
- Legal
- Public Information
- Retirement
Bridge Design
Right of Way
Independent Offices

ARDOT Organization Chart

Citizens of Arkansas
- Governor and Legislature
- Highway Commission
- Director
  - Deputy Director and Chief Operating Officer
    - Deputy Director and Chief Engineer
      - Assistant Chief Engineer Planning
        - Environmental
        - Program Management
        - Surveys
        - System Information and Research
        - Transportation Planning and Policy
      - Assistant Chief Engineer Design
        - Bridge
        - Consultant Contracts
        - Right of Way
        - Roadway Design
        - State Aid
      - Assistant Chief Engineer Operations
        - Construction
        - Maintenance
        - Materials
        - Ten Districts
      - Assistant Chief Administration
        - Computer Services
        - Equipment and Procurement
        - Fiscal Services
        - Governmental Relations
        - Human Resources
        - EEO/DBE
        - Highway Police
        - Internal Audit
        - Legal
        - Public Information
        - Retirement

Signature: [Signature]

Date: April 11, 2017

Director of Highways and Transportation
Arkansas Highway Police
Promises Made

ARKANSAS DEPARTMENT OF TRANSPORTATION

Promises Kept

pave the Way
Rebuilding Arkansas Interstates

INTERSTATE REHABILITATION PROGRAM
IRP

CONNECTION ARKANSAS PROGRAM
CAP
1999 IRP
• 50 Projects
• 356 Miles
• $973 Million

2011 IRP
• 83 Projects
• 494 Miles
• $1.51 Billion

2012 CAP
• 36 Projects
• 185 Miles
• $1.9 Billion
Funding
<table>
<thead>
<tr>
<th>RECEIPTS</th>
<th>TOTAL (x $1 million)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RECEIPTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Motor Fuels Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gasoline</td>
<td>$1,491.01</td>
<td>21.1%</td>
</tr>
<tr>
<td>Diesel</td>
<td>$1,343.13</td>
<td>20.0%</td>
</tr>
<tr>
<td>LPG</td>
<td>$1,129.92</td>
<td>16.5%</td>
</tr>
<tr>
<td>CNG</td>
<td>$2,417.78</td>
<td>35.4%</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>$4,781.84</td>
<td>65.1%</td>
</tr>
<tr>
<td><strong>Motor Vehicle Registration Fees</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automobile &amp; Pickups, Heavy Trucks</td>
<td>$17 - $30 / Year</td>
<td></td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td>$39 - $1,350 / Year</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>$139.1</td>
<td>19.8%</td>
</tr>
<tr>
<td><strong>Special Permit Fees</strong></td>
<td>$16.5</td>
<td>2.3%</td>
</tr>
<tr>
<td><strong>Natural Gas Severance Tax</strong></td>
<td>$30.9</td>
<td>4.4%</td>
</tr>
<tr>
<td><strong>Title Transfer Fees</strong></td>
<td>$3.9</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>Operator’s License Fees, Drive-Out Fees &amp; Intransit Fees</strong></td>
<td>$4.0</td>
<td>0.6%</td>
</tr>
<tr>
<td><strong>Unified Carrier Registration Fees</strong></td>
<td>$1.9</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Other Revenue</strong></td>
<td>$48.8</td>
<td>6.9%</td>
</tr>
<tr>
<td><strong>TOTAL RECEIPTS</strong></td>
<td>$701.8</td>
<td></td>
</tr>
</tbody>
</table>
### ArDOT Revenue
Average for State Fiscal Years 2016-2020

<table>
<thead>
<tr>
<th>DISTRIBUTION</th>
<th>TOTAL (x $1 million)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitutional &amp; Fiscal Agencies</td>
<td>$ (20.1)</td>
<td>8.2%</td>
</tr>
<tr>
<td>Non-Highway Uses</td>
<td>$ (13.4)</td>
<td>5.4%</td>
</tr>
<tr>
<td>State Aid Roads</td>
<td>$ (20.1)</td>
<td>8.2%</td>
</tr>
<tr>
<td>State Aid Streets</td>
<td>$ (20.1)</td>
<td>8.2%</td>
</tr>
<tr>
<td>County Roads</td>
<td>$ (86.5)</td>
<td>35.1%</td>
</tr>
<tr>
<td>City Streets</td>
<td>$ (86.5)</td>
<td>35.1%</td>
</tr>
<tr>
<td><strong>TOTAL DISTRIBUTION</strong></td>
<td><strong>$ (246.7)</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>Percent</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>(x $1 million)</td>
<td></td>
<td>(%)</td>
</tr>
<tr>
<td>TOTAL RECEIPTS</td>
<td>$ 701.8</td>
<td></td>
</tr>
<tr>
<td>TOTAL DISTRIBUTION</td>
<td>$(246.7)</td>
<td></td>
</tr>
<tr>
<td>STATE HIGHWAYS</td>
<td>$ 455.1</td>
<td>64.8%</td>
</tr>
</tbody>
</table>
Average Annual Highway User Revenue Distribution

- **Cities**
  - $107M (15.2%)
  - $455M (64.8%)

- **Counties**
  - $107M (15.2%)
  - $33M (4.8%)

- **Other**

*Constitutional & Fiscal Agencies and Non-Highway Uses.

Note: May not add due to rounding
Estimated Average Annual Construction Funds
Fiscal Years 2016-2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Federal Funds (Est. Average Annual Revenue from FAST Act)</td>
<td>$535 million</td>
</tr>
<tr>
<td>State Highway Funds (Est. Avg. Annual Revenue 2016-2020)</td>
<td>$455 million</td>
</tr>
<tr>
<td><strong>Total Federal and State Highway Funds</strong></td>
<td>$990 million</td>
</tr>
<tr>
<td><strong>Less Federal Funds for:</strong></td>
<td></td>
</tr>
<tr>
<td>Fixed Budgeted Expenditures (Maintenance, Administration and Operations)</td>
<td>$30 million</td>
</tr>
<tr>
<td>Non-Construction Programs</td>
<td></td>
</tr>
<tr>
<td>Statewide Planning &amp; Research</td>
<td>$11 million</td>
</tr>
<tr>
<td>Metropolitan Planning</td>
<td>$2 million</td>
</tr>
<tr>
<td>Surface Transportation Set Aside - Transportation Alternatives Program</td>
<td>$10 million</td>
</tr>
<tr>
<td>Surface Transportation Set Aside - Recreational Trails Program</td>
<td>$2 million</td>
</tr>
<tr>
<td>Right-of-Way, Utilities</td>
<td>$25 million</td>
</tr>
<tr>
<td>Obligation Limitation</td>
<td>$25 million</td>
</tr>
<tr>
<td><strong>Total Reduction - Federal Funds</strong></td>
<td>($105) million</td>
</tr>
<tr>
<td><strong>Less State Funds for:</strong></td>
<td></td>
</tr>
<tr>
<td>Fixed Budgeted Expenditures (Maintenance, Administration and Operations)</td>
<td>$318.0 million</td>
</tr>
<tr>
<td>State Match for Non-Construction Programs (State Planning &amp; Research)</td>
<td>$3.0 million</td>
</tr>
<tr>
<td><strong>Total Reduction - State Funds</strong></td>
<td>($321) million</td>
</tr>
<tr>
<td><strong>Less Federal and State Funds for IRP Commitment:</strong></td>
<td></td>
</tr>
<tr>
<td>Federal Interstate Maintenance Funds</td>
<td>$58.0 million</td>
</tr>
<tr>
<td>4¢ Diesel Fuel Tax</td>
<td>$17.0 million</td>
</tr>
<tr>
<td>Federal and State Funds to Supplement IRP</td>
<td>$42.0 million</td>
</tr>
<tr>
<td><strong>Total Reduction - Federal and State Funds for IRP Commitment</strong></td>
<td>($117) million</td>
</tr>
<tr>
<td><strong>Total Federal and State Funds Available for Highway Construction</strong></td>
<td>$447 million</td>
</tr>
</tbody>
</table>
## Funding Versus Needs

### Arkansas State Highway Needs

Verified by Arkansas Legislative Audit

<table>
<thead>
<tr>
<th>System Preservation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pavement</td>
</tr>
<tr>
<td>Bridges</td>
</tr>
<tr>
<td><strong>Total System Preservation</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capacity Improvements for Congestion Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Safety Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Upgrades</td>
</tr>
<tr>
<td>Facilities Upgrades</td>
</tr>
<tr>
<td>Intelligent Transportation Systems (ITS)</td>
</tr>
<tr>
<td><strong>Total Maintenance</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Total Annual Funds Needed for Highway Construction Plan</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Funds Available for Highway Construction through the FAST Act (does not include funds committed to Interstate rehabilitation = $117,000,000 annually)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shortfall for Needs</strong></td>
</tr>
</tbody>
</table>
## Capital Improvement Goals

### Identified Capital Improvement Projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Lane Grid System</td>
<td>$12,697,000,000</td>
</tr>
<tr>
<td>New Location / New or Modified Interchanges</td>
<td>$ 921,000,000</td>
</tr>
<tr>
<td>Other Major Widening</td>
<td>$258,000,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>$13,876,000,000</td>
</tr>
</tbody>
</table>
General Revenues vs ArDOT Net Highway Revenues

Excludes County & City Aid funds | Excludes CAP funds
<table>
<thead>
<tr>
<th>THEN</th>
<th>NOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 years ago, in 1995, <strong>33 miles</strong> of Highway could be widened.</td>
<td>As of 2015, using the same resources, only <strong>15 miles</strong> of Highway could be widened.</td>
</tr>
</tbody>
</table>
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.
Prioritized Within the Funding Available

$447 Million
Capital Improvement Projects
Safety Improvement Projects
System Preservation Projects
Capital Improvement Projects

Prioritized Within the Funding Available
$447 Million
Highway Traffic and Condition

ARKANSAS DEPARTMENT OF TRANSPORTATION
Distribution of Arkansas Miles

Mileage

- Counties: 68,647 (67%)
- Cities: 17,529 (17%)
- ARDOT: 16,432 (16%)

2016 Annual Vehicle Miles Traveled (Billions)

- Counties: 3.5 (10%)
- Cities: 5.9 (16%)
- ARDOT: 26.3 (74%)
Arkansas Highway Traffic

- 41,600 ADT (52 % Trucks)
- 35,500 ADT (56 % Trucks)
- 22,200 ADT (55% Trucks)
All State Highways – Including Interstates

Current Condition

- Poor: 24%
- Fair: 58%
- Good: 18%

2027 Condition

- Poor: 28%
- Fair: 46%
- Good: 26%

Legend:
- Poor
- Fair
- Good
<table>
<thead>
<tr>
<th>Pay a Little Now</th>
<th>Pay a Whole Lot Later</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overlay</strong></td>
<td><strong>Reconstruction</strong></td>
</tr>
<tr>
<td>$100,000 per lane mile</td>
<td>$1,500,000 per lane mile</td>
</tr>
</tbody>
</table>
Pay a Little Now or a Lot Later!
Average Monthly Household Expenditures

- Electricity/Gas: $160.00
- TV/Internet: $124.00
- Roads: $46.00
- Telephone: $161.00
Great amount of uncertainty at the federal level

State funds stagnant at best

ROAD WORK AHEAD?
Challenges

➢ 12th largest system in the country

➢ 42nd in highway revenue per mile.

➢ $9.3 billion in needs

➢ $4.5 billion in available revenue
“. . . 70% of our highway, road and street funding comes from a consumption-based tax, while it is a national goal to reduce consumption. The trend. . . is simply a losing proposition. We’re moving backwards.”
Blue Ribbon Committee Recommendations

- Reissue GARVEE Bonds for Interstate Rehabilitation Program
- State Aid Programs 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
Total Road User Revenue
$1,076.5 Million

Distribution:

General Revenue
$460.7 Million (43%)

Highway Revenue
$615.9 Million (57%)
1. Legislator decides to sponsor a bill to create or revise a law

2. Proposed legislation is drafted into a “bill” by the Bureau of Legislative Research and is filed by the primary sponsor who often seeks additional co-sponsors

3. The bill is publically “read across the desk” and is assigned to a committee
Political Process

4
- Public Transportation Committee – House (20 members)
- House of Representatives (100 members)

5
- Transportation, Technology & Legislative Affairs Committee – Senate (8 members)
- Senate (35 members)

6
- Governor
- Voters (optional and rare)
HB 1418 Revenue Transfer

Transferred sales tax on new and used vehicles to the Highway Department fund phased in over 10 years.

FAILED TO GET OUT OF THE HOUSE COMMITTEE

90 SPONSORS!!
HB 1346 REVENUE TRANSFER

Transferred sales tax on new and used vehicles to the Highway Department fund phased in over 10 years AND transferred the natural gas severance tax revenue from the Highway Department fund into a newly created higher education workforce development fund.

PASSED THE HOUSE COMMITTEE

PULLED BEFORE A VOTE ON THE HOUSE FLOOR
Governor’s Highway Funding Working Group

Funding Targets

- 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.
HB 1726 BOND ISSUE
Authorizes the State Highway Commission to issue bonds for highway maintenance and improvements, upon approval by voters in a statewide election.

HB 1727 GAS TAX
Establishes additional fuel sales tax at the wholesale level to be levied, only if the State Highway Commission is authorized by a statewide vote to issue highway maintenance and improvement bonds.
2017 Legislation

**HB 1726 BOND ISSUE**
Authorizes the State Highway Commission to issue bonds for highway maintenance and improvements, upon approval by voters in a statewide election.

**HB 1727 GAS TAX**
Establishes additional fuel sales tax at the wholesale level to be levied, only if the State Highway Commission is authorized by a statewide vote to issue highway maintenance and improvement bonds.

HOUSE
FOR – 38
AGAINST – 35
NOT VOTING – 27
2017 Legislation

HB 1726 BOND ISSUE
Authorizes the State Highway Commission to issue bonds for highway maintenance and improvements, upon approval by voters in a statewide election.

HB 1727 GAS TAX
Establishes additional fuel sales tax at the wholesale level to be levied, only if the State Highway Commission is authorized by a statewide vote to issue highway maintenance and improvement bonds.

MOTION TO EXPUNGЕ FAILED TWICE ON A SOUNDING OF THE BALLOT
Laws are like sausages, it is better not to see them being made.
Political Realities

Those that respect the law and love sausage should watch neither being made.

Mark Twain
"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
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.

<table>
<thead>
<tr>
<th>Description</th>
<th>Additional Annual Revenues Needed for</th>
<th>Total Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$ 478,000,000</td>
</tr>
<tr>
<td>System Prestress, Pavement, Bridges</td>
<td></td>
<td>$ 447,000,000</td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td>$ 925,000,000</td>
</tr>
<tr>
<td>Equipment upgrades</td>
<td>19,000,000</td>
<td>19,000,000</td>
</tr>
<tr>
<td>Facilities upgrades</td>
<td>8,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td>Intelligent Transportation System (ITS)</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total Maintenance</td>
<td>30,000,000</td>
<td>19,000,000</td>
</tr>
</tbody>
</table>

Note: Amounts shown are rounded.
Arkansas State Highway Needs

ALA staff reviewed supporting documentation obtained from ARDOT to verify that costs for the projects were reasonable, based on historical information.

### 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>Additional Annual Revenues Needed for</th>
<th>Estimated Revenues for</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Preservation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pavement improvements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bridges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity Relief</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety Improvements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment upgrades</td>
<td>19,000,000</td>
<td>19,000,000</td>
</tr>
<tr>
<td>Facilities upgrades</td>
<td>8,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td>Intelligent Transportation System (ITS)</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total Maintenance</td>
<td>30,000,000</td>
<td>19,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11,000,000</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$ 925,000,000</strong></td>
<td><strong>$ 447,000,000</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>$ 478,000,000</strong></td>
</tr>
</tbody>
</table>

Note: Amounts shown are rounded.

$ 478,000,000
## 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%)
What’s Next?
Arkansans Need to Decide How to Fund Your Transportation System
Possible Initiated Act

CITIZENS OPINION SURVEY ON HIGHWAYS IN ARKANSAS

MAIL OR EMAIL RESPONSES TO:
ArkDOT
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
Survey Results

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

Would you support a new highway program that would generate additional revenue?
- Yes: 75%
- No: 21%
- Answer: 4%
Survey Results

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%)
Arkansas Department of Transportation

• ARDOT.gov
• ConnectingArkansasProgram.com
• Vimeo.com/myARDOT
• IDriveArkansas.com
• Twitter.com @myARDOT
Questions?

ARKANSAS DEPARTMENT OF TRANSPORTATION