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 (ACTSEP)

- 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.
- Governor’s Working Group on Highway Funding
- 2011 – 2nd Interstate Rehabilitation Program
- 2012 – Connecting Arkansas Program
- 16,400 miles State Highways
- New White River Bridge on Hwy 64 at Augusta opened in 2001.
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

<table>
<thead>
<tr>
<th>Year</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>4,200</td>
</tr>
<tr>
<td>2000</td>
<td>3,800</td>
</tr>
<tr>
<td>2017</td>
<td>3,679</td>
</tr>
</tbody>
</table>
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
ArDOT Quick Facts

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
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
### Planning 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

**Alternative Project Delivery Director**
- EEO/DBE

**Connecting Arkansas Program Administrator**
- Highway Police
- Internal Audit
- Legal
- Public Information
- Retirement

**Director of Highways and Transportation**

April 11, 2017
Transportation Planning & Policy
System Information & Research
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 (Driver Monitoring Interface)
Multi-Media Highway Information System (MMHIS)
Environmental
Program Management
Bridge Design
Right of Way
Construction Branch
Highway Police
Arkansas Highway Police
Arkansas Highway Police
Promises Made

Promises Kept
1999 IRP
- 50 Projects
- 356 Miles
- $973 Million

2011 IRP
- 80 Projects
- 494 Miles
- $1.5 Billion

2012 CAP
- 36 Projects
- 185 Miles
- $1.9 Billion
# ArDOT Revenue
Average for State Fiscal Years 2016-2020

<table>
<thead>
<tr>
<th>RECEIPTS</th>
<th>TOTAL (x $1 million)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Motor Fuels Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gasoline</td>
<td>21.5 cents per gallon</td>
<td></td>
</tr>
<tr>
<td>Diesel</td>
<td>22.5 cents per gallon</td>
<td></td>
</tr>
<tr>
<td>LPG</td>
<td>16.5 cents per gallon</td>
<td></td>
</tr>
<tr>
<td>CNG</td>
<td>5.0 cents per gallon</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>$456.9</td>
<td>65.1%</td>
</tr>
<tr>
<td><strong>Motor Vehicle Regisitration 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>Special Permit Fees</td>
<td>$16.5</td>
<td>2.3%</td>
</tr>
<tr>
<td>Natural Gas Severence Tax</td>
<td>$30.9</td>
<td>4.4%</td>
</tr>
<tr>
<td>Title Transfer Fees</td>
<td>$3.9</td>
<td>0.5%</td>
</tr>
<tr>
<td>Operator’s License Fees, Drive-Out Fees &amp; Intransit Fees</td>
<td>$4.0</td>
<td>0.6%</td>
</tr>
<tr>
<td>Unified Carrier Registration Fees</td>
<td>$1.9</td>
<td>0.3%</td>
</tr>
<tr>
<td>Other Revenue</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>
</tbody>
</table>

**TOTAL DISTRIBUTION $ (246.7)**
### ArDOT Revenue

**Average for State Fiscal Years 2016-2020**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total (x $1 million)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Receipts</strong></td>
<td>$701.8</td>
<td></td>
</tr>
<tr>
<td><strong>Total Distribution</strong></td>
<td>($246.7)</td>
<td></td>
</tr>
<tr>
<td><strong>State Highways</strong></td>
<td>$455.1</td>
<td>64.8%</td>
</tr>
</tbody>
</table>
Average Annual Highway User Revenue Distribution

- **Cities**: $107M (15.2%)
- **Counties**: $107M (15.2%)
- **Other**: $33M (4.8%)
- **Total**: $455M (64.8%)

*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>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Federal Funds (Est. Average Annual Revenue from FAST Act)</strong></td>
<td>$535 million</td>
</tr>
<tr>
<td><strong>State Highway Funds (Est. Avg. Annual Revenue 2016-2020)</strong></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

### Annual Needs Next 10 Years Versus Annual Revenue Available Through 2020

<table>
<thead>
<tr>
<th>System Preservation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pavement</td>
<td>$387,000,000</td>
</tr>
<tr>
<td>Bridges</td>
<td>$117,000,000</td>
</tr>
<tr>
<td><strong>Total System Preservation</strong></td>
<td><strong>$504,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capacity Improvements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capacity Improvements</strong></td>
<td><strong>$305,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Safety Improvements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Safety Improvements</strong></td>
<td><strong>$86,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintenance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Upgrades</td>
<td>$19,000,000</td>
</tr>
<tr>
<td>Facilities Upgrades</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Intelligent Transportation</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Systems (ITS)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Maintenance</strong></td>
<td><strong>$30,000,000</strong></td>
</tr>
</tbody>
</table>

| **Total Annual Funds Needed for Highway Construction Plan** | $925,000,000 |
| **Annual Funds Available for Highway Construction through the FAST Act** (does not include funds committed to Interstate rehabilitation = $117,000,000 annually) | $447,000,000 |
| **Shortfall for Needs**        | $478,000,000   |
# Capital Improvement Goals

## Identified Capital Improvement Projects

<table>
<thead>
<tr>
<th>Project</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>Grand Total</td>
<td>$13,876,000,000</td>
</tr>
</tbody>
</table>
General Revenues vs ArDOT Net Highway Revenues

Billions


Fiscal Year

GENERAL REVENUE

NET HIGHWAY REVENUE

Excludes County & City Aid funds | Excludes CAP funds
The Shrinking Highway Dollar

<table>
<thead>
<tr>
<th>Category</th>
<th>1997-2016 Percent Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Cost Index</td>
<td>146 %</td>
</tr>
<tr>
<td>Overlays – Cost Per Lane Mile</td>
<td>145 %</td>
</tr>
<tr>
<td>Bridges Replacement – Cost Per Square Foot of Deck Area</td>
<td>131 %</td>
</tr>
<tr>
<td>Widening from 2 to 5 Lanes – Cost Per Mile</td>
<td>139 %</td>
</tr>
</tbody>
</table>

**Indexing?**

**Blue Ribbon Committee Recommendation:**
Indexing Current Per-Gallon Tax on Motor Fuels to Arkansas’ Highway Construction Cost Index

**Governor’s Working Group on Highway Funding Recommendation:**
Proposal #1 – Going forward, index the motor fuel tax. Limit any increase to 2 cents per gallon.
Proposal #3 – Adjust the existing motor fuel taxes to recoup the amount lost in recent years due to inflation and index to inflation in the future.
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
Distribution of Arkansas Miles

Mileage

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

2017 Annual Vehicle Miles Traveled (Billions)

- Counties: 3.5 (10%)
- ARDOT: 26.8 (74%)
- Cities: 6.0 (16%)
Arkansas Highway Traffic

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

- **Current Condition**
  - Poor: 24%
  - Fair: 58%
  - Good: 18%

- **2027 Condition**
  - Poor: 28%
  - Fair: 46%
  - Good: 26%
Pay a Little Now

Overlay
$100,000 per lane mile

Pay a Whole Lot Later

Reconstruction
$1,500,000 per lane mile
Pay a Little Now or a Lot Later!
Average Monthly Household Expenditures

- Electricity/Gas: $160.00
- TV/Internet: $124.00
- Telephone: $161.00
- Roads: $46.00
Funding Challenges
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
Federal Highway Funding Issues

• Congress Passes Spending Measure for FFY 2018

• Additional $10 Billion for Infrastructure in FFY 2018
  ✓ $2.525 Billion for Federal-aid Highway Programs
  ✓ $1.5 billion for TIGER Grants
  ✓ $2.6 Billion for Transit Capital Investment Grants Program
  ✓ $1.95 billion for the Amtrak National Passenger Rail System
  ✓ $800 million more in Transit Formula Funding
  ✓ $888 million for Rail Infrastructure and Safety Grants
Federal Highway Funding Issues

President Trump’s Infrastructure Plan

- **Infrastructure Incentives Initiative** – $100 Billion or 50%
- Transformative Projects Program – $20 Billion or 10%
- Rural Infrastructure Program – $50 Billion or 25%
- Federal Credit Programs – $14.1 Billion or 7.05%
- Federal Capital Financing Fund – $10 Billion or 5%
- Public Lands Infrastructure Fund
- Disposition of Federal Real Property
- Private Activity Bonds
President Trump’s Infrastructure Plan

**Weighting Of Evaluation Criteria**

- Economic/Social Return on Investment: 5%
- New Non-Federal Revenue for Capital: 50%
- New Non-Federal Revenue for O&M and Rehab: 20%
- Dollar Value of Project: 10%
- Improved Procurement and Project Delivery: 10%
- Incorporation of New Technology: 5%

For $100 Billion Infrastructure Initiatives Incentive
Federal Highway Funding Issues

President Trump’s Infrastructure Plan

- Infrastructure Incentives Initiative – $100 Billion or 50%
- Transformative Projects Program – $20 Billion or 10%
- Rural Infrastructure Program – $50 Billion or 25%
- Federal Credit Programs – $14.1 Billion or 7.05%
- Federal Capital Financing Fund – $10 Billion or 5%
- Public Lands Infrastructure Fund
- Disposition of Federal Real Property
- Private Activity Bonds
Federal Highway Funding Issues
FINAL REPORT

December 1, 2010

Presented to:

The Honorable Mike Beebe, Governor
House Interim Committee on Public Transportation
Senate Interim Committee on Transportation, Technology and Legislative Affairs
House Interim Committee on Revenue and Taxation
Senate Interim Committee on Revenue and Taxation
Arkansas Legislative Council
Arkansas State Highway Commission
Association of Arkansas Counties
Arkansas Municipal League
“... 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
  - APPROVED
- State Aid Programs for Cities
  - APPROVED
- Temporary One-Half Cent General Sales Tax to Fund a Multi-Year Construction Program
  - APPROVED
- Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries
  - APPROVED
Total Road User Revenue
$1,076.5 Million

Distribution:

General Revenue
$460.7 Million (43%)

Highway Revenue
$615.9 Million (57%)
Political Process

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
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.
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.

**PASSED THE HOUSE COMMITTEE**

**FAILED ON THE HOUSE FLOOR**
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 EXPUNGE FAILED TWICE ON A SOUNDING OF THE BALLOT
Laws are like sausages, it is better not to see them being made.
Those that respect the law and love sausage should watch neither being made.

Mark Twain
Potential New Program

Arkansas Department of Transportation
<table>
<thead>
<tr>
<th>Question</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are you satisfied with the condition of the existing state highway system?</td>
<td>Yes</td>
</tr>
<tr>
<td>Priority 1:</td>
<td></td>
</tr>
<tr>
<td>Priority 2:</td>
<td></td>
</tr>
<tr>
<td>Priority 3:</td>
<td></td>
</tr>
<tr>
<td>Priority 4:</td>
<td></td>
</tr>
<tr>
<td>If you want better highway conditions, the Arkansas State Highway and</td>
<td>Yes</td>
</tr>
<tr>
<td>Transportation Department will need additional funds. Would you support</td>
<td></td>
</tr>
<tr>
<td>a new highway program that would generate additional revenue?</td>
<td></td>
</tr>
<tr>
<td>Which of the following sources do you recommend be utilized in obtaining</td>
<td>Increase in gas tax</td>
</tr>
<tr>
<td>additional funds (check all that apply):</td>
<td>Increase in diesel tax</td>
</tr>
<tr>
<td>Increase in sales tax (dedicated to highways)</td>
<td>Increase in registration fees</td>
</tr>
<tr>
<td>Add sales tax on wholesale price of motor fuels</td>
<td>Transfer existing sales and use tax on motor vehicles and</td>
</tr>
<tr>
<td>related parts and service (currently collected but not paid to highways)</td>
<td>Other:</td>
</tr>
<tr>
<td>Would you be willing to sign a petition to put a highway revenue proposal</td>
<td>Yes</td>
</tr>
<tr>
<td>on the 2018 general election ballot?</td>
<td></td>
</tr>
<tr>
<td>How did you hear about this survey</td>
<td>Presentation</td>
</tr>
<tr>
<td></td>
<td>TV/Radio/Print</td>
</tr>
<tr>
<td></td>
<td>Social Media</td>
</tr>
<tr>
<td></td>
<td>Family or Friend</td>
</tr>
<tr>
<td></td>
<td>Website/Search Engine</td>
</tr>
<tr>
<td>Optional:</td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td></td>
</tr>
<tr>
<td>City, State, Zip:</td>
<td></td>
</tr>
</tbody>
</table>
Survey Results

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

- Yes: 23%
- No: 74%
- 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: 2,190 (63%)
- Add on w/s price of motor fuels: 646 (18%)
- Increase Registration fees: 1,089 (31%)
- Increase Sales Tax: 903 (26%)
- Increase Diesel Tax: 1,626 (46%)
- Increase Gas Tax: 1,057 (30%)
<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue 5-Year Phase-In</th>
<th>New and Used Vehicles Retail Tire Sales Revenue 2-Year Phase-In</th>
<th>$15 Registration Fee Increase 2-Year Phase-In</th>
<th>Sales Tax 1/4 cent</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>$21.4</td>
<td>$94.9</td>
<td>$66.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>$150.0</td>
<td>$43.3</td>
<td>$193.3</td>
<td>$135.3</td>
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<td></td>
</tr>
<tr>
<td>2022</td>
<td>$229.4</td>
<td>$43.7</td>
<td>$273.2</td>
<td>$191.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>$312.0</td>
<td>$44.2</td>
<td>$356.2</td>
<td>$249.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td>$397.8</td>
<td>$44.6</td>
<td>$586.6</td>
<td>$410.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL TO THE HIGHWAY FUND IN YEAR 2024 $586.6 $410.6
### Potential New Program

<table>
<thead>
<tr>
<th>Year</th>
<th>Add 6.5% Exise Tax to Motor Fuels 3-Year Phase-In</th>
<th>Sales Tax 1/2 cent</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$111.3</td>
<td>$111.3</td>
<td>$111.3</td>
<td>$77.9</td>
</tr>
<tr>
<td>2021</td>
<td>$189.3</td>
<td>$189.3</td>
<td>$189.3</td>
<td>$132.5</td>
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<tr>
<td>2022</td>
<td>$251.0</td>
<td>$251.0</td>
<td>$251.0</td>
<td>$175.7</td>
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<tr>
<td>2023</td>
<td>$256.0</td>
<td>$256.0</td>
<td>$256.0</td>
<td>$179.2</td>
</tr>
<tr>
<td>2024</td>
<td>$261.1</td>
<td>$288.3</td>
<td>$549.4</td>
<td>$384.6</td>
</tr>
</tbody>
</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024**

|                  | $549.4 | $384.6 |
Potential New Program

- Projecting **10 Years** of Projects

- Annual **Existing** Funding Available for Highway Construction is **$447 Million**

- Combined With **Projected New** Funding Totals **$8.37 Billion** Over **10 Years**
## Potential New Program

### Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate Improvements</td>
<td>$1.00 Billion</td>
</tr>
<tr>
<td>Pavement Preservation</td>
<td>$3.84 Billion</td>
</tr>
<tr>
<td>Bridge Replacement and Preservation</td>
<td>$1.14 Billion</td>
</tr>
<tr>
<td>Capital Improvements</td>
<td>$1.20 Billion</td>
</tr>
<tr>
<td>Capacity Improvements</td>
<td>$0.72 Billion</td>
</tr>
<tr>
<td>Safety Improvements</td>
<td>$0.47 Billion</td>
</tr>
</tbody>
</table>

**Totals $8.37 Billion Over 10 Years**
Arkansas Department of Transportation

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

ARKansas Department of Transportation