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 (Steve Williams)
Arkansas Commercial Truck Safety and Education Program (ACTSEEP)

- December 2, 2014 – February 2, 2015
- 1st ACTSEEP 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 staff is 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 – 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
• Governor’s Working Group on Highway Funding

• 16,400 miles State Highways

New White River Bridge on Hwy 64 at Augusta opened in 2001.
Promises Made
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**
- 46 Projects
- 290 Miles
- $1.0 Billion

**Under Construction**
- 6 Projects
- 54 Miles
- $314 Million

**Scheduled**
- 27 Projects
- 159 Miles
- $219 Million
2012 Connecting Arkansas Program

**Completed**
- 11 Projects
- 61 Miles
- $432 Million

**Under Construction**
- 11 Projects
- 68 Miles
- $627 Million

**Scheduled**
- 14 Projects
- 56 Miles
- $974 Million
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
ArDOT Quick Facts

3rd Largest State Agency
(app. 3,700 Employees)

Maintains
16,418 miles of Highway
7,335 Bridges

Central Offices in Little Rock

10 Districts Statewide

Mission:
Provide safe and efficient transportation solutions to support Arkansas’ economy and enhance the quality of life for generations to come.
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
Transportation Planning & Policy
Pavement Management

ARAN (Automatic Road Analyzer)

- 3 HD ROW CAMERAS
- LASERS AND ACCELEROMETERS
- MACRO-TEXTURE LASER
- CYROSCOPES
- Inertial Navigation
- DMI
- SCANNING LASER RUT MEASUREMENT SYSTEM
- 2 HD ROW CAMERAS
- LINE SCAN INFRARED PAVEMENT IMAGING SYSTEM
Multi-Media Highway Information System (MMHIS)
Environmental
Surveys
Program Management
Right of Way
Highway System
Traffic and Condition
Growth of the Arkansas State Highway System
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%)
- Cities: 6.0 (16%)
- ARDOT: 26.8 (74%)
Arkansas Highway Traffic

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

Current Condition
- Poor: 37%
- Fair: 54%
- Good: 8%

2027 Condition
- Poor: 43%
- Fair: 41%
- Good: 16%
Challenges

- 12th largest system in the country
- 41st in highway revenue per mile.

- $9.3 billion in needs
- $4.5 billion in available revenue

“This is a problem that we can’t leave for our children or grandchildren to solve.”

~Arkansas Department of Transportation Director Scott Bennett
Pay a Little Now

Overlay
$100,000
per lane mile

Pay a Whole Lot Later

Reconstruction
$1,500,000
per lane mile
THEN

In 1995, **200 miles** of highway could be overlaid with $10 million.

NOW

Using $10 million today, only **54 miles** of highway can be overlaid.
Highway Revenue at 14.4% of General Revenue

Excludes County & City Aid funds | Excludes CAP funds

- 1980: 14.4% $139M
- 1988: 14.4% $259M
- 1996: 14.4% $455M
- 2004: 14.4% $626M
- 2012: 14.4% $829M
- 2016: 14.4% $931M

Billions
$0.0 - $7.0
14.4% $139M
14.4% $259M
14.4% $455M
14.4% $626M
14.4% $829M
14.4% $931M

Fiscal Year
“An efficient transportation system is critical for Arkansas’ economy and the quality of life of the state’s residents.”
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.
# 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 Plan</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>
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<tr>
<td>Capacity Relief</td>
<td>305,000,000</td>
<td>157,000,000</td>
<td>148,000,000</td>
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<tr>
<td>Safety Improvements</td>
<td>86,000,000</td>
<td>44,000,000</td>
<td>42,000,000</td>
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<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></td>
<td>8,000,000</td>
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<tr>
<td>Intelligent Transportation System (ITS)</td>
<td>3,000,000</td>
<td></td>
<td>3,000,000</td>
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<tr>
<td>Total Maintenance</td>
<td>30,000,000</td>
<td>19,000,000</td>
<td>11,000,000</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>$925,000,000</strong></td>
<td><strong>$447,000,000</strong></td>
<td><strong>$478,000,000</strong></td>
</tr>
</tbody>
</table>

Note: Amounts shown are rounded.

$478,000,000
Recent Legislation
State Highway Funding

Governor Hutchinson’s Four T’s:

- Tax Cuts
- Teacher Pay
- Transformation
- Transportation
State Highway Funding

Governor Hutchinson’s Highway Package

Two Bills

Four Revenue Sources

$300 Million Per Year
Motor Fuel Taxes

1.6% Tax On Wholesale Price of Gas
(equals 3 cents per gallon)

2.9% Tax On Wholesale Price of Diesel
(equals 6 cents per gallon)
Act 416

Motor Fuel Taxes

Results in $86 Million in Additional Annual Revenue

$58 Million to ARDOT

$14 Million to Cities and Counties Each

“And we feel like we would like to invest and spend money to make the roads better so that they are safer, so that they are easier on the equipment, so that the volume of traffic can move more freely. The benefit of those things outweighs any increased costs.”

– Shannon Newton, Arkansas Trucking Association President
Electric and Hybrid Vehicle Registration Fees

Electric Vehicles - $200 Registration Fee

Hybrid Vehicles - $100 Registration Fee

$2 Million to ARDOT
Casino Revenue

All New Casino Revenue

$35 Million Annually to ARDOT
Act 416

Act 416 Summary

Motor Fuel Tax $ 58 Million

Electric and Hybrid Vehicle Registration Fees $ 2 Million

Casino Revenue $ 35 Million

Total to ARDOT $ 95 Million
## Act 416 Summary

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Fuel Tax</td>
<td>$ 58 Million</td>
</tr>
<tr>
<td>Electric and Hybrid Vehicle Registration Fees</td>
<td>$ 2 Million</td>
</tr>
<tr>
<td>Casino Revenue</td>
<td>$ 35 Million</td>
</tr>
<tr>
<td><strong>Total to ARDOT</strong></td>
<td><strong>$ 95 Million</strong></td>
</tr>
</tbody>
</table>

*All for System Preservation, Pavements, Bridges, etc.*
Proposed Constitutional Amendment

• To Be Voted On In General Election – November 2020
• ½-Cent Sales Tax Permanent After 2023
• Continues To Provide $205 Million To ARDOT Annually
• Continues To Provide $43 Million To Cities Annually
• Continues To Provide $43 Million To Counties Annually
Governor’s Highway Funding Package

Summary

Act 416
House Joint Resolution 1018
Total To ARDOT

$ 95 Million
$205 Million
$300 Million
Recipe for Success

- Consensus
- Unity
- Bipartisanship
  ✓ Governor
  ✓ Legislature
  ✓ Stakeholders
  ✓ ARDOT
2020-2023 Program
<table>
<thead>
<tr>
<th>Type Work</th>
<th>Amount (x $1 M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Widening / New Location</td>
<td>$ 370</td>
</tr>
<tr>
<td>Pavement Preservation</td>
<td>$ 214</td>
</tr>
<tr>
<td>Bridges</td>
<td>$ 111</td>
</tr>
<tr>
<td>Safety</td>
<td>$ 49</td>
</tr>
<tr>
<td>Other</td>
<td>$ 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 744</strong></td>
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</table>
## 2021 Scheduled

<table>
<thead>
<tr>
<th>Type Work</th>
<th>Amount (x $1 M)</th>
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</thead>
<tbody>
<tr>
<td>Widening / New Location</td>
<td>$178</td>
</tr>
<tr>
<td>Pavement Preservation</td>
<td>$274</td>
</tr>
<tr>
<td>Bridges</td>
<td>$102</td>
</tr>
<tr>
<td>Safety</td>
<td>$33</td>
</tr>
<tr>
<td>Other</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$587</strong></td>
</tr>
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</table>
### 2022 Scheduled

<table>
<thead>
<tr>
<th>Type Work</th>
<th>Amount (x $1 M)</th>
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<tbody>
<tr>
<td>Widening / New Location</td>
<td>$ 203</td>
</tr>
<tr>
<td>Pavement Preservation</td>
<td>$ 282</td>
</tr>
<tr>
<td>Bridges</td>
<td>$ 113</td>
</tr>
<tr>
<td>Safety</td>
<td>$ 33</td>
</tr>
<tr>
<td>Other</td>
<td>$ 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 631</strong></td>
</tr>
</tbody>
</table>
2023 Pavement Preservation

2023 - $290 Million
House Bill 1631

Speed Limit Changes

• Changes speed limits in some areas to 75mph
• Brings back differential speed limits
  - 75mph for cars & 70mph for commercial vehicles over 26,000 lbs
Autonomous Vehicles

- Allows Highway Commission to adopt rules for and approve pilot programs

- No more than 3 autonomous vehicles can be operated simultaneously under any pilot program
General Election
November 2020
House Joint Resolution 1018

Turnback to Cities
2023 - $156 million
2024 - $113 million

Nearly a 30% Reduction

Turnback to Counties
2023 - $156 million
2024 - $113 million

Nearly a 30% Reduction
House Joint Resolution 1018

Funding to ARDOT

Act 416
House Joint Resolution 1018
Total to ARDOT

$ 95 Million
$205 Million
$300 Million
Arkansans Need to Decide How to Fund Your Transportation System
Questions?