Statewide Programs
Interstate Rehabilitation Program

**Completed**
- 47 Projects
- 291 Miles
- $1,027 Million

**Under Construction**
- 5 Projects
- 53 Miles
- $287 Million

**Let To Contract**
- 52 Projects
- 344 Miles
- $1,314 Million

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

$533 Million Completed

$261 Million Scheduled

$1.16 Billion Under Construction
½ Cent Sales Tax Turnback Funds

**Hempstead County**
Received $2.1 Million to date
Projected to Receive $2 Million
Total $4.1 Million (Ending in 2023)

**City of Hope**
Received $1 Million to date
Projected to Receive $1 Million
Total $2 Million (Ending in 2023)
Local Projects
Interstate Rehabilitation Program

Completed
6 Projects
42 Miles
$121 Million

Under Construction
1 Project
19 Miles
$39 Million
I-30 Interstate Rehabilitation Program

Completed
2 Miles
$37 Million
I-30 Interstate Rehabilitation Program

Under Construction

1 Project
19 Miles
$39 Million
U.S. Highway 67

**Completed**
- 5 Projects
- 12 Miles
- $13 Million

**Scheduled**
- 1 Project
- 8 Miles
- Est. $1-5 Million
State Highway 278

Completed
- 5 Projects
- 21 Miles
- $4 Million
State Highway 29 Business

Completed
2 Miles
$0.6 Million
State Highways 29 & 32

Scheduled
1 Project
5 Miles
Est. $1-5 Million
Recent Legislation
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
House Joint Resolution 1018

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 $ 95 Million
House Joint Resolution 1018 $205 Million
Total To ArDOT $300 Million
Recipe for Success

• Consensus
• Unity
• Bipartisanship
  ✓ Governor
  ✓ Legislature
  ✓ Stakeholders
  ✓ ARDOT
Funding Challenges
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
In 1995, **200 miles** of highway could be overlaid with $10 million.

Using $10 million today, only **54 miles** of highway can be overlaid.
Percent of Highway vs. General Revenue

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Revenue</th>
<th>Net Highway Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>14.4% ($139M)</td>
<td>11.3% ($202M)</td>
</tr>
<tr>
<td>1991</td>
<td>19.7% ($297M)</td>
<td>9.4% ($297M)</td>
</tr>
<tr>
<td>1999</td>
<td>8.7% ($377M)</td>
<td>7.6% ($434M)</td>
</tr>
<tr>
<td>2004</td>
<td>7.6% ($434M)</td>
<td>6.6% ($423M)</td>
</tr>
</tbody>
</table>

Excludes County & City Aid funds | Excludes CAP funds
Highway Revenue at 14.4% of General Revenue

Excludes County & City Aid funds | Excludes CAP funds

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Revenue</th>
<th>Net Highway Revenue</th>
<th>Highway Revenue at 14.4% of General Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>$139M</td>
<td>$139M</td>
<td>14.4% $139M</td>
</tr>
<tr>
<td>1988</td>
<td>$259M</td>
<td>$259M</td>
<td>14.4% $259M</td>
</tr>
<tr>
<td>1996</td>
<td>$455M</td>
<td>$455M</td>
<td>14.4% $455M</td>
</tr>
<tr>
<td>2004</td>
<td>$626M</td>
<td>$626M</td>
<td>14.4% $626M</td>
</tr>
<tr>
<td>2012</td>
<td>$829M</td>
<td>$829M</td>
<td>14.4% $829M</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td>14.4% $931M</td>
</tr>
</tbody>
</table>
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>
</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></td>
<td>$8,000,000</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><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
What is the road to good roads?

Governor Asa Hutchinson paves the way for a highway plan to be presented to voters in 2020. But the politics ahead could be bumpy.

ARDOT / Cities / Counties
Educate Public

Stakeholders
Educate Public
Campaign
Arkansans Major Public Asset
Transportation Infrastructure

<table>
<thead>
<tr>
<th>State Highway System</th>
<th>Gross Replacement Value</th>
<th>Average Annual Investment to Maintain State of Good Repair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>$58.1 Billion</td>
<td>$387 Million (0.67%)</td>
</tr>
<tr>
<td>Bridges</td>
<td>$11.0 Billion</td>
<td>$117 Million (1.06%)</td>
</tr>
<tr>
<td>Total</td>
<td>$69.1 Billion</td>
<td>$504 Million (0.73%)</td>
</tr>
</tbody>
</table>

Based on Arkansas DOT Transportation Asset Management Plan and Legislative Audit Report
Economic Impact of Infrastructure Investment

• Increased Property Values
• Attraction to Businesses
  ✓ Higher Wages
  ✓ More Job Opportunities
• Less Expense on Vehicle Wear and Tear = Greater Expendable Income
• Safety Benefits
  ✓ Reduced Fatalities
  ✓ Reduced Property Damage
Infrastructure Investment and Quality of Life

Quality of Life is Directly Linked to:

- Reliable Access to:
  - ✓ Housing
  - ✓ Family, Friends, Spirituality
  - ✓ Employment
  - ✓ School
  - ✓ Health Care
  - ✓ Recreation/Entertainment
  - ✓ Consumer Goods
  - ✓ Consumer Services
$478 Annual Investment Results

- **Immediate Economic Benefits of Increasing Investment**
  - Supports $1.3 Billion in Economic Activity
  - Supports 5,729 Jobs

- **Neighbors Are Not Waiting**
  - Seven Have Raised State Gas Tax
  - Six Have Variable Gas Tax
  - Eight Have Electric Vehicle Registration Fees

- **Significant Transportation Challenges**
  - Safety Needs
  - Increasing Freight Demands
  - Impacts From Congestion
2023 vs. 2024 if HJR1018 Fails

**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*
Next Steps to November 2020 Election

ARDOT / Cities / Counties
Educate Public

Stakeholders
Educate Public Campaign
Arkansans Need to Decide How to Fund

Your Transportation System