



House Public Transportation Committee
AHTD Report
Tuesday, January 29, 2013



State Highway System

- Arkansas 16,430 miles
- Illinois 16,040 miles
- California 15,205 miles
- New York 14,969 miles
- Tennessee 13,881 miles
- Florida 12,084 miles



Challenges

➤ **12th** largest system in the country.

➤ **43rd** in highway revenue per mile.



Highway Revenue Sources

2013



Highway Revenue Sources

2014 - 2023



Moving Ahead for Progress in the 21st Century (MAP-21)

- Signed by President Obama July 6, 2012
- Federal-aid Highway and Transit Programs
- Authorized Through September 30, 2014
- Federal Funding Continued at 2012 Levels



Moving Ahead for Progress in the 21st Century (MAP-21)

Four Main Core Programs

- National Highway Performance Program
- Surface Transportation Program
- Highway Safety Improvement Program
- Congestion Mitigation and Air Quality Program

Two New Formula Programs

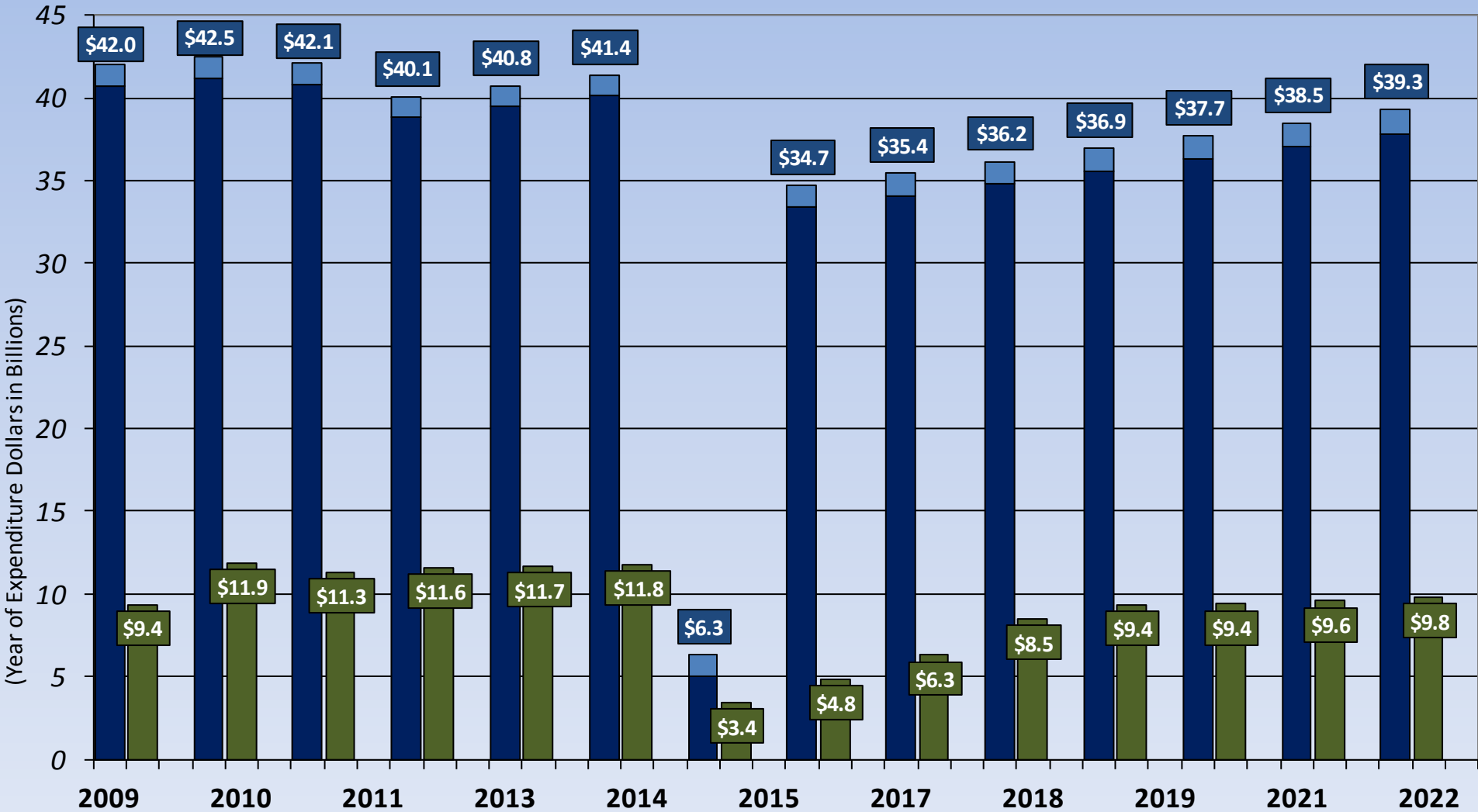
- Transportation Alternatives
- Construction of Ferry Boats and Ferry Terminal Facilities



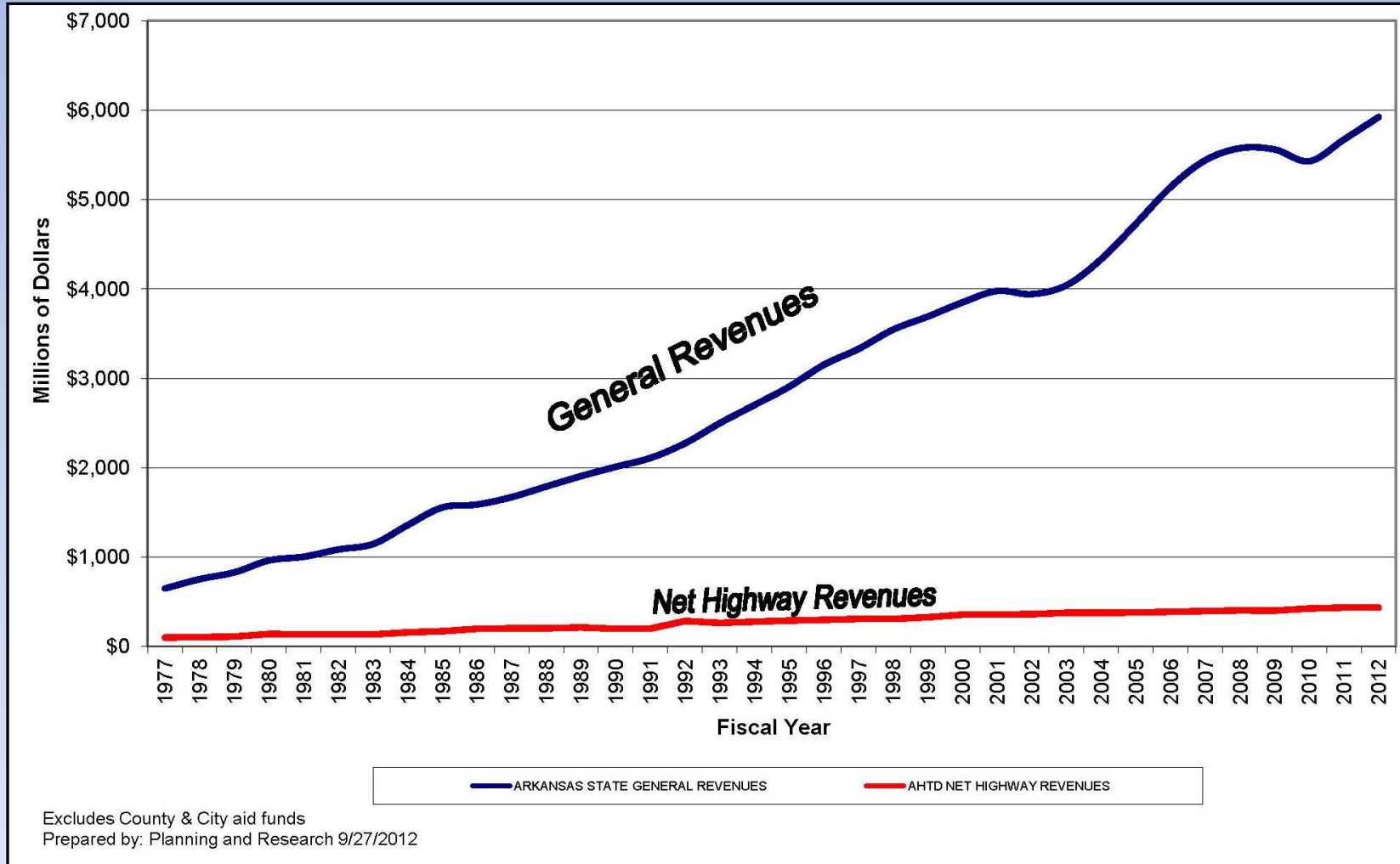
Federal Highway and Transit Needs and Obligations Through 2022

Assumes a minimum balance of \$2 billion for the Highway Account and \$.25 billion for the Mass Transit Account

Federal-aid Highway Obligations Highway Safety Obligations Total Transit Obligations



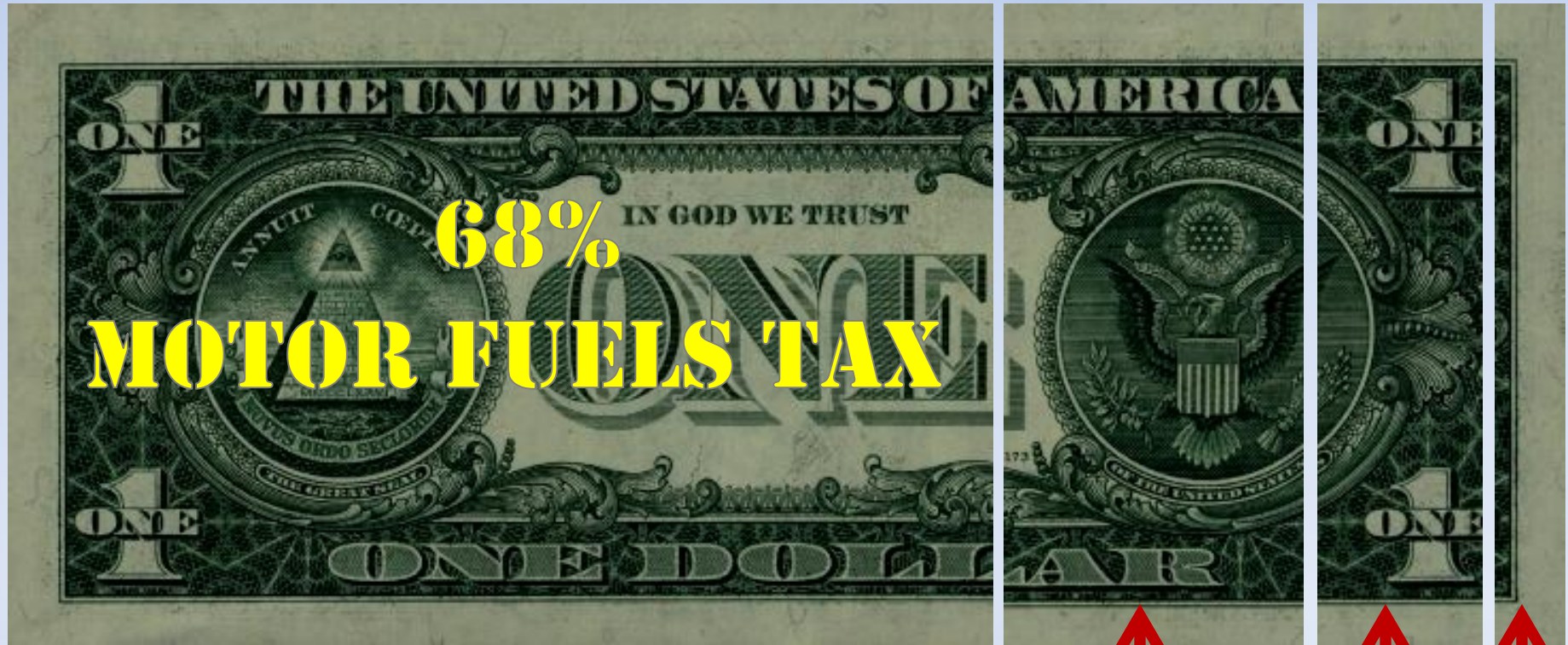
State General Revenues vs. AHTD Net Highway Revenues



Highway Revenue Distribution



Highway Revenue Sources

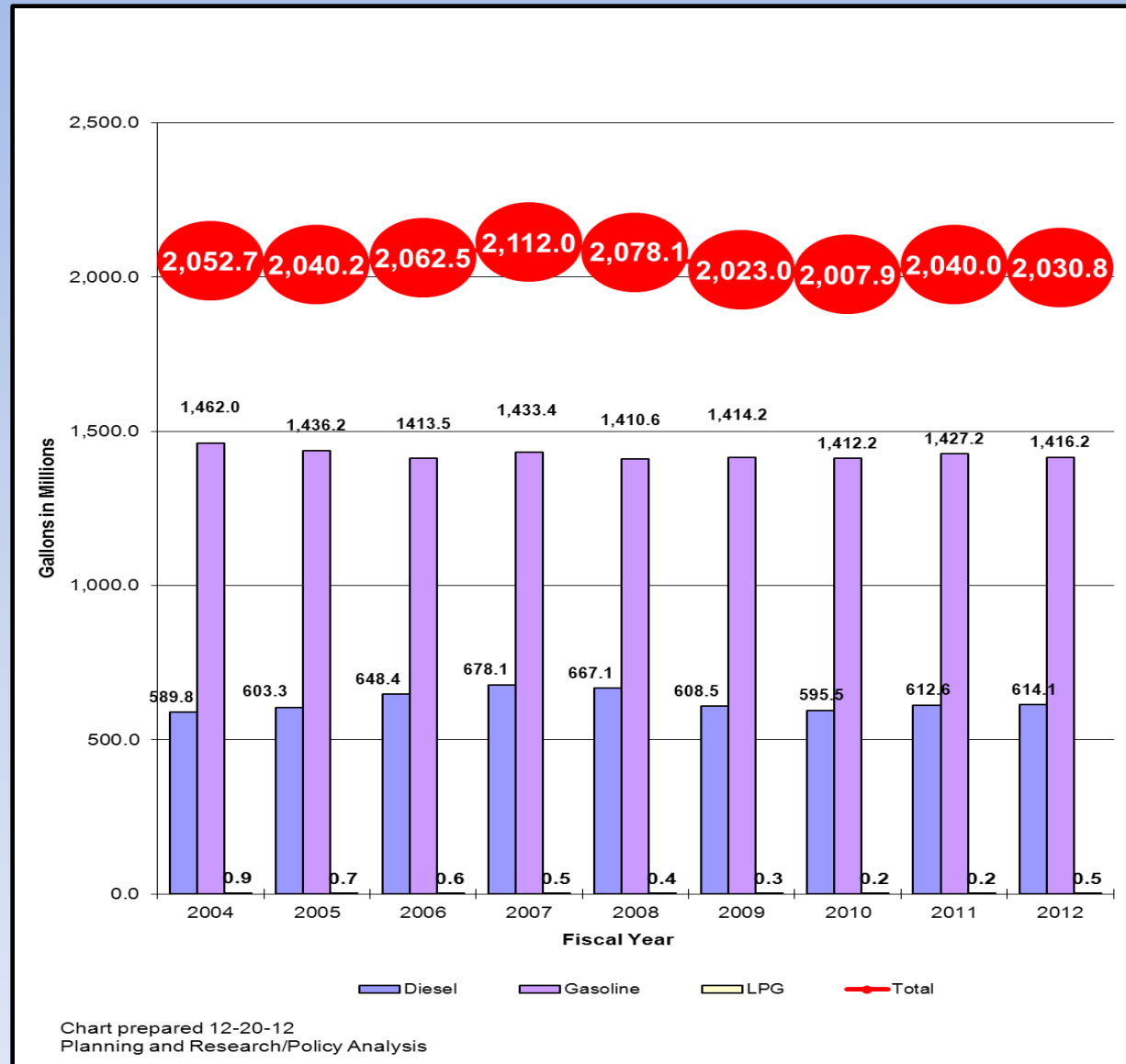


Registration Fees (19%)

Severance Tax (7%)

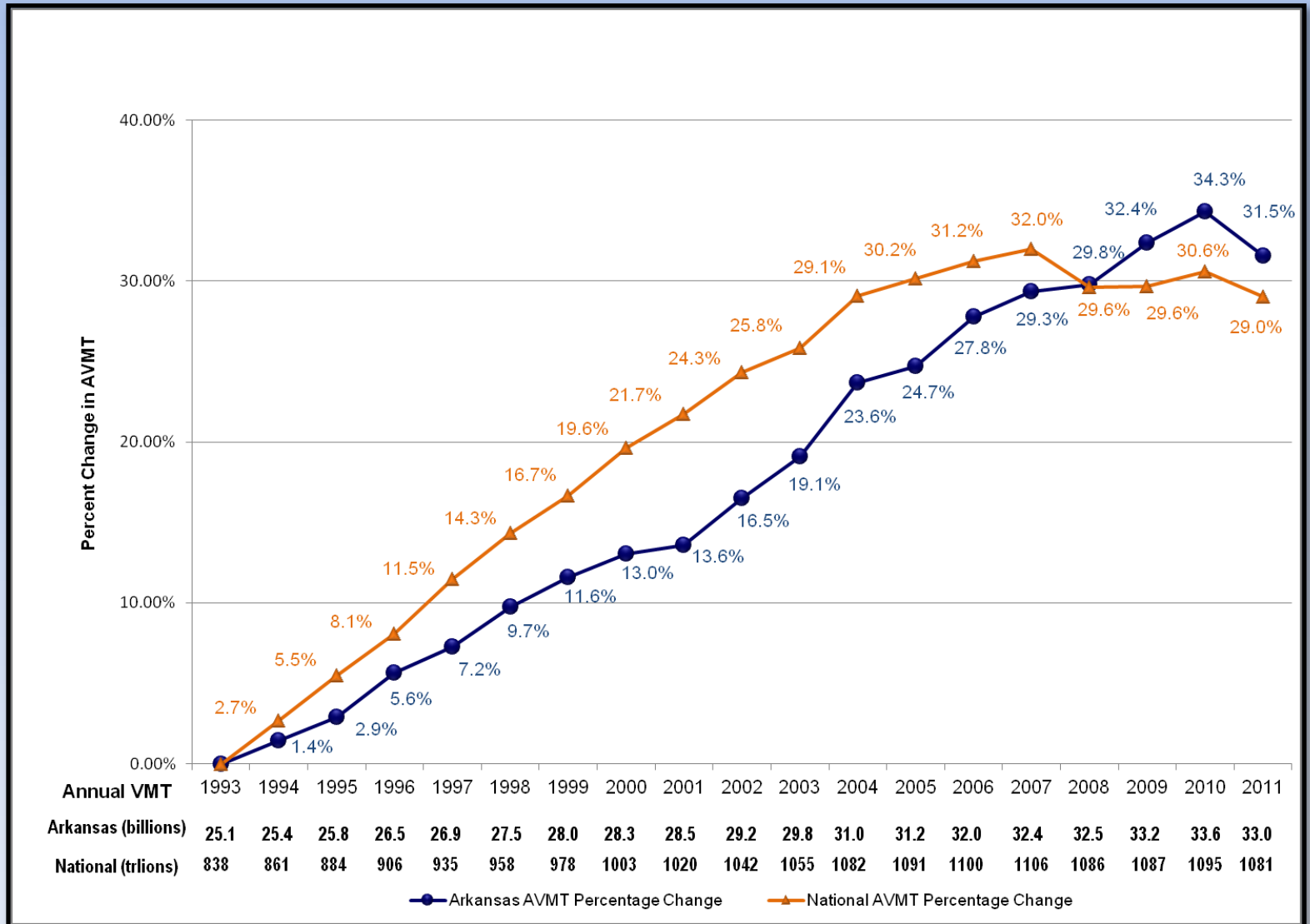
Permits & Penalties (6%)

Arkansas Motor Fuel Consumption



Vehicle Miles Traveled

Percent Increase in Annual Vehicle Miles of Travel for All Public Roads in Arkansas and the Nation



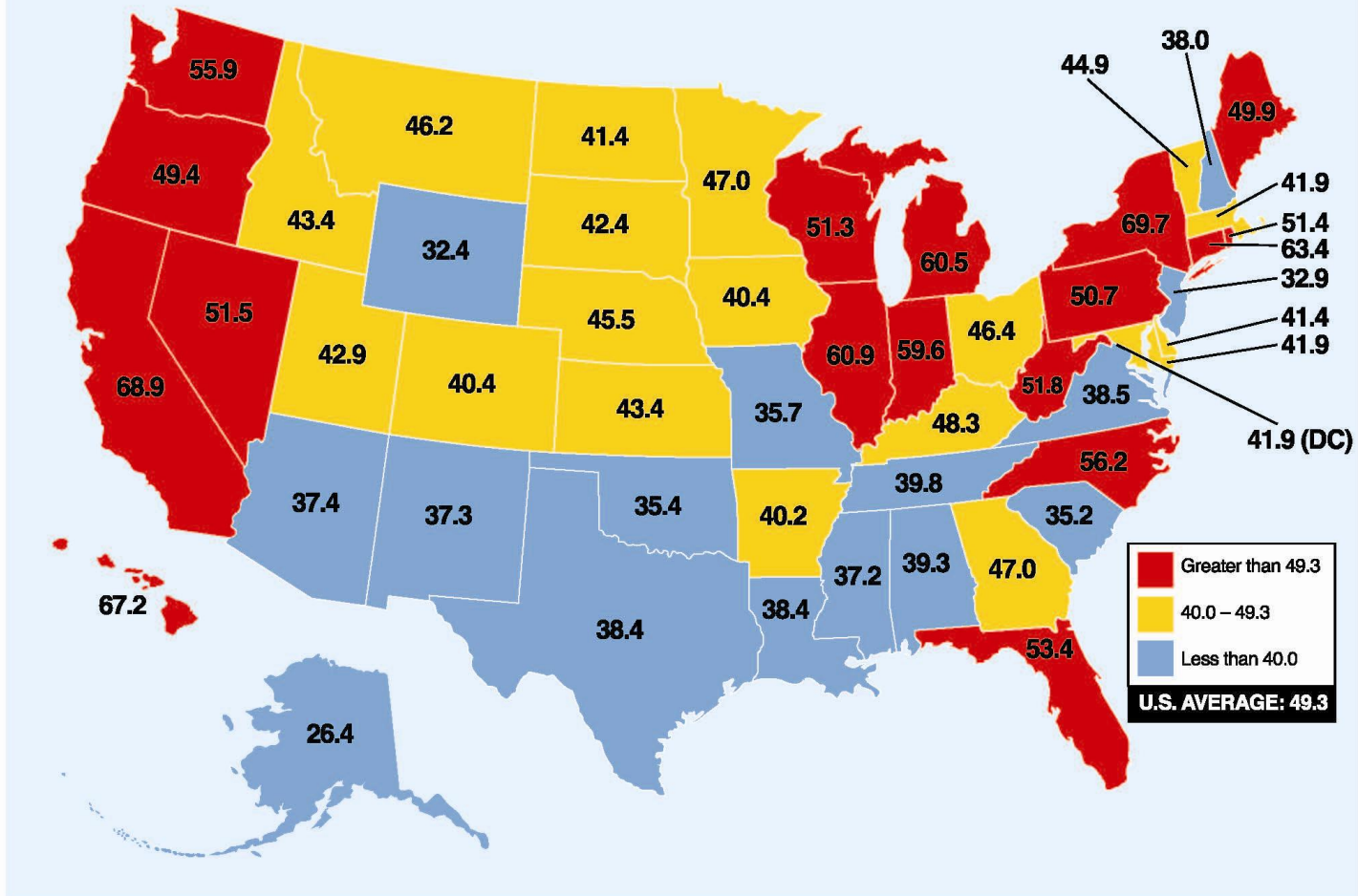
State and Federal Gasoline Taxes



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GASOLINE TAXES

COMBINED LOCAL, STATE AND FEDERAL (CENTS PER GALLON)
OCTOBER 2012



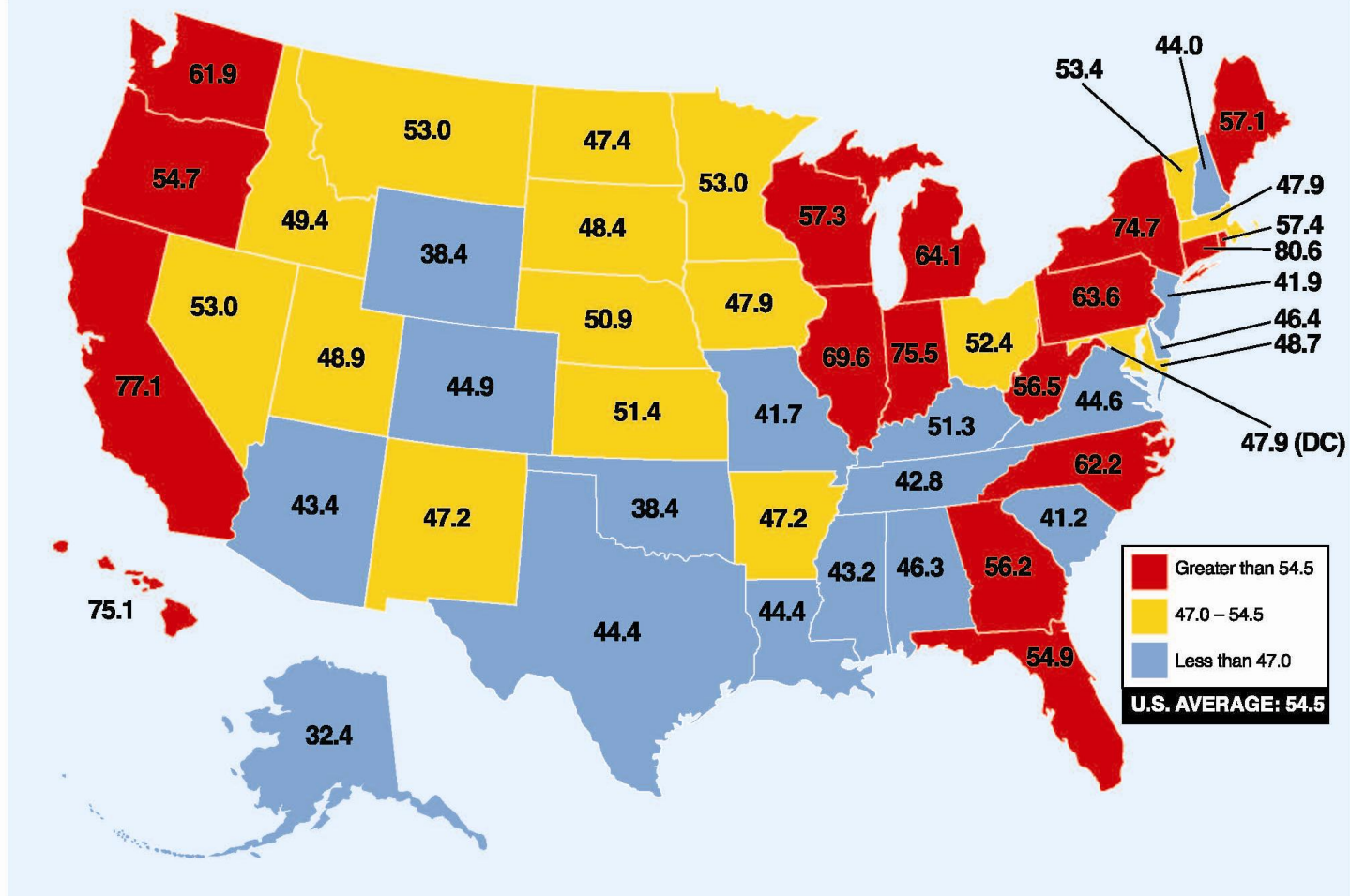
State and Federal Diesel Taxes



AMERICAN PETROLEUM INSTITUTE

DIESEL TAXES

COMBINED LOCAL, STATE AND FEDERAL (CENTS PER GALLON)
OCTOBER 2012



The Problem

Per-Gallon Tax is the **Primary Funding Source**
for Highways



Fuel Consumption is **Declining**



Highway Revenues From Fuel are **Declining**

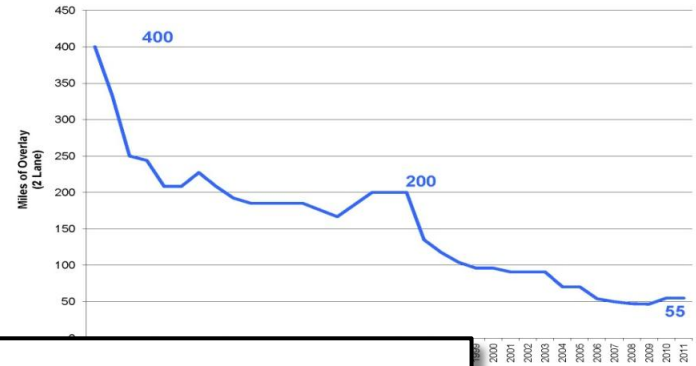


Challenges

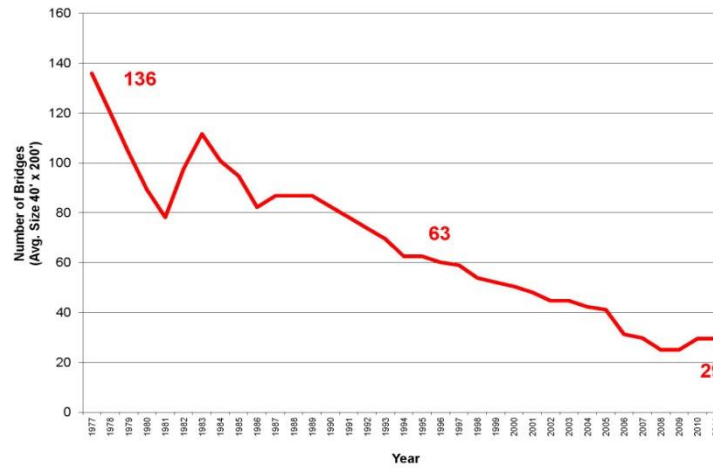
\$100,000,000 Widening Program



\$10,000,000 Overlay Program



\$25,000,000 Bridge Program



Total Cost for Needs and Other Improvements

Congestion Relief.....	\$3.7 billion
Maintaining the System	\$10.8 billion
Congressionally-Designated High Priority Corridors....	\$7.5 billion
Economic Development Connectors.....	\$1.6 billion
Total Needs and Other Improvements.....	\$23.6 billion
Anticipated Funding (Including Half-Cent Revenue)..	\$5.6 billion
SHORTFALL.....	\$18.0 billion



Estimated Average Annual Construction Funds Available for Commission Discretion

(Fiscal Years 2013-2014)

Federal Funds (Est. Average Annual Revenue from MAP-21).....	\$501 Million
State Highway Funds (Est. Average Annual Revenue 2013-2014).....	\$394 Million
Total Federal & State Highway Funds.....	\$895 Million
Less Non-AHTD Federal Funds, Non-Construction Programs and Federal Obligation Limitations.....	\$105 Million
Less State Funds for Fixed Budgeted Expenditures and Match for Non-Construction Federal Aid.....	\$292 Million
Less State and Federal Fund Commitment for IRP.....	\$85 Million
Federal and State Funds Highway Construction.....	\$414 Million
Funds Specific to Categories (No Commission Discretion).....	\$138 Million
Highway Construction Funds Available for Commission Discretion.....	\$276 Million





Blue Ribbon
Committee
on Highway Finance
BlueRibbonHighways.com

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



Revenue Proposals



- Reissue GARVEE Bonds for a New Interstate Rehabilitation Program
- State Aid Program for Cities
- Temporary One-Half Cent General Sales Tax to Fund a Multi-Year Construction Program
- Dedicating the Existing Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries to Highways, Roads, and Streets



Revenue Proposals



- Reissue **APPROVED** GOVIE Bonds for Interstate Rehabilitation Program
- State Aid Programs for Cities **APPROVED**
- Temporary One-half Cent General Sales Tax to Fund a Multi-Year Construction Program **APPROVED**
- Dedicating the Existing Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries to Highways, Roads and Streets



Revenue from Dedicating

1. 6% of the Gross State Sales & Use Tax – Representing Road-User Related Sales and Use Tax

and

2. The 4.5% Sales & Use Tax on the Sale of New and Used Vehicles

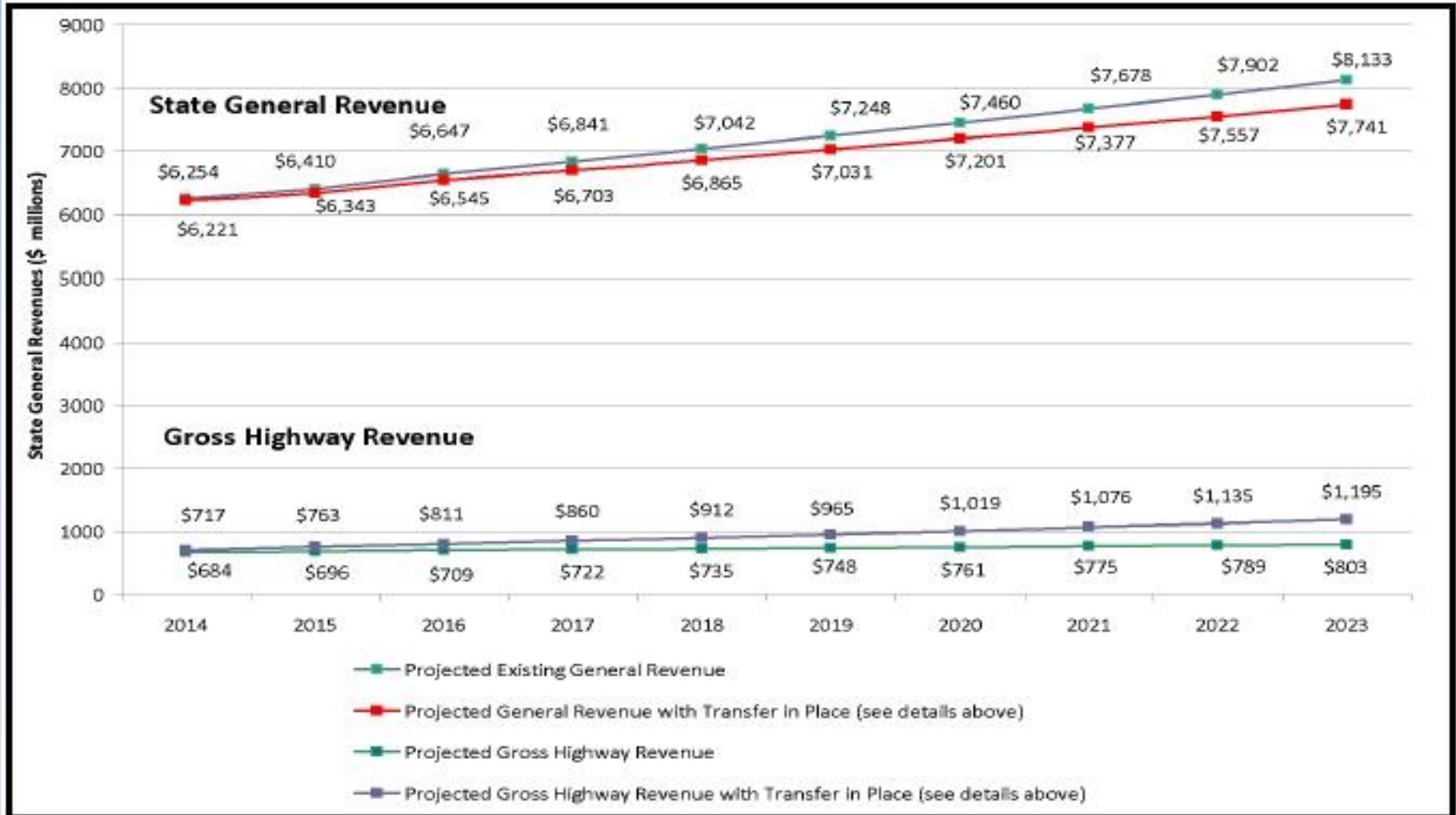
(in millions)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue to AHTD	\$23	\$47	\$71	\$97	\$124	\$152	\$181	\$210	\$242	\$274
Revenue to Counties	\$5	\$10	\$15	\$21	\$27	\$33	\$39	\$45	\$52	\$59
Revenue to Cities	\$5	\$10	\$15	\$21	\$27	\$33	\$39	\$45	\$52	\$59
Total	\$33	\$67	\$102	\$139	\$177	\$217	\$258	\$301	\$346	\$392

Revenue from Dedicating

1. 6% of the Gross State Sales & Use Tax – Representing Road-User Related Sales and Use Tax and
2. The 4.5% Sales & Use Tax on the Sale of New and Used Vehicles

(in millions)





If you have any questions please contact us through our website
or by e-mail at:

www.ArkansasHighways.com

or

info@arkansashighways.com



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