

**Randy Ort**  
**Assistant Chief - Administration**



**Jacksonville Rotary Club**

**Monday, April 1, 2019**



# *Local Project Updates*

# U.S. Highway 67

## Completed

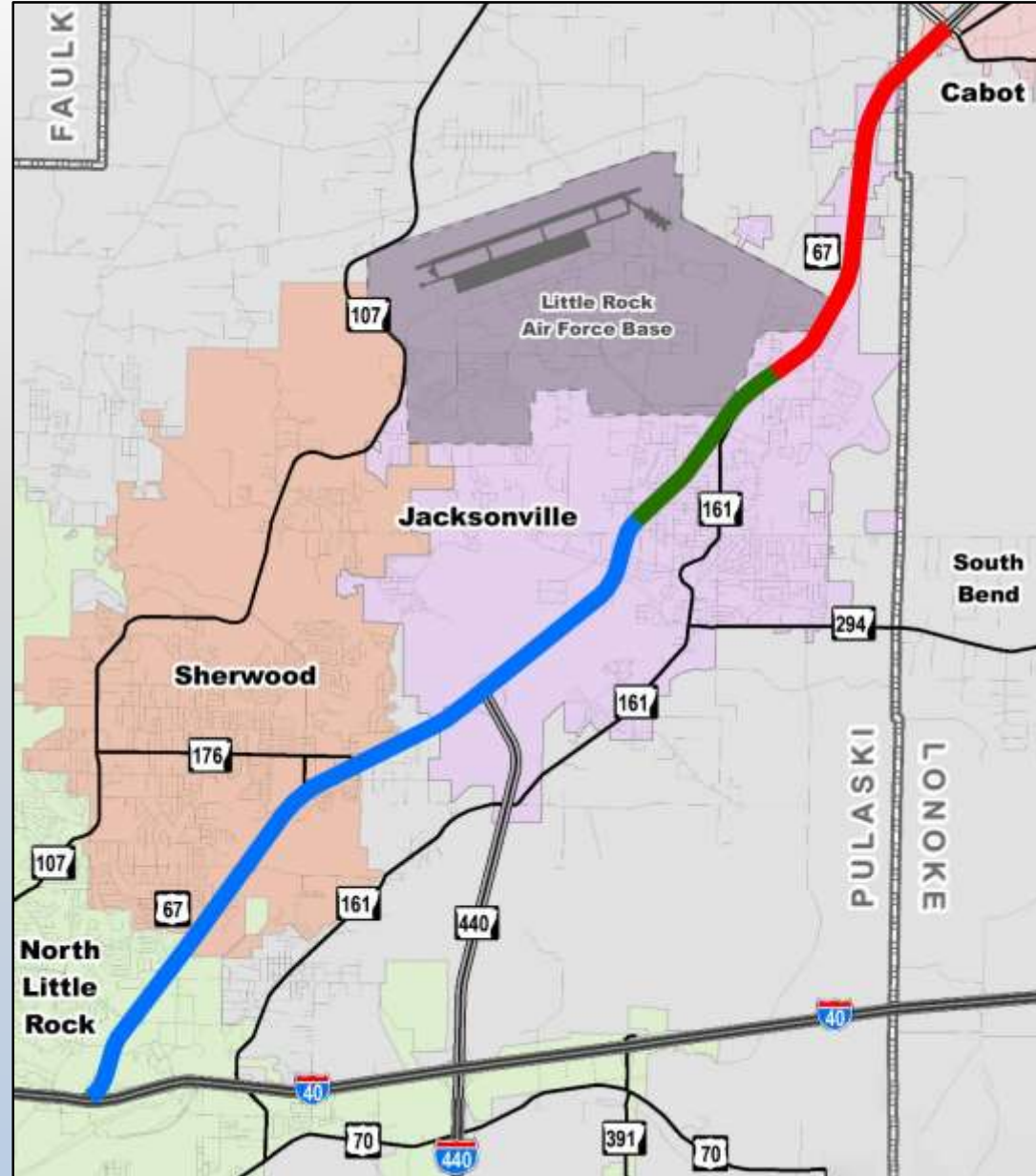
6 Projects  
6 Miles  
\$143 Million

## Under Construction

1 Project  
5 Miles  
\$90 Million

## Scheduled

1 Project  
2 Miles  
Est. \$75-100 Million





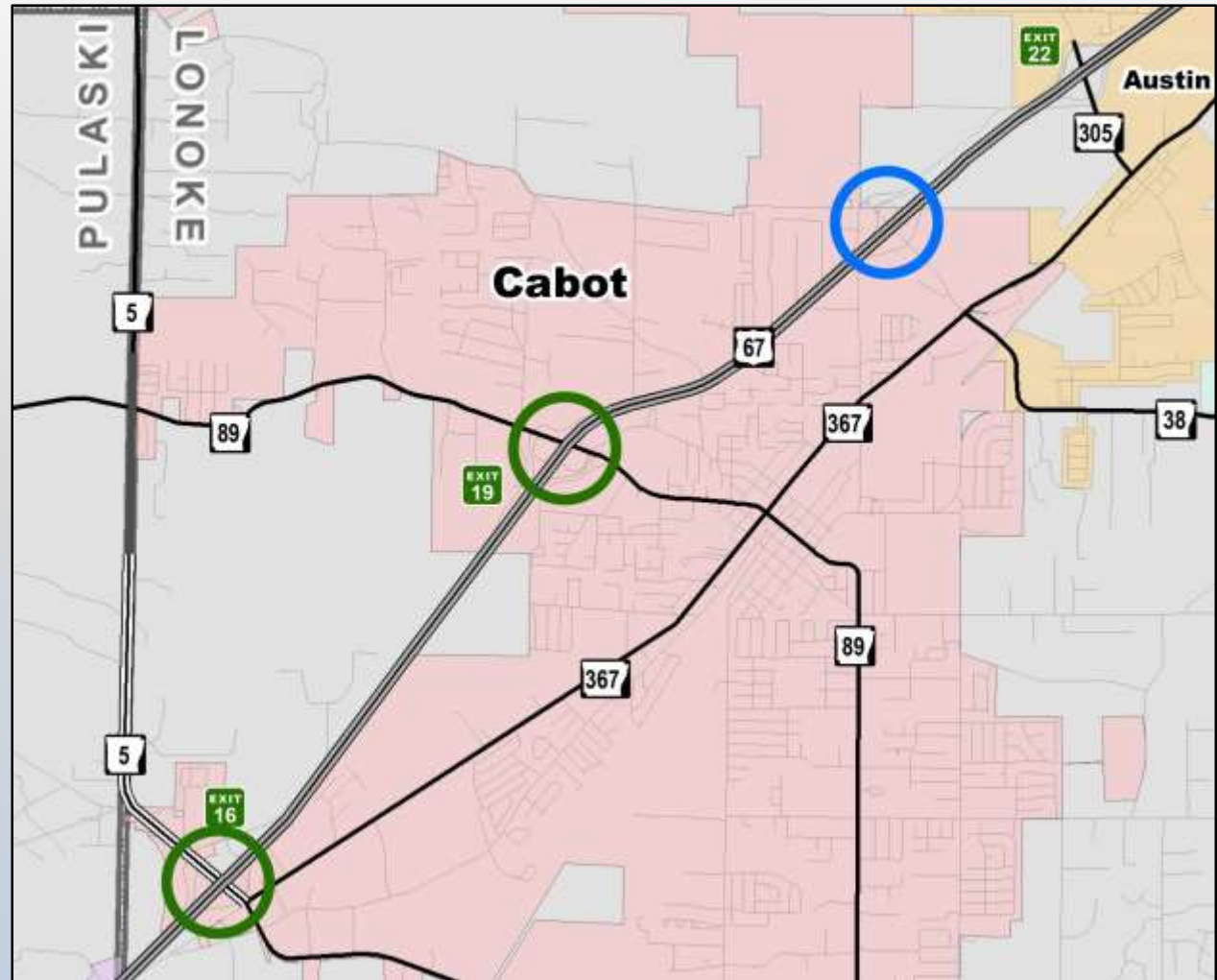
# U.S. Highway 67

## Completed

1 Interchange  
\$26 Million

## Scheduled

2 Interchanges  
Est. \$30-40 Million

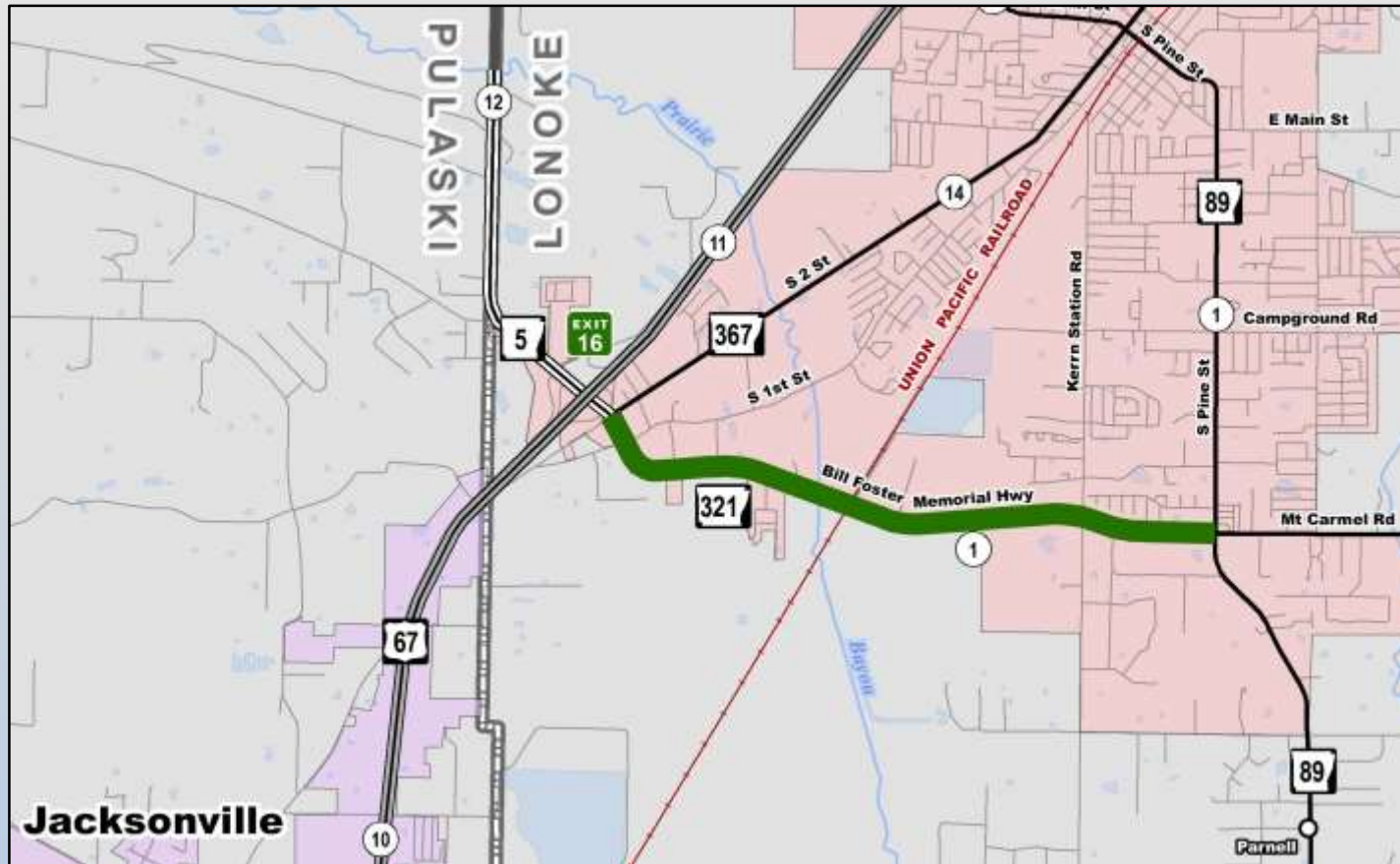


# State Highway 321

## Scheduled

Widening  
3 Miles

Est. \$20-30 Million





# *Funding Challenges*





# Challenges

- **12<sup>th</sup>** largest system in the country
  - **41<sup>st</sup>** in highway revenue per mile.
- 

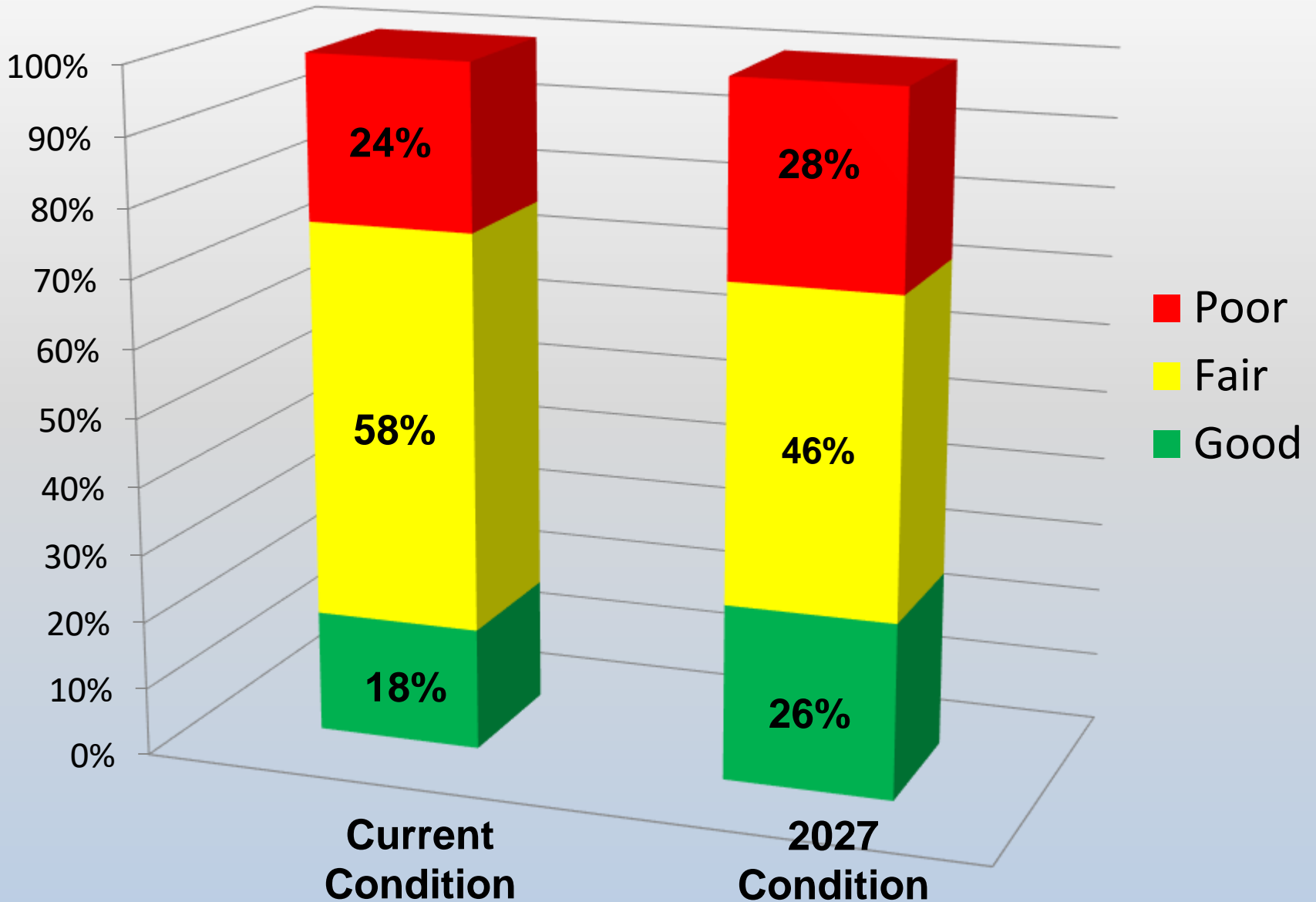
- **\$9.3 billion** in needs
- **\$4.5 billion** in available revenue

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

*~Arkansas Department of Transportation Director  
Scott Bennett*



# All State Highways – Including Interstates





## Pay a **Little** Now



Overlay  
**\$100,000**  
per lane mile

## Pay a **Whole Lot** Later



Reconstruction  
**\$1,500,000**  
per lane mile

## THEN

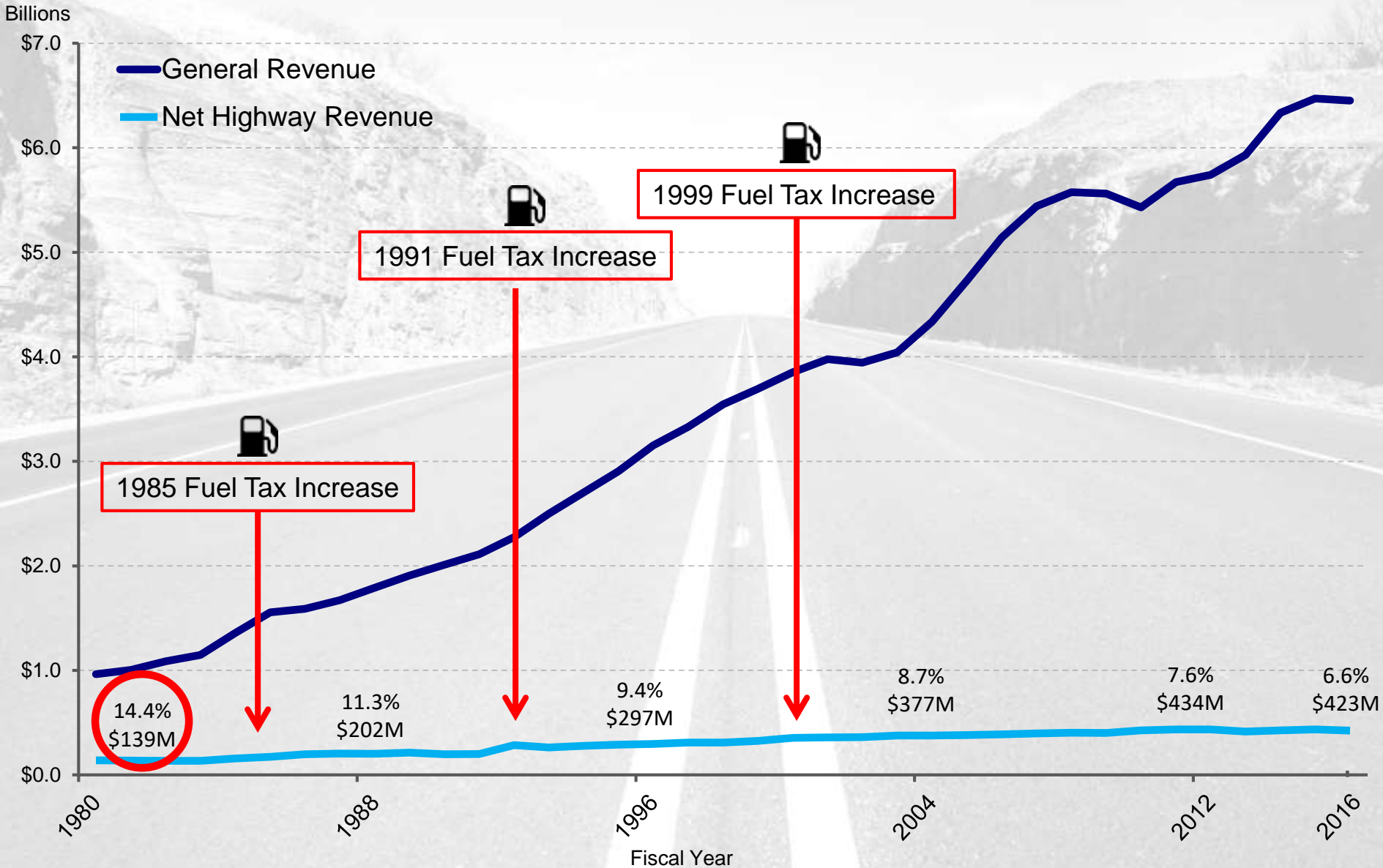
In 1995, **200 miles** of highway could be overlaid with \$10 million.

## NOW

Using \$10 million today, only **54 miles** of highway can be overlaid.



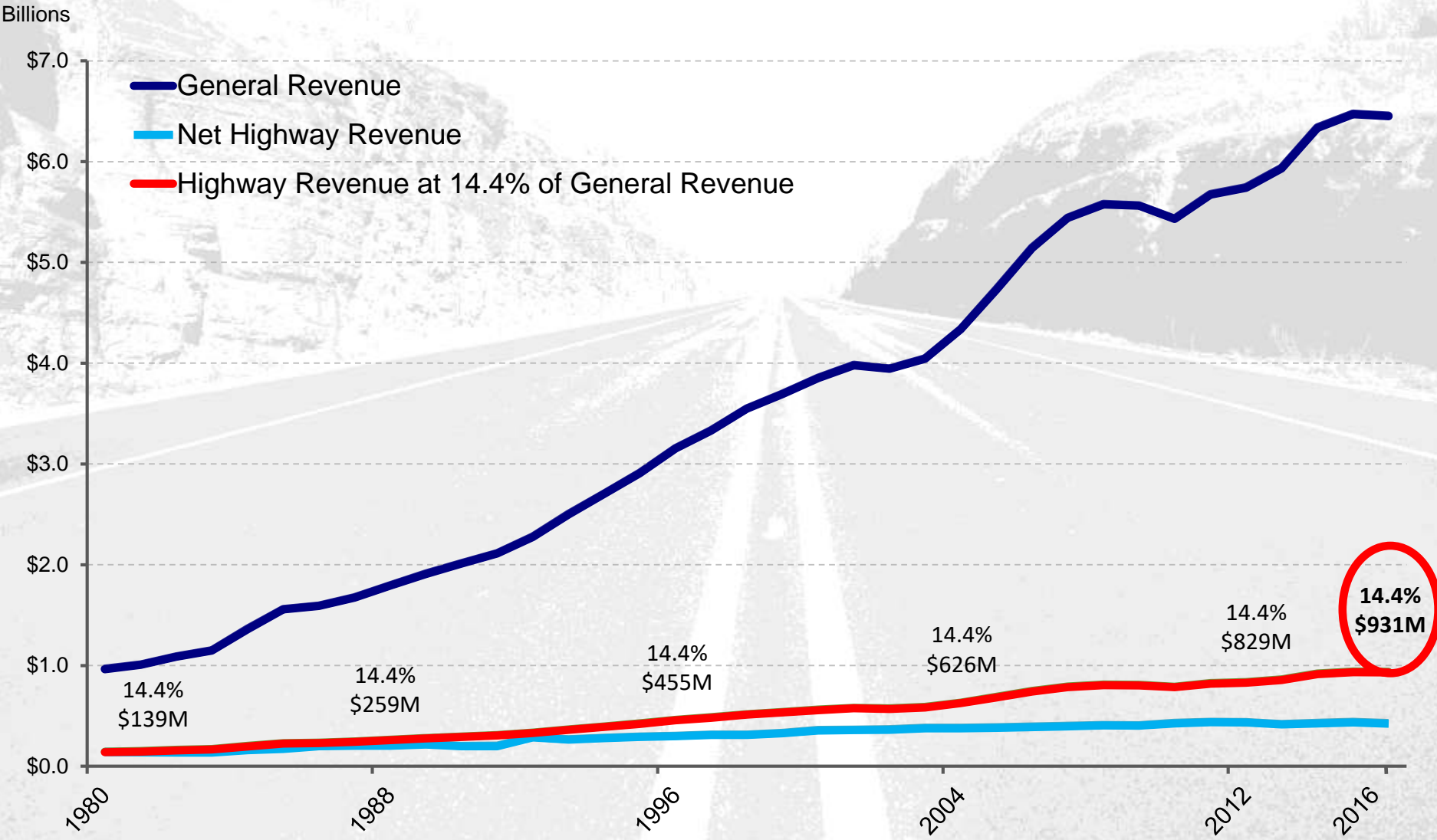
# Percent of Highway vs. General Revenue



Excludes County & City Aid funds | Excludes CAP funds

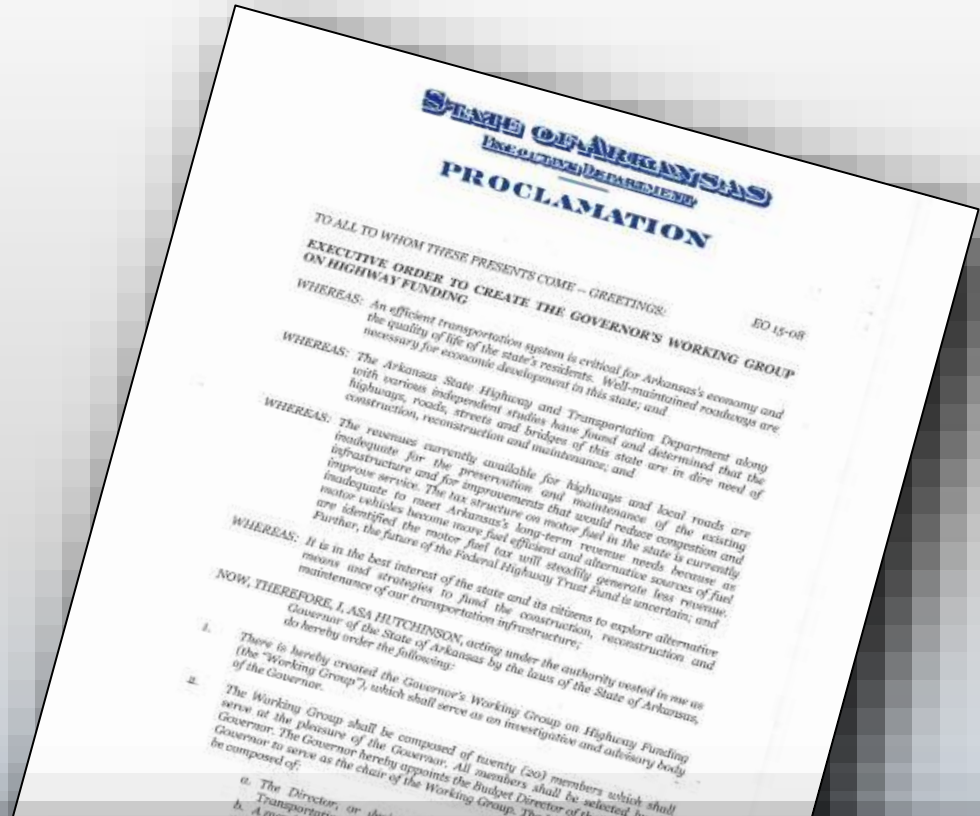


# Highway Revenue at 14.4% of General Revenue



Excludes County & City Aid funds | Excludes CAP funds

Fiscal Year

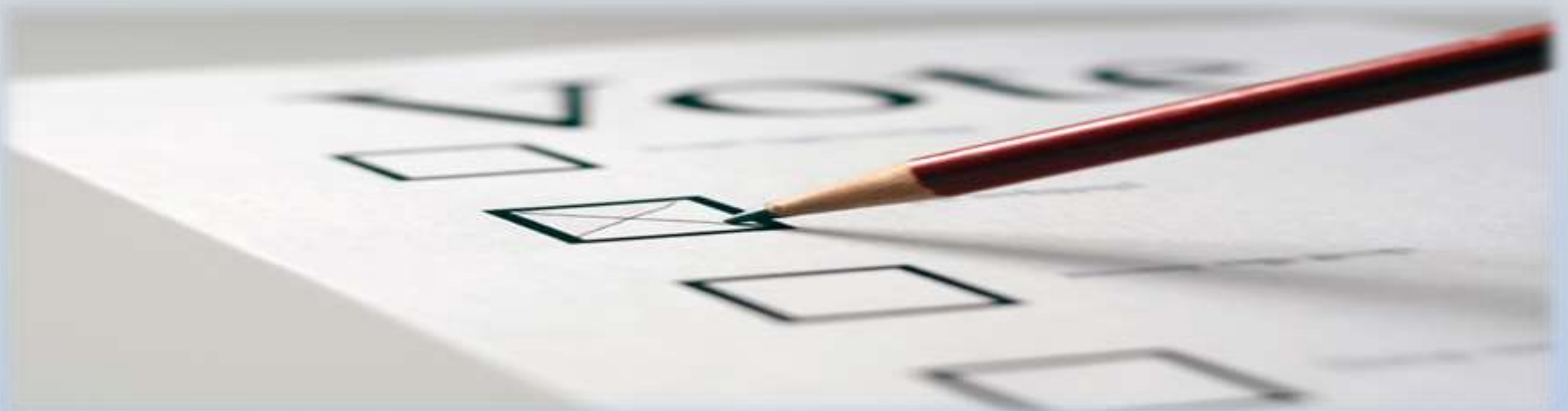


**“An efficient transportation system is critical for Arkansas’ economy and the quality of life of the state’s residents.”**

## □ 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.



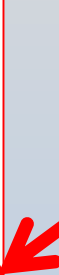


## Exhibit III

### Arkansas Department of Transportation (ARDOT) Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period

Description	Annual Funds Needed for Highway Construction Plan	Annual Funds Available for Highway Construction	Additional Annual State Revenues Needed for Highway Construction Plan
System Preservation			
Pavement	\$ 387,000,000	\$ 137,000,000	\$ 250,000,000
Bridges	117,000,000	90,000,000	27,000,000
Total System Preservation	<u>504,000,000</u>	<u>227,000,000</u>	<u>277,000,000</u>
Capacity Relief	305,000,000	157,000,000	148,000,000
Safety Improvements	86,000,000	44,000,000	42,000,000
Maintenance			
Equipment upgrades	19,000,000	19,000,000	
Facilities upgrades	8,000,000		8,000,000
Intelligent Transportation System (ITS)	3,000,000		3,000,000
Total Maintenance	<u>30,000,000</u>	<u>19,000,000</u>	<u>11,000,000</u>
<b>Totals</b>	<b><u>\$ 925,000,000</u></b>	<b><u>\$ 447,000,000</u></b>	<b><u>\$ 478,000,000</u></b>

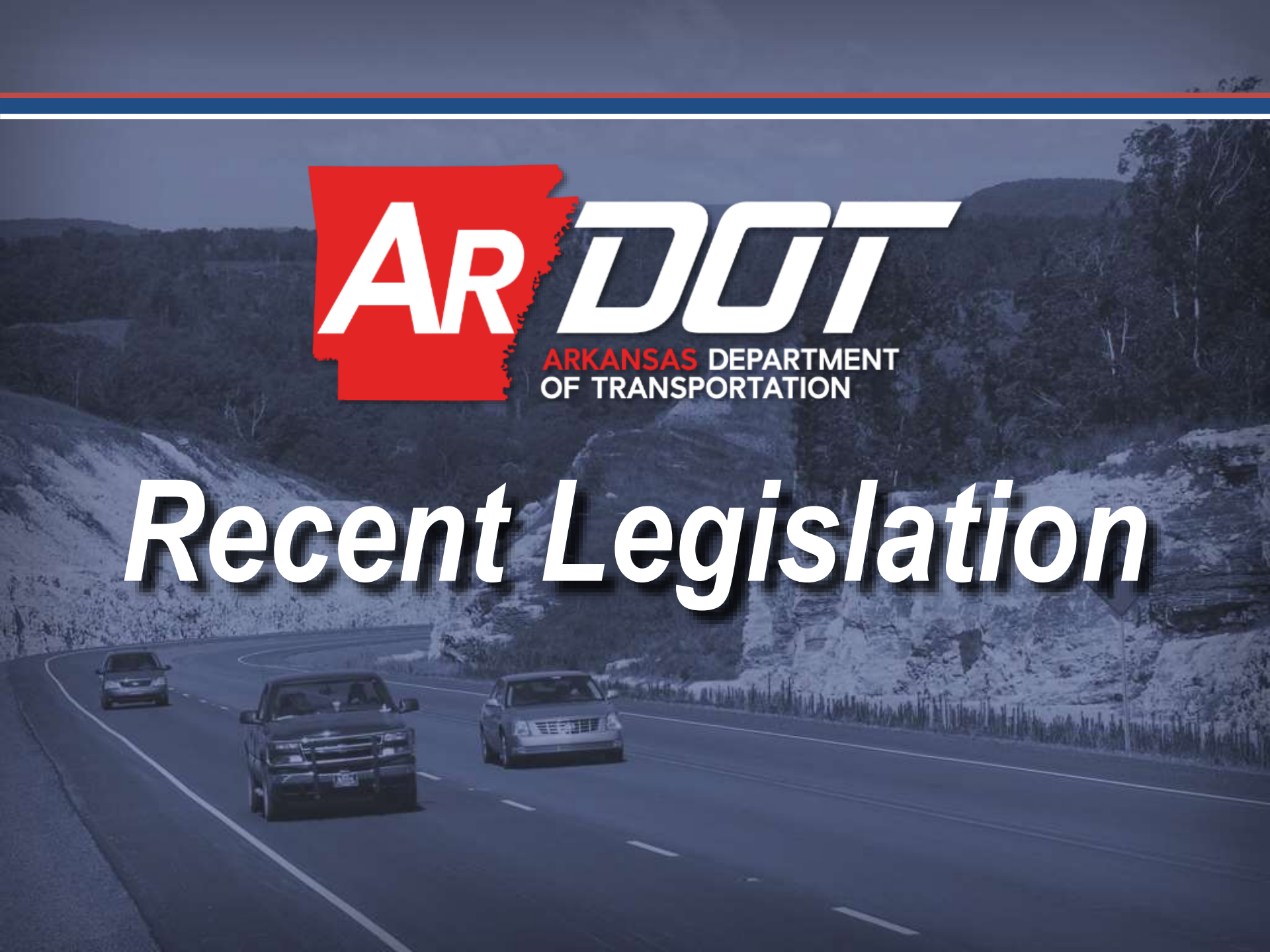
**\$ 478,000,000**



Note: Amounts shown are rounded.

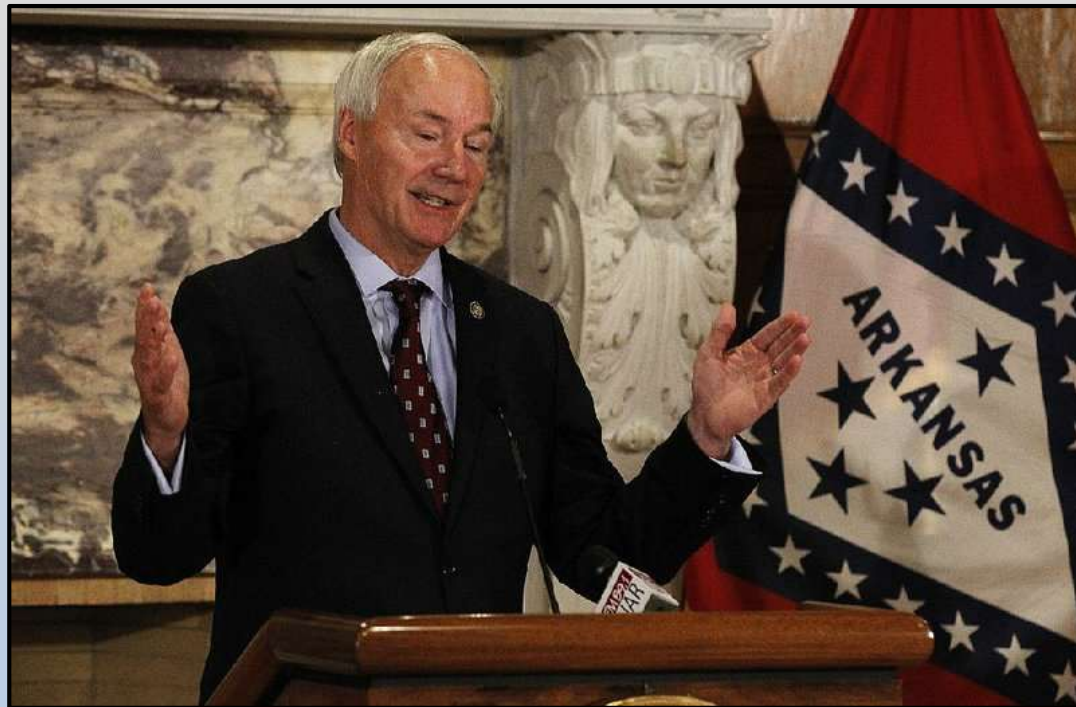


# *Recent Legislation*



## Governor Hutchinson's Four T's:

- Tax Cuts
- Transformation
- Teacher Pay
- Transportation





## 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)*



## 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.”*

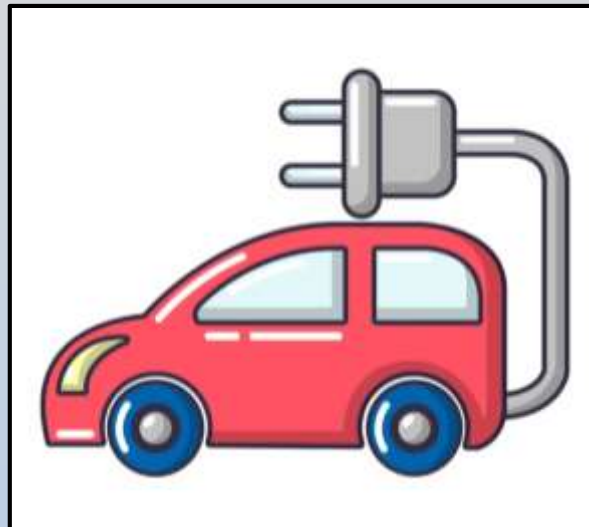
*– Shannon Newton, Arkansas Trucking Association President*

## 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 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

Motor Fuel Tax	\$ 58 Million
Electric and Hybrid Vehicle Registration Fees	\$ 2 Million
Casino Revenue	<u>\$ 35 Million</u>
<b>Total to ARDOT</b>	<b>\$ 95 Million</b>

***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



## Summary

Act 416

\$ 95 Million

House Joint Resolution 1018

\$205 Million

**Total To ARDOT**

**\$300 Million**





*Promises Made*  
*Promises Kept*

## Completed

46 Projects  
290 Miles  
\$1.0 Billion

## Under Construction

6 Projects  
54 Miles  
\$314 Million

## Scheduled

27 Projects  
159 Miles  
\$219 Million





## Completed

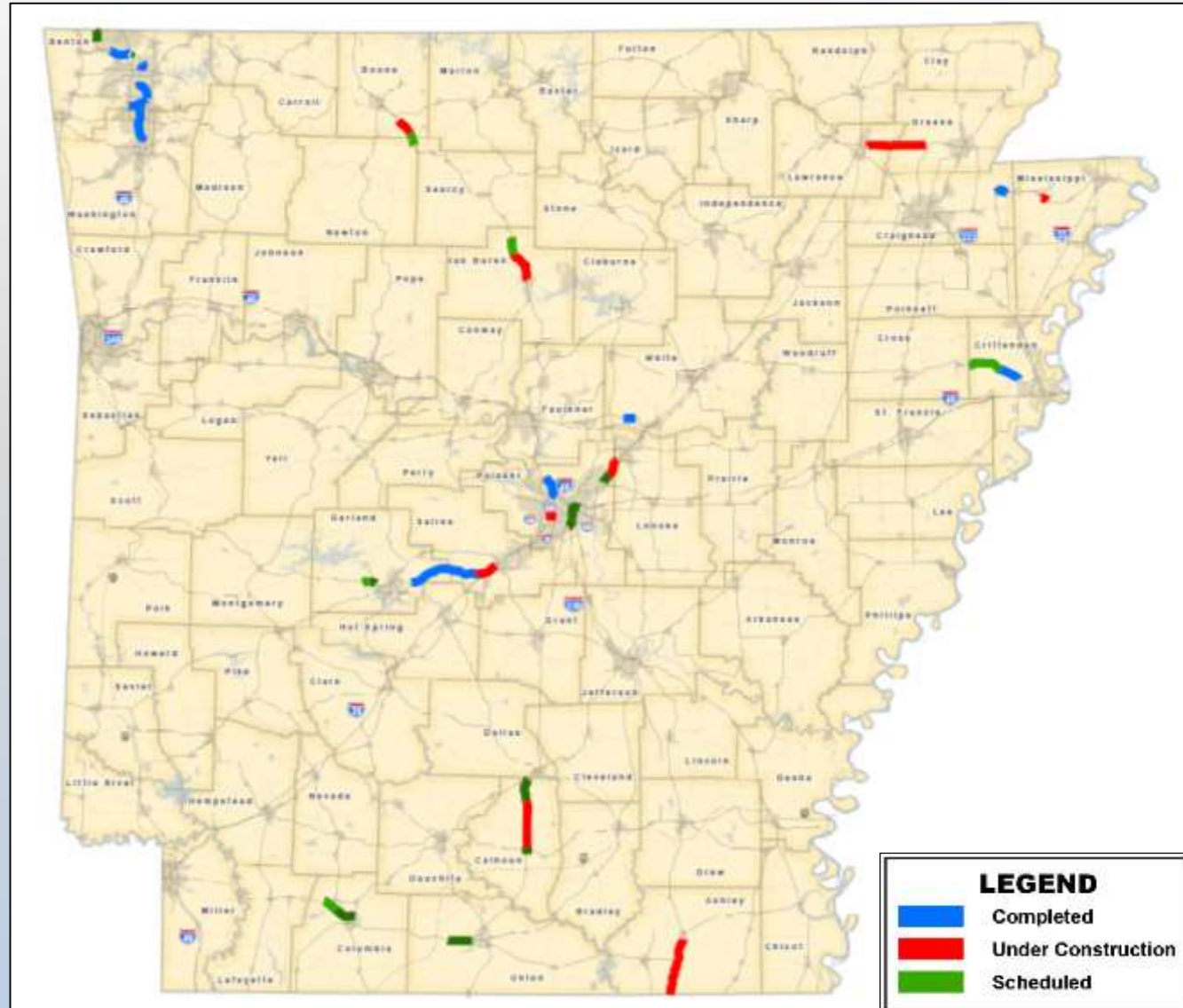
11 Projects  
61 Miles  
\$432 Million

## Under Construction

11 Projects  
68 Miles  
\$627 Million

## Scheduled

14 Projects  
56 Miles  
\$974 Million







*General Election*  
*November 2020*

## 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***



*Your*  
**TRANSPORTATION SYSTEM**





*Questions?*

