

**Danny Straessle**  
**Public Information Officer**



**Hot Springs County Leadership Forum**

**Thursday, April 18, 2019**

# Challenges

- **12<sup>th</sup>** largest system in the country
  - **41<sup>st</sup>** in highway revenue per mile.
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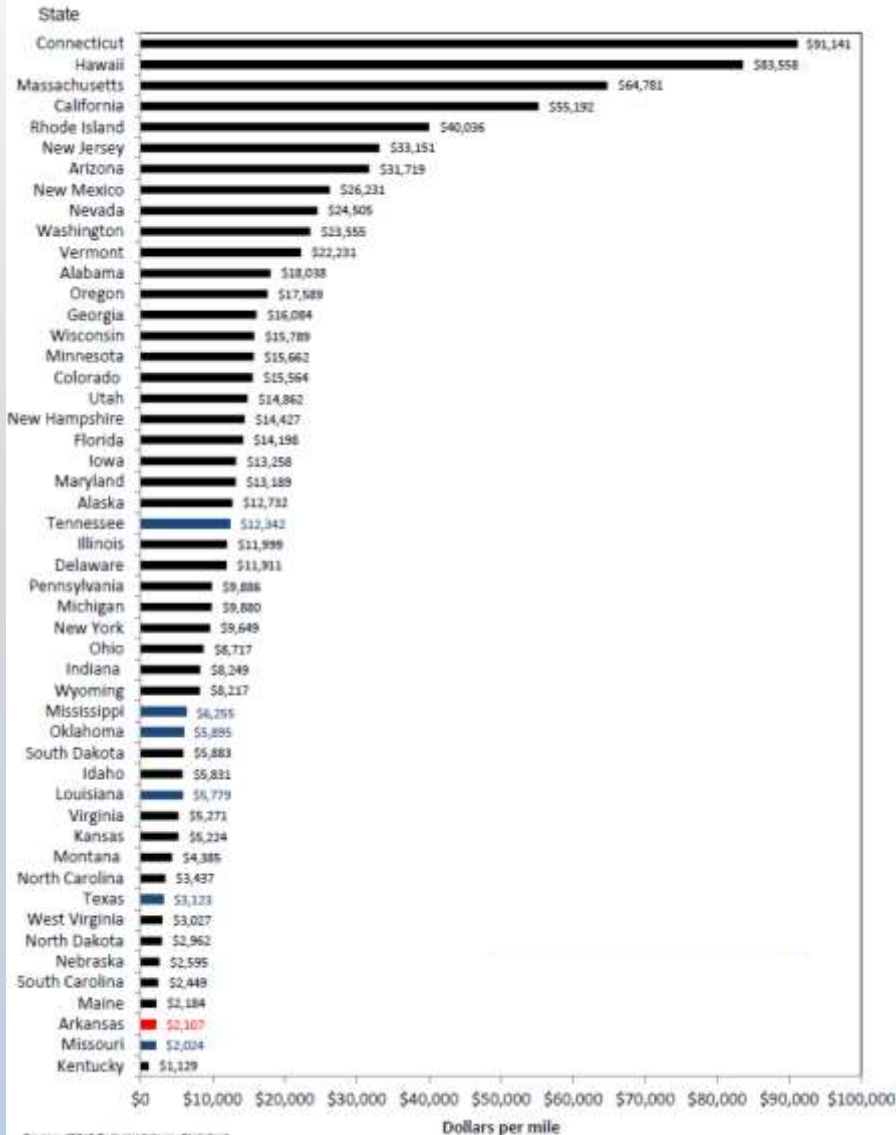
- **\$9.3 billion** in needs
- **\$4.5 billion** in available revenue

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

*~Arkansas Department of Transportation Director  
Scott Bennett*



**Administrative Cost Per Mile**  
 Arkansas Ranks 48th in the Nation



Source: "2013 Federal Highway Statistics"  
 Note: Excludes Toll Facilities

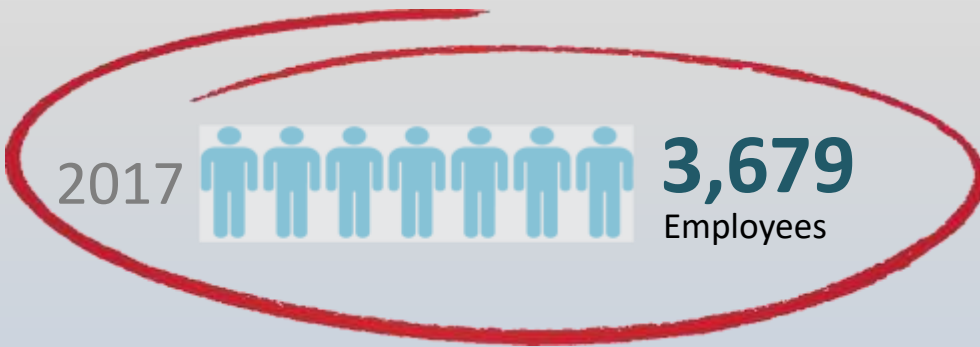
Arkansas = \$2,107

Surrounding States Average = \$4,334

National Average = \$9,224

Arkansas has the  
 3<sup>rd</sup> Lowest  
 Administrative Cost Per  
 Mile  
 in the Nation

# Employment Levels Efficiency





# Promises Made



# Promises Kept



Rebuilding Arkansas  
Interstates



*IRP*



*CAP*



# 1999 Interstate Rehabilitation Program



**50 Projects**  
**356 Miles**  
**\$973 Million**

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**Prior to Program**  
**63% Poor or**  
**Mediocre**

**After Program**  
**72% Good**



# Interstate Rehabilitation Program

## Completed

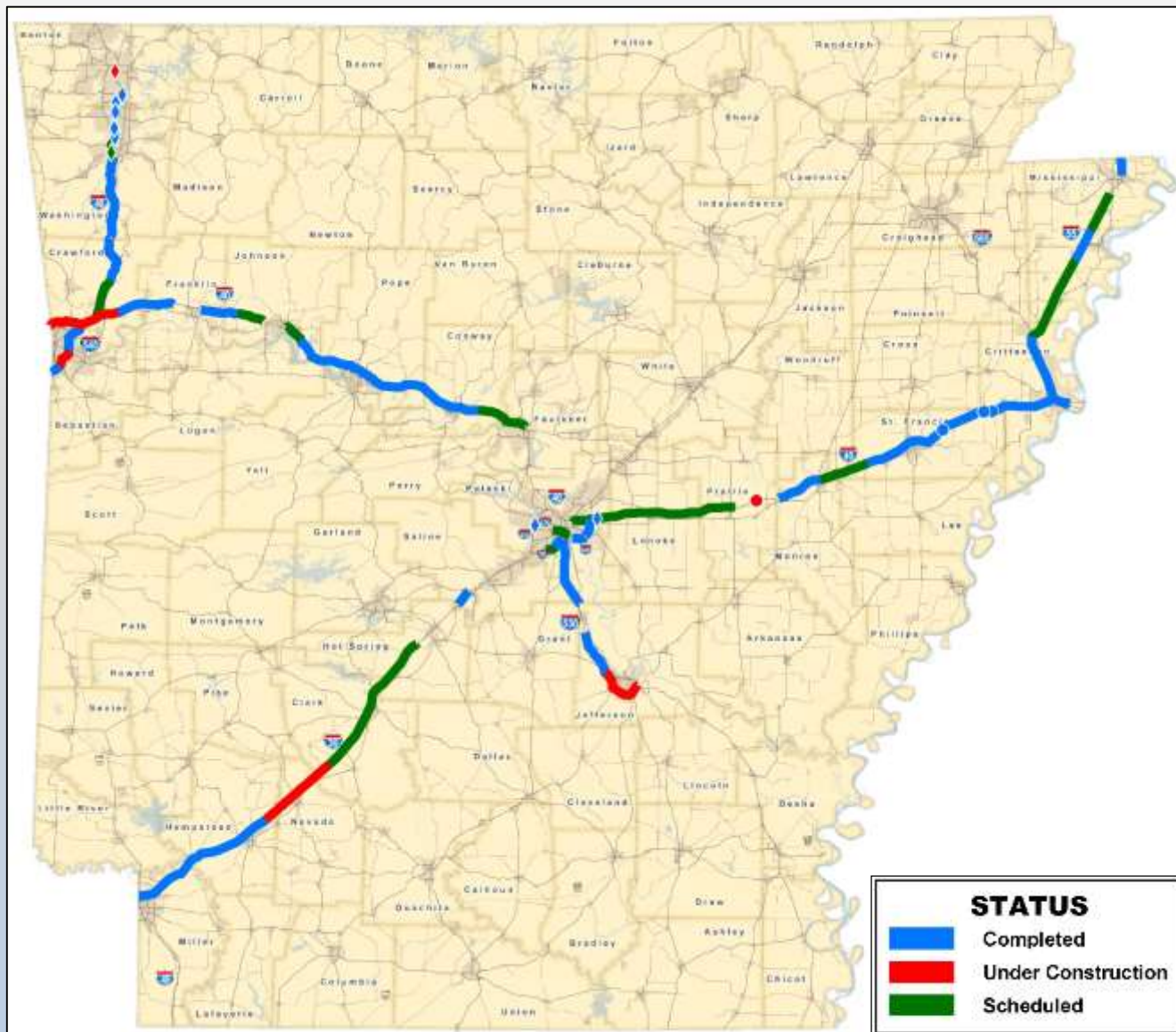
47 Projects  
291 Miles  
\$1.03 Billion

## Under Construction

5 Projects  
53 Miles  
\$287 Million

## Scheduled

27 Projects  
160 Miles  
\$219 Million





# Connecting Arkansas Program

## Completed

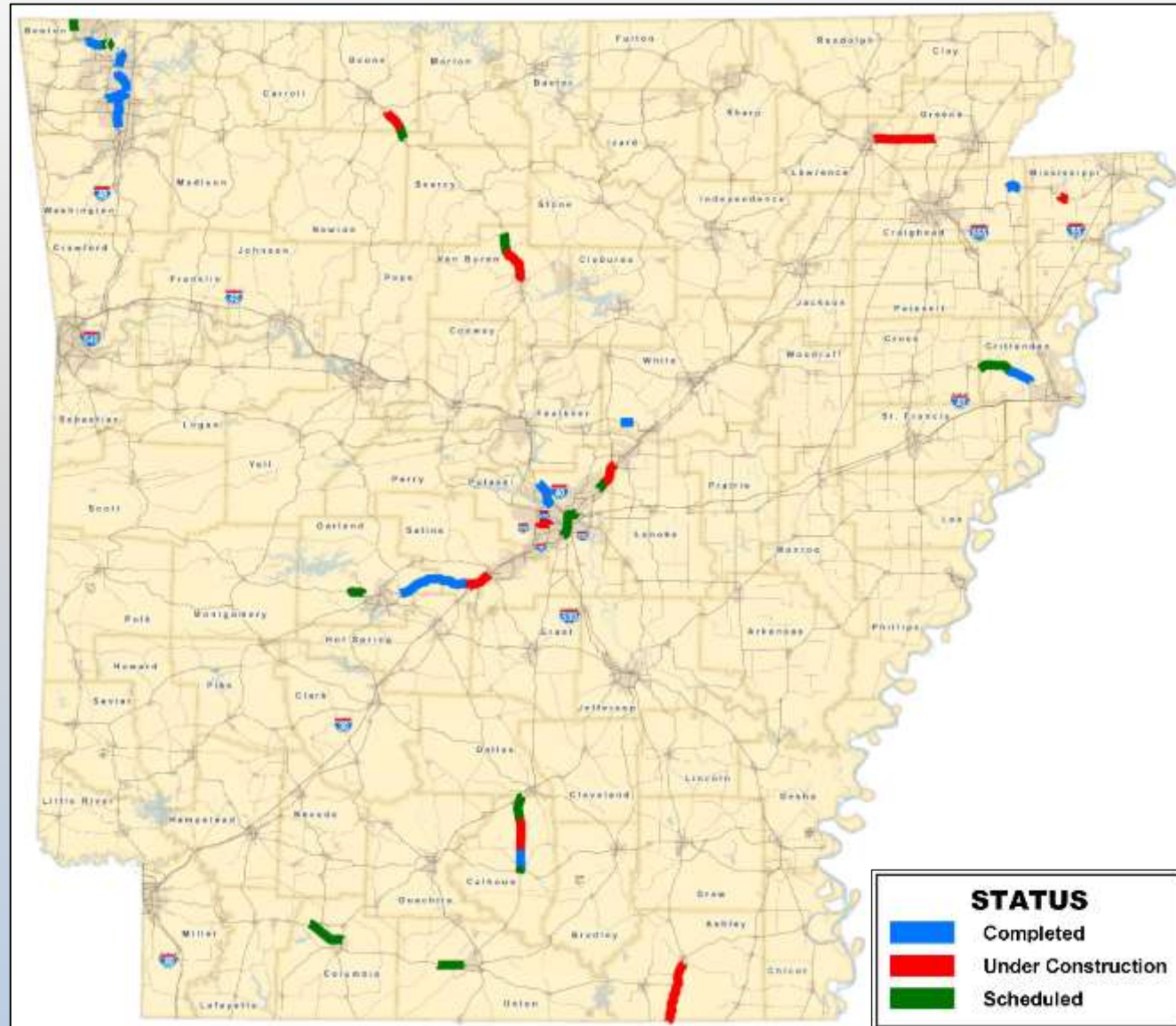
12 Projects  
66 Miles  
\$453 Million

## Under Construction

10 Projects  
63 Miles  
\$605 Million

## Scheduled

14 Projects  
57 Miles  
\$974 Million

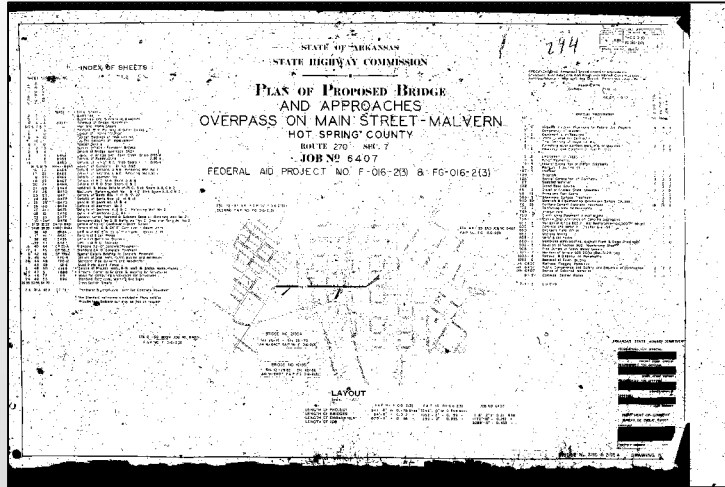




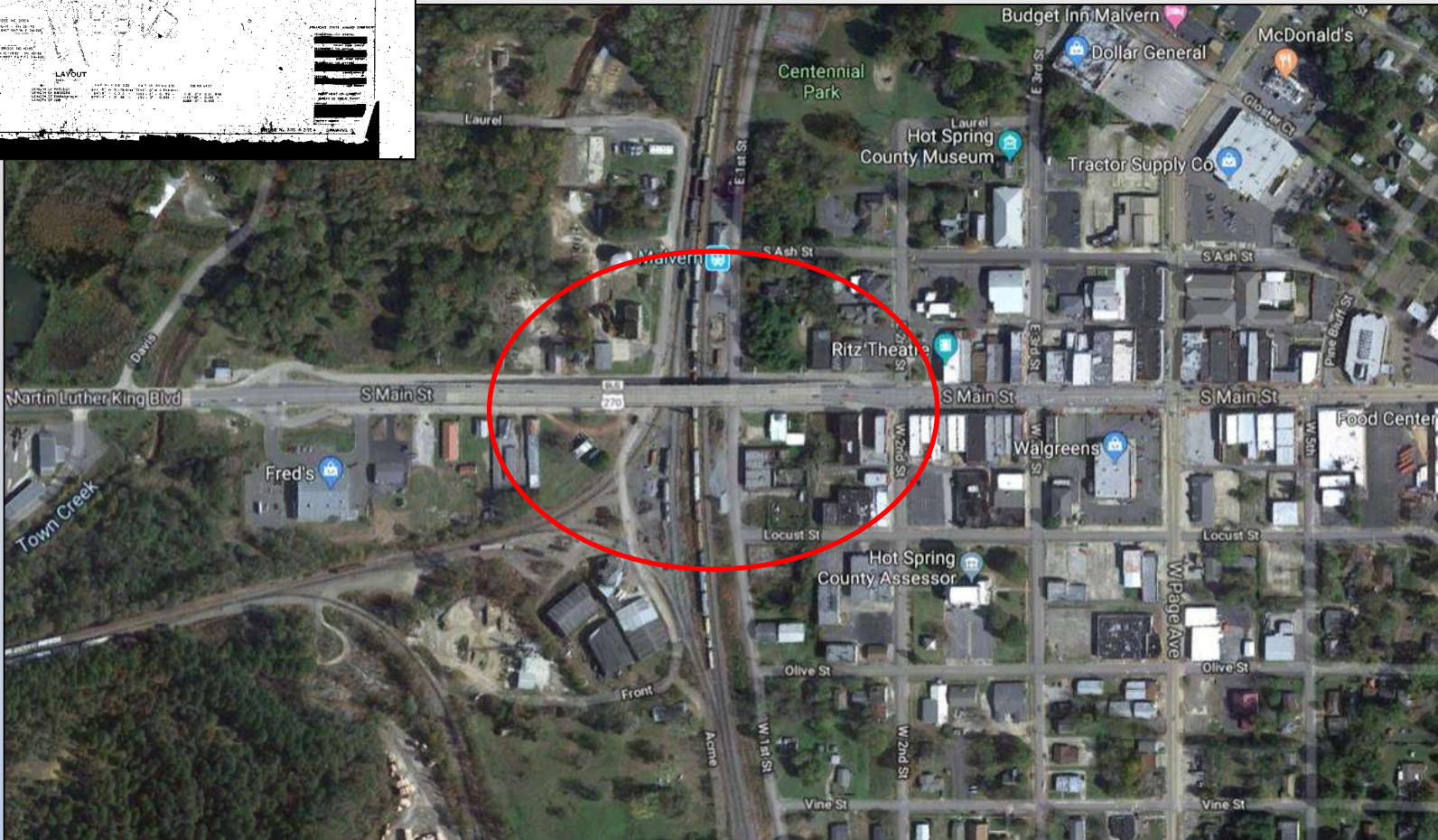
# *Local Project Updates*



# Malvern Train Station Overpass

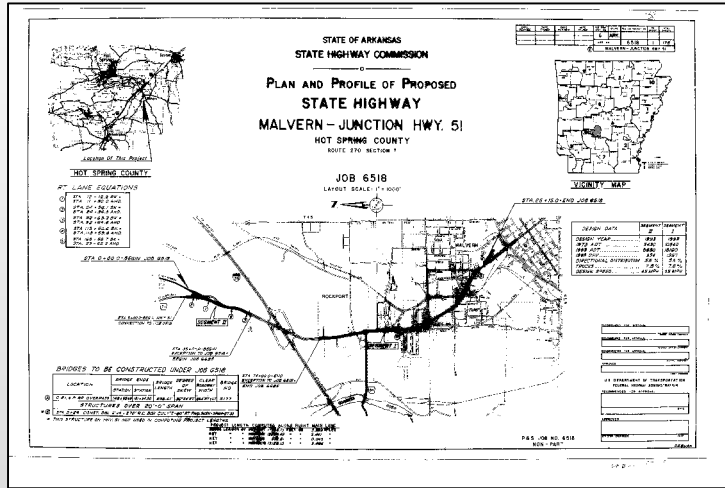


Let to Contract: March 9, 1955





# Malvern Train Station Overpass



Contract Awarded: 1973



# Bridge Replacements

STATUS	
<span style="color: blue;">■</span>	Completed
<span style="color: red;">■</span>	Under Construction
<span style="color: green;">■</span>	Scheduled

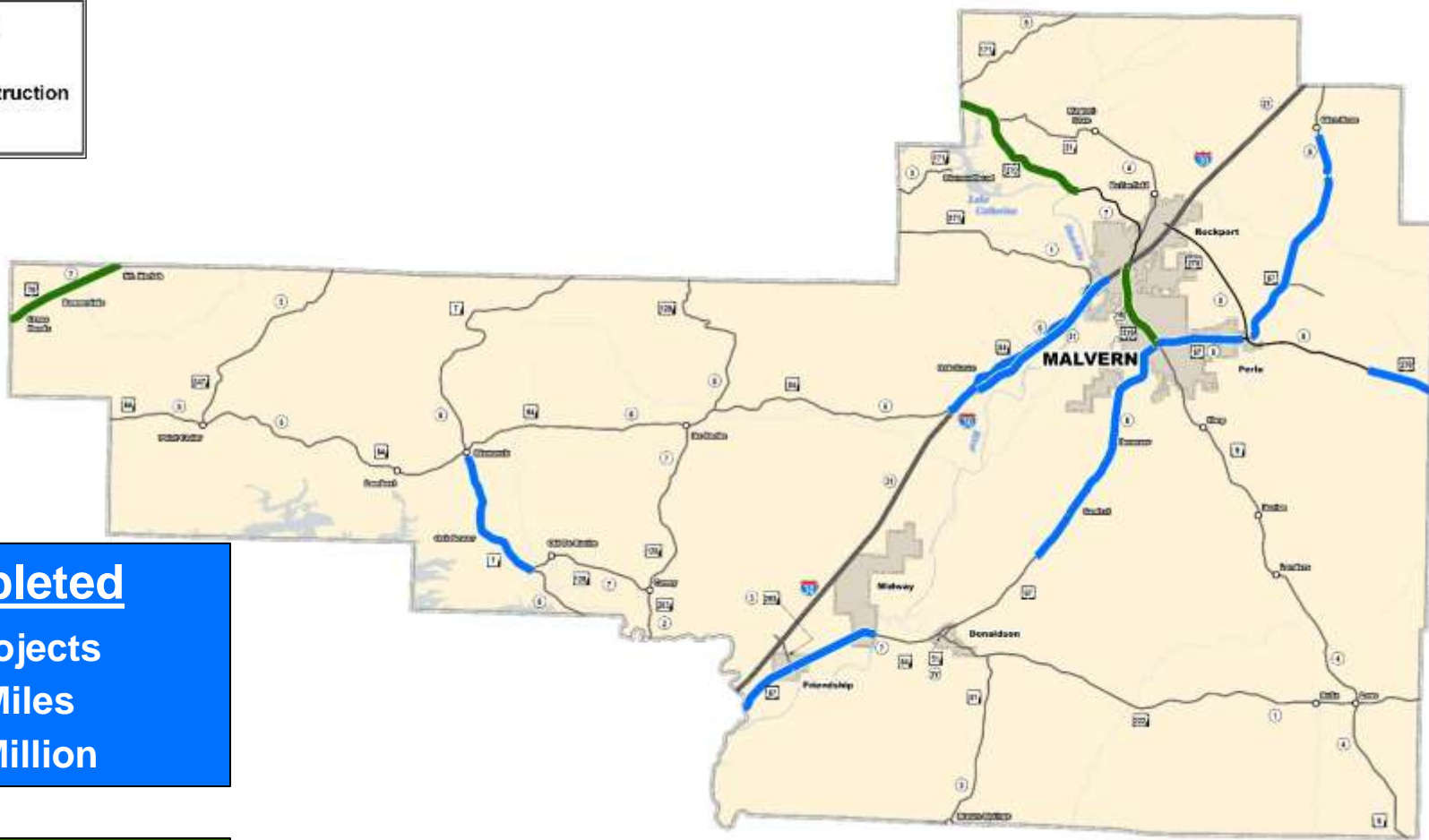


**Completed**  
 1 Project  
 ½ Mile & 1 Bridge  
 \$7 Million

**Scheduled**  
 5 Projects  
 0.1 Mile & 7 Bridges  
 Est. \$10 Million



STATUS	
<span style="color: blue;">█</span>	Completed
<span style="color: red;">█</span>	Under Construction
<span style="color: green;">█</span>	Scheduled

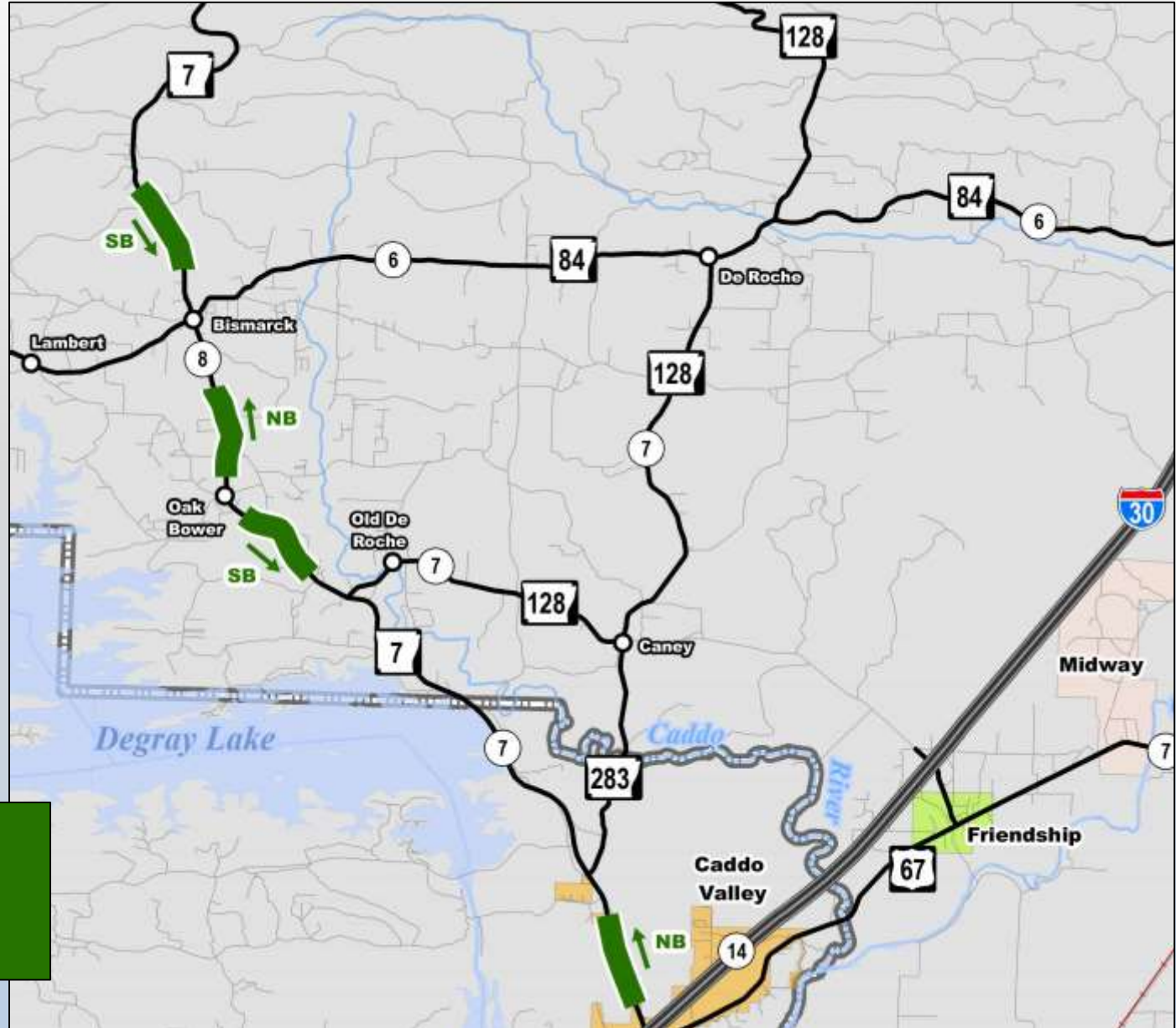


**Completed**  
 11 Projects  
 39 Miles  
 \$33 Million

**Scheduled**  
 3 Projects  
 11 Miles  
 Est. \$6 Million

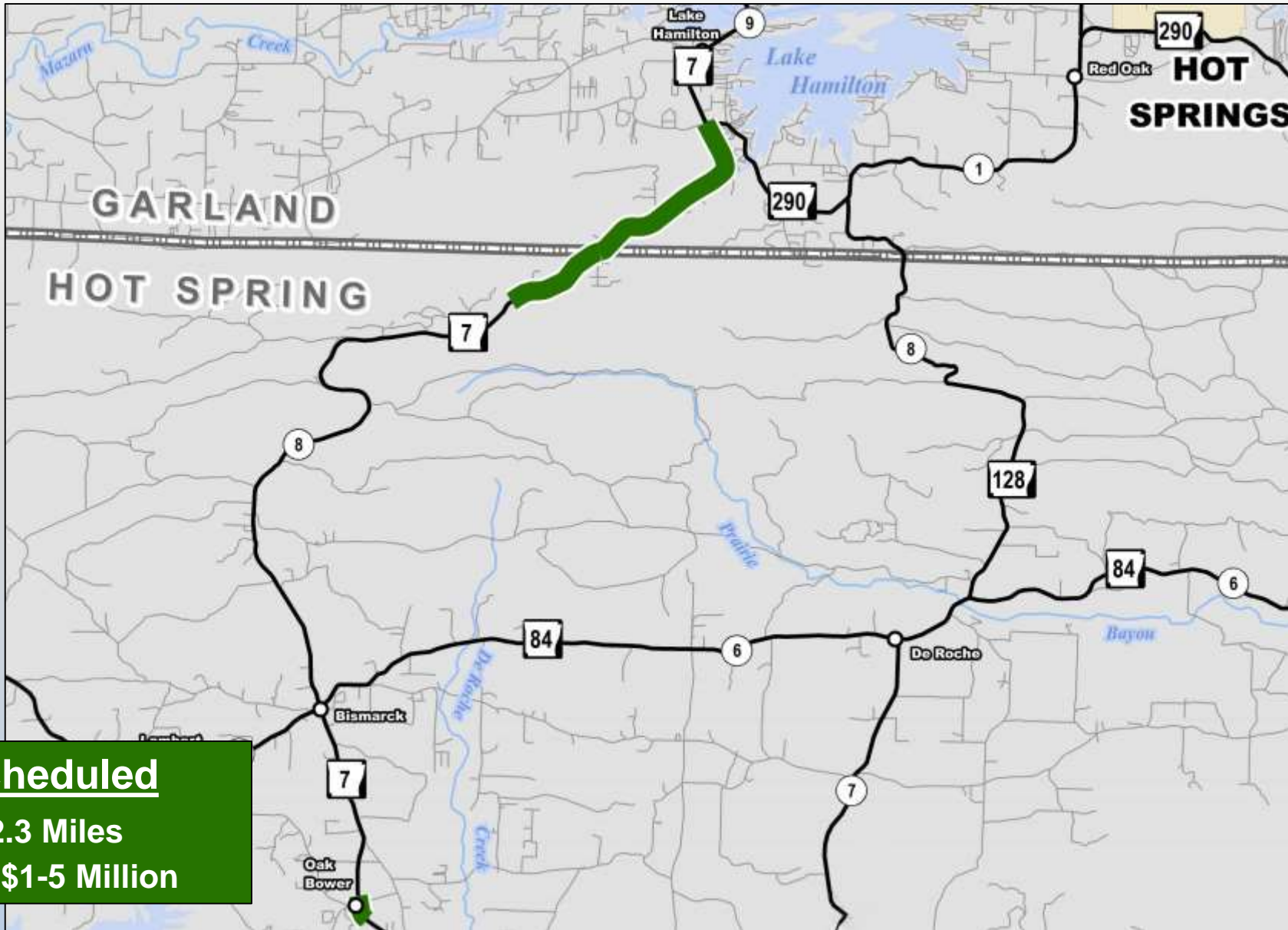


# State Highway 7 – Passing Lanes



**Scheduled**  
1.2 Miles  
Est. \$1-5 Million

# State Highway 7 – Major Widening



**Scheduled**  
2.3 Miles  
Est. \$1-5 Million

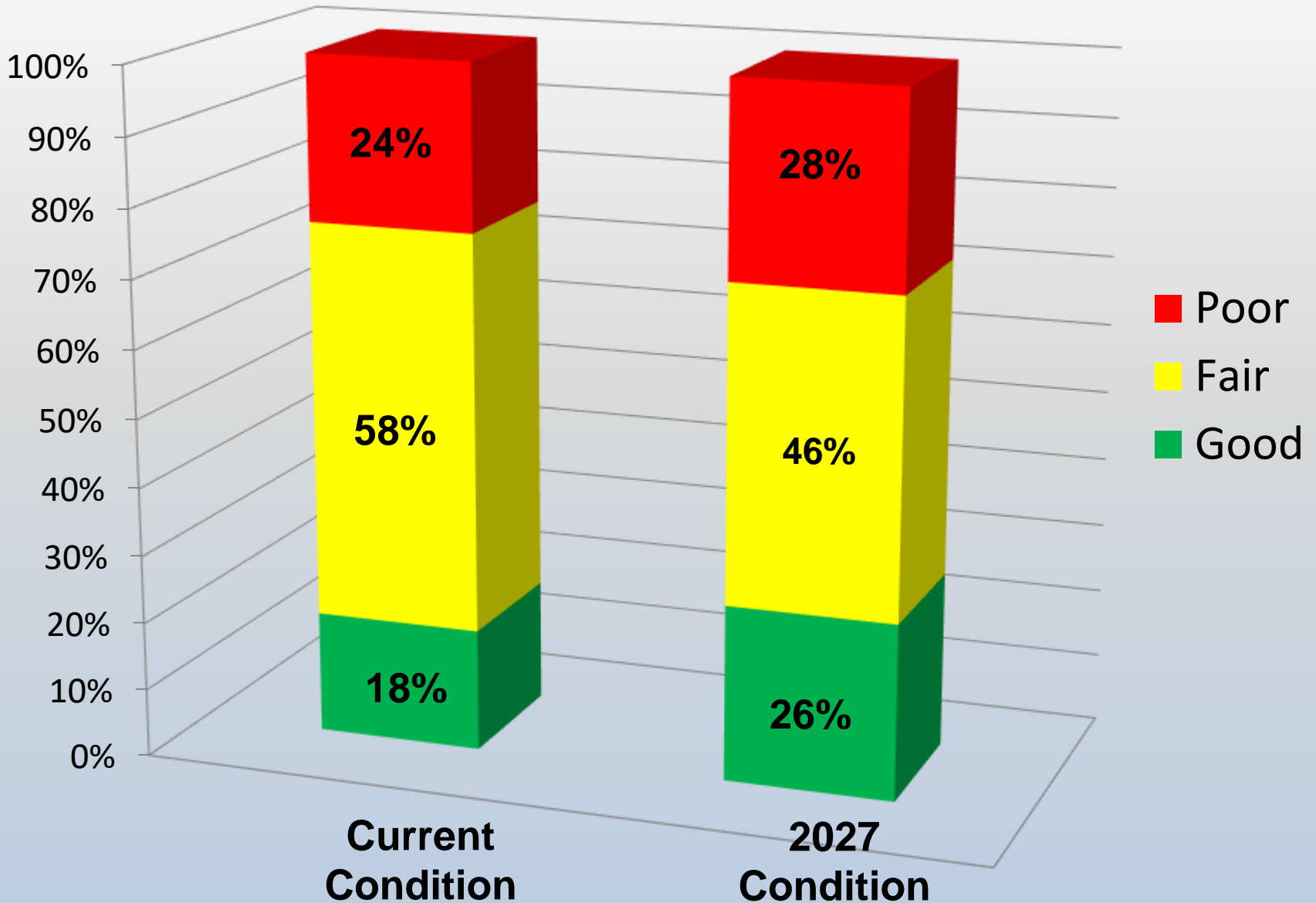


# *Funding Challenges*





# 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.

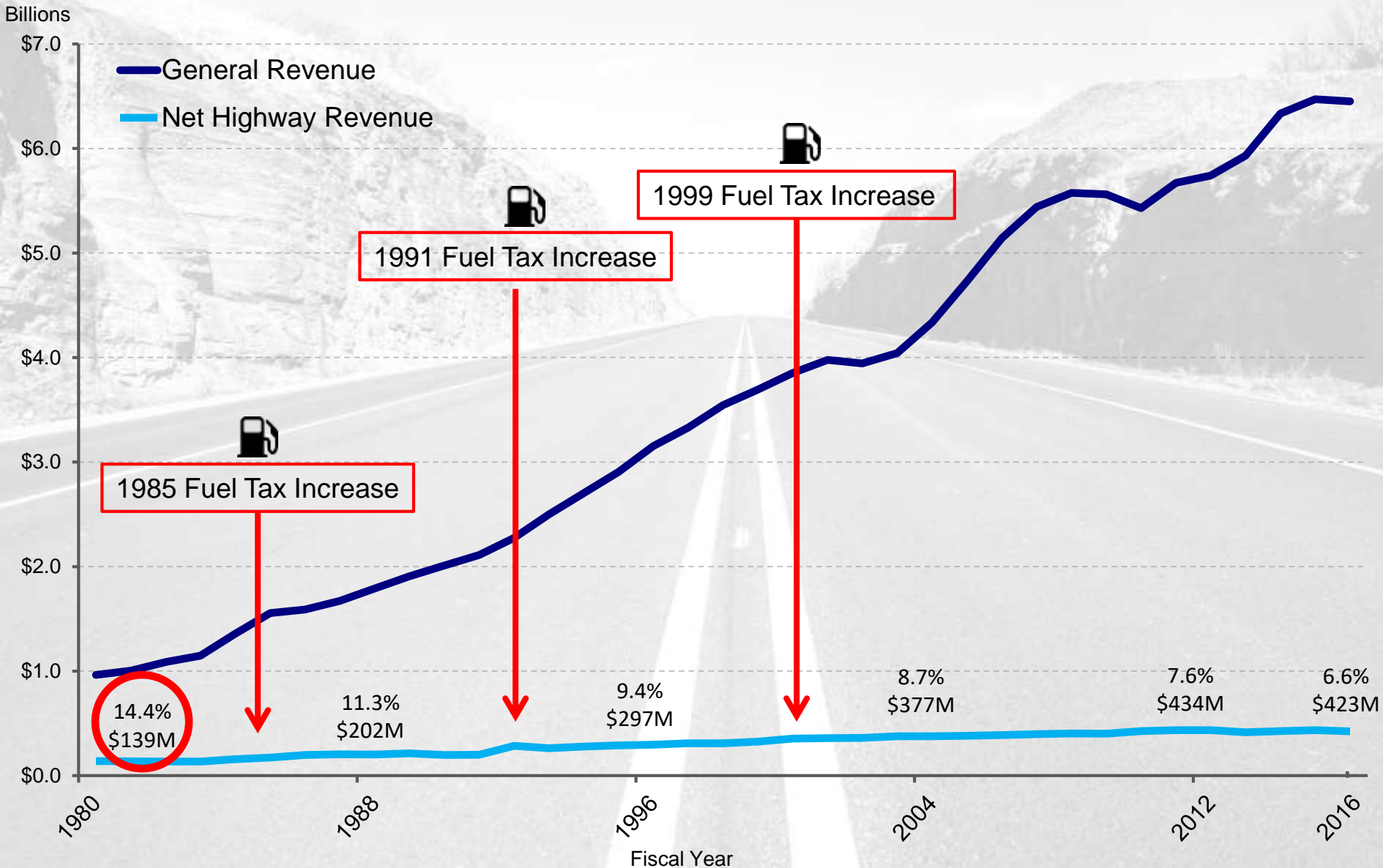
## NOW

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



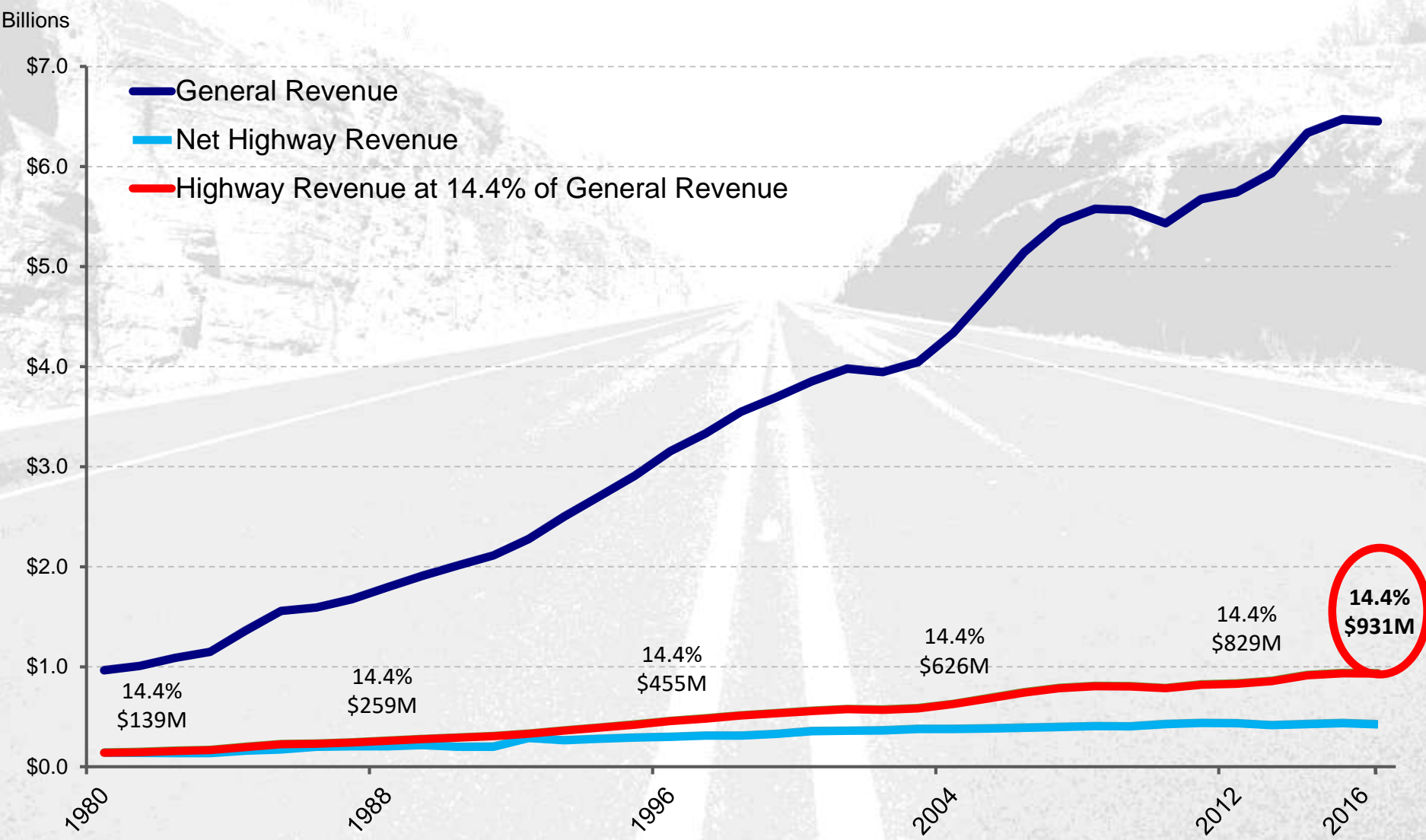


# Percent of Highway vs. General Revenue



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



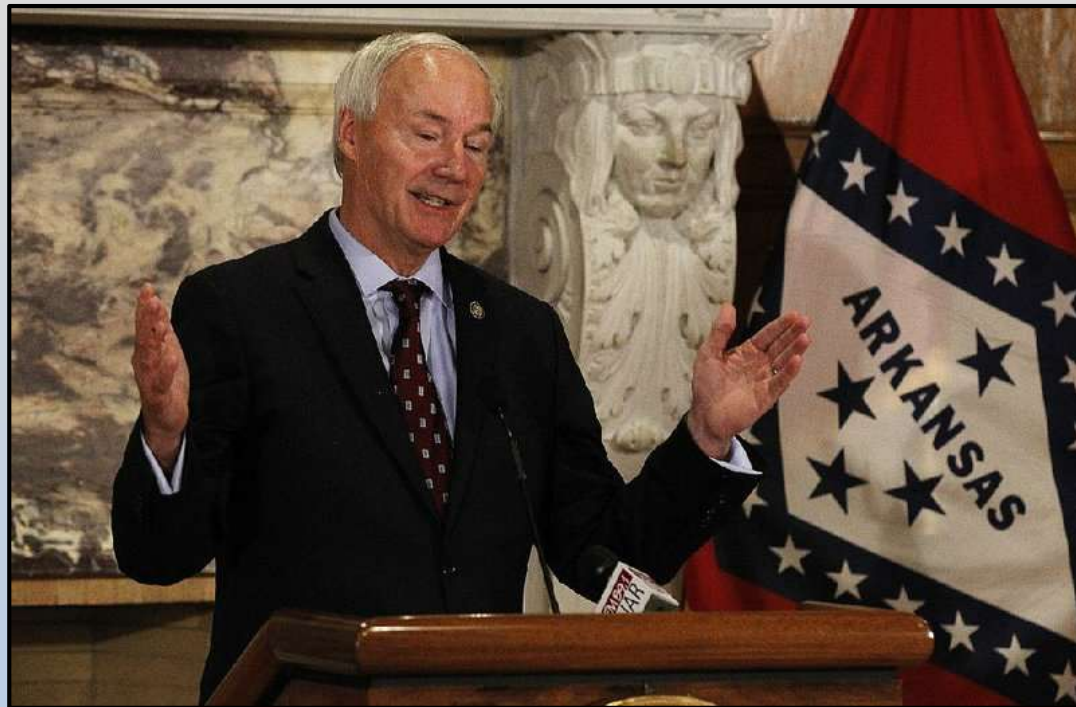
# *Recent Legislation*





## 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.”*

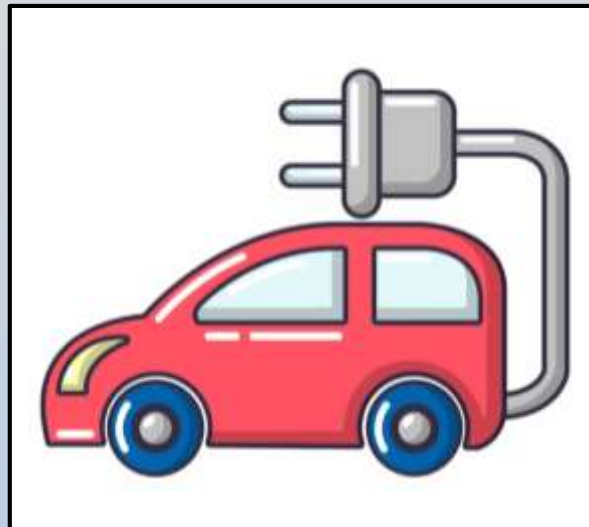
*– Shannon Newton, Arkansas Trucking Association President*

## 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**





*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?*

