

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT



Downtown Pine Bluff Rotary Club

October 11, 2012

You might be surprised to know that we have the **12th**-largest highway system in the nation!

*** HOWEVER ***

...We rank **43rd** in highway revenue per-mile (or, the money it takes to support that system).



Another Challenge?

We have identified **\$23 Billion** in needs over the next ten years...

...And only **\$4 Billion** in highway revenue over that same time period.



Some examples of **HOW WE COMPARE** in highway mileage with some larger, more-populated states:

- **Arkansas** **16,382 miles**
- Illinois 16,161 miles
- California 15,225 miles
- New York 15,033 miles
- Tennessee 13,793 miles
- Florida 12,084 miles



- **Arkansas** **16,382 miles**
- Illinois 16,161 miles
- California 15,225 miles
- New York 15,033 miles
- Tennessee 13,793 miles
- Florida 12,084 miles

We have the **smallest** tax base (and the **largest** highway system) of any state listed!



Now, here's **HOW WE COMPARE**
in revenue-per-mile with those same
states:

- **Arkansas** 16,382 miles **\$58,536**
- Illinois 16,161 miles \$252,000
- California 15,225 miles \$682,000
- New York 15,033 miles \$237,000
- Tennessee 13,793 miles \$108,000
- Florida 12,084 miles \$694,532



The closest state to Arkansas on the list is **Tennessee**...

- Arkansas 16,382 miles \$58,536
- Tennessee 13,793 miles \$108,000

...which has almost **twice as much money** to spend on its system!



But in spite of those challenges, when it comes to spending the money we **DO** have available, the Arkansas Highway Department is

2nd BEST IN THE COUNTRY!

Administrative Costs per-mile

• Arkansas	16,382 miles	\$1,821
• Illinois	16,161 miles	\$8,830
• California	15,225 miles	\$109,417
• New York	15,033 miles	\$84,062
• Tennessee	13,793 miles	\$11,905
• Florida	12,084 miles	\$16,985

We put more of our money **ON THE ROADS**,
where it needs to be, rather than on
administrative functions

Administrative Costs Per-Mile

• Arkansas	16,382 miles	\$1,821
• Illinois	16,161 miles	\$8,830
• California	15,225 miles	\$109,417
• New York	15,033 miles	\$84,062
• Tennessee	13,793 miles	\$11,905
• Florida	12,084 miles	\$16,985

Of the states listed below, only **Arkansas**, **Illinois** and **Tennessee** fall below the national average of \$12,772/mile...

Administrative Costs Per-Mile

• Arkansas	16,382 miles	\$1,821
• Illinois	16,161 miles	\$8,830
• California	15,225 miles	\$109,417
• New York	15,033 miles	\$84,062
• Tennessee	13,793 miles	\$11,905
• Florida	12,084 miles	\$16,985

Here's an example of our
FINANCIAL EFFICIENCY...

- 20 years ago, we had **4,016** employees
- Today, we have just **3,577** employees

...That's fewer employees than we
had all the way back in **1965!**

(3,620)



We've made a **conscious effort** to reduce our employment levels, with...

- No decrease in service
- No layoffs

Just...

- Good use of technology
- Old-fashioned belt-tightening
- Efficiency-minded decisions



Now, about
**WHERE OUR HIGHWAY FUNDING
COMES FROM**

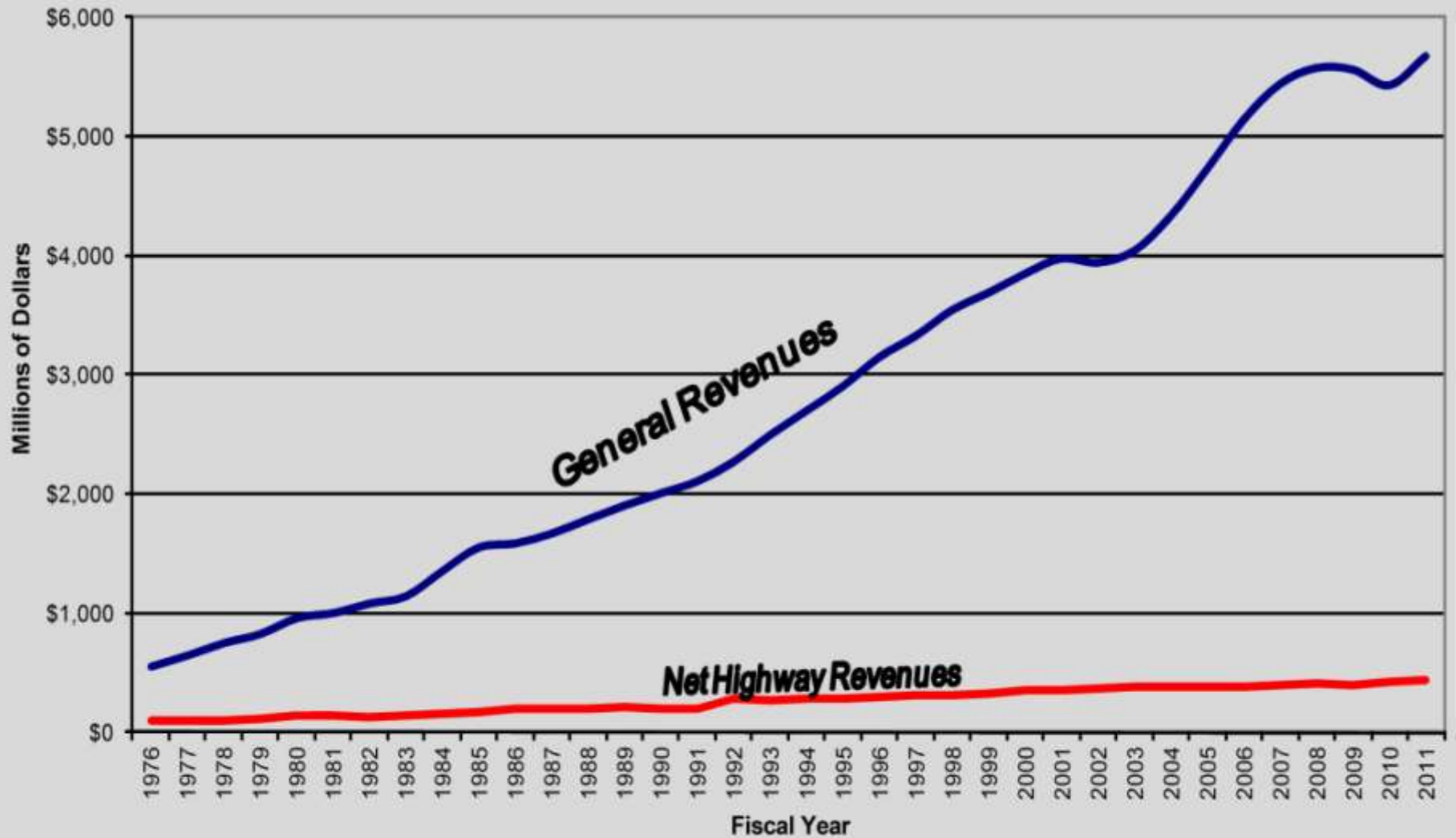
Did you know?

- **Income Tax Revenue** doesn't fund highways
- **Corporate Tax Revenue** doesn't fund highways
- **Sales Tax Revenue** doesn't fund highways
- **General Revenues DO NOT** fund highways

Now, about
**WHERE OUR HIGHWAY FUNDING
COMES FROM**

- The primary funding source for highways is a **per-gallon tax** on gas and diesel fuel
- The issue? Fuel consumption is **DECLINING**
- Conservation is everyone's goal, so...
- Highway revenues are **DECLINING**

State General Revenues vs. Gross State Highway Revenues



— ARKANSAS STATE GENERAL REVENUES — AHTD NET HIGHWAY REVENUES

Excludes County & City aid funds
Prepared by: Planning and Research 1/24/2012

An American entrepreneur once said...

“The greatest success stories were created by people who recognized a problem and turned it into an opportunity.”



**We recognize the
problem.**

**Have we identified the
opportunities?**

Interstate Rehabilitation Program

November 2011: Voters Approve Proposal by 81%

September 2012: Bids Opened on Bond Sale

November 2012: Let First Contracts



Interstate Rehabilitation Program

1999

50 Projects | 360 Total Miles | \$1.0 Billion

Interstate Condition Improved From 21% 'Good' to 72%

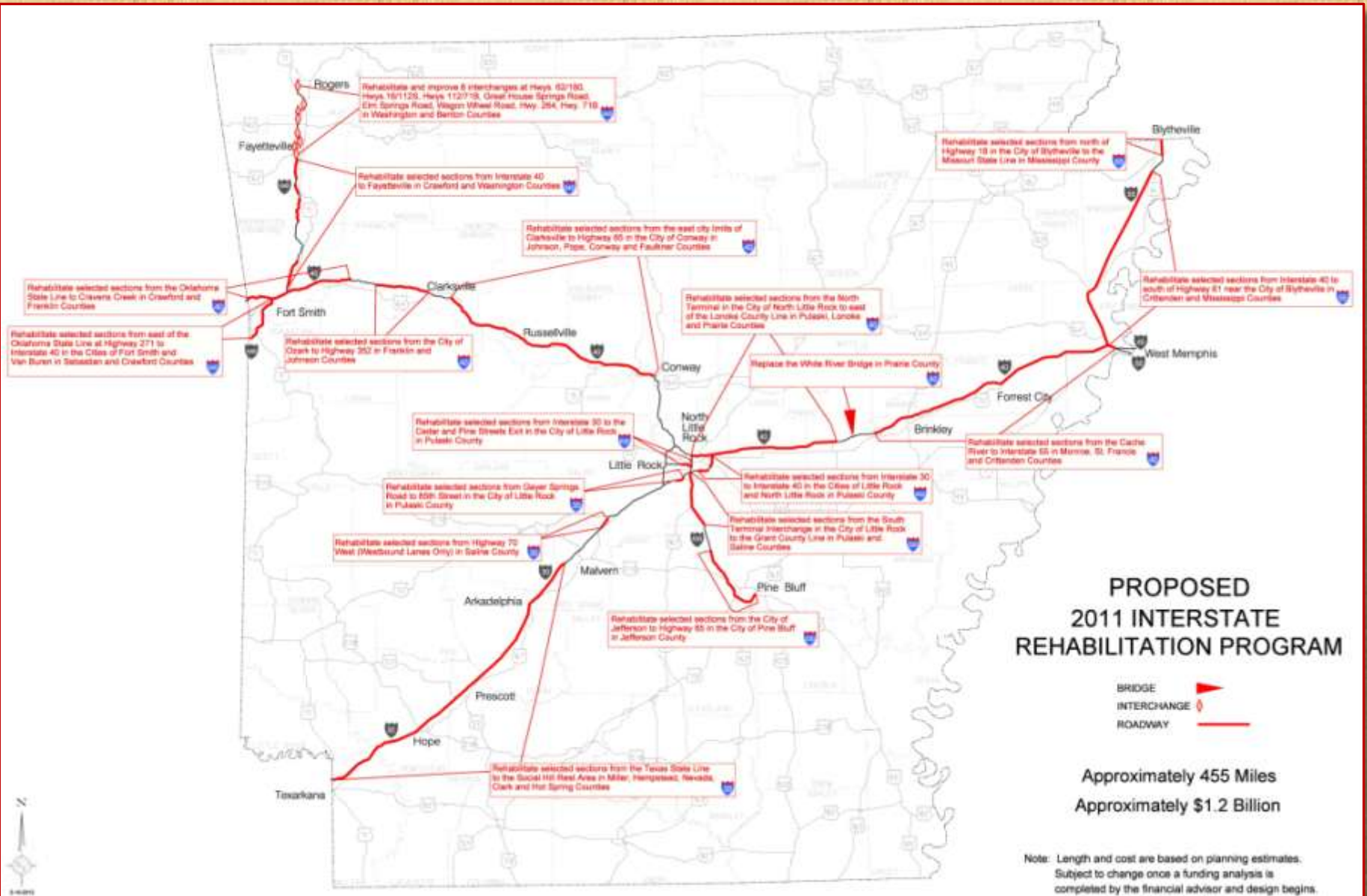
2011

75 +/- Projects | 455 Total Miles | \$1.2 Billion

First Contracts to be Awarded in November 2012



Interstate Rehabilitation Program



November 6th

Issue Number 1

"Everybody Benefits..."



Issue Number 1

- November 6, 2012 election ballot
- **Temporary Increase**
- Does not apply to groceries, medicine, fuel
- \$230m annually (\$160m/ **\$35m/ \$35m**)
- State Aid Street Fund for City Streets



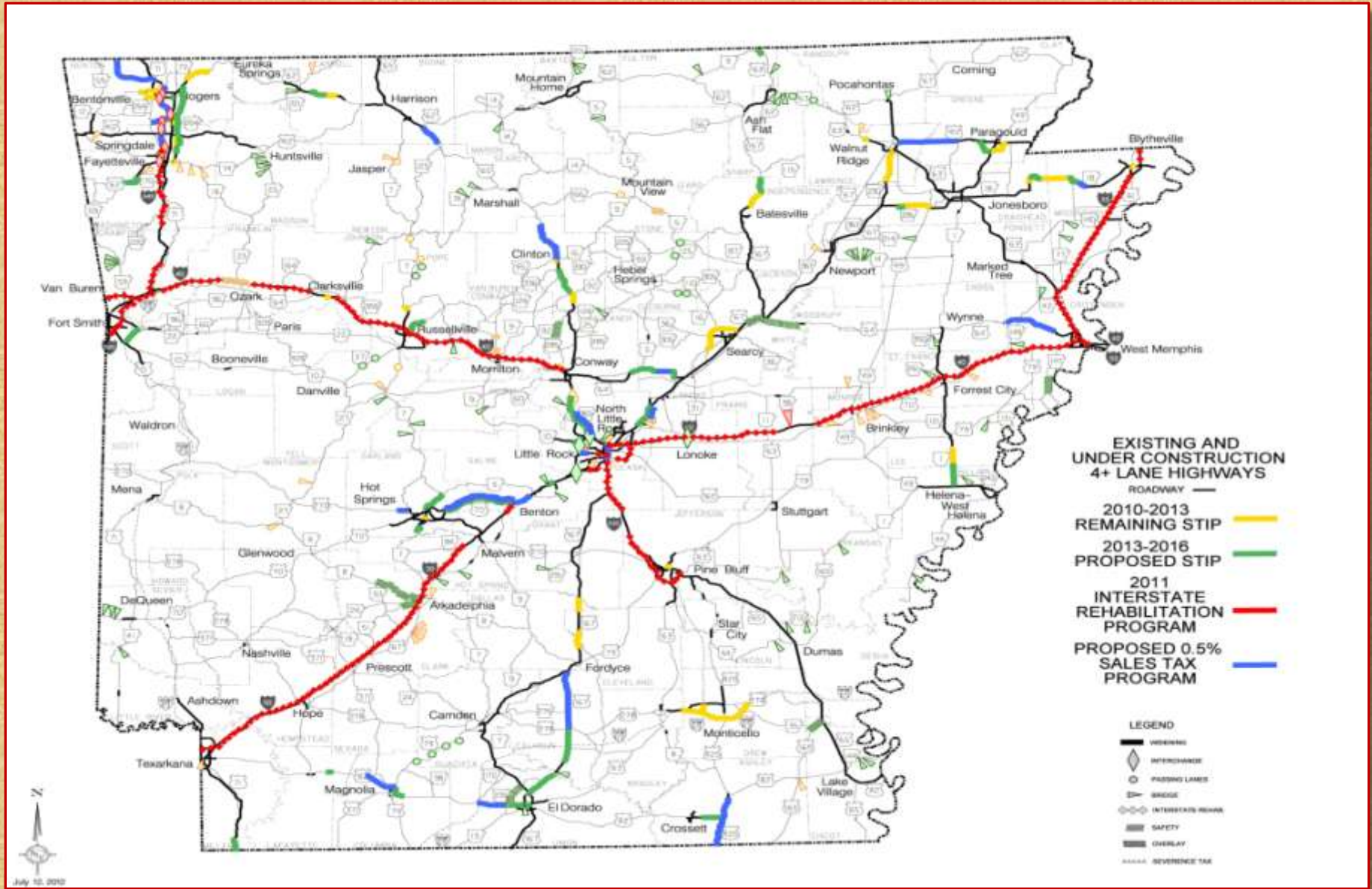
Issue Number 1

- \$1.3 Billion in general obligation bonds
- Bond debt retired over 10 years
- Tax expires when the bonds are retired
- Four-lane highways
- **\$1.8 Billion program supports 40,000 jobs**



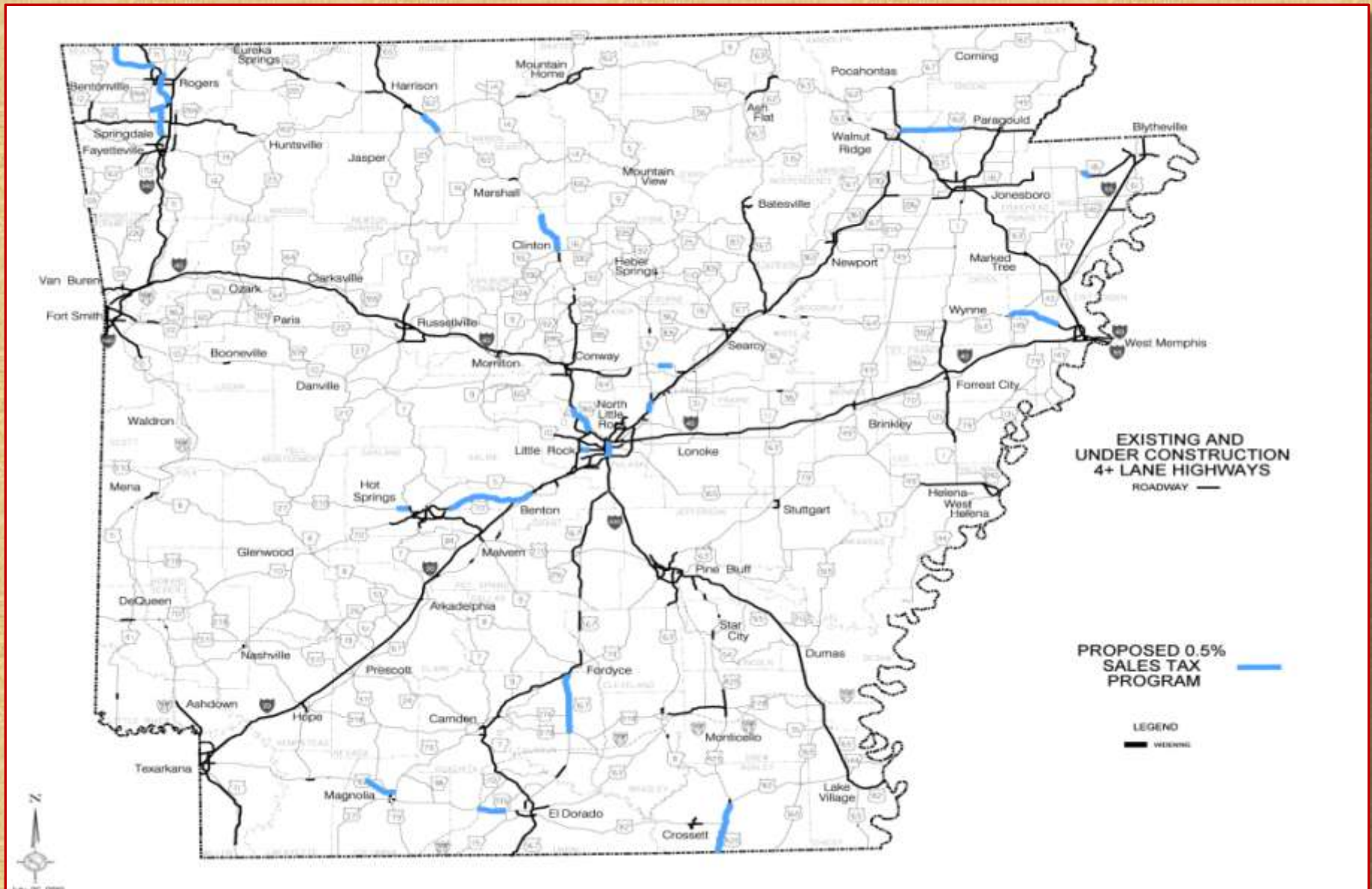
Funded by Issue Number 1

Statewide



Funded by Issue Number 1

Statewide



Benefits of Issue Number 1



Completion of widening to six lanes between Conway and North Little Rock



Improvements to I-30 connecting Little Rock and North Little Rock, including widening Arkansas River bridge



Widen between University Ave. & Baptist



Benefits of Issue Number 1



Completion of widening to six lanes from Jacksonville to Cabot



Completion of widening to four lanes between I-30 and Hot Springs



Completion of widening to four lanes between Conway and Beebe



Benefits of Issue Number 1



Completion of widening to four lanes between I-530 and El Dorado



Completion of widening to four lanes from Hamburg to the Louisiana state line



Beginning the widening to four lanes between Texarkana and El Dorado



'Everybody Benefits...'

Cities & Counties Will Split Nearly **\$700 Million**

Jefferson County

	<u>Annual</u>	<u>10-Year Total</u>
County Turnback	\$ 650,482	\$ 6,504,824
City Turnback		\$ 175,271
Alzheimer	\$ 17,527	\$ 8,742,704
Pine Bluff	\$ 874,270	\$ 231,023
Redfield	\$ 23,102	\$ 14,962
Sherrill	\$ 1,496	\$ 45,421
Wabbaseka	\$ 4,542	\$ 984,296
White Hall	\$ 98,430	
City and County Turnback Total	\$ 1,669,850	\$ 16,698,500



MOVE ARKANSAS FORWARD

Proposed Constitutional
Amendment #1

Fact Sheet
Four-Lane Projects
City and County Turnback Revenue

‘Everybody Benefits...’

**Revenue Will
Free Up Money
for Other Projects
Across the State**



“Nothing is more expensive than a missed opportunity.”

-H. Jackson Brown, Jr.
Author



We Have the **OPPORTUNITY to...**

- **Build Four-Lane Highways**
- **Improve County Roads & City Streets**
- **Support 40,000 Jobs**
- **Free Up Money for Other Projects**

**...Without Raising Taxes
on
Groceries, Medicine or Gas!**

Vote

FOR

Issue Number 1

**on
November 6th**





MOVE ARKANSAS FORWARD

MoveArkansasForward.com



MOVE ARKANSAS FORWARD

Vote FOR Issue #1
Tuesday, November 6
Better Highways Lead to a Better Arkansas

Issue #1 will support 40,000 statewide jobs.

Issue #1 will continue to build a four-lane highway system connecting all parts of the state.

Issue #1 will use a temporary 1/2% sales tax to finance a \$1.3 billion bond issue.

Issue #1 will provide over \$700 million to cities and counties for local projects.

Issue #1 will make roads and bridges safer.

Issue #1 WILL NOT INCREASE TAXES ON GROCERIES, MEDICINE OR GASOLINE

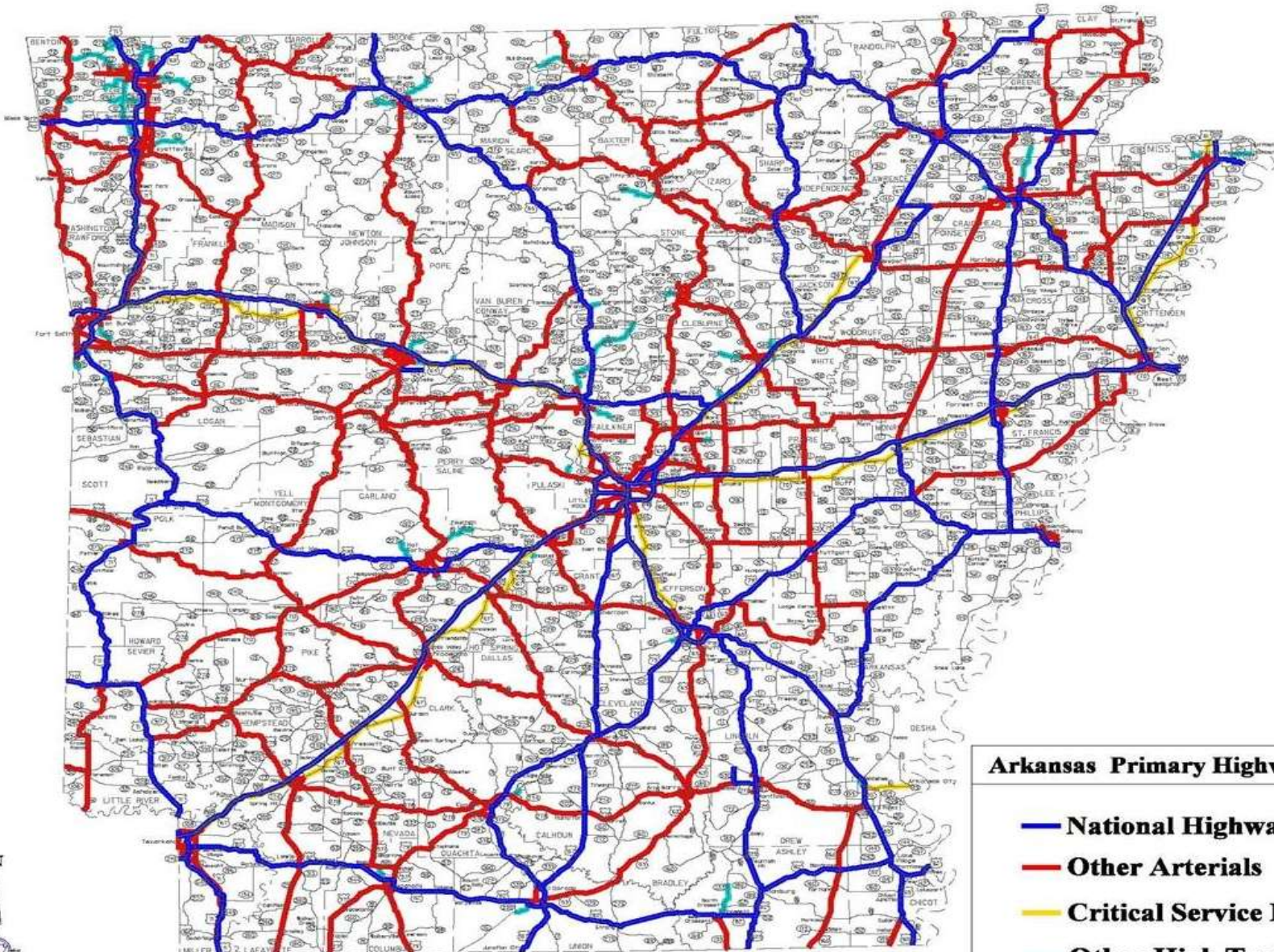


Fact Sheet

Campaign Book

Sample Resolution

Arkansas Primary Highway Network



Arkansas Primary Highway Network

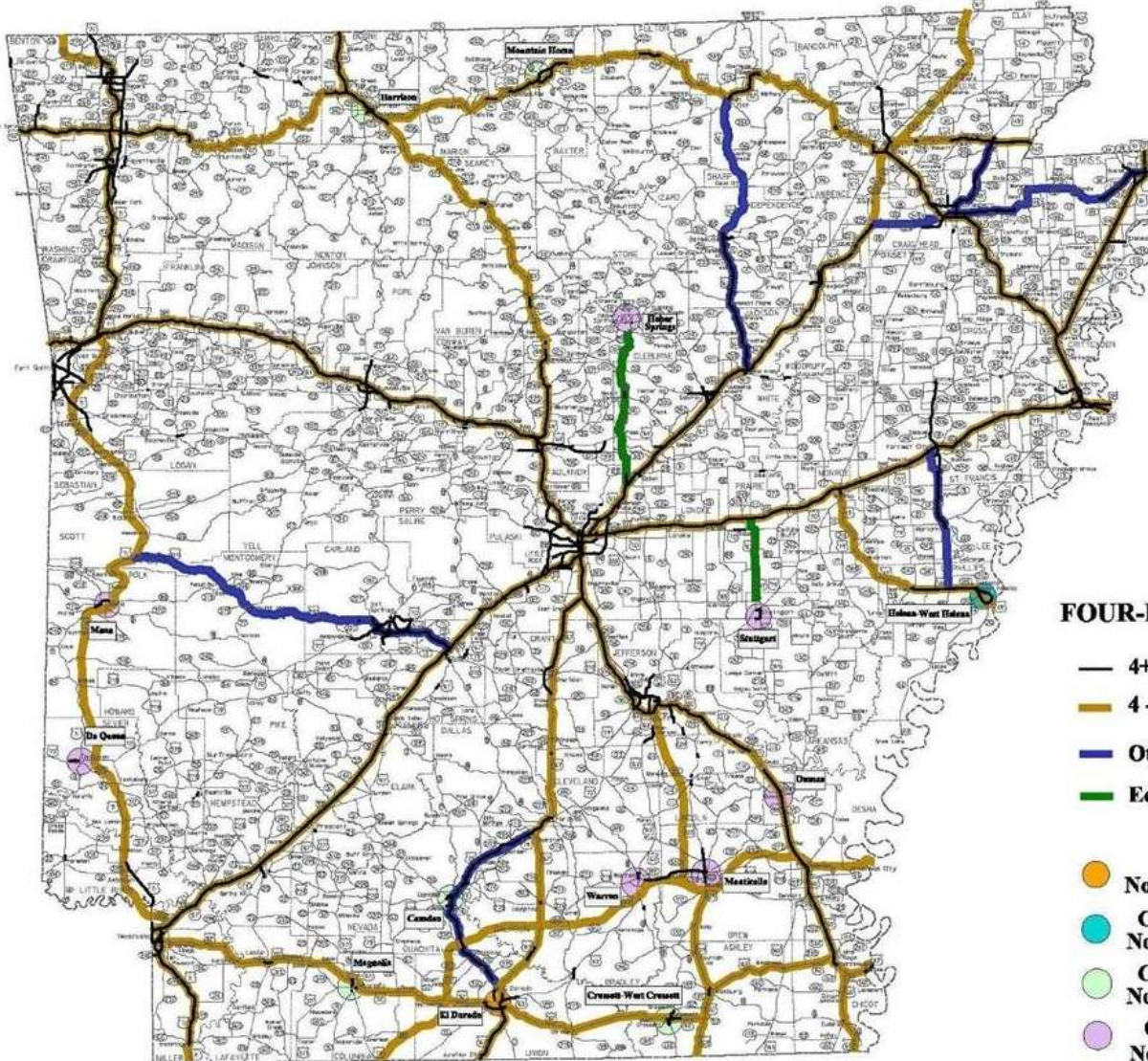
- National Highway System**
- Other Arterials**
- Critical Service Routes**
- Other High Traffic Routes**

N



June 2010

4-Lane Highway System



4-Lane Grid	\$7.8 billion
Regional Connectors	\$0.6 billion
Econ. Dev. Connectors	\$0.3 billion
TOTAL	\$8.7 billion

FOUR-LANE GRID SYSTEM

- 4+ Lane (Through 2010)
- 4 - Lane Grid System
- Other Regional Connections
- Economic Development Connections
- Cities > 20,000 Not Connected by 4-Lane
- Cities 15,000 to 20,000 Not Connected by 4-Lane
- Cities 10,000 to 15,000 Not Connected by 4-Lane
- Cities 5,000 to 10,000 Not Connected by 4-Lane

