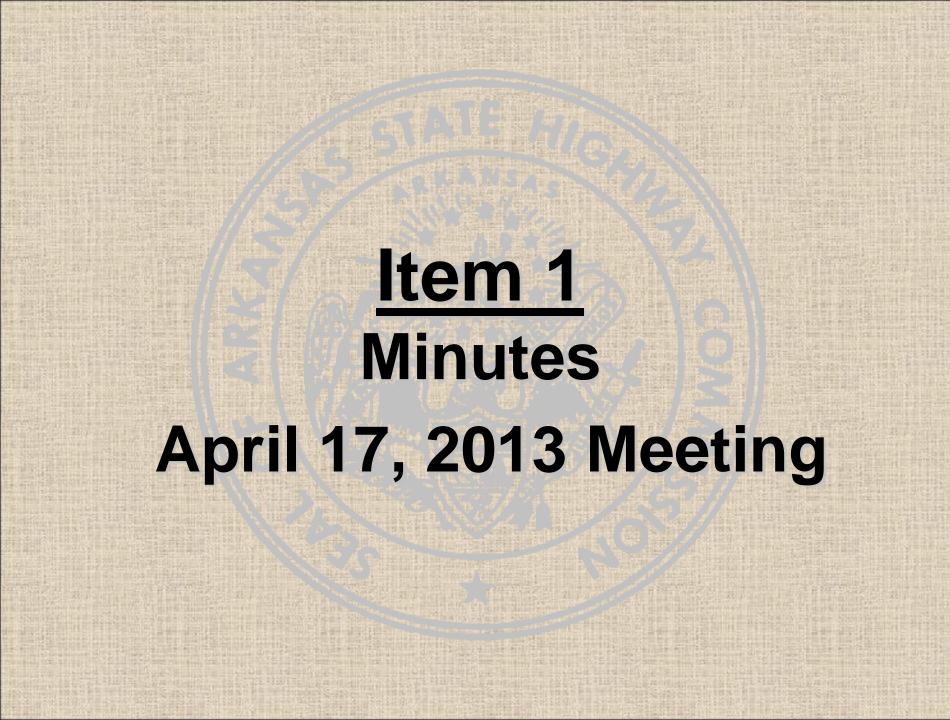
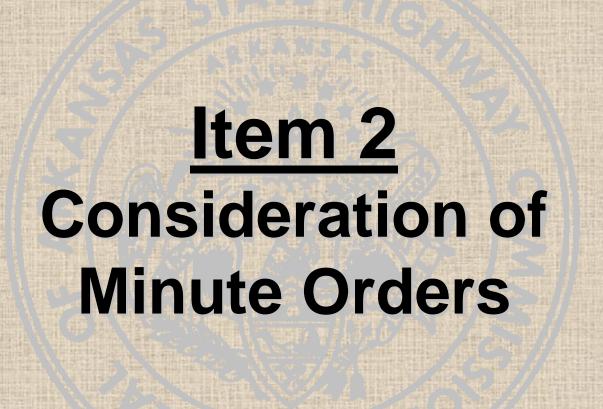
Arkansas State Highway Commission Meeting

Wednesday, June 5, 2013





Item 3 State Highway Revenue Update (April 2013)

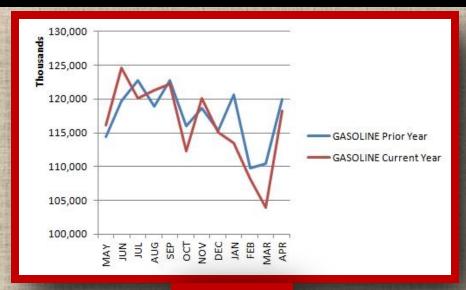
Revenues and Consumption

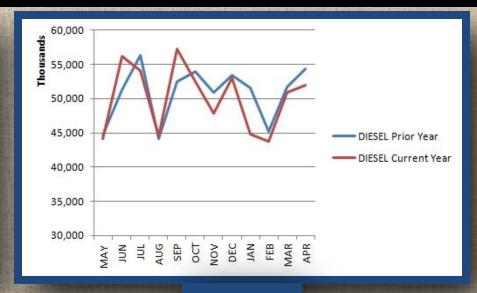
April 2013

REVEN						
Comparis	on of AHTI	O State Revenues by	FY 2012	FY 2013	Variance	Percent
Taller	Amel		(Millions)		(Millions)	Change
July	July - April Motor Fuel Taxes		\$238.1	(Millions) \$225.0	(\$13.1)	-5.5%
	Registratio		\$69.6	\$66.6	(\$3.0)	-4.3%
	Permits & Penalties		\$16.7	\$15.1	(\$1.6)	-9.6%
	Other	1 CHANGES	\$4.5	\$6.5	\$2.0	44.4%
	Total Use	r Revenues	\$328.9	\$313.2	(\$15.7)	-4.8%
	Natural Gas Severance Tax		\$30.1	\$25.4	(\$4.7)	-15.6%
	RRA Inter	RRA Interest		\$2.7	\$0.0	0.0%
	Less: Diesel Tax for Bonds		(\$14.0)	(\$13.6)	\$0.4	-2.9%
	Total Rev	enues Available	\$347.7	\$327.7	(\$20.0)	-5.8%
Fiscal Y	ear 2012 B	udget vs. Actual				
			Budget	Actual	Variance	Percent
July	- April		(Millions)	(Millions)	(Millions)	Varianc
	Motor Fuel Taxes		\$229.9	\$225.0	(\$4.9)	-2.1%
	Registratio	n Fees	\$65.8	\$66.6	\$0.8	1.2%
	Permits &	Penalties	\$16.4	\$15.1	(\$1.3)	-7.9%
	Other		\$4.6	\$6.5	\$1.9	41.3%
	Total User Revenues		\$316.7	\$313.2	(\$3.5)	-1.1%
	Natural Gas Severance Tax RRA Interest Less: Diesel Tax for Bonds		\$21.1	\$25.4	\$4.3	20.4%
			\$2.0	\$2.7	\$0.7	35.0%
			(\$14.3)	(\$13.6)	\$0.7	-4.9%
	Total Rev	venues Available	\$325.5	\$327.7	\$2.2	0.7%
CONSU	MPTION					
		Gallons Reported				
I dadoic I	violor i dei	Oddiolis reported	FY 2012	FY 2013	Difference	Percent
1.0000000	90.000.000		F1 2012	F1 2013	Difference	
July	- April		(Millions)	(Millions)	(Millions)	Change
	Gasoline		1,175.4	1,154.9	-20.5	-1.7%
	Diesel		513.7	500.5	-13.2	-2.6%
	Total		1,689.1	1,655.4	-33.7	-2.0%

Fuel Consumption

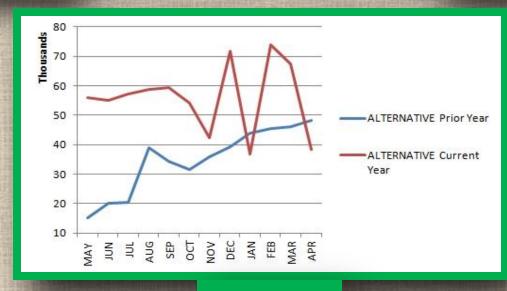
May 2012 - April 2013





Gasoline

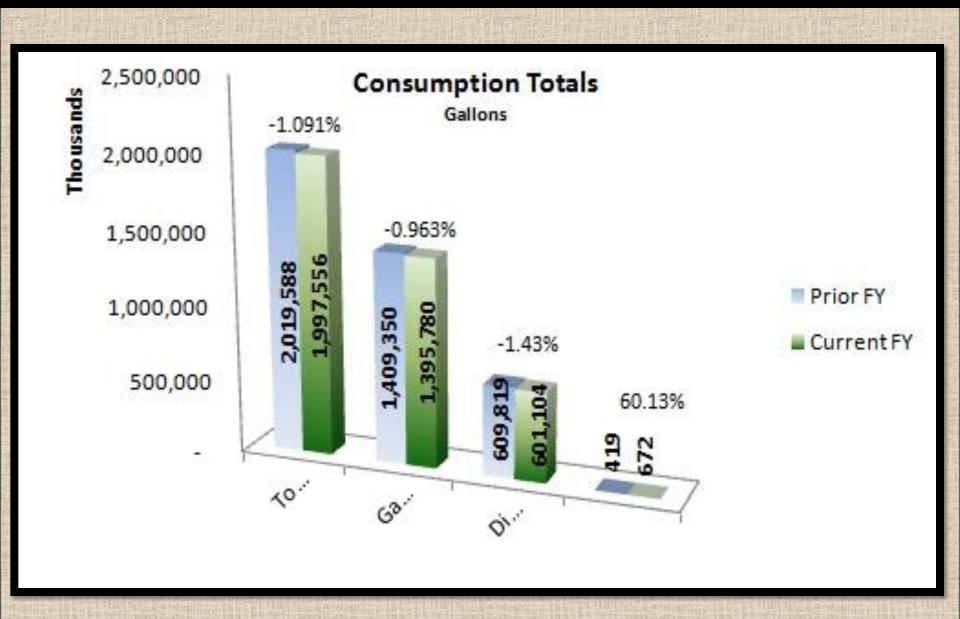
Diesel



Alternative

Fuel Consumption

Gallons



Status of Federal Highway and Transit Funding Issues



Federal Transportation Legislation

- Moving Ahead for Progress in the 21st Century (MAP-21)
 - Signed by the President July 6, 2012
 - Expires September 30, 2014 (approximately 16 months)
 - Reauthorization Discussions Underway



"MAP-21 is a five-year policy bill with two years of funding."



AASHTO'S REAUTHORIZATION STRATEGY

- Engagement: State DOT leaders to educate Congressional members and staff on value of federal investment
- Support: Assiduously help Congressional committees to get their job done and provide political comfort for members
- Flexibility: "All options are on the table": Remain agile to take advantage of window of opportunity



Status of Congressional Debate on Transportation Investment THE CHALLENGES

- No earmarks
- Increased partisanship
- Constant battles on debt and deficit, budget, appropriations
- · Re-examination of the federal role and interest
- Lack of public understanding on transportation issue
- And of course, lack of money

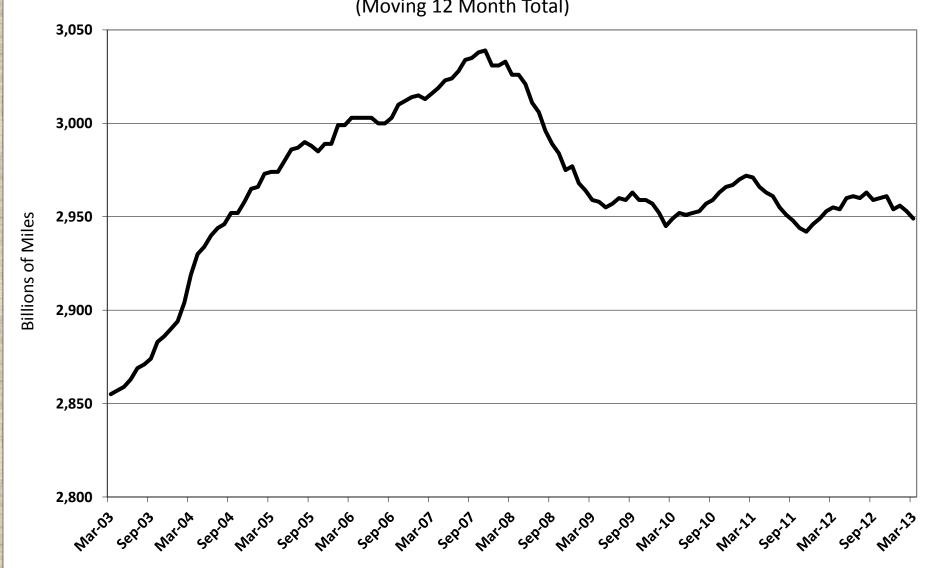


Highway Trust Fund

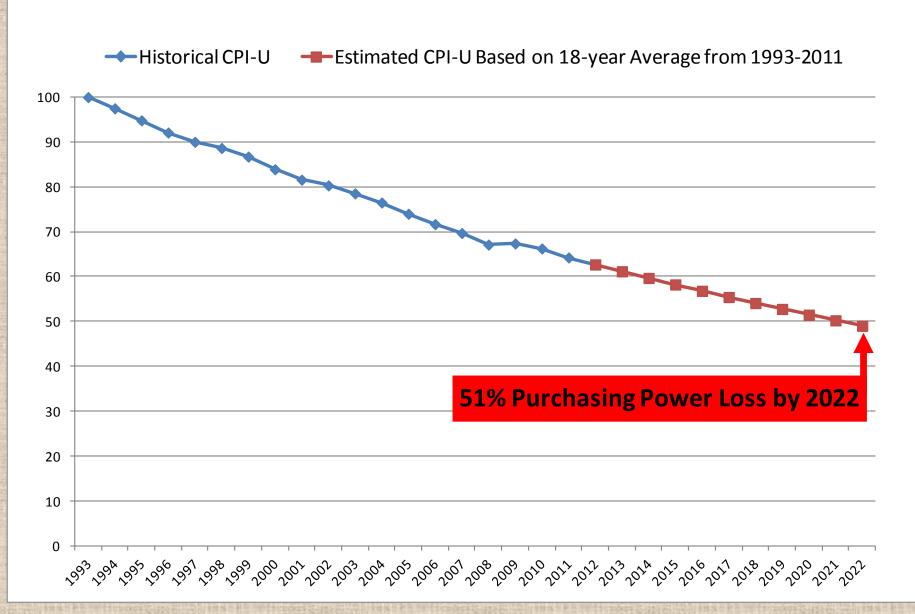
Year	Amount (x \$1 Billion)	From Account	
2008	\$ 8.0	General Fund	
2009	\$ 7.0	General Fund	
2010	\$19.5	General Fund	
2012	\$ 2.4	Leaking Underground Storage Tank Trust Fund	
2013	\$ 6.2	General Fund	
2014	\$12.6	General Fund	
Grand Total	\$55.7		

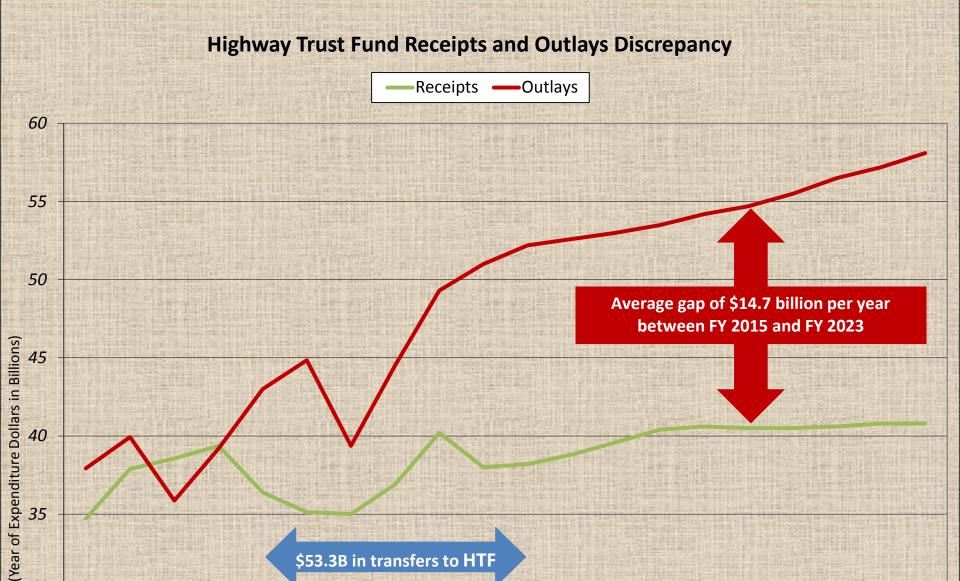
Vehicle Miles Traveled - Mar 2003 to Mar 2013

(Moving 12 Month Total)



PURCHASING POWER LOSS OF GAS TAX DUE TO INFLATION





2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

Excludes \$8.017 billion transfer from General Fund to Highway Account of HTF in September 2008; \$7 billion transfer from General Fund to Highway Account of HTF in August 2009; \$19.5 billion transfer from General Fund to Highway and Mass Transit Accounts of HTF in March 2010; \$2.4 billion transfer from Leaking Underground Storage Tank Trust Fund to HTF in July 2012; \$6.2 billion transfer from General Fund to Highway Account of HTF in FY 2013; \$10.4 billion transfer from General Fund to Highway Account of HTF in FY 2014.

30

ESTIMATED PROGRAM FUNDING LEVEL WITH NO NET NEW REVENUES TO HTF

Federal Highway and Transit Obligations Through 2023

Assumes a minimum balance of \$2 billion for the Highway Account and \$.5 billion for the Mass Transit Account



Item 5 Proposed Revisions to Restore Sign Visibility Policy









- **▶1965** Congress Enacted the "Highway Beautification Act"
 - Limit Spread of Billboards and Junkyards along the Interstates and Federal Primary Highway System (NHS)
 - Each State Must Enforce
 - Penalty of Losing 10% of Federal-aid Highway Funding



- **▶1965** Congress Enacted the "Highway Beautification Act."
- **▶1967** Arkansas General Assembly Enacted "Act 640"
 - Highway Commission Must Establish and Enforce Billboard Regulations Consistent with Federal Requirements



- **▶1965** Congress Enacted the "Highway Beautification Act"
- **▶1967** Arkansas General Assembly Enacted "Act 640"
- ▶1972 State Permits Required for Billboards and Off-Premise Signs



Common a residual traduction Area

Commercial or Industrial Areas

- Non-Conforming Permits (Class B)
 - NOT in Commercial or Industrial Areas
 - "Grandfathered In"
 - Disappear by Attrition
 - Replacement signs could not be erected unless land developed.



≻1975 – Law Changed

- Signs Beyond 660 feet
- State Scenic Byways



➢Original Regulations - Vegetation Control Not Allowed



- **➢Original Regulations Vegetation Control Not Allowed**
- **▶1995 Sign Effectiveness Enhancement Policy (SEE)**



- **➢Original Regulations Vegetation Control Not Allowed**
- ➤1995 Sign Effectiveness Enhancement Policy (SEE)
- >2000 Restore Sign Visibility Policy (RSVP)
- >2006 Current RSVP Adopted



≥2010 – Violation of RSVP Permit – Requires Forfeit of Billboard Permit and Removal of Sign































Restore Sign Visibility Policy

- **≥2010** Violation of RSVP Permit Requires Forfeit of Billboard Permit and Removal of Sign
- **≥2011** RSVP Revisions Began



Restore Sign Visibility Policy

- **≥2010** Violation of RSVP Permit Requires Forfeit of Billboard Permit and Removal of Sign
- **≻2011** RSVP Revisions Began
- >2013 Public Hearing and Public Comment Period





➤ Opposes provision to deny RSVP applications if applicant has illegal/abandoned signs.



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- Opposes provision that requires written permission from adjacent landowner before mowing in front of their property.



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- Opposes losing sign as penalty. Prefer \$1,000 fine.
- Opposes provision that requires written permission from adjacent landowner before mowing in front of their property.
- ➤ Opposes the requirement that a Non-Conforming sign be removed to mow in front of another Non-Conforming sign.



Restore Sign Visibility Policy







Item 6 Proposed 2013-2014 Operating Budget

2013-2014 Operating Budget

Item	Amount
2% Cost of Living Adjustment	\$2.6 million
Step Raises	\$600,000
Service Recognition Payments	\$1.7 million
District Expenses	7% increase
State Match for Health Insurance	\$700,000
State Aid Street Program	\$200,000
Equipment	\$2 million increase

Other Business and Discussion

Arkansas State Highway Commission Meeting

Wednesday, June 5, 2013