

Robert S. Moore, Jr.

Arkansas Highway Commissioner



McGehee Chamber of Commerce

Thursday, August 23, 2018

Economic Growth



and Transportation



Highway Investment





Highway Investment

How do highway investments in the state highway system translate into improvements in economic productivity?

An efficient transportation system allows companies to lower transportation costs, which lowers production costs and enhances productivity and profits.

A good highway system promotes tourism and other methods of stimulating the local economy.



Budget

Where to spend money on a tight budget?

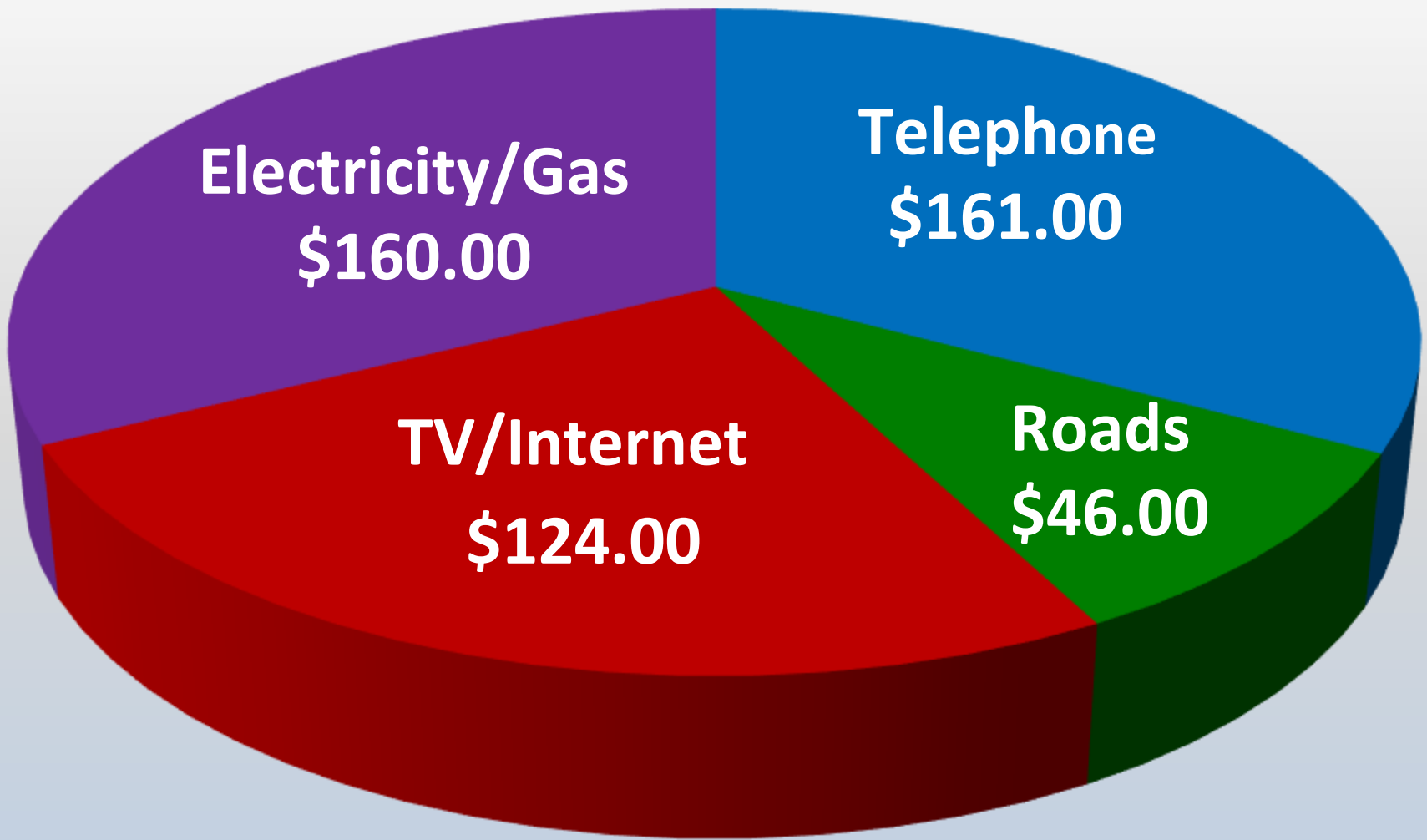


Funding Challenges



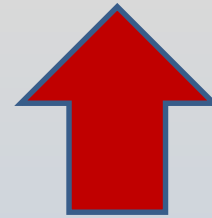


Average Monthly Household Expenditures





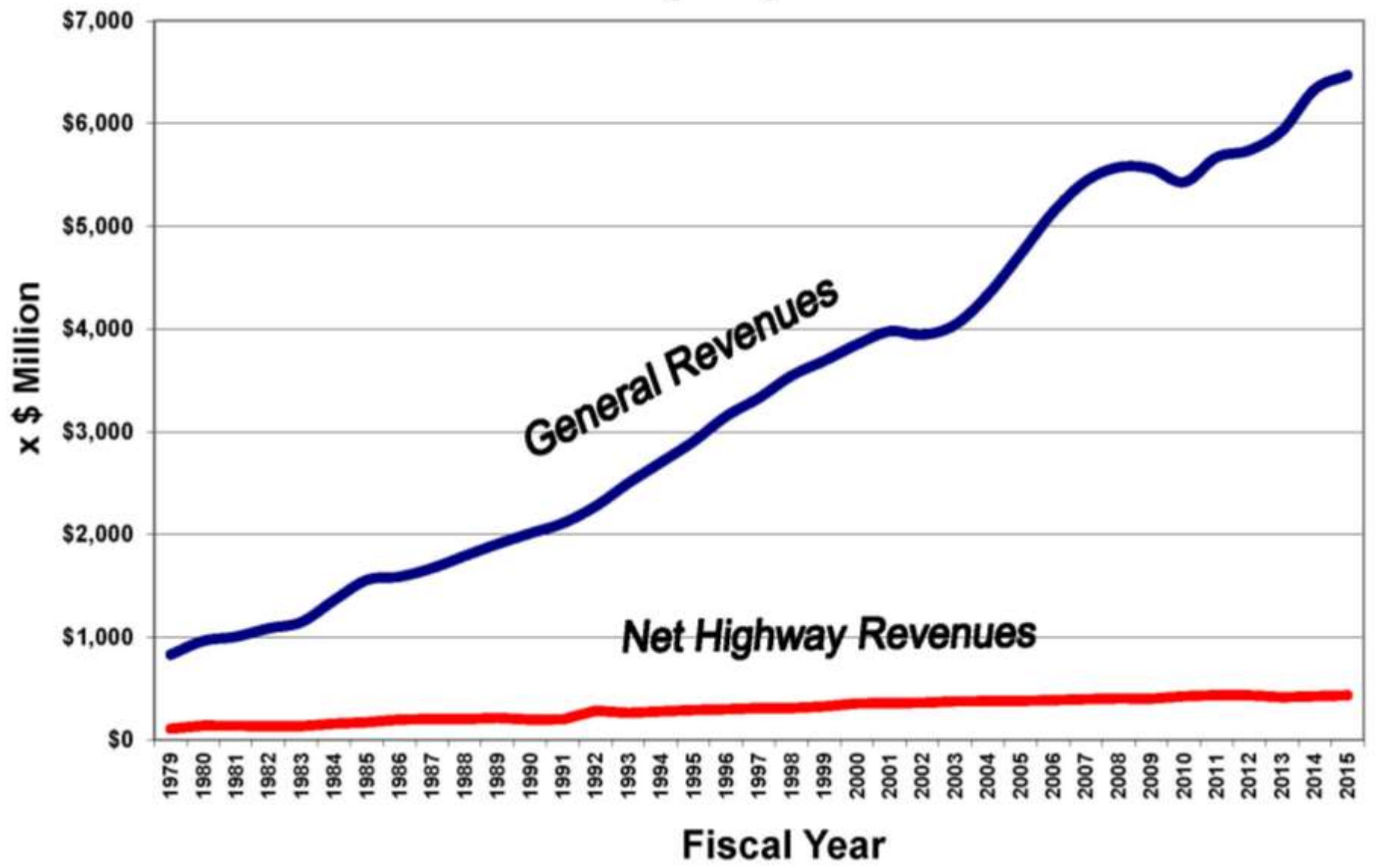
Costs



Revenue



Arkansas State General Revenues vs AHTD Net Highway Revenues





\$100,000,000 Widening Program

THEN

22 years ago, in 1995,
33 miles of Highway
could be widened.

NOW

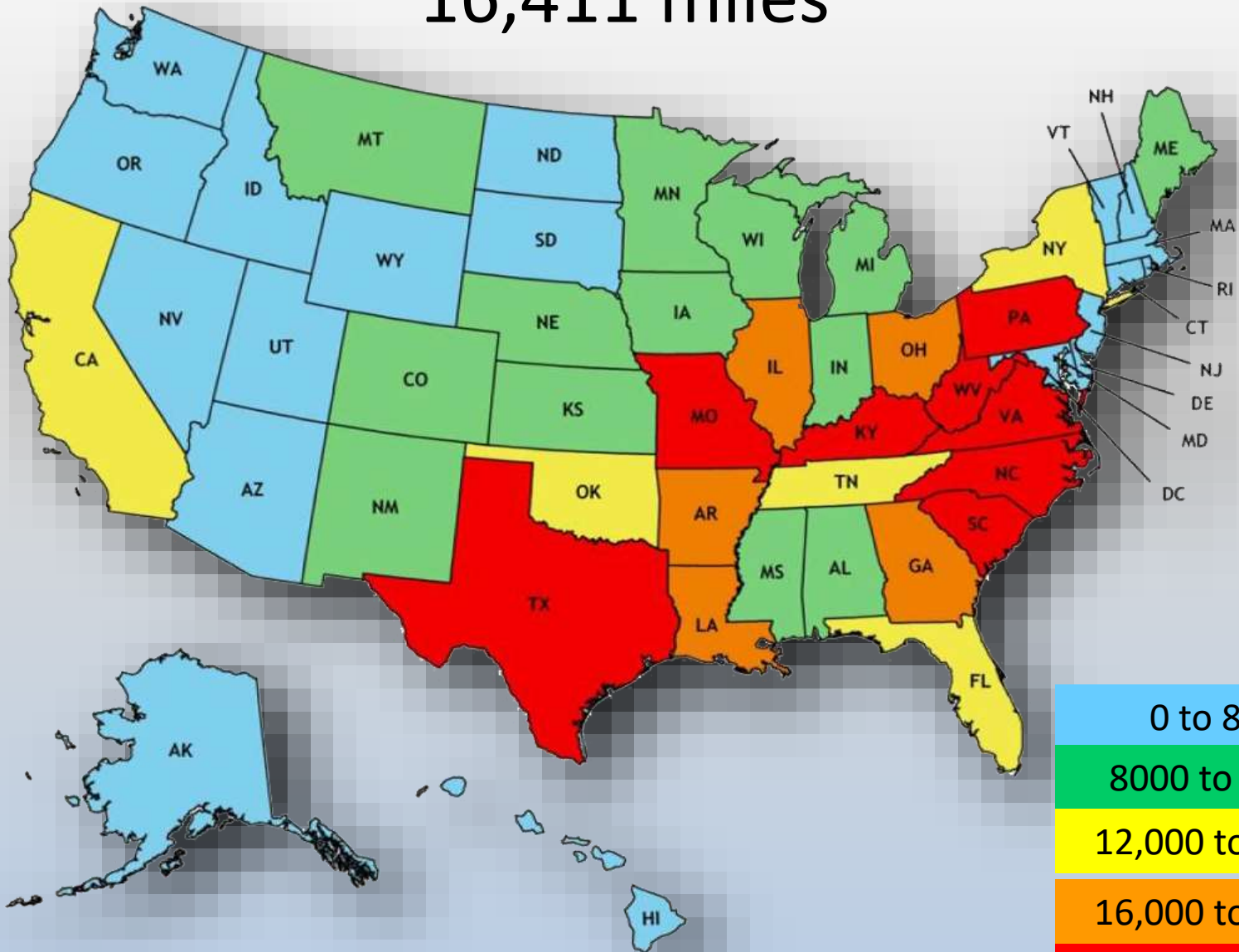
As of 2015, using the
same resources, only
15 miles of Highway
could be widened.





12th in Number of Miles

16,411 miles



0 to 8,000

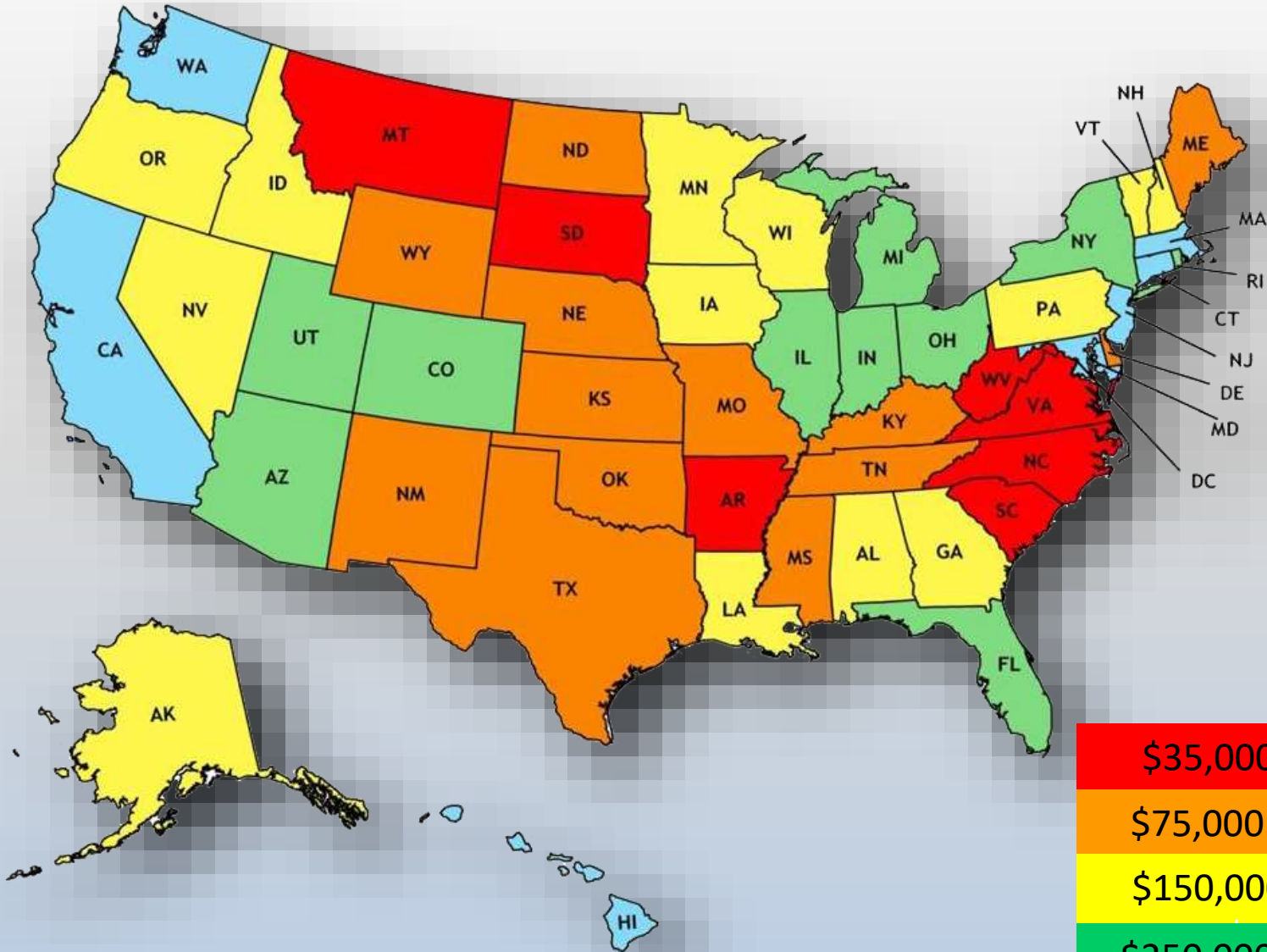
8000 to 12,000

12,000 to 16,000

16,000 to 20,000

20,000 +

42nd in Revenue Per Mile



\$35,000 to \$75,000

\$75,000 to \$150,000

\$150,000 to 250,000

\$250,000 to \$500,000

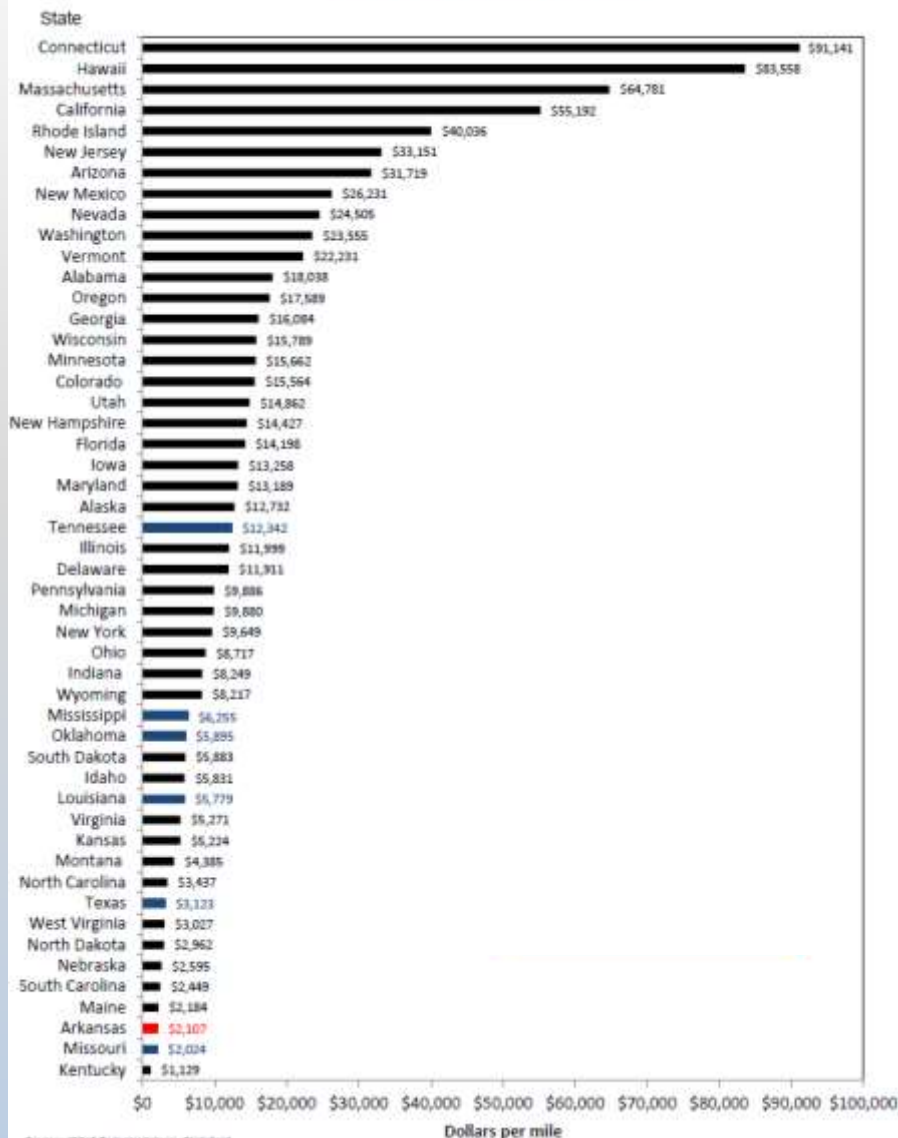
\$500,000 +

Provide safe and efficient transportation solutions to support Arkansas' economy and enhance the quality of life for generations to come.

Adopted June 7, 2017

Administrative Cost Per Mile

Arkansas Ranks 48th in the Nation



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

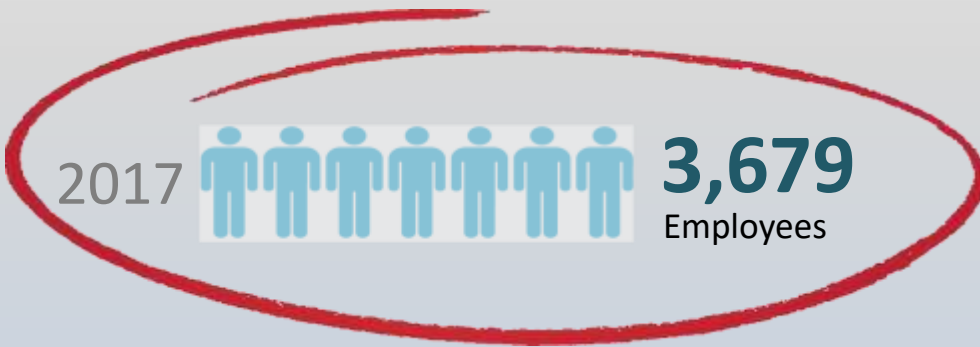
Arkansas = \$2,107

Surrounding States Average = \$4,334

National Average = \$9,224

Arkansas has the
3rd Lowest
Administrative Cost Per
Mile
in the Nation

Employment Levels Efficiency



Promises Made



Promises Kept

Promises



**Rebuilding Arkansas
Interstates**



INTERSTATE
REHABILITATION
PROGRAM

IRP



CONNECTING
ARKANSAS
PROGRAM

CAP



Completed

45 Projects
290 Miles
\$997 Million

Under Construction

5 Projects
13 Miles
\$225 Million

Scheduled

29 Projects
191 Miles
\$271 Million



Completed

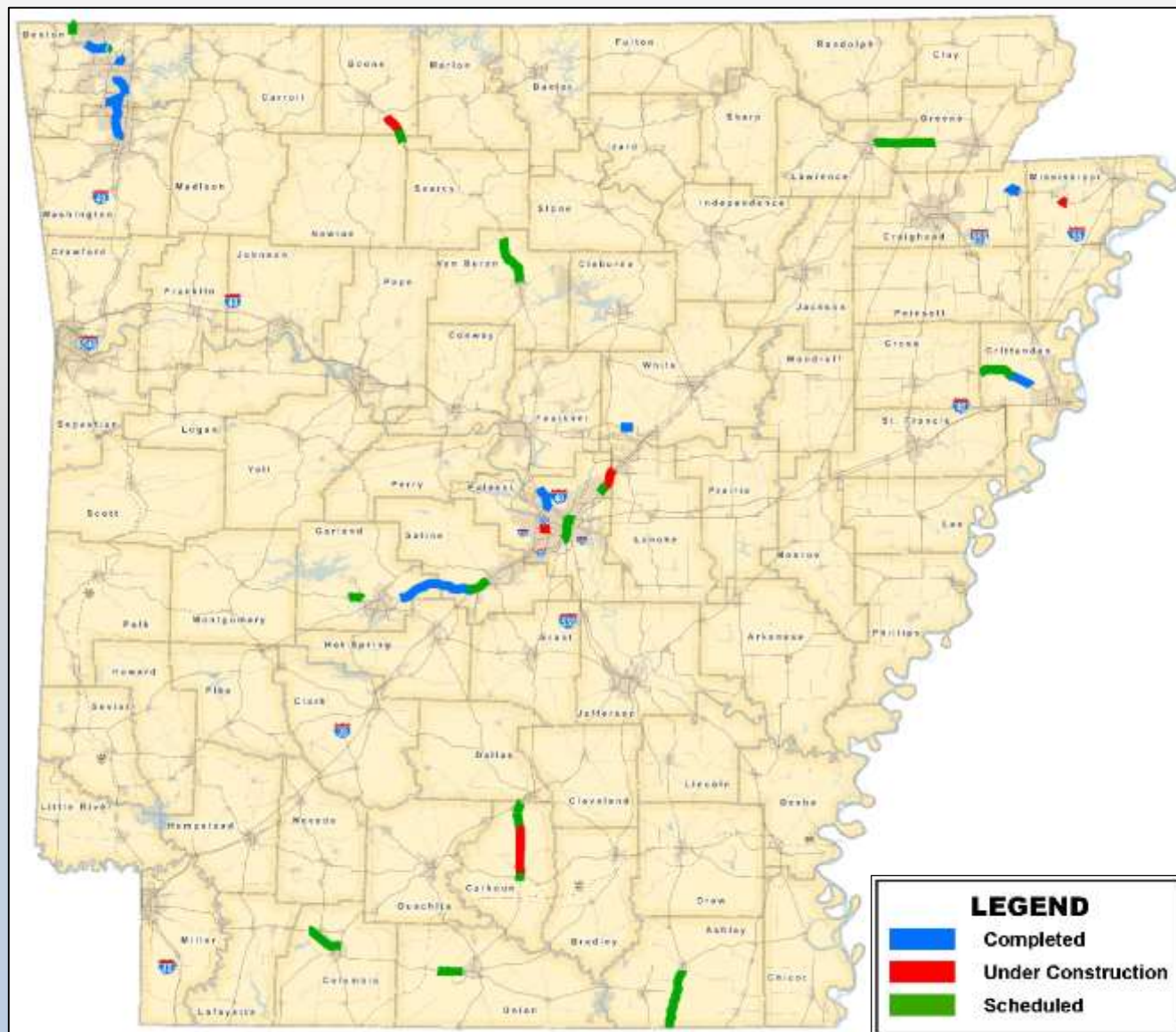
11 Projects
61 Miles
\$432 Million

Under Construction

6 Projects
24 Miles
\$276 Million

Scheduled

19 Projects
100 Miles
\$1.28 Billion



Highway Condition



and Needs

Summary of Needs – 10 Years

NEEDS CATEGORY	COST (x \$1 M)
System Preservation	
Pavement	\$ 3,438
Bridges	\$ 1,238
Capacity	\$ 3,236
Safety	\$ 787
Maintenance	
Equipment	\$ 202
Facilities	\$ 70
ITS	\$ 30
TOTAL	\$ 9,001

Summary: Needs vs Revenue – 10 Years

2016 Dollars

	AMOUNT (x \$1 M)
ESTIMATED REVENUE⁽¹⁾ Federal-aid + State	\$4,415
TOTAL NEEDS⁽²⁾ Pavement, Bridges, Capacity, Safety, Equipment, Facilities, ITS	\$9,001
SHORTFALL	\$4,586

(1) Revenue Not Currently Dedicated to Routine Maintenance, Administration and Operations

(2) Does Not Include Economic Development Connectors or Congressionally-Designated High Priority Corridors

Challenges

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

➤ **42nd** in highway revenue per mile.

➤ **\$9 billion** in needs

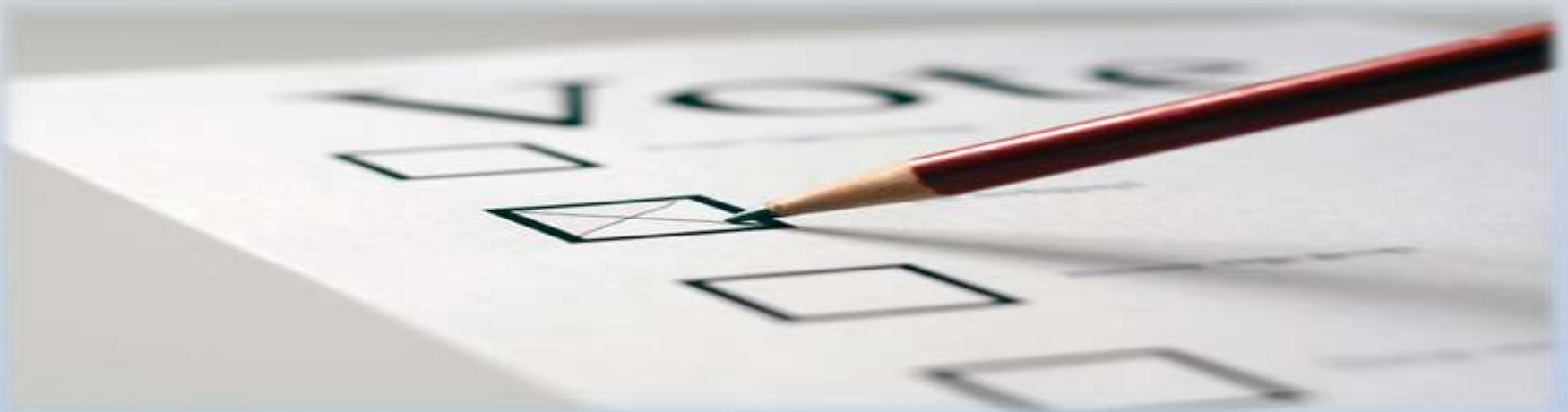
➤ **\$4.4 billion** in available revenue



□ Governor’s Highway Funding Working Group

- ✓ 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.



"As to the long-term solutions, it emphasizes that it is difficult to get a referral of this General Assembly out to the voters, and that I hope the leadership of our state and the business community and others **will look at an initiated act that might go on the ballot for a highway program,**" he said. "Otherwise, we'll continue to debate the long-term solution in future sessions."

Governor Asa Hutchinson



Source	Highway Revenue ¹
1 Cent Motor Fuel Tax Increase	\$ 14 M
Remove Sales Tax Exemption (Wholesale \$1.70 per Gallon) ²	\$ 108 M
6.5% Sales Tax (Wholesale \$1.70 per Gallon)	\$ 156 M
\$10 Registration Fee Increase (Cars and Pickups)	\$ 19 M
Transfer Sales Tax on New and Used Vehicles ²	\$ 228 M
Transfer Sales Tax on Auto Repair Parts, Services, etc. ²	\$ 74 M
1% General Sales Tax	\$ 344 M

¹ Amount shown is annual net to highways – after deduction for CFA/CSF and 30% to cities and counties.

² Transfer of 4.5% (“general” portion of statewide sales tax)

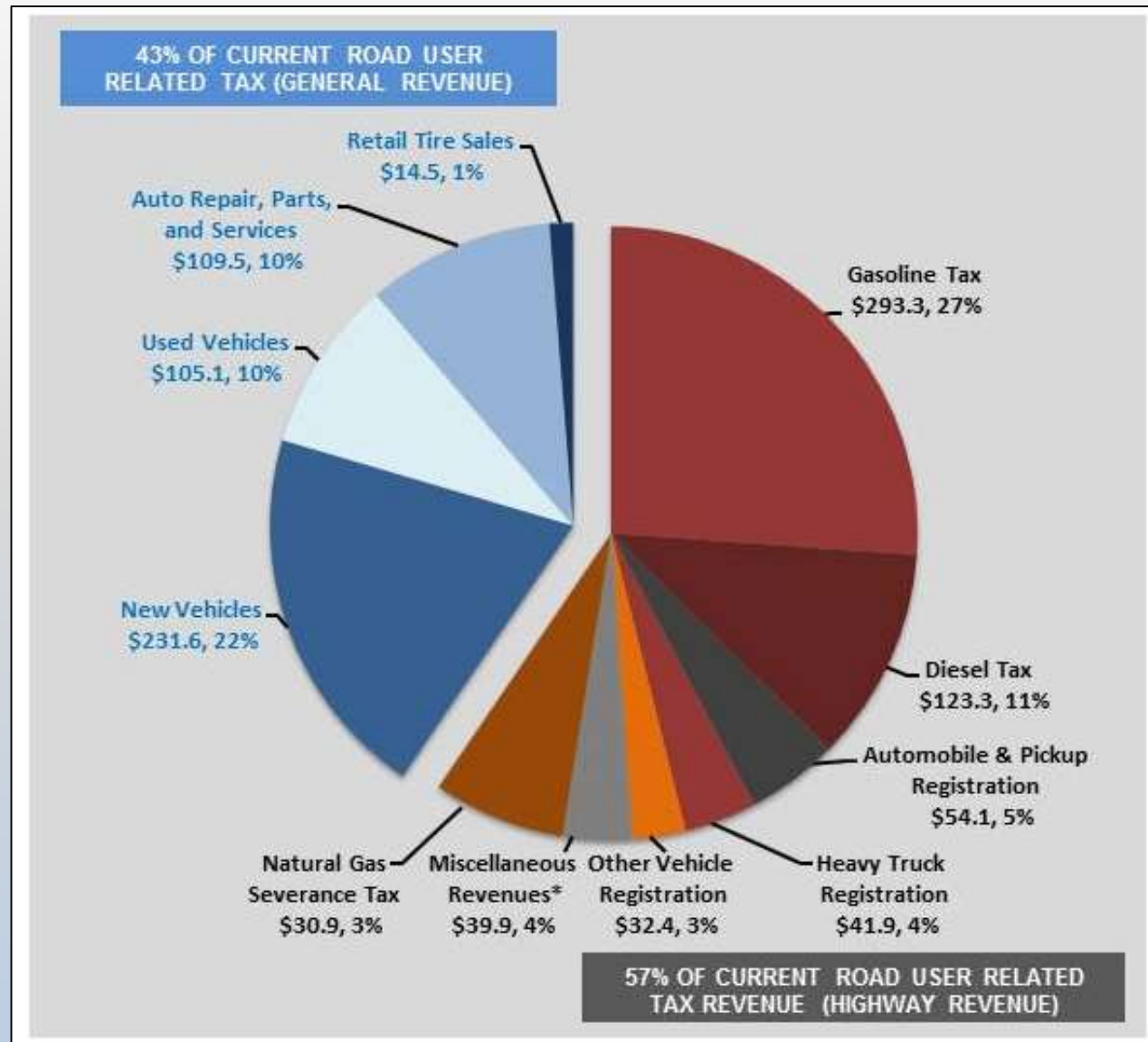
Road User Related Tax Revenue (SFY 2016)

Total Road User Revenue
\$1,076.5 Million

Distribution:

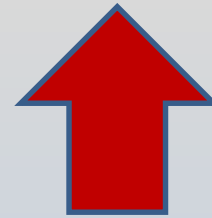
General Revenue
\$460.7 Million (43%)

Highway Revenue
\$615.9 Million (57%)





Costs



Revenue



Local Project



Updates

Chicot County

Completed

26 Projects
58 Miles
\$121.3 Million

Under Construction

3 Projects
14.4 Miles
\$6.6 Million

Scheduled

11 Projects
26.3 Miles
\$20 Million

Desha County

Completed

31 Projects
78.2 Miles
\$46.4 Million

Under Construction

4 Projects
12.8 Miles
\$15.5 Million

Scheduled

16 Projects
62.9 Miles
\$40 Million

Completed

6 Projects
55.8 Miles
\$12.5 Million

Under Construction

4 Projects
16.1 Miles
\$5.1 Million

Scheduled

5 Projects
38.3 Miles
\$25 Million



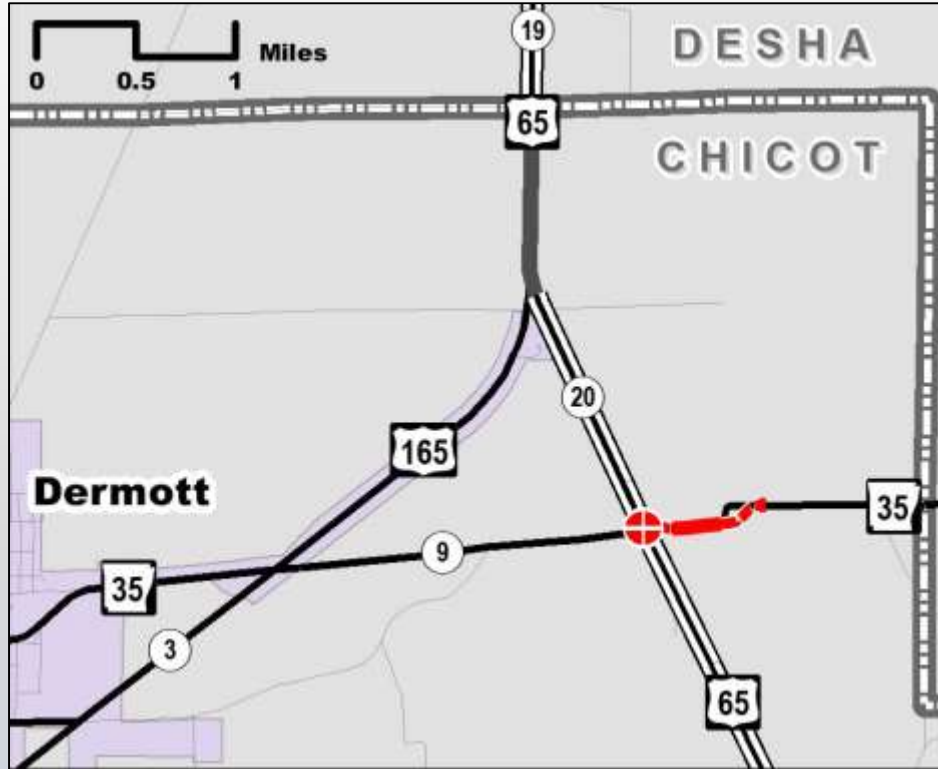
U.S. Highway 278






Completed
Pavement Rehabilitation
24.9 Miles
\$4.8 Million



State Highway 35



Under Construction
Safety Improvements
2.8 Miles
\$2.1 Million



-  Existing Roadway (Under Construction)
-  New Location (Under Construction)
-  Intersection Impvt.(Under Construction)



State Highway 83

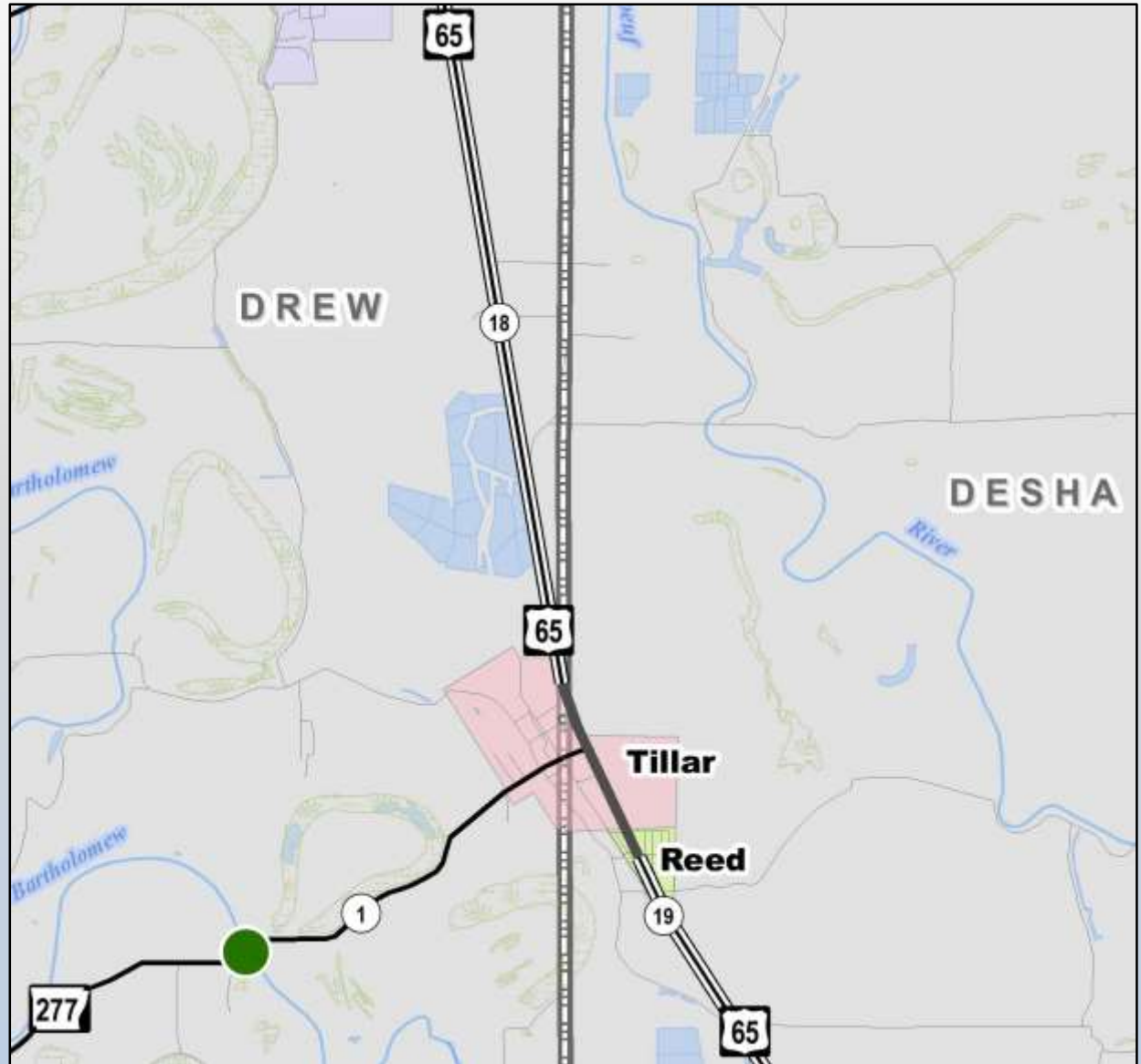
Scheduled
Connect Highways
83 & 278
2.0 Miles
\$5-10 Million



-  Existing Location (Scheduled)
-  Proposed Location (Scheduled)

State Highway 277

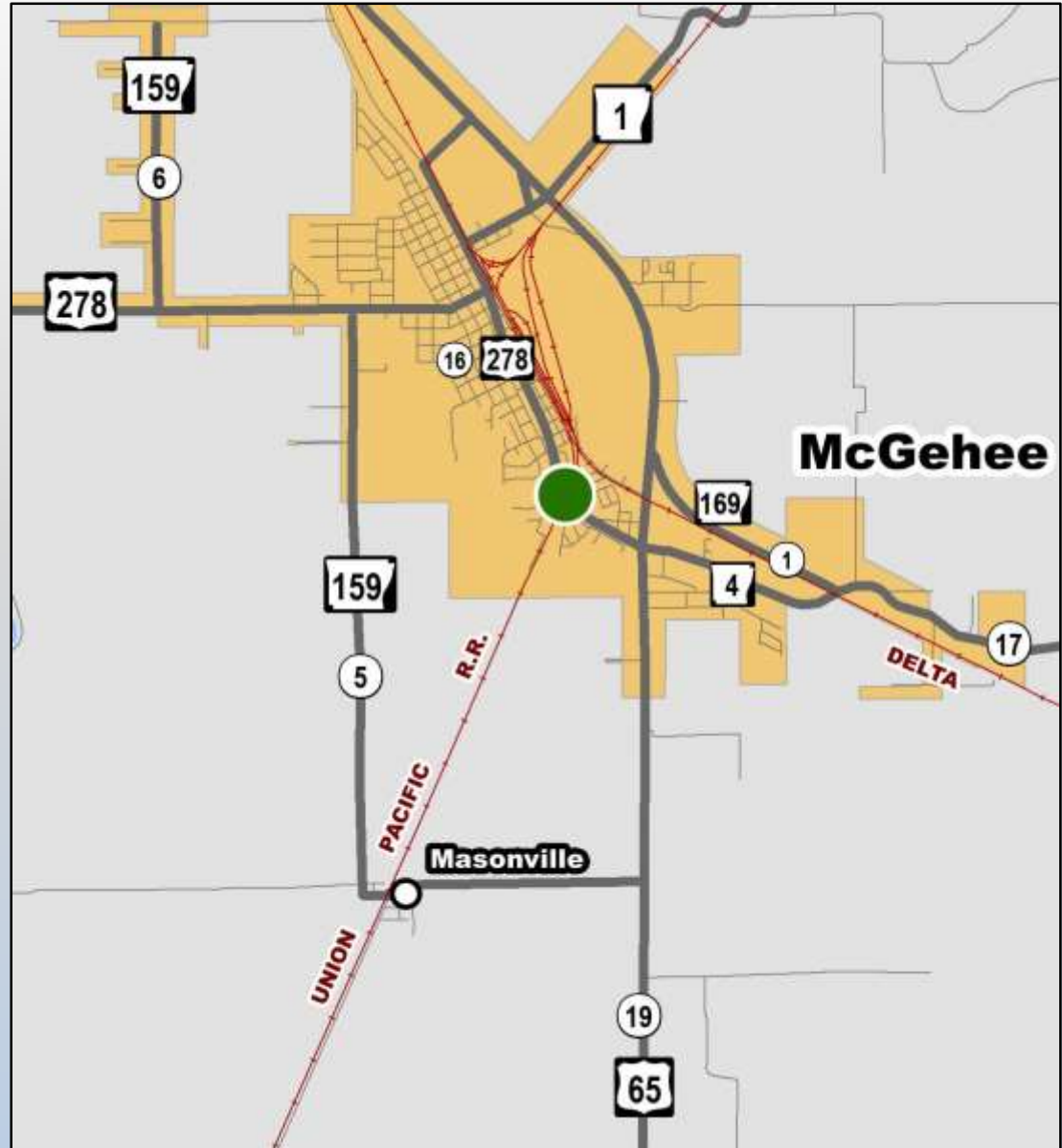
Scheduled
Replace Bridge
\$1-5 Million



U.S. Highway 278



Scheduled
Replace UPRR
Overpass
\$1-5 Million



State Highway 35



Scheduled
Resurfacing
6.1 Miles
\$5-10 Million



U.S. Highway 82



Scheduled

Resurfacing

1.7 Miles

6 Bridges

\$10-15 Million



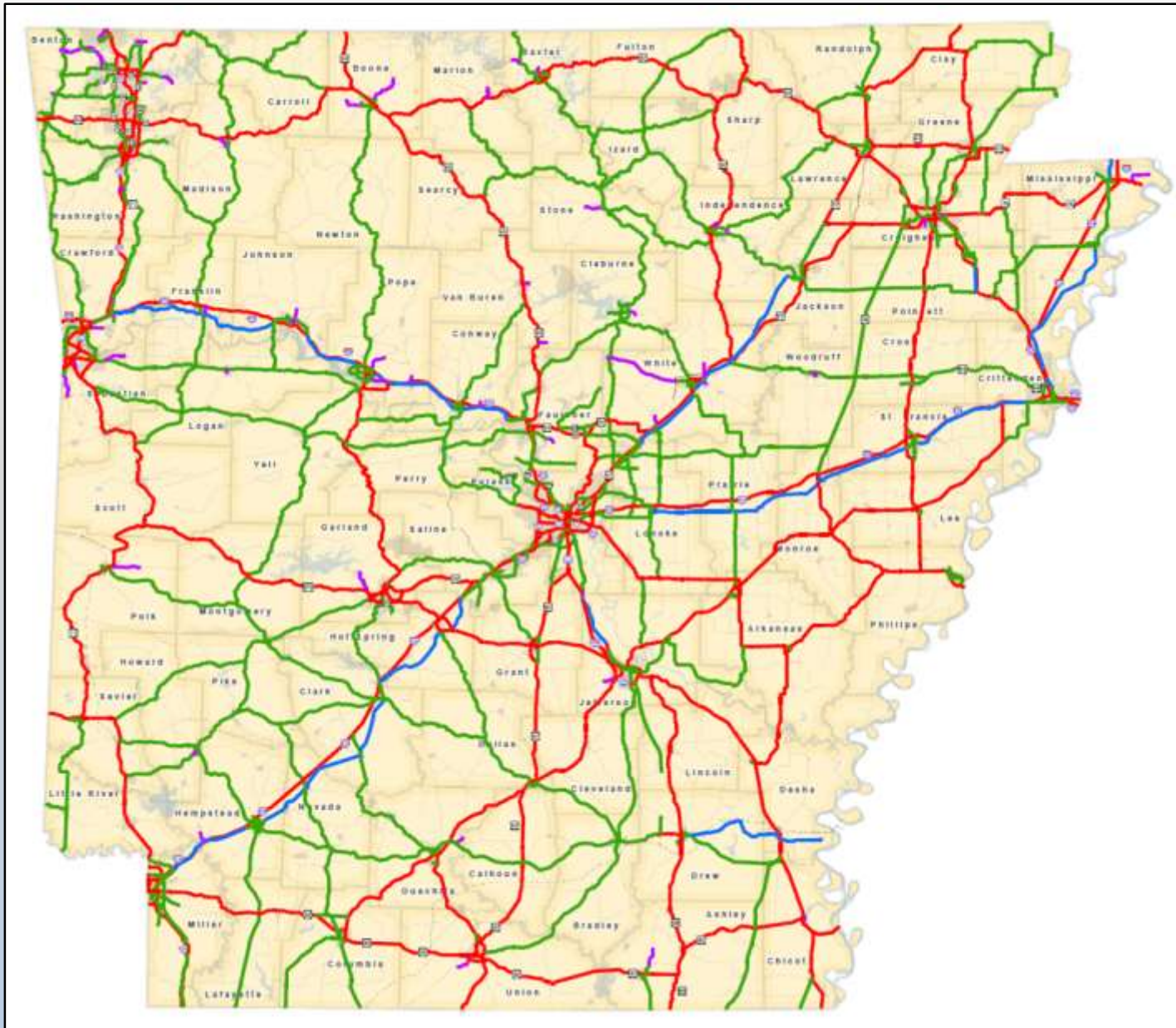
Future Interstate 69



Scheduled
New Location
1.8 Miles
\$50-75 Million



Arkansas Primary Highway Network



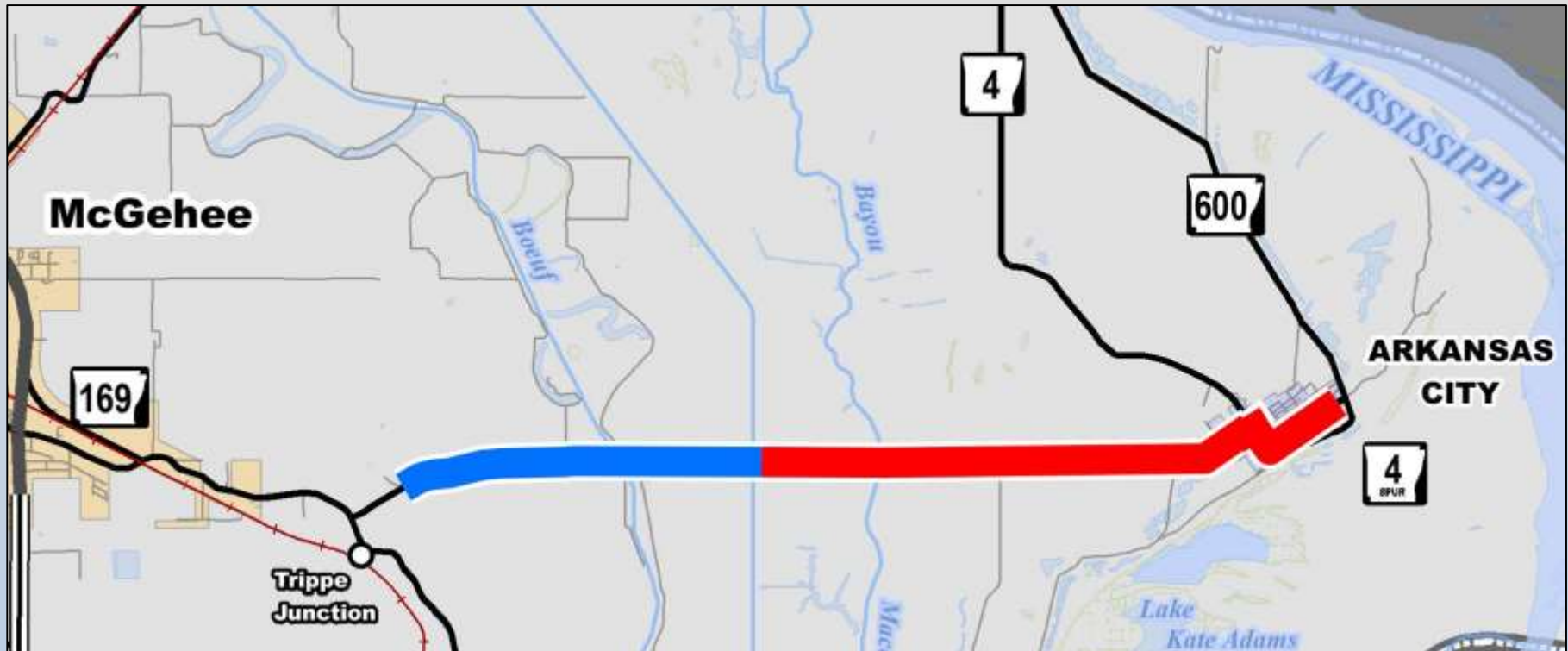
Under Construction

Completed

2.9 Miles
\$7.4 Million

Under Construction

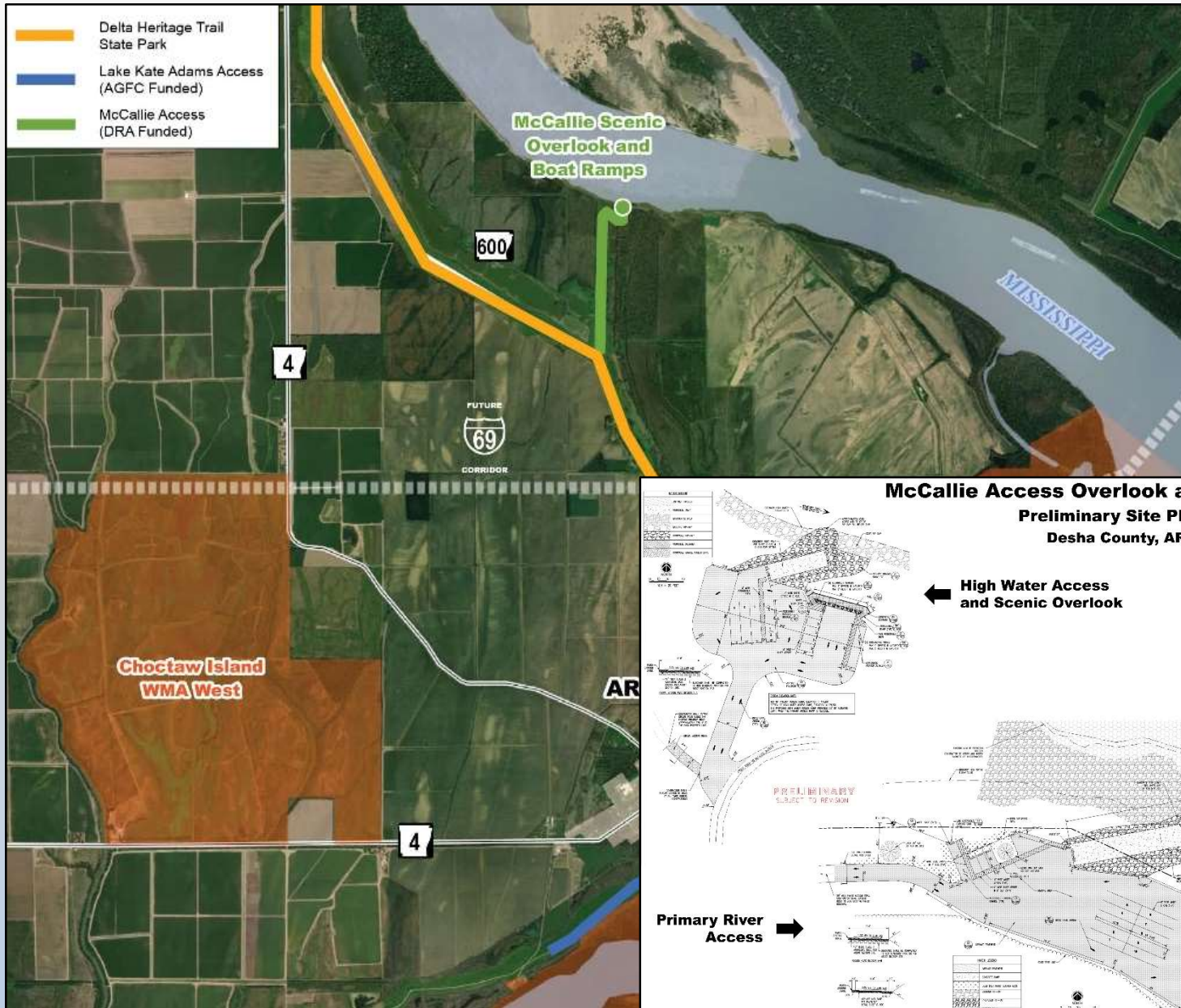
5.1 Miles
\$12.9 Million



Delta Trail Head Facility



McCallie Access Overlook



McCallie Access Overlook

McCallie Access Overlook and Boat Ramps Preliminary Site Plans Desha County, AR

