ARKANSAS STATE HIGHWAY COMMISSION

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KEITH GIBSON FORT SMITH

ROBERT S. MOORE, JR. CHAIRMAN ARKANSAS CITY

DALTON A. FARMER, JR.
VICE CHAIRMAN
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November 30, 2020

MARIE HOLDER LITTLE ROCK

LORIE H. TUDOR, P.E.
DIRECTOR

The Honorable Cecile Bledsoe The Honorable Jeff Wardlaw Arkansas Legislative Council 1 Capitol Mall, Fifth Floor Little Rock, AR 72201

Dear Senator Bledsoe and Representative Wardlaw:

Act 299 of 2019 requires that the Director of the Arkansas Department of Transportation (ARDOT) present to the State Highway Commission (Commission) for its approval, by recorded vote, all draft legislation that will be presented for filing during the regular session by ARDOT. Commission approval must occur by December 1 of the year prior to the opening of the session, and the Director must present the ARDOT legislative package to the Legislative Council at its December meeting.

I am writing to advise that the Commission approved ARDOT's proposed draft legislation at a public meeting on November 12. A copy of the minutes of the meeting, with the recorded votes, is attached, as well as a copy of ARDOT's legislative package.

I will be available to report on this legislative package to the Legislative Council at its December meeting.

Sincerely,

Lorie H. Tudor, P.E.

Director

Enclosure

c: Governor Asa Hutchinson (attn: Caleb Stanton)
Highway Commission
Deputy Director and Chief Operating Officer
Deputy Director and Chief Engineer
Assistant Chiefs
Fiscal Services
Governmental Relations
Public Information Office
Billy Parish, Bureau of Legislative Research

MINUTES OF THE MEETING OF THE ARKANSAS STATE HIGHWAY COMMISSION

November 12, 2020

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, November 12, 2020. Members present via WebEx were:

Robert S. Moore, Jr., Chairman Alec Farmer, Vice Chairman Philip Taldo, Member Keith Gibson, Member Marie Holder, Member

2020-093

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 10:00 a.m., November 12, 2020.

MOTIONS

MOTION

Vice Chairman Alec Farmer moved, Commissioner Keith Gibson seconded and the motion passed to authorize the use of electronic signatures for the November 12, 2020 Minute Orders.

MOTION

Vice Chairman Alec Farmer moved, Commissioner Philip Taldo seconded and the motion passed by a unanimous voice vote to approve the Proposed 2021 Legislative Package and authorized the Director to submit it to the Arkansas Legislative Council.

2020-094

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 11:17 a.m., November 12, 2020.

I hereby certify that the above and foregoing is a true record of the proceedings taken by the Arkansas State Highway Commission at its meeting on November 12, 2020.

Christie Heidelberg

Christn Keidelberg

Commission Secretary

Arkansas Department of Transportation Legislative Package 2021 Arkansas General Session

Change Vehicle Weight for Intrastate Commercial Motor Vehicles

 Change the weight threshold from 10,001 to 26,001 lbs. for vehicles engaged in "intrastate" commerce required to comply with the Federal Motor Carrier Safety Administration safety regulations.

Change Maximum Vehicle Height Law

 Change maximum allowable vehicle or load height from 13'6" to 14' in Arkansas.

<u>Amend Relocation Assistance Laws to Reference Current Federal Law</u>

• Two Arkansas code sections concerning relocation requirements in condemnation actions, ACA § 22-9-701 and ACA § 27-65-113, refer to out-of-date federal code or federal regulations. While ARDOT complies with current federal law, the state statutes refer to federal law and regulations that have been amended several times. This change would correct Arkansas law to refer to the appropriate federal laws and regulations.

Change Oath of Office for ARDOT Employees

 Make changes to the statutory Oath of Office to clarify that ARDOT employees may have other jobs if the other job does not interfere with their ARDOT responsibilities.

"I do solemnly swear (or affirm) that so long as I am an employee of the State Highway Commission of the State of Arkansas or of the Arkansas Department of Transportation, I will give my entire and undivided time attention and due diligence to the work of the department, and that I will not accept other employment while in the employ of the department that will interfere with me carrying out the responsibilities of my position, nor will I be interested, so help me God."

Retirement Bills

Retirement Option Plan (DROP) employees. Increase Tier 1 from 0% to 14.9%; and Tier 2 from 6.9% to 14.9%. This would be consistent with the employer contributions for active employees, and would take effect July 1, 2021 for all DROP participants. The Arkansas Public Employees Retirement System (APERS), Arkansas Teacher Retirement System, Arkansas State Police Retirement System, and Local Police and Fire Retirement System (LOPFI) currently require employer contributions for DROP participants.

- Change the employee contribution requirement during the DROP period (starting with new hires). The contribution would be increased from 0% to 7% for Tier 1; and from 6% to 7% for Tier 2. This would be consistent with the contributions for active employees and would only apply to new hires going forward.
- The Commission be given the statutory authority to approve employer contribution rate changes based on Arkansas State Highway Employees' Retirement System (ASHERS) Board actuary calculations. Other retirement systems – APERS and LOPFI – already have this authority.
- Revise the annuity benefit calculation to be based on the high 5-year consecutive average salary. Currently, a high 3-year consecutive average salary is used.
- Discontinue Health Care Offset (HCO) on DROP accounts. Currently, employees in the DROP receive the employer match for Insurance as all active employees do. In addition, as part of their DROP deposit, 90% of the health care offset for retirees is deposited into their DROP account. This change would eliminate the deposit of the HCO until the individual leaves the ARDOT, and their retirement annuity payments begin. This change would be effective immediately for new DROP participants.

- Reduce the marriage requirement from 2 years to 1 year to make a spouse eligible to receive a survivor benefit upon the death of a retiree. This would be consistent with Social Security and death of active employee.
- Change the reciprocal service benefit calculation utilizing ARDOT high salary to calculate ASHERS benefit rather than the current use of "State" high salary.