Act 1, Third Extraordinary Session, 2016
Highway Commission Review & Advisory Subcommittee
October 19, 2017
Agenda Item C

Arkansas Highway Commission
July 26, 2017 Meeting
Strategic Plan (2017-2022)

- Mission Statement
- Vision Statement
- Core Values
- Strategic Goals
  - Objectives
  - Strategies
Provide safe and efficient transportation solutions to support Arkansas’ economy and enhance the quality of life for generations to come.
Continue to preserve and improve Arkansas’ transportation system emphasizing safety, efficiency, quality, trust, and stewardship with a public service focused workforce.
Core Values

Safety
- Safety first in all we do

Public Service
- Focus on the greater good

Teamwork
- One vision through collaboration and communication

Quality
- Deliver reliable transportation solutions

Integrity
- Commitment to ethics and transparency

Efficiency
- Achieve maximum benefit through fiscal responsibility
Strategic Goals

- Provide safe and efficient transportation solutions
- Accomplish our mission with a focus on stewardship
- Champion transportation solutions that promote quality of life and economic development
- Continually improve through employee engagement
- Maximize external and internal customer satisfaction
Thursday, July 6
Appreciation
ACEC Engineering Excellence Awards
Category E: Environmental
ACEC Engineering Excellence Awards
Category H: Grand Conceptor

Bridgefarmer & Associates
for
Big Rock Interchange
Broadway Bridge

Modern STEEL CONSTRUCTION

Completed
1 Project
$98.4 Million

North Little Rock

July 2017
Agenda Item C

Arkansas Highway Commission
September 6, 2017 Meeting
Garland County and the City of Hot Springs -
A study of the Highway 270 interchanges with:

- Highway 270B (Albert Pike)
- Highway 70/70B (Airport Road)
- Highway 88 (Higdon Ferry Road)
- Highway 7 (Central Avenue)

The City of Jonesboro

- Eight projects totaling more than $50 million
Infrastructure For Rebuilding America (INFRA) Grants

- Replaces FASTLANE Grants

- Key Objectives
  - Support Economic Vitality
  - Leverage Federal Funding
  - Use Innovative Approaches
  - Hold Grants Recipients Accountable

- Applications Due November 2, 2017

- Available Amounts
Infrastructure For Rebuilding America (INFRA) Grants

- Changes to the Existing Program
- Freight is a Priority
- Rural Areas
- Project Readiness
- Project Size
INFRA Grants Applications

30 Crossing
- Widen to 6 lanes
- Includes Interchange Improvements

Highway 70 to Sevier Street
- Widen to 6 lanes
- Includes Interchange Improvements

Interstate 555 Improvements
- Pavement and Bridge Preservation Projects

Interstate 69
Broadway Bridge Awarded America's Transportation Award

http://AmericasTransportationAwards.org
TransComm Skills Award – First Runner Up

Matt Barnette, Videographer

Inside IDriveArkansas – Construction Zone Tutorial
Agenda Item C

Arkansas Highway Commission
October 18, 2017 Meeting
ARKANSAS' HIGHWAYS
SPEED LIMIT REVIEW

September 2017 - DRAFT
Prepared by The Arkansas Department of Transportation.
In response to the 91st General Assembly Regular Session Passage of Act 1097 "To Amend the Law Concerning Speed Limits."
Future Interstate 57 / U.S. Highway 67

FUTURE I-57

High Priority Corridor 89

Walnut Ridge

THIS PORTION OF U.S. HIGHWAY 67, SECTIONS 10-16 TO BE DUAL DESIGNATED AS FUTURE INTERSTATE 57

North Little Rock
Federal Highway Funding Issues

- Federal Fiscal Year 2018
- No Budget Agreement
- Continuing Resolution Until December 8th
- Future Uncertainty
Federal Highway Funding Issues

President Trump Abandons His $1 Trillion Plan
White House Agrees Public-Private Approach Will Not Work
Senate Democrats Announce $500 Billion Initiative
Federal Highway Funding Issues

• Administration’s Guiding Principles for Infrastructure Initiative
  ✓ Targeted Federal Investment
  ✓ Greater State and Local Investment Overall
  ✓ Leveraging Non-Federal Investment
  ✓ Environmental and Permitting Streamlining

• Four Areas of Major Reform
  ✓ Regulatory
  ✓ Policy
  ✓ Statutory
  ✓ Cultural
"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
Federal vs. State Funding

1993 Hwy. Funding Breakdown
- Fed: 36%
- State: 64%

2016 Hwy. Funding Breakdown
- Fed: 54%
- State: 46%
All State Highways – Including Interstates

- **Current Condition**:
  - Poor: 24%
  - Fair: 58%
  - Good: 18%

- **2027 Condition**:
  - Poor: 28%
  - Fair: 46%
  - Good: 26%
<table>
<thead>
<tr>
<th>Pay a Little Now</th>
<th>Pay a Whole Lot Later</th>
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</thead>
<tbody>
<tr>
<td>Overlay</td>
<td>Reconstruction</td>
</tr>
<tr>
<td>$100,000 per lane mile</td>
<td>$1,500,000 per lane mile</td>
</tr>
</tbody>
</table>
Citizens Opinion Survey

Are you satisfied with the condition of the existing state highway system?
- Yes
- No

What highways in your area need improvements, and what type of improvements do they need?
- Priority 1: ____________________________
- Priority 2: ____________________________
- Priority 3: ____________________________
- Priority 4: ____________________________

If you want better highway conditions, the Arkansas State Highway and Transportation Department will need additional funds. Would you support a new highway program that would generate additional revenue?
- Yes
- No

Which of the following sources do you recommend be utilized in obtaining additional funds (check all that apply):
- Increase in gas tax
- Increase in diesel tax
- Increase in sales tax (dedicated to highways)
- Increase in registration fees
- Add sales tax on wholesale price of motor fuels
- Transfer existing sales and use tax on motor vehicles and related parts and service (currently collected but not paid to highways)
- Other: ____________________________

Would you be willing to sign a petition to put a highway revenue proposal on the 2018 general election ballot?
- Yes
- No

How did you hear about this survey?
- Presentation
- TV/Radio/Print
- Social Media
- Family or Friend
- Website/Search Engine
- Other: ____________________________

Optional:
- Name: ____________________________
- Address: ____________________________
- City, State, Zip: ____________________________

Online Form Available Here: [Link]
Survey Results

Are you satisfied with the condition of the existing highway system?

- Yes: 21%
- No: 76%
- No Answer: 3%

Would you support a new highway program that would generate additional revenue?

- Yes: 77%
- No: 19%
- No Answer: 4%
Survey Results

Which of the following sources do you recommend be utilized in obtaining additional funds?

- Transfer existing sales and use tax: 1209 (64%)
- Add on w/s price of motor fuels: 373 (20%)
- Increase Registration fees: 611 (32%)
- Increase Sales Tax: 503 (27%)
- Increase Diesel Tax: 913 (48%)
- Increase Gas Tax: 639 (34%)
# Possible 2018 Initiated Act

## Scenario 1

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue 5-Year Phase-In</th>
<th>New and Used Vehicles Retail Tire Sales Revenue 3-Year Phase-In</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>10 cent Diesel Tax Increase 3-Year Phase-In</td>
<td>6 cent Gas Tax Increase 3-Year Phase-In</td>
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<tr>
<td></td>
<td>$15 Registration Fee Increase 2-Year Phase-In</td>
<td>Total Additional to Highway Revenue (70/15/15)</td>
</tr>
<tr>
<td></td>
<td>Additional to Department *</td>
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</tr>
<tr>
<td>2020</td>
<td>$ 73.5</td>
<td>$ 24.8</td>
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<td></td>
<td>$ 29.6</td>
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<td>$ 92.3</td>
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<tr>
<td></td>
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<td>$ 419.6</td>
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</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024**

$ 599.4

$ 419.6

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
### Scenario 1-A

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue</th>
<th>Add 4.5% Exise Tax to Motor Fuels</th>
<th>$15 Registration Fee Increase</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5-Year Phase-In</td>
<td>3-Year Phase-In</td>
<td>2-Year Phase-In</td>
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<td></td>
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**TOTAL TO THE HIGHWAY FUND IN YEAR 2024** $ 623.3 $ 436.3

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
### Scenario 2

<table>
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<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue 5-Year Phase-In ($ Million)</th>
<th>$15 Registration Fee Increase 2-Year Phase-In ($ Million)</th>
<th>Sales Tax 1/4 cent ($ Million)</th>
<th>Total Additional to Highway Revenue (70/15/15) ($ Million)</th>
<th>Additional to Department * ($ Million)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>$ 21.4</td>
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<td>$ 94.9</td>
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</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024** $ 586.6 $ 410.6

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
## Possible 2018 Initiated Act

### Scenario 3

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue</th>
<th>5 cent Diesel Tax Increase</th>
<th>2 cent Gas Tax Increase</th>
<th>Sales Tax 1/4 cent</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5-Year Phase-In (x $1 Million)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>$73.5</td>
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<td>$422.7</td>
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</tbody>
</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024 $603.9 $422.7**

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
## Possible 2018 Initiated Act

### Scenario 3-A

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue 5-Year Phase-In</th>
<th>Add 2% Excise Tax to Motor Fuels</th>
<th>Sales Tax 1/4 cent</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$73.5</td>
<td>$74.2</td>
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<td>$306.7</td>
<td>$214.7</td>
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<td>2024</td>
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<td>$80.4</td>
<td>$622.3</td>
<td>$435.6</td>
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</tbody>
</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024**

| Total | $622.3 | $435.6 |

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
# Possible 2018 Initiated Act

## Scenario 4S

| Year | New and Used Vehicles Auto Repair, Parts, and Services Retail Tire Sales Revenue 5-Year Phase-In | 10 cent Diesel Tax Increase 3-Year Phase-In | 10 cent Gas Tax Increase 3-Year Phase-In | $30 Registration Fee Increase 2-Year Phase-In | Total Additional to Highway Revenue (70/15/15) | Additional to Department *
|------|-----------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------
| 2020 | $96.4                                         | $24.8                                  | $59.1                                  | $42.9                                  | $223.3                                 | $156.3                                 |
| 2021 | $196.7                                        | $43.9                                  | $104.5                                 | $86.6                                  | $431.7                                 | $302.2                                 |
| 2022 | $301.0                                        | $63.4                                  | $150.7                                 | $87.5                                  | $602.6                                 | $421.8                                 |
| 2023 | $409.4                                        | $64.0                                  | $152.2                                 | $88.4                                  | $714.0                                 | $499.8                                 |
| 2024 | $521.9                                        | $64.6                                  | $153.8                                 | $89.2                                  | $829.6                                 | $580.7                                 |

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024**: $829.6 $580.7

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
## Possible 2018 Initiated Act

### Scenario 4S-A

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Auto Repair, Parts, and Services Retail Tire Sales Revenue</th>
<th>Add 5.5% Excise Tax to Motor Fuels</th>
<th>$30 Registration Fee Increase</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$ \text{96.4}$</td>
<td>$\text{74.2}$</td>
<td>$\text{42.9}$</td>
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<tr>
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<td>$\text{89.2}$</td>
<td>$\text{832.1}$</td>
<td>$\text{582.5}$</td>
</tr>
</tbody>
</table>

**Total to the Highway Fund in Year 2024:** $\text{832.1}$ $\text{582.5}$

*This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.*
## Possible 2018 Initiated Act

### Scenario 5F

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue (5-Year Phase-In)</th>
<th>5 cent Diesel Tax Increase (3-Year Phase-In)</th>
<th>3 cent Gas Tax Increase (3-Year Phase-In)</th>
<th>$18 Registration Fee Increase (2-Year Phase-In)</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$73.5</td>
<td>$12.4</td>
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</table>

**TOTAL TO THE HIGHWAY FUND IN YEAR 2024**

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### Scenario 5F-A

<table>
<thead>
<tr>
<th>Year</th>
<th>New and Used Vehicles Retail Tire Sales Revenue</th>
<th>Add 2% Exise Tax to Motor Fuels</th>
<th>$18 Registration Fee Increase</th>
<th>Total Additional to Highway Revenue (70/15/15)</th>
<th>Additional to Department *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5-Year Phase-In</td>
<td>2-Year Phase-In</td>
<td>(x $1 Million)</td>
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<tr>
<td>2020</td>
<td>$73.5</td>
<td>$74.2</td>
<td>$25.7</td>
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<td><strong>$531.7</strong></td>
<td><strong>$372.2</strong></td>
</tr>
</tbody>
</table>

* This amount reflects a 3.2% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties.
Decisions

1) Which are the most logical funding sources to move forward?

2) Begin preparation of a program of projects for use of any additional funding?

3) Continue education, outreach, citizen’s opinion survey, and consider additional polling?
REVIEW AND ADVISORY SUBCOMMITTEE OF EACH PUBLIC ROAD CONSTRUCTION PROJECT OF TEN MILLION DOLLARS ($10,000,000) OR MORE.

QUESTIONS?

Stricken language would be deleted from and underlined language would be added to present law.

Act 1 of the Third Extraordinary Session

A Bill

HOUSE BILL 1009

For An Act To Be Entitled

AN ACT TO CREATE THE ARKANSAS HIGHWAY IMPROVEMENT PLAN OF 2016; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE ARKANSAS HIGHWAY IMPROVEMENT PLAN OF 2019, AND TO DECLARE AN EMERGENCY.
Agenda Item E

Rules and Criteria for the Distribution of Funds and Prioritization of Highway Construction Projects
(STIP Development Process)
• 2016 90th General Assembly Third Extraordinary Session
• Arkansas Highway Improvement Plan of 2016
• Section 19 of Act 1
• Requires Department to Submit Rules for:
  1) Distribution of Funds:
     a) State Highway and Transportation Department Fund
     b) Road and Bridge Repair, Maintenance, Grants Fund
  2) Spending Priorities for Highway Construction (STIP)
• To Highway Commission Review and Advisory Subcommittee of the Legislative Council

• Due October 1, 2017
III. Criteria for Distribution of Funds and Distribution

1) State Highway and Transportation Department Fund
   a) State Highway System
   b) Fixed Expenditures (Maintenance, Administration, Operations, Budgeted Construction)
   c) IRP Debt Service
   d) State Match for Federal Funds
III. Criteria for Distribution of Funds and Distribution

2) Road and Bridge Repair, Maintenance, and Grants Fund

a) Fayetteville Shale Area Counties

b) Based on the Number of Active Gas Wells
IV. Statewide Transportation Improvement Program (STIP) Development Process

✓ National Performance Measures
✓ Performance-based Planning and Programming
✓ Cooperative, Continuing and Comprehensive
  • Long Range Intermodal Transportation Plan
  • Strategic Highway Safety Plan
  • Strategic Plan
  • STIP
IV. Statewide Transportation Improvement Program (STIP) Development Process

- Arkansas State Highway Needs and Capital Improvements Study
- Determination of the Funding Distribution by Category
- Decision Lens Software Ranking of Projects
- Project Selection Validation
- Final Project Selection
## STIP Development Process

### Arkansas State Highway Needs
Verified by Arkansas Legislative Audit

<table>
<thead>
<tr>
<th>Annual Needs Next 10 Years Versus Annual Revenue Available Through 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>System Preservation</strong></td>
</tr>
<tr>
<td>Pavement</td>
</tr>
<tr>
<td>Bridges</td>
</tr>
<tr>
<td>Total System Preservation</td>
</tr>
<tr>
<td><strong>Capacity Improvements for Congestion Relief</strong></td>
</tr>
<tr>
<td><strong>Safety Improvements</strong></td>
</tr>
<tr>
<td><strong>Maintenance</strong></td>
</tr>
<tr>
<td>Equipment Upgrades</td>
</tr>
<tr>
<td>Facilities Upgrades</td>
</tr>
<tr>
<td>Intelligent Transportation Systems (ITS)</td>
</tr>
<tr>
<td>Total Maintenance</td>
</tr>
<tr>
<td><strong>Total Annual Funds Needed for Highway Construction Plan</strong></td>
</tr>
<tr>
<td><strong>Annual Funds Available for Highway Construction through the FAST Act (does not include funds committed to Interstate rehabilitation = $117,000,000 annually)</strong></td>
</tr>
<tr>
<td><strong>Shortfall for Needs</strong></td>
</tr>
</tbody>
</table>
## STIP Development Process

### Arkansas State Highway Capital Improvement Goals

<table>
<thead>
<tr>
<th>Identified Capital Improvement Projects</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Lane Grid System</td>
<td>$12,697,000,000</td>
</tr>
<tr>
<td>New Location / New or Modified Interchanges</td>
<td>$921,000,000</td>
</tr>
<tr>
<td>Other Major Widening</td>
<td>$258,000,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$13,876,000,000</strong></td>
</tr>
</tbody>
</table>
Determination of Funding Distribution by Category

Investment Plan for Current STIP

- System Preservation  80%
- Capital Improvements  20%
- Arkansas Primary Highway Network  90%
Decision Lens Software Ranking of Projects

Decision Lens Criteria

✓ Safety
✓ Infrastructure Condition
✓ Mobility
✓ Economic Consideration
✓ Performance Measures
STIP Development Process

Project Selection Validation

✓ Other Factors Considered

➢ District Engineers
  • Engineering Judgement
  • Technical Expertise

➢ Partnering
Final Project Selection

- Highway Commission Approves Draft List of Recommended Projects
- Publish for Public Comment
- Adjustments
- Final Approval
  - Federal Highway Administration
  - Federal Transit Administration
Agenda Item F

Overview of Arkansas Legislative Audit Special Report on the Arkansas Department of Transportation
Arkansas Legislative Audit

• May 16, 2017 – Arkansas Legislative Audit - Review of Highway Funding

• Purpose:
  ✓ To review and verify ARDOT information, estimates and calculations related to highway funding

• Report Objectives:
  ✓ History of funding sources
  ✓ History of construction and maintenance costs
  ✓ State match needed for Federal funds
  ✓ Additional State revenue to meet system preservation needs

• August 31, 2017 – Report Released
ALA staff reviewed projected revenues and expenditures for fiscal years 2017 through 2020 for consistency and reasonableness when compared with prior years.

### Exhibit III
Arkansas Department of Transportation (ArDOT)
Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Preservation</td>
<td>8,000,000</td>
<td>8,000,000</td>
<td>8,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td>Pavement</td>
<td>19,000,000</td>
<td>19,000,000</td>
<td>19,000,000</td>
<td>19,000,000</td>
</tr>
<tr>
<td>Bridges</td>
<td>12,000,000</td>
<td>12,000,000</td>
<td>12,000,000</td>
<td>12,000,000</td>
</tr>
<tr>
<td>Total System</td>
<td><strong>39,000,000</strong></td>
<td><strong>39,000,000</strong></td>
<td><strong>39,000,000</strong></td>
<td><strong>39,000,000</strong></td>
</tr>
<tr>
<td>Capacity Relief</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Safety Improvements</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Maintenance</td>
<td>30,000,000</td>
<td>30,000,000</td>
<td>30,000,000</td>
<td>30,000,000</td>
</tr>
<tr>
<td>Equipment upgrades</td>
<td>19,000,000</td>
<td>19,000,000</td>
<td>19,000,000</td>
<td>19,000,000</td>
</tr>
<tr>
<td>Facilities upgrades</td>
<td>8,000,000</td>
<td>8,000,000</td>
<td>8,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td>Intelligent Transportation System (ITS)</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total Maintenance</td>
<td><strong>30,000,000</strong></td>
<td><strong>30,000,000</strong></td>
<td><strong>30,000,000</strong></td>
<td><strong>30,000,000</strong></td>
</tr>
<tr>
<td>Totals</td>
<td><strong>$ 925,000,000</strong></td>
<td><strong>$ 447,000,000</strong></td>
<td><strong>$ 478,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

Note: Amounts shown are rounded.
# Arkansas State Highway Needs

ALA staff reviewed supporting documentation obtained from ARDOT to verify that costs for the projects were reasonable, based on historical information.

## Exhibit III

**Arkansas Department of Transportation (ArDOT)**  
**Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period**

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Additional Costs</th>
<th>Annual Revenues</th>
<th>Annual Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Preservation</td>
<td>$19,000,000</td>
<td>$19,000,000</td>
<td></td>
</tr>
<tr>
<td>Pavement</td>
<td>$8,000,000</td>
<td>$8,000,000</td>
<td></td>
</tr>
<tr>
<td>Bridges</td>
<td>$3,000,000</td>
<td>$3,000,000</td>
<td></td>
</tr>
<tr>
<td>Total System maintenance</td>
<td>$30,000,000</td>
<td></td>
<td>$11,000,000</td>
</tr>
<tr>
<td>Capacity Relief</td>
<td>$925,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety Improvements</td>
<td>$447,000,000</td>
<td></td>
<td></td>
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</table>

**Note:** Amounts shown are rounded.