

**STATE HIGHWAY & TRANSPORTATION DEPARTMENT (0090)  
2013 FISCAL YEAR**

**I) AGENCY SUMMARY & REVENUE SOURCES**

The Arkansas State Highway Commission was created in 1913 and gained constitutional status with passage of the Mack-Blackwell Amendment in 1952. The Commission is responsible for maintaining and improving the State Highway System, including the planning, design and management of highway projects and administering the State Highway Employees Retirement System.

Act 1027 of 1999 authorized, subsequently approved in a special election in June 1999 by voters, the issuance of \$575 million in bonds for highway rehabilitation; these bonds are being repaid through federal GARVEE (Grant Anticipation Revenue Vehicles) funds and an Act 1028 of 1999 4 cents per gallon increase in the diesel fuel tax (approximately \$253.2 million is outstanding).

**TOTAL AUTHORIZED**

The Department's total appropriation is approximately \$1.745 billion.

**FUNDING SOURCE**

The budget is funded from approximately 41% Federal Funds, 35% Special Revenue (includes 70% of 21.5 gas & 22.5 diesel cents per gallon, title transfer, & MV license, all of 1 cent additional per gallon & overweight/trip permits), 14% Trust Funds (Hwy Retirement Sys), with the remaining as fund balances (6%), Non-Revenue receipts (Cities, Counties, interest, job credits), other (scrap sales, insurance proceeds, etc.), and some General Revenue (\$2.9 million).

**II) SIGNIFICANT CHANGES**

None

**III) ADDITIONAL POSITIONS**

Total positions for FY2012: 4,834

Total positions for FY2013: 4,834

Increase/(Decrease): 0

**IV) SPECIAL LANGUAGE**

\* <Not Special Language> Appears in the Regular Salaries section of the bill: Authorizes the Highway Department pay plan and allows the last payroll in the fiscal year to be paid from the next year's appropriation

\* Overtime - Authorizes payment of overtime for certain employees from transfers of Overtime appropriation to the Regular Salaries line item.

\* Transfers Authorized: Authorizes transfer of savings in Salaries, Match, Overtime, or General Operations appropriation line items to maintenance & general operations with Leg. Council or Joint Budget review.

\* Personal Services Matching Transfer: Allows for the transfer of maintenance and general operations appropriation to personal services matching appropriation in the event the personal services matching appropriation is insufficient, with Leg.

Council or Joint Budget review.

- \* Liability Insurance Premium Reimbursement: Authorizes reimbursement to Highway Department employees for personal liability insurance premiums paid by them on State owned vehicles of the Highway Department, up to \$50 per year per employee.
- \* Reporting Requirements: Authorizes the Highway Department to take appropriate action to reduce costs and requires a quarterly expenditure status report to the Legislative Council.
- \* Use of Funds: Requires the general revenue provided for road & bridge repair be used for damage caused by heavy equipment used for natural gas or other drilling operations, not for regular maintenance, by granting of funds to counties/cities without regard to equity.
- \* Maximum Funding Allocation: Limits the general revenue funding for the road & bridge repair appropriation to the 5% collected in the previous fiscal year, less \$650,000.
- \* Carryforward - Miscellaneous Agencies Fund - Allows the fund balance for the road & bridge repair appropriation to be carried forward to the next year to be used for the same purpose, requires agency justification, reporting by DFA-Budget, and agency status report prior to budget hearings with DFA inclusion in budget manuals.