

STATE HIGHWAY & TRANSPORTATION DEPARTMENT (0090)
FISCAL YEAR 2019
As Enacted by Act 251 of 2018

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

Provide a safe, efficient, aesthetically pleasing, and environmentally sound intermodal transportation system for the user.

The Arkansas State Highway Commission became constitutionally independent with the Mack-Blackwell Amendment (No.42) in 1952 and 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. The five commissioners are appointed by the Governor, with advice and consent of the Senate, for ten year terms.

Act 511 of 2007 authorized, and approved by voters in 2011, the issuance of bonds, together with previous authorized issuances (Act 1027 of '99) not to exceed \$575 million, to be repaid with federal GARVEE (Grant Anticipation Revenue Vehicles) funds and a 4 cents per gallon increase in the diesel fuel tax authorized by Act 1028 of 1999; the bonds are backed by the faith and credit of the State.

Constitutional Amendment 91 (HJR1001 of 2011), approved by voters in 2012, amended a temporary (no more than 10 yrs.) one-half cent sales tax (effective 7-1-13) into the Constitution to fund Four-Lane Highway Construction and Improvement Bonds with total principal not to exceed \$1.3 Billion and permanently dedicated one cent of existing fuel tax to municipal street aid.

TOTAL APPROPRIATION

The total appropriation for the Department is \$2,706,679,000 in FY2019.

FUNDING SOURCE

The appropriation is funded from Special Revenue (includes 21.5 ¢/gallon Motor Fuel Tax & 22.5 ¢/gallon distillate special fuel tax, half-percent sales/use tax [Amd.91], title transfer, & MV license, Natural Gas Severance Tax [including Road & Bridge Repair], Commercial Truck Safety Fee & overweight/trip permits), Federal Funds, bond proceeds, Trust Funds (Hwy Retirement Sys), Non-Revenue Receipts (Cities, Counties, interest, job credits), other receipts (scrap sales, insurance proceeds, etc.), General Revenue, and fund balances.

II) CHANGE LEVEL REQUESTS

State Operations (Appropriation 182)

This appropriation is used for state operations of the agency and is funded from special revenues (fuel taxes, vehicle registration, NG severance tax, trip permits), federal funds, and bond proceeds. The total appropriation is \$1,672,300,000 in FY2019, an increase of 59,000,000 from FY2018 Budgeted, and includes the following changes:

Operating Expenses - increase of 5,000,000 in FY2019 for increased business costs.

Capital Outlay - increase of \$50,000,000 in FY2019 for increased business costs.

III) ADDITIONAL POSITIONS

Total Positions FY2019: 4,712

Total Positions FY2018: 4,712

Increase/(Decrease): 0

IV) SPECIAL LANGUAGE

Overtime: Authorizes payment of overtime for eligible 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 line items with Leg. Council or Joint Budget review.

Personal Services Matching Transfer: Allows for the transfer of appropriation for maintenance and general operations line items to the personal services matching appropriation in the event the personal services matching appropriation is insufficient, with Leg. Council or Joint Budget review.