ARKANSAS STATE HIGHWAY COMMISSION



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KEITH GIBSON FORT SMITH

MARIE HOLDER LITTLE ROCK

LORIE H. TUDOR, P.E.

October 26, 2022

The Honorable Asa Hutchinson Governor of Arkansas State Capitol Room 250 500 Woodlane Ave. Little Rock, AR 72201

Arkansas Bureau of Legislative Research The Honorable Senator Terry Rice Co-Chair, Arkansas Legislative Council #1 Capitol Mall, 5th Floor Little Rock, AR 72201

Arkansas Bureau of Legislative Research The Honorable Representative Jeff Wardlaw Co-Chair, Arkansas Legislative Council #1 Capitol Mall, 5th Floor Little Rock, AR 72201-1089

Dear Governor Hutchinson, Senator Rice, and Representative Wardlaw:

Section 6 of Act 416 of 2019 calls for the Arkansas Department of Transportation to file a report with the Governor and the legislature advising how the revenues authorized under Act 416 have been utilized by the Department. Specifically, Ark. Code Ann. § 26-64-104(b) requires:

"The Arkansas Department of Transportation shall make a report available to the Governor and the Legislative Council no later than November 1 of each year detailing the expenditures of the revenues distributed to the department under this chapter, including without limitation the expenditures made from the revenues received under this chapter and the projects funded using revenues received under this chapter."

Governor Hutchinson, Senator Rice, and Representative Wardlaw October 26, 2022

Page 2

Enclosed is the Act 416 Report for State Fiscal Year 2022. Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

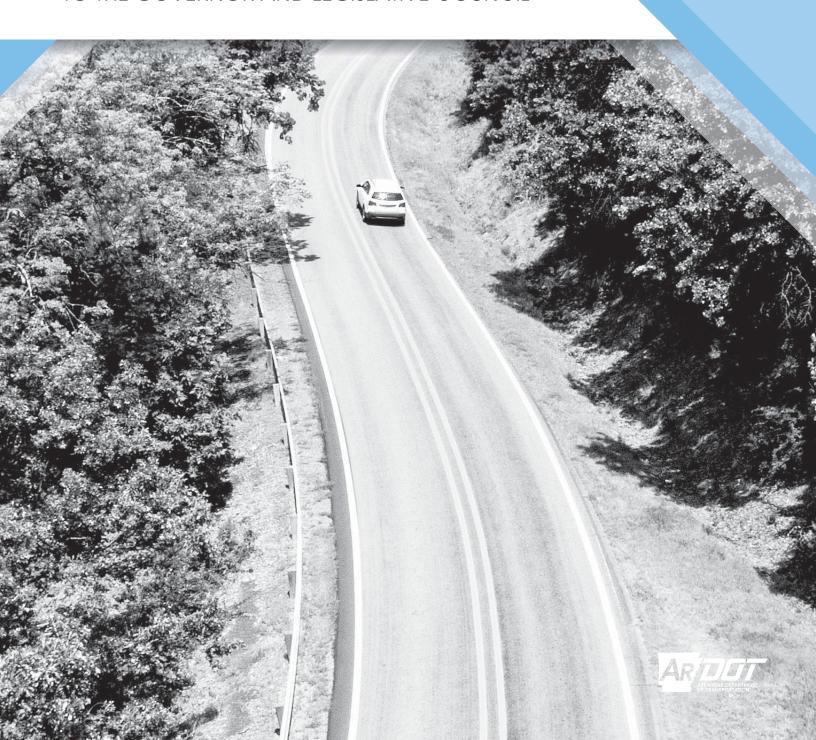
Lorie H. Tudor, P.E.

Director

Enclosure

c: Highway Commission
Deputy Director and Chief Operating Officer
Deputy Director and Chief Engineer
Assistant Chiefs
Fiscal Services
Governmental Relations Office
Program Management
Public Information





Introduction

In accordance with Act 416 of 2019, and specifically Arkansas Code §26-64-104(b), the Arkansas Department of Transportation submits this report on the expenditures made and projects funded under this Act.

For additional information contact:

Gill A. Rogers | Governmental Relations Officer Arkansas Department of Transportation P.O. Box 2261 | Little Rock, AR 72203 10324 Interstate 30 | Little Rock, AR 72209 Office: (501) 569-2108 | Cell: (501) 920-3172 Gill.Rogers@ardot.gov

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Summary

Act 416 of 2019 (see Appendix) provides additional revenue annually to the Arkansas Department of Transportation (Department) for the maintenance and preservation of highways and bridges in the State. This revenue is generated from three sources:

- 1. An increase to the wholesale sales tax on motor fuels;
- 2. Additional vehicle registration fees on hybrid and electric vehicles; and
- 3. Revenue generated from the net casino gaming receipts tax that exceeds \$31,200,000 in a fiscal year. This amount of the revenue must be at least \$35,000,000 each fiscal year. If there is a shortfall from the net casino gaming receipts tax, the difference is made up from funds available in the Restricted Reserve Fund or from any other funds designated by the Governor.

Act 416 of 2019 also requires the Department to submit a report to the Governor and Legislative Council no later than November 1 of each year detailing the expenditures of the revenues generated. This report was created to comply with the reporting requirement.

Revenue

The amount of annual revenue the Department was projected to receive from Act 416 was \$95,000,000. In SFY 2022, the actual revenue the Department received from Act 416 was \$95,411,095.83. The table below identifies the amount of funding from each source provided by Act 416. The amounts shown are the totals received by the Department.

Source	Amount
Motor Fuel	\$ 58,101,739.98
Electric/Hybrid Registrations	\$ 2,309,283.34
Casino	\$ 35,000,000.00*
Total	\$ 95,411,023.32

^{*}Transferred from the net casino gaming revenue \$13,156,037.43, Restricted Reserve Fund \$17,158,003.00, and Budget Stabilization Trust Fund \$4,685,959.57.

Preservation Projects

In SFY 2022, 73 preservation projects and one bridge replacement project were awarded to contract totaling \$82,155,037.92 of Act 416 funding. At the time of the submission of this report, not all projects have been completed. Construction activities will continue, as weather permits, to complete the described improvements.

Additionally, Department forces were able to utilize Act 416 funding on 11 highway resurfacing projects totaling \$13,183,245.32.

The total SFY 2022 cost for contract projects plus work accomplished by state forces is \$95,338,283.24 of Act 416 funding.

The following is a summary of the cumulative Act 416 receipts and commitments from inception through the end of SFY 2022. As a result, a difference of \$9,302,422.65 reflects projects that have been awarded but will be funded with Act 416 from SFY 2023 and will be included in the SFY 2023 Act 416 report.

Cumulative Act 416 Commitments	\$ 271,599,516.40
Balance	\$ 9,302,422.65

The following pages included detailed information regarding preservation projects.

State Fiscal Year 2022 Act 416 Projects

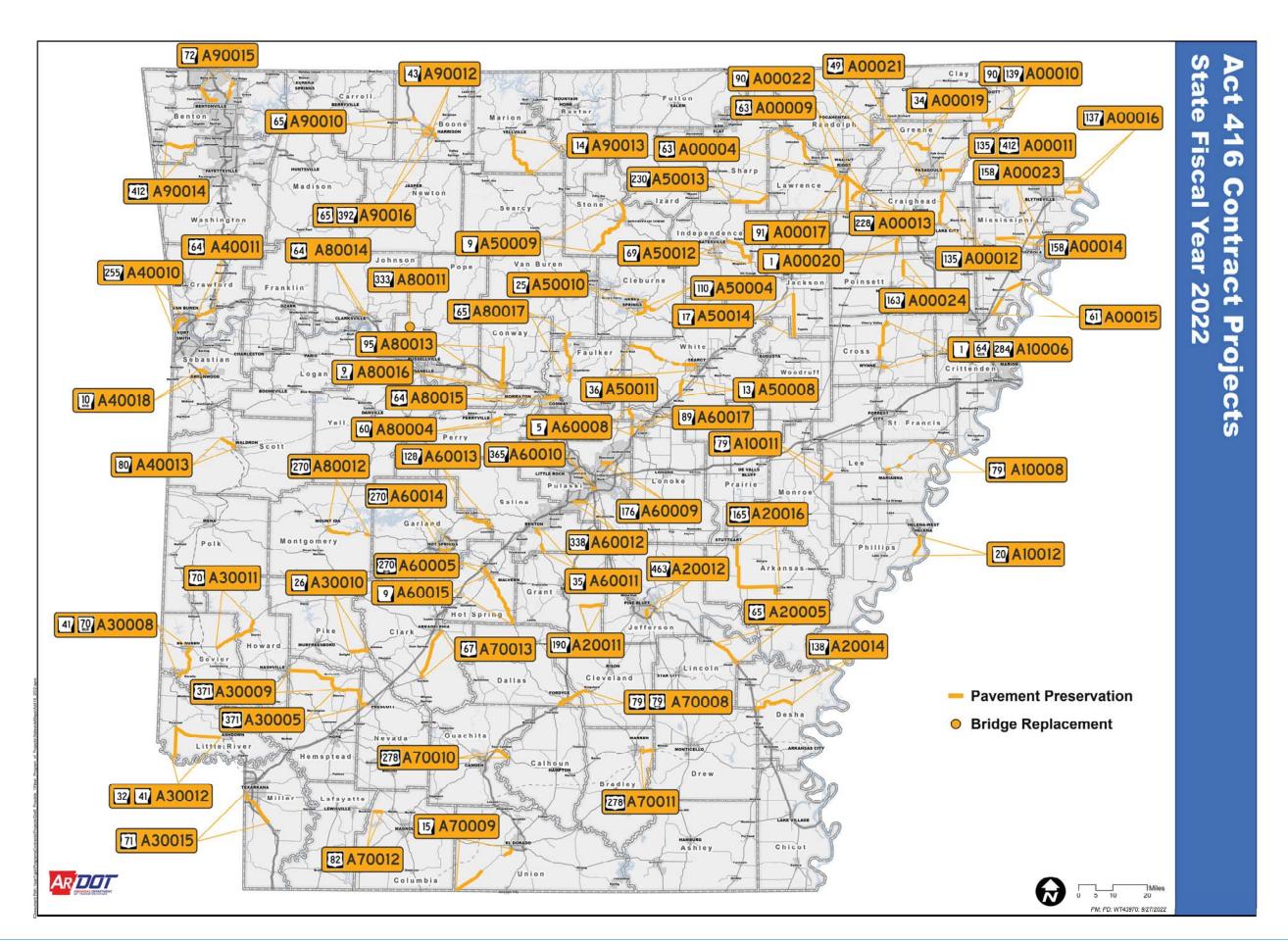
			Contract Projects				
Job Number	County	Job Name	Route	Length (miles)	Type Work	Award Amount	Act 416 Amount
A20016	Arkansas	Hwy. 1 – Hwy. 130 (S)	Hwy. 165	25.33	Pavement Preservation	\$ 12,848,097.75	\$ 2,569,619.55
A90014	Benton	Siloam Springs – Washington Co. Line (S)	Hwy. 412	8.35	Pavement Preservation	\$ 6,334,892.64	\$ 1,266,978.53
A90015	Benton	Gravette – Pea Ridge (Sel. Secs.) (S)	Hwy. 72	13.04	Pavement Preservation	\$ 7,687,986.42	\$ 1,537,597.28
A90012	Boone	Hwy. 65 – Hwy. 7 (Harrison) (S)	Hwy. 43	1.79	Pavement Preservation	\$ 1,063,602.00	\$ 212,720.40
A90010	Boone	Hwy. 62 – Dry Jordan Creek (Sel. Secs.) (S)	Hwy. 65	2.75	Pavement Preservation	\$ 2,678,017.05	\$ 2,678,017.05
A90016	Boone	Hwys. 65 & 392 Impvts. (Sel. Secs.) (Harrison) (S)	Hwys. 65 & 392	4.08	Pavement Preservation	\$ 2,148,190.80	\$ 429,638.16
A70011	Bradley	Hwy. 278B – Drew Co. Line (S)	Hwy. 278	3.78	Pavement Preservation	\$ 2,273,200.49	\$ 454,640.10
A70013	Clark	Gurdon – Arkadelphia (S)	Hwy. 67	15.30	Pavement Preservation	\$ 10,083,949.96	\$ 2,016,789.99
A00010	Clay	Hwys. 90 & 139 (Sel. Secs.) (S)	Hwys. 90 & 139	8.89	Pavement Preservation	\$ 1,703,906.85	\$ 340,781.37
A50010	Cleburne	Hwy. 16 – Greers Ferry Lake (S)	Hwy. 25	6.47	Pavement Preservation	\$ 2,108,988.50	\$ 421,797.70
A50004	Cleburne	Hwy. 25 – East (S)	Hwy. 110	3.30	Pavement Preservation	\$ 508,232.15	\$ 508,232.15
A70008	Cleveland & Dallas	Hwys. 79 & 79B (Sel. Secs.) (S)	Hwys. 79 & 79B	11.90	Pavement Preservation	\$ 4,571,916.62	\$ 914,383.32
A70012	Columbia	East of Lafayette Co. Line – Hwy. 98 (S)	Hwy. 82	2.77	Pavement Preservation	\$ 1,220,033.12	\$ 244,006.62
A80016	Conway	Hwy. 64 – Hwy. 9 (Morrilton) (S)	Hwy. 9B	2.21	Pavement Preservation	\$ 881,120.80	\$ 176,224.16
A80013	Conway	Morrilton – North (S)	Hwy. 95	12.36	Pavement Preservation	\$ 4,258,247.55	\$ 851,649.51
A00020	Craighead	Poinsett Co. Line – Caraway Rd. (S)	Hwy. 1	4.52	Pavement Preservation	\$ 1,077,101.45	\$ 215,420.29
A00012	Craighead	Hwy. 18 – Greene Co. Line (S)	Hwy. 135	10.53	Pavement Preservation	\$ 1,875,387.36	\$ 375,077.47
A40011	Crawford	I-540 – Hwy. 162 (S)	Hwy. 64	5.80	Pavement Preservation	\$ 5,244,443.75	\$ 1,048,888.75
A10006	Cross	Hwys. 1, 64B & 284 (Sel. Secs.) (S)	Hwys. 1, 64B & 284	14.41	Pavement Preservation	\$ 3,448,061.11	\$ 3,448,061.11
A20014	Desha & Drew	Hwy. 65 – Hwy. 1 (S)	Hwy. 138	13.60	Pavement Preservation	\$ 6,371,659.44	\$ 1,274,331.89
A80015	Faulkner	Cadron Creek – Hwy. 65B (Conway) (S)	Hwy. 64	4.53	Pavement Preservation	\$ 2,015,790.49	\$ 403,158.10
A80017	Faulkner & Van Buren	Hwy. 124 – S. of Greenbrier (Sel. Secs.) (S)	Hwy. 65	14.59	Pavement Preservation	\$ 5,803,679.43	\$ 1,160,735.89
A60014	Garland	Hwy. 7 – AKMD RR Overpass (Sel. Secs.) (S)	Hwy. 270	3.22	Pavement Preservation	\$ 4,034,880.23	\$ 806,976.05
A60013	Garland & Saline	Hwy. 70 – Hwy. 5 (S)	Hwy. 128	8.38	Pavement Preservation	\$ 4,249,903.02	\$ 849,980.60
A20011	Grant	Hwy. 35 – Jefferson Co. Line (S)	Hwy. 190	6.67	Pavement Preservation	\$ 3,063,753.14	\$ 612,750.63
A00019	Greene	Hwy. 141 – Hwy. 135 (S)	Hwy. 34	7.27	Pavement Preservation	\$ 2,897,974.76	\$ 579,594.95
A00021	Greene	Hwy. 358 – Hwy. 69 (Paragould) (S)	Hwy. 49	2.56	Pavement Preservation	\$ 1,537,782.89	\$ 307,556.58
A00022	Greene	S. of Delaplaine – Randolph Co. Line (S)	Hwy. 90	4.98	Pavement Preservation	\$ 1,659,899.30	\$ 331,979.86
A00011	Greene	Eightmile Creek – Missouri State Line (S)	Hwys. 135 & 412	8.07	Pavement Preservation	\$ 4,391,566.19	\$ 878,313.24
A30009	Hempstead	Howard Co. Line – Blevins (S)	Hwy. 371	17.59	Pavement Preservation	\$ 8,644,778.86	\$ 1,728,955.77
A30005	Hempstead & Nevada	Blevins – Prescott (S)	Hwy. 371	11.98	Pavement Preservation	\$ 4,646,300.82	\$ 4,646,300.82
A60015	Hot Spring	Dallas Co. Line – Malvern (S)	Hwy. 9	17.50	Pavement Preservation	\$ 7,251,906.83	\$ 1,450,381.37
A60005	Hot Spring	I-30 – Hwy. 67 (Malvern) (S)	Hwy 270B	2.10	Pavement Preservation	\$ 1,294,435.29	\$ 1,294,435.29
A30011	Howard & Sevier	Hwy. 71 – Hwy. 278 (S)	Hwy. 70	14.39	Pavement Preservation	\$ 10,444,074.18	\$ 2,088,814.84
A50012	Independence	Moorefield – Hwy. 122 (S)	Hwy. 69	10.52	Pavement Preservation	\$ 2,894,437.09	\$ 578,887.42

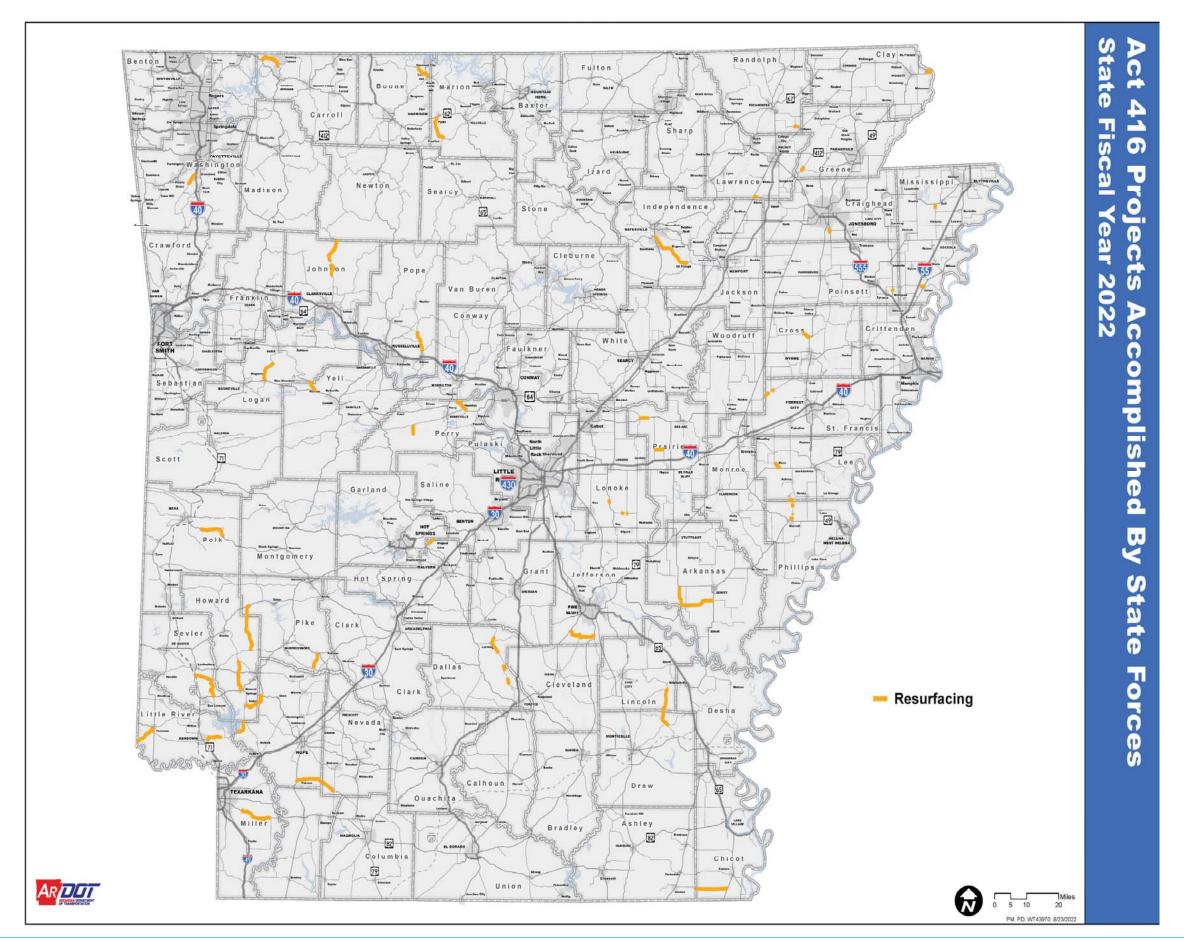
State Fiscal Year 2022 Act 416 Projects, continued

			Contract Projects					
Job Number	County	Job Name	Route	Length (miles)	Type Work	Award Amount		Act 416 Amount
A50014	Jackson	Woodruff Co. Line – North (S)	Hwy. 17	12.99	Pavement Preservation	\$ 3,586,665.98	\$	717,333.20
A20012	Jefferson	Harding Ave. – I-530 (Pine Bluff) (S)	Hwy. 463	2.81	Pavement Preservation	\$ 1,787,485.56	\$	357,497.11
A80014	Johnson	Hwy. 103 – Hwy. 21 (Clarksville) (S)	Hwy. 64	1.38	Pavement Preservation	\$ 677,211.72	\$	135,442.34
A00009	Lawrence	Hwy. 63B West – Greene Co. Line (S)	Hwy. 63	11.44	Pavement Preservation	\$ 6,564,285.11	\$	1,312,857.02
A00017	Lawrence	Hwy. 63 – Craighead Co. Line (S)	Hwy. 91	10.34	Pavement Preservation	\$ 2,396,480.01	\$	479,296.00
A00013	Lawrence	Hwy. 349 – Hwy. 63 (S)	Hwy. 228	5.17	Pavement Preservation	\$ 1,099,291.34	\$	219,858.27
A00004	Lawrence & Randolph	Sharp Co. Line – Hwy. 63B West (Sel. Secs.) (S)	Hwy. 63	17.29	Pavement Preservation	\$ 3,712,212.65	\$	3,712,212.65
A10008	Lee	Marianna – St. Francis Co. Line (Sel. Secs.) (S)	Hwy. 79	4.82	Pavement Preservation	\$ 2,732,835.41	\$	2,732,835.41
A10011	Lee	Monroe Co. Line – Big Creek (Sel. Sec.) (S)	Hwy. 79	3.25	Pavement Preservation	\$ 1,485,857.84	\$	297,171.57
A20005	Lincoln	Grady – Desha Co. Line (S)	Hwy. 65	9.30	Pavement Preservation	\$ 8,902,290.99	\$	8,902,290.99
A30012	Little River	Hwys. 32 & 41 (Sel. Secs.) (S)	Hwys. 32 & 41	22.91	Pavement Preservation	\$ 15,513,108.85	\$	3,102,621.77
A60008	Lonoke	Cabot – White Co. Line (Sel. Secs.) (S)	Hwy. 5	6.89	Pavement Preservation	\$ 1,862,140.77	\$	372,428.15
A60017	Lonoke	Lincoln St. – Hwy. 67 (Cabot) (S)	Hwy. 89	1.86	Pavement Preservation	\$ 507,792.30	\$	101,558.46
A90013	Marion	Hwy. 62 – Searcy Co. Line (S)	Hwy. 14	15.71	Pavement Preservation	\$ 3,036,764.96	\$	607,352.99
A30015	Miller	Co. Rd. 245 – Hwy. 67 (Texarkana) (Sel. Secs.) (S)	Hwy. 71	11.27	Pavement Preservation	\$ 7,354,691.64	\$	1,470,938.33
A00015	Mississippi	Crittenden Co. Line – Wilson (Sel. Secs.) (S)	Hwy. 61	10.56	Pavement Preservation	\$ 4,906,811.56	\$	981,362.31
A00016	Mississippi	Hwy. 312 – Hwy. 150 (S)	Hwy. 137	6.48	Pavement Preservation	\$ 4,549,783.50	\$	909,956.70
A00014	Mississippi	Hwy. 181 – Hwy. 77 (S)	Hwy. 158	5.77	Pavement Preservation	\$ 2,414,746.29	\$	482,949.26
A00023	Mississippi	Hwy. 61 – I-55 (S)	Hwy. 158	3.95	Pavement Preservation	\$ 969,724.31	\$	193,944.86
A80012	Montgomery	Mount Ida – Garland Co. Line (Sel. Secs.) (S)	Hwy. 270	9.38	Pavement Preservation	\$ 4,593,279.67	\$	918,655.93
A70010	Ouachita	Hwy. 79 – Calhoun Co. Line (East Camden) (S)	Hwy. 278	4.53	Pavement Preservation	\$ 2,499,108.28	\$	499,821.66
A80004	Perry	Sweet Home – Hwy. 9 (S)	Hwy. 60	3.53	Pavement Preservation	\$ 1,299,824.73	\$	1,299,824.73
A10012	Phillips	Hwy. 20S – Hwy. 49 (S)	Hwy. 20	6.10	Pavement Preservation	\$ 3,275,370.58	\$	655,074.12
A30010	Pike	Delight – Clark Co. Line (S)	Hwy. 26	5.72	Pavement Preservation	\$ 4,058,311.21	\$	811,662.24
A00024	Poinsett	Hwy. 214 – Hwy. 69 (S)	Hwy. 163	5.03	Pavement Preservation	\$ 1,867,766.55	\$	373,553.31
A80011	Pope	Piney Creek Branch Str. & Apprs. (S)	Hwy. 333	-	Bridge Replacement	\$ 2,154,817.68	\$	2,154,817.68
A60009	Pulaski	Hwy. 107 – Hwy. 67 (Sherwood) (S)	Hwy. 176	2.96	Pavement Preservation	\$ 590,243.70	\$	118,048.74
A60012	Pulaski	I-30 – Hwy. 367 (Little Rock) (S)	Hwy. 338	4.03	Pavement Preservation	\$ 2,859,259.12	\$	571,851.82
A60010	Pulaski	Hwy. 70 – E. Roosevelt Rd. (Little Rock) (S)	Hwy. 365	1.15	Pavement Preservation	\$ 621,644.62	\$	124,328.92
A60011	Saline	Hwy. 183 – Grant Co. Line (Sel. Secs.) (S)	Hwy. 35	5.37	Pavement Preservation	\$ 2,750,279.96	\$	550,055.99
A40013	Scott	Hon – Waldron (S)	Hwy. 80	5.51	Pavement Preservation	\$ 1,560,063.42	\$	312,012.68
A40018	Sebastian	Hwy . 71 – Hwy . 10 (Greenwood) (S)	Hwy. 10S	2.85	Pavement Preservation	\$ 1,785,847.21	\$	357,169.44
A40010	Sebastian	Hwy. 64 – Hwy. 64 (Riverfront Dr.) (Fort Smith) (S)	Hwy. 255	6.66	Pavement Preservation	\$ 3,906,123.49	\$	781,224.70
A30008	Sevier	De Queen – Little River Co. Line (S)	Hwys. 41 & 70B	10.80	Pavement Preservation	\$ 4,936,441.35	\$	987,288.27
A50013	Sharp	Cave City – Lawrence Co. Line (S)	Hwy. 230	11.74	Pavement Preservation	\$ 5,077,151.47	\$	1,015,430.29
A50009	Stone	Rushing – White River (S)	Hwy. 9	21.97	Pavement Preservation	\$ 7,404,161.08	\$	1,480,832.22
A70009	Union	Louisiana State Line – Hwy. 82 (Sel. Secs.) (S)	Hwy. 15	12.46	Pavement Preservation	\$ 5,175,442.89	\$	1,035,088.58
A50008	White	McRae – Hwy. 267 (S)	Hwy. 13	4.79	Pavement Preservation	\$ 1,310,149.49	\$	1,310,149.49
A50011	White	Hwy. 5 – Hwy. 67B (Sel. Secs.) (S)	Hwy. 36	17.67	Pavement Preservation	\$ 5,022,814.50	\$	1,004,562.90

State Fiscal Year 2022 Act 416 Projects, continued

		Projec	ts Accomplished By St	ate Forces										
Job Number	County	Job Name	Route	Length (miles)	Type Work	Award Amount		Award Amount		Award Amount		Award Amount		Act 416 Amount
A80003	Johnson	Mount Vernon – Ozone (Sel. Sec.) (S)	Hwy. 21	4.01	Pavement Preservation	\$	250,000.00	\$ 250,000.00						
A10016	Various	District 1 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,001,413.65	\$ 1,001,413.65						
A20015	Various	District 2 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,327,178.82	\$ 1,327,178.82						
A30016	Various	District 3 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,390,579.36	\$ 1,390,579.36						
A40014	Various	District 4 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,115,255.23	\$ 1,115,255.23						
A50015	Various	District 5 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,463,643.11	\$ 1,463,643.11						
A60018	Various	District 6 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,367,934.22	\$ 1,367,934.22						
A70015	Various	District 7 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,357,064.44	\$ 1,357,064.44						
A80019	Various	District 8 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,219,207.13	\$ 1,219,207.13						
A90017	Various	District 9 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,338,825.13	\$ 1,338,825.13						
A00026	Various	District 10 Resurfacing Program (2022) (S)	Various	TBD	Pavement Preservation	\$	1,352,144.23	\$ 1,352,144.23						
85	Total Projects		Totals	643.57				\$95,338,283.24						
						SFY 2022	Act 416 Revenue	\$95,411,023.32						





Appendix: Act 416

Stricken language would be deleted from and underlined language would be added to present law. Act 416 of the Regular Session

1	State of Arkansas As Engrossed: \$2/21/19 H2/27/19
2	92nd General Assembly A Bill
3	Regular Session, 2019 SENATE BILL 336
4	
5	By: Senators Rice, Bledsoe, Bond, E. Cheatham, L. Chesterfield, J. Cooper, L. Eads, Elliott, J. English,
6	Flippo, S. Flowers, J. Hendren, K. Ingram, Irvin, B. Johnson, M. Johnson, G. Leding, M. Pitsch, Rapert,
7	G. Stubblefield, J. Sturch, D. Wallace
8	By: Representatives Holcomb, Shepherd, Berry, Breaux, Brown, Christiansen, Coleman, Crawford, M.
9	Davis, Hollowell, Kelly, Lowery, Lynch, McNair, Richmond, Rye, Slape, Wardlaw, Wooten
10	
11	For An Act To Be Entitled
12	AN ACT TO PROVIDE ADDITIONAL REVENUE TO MAINTAIN AND
13	REPAIR HIGHWAYS, STREETS, AND BRIDGES IN THE STATE;
14	TO LEVY A WHOLESALE SALES TAX ON MOTOR FUEL AND
15	DISTILLATE SPECIAL FUEL; TO IMPOSE ADDITIONAL VEHICLE
16	REGISTRATION FEES ON HYBRID AND ELECTRIC MOTOR
17	VEHICLES; TO DESIGNATE SPECIAL REVENUES TO BE USED TO
18	MAINTAIN AND REPAIR HIGHWAYS, STREETS, AND BRIDGES IN
19	THE STATE; TO TRANSFER FUNDS NEEDED TO PAY FOR THE
20	REPAIR AND MAINTENANCE OF HIGHWAYS, STREETS, AND
21	BRIDGES IN THE STATE; AND FOR OTHER PURPOSES.
22	
23	
24	Subtitle
25	TO PROVIDE ADDITIONAL REVENUE FOR THE
26	MAINTENANCE AND REPAIR OF HIGHWAYS,
27	STREETS, AND BRIDGES IN THE STATE.
28	
29	
30	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
31	
32	SECTION 1. DO NOT CODIFY. Legislative findings and intent.
33	(a) The General Assembly finds that additional revenue will be
34	available to the state resulting from anticipated savings generated by the
35	transformation of state government, the creation of cabinet positions, and
36	other reductions in state government, and from the growth of casino gambling

```
resulting from the adoption of The Arkansas Casino Gaming Amendment of 2018,
 1
    Arkansas Constitution, Amendment 100.
2
 3
           (b) The General Assembly intends to use a portion of the anticipated
     savings described in subsection (a) of this section to make additional
4
5
    revenues available for use in maintaining and repairing public highways,
 6
     streets, and bridges in the state.
7
8
           SECTION 2. Arkansas Code § 19-5-202(b)(2)(B), concerning the General
9
    Revenue Fund Account, is amended to read as follows:
10
                       (B) From the net general revenue, after adding the advance
11
     transfer, if any, the Treasurer of State shall make the following
12
     distributions and shall notify the Auditor of State and the Chief Fiscal
13
     Officer of the State:
14
                             (i) First, the Treasurer of State shall deduct one
15
    percent (1%), which shall be transferred to the Constitutional Officers Fund,
16
     as created in § 19-5-205(c). An appropriate percentage of not less than two
17
    percent (2%) and not to exceed three percent (3%), as determined from time to
     time by the Chief Fiscal Officer of the State as being the amount required to
18
19
     support the estimated commitments and expenditures of the State Central
20
     Services Fund for the current fiscal year, shall be transferred to the State
     Central Services Fund, as created in § 19-5-205(e);
21
22
                             (ii) Next, any revenue deposited into the General
23
    Revenue Fund Account of the State Apportionment Fund from the net casino
     gaming receipts tax under § 5(c) of Section 1 of The Arkansas Casino Gaming
24
25
     Amendment of 2018, Arkansas Constitution, Amendment 100, that exceeds thirty-
26
     one million two hundred thousand dollars ($31,200,000) in a fiscal year shall
27
    be held in a subaccount to be transferred on the last business day of the
28
     fiscal year from the General Revenue Fund Account of the State Apportionment
29
     Fund to the State Highway and Transportation Department Fund;
30
                             (iii)(a) On the last business day of the fiscal year
     ending June 30, 2020, and on the last business day of each following fiscal
31
32
     year, the Chief Fiscal Officer of the State shall transfer on his or her
33
     books and those of the Treasurer of State and the Auditor of State an amount
34
     not to exceed thirty-five million dollars ($35,000,000) from the funds
35
     available in the Restricted Reserve Fund and from any other funds designated
36
    by the Governor to the State Highway and Transportation Department Fund.
```

1	(b) The amount to be transferred under this
2	subdivision (b)(2)(B)(iii) shall be calculated to provide the total sum of
3	thirty-five million dollars (\$35,000,000) to the State Highway and
4	Transportation Department Fund when combined with the funds transferred in
5	that fiscal year from the General Revenue Fund Account of the State
6	Apportionment Fund under subdivision (b)(2)(B)(ii) of this section;
7	(iv) Next, the Treasurer of State shall deduct an
8	amount sufficient to pay for cash rebates which have been paid or approved
9	for payment during the current month upon applications filed therefor as
10	authorized in §§ $26-51-601-26-51-608$ [repealed] and deduct an amount
11	sufficient to pay for refunds made during that month to taxpayers from
12	overpayment of the income tax as certified by the Chief Fiscal Officer of the
13	State and transfer that amount to the Individual Income Tax Withholding Fund
14	Corporate Income Tax Withholding Fund, and Home Owners Tax Relief Fund, as
15	applicable; and
16	(iii)(v) The remaining revenue, known as general
17	revenues available for distribution, in the General Revenue Fund Account of
18	the State Apportionment Fund shall be distributed as provided by this chapter
19	to the various funds and fund accounts as created and established in $$19-5-$
20	301 et seq. and to any other fund or fund account as may be authorized by
21	law. The Treasurer of State, after distributing the general revenues
22	available for distribution due each fund or fund account, shall deduct the
23	amount of any advance transfers made during the month from the distribution
24	to each applicable fund or fund account.
25	
26	SECTION 3. Arkansas Code § 19-5-1263, concerning the Restricted
27	Reserve Fund, is amended to add an additional subsection to read as follows:
28	(e) The funds available in the Restricted Reserve Fund may be
29	transferred as provided in § 19-5-202(b)(2)(B)(iii).
30	
31	SECTION 4. Arkansas Code § 19-6-301, concerning the enumeration of
32	special revenues, is amended to add additional subdivisions to read as
33	follows:
34	(263) The wholesale sales tax on motor fuel levied under § 26-64-101;
35	(264) The wholesale sales tax on distillate special fuel levied under
36	§ 26-64-102; and

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1
           (265) Additional registration fees for electric vehicles and hybrid
 2
     vehicles under § 27-14-614.
 3
           SECTION 5. Arkansas Code § 19-6-405 is amended to read as follows:
 5
           19-6-405. State Highway and Transportation Department Fund.
 6
           The State Highway and Transportation Department Fund shall consist of:
 7
                 (1) That part of the special revenues as specified in § 19-6-
8
     301(2)-(4), (22), (81), (105)-(107), (182), and (256), known as "highway
9
     revenue", as distributed under the Arkansas Highway Revenue Distribution Law,
10
     § 27-70-201 et seq., and § 27-70-103 and § 27-72-301 et seq.;
11
                 (2) Those special revenues specified in § 19-6-301(10), (152),
12
     (187), (239), and (241);
13
                 (3) Fifty percent (50%) of § 19-6-301(26);
14
                 (4) That portion of § 19-6-301(2) as set out in § 27-14-
15
     601(a)(3)(H)(ii)(f);
16
                 (5) That portion of § 19-6-301(222);
17
                 (6) Those designated revenues as set out in § 26-56-201(e)(1),
    which consist of the additional total of four cents (4¢) distillate special
18
19
     fuel taxes to be distributed as provided in the Arkansas Highway Financing
20
    Act of 1999, § 27-64-201 et seq.;
21
                 (7) Federal revenue sharing funds as set out in § 19-5-1005;
22
                 (8) The special revenues specified in § 26-64-103, which consist
    of the wholesale sales taxes on motor fuel and distillate special fuel;
23
24
                 (9) The special revenues specified in § 27-14-614, which consist
    of the additional registration fees on electric vehicles and hybrid vehicles;
25
26
     and
27
                (8)(10) Any federal funds that may become available,
28
    there to be used for the maintenance, operation, and improvement required by
29
    the Arkansas Department of Transportation in carrying out the functions,
30
    powers, and duties as set out in Arkansas Constitution, Amendment 42, and §§
     27-65-102 - 27-65-107, 27-65-110, 27-65-122, and 27-65-124, and the other
31
32
    laws of this state prescribing the powers and duties of the department and
33
     the State Highway Commission.
34
35
           SECTION 6. Arkansas Code Title 26 is amended to add an additional
36
    chapter to read as follows:
```

1	CHAPTER 64
2	WHOLESALE SALES TAX ON FUEL
3	
4	26-64-101. Wholesale sales tax on motor fuel.
5	(a) As used in this section:
6	(1) "Average wholesale selling price" means the United States
7	Gulf Coast regular average wholesale selling price of motor fuel as published
8	in an index by the Energy Information Administration within the United States
9	Department of Energy or other similar reliable index if the index published
10	by the Energy Information Administration within the United States Department
11	of Energy is no longer available; and
12	(2) "Motor fuel" means the same as defined in § 26-55-202.
13	(b) In addition to the taxes levied in §§ 26-55-205, 26-55-1002, 26-
14	55-1006, 26-55-1201, and 26-56-601, there is levied a wholesale sales tax
15	upon the average wholesale selling price of motor fuel at the rate determined
16	under this section.
17	(c)(1) On or before October 1, 2019, the Director of the Department of
18	Finance and Administration shall determine the rate of the wholesale sales
19	tax levied under this section by multiplying the twelve-month average
20	wholesale selling price of motor fuel for the period of January 1, 2018,
21	through December 31, 2018, by one and six-tenths percent (1.6%).
22	(2) The wholesale sales tax rate determined under this
23	subsection is effective for the period of October 1, 2019, through September
24	<u>30, 2020.</u>
25	(3) To make the collection of the wholesale sales tax levied
26	under this subsection more efficient, the director shall convert the
27	wholesale sales tax calculated under subdivision (c)(1) of this section to \underline{a}
28	cent-per-gallon amount rounded to the nearest one-tenth of one cent (0.1c).
29	(d)(1) Beginning July 1, 2020, and each July 1 thereafter, the
30	director shall calculate the wholesale sales tax levied under this section by
31	multiplying the twelve-month average wholesale selling price of motor fuel
32	for the period of January 1 through December 31 of the immediately preceding
33	year by one and six-tenths percent (1.6%).
34	(2) The wholesale sales tax rate calculated under this
35	subsection is effective for the twelve-month period beginning on October 1 of
36	the year in which the calculation is made under this subsection.

```
(3) To make the collection of the wholesale sales tax levied
1
    under this subsection more efficient, the director shall convert the
2
3
    wholesale sales tax calculated under subdivision (d)(l) of this section to a
4
    cent-per-gallon amount rounded to the nearest one-tenth of one cent (0.1¢).
5
                 (4)(A) If the twelve-month average wholesale selling price
6
    calculated in subdivision (d)(l) of this section is more than the twelve-
7
    month average wholesale selling price of the year preceding that calculation,
8
    the director shall convert the resulting wholesale sales tax to a cent-per-
9
    gallon amount rounded to the nearest one-tenth of one cent (0.1c).
10
                      (B) If the wholesale sales tax rate calculated in
    subdivision (d)(1) of this section would result in an increase in the
11
12
    wholesale sales tax of more than one-tenth of one cent (0.1¢) per gallon of
13
    motor fuel when converted to a cent-per-gallon amount and rounded to the
14
    nearest one-tenth of one cent (0.1¢), the percentage used in the calculation
15
    of the wholesale sales tax rate under subdivision (d)(1) of this section
    shall be limited to the highest percentage that results in a cents-per-gallon
16
17
    amount that does not exceed one-tenth of one cent (0.1¢) for that twelve-
18
    month period when rounded to the nearest one-tenth of one cent (0.1c).
19
                 (5) If the twelve-month average wholesale selling price used for
20
    the calculation in subdivision (d)(1) of this section is less than the
21
    twelve-month average wholesale selling price of the preceding year, the
22
    calculation under subdivision (d)(l) of this section shall not be made, and
23
    the wholesale sales tax rate for the twelve-month period beginning October 1
    shall be equal to the wholesale sales tax rate for the immediately preceding
24
25
    twelve-month period.
          (e) The wholesale sales tax levied under this section shall be paid by
26
27
    motor fuel dealers to motor fuel distributors, who shall collect, report, and
28
    remit the tax in the same manner and at the same time as is prescribed by law
29
    for the collection, reporting, and payment of motor fuel taxes levied in
    Title 26, Chapter 55, of the Arkansas Code.
30
31
          (f) By August 1 of each year, the Department of Finance and
32
    Administration shall publish the cent-per-gallon wholesale sales tax to be
    collected by motor fuel dealers and paid to motor fuel distributors beginning
33
34
    on October 1 of that year under this section and shall notify motor fuel
35
    dealers and motor fuel distributors of the published amount.
36
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1	26-64-102. Wholesale sales tax on distillate special fuel.
2	(a) As used in this section:
3	(1) "Average wholesale selling price" means the United States
4	Gulf Coast regular average wholesale selling price of distillate special fuel
5	as published in an index by the Energy Information Administration within the
6	United States Department of Energy or some other similar reliable index if
7	the index published by the Energy Information Administration within the
8	United States Department of Energy is no longer available; and
9	(2) "Distillate special fuel" means the same as defined in § 26-
10	56-102, except that it does not include distillate special fuel used for off-
11	road purposes as identified in § 26-56-224.
12	(b) In addition to the taxes levied in §§ 26-56-201, 26-56-502 and 26-
13	56-601, there is levied a wholesale sales tax upon the average wholesale
14	selling price of distillate special fuel at the rate determined under this
15	section.
16	(c)(1) On or before October 1, 2019, the Director of the Department of
17	Finance and Administration shall determine the rate of the wholesale sales
18	tax levied under this section by multiplying the twelve-month average
19	wholesale selling price of distillate special fuel for the period of January
20	1, 2018, through December 31, 2018, by two and nine-tenths percent (2.9%).
21	(2) The wholesale sales tax rate determined under this
22	subsection is effective for the period of October 1, 2019, through September
23	<u>30, 2020.</u>
24	(3) To make the collection of the wholesale sales tax levied
25	under this subsection more efficient, the director shall convert the
26	wholesale sales tax calculated under subdivision (c)(1) of this section to a
27	cent-per-gallon amount rounded to the nearest one-tenth of one cent (0.1c).
28	(d)(1) Beginning July 1, 2020, and each July 1 thereafter, the
29	director shall calculate the wholesale sales tax levied under this section by
30	multiplying the twelve-month average wholesale selling price of distillate
31	special fuel for the period of January 1 through December 31 of the
32	immediately preceding year by two and nine-tenths percent (2.9%).
33	(2) The wholesale sales tax rate calculated under this
34	subsection is effective for the twelve-month period beginning on October 1 of
35	the year in which the calculation is made under this subsection.
36	(3) To make the collection of the wholesale sales tax levied
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under this subsection more efficient, the director shall convert the wholesale sales tax calculated under subdivision (d)(l) of this section to a 3 cent-per-gallon amount rounded to the nearest one-tenth of one cent (0.1¢). (4)(A) If the twelve-month average wholesale selling price 4 5 calculated in subdivision (d)(l) of this section is more than the twelvemonth average wholesale selling price of the year preceding that calculation, 6 7 the director shall convert the resulting wholesale sales tax to a cent-per-8 gallon amount rounded to the nearest one-tenth of one cent (0.1c). 9 (B) If the wholesale sales tax rate calculated in 10 subdivision (d)(1) of this section would result in an increase in the wholesale sales tax of more than one-tenth of one cent (0.1¢) per gallon of 11 12 distillate special fuel when converted to a cent-per-gallon amount and 13 rounded to the nearest one-tenth of one cent (0.1¢), the percentage used in 14 the calculation of the wholesale sales tax rate under subdivision (d)(1) of 15 this section shall be limited to the highest percentage that results in a 16 cents-per-gallon amount that does not exceed one-tenth of one cent (0.1¢) for 17 that twelve-month period when rounded to the nearest one-tenth of one cent 18 (0.1c).19 (5) If the twelve-month average wholesale selling price used for the calculation in subdivision (d)(1) of this section is less than the 20 twelve-month average wholesale selling price of the preceding year, the 21 22 calculation under subdivision (d)(1) of this section shall not be made, and 23 the wholesale sales tax rate for the twelve-month period beginning October 1 24 shall be equal to the wholesale sales tax rate for the immediately preceding 25 twelve-month period. 26 (e) The wholesale sales tax levied under this section shall be paid by 27 distillate special fuel dealers to distillate special fuel suppliers, who shall collect, report, and remit the tax in the same manner and at the same 28 29 time as is prescribed by law for the collection, reporting, and payment of distillate special motor fuel taxes levied in Title 26, Chapter 56, of the 30 31 Arkansas Code. 32 (f) By August 1 of each year, the Department of Finance and 33 Administration shall publish the cent-per-gallon wholesale sales tax to be 34 collected by distillate special fuel dealers and paid to distillate special fuel suppliers beginning on October 1 of each year under this section and 35 36 shall notify distillate special fuel dealers and distillate special fuel

1	suppliers of the published amount.
2	
3	26-64-103. Disposition of revenues.
4	The wholesale sales taxes collected under this chapter are special
5	revenues and shall be distributed under § 27-70-206.
6	
7	26-64-104. Reporting and disclosure requirements.
8	(a)(1) Each city and county that expends revenues distributed under
9	this chapter shall submit a report to the Director of the Department of
10	Finance and Administration no later than June 30 of each year detailing the:
11	(A) Amount of revenues received under this chapter;
12	(B) Expenditures made from the revenues received under
13	this chapter; and
14	(C) Projects funded using revenues received under this
15	chapter.
16	(2) The director may undertake an investigation of the
17	expenditures reported by the cities and counties under subdivision (a)(1) of
18	this section, including without limitation using the audit procedures under
19	the Arkansas Tax Procedure Act, § 26-18-101 et seq., to verify compliance
20	with this chapter.
21	(b) The Arkansas Department of Transportation shall make a report
22	available to the Governor and the Legislative Council no later than November
23	1 of each year detailing the expenditures of the revenues distributed to the
24	department under this chapter, including without limitation the expenditures
25	made from the revenues received under this chapter and the projects funded
26	using revenues received under this chapter.
27	
28	SECTION 7. Arkansas Code Title 27, Chapter 14, Subchapter 6, is amended
29	to add an additional section to read as follows:
30	27-14-614. Additional fee for electric vehicles and hybrid vehicles.
31	(a) As used in this section:
32	(1) "Electric vehicle" means a vehicle that:
33	(A) Is propelled by an electric motor powered by a battery
34	or other electrical device incorporated into the vehicle; and
35	(B) Is not propelled by an internal combustion engine; and
36	(2) "Hybrid vehicle" means a vehicle that draws propulsion

1	energy from both an internal combustion engine and an energy storage device.
2	(b) In addition to the other fees required to be paid to register a
3	vehicle under this subchapter, there is levied an annual fee of:
4	(1) Two hundred dollars (\$200) for each electric vehicle
5	registered; and
6	(2) One hundred dollars (\$100) for each hybrid vehicle
7	registered.
8	(c) The revenues collected under this section are special revenues and
9	shall be distributed to the State Highway and Transportation Department Fund
10	
11	SECTION 8. EFFECTIVE DATE. Sections 4-7 of this act are effective on
12	the first day of the calendar quarter following the effective date of this
13	act.
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15	
16	/s/Rice
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19	APPROVED: 3/11/19
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