

## ARKANSAS STATE HIGHWAY COMMISSION

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LORIE H. TUDOR, P.E. DIRECTOR

October 25, 2024

The Honorable Sarah Huckabee Sanders Governor of Arkansas State Capitol Room 250 500 Woodlane St. Little Rock, AR 72201

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

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

Dear Governor Sanders, 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 Sanders, Senator Rice, and Representative Wardlaw October 25, 2024

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Enclosed is the Act 416 Report for State Fiscal Year 2024. Please do not hesitate to contact me if you have any questions or need additional information.

Louis Al. Judos

Director

#### Enclosure

c: Highway Commission Chief Engineer – Preconstruction Chief Engineer – Operations Chief – Administration **Assistant Chiefs** Communications Fiscal Services **Program Management** 



# SFY 2024 ACT 416 REPORT TO THE GOVERNOR AND LEGISLATIVE COUNCIL



## 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:

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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 expected to receive in SFY 2024 from Act 416 was \$97,188,389. In SFY 2024, the actual revenue the Department received from Act 416 was \$99,970,295.76. 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	Source Amount		
Motor Fuel	Ç	\$	61,851,133.83
Electric/Hybrid Registrations	Ç	\$	3,119,161.93
Casino	Ç	\$	35,000,000*
Total	•	\$	99,970,295.76

<sup>\*</sup>Transferred from the net casino gaming revenue \$9,027,681.15 and Restricted Reserve Fund \$25,972,318.85.

## **Preservation Projects**

In SFY 2024, 73 preservation projects and one bridge rehabilitation project were awarded to contract totaling \$64,580,705.57 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 fifteen highway resurfacing projects, one slide repair, eight bridge replacements, and three bridge rehabilitation projects totaling \$26,700,000.00.

The total SFY 2024 cost for contract projects plus work accomplished by state forces is \$91,280,705.57 of Act 416 funding.

The following is a summary of the cumulative Act 416 receipts and commitments from inception through the end of SFY 2024. Currently, there is a balance of \$9,345,680.10. This funding will be utilized on future projects in SFY 2025.

Cumulative Act 416 Receipts	\$ 460,007,635.51
Cumulative Act 416 Commitments	\$ 450,661,955.41
Balance	\$ 9,345,680.10

The following pages include detailed information regarding preservation projects.

# **State Fiscal Year 2024 Act 416 Projects**

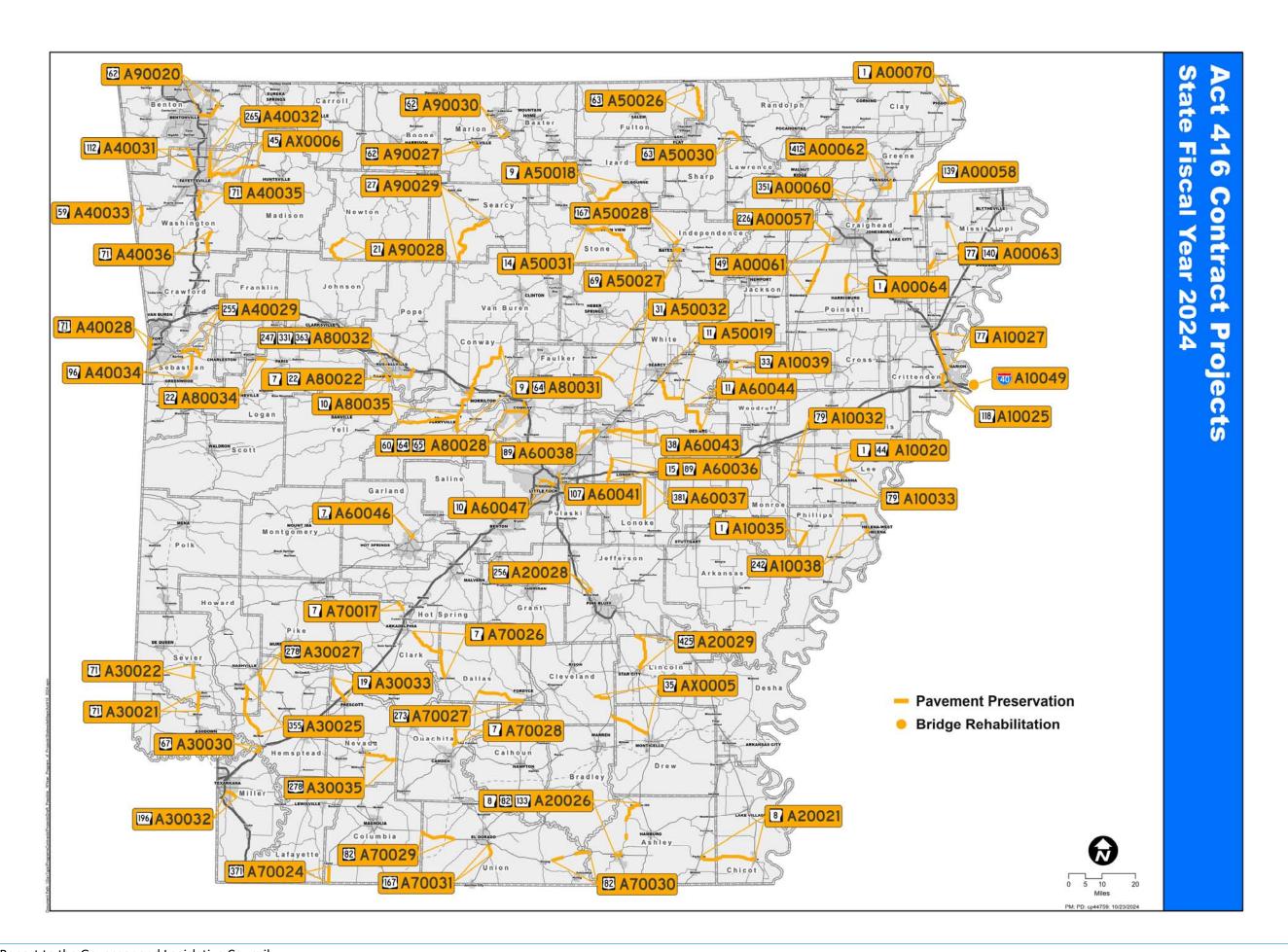
			Contract Projects						
Job Number	County	Job Name	Route	Length	Type Work	A۱	ward Amount	А	ct 416 Amount
A10020	Lee	Marianna – North (Sel. Secs.) (S)	Hwys. 1 & 44	5.02	Pavement Preservation	\$	4,428,661.41	\$	885,732.28
A10025	Crittenden	Hwy. 64 – Hwy. 70 (S)	Hwy. 118	4.29	Pavement Preservation	\$	4,647,615.90	\$	929,523.18
A10027	Crittenden	I-555 – Hwy. 64 (S)	Hwy. 77	12.74	Pavement Preservation	\$	5,496,407.39	\$	1,099,281.48
A10032	Lee	Big Creek – Little Hog Tusk Creek (S)	Hwy. 79	2.47	Pavement Preservation	\$	1,031,152.55	\$	206,230.51
A10033	Lee	Smith Corner – E. of Marianna (Sel. Secs.) (S)	Hwy. 79	10.22	Pavement Preservation	\$	5,032,329.79	\$	1,006,465.96
A10035	Phillips	Monroe Co. Line – Hwy. 318 (S)	Hwy. 1	5.37	Pavement Preservation	\$	3,456,091.80	\$	691,218.36
A10038	Phillips	Co. Rd. 300 – Hwy. 1 (Sel. Secs.) (S)	Hwy. 242	9.88	Pavement Preservation	\$	2,074,100.69	\$	414,820.14
A10039	Woodruff	Hwy. 260 – Hwy. 64 (S)	Hwy. 33	3.03	Pavement Preservation	\$	893,972.98	\$	178,794.60
A10049	Crittenden	I-40 Mississippi River Bridge Retrofit (S)	I-40	-	Bridge Rehabilitation	\$	3,250,000.00	\$	3,250,000.00
A20021	Ashley & Chicot	Hwy. 165 – Hwy. 65 (S)	Hwy. 8	17.35	Pavement Preservation	\$	7,211,871.28	\$	1,442,374.26
A20026	Ashley	Crossett – Fountain Hill (Sel. Secs.) (S)	Hwys. 8, 82 & 133	13.20	Pavement Preservation	\$	10,235,884.31	\$	2,047,176.86
A20028	Jefferson	I-530 – Baldwin Rd. (White Hall) (S)	Hwy. 256	2.29	Pavement Preservation	\$	1,946,909.84	\$	389,381.97
A20029	Lincoln	Star City – Jefferson Co. Line (S)	Hwy. 425	13.80	Pavement Preservation	\$	8,734,384.36	\$	1,746,876.87
A30021	Little River & Sevier	Wilton – Winters Creek (S)	Hwy. 71	6.12	Pavement Preservation	\$	7,494,388.17	\$	1,498,877.63
A30022	Sevier	Johns Branch – Lockesburg (S)	Hwy. 71	4.46	Pavement Preservation	\$	3,064,882.36	\$	612,976.47
A30025	Hempstead & Howard	Mineral Springs – McNab (S)	Hwy. 355	17.45	Pavement Preservation	\$	15,890,515.08	\$	3,178,103.02
A30027	Hempstead & Howard	Nashville – Hwy. 332 (S)	Hwy. 278	5.76	Pavement Preservation	\$	4,299,638.50	\$	859,927.70
A30030	Hempstead & Miller	S. of UPRR Overpass – Red River (S)	Hwy. 67	2.07	Pavement Preservation	\$	1,468,311.42	\$	293,662.28
A30032	Miller	I-49 – East (S)	Hwy. 196	3.95	Pavement Preservation	\$	1,159,036.99	\$	231,807.40
A30033	Nevada	Hwy. 371 – Hwy. 29 (S)	Hwy. 19	8.45	Pavement Preservation	\$	4,649,518.94	\$	929,903.79
A30035	Nevada	Hwy. 371 – Ouachita Co. Line (S)	Hwy. 278	10.67	Pavement Preservation	\$	5,225,210.36	\$	1,045,042.07
A40028	Sebastian	Hwy. 71B Preservation (Towson Ave.) (Fort Smith) (S)	Hwy. 71B	3.80	Pavement Preservation	\$	2,629,504.50	\$	525,900.90
A40029	Sebastian	Hwy. 255 Impvts. (Sebastian Co.) (S)	Hwy. 255	7.34	Pavement Preservation	\$	4,185,514.62	\$	837,102.92
A40031	Washington	Fayetteville – Benton Co. Line (S)	Hwy. 112	7.13	Pavement Preservation	\$	2,257,473.68	\$	451,494.74
A40032	Washington	Hwy. 45 – Randall Wobbe Ln. (Fayetteville & Springdale) (S)	Hwy. 265	7.83	Pavement Preservation	\$	2,877,323.14	\$	575,464.63
A40033	Washington	Hwy. 62 – Hwy. 45 (S)	Hwy. 59	6.10	Pavement Preservation	\$	2,605,961.28	\$	521,192.26
A40034	Sebastian	Hwy. 10 – Hwy. 22 (S)	Hwy. 96	8.27	Pavement Preservation	\$	2,236,150.63	\$	447,230.13
A40035	Washington	Hwy. 170 – Hwy. 71B (S)	Hwy. 71	8.15	Pavement Preservation	\$	5,286,838.05	\$	1,057,367.61
A40036	Washington	Crawford Co. Line – Hwy. 74 (S)	Hwy. 71	6.90	Pavement Preservation	\$	6,281,337.70	\$	1,256,267.54
A50018	Izard	Brandenburg – Hwy. 69 (S)	Hwy. 9	11.24	Pavement Preservation	\$	4,159,760.99	\$	831,952.20
A50019	White	E. of Griffithville – Hwy. 367 (S)	Hwy. 11	11.75	Pavement Preservation	\$	2,808,943.95	\$	561,788.79
A50026	Fulton	Hwy. 342 – Sharp Co. Line (S)	Hwy. 63	11.77	Pavement Preservation	\$	4,806,127.85	\$	961,225.57
A50027	Independence	Hwy. 167 – Hwy. 394 (Batesville) (S)	Hwy. 69	2.99	Pavement Preservation	\$	1,099,422.17	\$	219,884.43
A50028	Independence	Hwy. 25 – Hwy. 394 (Batesville) (S)	Hwy. 167	1.99	Pavement Preservation	\$	1,300,791.74	\$	260,158.35
A50030	Sharp	Hwy. 58 – Lawrence Co. Line (S)	Hwy. 63	5.37	Pavement Preservation	\$	950,789.69	\$	190,157.94
A50031	Stone	Hwy. 9 – Independence Co. Line (S)	Hwy. 14	21.98	Pavement Preservation	\$	6,979,891.17	\$	1,395,978.23
A50032	White	Hwy. 67 – Hwy. 5 (Sel. Secs.) (S)	Hwy. 31	7.89	Pavement Preservation	\$	1,236,213.38	\$	247,242.68
A60036	Lonoke	Hwy. 70 – Hwy. 236 (S)	Hwys. 15 & 89	7.23	Pavement Preservation	\$	2,092,350.47	\$	418,470.09
A60037	Lonoke	Hwy. 70 – Hwy. 232 (S)	Hwy. 381	12.28	Pavement Preservation	\$	3,733,020.31	\$	746,604.06

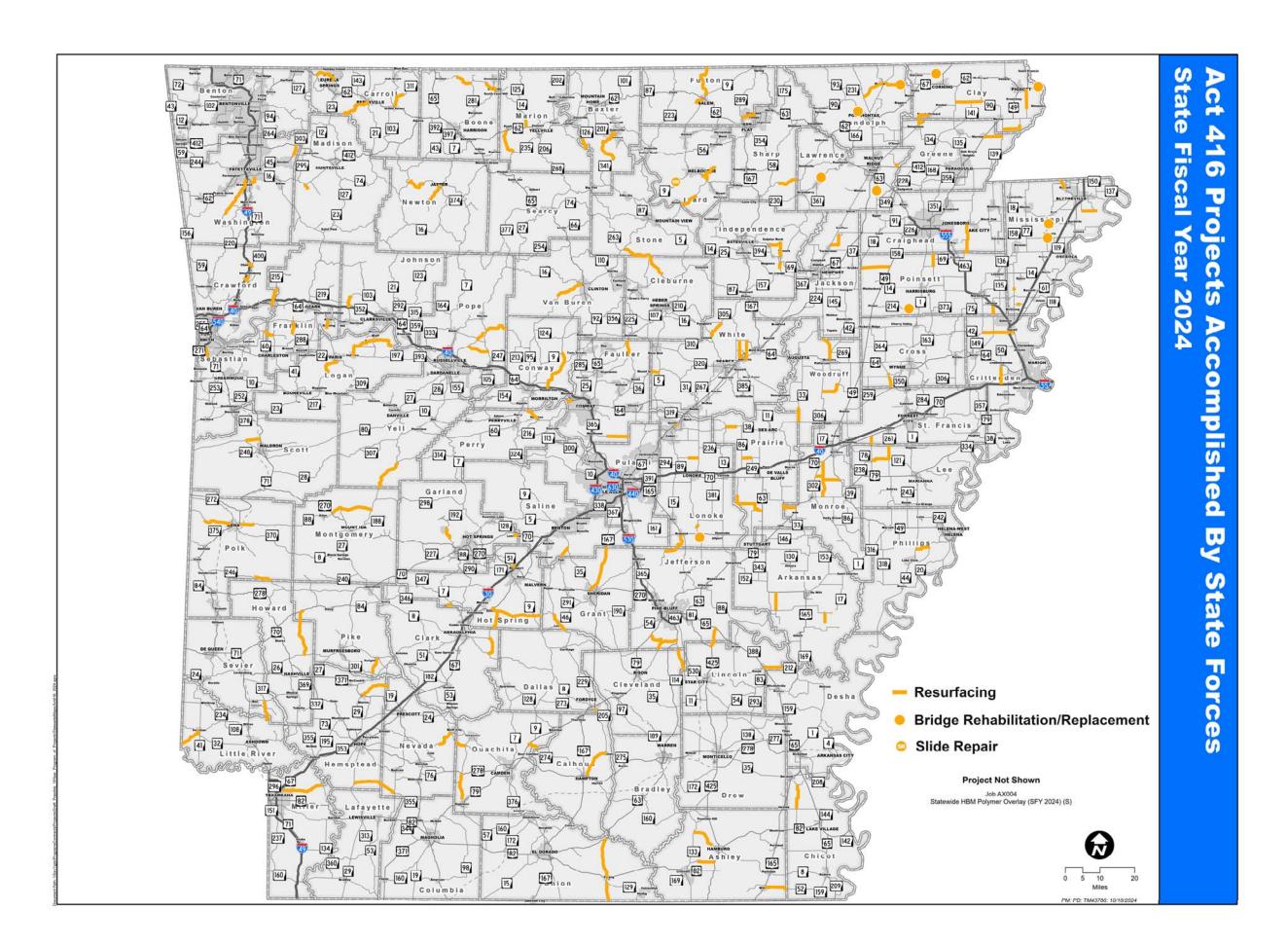
# State Fiscal Year 2024 Act 416 Projects, continued

			Contract Projects					
Job Number	County	Job Name	Route	Length	Type Work	Award Amount	А	ct 416 Amount
A60038	Lonoke & Pulaski	Cabot – Hwy. 107 (S)	Hwy. 89	6.13	Pavement Preservation	\$ 2,093,840.44	\$	418,768.09
A60041	Pulaski	I-40 – McCain Blvd. (NLR) (Sel. Secs.) (S)	Hwy. 107	0.86	Pavement Preservation	\$ 752,330.59	\$	150,466.12
A60043	Lonoke & Prairie	Hwy. 367 – Hwy. 13 (S)	Hwy. 38	15.63	Pavement Preservation	\$ 4,184,865.60	\$	836,973.12
A60044	Prairie	Hwy. 38 – White Co. Line (S)	Hwy. 11	11.24	Pavement Preservation	\$ 3,324,969.54	\$	664,993.91
A60046	Garland	Hwy. 70B – Hwy. 7 (Hot Springs) (S)	Hwy. 7S	1.54	Pavement Preservation	\$ 860,811.71	\$	860,811.71
A60047	Pulaski	Mississippi Ave. – S. Cross St. (Sel. Secs.) (Little Rock) (S)	Hwy. 10	4.07	Pavement Preservation	\$ 2,280,638.07	\$	456,127.61
A70017	Clark	Caddo Valley – Hot Spring Co. Line (Sel. Secs.) (S)	Hwy. 7	3.90	Pavement Preservation	\$ 921,255.89	\$	184,251.18
A70024	Columbia	Taylor – Louisiana State Line (S)	Hwy. 371	5.17	Pavement Preservation	\$ 2,559,908.74	\$	511,981.75
A70026	Clark & Dallas	Sparkman – Hwy. 51 (S)	Hwy. 7	20.72	Pavement Preservation	\$ 6,958,182.72	\$	1,391,636.54
A70027	Dallas	Hwy. 9 – Fordyce (S)	Hwy. 273	15.23	Pavement Preservation	\$ 7,994,333.28	\$	1,598,866.66
A70028	Ouachita	N. of Camden – Freeo Creek (S)	Hwy. 7	5.99	Pavement Preservation	\$ 3,303,765.93	\$	660,753.19
A70029	Union	Columbia Co. Line – Airport Dr. (S)	Hwy. 82	10.75	Pavement Preservation	\$ 8,927,018.50	\$	1,785,403.70
A70030	Union	Strong – Ouachita River (Sel. Secs.) (S)	Hwy. 82	8.17	Pavement Preservation	\$ 4,623,987.63	\$	924,797.53
A70031	Union	Hwy. 7 – Hwy. 82 (S)	Hwy. 167	3.76	Pavement Preservation	\$ 4,641,255.82	\$	928,251.16
A80022	Yell	Hwys. 7 & 22 Impvts. (Dardanelle) (S)	Hwys. 7 & 22	3.15	Pavement Preservation	\$ 2,761,383.01	\$	552,276.60
A80028	Faulkner	Hwys. 60, 64 & 65B Impvts. (Sel. Secs.) (Conway) (S)	Hwys. 60, 64 & 65B	9.43	Pavement Preservation	\$ 6,316,807.30	\$	1,263,361.46
A80031	Conway & Perry	Hwys. 9 & 64 Impvts. (Sel. Secs.) (S)	Hwys. 9 & 64	35.99	Pavement Preservation	\$ 17,680,027.00	\$	3,536,005.40
A80032	Pope	Hwys. 247, 331 & 363 Impvts. (Pottsville & Russellville) (S)	Hwys. 247, 331 & 363	9.00	Pavement Preservation	\$ 5,943,869.61	\$	1,188,773.92
A80034	Logan	Hwy. 23 – Carbon City (S)	Hwy. 22	3.30	Pavement Preservation	\$ 2,038,244.97	\$	407,648.99
A80035	Perry	Yell Co. Line – Perry (S)	Hwy. 10	18.23	Pavement Preservation	\$ 6,879,454.13	\$	1,375,890.83
A90020	Benton	I-49 – Avoca (S)	Hwy. 62	8.00	Pavement Preservation	\$ 9,098,841.30	\$	1,819,768.26
A90027	Marion	W. of Hwy. 202 – E. of Hwy. 14 (Yellville) (S)	Hwy. 62	2.43	Pavement Preservation	\$ 725,099.96	\$	145,019.99
A90028	Newton	Johnson Co. Line – North (S)	Hwy. 21	11.80	Pavement Preservation	\$ 3,690,432.62	\$	738,086.52
A90029	Searcy	Van Buren Co. Line – Hwy. 65 (S)	Hwy. 27	23.36	Pavement Preservation	\$ 2,316,467.69	\$	463,293.54
A90030	Baxter & Marion	Hwy. 62B Impvts. (Cotter) (S)	Hwy. 62B	2.63	Pavement Preservation	\$ 1,024,651.34	\$	204,930.27
A00057	Craighead	Hwy. 226 Spur – North (Jonesboro) (S)	Hwy. 226	0.96	Pavement Preservation	\$ 262,497.50	\$	52,499.50
A00058	Craighead	Monette – Missouri State Line (S)	Hwy. 139	6.92	Pavement Preservation	\$ 1,917,727.07	\$	383,545.41
A00060	Craighead	Jonesboro – Greene Co. Line (S)	Hwy. 351	6.90	Pavement Preservation	\$ 1,831,115.06	\$	366,223.01
A00061	Craighead & Poinsett	Hwy. 226 – Hwy. 14 (Sel. Secs.) (S)	Hwy. 49	14.30	Pavement Preservation	\$ 5,026,580.50	\$	1,005,316.10
A00062	Greene	Hwy. 49 – Hwy. 412B (S)	Hwy. 412	4.86	Pavement Preservation	\$ 1,304,313.32	\$	260,862.66
A00063	Mississippi	Hwys. 77 & 140 Impvts. (Mississippi Co.) (S)	Hwys. 77 & 140	5.78	Pavement Preservation	\$ 2,242,243.31	\$	448,448.66
A00064	Poinsett	Hwy. 14 – Hwy. 158 (S)	Hwy. 1	6.05	Pavement Preservation	\$ 1,502,345.03	\$	300,469.01
A00070	Clay	Hwy. 62 – Missouri State Line (S)	Hwy. 1	4.86	Pavement Preservation	\$ 2,267,096.88	\$	453,419.38
AX0005	Cleveland & Drew	Big Creek – Hwy. 425 (Sel. Secs.) (S)	Hwy. 35	17.44	Pavement Preservation	\$ 11,605,437.19	\$	2,321,087.44
AX0006	Madison & Washington	Hwy. 265 – Hwy. 412B (S)	Hwy. 45	16.15	Pavement Preservation	\$ 7,380,182.34	\$	1,476,036.47

# **State Fiscal Year 2024 Act 416 Projects, continued**

			Projects Accomplished By Sta	ite Forces				
Job Number	County	Job Name	Route	Length	Type Work		Award Amount	Act 416 Amount
A00034	Clay	Ditch at L.M. 5.735 Str. & Apprs. (S)	Hwy. 328	-	Bridge & Approaches	\$	600,000.00	\$ 600,000.00
A00035	Clay	Ditch at L.M. 3.631 Str. & Apprs. (S)	Hwy. 1	-	Bridge & Approaches	\$	600,000.00	\$ 600,000.00
A70033	Dallas	Hwys. 8 & 274 Impvts. (Fordyce) (S)	Hwys. 8 & 274	1.75	Pavement Preservation	\$	500,000.00	\$ 500,000.00
A20025	Grant	Hwy. 270 – Saline Co. Line (Sel. Secs.) (S)	Hwy. 167	14.01	Pavement Preservation	\$	300,000.00	\$ 300,000.00
A00054	Greene	Hwy. 49 – Hwy. 139 (S)	Hwy. 34	5.55	Pavement Preservation	\$	600,000.00	\$ 600,000.00
A50035	Izard	Hwy. 9 Slide Repairs (Izard Co.) (S)	Hwy. 9	-	Slide Repairs	\$	200,000.00	\$ 200,000.00
A00036	Lawrence	Lick Pond Slough Str. & Apprs. (S)	Hwy. 91	-	Bridge & Approaches	\$	700,000.00	\$ 700,000.00
A00050	Lawrence	Big Cypress Creek Str. & Apprs. (S)	Hwy. 25	-	Bridge & Approaches	\$	500,000.00	\$ 500,000.00
A40027	Logan	Subiaco – Lake Dardanelle (S)	Hwy. 197	16.71	Pavement Preservation	\$	1,100,000.00	\$ 1,100,000.00
A60033	Lonoke	Salt Bayou Br. Rehab. (Lonoke Co.) (S)	Hwy. 31	-	Bridge Rehabilitation	\$	600,000.00	\$ 600,000.00
A00037	Mississippi	Ditch No. 29 Str. & Apprs. (S)	Hwy. 148	-	Bridge & Approaches	\$	600,000.00	\$ 600,000.00
A00052	Mississippi	Ditch No. 31 Deck Replacement (S)	Hwy. 158	-	Bridge Rehabilitation	\$	1,100,000.00	\$ 1,100,000.00
A00048	Poinsett	L'Anguille River & Relief Strs. & Apprs. (S)	Hwy. 214	-	Bridges & Approaches	\$	1,000,000.00	\$ 1,000,000.00
A00025	Randolph	Main Ditch Str. & Apprs. (S)	Hwy. 328	-	Bridge & Approaches	\$	600,000.00	\$ 600,000.00
A00055	Randolph	Ditch at L.M. 5.050 Str. & Apprs. (S)	Hwy. 90	-	Bridge & Approaches	\$	300,000.00	\$ 300,000.00
A40043	Sebastian	Hwy. 71 – Hwy. 255 Preservation (Fort Smith) (S)	Hwy. 45	2.99	Pavement Preservation	\$	1,000,000.00	\$ 1,000,000.00
AX0004	Various	Statewide HBM Polymer Overlay (SFY 2024) (S)	Various	TBD	Bridge Rehabilitation	\$	600,000.00	\$ 600,000.00
A10026	Various	District 1 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A20024	Various	District 2 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	2,300,000.00	\$ 2,300,000.00
A30026	Various	District 3 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A40026	Various	District 4 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A50024	Various	District 5 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A60032	Various	District 6 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A70025	Various	District 7 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A80027	Various	District 8 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A90023	Various	District 9 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
A00051	Various	District 10 Resurfacing Program (2024) (S)	Various	TBD	Pavement Preservation	\$	1,500,000.00	\$ 1,500,000.00
101	Total Projects		Totals	651.76				\$ 91,280,705.57
						SFY 2	024 Act 416 Revenue	\$ 99,970,295.76





**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

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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
4
    savings described in subsection (a) of this section to make additional
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.
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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 $\S\S$ 26-51-601 — 26-51-608 [repealed] and deduct an amount
1,1	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

```
1
           (265) Additional registration fees for electric vehicles and hybrid
 2
     vehicles under § 27-14-614.
 3
 4
           SECTION 5. Arkansas Code § 19-6-405 is amended to read as follows:
 5
           19-6-405. State Highway and Transportation Department Fund.
           The State Highway and Transportation Department Fund shall consist of:
                 (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
23
     of the wholesale sales taxes on motor fuel and distillate special fuel;
24
                 (9) The special revenues specified in § 27-14-614, which consist
25
    of the additional registration fees on electric vehicles and hybrid vehicles;
     and
26
                 (8)(10) Any federal funds that may become available,
27
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 §§
31
     27-65-102 - 27-65-107, 27-65-110, 27-65-122, and 27-65-124, and the other
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
1,1	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	30, 2020.
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 a
28	cent-per-gallon amount rounded to the nearest one-tenth of one cent (0.1¢).
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)(1) 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 (0.1¢).
10
                       (B) If the wholesale sales tax rate calculated in
11
    subdivision (d)(1) of this section would result in an increase in the
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
    twelve-month average wholesale selling price of the preceding year, the
21
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.
26
          (e) The wholesale sales tax levied under this section shall be paid by
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
```

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-
1,1,	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 (0.1¢).
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

```
under this subsection more efficient, the director shall convert the
     wholesale sales tax calculated under subdivision (d)(1) 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
     calculated in subdivision (d)(l) of this section is more than the twelve-
 5
     month 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
     rounded to the nearest one-tenth of one cent (0.1¢), the percentage used in
13
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
21
     twelve-month average wholesale selling price of the preceding year, the
     calculation under subdivision (d)(l) of this section shall not be made, and
22
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
     time as is prescribed by law for the collection, reporting, and payment of
29
     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 2	suppliers of the published amount.
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	Levelines and shall be albertoneed ander 6 27 70 2001
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	l 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

As Engrossed: S2/21/19 H2/27/19 SB336

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	
1,1,	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.
14	
15	
16	/s/Rice
17	
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19	APPROVED: 3/11/19
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