The Department administers five Federal Transit Administration formula programs totaling close to $23 million annually. These programs are supported by the Mass Transit Account that is funded by a 2.86¢ per gallon federal fuel tax and Federal General Fund revenues. Act 949 of 2001 established the Arkansas Public Transit Fund, to be funded from a 5% tax on car rental rates, which generates approximately $5 million annually for transit activities. The funds generated by the tax on rental cars are used to match federal funds for the purchase of public transportation vehicles, public transit equipment or facilities, and for the operation of the U.S. Department of Transportation Federal Transit Administration Assistance programs.

The first Arkansas State Highway Commission was appointed in 1913. Amendment 42 of the Constitution of Arkansas, adopted in 1952, established the five-member State Highway Commission. Under this authority, the State Highway Commission is vested with powers and duties for administering Arkansas’ State Highway System. Act 192 of 1977 created the Arkansas Department of Transportation (Department), adding responsibilities for coordinating public and private transportation activities and implementing a safe and efficient intermodal transportation system.

The Arkansas Strategic Highway Safety Plan (2017) identified five critical emphasis areas. It recommended strategies for each to reduce the number of fatal and serious injury roadway crashes. It was determined that the 2017 SHSP should focus on the five performance areas required by the Fixing America’s Surface Transportation Act (FAST Act) passed by Congress and the President on December 4, 2015. The performance goals are as follows: Reduce the number of fatalities in Arkansas to 485 by 2022. Reduce the fatality rate in Arkansas to 1.43 by 2022. Reduce the number of serious injuries in Arkansas to 3,055 by 2022. Reduce the serious injury rate in Arkansas to 9.82 by 2022. Reduce the number of non-motorized fatalities and serious injuries to 131 by 2022.

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STATE FUNDING

Road-user revenues are generated under tax laws governing motor fuels, special motor fuels, and motor vehicle registrations. After deductions for other programs, the Department receives 70% and 30% is divided equally between cities and counties. Net Department funds, including interest, in State Fiscal Year 2019 amounted to $447 million. Cities and counties each received approximately $89 million. Alternative fuels are assessed by a graduated scale based on annual registered vehicle users. Currently, a State Environmental Assurance Fee of 0.3¢ per gallon is also collected for the Regulated Storage Tank Trust Fund. Current State Motor Fuel Tax Rates per gallon are:

- Gasoline 24.5¢
- Diesel 28.5¢
- Liquefied Petroleum Gas 16.5¢
- Compressed Natural Gas 5.0¢

STATE AID COUNTY ROAD AND CITY STREET PROGRAM

The State Aid Division (Division), authorized under Act 445 of 1973, administers the State Aid County Road Program and administers Federal-aid Highway funds available for county roads and bridges. In State Fiscal Year 2019, 56 jobs on 256 miles and one bridge were contracted at a total cost of $21.4 million. The Division also administers the State Aid City Street Program and Federal-aid Highway funds available for city bridges. In the 2011 Arkansas General Assembly, HUR 1001 was adopted. This resolution, which reallocated 1¢ of the existing motor fuel tax to fund a State Aid City Street program, was approved by the vote of the people on November 6, 2012. A State Aid Street Committee consisting of nine mayors was appointed in accordance with Act 1032 of 2011 to establish procedures and guidelines for the State Aid City Street program and approve funding requests. As of June 2019, the Committee has approved funding for 596 city street projects. In State Fiscal Year 2019, 59 jobs on 126 miles in 85 cities were contracted at a total cost of $22.9 million ($19.7 million of State Aid City Street funds).

FEDERAL FUNDING

On December 4, 2015, the Fixing America’s Surface Transportation Act (FAST ACT) was enacted and established highway and transit programs and funding for a five-year period (FFY2016-2020). Arkansas receives an average of $546 million in each Fiscal Year. Taxes are levied on motor fuels per gallon with the revenues deposited in the Federal Highway Trust Fund Federal-aid Highway Account. The Arkansas Department of Transportation also accepts Federal-aid Highway funds available for county roads and bridges. In State Fiscal Year 2019, 46 jobs on 230 miles and one bridge were contracted at a total cost of $287 million. The State Aid Division administers the following federal programs:

- Surface Transportation Block Grant (STB Grant)
- Federal Highway Administration (FHWA)
- Federal Transit Administration (FTA)