

**To the County Boards of Election Commissioners  
of the  
State of Arkansas**

I, Charlie Daniels, Secretary of State of the State of Arkansas, do hereby certify the following ballot title to be voted upon in the Special Election to be held on Tuesday, December 13, 2005.

The ballot shall submit to the voters the following propositions:

Referred Question No. 1  
(Referred to the People by the General Assembly)

(Popular Name)

ARKANSAS INTERSTATE HIGHWAY FINANCING ACT OF  
2005

(Ballot Title)

ISSUANCE OF STATE OF ARKANSAS FEDERAL HIGHWAY  
GRANT ANTICIPATION AND TAX REVENUE BONDS AND  
PLEDGE OF FULL FAITH AND CREDIT OF THE STATE OF  
ARKANSAS

Authorizing the State Highway Commission to issue State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds (the "Bonds") if the total principal amount outstanding from the issuance of the bonds, together with the total principal amount outstanding from the issuance of bonds pursuant to Arkansas Highway Financing Act of 1999, shall not, at any time, exceed five hundred seventy-five million dollars (\$575,000,000). If approved, the bonds will be issued in several series of various principal amounts from time to time for the purpose of paying the cost of constructing and renovating improvements to interstate highways and related facilities in the State of Arkansas.

The bonds shall be general obligations of the State of Arkansas, payable from certain designated revenues and also secured by the full faith and credit of the State of Arkansas, including its general revenues.

Pursuant to the Arkansas Highway Financing Act of 2005 (the “Bond Act”), the bonds will be repaid first from: (1) revenues derived from federal highway assistance funding allocated to the State of Arkansas designated as federal highway interstate maintenance funds; and (2) revenues derived from the excise tax levied on distillate special fuels (diesel) pursuant to Arkansas Code § 26-56-201(e) that are available for expenditure after any distributions required by the Arkansas Highway Financing Act of 1999. To the extent that designated revenues are insufficient to make timely payment of debt service on the bonds, the payment shall be made from the general revenues of the State of Arkansas. The bonds shall be issued pursuant to the authority of and the terms set forth in the Bond Act.

Pursuant to the Bond Act, the highway improvements to be financed are limited to the restoration and improvements to all of the interstate highway systems within the state, including roadways, bridges, or rights-of way under jurisdiction of the State Highway Commission, which shall also include the acquisition, construction, reconstruction, and renovation of the interstate highway systems and facilities appurtenant or pertaining thereto.

Pursuant to the Bond Act, “designated revenues” are defined as: (1) the portion designated by the commission of funds received or to be received from the federal government of the United States as federal highway assistance funding allocated to the state designated as federal highway interstate maintenance funds; and (2) revenues derived from the distillate special fuels tax levied under Arkansas Code § 26-56-201(e) that are available for expenditure after any

distributions required by the Arkansas Highway Financing Act of 1999, § 27-64-201 et seq. The bonds are further secured by the full faith and credit of the State of Arkansas, and to the extent “designated revenues” are insufficient to make timely payment of debt service on the bonds, the general revenues of the state shall be used to pay debt service on the bonds.

**FOR** authorizing the State Highway Commission to issue State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds provided that the total principal amount outstanding from the issuance of the bonds, together with the total principal amount outstanding from the issuance of bonds pursuant to Arkansas Highway Financing Act of 1999, shall not, at any time, exceed five hundred seventy-five million dollars (\$575,000,000), and the pledge of the full faith and credit of the State of Arkansas to further secure the bonds . . . . [ ]

**AGAINST** authorizing the State Highway Commission to issue State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds provided that the total principal amount outstanding from the issuance of the bonds, together with the total principal amount outstanding from the issuance of bonds pursuant to Arkansas Highway Financing Act of 1999, shall not, at any time, exceed five hundred seventy-five million dollars (\$575,000,000), and the pledge of the full faith and credit of the State of Arkansas to further secure the bonds . . . .[ ]

IN WITNESS  
WHEREOF, I have  
hereunto set my hand  
and affixed the official  
seal of the office of the  
Secretary of State on

this the 27<sup>th</sup> day of  
September 2005.

CHARLIE DANIELS  
SECRETARY OF STATE  
STATE OF ARKANSAS