



Transportation & Highway Safety Subcommittee

MEETING PACKET

**Wednesday, February 6, 2013
3:00 PM – 4:00 PM
306 HOB**



The Florida House of Representatives

Transportation & Highway Safety Subcommittee

Will Weatherford
Speaker

Daniel Davis
Chair

Meeting Agenda
Wednesday, February 6, 2013
306 House Office Building
3:00 PM – 4:00 PM

- I. Call to Order**
- II. Roll Call**
- III. Welcome and Opening Remarks**
- IV. Presentations:**
 - Department of Transportation – Florida’s Transportation System Trends and Financial Resources**
 - Metropolitan Planning Organization Advisory Council – Transportation Revenue Study**
- V. Adjournment**

Florida's Transportation System Trends and Future Direction



House Transportation & Highway Safety
Subcommittee

Secretary Ananth Prasad

February 6, 2013

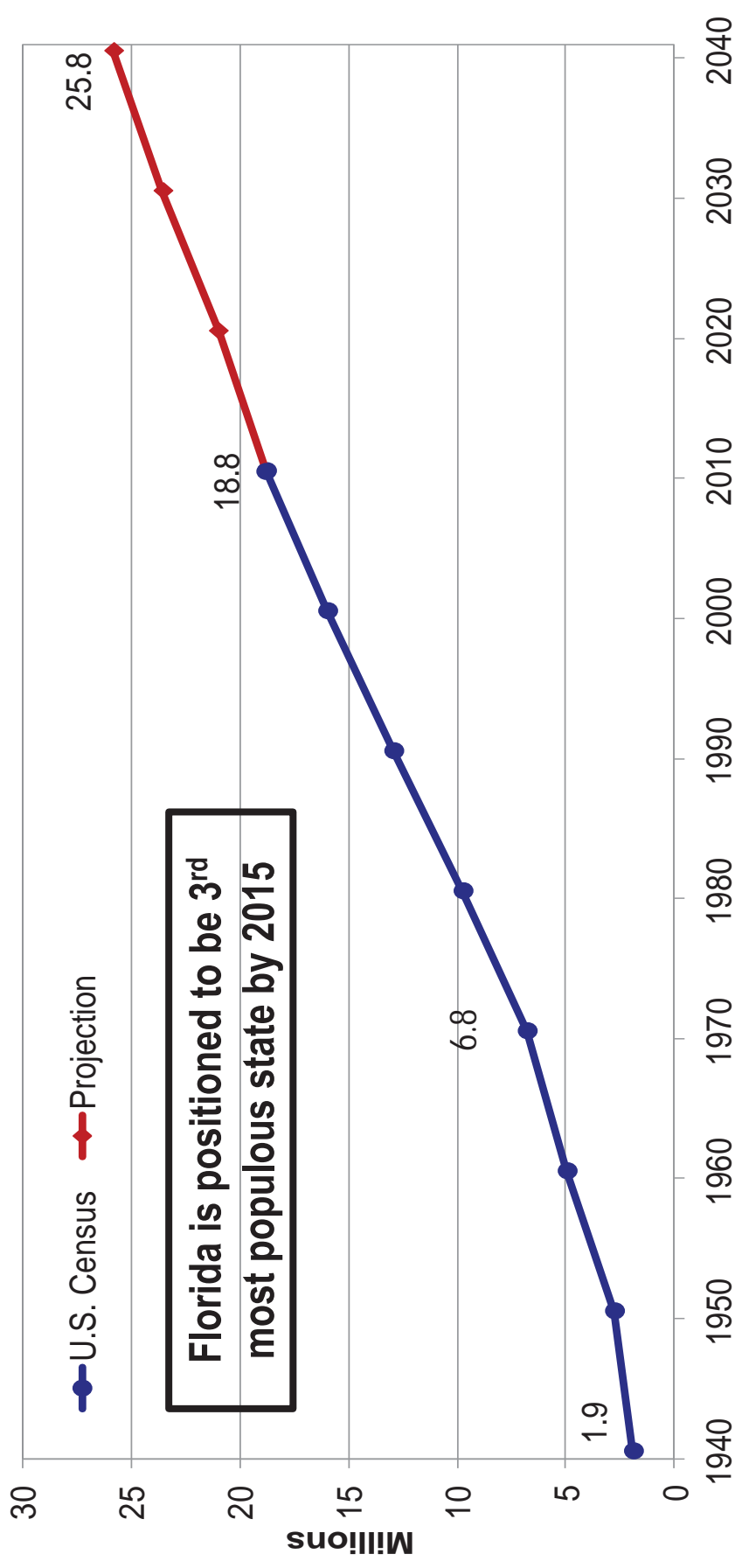


Today's Presentation

- ◆ System trends and conditions
- ◆ Travel demand
- ◆ Challenges Ahead



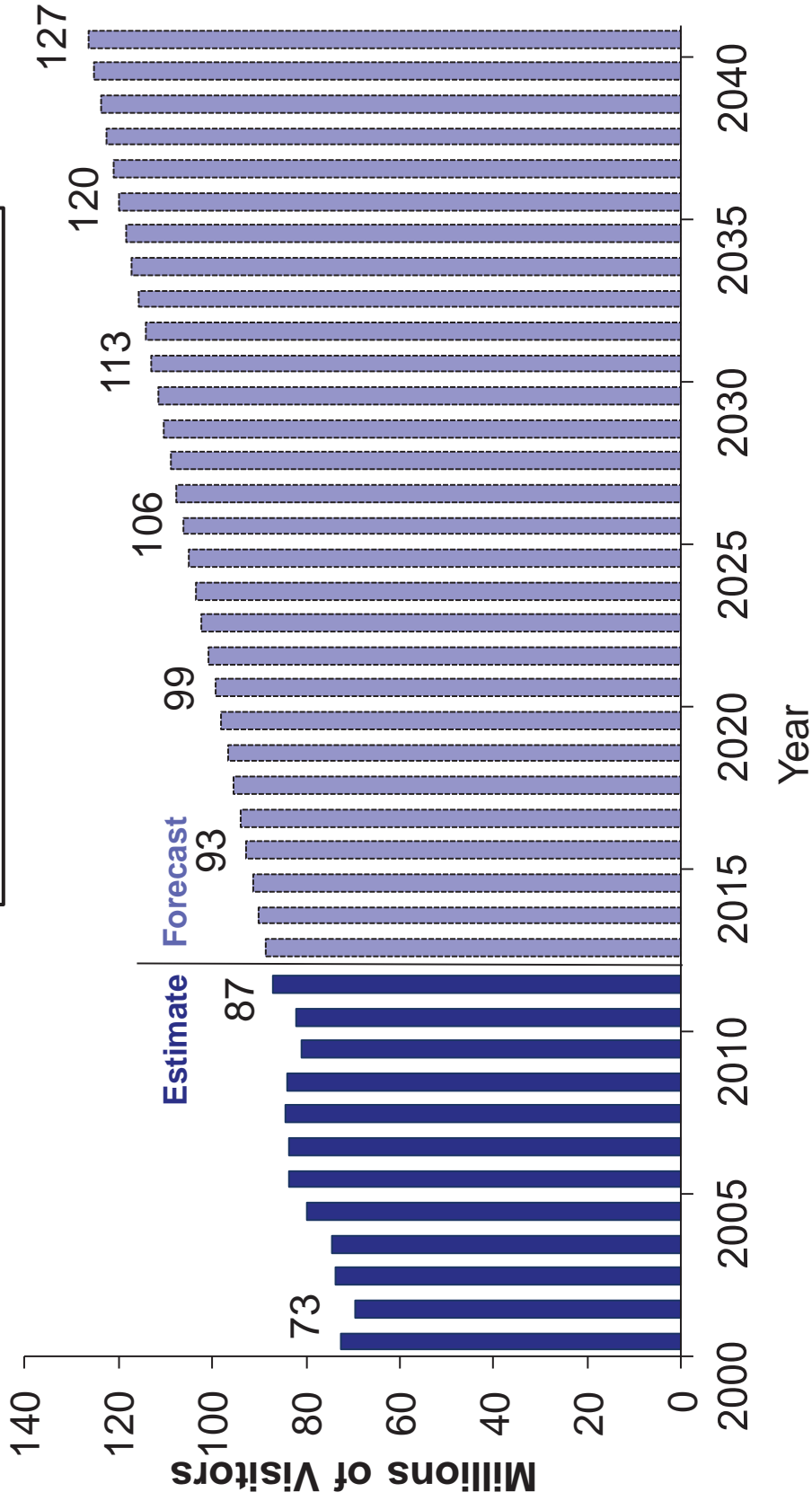
Population Still Growing



Sources: Census Bureau and University of Florida Bureau of Economic and Business Research (BEBR)

More Visitors

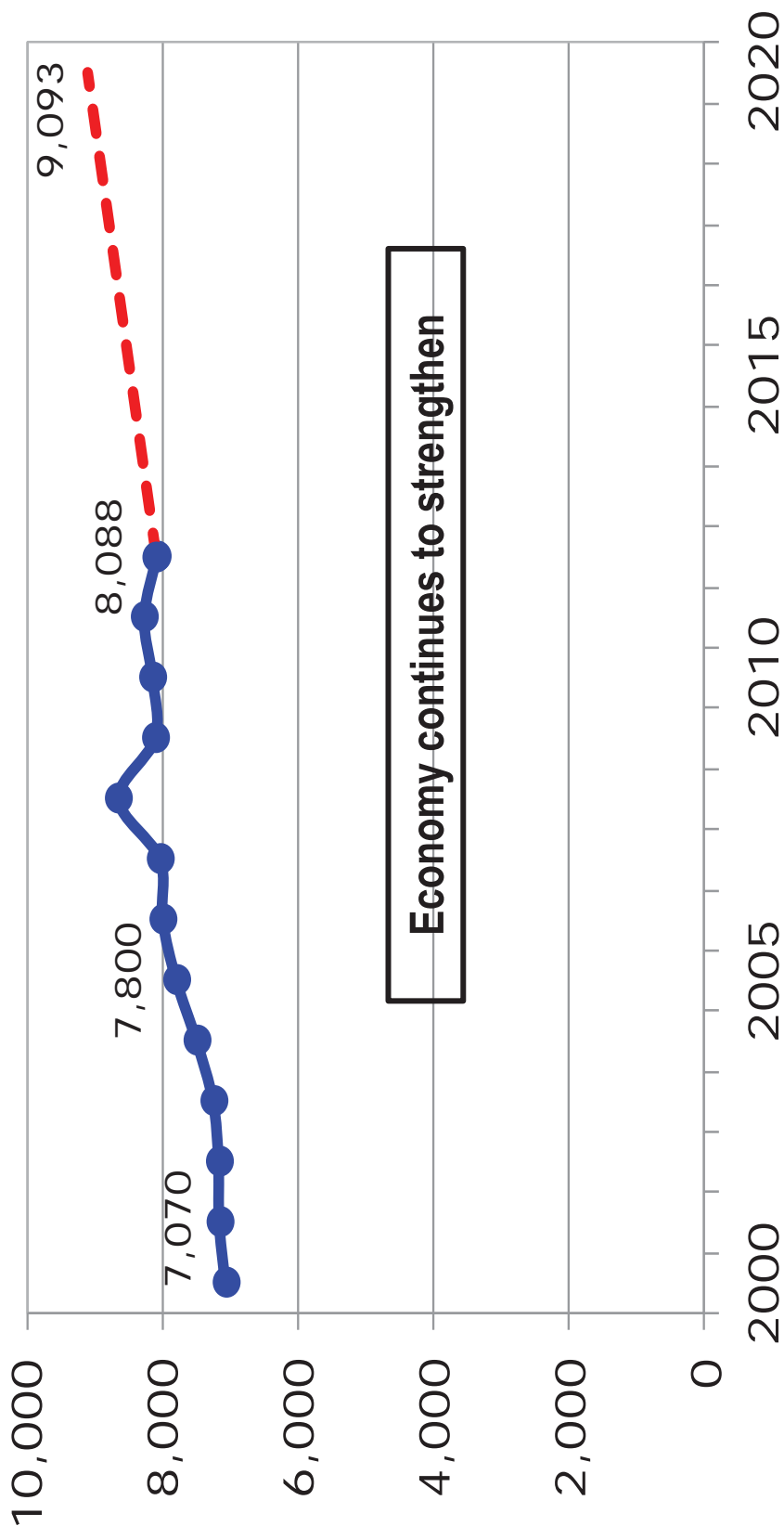
By 2040, increase of ~45% from 2011



Source: Visit Florida (historical, new method used for 2009); FDOT (forecast numbers are extrapolated.)

Employment Rising Again

Employment (in thousands)



Economy continues to strengthen



Source: U.S. Bureau of Labor Statistics, "Current Employment Statistics," and Florida Office of Economic and Demographic Research (September 2012 forecast)

Passenger Travel Continues To Grow

Mode	Measure (millions)	2011	2035	Change
Auto	Annual vehicle-miles traveled	191,855	318,589	66%
Transit	Trips	261	424	63%
Air	Enplanements	69	101	46%
Water	Cruise passengers	14	24	75%
Rail	Interregional passengers	1.16	1.24	7%

Source: 2011 Estimates: auto, transit and air from FDOT; water from Florida Ports Council; and rail from Amtrak.

2035 Forecast: all forecasts are generated by FDOT using linear regression.



Freight Transport Will Increase (millions of tons)

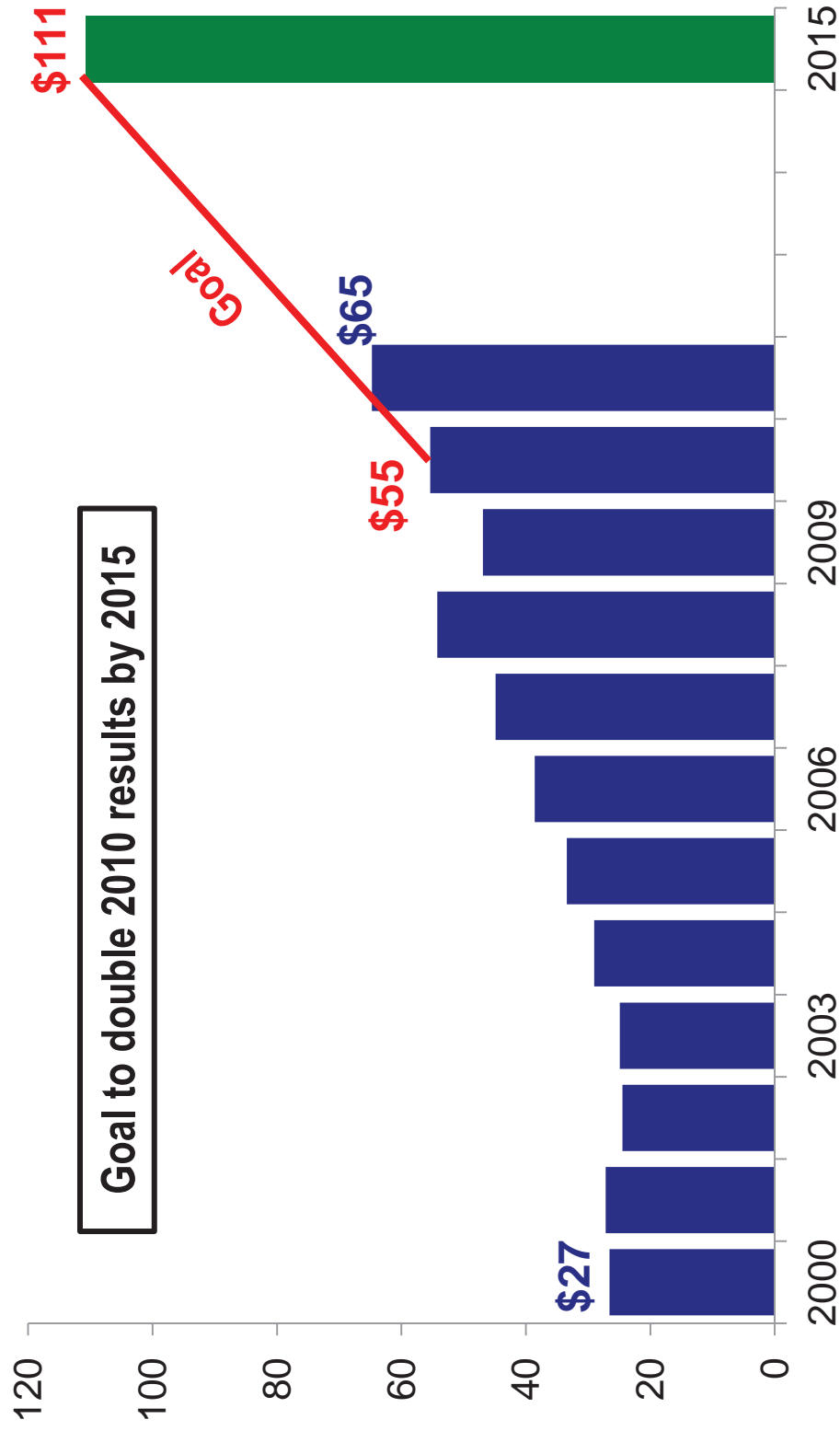
Mode	2010	2035	Change
Truck	452.3	643.0	42%
Rail	75.0	80.2	7%
Int'l waterborne	50.1	78.7	57%
Air	1.2	2.5	108%



Source: Florida Chamber Foundation and Florida Department of Transportation,
Florida Trade and Logistics Study (as of February 2011)

More Global Trade

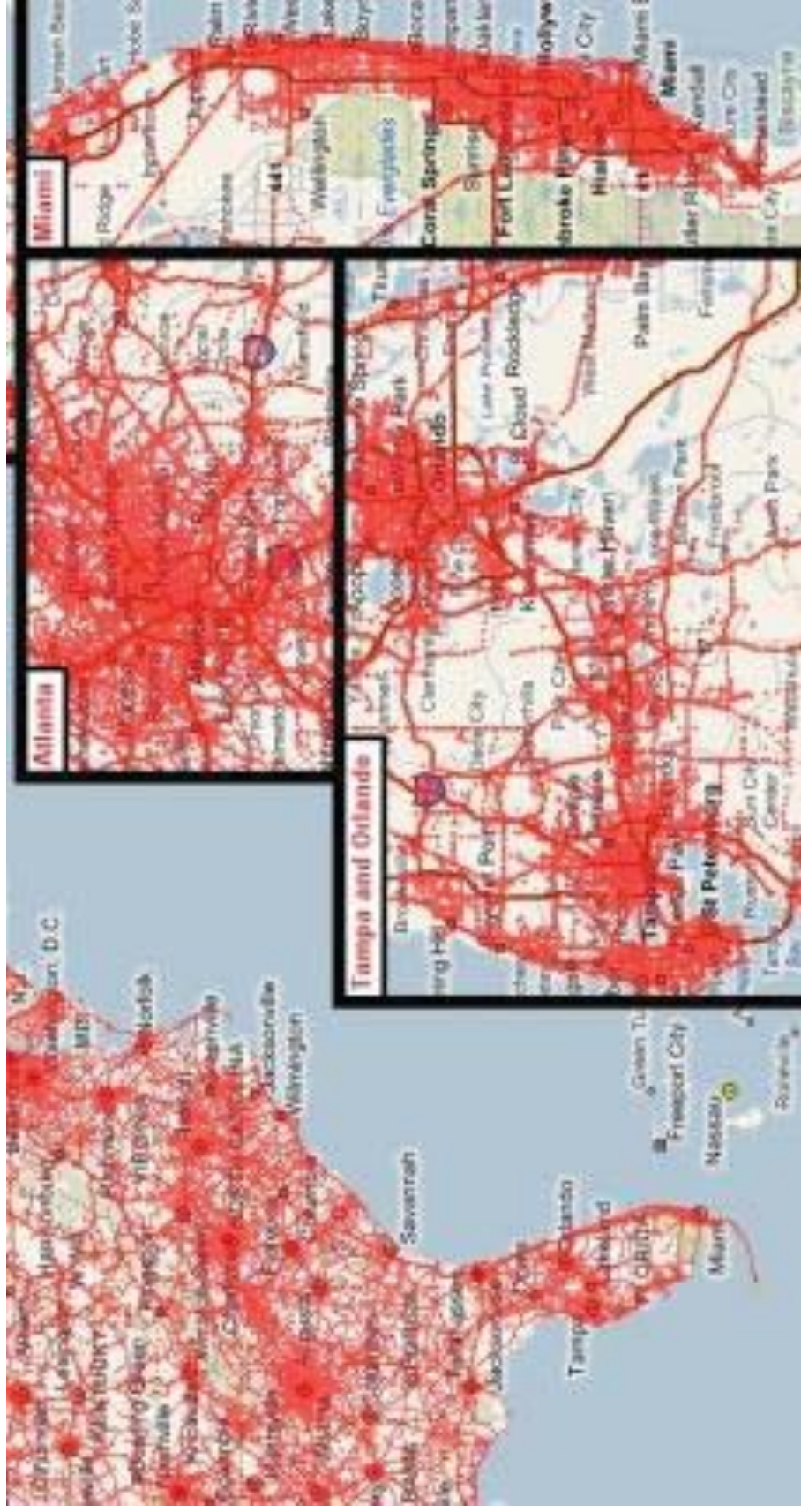
Florida Origin Exports, \$Billions



Source: U.S. Census Bureau, Foreign Trade Division.

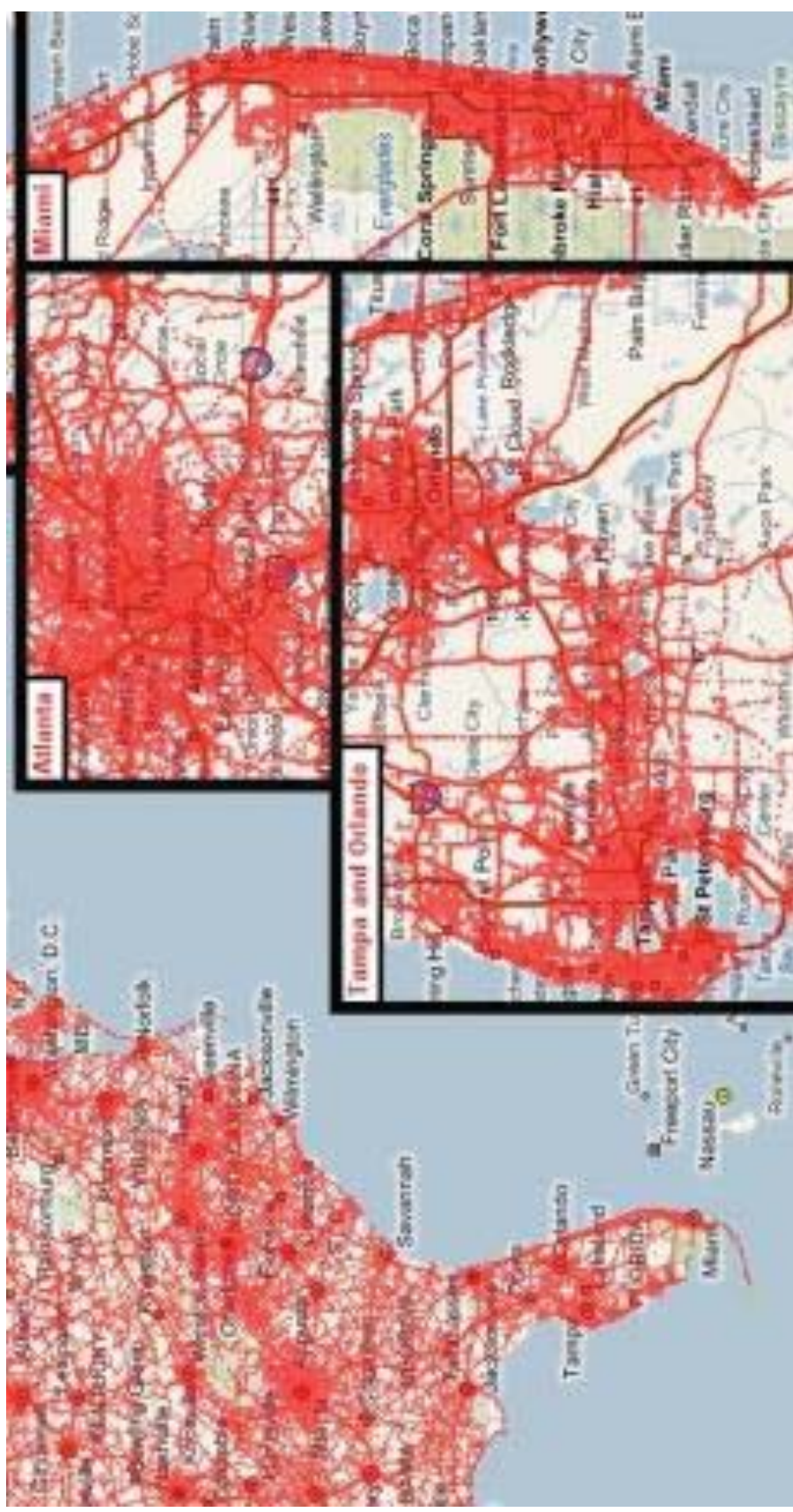
Florida – Fall 2010

15 minutes of GPS data – Thursday PM Peak



Florida – Fall 2012

15 minutes of GPS data – Thursday PM Peak



Fuel Economy Standards

- ◆ CAFE standards for new cars will increase from 35.5 MPG in 2016 to 54.5 MPG in 2025
- ◆ Federal gas tax revenues will decrease by approximately 21 percent by 2040
- ◆ Florida can also expect a reduction in state gas tax collections

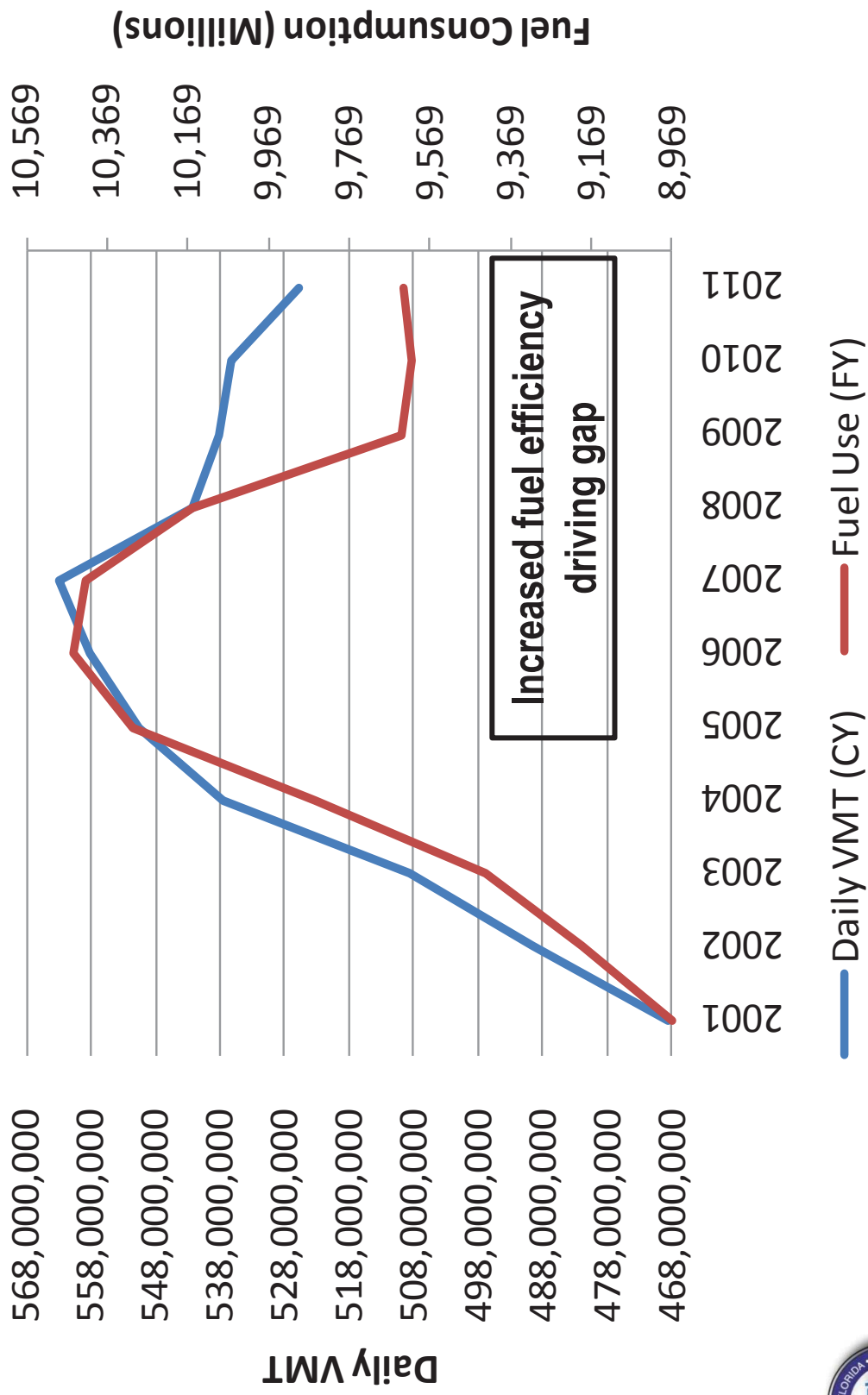


The Future of Fuel Tax

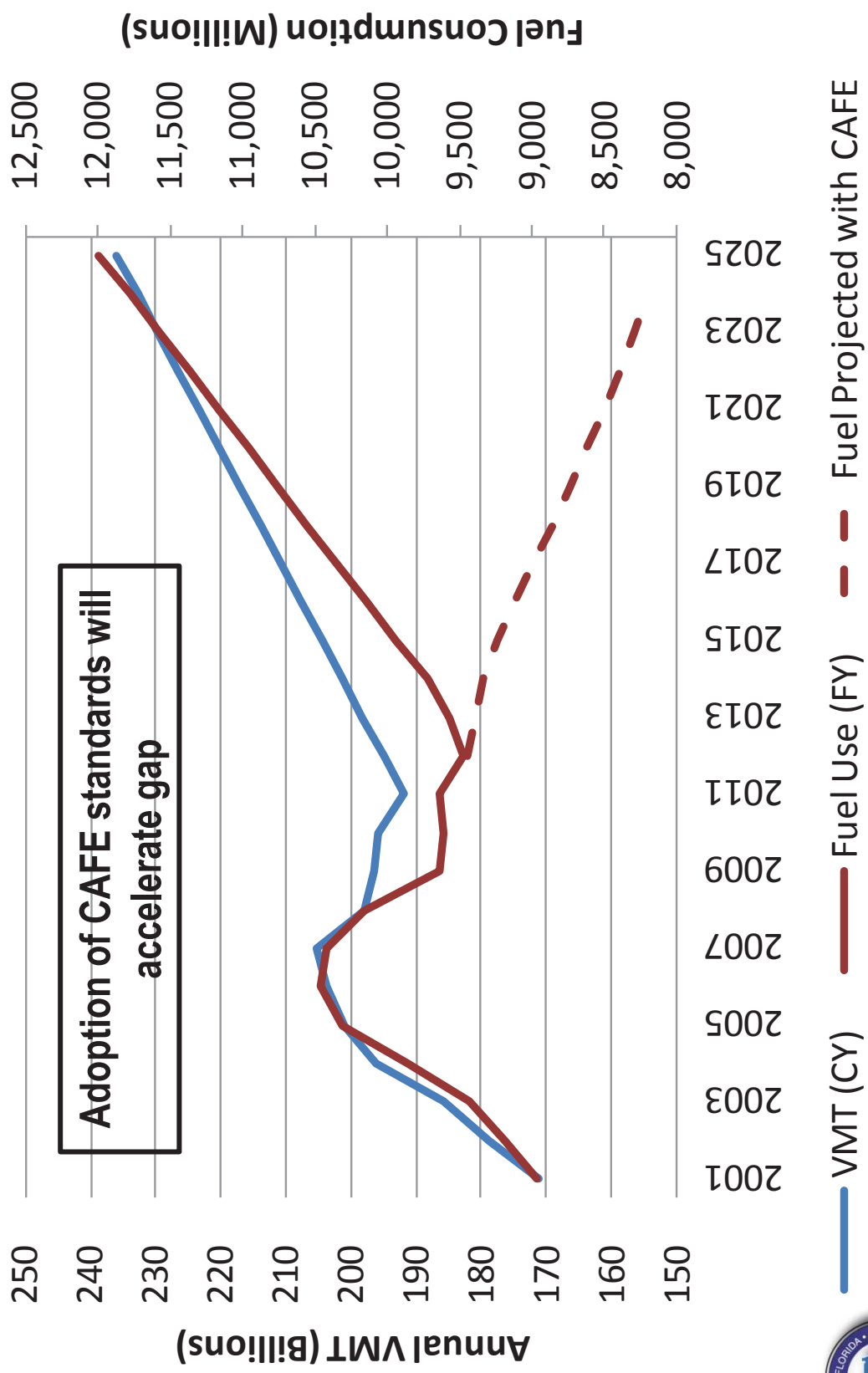
- ◆ Various market pressures are driving up average vehicular fuel efficiencies
- ◆ The average driver will pay less for use of the roadway network in the future. Fuel taxes paid decrease as fuel efficiency increases.
- ◆ The fuel tax will become a less sustainable and less equitable proxy fee for road use into the future



Actual VMT vs. Fuel Use – 2001-2011



Projected VMT vs. Fuel Use Through 2025

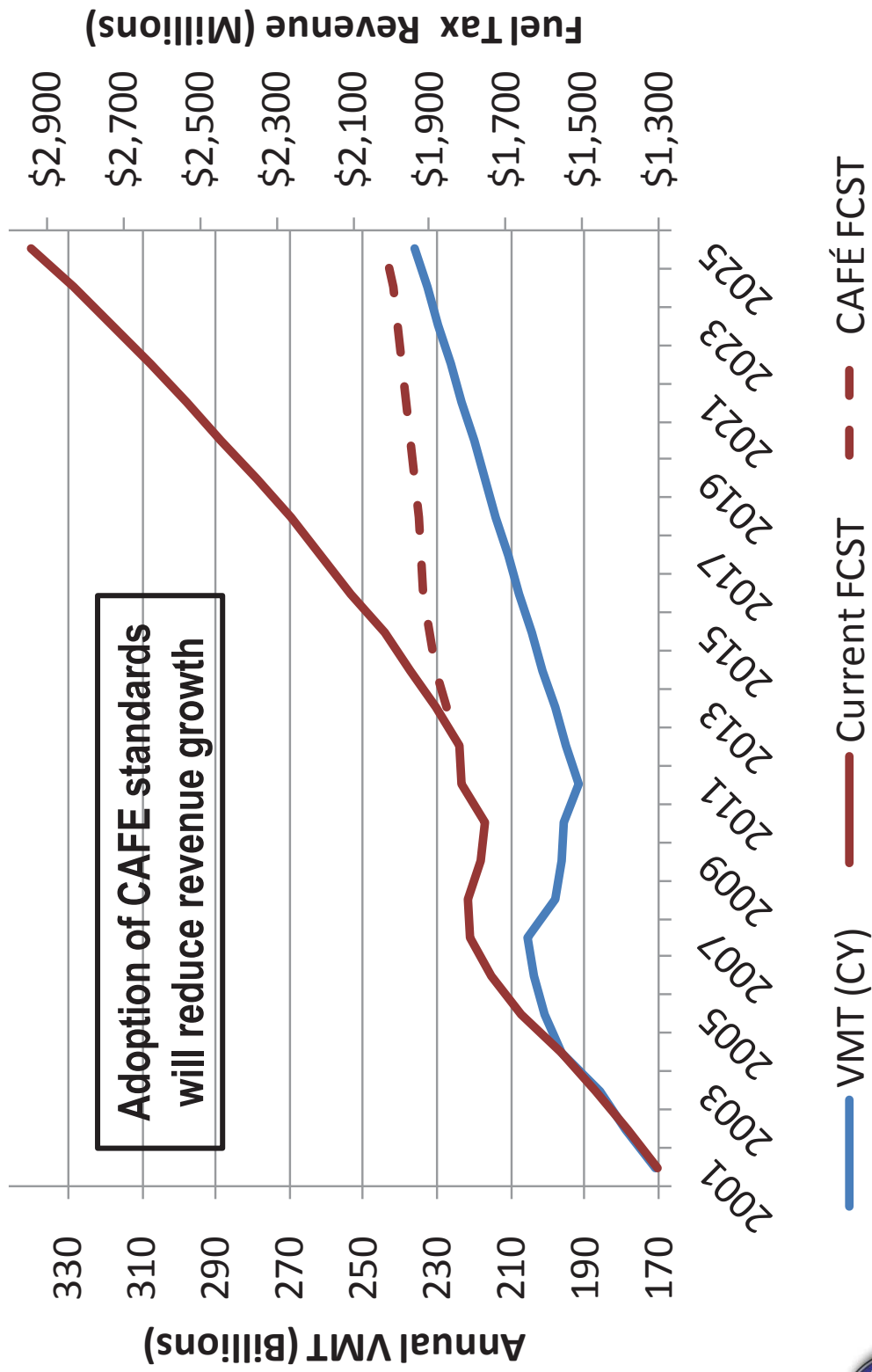


State Transportation Trust Fund Fiscal Year 2011-12 Receipts

SOURCE	AMOUNT (Millions)	PERCENT
Fuel Tax	\$1,801	33.48%
Aviation Fuel Tax	\$13	0.25%
Motor Vehicle Fees	\$678	12.59%
Rental Car Surcharge	\$109	2.03%
Documentary Stamps	\$114	2.13%
Miscellaneous Revenue	\$105	1.95%
Reimbursements/Participations*	\$580	10.78%
Interest	\$8	0.15%
Federal Aid	\$1,972	36.64%
Total	\$5,381	100.00%



Projected VMT vs. Fuel Revenue Through 2025

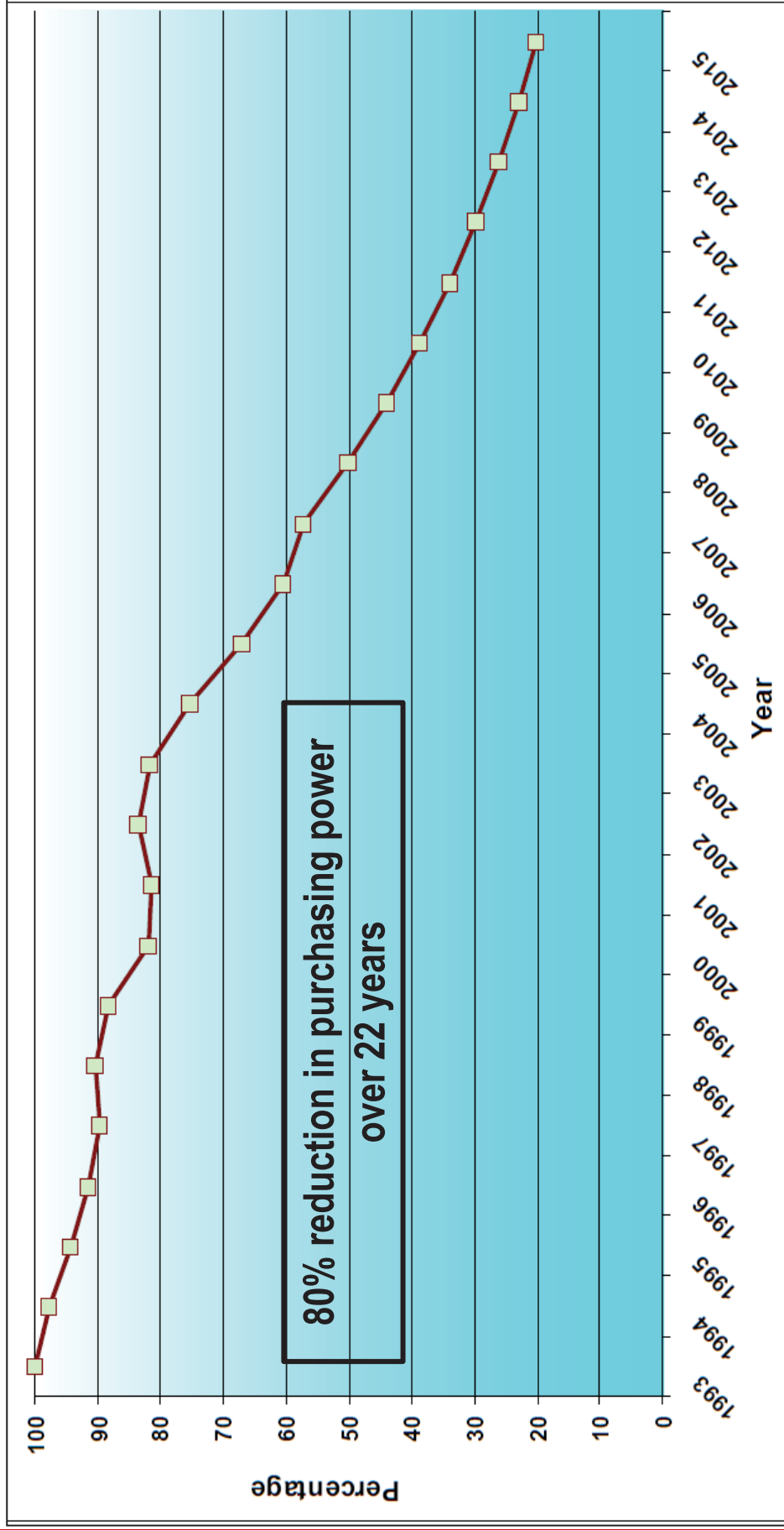


Federal Highway Trust Fund

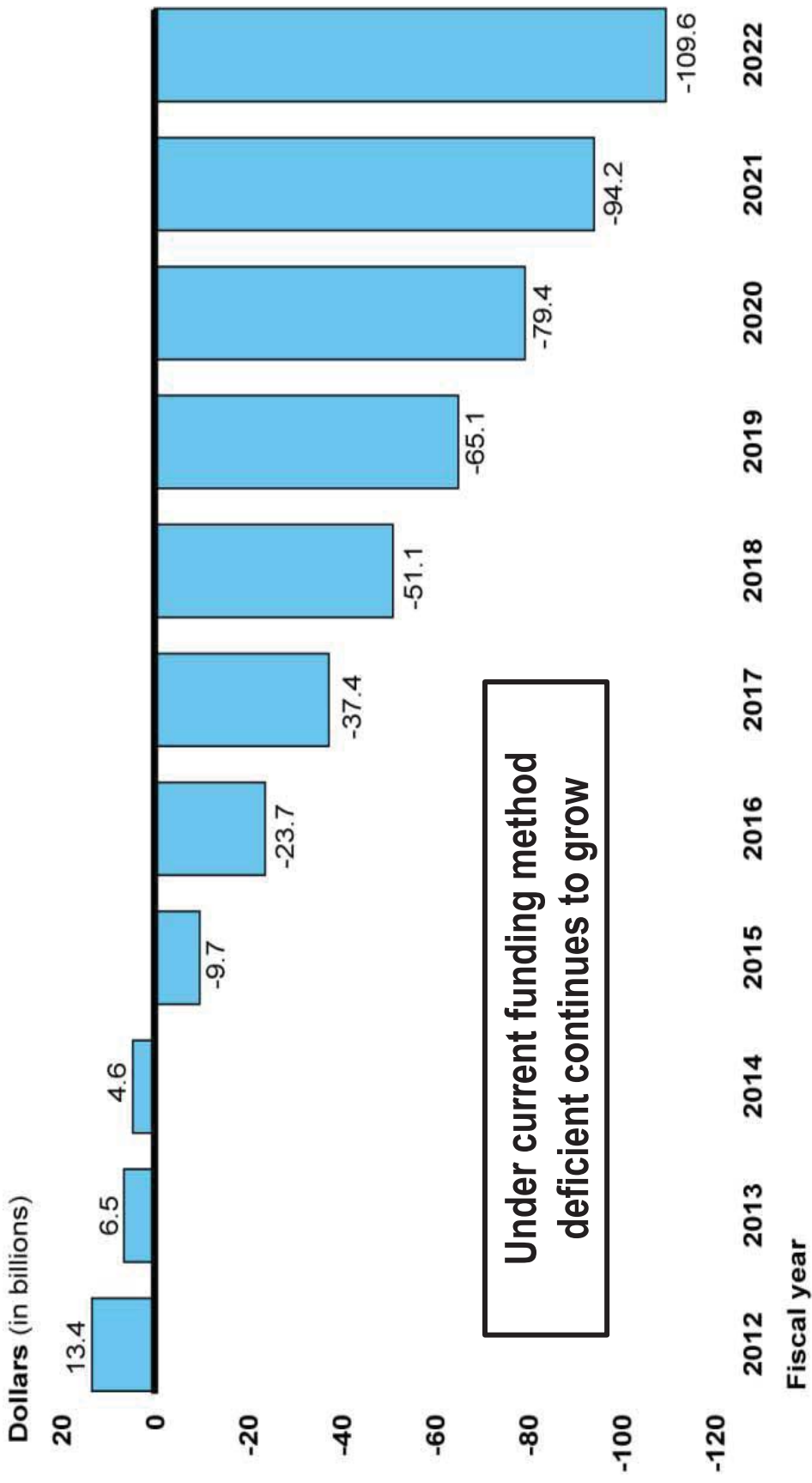
- ◆ The Federal Highway Trust Fund has required several General Fund (GF) transfers
- ◆ Over \$35 billion in GF transfers were necessary to extend the prior legislation (SAFETEA-LU) for 3 years
- ◆ \$19 billion in GF transfers were necessary to fund the new legislation (MAP-21)
- ◆ \$12 billion per year will be needed to extend current funding levels beyond 2014



Decline in Purchasing Power of Federal Motor Fuel Taxes (Based on Inflation since 1993)



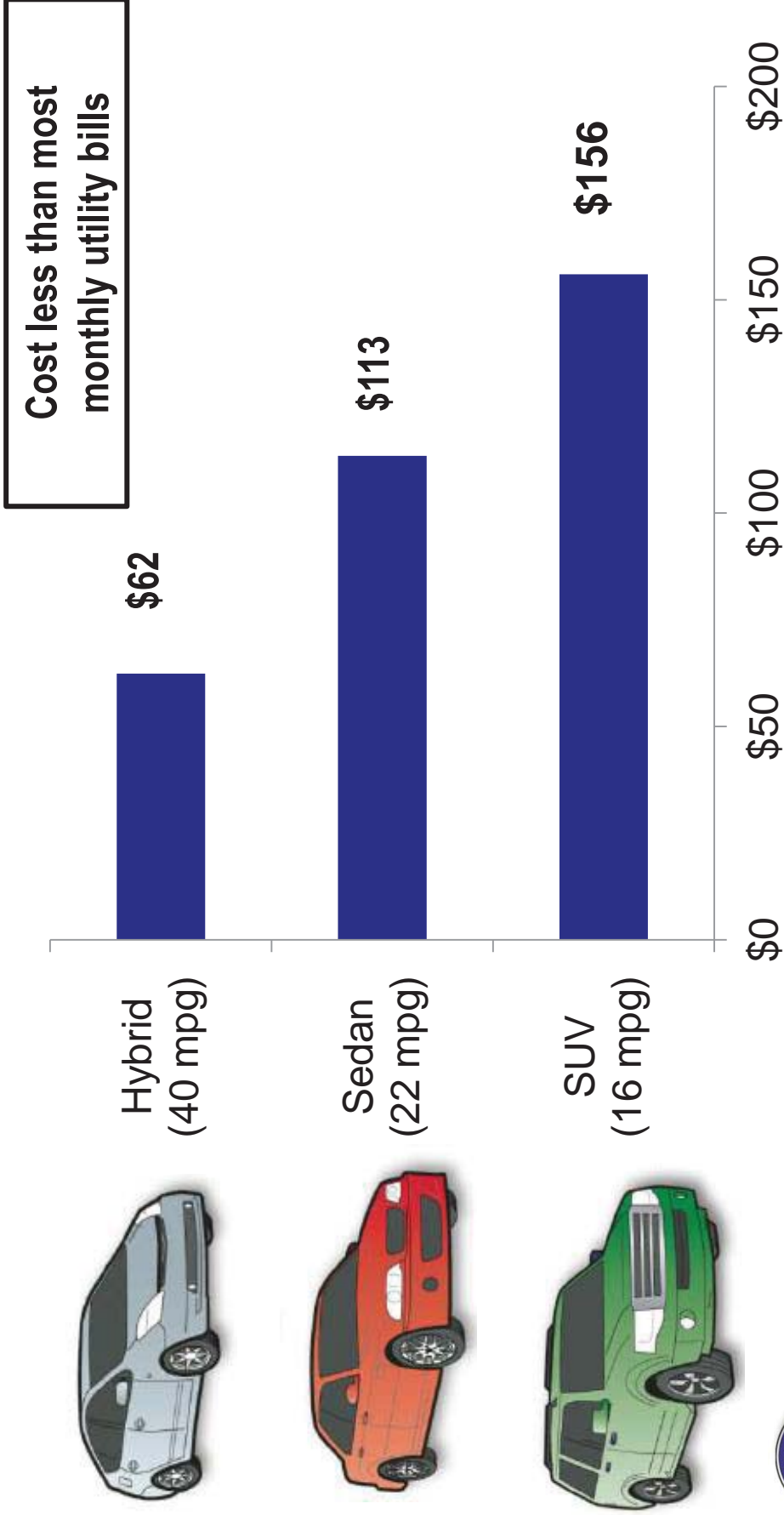
Projected Federal Highway Trust Fund Balance, 2012 to 2022



Source: GAO analysis of CBO data.



Average Annual State Fuel Taxes Paid by Passenger Vehicles in Florida







**The Florida House of Representatives
Transportation & Highway Safety Subcommittee**

**Howard Glassman, Executive Director
Florida MPO Advisory Council
February 6, 2013**

Purpose of the Study

- Address the transportation funding shortfall in Florida's metropolitan areas
- Identify sustainable, innovative and acceptable recommendations to meet Florida's mobility needs
- Develop legislative approaches to address transportation funding needs in Florida

MPOAC Transportation Revenue Study was completed in July 2012 through the services of the Center for Urban Transportation Research at USF

Revenue Study Advisory Committee

- Florida Airports Council
- Florida Transportation Builders Association
- Florida Chamber of Commerce
- Florida League of Cities
- Floridians for Better Transportation
- Florida Association of Counties
- The Nature Conservancy in Florida
- Florida Trucking Association
- MPOAC Staff Directors Representative - Chair
- Florida Ports Council
- Chair MPOAC Governing Board
- Florida Transportation Commission
- American Public Works Association, Florida Chapter
- Florida Public Transportation Association
- Florida Regional Councils Association



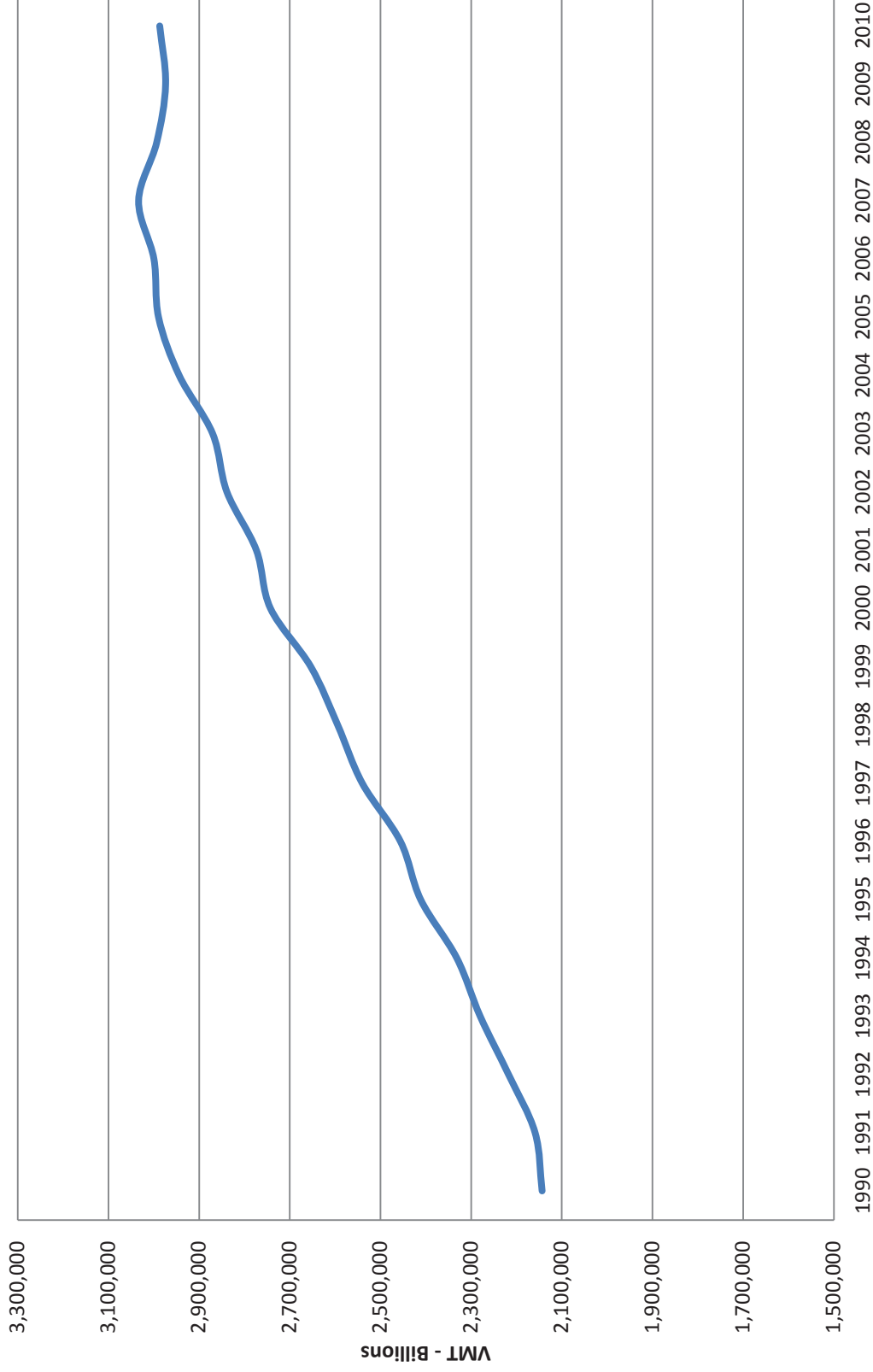
FEDERAL REVENUE SOURCES

Critical Federal Transportation Funding Issues

- Revenues from the tax on highway fuels represent 90 percent of the receipts that accrue to the Federal Highway Trust Fund
- Revenues linked to vehicle miles traveled and vehicle fleet efficiency (fuel use)
- Federal highway taxes flat cents per gallon, not adjusted for inflation and not adjusted since 1997
 - 18.4 cents gasoline
 - 24.4 cents diesel
- Highway Trust Fund balance has been in a steady decline requiring federal General Fund infusions to ensure its solvency
 - \$8.017 billion in September 2008
 - \$7 billion in August of 2010

Highway Travel Trends

U.S. Vehicle Miles Traveled



Source: USDOT, Federal Highway Administration, "Traffic Volume Trends," August 2010

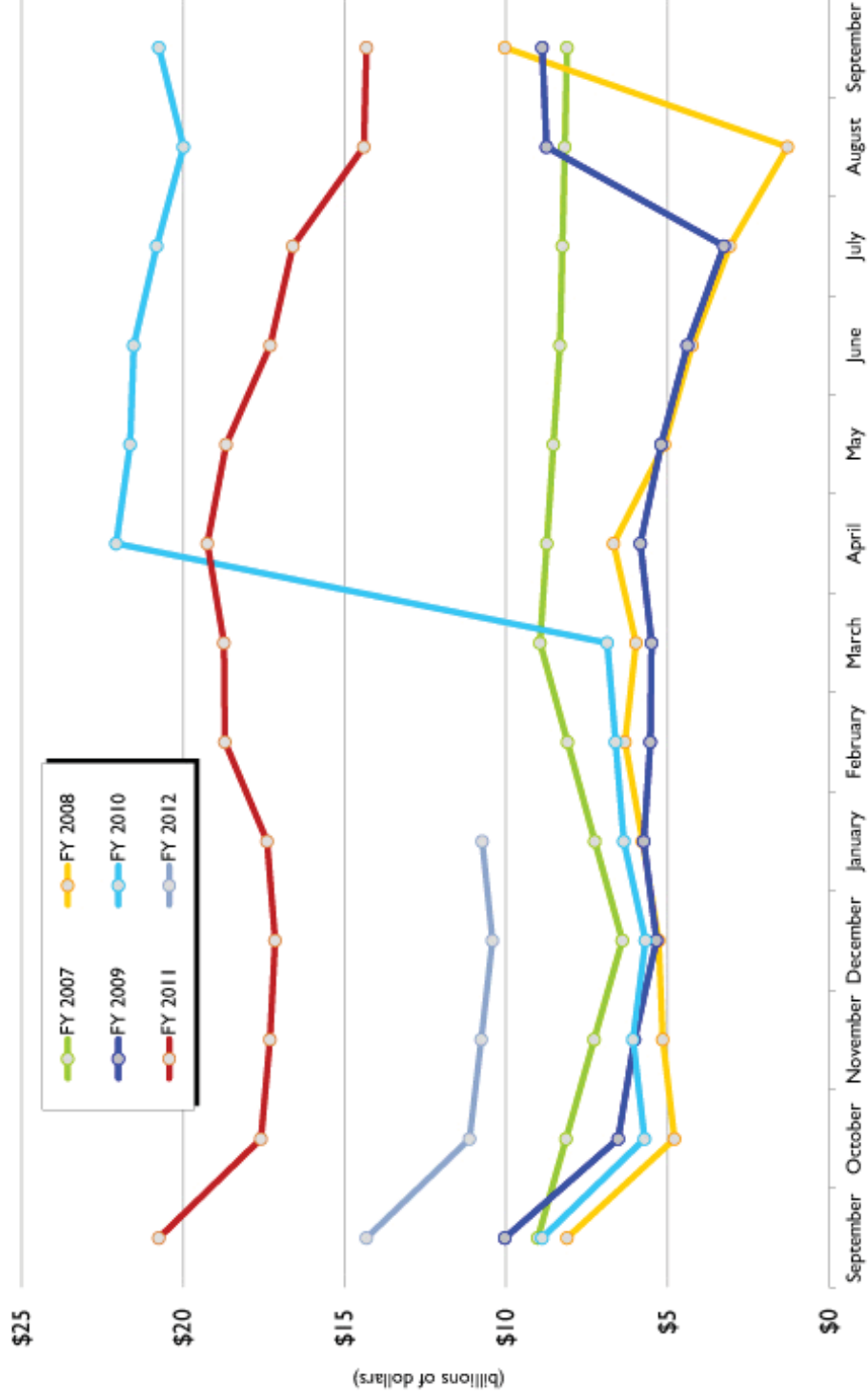
Fuel Efficiency

Corporate Average Fuel Efficiency Standards 1980 - 2016



Federal Trust Fund Balances

Highway Account Balance



Ending balance for FY 2008 includes \$8.017 billion transferred from the General Fund in September pursuant to Public Law 110-318.
 Ending balance for FY 2009 includes \$7 billion transferred from the General Fund in August pursuant to Public Law 111-46.
 Ending balance for FY 2010 includes \$14.7 billion transferred from the General Fund in April pursuant to Public Law 111-147.

Source: USDOT, Federal Highway Administration

MPD&C TRANSPORTATION REVENUE STUDY

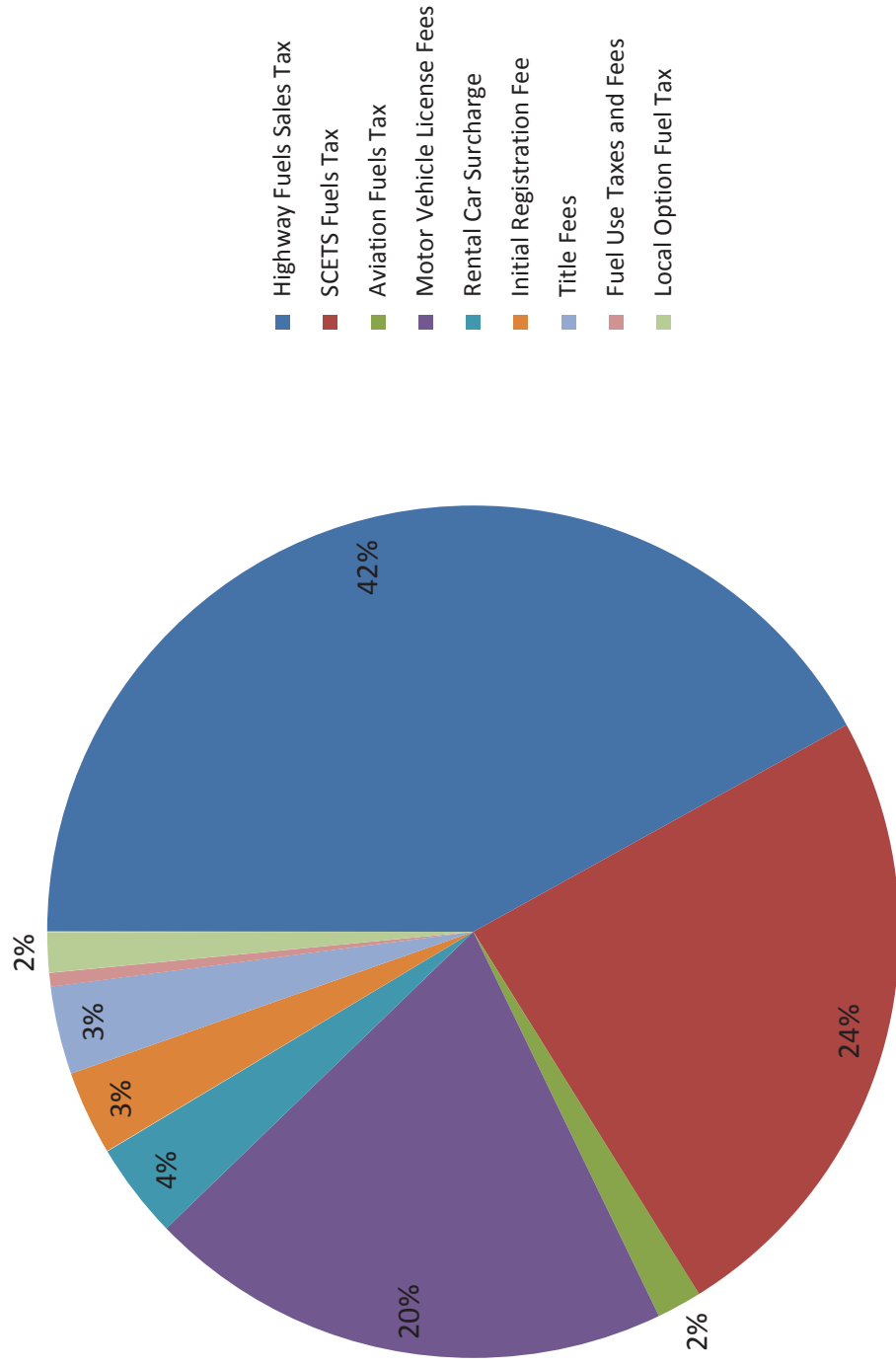




STATE OF FLORIDA REVENUE SOURCES

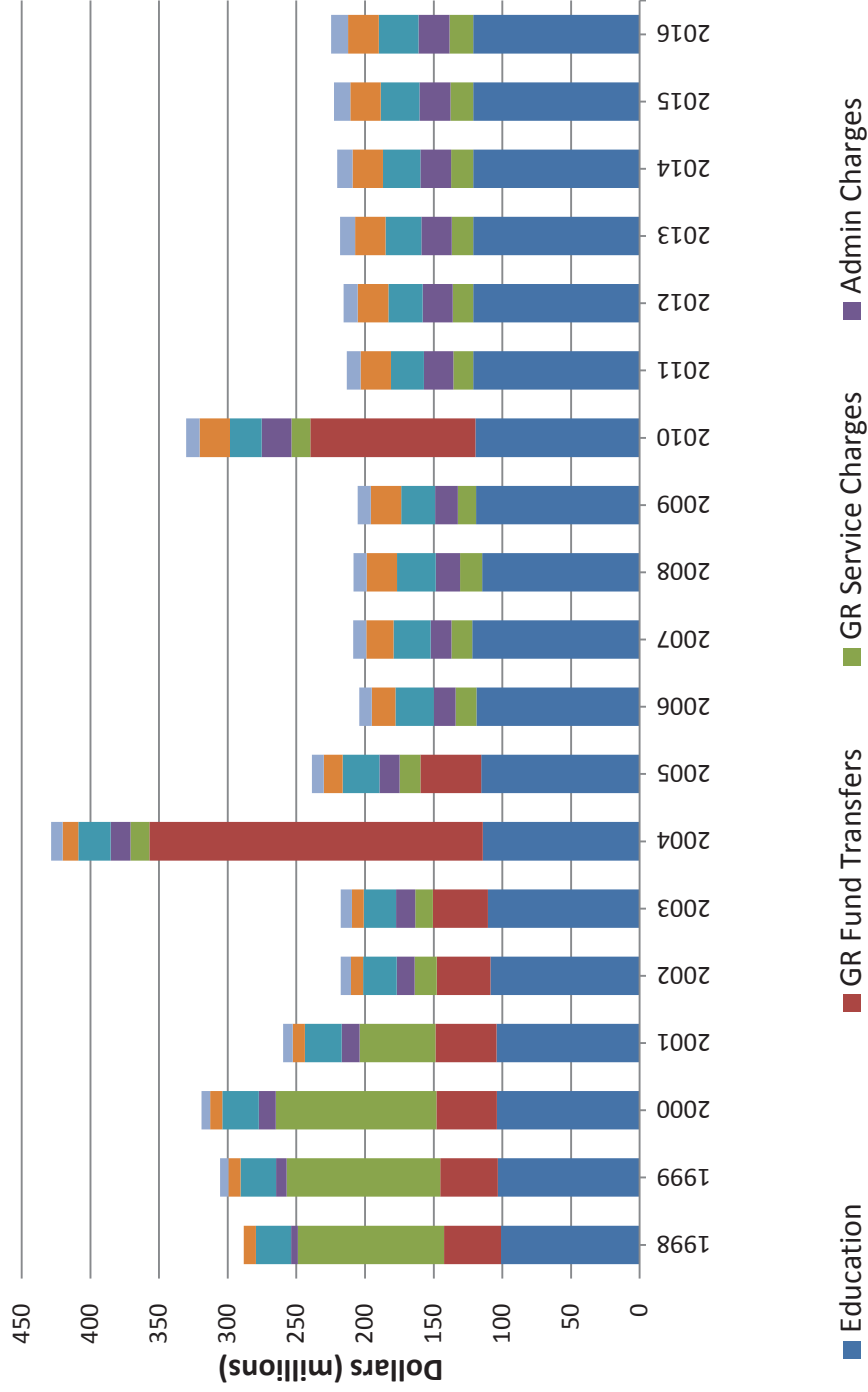
State of Florida Transportation Funds

State Transportation Trust Revenue Sources - FY 2010 -11



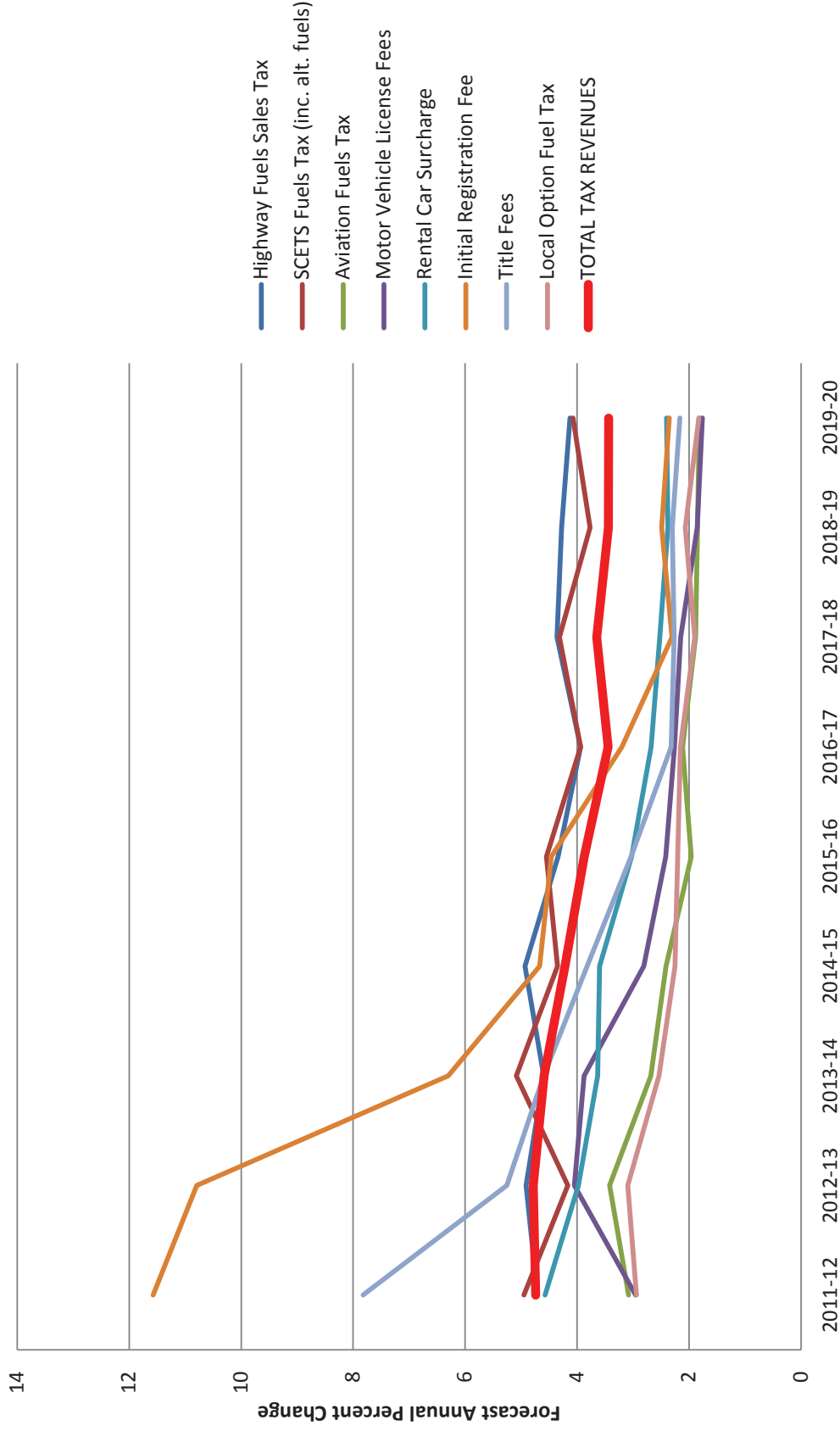
Florida Transportation Fund Diversion

Transportation Funds Used for Other Purposes

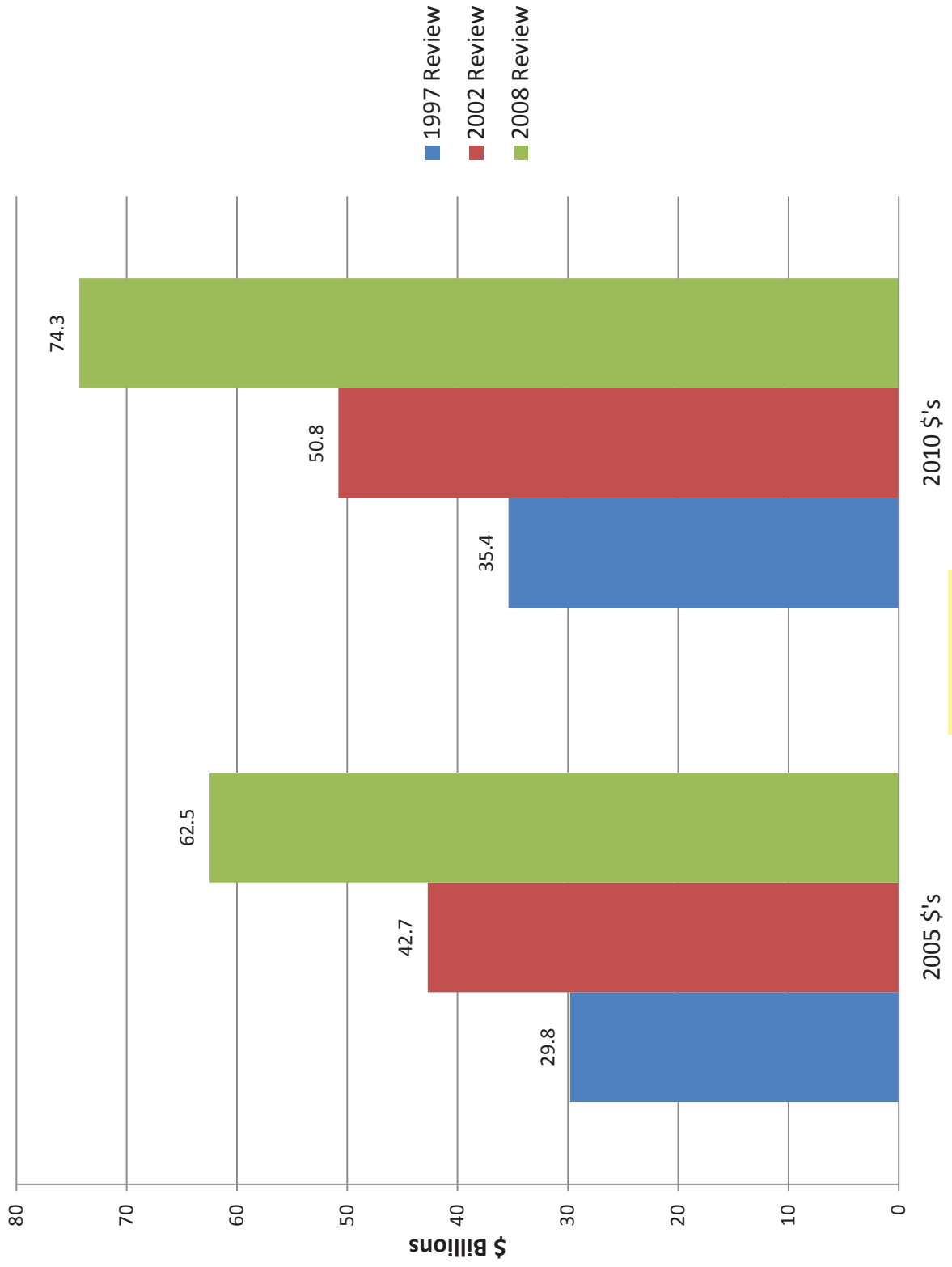


State Revenue Forecasts

Revenue Estimating Conference Forecast - August 2010



Florida Metro Area Transportation Funding Shortfall Estimates

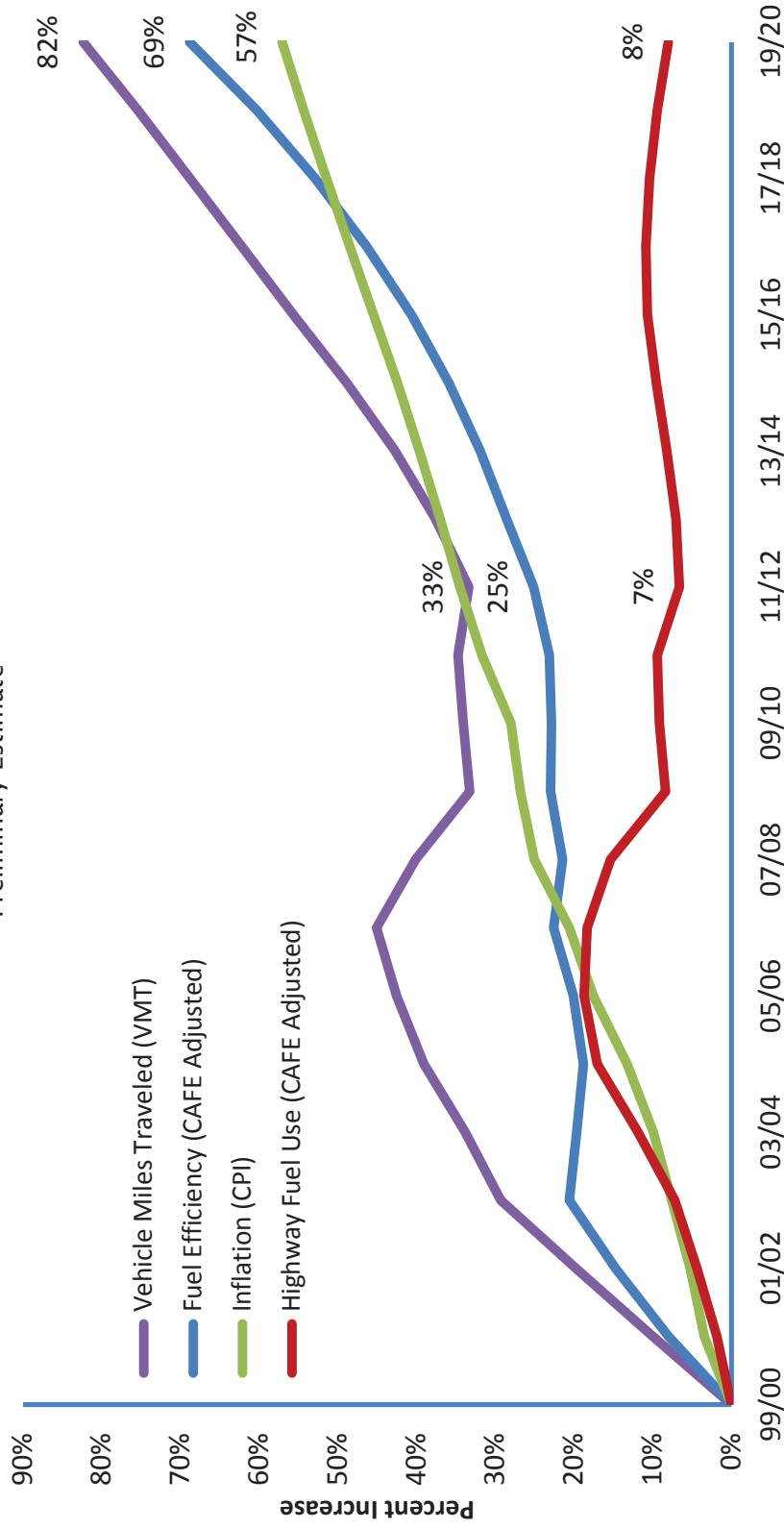


State Trust Fund Purchasing Power

Power

Variables Affecting The Purchasing Power of Transportation Revenues

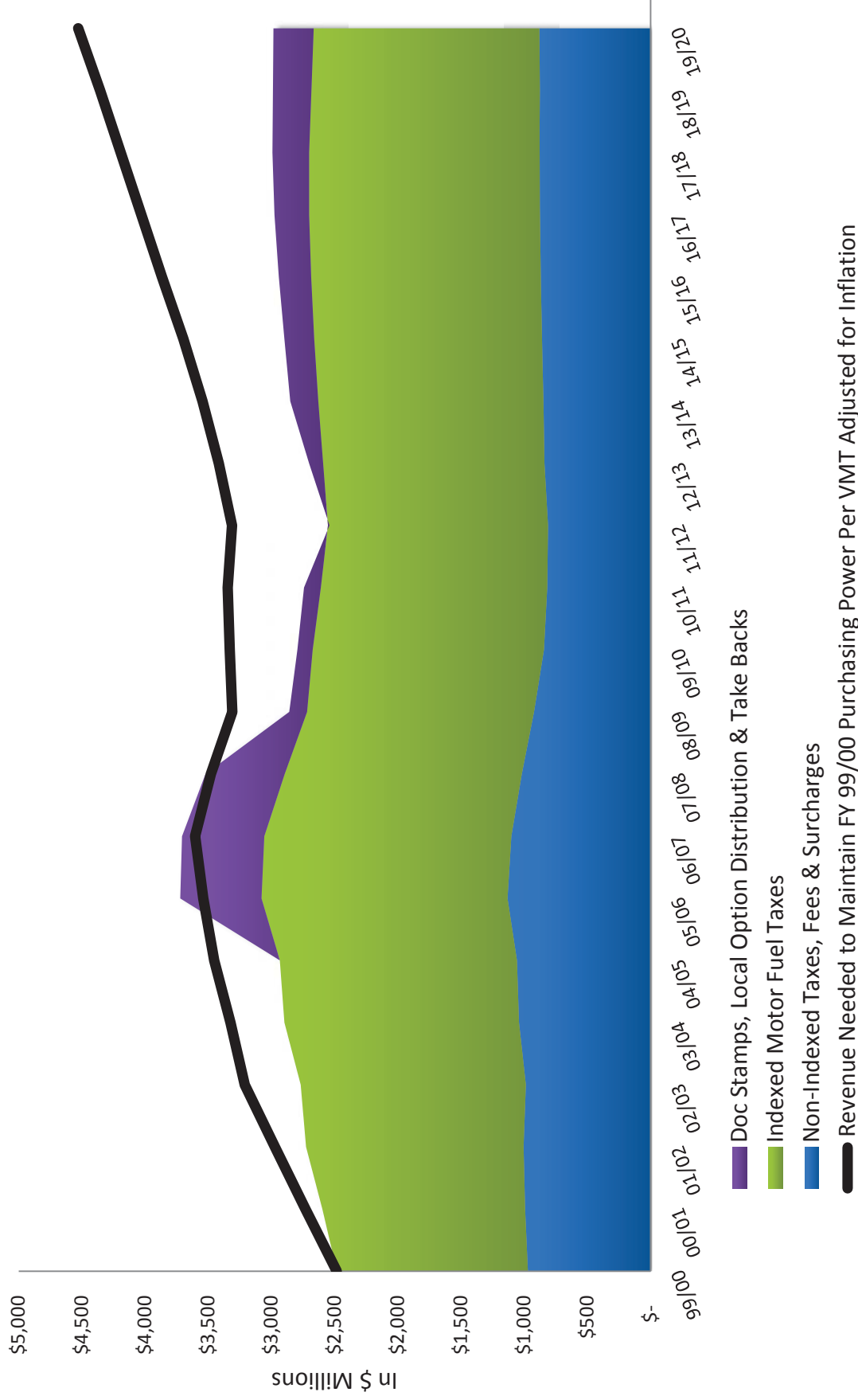
Sources: FDOT 2009 Source Book of Florida Highway Data, Oct 2011 REC & 2012-2025 CAFE Preliminary Estimate



State Transportation Taxes & Fees

\$12.1 Billion In Lost Purchasing Power

In Current \$ - Adjusted for Growth In Vehicle Miles Traveled



**Transportation Taxes and Fees
Purchasing Power Value Lost Due to Inflation
Rate Increases Required to Restore Lost Purchasing Power**

Table Excludes the Surcharges to General Revenue Enacted in 2009

Tax/Fee	Rate (to STIF)	Unit of Measure	Last STIF Rate Increase	Years Since Last Increase	CPI-U Index Level	Inflation Adjusted Value of \$1.00	To Restore Original Purchasing Power		
							% Rate Increase Needed	Inflation Adjusted Rate	Rate Increase Needed
State Fuel Use	12.3	per gal	2011	0	224.9	\$1.00	0%	12.3	0.0
SCETS	6.8	per gal	2011	0	224.9	\$1.00	0%	6.8	0.0
Off Highway	12.0	per gal	2011	0	224.9	\$1.00	0%	12.0	0.0
Federal Highway Fuel	18.4	per gal	1997	14	160.5	\$0.71	40%	25.8	7.4
Federal Highway Diesel	24.4	per gal	1997	14	160.5	\$0.71	40%	34.2	9.8
Local Option Fuel	12.0	per gal	1993	18	144.5	\$0.64	56%	18.7	6.7
Title Fee	various	one time	1991	20	136.2	\$0.61	65%	various	various
Aviation Fuel	6.9	per gal	1990	21	130.7	\$0.58	72%	11.9	5.0
Initial Registration Fee	\$100.00	one time	1990	21	130.7	\$0.58	72%	\$172.07	\$72.07
Rental Car Surcharge	\$2.00	per day	1990	21	130.7	\$0.58	72%	\$3.44	\$1.44
MVL Fees	various	annual	1983	28	99.6	\$0.44	126%	various	various
Municipal Fuel	1.0	per gal	1971	40	40.5	\$0.18	455%	5.6	4.6
Constitutional Fuel	2.0	per gal	1943	68	17.3	\$0.08	1200%	26.0	24.0
County Fuel	1.0	per gal	1941	70	14.7	\$0.07	1430%	15.3	14.3

Purchasing Power Calculations for Non-Indexed Taxes & Fees Are Calculated Using April 2011 CPI Index of 224.9.

The 2010 General Revenue Surcharges imposed on MVL Fees, Initial Registration Fees, Title Fees and Rental Car Surcharges are excluded from this analysis since they did not impact the purchasing power of the respective share of revenues directed to the State Transportation Trust Fund.

MPOAC Revenue Study Action

- At its April 26, 2012 meeting, the MPOAC took the following action:
 - Transmit to the Legislature / Governor information on the State’s unfunded transportation needs and the 14 options to reduce the funding shortfall.
 - Initiate legislative action on the top six revenue options to implement those items.

General Funding Recommendations

- Increase local funding to expand the secondary transportation system of county roads, city streets and public transportation.
- Restore the purchasing power of Florida's transportation dollar to the year 2000 through an additional \$12.1 billion over the next 8 years.
- Develop a plan to transition from the traditional fuel tax to a more sustainable source of revenue.



QUESTIONS?

FOR MORE INFORMATION PLEASE CONTACT:

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