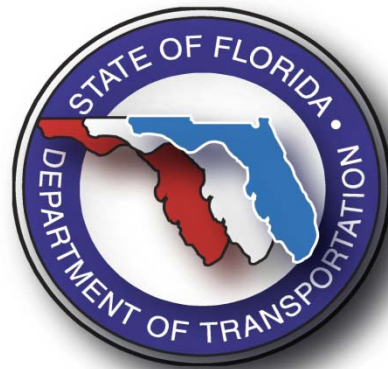


Florida's Transportation Commission & Reason Foundation Mileage-Based User Fee Alliance



Sustainable Transportation Funding Workshop

Assistant Secretary Brian Peters

August 15, 2013

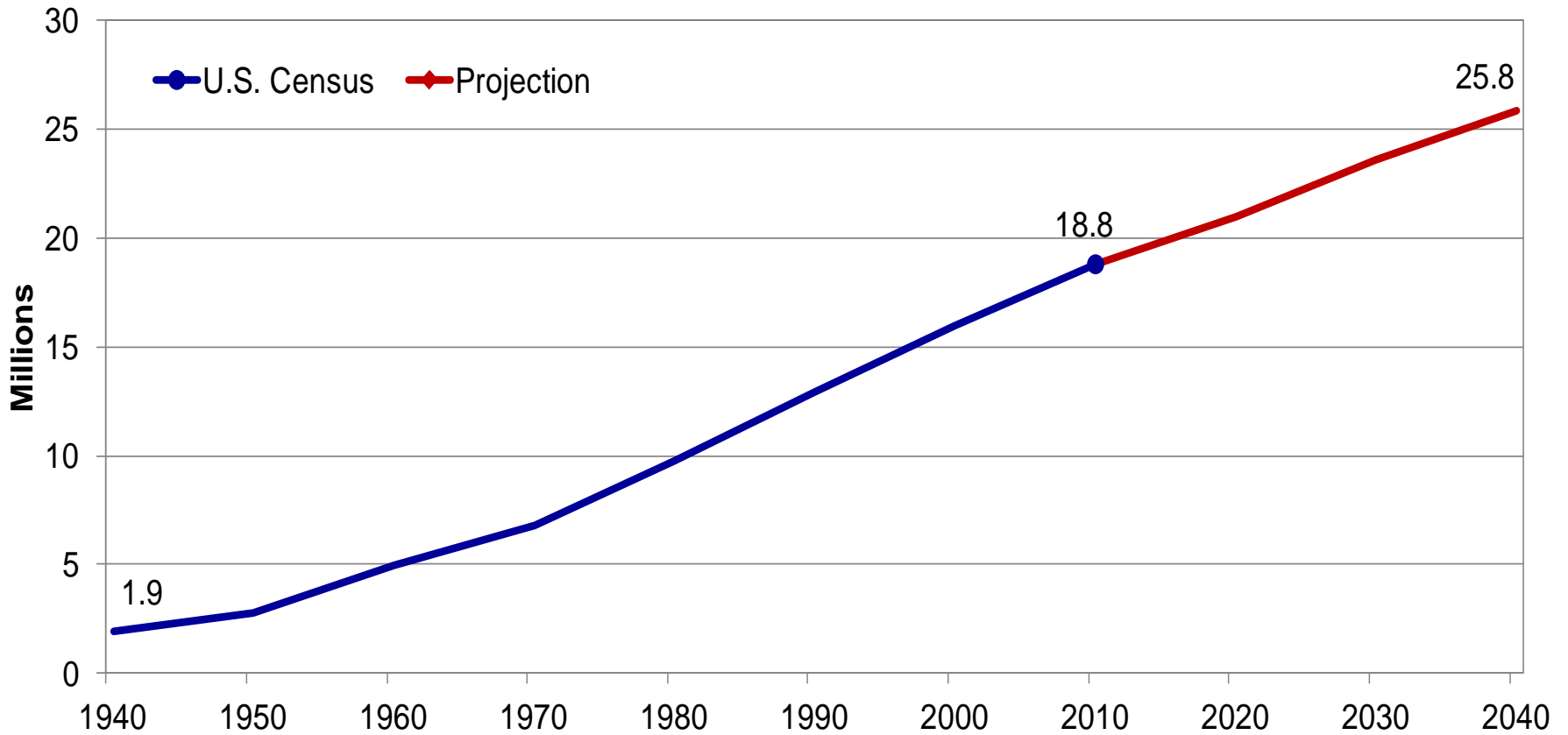


Funding Florida's Future Transportation Needs

- u Where Florida Is Today
- u What We Are Doing At A State Level
- u Challenges
- u Stepping Up At The State And Federal Level



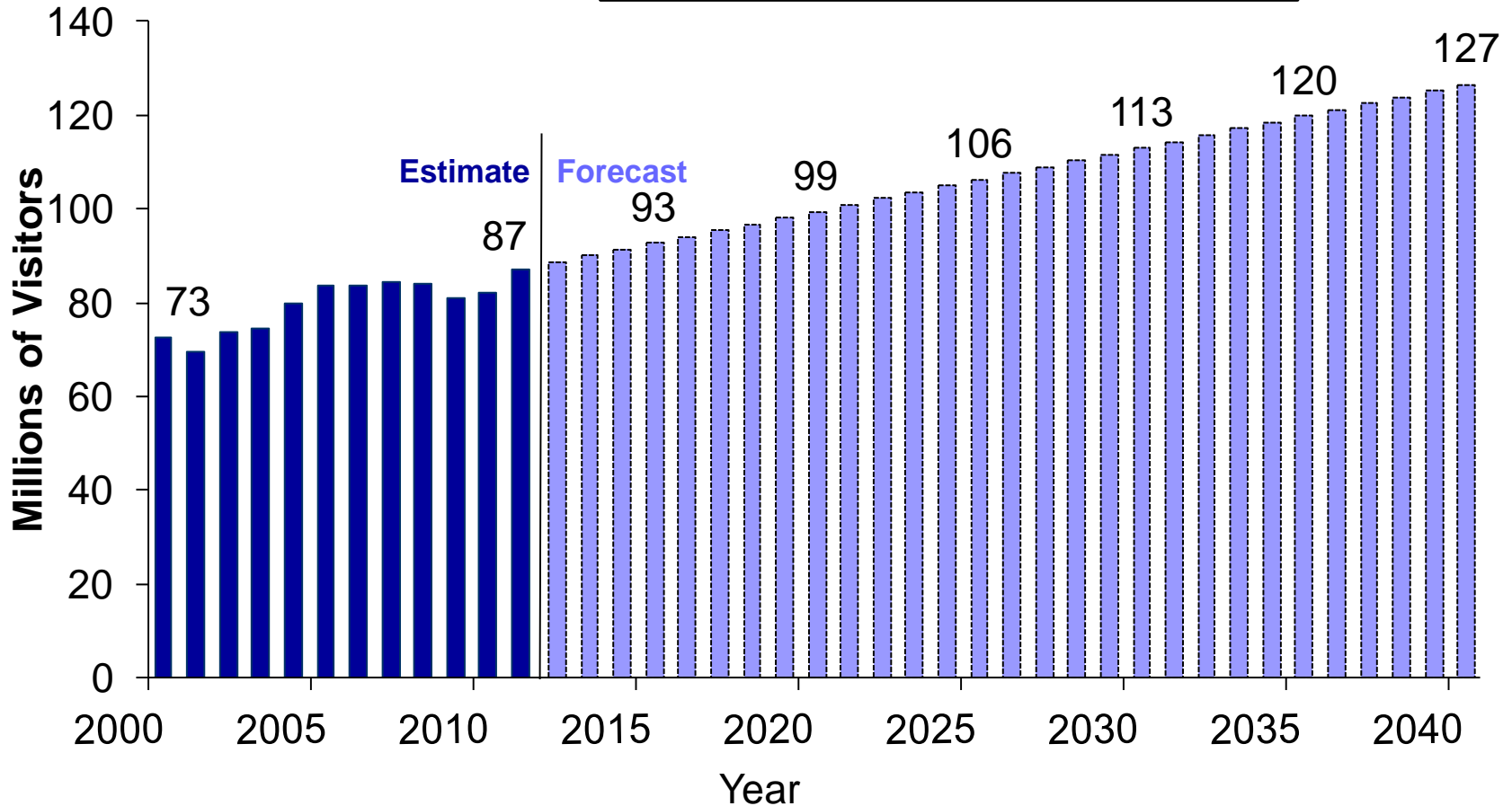
Population Still Growing



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.)

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)

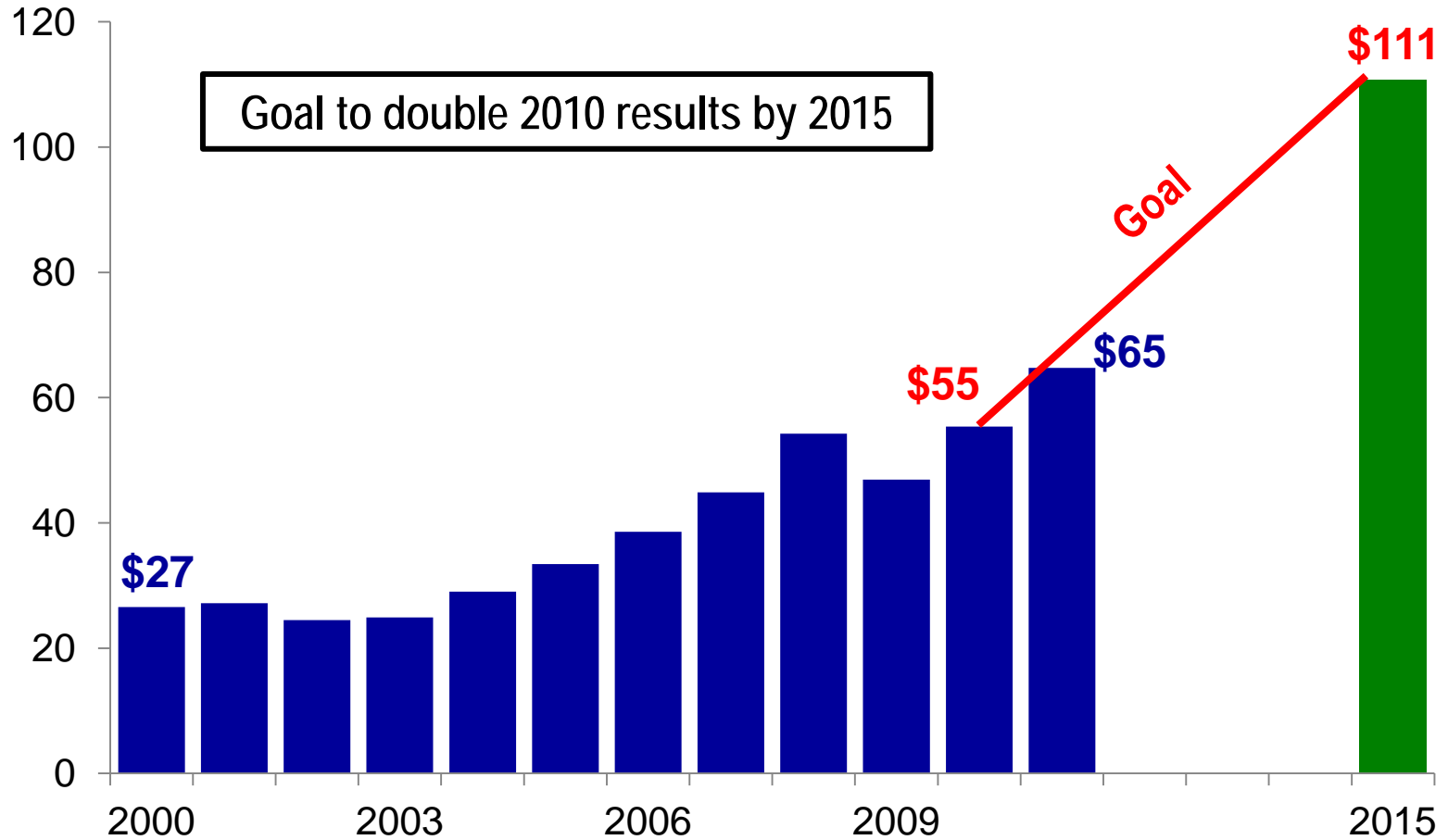
Mode	2010	2035	Change
Truck	452.3	643.0	42%
Rail	75.0	80.2	7%
Int'l waterborne	50.1	78.7	57%
Air	1.2	2.5	108%



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

More Global Trade

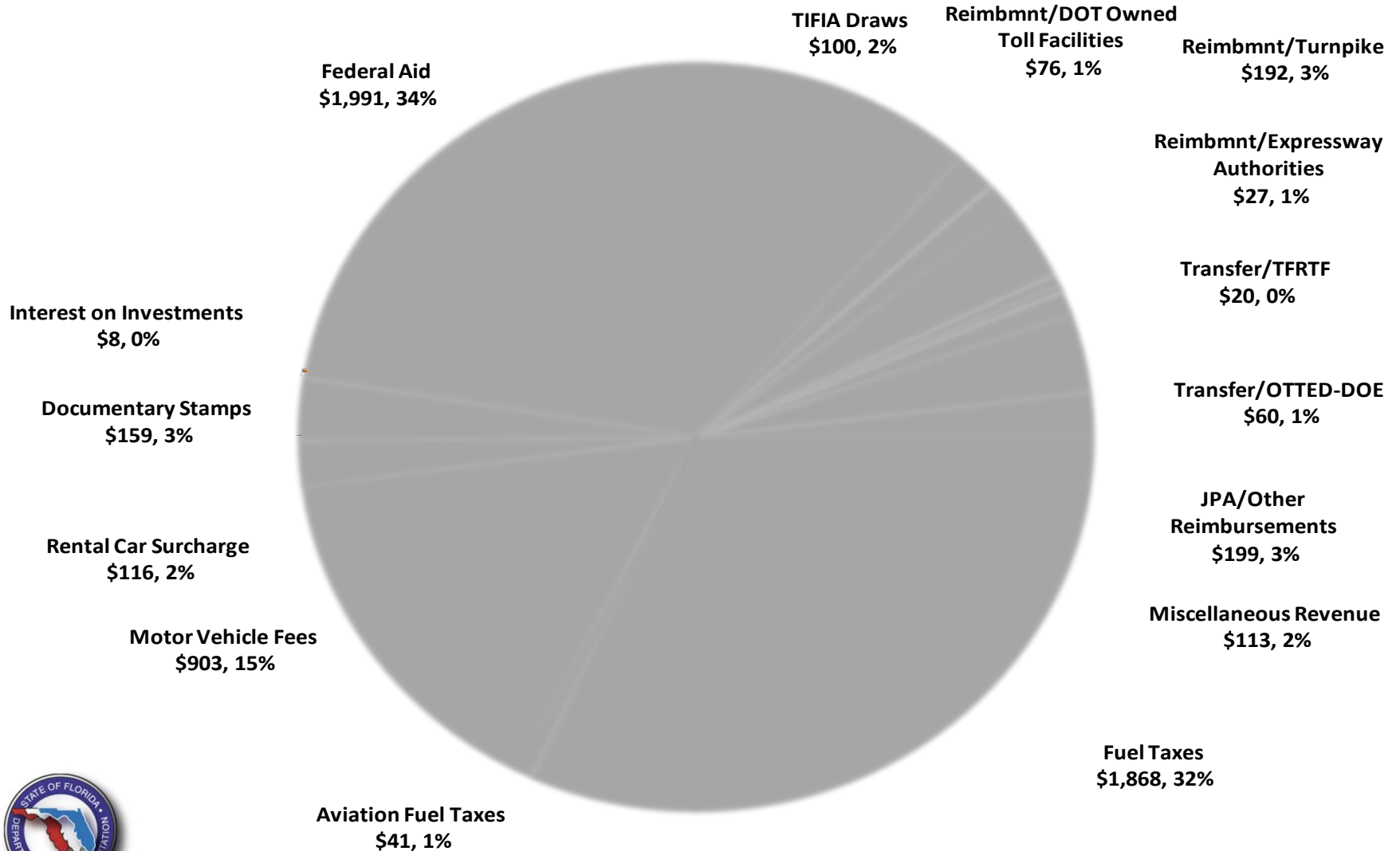
Florida Origin Exports, \$Billions



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

FDOT Funding

Fiscal Year 2012-13 STTF Receipts



FDOT Funding

Funding Tools in the Tool Box

- u Tolling
- u Bonding
- u Public Private Partnerships
- u TIFIA Loans
- u PABs



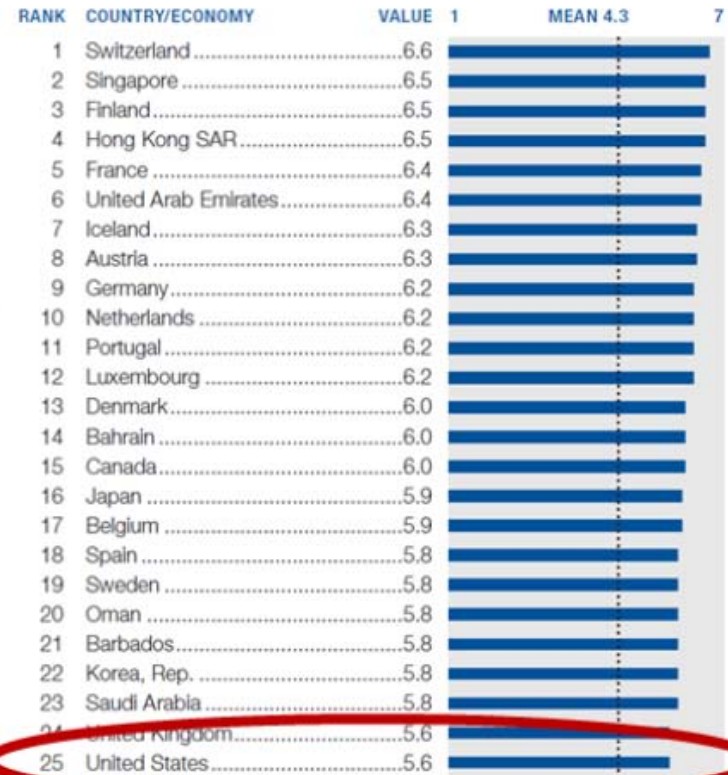
US Global Competitiveness

US Global Competitiveness Falling

2008-2009



2012-2013

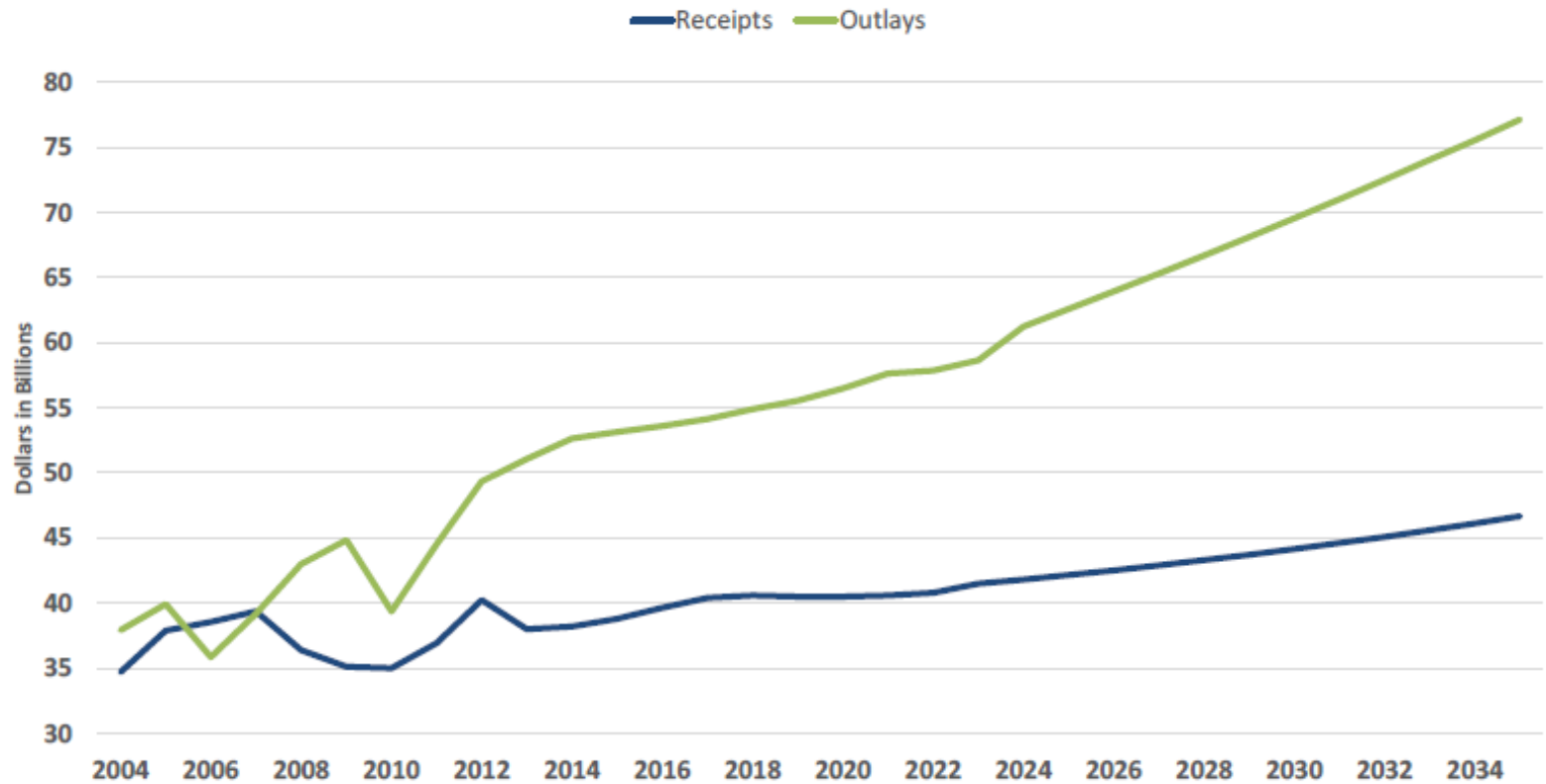


Source: World Economic Forum, *The Global Competitiveness Report*

US Highway Trust Fund Outlook

Gap is Growing

Highway Trust Fund Receipts and Outlays Discrepancy

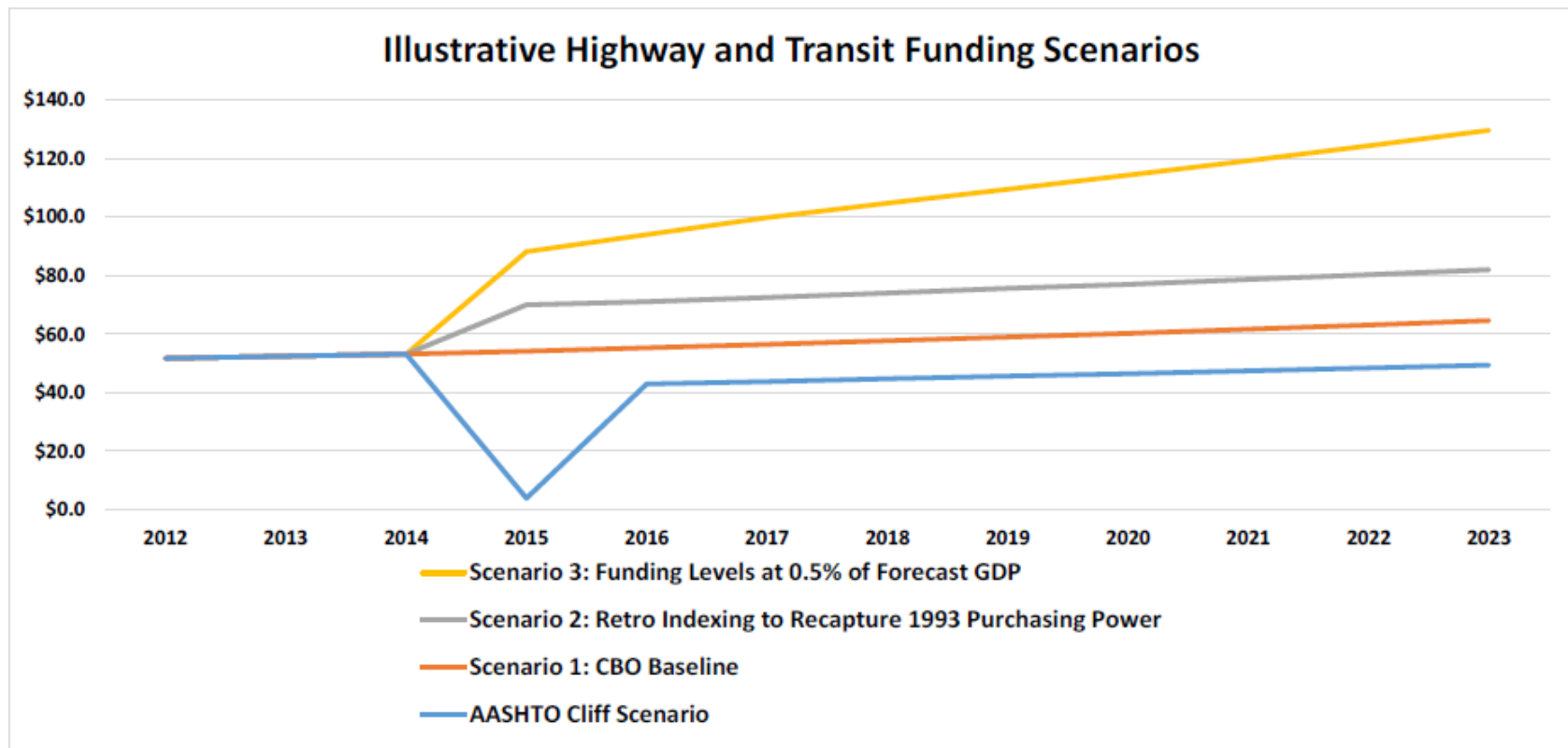


Excludes \$8.017 billion transfer from General Fund to Highway Account of HTF in September 2008; \$7 billion transfer from General Fund to Highway Account of HTF in August 2009; \$19.5 billion transfer from General Fund to Highway and Mass Transit Accounts of HTF in March 2010; \$2.4 billion transfer from Leaking Underground Storage Tank Trust Fund to HTF in July 2012; \$6.2 billion transfer from General Fund to Highway Account of HTF in FY 2013; \$10.4 billion transfer from General Fund to Highway Account of HTF in FY 2014; \$2.2 billion transfer from General Fund to Mass Transit Account of HTF in FY 2014.



US Federal Funding

Funding Options

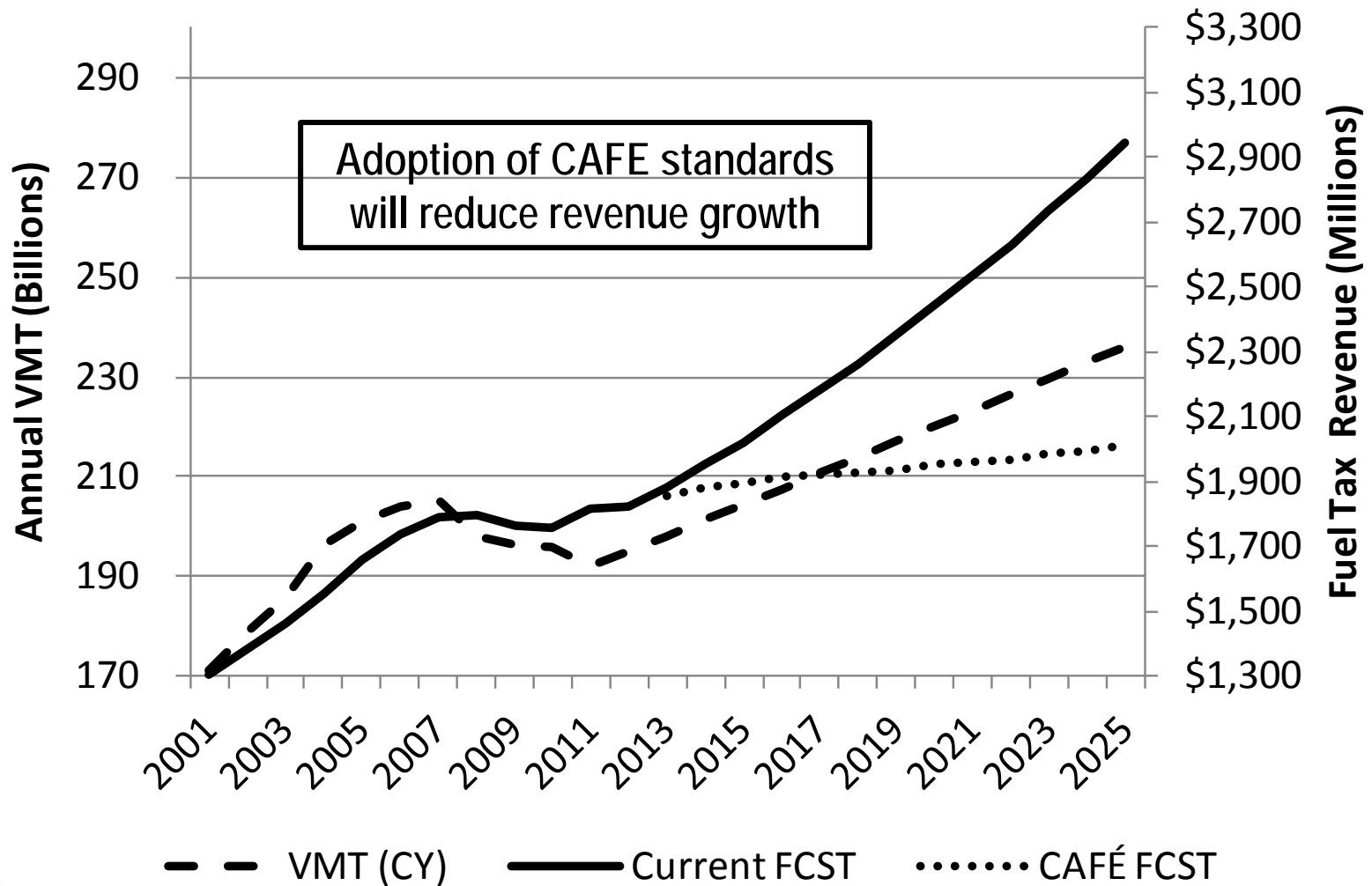


Fuel Economy Standards

- u CAFE standards for new cars will increase from 35.5 MPG in 2016 to 54.5 MPG in 2025
- u Federal gas tax revenues will fall 21 percent by 2040
- u Florida can expect a similar impact on state gas tax collections



Projected VMT vs Fuel Revenue Through 2025

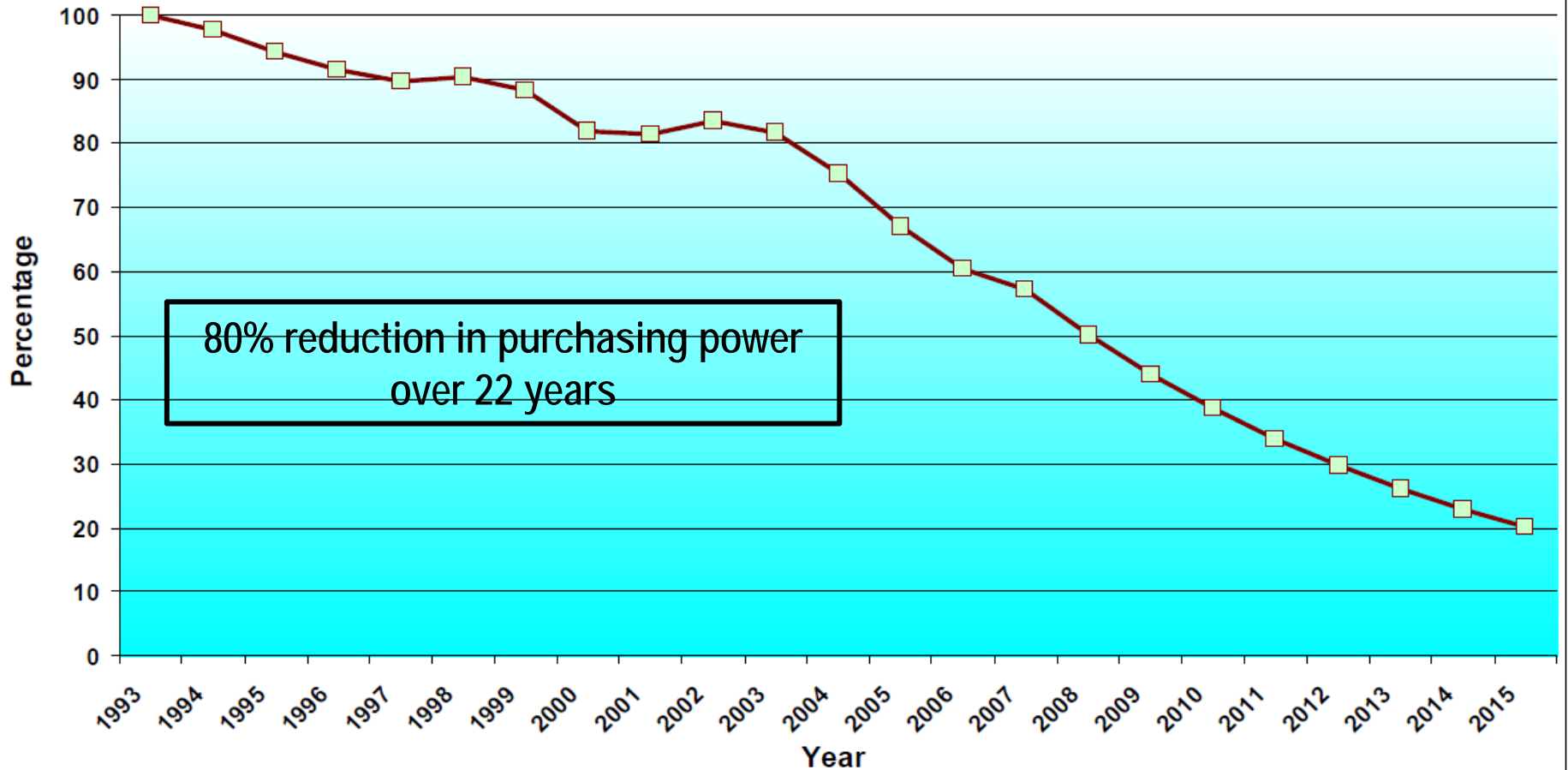


Federal Highway Trust Fund

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

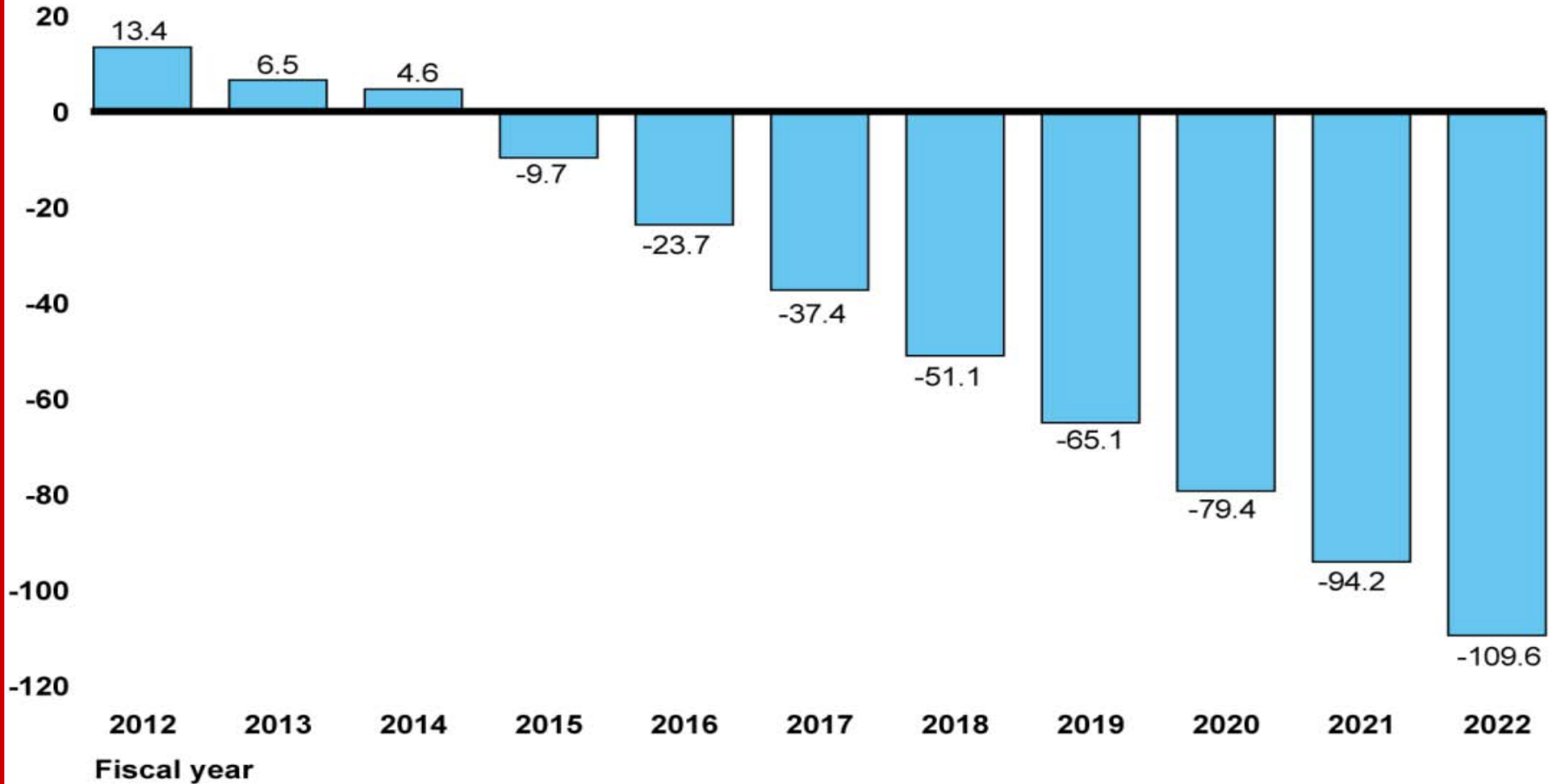


Decline in Purchasing Power of Motor Fuel Taxes (Based on Inflation since 1993)



Projected Highway Trust Fund Balance, 2012 to 2022

Dollars (in billions)



Source: GAO analysis of CBO data.



Average Annual State Fuel Taxes Paid by Passenger Vehicles in Florida



Hybrid
(40 mpg)

\$62



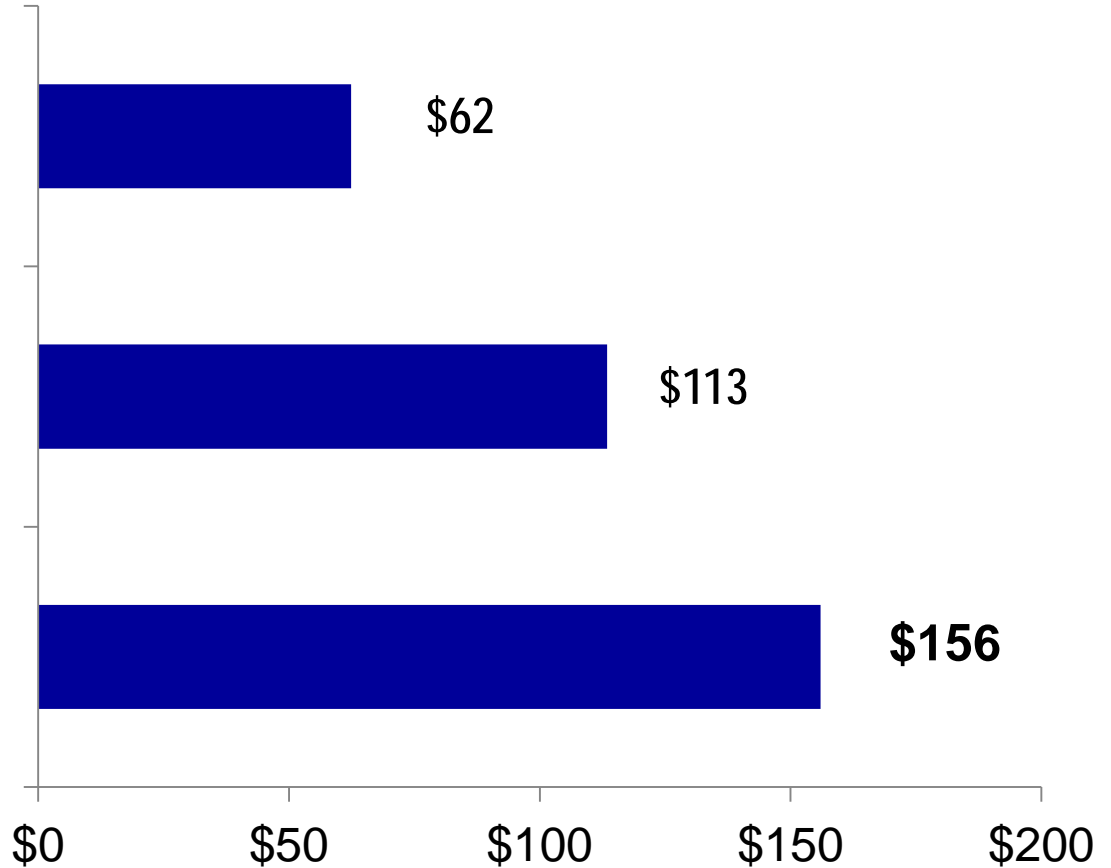
Sedan
(22 mpg)

\$113



SUV
(16 mpg)

\$156



Alternative Approaches Considered by Others

- u Tolling on specific transportation facilities
- u Increasing the Fuel Tax
- u Increase General Sales Tax in Lieu of Fuel Tax
- u Institute a Sales Tax on Gasoline
- u Mileage-Based User Fee



