



Transportation Funding in Florida

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Today's Presentation

- Florida's transportation system
- Transportation funding
 - Local Government
 - Federal
 - State
- State transportation investments



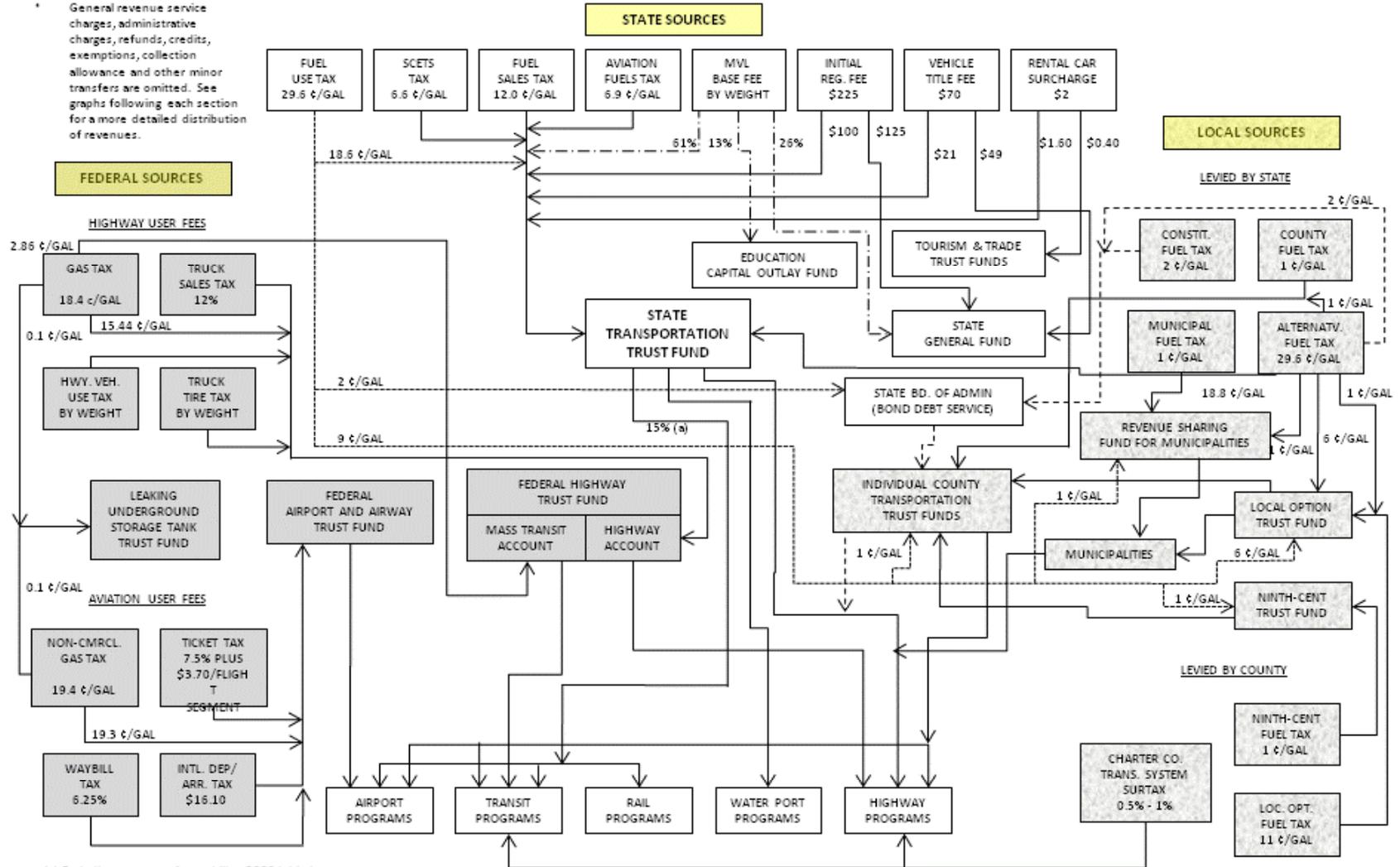
Florida's Transportation System Today

<u>Component</u>	<u>Owner/Operator</u>	<u>Facilities</u>
State Highways	State of Florida	12,088 centerline miles; 6,222 bridges
Local Roads	Local governments	107,279 centerline miles; 4,987 bridges
Public Transit	Local agencies/ SFRTA	28 fixed-route systems 1 commuter rail system (Tri-Rail)
Rail	Private sector	2,786 railway miles
Seaports	Local agencies	14 seaports
Waterways	Federal & state governments	3,475 miles of shipping, intercoastal & inland routes
Aviation	Local agencies	21 commercial airports 27 military aviation facilities 108 community airports 640 private airfields
Spaceports	Special district	2 spaceports; 5 active launch facilities



2010 TRANSPORTATION TAX SOURCES – PRIMARY* DISTRIBUTION AND USE

* General revenue service charges, administrative charges, refunds, credits, exemptions, collection allowance and other minor transfers are omitted. See graphs following each section for a more detailed distribution of revenues.



(a) Excluding revenues for mobility 2000 Initiative

-----> EXCLUSIVE HIGHWAY USE -.-.-.-> FROM FUEL USE TAX -.-.-.-> DISTRIBUTION PERCENTAGES ARE APPROXIMATE

Local Sources

- Motor Fuel Taxes
 - Constitutional and Legislative Motor Fuel Taxes (3 cents for counties, 1 cent for cities)
 - Local Option Fuel Taxes (1-12 cents)
- Optional Sales Taxes
- Other sources
 - Local Fees (impact fees, permits, etc.)
 - General government contributions (property tax, development tax, etc.)



Local Sources

- Local Option Fuel Taxes
 - 1-6 cents approved by simple majority of County Commission or vote of citizens
 - 1-5 cents approved by supermajority of County Commission or vote of citizens (“ELMS Nickel”)
 - “Ninth Cent” approved by supermajority of County Commission

- Estimated statewide proceeds in 2010
 - \$755 million from all imposed cents
 - \$222 million “Untapped”



Local Sources

- Optional Sales Taxes
 - Local Government Infrastructure Surtax (0.5% or 1%)
 - approved by vote of citizens in 21 counties
 - for transportation and other uses
 - Charter County and Regional Transportation System Surtax (up to 1%)
 - approved by vote of citizens in 2 counties

- Other sources
 - Very difficult to collect consistent information from 500+ entities
 - Expenditure information provides insights



Local Transportation Funding

Transportation Expenditures by Local Governments Local Fiscal Year 2007, Millions

<u>Facilities and Services</u>	<u>Amount</u>
Roads and Streets	\$4,486
Airports	1,588
Water Transportation Systems	313
Mass Transit Systems	1,458
Parking and Other Transportation	<u>487</u>
Total	\$8,331

Source: Florida Legislative Committee on Intergovernmental Relations



Federal Sources

- Federal Highway Trust Fund (Highways and Transit)
 - Primary source – motor fuel tax
 - Miscellaneous – tires, new tractor/trailer purchases, etc.
- Federal Aviation Trust Fund (Aviation)
 - Primary source – passenger taxes
 - Miscellaneous – waybill tax, fuel tax, etc.
- Distribution of funds
 - Most Highways and Transit funds allocated to states via complex funding formulas in Federal Authorization Acts
 - Most Aviation funds apportioned to airports via complex funding formulas in Federal Authorization Acts



Federal Transportation Funding

Distributions of Federal Transportation Funds to Florida Federal Fiscal Year 2009, Millions

<u>Fund Source</u>	<u>Amount</u>
Highway Trust Fund (Highway Account)	\$1,880
Highway Trust Fund (Transit Account)	314
Airport & Airway Trust Fund	140
Federal Rail Administration (General Fund)	<u>1</u>
Total	\$2,335

Source: Florida's Transportation Tax Sources, A Primer, January 2010



Examples of Federal Sources: Bicycle and Pedestrian Projects

General Programs

- National Highway System
- Surface Transportation Program
- Federal Transit Capital

Specialized Programs

- Transportation enhancements
- Recreational Trails Program
- Congestion Mitigation and Air Quality Improvement
- Safe Routes to Schools
- Highway Safety Improvement Program
- State and Community Highway Safety Grant Program



State Revenue Sources

- State Taxes and Fees
 - Highway fuel-related
 - Vehicle-related
 - Tourism-related
- Tolls
- Growth Management Funding
- Federal Aid



State Revenue Sources

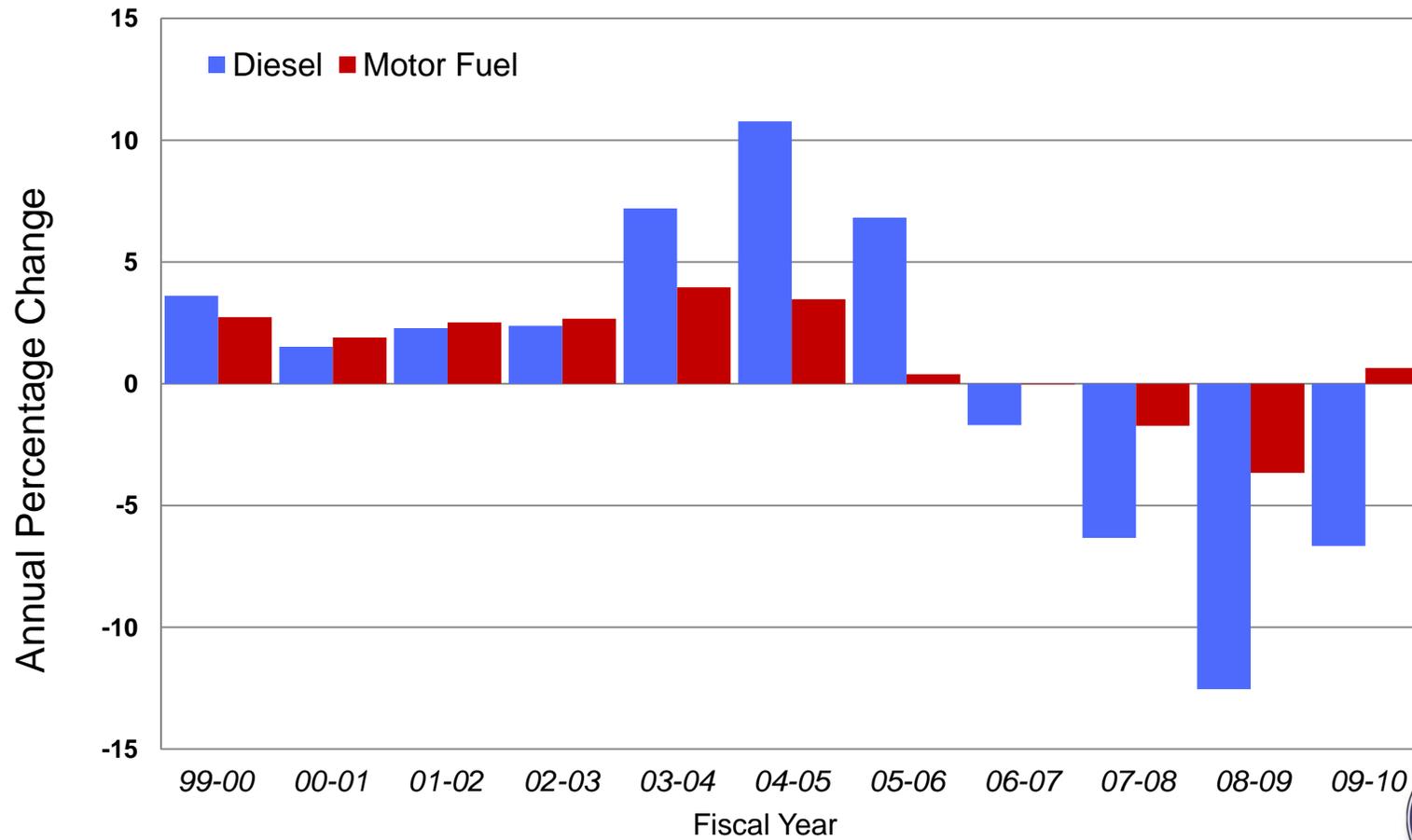
2009-2010 Receipts*, Millions

Source	Amount	% of State
State		
Highway Fuel Taxes	\$1,788	53
Motor Vehicle Fees	\$670	20
Rental Car Surcharge	\$92	3
Aviation Fuel Tax	\$43	1
Turnpike Tolls and Concessions	\$608	18
Growth Management (Documentary Stamps)	\$76	2
Miscellaneous	\$93	3
Federal		
(Highway Fuel Taxes, other excise and heavy vehicle-related taxes)	\$1,845	n/a

*Does not include proceeds from Reimbursements and Participations or Turnpike Bonds



Fuel Consumption in Florida



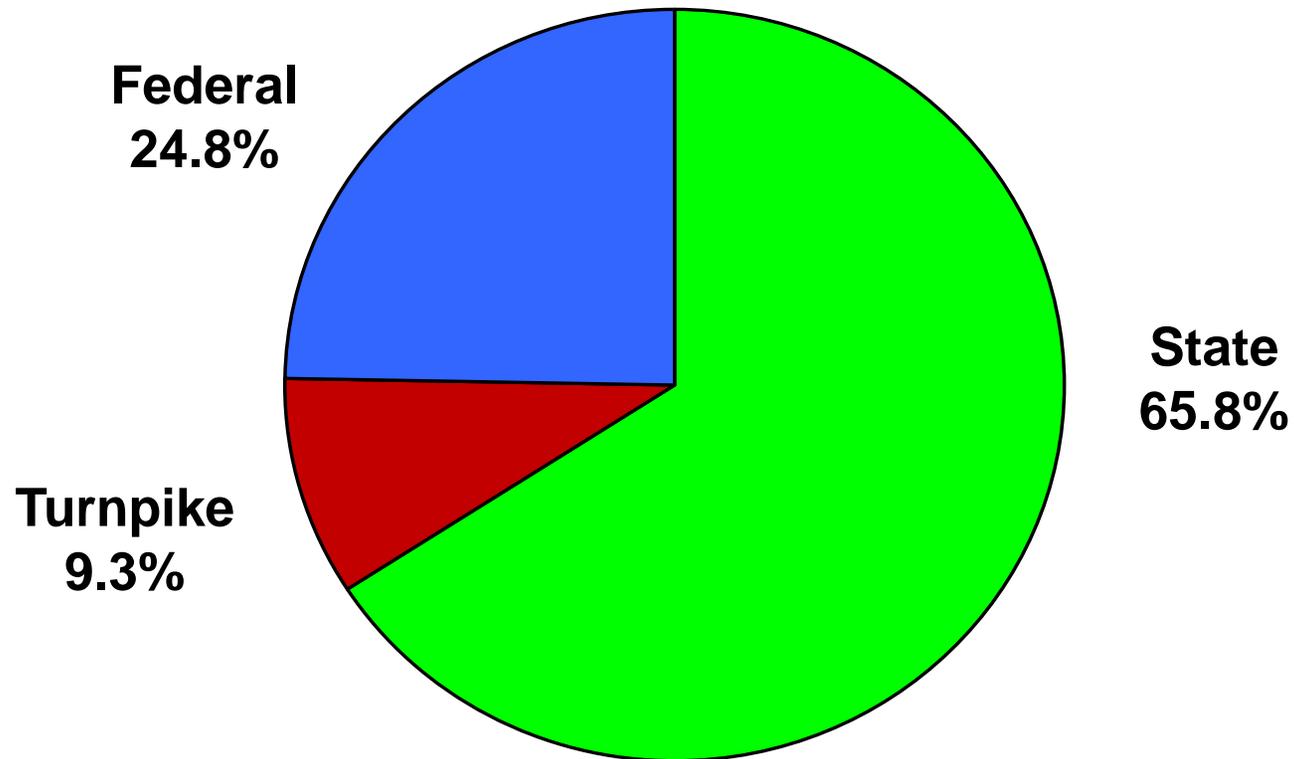
State Investments

- Planned investments through 2035
- 5-Year Work Program and recent revenue reductions
- Recent federal rescission

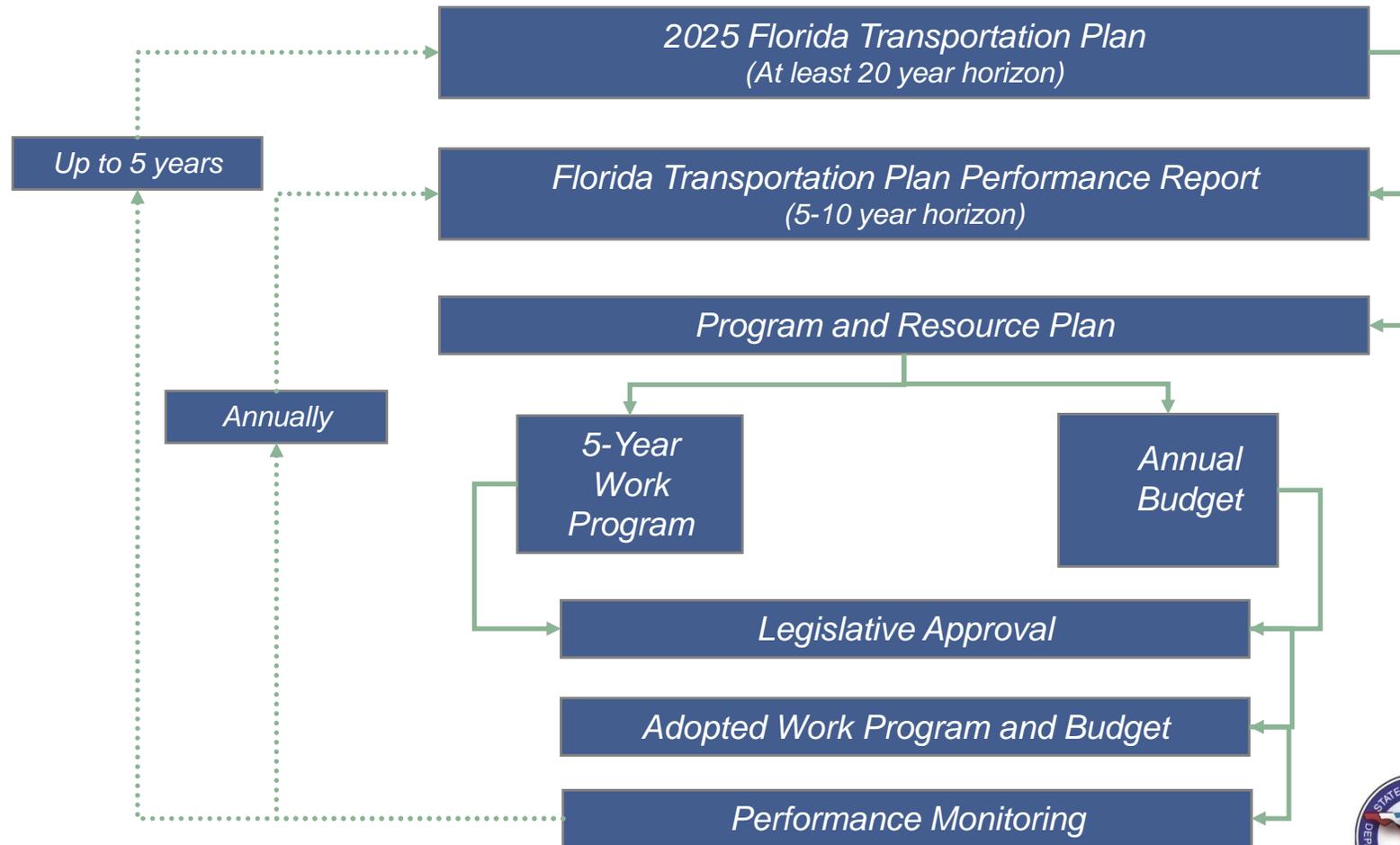


Estimated State Revenue Sources

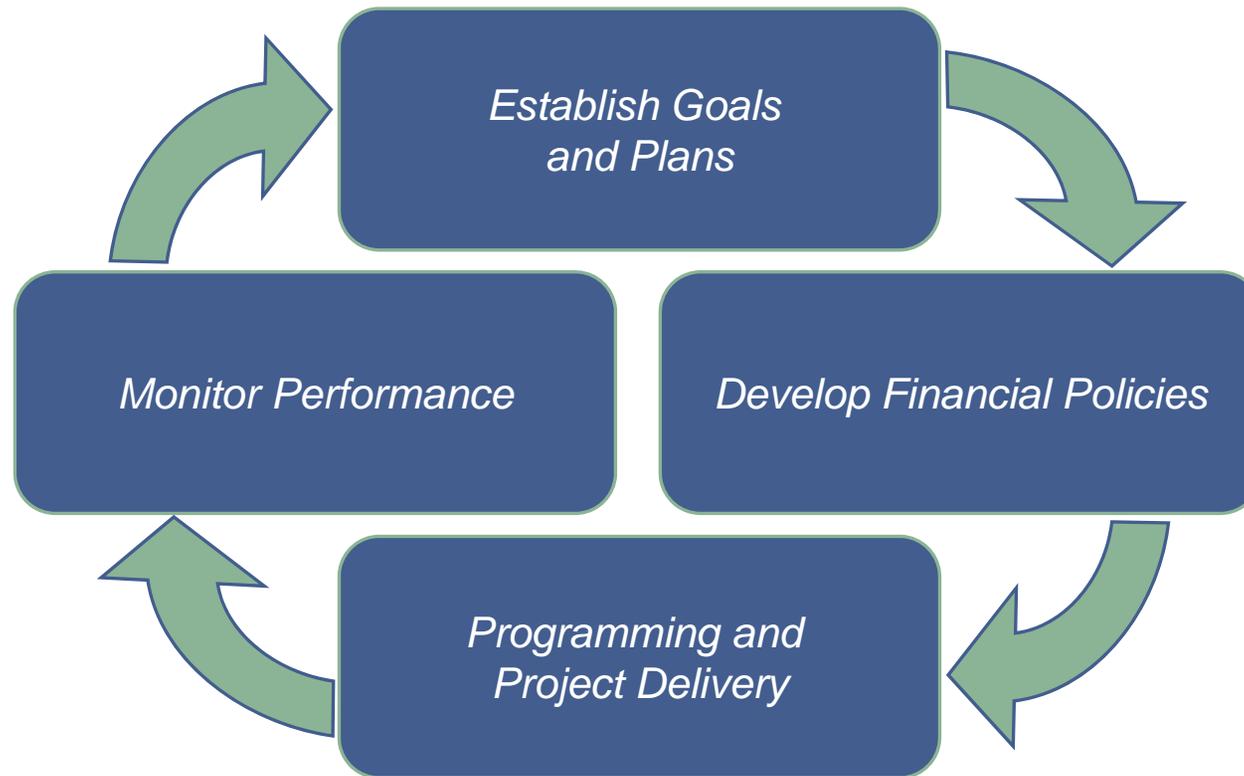
Revenue Forecast for 2009 - 2035
27-year Total = \$238 Billion



Policy Framework for Investment Decisions



A Continuous Cycle of Improvement



State Investment Priorities

- Safety (all Programs)
- Meet all System Preservation and Maintenance objectives
 - State-Maintained Bridges
 - Pavement Condition of State Highways
 - Maintenance of State Highways
- Transportation System Capacity
 - Meet Statutory requirements for Public Transportation: Aviation, Transit, Rail, Ports
 - Strategic Intermodal System
 - Other State Highways and other Public Transportation Programs



FDOT Work Program

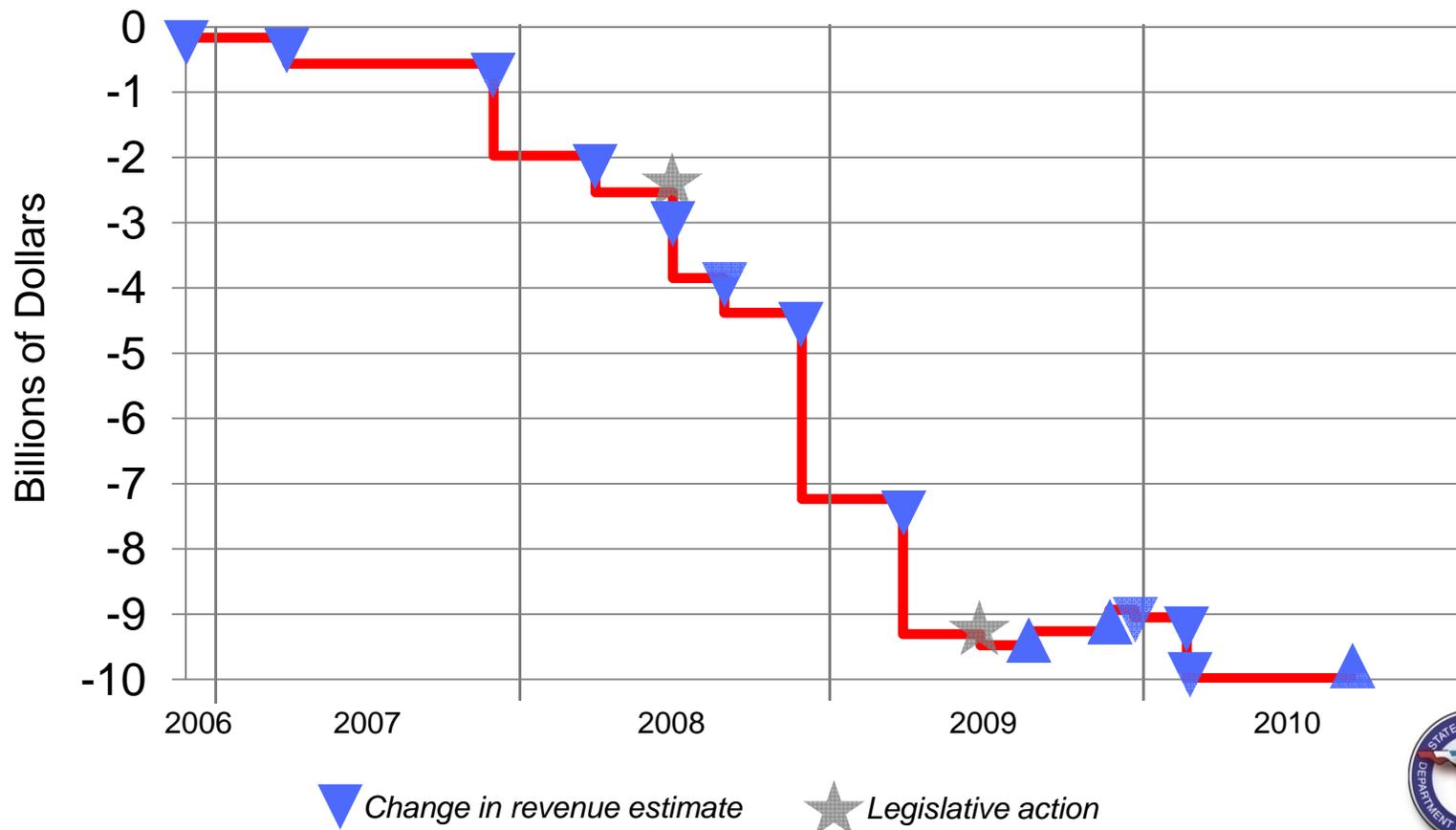
- Work Program covers five years and is updated annually
- By law, the Work Program must be balanced to available revenues
- Bottom up process – developed by Districts, working with metropolitan, local and modal partners
- General Schedule

May – August	Project priorities solicited from partners
September – December	Districts program priorities within available funds and program objectives; public hearings
January – March	Tentative Work Program developed
March – April	Evaluation by Florida Transportation Commission; submit to Legislature
By July 1	Adjust for 1 st Year Budget Appropriation and Adopt Work Program



Recent Transportation Funding Reductions

\$10 Billion Reduction in FDOT Work Program Since November 2006



Federal Rescissions

Key terms to know:

- Contract authority – maximum annual funding caps
- Obligation authority – true amount of funds available, lapses if not used by the end of each federal fiscal year
- Rescission – applies to unobligated balances from contract authority
 - 11 rescissions of federal contract authority since 2004
 - August 2010 rescission = \$2.2 billion (nationwide)
 - If full amount of obligation authority is used annually, then no “real” funds are lost



Facts About August 2010 Rescission

- August 2010 rescission in Florida = \$112.6 million
- Required federal funding “reduction” is a financial paperwork exercise that has no impact on programs
- Not one project scheduled in the FDOT Work Program was lost or deferred as a result of rescission
- No bicycle, pedestrian, trail or enhancement projects are being eliminated





Be Safe, Buckle Up



Recent Transportation Funding Reductions

Results of Changes in State Sources Since November 2006

<u>Revenue Estimating Conference (REC) and Legislative Actions</u>	<u>Change in Commitments (Millions of Dollars)</u>
November 2006	(\$164)
March 2007	(400)
November 2007	(1,409)
March 2008	(563)
June 2008*	(1,312)
August 2008	(533)
November 2008	(2,852)
March 2009	(2,072)
June 2009 (Legislative Sweep)	(171)
August 2009	215
November 2009	329
December 2009	(118)
February 2010	(829)
March 2010	(102)
August 2010	<u>78</u>
Total	(\$9,902)

* 2008 Legislation



Toll Revenues

- DOT owned and operated toll facilities
- Local Expressway and Bridge Authorities
- County toll roads and bridges
- Revenues generally support improvement projects in the local area where the tolls are collected



Trends: Vehicle Miles Traveled

Florida Annual Vehicle Miles Traveled on All Public Roads

