

Rate of Return

What is Rate of Return?

Within the context of the federal highway and transit programs, a state's "rate of return" is an expression of how much money the state receives, relative to the amount of funds the state contributes to the federal Highway Trust Fund (HTF). The correct calculation of rate of return does not compare dollars contributed to dollars received (since the national totals are never equal), but rather the percentage of all funds a state receives is compared to the percentage of funds that state contributes to the HTF.

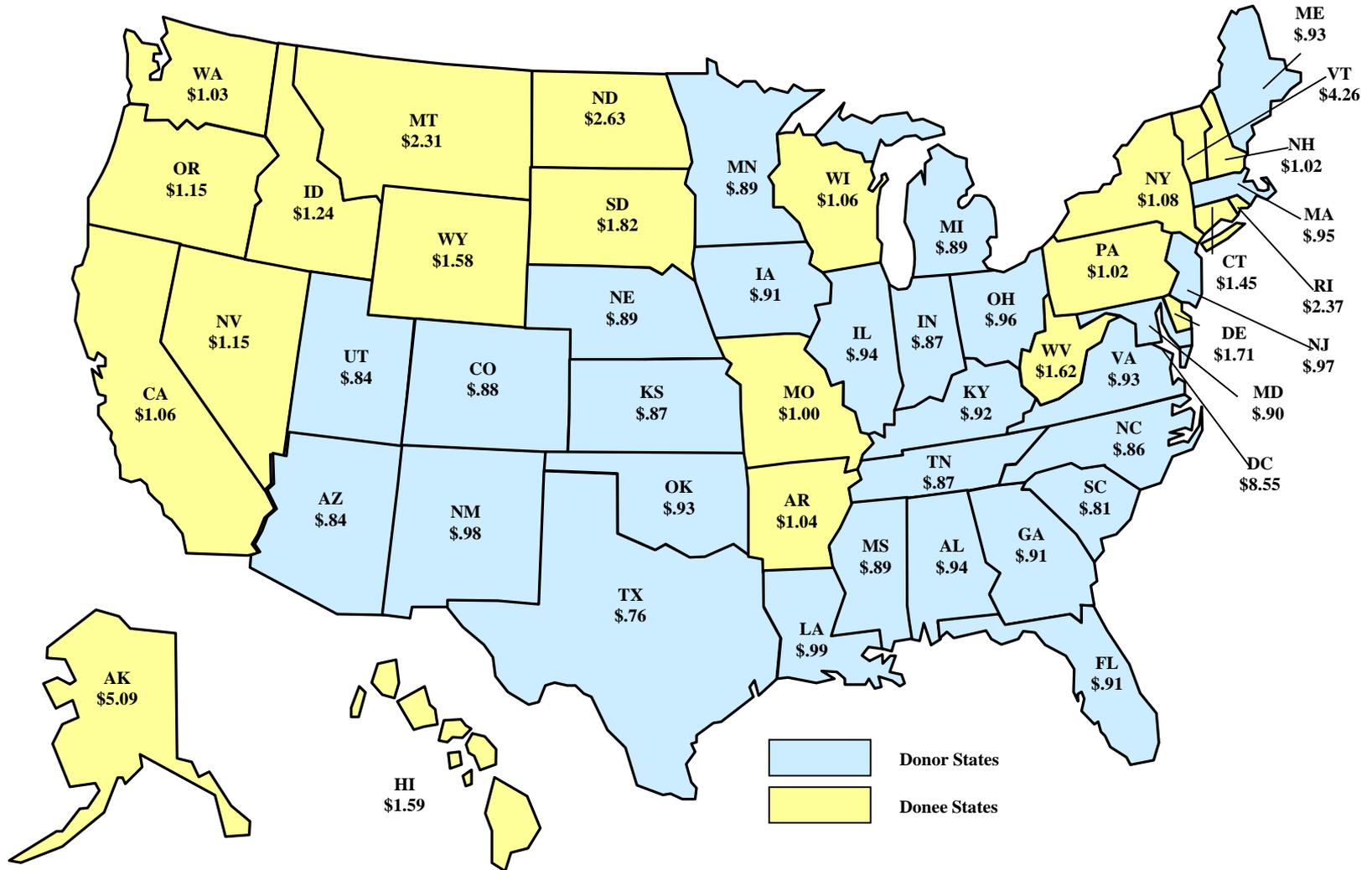
What is Florida's Rate of Return?

- Florida continued to be a "donor state" in 2012. The accompanying maps show the rate of return for all states for 2012 and since 1956. Maps showing each state's effective dollar surplus or shortfall are also provided.
 - For federal fiscal year 2012, Florida received a 91¢ rate of return on each dollar contributed to the Highway Account of the HTF. For the Mass Transit Account, the 2012 rate of return was 67¢.
 - Florida's rate of return from the HTF since 1956 is 87¢. Florida has effectively contributed more than \$5.8 billion in highway funds alone to other states over this period.
- The Moving Ahead for Progress in the 21st Century Act (MAP-21) distributes formula highway funds among the states in federal fiscal year 2013 and 2014 based on the funds each state received in 2012. For Florida, this equals a 95¢ rate of return on these formula funds. The Equity Bonus Program was eliminated in MAP-21. For transit, MAP-21 distributes more funding by formula which impacts Florida's overall rate of return for transit.

How Can Florida's Rate of Return Be Improved?

- Florida's long-standing goal of at least a 95% rate of return on all funds returned to the states remains a top priority.
- Funding equity should also be part of General Fund distributions among the states for transportation purposes.
- The next federal transportation act should readdress funding equity among the states. Basing future funding distributions on the funds each state received in 2012 penalizes growth states like Florida.

Federal-Aid Highway Program 2012 Rate of Return

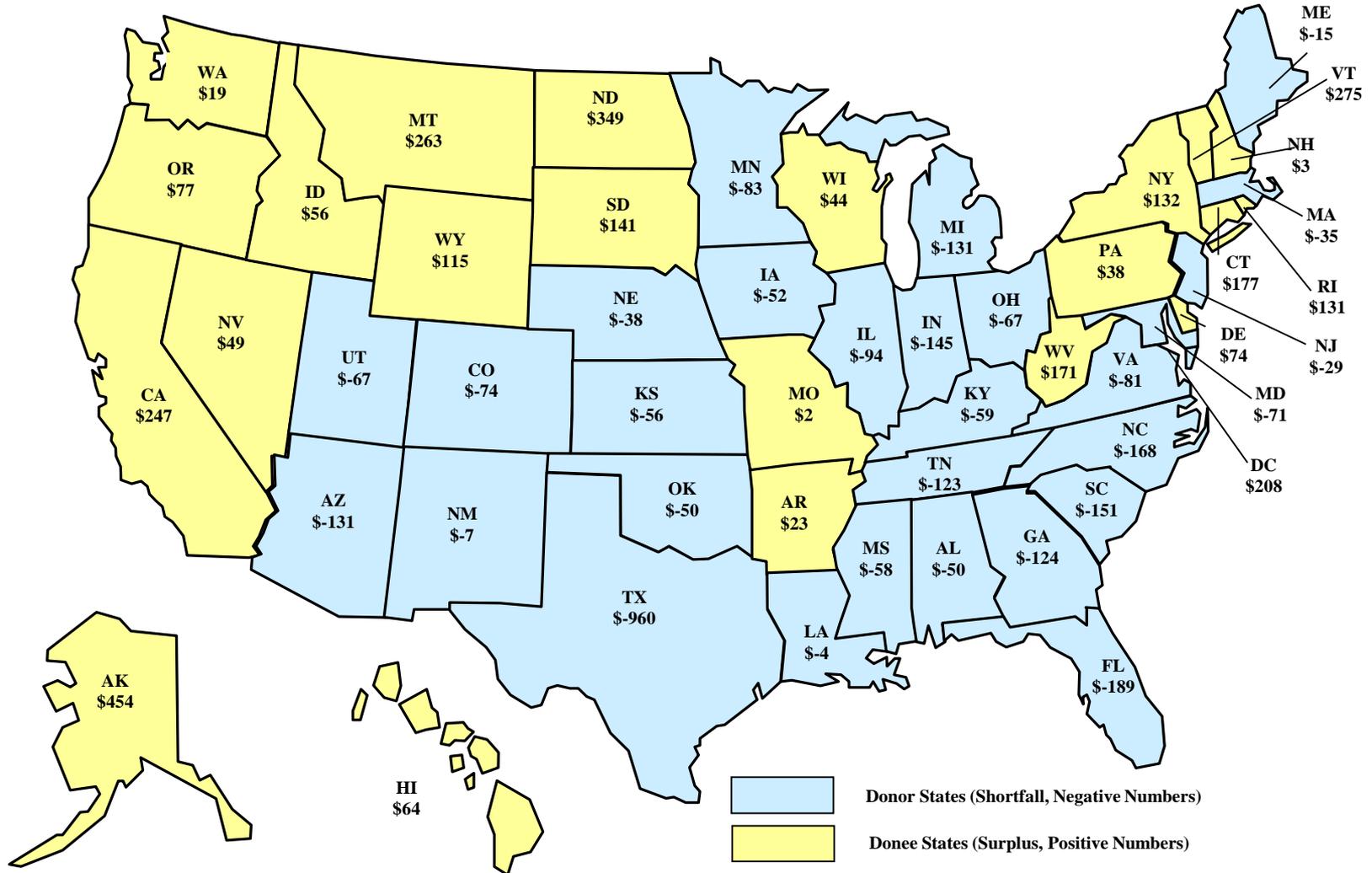


Rates of return based on FHWA Table FE-221.

Federal-Aid Highway Program

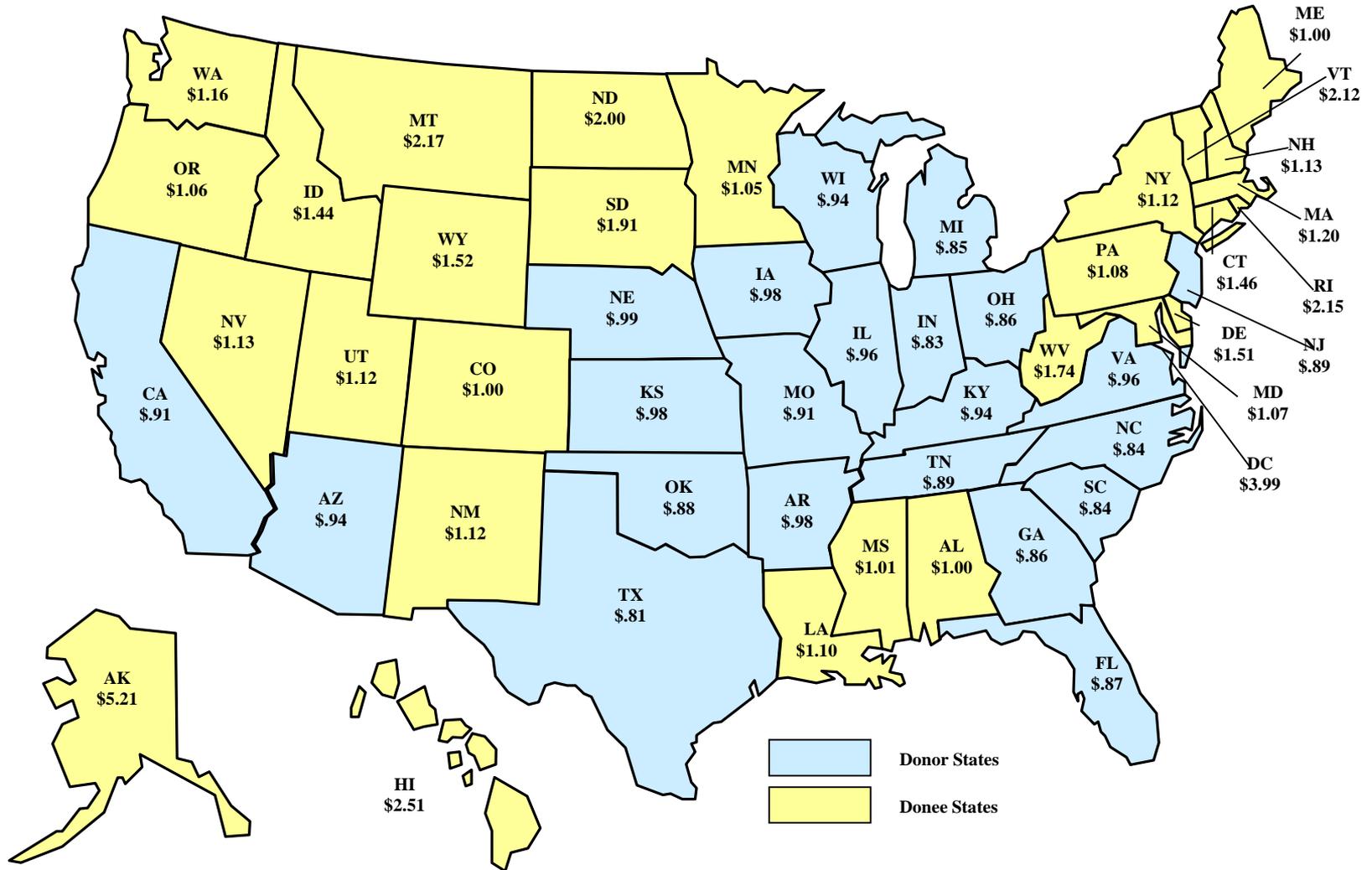
2012 Net Surplus or Shortfall

In \$ Millions (Dollars Received Compared to Effective Dollars Contributed)



Calculations based on FHWA Table FE-221.

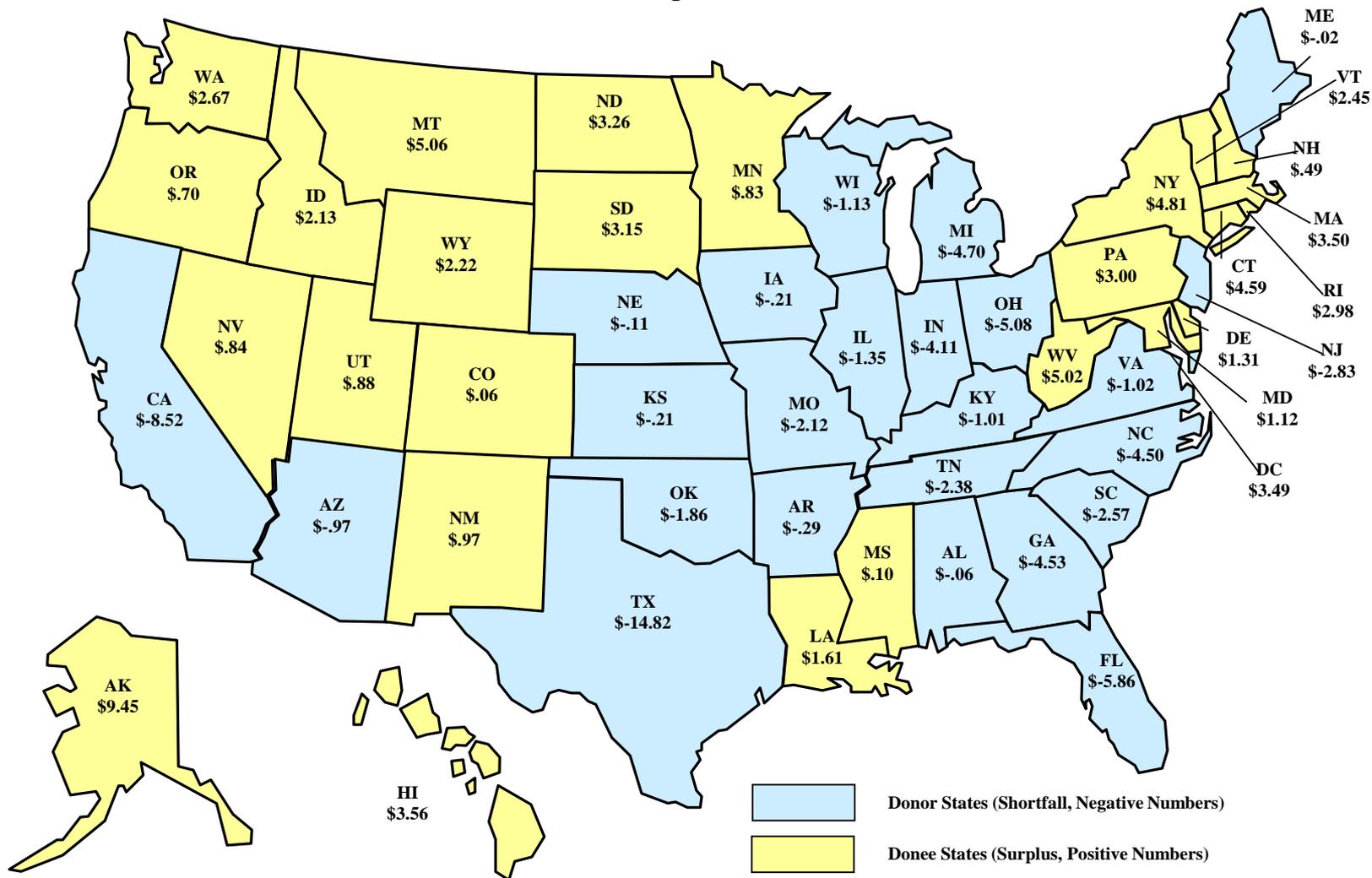
Federal-Aid Highway Program 1956-2012 Rate of Return



Rates of return based on FHWA Table FE-221.

Federal-Aid Highway Program 1956-2012 Net Surplus or Shortfall

In \$ Billions (Dollars Received Compared to Effective Dollars Contributed)



Calculations based on FHWA Table FE-221.