



Transportation Funding in Florida

presented to

FTP SIS Steering Committee

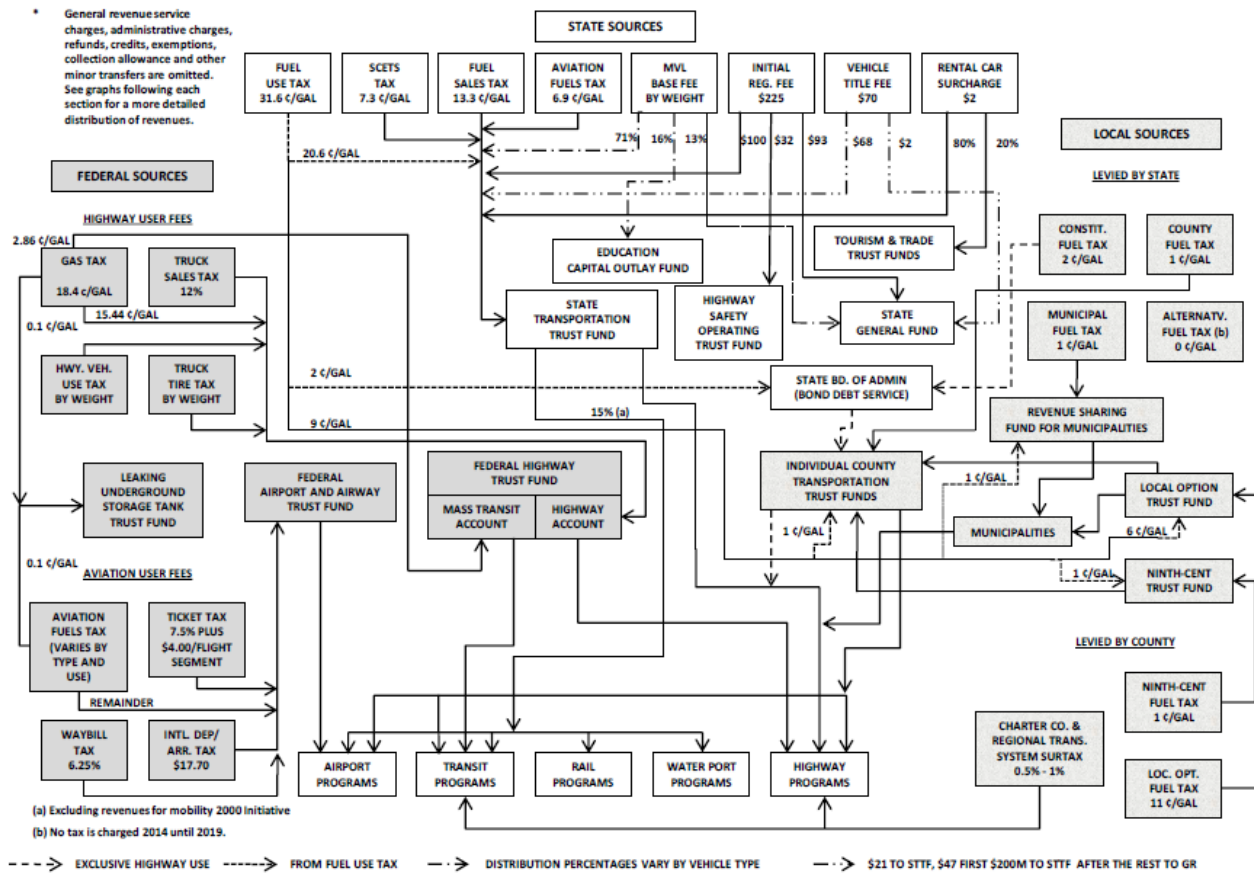
presented by

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Transportation Funding Overview

2015 TRANSPORTATION TAX SOURCES – PRIMARY* DISTRIBUTION AND USE



Overview

- **Short-term outlook**
 - » Record state work program
 - » Diverse revenue base
- **Long-term outlook**
 - » Significant unfunded needs
 - » Declining value of gas tax
 - » Uncertainty over future federal role
- **Key question: how should FTP vision and goals change investment priorities moving forward?**

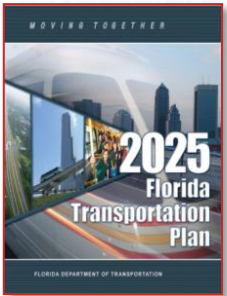
Today's Presentation

- **How does the FTP impact (and address) funding?**
- **Transportation funding in Florida**
- **Implications for the FTP**

How Does the FTP Impact Funding?

- Establishes policy framework for expenditure of state and federal transportation funds flowing through FDOT's work program
- Provides guidance to other transportation partners for developing and implementing policies, plans, and projects

How Have Prior FTPs Addressed Funding?



- **Defined principles to guide FDOT and partner investment decisions**
- **Provided guidance for statewide programs and investment priorities**
 - » from Interstate Highway System to Florida Intrastate Highway System to Strategic Intermodal System
- **Recognized importance of programs and partnerships for addressing regional and local transportation needs**
- **Defined implementation activities**
 - » e.g., collaborating with MPOs to document long-term funding needs and gaps in a consistent manner

Role of the Steering Committee

- **Consider implications of FTP vision and policy framework for transportation investment needs**
- **Suggest principles to guide transportation partners in establishing future investment strategies and priorities**

Florida's Transportation System

<u>Component</u>	<u>Owner/Operator</u>	<u>Facilities</u>
State Highways	State of Florida	12,099 centerline miles; 6,783 bridges
Local Roads	Local governments	107,674 centerline miles; 5,091 bridges
Other Public Roads	Federal government, others	2,315 centerline miles; 290 bridges
Public Transit	Local governments/agencies	30 urban and 23 rural transit systems
Rail	Private sector and state	2,753 railway miles, 143 miles state-owned
Seaports	Local agencies	15 deepwater seaports
Waterways	Federal & state governments	3,475 miles of shipping, intracoastal & inland routes
Aviation	Local agencies	19 commercial airports 110 general aviation public use airports 651 private use general aviation airports
Spaceports	Special District	2 spaceports; 10 launch facilities

Transportation Funding Framework

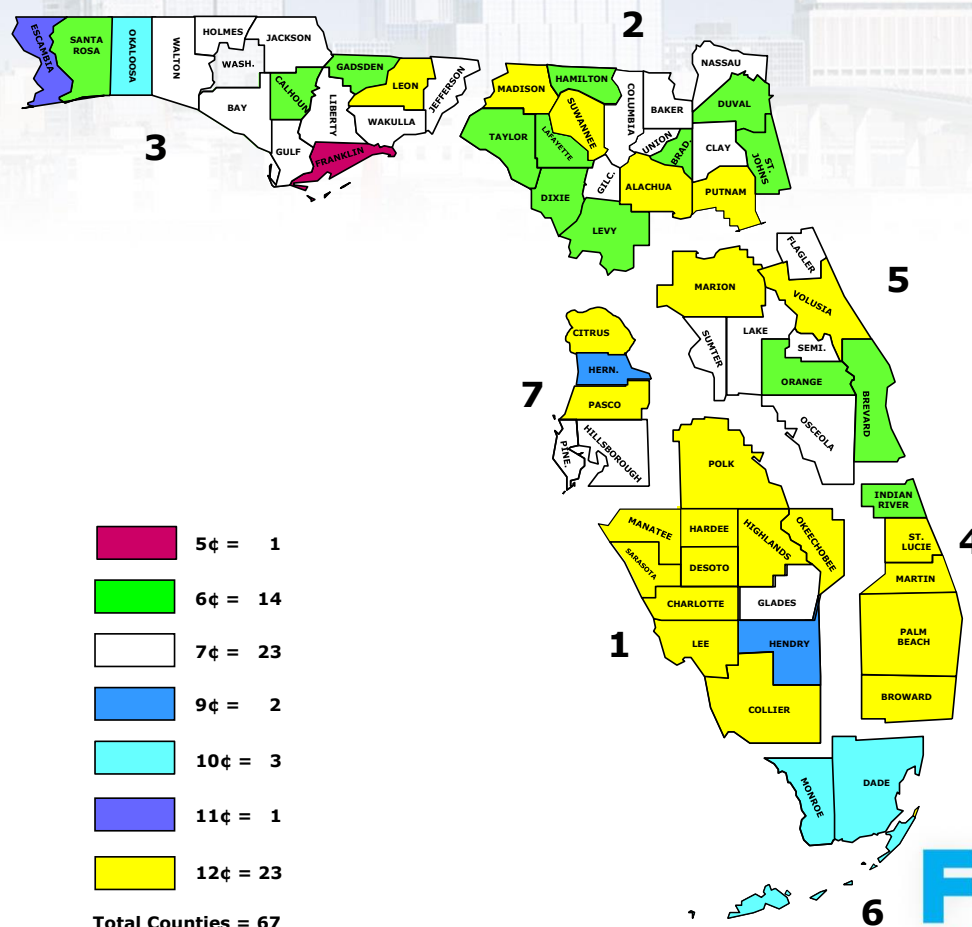
- **Local**
- **Federal**
- **State**
- **User fees**
- **Private sector**

Local Funding: 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**
 - » Local Government Infrastructure Surtax (0.5% or 1%)
 - » Charter County and Regional Transportation System Surtax (up to 1%)
- **General government contributions**
 - » Property tax, development tax, etc.
- **Local fees**
 - » Impact fees, permits, etc.

Local Option Fuel Taxes

Locally Imposed Motor Fuel Taxes Tax Rates (¢/gallon) as of January 1, 2015



Local Funding: Uses

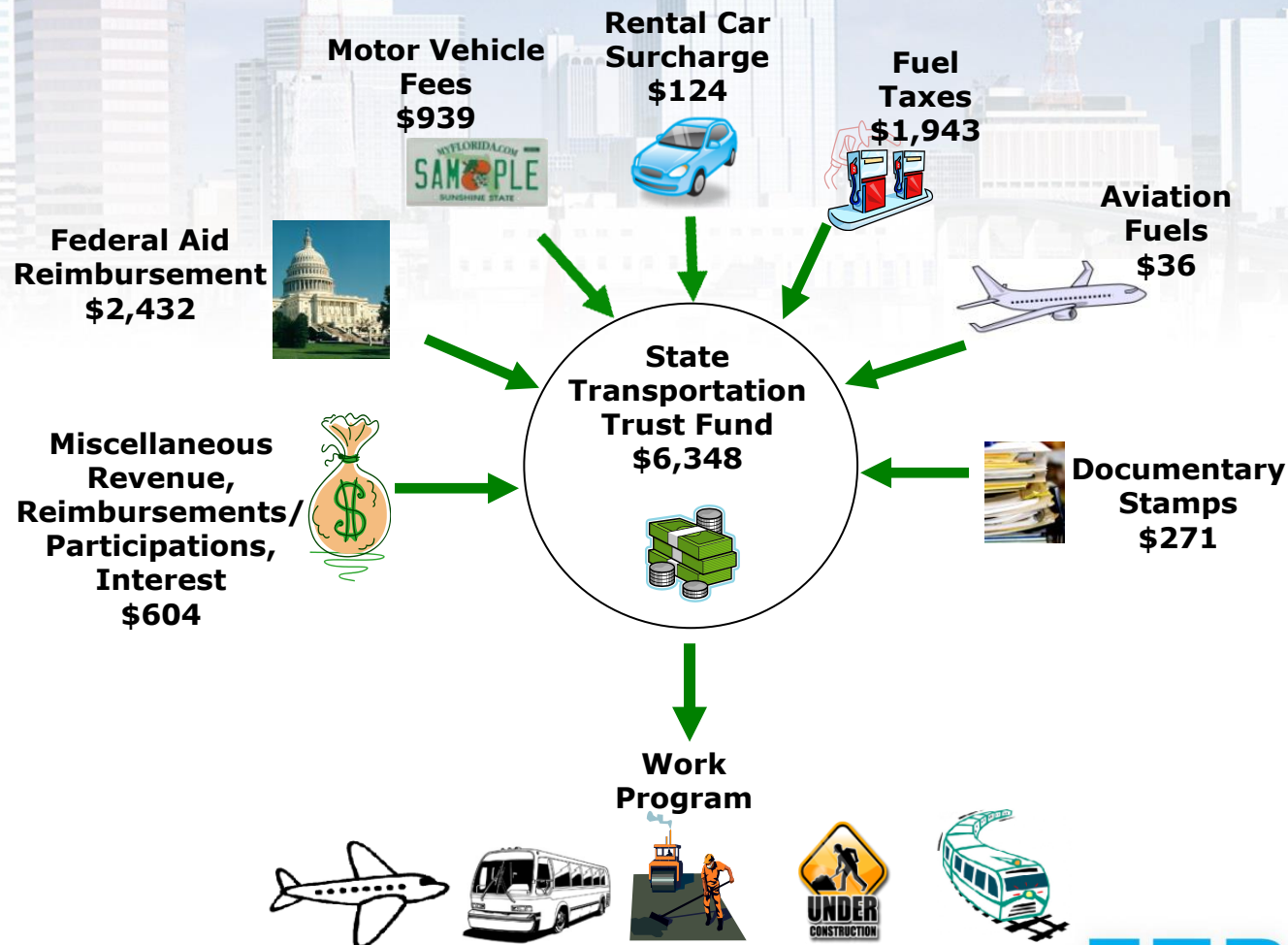
- **Local government transportation expenditures (\$7.5B in FY 2013) roughly comparable to state-level expenditures**
- **Local government primary source of funding for**
 - » Local roads and streets
 - » Local transit systems
 - » Locally owned airports, seaports, etc.

Federal Funding: Sources

- **Federal Highway Trust Fund (Highways and Transit)**
- **Federal Aviation Trust Fund (Aviation)**
- **Harbor Maintenance Trust Fund (Harbors and channels)**
- **Inland Waterways Trust Fund (Inland and intracoastal waterways)**
- **Federal Rail Administration**

State Transportation Trust Fund Receipts

FY 2014 (\$Millions)

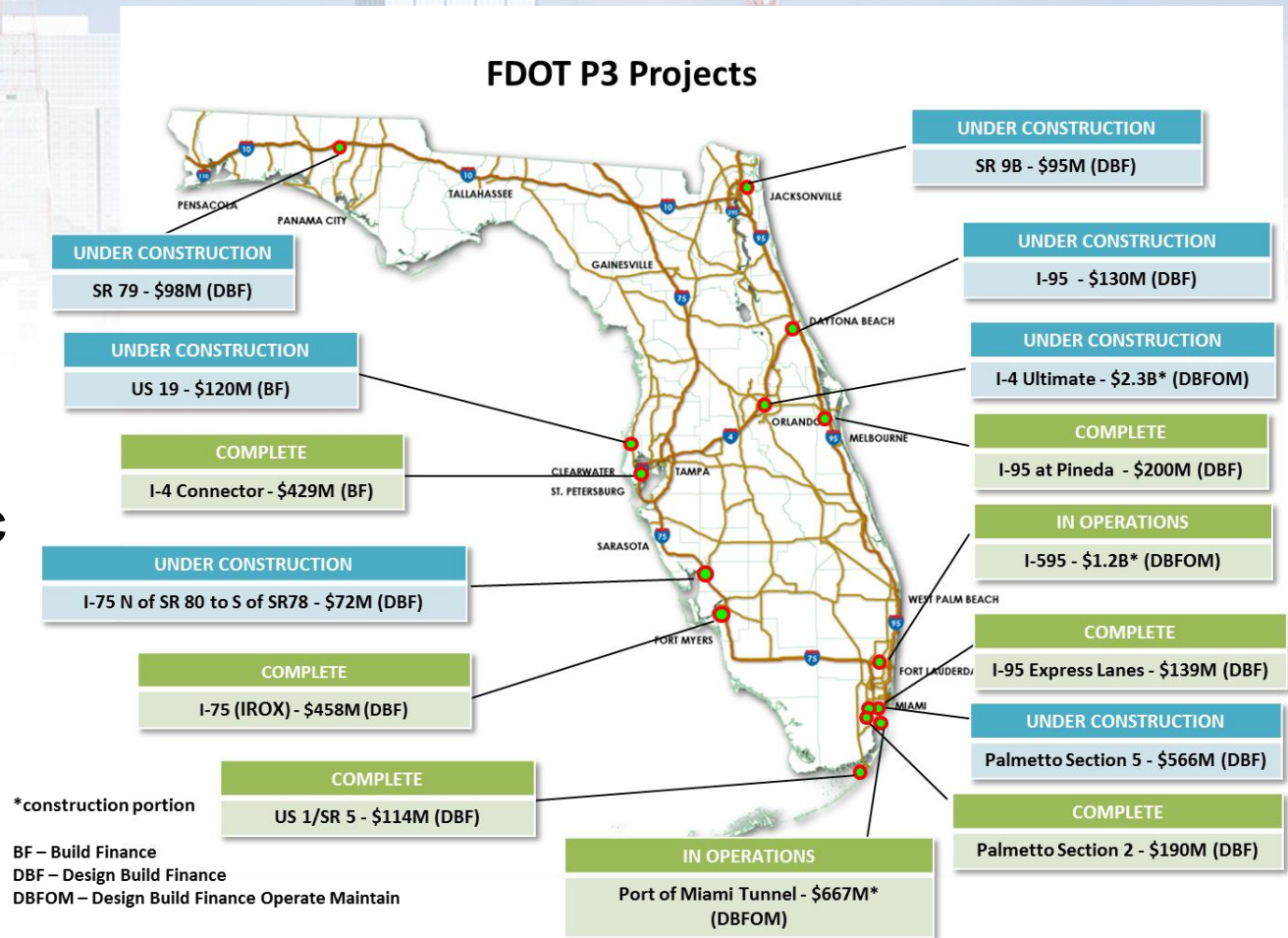


User Fees

- **Tolls-- \$1.4B generated in FY 2013 statewide, including**
 - » Florida Turnpike Enterprise and other FDOT 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
- **Transit and passenger rail fares**
 - » \$289M generated by transit agencies statewide in FY 2013
- **Additional fees**
 - » E.g., airport passenger facility charges

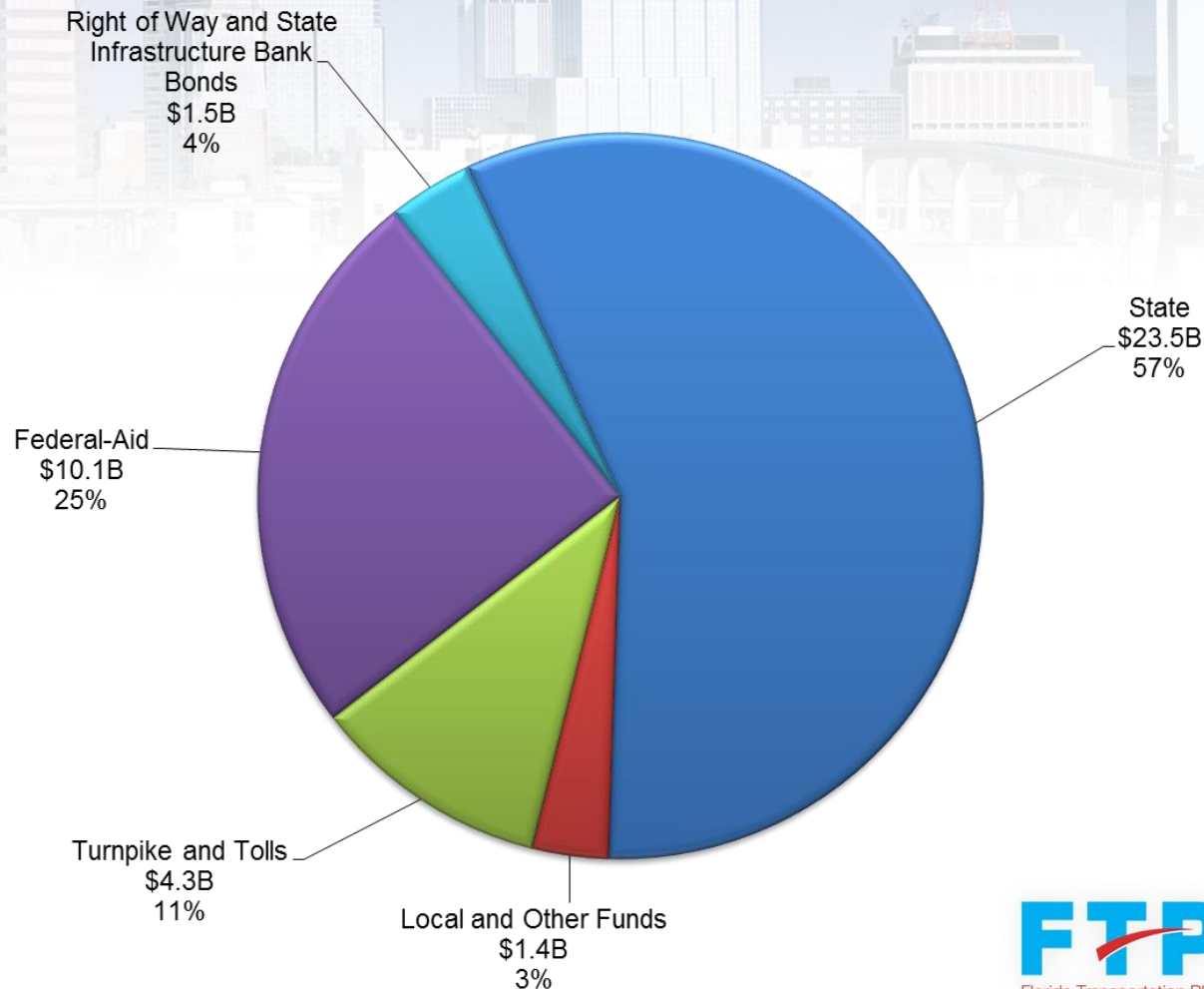
Private Funding and Private/Public Partnerships

- Private investments in privately owned facilities (e.g., rail)
- Private/public partnerships (P3)



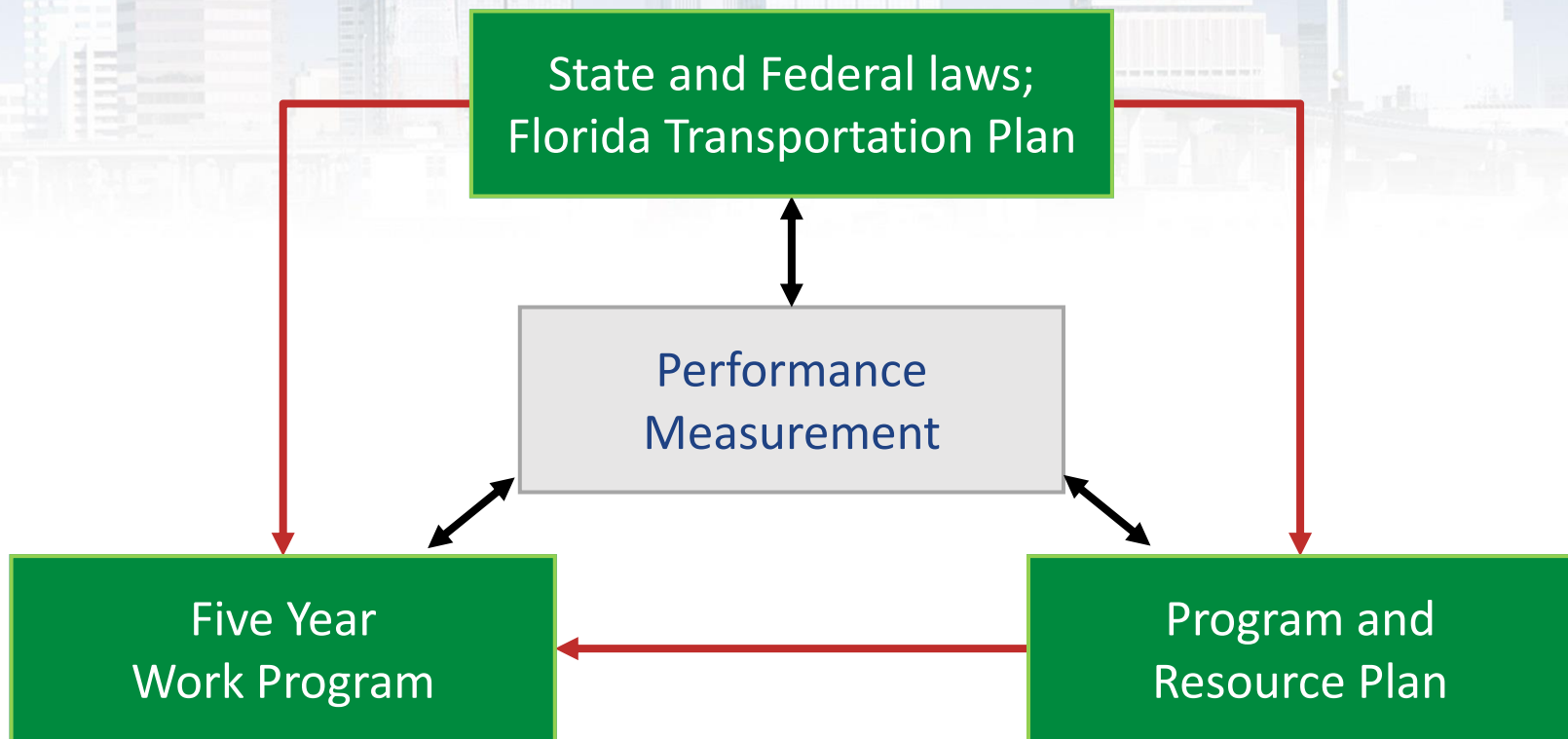
FDOT 5-Year Tentative Work Program FY 2016-2020

Total Funding = \$40.9 Billion



Framework for Investment Decisions

Performance-Based Planning and Programming



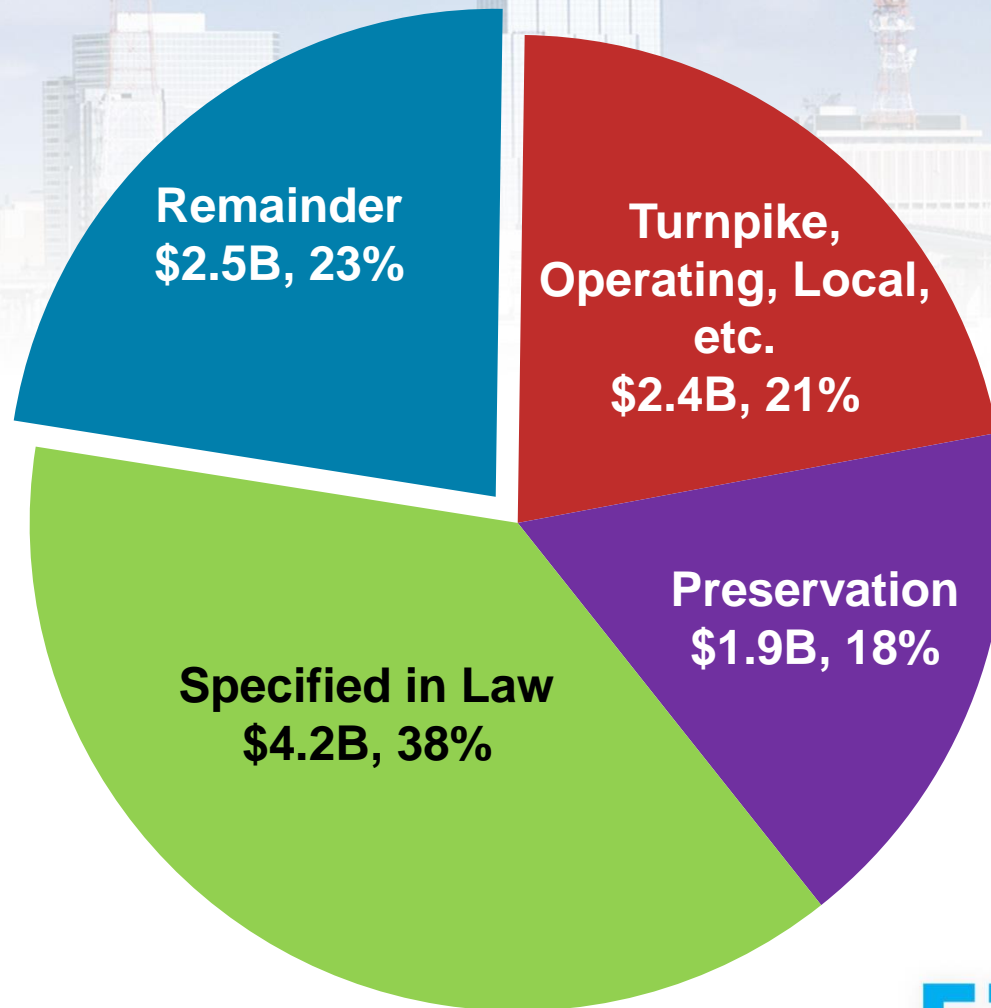
State Investment Priorities

- **Safety (all programs)**
- **Preserve our investments – need based with statutorily defined objectives**
 - » Bridge
 - » Resurfacing
 - » Maintenance
- **Statutory allocation requirements**
- **Transportation system capacity**
 - » Strategic Intermodal System (SIS)
 - » Arterials and other non-SIS projects

State Statutory Requirements Impacting Resource Allocation (Examples)

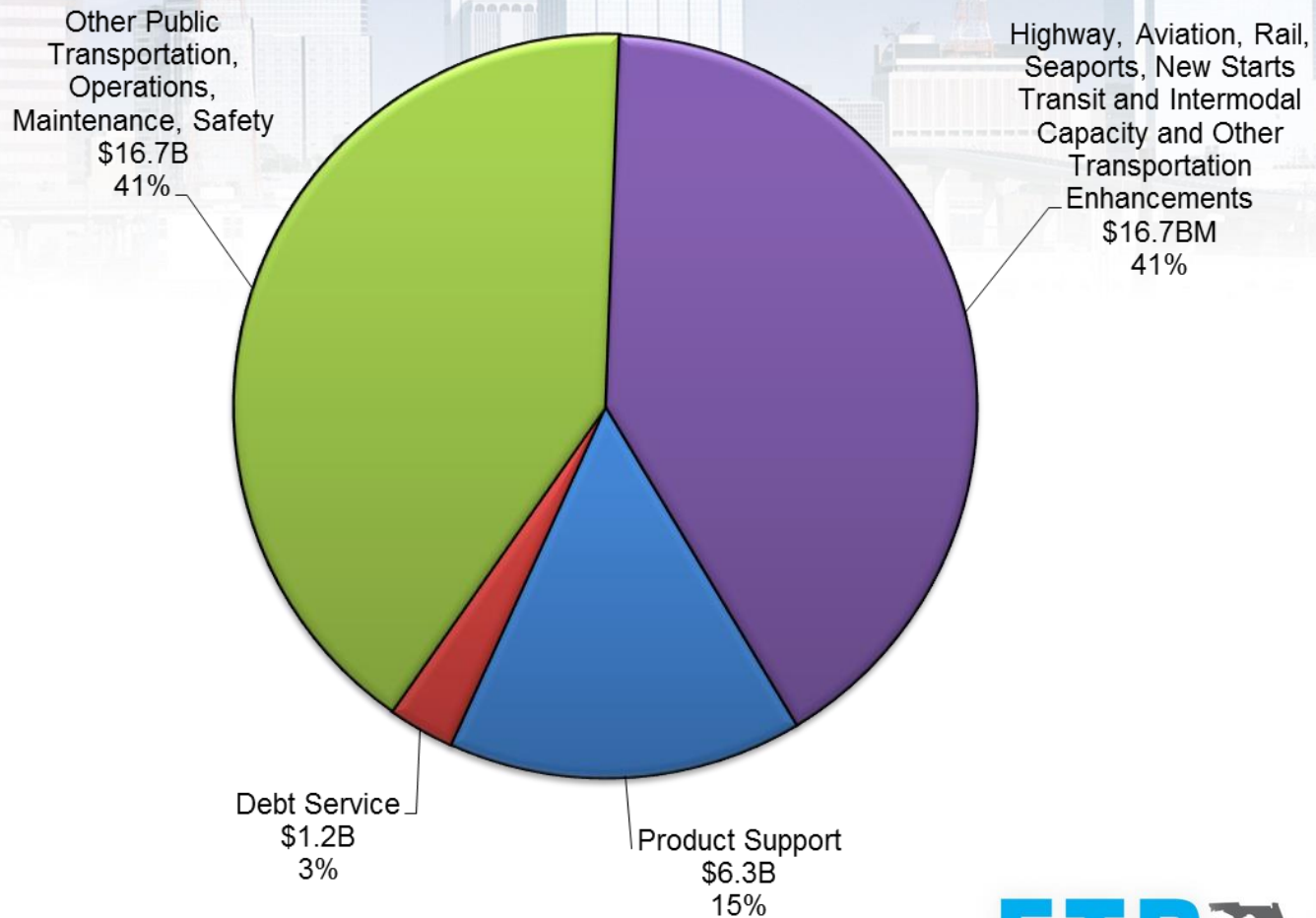
- **At least 15% of most state revenues are for “public transportation” (i.e., non-highway projects)**
- **State portion of local option fuel tax**
 - » County Incentive Grant Program, Small County Outreach Program
- **Documentary Stamps statutory allocations**
 - » State Economic Enhancement and Development Trust Fund (Department of Economic Opportunity)
 - » New Starts Transit Program, Small County Outreach Program, Strategic Intermodal System, Transportation Regional Incentive Program, Florida Rail Enterprise
- **Motor vehicle title fees**
 - » Seaport Investment Program, Transportation Disadvantaged Trust Fund, Small County Outreach Program, strategic transportation projects, projects to facilitate access to the Turnpike system

Statewide Resource Allocation, FY 2015



FDOT 5-Year Tentative Work Program FY 2016-2020

Total Funding = \$40.9 Billion



What's Happening with the Fuel Tax?

Vehicle miles traveled still below pre-recession peak

Vehicles are becoming more fuel efficient

Motor fuel consumption is declining

Percent change, 2007-2013



Florida



U.S.



All Cars



New Cars



Florida



U.S.

State of the Federal Highway Trust Fund

The Federal gas tax has not increased for over 20 years ...



1993



2015

... and the value of the dollar has declined.

Transportation Trust Fund projected annual shortfall



Transit



Highway

Source: USDOT, *Beyond Traffic*

Summary

- **State benefits from diverse transportation revenue base**
 - » Indexing of state motor fuel tax
 - » Comparatively small federal share of program
 - » Comparatively large share for tolling
 - » Leadership in public/private partnerships
- **Local resources significant but vary by jurisdiction**
- **Future challenges**
 - » Declining value of motor fuel tax
 - » Increasing number of statutory funding allocation requirements
 - » Potential for future increases in construction and right of way costs

Implications of the FTP Vision

- **Changing investment needs**

- » Freight, trade, logistics
- » Travel choices (e.g., transit, bicycling, walking)
- » System operations and management
- » Technology and innovation

- **Changing opportunities**

- » Market-based funding (e.g., managed lanes, express transit)
- » Public/private and state/local partnerships
- » More opportunities for revenue generation (e.g., solar highways)

2060 Florida Transportation Plan

- Pursue greater choices and flexibility for raising and investing sustainable transportation resources
- Establish clear priorities for future transportation investments
- Reduce the cost of providing and operating transportation facilities
- Develop and carry out a public education program to demonstrate the positive impact of transportation improvements

Questions for the Steering Committee

- **What are the implications of the FTP vision and policy framework for transportation resources and investment needs?**
- **What principles should guide transportation partners in establishing future investment strategies and priorities?**

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About Us

The Florida Department of Transportation (FDOT) is updating the Florida Transportation Plan (FTP) and the Strategic Intermodal System (SIS) Policy Plan. The FTP defines Florida's future transportation vision and identifies goals, objectives, and strategies to accomplish that vision. The FTP is the statewide long-range transportation plan for all of Florida. The SIS Policy Plan identifies policies for planning and implementing Florida's Strategic Intermodal System, the statewide high-priority network of transportation facilities critical to Florida's economic competitiveness.

Recent News

Florida's Transportation Visioning Summit took place on December 17, 2014 in Orlando. More than 200 people participated

A Look at Today: Florida's Transportation System



State Highways
State of Florida
12,099 Centerline Miles
6,763 Bridges



Local Roads
Local Governments
107,674 Centerline Miles
5,091 Bridges



Public Transit
Local Agencies/SFRTA
30 Urban Fixed-Route Transit Agencies
23 Rural Fixed-Route Transit Agencies



Rail
Private Sector
2,753 Railway Miles



Seaports/Waterways
Local Agencies/Federal
and State Governments
115 Deepwater Seaports
3,475 Miles of Intracoastal
and Inland Routes



Aviation
Local Agencies
19 Commercial Airports
110 Public General Aviation
620 Private General Aviation



Spaceports
Special District
2 Spaceports
5 Active Launch Facilities

