

**Revenue Estimating Conference
Transportation Revenues
Executive Summary
August 4, 2022**

The Revenue Estimating Conference met on August 4, 2022, to consider the forecast of revenues flowing into the State Transportation Trust Fund (STTF). Including the estimates for FY 2022-23, overall revenues to the STTF during the work program period ending in FY 2027-28 were increased by \$695.1 million or about 2.5 percent. The revised estimates reflect actual revenue collections for the 2021-22 fiscal year and adjustments made for changes enacted during the 2022 Legislative Session which have now been embedded in the old and new forecasts. These legislative changes included lower current year collections from the motor fuel sales tax, SCETS tax, municipal fuel tax, and county fuel tax as those tax rates will be reduced to zero from October 1, 2022 through October 31, 2022. The old and new forecasts also include transfers made via appropriation from General Revenue to the impacted trust funds.

For revenues from fuel taxes, the overall forecast was shaped by recent developments in all of the following: changing consumption patterns of motor fuel and other fuels (diesel, aviation and off-highway fuel) related to the effects of the pandemic and the associated economic expectations going forward; projected fuel tax rates; technological advancements in fuel efficiency; and aviation fuel refund activity. The projection for revenues from all types of fuel was increased by \$674.7 million or 3.9 percent over the entire work program. Within the total for fuel-related taxes, Highway Fuel Sales Tax and the SCETS fuel tax were both raised in the new forecast, producing a combined increase of \$652.6 million for the work program period which accounted for most of the overall forecast change. There were also increases to the forecasts for Aviation Fuel Tax of \$42.3 million, Off-Highway Fuel Tax of \$30.6 million, and Natural Gas Fuel Tax of \$0.1 million. Within the group of fuel taxes, Fuel Use Tax was reduced by -\$50.9 million based on the most recent collection pattern. A fallout of some of the other forecast changes, the Local Option Distribution over the work program was raised by \$0.1 million or less than 0.1 percent over the prior forecast.

Finally, the forecast for the Rental Car Surcharge was decreased by -\$53.2 million, or -6.0 percent. The new forecast reflects the changes to the tourism forecast made by the Florida Economic Estimating Conference in July. Over the longer run, the increased use of alternatives to rental cars such as ride sharing services, destination-provided shuttles, increased remote work options, and the frequency which consumers elect to lease vehicles instead of owning come more into play.

The forecasts for motor vehicle license and registration-related fees were previously adopted by the Highway Safety Licenses and Fees Conference held July 28, 2022. In this work program period, receipts to the STTF from motor vehicle related licenses and fees were increased by \$73.5 million or 0.8 percent over the entire work program. Motor Vehicle Licenses are up \$32.7 million, Initial Registrations are up \$24.5 million, Title Fees are up \$19.9 million, and Motor Carrier Compliance Penalties are down by -\$3.6 million over the work program period.