

**Revenue Estimating Conference  
Transportation Revenues  
Executive Summary  
August 4, 2023**

The Revenue Estimating Conference met on August 4, 2023, to consider the forecast of revenues flowing into the State Transportation Trust Fund (STTF). Absent the transfer from General Revenue in FY 2022-23, revenues for the 2022-23 fiscal year came in nearly 2.1 percent above the prior estimate. Beginning with the estimates for FY 2023-24, overall revenues to the STTF during the work program period ending in FY 2028-29 were increased by \$507.9 million or about 1.7 percent. The revised estimates address the changes enacted during the 2023 Legislative Session which have now been embedded in the old and new forecasts. The most notable change involves delaying the implementation of the natural gas fuel tax from January 1, 2024 to January 1, 2026.

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); projected fuel tax rates; technological advancements in fuel efficiency; and aviation fuel refund activity. The revenue projection for all types of fuel was increased by \$388.0 million or 2.0 percent over the entire work program. Within this total, collections from the Highway Fuel Sales Tax and SCETS fuel tax were increased by \$376.1 million for the work program period. Further adding to the net increase, the forecasts for Off-Highway Fuel Tax and Natural Gas Fuel Tax were increased by \$17.4 million and \$0.1 million, respectively. Likewise, the forecast for Aviation fuel Tax was increased by \$4.9 million. Moving in the opposite direction, expected collections from the Fuel Use Tax were reduced by -\$10.5 million. A fallout of some of the other forecast changes, the Local Option Distribution over the work program was increased by \$2.0 million or approximately 0.7 percent over the prior forecast.

Finally, the forecast for the Rental Car Surcharge was not changed relative to the previous estimate. The prior forecast already reflected disruptions in the car leasing market related to high interest rates, the increased use of alternatives to rental cars such as ride sharing services, destination-provided shuttles, and the greater availability of remote work options.

The forecasts for motor vehicle license and registration-related fees were previously adopted by the Highway Safety Licenses and Fees Conference held July 31, 2023. In this work program period, receipts to the STTF from motor vehicle related licenses and fees were increased by \$117.9 million or 1.3 percent over the entire work program. Motor Vehicle Licenses are up \$133.4 million, Initial Registrations are down -\$12.0 million, Title Fees are up \$5.7 million, and Motor Carrier Compliance Penalties are down by -\$9.2 million over the work program period.

A separate discussion was held regarding the impact on transportation funding from the emerging electric vehicle environment. As owners increasingly turn to electric vehicles, gas tax collections will face continuing downward pressure and, in so doing, reduce the state's primary funding stream for transportation. See separate handout for details.

**Revenue Estimating Conference**  
**Revenues to State Transportation Trust Fund**  
**Forecast**  
**August 4, 2023**

**Table 1**  
**Revenue Summary**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Previous Forecast</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>												
Highway Fuel Sales Tax	1614.5	1579.2	1817.7	1912.2	1976.2	2029.9	2081.7	2132.8	2183.1	2234.0	2284.0	
SCETS Tax	915.8	889.2	1025.8	1082.2	1115.6	1143.2	1173.5	1207.4	1233.2	1259.2	1288.5	
Off-Highway Fuel Sales Tax	17.1	25.4	22.2	22.1	22.7	23.1	23.8	24.3	24.8	25.5	26.1	
Aviation Fuel Tax	26.3	26.1	26.8	27.3	27.9	28.3	28.8	29.1	29.4	29.7	30.0	
Fuel Use Tax and Fees	6.1	7.7	7.9	8.1	8.2	8.3	8.4	8.4	8.5	8.5	8.6	
Natural Gas Fuel Tax	0.0	0.0	0.0	0.0	0.2	0.7	0.7	0.7	0.7	0.8	0.8	
<b>MVL -Related Amount (From HSMV Conference)</b>												
Motor Vehicle Licenses	896.0	886.6	893.8	906.5	916.3	925.9	935.1	942.4	949.7	957.0	964.4	
Initial Registration Fee	289.7	291.6	271.1	261.1	258.3	258.3	258.3	260.1	261.8	263.6	265.4	
Title Fees	321.5	318.9	319.6	320.3	321.2	322.1	323.0	323.8	324.7	325.5	326.4	
Motor Vehicle Compliance Penalties	14.2	13.4	14.6	14.8	15.0	15.3	15.5	15.6	15.7	15.8	15.9	
Transfer to General Revenue	-7.7											
Subtotal	1513.7	1510.5	1499.1	1502.7	1510.8	1521.6	1531.9	1541.9	1551.9	1561.9	1572.1	
Rental Car Surcharge	119.0	119.9	121.2	122.2	123.3	124.3	125.2	126.6	128.1	129.7	131.3	
Local Option Distribution	47.6	48.3	48.5	48.9	49.4	49.6	49.7	49.8	49.9	50.0	50.1	
Transfer From General Revenue		183.8										
<b>Total</b>	<b>4260.0</b>	<b>4390.1</b>	<b>4569.2</b>	<b>4725.7</b>	<b>4834.3</b>	<b>4929.0</b>	<b>5023.7</b>	<b>5121.0</b>	<b>5209.6</b>	<b>5299.3</b>	<b>5391.5</b>	
<b>New Forecast</b>												
<b>August 4, 2023</b>												
Highway Fuel Sales Tax	1614.5	1596.3	1848.0	1945.1	2012.1	2071.1	2133.3	2186.6	2238.8	2290.6	2342.1	2396.9
SCETS Tax	915.8	902.1	1039.1	1100.3	1138.8	1167.0	1198.9	1234.0	1260.7	1287.0	1317.3	1351.7
Off-Highway Fuel Sales Tax	17.1	25.9	23.8	24.5	25.9	26.6	27.2	27.6	28.1	28.7	29.4	30.0
Aviation Fuel Tax	26.3	27.0	27.6	28.1	28.6	29.1	29.6	30.1	30.4	30.7	31.1	31.3
Fuel Use Tax and Fees	6.1	12.9	6.2	6.4	6.5	6.5	6.6	6.6	6.7	6.7	6.8	6.8
Natural Gas Fuel Tax	0.0	0.0	0.0	0.0	0.2	0.8	0.7	0.7	0.7	0.9	0.8	0.8
<b>MVL -Related Amount (From HSMV Conference)</b>												
Motor Vehicle Licenses	896.0	924.9	920.1	926.9	939.2	948.0	955.2	964.0	967.1	970.1	973.2	976.3
Initial Registration Fee	289.7	301.1	268.6	263.8	260.9	258.0	254.5	249.4	250.1	250.8	251.5	252.2
Title Fees	321.5	321.9	320.4	321.9	322.8	323.2	323.5	323.9	324.3	324.6	325.0	325.3
Motor Vehicle Compliance Penalties	14.2	13.1	13.3	13.4	13.5	13.6	13.8	14.0	14.0	14.1	14.1	14.1
Transfer to General Revenue	-7.7											
Subtotal	1513.7	1561.0	1522.4	1526.0	1536.4	1542.8	1547.0	1551.3	1555.5	1559.6	1563.8	1567.9
Rental Car Surcharge	119.0	119.5	121.2	122.2	123.3	124.3	125.2	126.6	128.1	129.7	131.3	132.8
Local Option Distribution	47.6	47.9	47.7	49.5	49.9	50.1	50.3	50.4	50.5	50.6	50.7	50.8
Transfer From General Revenue		183.8										
<b>Total</b>	<b>4260.0</b>	<b>4476.4</b>	<b>4636.0</b>	<b>4802.1</b>	<b>4921.7</b>	<b>5018.3</b>	<b>5118.8</b>	<b>5213.9</b>	<b>5299.5</b>	<b>5384.5</b>	<b>5473.3</b>	<b>5569.0</b>
<b>Difference</b>			66.8	76.4	87.4	89.3	95.1	92.9	89.9	85.2	81.8	5569.0
<b>Cumulative Difference</b>			66.8	143.2	230.6	319.9	415.0	507.9	597.8	683.0	764.8	6333.8

Note: FY 2022-23 Transfer from GR is an appropriation per Ch. 2022-97 s. 47 L.O.F.

**Table 2**  
**Assumptions**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>CPI, All Items, Local Government Fiscal Year</b>												
March 1, 2023 - Updated for 2023 Session	287.68	301.82	309.68	316.28	323.07	330.13	337.24	344.32	351.66	359.35	367.28	
% Change	7.91%	4.92%	2.60%	2.13%	2.15%	2.18%	2.15%	2.10%	2.13%	2.18%	2.21%	
August 4, 2023	287.66	302.24	310.98	318.70	326.27	333.77	341.13	348.14	355.34	362.85	370.68	378.71
% Change	7.92%	5.07%	2.89%	2.48%	2.37%	2.30%	2.20%	2.05%	2.07%	2.11%	2.16%	2.16%
<b>Sales Tax, All Fuel, Calendar Year</b>												
March 1, 2023 - Updated for 2023 Session	15.00	16.20	17.00	17.40	17.80	18.20	18.60	19.00	19.40	19.80	20.20	
August 4, 2023	15.00	16.20	17.00	17.50	17.90	18.40	18.80	19.20	19.60	20.00	20.40	20.90
<b>Sales Tax, All Fuel, Fiscal Year Average</b>												
March 1, 2023 - Updated for 2023 Session	14.67	15.40	16.47	17.13	17.53	17.93	18.33	18.73	19.13	19.53	19.93	
August 4, 2023	14.67	15.40	16.47	17.17	17.63	18.07	18.53	18.93	19.33	19.73	20.13	20.57
<b>SCETS Tax Rate, Motor Fuel, Fiscal Year Average</b>												
March 1, 2023 - Updated for 2023 Session	8.10	8.50	9.07	9.47	9.67	9.87	10.10	10.37	10.57	10.77	11.00	
August 4, 2023	8.10	8.50	9.05	9.50	9.77	9.97	10.20	10.47	10.67	10.87	11.10	11.37
<b>SCETS Tax Rate, Special Fuel, Fiscal Year Average</b>												
March 1, 2023 - Updated for 2023 Session	8.10	8.50	9.07	9.47	9.67	9.87	10.10	10.37	10.57	10.77	11.00	
August 4, 2023	8.10	8.50	9.07	9.50	9.77	9.97	10.20	10.47	10.67	10.87	11.10	11.37
<b>Aviation Fuel Tax Rate (Cents per Gallon)</b>												
March 1, 2023 - Updated for 2023 Session	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	
August 4, 2023	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27
<b>Florida Pump Price</b>												
March 1, 2023 - Updated for 2023 Session	384.54	378.56	356.38	356.43	361.91	365.49	372.84	377.86	383.98	390.51	397.07	
% Change	52.44%	-1.56%	-5.86%	0.01%	1.54%	0.99%	2.01%	1.35%	1.62%	1.70%	1.68%	
August 4, 2023	384.54	385.55	352.68	364.91	383.56	393.58	402.95	408.25	414.48	422.74	432.34	440.84
% Change	52.44%	0.26%	-8.53%	3.47%	5.11%	2.61%	2.38%	1.32%	1.53%	1.99%	2.27%	1.97%
<b>Fleet Miles Per Gallon</b>												
March 1, 2023 - Updated for 2023 Session	24.01	24.45	24.84	25.24	25.66	26.13	26.65	27.21	27.84	28.51	29.25	
August 4, 2023	24.01	24.47	24.84	25.24	25.66	26.13	26.65	27.21	27.84	28.51	29.25	30.05
<b>Real Price Per Mile</b>												
March 1, 2023 - Updated for 2023 Session	5.68	5.17	4.66	4.49	4.39	4.26	4.17	4.05	3.94	3.83	3.72	
% Change	39.64%	-8.97%	-9.93%	-3.61%	-2.26%	-2.92%	-2.09%	-2.81%	-2.72%	-2.82%	-3.03%	
August 4, 2023	5.68	5.26	4.60	4.56	4.61	4.54	4.46	4.33	4.21	4.11	4.01	3.89
% Change	39.64%	-7.45%	-12.56%	-0.72%	0.93%	-1.48%	-1.81%	-2.82%	-2.74%	-2.48%	-2.41%	-2.86%
<b>State and Local Natural Gas Fuel Tax Rate, Fiscal Year Average</b>												
March 1, 2023 - Updated for 2023 Session	0.00	0.00	0.00	0.00	26.13	26.57	27.03	27.47	27.93	28.37	28.87	
August 4, 2023	0.00	0.00	0.00	0.00	26.60	26.73	27.17	27.67	28.17	28.67	29.17	29.67

**Table 3  
Fuel Consumption**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Motor Fuel (Millions of Gallons)</b>												
March 1, 2023 - Updated for 2023 Session	9477.6	9505.2	9578.0	9633.0	9697.0	9705.3	9714.1	9722.6	9728.0	9731.9	9733.3	
% Change	10.64%	0.29%	0.77%	0.57%	0.66%	0.09%	0.09%	0.09%	0.06%	0.04%	0.01%	
August 4, 2023	9477.6	9555.9	9675.8	9739.1	9783.0	9801.2	9817.8	9830.9	9841.6	9849.6	9855.8	9860.2
% Change	10.64%	0.83%	1.25%	0.65%	0.45%	0.19%	0.17%	0.13%	0.11%	0.08%	0.06%	0.04%
<b>Diesel Fuel (Millions of Gallons)</b>												
March 1, 2023 - Updated for 2023 Session	1967.0	1997.3	1959.3	2020.2	2066.0	2102.4	2125.9	2144.5	2161.4	2180.8	2197.9	
% Change	7.22%	1.54%	-1.90%	3.11%	2.27%	1.76%	1.12%	0.88%	0.79%	0.90%	0.78%	
August 4, 2023	1967.0	1989.0	2019.1	2057.7	2091.2	2121.8	2148.8	2170.6	2188.5	2205.3	2221.8	2240.5
% Change	7.22%	1.12%	1.52%	1.91%	1.63%	1.46%	1.27%	1.02%	0.82%	0.77%	0.75%	0.84%
<b>Total Highway Fuel (Millions of Gallons)</b>												
March 1, 2023 - Updated for 2023 Session	11444.6	11502.4	11537.3	11653.2	11763.0	11807.7	11840.0	11867.1	11889.4	11912.7	11931.1	
% Change	10.04%	0.51%	0.30%	1.00%	0.94%	0.38%	0.27%	0.23%	0.19%	0.20%	0.15%	
August 4, 2023	11444.6	11544.9	11694.9	11796.8	11874.2	11922.9	11966.5	12001.6	12030.1	12054.9	12077.6	12100.7
% Change	10.04%	0.88%	1.30%	0.87%	0.66%	0.41%	0.37%	0.29%	0.24%	0.21%	0.19%	0.19%
<b>Aviation Fuel (Millions of Gallons)</b>												
March 1, 2023 - Updated for 2023 Session	1475.3	1413.7	1439.2	1463.4	1484.0	1503.6	1522.1	1539.0	1555.8	1570.8	1585.7	
% Change	69.75%	-4.17%	1.80%	1.68%	1.41%	1.32%	1.23%	1.11%	1.09%	0.96%	0.95%	
August 4, 2023	1475.3	1411.7	1441.9	1468.7	1493.7	1518.8	1542.9	1565.8	1586.9	1604.4	1619.6	1635.0
% Change	69.75%	-4.31%	2.14%	1.86%	1.70%	1.68%	1.59%	1.48%	1.35%	1.10%	0.95%	0.95%

**Table 4**  
**Highway Fuel Sales Tax Revenues (\$ Millions)**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Gross Collections</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	1693.1	1649.8	1899.8	1996.6	2062.4	2117.5	2170.7	2223.1	2274.8	2327.0	2378.3	
<b>August 4, 2023</b>	1693.1	1662.6	1925.8	2025.1	2093.8	2154.1	2217.8	2272.3	2325.8	2378.8	2431.6	2488.7
<b>Refunds</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	37.6	30.0	39.9	41.9	43.3	44.5	45.6	46.7	47.8	48.9	49.9	
<b>August 4, 2023</b>	37.6	25.7	35.5	37.3	38.6	39.7	40.8	41.8	42.8	43.8	44.8	45.8
<b>DOR Administration</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	9.9	9.8	10.0	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	
<b>August 4, 2023</b>	9.9	9.8	10.0	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9
<b>Transfer to Invasive Plant Control Trust Fund</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	
<b>August 4, 2023</b>	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
<b>Transfer to State Game Trust Fund</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	
<b>August 4, 2023</b>	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
<b>0.65% Transfer to Agriculture Emergency Trust Fund</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	8.9	8.6	10.0	10.4	10.8	11.0	11.3	11.5	11.8	12.0	12.3	
<b>August 4, 2023</b>	8.9	8.7	10.1	10.6	11.0	11.2	11.6	11.8	12.1	12.3	12.6	12.9
<b>Transfer to Marine Resources Conservation Trust Fund</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	
<b>August 4, 2023</b>	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	14.4
<b>Net Transfer to STTF</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	1614.5	1579.2	1817.7	1912.2	1976.2	2029.9	2081.7	2132.8	2183.1	2234.0	2284.0	
<b>August 4, 2023</b>	1614.5	1596.3	1848.0	1945.1	2012.1	2071.1	2133.3	2186.6	2238.8	2290.6	2342.1	2396.9

**Table 5**  
**SCETS Tax Revenues (\$ Millions)**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Gross Collections</b>												
March 1, 2023 - Updated for 2023 Session	935.3	910.4	1046.0	1103.2	1137.1	1165.0	1195.8	1230.2	1256.3	1282.6	1312.4	
August 4, 2023	935.3	918.5	1058.7	1120.7	1159.7	1188.3	1220.6	1256.2	1283.2	1310.0	1340.6	1375.5
<b>Refunds</b>												
March 1, 2023 - Updated for 2023 Session	9.0	10.4	9.0	9.5	9.8	10.0	10.3	10.6	10.8	11.0	11.3	
August 4, 2023	9.0	6.4	8.7	9.2	9.5	9.8	10.0	10.3	10.5	10.8	11.0	11.3
<b>DOR Administration</b>												
March 1, 2023 - Updated for 2023 Session	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	
August 4, 2023	5.6	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
<b>0.65% Transfer to Agriculture Emergency Trust Fund</b>												
March 1, 2023 - Updated for 2023 Session	5.0	5.2	5.6	5.9	6.1	6.2	6.4	6.6	6.7	6.8	7.0	
August 4, 2023	5.0	4.8	5.7	6.0	6.2	6.3	6.5	6.7	6.8	7.0	7.1	7.3
<b>Net Transfer to STTF</b>												
March 1, 2023 - Updated for 2023 Session	915.8	889.2	1025.8	1082.2	1115.6	1143.2	1173.5	1207.4	1233.2	1259.2	1288.5	
August 4, 2023	915.8	902.1	1039.1	1100.3	1138.8	1167.0	1198.9	1234.0	1260.7	1287.0	1317.3	1351.7

**Table 6  
Other Fuel Tax Revenues (\$ Millions)**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Off Highway Fuel Gross Collections and STTF</b>												
March 1, 2023 - Updated for 2023 Session	17.1	25.4	22.2	22.1	22.7	23.1	23.8	24.3	24.8	25.5	26.1	
% Change	80.18%	48.84%	-12.60%	-0.45%	2.71%	1.76%	3.03%	2.10%	2.06%	2.82%	2.35%	
August 4, 2023	17.1	25.9	23.8	24.5	25.9	26.6	27.2	27.6	28.1	28.7	29.4	30.0
% Change	80.18%	51.87%	-8.17%	2.94%	5.71%	2.70%	2.26%	1.47%	1.81%	2.14%	2.44%	2.04%
<b>Aviation Fuel</b>												
<b>Gross Collections</b>												
March 1, 2023 - Updated for 2023 Session	62.9	60.4	61.5	62.5	63.4	64.2	65.0	65.7	66.4	67.1	67.7	
August 4, 2023	62.9	60.1	61.6	62.7	63.8	64.9	65.9	66.9	67.8	68.5	69.2	69.8
<b>Refunds</b>												
March 1, 2023 - Updated for 2023 Session	34.2	31.9	32.3	32.7	33.0	33.3	33.6	34.0	34.3	34.7	35.0	
August 4, 2023	34.2	30.6	31.4	31.9	32.5	33.0	33.5	34.0	34.5	34.9	35.2	35.6
<b>DOR Administration</b>												
March 1, 2023 - Updated for 2023 Session	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
August 4, 2023	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>GR Service Charge</b>												
March 1, 2023 - Updated for 2023 Session	2.3	2.3	2.3	2.4	2.4	2.5	2.5	2.5	2.6	2.6	2.6	
August 4, 2023	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.6	2.7	2.7	2.7	2.7
<b>Net Transfer to STTF</b>												
March 1, 2023 - Updated for 2023 Session	26.3	26.1	26.8	27.3	27.9	28.3	28.8	29.1	29.4	29.7	30.0	
August 4, 2023	26.3	27.0	27.6	28.1	28.6	29.1	29.6	30.1	30.4	30.7	31.1	31.3

**Table 7  
Special Fuel Use Tax and Fees**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Beginning Balance (\$ Millions)</b>	4.9	2.6	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7
<b>Registrations and Permits Issued</b>												
Registrations	88,925	63,780	64,580	65,003	65,295	65,417	65,528	65,616	65,687	65,740	65,782	65,811
Emergency and Trip Permits	10,701	20,594	20,853	20,989	21,084	21,123	21,159	21,187	21,210	21,227	21,241	21,250
<b>Registrations and Permits Collections (\$ Millions)</b>												
Registration Fees	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Emergency and Trip Fees	0.5	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Total Fees and Permits</b>	0.8	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
<b>Use Tax Collections (\$ Millions)</b>												
Use Tax	14.7	30.4	13.8	13.9	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Refunds and Reserve	0.2	0.4	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
<b>Net Use Tax</b>	14.5	30.1	13.1	13.2	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3
<b>Total Revenue</b>	15.5	31.6	15.0	15.1	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2
<b>Other Jurisdictions</b>	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Ending Fund Balance</b>	2.6	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7
<b>Net to be Distributed</b>	14.7	31.2	14.3	14.4	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
<b>Administrative Costs, net of GR Service Charge</b>	5.1	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
<b>Distributions</b>												
S.T.T.F.	6.1	12.9	6.2	6.4	6.5	6.5	6.6	6.6	6.7	6.7	6.8	6.8
Constitutional Gas Tax (2 cents)	1.0	2.1	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
County Gas Tax (1 cent)	0.2	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Municipal Gas Tax (1 cent)	0.2	0.8	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Local Option Tax (1-to-5 cents and 1-to-6 cent)	1.8	5.7	1.7	1.7	1.7	1.6	1.6	1.6	1.6	1.5	1.5	1.5
Pollutants Tax	0.5	1.1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4
General Rev Service Charge	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



**Table 8**  
**\$2.00 Rental Car Fees**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Total Collections (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	163.3	164.6	166.3	167.7	169.1	170.5	171.9	173.6	175.6	177.8	180.0	
August 4, 2023	163.3	164.0	166.3	167.7	169.1	170.5	171.9	173.6	175.6	177.8	180.0	182.2
<b>Administrative Fees (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	
August 4, 2023	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
<b>GR Service Charges (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	13.1	13.2	13.3	13.4	13.5	13.6	13.8	13.9	14.0	14.2	14.4	
August 4, 2023	13.1	13.1	13.3	13.4	13.5	13.6	13.8	13.9	14.0	14.2	14.4	14.6
<b>Net to Be Distributed (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	148.7	149.9	151.5	152.8	154.1	155.4	156.6	158.2	160.1	162.1	164.1	
August 4, 2023	148.7	149.4	151.5	152.8	154.1	155.4	156.6	158.2	160.1	162.1	164.1	166.1
<b>Tourism Promotion Trust Fund (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	23.4	23.6	23.9	24.1	24.3	24.5	24.7	24.9	25.2	25.5	25.8	
August 4, 2023	23.4	23.5	23.9	24.1	24.3	24.5	24.7	24.9	25.2	25.5	25.8	26.2
<b>Florida International Trade &amp; Promotion TF (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	6.3	6.4	6.4	6.5	6.5	6.6	6.7	6.7	6.8	6.9	7.0	
August 4, 2023	6.3	6.3	6.4	6.5	6.5	6.6	6.7	6.7	6.8	6.9	7.0	7.1
<b>STTF (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	119.0	119.9	121.2	122.2	123.3	124.3	125.2	126.6	128.1	129.7	131.3	
August 4, 2023	119.0	119.5	121.2	122.2	123.3	124.3	125.2	126.6	128.1	129.7	131.3	132.8

**Table 9**  
**Local Option Taxes Subject to Service Charges**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Motor Fuel Gallons (Millions)</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	9477.6	9505.2	9578.0	9633.0	9697.0	9705.3	9714.1	9722.6	9728.0	9731.9	9733.3	
<b>August 4, 2023</b>	9477.6	9555.9	9675.8	9739.1	9783.0	9801.2	9817.8	9830.9	9841.6	9849.6	9855.8	9860.2
<b>Diesel Fuel Gallons (Millions)</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	1967.0	1997.3	1959.3	2020.2	2066.0	2102.4	2125.9	2144.5	2161.4	2180.8	2197.9	
<b>August 4, 2023</b>	1967.0	1989.0	2019.1	2057.7	2091.2	2121.8	2148.8	2170.6	2188.5	2205.3	2221.8	2240.5
<b>Local Tax Rate Subject to Allocation to STTF (Cents per Gallon)</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	
<b>August 4, 2023</b>	6.0	6.0	5.8	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
<b>Motor Fuel Tax Rate Subject to GR Service Charge (Cents per Gallon)</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	3.0	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	
<b>August 4, 2023</b>	3.0	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
<b>Local Option Service Charge Revenue to STTF (\$ Millions)</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	47.6	48.3	48.5	48.9	49.4	49.6	49.7	49.8	49.9	50.0	50.1	
<b>August 4, 2023</b>	47.6	47.9	47.7	49.5	49.9	50.1	50.3	50.4	50.5	50.6	50.7	50.8
<b>Local Option Service Charge Revenue to GR (\$ Millions)</b>												
<b>March 1, 2023 - Updated for 2023 Session</b>	22.8	23.9	24.1	24.2	24.4	24.4	24.4	24.5	24.5	24.5	24.5	
<b>August 4, 2023</b>	22.8	24.1	24.4	24.5	24.6	24.7	24.7	24.7	24.8	24.8	24.8	24.8

Note: Local Option Fuel Taxes Include Local Option Fuel Tax ( 1 to 6 Cents), Local Option Motor Fuel Tax (1 to 5 Cents), and Ninth Cent Fuel Tax.

**Table 10**  
**Fuel Tax Distributions to Local Government (\$ Millions)**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Highway Fuel Tax</b>												
Constitutional Fuel Tax (2 Cents)	229.0	231.0	234.0	236.0	237.5	238.5	239.4	240.1	240.7	241.2	241.7	242.2
County Fuel Tax (1 Cent)	100.9	94.3	103.1	104.0	104.7	105.1	105.5	105.8	106.1	106.3	106.5	106.7
Municipal Fuel Tax (1 Cent)	102.1	95.5	104.3	105.2	105.9	106.3	106.7	107.0	107.3	107.5	107.7	107.9
<b>Fuel Use Tax and Fees</b>												
Constitutional Fuel Tax (2 Cents)	1.0	2.1	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
County Fuel Tax (1 Cent)	0.2	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Municipal Fuel Tax (1 Cent)	0.2	0.8	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>Natural Gas Fuel Tax</b>												
Constitutional Fuel Tax (2 Cents)	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
County Fuel Tax (1 Cent)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Municipal Fuel Tax (1 Cent)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Transfer from General Revenue</b>												
Constitutional Fuel Tax (2 Cents)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
County Fuel Tax (1 Cent)	0.0	7.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Municipal Fuel Tax (1 Cent)	0.0	7.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Fuel Taxes</b>												
Constitutional Fuel Tax (2 Cents)	230.0	233.1	234.5	236.5	238.1	239.1	240.0	240.7	241.2	241.7	242.2	242.7
County Fuel Tax (1 Cent)	101.1	102.8	103.3	104.2	104.9	105.3	105.7	106.0	106.3	106.5	106.7	106.9
Municipal Fuel Tax (1 Cent)	102.3	104.2	104.5	105.4	106.1	106.5	106.9	107.2	107.5	107.7	107.9	108.1

Note: Dollar figures shown are net of service charges, administrative costs, refunds and dealer allowances  
FY 2022-23 Transfer from GR is an appropriation per Ch. 2022-97 s. 47 L.O.F.

**Table 11**  
**Pollutants Tax**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Coastal Protections</b>												
March 1, 2023 - Updated for 2023 Session	6.4	6.4	6.4	6.5	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6
% Change	11.97%	0.63%	0.00%	1.56%	1.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
August 4, 2023	6.4	7.1	7.1	7.2	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
% Change	11.97%	10.85%	0.71%	1.41%	1.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Water Quality</b>												
March 1, 2023 - Updated for 2023 Session	17.6	17.6	17.7	17.9	18.1	18.2	18.3	18.4	18.5	18.6	18.6	18.6
% Change	10.61%	-0.11%	0.57%	1.13%	1.12%	0.55%	0.55%	0.55%	0.54%	0.54%	0.00%	0.00%
August 4, 2023	17.6	18.9	19.1	19.3	19.4	19.5	19.6	19.7	19.8	19.9	20.0	20.1
% Change	10.61%	7.04%	1.27%	1.05%	0.52%	0.52%	0.51%	0.51%	0.51%	0.51%	0.50%	0.50%
<b>Lead Acid Battery Fee (Distributed into Coastal Protection Trust Fund)</b>												
March 1, 2023 - Updated for 2023 Session	13.4	13.7	13.8	14.0	14.1	14.2	14.3	14.4	14.5	14.6	14.7	14.7
% Change	13.26%	2.16%	0.73%	1.45%	0.71%	0.71%	0.70%	0.70%	0.69%	0.69%	0.68%	0.68%
August 4, 2023	13.4	11.6	11.8	12.0	12.1	12.2	12.3	12.4	12.4	12.4	12.4	12.4
% Change	13.26%	-13.69%	1.95%	1.69%	0.83%	0.83%	0.82%	0.81%	0.00%	0.00%	0.00%	0.00%
<b>Inland Protection</b>												
March 1, 2023 - Updated for 2023 Session	236.0	237.2	237.9	240.3	242.6	243.5	244.2	244.8	245.3	245.8	246.2	246.2
% Change	14.30%	0.50%	0.30%	1.01%	0.96%	0.37%	0.29%	0.25%	0.20%	0.20%	0.16%	0.16%
Motor Fuel Related	183.9	184.8	185.3	187.2	189.0	189.7	190.2	190.7	191.1	191.5	191.8	191.8
Diesel Fuel Related	31.6	31.7	31.8	32.2	32.5	32.6	32.7	32.8	32.8	32.9	32.9	32.9
Aviation Fuel Related	19.3	19.4	19.5	19.7	19.8	19.9	20.0	20.0	20.1	20.1	20.1	20.1
Other	1.2	1.3	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4
August 4, 2023	236.0	256.8	260.1	262.4	264.1	265.2	266.2	267.0	267.6	268.2	268.7	269.2
% Change	14.30%	8.80%	1.29%	0.88%	0.65%	0.42%	0.38%	0.30%	0.22%	0.22%	0.19%	0.19%
Motor Fuel Related	183.9	200.0	202.6	204.4	205.7	206.6	207.4	208.0	208.5	208.9	209.3	209.7
Diesel Fuel Related	31.6	34.4	34.8	35.1	35.3	35.5	35.6	35.7	35.8	35.9	36.0	36.0
Aviation Fuel Related	19.3	21.0	21.3	21.5	21.6	21.7	21.8	21.8	21.9	21.9	22.0	22.0
Other	1.2	1.4	1.4	1.4	1.5	1.4	1.4	1.5	1.4	1.5	1.4	1.5
<b>Total Collections</b>												
March 1, 2023 - Updated for 2023 Session	273.4	274.9	275.8	278.7	281.4	282.5	283.4	284.2	284.9	285.6	286.1	286.1
% Change	13.95%	0.54%	0.33%	1.05%	0.97%	0.39%	0.32%	0.28%	0.25%	0.25%	0.18%	0.18%
August 4, 2023	273.4	294.3	298.1	300.9	302.9	304.2	305.4	306.4	307.1	307.8	308.4	309.0
% Change	13.95%	7.63%	1.30%	0.94%	0.66%	0.43%	0.39%	0.33%	0.23%	0.23%	0.19%	0.19%

Note: Distribution net of refunds, GR Service Charge and Administrative Costs. Collection amounts are based on the projected gallonage of motor fuel, diesel and aviation fuel, with the exception of the Lead Acid Battery Fee which is calculated using the Automobile Forecast from the Highway Safety Motor Vehicle Conference.

**Table 12**  
**Natural Gas Fuel**

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
<b>Natural Gas Fuel Taxable Units (Millions)</b>												
March 1, 2023 - Updated for 2023 Session	0.0	0.0	0.0	0.0	1.1	3.5	3.5	3.5	3.6	3.6	3.6	
% Change				#DIV/0!	#DIV/0!	205.27%	1.12%	0.88%	0.79%	0.90%	0.78%	
August 4, 2023	0.0	0.0	0.0	0.0	1.1	3.4	3.5	3.5	3.6	3.6	3.6	3.6
% Change						204.38%	1.27%	1.02%	0.82%	0.77%	0.75%	0.84%
<b>Natural Gas Fuel Gross Collections (\$ Millions)</b>												
March 1, 2023 - Updated for 2023 Session	0.0	0.0	0.0	0.0	0.3	0.9	1.0	1.0	1.0	1.0	1.1	
August 4, 2023	0.0	0.0	0.0	0.0	0.3	1.0	1.0	1.0	1.0	1.1	1.1	1.1
<b>Local Alt. Fuel Clearing Fund</b>												
March 1, 2023 - Updated for 2023 Session	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	
August 4, 2023	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>State Alt. Fuel Clearing Fund</b>												
March 1, 2023 - Updated for 2023 Session												
Total	0.0	0.0	0.0	0.0	0.3	0.8	0.9	0.9	0.9	0.9	1.0	
Refunds, Tax Allowance, and GR Service Charge	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	
Distributions to Local Government	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
State Transportation Trust Fund	0.0	0.0	0.0	0.0	0.2	0.7	0.7	0.7	0.7	0.8	0.8	
<b>August 4, 2023</b>												
Total	0.0	0.0	0.0	0.0	0.3	0.9	0.9	0.9	0.9	1.0	1.0	1.0
Refunds, Tax Allowance, and GR Service Charge	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Distributions to Local Government	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
State Transportation Trust Fund	0.0	0.0	0.0	0.0	0.2	0.8	0.7	0.7	0.7	0.9	0.8	0.8

## Electric Vehicle Adoption Rates and Impact on Florida Motor Fuel Tax<sup>1</sup>

The motor fuel tax is an essential component of Florida's funding structure for the state's transportation system, including road maintenance and improvement. The motor fuel sales tax rate in calendar year 2023 is 16.2 cents per gallon of gasoline and diesel fuel. The 2023 State Comprehensive Enhanced Transportation System (SCETS) Tax is 8.9 cents per gallon of gasoline and diesel fuel.<sup>2</sup> Altogether, the motor fuel sales tax and SCETS tax combine to comprise about 63% of the state revenue sources estimated at the Transportation Revenue Estimating Conference which substantially funds the Department of Transportation's five-year work program ending in state fiscal year 2027-28.<sup>3</sup> The Florida Department of Transportation currently estimates that the typical Florida driver pays about \$123 in state gas tax every year.<sup>4</sup>

The market share of electric vehicles (EVs) in Florida is expected to increase significantly over the course of the next 10 years. Consumer demand for EVs is driven by more affordable purchase prices relative to its history, increased accessibility to charging stations, and extended battery life. Under the Inflation Reduction Act of 2022, a credit of up to \$7,500 for eligible electric vehicles and eligible individuals is available until 2032.<sup>5</sup> The cost of the lithium-ion battery pack used in EVs is expected to decline to \$72/kWh in 2030,<sup>6</sup> a sizeable decline from the estimated 2022 cost of \$153/kWh.<sup>7</sup> This decline in cost is one of the primary factors that will make EVs more competitively priced with conventional internal combustion engine (ICE) vehicles. According to the U.S. Department of Energy, as of June 2022 Florida had the second highest count of EVs (95,640) amongst states.<sup>8</sup> Florida is also among the top four states that have taken the lead in combatting "range anxiety" concerns among EV owners.<sup>9</sup> Additionally, many automakers have detailed plans to electrify a significant portion of their fleet over the next decade, including General Motors to have 40 percent of their U.S. product to be battery-powered by the end of 2025,<sup>10</sup> and Honda's aspiration to have 40 percent of global vehicle sales to be electric by 2030.<sup>11</sup> Deloitte is currently forecasting that EV sales will globally account for 32% of all new light-duty vehicles sold by 2030.<sup>12</sup>

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<sup>1</sup> Prepared by participants, as defined in s. 216.134(4)(b), F.S., of the August 2023 Transportation Revenue Estimating Conference from the Office of Economic and Demographic Research, Governor's Office, Department of Transportation, and Department of Revenue.

<sup>2</sup> [https://floridarevenue.com/taxes/Documents/fuel\\_charts/22B05-06\\_chart.pdf](https://floridarevenue.com/taxes/Documents/fuel_charts/22B05-06_chart.pdf)

<sup>3</sup> Transportation Revenue Estimating Conference held March 1, 2023

<sup>4</sup> Provided via email from FDOT staff in June 2023

<sup>5</sup> [Credits for New Clean Vehicles Purchased in 2023 or After | Internal Revenue Service \(irs.gov\)](https://www.irs.gov/credits-retailers/new-clean-vehicles)

<sup>6</sup> <https://theicct.org/publication/update-on-electric-vehicle-costs-in-the-united-states-through-2030/#:~:text=As%20battery%20pack%20costs%20drop,cars%2C%20crossovers%2C%20and%20SUVs.>

<sup>7</sup> [FOTW #1272, January 9, 2023: Electric Vehicle Battery Pack Costs in 2022 Are Nearly 90% Lower than in 2008, according to DOE Estimates | Department of Energy](https://www.energy.gov/fotw/fotw-1272)

<sup>8</sup> <https://afdc.energy.gov/data>

<sup>9</sup> [https://digitalcommons.lasalle.edu/cgi/viewcontent.cgi?article=1002&context=analytics\\_capstones](https://digitalcommons.lasalle.edu/cgi/viewcontent.cgi?article=1002&context=analytics_capstones)

<sup>10</sup> [General Motors To Offer 40 Percent EVs By 2025 | GM Authority](https://www.gm.com/news/2022/01/2022-01-20-gm-offers-40-percent-evs-by-2025)

<sup>11</sup> [Honda to Spend \\$40 Billion on Electric Cars, Plans to Have 30 EV Models - Bloomberg](https://www.bloomberg.com/news/articles/2022-01-20-honda-to-spend-40-billion-on-electric-cars)

<sup>12</sup> [Electric vehicle trends | Deloitte Insights](https://www.deloitte.com/us/en/insights/industry/automotive/electric-vehicle-trends.html)

The Transportation Revenue Estimating Conference includes a table of assumptions which are used when preparing the forecast. These assumptions include Fleet Miles per Gallon, which is the fuel economy of the overall fleet of light vehicles. The source of this forecast is the National Economic Estimating Conference. According to the staff responsible for preparing the data underlying the assumptions, fleet conversion from gas powered to battery electric vehicles is currently included in the forecasted fuel economy.<sup>13</sup> It is important to note that battery electric vehicles are still a relatively small portion of the U.S. and Florida fleets (less than 1%).<sup>14</sup> While electric vehicle impact on **new vehicle** fuel economy is imminent, there will be a delay of at least five to seven years before this impact can be observed in the **overall fleet** as the universe of vehicles on the road converts from gas-powered to electric.<sup>15</sup> This process will take many years to complete as gas powered vehicles currently on the road have a reasonable expectation to continue use for at least ten to fifteen years.<sup>16</sup> Also note that there are other factors which influence fuel economy, such as improved fuel efficiency of gas-powered vehicles and the mix between light and heavy vehicles.

Fleet fuel economy is an important variable that must be considered when forecasting motor fuel consumption. The chart below shows the historical and forecasted Fleet Miles per Gallon.<sup>17</sup> Note that fuel economy stays mostly flat from fiscal year 1990-91 until fiscal year 2010-11, only increasing 3.7% during the twenty-year period. Conversely, fuel economy then increased 19.5% during the ten-year period of fiscal year 2010-11 to fiscal year 2021-22, and is forecasted to further increase by 21.9% by fiscal year 2031-32. During the fiscal year 1990-91 to fiscal year 2010-11 time period in which fuel economy was largely flat, the consumption of motor fuel grew by an average of 1.6% per year. From fiscal year 2010-11 to fiscal year 2021-22 that average fell to 1.4%, though the onset of the global pandemic contributed to the lower growth rate.<sup>18</sup> According to IBISWorld Industry Report for Gas Stations with Convenience Stores in the U.S., the growing use of hybrid and electric cars is threatening gasoline sales, which represent 75% of industry revenue, causing revenue growth to marginally decelerate.<sup>19</sup> While there are other factors which are taken into account when forecasting fuel consumption ranging from population growth, fuel prices, and employment, the forecasted increase to fuel economy, for which fleet conversion to electric is a factor, most certainly has a cooling effect upon the motor fuel consumption forecast, particularly towards the end of the forecast horizon.

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<sup>13</sup> Verified via phone conversation with IHS staff in 2021.

<sup>14</sup> [What Percent Of US Car Sales Are Electric? \(jdpower.com\)](https://www.jdpower.com/press-releases/2022/01/20/what-percent-of-us-car-sales-are-electric/)

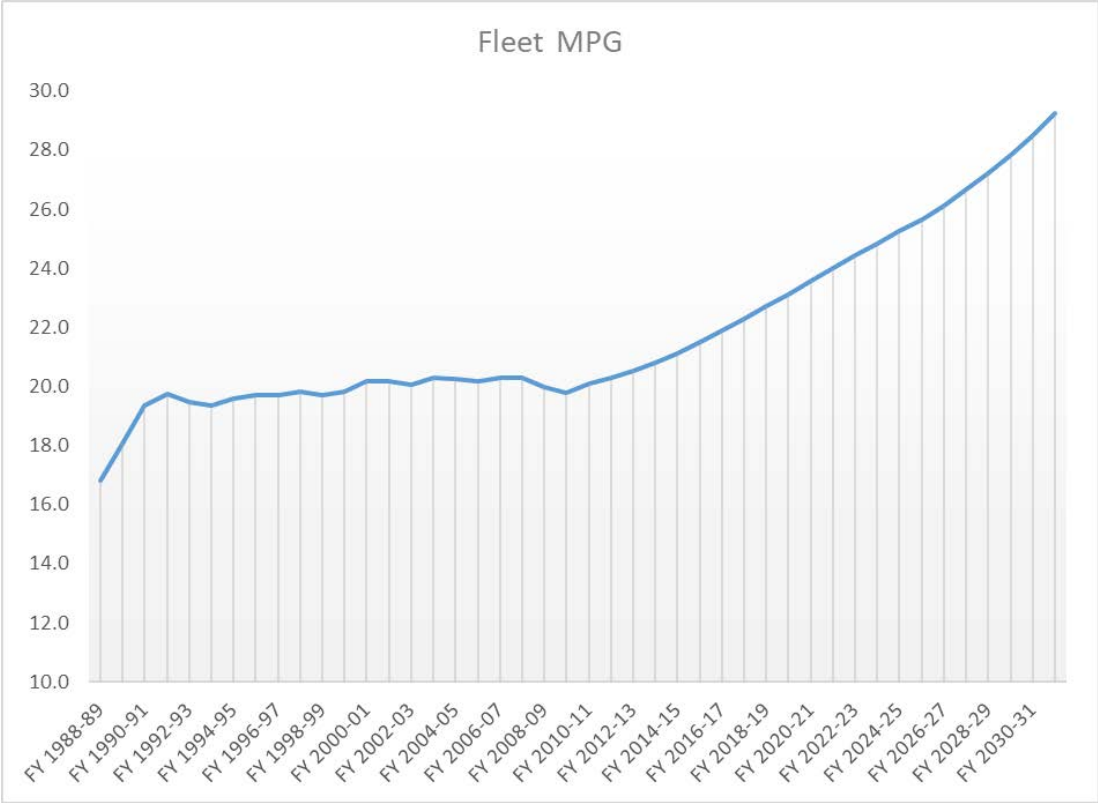
<sup>15</sup> Explained via phone conversation with IHS staff in 2021.

<sup>16</sup> Explained via phone conversation with IHS staff in 2021.

<sup>17</sup> National Economic Estimating Conference held February 9, 2023

<sup>18</sup> Transportation Revenue Estimating Conference history

<sup>19</sup> IBISWorld Industry Report for Gas Stations with Convenience Stores in the U.S.



Even so, given that the currently adopted assumption regarding Fleet Miles per Gallon embeds expectations regarding the fleet conversion and the long time horizon over which the change will occur, no changes to the forecasting methodology are recommended at this time.