



## **Better Transportation – Key To Florida’s Future**

### ***Common Sense Ways to Keep Florida Moving Forward!***

*By Douglas J. Callaway*

“Even if you’re on the right track,  
you’ll get run over if you just sit there.” - *Will Rogers*



Florida is a great place to live, work and play. But our future is in jeopardy and being threatened by growing transportation gridlock. Transportation is the fuel that “drives” Florida’s economy, takes us where we want to go, and makes our quality of life possible. And yet, like a thief quietly siphoning fuel from your car’s tank, growing traffic congestion threatens to bring us all to a screeching halt.

### **Is Florida Over**

Just last fall, the Wall Street Journal got the attention of many Florida leaders when it pointedly asked, “Is Florida Over?” The Florida Chamber Foundation responded appropriately, and Susan Story, chair of the Florida Chamber of Commerce and President and CEO of Gulf Power, said “The real question is ‘How can we position Florida to be the leading state of the 21<sup>st</sup> Century, much as New York was in the 19<sup>th</sup> Century and California was in the 20<sup>th</sup> Century’.” Story continued by stating that “We are a state in transition.”<sup>1</sup>

However, the simple fact is that without additional transportation funding and smarter ways of moving people and goods, the “transition” Story speaks of will be for the worse – not the better. Florida’s future is inextricably linked with the transportation decisions we make – or don’t make – today.

### **The Mess We’re In**

Status Quo is Latin for “the mess we’re in.”-*Ronald Reagan*

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<sup>1</sup> Florida Chamber Foundation, *New Cornerstone Revisited*, 12/4/07

As the fourth largest state, and still one of the fastest growing, Florida's transportation challenges are incredibly daunting. Consider the following:

- Nearly 1,000 net new Florida residents arrive every single day.
- Florida highway Lane Miles – how large its road network is – increasing at only 1.1% annually,
- Our Population is increasing at 2.3% annually,
- Our Highway Vehicle Miles Traveled (VMT) – how heavily our road network is used –increasing at 3.5% annually<sup>2</sup>, and
- A 25-year Transportation Funding Shortfall of at least \$58 Billion – just to maintain today's conditions!<sup>3</sup>

While transportation improvements will be costly, Florida clearly can't "afford" the Status Quo! These statistics send a clear and sobering message. Without additional transportation resources and a fresh approach, all Florida residents and visitors can expect is:

- Longer, worsening and more frustrating traffic jams,
- An alarming increase in traffic accidents and fatalities, and
- Decreasing economic competitiveness and vitality.

### **How We Get There From Here**

A new transportation "recipe" for meeting the demands of the 21<sup>st</sup> Century is needed. This new comprehensive transportation approach will require appropriate resources for transportation and a smarter way of dealing with transportation. We need a clearly stated Vision, a well-reasoned Plan, and then the Financing to make it a reality.

**Vision** – To position Florida for future prosperity, transportation services should not impede, but actually enhance the prospects for wealth creation. Floridians value time – and growing traffic congestion is the enemy.

Traffic congestion incurs huge costs of time lost, wasted fuel consumption, detrimental impacts to the environment, and escalated freight costs, all of which ultimately drive up consumer costs and deteriorates quality of life.

Floridians will demand and be willing to pay for more efficient high quality transportation services that yield more available personal time and more expeditious delivery of consumable goods.

**Plan** – Though certainly not perfect, Florida's efforts to build upon the success of the Interstate Highway System with the development of the Florida Intrastate Highway System – and more recently the Strategic Intermodal System (SIS) –

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<sup>2</sup> Florida Department of Transportation, Pocket Guide to 2006 Trends & Conditions

<sup>3</sup> Florida Department of Transportation, Office of Financial Planning - 2007

are significant steps in the right direction. However, they alone are not enough. Over the next 25 years, \$45 billion more will be needed just to fund the highway component of the SIS.<sup>4</sup>

Additional financial resources and a clear commitment to reducing congestion – after meeting essential safety requirements – are needed, and would likely shift investment decisions.

- The reduction of congestion should be a primary goal.
- Aggressively addressing congestion will require adding new highway lanes.
- A joint commitment from the Governor, the Legislature, and the Florida Department of Transportation (FDOT) to reducing congestions is essential
- That commitment must be supported with goals and milestones that can be tracked.
- Transportation investments – highways and transit alike – should be measured, in part, based on how many hours of delay can be reduced for each million dollars invested.

**Financing** - Transportation is significantly under funded throughout the nation, but in a high growth state such as Florida, the long-term impacts can be staggering. The major source of revenue – the fuel tax – is stagnant and may actually be declining. Short-term, Florida needs a minimum of \$2 billion in new, critically-needed recurring money for the State Transportation Trust Fund (STTF). And in the longer-term, new potential funding sources should be explored.

Motor Vehicle Sales Tax: An attractive new transportation funding option that we at Floridians for Better Transportation (FBT) have recently proposed would be to deposit the sales tax generated by each motor vehicle sale into the STTF. This would not create a new tax but creates a gap in the state General Revenue fund where this money is presently deposited. Currently auto dealers report all sales, including repairs. The number averages around \$280-\$300 million per month<sup>5</sup>. Assuming 90% of collections are for sales a figure of \$250 million per month or \$3 billion per year would come from this option.<sup>6</sup>

Additional, pressing infrastructure needs in Florida – such as water and education infrastructure capacity – could also be addressed by this existing funding source. Imagine solving many of Florida's transportation problems, providing adequate class room space for school children, and ensuring safe drinking water – all without raising our state gas tax!

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<sup>4</sup> Florida Department of Transportation, Office of Policy Planning – August 31, 2007

<sup>5</sup> Florida Department of Highway Safety and Motor Vehicles, Fall 2007

<sup>6</sup> Florida Department of Transportation, Office of Financial Planning, Fall 2007

Mileage Fee Instead of State Gas Tax?: Recognizing the importance of transportation to Florida's future and given the need to add additional funding sources to the current list of options, the state should explore a direct user fee transportation funding mechanism whereby transportation consumers would be charged based upon a "per mile driven" formula. The following is suggested:

- A timely, yet in-depth analysis of a VMT (Vehicle Miles Traveled) fee system should be undertaken, and
- A subsequent pilot project initiated (... perhaps similar to the one done in the State of Oregon<sup>7</sup>).

Encourage Private Investment: We must find the additional transportation means necessary to maintain our quality of life, but government alone should not be the only answer. We need to tap into the financial resources in the private sector to help achieve a more modern transportation system in Florida.

- Public Private Partnerships (P3s) hold promise and should be encouraged – with appropriate safeguards firmly in place, and provided they A.) bring more financial resources to the table, and B.) provide additional capacity.

Continued Utilization of Toll Opportunities: Toll revenues now represent about two-thirds of all new lane miles built.<sup>8</sup> The state should continue to encourage the responsible use of toll revenues to meet Florida's growing transportation needs.

- *HOT (High Occupancy Toll) Lanes* would "sell" excess capacity in existing HOV (High Occupant Vehicle) lanes to those who are willing to pay a toll to bypass the congested regular lanes on a freeway. This classically free market idea would, in effect, provide motorists the option of purchasing "congestion insurance" to avoid being stuck in traffic, and the opportunity to safely get where they want to go on time.
- *Express Bus Service* would enable buses to use the HOT lanes, avoid traffic congestion, and entice new customers by providing a time-saving alternative to driving on a regular freeway.
- *Truck Tollways* would add separate heavy-duty truck-only lanes to interstate routes that are major truck routes. Separated from general purpose lanes by a six-foot-high concrete barrier, this truck toll lane(s) would provide truckers with a reduction in operating expenses due to decreased time spent stuck in traffic and safety improvements to the public by separating big trucks from the regular traffic flow.

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<sup>7</sup> The Oregon Road User Fee Concept and Pilot Program, 2007

<sup>8</sup> Florida Turnpike Enterprise

## **What Are We Prepared To Do About It**

In 1988, Sean Connery won an Academy Award for his portrayal of Jim Malone, the world-weary Irish cop in the motion picture “The Untouchables.” As a law enforcement veteran, Malone imparted wisdom to the neophyte Treasury Agent Elliott Ness, played by Kevin Costner. Malone told Ness that everybody in Chicago knew where Al Capone’s booze was – the only question was what Ness was prepared to do about it.

Similarly, the transportation problems confronting Florida today aren’t unknown nor are the solutions beyond our comprehension – the only question is “what are we prepared to do about it?”

We at Floridians for Better Transportation (FBT) believe that Florida’s transportation problem can be solved in ways that are consistent with traditional conservative values and principles. But first we must decide to do something about it. If we don’t, the sunshine streaming across the water in Florida’s State Seal may be that of a setting sun, rather than one rising to meet the challenges of a new Florida Century.

*Doug Callaway is President of Floridians for Better Transportation (FBT, a statewide business and transportation association dedicated to making transportation safer and more efficient in Florida. FBT was created in 1988 by the Florida Chamber of Commerce and the Florida Council of 100. It has a growing and diverse membership of businesses, organizations, and individuals, including the Florida Chamber of Commerce, the Florida Transportation Builders Association, Publix Super Markets, SunTrust Bank, the Florida Institute of Consulting Engineers, the Florida Public Transportation Association, the Florida Ports Council, the Florida MPO Advisory Council, the Florida Airports Council, and numerous local businesses, Chambers of Commerce, MPOs, and transit providers all across the Sunshine State.*