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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 11(A)(6)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: October 23, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution opposing a new motor vehicle tax based on vehicle miles traveled due to the potential negative impact to economic development and tourism as well as privacy concerns

Resolution No. R-859-12

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.

R. A. Cuevas, Jr.
County Attorney

RAC/jls

MEMORANDUM
(Revised)

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and Members, Board of County Commissioners

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Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

✓ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous_____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(6)
10-23-12

RESOLUTION NO. R-859-12

RESOLUTION OPPOSING A NEW MOTOR VEHICLE TAX BASED ON VEHICLE MILES TRAVELED DUE TO THE POTENTIAL NEGATIVE IMPACT TO ECONOMIC DEVELOPMENT AND TOURISM AS WELL AS PRIVACY CONCERNS

WHEREAS, since 1921, road construction and improvements in Florida generally have been funded through motor fuel taxes levied on each gallon of fuel purchased; and

WHEREAS, currently, more than 50 cents of every gallon of motor fuel purchased goes to federal, state and local taxes to fund transportation construction and improvements; and

WHEREAS, since 2004, fuel consumption in Florida has not increased and has in some years declined due to the introduction of more fuel efficient vehicles and the downturn in the economy; and

WHEREAS, flat and declining fuel consumption has led in turn to no increases in motor fuel tax revenues; and

WHEREAS, when adjusted for inflation, the purchasing power of motor fuel taxes has declined steadily and substantially since 1993, to where the purchasing power of such revenue in 2011 was less than half what is was in 1993; and

WHEREAS, looking to the future, it is estimated that motor fuel tax revenues will continue to decline as vehicles become more fuel efficient and as automobile manufacturers bring onto the market more hybrid, battery and electric vehicles, such as the Toyota Prius, Chevrolet Volt and Nissan Leaf; and

WHEREAS, such vehicles use roads to the same degree as other vehicles, but use far less motor fuel and therefore generate far fewer motor fuel tax revenues to fund transportation projects; and

WHEREAS, these dynamics call into question the long term viability of motor fuel taxes as the primary revenue source for transportation improvements; and

WHEREAS, simply put, motor fuel taxes may not be a sustainable source for funding needed transportation improvements in the future; and

WHEREAS, transportation needs in Florida continue to increase even as motor fuel tax revenues do not; and

WHEREAS, current projections indicate that higher fuel efficiency standards will translate into a drop of $500 million a year in motor fuel tax collections by 2015 in Florida and $5.1 billion in lost motor fuel tax collections by 2020 in Florida; and

WHEREAS, there is no consensus regarding a new revenue source to replace motor fuel taxes; and

WHEREAS, the Florida Department of Transportation currently is considering a number of alternatives to provide a sustainable source for funding transportation projects over the next decade; and

WHEREAS, one such alternative is to link motor fuel taxes to the number of vehicle miles driven, which would require drivers to pay on an annual or monthly basis, a transportation tax based on the number of miles they have driven; and

WHEREAS, miles driven would be measured by Global Positioning System (GPS) devices installed in vehicles or by having drivers report the number of miles driven based on odometer readings; and

WHEREAS, a transition to funding transportation projects based on vehicle miles driven may negatively impact economic development and tourism, especially in Florida; and

WHEREAS, installing a GPS device in automobiles also may raise privacy concerns; and

WHEREAS, as vehicles become more fuel efficient, it may be necessary over the long term to transition to a different means of funding transportation projects, but the Florida Department of Transportation should proceed cautiously given the current state of the economy and so as not to negatively affect economic development and tourism,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Opposes a new motor vehicle tax based on vehicle miles traveled due to the potential negative impact to economic development and tourism as well as privacy concerns.

Section 2. Directs the Clerk of this Board to transmit certified copies of this resolution to the Governor, Senate President, House Speaker, Chair and Members of the Miami-Dade State Legislative Delegation, and the Florida Transportation Secretary.

Section 3. Directs the County's state lobbyists to advocate for the passage of the legislation and action set forth in section 1 above, and authorizes and directs the Office of Intergovernmental Affairs to include this item in the 2013 State Legislative Package when it is presented to the Board.

The Prime Sponsor of the foregoing resolution is Commissioner Rebeca Sosa. It was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Sally A. Heyman** and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman			**aye**
Audrey M. Edmonson, Vice Chairwoman			**aye**
Bruno A. Barreiro	**aye**	Lynda Bell	**absent**
Esteban L. Bovo, Jr.	**aye**	Jose "Pepe" Diaz	**aye**
Sally A. Heyman	**aye**	Barbara J. Jordan	**aye**
Jean Monestime	**absent**	Dennis C. Moss	**aye**
Rebeca Sosa	**aye**	Sen. Javier D. Souto	**aye**
Xavier L. Suarez	**absent**		

The Chairperson thereupon declared the resolution duly passed and adopted this 23rd day of October, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Jess M. McCarty