



Evaluation of Alternative Funding Strategies for Missouri

**Michael DeMers, MoDOT Innovative Partnerships
and Alternative Funding Director
Statewide Planning Partner Meeting
February 8, 2018**



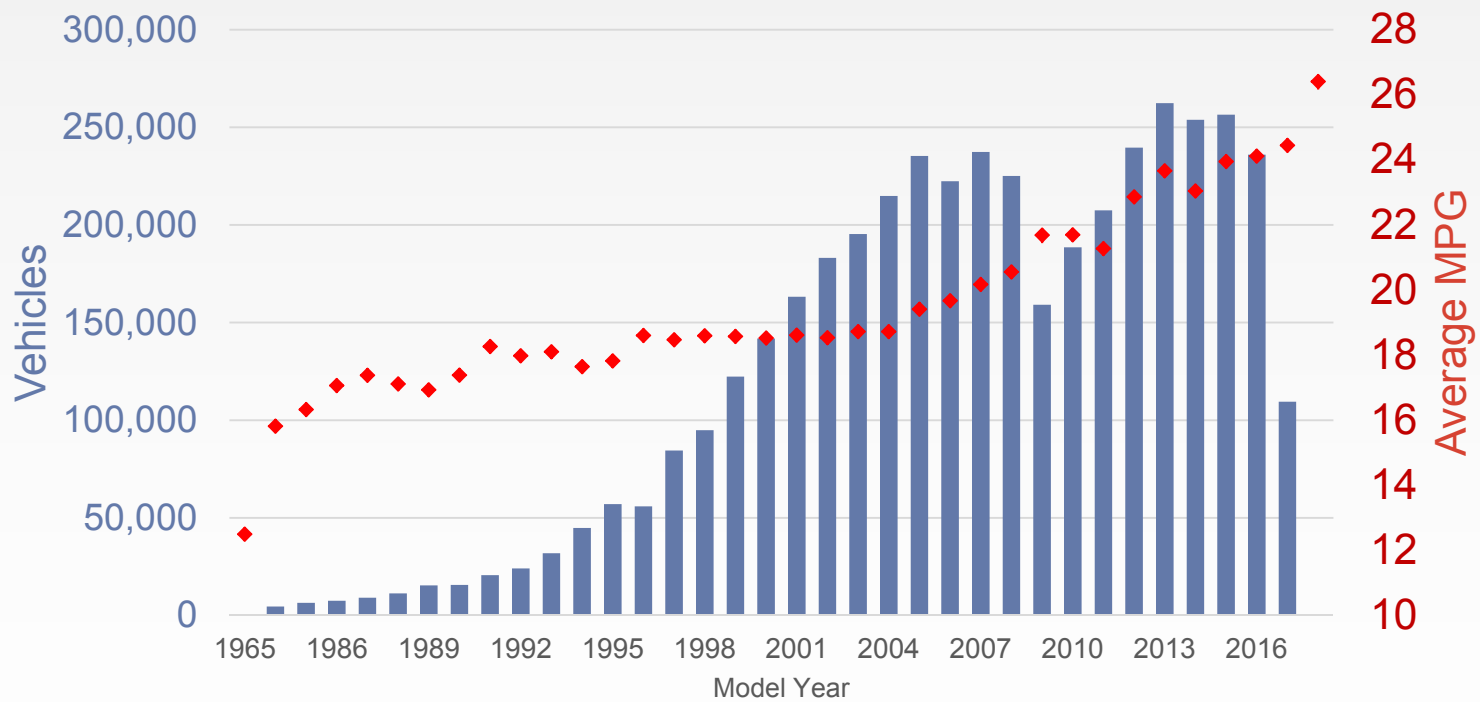
Increasing Fuel Efficiency – Decreasing Fuel Tax Receipts

Vehicle Type (Built after 1980)	Count
Hybrid	50,671
Plug-in Hybrid	2,197
Electric	1,707
Other Alternative Fuel	46
Flex-fuel (Ethanol)	416,857
Total Light-duty Vehicles	4,536,156

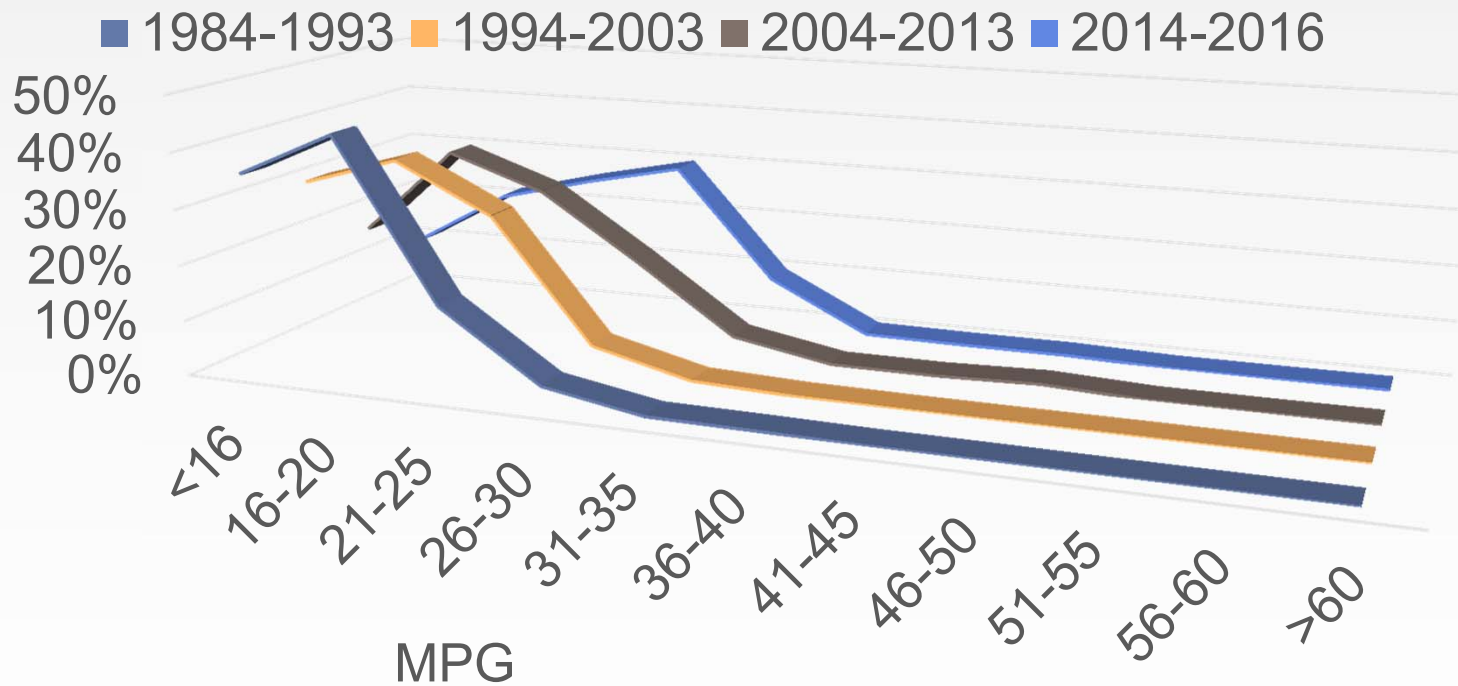
- Fuel economy is up and hybrid purchases are increasing
- By 2040, most new vehicles will be hybrid/electric
- Current registration fee revenues will decrease



Statewide Private Fleet Light Duty Vehicles (Average MPG, 2016)



Statewide MPG Distribution, By Vehicle, 1985 – 2015



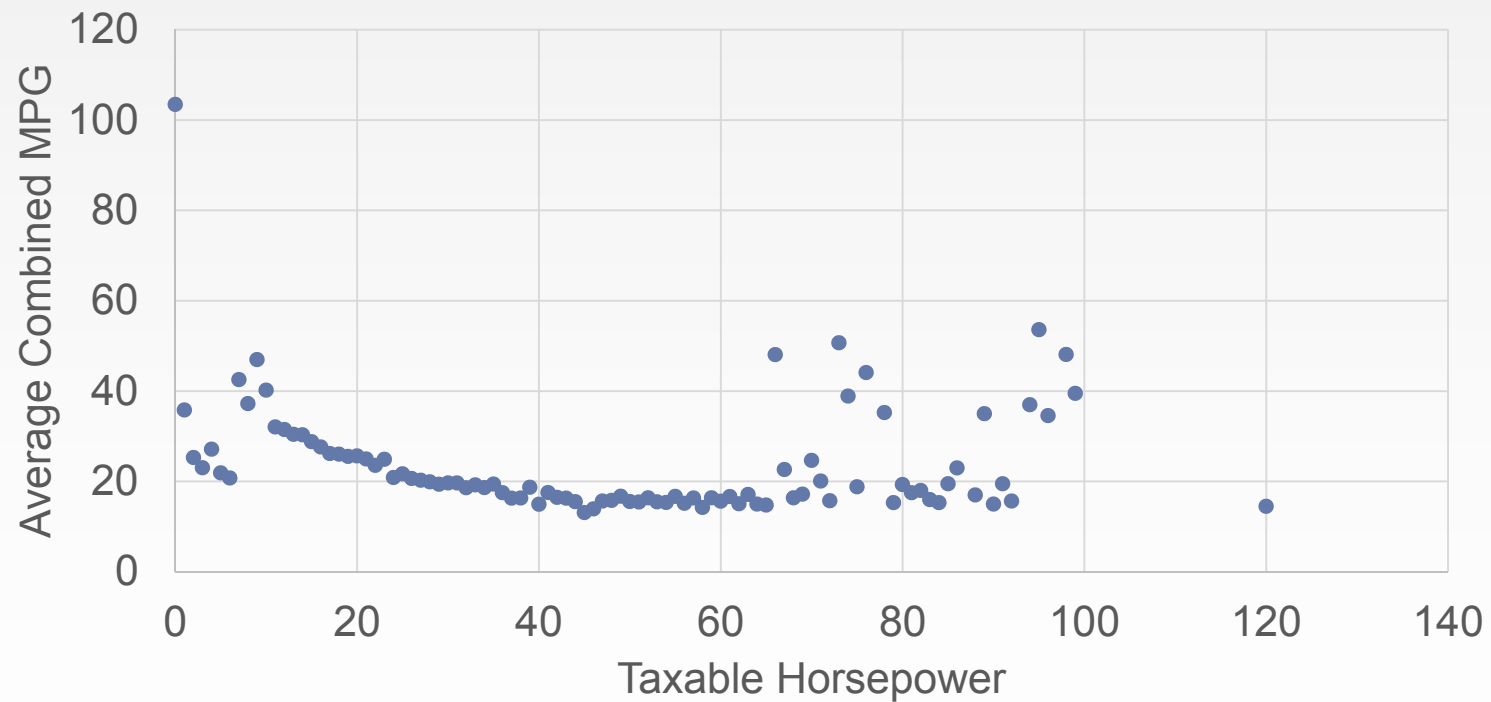


Revenues Decline Expected to Continue with Hybrid Vehicle Use

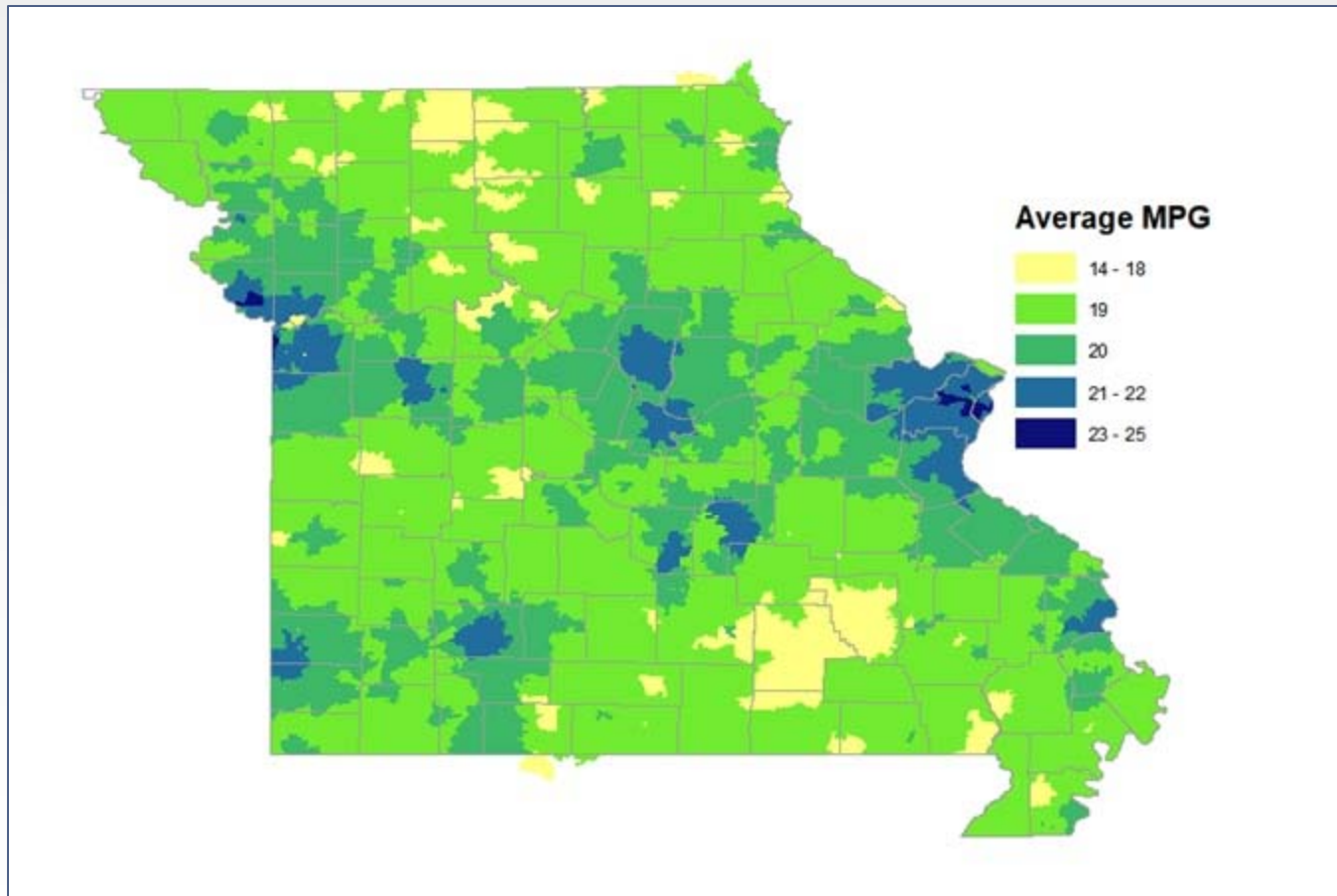
- **Current Revenues Estimates Per Driver**
 - Average Driver \approx \$360/year
 - Hybrid \approx \$235/year
 - Electric \approx \$105/year
 - Losses in 2017 alone are nearly \$7 million

- **Future Revenue Options**
 - Expand special fuels decal
 - Change to MPG as a structure
 - More efficient revenue collection and technology

Relationship between Taxable HP and MPG, 2016

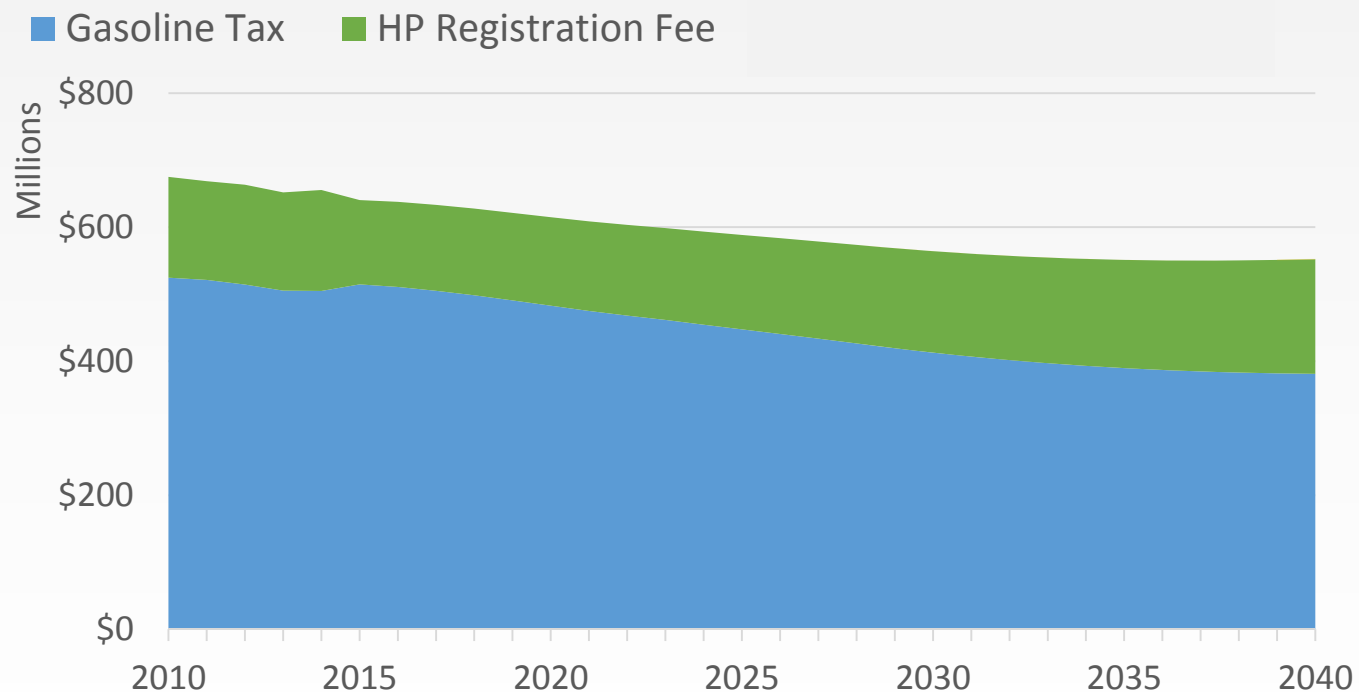


MPG of All Registered Vehicles, June 2017



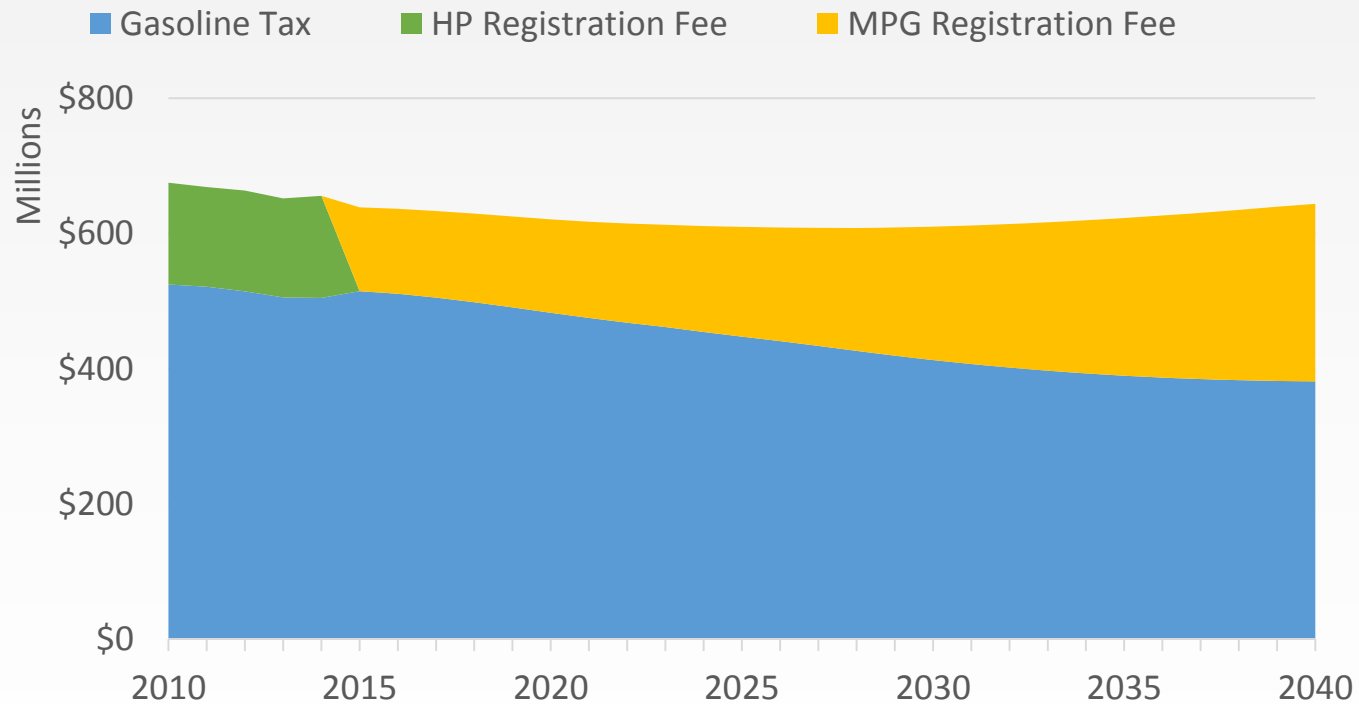


Revenue Forecast with Existing Motor Fuels and Registration Fees





Revenue Forecast with Proposed Registration Fee Changes





Missouri Department of Transportation

Jefferson City, MO