

Transportation Revenue Forecast Council

**June 2024 Transportation Economic and
Revenue Forecast**

Volume I: Summary

Washington Transportation

Economic and Revenue Forecast

June 2024 Forecast

Summary Report (Volume I)

Forecast Overview	4
Economic Variables Forecast	9
Motor Fuel Price Forecast	10
Motor Vehicle Fuel Tax Forecast	13
Motor Vehicle Revenue (Licenses, Permits and Fees)	14
Driver Related Revenues Forecasts	16
Other Transportation Related Revenue Forecasts	18
Ferry Ridership and Revenue	20
Toll Revenue	23
Federal Funds Revenue	33
Public Transportation Federal Funds Revenue	37
Washington State Ferries Federal Funds Revenue	38
Appendix	39
2022 Transportation Packet (ESSB 5974) New/Incremental Revenues by Fee	40
Forecast Contact List Other Transportation Related Revenue Forecasts	41

Forecast Tables (Volume II)

Motor Vehicle Fuel	4
Motor Vehicle Related Revenue Forecast (Licenses, Permits and Fees)	14
Driver Related Revenue Forecasts	23
Other Transportation Related Revenue Forecasts	30
Washington State Ferries Ridership and Revenue Forecast	37
Toll Operations and Revenue Forecasts	43
Federal Funds Forecast	50

Alternate Forecast Scenarios (Volume III)

Alternative Tolling Forecast	3
Alternative Ferry Forecast	8

Preface

Washington law mandates the preparation, and adoption of economic and revenue forecasts. The organizations primarily responsible for revenue forecasts are the Economic and Revenue Forecast Council and the Office of Financial Management. The Office of Financial Management has the statutory responsibility to prepare and adopt those forecasts not made by the Economic and Revenue Forecast Council (RCW 43.88.020). The Office of Financial Management carries out its forecast responsibilities for transportation revenues through the Transportation Revenue Forecast Council. Each quarter, technical staff of the Department of Licensing, Department of Transportation, Washington State Patrol, and the Office of Forecast Council produce forecasts.

The revenue forecasts agreed upon by the Transportation Revenue Forecast Council members become the official estimated revenues under RCW 43.88.020 21.

The 2023 Legislature amended RCW 82.33.020 through the passage of ESHB 1838. As a result, WSDOT is to transfer the state's motor fuels, fuels price, vehicle license, plate, and fee revenue forecast activities to Washington's Economic Revenue Forecast Council (ERFC). The transition of forecasting activities from WSDOT to ERFC will be complete by July 2024 and ERFC will produce their first Transportation revenue forecast in September 2024.

June 2024 Transportation Forecast Overview

Forecast Overview

- For June 2024 forecast, the 2023-25 biennium total transportation revenue estimate is \$7.02 billion which is \$27.2 million increase in comparison to the last February 2024 forecast. This is driven by increase in Toll Revenue of \$15.6 million, Driver-Related Fees of \$7.3 million, and Licenses, Permits and Fees of \$6.7 million (Figure 1).
- For the 2025-27 biennium, revenues are projected at \$7.3 billion which is \$35.1 million or 0.5% above as compared than previous February 2024 forecast (Figure 1).
- For the 10-year forecast horizon, total baseline revenue in June 2024 is up from the last forecast (February 2024) by \$157.6 million or 0.4%, mainly driven by an expected increase in Licenses, Permits and Fees and Toll Revenue (Figure 1).

Figure 1: Current June 2024 vs. February 2024 Forecast: All Revenues

Forecast to Forecast Comparison for Transportation Revenues and Distributions 10-Year Period												
June 2024 Forecast to February 2024 Forecast millions of dollars												
	Current Biennium 2023-2025				Biennium 2025-2027				10-Year Period (2024-2033)			
	Forecast June 2024	Forecast February 2024	Chg from February 2024	Percent Change	Forecast June 2024	Forecast February 2024	Chg from February 2024	Percent Change	Forecast June 2024	Forecast February 2024	Chg from February 2024	Percent Change
Sources of Transportation Revenue												
Motor Vehicle Fuel Tax Collections	3,357.5	3,357.5	0.00	0.00%	3,406.3	3,406.3	0.00	0.00%	17,458.0	17,458.0	0.00	0.00%
Licenses, Permits and Fees	2,034.5	2,027.8	6.71	0.33%	2,184.0	2,166.5	17.49	0.81%	11,561.0	11,455.0	106.05	0.93%
Ferry Revenue†	385.9	383.9	1.95	0.51%	427.0	423.1	3.99	0.94%	2,196.1	2,171.3	24.84	1.14%
Toll Revenue	510.1	494.5	15.60	3.16%	538.7	526.0	12.72	2.42%	2,775.1	2,731.6	43.44	1.59%
Aviation Revenues	15.1	15.4	(0.32)	-2.05%	14.4	14.3	0.12	0.81%	72.7	72.4	0.34	0.47%
Rental Car Tax	94.1	97.8	(3.68)	-3.77%	96.8	99.3	(2.46)	-2.47%	507.2	516.5	(9.30)	-1.80%
Vehicle Sales Tax	128.8	129.9	(1.11)	-0.86%	133.6	134.3	(0.67)	-0.50%	708.3	710.6	(2.31)	-0.33%
Driver-Related Fees	346.6	339.3	7.34	2.16%	396.1	393.8	2.32	0.59%	1,862.0	1,846.7	15.26	0.83%
Business/Other Revenues	145.1	144.3	0.71	0.49%	148.5	146.9	1.62	1.10%	726.6	747.4	(20.77)	-2.78%
Total Revenues	7,017.6	6,990.4	27.20	0.39%	7,345.4	7,310.3	35.12	0.48%	37,867.0	37,709.5	157.6	0.42%
Distribution of Revenue												
Motor Fuel Tax Refunds and Transfers	253.2	253.2	0.00	0.00%	263.5	263.5	0.00	0.00%	1,330.9	1,330.9	0.00	0.00%
Motor Fuel Administrative Fee - DOL	19.0	19.0	0.00	0.00%	19.1	19.1	0.00	0.00%	97.4	97.4	0.00	0.00%
State Uses												
Motor Vehicle Account (108)	1,339.9	1,318.4	21.51	1.63%	1,445.4	1,420.8	24.62	1.73%	7,829.8	7,685.0	144.86	1.88%
Transportation 2003 (Nickel) Account (550)	404.9	406.6	(1.71)	-0.42%	416.5	418.0	(1.50)	-0.36%	2,104.4	2,111.3	(6.96)	-0.33%
Transportation 2005 Partnership Account (09H)	600.9	600.9	0.00	0.00%	614.6	614.6	0.00	0.00%	3,129.9	3,129.9	0.00	0.00%
Connecting Washington Account (20H)	742.4	742.4	0.00	0.00%	759.0	759.0	0.00	0.00%	3,865.0	3,865.0	0.00	0.00%
Multimodal Account (218)	691.8	696.9	(5.06)	-0.73%	716.7	719.9	(3.23)	-0.45%	3,715.0	3,726.6	(11.63)	-0.31%
Special Category C Account (215)	46.8	46.8	0.00	0.00%	47.8	47.8	0.00	0.00%	243.6	243.6	0.00	0.00%
Puget Sound Capital Construction Account (099)	34.0	34.0	0.00	0.00%	34.8	34.8	0.00	0.00%	177.2	177.2	0.00	0.00%
Puget Sound Ferry Operations Account (109)	444.4	442.4	1.97	0.45%	486.1	482.2	3.97	0.82%	2,497.2	2,472.5	24.63	1.00%
Capital Vessel Replacement Account (18J)	57.6	57.7	(0.10)	-0.17%	60.9	60.9	(0.02)	-0.03%	306.1	306.0	0.16	0.05%
Tacoma Narrows Bridge Account (511)	164.7	159.7	5.01	3.14%	159.0	158.8	0.23	0.15%	734.9	729.2	5.70	0.78%
High Occupancy Toll Lanes Account (09F)*	12.1	14.4	(2.21)	-15.39%	24.7	20.3	4.40	21.71%	132.7	117.6	15.17	12.90%
SR 520 Corridor Account (16J)	162.0	165.1	(3.06)	-1.85%	173.3	173.7	(0.35)	-0.20%	941.7	959.6	(17.88)	-1.86%
SR 520 Corridor Civil Penalties Account (17P)	12.8	6.3	6.52	103.54%	7.7	7.6	0.09	1.19%	44.9	38.7	6.24	16.14%
Interstate 405 Express Toll Lanes Operations (595)	72.6	73.7	(1.10)	-1.50%	94.3	91.5	2.87	3.14%	504.8	501.4	3.38	0.67%
Alaskan Way Viaduct Replacement Acct. (535)	85.8	75.4	10.45	13.86%	79.6	74.2	5.48	7.38%	416.0	385.2	30.83	8.00%
Aeronautics Account (039)	15.0	15.3	(0.32)	-2.06%	14.3	14.2	0.11	0.80%	72.3	71.9	0.31	0.43%
Washington State Aviation Account (21G)	0.1	0.1	(0.00)	-0.66%	0.1	0.1	0.00	2.57%	0.4	0.4	0.02	5.80%
State Patrol Highway Account (081)	465.6	465.7	(0.13)	-0.03%	482.2	482.4	(0.19)	-0.04%	2,463.9	2,464.6	(0.69)	-0.03%
Highway/Motorcycle Safety Accts. (106 & 082)	300.1	305.0	(4.86)	-1.59%	350.8	349.5	1.36	0.39%	1,589.3	1,618.9	(29.65)	-1.83%
School Zone Safety Account (780)	0.4	0.4	0.04	9.99%	0.4	0.4	0.00	0.00%	2.1	2.0	0.04	1.92%
Other accounts (201, 06T, 09E, 216, 07C, 24-K)	43.9	42.4	1.45	3.42%	44.9	43.4	1.50	3.47%	228.3	220.4	7.90	3.58%
Electric Vehicle Account (20J)	56.6	54.8	1.77	3.24%	0.0	0.0	0.00	0.00%	56.6	54.8	1.77	3.24%
Ignition Interlock Devices Revolving Acct 14V	7.9	7.1	0.88	12.40%	7.9	7.7	0.23	2.95%	40.4	38.6	1.81	4.68%
Multistate Roadway Safety Account Collections-571	0.6	0.6	0.01	1.31%	0.6	0.6	0.02	3.04%	3.2	3.1	0.13	4.32%
Move Ahead WA Accounts - 26P	220.0	225.5	(5.48)	-2.43%	246.3	251.9	(5.51)	-2.19%	1,229.0	1,255.6	(26.55)	-2.11%
Move Ahead WA Accounts - 26Q	28.2	26.8	1.38	5.14%	36.4	35.9	0.45	1.25%	185.4	182.6	2.80	1.54%
Total for State Use	6,011.2	5,984.2	26.95	0.45%	6,304.55	6,270.0	34.53	0.55%	32,514.2	32,361.8	152.40	0.47%
Local Use												
Cities	179.4	179.4	0.00	0.00%	183.5	183.5	0.00	0.00%	934.2	934.2	0.00	0.00%
Counties	290.4	290.4	0.00	0.00%	297.6	297.6	0.00	0.00%	1,516.1	1,516.1	0.00	0.00%
Transportation Improvement Board (112 & 144)	195.9	195.7	0.12	0.06%	203.7	203.4	0.29	0.14%	1,068.4	1,065.8	2.58	0.24%
County Road Administration Board (102 & 253)	68.6	68.5	0.12	0.18%	73.6	73.3	0.29	0.40%	405.8	403.2	2.58	0.64%
Total for Local Use	734.3	734.0	0.25	0.03%	758.3	757.7	0.59	0.08%	3,924.5	3,919.3	5.16	0.13%
Total Distribution of Revenue	7,017.6	6,990.4	27.20	0.39%	7,345.4	7,310.3	35.12	0.48%	37,867.0	37,709.5	157.55	0.42%

† Ferry Fares plus non-farebox revenue

Figure 2 compares transportation revenues for the last four cycles: June 2024, February 2024, November 2023, and September 2023. The June 2024 Forecast 10-year total revenue estimates are increase slightly in comparison to February 2024 (0.4%) and are a 1.3% increase as compared to the baseline March 2023 forecast.

Figure 2: Total Transportation Revenues Estimates: June 2024 – September 2023



Washington transportation revenue comes from numerous taxes, fees, permits, tools, and other revenues. Revenue forecasted each quarter include the sources contained in Figure 3. This graph displays the anticipated share of each revenue source for the 2023-25 biennium (\$7.02 billion). Gasoline fuel taxes comprise the largest share at 37.4%. Fuel taxes comprise roughly 48% of all revenues. Licenses, permits and fee revenues comprise the second largest share at 29%. The three largest revenue sources are projected to consist of 77% of revenues in the 2023-25 biennium. The remaining 23% consists of ferry fares, toll revenue, driver related revenue and other transportation related revenue.

Figure 3: Revenue By Source 2023-25 Biennium (\$7.02 billion)

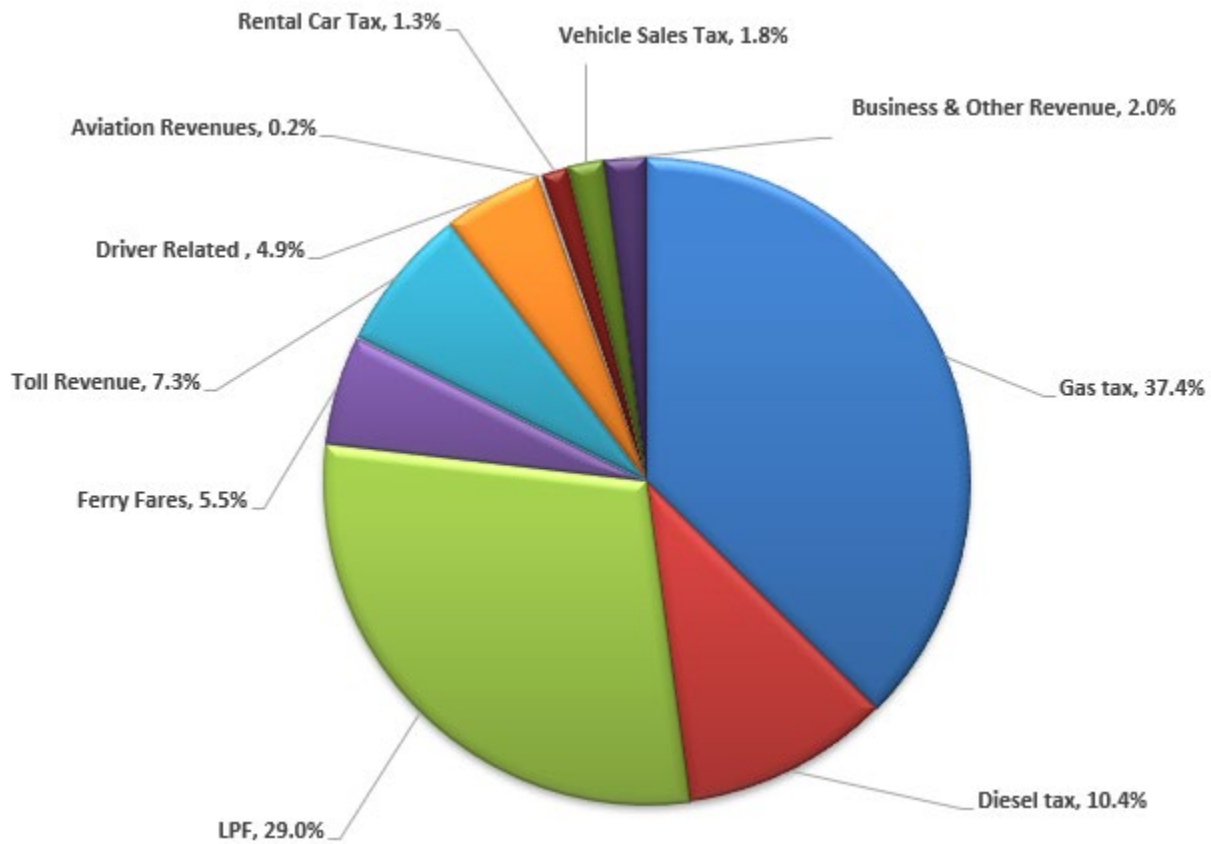


Figure 4 shows the June 2024 Forecast LESS the Move Ahead Washington Revenue Package compared to the June 2022 forecast.

Figure 4: Current Forecast Revenue comparison to the June 2022 forecast less the impact of the Move Ahead Washington Revenue Package (Chapter 182, Laws of 2022)

Forecast to Forecast Comparison for Transportation Revenues and Distributions 10-Year Period Less revenues generated from the Move Ahead Washington Package June 2024 Forecast to June 2022 Forecast millions of dollars												
	2023-2025				2025-2027				10-Year Period (2022-2031)			
	Forecast June 2024	Forecast June 2022	Chg from June 2022	Percent Change	Forecast June 2024	Forecast June 2022	Chg from June 2022	Percent Change	Forecast June 2024	Forecast June 2022	Chg from June 2022	Percent Change
Total Revenues	7,017.58	7,345.74	(328.16)	-4.5%	7,345.44	7,608.43	(262.98)	-3.5%	36,488.55	37,369.68	(881.13)	-2.4%
Move Ahead Washington Package	253.28	297.41	(44.13)	-14.8%	287.56	310.41	(22.85)	-7.4%	1,242.05	1,390.88	(148.84)	-10.7%
Total Revenue less Move Ahead Washington	6,764.30	7,048.33	(284.03)	-4.0%	7,057.88	7,298.01	(240.13)	-3.3%	35,246.50	35,978.79	(732.29)	-2.0%

Economic Variables Forecast

In their revenue forecasts, analysts utilize a variety of economic and demographic variables to monitor trends. The Washington State Department of Transportation (WSDOT) and the Economic Revenue Forecast Council (ERFC) compile key economic variables, which include real personal income in Washington, inflation, sector-specific employment, housing starts, and sales of new light vehicles in the U.S.

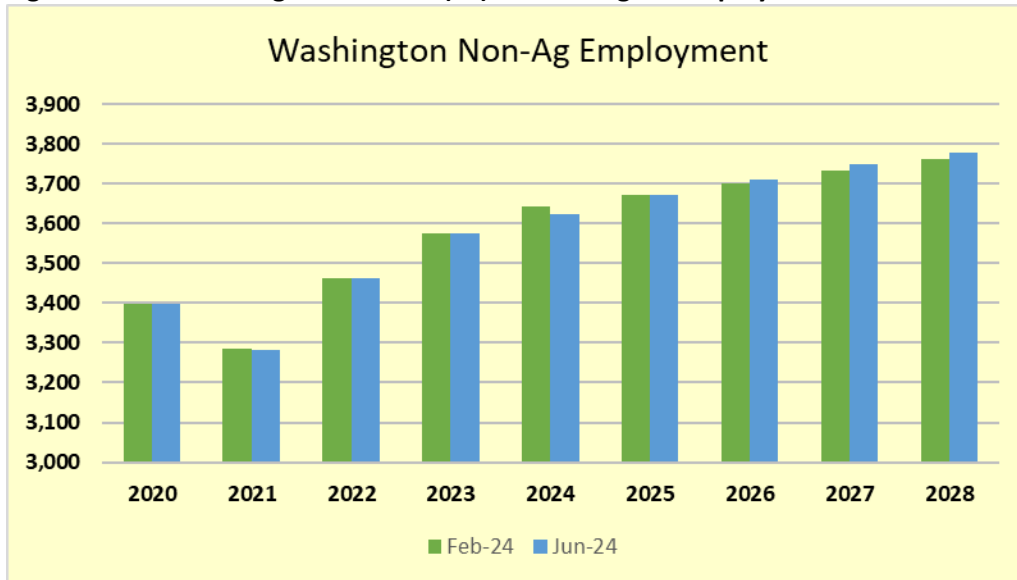
The variables for June 2024 are based on forecasts provided by the Washington Economic and Revenue Forecast Council (ERFC), S&P Global, and the Office of Financial Management (OFM). When compared to the previous year forecast, the near-term changes in some of the key Washington economic variables have remained steady.

Below we present an analysis and key insights for:

1. Washington employment because it is the key determinant for vehicles registration forecast.
2. Total US consumer spending on new motor vehicles whose numbers are presented in Volume II.
3. Fuel prices with a new forecasting methodology.

After experiencing two years of growth (5.4% in 2022 and 3.2% in 2023) the job market is projected to moderate. For this fiscal year, an increase of 1.38% is anticipated in Washington’s employment, which is lower than the 1.87% projected in the February forecast. As the economy cools, a slower growth rate is expected in the coming years, with projections of approximately 1.33% for 2025 which it is better than the forecasted in February 2024 of 0.79%.

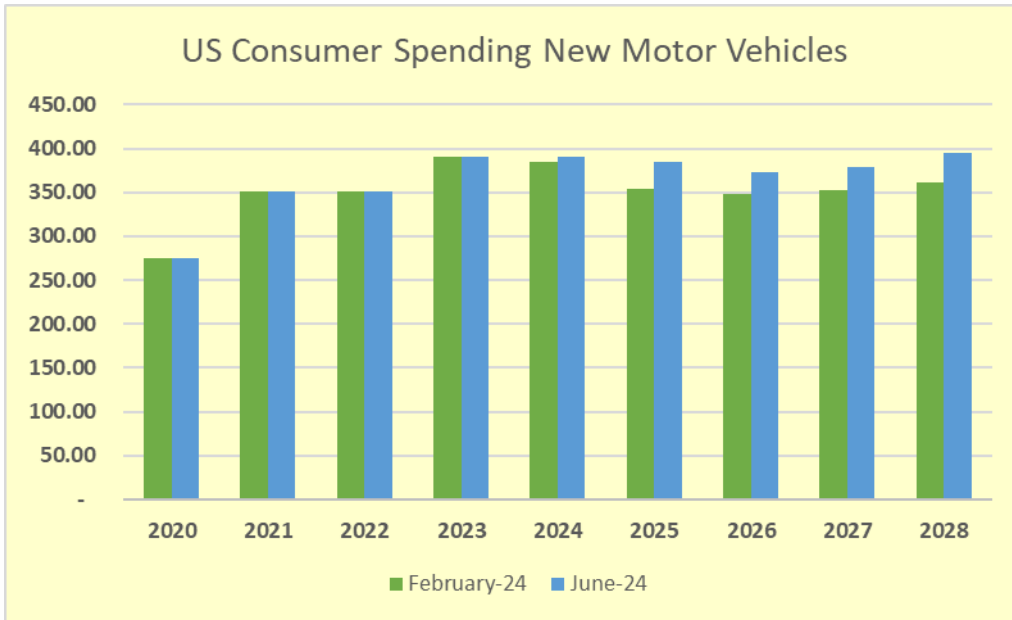
Figure 5: Annual Change Fiscal Year (FY) in Washington Employment June 2024 vs. February 2024 Forecast



Source: Washington Economic and Revenue Forecast Council

The US had two years of marked increases in consumer spending on new motor vehicles since 2019, with increases of 27.7% between FY 2020 - 2021 and 11.0% in 2022 - 2023. For FY 2024, a slight decrease is expected of -0.5%, and further declines are projected for 2025 (-1.5%) and 2026 (-2.9%). A resurgence in this consumption is anticipated in 2027 and 2028. The projected growth ranges from 1.8% and 4.0%, respectively. These figures represent are different from February 2024 forecast, which had predicted a slightly lower decline in consumption (-1.2%) beginning in 2025 with increases in the spending on new motor vehicles of 2.1% - 2.5% range.

Figure 6: Annual Change (FY) in US Consumer Spending New Motor Vehicles (billions) June 2024 vs February 2024 Forecast



Source: S&P Global

Motor Fuel Price Forecast

The fuel price forecast has been reviewed and documented to develop new models and methodologies with the goal of developing sustainable forecasting processes. Below, the reference price used, forecasting data sources and results are presented. Biodiesel prices are based on Washington State Ferries’ latest reported purchase price of biodiesels with the markup, delivery, and other tax costs included (Adjusted Price Per Gallon, APPG).

Reference Prices

The reference prices are derived from two primary sources:

- S&P Global: *Gasoline Price*. ERFC sent this file to TRFC forecasters last week.
- US Energy Information Administration (EIA): *Diesel Price*. This is from the EIA Short-Term Energy Outlook (STEO), May 2024.

The benefits of utilizing these prices as a reference are manifold. The historical data is publicly accessible and regularly updated and maintained. They exhibit a strong correlation with the Washington Gas Price and the “all-in” adjusted ferries biodiesel prices. These reference prices are forecasted, and the data sources frequently share their assumptions and results.

A new adjustment and forecasting procedure was established for 4 fuels prices using a reference price and its forecast as it is presented in the next table.

Figure 7: Reference Prices and Forecast Data Sources

Price forecasted	Data source	Reference Price	Data source	Forecast
WA gasoline price	EIA	Average retail price of all types of motor gasoline	S&P global	S&P global 30 Years Focus - May 2024.
Diesel West Coast w/o CA	EIA	National monthly regular retail diesel price	EIA	EIA's Short-Term Energy Outlook. May 2024 -Dec 2025.
Biodiesel B20 All-In	WSDOT	National monthly regular retail diesel price	EIA	EIA's Short-Term Energy Outlook. May 2024 -Dec 2025.
Biodiesel B5 All-In	WSDOT	Biodiesel B20	WSDOT	ERFC forecast. May 2024 -Dec 2025

Results

The motor fuels prices forecasted for June 2024 it is shown below.

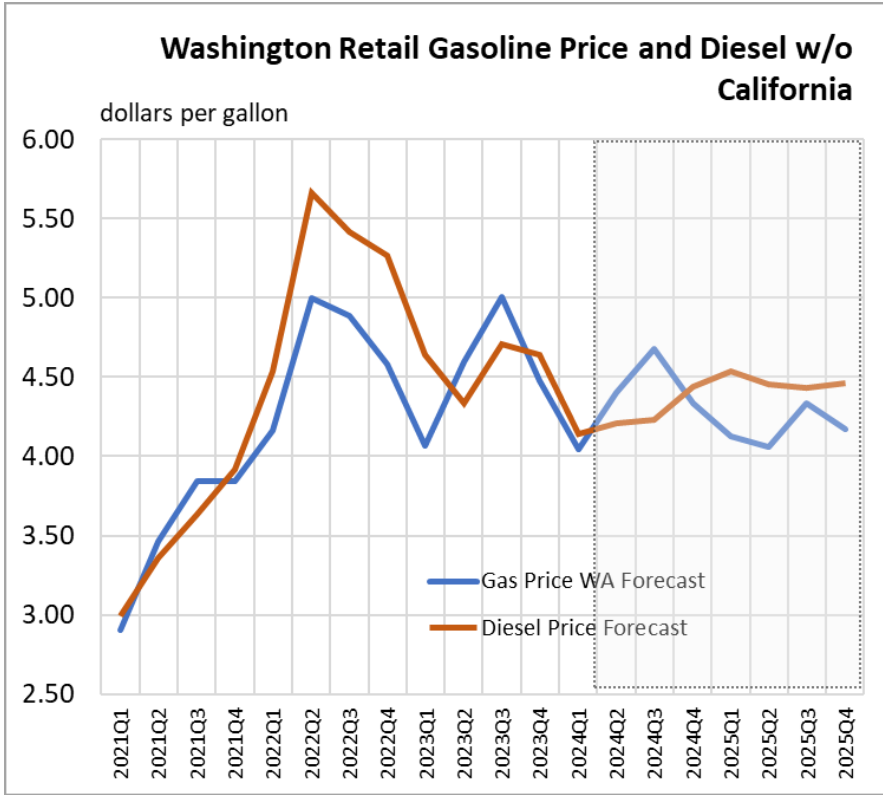
Figure 8: Near-Term Fuel Prices Forecast: June 2024

Quarter	Gas Price WA Forecast (\$/gal)	Diesel Price Forecast (\$/gal)	B20 Price WA Forecast (APPG)	B5 Price WA Forecast (APPG)
2021Q1	2.90	3.00	2.36	2.02
2021Q2	3.47	3.36	2.73	2.37
2021Q3	3.84	3.64	2.95	2.60
2021Q4	3.84	3.92	3.23	2.90
2022Q1	4.16	4.53	3.82	3.55
2022Q2	5.00	5.66	5.23	4.74
2022Q3	4.89	5.42	4.61	4.25
2022Q4	4.58	5.26	4.57	3.98
2023Q1	4.07	4.64	4.19	3.71
2023Q2	4.60	4.33	3.98	3.62
2023Q3	5.00	4.71	4.59	4.39
2023Q4	4.48	4.64	4.19	3.62
2024Q1	4.05	4.14	3.65	3.12
2024Q2	4.40	4.21	3.87	3.38
2024Q3	4.68	4.23	3.92	3.43
2024Q4	4.34	4.44	4.21	3.71
2025Q1	4.12	4.53	4.33	3.83
2025Q2	4.06	4.45	4.24	3.74
2025Q3	4.33	4.43	4.29	3.79
2025Q4	4.17	4.46	4.38	3.90

Source: ERFC forecasting based on EIA, S&P global, and WSDOT data

The graphs below illustrate the trends in various fuel prices from 2021 to 2024. They reflect the future markets for Brent oil as presented in the [STEO](#) (pages 20 and 21). Fuel prices have been on a downward trajectory since peaking in the second quarter of 2022. The forecast indicates a leveling off between \$4 and \$4.7 per gallon for retail gasoline and diesel in 2024 and 2025.

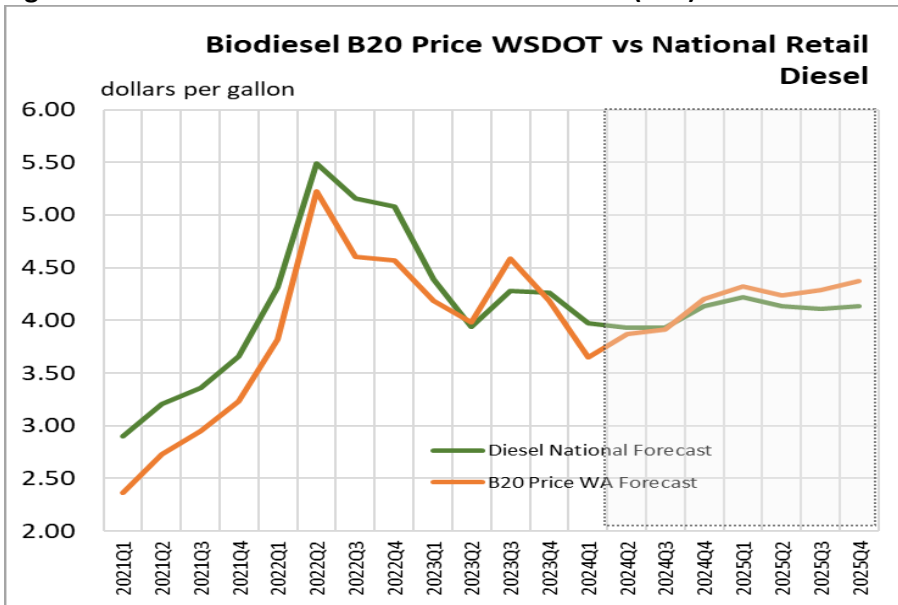
Figure 9: Near-Term Fuel Prices Forecast Gasoline and Diesel



Source: ERFC forecasting based on EIA, S&P global, and WSDOT data

The price of biodiesel (B20) was typically lower than the national retail diesel price in 2021 and 2022. However, post the second quarter of 2023, the analysis suggests that the prices will oscillate around this reference price. After an 8.3% year-on-year decline between 2022 and 2023, the forecast projects a 4% increase in 2025.

Figure 10: Near-Term Fuel Prices Forecast Biodiesel (B20)

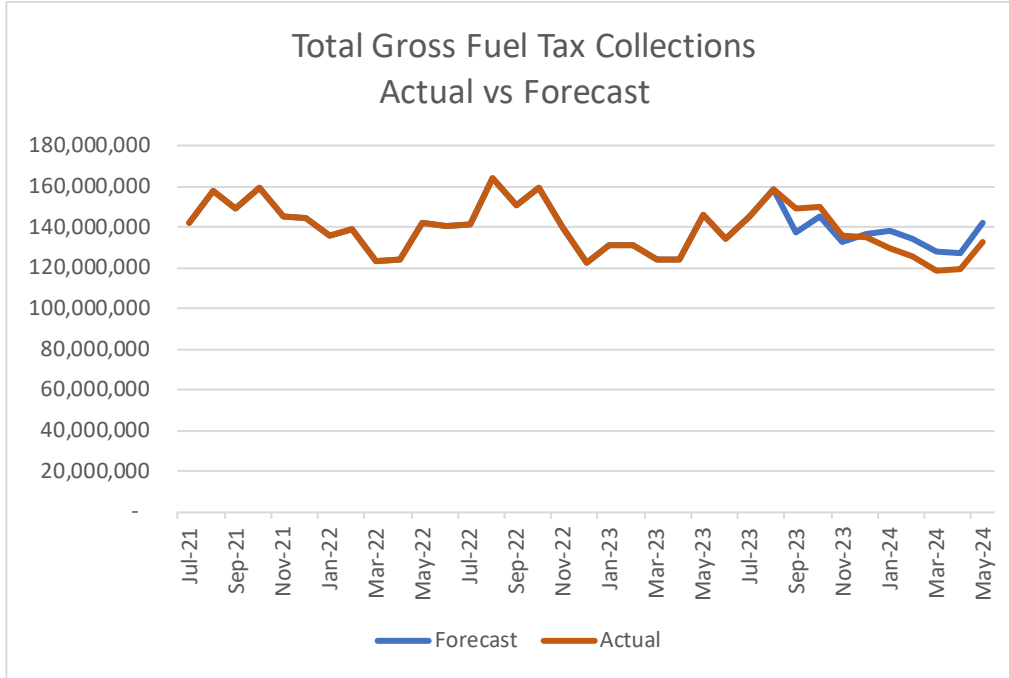


Source: ERFC forecasting based on EIA, S&P global, and WSDOT data

Motor Vehicle Fuel Tax Forecast

June 2024 Motor fuel tax actual forecasts are no-change forecast from February 2024 TRFC. The FY 2024 cash flow analysis was made on a month-by-month basis with support from DOL and Treasury reports.

Figure 11: Monthly Total Gross Fuel Tax Collections vs Forecasted (Fiscal year – May 2024)



Sources: Treasury reports vs WSDOT forecast

Over the past three fiscal years, the Monthly Total Gross Fuel Collection has fluctuated between \$120 and \$160 million, with seasonal variations peaking in late summer and dipping in early spring. Comparing the forecasted figures with the allocations reported by Treasury for the last fiscal year up to May 2024, there was a variance of -\$24.33 million in collections. This represents a 1.6% decrease from the projected amounts. The shortfall is more pronounced for special fuels like diesel, with a variance of -\$11.22 million or 3.58% below projected.

Figure 12: YTD Total Gross Fuel Tax Collections vs Forecasted (Fiscal year – May 2024)

	Fiscal Year up to May	Difference	%
Total Gross Fuel Tax Collections	\$1,499,860,457	(\$24,331,297)	-1.62%
Gross M.V. Fuel Excise Tax collections	\$1,186,754,489	(\$13,113,102)	-1.10%
Gross Excise Tax collections for special fuel	\$313,105,968	(\$11,218,195)	-3.58%

Sources: Treasury reports vs WSDOT forecast

Motor Vehicle Revenue (Licenses, Permits, and Fees)

Overview

Vehicle-related forecasts fall into two main categories: motor vehicle registrations and license plate-related fees. These forecasts have a variety of small fees, but most of the revenue is from registration-based fees. There are five main economic drivers of vehicle licenses, permits, and fees (LPF) forecast: Washington population and net migration, Washington real personal income, Washington Non-ag Employment, Washington - U.S. real income share, and U.S. sales of light vehicles.

The vehicle registration forecasts, and corresponding revenue forecasts have been updated. The new forecasting models are similar to previous models but use quarterly data. The forecast for cars is slightly higher than the February forecast due largely to the fact that actual car registrations in early 2024 were higher than initially expected and the forecast for non-ag employment is slightly higher than in February. The slightly higher starting point (actual registrations through the first quarter of 2024) and marginally higher expected employment leads to a slightly higher forecast for car registrations. The forecast for trucks is also now based on a model using quarterly data. However, the forecast is almost identical to the previous forecast. Actual truck registrations in early 2024 were very close to the forecasted amount and the influence of non-ag employment is not quite as strong in the truck model (meaning that the revised forecast for employment does not materially change the forecast for truck registrations). The fees used to convert vehicle registrations to revenues are unchanged from the prior forecast. No change to the forecast for motorhomes, travel trailers, and other vehicle types – only to cars and trucks (which account for more than 90% of all registrations).

Washington State anticipates collecting about \$2.03 billion from vehicle licenses, permits, and fees (LPFs) in the 2023-2025 biennium, which is an increase of \$6.7 million or 0.33% compared to the forecast for February 2024. The LPF forecast is anticipated to be \$2.16 billion by the 2025-2027 biennium, which is up about \$17.5 million or 0.81% from the previous forecast.

The June 2024 forecast of LPF revenue projected by the Department of Licensing includes the following revenue sources:

- Dealer temporary permit, registration, and plate fees.
- DOL services account.
- Electric vehicles and charging infrastructure fees.
- Plates: original, replacement, transfer, and reflectivity; multimodal account and license plate technology.
- Title fees: regular and quick title.
- Vehicle business licenses.
- Service and filing fees.
- Other fees: abandoned RV disposal, IFTA decals, intermittent-use trailers, multiuse roadway fees.

These LPF fees are deposited into 15 different accounts, including Motor Vehicle Account Capital Vessel Replacement Account, and Move Ahead WA.

DOL forecasted LPF revenue for FY 2023-25 biennium at \$519.8 million, down \$6 million (-1%) from the prior forecast. Over the ten-year period (FY 2023-FY 2033), LPF revenues are projected to total \$3,446.8 million, a marginal increase of \$1.2 million from the prior forecast. Electric Vehicles related fees are increased and offsetting lowered forecasts from Original Plate Issues, Plate Replacement, and Title Fees.

Primary reasons for the change in the June 2024 forecast

- **Electric Vehicle and charging infrastructure** revenue are revised higher by \$3 million (3%) for current biennium and higher by \$45.4 million (3.7%) for ten-year outlook due to strong performance.
- **Title Fee forecast** projection is lowered by \$1.9 million (2.7%) for the current biennium, and \$7.8 million lower (-2.2%) for the ten-year horizon compared to previous forecast. Although S&P Global's sales of light vehicle for US is showing forecast improvement, Washington State seemed to have a delayed recovery for vehicle sales outlook.
- **Original Issue Plates** forecast is lowered by \$4.5 million (3.6%) for the 23-25 biennium and \$17.6 million (-2.75%) lower for ten-year compared to previous forecast.
- **Plate Replacement Fee** forecast is lowered by \$2.2 million (-2.5%) for the 23-25 biennium and the ten-year outlook is lowered by \$13.7 million (-3.1%) compared to previous forecast. Replacement plates seem to be hit harder by slowed vehicle sales. Higher interest rates on used vehicles combined with increased prices for used vehicles post pandemic may increase consumer's preference toward purchasing new vehicles.
- **Intermittent use trailer** forecast is adjusted downward by \$0.1 million (-8%) for the current biennium and the ten-year outlook is revised \$0.4 million lower (-8%) compared to previous forecast. Actual data continued to show a declining revenue stream. If future actuals continue to decline, future forecast cycle may revise this forecast to have downward trajectory as envisioned in [fiscal note](#) for intermittent use trailer permanent registration RCW.

Driver Related Revenue Forecasts

Overview

The *June 2024* forecast of driver related revenue projected by the Department of Licensing includes the following revenue sources:

- Driver license fees: commercial driver licenses, enhanced driver licenses, and temporary restricted licenses
- ID card fees
- Driver exam application fees
- Abstract driving records (ADR)
- Motorcycle operator fees
- Ignition interlock fees,
- Other miscellaneous fees: limousine licenses, fines and forfeitures, and driver school instructor license fees.

These driver-related fees are deposited into the Highway Safety Fund (HSF), Motorcycle Safety Education Account (MSEA), the State Patrol Highway Account (SPHA), and Ignition Interlock Revolving Account (IIRA).

In this forecast, we incorporated five new actual months. Driver-related revenue for FY 2023-25 biennium is forecasted at \$346.6 million, an increase of \$7.3 million (2.2%) from the prior forecast. FY 2025-27 is expected to have \$396.1 million, an increase of \$2.3 million (0.6%) from the prior forecast. Over the ten-year period (FY 2023-FY 2033), driver-related revenues are projected to total \$1,862 million, an increase of \$15.3 million (0.8%) from the prior forecast.

It is important to note that with SHB1207 passed in the 2021 legislative session, DOL offers eight-year licenses and ID cards, along with the existing six-year license and IDs. For the first four years of implementation, all first time Driver/ID issuances will have variable renewal terms while Driver and ID renewals will follow either a six- or eight-year renewal cycle depending on customer choice. Caution is advised in year-over-year comparisons.

*Notable changes in the **June 2024** forecast:*

- Total Driver Licenses Fees revenue actuals track higher than forecasted following positive outlook of WA non-agricultural employment forecast. Of note is the increase trends to Reissues, Identocard, and enhanced driver licenses (EDL) and enhanced identicards (EID).

Reissue fee revenue forecast is substantially higher for FY 2023-25 by \$0.9 million or 17.3% continuing higher on average by \$0.8 million or 14.1% per biennia throughout the rest of the forecast horizon, NonDUI reissue transactions are much higher than the previous forecast representing around 60% of the historical level up from the previous estimate of 43%.

Identocard fees revenue forecast is increased by \$1 million (9.3%) for FY 2023-35, and \$3.4 million (4.1%) over the ten-year period, influenced by high program promotion such as DOL2GO. Public Assistance reduced fee transactions show a higher trend.

EDL and EID forecast is increased by \$2.6 million (8%) for FY2023-35 due to high recent demand, however unfunded EDL budget step may impact future processing capacity.

- Abstract Driver’s Record (ADR) forecast is increased by \$0.5 million (0.7%) this biennium. Adjustment is based on recent trends showing consistently higher transactions.
- High recent deposit (revenue from past services) for Ignition Interlock Device raised the forecast by 12.4% (\$0.8 million) for the current biennium. The 10-year forecast is increased by \$1.8million (4.7%).

Other Transportation Related Revenue Forecast

Overview

This category of transportation related revenue forecasts consists of four primary components: vehicle sales and use taxes, rental car sales taxes, studded tire fees, business and other revenue and aeronautics revenue. The business and other revenue category includes the following revenue sources:

- Sales of property
- WSP and DOT services and publications and documents
- Filing fees and legal services
- Property management
- Access Permits (Highways)
- Outdoor Advertising
- Other revenues

In March of 2023, the Washington State Legislature unanimously passed ESSB 5272 (converted to RCW 46.63.200); a bill that authorizes use of automated Speed Safety Camera Systems in active work zones on state highways. The intention of the Speed Safety Camera Systems is to help reduce vehicle speeds in work zones while increasing overall safety for travelers and workers alike. Governor Inslee signed this bill into law at the WSDOT Worker Memorial Ceremony, April 4, 2023.

The Washington State Department of Transportation (WSDOT) and the Washington State Patrol (WSP) are directed to collaborate and have operational Speed Safety Camera Systems in place by July 1, 2024. These systems will be in place through June 30, 2030. Both agencies have been working diligently to lay the groundwork for successful implementation. We have been Integrating best practices for how these systems are deployed around the country; and are engaged in ongoing discussions about rulemaking refinements. We have recently concluded a Request for Proposal (RFP). We estimate the ten-year horizon, Speed Safety Cameras revenues of \$97.6 million.

State Patrol Highway Account miscellaneous revenue consists of ACCESS fees (fees charged for usage of our statewide law enforcement telecommunications system), Breathalyzer Test fines, DUI Cost Reimbursement, Commercial Vehicle Penalties and Communication Tower Site Leases and Terminal Safety Inspection fees.

Primary reasons for the change in the June 2024 Forecast

- In the June 2024 forecast, the sales and use tax on motor vehicle purchases is slightly lower than in the previous forecast. Though recent use tax collections were higher than forecast, the sales tax collections were lower than forecast.
- Rental car tax collections have been decreased due to lower-than-forecasted collections in recent months.
- Forecasted heavy equipment tax collections have decreased slightly in the near term due to lower forecasted collections in recent months but have a stronger growth rate in the long term due to rising construction employment growth.
- HOV penalties in June 2024 are unchanged from the last forecast.
- **WSDOT Business related revenue** for the 2023-25 biennium has been revised up by \$9 million, or 36%, from the February forecast. These changes reflect actuals coming in as well as the sale of the Houghton Park and Ride in February for \$9 million. **The School Zone Fines** forecast for the current biennium is up \$39

thousand, or 10%, from the February forecast. These changes reflect updated actuals coming in. Implicit Price Deflator (IPD) used is from the February forecast.

- The 2023 - 25 biennium **WSP Business Related Revenues** for June 2024 have been revised down by \$118,617 or (.98%). The change reflects latest actuals and changes in future biennia mirror the changes in 2023-25.
- **DOL Credit Card Transaction Fees (24K)** forecast is revised upward by \$0.1 million (0.5%) for the 23-25 biennium and \$1 million (1%) in the ten-year horizon. Transaction tracks lower, however average amount were increased, primarily due to vessel depreciation schedule change implemented in January 2024.
- **Aviation Fuel Tax (039)** forecast is updated with the current FAA international aviation fuel consumption forecast (2024). Overall, the forecast is tracking well with actuals-to-date and is consistent with recently observed increases to taxable gallons. However, in April-May 2024 a series of refunds were processed for past fiscal years' transactions, totaling \$0.4 million; therefore the forecast for FY 2024 has been reduced to reflect the refunds. The forecast is lower for FY 2023-25 by -\$315.4 thousand or -2.34%.
- **Driver Licensing Technology Support Account (25W)** is collected by Administrative Office of the Courts (AOC) for supporting information technology systems used by the Department of Licensing to communicate with the judicial information system, manage driving records, and implement court orders. DOL forecasts this revenue on behalf of AOC starting June 2024. For the 23-25 biennium, forecast is increased by \$1.3 million (53%) from original estimate of \$2.4 million.

Total Other Transportation Related revenues in the 2023-25 biennium are currently projected at \$383 million. This represents a decrease of \$4.4 million, or -1.14% compared to February 2024 forecast. Ten-year (2023-2033) total revenue of \$2.0 billion is \$32.04 million decrease compared to February 2024 Forecast.

Ferry Ridership and Revenue

Overview

The fare revenue and ridership projections for Washington State Ferries are prepared using (1) systemwide econometric models to estimate overall demand by fare category, (2) autoregressive-integrated-moving average time series models to allocate monthly ridership demand across the 10 routes and seven fare categories, and (3) a set of spreadsheet models to assess vessel capacity constraints on ridership and calculate revenue projections. Ridership and revenues are estimated for the following seven fare categories.

- Passenger full fares
- Passenger frequent user/commuter discounted multi-ride fares
- Passenger other discount fares (e.g., senior fare, youth fare)
- Auto / driver full fares
- Auto / driver frequent user/commuter discounted multi-ride fares
- Other vehicle / driver discounted (senior/disabled auto and all motorcycle) fares
- Oversize vehicle / driver (over 22 feet in length) fares

In August 2023, the Washington State Transportation Commission (WSTC) adopted two fare increases for FY 2024 and FY 2025. The first took place on October 1, 2023 and the second will occur on October 1, 2024. Both increases raise the base passenger and vehicle/driver fares by 4.25% with nickel rounding. At the same time, a temporary 1% additional discount to multi-ride passes will be implemented to dampen the fare increases experienced by frequent users. The temporary additional discount will expire on September 30, 2025. With no further fare increases assumed in the June Forecast, fares are expected to slowly decline in real terms as a result of general price inflation after FY 2025.

Beginning in early March 2020, the COVID-19 pandemic negatively impacted ferry travel, with April 2020 ridership 73% lower than April 2019. Since then, the rebound in ridership has been somewhat inconsistent and extended, reflecting post-pandemic travel patterns, including less frequent use by many customers, combined with reduced and more uncertain service levels. This forecast takes into consideration the WSF Service Contingency Plan released in January 2024, which acknowledges that vessel and crew shortages will make full service restoration difficult until new ferries begin to be delivered in 2028. The June 2024 forecast includes the following assumptions regarding service resumption:

- The Fauntleroy-Vashon-Southworth triangle route is assumed to operate with two vessels until there is sufficient vessel availability to restore three-boat service. That is expected to be no later than mid-2028, but may be sooner as existing fleet availability allows.
- The Seattle-Bremerton route is assumed to maintain one boat service until there is sufficient vessel availability to restore two-boat service. That is expected to be no later than mid-2028, but may be sooner as existing fleet availability allows.
- On the Port Townsend-Coupeville route, resumption of the second vessel normally added for the late Spring and Summer seasons is assumed to be postponed until no later than mid-2028, but may be sooner as existing fleet availability allows.
- The Point Defiance-Tahlequah, Anacortes-San Juan Island, Seattle-Bainbridge, Mukilteo-Clinton, and Edmonds-Kingston routes will continue to operate the majority of the time with the normal number of vessels.

- Resumption of service on the Anacortes-Sidney, B.C. international route is assumed to be delayed until Summer 2030 (FY 2031), which will also add limited capacity to summer service in the San Juan Islands as a fifth vessel. Anacortes-Sidney, B.C. ridership demand is then expected to ramp up over a three-year period.
- The Fauntleroy-Vashon-Southworth, Seattle-Bremerton, and Port Townsend-Coupeville routes, in that order, will be prioritized for adding unscheduled vessel when vessel and crew availability allows. The forecast does not account for this additional unscheduled service.

The June Forecast incorporates actual ridership and revenue through May 2023.

FY 2023 ridership was 6.3% higher than FY 2022, placing it at about 75.7% of pre-pandemic levels. Through May 2024, FY 2024 ridership has grown an additional 3.5%, reaching 78.1% of pre-pandemic levels. In the first five months of 2024, actual ridership averaged 2.3% higher than the same period in 2023, with passenger fares 4.6% higher and vehicle/driver fares only 0.1% higher. This is 1.3% lower than previously forecasted, with passenger fares 2.3% below forecast and vehicle/driver fares 0.3% below forecast. However, after a relatively weak January 2024 (which had ridership that was nearly 8% below January 2023), the successive four months (February through May) averaged 0.1% above the February forecast.

The growth in ridership thus far in FY 2024 has come almost entirely from passenger fares — up 6.5% and now reaching nearly 73% of pre-pandemic levels — while vehicle/driver ridership growth is up only 0.4% and holding at just under 85% of pre-pandemic levels, compared to the same period in FY 2023. The FY 2024-to-date growth rate for passenger frequent user (commuter) fare ridership growth inched above passenger full fare at 3.9%, though it is only at 30% of 2019 pre-pandemic levels over the same period.

Including eleven months of actual ridership in FY 2024, ridership for the current fiscal year is forecast to be 0.3% lower than in the February forecast, with FY 2025 expected to be 0.2% lower than the prior forecast. For the 2023-25 biennium, this also amounts to 0.2% lower than February. Over the rest of the forecast horizon (FYs 2026-33), the June fiscal year ridership projections range from essentially unchanged to 0.5% higher than the February forecast.

Total reported fare and surcharge revenues for January through May 2024 were 1.1% lower than expected in the prior forecast. Excluding the aforementioned soft January 2024 in which revenue dropped 5%, actual revenue in the most recent four months is spot on forecast. Revenue for the first 11 months of FY 2024 comprise approximately 90% of the pre-pandemic fare revenue levels for the same 11 months in 2019. This share is higher than the corresponding pre-pandemic ridership share of 78% due to the overall stronger rebound in higher-fare vehicle traffic, combined with general fare increases since the pandemic.

In the current 2023-25 biennium, fare and surcharge revenues are projected to be 0.3% lower, while miscellaneous revenues are forecast to be 35.1% higher, compared to the February forecast. Total 2023-25 biennium revenues are expected to be 0.5% higher than the February forecast.

Subsequent biennia fare and surcharge revenue projections are expected to range from 0.1% to 0.6% higher relative to the February forecast. Miscellaneous revenues for the subsequent four biennia are each projected to be about 34% above the previous forecast, with overall ferry revenues ranging from 0.9% to 1.4% higher.

The elimination of youth fares starting October 1, 2022 is included in the current June forecast and amounts to a reduction in fare and surcharge revenues of \$8.28 million for the current 2023-25 biennium.

Total fare and miscellaneous revenues forecasted for the 2023-25 biennium amount to \$385.9 million, 0.5% higher than the previous forecast of \$383.9 million for the same period. Over 10 years (FYs 2024-33), ferry fare and miscellaneous revenues total \$2.2 billion, approximately 1.1% higher than the prior February 2024 forecast.

Since the COVID-19 pandemic, material changes to the previous normal ferry ridership patterns continue to persist and

slowly evolve toward a “new normal”. Total passenger fares, while recently growing at higher rates than vehicle/driver ridership, continuing to lag further behind pre-pandemic levels than do vehicle/driver fares. WSF continues to experience a higher level of both planned and unplanned service reductions resulting from staffing shortages, attrition, and vessel availability issues, compared to pre-pandemic conditions. The duration and magnitude of these combined effects and how they will continue to impact ferry ridership demand, while becoming more apparent with contingency planning, retain some degree of uncertainty. As such, the June 2024 Forecast projections, as well as the assumptions upon which they are based at the time of preparation, remain subject to change with an above average level of risk and uncertainty, which may cause actual results to vary from projections.

Primary reasons for the changes in the June 2024 forecast:

- Actual ridership for January 2024 (not captured in the February forecast) was relatively weak, pulling down the final forecast for FY 2024 despite on target performance in the four most recent months since January.
- In the near term, upward revisions to gasoline prices alongside downward revisions to real personal income and employment combine to slightly dampen ridership demand. Marginal upward revisions to projected inflation result in slightly lower real fares; however, this effect is insufficient to offset the ridership dampening factors.
- By FY 2027, downward revisions to gasoline prices combined with stronger employment forecasts bolster ridership demand, offsetting the effects of lower real personal income projections.
- The miscellaneous revenue forecasts have been revised substantially higher over the forecast horizon. Vessel revenue increases are primarily due to the resumption of concession revenues from the galley vendor and adjustments to projections based on recent actual revenues. Terminal revenue increases can be attributed largely to changes in vendor projections, based on increases in sales inventory and assets currently in the approval process.

Toll Revenue

Overview

The traffic and toll revenue potential forecasts for all five toll facilities for the June 2024 TRFC are provided by independent traffic and revenue consultant, Stantec. The adjusted toll revenue forecasts for the SR 520 Bridge, I-405 Express Toll Lanes (ETLs), and SR 99 Tunnel are prepared by WSP USA Inc., in close coordination with the WSDOT Toll Division and its consultants.

The Toll Traffic and Toll Revenue Potential forecasts for the June 2024 TRFC annual forecasts for FY2024 were updated to include actuals through April 2024 for all toll facilities. For future FYs, of note, by toll facility:

- The Tacoma Narrows Bridge is a no-change forecast from the February 2024 TRFC for FY 2025 and beyond.
- The SR 520 Bridge forecast has been updated to include the most recent construction and closure schedules.
 - An alternate forecast was developed with an average 10% toll increase starting on 15 August 2024, as approved by the Washington State Toll Commission at their May 2024 meeting.
- For the I-405 and SR 167 ETLs, the forecasts have been updated to include the latest project opening schedules, and also for the updated socio-economic forecasts for future years.
- For the SR 99 Tunnel, the forecast has been updated to include recent travel demand model runs that include updated socio-economic forecasts for future years.

The methodology for the June 2024 TRFC forecast update is similar to the ones applied in the previous forecasts. Of note:

- The overall forecasting methodology is similar to the ones applied since the June 2020 and subsequent forecasts, with usage of recent actual data, as applicable, and assuming a different forecast pattern for each facility based on the observed trends.
- Each toll facility is analyzed on its own, with the actual total traffic, average toll rate, and total revenue by month used as the key inputs.
- The forecasts for FY 2024 are made on a month-by-month basis.
- The forecast assumes that Pay By Mail customers would continue to pay \$2 above the Good To Go! toll rates for 2-axle vehicles. A similar rate differential for trucks based on the number of axles is also assumed.
- FY 2024: monthly FY 2024 Toll Traffic and Revenue (T&R) forecasts are based on a review of actual toll traffic and revenue data through and including April 2024. FY 2024 adjusted revenue values are based on actual revenue data through and including April 2024 and May 2024 where available.
- Adjustments to potential gross toll revenue forecasts include the \$0.25 per transaction fee revenue for Good To Go! account-based Pay By Plate transactions, leakage allowances for toll revenue not recognized (unbillable), unpaid toll bills, and toll revenue recovered through Civil Penalty adjudication for customers using the Customer Program for Resolution (CPR) at the Good To Go! toll rate.
- Forecasts for second toll bill \$5 rebilling fees and \$40 Notice of Civil Penalty (NOCP) fees are based on anticipated collection rates with the vendor transition, adjusted to reflect delays in toll bill escalation that commenced in March 2023. Collection of rebilling fees commenced in March 2023, and with NOCP fee revenue starting to be collected in FY 2024.
- With toll bill escalation starting in March 2023, and close to one year of reported data, forecasted toll bill and civil penalty payment rates have been adjusted to align with actual performance. The updated assumptions result in lower payment rates for second toll bills and higher payment rates for tolls and fees once the transaction reaches civil penalty.
- An adjustment is made for CPR toll revenue, which is recorded at the *Good To Go!* toll rate in the reported values. In addition to toll revenue captured through CPR at the *Good To Go!* toll rate instead of the Pay By Mail toll rate, there is toll revenue collected associated to toll revenue recovered at the Pay By Mail toll rate included in the revenue category for civil penalties and recovered toll revenue.

- Transponder revenue is estimated based on a systemwide approach; the adjustments include the updates in the weightings between direct retail and wholesale sales, revenue per transponder sold, and near-term projected transponder sales volumes based on the June 2024 transaction forecasts for SR 520, SR 99 and TNB. For I-405 and SR 167 the transponder forecast is updated to align with the updated traffic and gross toll revenue potential forecast and actual sales volumes and revenue through April 2024.
- Miscellaneous revenues have been updated to reflect projected interest earnings based on available annual revenue projections. Interest rates remain unchanged with rates of 2.25% per year for the current biennium and a lower 0.61% interest rate for the remainder of the forecast horizon for conservatism and to align with recent historical values.

Recent Actuals: January through April 2024 in comparison to February 2024 TRFC Forecast

Combined four-month period, January through April 2024 toll transactions (April toll transactions were 3.6 percent above the February 2024 Forecast. Combined January through April 2024 Toll Revenue Adjusted was 1.8% above the forecast. Noting that ELTs min and max toll rates were updated, and evening hours of operations are extended by one hour effective March 1, 2024. (Figure 11).

Figure 11: January through April 2024 - Toll Transactions and Revenue Performance vs February 2024 Forecast (millions)

Toll Facility		Toll Transactions					Adjusted Toll Revenue					
		Jan-24 ¹	Feb-24 ¹	Mar-24 ²	Apr-24 ²	Jan thru Apr 2024	Jan-24 ¹	Feb-24 ¹	Mar-24 ²	Apr-24 ²	Jan thru Apr 2024	
TNB	Forecasted Transactions	1.24	1.14	1.33	1.29	5.00	Forecasted Toll Revenue	\$5.80	\$5.33	\$6.22	\$6.03	\$23.37
	Reported Transactions	1.22	1.22	1.35	1.33	5.13	Reported Toll Revenue	\$5.83	\$5.67	\$6.07	\$6.17	\$23.75
	Variance From Forecast	-0.02	0.08	0.02	0.04	0.13	Variance From Forecast	\$0.04	\$0.34	-\$0.15	\$0.15	\$0.38
	Variance - % Change	-1.4%	6.7%	1.7%	3.5%	2.5%	Variance - % Change	0.6%	6.4%	-2.4%	2.4%	1.6%
SR 520	Forecasted Transactions	1.65	1.47	1.68	1.62	6.42	Forecasted Toll Revenue	\$6.21	\$5.63	\$6.51	\$6.11	\$24.46
	Reported Transactions	1.66	1.58	1.87	1.65	6.75	Reported Toll Revenue	\$6.28	\$6.17	\$6.46	\$5.90	\$24.81
	Variance From Forecast	0.01	0.11	0.19	0.03	0.33	Variance From Forecast	\$0.07	\$0.54	-\$0.04	-\$0.22	\$0.35
	Variance - % Change	0.6%	7.4%	11.1%	1.7%	5.2%	Variance - % Change	1.1%	9.6%	-0.7%	-3.5%	1.4%
I-405	Forecasted Transactions	0.76	0.72	0.82	0.86	3.16	Forecasted Toll Revenue	\$1.97	\$1.80	\$2.14	\$2.29	\$8.20
	Reported Transactions	0.69	0.72	0.79	0.83	3.03	Reported Toll Revenue	\$1.99	\$1.62	\$2.14	\$2.16	\$7.91
	Variance From Forecast	-0.07	0.00	-0.03	-0.03	-0.13	Variance From Forecast	\$0.03	-\$0.18	\$0.00	-\$0.13	-\$0.29
	Variance - % Change	-9.8%	0.6%	-3.1%	-3.9%	-4.1%	Variance - % Change	1.4%	-10.2%	-0.1%	-5.6%	-3.5%
SR 167	Forecasted Transactions	0.16	0.16	0.16	0.16	0.65	Forecasted Toll Revenue	\$0.42	\$0.42	\$0.45	\$0.46	\$1.74
	Reported Transactions	0.14	0.14	0.15	0.15	0.58	Reported Toll Revenue	\$0.36	\$0.37	\$0.58	\$0.55	\$1.85
	Variance From Forecast	-0.02	-0.02	-0.02	-0.01	-0.07	Variance From Forecast	-\$0.06	-\$0.05	\$0.13	\$0.10	\$0.11
	Variance - % Change	-12.6%	-14.2%	-9.3%	-8.3%	-11.1%	Variance - % Change	-14.8%	-12.8%	29.5%	21.5%	6.5%
SR 99	Forecasted Transactions	1.20	1.13	1.31	1.33	4.97	Forecasted Toll Revenue	\$2.23	\$2.10	\$2.44	\$2.50	\$9.27
	Reported Transactions	1.24	1.30	1.49	1.43	5.45	Reported Toll Revenue	\$2.27	\$2.41	\$2.60	\$2.61	\$9.90
	Variance From Forecast	0.04	0.17	0.17	0.10	0.48	Variance From Forecast	\$0.05	\$0.31	\$0.16	\$0.11	\$0.63
	Variance - % Change	3.0%	14.7%	13.3%	7.4%	9.6%	Variance - % Change	2.1%	14.7%	6.6%	4.5%	6.8%
Total	Forecasted Transactions	5.02	4.62	5.31	5.26	20.20	Forecasted Toll Revenue	\$16.62	\$15.28	\$17.75	\$17.39	\$67.04
	Reported Transactions	4.95	4.95	5.65	5.39	20.93	Reported Toll Revenue	\$16.74	\$16.24	\$17.85	\$17.40	\$68.23
	Variance From Forecast	-0.07	0.33	0.34	0.12	0.73	Variance From Forecast	\$0.12	\$0.95	\$0.10	\$0.01	\$1.19
	Variance - % Change	-1.3%	7.2%	6.5%	2.3%	3.6%	Variance - % Change	0.7%	6.2%	0.6%	0.1%	1.8%

Notes:

¹ Due to the freezing weather, there are several fiber breaks, impacting 1-13-1/15 ETLs performance incl. SR 167 free fare on 1/14.

Due to the Kapsch system issue SR 167 trips on 2/2-2/4/2024 were build without fare. Estimated revenue loss is ~\$20k

² I-405 and SR 167 ETLs min and max toll rates and policy update effective March 1, 2024

Summary of June 2024 Forecast Results

Figure 12 provides summary comparison between June 2024 and February 2024 forecast results.

Some highlights of June 2024 forecasts include:

- Based on recent actuals FY 2024 Total Toll Revenue and Fees of \$265.1 million was \$26.4 million, or (11.1 percent) above the previous forecast estimate.
- Current Biennium (FY 2024 and FY 2025) total toll revenue and fees are estimated to be \$510.1 million, which is higher than the February 2024 Forecast by \$15.6 million (or 15.6 percent).
- Next Biennium (FY 2026 and FY 2027) total toll revenue and fees of \$538.7 million are above the February 2024 Forecast by \$12.7 million (or 2.4 percent).
- Ten-year (2024-2033) Toll Revenue and Fees of 2,775 million are \$43.4 million (or 1.6 percent) increase to the February 2024 Forecast.

Figure 12: Revenue Comparison – June 2024 vs. February 2024 Forecast (\$ millions)

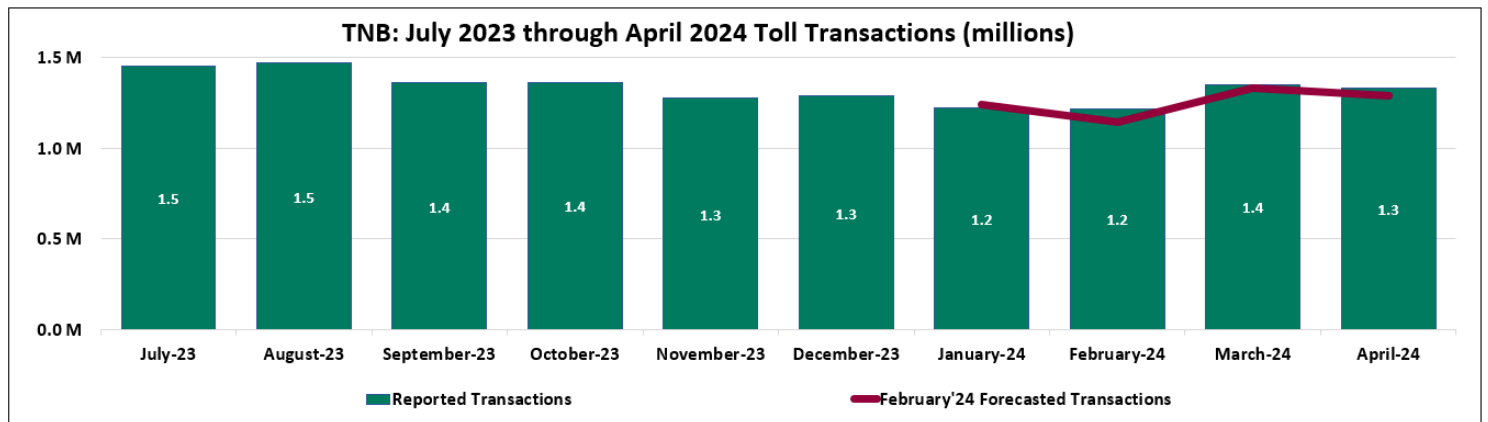
	Toll Facility	FY 2024	2023-25 Biennium	2025-27 Biennium	2027-29 Biennium	2024-33 Ten-Year
June 2024 TRFC	TNB					
	Adjusted Gross Toll Revenue	\$75.34	\$150.36	\$151.73	\$154.59	\$694.40
	Other Revenue	\$10.40	\$14.32	\$7.30	\$7.53	\$40.46
	Total TNB Revenue & Fees	\$85.74	\$164.67	\$159.03	\$162.12	\$734.86
	SR 520					
	Adjusted Gross Toll Revenue	\$71.32	\$149.64	\$166.87	\$178.28	\$903.08
	Other Revenue	\$16.31	\$25.22	\$14.18	\$14.16	\$83.56
	Total SR 520 Revenue & Fees	\$87.63	\$174.86	\$181.05	\$192.44	\$986.64
	I-405 ETLs					
	Adjusted Gross Toll Revenue	\$23.43	\$52.09	\$87.16	\$98.19	\$450.21
	Other Revenue	\$17.05	\$20.46	\$7.18	\$8.20	\$54.60
	Total I-405 ETLs Revenue & Fees	\$40.48	\$72.55	\$94.33	\$106.39	\$504.81
	SR 167 ETLs					
	Adjusted Gross Toll Revenue	\$5.57	\$11.64	\$24.02	\$29.42	\$129.45
	Other Revenue	\$0.25	\$0.51	\$0.63	\$0.68	\$3.29
	Total SR 167 ETLs Revenue & Fees	\$5.82	\$12.15	\$24.65	\$30.10	\$132.74
	SR 99					
Adjusted Gross Toll Revenue	\$30.75	\$63.75	\$67.37	\$68.78	\$342.12	
Other Revenue	\$14.69	\$22.07	\$12.26	\$12.72	\$73.91	
Total SR 99 Revenue & Fees	\$45.45	\$85.82	\$79.63	\$81.50	\$416.03	
All Toll Facilities						
Adjusted Gross Toll Revenue	\$206.41	\$427.48	\$497.14	\$529.25	\$2519.24	
Other Revenue	\$58.70	\$82.58	\$41.55	\$43.30	\$255.83	
Total Revenue & Fees	\$265.11	\$510.06	\$538.69	\$572.55	\$2775.06	
Changes from February 2024 TRFC	TNB					
	Adjusted Gross Toll Revenue	\$0.38	\$0.38	\$0.00	\$0.00	\$0.38
	Other Revenue	\$4.29	\$4.63	\$0.23	\$0.29	\$5.33
	Total TNB Revenue & Fees	\$4.67	\$5.01	\$0.23	\$0.29	\$5.70
	Total % Change	5.8%	3.1%	0.1%	0.2%	0.8%
	SR 520					
	Adjusted Gross Toll Revenue	-\$0.60	-\$1.78	\$0.29	\$0.08	-\$12.78
	Other Revenue	\$6.58	\$5.24	-\$0.55	-\$0.76	\$1.14
	Total SR 520 Revenue & Fees	\$5.98	\$3.46	-\$0.26	-\$0.68	-\$11.64
	Total % Change	7.3%	2.0%	-0.1%	-0.4%	-1.2%
	I-405 ETLs					
	Adjusted Gross Toll Revenue	-\$0.55	-\$9.28	\$2.55	\$1.51	-\$7.37
	Other Revenue	\$8.13	\$8.17	\$0.32	\$0.34	\$10.75
	Total I-405 ETLs Revenue & Fees	\$7.58	-\$1.10	\$2.87	\$1.85	\$3.38
	Total % Change	23.0%	-1.5%	3.1%	1.8%	0.7%
	SR 167 ETLs					
	Adjusted Gross Toll Revenue	\$0.28	-\$2.22	\$4.31	\$6.51	\$14.74
	Other Revenue	\$0.02	\$0.01	\$0.08	\$0.11	\$0.43
	Total SR 167 ETLs Revenue & Fees	\$0.30	-\$2.21	\$4.40	\$6.62	\$15.17
	Total % Change	5.5%	-15.4%	21.7%	28.2%	12.9%
	SR 99					
	Adjusted Gross Toll Revenue	\$0.34	\$1.94	\$3.64	\$3.42	\$14.93
	Other Revenue	\$7.52	\$8.50	\$1.83	\$1.86	\$15.90
	Total SR 99 Revenue & Fees	\$7.86	\$10.45	\$5.48	\$5.28	\$30.83
	Total % Change	20.9%	13.9%	7.4%	6.9%	8.0%
	All Toll Facilities					
Adjusted Gross Toll Revenue	-\$0.16	-\$10.96	\$10.80	\$11.52	\$9.90	
Adjusted Gross Toll Revenue % Change	-0.1%	-2.5%	2.2%	2.2%	0.4%	
Other Revenue	\$26.54	\$26.57	\$1.92	\$1.85	\$33.54	
Total Revenue & Fees	\$26.38	\$15.60	\$12.72	\$13.37	\$43.44	
Total % Change	11.1%	3.2%	2.4%	2.4%	1.6%	

Updates to Tacoma Narrows Bridge (TNB) toll traffic and revenues

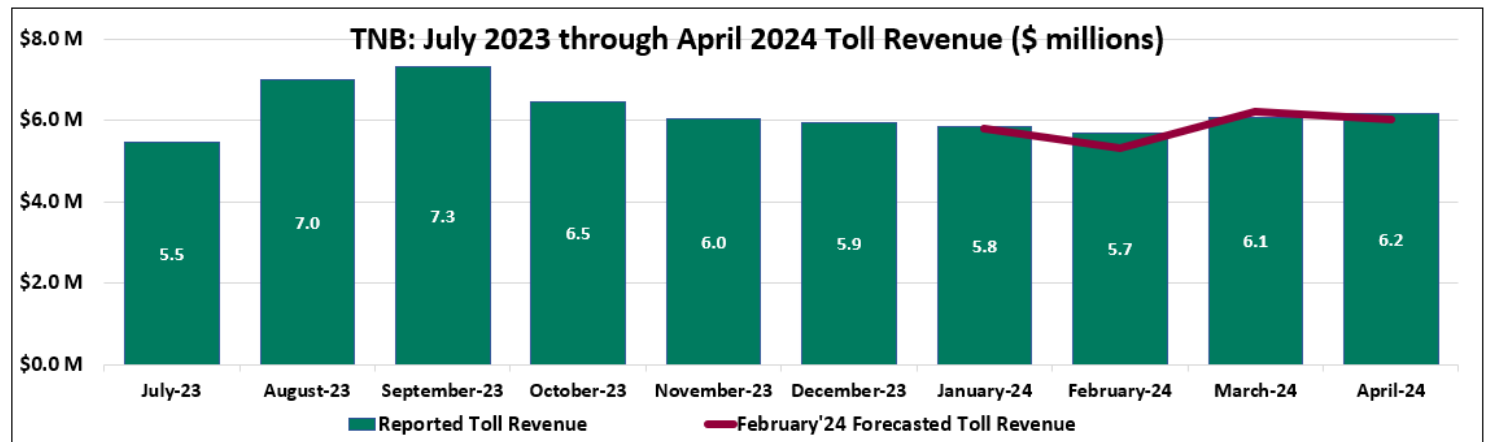
June 2024 TRFC FY 2025 through FY 2032 forecast for the Tacoma Narrows Bridge are a no-change forecast from the February 2024 TRFC forecast. FY 2024 Forecast is updated based on actuals.

TNB four-month period, January through April 2024 toll transactions (April toll transactions are based on preliminary estimate) were 2.5 percent above the February 2024 Forecast. Four-month period toll revenues were 1.6 percent or \$0.4 million above the February 2024 Forecast. Figure 13 below provides January through April 2024 monthly Toll Transactions and Reported Toll Revenue performance in comparison to the February 2024 forecast. July through December 2023 actuals are included in the February 2024 forecast.

Figure 13: TNB January through April 2024 monthly Toll Traffic and Revenue actuals in comparison to February 2024 forecasts



Note: April 2024 monthly transactions are stated based on preliminary estimates



Note: Reductions in July toll revenue are mainly due to the resumption of issuing fees and penalties, upon the escalation unpaid backlogged toll bills were reprocessed as CP revenue.

Based on recent actuals, FY 2024 TNB Total revenue and fees of \$85.7 million is an increase of \$4.7 million (or 5.8 percent) to the February 2024 Forecast projections. Ten-year period (FY 2024 to FY 2033) total revenue and fees of \$734.9 million are \$5.7 million (or 0.8 percent) increase to the February 2024 Forecast, (Figure 12).

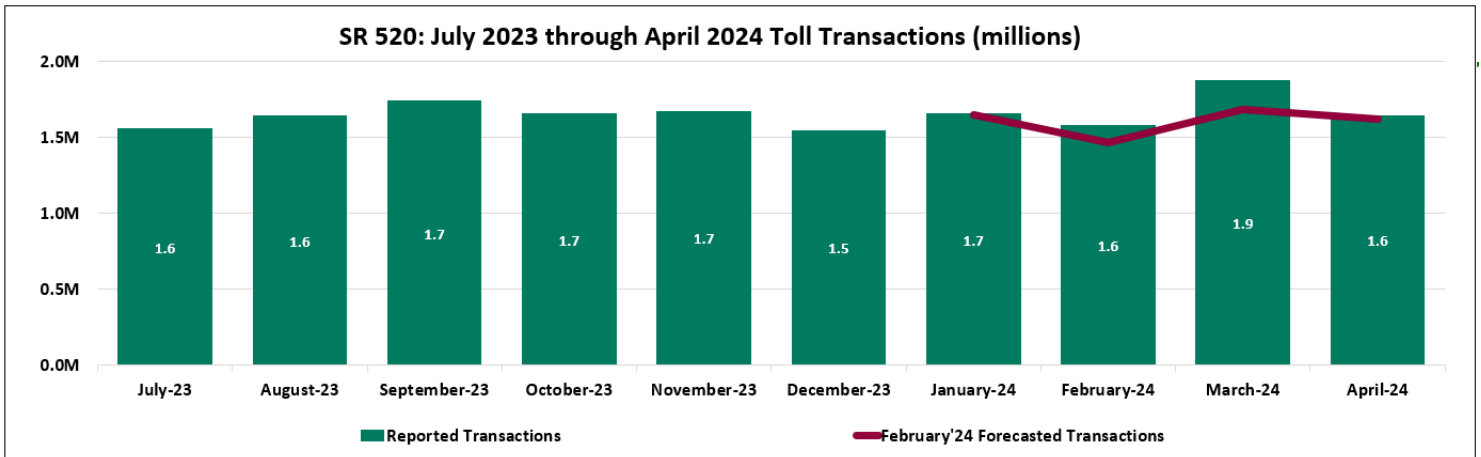
The forecast assumes that the TNB toll collection will cease by the end of FY 2032.

Updates to SR 520 Toll Bridge toll traffic and revenues

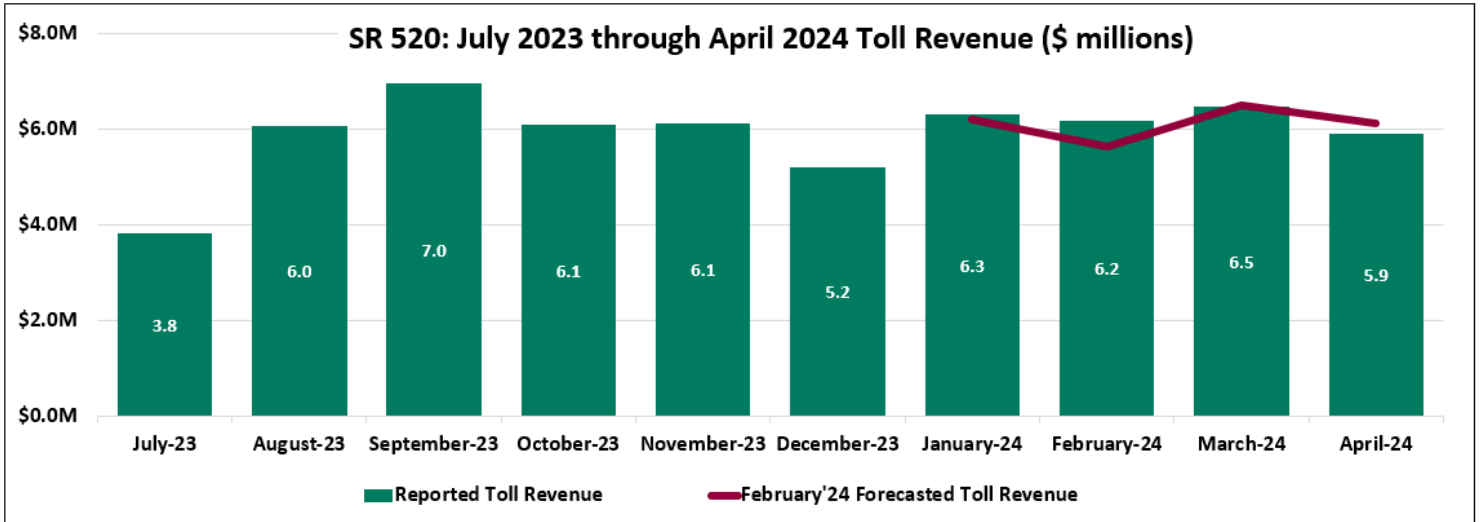
June 2024 TRFC FY 2025 through FY 2033 forecasts for the SR 520 Bridge have been updated to include the most recent construction and closure schedules. FY 2024 Forecast is updated based on actuals.

SR 520 four-month period, January through April 2024 toll transactions (April toll transactions are based on preliminary estimate) were 5.2 percent above the February 2024 Forecast. Four-month period toll revenues were 1.4 percent or \$0.4 million above the February 2024. Figure 14 below provides January through April 2024 monthly Toll Transactions and Reported Toll Revenue performances in comparison to the February 2024 Forecast. July through December 2023 actuals are included in the February 2024 forecast.

Figure 14: SR 520 January through April 2024 monthly Toll Traffic and Revenue actuals in comparison to February 2024 forecasts



Note: April monthly transactions are stated based on preliminary estimates



Note: Reductions in July toll revenue are mainly due to the resumption of issuing fees and penalties, upon the escalation unpaid backlogged toll bills were reprocessed as CP revenue. December 2023 Toll Revenue attributed to 70K toll transactions were processed late, and incl. in January 2024.

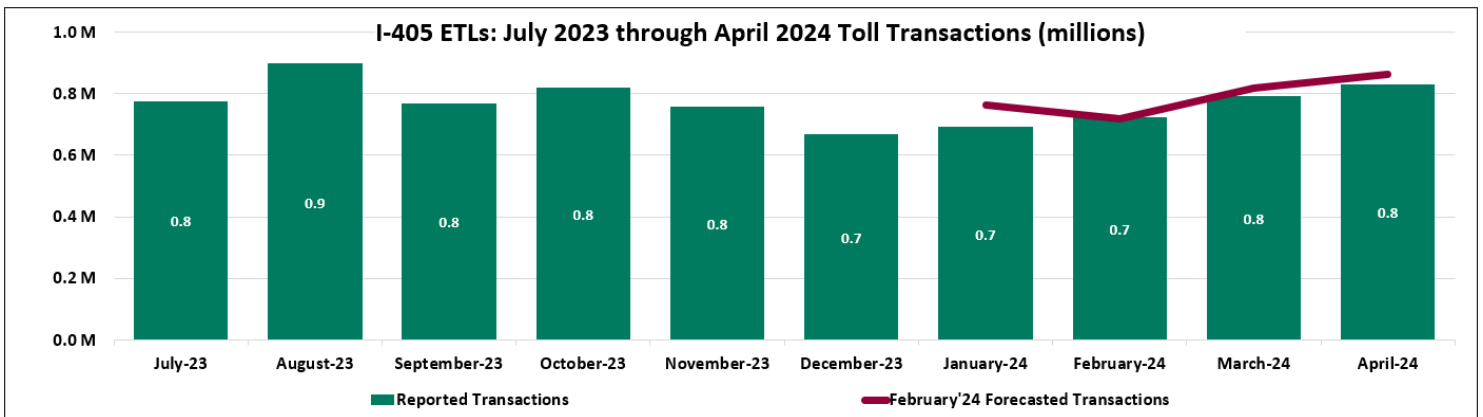
Based on recent actuals FY 2024 SR 520 Total revenue and fees of \$87.6 million is an increase of \$6.0 million (or 7.3 percent) to the February 2024 Forecast projections. 2025-2027 Biennium total revenue and fees of \$181.0 million is \$0.3 million (or 0.1 percent) reduction to February 2024 forecast. 2027-2029 Biennium total revenue and fees of \$192.4 million is \$0.7 million (or 0.4 percent) reduction to February 2024 forecast Ten-year period (FY 2024 to FY 2033) total revenue and fees of \$986.6 million are \$11.6 million (or 1.2 percent) reduction to the February 2024 Forecast, (Figure 12).

Updates to I-405 Express Toll Lanes (ETLs) toll traffic and revenues

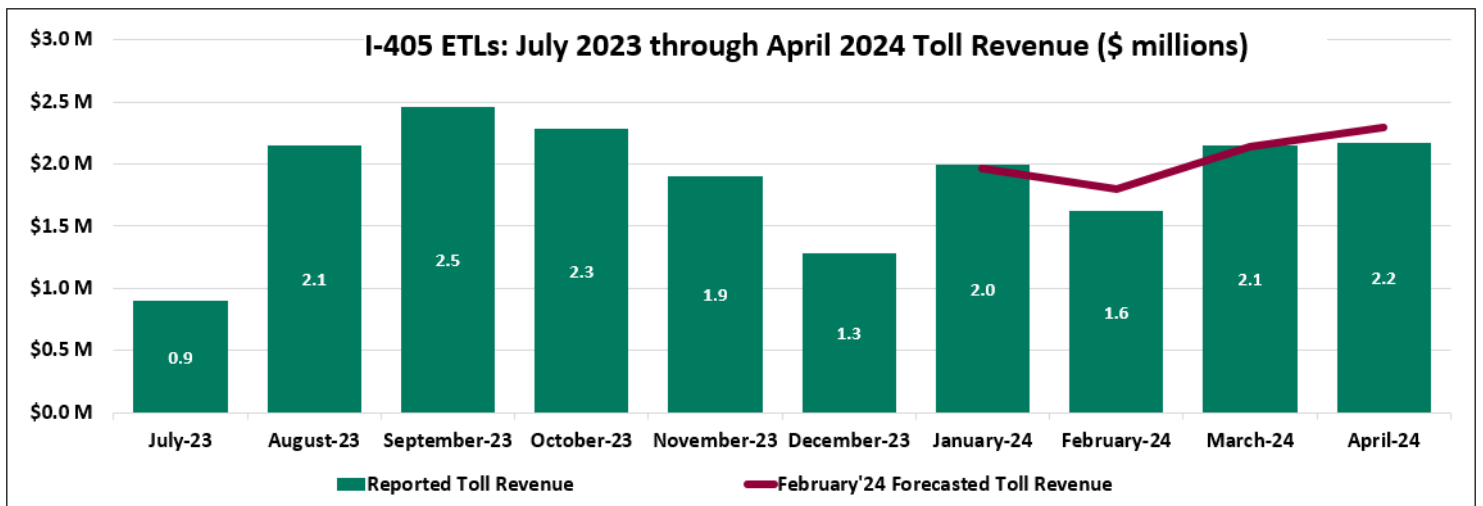
June 2024 TRFC forecasts for the I-405 Express Toll Lanes (ETLs) were updated from the February 2024 TRFC forecast to include the latest project opening schedules, and also for the updated socio-economic forecasts for future years. FY 2024 Forecast is updated based on actuals.

Four-month period, January through April 2024 toll transactions (April toll transactions are based on preliminary estimate) were 4.1 percent below the February 2024 Forecast. Four-month period toll revenues were 3.5 percent or \$0.3 million below the February 2024. Figure 15 below provides January through April 2024 monthly Toll Transactions and Reported Toll Revenue performances in comparison to the February 2024 forecast. July through December 2023 actuals are included in the February 2024 forecast.

Figure 15: I-405 ETLs January through April 2024 monthly Toll Traffic and Revenue actuals in comparison to February 2024 forecasts



Note: April 2024 monthly transactions are stated based on preliminary estimates



Note: Reductions in July toll revenue are mainly due to the resumption of issuing fees and penalties, upon the escalation unpaid backlogged toll bills were reprocessed as CP revenue. December 2023 Toll Revenue attributed to 92K toll transactions were processed late, and would be incl. in January 2024. Max toll rates and hours of operations policy update effective March 1, 2024.

Ten-year FY 2024 through FY 2033 Civil Penalty revenue is higher by 28.5 percent due to higher anticipated collection rates with the vendor based on reported data through April 2024. FY 2024 through FY 2033 Transponder revenue is higher by 5.7 percent due to anticipated increase in sales volumes and revenue based on actuals through April 2024.

Miscellaneous revenues are not forecasted beyond the current fiscal year for I-405 due to variability in facility account balances used to estimate future interest earnings.

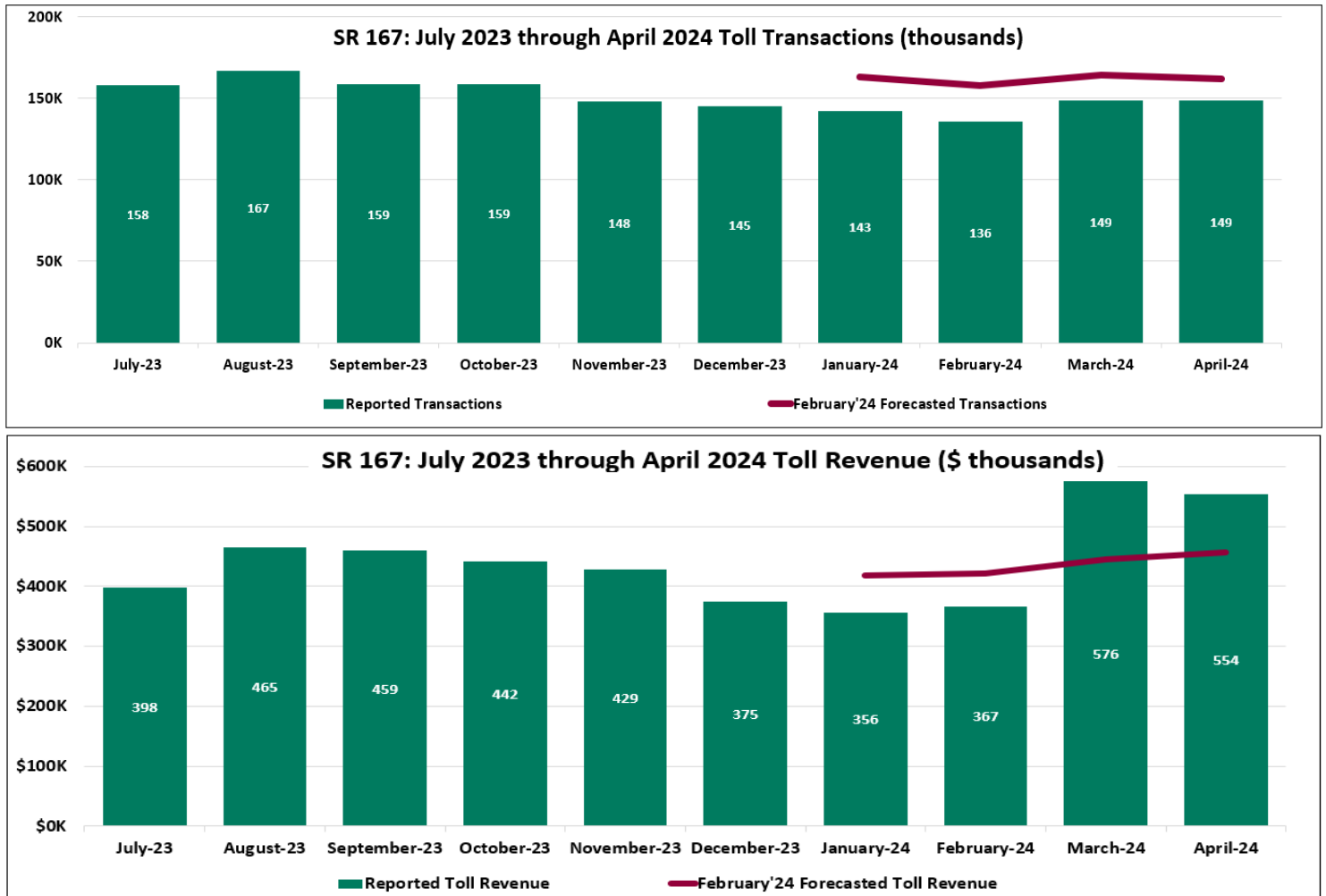
The facility's total revenue and fees in 2023-25 Biennium are estimated to be \$72.6 million which are \$1.11 million (or 1.5 percent) lower in comparison to the February 2024 forecast. In 2025-2027 Biennium total revenue and fees of \$94.3 million is \$2.9 million (or 3.1 percent) increase to February 2024 forecast. Ten-year period (FY 2024 to FY 2033) total revenue and fees of \$504.8 million are \$3.4 million (or 0.7 percent) increase to the February 2024 Forecast, (Figure 12)

Updates to SR 167 Express Toll Lanes (ETLs) toll traffic and revenues

June 2024 TRFC forecasts for the SR 167 Express Toll Lanes (ETLs) were updated from the February 2024 TRFC forecast to include the latest project opening schedules, and also for the updated socio-economic forecasts for future years. FY 2024 Forecast is updated based on actuals.

Four-month period, January through April 2024 toll transactions were 11.1 percent below the February 2024 Forecast. Four-month period toll revenues were 6.5 percent, or \$114 thousand above the February 2024. Figure 16 below provides January through April 2024 monthly Toll Transactions and Reported Toll Revenue performances in comparison to the February 2024 forecast. July through December 2023 actuals are included in the February 2024 forecast.

Figure 16: SR 167 ETLs January through April 2024 monthly Toll Traffic and Revenue actuals in comparison to February 2024 forecasts



Note: Due to the freezing weather in January, there are several fiber breaks in the area. Complete communication loss to all sites on 1/14-1/15/2024. All trips were given a free fare. Due to a system issue, Kapsch stopped processing rate files and all trips were built without fares on 2/2-2/4/2024. Min and Max toll rates and hours of operations policy update effective March 1, 2024.

Ten-year FY 2024 through FY 2033 Transponder revenue is higher by 14.8 percent due to anticipated increase in sales volumes and revenue based on actuals through April 2024.

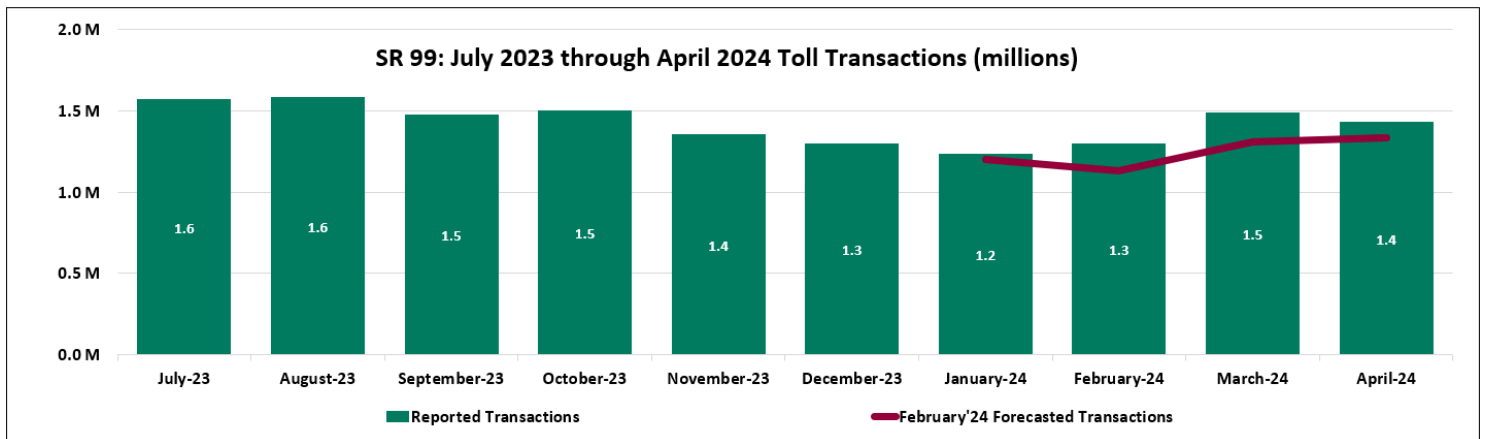
The facility’s total revenue and fees in 2023-25 Biennium are estimated to be \$12.1 million which are \$2.2 million (or 15.4 percent) lower in comparison to the February 2024 forecast. In 2025-2027 Biennium total revenue and fees of \$26.7 million is \$4.4 million (or 21.7 percent) increase to February 2024 forecast. Ten-year period (FY 2024 to FY 2033) total revenue and fees of \$132.7 million are \$15.2 million (or 12.9 percent) increase to the February 2024 Forecast, (Figure 12).

Updates to SR 99 Tunnel toll traffic and revenues

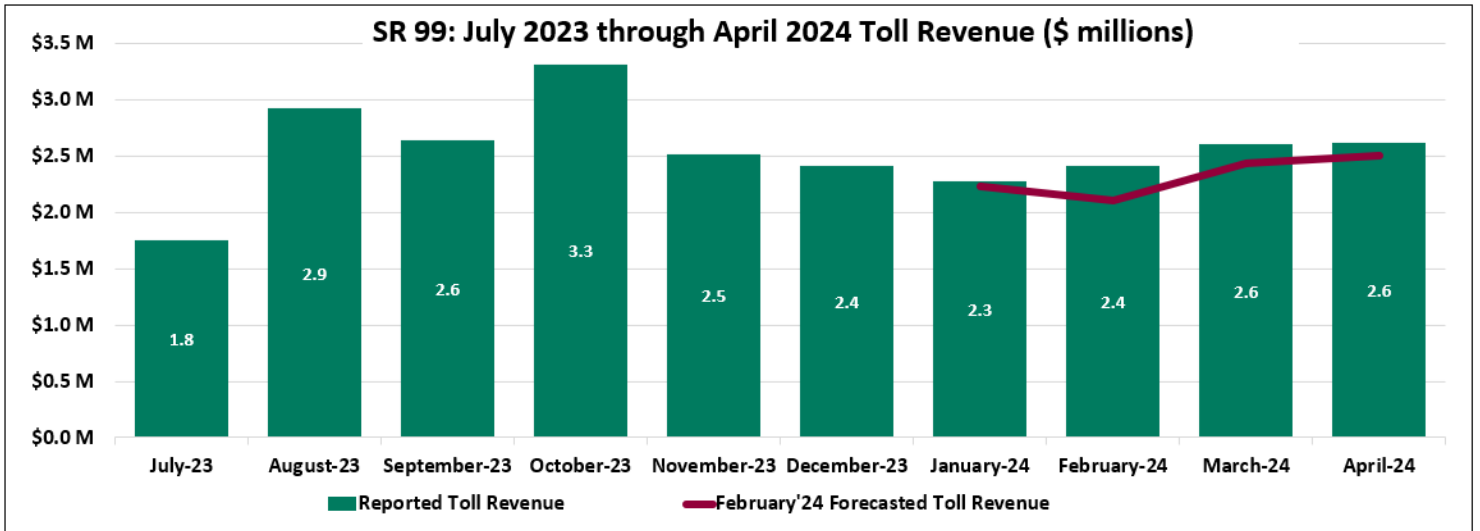
June 2024 TRFC FY 2025 through FY 2033 forecasts for the SR 99 Tunnel have been updated to include recent travel demand model runs that include updated socio-economic forecasts for future years. FY 2024 Forecast is updated based on actuals.

SR 99 four-month period, January through April 2024 toll transactions (April toll transactions are based on preliminary estimate) were 9.6 percent above the February 2024 Forecast. Four-month period toll revenues were 6.8 percent or \$0.6 million above the February 2024. Figure 17 below provides January through April 2024 monthly Toll Transactions and Reported Toll Revenue performances in comparison to the February 2024 forecast. July through December 2023 actuals are included in the February 2024 forecast.

Figure 17: SR 99 January through April 2024 monthly Toll Traffic and Revenue actuals in comparison to February 2024 forecasts



Note: April 2024 monthly transactions are stated based on preliminary estimates



Note: Reductions in July toll revenue are mainly due to the resumption of issuing fees and penalties, upon the escalation unpaid backlogged toll bills were reprocessed as CP revenue.

The facility's total revenue and fees in 2023-25 Biennium are estimated to be \$85.8 million which are \$10.4 million (or 13.9 percent) increase in comparison to the February 2024 forecast. In 2025-2027 Biennium total revenue and fees of \$79.6 million is \$5.5 million (or 7.4 percent) increase to February 2024 forecast. Ten-year period (FY 2024 to FY 2033) total revenue and fees of \$416.0 million are \$30.8 million (or 8.0 percent) increase to the February 2024 Forecast, (Figure 12).

Federal Funds Revenue

Overview

After state funds, the largest source of transportation revenue is federal funds. The Federal Funds forecast contains the formula funds distributed by the Federal Highway Administration (FHWA) to Washington State Department of Transportation for highway purposes. Federal funds reported in this forecast are based on the federal fiscal year (FFY) which begins on October 1.

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA), a \$1.2 trillion investment in transportation and other types of infrastructure (including energy, water, and broadband). Nationwide, this represents a \$550 billion increase in federal government spending above baseline funding levels. The foundation of the IIJA is a new five-year authorization of the federal Surface Transportation Program to replace the expired Fixing America's Surface Transportation (FAST) Act. The IIJA authorizes \$567 billion in spending authority for all transportation programs over five years, an increase of \$274 billion (more than 48%) above FAST Act baseline spending levels. In addition, the bill broadens eligibility criteria for many existing programs and establishes within the U.S. Department of Transportation (USDOT) alone at least two dozen new formula and discretionary (competitive) grant programs targeting key priorities, including but not limited to, resiliency, sustainability, equity, and safety.

FHWA – Highways Forecast

- The total highway apportionment for Washington state for FFY 2023 was \$1,260.5 million. This reflects actual apportionment distributions for FFY 2023.
- The June 2024 core apportionment forecast will be based on FHWA Notices N4510.880, N4510.881, N4510.882 and N4510.883. Total apportionment forecast will assume annual growth rate of 2%.
- FFY 2025 and 2026 will assume an annual growth rate of 2% which is consistent with the US funding levels set forth in the IIJA. The current total apportionment estimate for FFY 2024 is \$1,135.0 million.
- The baseline forecast for FFY 2027 through FFY 2031 will assume an annual growth of federal revenues matching the annual Washington State fuel consumption growth rates.

Obligation Authority (OA) Forecast

- Obligation authority (OA) (a.k.a. spending authority or obligation limitation) is the ceiling or total amount of commitments of federal apportionment that can be made within a year. Congress sets this ceiling or limit as part of the federal appropriation bills to control federal expenditures annually.
- The June 2024 CORE OA for FFY 2023 has been reconciled to actual OA distributions and is \$1,112.3 million which includes distributions for Discretionary items, Other Allocated programs as well as Ferry Boat/Terminals distributions.
- Total OA forecast for FFY 2024 and throughout the forecast horizon will be set at 98% of apportionment, which is consistent with historical Washington State OA distributions.
- The methodology used to split the formula OA distributions between the State Programs and the Local Programs was modified in the June 2018 forecast.

Allocations of IIJA Funds Forecast:

When new federal transportation authorization laws are enacted, Washington state has a tradition of convening a work group to make recommendations on future distributions of federal-aid highway formula program funding to state and local governments. The 2023 Supplemental Transportation Budget directed the Joint Transportation Committee to convene this Work Group. The Work Group met three times in June and July 2022.

Summary of funding split decisions for the five-year IIJA authorization

National Highway Performance Program -

- Retain similar splits as FAST Act which was also assumed in the Move Ahead Washington allocation— 87% state/13%, local.
- The local share is to be administered through the NHS Asset Management Program administered through the WSDOT Local Programs Office

Surface Transportation Block Grant program –

- Maintain FFY 2022 and FFY 2023 at the Move Ahead Washington identified split (28 state/72% local)
- For FFY 2024 – FFY 2026, the split is revised to 16% state/84% local to effectively provide the historic split of 21% state/79% local, over the course of the five years.

Highway Safety Improvement Program –

- No change from FAST Act distribution – continue to allocate funds based on updated crash data to support the Target Zero statewide safety plan – FFY 2022 data reflects split 30% state/70% local.

Congestion Mitigation & Air Quality (CMAQ) Program –

- No change from FAST Act – continue to allocate funds to the five eligible Metropolitan Planning Organizations to help meet the requirements of the federal Clean Air Act– 100% local.

Bridge Replacement Program (NEW)

- Maintain FFY 2022 and FFY 2023 at the Move Ahead Washington identified splits (85% state/15% local).
- For FFY 2024 – FFY 2026, the split is revised to 46% state/54% local to effectively provide an average split of 61% state/39% local, over the course of the five years.
- The local share is to be administered through the Local Bridge grant program administered by the WSDOT Local Programs Office
- The maximum funding cap for local bridges is raised to \$25M.
- Non-federal match for local off-system bridges will not be required by the state.

National Highway Freight Program –

- Retain current splits (50% state/50% local) as identified in Move Ahead Washington to ensure that Washington’s Freight System Plan can be submitted to the Federal Highway Administration for approval by the federal October 2022 deadline.

Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT) –

- For FFY 2022 no change to Move Ahead Washington allocation (100% state).
- For FFY 2023-2026, \$25m set aside for tribal resiliency projects.
Remaining \$75m shall be directed to local fish passage projects (over 4 years).
The Brian Abbot Fish Barrier Removal Board shall facilitate the project selection process. The Board shall work with WSDOT Local Programs to ensure that project selection criteria are consistent with federal requirements.
- WSDOT Local Programs shall administer funding for all projects awarded PROTECT funds.

National Electric Vehicle Program –

- New IIJA program – funds are provided 100% to the state.

Carbon Reduction Program -

- New IIJA program funds are split 35% state/65% local.

FHWA Penalties:

The June 2024 federal forecast incorporates four FHWA penalties for current and prior years, which Washington State was subject to.

- The Section 164 Penalty – FHWA has determined that Washington State is not in compliance with section 164 of title 23, United States Code, the Minimum Penalties for Repeat Offenders for Driving While Intoxicated or Driving Under the Influence. This penalty amounts to 2.5% of the National Highway Performance Program and Surface Transportation Block Grant Program apportionments annually and WSDOT elects to withhold entire amount from the National Highway Performance Program These funds are reserved for release for use on eligible Highway Safety Improvement Program (HSIP) activities or transfer to the States’ 402 Safety Programs pending the outcome of the administrative and “general practice” certification review processes. Section 164 penalty funds are included as part of the Highway Safety Improvement Program totals.
- Safety Performance Penalty – FHWA has determined that Washington State has failed to meet or make significant progress towards meeting the safety performance targets established in Target Zero. This penalty requires the state to obligate an amount equal to a prior year’s apportionment of HSIP funds on HSIP projects.

Vulnerable Users (VRU) – Applies when the total annual fatalities of a non-motorist as defined in 23 U.S.C.148(a)(15) represents not less than 15% of the annual crash fatalities. The penalty requires that in the following fiscal year, the state obligate not less than 15% of the funds apportioned for the Highway Safety Improvement Program for Highway

Safety projects to address the safety of vulnerable users as defined above. High Risk Rural Roads (HRRR) – This penalty applies to all states where the fatality rate on rural roads increases over the most recent 2-year period for which data is available. This penalty requires the State to obligate an amount equal to at least 200 percent of its FY 2009 high risk rural roads set-aside for high-risk rural roads, as defined in their State Strategic Highway Safety Plan.

- .

COVID 19 Stimulus Funds:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) created a Coronavirus Relief Fund (CRF) which provides \$150 billion to state, local, territorial, and tribal governments. The CRF provides \$150 billion for expenditures incurred due to the COVID-19 public health emergency. The November, November and June 2021 federal apportionment forecasts include an estimated CRF distribution to Washington State for ferries and public transportation. This CRF estimate does not include fund distributions made directly to King, Pierce, Snohomish, and Spokane counties.

The Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) was signed by President Trump on December 27, 2020, making consolidated appropriations for the fiscal year ending November 30, 2021, providing coronavirus emergency response and relief. This act made modifications to existing COVID-19 relief legislation and provided additional appropriations for the expenditure of federal COVID-19 pandemic relief funds. The November, November and June 2021 Forecasts include funds made available to WSDOT through this CRRSAA Act of \$168 million.

The America Rescue Plan Act of 2021 (ARPA) was signed into law by President Biden on March 11, 2021. The ARPA provides an estimated \$1.9 trillion in stimulus to aid in the COVID-19 pandemic. This February 2022 Federal Highway forecast includes \$400 Million in ARPA funds intended for Fish Barrier projects. The February 2022 federal highway forecast will include \$400 million of ARPA funds that is for Fish Barrier projects.

FTA - Public Transportation Federal Funds

Overview

In addition to the FHWA formula and non-formula programs governed by the Infrastructure Investment and Jobs Act (IIJA), the Federal Transit Administration also provides program allocations to Washington for a variety of transit projects. The IIJA authorize \$91.2 billion for FFY 2022-2026 for public transportation programs nationwide.

WSDOT each quarter forecasts the federal funds for public transportation programs. The June 2024 Public Transportation federal funds forecast reflects actual apportionments for FY 2022 and FY 2023 including CARES, CRRSAA, and ARPA funds. It also reflects increased funding levels provided under the IIJA for those years. An annual growth rate of 2% is assumed for FY 2024 through FY 2026. For the 2021-23 Biennium, WSDOT received \$58.6 million in FTA apportionments. For the next 2023-25 Biennium, \$61.0 million is anticipated in new apportionments.

FTA – Washington State Ferries (WSF) Federal Funds

WSF receives significant federal assistance through the public transportation program administered by the Department of Transportation’s Federal Transit Administration (FTA). The federal public transportation program is authorized from FFY 2022 through FFY 2026 as part of the IIJA which was signed into law on November 15, 2021.

WSF Federal Apportionment Funds Forecast

Washington State’s level of FTA apportionment for FFY 2024 is distributed based on the most recent Puget Sound Regional Council (PSRC) split letter. This letter shows the amount of formula funding received by all eligible recipients, including WSF. The June 2024 WSF federal forecast reflects the current split letter released by PSRC for FFY 2024. This now includes a formula allocation of the new PSRC Equity Set-aside. FFYs 2025 – 2026 assume an annual growth rate of 2% which is consistent with the funding levels set forth in the IIJA. FFY 2027 thru FFY 2033 forecast of FTA apportionments assume revenue growth matching the annual Washington State fuel consumption growth rates.

The IIJA has significantly changed WSF’s apportionment of FTA formula funds. The distribution to WSF increased from \$13.2 million in FFY 2021 to \$21.2 million in FFY 2022 - an increase of \$8.0 million. Using the current PSRC split letter’s allocation of funds to WSF and assumed growth rates, WSF’s annual funding from this source is projected to increase each year reaching \$24.3 million in FFY 2033. The 2024 June forecast reflects the actual split letter for 2024 and unchanged projected annual Washington State fuel consumption growth rates from the February 2024 forecast.

APPENDIX

**2022 Transportation Packet (ESSB 5974)
New/Incremental Revenues by Fee Type
June 2024 vs. June 2022 forecast**

Move Ahead WA (26P) by Fee	2021-2023			2023-2025			10-Year-Period (22-31)		
	June 2024	June 2022	Change	June 2024	June 2022	Change	June 2024	June 2022	Change
Plate original from \$10 to \$50 *Includes Motorcycle Plates	43.87	55.45	-20.9%	97.11	117.56	-17.4%	444.10	515.98	-13.9%
Plate replacement from \$10 to \$30 *Includes Motorcycle Plates	28.05	33.08	-15.2%	56.63	66.32	-14.6%	258.90	295.90	-12.5%
Dealer Temp from \$15 to \$40	7.66	20.30	-62.3%	33.58	41.13	-18.3%	158.09	179.65	-12.0%
Service fee for trucks from \$0.00 to \$0.50*	0.09	0.34	-75.0%	1.54	1.88	-18.2%	7.03	8.13	-13.5%
License Plate Tech fee for trucks from \$0.00 to \$0.25*	0.04	0.17	-75.0%	0.77	0.94	-18.2%	3.52	4.07	-13.5%
Vehicle Fee from \$15 to \$35**	12.67	15.70	-19.3%	30.37	32.59	-6.8%	196.69	213.63	-7.9%
Total Move Ahead WA (26P)	92.38	125.05	-26.1%	219.99	260.42	-15.5%	1,068.33	1,217.36	-12.2%
Move Ahead WA Flexible (26Q) by Fee	2021-2023			2023-2025			10 Year Total		
	June 2024	June 2022	Change	June 2024	June 2022	Change	June 2024	June 2022	Change
EDL/EID from \$4 to \$7 per year	5.12	6.21	-17.6%	14.97	20.26	-26.1%	83.20	88.94	-6.5%
ADR from \$13 to \$17 and \$19 in FY30	3.14	3.22	-2.7%	8.99	9.40	-4.4%	49.65	51.79	-4.1%
DL/ID replacement from \$10 to \$20	1.45	1.47	-1.5%	4.21	3.98	5.6%	18.64	17.73	5.1%
Total Move Ahead WA Flexible (26Q)	9.70	10.90	-11.0%	28.16	33.65	-16.3%	151.48	158.46	-4.4%
Aviation Fuel Tax (Fund 039)	2021-2023			2023-2025			10 Year Total		
	June 2024	June 2022	Change	June 2024	June 2022	Change	June 2024	June 2022	Change
Aviation fuel tax from \$.11 to \$.18 per gallon	2.67	1.49	78.5%	5.13	3.34	53.4%	22.23	15.06	47.6%
New Revenue from ESSB 5974	104.75	137.45	-23.8%	253.28	297.41	-14.8%	1,242.05	1,390.88	-10.7%

* Included technical cleanup bill ESHB 1853 (2023) resulted in all trucks being a subject to DOL's service fee (\$0.50) and Licence plate technology fee (\$0.25)

**Stolen Vehicle Check Fee from \$15 to \$50 and from \$50 to \$75 in FY2027 (26P fund, forecasted by WADOT)

Forecast Contacts

Economic Variables and Fuel Price Forecast

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Motor Fuel Tax Revenue Forecast

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Motor Vehicle Licenses, Permits & Fees Revenue Forecast

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Olga Novikova, Washington State Department of Licensing, 360-902-0121, onovikova@dol.wa.gov

Driver Related Revenue Forecasts

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Other Transportation Related Revenue Forecast

Vehicle Sales, Rental Car Tax and Heavy Equipment Rental Tax

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Studded Tire Fee

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HOV Penalties and Hazardous Substance Tax

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Business and Other Revenue

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WSP Business Related Revenue

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Speed Safety Camera Systems

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Aeronautics Revenue

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Washington State Ferries Ridership and Revenue Forecast

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Toll Operations Traffic and Revenue

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Federal Funds Forecast

FHWA

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FTA Ferries

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