November 2020 Transportation Revenue Forecast

State Transportation Overview

Doug Vaughn, Chief Financial Officer
Washington State Transportation Commission Meeting
December 15, 2020
November 2020 Forecast Highlights

• Incorporates the latest projections of the economic impacts of COVID-19

• Removed the effects that Initiative 976 had on state transportation revenues following the Washington State Supreme Court ruling that the initiative was unconstitutional.

• The restoration of I-976 revenues results in a forecast-to-forecast increase, but the Legislature still has $115 million less this biennium to work with to balance the budget compared to February 2020.
COVID-19 Transportation System Performance

Highway Traffic
Data from 32 locations statewide
-22% compared to 2019 baseline

Toll Facilities
Data from all five tolled highways and bridges
-39% compared to 2019 baseline

WSDOT COVID-19 Multimodal Transportation System Performance Dashboard
https://www.wsdot.wa.gov/about/covid-19-transportation-report/
COVID-19 Transportation System Performance (Continued)

Ferries Ridership
Data from all currently operating WSF routes

-45% compared to 2019 baseline

Baseline

Passenger Rail
Data from Amtrak Cascades

-89% compared to 2019 baseline

Baseline

WSDOT COVID-19 Multimodal Transportation System Performance Dashboard
https://www.wsdot.wa.gov/about/covid-19-transportation-report/
2019-21 State Transportation Revenue

March 2019 fct set the leg. 2019-21 budget

Nov. 2019 fct first brought in impacts I-976

Nov. 2020 fct removed impacts I-976

June 2020 fct first brought in impacts of pandemic
2021-23 State Transportation Revenue

- March 2019 fct set the leg. 2019-21 budget & 2021-23 revenues
- Nov. 2020 forecast eliminated I-976 impacts
- Nov. 2019 fct first brought in impacts I-976
- June 2020 fct first brought in impacts of pandemic

Release Dates of Qtrly Transportation Revenue Forecasts
November 2020 Forecast Compared to Prior Forecasts
Transportation Revenue Impact of COVID-19 Recession and Adjusted Economic Variables

<table>
<thead>
<tr>
<th>Revenue Sources Impacted by COVID-19 Shutdowns</th>
<th>$ Difference Between Nov and Feb. 2020 Forecasts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2020</td>
</tr>
<tr>
<td>Gross Fuel tax</td>
<td>$ (151,379,196)</td>
</tr>
<tr>
<td>LPF</td>
<td>$ (27,497,482)</td>
</tr>
<tr>
<td>Ferry Fares</td>
<td>$ (36,428,606)</td>
</tr>
<tr>
<td>Toll Revenue</td>
<td>$ (30,249,233)</td>
</tr>
<tr>
<td>Aeronautics Revenues</td>
<td>$ (284,101)</td>
</tr>
<tr>
<td>Rental Car Tax</td>
<td>$ (4,566,225)</td>
</tr>
<tr>
<td>Motor Vehicle Sales Tax</td>
<td>$ 102,998</td>
</tr>
<tr>
<td>TOTAL Major Revenue Sources</td>
<td>$ (250,404,843)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue Sources Impacted by COVID-19 Shutdowns</th>
<th>Percentage Change Between November and Feb. 2020 Forecasts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2020</td>
</tr>
<tr>
<td>Gross Fuel tax</td>
<td>-8.4%</td>
</tr>
<tr>
<td>LPF</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Ferry Fares</td>
<td>-17.5%</td>
</tr>
<tr>
<td>Toll Revenue</td>
<td>-13.0%</td>
</tr>
<tr>
<td>Aeronautics Revenues</td>
<td>-8.1%</td>
</tr>
<tr>
<td>Rental Car Tax</td>
<td>-12.6%</td>
</tr>
<tr>
<td>Motor Vehicle Sales Tax</td>
<td>0.4%</td>
</tr>
<tr>
<td>TOTAL Major Revenue Sources</td>
<td>-8.5%</td>
</tr>
</tbody>
</table>
November Baseline Forecast to Forecast Highlights

**Fuel Tax Revenue**
- 2019-21 Biennium: $3,389 million, up $1.4 million or 0.04% from previous forecast
- 2021-23 Biennium: $3,603 million, up $12 million or 0.3% from previous forecast

**Vehicle Licenses, Permits and Fee Revenue**
- 2019-21 Biennium: $1,553 million, up $382 million or 32.6% from previous forecast
- 2021-23 Biennium: $1,704 million, up $594.4 million or 53.6% from previous forecast

**Rental Car and Vehicle Sales Tax Revenue**

**Rental car revenue**
- 2019-21 Biennium: $53.6 million, up $0.04 million or 0.08% from previous forecast
- 2021-23 Biennium: $66.2 million, down $0.97 million or 1.4% from previous forecast

**Vehicle Sales Tax**
- 2019-21 Biennium: $102.3 million, up $75.2 million or 278% from previous forecast
- 2021-23 Biennium: $110.6 million, up $110.6 million or 100% from the previous forecast
For Additional Information

Doug Vaughn

Chief Financial Officer
Washington State Department of Transportation
VaughnD@wsdot.wa.gov
(360) 705-7401