

February 2022 Transportation Revenue Forecast

State Transportation Overview

Doug Vaughn, Chief Financial Officer
Washington State Transportation Commission Meeting
March 15, 2022

February 2022 Transportation Forecast Highlights

- Incorporates the latest projections of the economic impacts of COVID-19
- The February 2022 revenue forecast is projected at \$6.59 billion and lower than the last forecast by \$87 million in the current biennium and down \$90 million next biennium
- The February forecast is higher than the baseline March 2021 forecast by \$35 million in the current biennium and up \$111 million next biennium
- Comparing the February 2022 forecast to the pre-pandemic Feb. alternative forecast (removes I-976 impacts) has revenues lower by \$418 million in the current biennium and down \$185 million next biennium

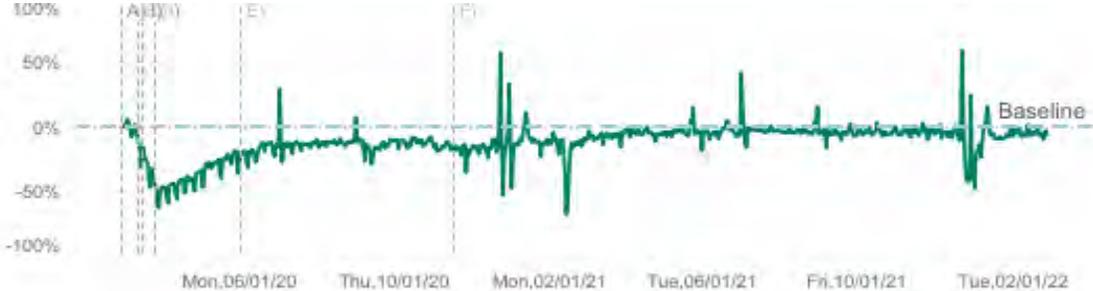
COVID-19 Transportation System Performance

Highway Traffic

Data from 32 locations statewide

-6%

compared to Baseline year*

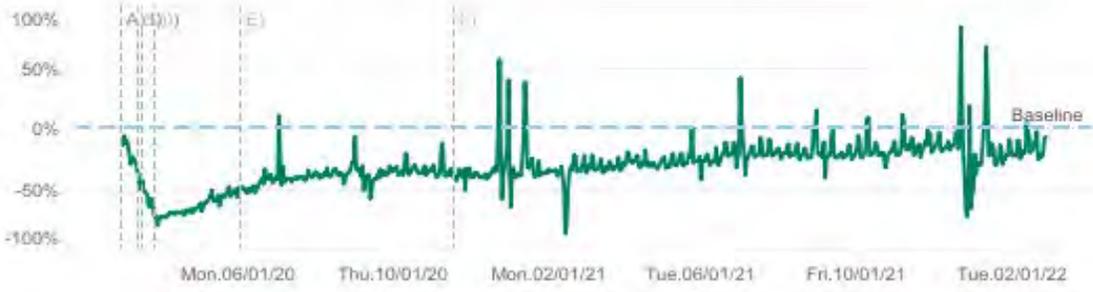


Toll Facilities

Data from all five tolled highways and bridges

-7%

compared to Baseline year*



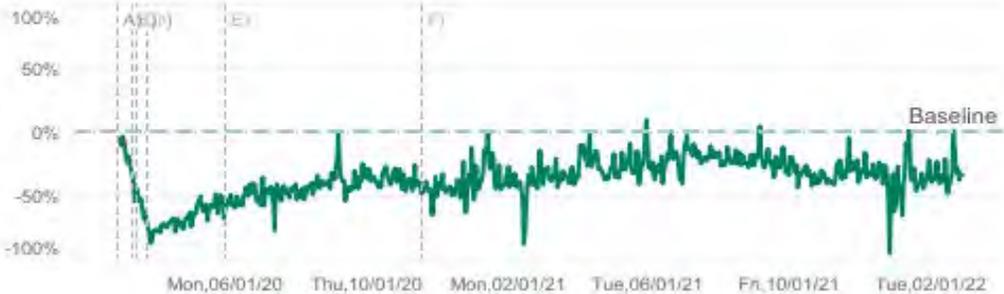
WSDOT COVID-19 Multimodal Transportation System Performance Dashboard
<https://www.wsdot.wa.gov/about/covid-19-transportation-report/>

COVID-19 Transportation System Performance

Ferries Ridership

Data from all currently operating WSF routes

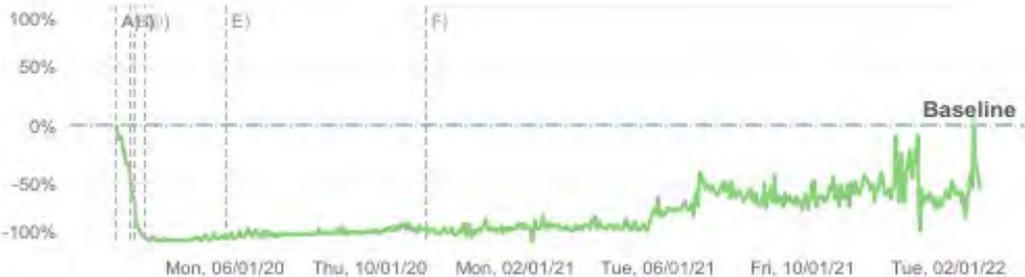
-33%
compared to Baseline year*



Passenger Rail

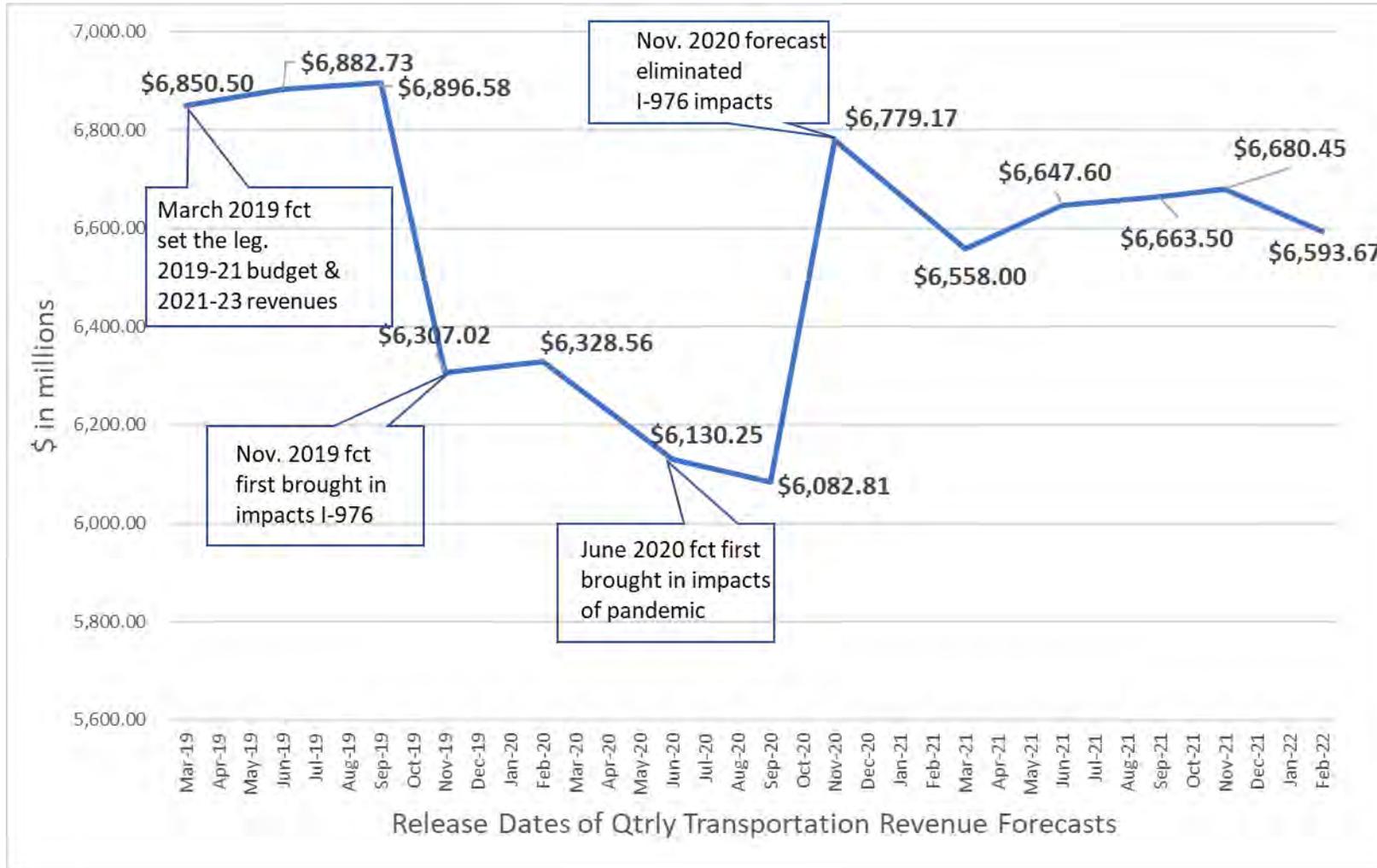
Data from Amtrak Cascades

-53%
compared to Baseline year*

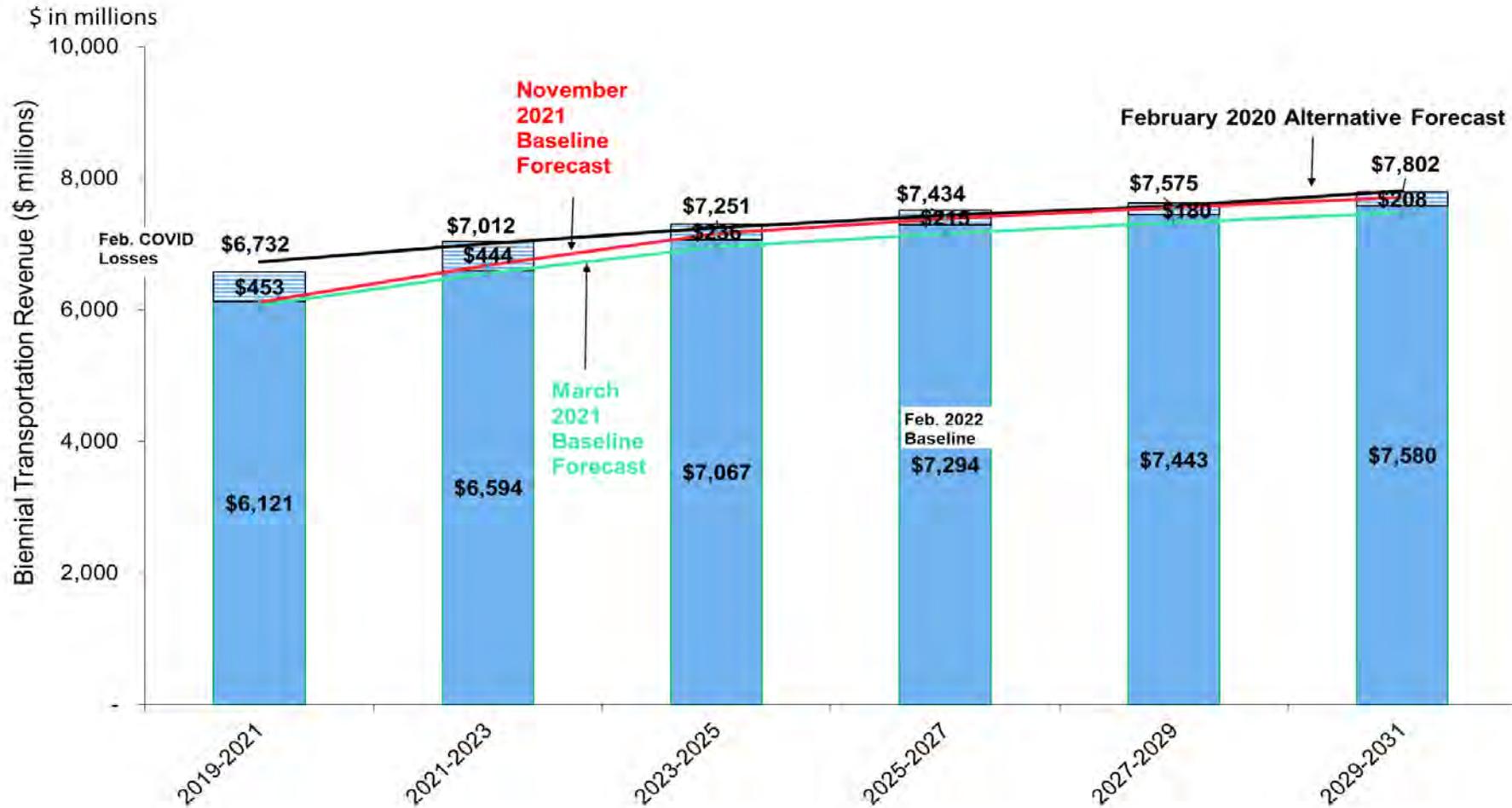


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2021-23 State Transportation Revenue



February 2022 Forecast Compared to Prior Forecasts



Transportation Revenue Impact of COVID-19 and Adjusted Economic Variables

Revenue Sources Impacted by COVID-19 Shutdowns	\$ Difference Between Feb. 2022 and Feb. 2020 Forecasts			
	FY 2020	FY 2021	FY 2022	FY 2023
Gross Fuel tax	\$ (147,535,900)	\$ (219,841,280)	\$ (145,518,900)	\$ (130,924,300)
LPF *	\$ (29,700,000)	\$ 222,116,720	\$ (3,438,800)	\$ 22,368,699
Ferry Fares	\$ (34,933,470)	\$ (57,507,910)	\$ (49,200,000)	\$ (22,833,000)
Toll Revenue	\$ (40,507,400)	\$ (86,664,130)	\$ (77,781,000)	\$ (43,618,000)
Aeronautics Revenues	\$ (338,100)	\$ (366,700)	\$ 367,600	\$ (86,400)
Rental Car Tax	\$ (5,993,000)	\$ (15,531,840)	\$ 201,600	\$ 16,100
Motor Vehicle Sales Tax *	\$ (3,650,000)	\$ (32,740,210)	\$ 3,519,500	\$ 3,029,400
Total Major Revenue Sources	\$(262,657,870)	\$(190,535,350)	\$(271,850,000)	\$(172,047,501)
Revenue Sources Impacted by COVID-19 Shutdowns	Percentage Change Between Feb. 2022 and Feb. 2020 Forecasts			
	FY 2020	FY 2021	FY 2022	FY 2023
Gross Fuel tax	-8.2%	-12.0%	-7.9%	-7.1%
LPF	-3.8%	27.5%	-0.4%	2.5%
Ferry Fares	-16.8%	-26.0%	-22.0%	-10.1%
Toll Revenue	-17.3%	-34.2%	-29.4%	-15.9%
Aeronautics Revenues	-9.7%	-10.3%	10.2%	-2.4%
Rental Car Tax	-16.5%	-41.9%	0.5%	0.0%
Motor Vehicle Sales Tax	-6.9%	-60.1%	6.3%	5.3%
TOTAL Major Revenue Sources	-8.4%	-5.9%	-8.4%	-5.1%

* FY 2020 and 2021 are actuals and FY 2021 had prior year collections added in due to the court overturning I-976

February 2022 Forecast to Forecast Highlights

Fuel Tax Revenue

Both gas and diesel collections are down since the last forecast

Snow impacts in January collections and could have more in February collections

- 2021-23 Biennium: \$3,421 million, down \$11.4 million or 0.3% from previous forecast
- 2023-25 Biennium: \$3,528 million, down \$ 9.3 million or 0.3% from previous forecast

Vehicle Licenses, Permits and Fee Revenue

Registrations have been down every month since the last forecast

- 2021-23 Biennium: \$1,739 million, down \$33.2 million or 1.9% from previous forecast
- 2023-25 Biennium: \$1,914 million, down \$39.7 million or 2% from previous forecast

Rental Car and Vehicle Sales Tax Revenue

Rental car revenue

- 2021-23 Biennium: \$76.9 million, down \$2.3 million or 3.1% from previous forecast
- 2023-25 Biennium: \$81.2 million, down \$2.9 million or 3.7% from previous forecast

Vehicle Sales Tax

- 2021-23 Biennium: \$119.4 million, down \$0.04 million or 0.04% from previous forecast
- 2023-25 Biennium: \$124.5 million, down \$0.4 million or 0.4% from the previous forecast

February 2022 General Fund Forecast Highlights

- General fund revenues are higher than they were projected in the November forecast by \$452.3 million or 5.9% due to tax collections coming in higher than expected.
- Higher real estate excise taxes (REET) collections in recent months has been one of the reasons for the growth in this February forecast. The Washington real estate market remains strong.
- Total GF-state revenue is up \$1.4 billion in the current biennium and up another \$1.3 billion next biennium from the last forecast.
- GF revenue sources are not the same as the transportation revenue sources: i.e. retail sales and use, business and occupation, public utility and non-cigarette tobacco products.
- During this pandemic, when people stay home, they have still purchased goods and services online which means they pay sales taxes which benefits state general fund revenues.

For Additional Information

Doug Vaughn

Chief Financial Officer

Washington State Department of Transportation

VaughnD@wsdot.wa.gov

(360) 705-7401