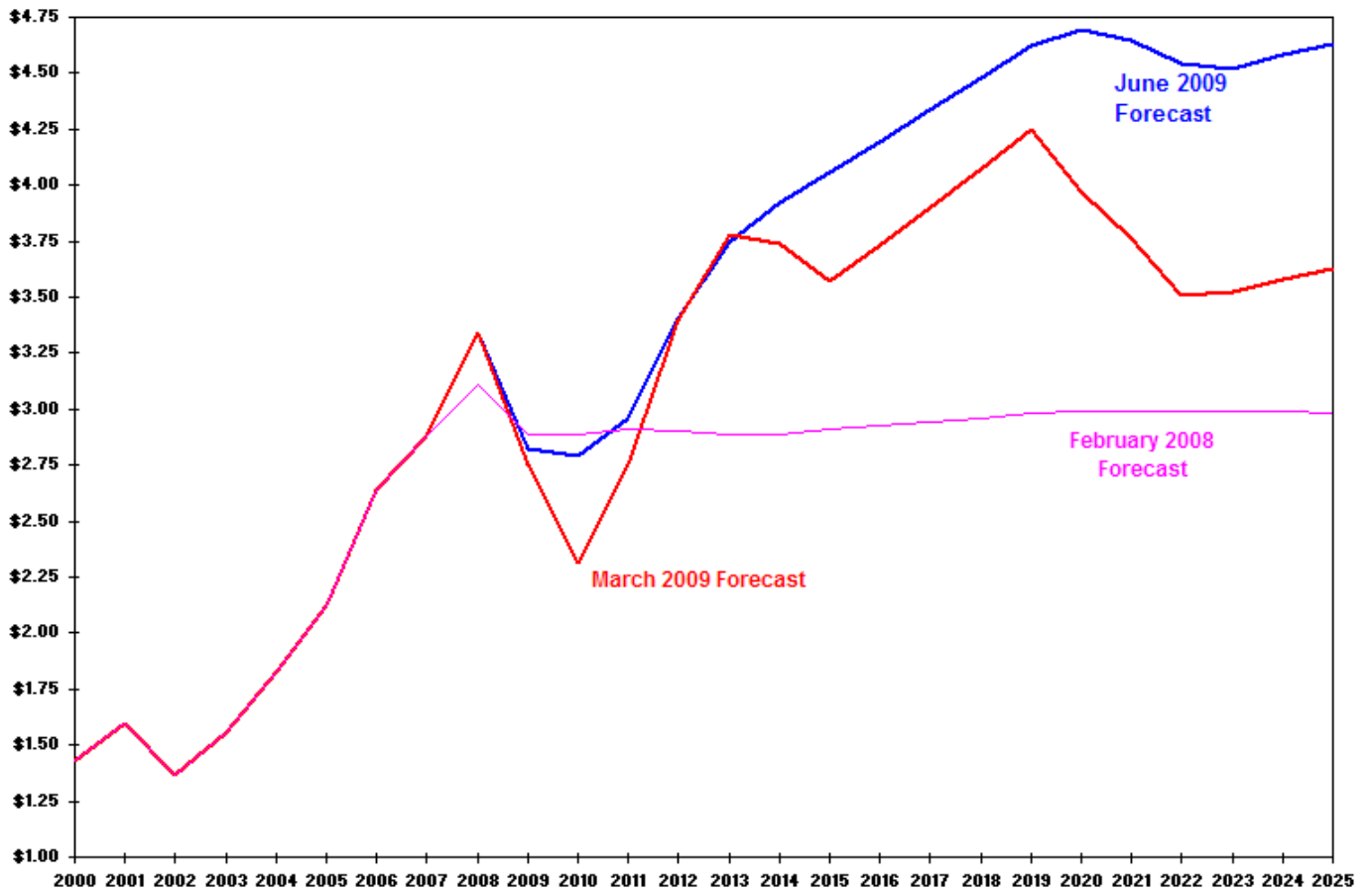


Washington State Transportation Economic & Revenue Forecast Overview

Forecast-to-Forecast Comparison of Annual Average Gasoline Prices
Historical and Projected (Fiscal Years 2001 through 2023)
price per gallon



Transportation Revenue Forecast Council • forecast adopted June 2009

Preface

This report on the transportation economic and revenue forecasts is prepared by the Transportation Revenue Forecast Council each quarter. Questions concerning the contents of the report should be directed to:

Doug Vaughn, Chair
Transportation Revenue Forecast Council
Washington State Department of Transportation
PO Box 47422
Olympia, WA 98504-7422
(360) 705-7500
vaughnd@wsdot.wa.gov

**Washington State Transportation
Economic & Revenue Forecast**
Overview for the forecast adopted June 2009

Contents

Forecast Process..... 6

Executive Summary..... 8

Transportation Revenue Forecasts and Economic Methodology

Discussion of Forecasts..... 10

Motor Fuel Forecasts..... 10

Motor Vehicle Related (Licenses, Permits, and Fees) Forecast 12

Washington State Ferries (WSF) Forecasts..... 14

Business-Related Revenues Forecast 16

Impacts to Transportation Accounts

Motor Vehicle Account Revenue Forecast and Distribution..... 17

Transportation 2003 (Nickel) Account Revenue Forecast 19

Transportation Partnership Account Revenue Forecast 20

Washington State Ferry Accounts Revenue Forecast..... 21

Multimodal Transportation Account Revenue Forecast..... 22

Aeronautics Account Revenue Forecasts 23

Highway Safety and Motorcycle Safety Education Accounts Revenue Forecasts 24

Forecast of Federal Funds

Federal Funds Forecast 25

Appendices

A. Glossary and Abbreviations 29

B. Data Sources 31

Forecast Process

Washington law provides statutory direction for the preparation and adoption of economic and revenue forecasts. These forecasts are used by state policy makers to assess the availability of resources for public purposes. In particular, components of the state economic and revenue forecasts are used to determine constraints on appropriations for the current biennium and budget requests and 16-year plans for ensuing biennia.

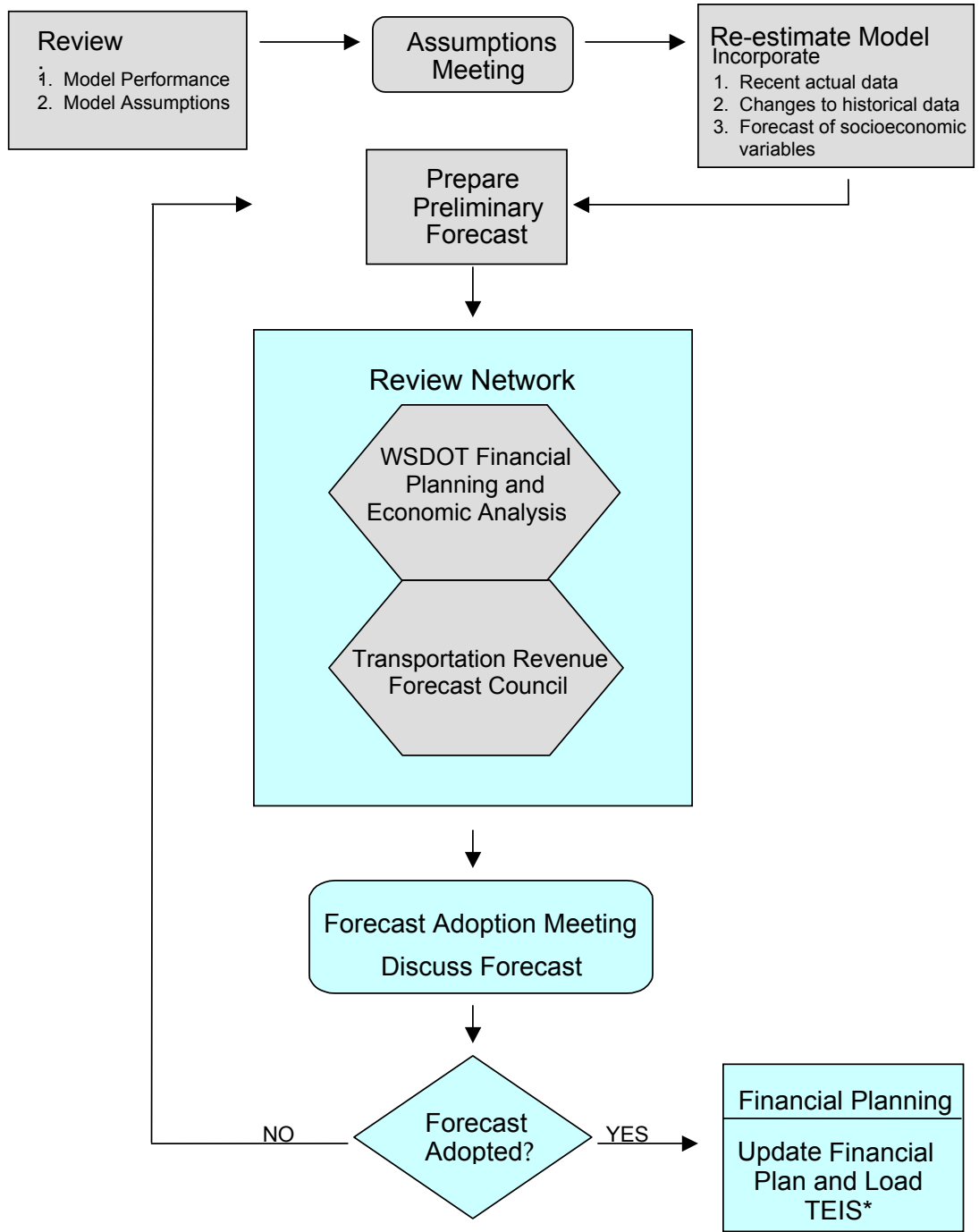
The organizations primarily responsible for revenue forecasts are the Economic and Revenue Forecast Council and the Office of Financial Management. The Economic and Revenue Forecast Council reviews and adopts many official state economic and revenue forecasts, as mandated by state law (RCW 82.33.010). This executive body is assisted by a staff organization called the Office of the Forecast Council. However, the Economic and Revenue Forecast Council and its staff do not consider certain forecasts. The Office of Financial Management has the statutory responsibility to prepare and adopt those forecasts not addressed by the Economic and Revenue Forecast Council (RCW 43.88.020§20).

Of particular interest to this publication are the transportation revenue forecasts. The Office of Financial Management carries out its forecast responsibilities for transportation revenues through the Transportation Revenue Forecast Council. The Forecast Council was formed as an ad hoc group in 1976. It has since evolved into a formal body that meets to review and adopt forecasts prepared by the technical staffs of the Department of Licensing, Department of Transportation and the Office of Forecast Council. Each quarter, the agencies involved in the revenue forecast process follow a schedule similar to the one shown in Figure 1. The revenue forecasts agreed upon by the Transportation Revenue Forecast Council members become the official estimated revenues under RCW 43.88.020§20 for transportation-related funds.

The Transportation Revenue Forecast Council includes representatives from the following:

- Office of Financial Management
- Office of the Forecast Council
- Office of the State Treasurer
- House Transportation Committee
- Senate Transportation Committee
- Department of Licensing
- Washington State Patrol
- Washington State Department of Transportation

Figure 1
Economic & Revenue Forecast Process Flow Chart



**Transportation Executive Information System*

Executive Summary

Washington state transportation activities are funded from three sources: state revenues, bond proceeds, and reimbursements from federal and local governments. Although this publication focuses primarily on state revenue sources, federal highway apportionments are also presented. State revenue sources include:

- Motor vehicle fuel taxes
- Motor vehicle related licenses, permits and fees (LPF)
- Ferry fares
- Tolls, fines and fees
- Aeronautics revenues
- Driver-related licenses, permits and fees
- Rental car tax
- Sales tax on new and used vehicles
- Business-related revenues

These revenue sources support a variety of transportation activities at the state and local level. At the state level, revenues are deposited into various treasury accounts. Under the authority of legislative appropriations, state government spends money from these accounts for the benefit of the public. At the local level, state revenue is dispersed to cities and counties through direct distributions as well as through distribution due to requests made to state agencies from local agencies.

June 2009 Forecast Highlights

Revenue Sources

As shown in Table 1, the June 2009 forecast of major state transportation revenues shows total transportation revenue at more than \$4.0 billion for the 2007-09 biennium and forecasts over \$4.2 billion in the 2009-11 biennium. For the 16-year planning period, 2007 to 2023, transportation revenues are projected to total \$37.5 billion. The majority of the revenue (approximately 83 percent) is comprised of motor vehicle fuel taxes and licenses, permits and fees. During the 2007-09 biennium motor vehicle fuel taxes are projected to be \$2.49 billion and LPFs total \$886 million. The remaining \$692 million is made up of all the other revenue sources.

Forecast-to-Forecast Comparisons

The June 2009 forecast for total revenues are projected \$7 million lower in the 2007-09 biennium when compared to what was projected in the March 2009 forecast. The major cause of revenue decrease is lower net fuel tax revenue, specifically diesel tax revenue. The 16-year total for all revenue forecasts for June 2009 is projected to be \$340 million lower than projected in March 2009.

Total Distributions

State law directs the distribution of revenue to specific accounts within the state treasury. The use of these revenues is directed by law for both state and local entities. For example, motor vehicle fuel taxes, all of which are deposited into the Motor Vehicle Account, are dedicated to highway purposes. The comparison table shows the forecasted distributions of revenue to specific treasury accounts, for both state use and local use.

Distributions for State Uses

Forecasted distributions to state accounts decreased \$12 million for the 2007-09 biennium and decreased \$241 million over the 16-year planning period.

Distributions for Local Uses

Forecast transportation revenues for local uses are down \$5 million from the previous forecast for the 2007-09 biennium and decreased over the 16-year planning period by \$90 million.

Transportation Revenue Collection and Distribution Forecast

June 2009

millions of dollars

Table 1									
	Current Biennium 2007-09			2009-11			16-Year Period (2007-2023)		
	Forecast Jun-09	Chg from Mar-09	Percent Change	Forecast Jun-09	Chg from Mar-09	Percent Change	Forecast Jun-09	Chg from Mar-09	Percent Change
Sources of Transportation Revenue									
Motor Vehicle Fuel Tax Collections	2,494	(7)	-0.3%	2,609	(48)	-1.8%	22,251	(300)	-1.3%
Licenses, Permits and Fees	886	(1)	-0.1%	897	(1)	-0.1%	7,853	7	0.1%
Ferry Revenue†	300	2	0.5%	314	1	0.3%	3,079	(31)	-1.0%
Toll Revenue	76	0.5	0.7%	105	(12)	-10.3%	1,368	(13)	-0.9%
Aviation Revenues	5	(0.4)	-7.6%	5	(0.7)	-11.1%	44	(5)	-10.4%
Rental Car Tax	47	0.4	0.9%	43	1	2.7%	480	(1)	-0.1%
Vehicle Sales Tax	62	(1)	-2.3%	58	(6)	-9.8%	650	(24)	-3.5%
Driver-Related Fees	186	1	0.7%	198	1	0.7%	1,671	19	1.2%
Business/Other Revenues	16	(0.4)	-2.7%	14	1	8.3%	120	6	5.6%
Total Revenues	4,072	(7)	-0.2%	4,244	(64)	-1.5%	37,516	(340)	-0.9%
Distribution of Revenue									
Motor Fuel Tax Refunds and Transfers	151	11	7.5%	126	(3)	-2.5%	1,160	(9)	-0.8%
State Uses									
Motor Vehicle Account (108)	1,071	(8)	-0.8%	1,086	(12)	-1.1%	9,335	(76)	-0.8%
Transportation 2003 (Nickel) Account (550)	345	(2)	-0.6%	360	(6)	-1.8%	3,077	(38)	-1.2%
Transportation 2005 Partnership Account (09H)	513	(3)	-0.7%	600	(10)	-1.7%	5,047	(65)	-1.3%
Multimodal Account (218)	234	0	0.0%	228	(4)	-1.7%	2,235	(12)	-0.5%
Special Category C Account (215)	48	(0.3)	-0.7%	49	(0.9)	-1.8%	419	(6)	-1.4%
Puget Sound Capital Construction Account (099)	35	(0.2)	-0.7%	36	(0.7)	-1.8%	305	(4)	-1.4%
Puget Sound Ferry Operations Account (109)	358	1	0.4%	375	0.3	0.1%	3,602	(36)	-1.0%
Tacoma Narrows Bridge Account (511)*	75	0.5	0.7%	104	(12)	-10.4%	1,329	(12)	-0.9%
High Occupancy Toll Lanes Account (09F)*	0.5	0	0.3%	2	0	1.3%	40	(1)	-2.8%
Aeronautics Account (039)	5	(0.4)	-7.6%	5	(0.7)	-11.1%	44	(5)	-10.4%
State Patrol Highway Account (081)	313	(0.2)	-0.1%	324	(1)	-0.4%	2,843	0	0.0%
Highway/Motorcycle Safety Accts. (106 & 082)	157	1	0.6%	166	0.5	0.3%	1,398	13	1.0%
Other accounts (201, 06T, 097, 09E, 216, 07C)	21	0	0.2%	16	0	0.1%	140	0.3	0.2%
Total for State Use	3,177	(12)	-0.4%	3,350	(47)	-1%	29,814	(241)	-0.8%
Local Uses									
Cities	183	(1)	-0.7%	189	(3)	-1.8%	1,609	(22)	-1.4%
Counties	300	(2)	-0.6%	309	(6)	-1.8%	2,637	(36)	-1.4%
Transportation Improvement Board (112 & 144)	195	(1)	-0.7%	202	(4)	-1.8%	1,719	(24)	-1.4%
County Road Administration Board (102 & 186)	66	(0.4)	-0.7%	68	(1)	-1.8%	578	(8)	-1.4%
Total for Local Use	744	(5)	-0.7%	768	(14)	-1.8%	6,543	(90)	-1.4%
Total Distribution of Revenue	4,072	(7)	-0.2%	4,244	(64)	-1.5%	37,516	(340)	-0.9%

Components may not add due to rounding.

†Ferry Fares plus non-farebox revenue

* 2007-09 is the first biennium to include Tacoma Narrows Bridge toll revenue; November 2008 was the first forecast to include SR 167 HOT Lanes toll revenue; March 2009 was the first forecast to include revenue from transponder sales, violation fines and fees

Discussion of Forecasts

The following discussion details the methodology used to forecast transportation revenues presented to the Transportation Revenue Forecast Council. After each methodology a brief summary of the resulting forecast is described.

For the June 2009 forecast, the motor vehicle fuel tax includes actual data from collections through June for gallons of fuel consumed. Actual fuel tax distributions used are through May 2009.

Motor Fuel Forecasts

The June gross fuel tax forecast is projected to be slightly lower (0.3%) in the current biennium when compared to the forecast prepared in March. That translates into a \$7 million decrease in the current 2-year budget period for revenue collections from motor fuel taxes. This decline in revenues is due to lower diesel tax collections from the weakening economy.

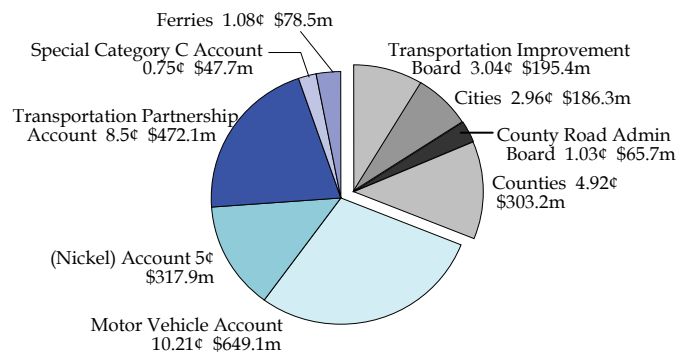
Gross fuel tax revenues for the 2009-11 biennium are projected to be approximately \$48 million lower than the last forecast, due primarily to a decline in diesel tax revenue and higher fuel price projections throughout the forecast horizon. In addition, projections of Washington real personal income are down from last forecast period.

Non-highway refunds for gasoline are \$11.7 million higher than anticipated in the March forecast, increasing 7.5 percent in the current biennium. This increase in non-highway fuel refunds is due to one company paying the fuel tax when their gallons of fuel were actually tax exempt. This increase in refunds is a non-recurring issue.

Motor Fuel Tax Revenue for Distribution

The pie chart below shows the statutory distribution of funds to the various jurisdictions based on the June 2009 fuel tax revenue forecast for the 2007-2009 biennium. More detailed information regarding fuel tax distributions is shown in the table on the following page.

Figure 2
Fuel Tax Revenue for Statutory Distribution
 2007-09 \$2,316 million



Components may not add due to rounding.

Motor Fuel Tax Revenue for Distribution

The 18th Amendment of the Washington State Constitution states that all fuel tax revenues are dedicated for highway purposes. Taxes collected on fuels not used on state highways are either refunded or transferred to non-transportation accounts. After paying for refunds and the cost of collection, the remaining fuel taxes are distributed to cities, counties and state accounts according to statute.

Motor Fuel Tax Revenue and Distribution

June 2009

millions of dollars

Table 2								
	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23
Gross Fuel Tax	2,484	2,605	2,675	2,731	2,799	2,879	2,967	3,076
Refunds and Transfers	151	126	132	137	143	149	156	164
Costs of Collection (108)	17	17	18	19	19	20	21	22
NET FUEL TAX COLLECTIONS	2,316	2,462	2,525	2,575	2,636	2,709	2,790	2,891
DISTRIBUTIONS TO STATE ACCOUNTS	1,565	1,687	1,730	1,765	1,807	1,857	1,912	1,982
Motor Vehicle Account (108): 44.387% of 23¢	649	670	687	701	718	737	760	787
Special Category C (215): 3.2609% of 23¢	48	49	50	51	53	54	56	58
Transportation 2003 (Nickel) Account: 100% of 5¢	318	328	337	343	352	361	372	385
Transportation 2005 Partnership Account: 83.3334% of 3¢ & 100% 2¢ and 1.5¢	472	558	572	584	598	614	632	655
Washington State Ferries:								
Puguet Sound Ferry Operations (109): 2.3283% of 23¢	34	35	36	37	38	39	40	41
Plus Capron Distribution from Counties	10	10	11	11	11	12	12	13
Puguet Sound Capital Construction (099): 2.3726% of 23¢	35	36	37	37	38	39	41	42
Total WSF Distribution	78	81	84	85	87	90	93	96
DISTRIBUTIONS TO LOCAL AGENCIES & STATE ACCOUNTS SUPPORTING LOCAL AGENCY PROGRAMS	751	775	794	810	829	852	878	909
Direct Distribution to Cities:								
10.6961% of 23¢	156	162	166	169	173	178	183	190
8.3333% of 6¢	32	33	34	34	35	36	37	39
Less Small City Pavement Account (transfer to TIB)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Distribution	186	192	197	201	206	212	218	226
Direct Distribution to Counties:								
19.2287% of 23¢ to Counties RCW 46.68.090(2)(h)	281	290	298	304	311	319	329	341
8.3333% of 6¢ RCW 46.68.090(4)(b) and (5)(b)	32	33	34	34	35	36	37	39
Less Capron Distribution to Ferries Operations	(10)	(10)	(11)	(11)	(11)	(12)	(12)	(13)
Total Distribution	303	313	321	327	335	344	354	367
Transportation Improvement Board (TIB):								
Urban Arterial Trust (112): 7.5597% of 23¢	111	114	117	119	122	126	129	134
Transportation Improvement (144): 5.6739% of 23¢	83	86	88	90	92	94	97	101
Plus: Small City Pavement Account	2	2	2	2	2	2	2	2
Total Distribution	195	202	207	211	216	222	229	237
County Road Admin. Board (CRAB):								
County Arterial Preservation (186): 1.9565% of 23¢	29	30	30	31	32	33	33	35
Rural Arterial Trust (102): 2.5363% of 23¢	37	38	39	40	41	42	43	45
Total Distribution	66	68	70	71	73	75	77	80
NET FOR DISTRIBUTION	2,316	2,462	2,525	2,575	2,636	2,709	2,790	2,891

Discussion of Forecasts

Motor Vehicle Related (Licenses, Permits, and Fees) Forecast

The vehicle-related licenses, permits, and fees (LPF) revenue forecast has over 40 registration, permit, and fee items. Of these items, the \$30 basic registration fee and the Combined Licensing Fee (CLF) compose 70 percent of revenue generated. Projected vehicle registrations are multiplied either by statutory fees or average revenue realizations to determine annual revenue estimates. Vehicles paying the \$30 fee and the CLF make up 90 percent of the registered vehicles in the State of Washington.

For the June 2009 forecast, licenses, permits and fees revenues include actual data from collections through May 2009.

Vehicle registration activity and revenue collection data are available from the Department of Licensing on a monthly basis. Passenger car and truck registrations are estimated using a least-squares regression equation with Washington State real personal income serving as the predictor variable for a short-term estimate and population, 18 and over, serving as the predictor variable for the long-term. Forecasts of the minor vehicle use classes and the numerous permits and fees associated with vehicle ownership and operation are driven by historical trends, relationships among and between vehicle classifications, and the judgment of officials at the Departments of Licensing or Department of Transportation who administer the fee programs. The June 2009 forecast shows some change from the March 2009 forecast. Vehicles paying the \$30 basic registration fee are predicted to increase by \$635,000 in the current biennium. The CLF is also up by \$405,000 in the current biennium. This is the result of higher than anticipated tax collections. Overall, all LPF revenues are down \$515,000 in the current biennium due to lower vehicle inspection fees, dealer temporary permits, DOT special permit fees and other small plate fees.

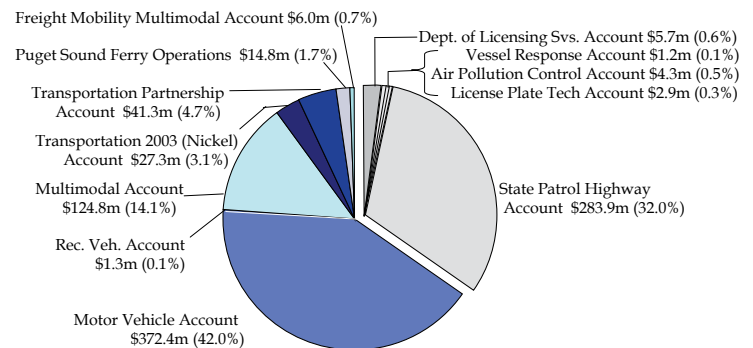
Licenses, Permits, and Fees Revenue for Distribution

Distributions of the licenses, permits and fees revenue are set in statute. The June 2009 forecast estimates revenue of \$886 million for the 2007-09 biennium. As shown in Figure 3, Washington State Department of Transportation receives 66 percent of the total distribution with the Motor Vehicle Account receiving the largest share of revenues with 42 percent and Washington State Patrol receiving the second largest amount of 32 percent. The other non-WSDOT accounts are Air Pollution Control, Vessel Response, License Plate Technology and Department of Licensing Services, totaling less than 1.5 percent.

The remaining 26 percent is distributed to the Multimodal Account, the Nickel Account, Recreational Vehicle Account, Transportation Partnership Account, Puget Sound Ferry Operations Account, and the Freight Mobility Multimodal Account.

More detailed information on the distribution of licenses, permits, and fees can be found in Table 3 on the following page.

Figure 3
Licenses, Permits, and Fees Revenue for Distribution
2007–09 \$885.9 million



Components may not add due to rounding.

Motor Vehicle Related (Licenses, Permits, and Fees) Revenue and Distribution

June 2009

millions of dollars

Table 3								
	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23
REVENUE FROM LICENSES, PERMITS, AND FEES								
Total LPF Collected by DOL	869	883	921	954	980	1,012	1,043	1,071
Total LPF Collected by DOT	17	14	14	14	15	15	16	16
Total Revenue from LPFs	886	897	935	968	995	1,027	1,058	1,087
DISTRIBUTIONS OF LICENSES, PERMITS, AND FEES								
Motor Vehicle Account (108)	368	369	385	398	406	420	433	444
Capron distribution to counties	4	4	4	5	5	5	5	5
State Patrol Highway Account (081)	284	292	305	317	327	338	349	359
Puget Sound Ferry Operations Account (109)	15	15	16	16	17	17	18	19
Recreational Vehicle Account (097)	1	1	1	1	1	1	1	1
Multimodal Account (218)	125	126	131	136	140	145	149	153
Transportation 2003 (Nickel) Account (550)	27	32	34	36	37	37	38	39
Transportation Partnership Account (09H)	41	41	43	44	46	47	49	50
Freight Mobility Multimodal Account (11E)	6	6	6	6	6	6	6	6
DOL Services Account (201)	5.7	6	6	6	6	7	7	7
License Plate Technology Account (06T)	2.9	3	3	3	3	3	3	3
Air Pollution Control Account (216)	4	0	0	0	0	0	0	0
Vessel Response Account (07C)	1	0	0	0	0	0	0	0
Total Distribution	886	897	935	968	995	1,027	1,058	1,087

Components may not add due to rounding.

Discussion of Forecasts

Washington State Ferry System Forecast

Department of Transportation technical staff prepare forecasts of the various revenues for the Washington State Ferries (WSF) accounts. These forecasts include estimates of the following revenue sources:

- Ferry fares (by WSDOT-supervised consultant)
- Motor vehicle fuel tax distributions to the ferry accounts
- Motor vehicle related licenses, permits and fees distributions
- Concessions and other miscellaneous income

These WSF revenue sources may be categorized into two general types – ferry operating revenues and tax revenue distributions. Ferry revenues, which include fares and concessions, are paid by the patrons of the ferry system. Tax revenue distributions received from motor vehicle fuel taxes and motor vehicle related licenses, permits and fees are statutory distributions.

WSF revenues are deposited into two accounts, the Puget Sound Ferry Operations Account and the Puget Sound Capital Construction Account.

The fare revenue forecasts for Washington State Ferries are completed in four stages. First, monthly ridership projections by six fare categories are prepared for each route using time-series analysis methods. These monthly route-by-fare category forecasts are based on the patterns and cycles exhibited by ridership history. The forecast horizon includes the current biennium and the next seven biennia, extending out sixteen years.

The second stage of the process generates system-wide ridership projections. Econometric models combining ferry fare scenarios and statewide economic variables are used to produce system-wide unconstrained ridership forecasts by six fare categories over the forecast horizon. Within each fare category, the individual route time-series forecasts are then calibrated to the results from the econometric models.

The resulting unconstrained ridership forecasts require an additional processing step to reflect vehicle capacity constraints that may occur on several routes. Ferry service and vessel size do not necessarily increase to meet peak season demands or general traffic growth. In fact, limitations caused by a fixed number of vessels, vessel capacities, and finite dock-loading areas can and will lead to significant vehicle queues during peak times. Capacity problems are more likely if ferry fares are not increased to keep pace with inflation, because in this case, the real cost will decline over time, thereby encouraging additional ferry travel. Consequently, the third stage of the process consists of adjusting the calibrated passenger and vehicle ridership on each route to reflect changes in service hours; seasonal vehicle capacity constraints; and/or the addition or elimination of service, net of diversion impacts on other existing routes.

Last, the appropriate fares and average fare realizations are applied to the calibrated, capacity constrained ridership forecasts for each route by fare category. This yields monthly revenue forecasts by route for six fare categories of each fiscal year of the forecast horizon.

The June 2009 WSF ridership forecasts reflect lower ridership demand over the forecast horizon, especially in the next year to 18 months while the economy is in a recession. In the current fiscal year, total ridership is up slightly by 0.9 percent.

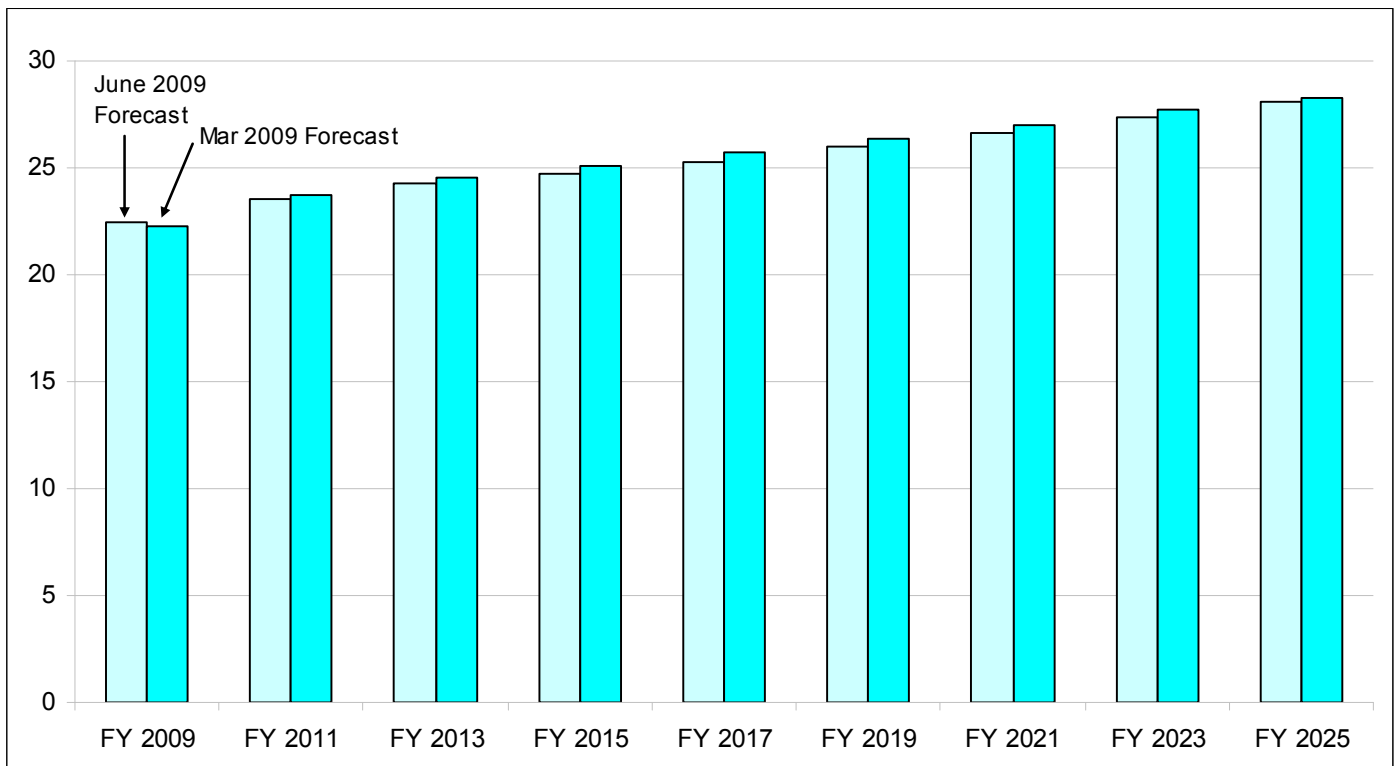
Including actual revenue collections through May 2009, revenue for fiscal year 2009 is projected to be \$1 million higher than forecast in March. In the next biennium fare revenue is projected to be down to \$144 million. For the remainder of the forecast horizon, the revenue projections are slightly lower from the March forecast.

More detailed information regarding fare revenue can be found on page 21 of this report.

Washington State Ferry Ridership

June 2009

millions of riders



Discussion of Forecasts

Business-Related Revenues Forecast

In addition to major state and federal revenues, the Transportation Revenue Forecast Council also reviews revenues from miscellaneous sources deposited into the Motor Vehicle Account. Specifically, a forecast of Motor Vehicle Account miscellaneous revenues is prepared quarterly and consists of the following components:

- Sale of property
- Publications and documents
- Filing fees and legal services
- Property management
- Washington State Patrol services (ACCESS)
- Washington State Patrol publications
- WSDOT charges for services
- Miscellaneous other revenue

Forecast of Business-Related Revenues

Sale of Property is the most significant revenue source for this group of revenues, and is updated to reflect actual revenue collections as well as incorporate projections for upcoming property auctions within the current and future biennia. Estimates for outer biennia projections also include estimates of ongoing contract sale payments, and are increased by the Implicit Price Deflator for Personal Consumption (IPD-PC). Property management revenues in the outer biennia are also inflated by the IPD. Projected revenues in outer biennia for the other miscellaneous revenues are based on current biennia revenues increased by the population growth rate.

Forecast business-related revenue for 2007-09 is \$15.7 million and is forecast at \$14.0 million in 2009-11. Over the 16-year period revenues are expected to total \$120 million.

Forecast Changes in Business-Related Revenues

Total revenues for 2007-09 are projected to be \$444,000 lower than projected in the March 2009 forecast due to lower than expected actuals. Revenue projections for the 16-year planning period increased \$6.4 million from the March forecast due to the new IPD and a higher base amount in 2009-11 in property management.

Motor Vehicle Account Miscellaneous Revenue Forecast

June 2009

thousands of dollars

Table 4	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
Sale of Property ¹	8,893	(487)	7,070	179	58,499	(187)
WSP Services	1,283	(7)	1,318	(12)	11,276	(64)
WSP Publications	491	1	504	4	4,313	13
DOT Services	169	9	173	13	1,482	82
Publications & Documents	461	21	474	24	4,053	183
Filing Fees & Legal Services	349	(11)	359	(11)	3,067	(93)
Property Management	2,736	46	2,818	898	25,231	6,611
Other Revenues ²	1,324	(16)	1,372	(18)	12,041	(149)
Total	15,706	(444)	14,088	1,077	119,963	6,397

Components may not add due to rounding.

¹ Revenues from the sale of property include principal and interest payments on purchase contracts.

² Other revenues include interest on past-due receivables, NSF check fees, and overhead on indirect charges.

Transportation Revenue Forecast

Impact to Transportation Accounts

Motor Vehicle Account Revenue Forecast and Distributions

Many of the revenues discussed in the previous section are deposited into the Motor Vehicle Account—the largest transportation account. Initially all fuel tax revenues and business-related revenues are deposited into this account. Net revenues that remain after statutory distributions are subject to 18th Amendment restrictions.

Forecasts of the Motor Vehicle Account Revenues and Distributions

Total revenue for the 2007-09 biennium in the Motor Vehicle Account is be \$2.9 billion. Revenues increase to \$3.0 billion by the 2009-11 biennium and to \$3.5 billion by the 2021-23 biennium.

The gas tax revenues deposited in the Motor Vehicle Account are distributed by statute to other state accounts and local governments. Tables 5 and 6 show the statutory distribution of these revenues. For the 2007-09 biennium, approximately 31 percent of the gas tax revenues are distributed directly to cities and counties for local road programs. Approximately 6.1 percent of the gas tax revenue is refunded to those who paid fuel taxes but did not use the fuel on roads. The remaining gas tax distribution is for state use (\$916 million), and will be distributed to Washington State Ferries, the Transportation 2003 (Nickel) Account, the 2005 Transportation Partnership Account, and the Special Category C Account (all highway project accounts). The remaining gas tax revenues of \$662 million is added to \$372 in licenses, permits and fees revenue and \$16 million in miscellaneous revenue, totaling \$1.1 billion for the Motor Vehicle Account in the current biennium.

Motor Vehicle Account State Revenue & Distribution Forecasts

June 2009

millions of dollars

Table 5	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23
Revenue								
Gross Fuel Tax Collections (Gas & Diesel)	2,494	2,609	2,677	2,734	2,802	2,882	2,972	3,081
Licenses, Permits, & Fees	372	374	390	403	411	425	438	450
Business-Related Revenue	16	14	14	14	15	15	16	16
Total	2,882	2,997	3,081	3,151	3,228	3,322	3,426	3,546
Distribution								
Refunds-Regular	151	126	132	137	143	149	156	164
Fuel Tax Distributions for Local Uses ¹	744	768	788	803	823	845	870	902
Fuel Tax Distributions for State Uses ²	916	1,017	1,043	1,064	1,089	1,119	1,153	1,195
Total	1,811	1,911	1,963	2,005	2,055	2,114	2,179	2,260
Net Revenue	1,071	1,086	1,118	1,146	1,173	1,208	1,247	1,286

Components may not add due to rounding.

¹Amounts include distributions to cities and counties and to state agencies that expend funds for the benefit of local jurisdictions, i.e. the Transportation Improvement Board and the County Road Administration Board.

²Amounts include distributions to the 2003 Transportation (Nickel), 2005 Transportation Partnership, Puget Sound Capital Construction, Puget Sound Ferry Operations, and Special Category C Accounts.

Impact to Transportation Accounts

Forecast Changes in State Motor Vehicle Account Revenues and Distributions

As shown in Table 6, total revenues in the Motor Vehicle Account decreased \$9 million for the 2007-09 biennium and \$295 million over the 16-year horizon 2007 through 2023 compared to the March forecast. Net revenues after distributions decreased \$8 million in 2007-09 and \$76 million for the forecast horizon.

Motor Vehicle Account State Revenue & Distribution Forecast to Forecast Changes

June 2009

millions of dollars

Table 6	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenues						
Gross Fuel Tax Collections (Gas & Diesel)	2,494	(7)	2,609	(48)	22,251	(300)
Licenses, Permits, & Fees	372	(2)	374	(0.0)	3,262	(1.6)
Business-Related Revenue	16	(0.4)	14	1	120	6
Total	2,882	(9)	2,997	(47)	25,633	(295)
Distribution						
Refunds-Regular	151	11	126	(3)	1,160	(9)
Fuel Tax Distributions for Local Uses ¹	744	(5)	768	(14)	6,543	(90)
Fuel Tax Distributions for State Uses ²	916	(7)	1,017	(19)	8,596	(120)
Total	1,811	(1)	1,911	(36)	16,298	(219)
Net Revenue	1,071	(8)	1,086	(12)	9,335	(76)

Components may not add due to rounding.

¹Amounts include distributions to cities and counties and to state agencies that expend funds for the benefit of local jurisdictions, i.e. the Transportation Improvement Board and the County Road Administration Board.

²Amounts include distributions to the 2003 Transportation (Nickel), 2005 Transportation Partnership, Puget Sound Capital Construction, Puget Sound Ferry Operations, and Special Category C Accounts.

Impact to Transportation Accounts

Transportation 2003 (Nickel) Account Revenue Forecast

In 2003, the legislature established the Transportation 2003 (Nickel) Account in the state treasury to be the repository of the “nickel” fuel tax increase, and increases in various vehicle licenses, permits and fees. Since fuel tax receipts are deposited into this account, uses are restricted to highway purposes in accordance with the 18th Amendment to the Washington State Constitution. The “Nickel” Account was established to provide funding for a specific list of highway and ferry projects. The majority of the projects are bond financed and by 2015 the revenues in this account will be almost fully leveraged for debt service.

Forecast of the Transportation 2003 (Nickel) Account Revenue

During the 2007-09 biennium, Nickel Account revenue collections are forecast to be \$345 million, and \$360 million in 2009-11. Deposits in this account are projected to be \$3.1 billion during the 16-year planning period.

Forecast Changes in the Transportation 2003 (Nickel) Account Revenue

Forecast total receipts in the Nickel Account in the 2007-09 biennium were down \$2 million from the March 2009 forecast and down \$6 million for 09-11

The fuel tax receipts forecast decreased \$38 million over the 16-year planning period. Licenses, Permits, and Fees increased slightly for the 16-year planning period.

Transportation 2003 (Nickel) Account Revenue Forecast

June 2009

millions of dollars

Table 7	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
5¢ Gas Tax	318	(2)	328	(6)	2,796	(39)
Licenses, Permits and Fees	27	0.2	32	(0.4)	281	0.2
Total	345	(2)	360	(6)	3,077	(38)

Components may not add due to rounding.

Impact to Transportation Accounts

Transportation Partnership Account Revenue Forecast

In 2005, the legislature established the Transportation Partnership Account in the state treasury to be the repository of the state portion of the new 9.5¢ fuel tax increases that took effect between July 1, 2005, and July 1, 2008.

The tax revenues support bond sales for specific highway projects adopted by the legislature. Like fuel tax receipts in the Nickel and Motor Vehicle accounts, these funds are protected by the 18th Amendment to the State Constitution and can be used only for highway purposes.

Forecast of the Transportation Partnership Account Revenue

Total revenue is forecast at \$513 million for the 2007-09 biennium and \$600 million in 2009-11. During the 16-year planning period, revenues are projected at \$5 billion.

Forecast Changes in the Transportation Partnership Account Revenue

Total receipts in the partnership account decreased \$65 million over the 16-year period from the March 2009 forecast. Licenses, permits and fees forecast is up slightly in the near term and up \$1 million in the long term, where gas tax revenue is down \$66 million.

Transportation Partnership Account Revenue Forecast

June 2009

millions of dollars

Table 8	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
5¢ Gas Tax	472	(4)	558	(10)	4,685	(66)
Licenses, Permits and Fees	41	0.2	41	0.1	361	1
Total	513	(3)	600	(10)	5,047	(65)

Components may not add due to rounding.

Impact to Transportation Accounts

Washington State Ferry Accounts Revenue Forecast

Revenues deposited into the ferry accounts are used for operating costs and capital construction projects. Since Washington State Ferries are considered part of the Washington highway system, funds that are restricted to highway use can be deposited into ferry accounts.

Forecast of State Ferry Account Revenue

For the 2007-09 biennium total Washington State Ferries revenues are forecast at \$393 million including \$358 million going to the Puget Sound Ferry Operations Account and the remaining \$35 million going to the Puget Sound Capital Construction Account. Total revenues for the 16-year planning period are projected to be \$3.9 billion.

Forecast Changes in the State Ferry Account Revenue

Ferry fares, the primary source of funds for the Ferry Operations Account, increased from the March 2009 forecast by \$1 million for the 07-09 biennium and decreased by \$42 million over the 16-year planning period. Distributions from the licenses, permits and fees forecast were relatively unchanged from the March 2009 forecast in the 2007-09 biennium and down slightly over the 16-year planning period.

Washington State Ferries Revenue Forecast

June 2009

millions of dollars

Table 9	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
Puget Sound Ferry Op. Acct. (109)						
Ferry Fares	293	1	307	(0.1)	3,010	(42)
Concessions & Other Revenue	7	0.5	7	1	69	11
Fuel Tax	44	(0.3)	46	(1)	389	(5)
Licenses, Permits and Fees	15	0	15	0	133	0.1
Subtotal	358	1.3	375	0.3	3,602	(36)
Puget Sound Cap. Const. Acct. (099) Fuel Tax	35	(0.2)	36	(0.7)	305	(4)
Total	393	1	411	(0.4)	3,907	(40)

Components may not add due to rounding.

Impact to Transportation Accounts

Multimodal Transportation Account Revenue Forecast

Revenues deposited into the Multimodal Transportation Account are not subject to 18th Amendment restrictions and may be used for both highway and non-highway purposes. Tax revenues deposited in the Multimodal Account are from the rental car tax (5.9 percent), sales tax on new and used vehicles (0.3 percent), \$2.00 of a \$3.00 vehicle registration filing fee, vehicle weight fees imposed in 2005 legislation, and other miscellaneous filing fees. Only those motor vehicle filing fees collected by the Department of Licensing and not by county subagents are deposited in the Multimodal Account.

The Office of the Forecast Council prepares the state rental car tax forecast and the vehicle sales tax forecast. The rental car forecast methodology is based on the assumption that the level of vehicle rental is tied to the overall level of economic activity in Washington. An econometric model is used to estimate future rental car tax receipts based upon the forecast of Washington state personal income prepared by the Office of the Forecast Council as well as past seasonal variations in receipts. The sales tax forecast is also prepared by the Office of the Forecast Council and is based upon an econometric model relating to vehicle sales in Washington.

Forecast of Multimodal Account Revenue

Total revenues in the Multimodal Account during 2007-09 are forecast to be \$234 million by the end of the biennium and are forecast to be \$228 million in the 2009-11 biennium. 16-year totals are projected at \$2.2 billion.

Forecast Changes in the Multimodal Account Revenue

The licenses, permits and fees category increased by \$1 million in 2007-09, and increased \$12 million over the 16-year planning period from the March 2009 Transportation Revenue Forecast.

Rental car tax was up slightly in the 2007-09 biennium when compared to the last forecast, and the 16-year planning period revenue from rental car tax decreased \$600,000.

Vehicle sales tax on new and used vehicles decreased \$1 million in 2007-09, and decreased \$24 million over the 16-year planning period.

Overall, total revenues deposited into the Multimodal Account remained steady in the 2007-09 biennium, and decreased \$12 million over the 16-year planning period.

Multimodal Transportation Account Revenue Forecast

June 2009

millions of dollars

Table 10	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
Licenses, Permits and Fees	125	1	126	1	1,105	12
Rental Car Tax	47	0.4	43	1	480	(0.6)
Vehicle Sales Tax	62	(1)	58	(6)	650	(24)
Total	234	0	228	(4)	2,235	(12)

Components may not add due to rounding.

Impact to Transportation Accounts

Aeronautics Account Revenue Forecast

Revenues deposited into the Aeronautics Account consist of aircraft fuel tax, aircraft excise tax, aircraft dealer license fees, and the aircraft excise tax. Forecasts of aviation revenues are prepared by the Department of Transportation and the Department of Licensing.

The most significant component of the Aeronautics Account is the aircraft fuel tax forecast. This forecast is a function of three factors: the tax rate, the gallons of fuel delivered, and the gallons of fuel refunded. The net gallons delivered are based on the projected change in the total gallons of fuel forecast by the Transportation Revenue Forecast Council.

Forecast of the Aeronautics Account Revenue

Revenues for aviation taxes and fees are projected to be \$5.4 million in the 2007-09 biennium, \$5.3 million in the 2009-11 biennium and \$44.2 million over the 16-year planning period.

Forecast Changes in the Aeronautics Account Revenue

Aircraft fuel for the 2007-09 biennium decreased \$446,000 from the March 2009 forecast. Over the 16-year planning period, revenues show a decrease of \$5.2 million. This was a no-change forecast for aeronautics license, taxes and fees.

Aeronautics Account Revenue Forecast

June 2009

thousands of dollars

Table 11	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
Aircraft Dealer License Fees	5,167	(446)	5,063	(660)	42,203	(5,151)
Aircraft Excise Tax	55	0	53	0	439	0
Aircraft Fuel Tax	178	0	181	0	1,495	0
Aircraft Registrations	8	0	8	0	65	0
Total	5,408	(446)	5,305	(660)	44,201	(5,151)

Components may not add due to rounding.

Impact to Transportation Accounts

Washington State Patrol, Highway Safety & Motorcycle Safety Education Accounts Revenue Forecast

Forecasts of revenues for the Washington State Patrol (WSP), Highway Safety Account and the Motorcycle Safety Education Account are prepared by the Department of Licensing. These accounts are supported primarily from driver licensing related revenue. Forecasts include estimates of the following revenue sources.

- Revenues derived from interest on contracts
- Driver's license fees
- Copies of records
- Motor vehicle filing fees
- Commercial driver training
- Miscellaneous
- Motorcycle permits and endorsements

The forecast methodology is based on the assumption that driver's license revenue is related to the number of licenses issued during the year, employment, population, season, administrative or legislative changes, and the performance of the Washington economy relative to the nation's economy. Econometric models are used to predict the number of original and renewal driver's licenses, revenue from copies of records, motor vehicle filing fees, commercial driver training, and miscellaneous revenue.

Forecast of the WSP, Highway Safety & Motorcycle Safety Education Accounts Revenue

Compared to the prior forecast, the June 2009 total revenues forecast is increased by \$1 million in the 07-09 biennium. Over the 16-year planning period the safety accounts increased by \$13 million from the March 2009 forecast.

WSP, Highway Safety & Motorcycle Safety Accounts Revenue Forecasts

June 2009

millions of dollars

Table 12	Current Biennium 2007-09		2009-11		16-Year Period (2007-2023)	
	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09	Forecast Jun 09	Chg from Mar 09
Revenue						
Highway Safety						
Driver License Fees	116	0.4	123	(0.8)	1,032	2
Copies of Records	31	0.3	34	0.7	290	6
Motor Vehicle Filing Fees	4	0.1	3	0.1	29	0.3
Other and Miscellaneous	0.9	0	1	0.1	9	0.2
Subtotal	152	0.8	161	0.1	1,360	9
Motorcycle Safety Permits/Endorsements	4	0.2	4	0.4	38	5
State Patrol Copies of Records (ADR)	29	0.3	32	0.8	273	6
Subtotal	33	0.2	4	0.4	38	5
Total	186	1	166	0.5	1,398	13

Components may not add due to rounding.

Federal Funds Forecast

After state funds, the largest source of transportation revenue is federal funds. The Federal Funds forecast deals with programmatic funds distributed by the Federal Highway Administration (FHWA). Federal Funds are distributed on a federal fiscal year (FFY) basis, which begins on October 1. The June 2009 forecast is based upon the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), a \$193.1 billion federal-aid highway program nationally that was signed into law on August 10, 2005.

The June 2009 forecast for Washington's apportionment of Federal Highway Trust Fund receipts includes the December 11, 2008, apportionment notices for FFY 2009. It also includes Washington's actual amount of national rescission of \$3.15 billion, which is \$54 million for Washington. Overall, the June forecast has a lower rescission level of \$9 million over the prior forecast.

Forecasts of Federal Revenues

WSDOT prepares forecasts of federal revenue apportionments. In order to prepare these forecasts, assumptions are needed. The following assumptions are made for this forecast:

- Federal fuel taxes continue at the current rate, 18.4¢ for gasoline and 24.4¢ for diesel fuel.
- Distributions to states will continue to be tied to Highway Trust Fund receipts.
- Future apportionments of highway related programmatic funds will be similar to SAFETEA-LU.

The forecasts of federal funds include estimates for the following programs:

Interstate Maintenance (IM) - This program funds maintenance of the Interstate System. A state's Interstate Maintenance apportionment is based on the number of lane miles, vehicle miles traveled, and commercial vehicle contributions. These factors are combined into a single weighting factor for calculating a state's share of the Interstate Maintenance Program. All of the Interstate Maintenance funds are programmed by WSDOT.

National Highway System (NHS) - This program funds rural and urban roads that are part of the National Highway System, a 163,000 mile system including the Interstate System, the defense strategic highway network and strategic highway connectors, and some urban and rural principal arterials. The National Highway System apportionment is based on a state's lane miles, vehicle miles traveled, diesel fuel consumption and lane miles per capita. These factors are combined into a single weighting factor for calculating a state's share of the National Highway System funding. In Washington state, 98 percent of the National Highway System belongs to WSDOT.

Equity Bonus Program - This program provides funding to states based on equity considerations. These include a minimum rate of return on contributions to the Highway Account of the Highway Trust Fund, and a minimum increase relative to the average dollar amount of apportionments under TEA-21. Part of the Equity Bonus funds are dedicated to six major programs and another part is flexible and can be spent anywhere in the state.

Surface Transportation Program (STP) - The Surface Transportation Program is a block grant type program that is the most flexible of all federal aid programs, allowing use for the widest array of transportation projects. The Surface Transportation Program apportionment is based on a state's lane miles, vehicle miles traveled and contributions to the Highway Account of the Highway Trust Fund. These factors are combined into a single weighting factor for calculating a state's share of the Surface Transportation Program funding.

Highway Safety Improvement Program - The Highway Safety Improvement Program is a new core Federal-aid program created to achieve reductions in traffic fatalities and serious injuries on all public roads. The Highway Safety Improvement Program apportionment is based on a state's lane miles, vehicle miles traveled and number of fatalities. These factors are combined into a single weighting factor for calculating a state's share of the Highway Safety Improvement Program funding.

Railway-Highway Crossings Program - The Railway-Highway Crossings Program is a safety set-aside from each state's apportionment for the Surface Transportation Program to reduce fatalities and injuries at highway-rail grade crossings. The Railway-Highway Crossings Program apportionment is based on a state's Surface Transportation Program apportionment and the number of railway-highway crossings.

Bridge Replacement and Rehabilitation - This program funds the replacement or rehabilitation of deficient bridges (bridges that are unsafe because of structural deficiencies, physical deterioration, or functional obsolescence). The Highway Bridge Program apportionment is based on a state's relative share of the total cost to repair and replace deficient highway bridges.

Coordinated Border Infrastructure Program - This program is a new formula program that replaces a previous discretionary program. The Coordinated Border Infrastructure Program apportionment is based on a state's number of land border ports of entry, incoming commercial trucks, incoming cargo by commercial trucks and incoming personal vehicles. These factors are combined into a single weighting factor for calculating a state's share of the Coordinated Border Infrastructure Program funding.

Congestion Mitigation and Air Quality (CMAQ) - This program funds projects to improve air quality and ease congestion within ozone, carbon monoxide and particulate matter non-attainment and maintenance areas (Puget Sound, Spokane, Vancouver, Yakima, and Olympia). Appropriation of CMAQ funds is based upon air quality non-attainment status and population. The local Metropolitan Planning Organizations (MPO) distributes CMAQ funds.

Safe Routes to Schools - This program is a new formula program to enable and encourage children to walk and bicycle to school. The Safe Routes to Schools Program apportionment is based on a state's relative shares of total enrollment in primary and middle schools.

Metropolitan Planning - This program funds local transportation planning efforts including the development of the Metropolitan Transportation Plans and Transportation Improvement Programs. MPO planning funds are a 1.25 percent take-down directly from each of the five major highway programs before state apportionments are made.

Recreational Trails - This program funds non-highway recreational vehicle use. The Interagency Recreation and Conservation Funding Board administers these funds in coordination with WSDOT's Highways and Local Programs Division. The Recreational Trails Program apportionment is based on an equal share to all states and a proportionate share based on non-highway recreational fuel use. These factors are combined in calculating a state's share of the Recreational Trails Program funding.

State Planning and Research - This program is funded through a two percent take down of each of the other highway programs after apportionment. Funds must be used for preliminary engineering and research.

High Priority Projects - This program provides designated funding for specific projects identified in SAFETEA-LU by Congress.

Forecast of Federal Revenue

Actual federal revenues for Washington for FFY06 were \$576 million, \$647 million in FFY07, and \$641 million in FFY08 and \$421 million in FFY09. The five-year (2005-2009) total projection of SAFETEA-LU funds is \$2.9 billion.

Washington's Apportionment of FHWA Programs
 June 2009 Forecast
 millions of dollars

SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users											
	Forecast		Forecast		Forecast		Forecast		Forecast		Forecast	
	Actual	Chg from	Jun-09	Chg from	Jun-09	Chg from	Jun-09	Chg from	Jun-09	Chg from	Jun-09	Chg from
	2008	Mar-09	2009	Mar-09	2010	Mar-09	2011	Mar-09	2012	Mar-09	2013	Mar-09
Interstate Maintenance	97	-	67	11	83	-	84	-	85	-	86	-
National Highway System	111	-	66	2	92	-	93	-	95	-	96	-
Minimum Guarantee Flexible	-	-	-	-	-	-	-	-	-	-	-	-
Equity Bonus Flexible	13	-	14	5	13	-	13	-	13	-	13	-
Surface Transportation Program ¹	123	-	67	(13)	106	-	107	-	109	-	110	-
Safety Setaside ²	-	-	-	-	-	-	-	-	-	-	-	-
Enhancements Setaside	12	-	8	(5)	12	-	12	-	12	-	12	-
Areas Over 200,000	39	-	26	3	33	-	34	-	34	-	35	-
Areas Under 200,000	19	-	20	13	14	-	15	-	15	-	16	-
Areas Under 5,000	11	-	11	-	11	-	11	-	11	-	11	-
STP Flexible	42	-	2	(24)	35	-	36	-	36	-	37	-
Highway Safety Improvement Program ²	19	-	14	(1)	16	-	16	-	16	-	17	-
Railway-Highway Crossings ²	4	-	3	(0)	4	-	4	-	4	-	4	-
Bridge	153	-	99	4	138	-	140	-	142	-	144	-
Border Infrastructure Program	11	-	9	2	12	-	12	-	12	-	12	-
CMAQ	32	-	6	(12)	27	-	27	-	28	-	28	-
Safe Routes to Schools	3	-	2	0	4	-	4	-	4	-	4	-
MPO Planning	6	-	6	3	5	-	5	-	5	-	6	-
Recreational Trails	2	-	1	0	2	-	2	-	2	-	2	-
SPR from all Programs	11	-	11	5	10	-	10	-	10	-	10	-
Subtotal Apportionments	586	-	365	4	511	-	518	-	525	-	532	-
High Priority Projects	55	-	55	-	20	-	20	-	20	-	20	-
Total Apportionments	641	-	421	4	531	-	538	-	545	-	552	-

*June's forecast included both the 2009 rescission and omnibus rescission of unobligated balances of highway contract authority and the estimated shortfall in the Highway Trust Fund.

¹ Total Surface Transportation Program funds include additional funds from value pricing.

² The FFY 2004 and FFY 2005 Surface Transportation Program safety set-aside funds have been included in the respective SAFETEA-LU Highway Safety Improvement Program and Railway-Highway Crossings Program.

SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users											
	Forecast		Forecast		Forecast		Forecast		Forecast		Forecast	
	Actual	Chg from	Jun-09	Chg from	Jun-09	Chg from	Jun-09	Chg from	Jun-09	Chg from	Jun-09	Chg from
	2014	Mar-09	2015	Mar-09	2016	Mar-09	2017	Mar-09	2018	Mar-09	2019	Mar-09
Interstate Maintenance	88	-	89	-	90	-	91	-	92	-	93	-
National Highway System	97	-	99	-	100	-	101	-	102	-	104	-
Minimum Guarantee Flexible	-	-	-	-	-	-	-	-	-	-	-	-
Equity Bonus Flexible	14	-	14	-	14	-	14	-	14	-	15	-
Surface Transportation Program	112	-	113	-	115	-	116	-	118	-	119	-
Safety Setaside	-	-	-	-	-	-	-	-	-	-	-	-
Enhancements Setaside	12	-	12	-	12	-	12	-	12	-	12	-
Areas Over 200,000	35	-	36	-	36	-	37	-	37	-	38	-
Areas Under 200,000	16	-	16	-	17	-	17	-	18	-	18	-
Areas Under 5,000	11	-	11	-	11	-	11	-	11	-	11	-
STP Flexible	37	-	38	-	38	-	39	-	40	-	40	-
Highway Safety Improvement Program	17	-	17	-	17	-	18	-	18	-	18	-
Railway-Highway Crossings	4	-	4	-	4	-	4	-	4	-	4	-
Bridge	146	-	148	-	150	-	152	-	154	-	156	-
Border Infrastructure Program	12	-	12	-	12	-	12	-	12	-	12	-
CMAQ	28	-	29	-	29	-	29	-	30	-	30	-
Safe Routes to Schools	4	-	4	-	4	-	4	-	4	-	4	-
MPO Planning	6	-	6	-	6	-	6	-	6	-	6	-
Recreational Trails	2	-	2	-	2	-	2	-	2	-	2	-
SPR from all Programs	10	-	10	-	11	-	11	-	11	-	11	-
Subtotal Apportionments	539	-	546	-	553	-	560	-	567	-	573	-
High Priority Projects	20	-	20	-	20	-	20	-	20	-	20	-
Total Apportionments	559	-	566	-	573	-	580	-	587	-	593	-

Washington's Apportionment of FHWA Programs

June 2009 Forecast

millions of dollars

SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users											
	Forecast	Chg from	Forecast	Chg from	Forecast	Chg from	Forecast	Chg from	Forecast	Chg from	Forecast	Chg from
	Actual	Mar-09	Jun-09	Mar-09	Jun-09	Mar-09	Jun-09	Mar-09	Jun-09	Mar-09	Jun-09	Mar-09
	2020		2021		2022		2023		2024		2025	
Interstate Maintenance	94	-	95	-	96	-	97	-	99	-	100	-
National Highway System	105	-	106	-	107	-	108	-	109	-	111	-
Minimum Guarantee Flexible	-	-	-	-	-	-	-	-	-	-	-	-
Equity Bonus Flexible	15	-	15	-	15	-	16	-	16	-	16	-
Surface Transportation Program	120	-	122	-	123	-	124	-	126	-	127	-
Safety Setaside	-	-	-	-	-	-	-	-	-	-	-	-
Enhancements Setaside	12	-	12	-	12	-	12	-	13	-	13	-
Areas Over 200,000	38	-	39	-	39	-	40	-	40	-	40	-
Areas Under 200,000	18	-	19	-	19	-	19	-	20	-	20	-
Areas Under 5,000	11	-	11	-	11	-	11	-	11	-	11	-
STP Flexible	41	-	41	-	42	-	42	-	42	-	43	-
Highway Safety Improvement Program	19	-	19	-	19	-	19	-	19	-	20	-
Railway-Highway Crossings	4	-	4	-	4	-	4	-	4	-	4	-
Bridge	158	-	159	-	161	-	163	-	165	-	166	-
Border Infrastructure Program	12	-	12	-	12	-	12	-	12	-	12	-
CMAQ	30	-	31	-	31	-	31	-	32	-	32	-
Safe Routes to Schools	4	-	4	-	4	-	4	-	4	-	4	-
MPO Planning	6	-	6	-	6	-	6	-	6	-	6	-
Recreational Trails	2	-	2	-	2	-	2	-	2	-	2	-
SPR from all Programs	11	-	11	-	11	-	11	-	12	-	12	-
Subtotal Apportionments	579	-	585	-	592	-	598	-	605	-	611	-
High Priority Projects	20	-	20	-	20	-	20	-	20	-	20	-
Total Apportionments	599	-	605	-	612	-	618	-	625	-	631	-

Washington's Amount of the American Recovery and Reinvestment Act of 2009

June 2009 Forecast

millions of dollars

FHWA		
Washington Amount of National Total	492.2	
Enhancement Purposes (3%)	14.8	
State Enhancement (70%)		
Local Enhancement (30%)		
State ~ 70%	329.8	
Local ~ 30%	147.7	
Transportation Management Area (TMA)	94.4	
Puget Sound (PSRC)		75.4
Spokane (SRTC)		10.1
Vancouver (RTC)		8.9
Metropolitan Planning Organization (MPO)	31.4	
County Leads	21.9	
FTA		
Washington Amount of National Total	179	<i>estimated</i>
TOTAL	671	

Priority shall be given to projects with expected completion within a 3-year time frame and are located in economically distressed areas. Fifty percent of the total provided to the state is required to be obligated in 120 days or redistributed to other states.

APPENDIX A: GLOSSARY AND ABBREVIATIONS

DOL

Washington State Department of Licensing

Elasticity

A measure describing the responsiveness of fuel consumption when the state's economic climate changes. It is a ratio comparing the percentage change in gasoline consumption to a percentage change in an economic indicator such as price or personal income.

E&RFC

Washington State Economic and Revenue Forecast Council

Fiscal Year

This refers to the state government's fiscal year. For example, Fiscal Year 2009 runs from July 1, 2008, through June 30, 2009.

Fuel Tax Refunds

Many users of gasoline and diesel fuel are exempt from the fuel tax or are eligible for a refund if the tax has been paid. Most governmental entities fall under this category as well as private users of fuels in motor vehicles off the highway system or in engines not part of a motor vehicle. In addition, there are several statutory transfers from the Motor Vehicle Fund – the sizes of which are based on studies determining the approximate quantities of automotive gasoline used in pleasure boats, ORVs, snowmobiles, and airplanes. Consequently, the State Treasurer transfers funds monthly from the Motor Vehicle Fund to various accounts that support these recreational activities.

General Fund

This is the state treasury fund from which all appropriations not supported by dedicated revenue sources are made. Currently, 65 percent of all revenues and expenditures of the state pass through the General Fund.

Implicit Price Deflator for Personal Consumption (IPD-PC)

This is a measure, over time, of price changes for goods and services. It reflects changes in the actual consumption pattern of the American consumer. The base year is 2000. The IPD-PC is used as the "inflation" index by state agencies.

Inflation

This is a measure of the rate of change of prices for goods and services. In this document, the annual rate of inflation is defined as the annual percentage change in the Implicit Price Deflator for Personal Consumption.

LPFs

Licenses, permits, and fees

MVET

Motor Vehicle Excise Tax

OFM

Washington State Office of Financial Management

Personal Income

This is the sum of proprietor's income, wage and salary payments, other labor income, interest, dividends, rent and transfer payments.

Real (or Inflation-Adjusted, or Constant Dollars)

This modifier, applied to statistics for income or prices, removes the effect of inflation so that actual change can be observed. In this publication, the Implicit Price Deflator for Personal Consumption Expenditures has been used to make adjustments for inflation.

Seasonally-Adjusted

This modifier indicates that a statistical series has been corrected for patterns of excessive increase or decrease, which are characteristic of the time of year rather than an indication of underlying changes in the economy. The technique involves identifying a yearly repetitive pattern and applying this pattern to the unadjusted data series.

TIB

Transportation Improvement Board, formerly called the Washington State Urban Arterial Board

TRFC

Transportation Revenue Forecast Council

WSDOT

Washington State Department of Transportation

WSF

Washington State Ferries

WSP

Washington State Patrol

APPENDIX B: DATA SOURCES

Fuel Efficiency or Miles Per Gallon (MPG)

Historical and forecast values are estimated by Global Insight.

Gasoline and Diesel Fuel Gallonage

Historical values are collected by the Washington State Department of Licensing. Forecast values are estimated by the Washington State Department of Transportation.

Gasoline Price (Implicit Price Deflator for Gasoline and Oil)

Historical values are published by the U.S. Energy Information Administration. Forecast values are estimated for the remaining years from Global Insight values.

Inflation

Historical values are published by the U.S. Department of Commerce, Bureau of Economic Analysis. Forecast values for the first three years are estimated by the Economic and Revenue Forecast Council and figures for the remaining years are extrapolated from Global Insight values.

Washington State Real Personal Income

Historical values are published by the U.S. Department of Commerce, Bureau of Economic Analysis. Forecast values for the first three years are estimated by the Economic and Revenue Forecast Council and values for the remaining years are projected by the Office of Financial Management.

Washington State Population

Historical and forecast values are published by the Forecasting Division of the Washington State Office of Financial Management, Population Estimation and Forecasting Unit.