

EMBARGOED

*until March 18, 2025, 12:30 pm PDT when it will be published at
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Transportation Revenue Review

March 18, 2025



WASHINGTON STATE
ECONOMIC AND REVENUE FORECAST COUNCIL

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WASHINGTON STATE

TRANSPORTATION ECONOMIC AND REVENUE FORECAST COUNCIL

AGENDA

TRANSPORTATION REVENUE REVIEW

March 18, 2025
12:30 p.m.

- Call to order
- Approval of meeting minutes from November 20, 2024
- Transportation Forecast
 - *Adoption of official state revenue forecast and unofficial optimistic and pessimistic alternative forecasts*
- By-Laws
 - Update of draft By-Laws and potential adoption
- Adjournment

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STATE OF WASHINGTON
ECONOMIC AND REVENUE FORECAST COUNCIL
PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

Meeting Minutes Transportation Revenue Review

November 20, 2024

John A. Cherberg Bldg., Room A/B/C and Zoom

Economic and Revenue Forecast Council

Andrew Barkis, House of Representatives
Curtis King, Senate
Marko Liias, Senate
Marcus Gasper, Department of Licensing
Mike Pellicciotti, Treasurer
Pat Sullivan, Office of Financial Management

Staff

Dave Reich, Executive Director

Call to Order

Senator Liias called the meeting to order at 3:30 p.m.

Approval of the Minutes

Treasurer Pellicciotti moved, seconded by Senator King, to adopt the meeting minutes from September 27, 2024. Motion passed at 3:32 p.m.

Transportation Revenue Forecast Presentation

Dr. Reich presented information on the transportation revenue forecast. Dr. Reich summarized the forecast changes and provided background information on both the U.S. and Washington economies.

Motion

Senator King moved, seconded by Representative Barkis, to approve the forecast as presented. Motion passed at 4:00 p.m.

Administrative

Director Reich presented two points on the proposed council bylaws. There was discussion related to the rotation of the council chair. Treasurer Pellicciotti suggested there be language included calling on the Vice-Chair to serve as Chair when the council Chair is not in attendance. Senator Liias indicated the legislative council members will add the bylaws topic to one of their conversations during the upcoming session. Topics were tabled until Chair Fey is in attendance for further discussion and a vote.

The council agreed the meeting to be held in March 2025 will be fully in person. Remaining 2025 meetings will be hybrid.

Adjournment

With no further business, the meeting adjourned at 4:09 p.m.

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Transportation Economic & Revenue Forecast Council State of Washington



Transportation Revenue Review: March 18, 2025

Executive Summary

United States

- The economic forecast that underlies the transportation revenue forecast is the preliminary March 2025 forecast which is based on a modified version of S&P Global Market Intelligence's February 2025 control forecast for the U.S. economy. We have adjusted real gross domestic product (GDP) to be consistent with the February Blue Chip "Consensus" GDP forecast for 2025 and 2026. We expect real GDP to increase 2.2% in 2025 and 2.0% in 2026, compared with the 2.0% and 2.1% growth rates assumed in the November forecast. Our forecast for real GDP growth in 2027-29 is based on the most recent long-term forecast from Blue Chip which was released in October 2024. We expect growth rates of 2.0%, 2.0%, and 1.9% in 2027 through 2029 unchanged from the November forecast.
- Our oil price forecast reflects the futures markets for the Brent (North Sea) oil price and West Texas Intermediate (WTI) benchmarks. This forecast was based on the Wednesday, February 12, 2025 closing prices for Brent and WTI futures. Oil prices are higher than in the November forecast in the near-term. As in November, oil prices are expected to decline throughout the forecast. The latest futures prices indicate that the refiner acquisition price of crude oil will average \$74 per barrel in the first quarter of 2025, up \$3 compared to the November forecast. By the fourth quarter of 2029 the refiner acquisition price of crude is expected to average \$64 per barrel, unchanged from the \$64 per barrel in the November forecast.
- National employment in February increased by 151,000 net jobs but employment levels for December and January were revised down due to additional data and updated seasonal factors by a combined 2,000 jobs. Sectors with the largest job gains in February included healthcare (+52,000), financial activities (+21,000), and construction (+19,000). Sectors with declining employment in February included accommodation and food service (-23,800), food and beverage retailers (-15,000) and temporary help services (-12,300).
- Two key measures of consumer confidence decreased in February. The University of Michigan (UM) consumer sentiment survey decreased by 7.0 points to 64.7 in February after decreasing by 2.3 points in January. The Conference Board index of consumer confidence decreased by 7.0 points in February to 98.3. Survey results indicated increased pessimism about current and future labor markets, income, and business conditions.
- Initial claims for unemployment insurance decreased by 2,000 to 220,000 (SA) in the week ending March 8th. The four-week moving average of initial claims increased by 1,500 to 226,000.

- Consumer prices increased 0.2% (SA) in February following a 0.5% increase in January. Compared to February 2024, prices are up 2.8%. Core prices, which exclude food and energy, rose by 3.1% compared to February 2024.
- Industrial production increased by 0.5% in January following a 1.0% increase in December. Industrial production was up 2.0% compared with its January 2024 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 0.8% (SA) in January following a 0.2% increase in December according to U.S. Census Bureau data. New orders for core capital goods were 2.2% above their January 2024 level.
- Residential construction activity was mixed in January compared with December, and new and existing home sales were down. January housing starts decreased by 9.8% (SA) compared to December and were 0.7% below their January 2024 level. Housing units authorized by building permits in January were 0.1% (SA) above their December level but 1.7% below their year-ago level. New home sales in January decreased by 10.5% (SA) compared to December and were 1.1% below their year-ago level. Existing home sales in January decreased by 4.9% (SA) compared to December but were up 2.0% compared to January 2024. The seasonally adjusted Case-Shiller national home price index for December was 0.5% above its November level and 4.0% above its year-ago level.
- The major risks to the U.S. and Washington economies continue to be the impacts of elevated prices, high interest rates and geopolitical conflict along with trade policy and federal government spending and staffing changes.

Washington

- Washington job growth has been stronger than expected compared to the November forecast. Total seasonally adjusted nonfarm payroll employment increased 48,200 in November and December which was 9,100 more than the increase of 39,200 expected in the forecast. The recently resolved Boeing strike raised employment in November by approximately 33,000 as striking workers returned to payrolls. The construction sector increased by 600 jobs while manufacturing employment increased by 31,500 in the two months since the forecast. Leisure and hospitality had the largest increase in the private service sector, gaining 4,300 jobs over the two months. The largest decline was in non air, water, and truck transportation and warehousing with a loss of 1,800 jobs. Government employment increased by 4,600, with a decline of 600 jobs in federal government partially offsetting a 5,200 job gain in state and local government.
- Washington's aerospace employment increased 17,100 jobs since reaching a trough of 66,700 in August 2021, bringing the level to 83,900 in September 2024. The preliminary March economic forecast incorporates the announced layoffs by Boeing following the resolution of the machinists strike in November. The forecast calls for aerospace employment to reach a trough in the first quarter of 2025 of 79,900 jobs. Going forward, we expect aerospace employment to increase through the forecast period and reach 88,500 jobs by the fourth quarter of 2029.

- We expect a 1.1% increase in Washington employment this year, up from 0.9% in the November forecast. We expect slower growth during the remainder of the forecast as the U.S economy slows. We expect Washington employment growth to average 0.8% per year in 2026 through 2029, down slightly from the 0.9% average rate in the previous forecast.
- In March, the Bureau of Labor Statistics released preliminary Washington labor forecast estimates for January 2025 and revised earlier estimates. The revised estimates show that the Washington unemployment rate didn't rise as much as previously believed. The 2024 peak in the unemployment rate is now 4.6%, down from the 4.9% peak prior to the revision. In January, the Washington unemployment rate decreased to 4.3% (SA) from a revised 4.4% in December.
- In December, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the third quarter of 2024. Washington personal income increased from \$667.8 billion (SAAR) in the second quarter of 2024 to \$669.0 billion in the third quarter. The 0.7% increase (SAAR) in Washington personal income was the 2nd lowest among the states and trailed the 3.2% rate of increase for the U.S. as a whole. Washington net earnings increased 0.4% (SAAR) compared to a 3.8% increase for the national average rate. Transfer receipts increased at a 4.2% annual rate in Washington compared to a 5.2% increase for the nation. Property income (dividends, interest, and rent) declined 0.7% (SAAR) in both Washington and the nation in the third quarter. Some of the weakness in Washington can be attributed to seasonal adjustment issues relating to reclassification of major Washington companies into new industries.
- Our forecast for nominal personal income growth this year is 4.8%, up from 4.6% in the November forecast. The preliminary March forecast for nominal personal income growth in 2026 through 2029 averages 5.5% per year, up from 5.3% in the previous forecast.
- Seattle-area home prices are increasing. Home prices grew 0.5% in December, the ninth consecutive increase. In comparison, the composite-20 index has increased in each of the past 23 months, growing 0.5% in December as well. Seattle home prices in December were up 5.6% over the year, while composite-20 index was up 4.5%.
- For the second consecutive time after over three years, Seattle-area consumer price inflation was lower than the U.S. City average. From February 2024 to February 2025, the Seattle CPI rose 2.5% compared to the 2.8% increase in the U.S. City average index. Inflation has come down sharply since reaching a peak in June of 2023 at 10.1% for Seattle and 9.1% for the U.S. Shelter costs in both Washington and the U.S. continue to outpace topline inflation, increasing 4.5% and 4.2% respectively. Core inflation (excluding food and energy) is close to its desired level for Seattle but remains elevated for the U.S. Seattle core CPI rose 2.3% in February compared to 3.1% for the U.S. City average.
- Washington exports fell sharply in the fourth quarter, declining 18.5% from a year ago. Some of the drop was due to a 42.5% year-over-year decline in transportation equipment exports which were delayed due to the Boeing

strike. Excluding transportation equipment exports, total exports declined 6.5% over the year with each of the top five export sectors declining.

- Washington new car and truck sales declined sharply in February. The seasonally adjusted number of new vehicle registrations fell 17.9% over the month in February to 252,700 (SAAR). Passenger car registrations declined 17.4% while light truck registrations declined 21.3%. The number of total registrations were down 7.7% over the year in February.
- Washington housing construction continued to improve in the first quarter of 2025. A total of 40,200 units (SAAR) were permitted in January, up from a revised 39,700 units (SAAR) in the fourth quarter. Permits in January consisted of 17,700 single-family units and 22,400 multi-family units. The November forecast assumed 36,500 units for the first quarter as a whole, consisting of 20,300 single-family units and 16,200 multi-family units.
- The preliminary March forecast calls for housing permits to increase slightly to 37,600 units this year from the trough of 37,500 units in 2024. We expect housing permits to grow through 2029 reaching 42,600 units. The previous forecast called for total housing permits of 36,900 units this year, reaching 43,800 units in 2029.

Revenue

- For the March 2025 forecast, the 2023-25 biennium total transportation revenue estimate is \$6.85 billion which is a \$49 million (0.7%) increase in comparison to the November 2024 forecast. This is driven by an increase in MV fuel tax revenue of \$50 million, an increase in ferry revenue of \$5 million and a \$5 million decrease in business/other revenues.
- For the 2025-27 biennium, revenues are projected at \$7.10 billion which is \$114 million (1.6%) above the November 2024 forecast. For the 2027-29 biennium, revenues are projected at \$7.24 billion which is \$121 million (1.7%) above the November 2024 forecast. For the 10-year forecast horizon (2024-2033), total baseline revenue in March 2025 is up from the November forecast by \$551 million (1.6%), mainly driven by an expected slower reduction in the motor vehicle fuels tax.
- Fuel prices have been on a downward trajectory since peaking in the fourth quarter of 2022 and again in the first quarter of 2024. The forecast indicates a general reduction in retail gasoline prices reaching \$3.81 by the end of FY2027 and a slight increase for diesel to \$3.91 by the end of FY2027.
- Biodiesel prices for B20 and B5 have also been generally declining since 2022 but the forecast calls for both to increase reaching \$3.74 for B20 and \$3.28 for B5 by the end of FY 2027.
- The March 2025 motor fuel tax forecast has been updated to reflect actuals and updated input forecasts. Actuals for fiscal year 2024 indicate that gasoline consumption fell by 0.4% and diesel (special fuels) by 8.7%. For the seven distribution months in FY 2025 so far, gasoline revenues are down about 2.0% from FY 2024 indicating that consumption is falling slower than

- forecasted in November. Special fuels revenues are tracking close to forecast but forecast input variables are down. Washington State now anticipates collecting about \$3.23 billion from fuel taxes in the 2023-2025 biennium, which is an increase of \$50 million or 1.6% compared to the November 2024 forecast. MVFT revenues are anticipated to be \$3.19 billion in the 2025-2027 biennium, which is increased about \$111 million or 3.6% from the previous forecast. MVFT revenues are anticipated to be \$3.15 billion in the 2027-2029 biennium, which is increased about \$119 million or 3.9% from the previous forecast.
- Washington State anticipates slightly reduced license, permit and fee revenue compared with the November 2024 forecast, collecting about \$1.99 billion from vehicle licenses, permits, and fees (LPFs) in the 2023-2025 biennium, a decrease of \$1.4 million or 0.1% compared to the forecast for November 2024. The LPF forecast is anticipated to be \$2.13 billion for the 2025-2027 biennium, which is down about \$3.6 million or 0.2% from the previous forecast. The LPF forecast is anticipated to be \$2.26 billion for the 2027-2029 biennium, which is down about \$2.6 million or 0.1% from the previous forecast.
 - Washington state ferries expect higher revenues on higher ridership and service assumptions than in November with total fare and miscellaneous revenues forecasted for the 2023-25 biennium amounting to \$379.3 million, 1.3% higher than the previous forecast of \$374.5 million. For the 2025-27 biennium, total fare and miscellaneous revenues are forecasted to be \$424.2 million, 1.4% higher than the previous forecast of \$418.4. For the 2027-29 biennium, total fare and miscellaneous revenues are forecasted to be \$444.3 million, 1.7% higher than the previous forecast of \$436.9.
 - The forecast for toll revenue is unchanged from the November forecast. The March forecast calls for revenue for the 2023-25 biennium to be \$531.3 million, for the 2025-27 biennium, total toll revenues are forecasted to be \$564.1 million, and for the 2027-29 biennium, total toll revenues are forecasted to be \$596.1 million.
 - Driver-related revenues have been updated in this forecast, including updated actuals and input variables. Driver-related revenue for the FY 2023-25 biennium is forecasted at \$353.9 million, an increase of \$2.5 million (0.7%) from the prior forecast due mostly to higher enhanced driver license revenues. FY 2025-27 is expected to yield \$394.9 million in revenues, an increase of \$0.9 million (0.2%) from the prior forecast. For the 2027-29 biennium, total driver-related revenues are forecasted to be \$378.4 million, 0.5% lower than the previous forecast of \$380.3 million.
 - Total other transportation related revenues in the 2023-25 biennium are currently projected at \$368.0 million. This represents a decrease of \$6.6 million, or 1.8% compared to November 2024 forecast. For the 2025-27 biennium, total other revenues are forecasted to be \$397.8 million, 0.2% lower than the previous forecast of \$398.4 million. For the 2027-29 biennium, total other revenues are forecasted to be \$413.3 million, 0.3% lower than the previous forecast of \$414.4 million.

- The total highway apportionment for Washington state for FFY 2024 was \$1,368.3 million. This reflects actual apportionment distributions for FFY 2024. The March 2025 total apportionment forecast for FFY 2025 is based on FHWA Notices NN4510.892, N4510.893, N4510.894 and N4510.895. The total apportionment forecast for FFY 2026 assumes an annual growth rate of 2% which is consistent with the US funding levels set forth in the IIJA. The current total annual apportionment estimates for FFYs 2025-2026 are \$1,137.3 million and \$1,160.0 million respectively, unchanged each year compared to the November 2024 forecast. The baseline forecast for FFY 2027 through FFY 2035 assumes annual growth of federal revenues of 1% annually.

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Transportation Revenue Review

Presented to the
Transportation Economic and Revenue
Forecast Council

Dave Reich
ERFC Executive Director

March 18, 2025



WASHINGTON STATE
ECONOMIC AND REVENUE FORECAST COUNCIL



Overview

Economic View

- The U.S. economic forecast for output is slightly stronger in the near-term, but inflation/interest rates are higher.
- WA economy growing (job growth 1.1% in 2024)
- There is an elevated level of risk to the forecast due to recent changes in trade policy and the federal gov't.

Revenue

- The transportation forecast is increased by \$49 million (0.7%) for 2023-25 period compared with Nov.
- The transportation forecast is increased by \$235 million (1.7%) for 2025-29 period compared with Nov.

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Transportation revenue forecast risks

Upside

- Stronger consumer spending/faster interest rate cuts lead to stronger economy, quicker resolution of world conflicts leads to lower energy prices
- Tariffs avoided

Downside

- Elevated interest rates/consumer sentiment push economy into recession, world conflicts intensify
- Tariffs and federal funding, EV incentives

Neutral

- Faster EV adoption lowers fuel revenue but raises EV fees

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WA employment growth forecast is slightly lower over the forecast period

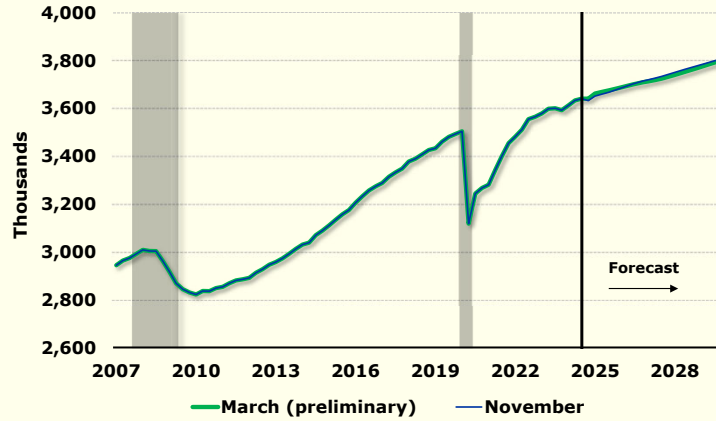
Average annual employment growth, 2025 to 2029:

U.S. = 0.5%

WA = 0.8%

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Washington Nonfarm Payroll Employment



Source: ERFC preliminary March 2025 forecast; historical data through 2024 Q4

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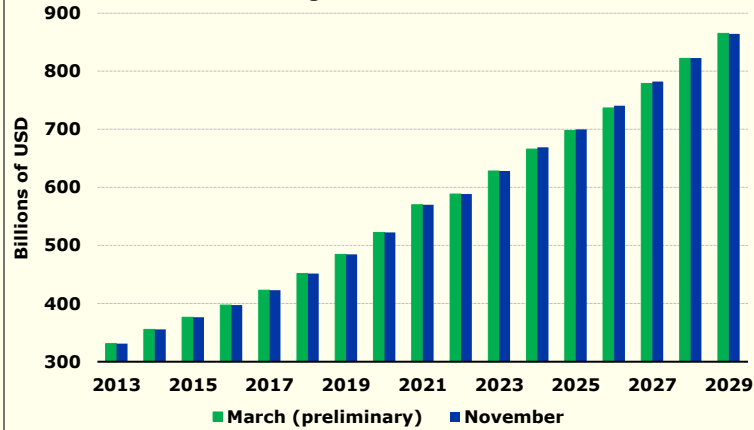


WA personal income forecast averages 5.4% annual growth from 2025-2029, up from 5.3% in Nov.

In December, BEA released 2024:3Q personal income and WA was up 0.7% (SAAR)

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Washington Personal Income



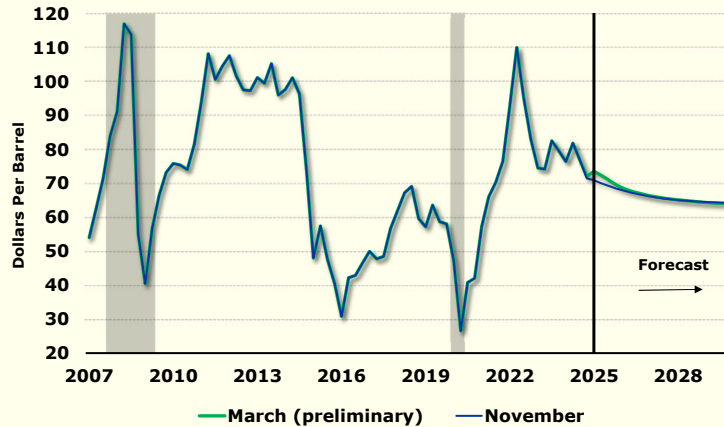
Source: ERFC preliminary March 2025 forecast; historical data through 2024 3Q

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Oil prices are higher in the near-term than in the November forecast

Oil prices in the fourth quarter of 2024 were slightly higher than expected in the November forecast



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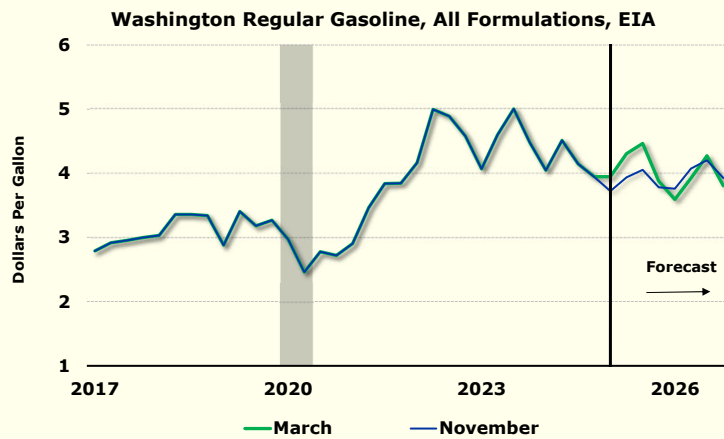
Source: Energy Information Administration, IHS Markit, ERFC; data through 2024 Q4
Note: Vertical black line indicates last actual

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Gas price forecast is similar to the November forecast

Nationally, about half the price of gas is determined by the price of oil (EIA)



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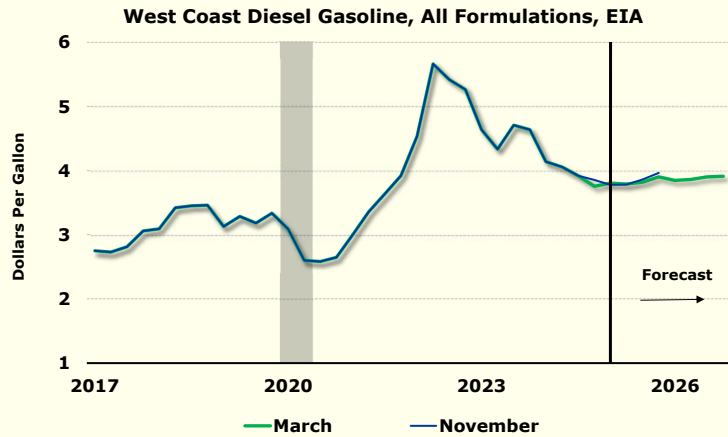
Source: Energy Information Administration, IHS Markit, ERFC March 2025 forecast; data through 2024 Q4
Note: Vertical black line indicates last actual

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Diesel price forecast also similar to November

Nationally, about half the price of diesel is determined by the price of oil (EIA)



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Source: Energy Information Administration, IHS Markit, ERFC March 2025 forecast; data through 2024 Q4
Note: Vertical black line indicates last actual

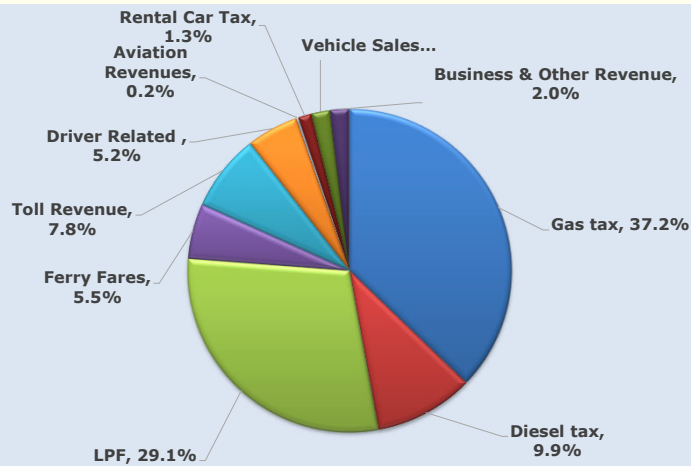
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Washington state transportation revenues

Fuel taxes are 47% of all state transportation revenues

Chart excludes federal and CCA revenues



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Source: TERFC Vol. 2, March 2025

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Motor vehicle fuels tax revenue- March forecast

Overview

- Largest single transportation revenue (\$1.6B in FY 2024)
- Gasoline consumption peaked in 2018 and has been falling over 2%/yr (2018-2024)

Actuals

- Gas actuals were down 5.8% (yoy) for the November forecast
- Since then, we've had stronger returns (now down 2.2% YTD)
- Special fuels close to forecast

Forecast

- Gas consumption/revenues declining slower than in November forecast
- Special fuel consumption/revenues lower than November

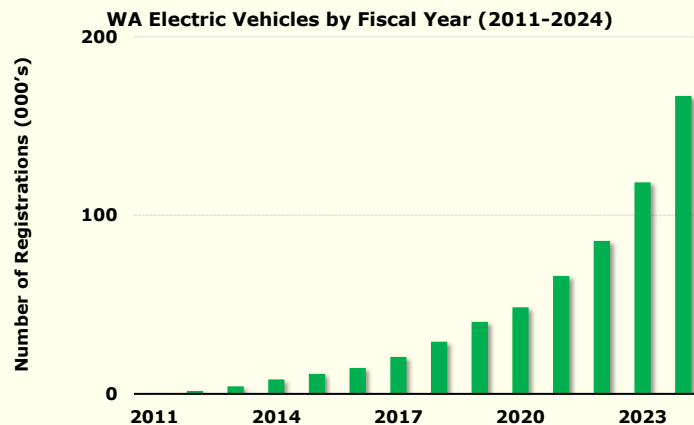
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WA electric vehicle registrations have been increasing rapidly

There were
167K BEV and
PHEV vehicles
registered in
WA in FY 2024



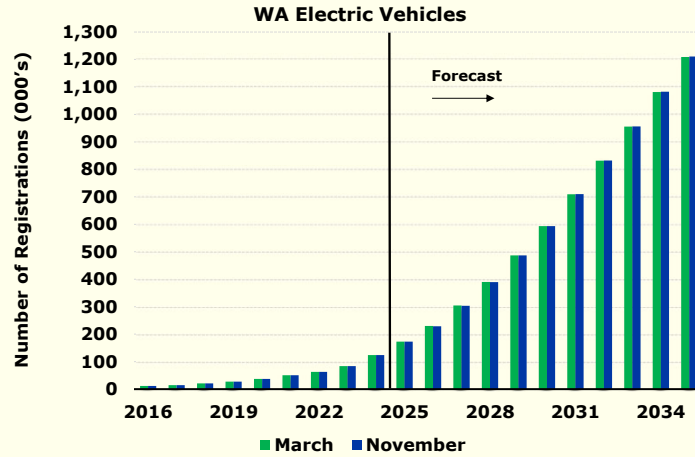
Source: TERFC March 2025 forecast; sum of battery EV's and plug-in hybrids, historical data from DOL

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Electric vehicle forecast calls for substantial growth that will impact fuel consumption



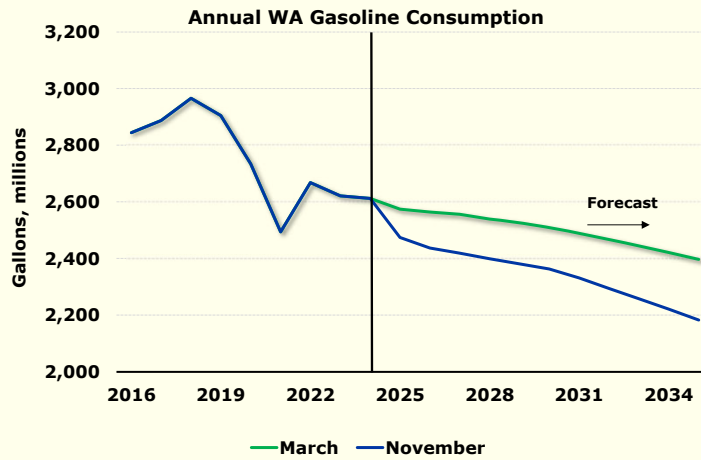
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Source: TERFC March 2025 forecast; historical data through FY 2024

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Gas consumption is falling slower than in the November forecast



Gas tax revenues were about \$1.3B in FY 2024

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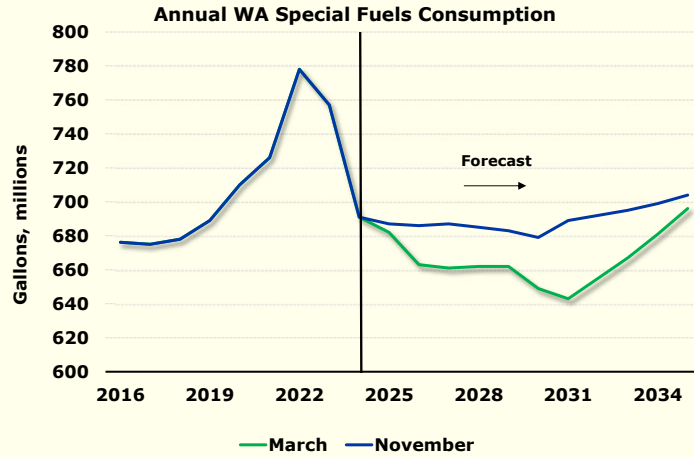
Source: TERFC March 2025 forecast; historical data through FY 2024

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Special fuel consumption is expected to fall in the near-term

Special fuel tax revenues were about \$340M in FY 2024



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Source: TERFC March 2025 forecast; historical data through FY 2024

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



MVFT Revenue Summary

2023-2025 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Gasoline (Gross)	\$2,497.8M	\$2,550.8M	\$53.0M
Special Fuels (Gross)	\$682.1M	\$678.9M	(\$3.2M)
Total (Gross)	\$3,179.9M	\$3,229.7M	\$49.8M

2025-2027 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Gasoline (Gross)	\$2,396.7M	\$2,532.1M	\$135.4M
Special Fuels (Gross)	\$677.9M	\$653.6M	(\$24.2M)
Total (Gross)	\$3,074.5M	\$3,185.7M	\$111.2M

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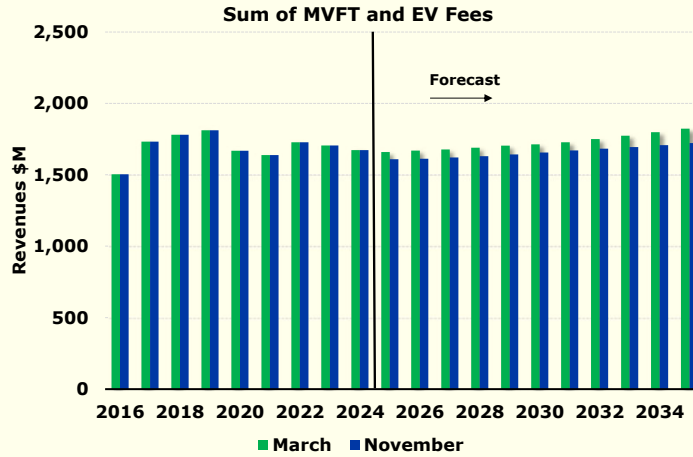
* Detail may not add to total due to rounding

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The combination of MVFT and EV fees are expected to grow in nominal terms after 2025

EV fee growth will likely partially offset losses in MVFT over the forecast period



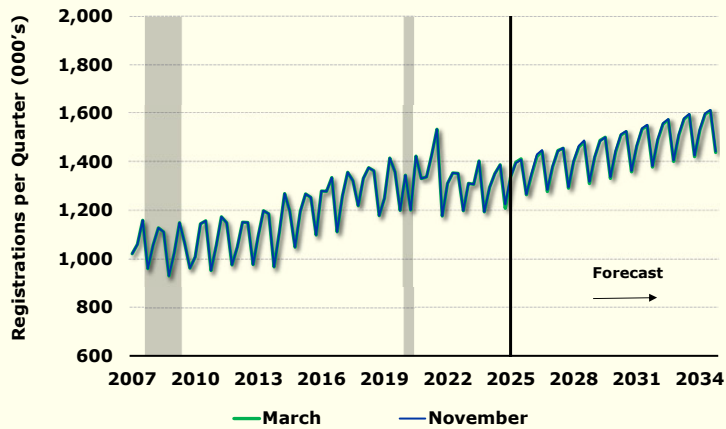
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Source: TERFC March 2025 forecast; historical data through FY 2024

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Car registration forecast revised slightly down from November



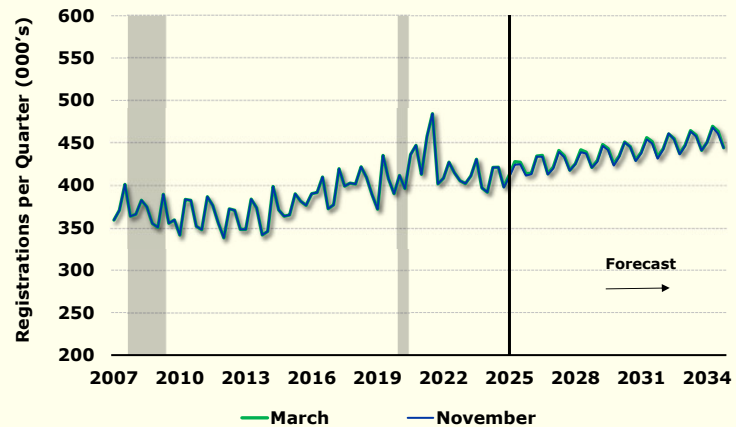
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Source: TERFC March 2025; data through 2024 Q4
Note: Vertical black line indicates last actual

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Truck registrations are revised up slightly compared with November



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Source: TERFC March 2025; data through 2024 Q4
Note: Vertical black line indicates last actual

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



License, Permit and Fee Revenues- March forecast

Registrations

- Recent actuals very close to forecast
- Car and truck registration forecasts are revised slightly on actuals/forecast inputs

License-plate/other fees

- Plate fees raised on higher actuals
- Small changes to other fees

Forecast Change

- Overall revenue decrease of 0.1% in 2023-'25 and 0.2% in 2025 -'27

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WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



LPF Revenue Summary

2023-2025 Biennium			
Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Basic Fee (\$30)	\$346.5M	\$346.4M	(\$0.1M)
Weight - Cars	\$441.8M	\$441.2M	(\$0.6M)
Weight - Trucks	\$545.4M	\$544.9M	(\$0.4M)
Plate Fees	\$215.3M	\$217.3M	\$2.0M
Other	\$445.1M	\$442.8M	(\$2.3M)
Total	\$1,994.1M	\$1,992.7M	(\$1.4M)

2025-2027 Biennium			
Item	Forecast (Nov. 2024)	Forecast (Mar. 2024)	Change
Basic Fee (\$30)	\$358.3M	\$358.0M	(\$0.4M)
Weight - Cars	\$464.8M	\$463.6M	(\$1.2M)
Weight - Trucks	\$560.6M	\$559.4M	(\$1.3M)
Plate Fees	\$224.1M	\$225.7M	\$1.7M
Other	\$529.8M	\$527.3M	(\$2.4M)
Total	\$2,137.6M	\$2,134.0M	(\$3.6M)

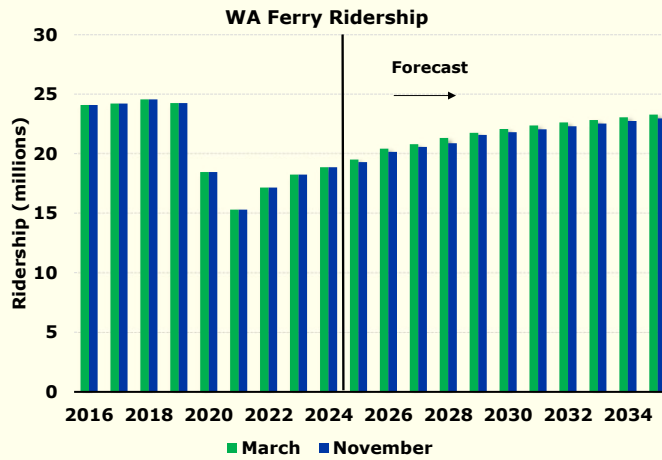
Transportation Revenue Review
 March 18, 2025
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* Detail may not add to total due to rounding
 WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Ferry Ridership-up a little from November

Ferry service and ridership decreased significantly during the pandemic and have not fully recovered



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Source: TERFC March 2025 forecast; historical data through FY 2024

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Ferry Revenue-March forecast

The WSTC adopted 4.25% fare increases for both FY 2024 and FY 2025

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Ridership

- Ridership forecast increased for all years on improved actuals and forecast inputs

Policy Changes

- Fares went up 10/23 and 10/24
- Service level changes

Revenue Forecast

- Farebox revenue higher due to higher ridership forecast than Nov. 2024
- Revenue increases 0.7%-1.7% per biennium

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



WSF Revenue Summary

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2023-2025 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Farebox	\$365.7M	\$370.6M	\$4.9M
Miscellaneous	\$8.8M	\$8.7M	(\$0.1M)
Total	\$374.5M	\$379.3M	\$4.8M

2025-2027 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Farebox	\$406.1M	\$412.5M	\$6.5M
Miscellaneous	\$12.3M	\$11.7M	(\$0.6M)
Total (Gross)	\$418.4M	\$424.2M	\$5.9M

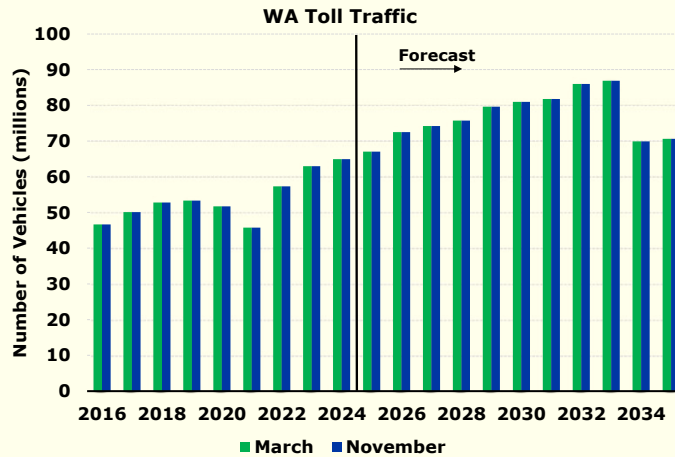
* Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Toll facility traffic forecast-no change from November

Tacoma Narrows Bridge tolls end in 2033



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Source: TERFC March 2025 forecast; historical data through FY 2024

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Toll revenue-March forecast

Toll actuals since Nov forecast (FY 2025, thru 2Q)

- Transactions: 1.3% above Nov. forecast
- Revenues: 2.1% above Nov. forecast

Recent Policy Changes

- Rates and toll times revised (3/1/24)
- Rates raised on SR 520 (8/15/24)

Revenue Forecast

- WSDOT returning to annual updates
- No change forecast

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WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Toll Revenue Summary-No Change

2023-2025 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Tacoma Narrows	\$163.9M	\$163.9M	\$0.0M
SR 520	\$179.8M	\$179.8M	\$0.0M
I-405 (ETLs)	\$76.7M	\$76.7M	\$0.0M
SR 167 (ETLs)	\$13.1M	\$13.1M	\$0.0M
SR 99	\$97.7M	\$97.7M	\$0.0M
Total	\$531.3M	\$531.3M	\$0.0M

2025-2027 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Tacoma Narrows	\$162.2M	\$162.2M	\$0.0M
SR 520	\$201.1M	\$201.1M	\$0.0M
I-405 (ETLs)	\$94.0M	\$94.0M	\$0.0M
SR 167 (ETLs)	\$24.8M	\$24.8M	\$0.0M
SR 99	\$82.0M	\$82.0M	\$0.0M
Total	\$564.1M	\$564.1M	\$0.0M

* Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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Driver related and other revenues- March forecast

Revenues

- Includes driver license fees, 0.3% vehicle sales tax, rental car tax, others

Actuals

- Overall matching well
- Vehicle sales/use tax coming in high
- Rental car taxes are below forecast

Revenue Forecast

- Forecast changes small overall
- Enhanced license forecast revised up
- Speed safety camera revenue revised down
- Vehicle sales/use revised up, rental taxes down

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Other Revenues Summary

2023-2025 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Driver fees	\$351.4M	\$353.9M	\$2.5M
Vehicle sales tax	\$127.1M	\$128.2M	\$1.1M
Rental car tax	\$94.0M	\$91.6M	(\$2.4M)
Other	\$153.4M	\$148.2M	(\$5.2M)
Total	\$725.9M	\$725.4M	(\$4.0M)

2025-2027 Biennium

Item	Forecast (Nov. 2024)	Forecast (Mar. 2025)	Change
Driver fees	\$393.9M	\$394.9M	\$0.9M
Vehicle sales tax	\$131.0M	\$133.3M	\$2.3M
Rental car tax	\$97.3M	\$94.5M	(\$2.8M)
Other	\$170.1M	\$169.9M	(\$0.2M)
Total	\$792.4M	\$792.7M	\$0.3M

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* Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Forecast changes by revenue source: 2023-25 biennium

Revenue Summary (\$Million)	Nov. 2024 Forecast	Mar. 2025 Forecast	Total Change#
MV Fuel Tax	\$3,180	\$3,230	\$50
Licenses, Permits, Fees	\$1,994	\$1,993	(\$1)
Ferry Revenues	\$375	\$379	\$5
Toll Revenues	\$531	\$531	\$0
Other	\$726	\$722	(\$4)
Total	\$6,806	\$6,855	\$49

Alternative Forecasts (\$Million)	2023-2025 Biennium	Difference from Baseline
Baseline (50%)	\$6,855M	
Optimistic (20%)	\$6,878M	\$23M
Pessimistic (30%)	\$6,834M	(\$21M)
Weighted Avg.	\$6,853M	(\$2M)

The forecast increase represents 0.7% of biennial revenue

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All values in millions, # Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Forecast changes by revenue source: 2025-27 biennium

The forecast increase represents 1.6% of biennial revenue

Revenue Summary (\$Million)	Nov. 2024 Forecast	Mar. 2025 Forecast	Total Change*
MV Fuel Tax	\$3,075	\$3,186	\$111
Licenses, Permits, Fees	\$2,138	\$2,134	(\$4)
Ferry Revenues	\$418	\$424	\$6
Toll Revenues	\$564	\$564	\$0
Other	\$792	\$793	\$1
Total	\$6,987	\$7,101	\$114

Alternative Forecasts (\$Million)	2025-2027 Biennium	Difference from Baseline
Baseline (50%)	\$7,101M	
Optimistic (20%)	\$7,307M	\$206M
Pessimistic (30%)	\$6,892M	(\$209M)
Weighted Avg.	\$7,079M	(\$22M)

All values in millions, # Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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Forecast changes by revenue source: 2027-29 biennium

The forecast increase represents 1.7% of biennial revenue

Revenue Summary (\$Million)	Nov. 2024 Forecast	Mar. 2025 Forecast	Total Change*
MV Fuel Tax	\$3,035	\$3,155	\$120
Licenses, Permits, Fees	\$2,259	\$2,256	(\$3)
Ferry Revenues	\$437	\$444	\$7
Toll Revenues	\$596	\$596	\$0
Other	\$795	\$792	(\$3)
Total	\$7,122	\$7,243	\$121

Alternative Forecasts (\$Million)	2027-2029 Biennium	Difference from Baseline
Baseline (50%)	\$7,243M	
Optimistic (20%)	\$7,570M	\$327M
Pessimistic (30%)	\$6,818M	(\$425M)
Weighted Avg.	\$7,181M	(\$62M)

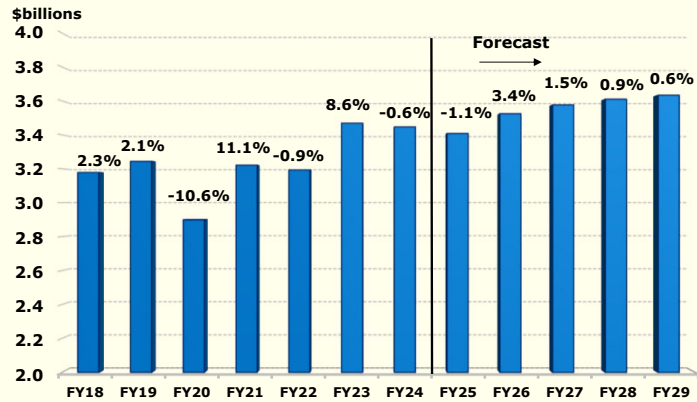
All values in millions, # Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

Transportation Revenue Review
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Transportation revenues are expected to grow over the 2025-2029 period



Source: TERFC forecast, March 2025

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WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Summary

- U.S. & WA economies OK in 2024, but they are slowing and future risk is elevated due to current policy changes
- MVFT is the major driver of the revenue increase for all years, relatively small changes for most other sources
- Impacts of tariffs/geopolitical conflicts on commodity prices, lower spending/less travel and reduced federal funding pose risks to the forecast
- State transportation revenues in this forecast are expected to grow 2.9% between the 2021-23 and 2023-25 biennia and 3.6% between the 2023-25 and 2025-27 biennia

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WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



Questions?

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Revenue Review
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Economic & Revenue Forecast Council
PO BOX 40912
Olympia WA 98504-0912

www.erfc.wa.gov
360-534-1560

Forecast to Forecast Comparison for Transportation Revenues
March 2025 Forecast to November 2024 Forecast millions of dollars

	Current Biennium 2023-2025				Biennium 2025-2027				Biennium 2027-2029			
	Forecast March 2025	Forecast November 2024	Chg from November 2024	Percent Change	Forecast March 2025	Forecast November 2024	Chg from November 2024	Percent Change	Forecast March 2025	Forecast November 2024	Chg from November 2024	Percent Change
	Sources of Transportation Revenue											
Motor Vehicle Fuel Tax Collections	3,229.7	3,179.9	49.81	1.57%	3,185.7	3,074.5	111.18	3.62%	3,154.8	3,035.3	119.50	3.94%
Licenses, Permits and Fees	1,992.7	1,994.1	(1.42)	-0.07%	2,134.0	2,137.6	(3.63)	-0.17%	2,256.4	2,259.0	(2.59)	-0.11%
Ferry Revenue†	379.3	374.5	4.84	1.29%	424.2	418.4	5.88	1.41%	444.3	436.9	7.39	1.69%
Toll Revenue	531.3	531.3	0.00	0.00%	564.1	564.1	0.00	0.00%	596.1	596.1	0.00	0.00%
Aviation Revenues	15.0	14.9	0.11	0.77%	14.4	14.4	0.00	0.00%	14.1	14.1	0.00	0.00%
Rental Car Tax	91.6	94.0	(2.37)	-2.52%	94.5	97.3	(2.77)	-2.84%	98.6	101.9	(3.30)	-3.24%
Vehicle Sales Tax	128.2	127.1	1.06	0.84%	133.3	131.0	2.31	1.76%	141.3	138.9	2.42	1.74%
Driver-Related Fees	353.9	351.4	2.49	0.71%	394.9	393.9	0.93	0.24%	378.4	380.3	(1.89)	-0.50%
Business/Other Revenues	133.2	138.5	(5.37)	-3.88%	155.5	155.8	(0.23)	-0.15%	159.4	159.6	(0.18)	-0.11%
Total Revenues	6,854.8	6,805.7	49.16	0.72%	7,100.7	6,987.0	113.67	1.63%	7,243.4	7,122.0	121.36	1.70%
Distribution of Revenue												
Motor Fuel Tax Refunds and Transfers	205.0	213.0	(8.02)	-3.77%	206.3	230.6	(24.28)	-10.53%	206.2	229.5	(23.26)	-10.13%
Motor Fuel Administrative Fee - DOL	19.2	18.7	0.51	2.75%	19.1	18.0	1.13	6.29%	18.9	17.7	1.20	6.78%
State Uses												
Motor Vehicle Account (108)	1,289.2	1,267.2	21.99	1.74%	1,416.7	1,366.4	50.30	3.68%	1,487.2	1,438.5	48.66	3.38%
Transportation 2003 (Nickel) Account (550)	394.7	390.8	3.95	1.01%	391.5	382.2	9.28	2.43%	390.4	379.4	11.01	2.90%
Transportation 2005 Partnership Account (09H)	585.6	579.7	5.90	1.02%	574.1	558.9	15.23	2.72%	570.6	553.6	16.97	3.07%
Connecting Washington Account (20H)	726.4	713.3	13.12	1.84%	712.5	681.2	31.32	4.60%	706.0	672.0	33.98	5.06%
Multimodal Account (218)	687.5	689.5	(1.99)	-0.29%	719.1	721.1	(2.01)	-0.28%	745.1	747.6	(2.51)	-0.34%
Special Category C Account (215)	45.8	45.0	0.83	1.84%	44.9	42.9	1.97	4.60%	44.5	42.4	2.14	5.06%
Puget Sound Capital Construction Account (099)	33.3	32.7	0.60	1.84%	32.7	31.2	1.44	4.60%	32.4	30.8	1.56	5.06%
Puget Sound Ferry Operations Account (109)	436.2	431.0	5.18	1.20%	481.0	474.0	6.96	1.47%	500.5	491.9	8.59	1.75%
Capital Vessel Replacement Account (18J)	55.3	55.7	(0.45)	-0.81%	58.1	58.7	(0.66)	-1.13%	59.6	60.0	(0.43)	-0.72%
Tacoma Narrows Bridge Account (511)	163.9	163.9	0.00	0.00%	162.2	162.2	0.00	0.00%	165.3	165.3	0.00	0.00%
High Occupancy Toll Lanes Account (09F)^	13.1	13.1	0.00	0.00%	24.8	24.8	0.00	0.00%	30.2	30.2	0.00	0.00%
SR 520 Corridor Account (16J)	172.6	172.6	0.00	0.00%	193.3	193.3	0.00	0.00%	202.3	202.3	0.00	0.00%
SR 520 Corridor Civil Penalties Account (17P)	7.2	7.2	0.00	0.00%	7.8	7.8	0.00	0.00%	7.8	7.8	0.00	0.00%
Interstate 405 Express Toll Lanes Operations (595)	76.7	76.7	0.00	0.00%	94.0	94.0	0.00	0.00%	106.1	106.1	0.00	0.00%
Alaskan Way Viaduct Replacement Acct. (535)	97.7	97.7	0.00	0.00%	82.0	82.0	0.00	0.00%	84.4	84.4	0.00	0.00%
Aeronautics Account (039)	14.9	14.8	0.11	0.77%	14.3	14.3	0.00	0.00%	14.0	14.0	0.00	0.00%
Washington State Aviation Account (21G)	0.1	0.1	0.00	0.00%	0.1	0.1	0.00	0.00%	0.1	0.1	0.00	0.00%
State Patrol Highway Account (081)	464.4	468.8	(4.37)	-0.93%	479.1	487.2	(8.14)	-1.67%	490.4	498.6	(8.18)	-1.64%
Highway/Motorcycle Safety Accts. (106 & 082)	296.3	298.6	(2.31)	-0.77%	357.9	356.9	0.93	0.26%	344.7	345.7	(0.98)	-0.28%
School Zone Safety Account (780)	0.5	0.4	0.04	10.07%	0.4	0.4	0.00	0.15%	0.4	0.4	0.00	0.25%
Other accounts (201, 06T, 097, 09E, 216, 07C, 24-K)	43.5	43.8	(0.34)	-0.77%	44.2	44.4	(0.28)	-0.62%	44.8	44.8	0.04	0.10%
Electric Vehicle Account (20J)	57.8	57.4	0.40	0.70%	0.0	0.0	0.00	0.00%	0.0	0.0	0.00	0.00%
Ignition Interlock Devices Revolving Acct 14V	7.8	7.7	0.06	0.73%	7.9	7.9	0.00	0.00%	8.1	8.1	0.00	0.00%
Multiuse Roadway Safety Account Collections-571	0.6	0.6	0.00	0.12%	0.6	0.6	0.00	0.61%	0.7	0.7	0.01	1.11%
Move Ahead WA Accounts - 26P	210.3	210.3	(0.03)	-0.02%	227.5	227.5	0.02	0.01%	232.0	231.6	0.38	0.17%
Move Ahead WA Accounts - 26Q	30.3	29.0	1.26	4.34%	35.4	35.4	0.02	0.06%	33.3	34.1	(0.81)	-2.39%
Total for State Use	5,911.8	5,867.8	43.95	0.75%	6,162.06	6,055.7	106.38	1.76%	6,300.55	6,190.1	110.44	1.78%
Cities	175.6	172.4	3.17	1.84%	172.2	164.6	7.57	4.60%	170.6	162.4	8.21	5.06%
Counties	284.3	279.3	5.02	1.80%	279.8	267.8	11.99	4.48%	277.8	264.8	13.01	4.91%
Transportation Improvement Board (112 & 144)	191.7	188.4	3.39	1.80%	191.7	183.6	8.13	4.43%	195.1	186.3	8.79	4.72%
County Road Administration Board (102 & 253)	67.2	66.1	1.14	1.72%	69.5	66.8	2.76	4.13%	74.1	71.1	2.97	4.17%
Total for Local Use	718.8	706.1	12.72	1.80%	713.2	682.8	30.44	4.46%	717.7	684.7	32.98	4.82%
Total Distribution of Revenue	6,854.8	6,805.7	49.16	0.72%	7,100.7	6,987.0	113.67	1.63%	7,243.4	7,122.0	121.36	1.70%

† Ferry Fares plus non-farebox revenue

Forecast to Forecast Comparison for Transportation Revenues and Distributions 10-Year Period

March 2025 Forecast to November 2024 Forecast millions of dollars

	10-Year Period (2024-2033)			
	Forecast March 2025	Forecast November 2024	Chg from November 2024	Percent Change
Sources of Transportation Revenue				
Motor Vehicle Fuel Tax Collections	15,753.1	15,212.8	540.35	3.55%
Licenses, Permits and Fees	11,302.1	11,311.9	(9.78)	-0.09%
Ferry Revenue†	2,176.7	2,149.3	27.37	1.27%
Toll Revenue	2,980.7	2,980.7	0.00	0.00%
Aviation Revenues	72.4	72.2	0.11	0.16%
Rental Car Tax	497.4	509.5	(12.02)	-2.36%
Vehicle Sales Tax	708.0	697.7	10.34	1.48%
Driver-Related Fees	1,865.7	1,866.0	(0.27)	-0.01%
Business/Other Revenues	729.5	735.0	(5.44)	-0.74%
Total Revenues	36,085.6	35,535.0	550.7	1.55%
Distribution of Revenue				
Motor Fuel Tax Refunds and Transfers	1,027.0	1,127.5	(100.52)	-8.92%
Motor Fuel Administrative Fee - DOL	94.4	89.8	4.53	5.04%
State Uses				
Motor Vehicle Account (108)	7,435.0	7,212.3	222.79	3.09%
Transportation 2003 (Nickel) Account (550)	1,944.0	1,894.1	49.92	2.64%
Transportation 2005 Partnership Account (09H)	2,854.4	2,779.6	74.82	2.69%
Connecting Washington Account (20H)	3,527.5	3,376.5	150.99	4.47%
Multimodal Account (218)	3,727.1	3,736.0	(8.85)	-0.24%
Special Category C Account (215)	222.3	212.8	9.52	4.47%
Puget Sound Capital Construction Account (099)	161.8	154.8	6.92	4.47%
Puget Sound Ferry Operations Account (109)	2,457.5	2,424.8	32.68	1.35%
Capital Vessel Replacement Account (18J)	294.3	296.2	(1.95)	-0.66%
Tacoma Narrows Bridge Account (511)	828.9	828.9	0.00	0.00%
High Occupancy Toll Lanes Account (09F)^	134.2	134.2	0.00	0.00%
SR 520 Corridor Account (16J)	1,029.9	1,029.9	0.00	0.00%
SR 520 Corridor Civil Penalties Account (17P)	39.7	39.7	0.00	0.00%
Interstate 405 Express Toll Lanes Operations (595)	507.9	507.9	0.00	0.00%
Alaskan Way Viaduct Replacement Acct. (535)	440.1	440.1	0.00	0.00%
Aeronautics Account (039)	71.9	71.8	0.11	0.16%
Washington State Aviation Account (21G)	0.4	0.4	0.00	0.00%
State Patrol Highway Account (081)	2,449.9	2,487.1	(37.14)	-1.49%
Highway/Motorcycle Safety Accts. (106 & 082)	1,603.8	1,607.4	(3.55)	-0.22%
School Zone Safety Account (780)	2.1	2.1	0.05	2.27%
Other accounts (201, 06T, 097, 09E, 216, 07C, 24-K)	224.6	223.5	1.05	0.47%
Electric Vehicle Account (20J)	57.8	57.4	0.40	0.70%
Ignition Interlock Devices Revolving Acct 14V	40.2	40.1	0.06	0.14%
Multiuse Roadway Safety Account Collections-571	3.3	3.3	0.03	0.98%
Move Ahead WA Accounts - 26P	1,122.8	1,120.7	2.11	0.19%
Move Ahead WA Accounts - 26Q	185.7	185.4	0.25	0.13%
Total for State Use	31,367.3	30,867.1	500.21	1.62%
Cities	852.6	816.1	36.50	4.47%
Counties	1,386.9	1,329.1	57.80	4.35%
Transportation Improvement Board (112 & 144)	981.1	942.1	39.01	4.14%
County Road Administration Board (102 & 253)	376.4	363.3	13.13	3.61%
Total for Local Use	3,597.0	3,450.6	146.44	4.24%
Total Distribution of Revenue	36,085.6	35,535.0	550.66	1.55%

† Ferry Fares plus non-farebox revenue

March 2025 Baseline Forecast
millions of dollars

Sources of Transportation Revenue	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Motor Vehicle Fuel Tax Collections	1,628.82	1,600.86	1,597.59	1,588.13	1,580.86	1,573.94	1,558.32	1,546.53	1,541.42	1,536.65	1,532.14	1,528.49
Licenses, Permits and Fees	981.91	1,010.74	1,048.58	1,085.40	1,112.62	1,143.81	1,175.34	1,210.90	1,247.68	1,285.08	1,323.38	1,360.48
Ferry Revenue†	182.13	197.19	210.21	214.03	220.16	224.11	227.22	231.69	234.04	235.89	237.89	239.71
Toll Revenue §	291.24	240.04	278.47	285.58	294.70	301.44	309.76	314.18	331.74	333.58	253.24	257.60
Aviation Revenues ‡	7.42	7.62	7.26	7.14	7.05	7.01	7.10	7.14	7.25	7.37	7.44	7.56
Rental Car Tax	46.30	45.33	46.04	48.49	48.52	50.05	51.34	52.64	53.77	54.96	56.13	57.26
Vehicle Sales Tax	63.70	64.48	65.69	67.65	69.68	71.61	73.51	75.42	77.23	79.03	80.86	82.71
Driver-Related Fees	173.32	180.56	190.82	204.06	197.02	181.35	180.91	184.60	183.63	189.43	200.54	208.96
Business/Other Revenues‡	72.09	61.08	79.73	75.81	79.55	79.87	80.63	66.34	67.04	67.39	68.13	68.53
Total Revenues	3,446.93	3,407.91	3,524.40	3,576.28	3,610.16	3,633.20	3,664.13	3,689.43	3,743.81	3,789.39	3,759.74	3,811.29
Distribution of Revenue												
Motor Fuel Tax Refunds and Transfers	96.85	108.17	103.12	103.19	103.10	103.12	102.45	102.01	102.04	102.92	103.08	103.48
Motor Fuel Administrative Fee - DOL	9.59	9.63	9.57	9.54	9.49	9.45	9.36	9.28	9.24	9.21	9.18	9.15
State Uses												
Motor Vehicle Account (108)	648.39	640.80	701.32	715.42	733.60	753.55	773.27	796.98	822.90	848.80	875.74	902.67
Transportation 2003 (Nickel) Account (550)	199.18	195.53	195.64	195.88	195.45	194.91	193.28	191.93	191.35	190.85	190.65	190.45
Transportation 2005 Partnership Account (09H)	297.27	288.35	287.29	286.83	285.71	284.89	282.80	281.03	280.47	279.80	279.30	278.75
Connecting Washington Account (20H)	367.39	359.05	356.85	355.65	353.80	352.18	348.82	345.90	344.63	343.27	342.13	340.98
Multimodal Account (218)	343.30	344.24	355.12	363.98	368.80	376.28	383.17	390.58	397.43	404.20	410.77	416.70
Special Category C Account (215)	23.15	22.63	22.49	22.42	22.30	22.20	21.98	21.80	21.72	21.63	21.56	21.49
Puget Sound Capital Construction Account (099)	16.85	16.47	16.36	16.31	16.22	16.15	16.00	15.86	15.80	15.74	15.69	15.64
Puget Sound Ferry Operations Account (109)	210.38	225.83	238.60	242.39	248.31	252.16	255.08	259.40	261.75	263.58	265.56	267.35
Capital Vessel Replacement Account (18J)	27.63	27.63	28.79	29.26	29.64	29.93	30.07	30.26	30.44	30.64	30.90	31.14
Tacoma Narrows Bridge Account (511)	86.21	77.65	80.76	81.47	82.27	83.03	83.75	84.59	85.44	86.31	87.19	88.08
High Occupancy Toll Lanes Account (09F)^	5.94	7.20	11.47	13.28	15.14	15.11	15.55	16.46	16.85	17.25	17.64	18.06
SR 520 Corridor Account (16J)	80.64	91.95	97.25	96.09	98.94	103.35	106.51	108.24	122.48	124.47	126.36	128.29
SR 520 Corridor Civil Penalties Account (17P)	10.03	(2.81)	3.85	3.92	3.87	3.92	4.02	4.08	4.32	4.53	4.67	4.72
Interstate 405 Express Toll Lanes Operations (595)	45.34	31.38	44.36	49.66	52.92	53.22	56.71	57.37	58.09	58.86	59.59	60.39
Alaskan Way Viaduct Replacement Acct. (535)	63.08	34.66	40.79	41.17	41.57	42.82	43.22	43.44	44.56	44.78	44.98	46.15
Aeronautics Account (039)	7.37	7.57	7.21	7.09	7.00	6.97	7.05	7.09	7.21	7.33	7.39	7.51
Washington State Aviation Account (21G)	0.04	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
State Patrol Highway Account (081)	231.92	232.51	237.54	241.54	243.67	246.71	249.48	252.58	255.57	258.43	261.22	263.57
Highway/Motorcycle Safety Accts. (106 & 082)	145.93	150.34	174.75	183.13	179.63	165.05	159.11	147.66	146.58	151.65	161.47	168.93
School Zone Safety Account (780)	0.25	0.24	0.20	0.20	0.20	0.20	0.21	0.21	0.21	0.21	0.21	0.21
Other accounts (201, 06T, 097, 09E, 216, 07C, 24K)	21.77	21.73	21.96	22.21	22.37	22.45	22.67	22.98	23.13	23.33	23.53	23.74
Electric Vehicle Account (20J)	25.65	32.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ignition Interlock Devices Revolving Acct 14V	3.96	3.83	3.92	3.98	4.01	4.04	4.07	4.10	4.12	4.15	4.17	4.20
Multiuse Roadway Safety Account Collections-571	0.28	0.30	0.31	0.33	0.34	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Move Ahead WA Accounts - 26P	102.67	107.59	111.43	116.12	116.38	115.60	114.29	113.44	112.76	112.46	112.46	112.73
Move Ahead WA Accounts - 26Q	13.27	16.99	17.53	17.86	17.25	16.03	21.36	21.61	21.58	22.19	23.38	24.24
Total for State Use	2,977.91	2,933.88	3,055.84	3,106.22	3,139.43	3,161.13	3,192.85	3,218.00	3,269.79	3,312.23	3,279.80	3,328.30
Local Use												
Cities	88.80	86.79	86.25	85.96	85.52	85.13	84.31	83.61	83.30	82.97	82.70	82.42
Counties	143.60	140.68	139.90	139.85	139.19	138.62	137.38	136.30	135.99	135.39	134.95	134.51
Transportation Improvement Board (112 & 144)	96.58	95.16	95.45	96.24	97.05	98.07	98.79	99.77	101.26	102.76	104.34	105.95
County Road Administration Board (102 & 253)	33.60	33.60	34.27	35.27	36.40	37.70	38.99	40.47	42.18	43.91	45.69	47.50
Total for Local Use	362.58	356.23	355.87	357.33	358.15	359.51	359.47	360.15	362.73	365.03	367.68	370.38
Total Distribution of Revenue	3,446.93	3,407.91	3,524.40	3,576.28	3,610.16	3,633.20	3,664.13	3,689.43	3,743.81	3,789.39	3,759.74	3,811.29

† Ferry Fares plus non-farebox revenue

‡ Aviation Revenues and Business/Other Revenues net of amounts transferred to General Fund in the March 2025

**March 2025
Transportation Revenue Forecast Council
Alternative Revenue Forecasts by Biennium*
Millions of Dollars**

2023 - 2035 Biennium	Revenue	Difference from Baseline (%)	Difference from Baseline (\$)
March 2025 Baseline (50%)	\$ 6,854.83		
Alternative Forecasts			
Optimistic (20%)	\$ 6,878.15	0.3%	23.3
Pessimistic (30%)	\$ 6,833.59	-0.3%	-21.2
Weighted Avg.	\$ 6,853.12	0.0%	-1.7
2025 - 2027 Biennium	Revenue	Difference from Baseline (%)	Difference from Baseline (\$)
March 2025 Baseline (50%)	\$ 7,100.67		
Alternative Forecasts			
Optimistic (20%)	\$ 7,307.44	2.9%	206.8
Pessimistic (30%)	\$ 6,892.02	-2.9%	-208.7
Weighted Avg.	\$ 7,079.43	-0.3%	-21.2
2027 - 2029 Biennium	Revenue	Difference from Baseline (%)	Difference from Baseline (\$)
March 2025 Baseline (50%)	\$ 7,243.36		
Alternative Forecasts			
Optimistic (20%)	\$ 7,569.98	4.5%	326.6
Pessimistic (30%)	\$ 6,817.96	-5.9%	-425.4
Weighted Avg.	\$ 7,181.07	-0.9%	-62.3

*Factors based on Washington State Personal Income: Percentage differences based on Optimistic vs. Baseline and Pessimistic vs. Baseline

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Draft TERFC Bylaws

Presentation to the
Transportation Economic and Revenue Forecast Council

Dave Reich

3/18/25

Proposed TERFC Bylaws

Resolved since November

- ▶ Chair rotation and duration
- ▶ Cleaned up text for consistency
- ▶ Completed final AG review
- ▶ Circulated to all TERFC members-no changes received
- ▶ Ready for Motion?



STATE OF WASHINGTON

ECONOMIC AND REVENUE FORECAST COUNCIL

PO Box 40912 □ Olympia, Washington 98504-0912 □ (360) 534-1560

Transportation Economic and Revenue Forecast Council Bylaws

Article I – Purpose

The Transportation Economic and Revenue Forecast Council (TERFC) will carry out the transportation related provisions of RCW 82.33 (TERFC enabling legislation) and Chapter 42.30 RCW (Open Public Meetings Act) as they currently exist or hereafter amended and will perform the duties and functions as therein prescribed.

Article II – Officers and Duties

- A. Members of the council are appointed in accordance with RCW 82.33. The TERFC consists of the chairs and ranking members of the House and Senate transportation committees, the state treasurer, the director of the office of financial management and the director of the department of licensing. RCW 82.33.015(1).
- B. Vacancies on the TERFC are filled as individuals step into any of the elected or appointed roles that make up the TERFC.
- C. The chair and vice-chair for the council will be selected from the chairs of the House and Senate transportation committees. The council may select such other officers from the other caucus appointees as the members deem necessary.
 - a. The chair and vice-chair shall serve for a period not to exceed one year.
 - b. The chair will alternate between the chairs of the House and Senate transportation committees as follows: the chair of the Senate transportation committee will be chair of the TERFC in odd numbered years and the chair of the House transportation committee will be chair of the TERFC in even numbered years. The vice-chair shall also alternate between the chairs of the House and Senate transportation committees as follows: the chair of the Senate transportation committee will be vice-chair of the TERFC in even numbered years and the chair of the House transportation committee will be vice-chair of the TERFC in odd numbered years.
 - c. The chair and vice-chair shall do all such things as are appropriate for or delegated to such officer by the TERFC.
 - d. Should the current chair or vice-chair vacate the position and their position on the TERFC during the one-year term, the successor chair from the House or Senate transportation committee shall fill the vacancy until the end of term.

Article III – Meetings

- A. A minimum of one council meeting is held per quarter.
- B. Transportation Revenue Review meetings will be scheduled and held in accordance with RCW 82.33.020(2) on or before November 20th, February 20th in the even-

numbered years, March 20th in the odd-numbered years, June 27th, and September 27th.

- C. If the chair is absent from the meeting, the vice-chair will facilitate the public meeting. If both the chair and vice-chair are absent, an acting chair will be designated among the attending council members for the purposes of facilitating the public meeting.
- D. An agenda for each meeting will be published on the ERFC website no later than twenty-four hours before the meeting.

Article IV – Quorum

- A. Five Council members make a quorum.
- B. Any member in continuous communication by telephone, video-conferencing, or similar technology with a council meeting shall also be considered to be present and shall be counted towards the quorum requirement and be eligible to vote.
- C. No votes will be taken on TERFC business unless a quorum is present. The quorum refers to the number of members present, not to the number actually voting on a particular question. Should a member choose to recuse him or herself from voting, the quorum is not affected.
- D. An affirmative vote of five or more is required for adopting the forecast.

Article V – Voting procedures

- A. Voting during the meetings will be recorded in the minutes.
- B. The chair and vice-chair shall have the same voting rights as any other member of the TERFC.
- C. Only duly appointed members of the TERFC (not designees) will be permitted to vote on any issue before the TERFC; no proxies will be permitted to vote except for the treasurer per RCW 43.08.120.
- D. The TERFC shall act by the adoption of a motion or resolution.

Article VI – Minutes

All meetings of the TERFC and subcommittees will have a written record concerning the actions of the council.

Article VII – Change in Bylaws

The bylaws may be reviewed for changes at the request of any member of the Transportation Economic and Revenue Forecast Council. Five or more members must vote to approve any changes to the Bylaws for those changes to be effective.