

ODOT State Revenue Forecast



Transportation Development Division
State Revenue Forecast
October 2019



Foreword

This summary report presents a selection of State Other Funds Revenue forecasts for the Oregon Department of Transportation. It is published twice a year to assist in financial planning, the formulation of transportation budgets, and to support other decision-making activities. The forecast is consistent with the Department of Administrative Services' Oregon Economic & Revenue Forecast (Vol. XXXIX, No. 3, September 2019) and the associated baseline macroeconomic forecast from IHS Markit.

This document is also available at:

<https://www.oregon.gov/ODOT/Data/Pages/Revenue-Forecasts.aspx> and scroll down to the "Most Recent Forecast."

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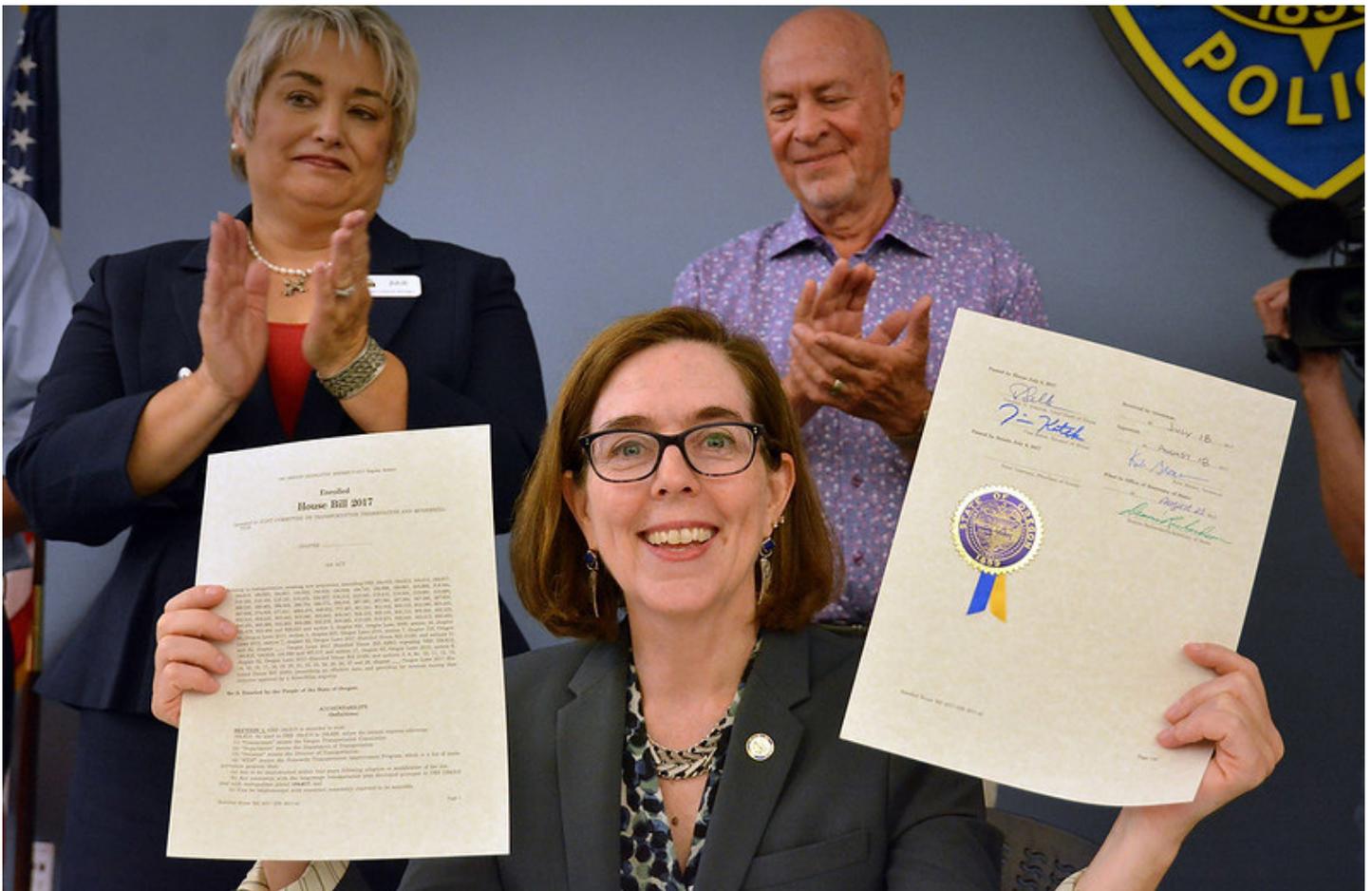
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Forecast Summary

As expected, HB 2017 is providing a large increase in overall State Highway revenues.

Overall, State Highway Fund revenues continue to grow as a result of the tax increases from HB 2017, but compared to the prior forecast growth is weaker due to a larger than anticipated slowdown in new vehicle sales, trucking activity, and fuel sales.

The first round of tax and fee increases by HB 2017 from the 2017 Legislative Session have been effective since January 1, 2018. The next phase of increases are scheduled to take effect in January of 2020, which will increase DMV fees, weight-mile tax rates and motor fuel tax rates if certain conditions are met. Tables 6-8 in the main body of this forecast report include only the guaranteed motor fuels tax increases. The appendix at the end of the report presents alternative Tables 6A-8A, which include the conditional six cents in future fuels tax increases.

Overall, the economic backdrop has not changed much since the last forecast. Employment growth is expected to continue slowing but remain above one percent through 2021. Oregon's population growth rate is lower than in the prior forecast. Part of this change is due to a drop in the net natural increase in population and another part is due to lower net-migration numbers. The current population forecast now calls for deaths to exceed births in the latter 2020's. This will place the entire burden for any population growth on net migration, which is a key factor for growth in transportation revenues.

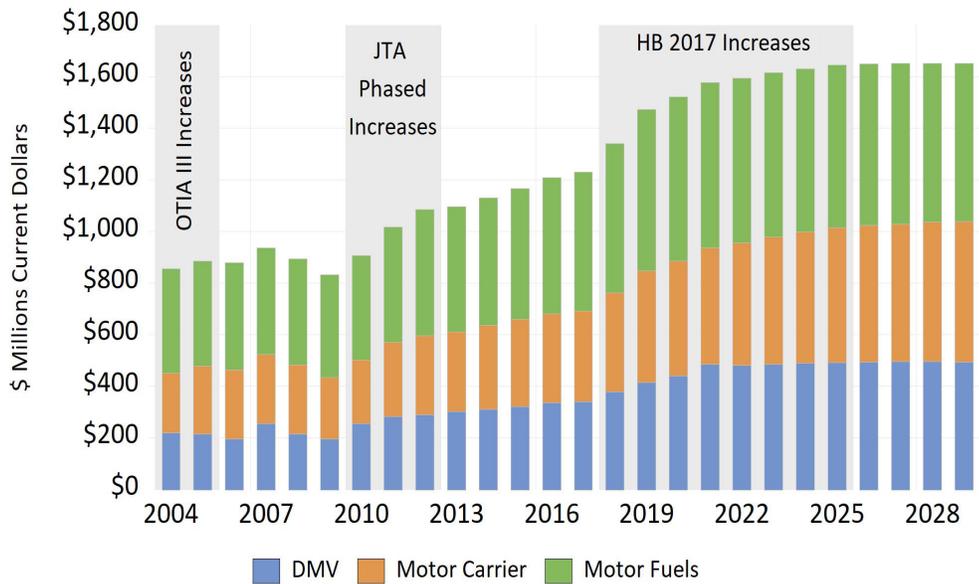
Motor Fuels revenue growth finished state fiscal year 2019 up 7.5 percent due to the tax rate change in January of 2018. This rate is 0.6 percentage points lower than the prior forecast. Absent any tax changes, revenues grow through fiscal year 2021 before declining through the remainder of the forecast. If the conditions are met enabling the additional \$0.02 per gallon rate to take effect in calendar years 2020, 2022 and 2024, revenue growth will increase through fiscal year 2025.

Motor Carrier revenue, led by weight-mile collections, finished state fiscal year 2019 with growth of 14.2 percent, due to the tax rate changes. This rate is 1.9 percentage points lower than the prior forecast, as weight-mile revenue came in weaker than previously anticipated. HB 2017 increased weight-mile rates in a phased approach every two years beginning in January of 2018. Looking ahead, significant revenue growth is expected through fiscal year 2025 as the rates increase. However, the slowing economy is expected to lead to overall slower growth if the rates were held constant.

Like Motor Fuels and Motor Carrier, DMV revenues finished state fiscal year 2019 significantly higher, increasing 9.7 percent. Motor Carrier and Motor Fuels, DMV revenues for fiscal year 2019 were lower than previously forecasted as well. HB 2017 increased fees for most registration and title transactions beginning in January of 2018, and phasing some increases in 2020 and 2022. Absent the fee changes, transaction growth has been buoyed by strong in-migration. Going forward, transaction growth is expected to slow as in-migration growth slows. However, revenue should continue growing at a higher rate over the next several fiscal years as the fee increases from HB 2017 are implemented.

Figure 1. Total Gross State Highway Revenue by Fiscal Year

Revenue growth will continue through FY 2025 as the tax and fee increases are phased in from HB 2017.



Source: October 2019 ODOT State Revenue Forecast

On a fiscal year basis, total gross revenues show a sharp increase year over year beginning in FY 2018, continuing through FY 2025, with the largest increases coming in FY 2018 and FY 2019. On a biennial basis, compared to the prior forecast gross revenues are down over the forecast period, with the gap increasing in the outer forecast years. Net revenues follow a similar pattern but display a larger gap between forecasts as costs are anticipated to rise faster than in the prior forecast.

Table 1. Change in Revenues from the December 2018 Forecast

(\$ Millions)	2017-19	2019-21	2021-23	2023-25	2025-27
Motor Fuels (w/ triggered increases)					
Gross	\$(14.2)	\$(2.3)	\$(18.7)	\$(40.6)	\$(59.6)
Net Apportionable	\$(14.5)	\$(3.1)	\$(19.6)	\$(41.5)	\$(60.5)
Motor Fuels (w/o triggered increases)					
Gross	\$(14.2)	\$(2.2)	\$(16.9)	\$(34.8)	\$(50.6)
Net Apportionable	\$(14.5)	\$(5.2)	\$(22.9)	\$(44.1)	\$(60.8)
Motor Carrier					
Gross	\$(1.8)	\$(14.2)	\$(8.0)	\$(11.1)	\$(10.5)
Net Apportionable	\$(1.8)	\$(13.9)	\$(7.8)	\$(10.9)	\$(10.3)
DMV					
Gross	\$(7.3)	\$14.3	\$(1.3)	\$(5.2)	\$(3.6)
Net Apportionable	\$(7.3)	\$2.4	\$(16.9)	\$(19.0)	\$(16.7)
Total (w/ triggered increases)					
Gross	\$(23.3)	\$(2.1)	\$(28.0)	\$(56.9)	\$(73.8)
Net Apportionable	\$(23.7)	\$(14.6)	\$(44.3)	\$(71.4)	\$(87.5)
Total (w/o triggered increases)					
Gross	\$(23.3)	\$(2.0)	\$(26.2)	\$(51.1)	\$(64.8)
Net Apportionable	\$(23.7)	\$(16.7)	\$(47.7)	\$(74.0)	\$(87.8)

A penny increase in the motor fuels tax will yield about \$29.2 million in net revenue with the heavy equivalent included.

Forecast yields have changed with this forecast, decreasing into the outer years of the forecast. On average, we estimate a penny increase in the motor fuel tax rate will yield \$17.6 million in net revenue per year without the weight-mile tax and \$29.2 million in net revenue per year with the weight-mile tax included through fiscal year 2029. Net motor fuel tax revenue is defined as gross revenue minus collection costs and the non-highway fuel tax transfers for the fuel used in non-highway sources, like ATV's and lawnmowers. The amount of the non-highway transfers is based on the tax rate. Assuming consumption does not change, it will increase as the tax rate increases.

Transportation Backdrop

Slowing economic growth will act as a drag on transportation transaction growth.

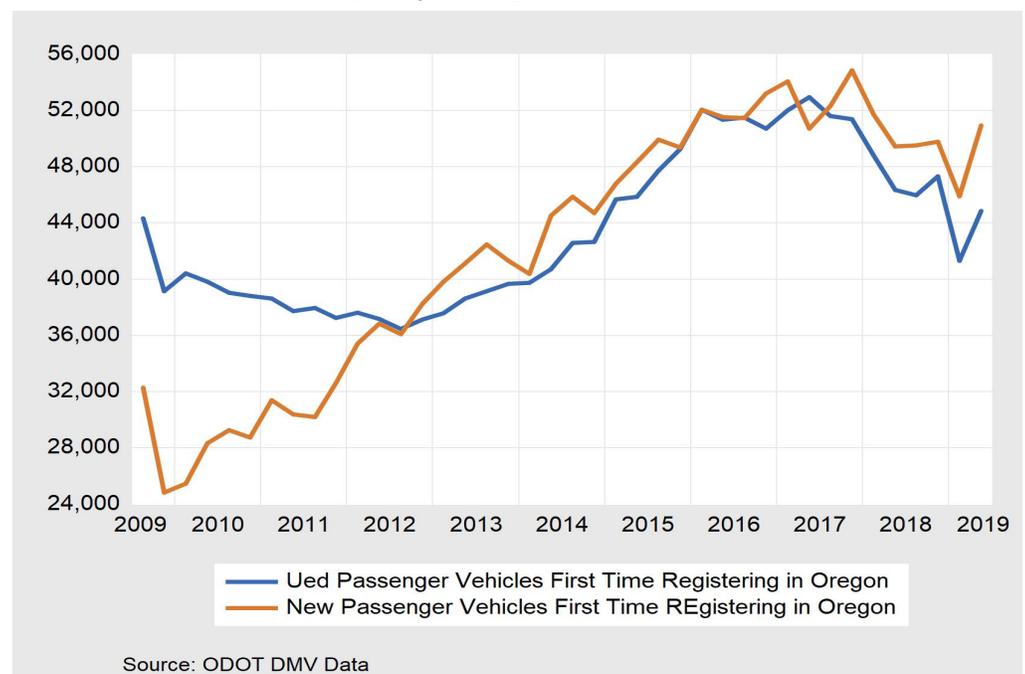
The current outlook for Oregon's economy has not changed much compared to the previous forecast provided by the Office of Economic Analysis, Oregon Department of Administrative Services. The general expectation is that the economy will continue growing, but at slowing rates (Table 2). As our growth slows, we are no longer outpacing the nation, which likely is contributing to slowing net migration. While income growth remains strong, this is no longer translating into new vehicle sales or increased fuel consumption.

A full discussion of the state and national economic forecasts can be found on Oregon Office of Economic Analysis website located here. <http://www.oregon.gov/DAS/OEA/Pages/index.aspx>

Overall, the number of passenger vehicles entering Oregon's fleet has been declining in the last few years, indicative of a slowing economy. Data for the first two quarters of 2019 is a bit misleading because of the DMV data system migration that happened in January of 2019. The proportion of new vehicles entering the fleet is slightly above the proportion of used vehicles first time registering in Oregon (Figure 2). The proportion of new vehicles entering the fleet typically declines during the recessions.

Figure 2. New and Used Passenger Vehicles First Time Registering in Oregon (quarterly frequency – seasonally adjusted)

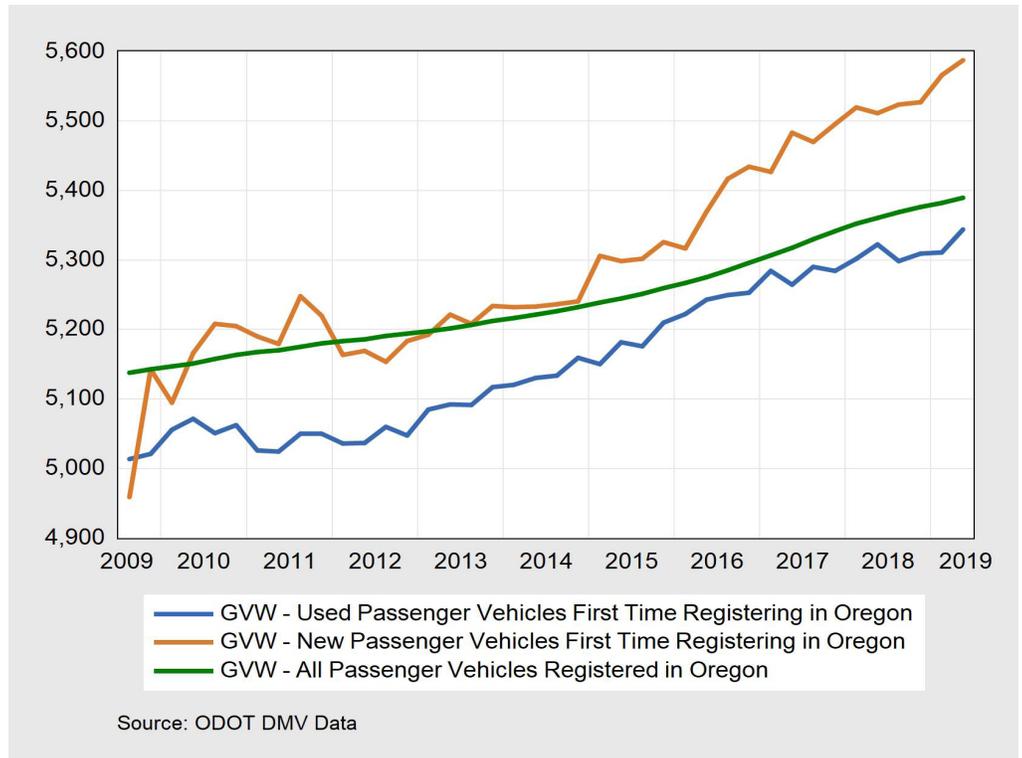
The number of used vehicles entering the fleet is about the same as the number of new vehicles entering the fleet.



There are some interesting differences between new vehicles first time registering and used vehicles first time registering in Oregon. Used vehicles on average have a lower gross vehicle weight (GVW). Most of these vehicles likely belong to people who just moved to Oregon from another state. Another interesting fact is that people moving from other states on average have lighter vehicles compared to all passenger vehicles currently registered in Oregon (Figure 3). The other pattern that has emerged in the past three years is the rapid increase in average GVW for new vehicles, which explains the recent pattern of slower growth in fuel efficiency of Oregon's fleet.

Figure 3. Gross Vehicle Weight (GVW) of New and Used Passenger Vehicles First Time Registering in Oregon

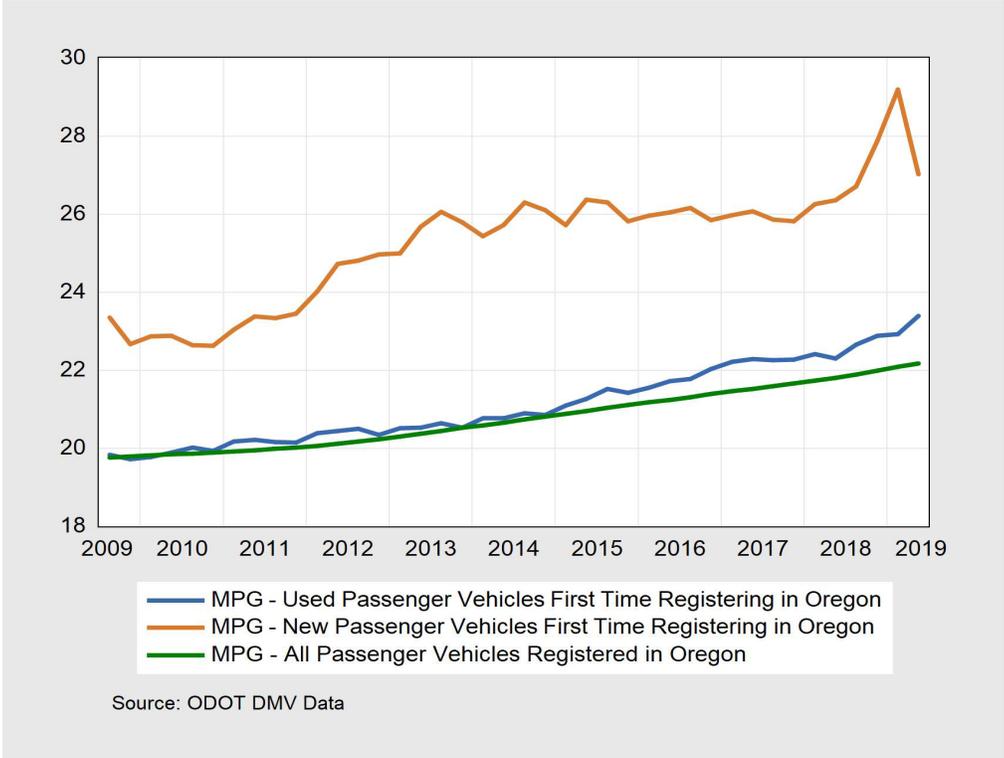
The average GVW has been increasing over time.



The overall average fuel efficiency of new passenger vehicles entering the fleet is higher than the average fuel efficiency of all currently registered passenger vehicles in Oregon. This contributes positively to overall improvements in fuel efficiency of the entire fleet (Figure 4).

Figure 4. Fuel Efficiency, Miles per Gallon (MPG), of New and Used Passenger Vehicles First Time Registering in Oregon

The average MPG of new vehicles was stagnant for a while. It has jumped in the last two years, due to increased share of electric vehicle sales.



The share of electric and hybrid vehicles entering the fleet has been steadily increasing (Figure 5). The proportion of Electric vehicles is growing rapidly, reflective of government policies, such as: Oregon’s Electric Vehicle Rebate program administered by DEQ, investments in charging station infrastructure, zero emission vehicle (ZEV) sale mandate imposed on dealers, and other policies promoting the adoption of electric vehicles.



Figure 5. Share of New Electric and Hybrid Passenger Vehicles Entering the Fleet

The share of electric and hybrid vehicles entering the fleet has been steadily increasing.

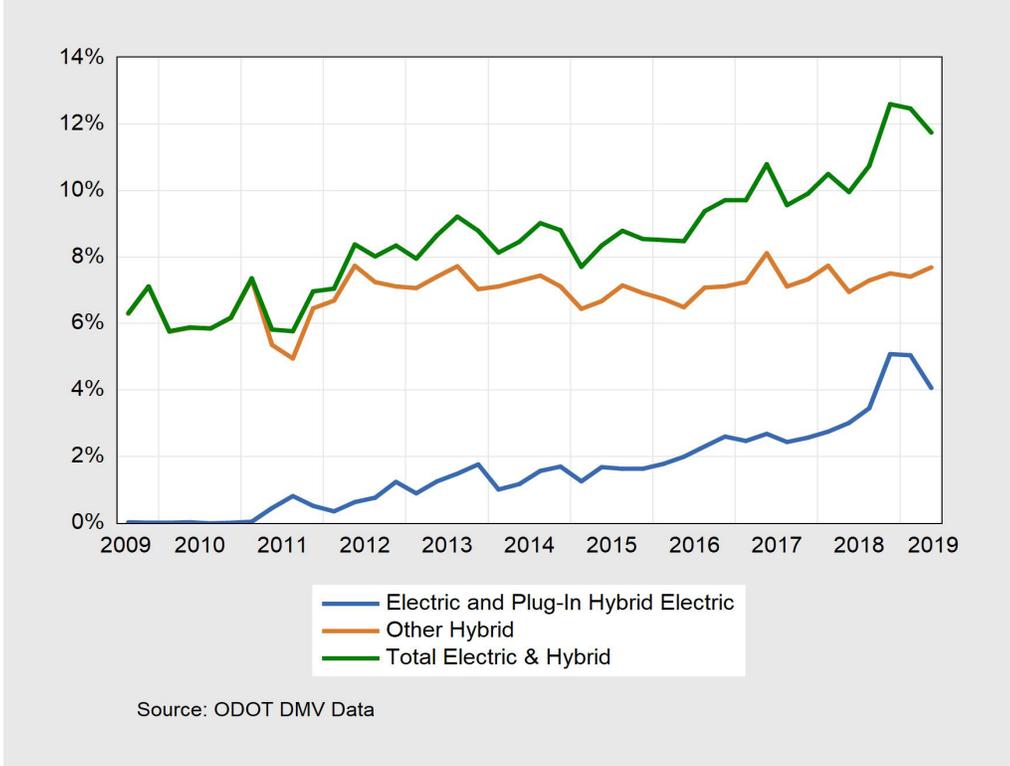


Table 3 highlights changes for some of the most important revenue generating variables in the ODOT state highway revenue forecast. Growth across DMV, Motor Carrier and Motor Fuels peaked in 2015-2016. Growth has slowed through 2017 and in some cases has turned negative into 2018. Looking ahead, with a continual slowdown in the economy expected, transportation transactions face significant headwinds to growth.



Table 2. Percentage Change in Key Economic Variables

	Actual		Forecast									
	CY	CY	CY	CY	CY	CY	CY	CY	CY	CY	CY	CY
	17	18	19	20	21	22	23	24	25	26	27	28
OREGON EMPLOYMENT--TOTAL	2.3%	2.0%	1.8%	1.8%	1.3%	1.0%	0.7%	0.7%	0.8%	0.7%	0.6%	0.6%
EMPLOYMENT--CONSTRUCTION	8.2%	7.6%	3.9%	1.3%	1.3%	0.6%	0.7%	0.3%	0.3%	0.4%	0.5%	0.4%
EMPLOYMENT--TRANSPORTATION	3.3%	4.0%	5.2%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%	0.0%	0.1%	0.1%
EMPLOYMENT--DURABLE GOODS	0.3%	3.0%	1.9%	-0.0%	-0.3%	0.2%	0.1%	0.0%	0.2%	0.3%	0.1%	0.0%
OREGON HOUSING STARTS	1.6%	2.1%	9.3%	4.9%	4.0%	2.2%	-1.3%	0.9%	-1.8%	-0.7%	-1.4%	-0.6%
OREGON POPULATION	1.6%	1.3%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%	1.0%	1.0%	0.9%	0.9%
PORTLAND METRO CONSUMER PRICE INDEX	2.8%	3.3%	2.8%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.5%
OREGON REAL PERSONAL INCOME	3.3%	2.9%	3.7%	3.4%	3.1%	2.9%	2.7%	2.7%	2.7%	2.7%	2.6%	2.7%
NATIONAL REAL PRICE OF GASOLINE	10.9%	10.4%	-7.7%	1.0%	6.6%	1.7%	0.8%	0.8%	0.8%	0.8%	1.3%	1.7%
NATIONAL UNIT SALES OF NEW LIGHT VEHICLES	-1.9%	0.3%	-2.5%	-0.8%	-0.9%	-0.5%	0.8%	0.7%	0.5%	0.1%	0.2%	0.3%

Table 3. Percentage Change in Transactions for Key Oregon Transportation Variables

	Actual		Forecast									
	CY	CY	CY	CY	CY	CY	CY	CY	CY	CY	CY	CY
	17	18	19	20	21	22	23	24	25	26	27	28
MOTOR FUELS GALLONS (WITHOUT TRIGGERS)	2.2%	0.3%	-0.2%	2.0%	0.1%	-0.3%	-0.5%	-0.4%	-0.6%	-0.7%	-0.8%	-0.8%
MOTOR FUELS GALLONS (WITH TRIGGERS)	2.2%	0.3%	-0.2%	2.0%	0.1%	-0.3%	-0.5%	-0.4%	-0.6%	-0.7%	-0.8%	-0.8%
ORIGINAL CLASS C LICENSES	-0.2%	-1.4%	-4.0%	1.2%	28.4%	-16.2%	-1.6%	-0.1%	-1.0%	-1.6%	-1.1%	-0.7%
PASSENGER VEHICLE REGISTRATIONS	1.1%	1.1%	-0.5%	0.7%	1.3%	0.1%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
TITLE TRANSFERS	2.3%	-1.1%	-3.8%	-1.6%	0.2%	-0.6%	0.1%	0.5%	0.3%	0.3%	0.2%	0.3%
TRUCKING ACTIVITY (WEIGHT-MILE)	1.4%	-2.1%	1.3%	0.1%	1.7%	-1.5%	1.1%	-0.5%	1.2%	1.1%	1.1%	1.1%

DMV

The Driver and Motor Vehicle Services Division (DMV) is responsible for administration of driver and motor vehicle related activities. Revenues collected from the fees charged for the various DMV activities flow into the State Highway Fund, the Transportation Operating Fund and into other funds administered by ODOT divisions such as Public Transit and Passenger Rail. Additionally some fees net of costs are transferred to outside entities. For example, RV-related fees are transferred to the Oregon Parks and Recreation Department. Lastly, revenues remaining after deducting transfers and costs are apportioned to cities and counties statewide for local road repair, maintenance and construction.

The DMV forecast is produced at the transaction level and aggregated to the summary level. The transactions are grouped

DMV has the largest number of transactions to forecast but only a handful have significant impacts on revenue.



into three different business lines: Vehicle, Driver, and Business Regulation. The Vehicle program area contains the transactions related to legal ownership and operation of a vehicle, including titling, plates, registrations and permits. The Driver program contains the transactions related to the legal right to operate a vehicle, including permits, licenses, endorsements and the associated tests to obtain these rights to drive. The Business Regulation program is tasked with ensuring the businesses that sell vehicles in Oregon are properly licensed along with those that dismantle and transport vehicles.

In total the DMV forecast contains over 240 individual product transactions and over 100 different forecast equations. However, most of these transactions have little significant impact on the

overall forecast as their volumes and fee levels are small. In FY 2019, of the total number of transactions, about 80 percent of the revenue was collected by about 10 DMV transactions. Passenger vehicle registrations alone accounted for almost 47 percent of all revenue collected by DMV. Other significant contributors are truck and light trailer registrations, light vehicle trip permits, light title transactions, plate manufacturing fees, vehicle and driver related record fees and class C non-commercial licenses and renewals.

DMV provides the gateway to access Oregon's transportation system and is heavily influenced by changes in population.



DMV activities are affected by various economic and demographic variables and provide a reflection of broad undercurrents in the state. The impacts from changes in population, employment, migration, and economic production are readily evident in many of the DMV data series. In general, DMV activities are more strongly affected by demographic than economic changes, and as such are generally more immune to cyclical swings typical with economic variables. Of the three business lines in DMV, the Vehicle and Business Regulation programs are most susceptible to economic influences, especially related to new vehicle titles.

Currently DMV is in a transition period; after several years of strong growth DMV is likely headed toward several years of slow growth. While the economy is still expanding, the rate is slowing. U.S. economic expansion generally means jobs are plentiful and

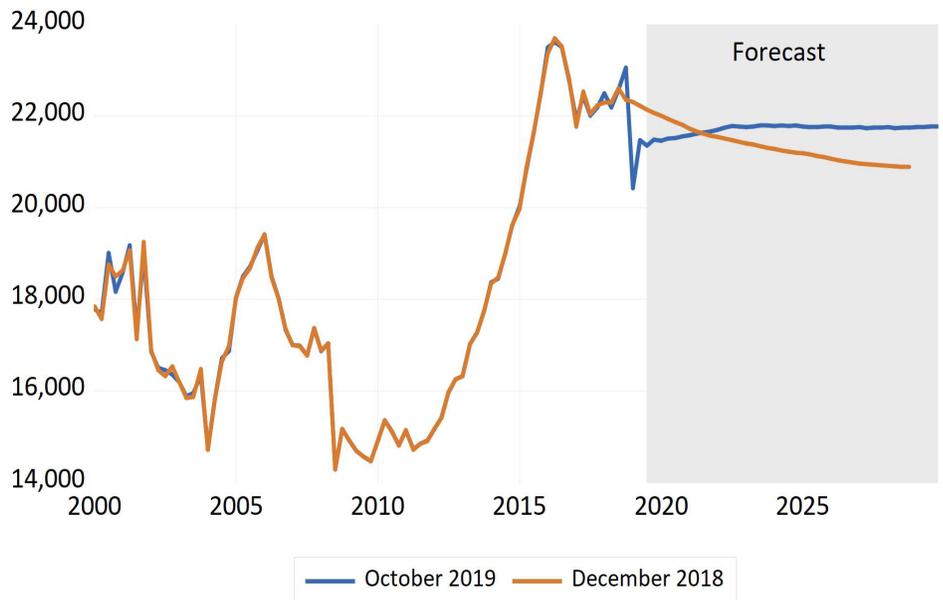
movement across state borders is easier. States with higher quality of lives see increases in in-migration during these periods. As Oregon enjoys a high standard of living, its population is currently increasing, which impacts both the Driver and Vehicle programs in DMV.

A surrendered license transaction occurs when a person moves to Oregon from another state surrendering their out-of-state license to DMV. This is the first contact with DMV for this group of people. Unfortunately, we lack additional information about who these people are, such as their age and location to which they are moving. Regardless, it is a valuable statistic that influences other DMV transactions. Figure 6 compares the surrendered license forecast to the prior outlook. Data shows that growth peaked at the end of 2016 and the rate has dropped a bit. The current outlook is for the rate to stay stable.

The impact that surrendered licenses has on other DMV transactions begins first with non-commercial class C licenses. As

Figure 6. Out-of-State Surrendered License – Forecast Comparison (quarterly frequency – seasonally adjusted)

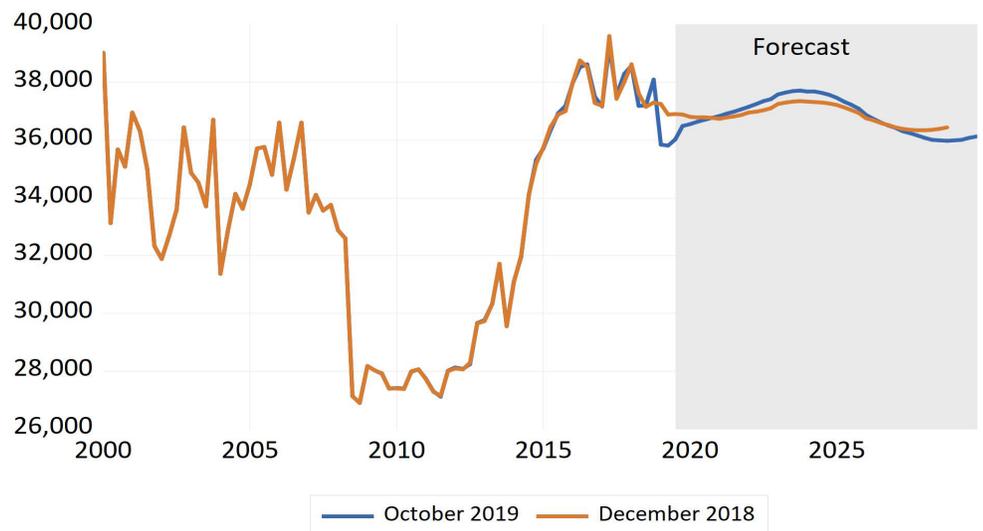
The number of out-of-state surrendered licenses peaked in 2016.



Source: October 2019 ODOT Forecast

an individual moves to Oregon and surrenders their old license, they get a new Oregon issued license. Figure 7 compares the current forecast to the prior one. The license sales bottomed out in 2011 with about 110,000 licenses sold that year before growing rapidly in a very similar pattern to the surrendered licenses. Following the pattern in surrendered licenses, growth seems to have peaked in 2016 at over 152,000 sold.

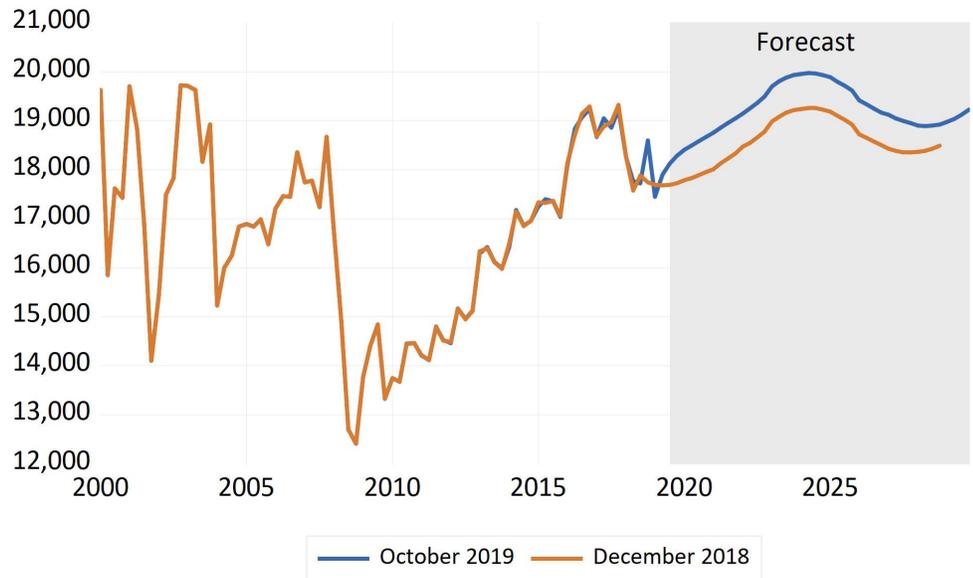
Figure 7. Original Class C Non-Commercial License – Forecast Comparison (quarterly frequency – seasonally adjusted)



Source: October 2019 ODOT Forecast

The other factor influencing the growth in driver licenses is instructional permits. Beginning in March of 2000, young adults under the age of 18 looking to obtain their driver license must first get their permit and complete 50 hours of certified driving experience. Prior to this, the instruction permit was only required for drivers under 16. As Figure 8 shows, the recession and stricter documentation requirements had a negative impact on permit sales. As the economy recovered so did the permit sales, with growth peaking toward the end of 2016. Fast forward several months and a lot of these permittees will be applying for an original class C driver license, which helps explain the jump in license sales. This increased workload from in-migration and from existing

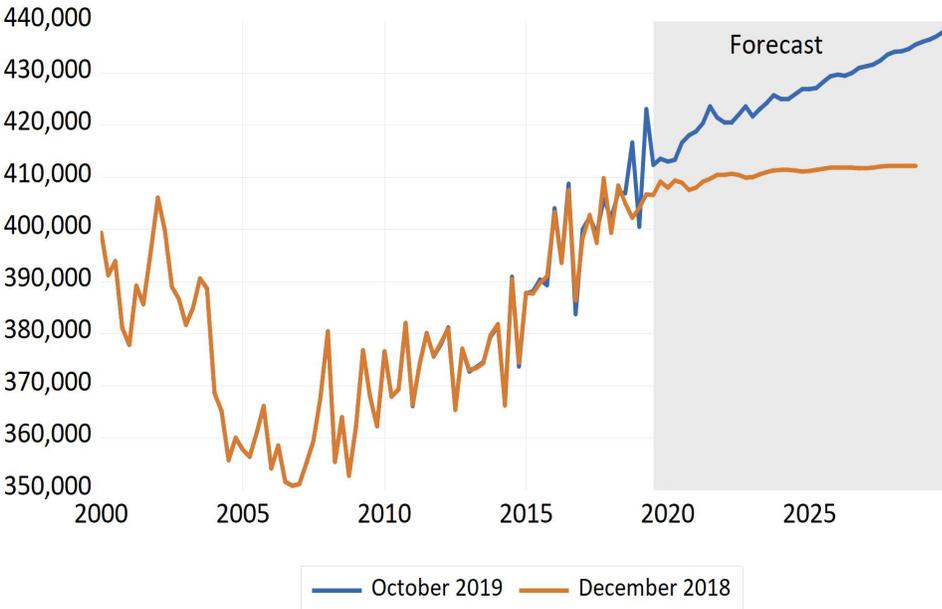
Figure 8. Non-Commercial Instructional Permits – Forecast Comparison (quarterly frequency – seasonally adjusted)



Source: October 2019 ODOD Forecast

Oregon residents impacts the Vehicle program as well. When someone surrenders their license they likely have a vehicle they want to legally title and register in Oregon. While having an Oregon title provides documented ownership of a vehicle, to be driven legally on the road the vehicle needs to be registered. New vehicles are eligible to register for a four year period, while used vehicles brought into the state or vehicles already registered in Oregon renewing their registration will typically register for two years. The forecast for two year registrations is primarily impacted by the existing fleet as it renews, but strong in-migration is also causing a pronounced increase in registrations (Figure 9).

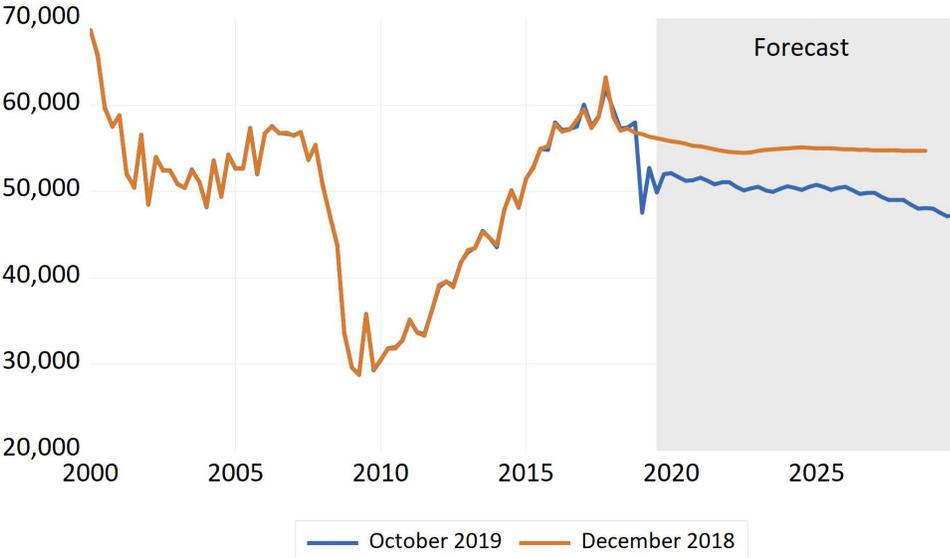
Figure 9. Two-Year Passenger Vehicle Registrations – Forecast Comparison (quarterly frequency – seasonally adjusted)



Source: October 2019 ODDO Forecast

The recession created pent-up demand for new vehicle sales, leading to consistent growth between 2012 and 2015 in light vehicle sales (Figure 10). Sales peaked in 2017 and now are gradually declining.

Figure 10. New New Light Vehicle Titles – Forecast Comparison (quarterly frequency – seasonally adjusted)

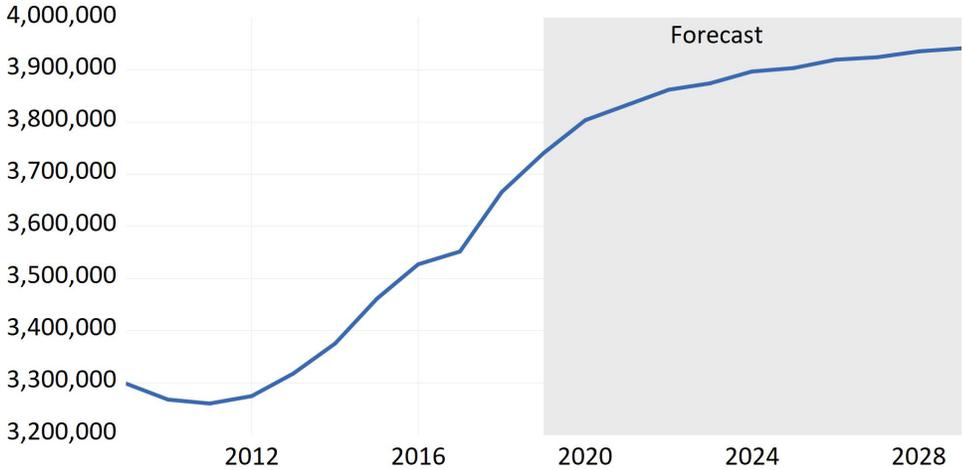


Source: October 2019 ODOT Forecast

As of July 2019, there were 3,707,100 registered passenger vehicles in Oregon (Figure 11). The number will continue to grow for the forecast horizon, but the growth rates are expected to slow down because of declining new vehicle sales. The proportion of hybrid and electric vehicles in the stock is expected to grow fairly rapidly as more consumer options become available and the infrastructure grows (Figure 12). This forecast is a baseline projection of what we expect to happen if current policies remained unchanged. The stock forecasts are developed based on vehicle in and out flow. The flow in is projected based on Energy Information Agency (EIA) reference scenario forecast from 2019 Annual Energy Outlook. The flow out is projected utilizing survival analysis of Oregon's historic vehicle registration data.

Figure 11. Registered Passenger Vehicles Stock Forecast

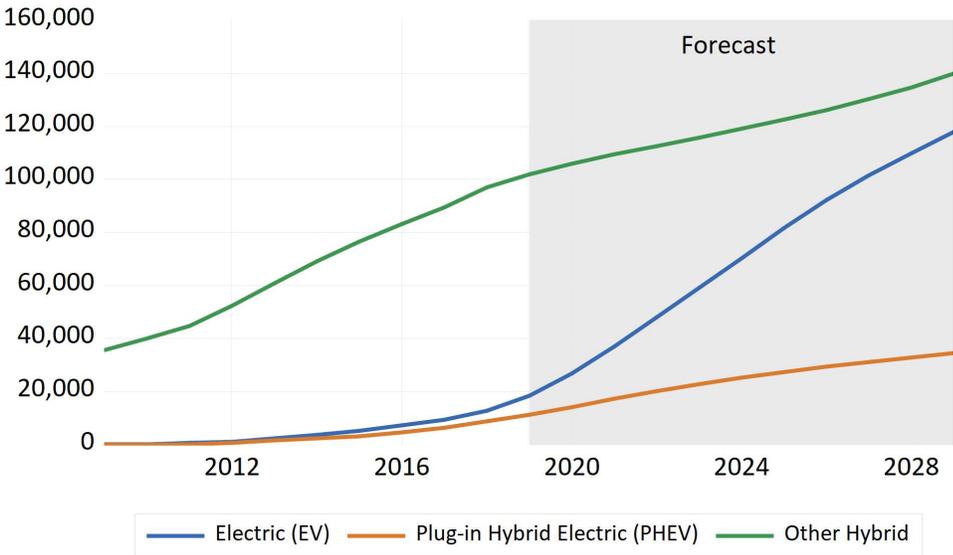
Total number of registered passenger vehicles will continue to grow but at a slower rate.



Source: October 2019 ODOT Forecast

Electric vehicle stock grows the fastest compared to other vehicle stocks.

Figure 12. Electric and Hybrid Vehicle Stock Forecast

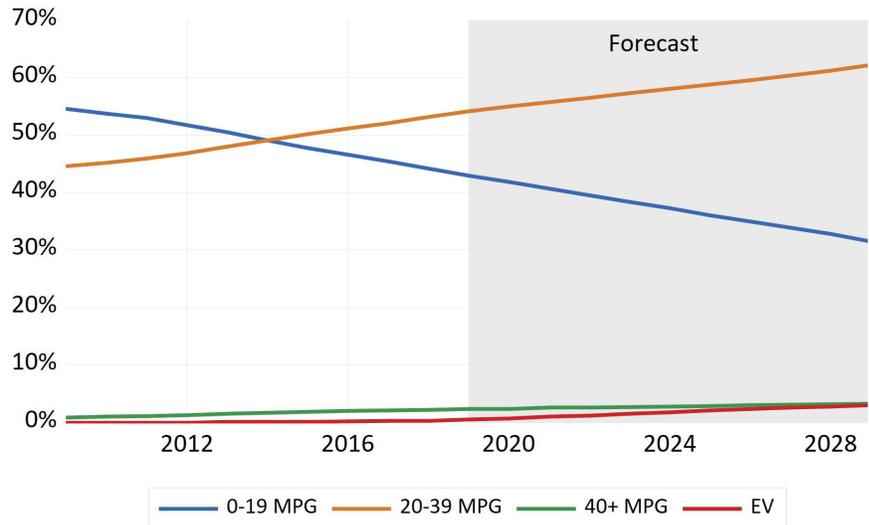


Source: October 2019 ODOT Forecast

Overshadowing the impact of population and economic changes are the increases related to HB 2017. This bill significantly increases most light vehicle registration and title fees along with trip permits. The most significant increases in terms of revenue are in passenger registrations and light titles. In both cases fees are increased in stages, beginning in January of 2018 with subsequent increases in January of 2020 and 2022. In addition to increased fees over time the bill also creates varying fee structures for both passenger registrations and light titles based on the EPA fuel efficiency rating of the vehicle, beginning with the increases in 2020. Under this structure a higher rated vehicle pays more in registration and title fees. The tiered schedule is created to address the issue of user equity (Figure 13). Because our current taxation is based on gas/diesel consumption, more efficient light vehicles end up not paying their fair share of road usage compared to their lower efficient counterparts. While the tiered fee structure is not user based it does attempt to address this equity concern.

Tiered fee schedule will help to maintain equity among highway system users.

Figure 13. Passenger Stock Shares by MPG Tier



Source: October 2019 ODOT Forecast

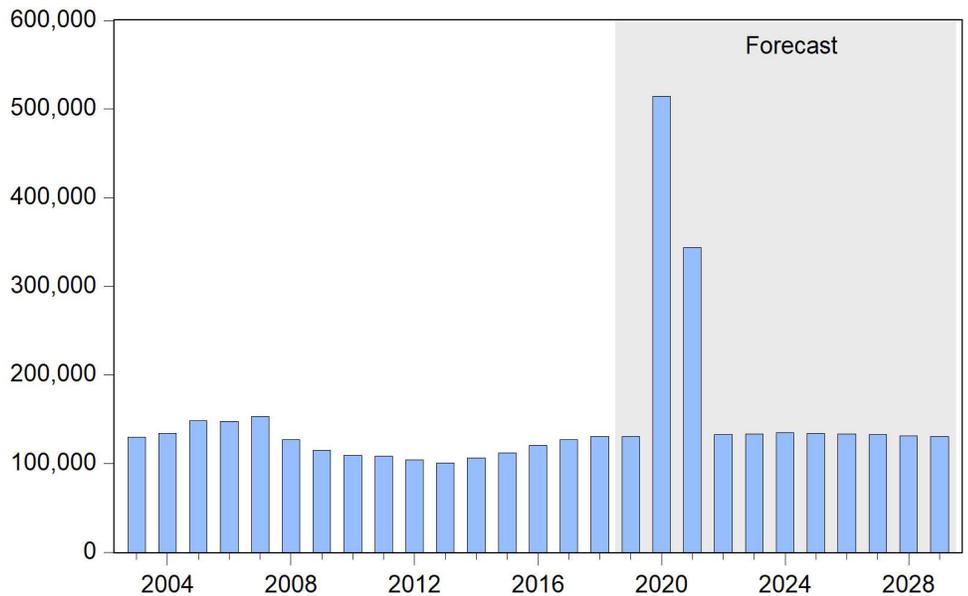
Table 4 shows DMV revenues based on forecasted transaction volumes. The gross revenue portion of Table 4 is grouped into three major components reflecting the primary revenue sources: vehicle registrations, driver licenses, and vehicle titles. Row one and three contain the Vehicle program revenue which is dominated by light vehicle title transfer and passenger vehicle registration revenue.

Driver revenue includes original issuance, renewal, and replacement of commercial and non-commercial licenses and permits, testing fees and other associated fees. Gross revenues are shown in row 2 of Table 4. There are two policy changes that will have an impact on a number of driver related transactions. First, is the implementation of Real ID: as of October 2020, Oregon residents would have to have Real ID compliant driver licenses/ID cards to be able to travel to other states. DMV will start issuing Real ID compliant cards in July of 2020. This will create a significant increase in replacement card transactions as well as an increase in early renewals (drivers are allowed to renew their cards within 12 months of expiration date). Second, is the implementation of HB 2015, where undocumented immigrants will be able to get driver licenses, permits, and ID cards. These impacts were added to ODOT's October 2019 baseline forecast.

As a result, driver revenues increased by 29% for 2019-21 biennium compared to the previous forecast, and 12% for 2021-23 biennium.

Implementation of Real ID will nearly triple replacement card transactions for 2019-21 biennium.

Figure 14. Replacement Driver Licenses



Source: October 2019 ODOT Forecast

Row 5 of Table 4 summarizes the change in gross revenues from the previous forecast. FY19 to FY23 show a negative change from the last forecast.

Rows 6 through 11 and 13 through 15 of Table 4 give the costs associated with administration of DMV and transfers of the DMV revenues to support JTA and OTIA projects and for other statutory purposes.

DMV program costs primarily change when personal services costs change or programs are phased in or phased out. ODOT's approved budget for 2017-19 includes expenditure authorization for DMV computer system modernization project. This project replaces a system created in the 1960's with one using current technologies, and is estimated to cost \$90 million over 10 years. Below is the updated schedule for project expenses:

	Actual	Forecast				Project Total
Biennium	2015-17	2017-19	2019-21	2021-23	2023-25	2015-2025
Estimated Total Expenses (in millions)	\$12.0	\$35.0	\$30.0	\$10.0	\$3.0	\$90.0

Net DMV revenues, as represented in row 12 of Table 4, show the impact of the DMV projects on revenue growth as well as general inflation impacts on DMV programs.



Table 4. Highway Fund Revenue Collected by DMV (Millions of Dollars)

	Actual		Forecast										Actual	Forecast				
	FY	BI		BI	BI	BI												
	18	19	20	21	22	23	24	25	26	27	28	29		17-19	19-21	21-23	23-25	25-27
1 VEHICLE REGISTRATIONS	\$221.8	\$250.7	\$271.7	\$293.3	\$301.3	\$308.3	\$311.4	\$313.7	\$316.4	\$318.1	\$319.9	\$318.6	\$472.4	\$565.0	\$609.6	\$625.1	\$634.5	\$638.5
2 DRIVER LICENSES & OTHER	\$32.6	\$32.9	\$33.1	\$53.9	\$39.4	\$36.7	\$37.2	\$36.5	\$35.4	\$34.8	\$34.3	\$34.2	\$65.4	\$86.9	\$76.1	\$73.7	\$70.2	\$68.5
3 TITLE, PLATE & OTHER	\$122.7	\$130.2	\$135.1	\$137.9	\$138.8	\$139.5	\$140.2	\$141.0	\$141.2	\$141.4	\$141.5	\$141.3	\$252.9	\$273.0	\$278.4	\$281.1	\$282.6	\$282.8
4 TOTAL DMV COLLECTIONS	\$377.1	\$413.7	\$439.9	\$485.1	\$479.5	\$484.5	\$488.8	\$491.2	\$493.0	\$494.2	\$495.8	\$494.1	\$790.8	\$925.0	\$964.1	\$980.0	\$987.2	\$989.9
5 Change from Previous Forecast	(\$3.2)	(\$4.1)	(\$1.6)	\$16.0	\$1.2	(\$2.5)	(\$2.8)	(\$2.4)	(\$1.8)	(\$1.8)	\$0.5	NA	(\$7.3)	\$14.3	(\$1.3)	(\$5.2)	(\$3.6)	NA
6 COLLECTION/ADMINISTRATION & PROGRAM COST	(\$109.5)	(\$111.7)	(\$118.7)	(\$121.1)	(\$116.1)	(\$118.5)	(\$120.4)	(\$122.9)	(\$127.3)	(\$129.8)	(\$136.2)	(\$138.9)	(\$221.2)	(\$239.9)	(\$234.6)	(\$243.3)	(\$257.1)	(\$275.1)
7 TRAFFIC SAFETY TRANSFER	(\$0.6)	(\$0.6)	(\$0.6)	(\$0.6)	(\$0.7)	(\$0.7)	(\$0.7)	(\$0.7)	(\$0.8)	(\$0.8)	(\$0.9)	(\$0.9)	(\$1.2)	(\$1.3)	(\$1.4)	(\$1.5)	(\$1.6)	(\$1.7)
8 DEPARTMENT OF EDUCATION TRANSFER	(\$0.1)	\$0.0	(\$0.1)	\$0.0	(\$0.1)	\$0.0	(\$0.1)	\$0.0	(\$0.1)	\$0.0	(\$0.1)	\$0.0	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)
9 E-GOV RECORDS INCREMENTAL REVENUE TRANSFER	(\$5.3)	(\$5.6)	(\$8.1)	(\$8.2)	(\$8.2)	(\$8.3)	(\$8.3)	(\$8.3)	(\$8.3)	(\$8.4)	(\$8.4)	(\$8.4)	(\$10.9)	(\$16.3)	(\$16.5)	(\$16.6)	(\$16.7)	(\$16.7)
10 ODOT CENTRAL SERVICES ASSESSMENT	(\$30.1)	(\$30.7)	(\$30.7)	(\$31.3)	(\$32.9)	(\$33.5)	(\$35.2)	(\$35.9)	(\$37.6)	(\$38.4)	(\$38.4)	(\$38.4)	(\$60.8)	(\$62.0)	(\$66.4)	(\$71.0)	(\$76.0)	(\$76.8)
11 NET DMV REVENUE	\$231.6	\$265.2	\$281.6	\$323.8	\$321.6	\$323.6	\$324.0	\$323.4	\$318.8	\$316.9	\$311.9	\$307.6	\$496.8	\$605.4	\$645.1	\$647.5	\$635.7	\$619.5
12 REVENUE SET-ASIDE TO OTIA I & II - memo	(\$7.0)	(\$7.0)	(\$7.1)	(\$7.8)	(\$7.3)	(\$7.3)	(\$7.4)	(\$7.5)	(\$7.5)	(\$7.5)	(\$7.5)	(\$7.5)	(\$14.0)	(\$14.9)	(\$14.6)	(\$14.9)	(\$15.0)	(\$15.1)
13 REVENUE PLEDGED TO OTIA III - memo	(\$84.3)	(\$83.6)	(\$83.3)	(\$84.2)	(\$84.3)	(\$84.1)	(\$84.5)	(\$84.8)	(\$85.0)	(\$85.1)	(\$85.3)	(\$85.3)	(\$167.9)	(\$167.5)	(\$168.4)	(\$169.3)	(\$170.2)	(\$170.5)
14 REVENUE DUE TO JTA - memo	(\$112.3)	(\$111.5)	(\$111.3)	(\$111.7)	(\$111.8)	(\$111.7)	(\$112.3)	(\$112.7)	(\$113.2)	(\$113.4)	(\$113.6)	(\$113.0)	(\$223.9)	(\$223.0)	(\$223.6)	(\$225.1)	(\$226.5)	(\$226.6)
15 REVENUE DUE TO HB 2017 - memo	(\$38.5)	(\$74.7)	(\$97.6)	(\$121.7)	(\$129.8)	(\$137.5)	(\$139.8)	(\$141.9)	(\$143.8)	(\$145.2)	(\$146.8)	(\$147.1)	(\$113.2)	(\$219.3)	(\$267.3)	(\$281.6)	(\$289.0)	(\$293.8)

Motor Carrier

Trucking activity and the freight industry contribute to the State Highway Fund through the weight-mile tax, heavy vehicle registration fees, and other Motor Carrier fees. Changes in economic conditions within Oregon and the nation as a whole influence each of these revenue sources. State and federal legislation can also impact trucking activity.

The weight-mile tax was created in 1933 based on loaded weight and number of miles traveled each year.

The weight-mile tax is the largest source of trucking-related revenue. This highway use tax applies to trucks with a gross weight over 26,000 pounds. The tax paid by a motor carrier varies with the weight of the vehicle, the number of miles traveled, and the axle configuration. The carriers generally have the option of paying on a monthly or quarterly schedule, but in some cases will pay by the trip. Certain qualifying motor carriers, such as those transporting logs, wood chips and sand/gravel, may pay the highway use tax based on a flat monthly fee. The weight-mile revenue and transaction totals discussed in this report include the trip based, monthly, quarterly and flat fee revenue, as well as revenues from a small number of other trip-related fees.



An estimate of weight-mile "transactions" provides the basis for the current forecast of weight-mile revenues. This methodology, also used for prior forecasts, constructs a measure of weight-mile transactions by normalizing revenue by the tax rate paid for a typical heavy vehicle. The forecasting model regresses the normalized weight-mile transactions on Oregon construction and durable goods employment, real consumer spending on durable goods, and industrial production and sales of heavy trucks in order to estimate weight-mile transactions. The variables in the model that have the most significant impact on the forecast are real consumer spending on durable goods and Oregon construction employment. After several years of strong growth, construction employment growth slowed some in 2018 with a couple weak quarters. It is set to slow considerably further in 2019 and beyond, slowing to rates under 1 percent by 2022. Real consumer spending on durable goods is also expected

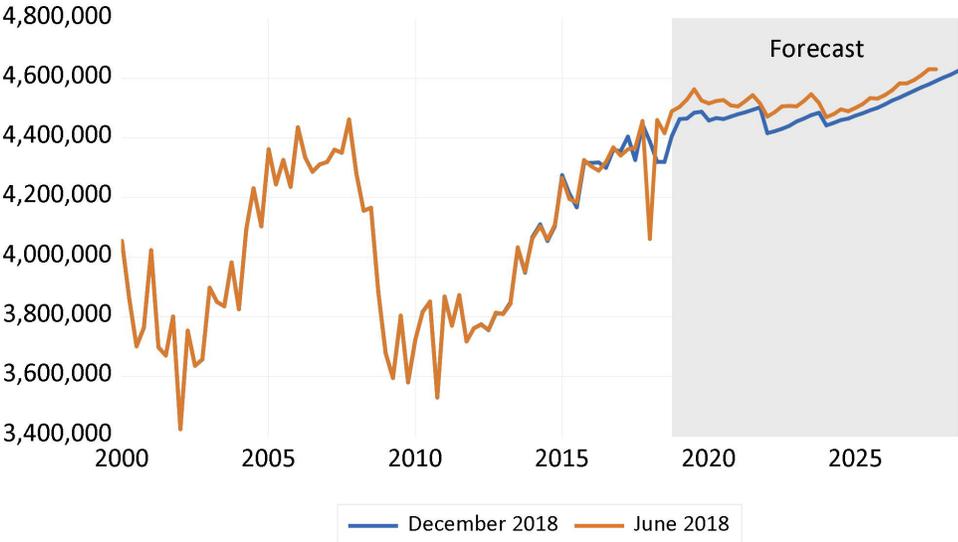
to see slower growth over the forecast as the overall economy cools.

In addition to the economic changes, the weight-mile tax rates increase in 2018, 2020, 2022 and 2024 for a total of 53 percent over the 2017 rates. These significant rate increases will also have an impact on trucking activity as businesses look for ways to minimize the impact of these higher rates.

Combined, these variables produce the forecast shown below in Figure 15. Compared to the prior forecast, the drop in transactions in the first quarter of 2019 was unexpected. However, overall growth has stalled and at the end of 2018 turned negative. After consultation with Motor Carrier staff, they are concerned that trucking firms are struggling to find qualified drivers and that some firms are moving to smaller trucks for local deliveries. Both of these would negatively affect and limit growth in trucking activity. Looking ahead, the drops in the future, shown in 2020, 2022 and 2024 are the result of the coming tax increases.

Figure 15. Weight-Mile Transactions Forecast Comparison

While weight-mile is expected to grow in the coming years, the business cycle will influence the shape of the forecast.



Source: December 2018 ODOT State Revenue Forecast

Row 1 of Table 5 shows the amount of weight-mile and flat fee revenues collected each fiscal year. In 2019, weight-mile and flat-fee revenue totaled \$374.6 million, increasing 14.2 percent over 2018. This strong growth is from the HB 2017 rate increases.

Row 2 of Table 5 shows heavy vehicle registration fee revenues. It includes both International Registration Plan (IRP) registration fees paid by interstate carriers and the Commercial registration fees paid by intrastate carriers. Together these heavy vehicle registration fees totaled \$48.1 million in fiscal year 2019.

Historically, revenues have been consistent for these sources. However, recently IRP revenue has been growing as firms register more trucks. Unfortunately, this increase is not reflected in the weight-mile data and Motor Carrier staff believe these additional trucks are ultimately not being driven in Oregon. Going forward, revenues are expected to maintain the historical consistency, staying around \$47 million per year.

Row 3 shows the revenues from Road Use Assessment Fees (RUAF), permits, passes, and credentials such as weight receipts and cab cards. This row also includes OTIA III Local Fund fee increments from the commercial driver permits, licenses, and tests, along with weight receipts. Overall, total revenue from these heavy vehicle sources increased slightly as the rates were increased for a few of these transactions as part of HB 2017. However, HB 4059 passed in the 2018 Legislative Session rolled back some of these rate increases effective January 2020. In addition, HB 2592 passed during the 2019 Legislative Session eliminated the weight receipt. This was effective October of 2019, and is responsible for the drop in revenue from FY19 to FY20, as it averaged about \$4.5 million per year.

Row 4 reports the total gross revenues for the Motor Carrier Division and row 5 shows the change from the prior forecast. Overall, the differences between the two forecasts are primarily due to the elimination of the weight receipt.

Row 9 reports the revenues net of collection costs. Rows 10 through 13 highlight the amounts Motor Carrier contributes to the OTIA, JTA and HB 2017 programs.

HB 2592 from the 2019 Session eliminated the weight receipt fee, a loss of about \$4.5 million per year in gross revenue.

Table 5. Highway Fund Revenue Collected by MCTD (Millions of Dollars)

	Actual		Forecast										Actual	Forecast				
	FY		BI	BI	BI	BI	BI											
	18	19	20	21	22	23	24	25	26	27	28	29		17-19	19-21	21-23	23-25	25-27
1 WEIGHT-MILE TAX	\$328.2	\$374.6	\$391.4	\$397.7	\$422.2	\$440.9	\$454.8	\$470.5	\$475.8	\$480.7	\$486.1	\$490.9	\$702.8	\$789.2	\$863.2	\$925.3	\$956.4	\$977.1
2 IRP & COMMERCIAL VEHICLE REGISTRATIONS*	\$45.6	\$48.1	\$46.5	\$46.6	\$46.8	\$47.0	\$47.1	\$47.1	\$47.2	\$47.3	\$47.4	\$47.5	\$93.7	\$93.1	\$93.8	\$94.2	\$94.5	\$94.9
3 RUA, PERMITS, PASSES & CREDENTIALS**	\$10.0	\$10.8	\$6.7	\$6.3	\$6.4	\$6.4	\$6.5	\$6.6	\$6.6	\$6.6	\$6.6	\$6.6	\$20.8	\$13.0	\$12.8	\$13.1	\$13.1	\$13.1
4 TOTAL MCTD COLLECTIONS	\$383.7	\$433.5	\$444.6	\$450.7	\$475.4	\$494.3	\$508.4	\$524.2	\$529.6	\$534.5	\$540.1	\$545.0	\$817.2	\$895.3	\$969.7	\$1,032.6	\$1,064.1	\$1,085.1
5 Change from Previous Forecast	\$0.0	(\$1.8)	(\$4.8)	(\$9.3)	(\$3.1)	(\$4.9)	(\$5.9)	(\$5.3)	(\$4.9)	(\$5.6)	(\$5.4)	NA	(\$1.8)	(\$14.2)	(\$8.0)	(\$11.1)	(\$10.5)	NA
COLLECTION/ADMINISTRATION & PROGRAM COST	(\$32.8)	(\$33.4)	(\$35.4)	(\$36.2)	(\$37.9)	(\$38.7)	(\$40.6)	(\$41.4)	(\$43.4)	(\$44.3)	(\$46.5)	(\$47.4)	(\$66.2)	(\$71.6)	(\$76.6)	(\$82.0)	(\$87.7)	(\$93.8)
7 IFTA BUDGETED EXPENDITURES***	\$1.1	\$1.1	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$2.2	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
8 ODOT CENTRAL SERVICES ASSESSMENT	(\$9.9)	(\$10.1)	(\$11.8)	(\$12.1)	(\$12.7)	(\$12.9)	(\$13.5)	(\$13.8)	(\$14.5)	(\$14.8)	(\$15.5)	(\$15.8)	(\$20.1)	(\$23.9)	(\$25.6)	(\$27.4)	(\$29.3)	(\$31.3)
9 NET MCTD REVENUE	\$342.1	\$391.0	\$397.7	\$402.8	\$425.2	\$443.1	\$454.7	\$469.4	\$472.0	\$475.8	\$478.5	\$482.2	\$733.1	\$800.5	\$868.3	\$924.0	\$947.9	\$960.6
10 REVENUE SET-ASIDE TO OTIA I & II - memo	(\$9.4)	(\$9.5)	(\$9.2)	(\$8.9)	(\$9.1)	(\$9.1)	(\$9.0)	(\$9.1)	(\$9.1)	(\$9.2)	(\$9.3)	(\$9.4)	(\$19.0)	(\$18.1)	(\$18.1)	(\$18.1)	(\$18.4)	(\$18.7)
11 REVENUE PLEDGED TO OTIA III - memo	(\$31.2)	(\$32.1)	(\$30.9)	(\$30.6)	(\$30.9)	(\$30.8)	(\$30.9)	(\$30.9)	(\$31.2)	(\$31.5)	(\$31.7)	(\$32.0)	(\$63.4)	(\$61.5)	(\$61.7)	(\$61.8)	(\$62.7)	(\$63.7)
12 REVENUE DUE TO JTA - memo	(\$82.0)	(\$84.3)	(\$84.9)	(\$84.4)	(\$85.2)	(\$84.9)	(\$85.1)	(\$85.3)	(\$86.0)	(\$86.7)	(\$87.4)	(\$88.1)	(\$166.3)	(\$169.2)	(\$170.1)	(\$170.4)	(\$172.8)	(\$175.6)
13 REVENUE DUE TO HB 2017 - memo	(\$34.6)	(\$75.8)	(\$86.1)	(\$95.4)	(\$116.0)	(\$137.1)	(\$150.2)	(\$164.9)	(\$166.8)	(\$168.5)	(\$170.4)	(\$172.0)	(\$110.3)	(\$181.5)	(\$253.1)	(\$315.1)	(\$335.2)	(\$342.4)

Motor Fuels

Oregon implemented the nation's first gasoline tax in 1919 at 1 cent per gallon.

Motor Fuels revenue is derived from the tax paid on the sale of both motor vehicle fuels (gasoline) and use fuels (predominately diesel). The distinction is important because the tax is collected in different parts of the supply chain. Gasoline is taxed at the point of first sale, when the dealer or distributor purchases the fuel from the terminal. Diesel on the other hand is taxed later in the supply chain, at the retail level. This gives retailers like card lock stations the option of not imposing the tax for heavy trucks that pay the weight-mile tax instead of the motor fuels tax. The separation between when a vehicle pays the fuels tax or pays the weight-mile tax is at a weight of 26,000 pounds. Generally a vehicle up to 26,000 pounds will pay the fuels tax and register their vehicle through DMV, while vehicles over this weight will pay the weight-mile tax and register their vehicle through Motor Carrier. Gasoline comprises the largest share of taxable fuel at roughly 90 percent, while diesel comprises the remaining 10 percent. This has not always been the case: in the past, taxable diesel represented as low as one percent of sales back in 1980. However as more vehicles required to pay the fuels tax switch to diesel, it has been steadily increasing its share. Since about 2014, diesel's share has leveled out at just over 10 percent.

As more vehicles that pay the fuels tax have diesel engines, diesel's share has grown steadily over the years.

Weighing on the future viability of the motor fuels tax as a stable revenue source is the fuel efficiency of the vehicles paying the fuels tax. For many years through the 1990's and early 2000's the fuel efficiency of the light vehicle fleet did not significantly change, as fuel prices remained low and vehicle manufacturers had no real incentive to improve the fuel economy of the vehicles they produced. However, in 2007 legislation was passed establishing new fuel efficiency standards for light vehicles in a



two phase approach. Phase 1 affected model year 2012-2016 vehicles setting a fuel efficiency target of 34.1 miles per gallon (MPG) by model year 2016. Phase 2 builds on this by continuing to expect improvements with each model year reaching a model year 2025 target of 54.5 MPG. The actual standard is expected to be 49.6 MPG by 2025, with the remaining 5 MPG equivalent reached through improvements in vehicle air conditioners. As the 54.5 MPG target is only required under ideal test conditions not fully representative of all driving conditions, the actual on-road average is expected to be closer to 38 MPG. Still, at a minimum this is an improvement of over 10 miles per gallon compared to the previous standards.

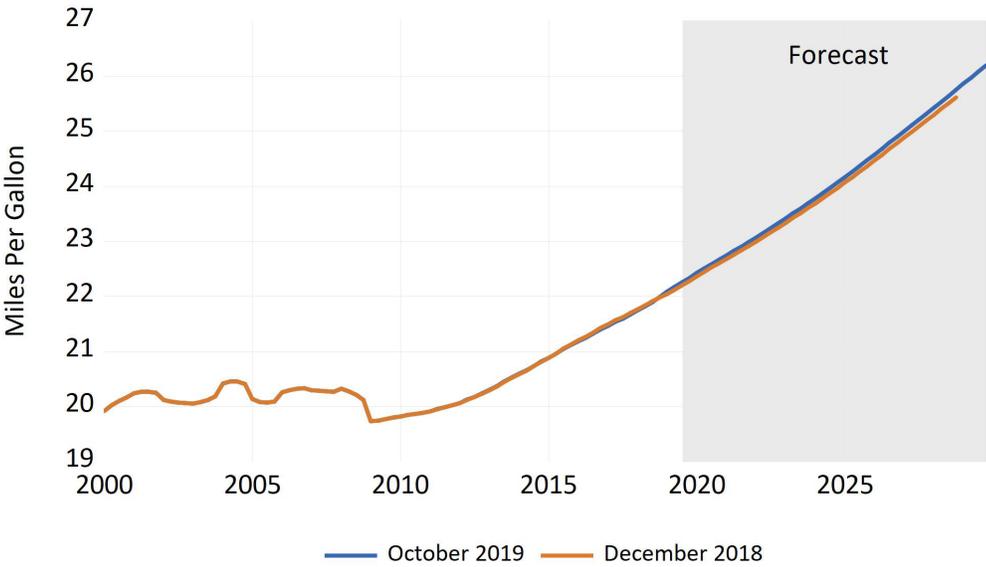
Recently there has been movement to modify the current standards. However, nothing is final as of this publication date, and until final rules are passed we will continue to assume the standards laid out above will remain in effect.

While the new vehicle fuel economy is expected to increase rapidly over the next 10 years, stock fuel efficiency will grow much more slowly. Oregon has 3.7 million registered passenger vehicles, and only about 180,000 new model year registrations a year. This coupled with an average vehicle age of almost 13 years, means it will take quite some time for these new higher efficient vehicles to replace the older less fuel efficient ones. Additionally, the health of the economy impacts vehicle purchase decisions. Prior to the recession the average vehicle age was only 10 years, but during and after the recession people have hung onto their vehicles for longer. This also could be due to the increased durability of newer cars. When people do replace their older vehicles, the type of replacement vehicle will impact the overall fleet fuel economy. In recent years Oregon has been experiencing an increase in heavier less efficient vehicle sales, which mutes the impact of fuel efficiency growth.

The current fuel efficiency forecast is almost identical to the prior forecast (Figure 16). The slight increase in the current forecast is due to stronger than expected growth in the last few quarters.

Current CAFE standards aimed at reducing emissions will lead to light vehicles getting increasingly better fuel economy.

Figure 16. Light Duty Stock Fuel Efficiency Forecast Comparison



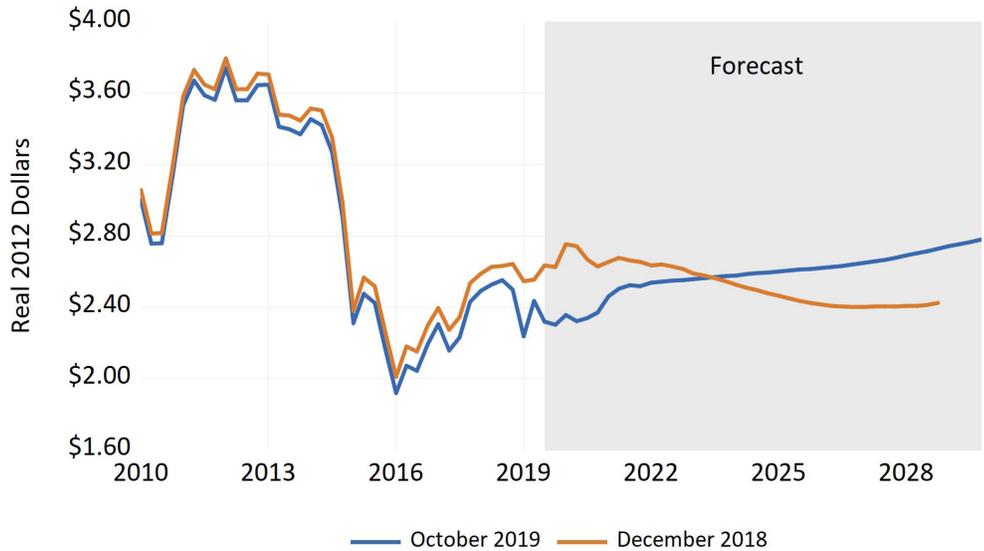
Source: October 2019 ODOT State Revenue Forecast

Consumption of motor vehicle fuel is generally considered a means to an end rather than an end itself. Because of this, the price of fuel is not as significant a consideration of whether a person will choose to drive as other considerations. However, at higher price levels, price of fuel has a greater impact on a decision to drive than at lower price levels, as it impacts households disposable income more noticeably.

Fuel prices have experienced a lot of volatility over the last decade compared to the stability of prior decades. This is due mainly to the run up in oil prices beginning in 2004, peaking in the summer of 2008. After falling briefly during the recession, oil and fuel prices rose again and sustained elevated levels through the summer of 2014 before falling through most of 2017. However, through much of 2018 tightening oil supplies pushed oil prices back up again, albeit to lower levels than prior peaks. Looking into the future, abundant crude oil stocks and production, coupled with a slowing global economy, are expected to keep fuel prices under \$3.00 per gallon in real dollars as shown in Figure 17.

Figure 17. Real Gasoline Price Forecast Comparison

Robust oil inventories and mild global demand have allowed oil prices to remain low and are expected to stay low over the forecast period.



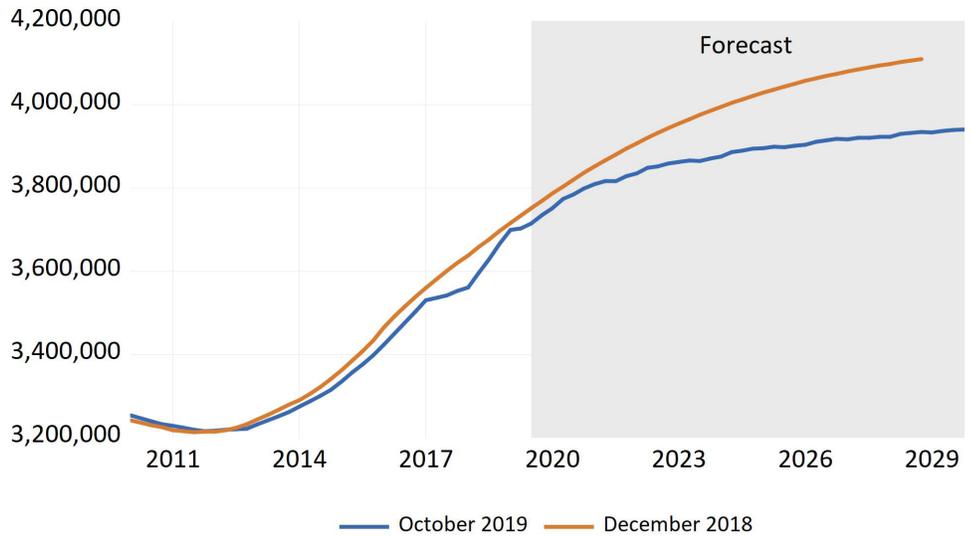
Source: October 2019 ODOT State Revenue Forecast

How much fuel a vehicle consumes is not only a function of the fuel efficiency and fuel price, but also by the stock of vehicles. Of the total number of registered vehicles that consume taxable fuel in Oregon, about 94 percent of them are passenger vehicles. As the total size of the passenger vehicle fleet increases, so does the taxable fuel sales assuming all other factors are held constant. Figure 18 below, contrasts the current forecast of the passenger stock to the prior forecast. With the updated passenger stock model the current forecast has slower growth in the passenger stock compared to the prior forecast.

Table 6 shows the results of the motor fuels forecast. The current forecast model combines the use fuel and motor vehicle fuel to produce one forecast including both sources. Model variables include fuel efficiency, total Oregon nonfarm employment, stock of registered passenger vehicles in Oregon and the real price of gasoline. The model forecasts the quantity of taxable fuel consumed and is multiplied by the fuels tax rate to arrive at the gross revenues reported in row 1.

Figure 18. Passenger Stock Forecast Comparison

Of the total number of vehicles registered in Oregon that use taxable gasoline and diesel, about 94% are passenger vehicles.



Source: October 2019 ODOT State Revenue Forecast

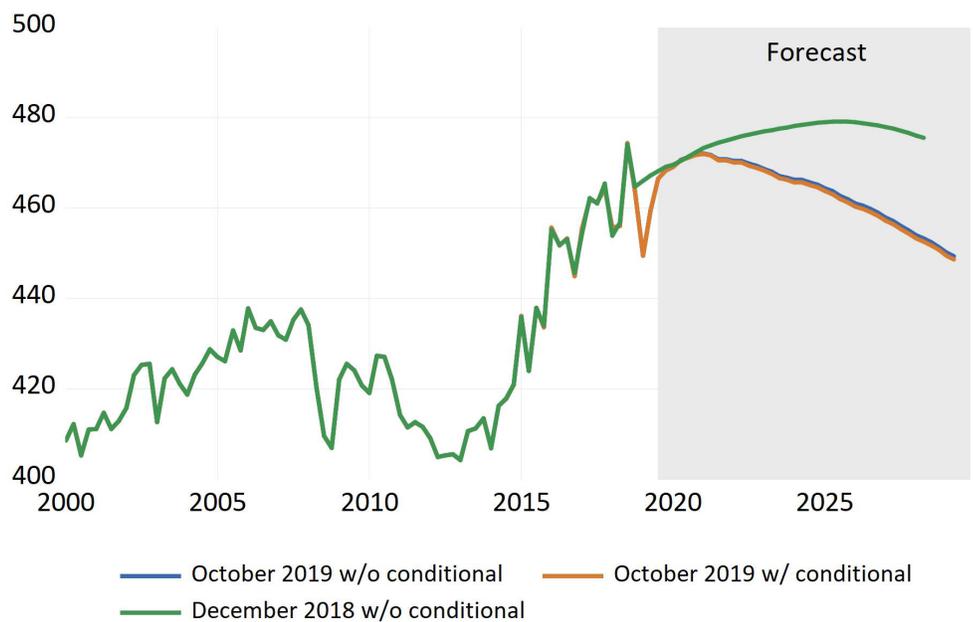
As discussed above, the fuel efficiency variable is expected to have a significant impact on fuel sales in the future. The increasing CAFE standards will slowly increase the overall fleet fuel efficiency, enabling drivers to go further on the same amount of fuel. In a static environment holding all else constant, a ten percent increase in the fuel efficiency roughly equates to a nine percent decrease in consumption. However, there is a rebound effect associated with fuel efficiency where miles driven increase as fuel economy increases. This effect has been measured in the short-run at around 0.2 to 0.4 percent for a one percent increase in fuel efficiency. Adjusting for the rebound effect yields an estimated decrease in consumption of between five and seven percent for a ten percent increase in fuel efficiency.

The sensitivity of the fuel efficiency variable over the estimation sample interval is estimated to be -0.57 with respect to fuel consumption. That means a one percent increase in fuel efficiency leads to a 0.57 decrease in consumption. For a ten percent increase in fuel efficiency this leads to a 5.7 percent decrease in fuel consumption, falling into the middle of the expected range above.

The negative impact of steadily increasing fuel efficiency on fuel consumption is dragging the motor fuel forecast down in the slow growth economic environment Oregon is projected to be heading towards.

Figure 19 below, shows the current forecast compared to the prior forecast. Overall, the forecast is predicting decreased fuel sales compared to the prior forecast. There are three main reasons for this drop. First, the model variables are either all virtually unchanged from the prior forecast or changed in a way that would act as a drag on taxable fuel sales. Second, calendar year 2019 has not started off well for sales, where the first quarter in particular was abnormally low. Third, the lower passenger stock forecast reduces the number of vehicles in the fleet, which translates into fewer gallons sold. By itself this change accounts for about half of the drop in the motor fuel taxable gallons forecast compared to the prior forecast.

Figure 19. Gallons of Taxable Motor Fuels Forecast Comparison



Source: October 2019 ODOT State Revenue Forecast

Lastly, as noted earlier in the report, HB 2017 included guaranteed and conditional fuels tax rate increases. Since the bill only guarantees the first four cent tax rate increase, this necessitates creating a forecast where we assume all the conditions are met and the full ten cents in increases are implemented, and one where only what is guaranteed is implemented. For now, only the first four cents are included in the guaranteed version. The chart above includes both forecasts.



Since consumption is not very sensitive to price changes, the impact of the six cent increase is very minor.

Row 2 of Table 6 shows the total gross revenue from the motor fuels taxes. Fiscal year 2019 finished with \$625 million in gross revenues growing at a 7.7 percent rate, which includes the first full year of new revenue from HB 2017. Going forward, the economic and passenger stock growth overcomes the increasing fuel efficiency through fiscal year 2021, but beyond that point the weak economic growth and slower passenger stock growth is not enough to offset the increasing fuel economy, leading to declining tax revenue.

Row 3 shows the change from the prior forecast. The abnormally low first quarter of calendar year 2019 along with the slower than anticipated second quarter brought down taxable sales in fiscal year 2019 by \$10.9 million.

The fuels tax program is very efficient. Collection costs are only about 0.3% of total revenue collected.

Rows 4 through 13 list the costs associated with the Fuels Tax program and the statutory transfers that occur prior to apportionment. Row 14 is a special memo row to show the impact of the B20 biofuels tax exemption program. Since the B20 fuel is tax exempt, it is not included in the gross revenue above and is included as a memo item only for tracking purposes. This exemption is currently set to sunset at the end of calendar year 2019.

Rows 16 through 19 highlight the amounts that the motor fuels tax contributes to the OTIA, JTA and HB 2017 programs, either as a portion of the OTIA I set-aside shown in row 10 or as the incremental revenues from the OTIA III, JTA and HB 2017 programs shown in rows 17 through 19. Note that the OTIA III legislation did not increase the motor fuels tax rate so the incremental amount is zero.

Table 6. Highway Fund Revenue Collected by FSB (Millions of Dollars) (Includes Guaranteed Fuels Tax Increases Only - Currently 4 Cents)

	Actual		Forecast										Actual BI 17-19	Forecast				
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29		BI 19-21	BI 21-23	BI 23-25	BI 25-27	BI 27-29
1 MOTOR FUELS TAXES	\$580.7	\$625.2	\$636.9	\$641.1	\$639.5	\$637.0	\$633.7	\$631.1	\$626.8	\$622.3	\$617.0	\$612.0	\$1,205.9	\$1,278.0	\$1,276.5	\$1,264.9	\$1,249.1	\$1,229.1
2 TOTAL FSB COLLECTIONS	\$580.7	\$625.2	\$636.9	\$641.1	\$639.5	\$637.0	\$633.7	\$631.1	\$626.8	\$622.3	\$617.0	\$612.0	\$1,205.9	\$1,278.0	\$1,276.5	\$1,264.9	\$1,249.1	\$1,229.1
3 Change from Previous Forecast	(\$3.3)	(\$10.9)	(\$0.9)	(\$1.3)	(\$6.2)	(\$10.6)	(\$15.5)	(\$19.3)	(\$23.7)	(\$26.9)	(\$29.7)	NA	(\$14.2)	(\$2.2)	(\$16.9)	(\$34.8)	(\$50.6)	NA
4 COLLECTION/ADMINISTRATION COST	(\$1.9)	(\$1.9)	(\$2.0)	(\$2.1)	(\$2.2)	(\$2.2)	(\$2.3)	(\$2.4)	(\$2.5)	(\$2.6)	(\$2.7)	(\$2.7)	(\$3.8)	(\$4.1)	(\$4.4)	(\$4.7)	(\$5.1)	(\$5.4)
5 ODOT CENTRAL SERVICES ASSESSMENT	(\$0.4)	(\$0.4)	(\$0.3)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.5)	(\$0.5)	(\$0.8)	(\$0.7)	(\$0.8)	(\$0.8)	(\$0.9)	(\$0.9)
6 SNOWMOBILE TRANSFER	(\$0.7)	(\$0.7)	(\$0.7)	(\$0.8)	(\$0.8)	(\$0.8)	(\$0.8)	(\$0.9)	(\$0.9)	(\$0.9)	(\$0.8)	(\$0.8)	(\$1.5)	(\$1.5)	(\$1.6)	(\$1.7)	(\$1.7)	(\$1.7)
7 CLASS I ATV TRANSFER	(\$2.8)	(\$2.7)	(\$2.8)	(\$2.9)	(\$2.9)	(\$3.0)	(\$3.1)	(\$3.1)	(\$3.1)	(\$3.1)	(\$3.1)	(\$3.1)	(\$5.5)	(\$5.7)	(\$6.0)	(\$6.2)	(\$6.2)	(\$6.2)
8 MARINE BOARD TRANSFER	(\$4.1)	(\$4.5)	(\$4.6)	(\$4.7)	(\$4.9)	(\$5.0)	(\$5.1)	(\$5.2)	(\$5.2)	(\$5.2)	(\$5.2)	(\$5.2)	(\$8.6)	(\$9.3)	(\$9.8)	(\$10.3)	(\$10.5)	(\$10.5)
9 CLASS II ATV TRANSFER	(\$1.4)	(\$1.4)	(\$1.5)	(\$1.5)	(\$1.5)	(\$1.6)	(\$1.6)	(\$1.7)	(\$1.7)	(\$1.6)	(\$1.6)	(\$1.6)	(\$2.8)	(\$3.0)	(\$3.1)	(\$3.3)	(\$3.3)	(\$3.3)
10 CLASS III ATV TRANSFER	(\$1.3)	(\$1.4)	(\$1.4)	(\$1.5)	(\$1.5)	(\$1.5)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)	(\$2.7)	(\$2.9)	(\$3.0)	(\$3.2)	(\$3.2)	(\$3.2)
11 CLASS IV ATV TRANSFER	(\$0.9)	(\$1.0)	(\$1.1)	(\$1.1)	(\$1.1)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.9)	(\$2.2)	(\$2.3)	(\$2.4)	(\$2.4)	(\$2.4)
12 TRANSPORTATION OPERATING FUND (TOF)	(\$12.3)	(\$13.3)	(\$13.9)	(\$14.5)	(\$15.2)	(\$15.8)	(\$16.5)	(\$17.1)	(\$17.4)	(\$17.7)	(\$17.9)	(\$18.2)	(\$25.7)	(\$28.5)	(\$31.0)	(\$33.6)	(\$35.1)	(\$36.1)
13 AVIATION TRANSFER	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.2)	(\$0.2)	(\$0.2)
14 HB 2435 (2013 Session) B20 FUEL TAX EXEMPTION -memo	(\$5.3)	(\$5.6)	(\$2.9)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$10.9)	(\$2.9)	\$0.0	\$0.0	\$0.0	\$0.0
15 NET FSB REVENUE	\$554.9	\$597.7	\$608.4	\$611.6	\$608.9	\$605.5	\$601.0	\$597.4	\$592.6	\$587.9	\$582.2	\$576.9	\$1,152.6	\$1,220.0	\$1,214.4	\$1,198.4	\$1,180.5	\$1,159.1
16 REVENUE ALLOCATION TO OTIA I & II SET-ASIDE - memo	(\$19.2)	(\$19.1)	(\$19.3)	(\$19.0)	(\$19.2)	(\$19.2)	(\$19.1)	(\$19.0)	(\$19.0)	(\$18.9)	(\$18.8)	(\$18.7)	(\$38.2)	(\$38.3)	(\$38.4)	(\$38.2)	(\$37.8)	(\$37.4)
17 REVENUE PLEDGED TO OTIA III - memo	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
18 REVENUE DUE TO JTA - memo	(\$110.3)	(\$111.0)	(\$112.5)	(\$113.2)	(\$113.0)	(\$112.6)	(\$112.0)	(\$111.6)	(\$110.8)	(\$110.0)	(\$109.1)	(\$108.2)	(\$221.2)	(\$225.7)	(\$225.5)	(\$223.6)	(\$220.8)	(\$217.3)
19 REVENUE DUE TO HB 2017 - memo	(\$35.4)	(\$74.0)	(\$75.0)	(\$75.5)	(\$75.3)	(\$75.0)	(\$74.7)	(\$74.4)	(\$73.9)	(\$73.4)	(\$72.7)	(\$72.2)	(\$109.4)	(\$150.5)	(\$150.4)	(\$149.0)	(\$147.2)	(\$144.9)

Highway Revenue Forecast Summary

The forecasted revenue is based on current law tax and fee rates. While it is likely that sometime in the near future rates will increase, this forecast is based only on what is enrolled in the current Oregon revised Statutes.

Aside from the tax and fee increases from HB 2017, we are now fully into a transition period from the 2015-2017 years of robust growth into a much slower growth environment. However, the influx in revenue from HB 2017 changes this outlook dramatically and should provide growth into the middle 2020's as the fee and tax increases are implemented over time. Compared to the prior forecast, cumulative changes in gross revenue from FY19 through FY28 are significant. A loss of \$4.5 million per year due to the elimination of the weight receipt is a large part of it. In addition, the drop in the motor fuels forecast is the other significant component of this change.

Row 5 of Table 7 sums all the collection and program costs for DMV, Motor Carrier, and Motor Fuels, and the pre-apportionment transfers. It also includes the incremental revenues from the OTIA III, JTA and HB 2017 programs. Row 6 is the total gross revenue minus the amount in row 5.

Rows 7 through 19 are memo items creating summaries of different bill components related to forecast revenues. Note that HB 2017 created not only new revenues but also included some dedicated funds prior to apportionment and new bonding potential. Row 17 includes a placeholder for bonds to support the projects from Section 71 of the bill. The 2019 Legislature authorized the sale of these bonds, with the anticipated sale during the spring of 2021.

Rows 20 through 26 summarize the net revenue for each OTIA, JTA and HB 2017 program disaggregated by amounts to the local governments or to the state. Row 27 represents the total net revenue for distribution by summing rows 20 through 26 plus row 6.

Table 8 separates the total from row 22 in Table 7 into county, city and state apportionments by apportionment formula, whether it is pre-OTIA, OTIA I&II, OTIA III, JTA or HB 2017.

A separate monthly forecast of the County/City Apportionments is available under "Highway Revenue Apportionment Forecasts" at <http://www.oregon.gov/ODOT/Data/Pages/Revenue-Forecasts.aspx>

Table 7. Highway Fund Revenue by Fiscal Year and Biennium (Millions of Dollars) (Includes Guaranteed Fuels Tax Increases Only - Currently 4 Cents)

	Actual		Forecast										Actual		Forecast				
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	BI 17-19	BI 19-21	BI 21-23	BI 23-25	BI 25-27	BI 27-29	
1 TOTAL MCTD COLLECTIONS	\$383.7	\$433.5	\$444.6	\$450.7	\$475.4	\$494.3	\$508.4	\$524.2	\$529.6	\$534.5	\$540.1	\$545.0	\$817.2	\$895.3	\$969.7	\$1,032.6	\$1,064.1	\$1,085.1	
2 TOTAL FSB COLLECTIONS	\$580.7	\$625.2	\$636.9	\$641.1	\$639.5	\$637.0	\$633.7	\$631.1	\$626.8	\$622.3	\$617.0	\$612.0	\$1,205.9	\$1,278.0	\$1,276.5	\$1,264.9	\$1,249.1	\$1,229.1	
3 TOTAL DMV COLLECTIONS	\$377.1	\$413.7	\$439.9	\$485.1	\$479.5	\$484.5	\$488.8	\$491.2	\$493.0	\$494.2	\$495.8	\$494.1	\$790.8	\$925.0	\$964.1	\$980.0	\$987.2	\$989.9	
4 TOTAL GROSS HIGHWAY FUND	\$1,341.5	\$1,472.4	\$1,521.4	\$1,576.9	\$1,594.4	\$1,615.9	\$1,630.9	\$1,646.6	\$1,649.3	\$1,651.1	\$1,652.9	\$1,651.1	\$2,814.0	\$3,098.3	\$3,210.3	\$3,277.5	\$3,300.4	\$3,304.0	
5 COLLECTION, PROGRAMS, & TRANSFERS (incl.obligated OTIA & JTA)	(\$717.5)	(\$845.7)	(\$893.5)	(\$930.6)	(\$960.2)	(\$992.7)	(\$1,015.8)	(\$1,038.0)	(\$1,051.5)	(\$1,059.2)	(\$1,072.26)	(\$1,077.51)	(\$1,563.2)	(\$1,824.1)	(\$1,952.9)	(\$2,053.8)	(\$2,110.7)	(\$2,149.8)	
6 NET REVENUE TO HIGHWAY FUND	\$624.0	\$626.8	\$627.9	\$646.2	\$634.2	\$623.2	\$615.1	\$608.6	\$597.8	\$591.9	\$580.6	\$573.6	\$1,250.8	\$1,274.2	\$1,257.4	\$1,223.7	\$1,189.7	\$1,154.3	
7 OTIA I & II SET ASIDE - memo	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$71.2	\$71.2	\$71.2	\$71.2	\$71.2	\$71.2	
8 DEBT SERVICE (OTIA I & II) - memo	(\$32.4)	(\$30.7)	(\$28.8)	(\$25.9)	(\$20.6)	(\$18.2)	(\$18.2)	(\$17.7)	(\$17.4)	(\$18.2)	(\$22.9)	(\$26.3)	(\$63.1)	(\$54.7)	(\$38.8)	(\$35.9)	(\$35.6)	(\$49.1)	
9 OTIA III Dedicated Revenues - memo	\$107.3	\$107.0	\$106.7	\$106.7	\$107.1	\$106.9	\$107.3	\$107.7	\$108.2	\$108.5	\$108.9	\$109.2	\$214.3	\$213.4	\$214.0	\$215.0	\$216.7	\$218.1	
10 DEBT SERVICE (OTIA III) - memo	(\$98.4)	(\$100.0)	(\$97.9)	(\$102.0)	(\$109.2)	(\$111.2)	(\$111.1)	(\$110.1)	(\$109.2)	(\$119.0)	(\$131.1)	(\$136.8)	(\$198.4)	(\$199.9)	(\$220.4)	(\$221.2)	(\$228.2)	(\$267.9)	
11 JTA Total Gross Revenues - memo	\$304.6	\$306.8	\$308.6	\$309.3	\$310.0	\$309.2	\$309.4	\$309.6	\$310.0	\$310.1	\$310.2	\$309.3	\$611.4	\$618.0	\$619.2	\$619.0	\$620.1	\$619.5	
12 JTA Allocation for Long-Range Planning - memo	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$48.0)	(\$48.0)	(\$48.0)	(\$48.0)	(\$48.0)	(\$48.0)	
13 DEBT SERVICE (JTA) - State Only - memo	(\$44.7)	(\$57.4)	(\$64.4)	(\$66.5)	(\$66.8)	(\$67.1)	(\$67.1)	(\$68.3)	(\$69.2)	(\$59.9)	(\$42.7)	(\$32.1)	(\$102.1)	(\$130.9)	(\$134.0)	(\$135.5)	(\$129.1)	(\$74.8)	
14 HB 2017 Total Gross Revenues - memo	\$108.5	\$224.4	\$258.7	\$292.6	\$321.1	\$349.7	\$364.6	\$381.2	\$384.4	\$387.1	\$389.9	\$391.2	\$332.9	\$551.3	\$670.8	\$745.8	\$771.5	\$781.1	
15 Safe Routes to School set aside - memo	(\$5.0)	(\$10.0)	(\$10.0)	(\$10.0)	(\$10.0)	(\$12.5)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$20.0)	(\$22.5)	(\$30.0)	(\$30.0)	(\$30.0)	
16 Rose Quarter project set aside - memo	\$0.0	\$0.0	\$0.0	\$0.0	(\$15.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	\$0.0	\$0.0	(\$45.0)	(\$60.0)	(\$60.0)	(\$60.0)	
17 DEBT SERVICE (HB 2017 Section 71d) - State Only - memo	\$0.0	\$0.0	\$0.0	(\$5.4)	(\$34.4)	(\$35.8)	(\$35.8)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	\$0.0	(\$5.4)	(\$70.2)	(\$71.7)	(\$71.8)	(\$71.8)	
18 Oregon Travel Experience Transfer - State Only - memo	(\$3.3)	(\$8.0)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$11.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)	
19 E-GOV Records Incremental Revenue Transfer - memo	(\$5.3)	(\$5.6)	(\$8.1)	(\$8.2)	(\$8.2)	(\$8.3)	(\$8.3)	(\$8.3)	(\$8.3)	(\$8.4)	(\$8.4)	(\$8.4)	(\$10.9)	(\$16.3)	(\$16.5)	(\$16.6)	(\$16.7)	(\$16.7)	
20 NET OTIA I & II REVENUE FOR DISTRIBUTION	\$3.2	\$4.9	\$6.8	\$9.7	\$15.0	\$17.4	\$17.4	\$17.9	\$18.2	\$17.4	\$12.7	\$9.3	\$8.1	\$16.5	\$32.4	\$35.3	\$35.6	\$22.1	
21 NET OTIA III REVENUE FOR DISTRIBUTION - LOCAL	\$34.9	\$37.0	\$38.5	\$38.0	\$32.2	\$28.9	\$29.1	\$29.3	\$29.4	\$32.4	\$34.6	\$44.6	\$71.8	\$76.5	\$61.1	\$58.4	\$61.9	\$79.2	
22 NET OTIA III REVENUE FOR DISTRIBUTION - STATE	(\$17.7)	(\$21.3)	(\$22.2)	(\$25.1)	(\$26.2)	(\$25.2)	(\$24.9)	(\$23.6)	(\$22.4)	(\$34.8)	(\$48.8)	(\$64.1)	(\$39.0)	(\$47.3)	(\$51.4)	(\$48.5)	(\$57.3)	(\$112.9)	
23 NET JTA REVENUE FOR DISTRIBUTION - LOCAL	\$140.3	\$141.4	\$142.3	\$142.7	\$143.0	\$142.6	\$142.7	\$142.8	\$143.0	\$143.1	\$143.1	\$142.7	\$281.7	\$285.0	\$285.6	\$285.5	\$286.1	\$285.7	
24 NET JTA REVENUE FOR DISTRIBUTION ABOVE D/S - STATE	\$27.2	\$15.1	\$8.5	\$6.6	\$6.5	\$5.9	\$6.0	\$4.9	\$4.1	\$13.4	\$30.6	\$41.0	\$42.3	\$15.1	\$12.4	\$10.9	\$17.5	\$71.6	
25 NET HB 2017 REVENUE FOR DISTRIBUTION - LOCAL	\$51.7	\$107.2	\$124.4	\$141.3	\$148.1	\$153.6	\$159.8	\$168.1	\$169.7	\$171.0	\$172.4	\$173.1	\$158.9	\$265.7	\$301.7	\$327.9	\$340.7	\$345.6	
26 NET HB 2017 REVENUE FOR DISTRIBUTION - STATE	\$51.7	\$107.2	\$124.4	\$135.9	\$113.7	\$117.8	\$124.0	\$132.2	\$133.8	\$135.1	\$136.5	\$137.2	\$158.9	\$260.3	\$231.4	\$256.2	\$269.0	\$273.7	
27 TOTAL NET REVENUE FOR DISTRIBUTION	\$915.5	\$1,018.2	\$1,050.6	\$1,095.3	\$1,066.5	\$1,064.1	\$1,069.2	\$1,080.1	\$1,073.7	\$1,069.5	\$1,061.9	\$1,057.4	\$1,933.6	\$2,145.8	\$2,130.5	\$2,149.3	\$2,143.1	\$2,119.3	

Note: Row and column sums may vary slightly due to rounding.

Table 8. Distribution of Total Net Revenues (Millions of Dollars) (Includes Guaranteed Fuels Tax Increases Only - Currently 4 Cents)

	Distribution Percentage	Actual		Forecast										Actual BI 17-19	Forecast					
		FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29		BI 19-21	BI 21-23	BI 23-25	BI 25-27	BI 27-29	
1	COUNTY APPORTIONMENT (ORS 366.739)	24.38%	\$136.3	\$137.9	\$138.4	\$142.8	\$139.9	\$137.2	\$135.2	\$133.6	\$131.0	\$129.5	\$126.8	\$125.1	\$274.2	\$281.2	\$277.1	\$268.9	\$260.5	\$251.9
2	SPECIAL COUNTY (ORS 366.772)		(\$2.8)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$8.3)	(\$11.0)	(\$11.0)	(\$11.0)	(\$11.0)	(\$11.0)
4	COUNTY APPORTIONMENT (OTIA I & II)	30.00%	\$1.0	\$1.5	\$2.0	\$2.9	\$4.5	\$5.2	\$5.2	\$5.4	\$5.5	\$5.2	\$3.8	\$2.8	\$2.4	\$5.0	\$9.7	\$10.6	\$10.7	\$6.6
5	COUNTY APPORTIONMENT (OTIA III)	25.48%	\$27.3	\$27.3	\$27.2	\$27.2	\$27.3	\$27.2	\$27.3	\$27.4	\$27.6	\$27.7	\$27.8	\$27.8	\$54.6	\$54.4	\$54.5	\$54.8	\$55.2	\$55.6
6	DEBT SERVICE (OTIA III)	84.07%	(\$15.9)	(\$14.4)	(\$12.1)	(\$13.0)	(\$18.0)	(\$20.6)	(\$20.6)	(\$20.6)	(\$20.6)	(\$18.3)	(\$16.6)	(\$8.3)	(\$30.4)	(\$25.1)	(\$38.6)	(\$41.2)	(\$38.9)	(\$24.8)
7	COUNTY APPORTIONMENT (OTIA III-Local)	60.00%	\$5.0	\$5.2	\$4.5	\$4.9	\$4.9	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$10.2	\$9.4	\$9.7	\$9.7	\$9.6	\$9.7
8	COUNTY APPORTIONMENT (JTA)	30.00%	\$84.2	\$84.8	\$85.4	\$85.6	\$85.8	\$85.5	\$85.6	\$85.7	\$85.8	\$85.8	\$85.8	\$85.6	\$169.0	\$171.0	\$171.4	\$171.3	\$171.6	\$171.4
9	COUNTY APPORTIONMENT (HB 2017)	30.00%	\$31.0	\$64.3	\$74.6	\$84.8	\$88.8	\$92.2	\$95.9	\$100.9	\$101.8	\$102.6	\$103.5	\$103.9	\$95.4	\$159.4	\$181.0	\$196.7	\$204.4	\$207.3
10	NET COUNTY APPORTIONMENT		\$266.1	\$301.1	\$314.6	\$329.7	\$327.7	\$326.1	\$328.0	\$331.7	\$330.3	\$331.9	\$330.4	\$336.3	\$567.2	\$644.3	\$653.7	\$659.7	\$662.2	\$666.7
11	CITY APPORTIONMENT (ORS 366.739)	15.57%	\$87.0	\$88.1	\$88.4	\$91.2	\$89.3	\$87.6	\$86.4	\$85.3	\$83.6	\$82.7	\$81.0	\$79.9	\$175.1	\$179.6	\$176.9	\$171.7	\$166.4	\$160.9
12	SPECIAL CITY (ORS 366.805)		(\$1.3)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$3.8)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)
13	CITY APPORTIONMENT (OTIA I & II)	20.00%	\$0.6	\$1.0	\$1.4	\$1.9	\$3.0	\$3.5	\$3.5	\$3.6	\$3.6	\$3.5	\$2.5	\$1.9	\$1.6	\$3.3	\$6.5	\$7.1	\$7.1	\$4.4
14	CITY APPORTIONMENT (OTIA III)	16.99%	\$18.2	\$18.2	\$18.1	\$18.1	\$18.2	\$18.2	\$18.3	\$18.4	\$18.4	\$18.5	\$18.5	\$18.6	\$36.4	\$36.3	\$36.4	\$36.5	\$36.8	\$37.1
15	DEBT SERVICE (OTIA III)	15.93%	(\$3.0)	(\$2.7)	(\$2.3)	(\$2.5)	(\$3.4)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.5)	(\$3.1)	(\$1.6)	(\$5.8)	(\$4.8)	(\$7.3)	(\$7.8)	(\$7.4)	(\$4.7)
16	CITY APPORTIONMENT (OTIA III-Local)	40.00%	\$3.3	\$3.5	\$3.0	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$6.8	\$6.3	\$6.4	\$6.4	\$6.4	\$6.4
17	CITY APPORTIONMENT (JTA)	20.00%	\$56.1	\$56.6	\$56.9	\$57.1	\$57.2	\$57.0	\$57.1	\$57.1	\$57.2	\$57.2	\$57.2	\$57.1	\$112.7	\$114.0	\$114.2	\$114.2	\$114.4	\$114.3
18	CITY APPORTIONMENT (HB 2017)	20.00%	\$20.7	\$42.9	\$49.7	\$56.5	\$59.2	\$61.4	\$63.9	\$67.2	\$67.9	\$68.4	\$69.0	\$69.2	\$63.6	\$106.3	\$120.7	\$131.2	\$136.3	\$138.2
19	NET CITY APPORTIONMENT		\$181.8	\$204.9	\$212.8	\$223.2	\$224.3	\$224.5	\$225.9	\$228.4	\$227.6	\$227.5	\$225.8	\$225.8	\$386.7	\$435.9	\$448.8	\$454.3	\$455.1	\$451.6
20	HIGHWAY DIVISION (including small City/County)	60.05%	\$335.7	\$339.8	\$340.9	\$351.8	\$344.5	\$338.0	\$333.1	\$329.1	\$322.6	\$319.0	\$312.3	\$308.2	\$675.4	\$692.7	\$682.4	\$662.2	\$641.7	\$620.5
21	SPECIAL COUNTY (ORS 366.772)		(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)
22	SPECIAL CITY (ORS 366.805)		(\$1.3)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$3.8)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)
23	HIGHWAY DIVISION: TOTAL (OTIA I & II)	50.00%	\$1.6	\$2.4	\$3.4	\$4.9	\$7.5	\$8.7	\$8.7	\$8.9	\$9.1	\$8.7	\$6.4	\$4.7	\$4.1	\$8.3	\$16.2	\$17.6	\$17.8	\$11.0
24	HIGHWAY DIVISION: TOTAL (OTIA III)	57.53%	\$61.7	\$61.6	\$61.4	\$61.4	\$61.6	\$61.5	\$61.7	\$61.9	\$62.2	\$62.4	\$62.7	\$62.8	\$123.3	\$122.8	\$123.1	\$123.7	\$124.7	\$125.5
25	DEBT SERVICE (OTIA III)	100.00%	(\$79.5)	(\$82.9)	(\$83.6)	(\$86.5)	(\$87.8)	(\$86.7)	(\$86.6)	(\$85.5)	(\$84.7)	(\$97.3)	(\$111.4)	(\$127.0)	(\$162.3)	(\$170.1)	(\$174.5)	(\$172.1)	(\$181.9)	(\$238.4)
26	STATE APPORTIONMENT (OTIA III)	0.00%	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3.0
27	HIGHWAY DIVISION: NON-DEDICATED JTA REVENUES	48.75%	\$68.4	\$68.9	\$69.4	\$69.6	\$69.7	\$69.5	\$69.6	\$69.6	\$69.7	\$69.7	\$69.8	\$69.5	\$137.3	\$138.9	\$139.2	\$139.2	\$139.5	\$139.3
28	HIGHWAY DIVISION: DEDICATED JTA DEBT SERVICE	51.25%	\$71.9	\$72.5	\$72.9	\$73.1	\$73.3	\$73.1	\$73.1	\$73.2	\$73.3	\$73.3	\$73.3	\$73.1	\$144.4	\$146.1	\$146.4	\$146.3	\$146.6	\$146.4
29	DEBT SERVICE (JTA)		(\$44.7)	(\$57.4)	(\$64.4)	(\$66.5)	(\$66.8)	(\$67.1)	(\$67.1)	(\$68.3)	(\$69.2)	(\$59.9)	(\$42.7)	(\$32.1)	(\$102.1)	(\$130.9)	(\$134.0)	(\$135.5)	(\$129.1)	(\$74.8)
30	STATE APPORTIONMENT (HB 2017)	50.00%	\$51.7	\$107.2	\$124.4	\$141.3	\$148.1	\$153.6	\$159.8	\$168.1	\$169.7	\$171.0	\$172.4	\$173.1	\$158.9	\$265.7	\$301.7	\$327.9	\$340.7	\$345.6
31	DEBT SERVICE (HB 2017 Section 71d)		\$0.0	\$0.0	\$0.0	(\$5.4)	(\$34.4)	(\$35.8)	(\$35.8)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	\$0.0	(\$5.4)	(\$70.2)	(\$71.7)	(\$71.8)	(\$71.8)
32	OREGON TRAVEL EXPERIENCE TRANSFER		(\$3.3)	(\$8.0)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$11.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)
33	NET HIGHWAY DIVISION		\$462.1	\$501.4	\$512.5	\$531.6	\$503.8	\$502.7	\$504.6	\$509.3	\$505.0	\$499.3	\$495.9	\$486.5	\$963.5	\$1,044.1	\$1,006.5	\$1,013.9	\$1,004.3	\$982.5
34	Memo: HIGHWAY MODERNIZATION PROGRAM (included in NET HIGHWAY DIVISION)		\$80.7	\$81.6	\$82.9	\$83.1	\$83.0	\$82.3	\$81.8	\$81.5	\$81.2	\$81.0	\$80.6	\$80.2	\$162.3	\$166.0	\$165.3	\$163.3	\$162.2	\$160.8
35	NET COUNTY APPORTIONMENT		\$266.1	\$301.1	\$314.6	\$329.7	\$327.7	\$326.1	\$328.0	\$331.7	\$330.3	\$331.9	\$330.4	\$336.3	\$567.2	\$644.3	\$653.7	\$659.7	\$662.2	\$666.7
36	NET CITY APPORTIONMENT		\$181.8	\$204.9	\$212.8	\$223.2	\$224.3	\$224.5	\$225.9	\$228.4	\$227.6	\$227.5	\$225.8	\$225.8	\$386.7	\$435.9	\$448.8	\$454.3	\$455.1	\$451.6
37	NET HIGHWAY DIVISION		\$462.1	\$501.4	\$512.5	\$531.6	\$503.8	\$502.7	\$504.6	\$509.3	\$505.0	\$499.3	\$495.9	\$486.5	\$963.5	\$1,044.1	\$1,006.5	\$1,013.9	\$1,004.3	\$982.5
38	NET HIGHWAY FUNDS REVENUE		\$910.0	\$1,007.4	\$1,039.8	\$1,084.5	\$1,055.7	\$1,053.3	\$1,058.5	\$1,069.4	\$1,062.9	\$1,058.7	\$1,052.2	\$1,048.6	\$1,917.4	\$2,124.3	\$2,109.0	\$2,127.8	\$2,121.6	\$2,100.8
39	SPECIAL COUNTY/CITY TRANSFERS TO ALLOTMENT FUND		\$5.5	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.7	\$16.3	\$21.5	\$21.5	\$21.5	\$21.5	\$21.5
40	TOTAL NET REVENUES FOR DISTRIBUTION		\$915.5	\$1,018.2	\$1,050.6	\$1,095.3	\$1,066.5	\$1,064.1	\$1,069.2	\$1,080.1	\$1,073.7	\$1,069.5	\$1,062.9	\$1,059.4	\$1,933.6	\$2,145.8	\$2,130.5	\$2,149.3	\$2,143.1	\$2,122.3

Note: Row and column sums may vary slightly due to rounding.

Appendix – Alternative Conditional Motor Fuel Forecast

If we assume the conditions are met triggering the three two cent increases in the motor fuels tax rate in January's of 2020, 2022, and 2024, this will significantly increase motor fuels tax revenue in these years. As of now, we are on course to meet the requirements for the 2020 increase. Below are updated tables 6A, 7A and 8A where these conditional tax increases are included. In addition to generating revenue for the State Highway Fund and apportionable revenue to share with local governments, it also increases the revenue transferred for the non-highway fuel uses. This is shown in Table 6A rows 6 through 13.

Tables 6A-8A (Includes All Conditional Rate Increases)

Table 6A. Highway Fund Revenue Collected by FSB (Millions of Dollars) (Includes all Conditional Fuels Tax Increases - Currently an Additional 6 Cents)

	Actual		Forecast										Actual BI 17-19	Forecast					
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29		BI 19-21	BI 21-23	BI 23-25	BI 25-27	BI 27-29	
	1	MOTOR FUELS TAXES	\$580.7	\$625.2	\$655.2	\$678.7	\$695.2	\$711.8	\$726.2	\$742.3	\$737.1	\$731.9		\$725.7	\$719.8	\$1,205.9	\$1,333.9	\$1,407.1	\$1,468.4
2	TOTAL FSB COLLECTIONS	\$580.7	\$625.2	\$655.2	\$678.7	\$695.2	\$711.8	\$726.2	\$742.3	\$737.1	\$731.9	\$725.7	\$719.8	\$1,205.9	\$1,333.9	\$1,407.1	\$1,468.4	\$1,469.0	\$1,445.5
3	Change from Previous Forecast	(\$3.3)	(\$10.9)	(\$0.9)	(\$1.4)	(\$6.8)	(\$11.9)	(\$17.9)	(\$22.7)	(\$28.0)	(\$31.7)	(\$35.0)	NA	(\$14.2)	(\$2.3)	(\$18.7)	(\$40.6)	(\$59.6)	NA
4	COLLECTION/ADMINISTRATION COST	(\$1.9)	(\$1.9)	(\$2.0)	(\$2.1)	(\$2.2)	(\$2.2)	(\$2.3)	(\$2.4)	(\$2.5)	(\$2.6)	(\$2.7)	(\$2.7)	(\$3.8)	(\$4.1)	(\$4.4)	(\$4.7)	(\$5.1)	(\$5.4)
5	ODOT CENTRAL SERVICES ASSESSMENT	(\$0.4)	(\$0.4)	(\$0.3)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.5)	(\$0.5)	(\$0.8)	(\$0.7)	(\$0.8)	(\$0.8)	(\$0.9)	(\$0.9)
6	SNOWMOBILE TRANSFER	(\$0.7)	(\$0.7)	(\$0.7)	(\$0.8)	(\$0.8)	(\$0.8)	(\$0.8)	(\$0.9)	(\$0.9)	(\$0.9)	(\$0.8)	(\$0.8)	(\$1.5)	(\$1.5)	(\$1.6)	(\$1.7)	(\$1.7)	(\$1.7)
7	CLASS I ATV TRANSFER	(\$2.8)	(\$2.7)	(\$2.8)	(\$2.9)	(\$2.9)	(\$3.0)	(\$3.1)	(\$3.1)	(\$3.1)	(\$3.1)	(\$3.1)	(\$3.1)	(\$5.5)	(\$5.7)	(\$6.0)	(\$6.2)	(\$6.2)	(\$6.2)
8	MARINE BOARD TRANSFER	(\$4.1)	(\$4.5)	(\$4.6)	(\$4.7)	(\$4.9)	(\$5.0)	(\$5.1)	(\$5.2)	(\$5.2)	(\$5.2)	(\$5.2)	(\$5.2)	(\$8.6)	(\$9.3)	(\$9.8)	(\$10.3)	(\$10.5)	(\$10.5)
9	CLASS II ATV TRANSFER	(\$1.4)	(\$1.4)	(\$1.5)	(\$1.5)	(\$1.5)	(\$1.6)	(\$1.6)	(\$1.7)	(\$1.7)	(\$1.6)	(\$1.6)	(\$1.6)	(\$2.8)	(\$3.0)	(\$3.1)	(\$3.3)	(\$3.3)	(\$3.3)
10	CLASS III ATV TRANSFER	(\$1.3)	(\$1.4)	(\$1.4)	(\$1.5)	(\$1.5)	(\$1.5)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)	(\$2.7)	(\$2.9)	(\$3.0)	(\$3.2)	(\$3.2)	(\$3.2)
11	CLASS IV ATV TRANSFER	(\$0.9)	(\$1.0)	(\$1.1)	(\$1.1)	(\$1.1)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.9)	(\$2.2)	(\$2.3)	(\$2.4)	(\$2.4)	(\$2.4)
12	TRANSPORTATION OPERATING FUND (TOF)	(\$12.3)	(\$13.3)	(\$13.9)	(\$14.5)	(\$15.2)	(\$15.8)	(\$16.5)	(\$17.1)	(\$17.4)	(\$17.7)	(\$17.9)	(\$18.2)	(\$25.7)	(\$28.5)	(\$31.0)	(\$33.6)	(\$35.1)	(\$36.1)
13	AVIATION TRANSFER	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.2)	(\$0.2)	(\$0.2)
14	HB 2435 (2013 Session) B20 FUEL TAX EXEMPTION -memo	(\$5.3)	(\$5.6)	(\$2.9)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$10.9)	(\$2.9)	\$0.0	\$0.0	\$0.0	\$0.0
15	NET FSB REVENUE	\$554.9	\$597.7	\$626.6	\$649.3	\$664.7	\$680.3	\$693.5	\$708.5	\$703.0	\$697.5	\$690.9	\$684.7	\$1,152.6	\$1,275.9	\$1,344.9	\$1,402.0	\$1,400.5	\$1,375.6
16	REVENUE ALLOCATION TO OTIA I & II SET-ASIDE - memo	(\$19.2)	(\$19.1)	(\$19.3)	(\$19.0)	(\$19.2)	(\$19.2)	(\$19.1)	(\$19.0)	(\$19.0)	(\$18.9)	(\$18.8)	(\$18.7)	(\$38.2)	(\$38.3)	(\$38.4)	(\$38.2)	(\$37.8)	(\$37.4)
17	REVENUE PLEDGED TO OTIA III - memo	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
18	REVENUE DUE TO JTA - memo	(\$110.3)	(\$111.0)	(\$112.5)	(\$113.2)	(\$112.9)	(\$112.5)	(\$111.9)	(\$111.4)	(\$110.6)	(\$109.9)	(\$109.0)	(\$108.1)	(\$221.2)	(\$225.7)	(\$225.4)	(\$223.3)	(\$220.5)	(\$217.0)
19	REVENUE DUE TO HB 2017 - memo	(\$35.4)	(\$74.0)	(\$93.2)	(\$113.2)	(\$131.1)	(\$150.0)	(\$167.2)	(\$185.7)	(\$184.4)	(\$183.1)	(\$181.6)	(\$180.1)	(\$109.4)	(\$206.4)	(\$281.1)	(\$352.9)	(\$367.5)	(\$361.7)

Table 7A. Highway Fund Revenue by Fiscal Year and Biennium (Millions of Dollars) (Includes all Conditional Fuels Tax Increases - Currently an Additional 6 Cents)

	Actual		Forecast										Actual	Forecast				
	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	BI	BI	BI	BI		
	18	19	20	21	22	23	24	25	26	27	28	29	17-19	19-21	21-23	23-25	25-27	27-29
1 TOTAL MCTD COLLECTIONS	\$383.7	\$433.5	\$444.6	\$450.7	\$475.4	\$494.3	\$508.4	\$524.2	\$529.6	\$534.5	\$540.1	\$545.0	\$817.2	\$895.3	\$969.7	\$1,032.6	\$1,064.1	\$1,085.1
2 TOTAL FSB COLLECTIONS	\$580.7	\$625.2	\$655.2	\$678.7	\$695.2	\$711.8	\$726.2	\$742.3	\$737.1	\$731.9	\$725.7	\$719.8	\$1,205.9	\$1,333.9	\$1,407.1	\$1,468.4	\$1,469.0	\$1,445.5
3 TOTAL DMV COLLECTIONS	\$377.1	\$413.7	\$439.9	\$485.1	\$479.5	\$484.5	\$488.8	\$491.2	\$493.0	\$494.2	\$495.8	\$494.1	\$790.8	\$925.0	\$964.1	\$980.0	\$987.2	\$989.9
4 TOTAL GROSS HIGHWAY FUND	\$1,341.5	\$1,472.4	\$1,539.6	\$1,614.5	\$1,650.2	\$1,690.7	\$1,723.3	\$1,757.7	\$1,759.6	\$1,760.7	\$1,761.6	\$1,758.9	\$2,814.0	\$3,154.2	\$3,340.8	\$3,481.1	\$3,520.3	\$3,520.5
5 COLLECTION, PROGRAMS, & TRANSFERS (incl.obligated OTIA & JTA)	(\$717.5)	(\$845.7)	(\$911.7)	(\$968.3)	(\$1,016.0)	(\$1,067.5)	(\$1,108.2)	(\$1,149.2)	(\$1,161.9)	(\$1,168.9)	(\$1,180.98)	(\$1,185.34)	(\$1,563.2)	(\$1,880.0)	(\$2,083.5)	(\$2,257.4)	(\$2,330.7)	(\$2,366.3)
6 NET REVENUE TO HIGHWAY FUND	\$624.0	\$626.8	\$627.9	\$646.2	\$634.2	\$623.1	\$615.1	\$608.5	\$597.8	\$591.8	\$580.6	\$573.6	\$1,250.8	\$1,274.1	\$1,257.3	\$1,223.6	\$1,189.6	\$1,154.2
7 OTIA I & II SET ASIDE - memo	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$35.6	\$71.2	\$71.2	\$71.2	\$71.2	\$71.2	\$71.2
8 DEBT SERVICE (OTIA I & II) - memo	(\$32.4)	(\$30.7)	(\$28.8)	(\$25.9)	(\$20.6)	(\$18.2)	(\$18.2)	(\$17.7)	(\$17.4)	(\$18.2)	(\$22.9)	(\$26.3)	(\$63.1)	(\$54.7)	(\$38.8)	(\$35.9)	(\$35.6)	(\$49.1)
9 OTIA III Dedicated Revenues - memo	\$107.3	\$107.0	\$106.7	\$106.7	\$107.1	\$106.9	\$107.3	\$107.7	\$108.2	\$108.5	\$108.9	\$109.2	\$214.3	\$213.4	\$214.0	\$215.0	\$216.7	\$218.1
10 DEBT SERVICE (OTIA III) - memo	(\$98.4)	(\$100.0)	(\$97.9)	(\$102.0)	(\$109.2)	(\$111.2)	(\$111.1)	(\$110.1)	(\$109.2)	(\$119.0)	(\$131.1)	(\$136.8)	(\$198.4)	(\$199.9)	(\$220.4)	(\$221.2)	(\$228.2)	(\$267.9)
11 JTA Total Gross Revenues - memo	\$304.6	\$306.8	\$308.6	\$309.3	\$310.0	\$309.1	\$309.3	\$309.5	\$309.8	\$309.9	\$310.0	\$309.1	\$611.4	\$617.9	\$619.0	\$618.8	\$619.8	\$619.1
12 JTA Allocation for Long-Range Planning - memo	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$24.0)	(\$48.0)	(\$48.0)	(\$48.0)	(\$48.0)	(\$48.0)	(\$48.0)
13 DEBT SERVICE (JTA) - State Only - memo	(\$44.7)	(\$57.4)	(\$64.4)	(\$66.5)	(\$66.8)	(\$67.1)	(\$67.1)	(\$68.3)	(\$69.2)	(\$59.9)	(\$42.7)	(\$32.1)	(\$102.1)	(\$130.9)	(\$134.0)	(\$135.5)	(\$129.1)	(\$74.8)
14 HB 2017 Total Gross Revenues - memo	\$108.5	\$224.4	\$277.0	\$330.3	\$377.0	\$424.6	\$457.2	\$492.5	\$494.9	\$496.8	\$498.7	\$499.2	\$332.9	\$607.3	\$801.6	\$949.7	\$991.8	\$997.9
15 Safe Routes to School set aside - memo	(\$5.0)	(\$10.0)	(\$10.0)	(\$10.0)	(\$10.0)	(\$12.5)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$15.0)	(\$20.0)	(\$22.5)	(\$30.0)	(\$30.0)	(\$30.0)
16 Rose Quarter project set aside - memo	\$0.0	\$0.0	\$0.0	\$0.0	(\$15.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)	\$0.0	\$0.0	(\$45.0)	(\$60.0)	(\$60.0)	(\$60.0)
17 DEBT SERVICE (HB 2017 Section 71d) - State Only - memo	\$0.0	\$0.0	\$0.0	(\$5.4)	(\$34.4)	(\$35.8)	(\$35.8)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	\$0.0	(\$5.4)	(\$70.2)	(\$71.7)	(\$71.8)	(\$71.8)
18 Oregon Travel Experience Transfer - State Only - memo	(\$3.3)	(\$8.0)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$11.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)
19 E-GOV Records Incremental Revenue Transfer - memo	(\$5.3)	(\$5.6)	(\$8.1)	(\$8.2)	(\$8.2)	(\$8.3)	(\$8.3)	(\$8.3)	(\$8.3)	(\$8.4)	(\$8.4)	(\$8.4)	(\$10.9)	(\$16.3)	(\$16.5)	(\$16.6)	(\$16.7)	(\$16.7)
20 NET OTIA I & II REVENUE FOR DISTRIBUTION	\$3.2	\$4.9	\$6.8	\$9.7	\$15.0	\$17.4	\$17.4	\$17.9	\$18.2	\$17.4	\$12.7	\$9.3	\$8.1	\$16.5	\$32.4	\$35.3	\$35.6	\$22.1
21 NET OTIA III REVENUE FOR DISTRIBUTION - LOCAL	\$34.9	\$37.0	\$38.5	\$38.0	\$32.2	\$28.9	\$29.1	\$29.3	\$29.4	\$32.4	\$34.6	\$44.6	\$71.8	\$76.5	\$61.1	\$58.4	\$61.9	\$79.2
22 NET OTIA III REVENUE FOR DISTRIBUTION - STATE	(\$17.7)	(\$21.3)	(\$22.2)	(\$25.1)	(\$26.2)	(\$25.2)	(\$24.9)	(\$23.6)	(\$22.4)	(\$34.8)	(\$48.8)	(\$64.1)	(\$39.0)	(\$47.3)	(\$51.4)	(\$48.5)	(\$57.3)	(\$112.9)
23 NET JTA REVENUE FOR DISTRIBUTION - LOCAL	\$140.3	\$141.4	\$142.3	\$142.7	\$143.0	\$142.5	\$142.6	\$142.7	\$142.9	\$143.0	\$143.0	\$142.6	\$281.7	\$285.0	\$285.5	\$285.4	\$285.9	\$285.6
24 NET JTA REVENUE FOR DISTRIBUTION ABOVE D/S -STATE	\$27.2	\$15.1	\$8.5	\$6.6	\$6.5	\$5.9	\$6.0	\$4.8	\$4.1	\$13.4	\$30.6	\$40.9	\$42.3	\$15.1	\$12.4	\$10.8	\$17.4	\$71.6
25 NET HB 2017 REVENUE FOR DISTRIBUTION - LOCAL	\$51.7	\$107.2	\$133.5	\$160.2	\$176.0	\$191.1	\$206.1	\$223.7	\$225.0	\$225.9	\$226.8	\$227.1	\$158.9	\$293.6	\$367.0	\$429.8	\$450.9	\$454.0
26 NET HB 2017 REVENUE FOR DISTRIBUTION - STATE	\$51.7	\$107.2	\$133.5	\$154.8	\$141.6	\$155.2	\$170.3	\$187.9	\$189.1	\$190.0	\$190.9	\$191.2	\$158.9	\$288.2	\$296.8	\$358.1	\$379.1	\$382.1
27 TOTAL NET REVENUE FOR DISTRIBUTION	\$915.5	\$1,018.2	\$1,068.8	\$1,132.9	\$1,122.2	\$1,138.9	\$1,161.7	\$1,191.2	\$1,184.0	\$1,179.1	\$1,170.6	\$1,165.1	\$1,933.6	\$2,201.7	\$2,261.1	\$2,352.9	\$2,363.1	\$2,335.7

Note: Row and column sums may vary slightly due to rounding.

Table 8A. Distribution of Total Net Revenues (Millions of Dollars) (Includes all Conditional Fuels Tax Increases - Currently an Additional 6 Cents)

Line Item	Distribution Percentage	Actual		Forecast										Actual BI 17-19	Forecast				
		FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29		BI 19-21	BI 21-23	BI 23-25	BI 25-27	BI 27-29
1 COUNTY APPORTIONMENT (ORS 366.739)	24.38%	\$136.3	\$137.9	\$138.4	\$142.8	\$139.9	\$137.2	\$135.2	\$133.6	\$131.0	\$129.5	\$126.8	\$125.1	\$274.2	\$281.2	\$277.1	\$268.9	\$260.5	\$251.9
2 SPECIAL COUNTY (ORS 366.772)		(\$2.8)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$5.5)	(\$8.3)	(\$11.0)	(\$11.0)	(\$11.0)	(\$11.0)	(\$11.0)
4 COUNTY APPORTIONMENT (OTIA I & II)	30.00%	\$1.0	\$1.5	\$2.0	\$2.9	\$4.5	\$5.2	\$5.2	\$5.4	\$5.5	\$5.2	\$3.8	\$2.8	\$2.4	\$5.0	\$9.7	\$10.6	\$10.7	\$6.6
5 COUNTY APPORTIONMENT (OTIA III)	25.48%	\$27.3	\$27.3	\$27.2	\$27.2	\$27.3	\$27.2	\$27.3	\$27.4	\$27.6	\$27.7	\$27.8	\$27.8	\$54.6	\$54.4	\$54.5	\$54.8	\$55.2	\$55.6
6 DEBT SERVICE (OTIA III)	84.07%	(\$15.9)	(\$14.4)	(\$12.1)	(\$13.0)	(\$18.0)	(\$20.6)	(\$20.6)	(\$20.6)	(\$20.6)	(\$18.3)	(\$16.6)	(\$8.3)	(\$30.4)	(\$25.1)	(\$38.6)	(\$41.2)	(\$38.9)	(\$24.8)
7 COUNTY APPORTIONMENT (OTIA III-Local)	60.00%	\$5.0	\$5.2	\$4.5	\$4.9	\$4.9	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$10.2	\$9.4	\$9.7	\$9.7	\$9.6	\$9.7
8 COUNTY APPORTIONMENT (JTA)	30.00%	\$84.2	\$84.8	\$85.4	\$85.6	\$85.8	\$85.5	\$85.6	\$85.6	\$85.7	\$85.8	\$85.8	\$85.5	\$169.0	\$171.0	\$171.3	\$171.2	\$171.5	\$171.3
9 COUNTY APPORTIONMENT (HB 2017)	30.00%	\$31.0	\$64.3	\$80.1	\$96.1	\$105.6	\$114.6	\$123.7	\$134.2	\$135.0	\$135.5	\$136.1	\$136.3	\$95.4	\$176.2	\$220.2	\$257.9	\$270.5	\$272.4
10 NET COUNTY APPORTIONMENT		\$266.1	\$301.1	\$320.1	\$341.0	\$344.4	\$348.5	\$355.8	\$365.0	\$363.4	\$364.8	\$363.1	\$368.6	\$567.2	\$661.0	\$692.9	\$720.8	\$728.2	\$731.7
11 CITY APPORTIONMENT (ORS 366.739)	15.57%	\$87.0	\$88.1	\$88.4	\$91.2	\$89.3	\$87.6	\$86.4	\$85.3	\$83.6	\$82.7	\$81.0	\$79.9	\$175.1	\$179.6	\$176.9	\$171.7	\$166.4	\$160.9
12 SPECIAL CITY (ORS 366.805)		(\$1.3)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$3.8)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)
13 CITY APPORTIONMENT (OTIA I & II)	20.00%	\$0.6	\$1.0	\$1.4	\$1.9	\$3.0	\$3.5	\$3.5	\$3.6	\$3.6	\$3.5	\$2.5	\$1.9	\$1.6	\$3.3	\$6.5	\$7.1	\$7.1	\$4.4
14 CITY APPORTIONMENT (OTIA III)	16.99%	\$18.2	\$18.2	\$18.1	\$18.1	\$18.2	\$18.2	\$18.2	\$18.3	\$18.4	\$18.4	\$18.5	\$18.6	\$36.4	\$36.3	\$36.4	\$36.5	\$36.8	\$37.1
15 DEBT SERVICE (OTIA III)	15.93%	(\$3.0)	(\$2.7)	(\$2.3)	(\$2.5)	(\$3.4)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.5)	(\$3.1)	(\$1.6)	(\$5.8)	(\$4.8)	(\$7.3)	(\$7.8)	(\$7.4)	(\$4.7)
16 CITY APPORTIONMENT (OTIA III-Local)	40.00%	\$3.3	\$3.5	\$3.0	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$6.8	\$6.3	\$6.4	\$6.4	\$6.4	\$6.4
17 CITY APPORTIONMENT (JTA)	20.00%	\$56.1	\$56.6	\$56.9	\$57.1	\$57.2	\$57.0	\$57.1	\$57.1	\$57.2	\$57.2	\$57.2	\$57.0	\$112.7	\$114.0	\$114.2	\$114.2	\$114.4	\$114.2
18 CITY APPORTIONMENT (HB 2017)	20.00%	\$20.7	\$42.9	\$53.4	\$64.1	\$70.4	\$76.4	\$82.4	\$89.5	\$90.0	\$90.4	\$90.7	\$90.8	\$63.6	\$117.5	\$146.8	\$171.9	\$180.4	\$181.6
19 NET CITY APPORTIONMENT		\$181.8	\$204.9	\$216.4	\$230.7	\$235.4	\$239.5	\$244.4	\$250.6	\$249.6	\$249.4	\$247.5	\$247.4	\$386.7	\$447.1	\$474.9	\$495.0	\$499.1	\$494.9
20 HIGHWAY DIVISION (including small City/County)	60.05%	\$335.7	\$339.8	\$340.9	\$351.8	\$344.5	\$338.0	\$333.1	\$329.1	\$322.6	\$319.0	\$312.3	\$308.2	\$675.4	\$692.7	\$682.4	\$662.2	\$641.7	\$620.5
21 SPECIAL COUNTY (ORS 366.772)		(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)
22 SPECIAL CITY (ORS 366.805)		(\$1.3)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)	(\$3.8)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)
23 HIGHWAY DIVISION: TOTAL (OTIA I & II)	50.00%	\$1.6	\$2.4	\$3.4	\$4.9	\$7.5	\$8.7	\$8.7	\$8.9	\$9.1	\$8.7	\$6.4	\$4.7	\$4.1	\$8.3	\$16.2	\$17.6	\$17.8	\$11.0
24 HIGHWAY DIVISION: TOTAL (OTIA III)	57.53%	\$61.7	\$61.6	\$61.4	\$61.4	\$61.6	\$61.5	\$61.7	\$61.9	\$62.2	\$62.4	\$62.7	\$62.8	\$123.3	\$122.8	\$123.1	\$123.7	\$124.7	\$125.5
25 DEBT SERVICE (OTIA III)	100.00%	(\$79.5)	(\$82.9)	(\$83.6)	(\$86.5)	(\$87.8)	(\$86.7)	(\$86.6)	(\$85.5)	(\$84.7)	(\$97.3)	(\$111.4)	(\$127.0)	(\$162.3)	(\$170.1)	(\$174.5)	(\$172.1)	(\$181.9)	(\$238.4)
26 STATE APPORTIONMENT (OTIA III)	0.00%	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3.0
27 HIGHWAY DIVISION: NON-DEDICATED JTA REVENUES	48.75%	\$68.4	\$68.9	\$69.4	\$69.5	\$69.7	\$69.5	\$69.5	\$69.6	\$69.7	\$69.7	\$69.7	\$69.5	\$137.3	\$138.9	\$139.2	\$139.1	\$139.4	\$139.2
28 HIGHWAY DIVISION: DEDICATED JTA DEBT SERVICE	51.25%	\$71.9	\$72.5	\$72.9	\$73.1	\$73.3	\$73.0	\$73.1	\$73.1	\$73.2	\$73.3	\$73.3	\$73.1	\$144.4	\$146.0	\$146.3	\$146.3	\$146.5	\$146.4
29 DEBT SERVICE (JTA)		(\$44.7)	(\$57.4)	(\$64.4)	(\$66.5)	(\$66.8)	(\$67.1)	(\$67.1)	(\$68.3)	(\$69.2)	(\$59.9)	(\$42.7)	(\$32.1)	(\$102.1)	(\$130.9)	(\$134.0)	(\$135.5)	(\$129.1)	(\$74.8)
30 STATE APPORTIONMENT (HB 2017)	50.00%	\$51.7	\$107.2	\$133.5	\$160.2	\$176.0	\$191.1	\$206.1	\$223.7	\$225.0	\$225.9	\$226.8	\$227.1	\$158.9	\$293.6	\$367.0	\$429.8	\$450.9	\$454.0
31 DEBT SERVICE (HB 2017 Section 71d)		\$0.0	\$0.0	\$0.0	(\$5.4)	(\$34.4)	(\$35.8)	(\$35.8)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	(\$35.9)	\$0.0	(\$5.4)	(\$70.2)	(\$71.7)	(\$71.8)	(\$71.8)
32 OREGON TRAVEL EXPERIENCE TRANSFER		(\$3.3)	(\$8.0)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$9.2)	(\$11.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)	(\$18.3)
33 NET HIGHWAY DIVISION		\$462.1	\$501.4	\$521.6	\$550.5	\$531.6	\$540.1	\$550.8	\$564.9	\$560.2	\$554.1	\$550.3	\$540.4	\$963.5	\$1,072.1	\$1,071.8	\$1,115.6	\$1,114.3	\$1,090.7
34 Memo: HIGHWAY MODERNIZATION PROGRAM (included in NET HIGHWAY DIVISION)		\$80.7	\$81.6	\$82.9	\$83.1	\$83.0	\$82.3	\$81.8	\$81.5	\$81.2	\$81.0	\$80.6	\$80.2	\$162.3	\$166.0	\$165.3	\$163.3	\$162.1	\$160.8
35 NET COUNTY APPORTIONMENT		\$266.1	\$301.1	\$320.1	\$341.0	\$344.4	\$348.5	\$355.8	\$365.0	\$363.4	\$364.8	\$363.1	\$368.6	\$567.2	\$661.0	\$692.9	\$720.8	\$728.2	\$731.7
36 NET CITY APPORTIONMENT		\$181.8	\$204.9	\$216.4	\$230.7	\$235.4	\$239.5	\$244.4	\$250.6	\$249.6	\$249.4	\$247.5	\$247.4	\$386.7	\$447.1	\$474.9	\$495.0	\$499.1	\$494.9
37 NET HIGHWAY DIVISION		\$462.1	\$501.4	\$521.6	\$550.5	\$531.6	\$540.1	\$550.8	\$564.9	\$560.2	\$554.1	\$550.3	\$540.4	\$963.5	\$1,072.1	\$1,071.8	\$1,115.6	\$1,114.3	\$1,090.7
38 NET HIGHWAY FUNDS REVENUE		\$910.0	\$1,007.4	\$1,058.1	\$1,122.2	\$1,111.5	\$1,128.1	\$1,150.9	\$1,180.5	\$1,173.2	\$1,168.3	\$1,160.9	\$1,156.4	\$1,917.4	\$2,180.2	\$2,239.6	\$2,331.4	\$2,341.6	\$2,317.2
39 SPECIAL COUNTY/CITY TRANSFERS TO ALLOTMENT FUND		\$5.5	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8	\$10.7	\$16.3	\$21.5	\$21.5	\$21.5	\$21.5	\$21.5
40 TOTAL NET REVENUES FOR DISTRIBUTION		\$915.5	\$1,018.2	\$1,068.8	\$1,132.9	\$1,122.2	\$1,138.9	\$1,161.7	\$1,191.2	\$1,184.0	\$1,179.1	\$1,171.6	\$1,167.1	\$1,933.6	\$2,201.7	\$2,261.1	\$2,352.9	\$2,363.1	\$2,338.7

Note: Row and column sums may vary slightly due to rounding.



October 17, 2019

