

Transportation Economic Revenue Forecast Council

November 2025 Transportation Economic and
Revenue Forecast

Volume I: Summary

Contents

Preface	4
November 2025 Transportation Forecast Overview.....	5
Forecast Overview.....	5
Economic Variables Forecast.....	7
Fuel Prices	7
Motor Vehicle Fuel Tax Forecast.....	10
Motor Vehicle Revenue (Licenses, Permits, and Fees)	12
Overview.....	12
Primary reasons for the change in the November 2025 forecast.....	13
Driver Related Revenue Forecasts.....	13
Overview.....	13
Notable changes in the November 2025 forecast:	14
Other Transportation Related Revenue Forecast.....	14
Overview.....	14
Primary reasons for the change in the November 2025 Forecast	15
Ferry Ridership and Revenue	17
Summary	17
Overview:	17
COVID-19 Impacts and Service Level Constraints	18
Ridership	18
Revenues	19
Impact of Youth-Fare Elimination	19
Forecast Change Primary Drivers.....	19
Forecast Disclaimer	20
Toll Revenue.....	21
November 2025 Forecast Update Overview.....	21
Tacoma Narrows Bridge (TNB).....	24
SR 520 Toll Bridge.....	25
I-405 Express Toll Lanes (ETLs).....	26
SR 167 Express Toll Lanes (ETLs)	28
SR 99 Tunnel.....	29
Federal Funds Revenue	32
Overview	32
FHWA – Highways Forecast	32
Obligation Authority (OA) Forecast.....	32

Allocations of IIJA Funds Forecast:	32
Summary of funding split decisions for the five-year IIJA authorization	33
National Highway Performance Program -	33
Surface Transportation Block Grant program –	33
Highway Safety Improvement Program –	33
Congestion Mitigation & Air Quality (CMAQ) Program –	33
Bridge Replacement Program (NEW)	33
National Highway Freight Program –	33
Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT) –	33
National Electric Vehicle Program –	34
Carbon Reduction Program -	34
FHWA Penalties:	34
COVID 19 Stimulus Funds:	35
FTA - Public Transportation Federal Funds	36
Overview	36
FTA – Washington State Ferries (WSF) Federal Funds	37
WSF Federal Apportionment Funds Forecast	37
Forecast Contacts	38
Economic Variables and Fuel Price Forecast	38
Motor Fuel Tax Revenue Forecast	38
Motor Vehicle Licenses, Permits & Fees Revenue Forecast	38
Driver Related Revenue Forecasts	38
Other Transportation Related Revenue Forecast	38
WSP Business Related Revenue	39
Washington State Ferries Ridership and Revenue Forecast	39
Toll Operations Traffic and Revenue	39
Federal Funds Forecast	39

Preface

Washington law mandates the preparation and adoption of economic and revenue forecasts. The organizations primarily responsible for revenue forecasts are the Economic and Revenue Forecast Council and the Office of Financial Management. The Office of Financial Management has the statutory responsibility to prepare and adopt those forecasts not made by the Economic and Revenue Forecast Council (RCW 43.88.020). The Office of Financial Management has carried out its forecast responsibilities for transportation revenues through the Transportation Revenue Forecast Council. Each quarter, the technical staff of the Department of Licensing, the Department of Transportation, the Washington State Patrol, and the Economic Revenue Forecast Council produce the revenue projections.

The revenue forecasts agreed upon by the Transportation Revenue Forecast Council members became the official estimated revenues under RCW 43.88.020 21.

The 2023 Legislature amended RCW 82.33.020 through the passage of ESHB 1838. As a result, WSDOT transferred the state's motor fuels, fuel prices, vehicle registration, and other revenue forecast activities to Washington's Economic Revenue Forecast Council (ERFC). The transition of forecasting activities from WSDOT to ERFC was completed in 2024, and the September 2024 forecast was the first forecast produced by ERFC.

November 2025 Transportation Forecast Overview

Forecast Overview

- 2025–2027 Biennium:** The total transportation revenue estimate for the 2025–27 biennium stands at \$8.84 billion, reflecting a \$ 67.21 million decrease compared to the September 2025 forecast. This is primarily attributed to decline in the Motor Vehicle Fuel Tax funds, Business and Other Revenues, and License Permits and Fees. (see Figure 1).
- 2027–2029 Biennium:** Revenues for the 2027–29 biennium is projected at \$10.83 billion, representing a decrease of \$20.4 million, or -0.19 %, over the September 2025 forecast. There is an increase of 47.5 million (7.88%) for Toll Revenue. (see Figure 1).
- 2029–2031 Biennium:** Revenues for the 2027–29 biennium is anticipated to reach \$10.44 billion, reflecting a decrease of \$63.6 million, or -0.61%, compared to the September 2025 forecast (see Figure 1).
- Three-Biennia Forecast Horizon:** Over the three-biennia forecast horizon, total baseline revenues for November 2025 have decreased by \$150 million, or -0.47%, relative to the September 2025 forecast. (see Figure 1).

Forecast to Forecast Comparison for Transportation Revenues and Distributions 10-Year Period												
November 2025 Forecast to September 2025 Forecast millions of dollars												
	Current Biennium 2025-2027				Biennium 2027-2029				Biennium 2029-2031			
	Forecast November 2025	Forecast September 2025	Chg from September 2025	Percent Change	Forecast November 2025	Forecast September 2025	Chg from September 2025	Percent Change	Forecast November 2025	Forecast September 2025	Chg from September 2025	Percent Change
Sources of Transportation Revenue												
Motor Vehicle Fuel Tax Collections	3,549.5	3,596.9	(47.40)	-1.32%	3,681.5	3,729.2	(47.69)	-1.28%	3,776.6	3,799.7	(23.10)	-0.61%
Licenses, Permits and Fees	2,214.0	2,230.5	(16.57)	-0.74%	2,406.5	2,427.5	(21.00)	-0.87%	2,598.0	2,617.7	(19.76)	-0.75%
Ferry Revenue	455.8	453.3	2.56	0.57%	479.6	476.1	3.56	0.75%	494.5	490.1	4.41	0.90%
Toll Revenue	579.8	561.7	18.07	3.22%	649.9	602.4	47.49	7.88%	706.9	629.7	77.17	12.26%
Aviation Revenues	15.5	15.5	0.00	0.00%	14.8	14.8	0.00	0.01%	15.3	15.2	0.00	0.02%
Rental Car Tax	150.3	149.6	0.67	0.45%	162.4	161.7	0.69	0.43%	172.2	171.5	0.62	0.36%
Vehicle Sales Tax/Sales Tax Transfer	252.4	253.0	(0.68)	-0.27%	899.1	903.9	(4.83)	-0.53%	956.4	960.6	(4.21)	-0.44%
Driver-Related Fees	416.5	413.3	(3.20)	-0.77%	414.9	413.1	1.80	0.44%	401.5	399.2	2.35	0.59%
Business/Other Revenues	222.7	244.8	(22.03)	-9.00%	304.2	304.6	(0.41)	-0.13%	241.5	241.9	(0.33)	-0.14%
Climate Commitment Act	1,056.2	1,056.2	0.00	0.00%	860.2	860.2	0.00	0.00%	753.8	854.5	(100.74)	-11.79%
Transfers	(70.6)	(70.6)	0.00	0.00%	959.9	959.9	0.00	0.00%	322.4	322.4	0.00	0.00%
Total Revenues	8,842.0	8,909.2	(67.21)	-0.75%	10,833.0	10,853.4	(20.39)	-0.19%	10,439.2	10,502.7	(63.58)	-0.61%
Distribution of Revenue												
Motor Fuel Tax Refunds and Transfers	229.1	231.5	(2.48)	-1.07%	239.0	241.4	(2.41)	-1.00%	246.4	247.5	(1.13)	-0.46%
Motor Fuel Administrative Fee - DOL	20.1	20.1	0.00	0.00%	20.9	20.9	0.00	0.00%	21.5	21.5	0.00	0.00%
State Uses												
Motor Vehicle Account (108)	1,850.9	1,866.0	(15.09)	-0.81%	2,127.0	2,146.9	(19.81)	-0.92%	2,356.8	2,363.8	(6.99)	-0.30%
Transportation 2003 (Nickel) Account (550)	387.6	391.0	(3.42)	-0.87%	384.2	388.3	(4.13)	-1.06%	381.6	384.5	(2.86)	-0.74%
Transportation 2005 Partnership Account (09H)	566.1	573.5	(7.44)	-1.30%	562.7	569.8	(7.05)	-1.24%	558.5	562.8	(4.33)	-0.77%
Connecting Washington Account (20H)	793.2	793.2	(9.29)	-1.17%	738.0	746.9	(8.91)	-1.19%	698.9	704.0	(5.12)	-0.73%
Multimodal Account (218)	676.3	682.4	(6.07)	-0.89%	2,197.8	2,208.6	(10.74)	-0.49%	1,696.2	1,706.9	(10.71)	-0.63%
Special Category C Account (215)	44.1	44.6	(0.59)	-1.33%	43.2	43.8	(0.57)	-1.30%	42.5	42.8	(0.33)	-0.76%
Puget Sound Capital Construction Account (099)	32.1	32.5	(0.43)	-1.33%	31.4	31.9	(0.41)	-1.30%	30.9	31.2	(0.24)	-0.76%
Puget Sound Ferry Operations Account (109)	503.8	502.4	1.41	0.28%	523.0	520.5	2.41	0.46%	534.6	531.1	3.44	0.65%
Capital Vessel Replacement Account (18J)	78.4	77.8	0.54	0.70%	87.2	86.9	0.24	0.28%	91.7	91.5	0.20	0.22%
Tacoma Narrows Bridge Account (511)	164.5	164.5	0.00	0.00%	166.9	166.9	0.00	0.00%	170.0	170.0	0.00	0.00%
High Occupancy Toll Lanes Account (09F)*	0.0	20.7	(20.70)	0.00%	0.0	30.2	(30.25)	0.00%	0.0	32.0	(32.00)	0.00%
SR 520 Corridor Account (16J)	200.4	200.4	0.00	0.00%	206.3	206.3	0.00	0.00%	218.3	218.3	0.00	0.00%
SR 520 Corridor Civil Penalties Account (17P)	8.6	8.6	0.00	0.00%	8.9	8.9	0.00	0.00%	9.4	9.4	0.00	0.00%
Interstate 405 Express Toll Lanes Operations (595)	116.5	85.7	30.80	35.94%	158.8	106.1	53.72	50.61%	172.7	114.1	58.62	51.40%
Alaskan Way Viaduct Replacement Acct. (535)	81.9	81.9	0.00	0.00%	83.9	83.9	0.00	0.00%	86.0	86.0	0.00	0.00%
Aeronautics Account (039)	19.9	19.9	0.00	0.00%	22.9	22.9	0.00	0.00%	24.0	24.0	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)	486.3	491.6	(5.26)	-1.07%	507.0	512.4	(5.37)	-1.05%	523.6	529.1	(5.45)	-1.03%
Highway/Motorcycle Safety Accts. (106 & 082)	413.4	436.5	(23.18)	-5.31%	478.0	476.3	1.66	0.35%	389.6	387.4	2.17	0.56%
School Zone Safety Account (780)	0.4	0.4	0.00	0.00%	0.4	0.4	0.00	0.00%	0.4	0.4	0.00	0.00%
Other accounts (201, 06T, 09T, 09E, 216, 07C, 24-K)	44.7	45.1	(0.35)	-0.77%	45.3	45.7	(0.39)	-0.86%	46.0	46.3	(0.36)	-0.77%
Electric Vehicle Account (20J)	0.1	0.0	0.08	0.00%	0.1	0.0	0.12	0.00%	0.1	0.0	0.13	0.00%
Ignition Interlock Devices Revolving Acct 14V	7.4	7.8	(0.33)	-4.27%	8.1	8.1	0.00	0.00%	8.2	8.2	0.00	0.00%
Multistate Roadway Safety Account Collections-571	0.6	0.6	0.00	0.00%	0.7	0.7	0.00	0.00%	0.7	0.7	0.00	0.00%
Move Ahead WA Accounts - 26P	277.0	275.6	1.35	0.49%	285.7	284.7	0.96	0.34%	288.9	287.8	1.11	0.39%
Move Ahead WA Accounts - 26Q	35.9	35.7	0.21	0.60%	260.9	260.7	0.20	0.08%	268.7	268.4	0.24	0.09%
Driver Education Safety Improvement Account (29F)	12.2	12.2	(0.04)	-0.30%	16.5	16.5	(0.01)	-0.05%	16.6	16.6	(0.01)	-0.04%
ISA Revolving Account (29V)	0.0	0.0	0.00	0.00%	0.0	0.0	0.00	0.00%	0.0	0.0	0.00	0.00%
Carbon Emissions Reductions Account (CERA) - 26A	1,056.2	1,056.2	0.00	0.00%	860.2	860.2	0.00	0.00%	753.8	854.5	(100.74)	-11.79%
Pilotage Account - 025	3.5	3.5	0.00	0.00%	3.5	3.5	0.00	0.00%	3.6	3.6	0.00	0.00%
State Patrol Nonappropriated Airplane Revolving Account - 4	1.0	1.0	(0.00)	-0.02%	1.0	1.0	(0.00)	-0.02%	1.0	1.0	(0.00)	-0.02%
Puget Sound Gateway Facility Account - 23S	8.0	7.96	0.04	0.50%	24.0	24.02	0.02	0.08%	50.6	50.56	0.04	0.08%
Total for State Use	7,861.7	7,911.5	(49.81)	-0.63%	9,834.9	9,839.2	(4.28)	-0.04%	9,423.9	9,476.5	(52.63)	-0.56%
Cities	177.9	180.3	(2.39)	-1.33%	179.6	182.0	(2.33)	-1.28%	180.6	182.0	(1.36)	-0.75%
Counties	296.8	305.9	(9.06)	-2.96%	296.9	304.6	(7.69)	-2.52%	296.1	302.4	(6.39)	-2.11%
Transportation Improvement Board (112 & 144)	188.2	190.7	(2.54)	-1.33%	189.7	192.3	(2.61)	-1.36%	193.2	194.7	(1.48)	-0.76%
County Road Administration Board (102 & 253)	68.3	69.2	(0.93)	-1.34%	72.0	73.1	(1.06)	-1.46%	77.6	78.2	(0.59)	-0.76%
Total for Local Use	731.2	746.1	(14.92)	-2.00%	738.2	751.9	(13.70)	-1.82%	747.5	757.3	(9.82)	-1.30%
Total Distribution of Revenue	8,842.0	8,909.2	(67.21)	-0.75%	10,833.0	10,853.4	(20.39)	-0.19%	10,439.2	10,502.7	(63.58)	-0.61%

Figure 1: Current November 2025 vs. September 2025 Forecast: All Revenues

Figure 2 presents a comparison of transportation revenues across the four most recent forecast cycles: November 2025,

September 2025, June 2025, and March 2025. The November 2025 forecast estimates the 10-year total transportation revenue to be \$48.98 billion, -0.4% lower compared to the projections in the September 2025 forecast \$49.18 billion.

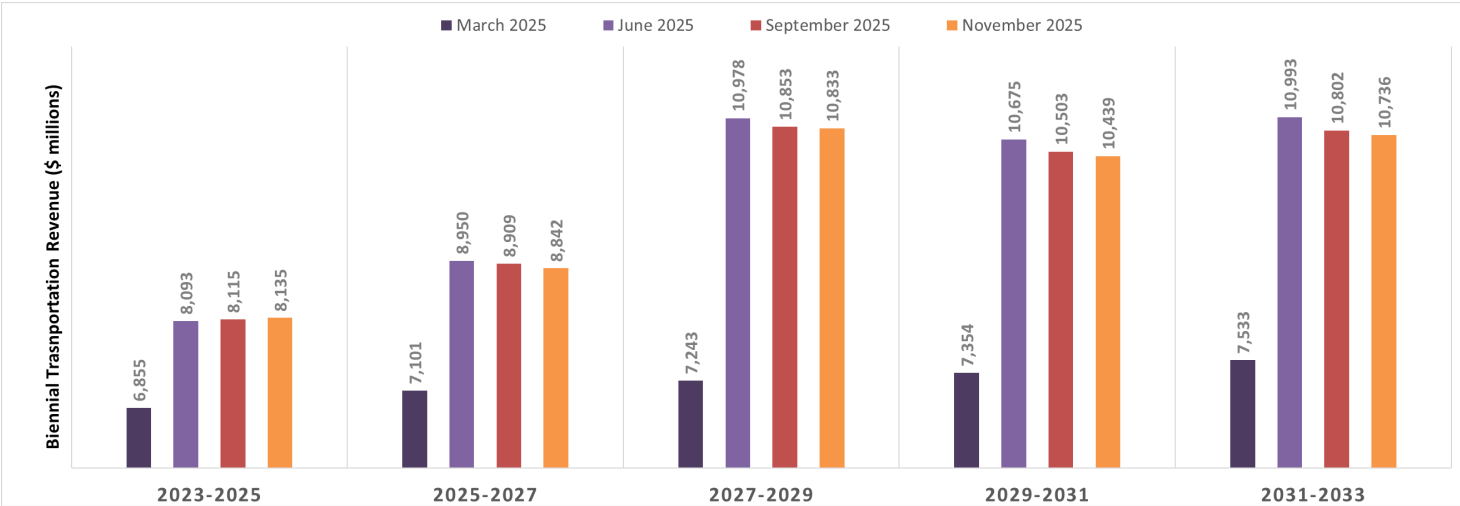


Figure 2: Total Transportation Revenues Estimates - Biennia: November 2025 – March 2025

Washington's transportation revenue is derived from various taxes, fees, permits, tolls, and other sources. The quarterly revenue forecasts include the components outlined in Figure 3. This graph illustrates the projected distribution of revenue sources for the 2025–27 biennium, totaling \$8.91 billion without including Transfers. Gasoline fuel taxes represent the largest share, accounting for 30.6% of the total. Collectively, fuel taxes contribute approximately 39.8% of all revenues. Revenues from licenses, permits, and fees comprise the second-largest share, at 24.8%. The four primary revenue sources are expected to account for 76.5% of total revenues for the 2025–27 biennium. The remaining 23.5% is projected to come from ferry fares, toll revenues, driver-related revenues, transfers, and other transportation-related sources.

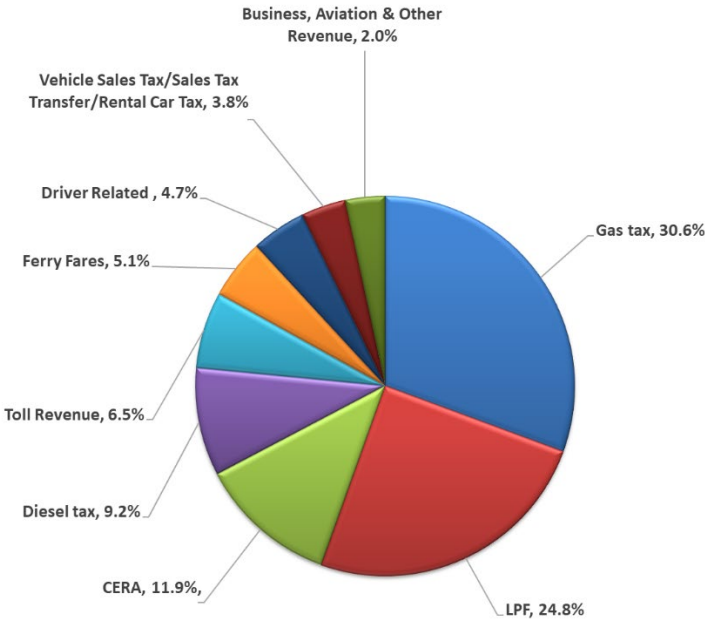


Figure 3: Revenue By Source 2025-27 Biennium

Economic Variables Forecast

In their revenue forecasts, analysts utilize a variety of economic and demographic variables to monitor trends. The Washington State Department of Transportation (WSDOT) and the Economic Revenue Forecast Council (ERFC) compile key economic variables, which include real personal income in Washington, inflation, sector-specific employment, housing starts, Vehicles Miles Traveled (VMT), and sales of new light vehicles in the U.S. The variables for November 2025 are based on forecasts provided by ERFC, S&P Global, and the Office of Financial Management (OFM). Below, we present an analysis of fuel prices.

Fuel Prices

The fuel price forecast has been updated using a similar methodology and the same price references described in detail in November 2024, Volume I. Biodiesel prices are based on Washington State Ferries’ latest reported purchase price of biodiesel, including markup, delivery, and other tax costs (Adjusted Price Per Gallon, APPG).

The reference prices are derived from two primary sources:

- S&P Global: Gasoline Price. ERFC sends this file to partner forecasters before developing the forecast.
- US Energy Information Administration (EIA): Diesel Price. This is from the EIA Short-Term Energy Outlook, October 7, 2025. ERFC forecast may not capture the increase in oil prices observed after the EIA forecast was published.

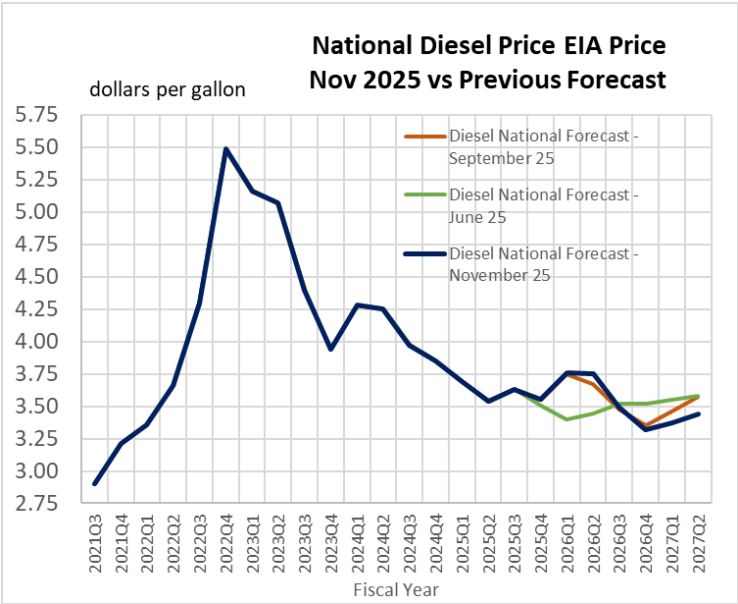


Figure 4: National Diesel Price
Source: EIA

Brent Oil prices continue to decline, and oil prices are expected to maintain this trend in the coming months. The biodiesel price forecast aligns with trends in oil and diesel prices. The figure indicates an increase in the diesel price forecast for the first quarter of FY 2026, with an expected annual decrease of -5.7% by the end of the 2026 fiscal year, bringing the estimates close to \$3.61 per gallon. The fuel prices forecast for November 2025 is presented below. The graphs show trends in various fuel prices from fiscal year 2022 to mid-2027, reflecting futures markets for Brent oil as detailed in the [STEO](#) report on pages 20 and 21. Gasoline prices decreased since their peak in the first quarter of fiscal year 2024 (\$5.00) to a lower level of \$3.95 in the second quarter of FY 2025. It increased in the first quarter of FY 2026 (\$4.42), with the forecast suggesting a price of around \$4.23 per gallon by the first quarter of FY 2027.

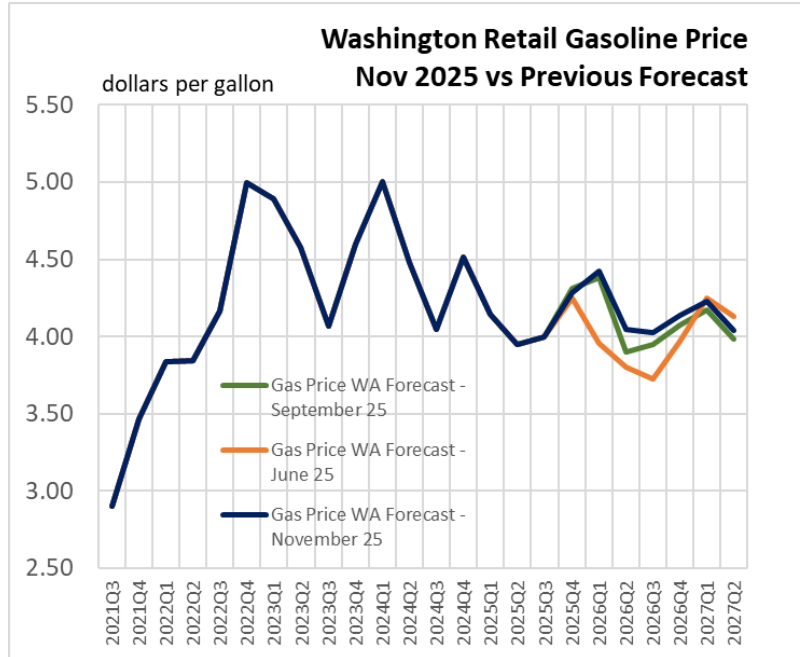


Figure 5: Washington retail gasoline price
Source: ERFC estimates and S&P global national price of reference

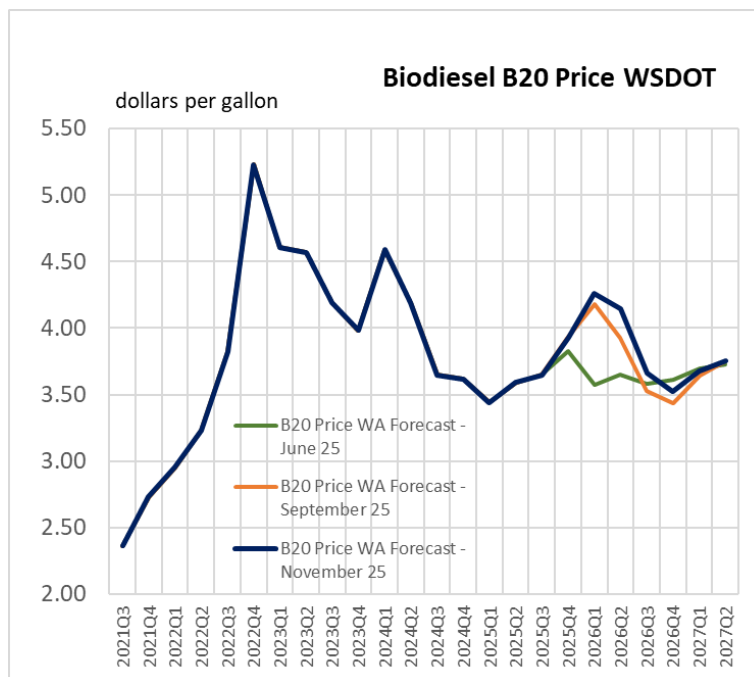


Figure 6: Washington biodiesel price
Source: ERFC estimates and S&P Global national price of reference

In the first quarter of FY 2026, biodiesel prices for B20 experienced a year-over-year growth rate of 23.9%. The forecast indicates that prices may decrease to approximately \$3.76 per gallon for B20 in the second quarter of FY 2027. Prices for Biodiesel 5 weren't updated because WSF is not getting B5 deliveries.

Calendar Year	Fiscal year - Quarter	Gas Price WA Forecast	Diesel Price Forecast	Diesel National Forecast	B20 Price WA Forecast	B5 Price WA Forecast
2021Q1	2021Q3	2.90	3.00	2.90	2.36	2.02
2021Q2	2021Q4	3.47	3.36	3.21	2.73	2.37
2021Q3	2022Q1	3.84	3.64	3.36	2.95	2.60
2021Q4	2022Q2	3.84	3.92	3.66	3.23	2.90
2022Q1	2022Q3	4.16	4.53	4.29	3.82	3.55
2022Q2	2022Q4	5.00	5.66	5.48	5.23	4.74
2022Q3	2023Q1	4.89	5.42	5.16	4.61	4.25
2022Q4	2023Q2	4.58	5.26	5.07	4.57	3.98
2023Q1	2023Q3	4.07	4.64	4.40	4.19	3.71
2023Q2	2023Q4	4.60	4.33	3.94	3.98	3.62
2023Q3	2024Q1	5.00	4.71	4.28	4.59	4.39
2023Q4	2024Q2	4.48	4.64	4.25	4.19	3.62
2024Q1	2024Q3	4.05	4.14	3.97	3.65	3.12
2024Q2	2024Q4	4.51	4.06	3.85	3.62	3.14
2024Q3	2025Q1	4.15	3.92	3.69	3.44	3.07
2024Q4	2025Q2	3.95	3.76	3.54	3.59	3.11
2025Q1	2025Q3	3.99	3.82	3.63	3.65	3.20
2025Q2	2025Q4	4.28	3.83	3.55	3.93	3.13
2025Q3	2026Q1	4.42	4.14	3.76	4.26	3.15
2025Q4	2026Q2	4.04	4.07	3.75	4.15	3.11
2026Q1	2026Q3	4.02	3.72	3.49	3.66	3.11
2026Q2	2026Q4	4.14	3.61	3.32	3.52	3.05
2026Q3	2027Q1	4.23	3.70	3.37	3.67	3.25
2026Q4	2027Q2	4.04	3.79	3.44	3.76	3.16

Figure 7: Fuel prices forecast

Source: ERFC estimates

Motor Vehicle Fuel Tax Forecast

The Motor Vehicle Fuel Tax (MVFT) forecast is divided into two primary categories: Gasoline (Gas) and Special Fuels (SF). The MVFT forecast, along with the corresponding revenue forecast and distributions, has been updated.

Fuel consumption was forecasted using models that employed quarterly data. The two principal explanatory variables for gas gallonage are Washington State employment and electric vehicle registrations. For special fuels, the primary variable is Washington taxable sales adjusted for inflation. Snowmobile refunds were also forecasted by the Department of Licensing (DOL).

The data provided by the DOL has been affected by system issues following the implementation of CORE21. This problem has impacted on fuel tax reporting for the first eight months (January to August, corresponding to the months of sales). ERFC used the 2025 recast data from the DOL for the first two quarters of 2025 for gasoline and special fuel. ERFC then updated the estimates based on economic variables and legislative changes. The MVFT distribution tables include modifications made by the Washington State Office of Treasury to the distribution formulas for cities and counties in previous years.

ERFC is still incorporating the legislative changes as before from [ESB 5801](#):

- Beginning July 1, 2025, the fuel tax rate for motor vehicle fuel and special fuel increased by \$0.06 per gallon from \$0.494 to \$0.554 per gallon. In addition, the fuel tax rate for special fuel has increased by \$0.03 per gallon, effective July 1, 2025, and by an additional \$0.03 per gallon, effective July 1, 2027. Fuel tax rates, except for the special fuel differential rates, are increased by a 2 percent inflation adjustment factor each year, beginning July 1, 2026.
- The special fuel differential rate is increased by an inflation adjustment factor of 2 percent each year beginning July 1, 2028. Revenue generated from these fuel tax rate increases is distributed to the Motor Vehicle Fund, except that 2.5 percent is distributed to incorporated cities and 2.5 percent is distributed to counties.

Gasoline consumption has been decreasing over the past three fiscal years (Figure 9), with similar annual decline rates in 2023 and 2025, ranging from -1.8% to -1.3%. The forecast is lower than the previous one by -1.6% for fiscal year 2026 and -2.1% for fiscal year 2027. The average rate of change in gasoline demand ranges from -1.08% in FY 2029 to -1.51% in FY 2035.

The forecast for special fuels consumption is slightly higher than the previous projection, with a 0.3% increase for fiscal year 2026 and a 1.0% increase for fiscal year 2027. The November 2025 forecast uses projected real taxable sales (adjusted for inflation) for years beyond 2029, in line with the long-term trend of income from S&P Global. (Figure 10).

The forecast for total motor fuel consumption is 1.2% lower than the previous estimate for fiscal year 2026. The gap between the last and new forecasts narrows for later fiscal years, with the forecast for 2030 being 0.6% lower for all motor fuels in fiscal year 2035.

Washington State is projected to collect about \$3.24 billion from the Motor Vehicle Fuel Tax (MVFT) during the 2023-2025 biennium, reflecting an increase of \$13.6 million or 0.42% from September's forecast. For the 2025-2027 biennium, MVFT revenue is expected to reach \$3.55 billion, representing a decrease of \$47.4 million, or -1.32%, compared to the previous projection.

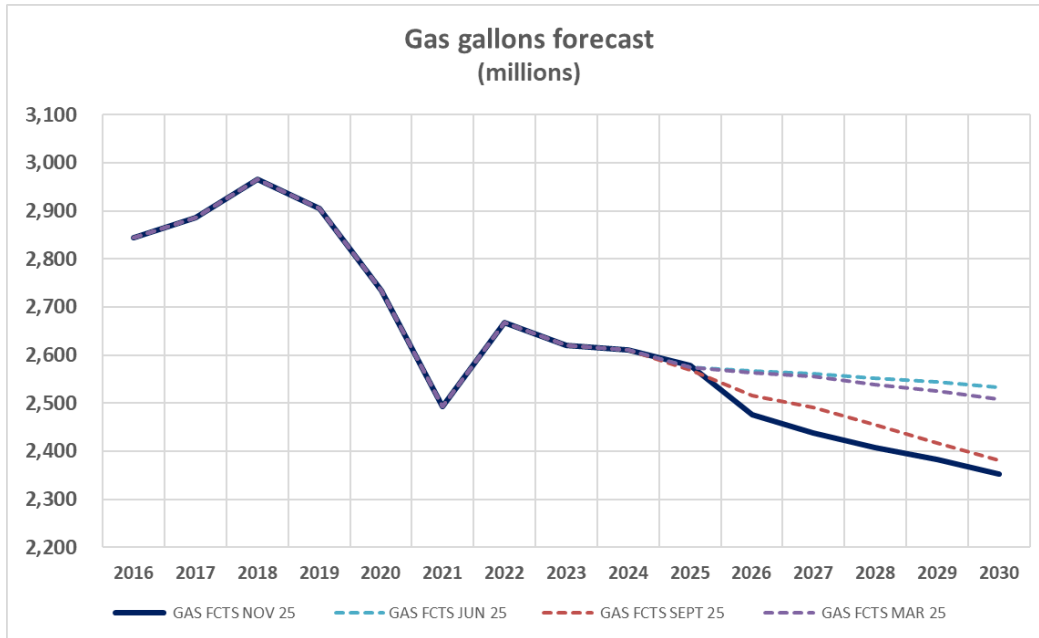


Figure 8: Gasoline consumption and annual percentage change

Source: ERFC estimates – Treasury reports

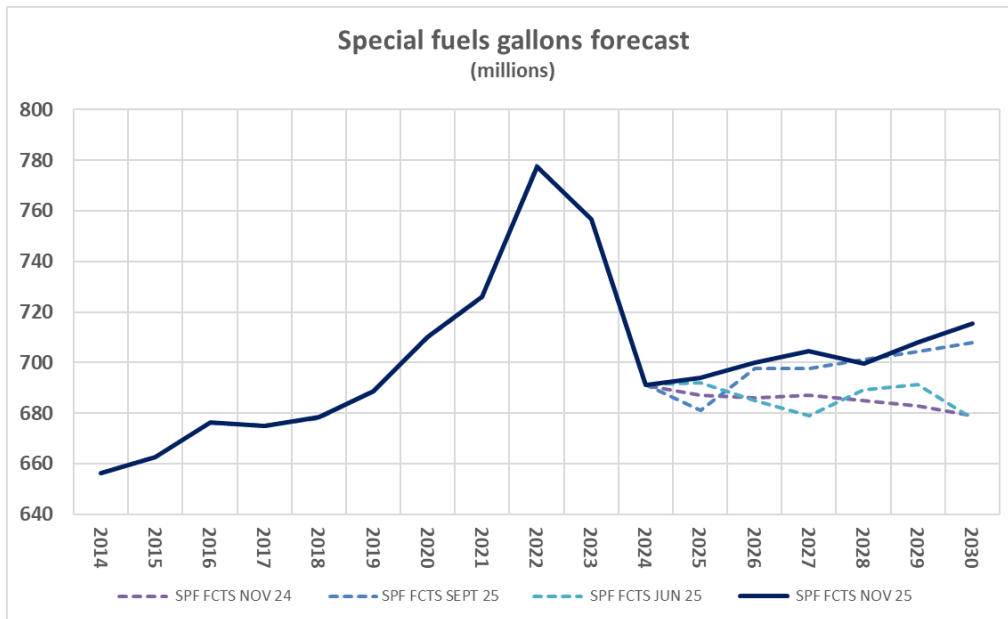


Figure 9: Special Fuel consumption and annual percentage change

Source: ERFC estimates – Treasury reports

Motor Vehicle Revenue (Licenses, Permits, and Fees)

Overview

Vehicle-related forecasts fall into two main categories: motor vehicle registrations and license plate-related fees. These forecasts have a variety of small fees, but most of the revenue is from registration-based fees. There are five main economic drivers of the vehicle licenses, permits, and fees (LPF) forecast: Washington population and net migration, Washington real personal income, Washington Non-ag Employment, Washington - U.S. real income share, and U.S. sales of light vehicles. It is important to note that Engrossed Substitute Senate Bill 5801 (ESSB 5801) impacted many LPF-related revenues for Fiscal Year 2026 (2025-2027 Biennium) and beyond. These impacts were implemented in the June 2025 forecast, thus the changes in the November forecast represent changes in economic and recent actuals.

Washington State anticipates collecting about \$1.99 billion from vehicle licenses, permits, and fees (LPFs) in the 2023-2025 biennium, which is a decrease of \$3.8 million or 0.2% compared to the forecast for September 2025. The LPF forecast is anticipated to be \$2.21 billion by the 2025-2027 biennium, which is down about \$16.6 million or 0.7% from the previous forecast.

One of the main drivers of the LPF revenue forecasted by the Economic and Revenue Forecast Council (ERFC) is the vehicle registration forecasts and corresponding revenue forecasts. The forecast models for cars and trucks remain unchanged from the previous forecast. The forecast for cars is slightly lower than the September forecast due largely to the fact that actual car registrations were lower than expected and the forecast for non-farm employment is lower. The truck registration forecast is also slightly lower than the previous forecast. This is because actual truck registrations since last forecast were just slightly lower than the forecasted registrations. The fees used to convert vehicle registrations to revenues are unchanged from the prior forecast. There are small changes to the forecast for motorhomes, travel trailers, and other vehicle types.

These registration forecasts have a direct impact on the weight-based and non-weight-based registration fees. The three major revenues that the ERFC forecasts for the LPF are the Vehicles paying Basic License Fee (\$30), Vehicles paying Weight-based Registration Fee (All Trucks), and the Passenger Vehicle Weight Fee. For the 2025-2027 biennium, the Vehicles paying Basic License Fee (\$30) decreased 1.3% compared to the September forecast, while the Vehicles paying Weight-Based Registration Fees (All Trucks) decreased 1.1% and the Passenger Vehicle Weight Fee decreased 1.2%.

Overall, the ERFC forecasted portion of the LPF revenue for the 2023-25 biennium is \$1.483 billion, down from \$1.487 billion (0.3%) in the September 2025 Forecast. For the 2025-27 biennium, the ERFC forecasted portion of the LPF revenue is \$1.609 billion, down from \$1.629 billion (1.2%) in the September 2025 forecast.

The November 2025 forecast of LPF revenue projected by the Department of Licensing includes the following revenue sources:

- Dealer temporary permit, registration, and plate fees.
- DOL services account.
- Electric vehicles and charging infrastructure fees.
- Plates: original, replacement, transfer, and reflectivity; multimodal account and license plate technology.
- Title fees: regular and quick title.
- Vehicle business licenses.

- Service and filing fees.
- Other fees: abandoned RV disposal, IFTA decals, intermittent-use trailers, multiuse roadway fees.

These LPF fees are deposited into 18 different accounts, including Motor Vehicle Account Capital Vessel Replacement Account, and Move Ahead WA.

The DOL forecasted portion of LPF revenue for 2025-27 biennium is \$604.5 million, a minor increase of \$2.7 million (0.4%) from the prior forecast. Over the ten-year period of FY2026-2035, DOL forecasted LPF revenues are projected to total \$4,070 million, an \$11.9 million higher (0.3%) than the previous forecast.

Primary reasons for the change in the November 2025 forecast

- **Original Issue Plate** forecast is increased by \$770K (0.7%) for the 2025-27 biennium and increased by \$5.6 million (0.9%) for the ten-year horizon compared to previous forecast, due to positive variance in actuals and returning to EvIEWS model.
- **Plate Replacement Fee** forecast is increased by \$2 million (2.5%) for the 2025-27 biennium and the ten-year outlook is lowered by \$5 million (1.3%) compared to previous forecast, returning to June 2025 forecast level.

Driver Related Revenue Forecasts

Overview

The *November 2025* forecast of driver-related revenue projected by the Department of Licensing includes the following revenue sources:

- Driver license fees: commercial driver licenses, enhanced driver licenses, and temporary restricted licenses
- ID card fees
- Driver exam application fees
- Abstract driving records (ADR)
- Motorcycle operator fees
- Ignition interlock fees,
- Other miscellaneous fees: limousine licenses, fines and forfeitures, and driver school instructor license fees.

These driver-related fees are deposited into the Highway Safety Fund (HSF), Motorcycle Safety Education Account (MSEA), the State Patrol Highway Account (SPHA), Move Ahead WA Flexible Account (MAWA), Ignition Interlock Revolving Account (IIRA) Driver Education Safety Improvement Account, and Intelligent Speed Assistance Revolving Account.

Driver-related revenue for FY 2025-27 biennium is forecasted at \$416.5 million, \$1.8 million lower (-0.4%) from the prior forecast. Over the ten-year period of FY2026-2035, driver-related revenues are projected to total \$2,133 million, \$4.5 million higher (0.2%) than the prior forecast.

It is important to note that with SHB1207 passed in the 2021 legislative session, DOL offers eight-year licenses and ID cards, along with the existing six-year license and IDs. For the first four years of implementation, all first time Driver/ID issuances will have variable renewal terms while Driver and ID renewals will follow either a six- or eight-

year renewal cycle depending on customer choice. Caution is advised in year-over-year comparisons.

Notable changes in the November 2025 forecast:

- **Driver License Fee** forecast is lowered by \$2.3 million (-1.4%) for 2025-27 biennium, while the 10-year forecast is lowered by \$5.2 million (-0.6%) compared to the previous forecast.
- **Identicard Fee** forecast is increased by \$0.8 million (4%) for 2025-27 biennium, while the 10-year forecast is increased by \$8.6 million (8.3%) compared to the previous forecast.
- **EDL and EID** forecast is increased by \$0.4 million (0.7%) for 2025-27 biennium. The 10-year forecast increased by \$2 million (0.9%).

Other Transportation Related Revenue Forecast

Overview

This category of transportation-related revenue forecasts consists of four primary components: vehicle sales and use taxes, rental car sales taxes, studded tire fees and business and other revenues. The business and other revenue category includes the following revenue sources:

- Sales of property
- WSP and DOT services and publications and documents
- Filing fees and legal services
- Property management
- Access Permits (Highways)
- Outdoor Advertising
- Other revenues
- Speed Safety Camera Systems
- DOL collected miscellaneous fees: Aviation Fuel Tax, Aviation Plates, Catalytic Converter Fee, Credit Card Transaction Fee (24K).
- Technology Support Infraction Fee (25W)

ESSB 5801 (2025) modifies existing tax revenues as well as introduces new ones. Here are the changes that affect this section:

- **Rental Car Tax (Existing Tax & New Tax):** The 5.9% additional rental car tax is increased to 11.9% on January 1, 2026 and then adjusted down to 9.9% on January 1, 2027 and thereafter; and (2) applies these rates to peer-to-peer car transaction involving a vehicle exempted from retail sales or use tax. True peer-to-peer transactions involving personal car sharing by individuals would not be subject to taxation.
- **Motor Vehicle Sales and Use Tax (Existing Tax):** Increases the additional sales tax assessment on motor vehicles from 0.3% to 0.5% beginning January 1, 2026.
- **Luxury Vehicle Tax (New Tax):** Imposes a luxury tax of 8% on a portion of the retail sale, lease, or transfer of a vehicle beginning January 1, 2026. Applies to the portion of the selling price or value that exceeds \$100,000. The deduction of \$100,000 is increased by 2% per year.
- **Luxury Noncommercial Aircraft Tax (New Tax):** Imposes a luxury tax of 10% on a portion of the retail sale, lease, or transfer on an aircraft beginning April 1, 2026. Applies to the portion of the selling price or value that exceeds

\$500,000 of non-commercial aircraft.

- Recreational Vessel Tax (New Tax): Imposes a 0.5% sales and use tax on recreational vessels beginning July 1, 2026.
- Tire Fee (New Tax): Increases the existing \$1 tire replacement fee to \$5 and increases the amount retained by the retailer to 25 cents beginning January 1, 2026.
- Work Zone Safety Cameras (Existing Tax): Current policy provides a \$0 fine for the 1st offense. Increases the fine for the first offense to \$125 beginning July 1, 2026, through the pilot termination.

In addition to the changes in ESSB 5801, ESSB 5802 (2025) dedicates 0.1 percent of the state sales and use tax into the Multimodal Transportation Account starting July 1, 2027. Additionally, starting June 2025, specific amounts appropriated for transportation from the Climate Commitment Act (CCA) are now included in the forecast. These include allocations to the Carbon Emissions Reduction Account (CERA). The information presented outlines the projected annual allocation to CERA, which is set at approximately \$359 million per year through 2029, and lower amounts reflecting lower auction proceeds for out-years through 2035. Additionally, transfers from other accounts to CERA are included if they are explicitly specified in current biennial budgets. However, since there are no predefined rules governing future appropriations, these transfers are assumed to be zero for fiscal years without detailed budgets. HB 2077 establishes a tax on certain business activities related to surpluses generated under the zero-emission vehicles program. Some of the proceeds from the tax will be deposited in the CERA starting in FY 2028. Litigation around this revenue source is a risk in the forecast.

During the 2024 Legislative Session, SSB 6115 passed, and it amended RCW 46.63.200. The RCW continues to authorize use of automated Speed Safety Camera Systems (aka Work Zones Speed Cameras (WZSC)) in active work zones on state highways. The intention of WZSC is to help reduce vehicle speeds in active work zones while increasing overall safety for travelers and workers, alike. The penalty for a speed safety camera system violation is: (a) \$0 for the first violation (\$125 as of July 1, 2026); and (b) \$248 for the second violation, and for each violation thereafter. Revenue generated from these systems must be deposited into the Highway Safety Fund and first used exclusively for operating and administrative costs associated with these systems. Any revenue that exceeds the operation and administrative costs must be distributed for the purpose of traffic safety, including but not limited to, driver training education, and local DUI emphasis patrols.

The Washington State Department of Transportation (WSDOT) and the Washington State Patrol (WSP) were originally directed to collaborate and have operational Speed Safety Camera Systems in place by July 1, 2024. The initial deployments were done in the first semester of 2025. These systems will be in place through September 30, 2030. Both agencies have been working diligently to lay the groundwork for successful implementation. We have been Integrating best practices for how these systems are deployed around the country; and are engaged in ongoing discussions about rulemaking refinements.

The program entered live enforcement on April 16, 2025. Some highlights of live enforcement so far include:

- More than 300 deployments were completed in support of both construction and maintenance activities, through September 30, 2025
- More than 34,000 Notices of Infraction have been issued to registered owners through September 30, 2025. A vast majority of them have been \$0 for the first violation.
- A decrease in the number of vehicles speeding or excessively speeding in work zones has been reported. Data provided by WSDOT's traffic consulting firm RK&K shows a 17% decrease in excessive speeding, on average in the locations where the cameras are deployed.

Primary reasons for the change in the November 2025 Forecast

- In the November 2025 forecast, the sales and use tax on motor vehicle purchases is slightly lower in the 2025-27 biennium than in the September forecast. Moving forward, the 2027-29 biennium is lower

in the November forecast than the September forecast. In the 2025-27 biennium, collections are forecasted to be \$0.7 million (0.4%) lower than the September forecast. In the 2027-29 biennium, collections are forecasted to be \$0.7 million (0.3%) lower than the September forecast.

- For the 2025-27 biennium, rental car tax collections are \$0.7 million (0.5%) higher than the September forecast. For the 2027-29 biennium, the November 2025 rental car forecast is \$0.7 million (0.4%) higher than the September 2025 forecast.
- Forecasted heavy equipment tax collections have decreased since the previous forecast due mainly to lower than forecasted actuals. For the 2025-27 biennium, heavy equipment rental tax collections are 2.3% lower while in the 2027-29 biennium they are forecasted to be 2.7% lower.
- HOV penalties in November 2025 are unchanged from the last forecast.
- **WSDOT Business related revenue** for the 2025-27 biennium has been forecasted out by taking the prior four year average and applying the previous biennia's seasonality for revenue coming in with the exception of property sales which was divided by 24 as property sales don't follow the same seasonality. The forecast is down by \$65 thousand, or 0.3%, from the September forecast. These changes reflect updated actuals coming in and the new forecasted numbers for 25-27. **School Zone Fines forecast** for is up \$31 thousand, or 7.9%, from the September forecast. These changes reflect updated actuals coming in and the new forecasted numbers for 25-27.
- **Speed Safety Cameras Systems** - As the program becomes operational and actual trends are observed, WSDOT will update the forecast to ensure more accurate projections. In future biennia, WSDOT will incorporate additional variables to further enhance forecast accuracy. This decrease is due to the delay of the program starting and causing revenue collection to be pushed out as well as slight change in driver behavior when cameras are present.
- **WSP Business Related Revenues** for the 2025-27 biennium have been revised down by (\$81,970) or (-.67%). The change reflects updated actuals.
- **Aviation Fuel Tax (039)** forecast is unchanged from previous forecast.
- **Driver Licensing Technology Support Account (25W)** is collected by Administrative Office of the Courts (AOC) for supporting information technology systems used by the Department of Licensing to communicate with the judicial information system, manage driving records, and implement court orders. DOL forecasts this revenue on behalf of AOC. The forecast is relatively unchanged from previous forecast.

Total Other Transportation Related revenues in the 2023-25 biennium came in at \$1.259 billion. This represents an increase of \$.06 million, or 0.01% compared to September 2025 forecast.

Ferry Ridership and Revenue

Summary

Ridership for the 2025-2027 biennium is projected to be 40.6 million, approximately 0.1% higher than previously forecasted and 6.2% higher than the prior biennium. Over the same period, total revenue is projected to equal \$455.8 million, comprising \$437.2 million in farebox and surcharge revenues plus \$18.6 million in miscellaneous revenues, which overall is 0.6% higher than the prior September Forecast.

Over the subsequent eight years from FY 2028 through FY 2035, ridership is projected to range between 0.2% and 0.7% higher than previously forecasted, while total farebox and miscellaneous revenues combined are projected to range from 0.6% to 1.1% higher than the prior forecast.

The upward revisions for the ridership and revenue projections reflect slightly better than anticipated vehicle/driver ridership in September, combined with economic trends that bolster ridership demand — higher real personal income through FY 2028, lower real gasoline price projections from FY 2028 onward, and slightly higher inflation projections from FY 2029 and beyond, the latter of which result in lower real fares — outweighing those that dampen ridership — lower employment projections throughout the forecast horizon, higher gasoline price projections through FY 2027, and lower inflation through FY 2027).

Overview:

The fare revenue and ridership projections for Washington State Ferries are prepared using (1) systemwide econometric models to estimate overall demand by fare category, (2) autoregressive-integrated-moving average time series models to allocate monthly ridership demand across the 10 routes and seven fare categories, and (3) a set of spreadsheet models to assess vessel capacity constraints on ridership and calculate revenue projections. Ridership and revenues are estimated for the following seven fare categories.

- Passenger full fares
- Passenger frequent user/commuter discounted multi-ride fares
- Passenger other discount fares (e.g., senior fare, youth fare)
- Auto / driver full fares
- Auto / driver frequent user/commuter discounted multi-ride fares
- Other vehicle / driver discounted (senior/disabled auto and all motorcycle) fares
- Oversize vehicle / driver (over 22 feet in length) fares

As in September, the November 2025 forecast for ferry ridership and revenues incorporate the provisions contained in the 2025 legislation, ESSB 5801, and additional ferry fare changes adopted by the Washington State Transportation Commission on August 6, 2025:

- Increasing the vessel replacement surcharge by \$0.50 from \$0.25 to \$0.75, effective October 1, 2025, with two additional \$0.10 increases on October 1, 2027 (\$0.85 total) and on October 1, 2029 (\$0.95 total), which remains paired with the unchanged \$0.25 hybrid vessel surcharge; and
- Implementing a credit card recovery fee of at least three percent on all fare purchases made with a credit or debit card (assumed implementation date of March 1, 2026).
- Increasing base fares by 3.0% on October 1, 2025 and another 3.0% on May 1, 2026;
- Increasing the vehicle/driver single fare peak season surcharge to 35% on all routes (previously at 25% except for

the San Juan Islands), effective May 1, 2026; and

- Extending the Wave2Go multi-ride pass expiration date from 90 days to 120 days after purchase, effective May 1, 2026.

The November 2025 Forecast incorporates actual ridership and revenue data through September 2025.

COVID-19 Impacts and Service Level Constraints

- Beginning in early March 2020, the COVID-19 pandemic negatively impacted ferry travel, with April 2020 ridership 73% lower than April 2019. Since then, the rebound in ridership has been somewhat variable and extended, reflecting post-pandemic travel patterns, including less frequent use by many customers, combined with reduced and uncertain service levels. This forecast takes into consideration the WSF Service Contingency Plan updated in May 2025, which reflects the return to pre-pandemic service levels in Summer 2025. Nonetheless, the ridership and revenue forecasts acknowledge that vessel and/or crew shortages may impact service reliability, with stable, full-service restoration awaiting the arrival of new ferries starting in mid-2030 (FY 2031). As in the September Forecast, the November 2025 Forecast includes the following assumptions regarding service levels:
- The Fauntleroy-Vashon-Southworth triangle route is assumed to operate the majority of the time with three vessels starting in July 2025 (FY 2026).
- A second boat on the Seattle-Bremerton route is assumed to operate a majority of the time beginning in July 2025 (FY 2026).
- On the Port Townsend-Coupeville route, resumption of the second vessel normally added for the late Spring and Summer seasons is assumed to operate the majority of the peak season, beginning in July 2025 (FY 2026). For Summer 2025, the second boat ran Friday through Monday only, with a full return to everyday operations assumed when the second boat returns again in late Spring 2026.
- The Point Defiance-Tahlequah, Anacortes-San Juan Island, Seattle-Bainbridge, Mukilteo-Clinton, and Edmonds-Kingston routes will continue to operate the majority of the time with the normal number of vessels.
- In the event that service reductions are required due to insufficient vessel or crew availability, WSF will first reduce third-vessel service on the Fauntleroy-Vashon-Southworth route and second-vessel service on the Seattle-Bremerton and Port Townsend-Coupeville (shoulder/Summer only) routes. The forecast accounts for this by assuming slightly lower reliability factors on these routes.
- Resumption of service on the Anacortes-Sidney, B.C. international route is assumed to be delayed until Summer 2030 (FY 2031) at the earliest, which will also add limited capacity to summer service in the San Juan Islands as a fifth vessel. Anacortes-Sidney, B.C. ridership demand is then expected to ramp up over a three-year period.

Ridership

In the first three months of FY 2026, actual monthly ridership averaged 8.1% higher than the same three months in FY 2025, with passengers 8.8% higher and vehicles/drivers 7.2% higher. Concurrent with the return to pre-pandemic service levels on all domestic routes in July 2025, total ridership levels for July through September of FY 2026 are the highest they have been since the pandemic, reaching 84.0% of the levels for the same three months in FY 2019.

Actual September ridership was 0.4% above the September Forecast values, with passengers 1.9% lower and vehicles/drivers 3.2% higher than previously forecasted.

For FY 2026 overall, inclusive of three months of actual data, ridership is projected to be virtually unchanged from the prior September forecast, while ridership for the full 2025-2027 biennium is projected to be 0.1% higher. Over the rest of the forecast horizon (FYs 2028-35), the November ridership projections range from 0.2% to 0.7% higher than the September Forecast.

Revenues

Total reported base fare and surcharge revenues for the first three months of FY 2026 were 13.4% higher than the same period in FY 2025, in part due to fare and surcharge policy revisions. FY 2026 revenues-to-date exceed pre-pandemic fare revenue levels for the first time, a reflection of upward revisions to fares and surcharges since FY 2019, given that the underlying ridership is at 84% of pre-pandemic levels.

Actual revenue for September 2025 exceeded the prior September forecast value by 4.5%, with base fare revenues coming in 4.4% higher and capital surcharge revenues coming in 5.3% higher than anticipated.

In the current 2025-27 biennium, base fare and capital surcharge revenues are projected to be 0.6% higher, while miscellaneous revenues are forecast to be 0.2% higher, than in the prior September Forecast. Collectively, fare, surcharge, and miscellaneous revenues are expected to be \$455.8 million for the 2025-27 biennium, 0.6% higher than the September Forecast of \$453.3 million. Of this amount, base fare revenues represent \$413.5 million, capital surcharge revenues represent \$23.8 million, and miscellaneous revenues add \$18.6 million.

Subsequent biennia fare and surcharge revenue projections are expected to range from 0.8% to 1.1% higher relative to the September forecast. Miscellaneous revenues for the subsequent biennia are expected to range from 0.6 to 1.2% higher. Overall farebox and miscellaneous revenues over the remainder of the forecast horizon through FY 2035 average about 0.9% higher than the prior projections.

Over the 10 years from FY 2026 through FY 2035, farebox and miscellaneous revenues (inclusive of credit card recovery fees) are projected to total \$2.46 billion, about 0.9% above the prior forecast.

Impact of Youth-Fare Elimination

The elimination of youth fares starting October 1, 2022 remains included in the current November Forecast and amounts to a reduction in fare and surcharge revenues of more than \$4.8 million for FY 2026, and between \$4.9 million and \$5.8 million in subsequent fiscal years.

Forecast Change Primary Drivers

The primary reasons for the changes in the November 2025 Forecast are:

- Recent ridership trends, including actual ridership levels for September 2025, have been slightly exceeding previous forecasts, bringing up the trajectory for the November Forecast, absent other demand impacts.
- Higher real personal income through FY 2028 and lower real gasoline price projections from FY 2028 onward, along with slightly higher inflation projections in FY 2029 and beyond which result in lower real fares, collectively bolster ferry ridership demand.
- Meanwhile lower employment projections throughout the forecast horizon, higher gasoline price projections in the present through FY 2027, and slightly lower inflation projections through FY 2028 (higher real fares) dampen demand to provide partially offsetting effects to the above.
- Miscellaneous revenues have been revised slightly higher throughout the forecast horizon as a result of higher ridership and revenue forecasts, which increase credit card fee, terminal vendor, and vessel non-fare revenues, absent any revisions to the vessel non-fare and terminal vendor revenue inputs.

Forecast Disclaimer

Since the COVID-19 pandemic, material changes to the previous normal ferry ridership patterns continue to persist and slowly evolve toward a “new normal”. Total passenger fares, while showing recent improvement, continue to lag further behind pre-pandemic levels than do vehicle/driver fares. While service improvements continue, WSF continues to experience a lower level of service reductions and reduce service reliability when compared with pre-pandemic levels a result of fleet constraints and staffing issues. The duration and magnitude of these combined effects and how they will continue to impact ferry ridership demand, while becoming more apparent with contingency planning, retain some degree of uncertainty. As such, the November 2025 Forecast projections, as well as the assumptions upon which they are based at the time of preparation, remain subject to change with an above average level of risk and uncertainty, which may cause actual results to vary from projections.

Toll Revenue

November 2025 Forecast Update Overview

The traffic and potential toll revenue forecasts for all six toll facilities for the November 2025 Forecast are provided by independent traffic and revenue consultant, Stantec. The adjusted toll revenue forecasts for the SR 520 Bridge, I-405 Express Toll Lanes (ETLs), SR 167 ETLs, SR 99 Tunnel, and SR 509 (Gateway) are prepared by WSP USA Inc., in close coordination with the WSDOT Toll Division and its consultants.

There are six toll facilities; of note for the November 2025 forecast update:

- Three (3) toll facilities (Tacoma Narrows Bridge {TNB}, SR 520 Bridge, and SR 99 Tunnel):
 - FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
 - FY 2026 onwards are a no-change forecast, as compared to the September 2025 TERFC forecasts
- One (1) toll facility (I-405 ETL):
 - FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
 - FY 2026 onwards have forecast updates, as compared to the September 2025 TERFC forecasts, based on the most recent updated construction schedules at this time, and updated socio-economic data
- One (1) toll facility (SR 167 ETL):
 - FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
 - FY 2026 onwards have forecast updates, as compared to the September 2025 TERFC forecasts, based on the most recent updated construction schedules at this time, and updated socio-economic data
 - The Pay By Mail (PBM) toll rate on the SR 167 ETLs Lanes, adopted by the Washington State Transportation Commission (WSTC) in their June 2025 Meeting, went into effect on October 20, 2025. This is now included within the forecasts.
- One (1) toll facility, the newly opened SR 509 Expressway (Puget Sound Gateway Project corridor):
 - This toll facility is a new addition for the November 2025 TERFC; tolling began on the first segment on Monday, September 29, 2025. The forecasts are based on the most recent travel demand modeling and updated project schedule at this time. No actual toll traffic or revenues were used in developing this traffic and revenue forecast.

The forecasting methodology for the November 2025 Forecast update is similar to the ones applied in previous forecasts:

- Each toll facility assumes a different forecast pattern and has been analyzed on its own, with the usage of recent actual data (as applicable), average toll rates, toll payment types, and total revenues by month used as the key inputs.
- The forecasts for FY 2026 and FY 2027 have been made on a month-by-month basis.
- The forecast assumes that Pay By Mail customers would continue to pay \$2 above the Good To Go! toll rates for 2-axle vehicles. A similar rate differential for trucks based on the number of axles is also assumed.

Specific Adjusted Toll Revenue Assumptions:

- Adjustments to potential gross toll revenue forecasts include the \$0.25 per transaction fee revenue for Good To Go! account-based Pay By Plate transactions, revenue adjustments for toll revenue not recognized (unbillable), unpaid toll bills, and toll revenue recovered through Civil Penalty adjudication at the full Pay By Mail rate and for customers using the Customer Program for Resolution (CPR) at the Good To Go! toll rate.
- Adjustments for uncollectible revenue and rates of toll bill recovery in the civil penalty process have been revised for I-405 ETLs and SR 167 ETLs based on now available reports on payment disposition through June 2025. SR 99 and SR 520 were revised in the September 2025 forecast. The data indicates similar rates of unreadable license plates and

unidentified owners, however, lower collection rates on first and second toll bills, and lower payment of toll bills in NOCP at the Pay By Mail rate. A larger share of NOCP transactions are currently resolved through the CPR program at the Pay By Plate account rate without collecting late payment fees and civil penalty fees.

- Transponder revenue forecasts are estimated based on a systemwide approach. Transponder revenue for all facilities except for the I-405 ETLs and SR 167 ETLs, are a no-change forecast. Additionally, allocations were revised to reflect changes in transaction forecasts with the inclusion of future toll facilities, including I-405 Renton to Bellevue and the Gateway program SR 509 and SR 167. This update had already been incorporated in the September forecast for SR 520 and SR 99.
- Miscellaneous revenue attributed to interest earning forecasts for TNB, SR 520 and SR 99 are no change from the September 2025 forecast. Reported values through the first quarter of FY 2026 are included for all facilities, with the exception of SR 509 which started tolling at the end of September.

Recent Actuals: FY 2026 Q1 (July through September 2025) in comparison to September 2025 TRFC Forecast

All five operational facilities combined with three-month Toll Traffic is above the September 2025 Forecast by 1.9%, Toll Revenue is above three-month forecast by 6.8%, or \$4.2 million. As a note, July and August 2025 I-405 Toll Revenues of 42.3% and 41.7% above monthly forecasts are driven by "Revive I-5" project construction impact on I-405 average toll rates, (Figure 11).

Figure 10: FY 2026 Q1 (July through September 2025) - Toll Transactions and Revenue Performance vs September 2025 Forecast (millions)

Toll Facility	Toll Transactions					Adjusted Toll Revenue				
		July-25	Aug-25	Sep-25	July thru September 2025		July-25	Aug-25	Sep-25	July thru September 2025
TNB	Forecasted Transactions	1.50	1.50	1.38	4.38	Forecasted Toll Revenue	\$6.96	\$6.93	\$6.41	\$20.30
	Reported Transactions	1.51	1.49	1.38	4.38	Reported Toll Revenue	\$7.05	\$7.16	\$6.33	\$20.54
	Variance From Forecast	0.01	0.00	0.00	0.00	Variance From Forecast	\$0.09	\$0.23	-\$0.08	\$0.24
	Variance - % Change	0.8%	-0.3%	-0.3%	0.1%	Variance - % Change	1.3%	3.2%	-1.2%	1.2%
SR 520	Forecasted Transactions	2.08	1.98	2.02	6.07	Forecasted Toll Revenue	\$7.66	\$7.80	\$7.67	\$23.12
	Reported Transactions	2.09	2.05	2.14	6.28	Reported Toll Revenue	\$8.10	\$8.12	\$8.70	\$24.92
	Variance From Forecast	0.02	0.07	0.12	0.21	Variance From Forecast	\$0.44	\$0.32	\$1.03	\$1.80
	Variance - % Change	0.9%	3.4%	6.1%	3.4%	Variance - % Change	5.8%	4.1%	13.5%	7.8%
I-405	Forecasted Transactions	0.92	0.84	0.82	2.58	Forecasted Toll Revenue	\$2.43	\$2.62	\$2.71	\$7.76
	Reported Transactions	0.92	0.84	0.81	2.58	Reported Toll Revenue	\$3.46	\$3.71	\$2.61	\$9.78
	Variance From Forecast	0.01	0.00	-0.01	0.00	Variance From Forecast	\$1.03	\$1.09	-\$0.10	\$2.02
	Variance - % Change	0.6%	0.1%	-0.8%	0.0%	Variance - % Change	42.3%	41.7%	-3.6%	26.1%
SR 167	Forecasted Transactions	0.16	0.16	0.15	0.47	Forecasted Toll Revenue	\$0.69	\$0.69	\$0.62	\$2.01
	Reported Transactions	0.16	0.16	0.16	0.48	Reported Toll Revenue	\$0.65	\$0.66	\$0.69	\$2.00
	Variance From Forecast	0.00	0.00	0.01	0.01	Variance From Forecast	-\$0.04	-\$0.03	\$0.07	\$0.00
	Variance - % Change	0.6%	2.7%	5.7%	3.0%	Variance - % Change	-5.9%	-4.9%	11.3%	-0.2%
SR 99	Forecasted Transactions	1.71	1.71	1.65	5.07	Forecasted Toll Revenue	\$3.22	\$3.20	\$3.11	\$9.53
	Reported Transactions	1.80	1.79	1.60	5.20	Reported Toll Revenue	\$3.20	\$3.61	\$2.91	\$9.72
	Variance From Forecast	0.09	0.09	-0.04	0.13	Variance From Forecast	-\$0.02	\$0.41	-\$0.20	\$0.19
	Variance - % Change	5.2%	5.0%	-2.7%	2.6%	Variance - % Change	-0.6%	12.9%	-6.4%	2.0%
Total	Forecasted Transactions	6.36	6.18	6.02	18.56	Forecasted Toll Revenue	\$20.96	\$21.24	\$20.51	\$62.71
	Reported Transactions	6.49	6.33	6.10	18.92	Reported Toll Revenue	\$22.46	\$23.25	\$21.24	\$66.96
	Variance From Forecast	0.12	0.15	0.08	0.36	Variance From Forecast	\$1.50	\$2.01	\$0.73	\$4.24
	Variance - % Change	2.0%	2.5%	1.3%	1.9%	Variance - % Change	7.2%	9.5%	3.6%	6.8%

Notes:

* September Toll Transactions are reported based on preliminary estimate.

** I-405 July and August high toll rates are impacted by "Revive I-5" project construction work on I-5 NB.

	Toll Facility	FY 2024	FY 2025	2023-25 Biennium	2025-27 Biennium	2027-29 Biennium	2029-31 Biennium	2031-33 Biennium	2033-35 Biennium	2026-35 Ten-Year
November 2025 TERFC	TNB									
	Adjusted Gross Toll Revenue	\$75.44	\$76.53	\$151.97	\$154.50	\$157.53	\$160.69	\$163.92		\$636.64
	Other Revenue	\$10.77	\$5.55	\$16.33	\$9.97	\$9.37	\$9.29	\$9.33		\$37.97
	Total TNB Revenue & Fees	\$86.21	\$82.08	\$168.29	\$164.47	\$166.90	\$169.98	\$173.26		\$674.61
	SR 520									
	Adjusted Gross Toll Revenue	\$72.19	\$86.01	\$158.20	\$187.89	\$196.81	\$207.48	\$234.55	\$242.00	\$1068.73
	Other Revenue	\$18.48	\$11.25	\$29.72	\$21.06	\$18.38	\$20.13	\$22.66	\$23.51	\$105.74
	Total SR 520 Revenue & Fees	\$90.67	\$97.26	\$187.93	\$208.95	\$215.19	\$227.61	\$257.22	\$265.51	\$1174.47
	I-405 ETLs									
	Adjusted Gross Toll Revenue	\$24.75	\$32.85	\$57.60	\$71.97	\$92.76	\$99.94	\$102.42	\$104.98	\$472.07
	Other Revenue	\$20.59	\$12.47	\$33.06	\$9.04	\$10.73	\$12.61	\$12.92	\$13.23	\$58.53
	Total I-405 ETLs Revenue & Fees	\$45.34	\$45.32	\$90.66	\$81.01	\$103.49	\$112.56	\$115.35	\$118.21	\$530.61
	SR 167 ETLs									
	Adjusted Gross Toll Revenue	\$5.67	\$7.09	\$12.76	\$31.85	\$50.27	\$54.03	\$56.64	\$59.37	\$252.17
	Other Revenue	\$2.77	\$3.38	\$6.66	\$3.66	\$6.08	\$6.10	\$6.27	\$6.44	\$28.55
	Total SR 167 ETLs Revenue & Fees	\$5.94	\$7.47	\$13.42	\$35.51	\$56.35	\$60.13	\$62.91	\$65.81	\$280.72
	SR 99									
	Adjusted Gross Toll Revenue	\$31.38	\$33.08	\$64.46	\$69.56	\$71.43	\$73.36	\$75.93	\$77.63	\$367.91
	Other Revenue	\$31.70	\$6.97	\$38.67	\$12.32	\$12.52	\$12.68	\$12.80	\$12.91	\$63.22
	Total SR 99 Revenue & Fees	\$63.08	\$40.05	\$103.13	\$81.87	\$83.95	\$86.05	\$88.72	\$90.53	\$431.13
	Toll Facilities except for SR 509									
	Adjusted Gross Toll Revenue	\$209.43	\$235.55	\$444.99	\$515.77	\$568.80	\$595.51	\$633.46	\$683.98	\$2797.52
	Other Revenue	\$81.81	\$36.63	\$118.44	\$56.04	\$57.08	\$60.81	\$63.99	\$65.08	\$294.01
	Total Revenue & Fees	\$291.25	\$272.18	\$563.43	\$571.81	\$625.88	\$656.32	\$697.45	\$749.07	\$3091.53
	SR 509									
	Adjusted Gross Toll Revenue	\$0.00	\$0.00	\$0.00	\$7.11	\$21.32	\$44.30	\$50.97	\$53.51	\$177.20
	Other Revenue	\$0.00	\$0.00	\$0.00	\$8.55	\$2.70	\$6.26	\$7.45	\$7.57	\$24.82
	Total SR 509 Revenue & Fees	\$0.00	\$0.00	\$0.00	\$7.96	\$24.02	\$50.56	\$58.42	\$61.07	\$202.03
	All Toll Facilities incl. SR 509									
	Adjusted Gross Toll Revenue	\$209.43	\$235.55	\$444.99	\$522.88	\$590.11	\$639.81	\$684.42	\$737.49	\$2974.72
	Other Revenue	\$134.38	\$56.45	\$190.83	\$81.91	\$89.10	\$98.46	\$103.44	\$96.23	\$469.14
	Total Revenue & Fees	\$291.25	\$272.18	\$563.43	\$579.78	\$649.89	\$706.88	\$755.87	\$801.14	\$3293.56
September 2025 TERFC	TNB									
	Adjusted Gross Toll Revenue	\$75.44	\$76.53	\$151.97	\$154.50	\$157.53	\$160.69	\$163.92		\$636.64
	Other Revenue	\$10.77	\$5.55	\$16.33	\$9.97	\$9.37	\$9.29	\$9.33		\$37.97
	Total TNB Revenue & Fees	\$86.21	\$82.08	\$168.29	\$164.47	\$166.90	\$169.98	\$173.26		\$674.61
	SR 520									
	Adjusted Gross Toll Revenue	\$72.19	\$86.01	\$158.20	\$187.89	\$196.81	\$207.48	\$234.55	\$246.67	\$1068.73
	Other Revenue	\$18.48	\$11.25	\$29.72	\$21.06	\$18.38	\$20.13	\$22.66	\$21.44	\$105.74
	Total SR 520 Revenue & Fees	\$90.67	\$97.26	\$187.93	\$208.95	\$215.19	\$227.61	\$257.22	\$268.11	\$1174.47
	I-405 ETLs									
	Adjusted Gross Toll Revenue	\$24.75	\$33.07	\$57.82	\$79.80	\$98.83	\$105.76	\$108.38	\$111.24	\$504.01
	Other Revenue	\$20.59	\$3.06	\$23.65	\$5.92	\$7.30	\$8.30	\$8.55	\$8.73	\$38.80
	Total I-405 ETLs Revenue & Fees	\$45.34	\$36.13	\$81.47	\$85.72	\$106.13	\$114.06	\$116.94	\$119.97	\$542.81
	SR 167 ETLs									
	Adjusted Gross Toll Revenue	\$5.67	\$6.92	\$12.59	\$20.03	\$29.42	\$31.17	\$33.20	\$34.79	\$148.61
	Other Revenue	\$2.77	\$2.28	\$5.56	\$6.97	\$8.83	\$8.84	\$8.89	\$9.90	\$41.13
	Total SR 167 ETLs Revenue & Fees	\$5.94	\$7.20	\$13.14	\$20.70	\$30.25	\$32.00	\$34.09	\$35.69	\$152.73
	SR 99									
	Adjusted Gross Toll Revenue	\$31.38	\$33.08	\$64.46	\$69.56	\$71.43	\$73.36	\$75.93	\$78.65	\$367.91
	Other Revenue	\$31.70	\$6.97	\$38.67	\$12.32	\$12.52	\$12.68	\$12.80	\$12.48	\$63.22
	Total SR 99 Revenue & Fees	\$63.08	\$40.05	\$103.13	\$81.87	\$83.95	\$86.05	\$88.72	\$91.13	\$431.13
	Toll Facilities except for SR 509									
	Adjusted Gross Toll Revenue	\$209.43	\$235.61	\$445.04	\$511.78	\$554.01	\$578.46	\$615.98	\$671.34	\$2725.89
	Other Revenue	\$81.81	\$27.11	\$108.93	\$49.93	\$48.40	\$51.24	\$54.24	\$43.54	\$249.85
	Total Revenue & Fees	\$291.25	\$262.72	\$553.96	\$561.71	\$602.41	\$629.71	\$670.22	\$714.89	\$2975.74
	SR 509									
	Adjusted Gross Toll Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
	Other Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
	Total SR 509 Revenue & Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
	Total % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%
Changes from September 2025 TERFC	SR 520									
	Adjusted Gross Toll Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$4.67	\$0.00
	Other Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.07	\$0.00
	Total SR 520 Revenue & Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$2.60	\$0.00
	Total % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-1.0%	0.0%
	I-405 ETLs									
	Adjusted Gross Toll Revenue	\$0.00	-\$2.22	-\$2.22	-\$7.83	-\$6.07	-\$5.82	-\$5.96	-\$6.26	-\$31.93
	Other Revenue	\$0.00	\$9.41	\$9.41	\$3.12	\$3.43	\$4.31	\$4.37	\$4.50	\$19.73
	Total I-405 ETLs Revenue & Fees	\$0.00	\$9.19	\$9.19	-\$4.71	-\$2.64	-\$1.51	-\$1.59	-\$1.76	-\$12.20
	Total % Change	0.0%	25.4%	11.3%	-5.5%	-2.5%	-1.3%	-1.4%	-1.5%	-2.2%
	SR 167 ETLs									
	Adjusted Gross Toll Revenue	\$0.00	\$1.17	\$1.17	\$11.82	\$20.86	\$22.86	\$23.44	\$24.59	\$103.56
	Other Revenue	\$0.00	\$1.10	\$1.10	\$3.00	\$5.25	\$5.26	\$5.38	\$5.54	\$24.43
	Total SR 167 ETLs Revenue & Fees	\$0.00	\$2.27	\$2.27	\$14.81	\$26.11	\$28.12	\$28.82	\$30.12	\$127.99
	Total % Change	0.0%	3.8%	2.1%	71.6%	86.3%	87.9%	84.5%	84.4%	83.8%
	SR 99									
	Adjusted Gross Toll Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$1.02	\$0.00
	Other Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.43	\$0.00
	Total SR 99 Revenue & Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$5.59	\$0.00
	Total % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.6%	0.0%
	All Toll Facilities except for SR 509									
	Adjusted Gross Toll Revenue	\$0.00	-\$0.05	-\$0.05	\$3.99	\$14.79	\$17.05	\$17.48	\$12.64	\$71.63
	Adjusted Gross Toll Revenue % Change	0.0%	0.0%	0.0%	0.8%	2.7%	2.9%	2.8%	2.7%	2.6%
	Other Revenue	\$0.00	\$9.51	\$9.51	\$6.11	\$8.68	\$9.57	\$9.75	\$12.54	\$44.16
	Total Revenue & Fees	\$0.00	\$9.46	\$9.46	\$10.10	\$23.47	\$26.62	\$27.23	\$25.18	\$115.79
	Total % Change	0.0%	3.6%	1.7%	1.8%	3.9%	4.2%	4.1%	4.9%	3.9%
	All Toll Facilities incl. SR 509									
	Adjusted Gross Toll Revenue	\$0.00	-\$0.05	-\$0.05	\$11.10	\$36.11	\$61.35	\$68.44	\$66.15	\$248.83
	Other Revenue	\$0.00	\$9.51	\$9.51	\$6.96	\$11.38	\$15.83	\$17.20	\$20.11	\$68.98
	Total Revenue & Fees	\$0.00	\$9.46	\$9.46	\$18.07	\$47.49	\$77.17	\$85.65	\$86.25	\$317.81

Figure 11: Revenue Comparison – November 2025 Forecast vs. September 2025 Forecast (\$ millions)

Summary of November 2025 Forecast Results

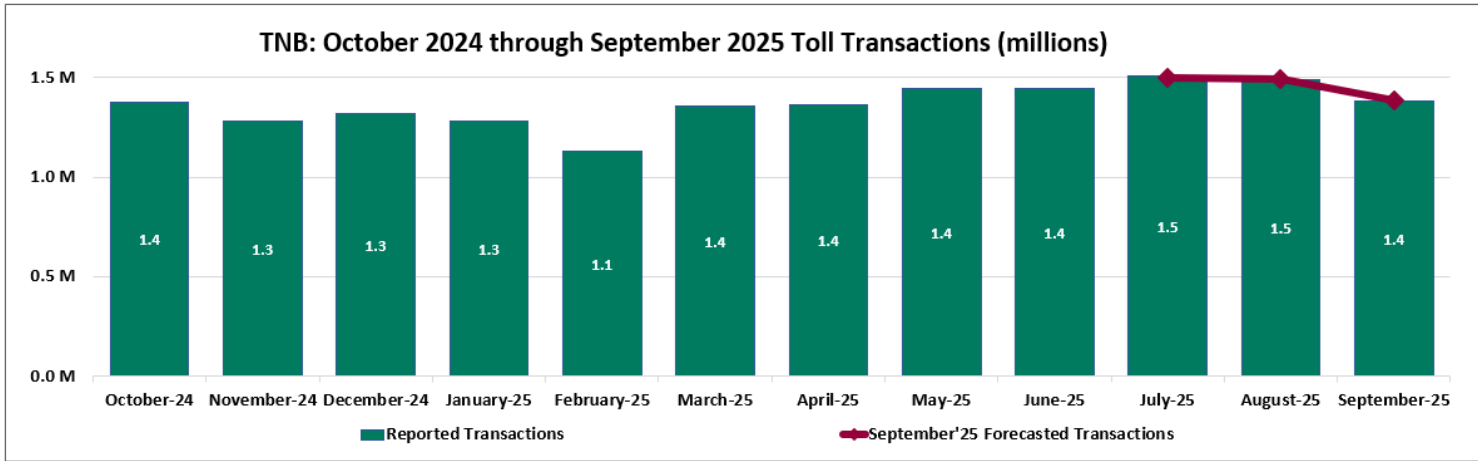
Figure 12 provides a summary comparison between November 2025 Forecast and September 2025 Forecast results. Some highlights include:

- Fiscal Year 2025 Total Toll Revenue and Fees of \$272.2 million are \$9.5 million, or (1.7 percent) above September 2025 Forecast estimate.
- Current 2025-27 Biennium (FY2026 and FY2027) Total Toll Revenue and Fees combined of \$580 million are above the September 2025 Forecast by \$18.1 million (or 3.2 percent), that includes new facility SR 509 Expressway total Revenue & Fees of \$8 million.
- Next 2027-29 Biennium Total Toll Revenue and Fees combined of \$650 million are above the September 2025 Forecast by \$47.5 million (or 7.9 percent), that includes new facility SR 509 Expressway total Revenue & Fees of \$24.0 million.
- Ten-year (2026-2035) Toll Revenue and Fees of \$3,293.6 million are \$317.8 million (or 10.7 percent) increase to the September 2025 Forecast. SR 509 Expressway total Revenue & Fees of \$202 million.

Tacoma Narrows Bridge (TNB)

Recent Traffic and Revenue Performance, with Comparison to the September 2025 Forecast

Figure 13 presents the 12-month Toll Transactions and Reported Toll Revenue actual performance, compared with the September 2025 Forecast for the first quarter of FY 2026. During this three-month period, actual toll transactions exceeded the forecast by 0.1 percent (or 3,000), while actual reported revenues were 1.2 percent (or \$236,000) higher than the September 2025 Forecast.



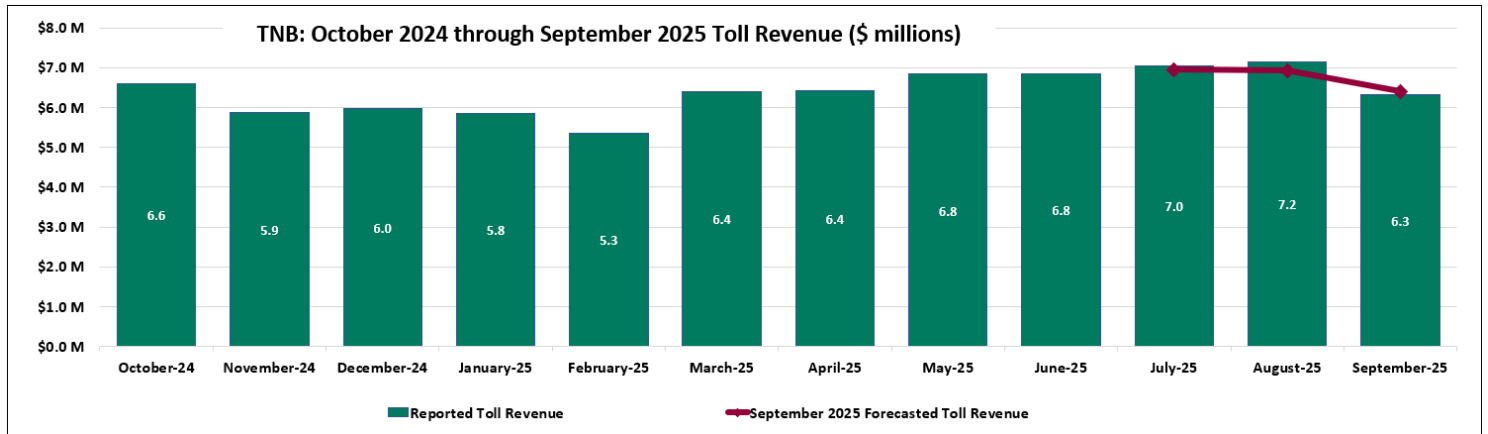


Figure 12: TNB 12-month Reported Toll Transactions and Revenues, with Comparison September 2025 Forecast
Note: September 2025 Toll Transactions and Toll Revenues are based on preliminary information.

Updates to Tacoma Narrows Bridge Toll Traffic and Revenue Forecasts

- This November 2025 Forecast:
- FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
 - FY 2026 onwards are a no-change Toll Traffic and Revenues Forecast, as compared to the September 2025 TERFC forecasts

Toll collection on the Tacoma Narrows Bridge will continue until the construction debt is fully repaid. Currently, toll collections are assumed to continue through FY 2032.

Eight-year period (FY 2026 to FY2033) total revenue and fees of \$674.6 million is a no-change to the September 2025 Forecast, (Figure 12).

SR 520 Toll Bridge

Recent Traffic and Revenue Performance, with Comparison to the September 2025 Forecast

Figure 14 presents the 12-month Toll Transactions and Reported Toll Revenue actual performance, compared with the September 2025 Forecast for the first quarter of FY 2026. During this three-month period, actual toll transactions exceeded the forecast by 3.4 percent (or 0.2 million transactions), while actual reported revenues were 7.8 percent (or \$1.8 million) higher than the September 2025 Forecast.

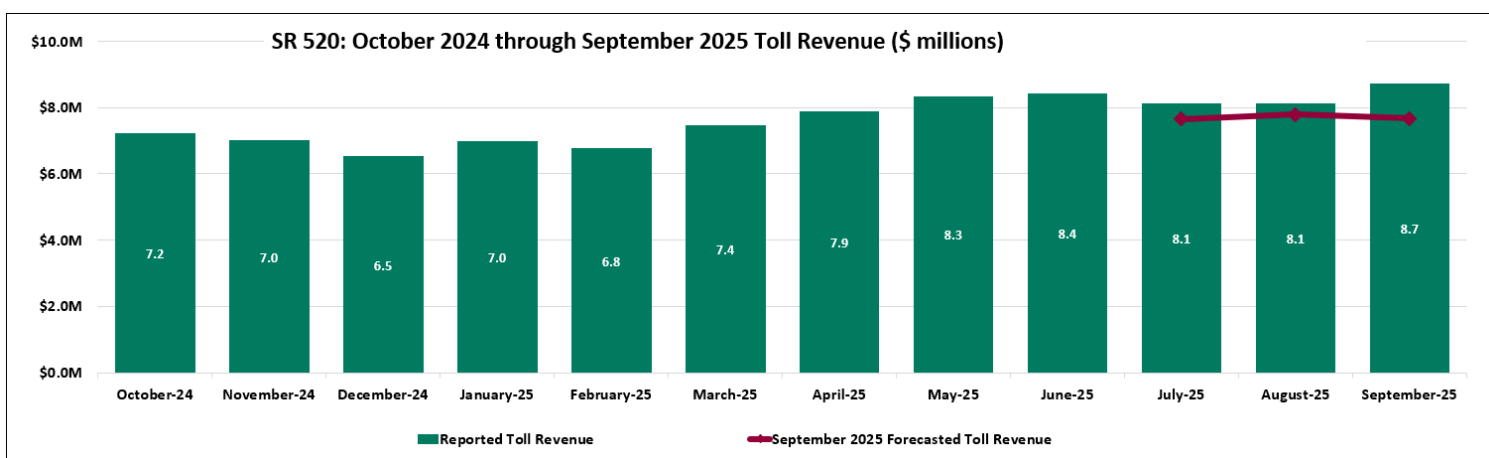
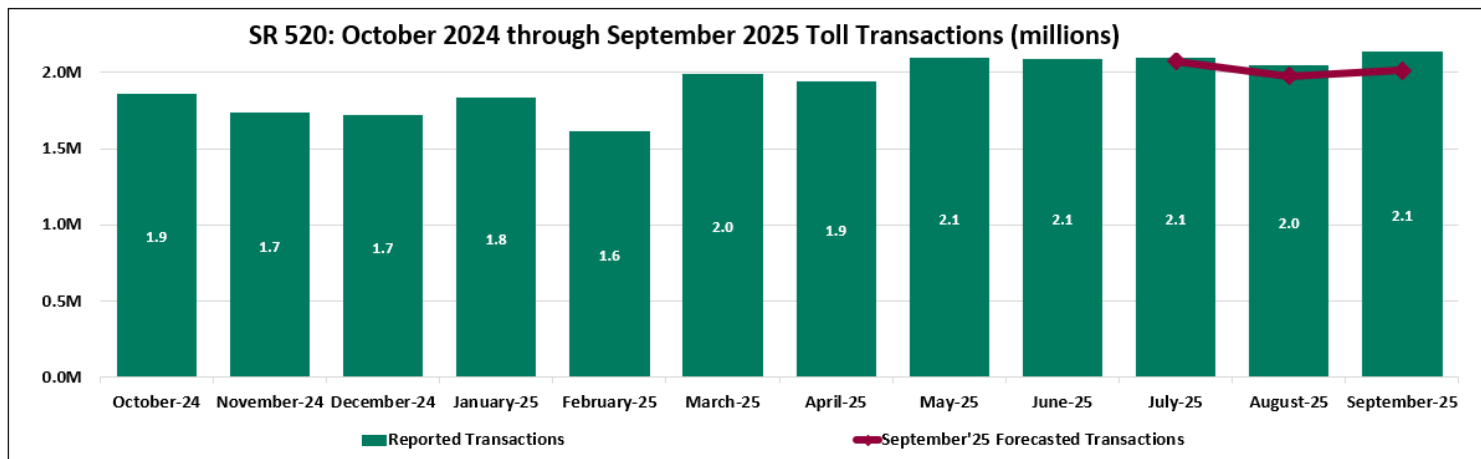


Figure 13: SR 520 12-month Reported Toll Transactions and Revenues, with Comparison to September 2025 Forecasts

Note: September 2025 Toll Transactions and Toll Revenues are based on preliminary information.

Updates to SR 520 Toll Bridge Toll Traffic and Revenue Forecasts

This November 2025 Forecast:

- FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
- FY 2026 onwards are a no-change Toll Traffic and Revenues Forecast, as compared to the September 2025 TERFC forecasts

Ten-year period (FY 2026 to FY 2035) total revenue and fees of \$1,174.5 million is a no-change to the September 2025 Forecast, (Figure 12).

I-405 Express Toll Lanes (ETLs)

Recent Traffic and Revenue Performance, with Comparison to the September 2025 Forecast

Figure 15 presents the 12-month Toll Transactions and Reported Toll Revenue actual performance, compared with the September 2025 Forecast for the first quarter of FY 2026. During this three-month period, actual toll transactions are in line with the forecast with 0.0% variance, while actual reported revenues were 26.1 percent (or \$2.1 million) higher than the September 2025 Forecast. July and August 2025 high toll rates are driven by “Revive I-5” project construction impact

that incl. two full weekends full closure and two northbound lane reductions of northbound I-5 in Seattle for four weeks, July 21-August 15.

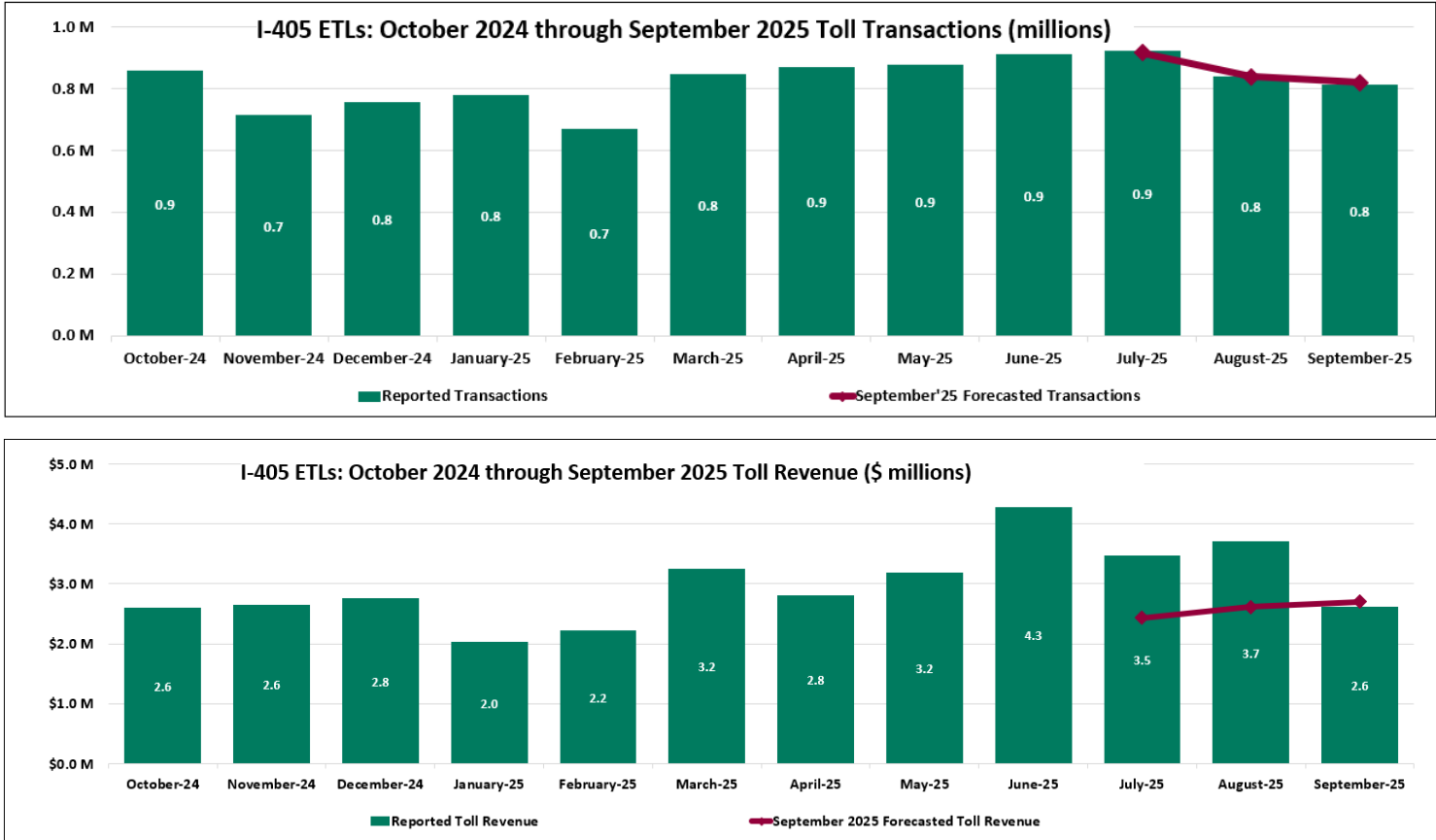


Figure 14: I-405 ETLs 12-month Reported Toll Transactions and Revenues, with Comparison to September 2025 Forecasts

Note: September 2025 Toll Transactions and Toll Revenues are based on preliminary information.

July and August high toll rates are impacted by "Revive I-5" project construction work on I-5 NB.

Updates to I-405 Express Toll Lanes (ETLs) Toll Traffic and Revenue Forecasts

This November 2025 Forecast:

- FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
- FY 2026 onwards have forecast updates, as compared to the September 2025 TERFC forecasts, based on the most recent updated construction schedules at this time, and updated socio-economic data.

With additional adjustments total revenue and fees, which include forecasts for civil penalty fees and recovered toll revenue, decreased by 2.3% over the forecast horizon from FY2026-35 in comparison with the prior September TERFC values. The decrease is primarily attributed to 2.9% lower revenue potential and upward revisions to assumptions on toll bills that are invoices and unpaid and gradually end up in civil penalty which increased the negative variance to 6.3%. Once the transaction reaches civil penalty the prior forecast collection rates were based on historical data that did not fully capture a large number of unpaid first toll bills that hadn't been escalated to second toll bills or civil penalty. Data recently made available provides higher rates of payment resulting in both higher civil penalty fee collection and recovered toll revenue in the civil penalty process offsetting the reduction in uncollectable revenue.

- Based on the most recent updated construction schedules at this time, and updated socio-economic data, Current Biennium (FY2026 and FY2027) Total Toll Revenue and Fees combined of \$81 million are below the

September 2025 Forecast by \$4.7 million (or 5.5 percent).

- Next 2027-29 Biennium Total Toll Revenue and Fees combined of \$103.5 million are below the September 2025 Forecast by \$2.6 million (or 2.5 percent).
- Ten-year (2026-2035) Toll Revenue and Fees of \$531 million are \$12 million (or 2.2 percent) reduction to the September 2025 Forecast.

SR 167 Express Toll Lanes (ETLs)

Recent Traffic and Revenue Performance, with Comparison to the September 2025 Forecast

Figure 16 presents the 12-month Toll Transactions and Reported Toll Revenue actual performance, compared with the September 2025 Forecast for the first quarter of FY 2026. During this three-month period, actual toll transactions exceeded the forecast by 3.0 percent (or 14,000 transactions) while actual reported revenues were -0.2 percent (or \$5,000) below the September 2025 Forecast.

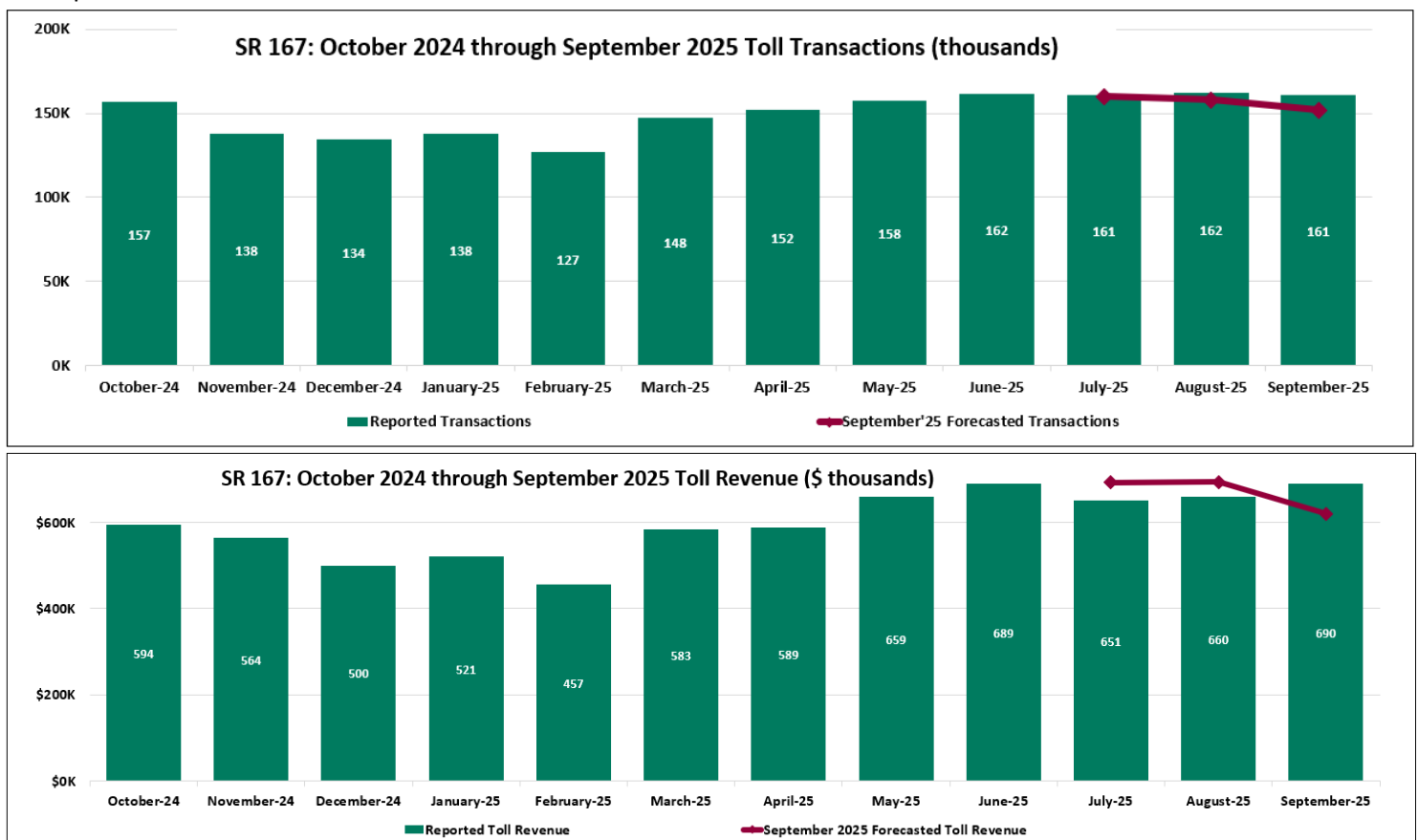


Figure 15 SR 167 ETLs 12-month Reported Toll Transactions and Revenues, with Comparison to September 2025

Note: September 2025 Toll Transactions and Toll Revenues are based on preliminary information.

Updates to SR 167 Express Toll Lanes (ETLs) Toll Traffic and Revenue Forecasts

This November 2025 Forecast:

- FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
- FY 2026 onwards have forecast updates, as compared to the September 2025 TERFC forecasts, based on the most recent updated construction schedules at this time, and updated socio-economic data

- The Pay By Mail toll rate on the SR 167 ETLs Lanes, adopted by the Washington State Transportation Commission (WSTC) in their June 2025 Meeting, went into effect on October 20, 2025. This is now included within the forecasts.

SR 167 adjusted revenue and fee forecasts now reflect photo tolling and forecasts for unpaid toll bills, Pay By Plate fees, and late payment and civil penalty fees. Forecast assumptions are primarily based on I-405 ETL performance and payment rates. As actual performance data is acquired, assumptions will be refined to reflect differences in payment rates on SR 167 in comparison to I-405.

Over the forecast horizon, with photo tolling, the SR 167 ETLs are anticipated to generate an additional \$128 million in total revenue and fees, an 84 percent increase over the September forecast values.

SR 99 Tunnel

Recent Traffic and Revenue Performance, with Comparison to the September 2025 Forecast

Figure 17 presents the 12-month Toll Transactions and Reported Toll Revenue actual performance, compared with the September 2025 Forecast for the first quarter of FY 2026. During this three-month period, actual toll transactions exceeded the forecast by 2.6 percent (or 130,000 transactions) while actual reported revenues were 2.0 percent (or \$198,000) higher than the September 2025 Forecast.

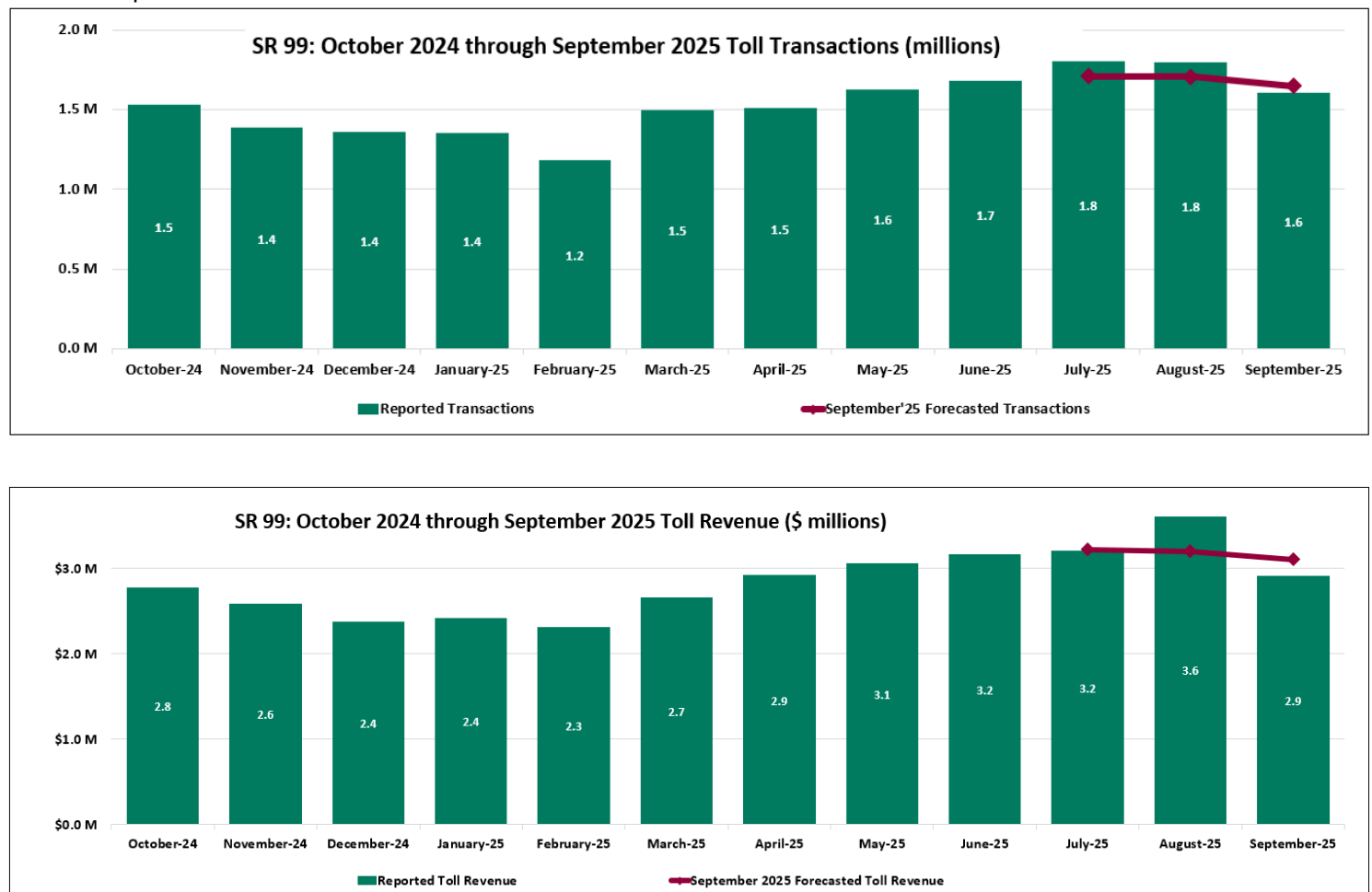


Figure 16: SR 99 12-month Reported Toll Transactions and Revenues, with Comparison to September 2025 Forecasts.

Note: September 2025 Toll Transactions and Toll Revenues are based on preliminary information

Updates to SR 99 Tunnel Toll Traffic and Revenue Forecasts

This November 2025 Forecast:

- FY 2025 Toll Traffic and Revenues have been trued up based on FY 2025 year-end final information
- FY 2026 onwards are a no-change Toll Traffic and Revenues Forecast, as compared to the September 2025 TERFC forecasts

Ten-year period (FY 2026 to FY 2035) total revenue and fees of \$431 million is a no-change to the September 2025 Forecast, (Figure 12).

SR 509 Expressway (Puget Sound Gateway Project Corridor)

The SR 509 Expressway (Puget Sound Gateway Project Corridor) toll traffic and revenue forecast for November 2025 is the first reported TERFC traffic and revenue forecast for the facility. This is a new addition to the TERFC forecasts. Tolling began on the first segment on Monday, September 29, 2025.

The forecasts are based on the most recent travel demand modeling and updated project schedule at this time. No actual toll traffic or revenues were used in developing this traffic and revenue forecast.

Project Information

The SR 509 Expressway is a new expressway extension of the existing non-tolled SR 509 from its terminus in Burien to a connection with I-5. Tolling began on this first segment on Monday, September 29, 2025. Drivers using this one-mile section of the expressway between I-5 and 24th Ave South are required to pay a toll.

FY 2026 toll rates for vehicles with a Good To Go! Pass range from \$1.20 to \$2.40 (depending on time of day travel); Good To Go! toll rates will be escalated 2.15% compounded annually. Drivers without a pass (Pay By Mail customers) receive a bill by mail that includes an additional fee of \$2 above the Good To Go! toll rates for 2-axle vehicles. A similar rate differential for trucks based on the number of axles is also assumed.

Time Period	Hours	SR 509	
		NB	SB
Morning Shoulder	5:00 AM-6:00 AM	\$1.80	\$1.80
Morning Peak	6:00 AM-9:00 AM	\$2.40	\$1.80
Midday	9:00 AM-3:00 PM	\$1.80	\$1.80
Afternoon Peak	3:00 PM-6:00 PM	\$1.80	\$2.40
Evening	6:00 PM-7:00 PM	\$1.80	\$1.80
Night	7:00 PM-5:00 AM	\$1.20	\$1.20

Recent Traffic and Revenue Performance, with Comparison to the September 2025 Forecast

There are no actual traffic and revenue data to report, and no previous TERFC forecasts in which to compare. Tolling began on the first segment on Monday, September 29, 2025.

SR 99 Tunnel Toll Traffic and Revenue Forecasts

To support the traffic and revenue projections for SR 509, Stantec adopted a 3-tier modeling platform as follows:

- PSRC 4K Travel Demand Model (PSRC Model);
- Gateway Program Subarea Toll Diversion Model (TDM); and
- Gateway Program Subarea Dynamic Traffic Assignment Model (DTA).

The forecast includes considerations and/or results from each of these models. This complex modeling approach comprises Stantec's comprehensive toll traffic forecasting tool.

BERK Consulting (BERK) prepared a new regional land use forecast product that was used for the work for the Puget Sound Gateway Program, which consists of the SR 509 Completion Project in King County and the SR 167 Completion Project in Pierce County.

The following ramp-up factors developed by Stantec were applied to the annual traffic and revenue forecasts by fiscal year, to account for the period of time it takes for the traveling public to become accustomed to the lanes, assess the benefits, and acquire an account:

- Year 1 (FY 2026: 9 months) —45 percent;
- Year 2 (FY 2027) — 75 percent
- Year 3 (FY 2028) — 95 percent.
- Year 4 (FY 2029) – 100 percent

Stantec's traffic and gross toll revenue potential projections capture the revenue that would be due from all Good To Go! and Pay By Mail toll customers at their respective toll rates by payment method, vehicle class, and time of travel in the absence of any revenue leakage or non-payment of tolls.

Adjustments to Stantec's potential gross toll revenue forecasts to derive adjusted gross toll revenue include the 25-cent per transaction fee revenue for Good To Go! account-based Pay By Plate transactions, transponder revenue, revenue adjustments for toll revenue not recognized (unbillable) and unpaid toll bills, toll revenue recovered through Civil Penalty adjudication process, \$5 late toll bill payment fees and \$40 notice of civil penalty fees.

Toll revenue recaptured through the toll Customer Program for Relief (CPR), is recorded at the Good To Go! Pay by Plate toll rates and included in the reported values as adjusted gross toll revenue. In addition to toll revenue recaptured through CPR at the Pay by Plate toll rate, there is toll revenue collected associated to toll revenue recovered at the Pay by Mail rates that is included in the revenue category for civil penalties and recovered toll revenue.

Forecast values for transponder sales revenue are based on historical data, projected systemwide transactions, current transponder prices and projected transponder sales by type of transponder. Transponder revenue through FY 2035 corresponds to system wide transponder model results that evaluate revenues by transponder type, sales channel, and projected sales volume.

The SR 509 revenue adjustments are informed by actual data on uncollected revenue for FY 2012 through FY 2025 on other WSDOT toll facilities, specifically single point tolling on SR 520 and SR 99 in the Seattle area that were updated in the September 2025 forecast.

Federal Funds Revenue

Overview

After state funds, the largest source of transportation revenue is federal funds. The Federal Funds forecast contains the formula and general funds distributed by the Federal Highway Administration (FHWA) to Washington State Department of Transportation for highway purposes. Federal funds reported in this forecast are based on the federal fiscal year (FFY) which begins on October 1.

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA), a \$1.2 trillion investment in transportation and other types of infrastructure (including energy, water, and broadband). Nationwide, this represents a \$550 billion increase in federal government spending above baseline funding levels. The foundation of the IIJA is a new five-year authorization of the federal Surface Transportation Program to replace the expired Fixing America's Surface Transportation (FAST) Act. The IIJA authorizes \$567 billion in spending authority for all transportation programs over five years, an increase of \$274 billion (more than 48%) above FAST Act baseline spending levels. In addition, the bill broadens eligibility criteria for many existing programs and establishes within the U.S. Department of Transportation (USDOT) alone at least two dozen new formula and discretionary (competitive) grant programs targeting key priorities, including but not limited to, resiliency, sustainability, equity, and safety.

FHWA – Highways Forecast

- The total highway apportionment for Washington state for FFY 2025 was \$1,291.4million. This reflects actual apportionment distributions for FFY 2025.
- The total apportionment forecast for FFY 2026 assumes an annual growth rate of 2% for programs financed by the Highway Trust Fund which is consistent with the US funding levels set forth in the Infrastructure Investment and Jobs Act (IIJA). FFY 2027 thru FFY 2035 forecast of federal highway apportionment assumes revenue growth of 1%. The current total apportionment estimate for FFY 2026 is \$1,203.9 million.
- The baseline forecast for FFY 2027 thru FFY 2035 assume revenue growth of 1% for programs financed by the Highway Trust Fund.

Obligation Authority (OA) Forecast

- Obligation authority (OA) (a.k.a. obligation limitation) is the ceiling or total amount of commitments of federal apportionment that can be made within a year. Congress sets this ceiling or limit as part of the federal appropriation bills to control federal expenditures annually.
- The CORE OA for FFY 2025 has been reconciled to actual OA distributions and is \$1,166.8 million which includes distributions for discretionary items, other allocated programs as well as Ferry Boat/Terminals distributions.
- Total OA forecast for FFY 2026 and throughout the forecast horizon will be set at 98% of apportionment, which is consistent with historical Washington State OA distributions.
- The methodology used to split the formula OA distributions between the State Programs and the Local Programs was modified in the September 2018 forecast.

Allocations of IIJA Funds Forecast:

When new federal transportation authorization laws are enacted, Washington state has a tradition of convening a

work group to make recommendations on future distributions of federal-aid highway formula program funding to state and local governments. The Work Group met three times in September and July 2022.

Summary of funding split decisions for the five-year IJA authorization

National Highway Performance Program -

- Retain similar splits as FAST Act which was also assumed in the Move Ahead Washington allocation— 87% state/13%, local.
- The local share is to be administered through the NHS Asset Management Program administered through the WSDOT Local Programs Office

Surface Transportation Block Grant program –

- Maintain FFY 2022 and FFY 2023 at the Move Ahead Washington identified split (28 state/72% local)
- For FFY 2024 – FFY 2026, the split is revised to 16% state/84% local to effectively provide the historic split of 21% state/79% local, over the course of the five years.

Highway Safety Improvement Program –

- No change from FAST Act distribution – continue to allocate funds based on updated crash data to support the Target Zero statewide safety plan – FFY 2022 data reflects split 30% state/70% local.

Congestion Mitigation & Air Quality (CMAQ) Program –

- No change from FAST Act – continue to allocate funds to the five eligible Metropolitan Planning Organizations to help meet the requirements of the federal Clean Air Act– 100% local.

Bridge Replacement Program (NEW)

- Maintain FFY 2022 and FFY 2023 at the Move Ahead Washington identified splits (85% state/15% local).
- For FFY 2024 – FFY 2026, the split is revised to 46% state/54% local to effectively provide an average split of 61% state/39% local, over the course of the five years.
- The local share is to be administered through the Local Bridge grant program administered by the WSDOT Local Programs Office
- The maximum funding cap for local bridges is raised to \$25M.
- Non-federal match for local off-system bridges will not be required by the state

National Highway Freight Program –

- Retain current splits (50% state/50% local) as identified in Move Ahead Washington to ensure that Washington's Freight System Plan can be submitted to the Federal Highway Administration for approval by the federal October 2022 deadline.

Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT) –

- For FFY 2022 no change to Move Ahead Washington allocation (100% state).

- For FFY 2023-2026, \$25m set aside for tribal resiliency projects.
Remaining \$75m shall be directed to local fish passage projects (over 4 years).
The Brian Abbot Fish Barrier Removal Board shall facilitate the project selection process. The Board shall work with WSDOT Local Programs to ensure that project selection criteria are consistent with federal requirements.
- WSDOT Local Programs shall administer funding for all projects awarded PROTECT funds.

National Electric Vehicle Program –

- New IIJA program – funds are provided 100% to the state.

Carbon Reduction Program -

- New IIJA program funds are split 35% state/65% local.

FHWA Penalties:

The November 2025 federal forecast incorporates five FHWA penalties for current and prior years, which Washington State was subject to.

- The Interstate Pavement Penalty (IPP) – 23 U.S.C. 119 (f)(1) requires any State which reports that the condition of the Interstate System, excluding bridges on the Interstate System, has fallen below the minimum condition level established by the Secretary under section 150(c)(3), shall be subject to the IPP. This penalty requires a percentage of National Highway Performance Program and the Surface Transportation Block Grant Program be set-aside for use specifically to address these pavement conditions.
- The Section 164 Penalty – FHWA has determined that Washington State is not in compliance with section 164 of title 23, United States Code, the Minimum Penalties for Repeat Offenders for Driving While Intoxicated or Driving Under the Influence. This penalty amounts to 2.5% of the National Highway Performance Program and Surface Transportation Block Grant Program apportionments annually and WSDOT elects to withhold the entire amount from the National Highway Performance Program. These funds are reserved for release for use on eligible Highway Safety Improvement Program (HSIP) activities or transfer to the States' 402 Safety Programs pending the outcome of the administrative and "general practice" certification review processes. Section 164 penalty funds are included as part of the Highway Safety Improvement Program totals.
- Safety Performance Penalty – FHWA has determined that Washington State has failed to meet or make significant progress towards meeting the safety performance targets established in Target Zero. This penalty requires the state to obligate an amount equal to a prior year's apportionment of HSIP funds on HSIP projects.
- Vulnerable Road Users (VRU) - Applies when the total annual fatalities of a non-motorist as defined in 23 U.S.C.148(a)(15) represents not less than 15% of the annual crash fatalities. The penalty requires that in the following fiscal year, the state obligate not less than 15% of the funds apportioned for the Highway Safety Improvement Program for Highway Safety projects to address the safety of vulnerable users as defined above.
- High Risk Rural Roads (HRRR) – This penalty applies to all states where the fatality rate on rural roads increases over the most recent 2-year period for which data is available. This penalty requires the State to obligate an amount equal to at least 200 percent of its FY 2009 high risk rural roads set-aside for high-risk rural roads, as defined in their State Strategic Highway Safety Plan.

COVID 19 Stimulus Funds:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) created a Coronavirus Relief Fund (CRF) which provides \$150 billion to state, local, territorial, and tribal governments. The CRF provides \$150 billion for expenditures incurred due to the COVID-19 public health emergency. The November, November and September 2021 federal apportionment forecasts include an estimated CRF distribution to Washington State for ferries and public transportation. This CRF estimate does not include fund distributions made directly to King, Pierce, Snohomish, and Spokane counties.

The Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) was signed by President Trump on December 27, 2020, making consolidated appropriations for the fiscal year ending November 30, 2021, providing coronavirus emergency response and relief. This act made modifications to existing COVID-19 relief legislation and provided additional appropriations for the expenditure of federal COVID-19 pandemic relief funds. The November and September 2021 Forecasts include funds made available to WSDOT through this CRRSAA Act of \$168 million. There will be no impact on forecasts beyond 2025.

The America Rescue Plan Act of 2021 (ARPA) was signed into law by President Biden on March 11, 2021. The ARPA provides an estimated \$1.9 trillion in stimulus to aid in the COVID-19 pandemic. This February 2022 Federal Highway forecast includes \$400 Million in ARPA funds intended for Fish Barrier projects. The February 2022 federal highway forecast will include \$400 million of ARPA funds that is for Fish Barrier projects. There will be no impact on forecasts beyond 2025.

FTA - Public Transportation Federal Funds

Overview

Public Transportation Federal Apportionment Funds Forecast

The November 2025 Public Transportation federal funds forecast is based on Infrastructure Investment and Jobs Act (IIJA), signed into law by President Biden on November 15, 2021.

The November 2025 Public Transportation federal forecast will reflect the current distribution notices from FTA through FFY 2025. FFY 2026 assumes 2% growth rate, and FFY 2027 through FFY 2035 assumes an annual growth rate of 1% which is consistent with the US funding levels set forth in the IIJA.

FTA – Washington State Ferries (WSF) Federal Funds

WSF receives significant federal assistance through the public transportation program administered by the Department of Transportation's Federal Transit Administration (FTA). The federal public transportation program is authorized from FFY 2022 through FFY 2026 as part of the IIJA which was signed into law on November 15, 2021.

WSF Federal Apportionment Funds Forecast

Washington State's level of FTA apportionment for FFY 2025 will be distributed based on the most recent Puget Sound Regional Council (PSRC). The November 2025 WSF federal forecast now reflects actual distribution approved by PSRC. PSRC forecasts for FFYs 2025 – 2028 reflect PSRC projections. The forecasts for FFYs 2029-35 are based on the PSRC forecast for FFY 2028 and an annual growth rate of 1 percent which is consistent with the assumption of funding level increases by WSDOT.

Forecast Contacts

Economic Variables and Fuel Price Forecast

Luis Hillon, Economic & Revenue Forecast Council - 360-534-1560 luish@dor.wa.gov

Motor Fuel Tax Revenue Forecast

Luis Hillon, Economic & Revenue Forecast Council - 360-534-1560 luish@dor.wa.gov

Motor Vehicle Licenses, Permits & Fees Revenue Forecast

Tyler Humphries, Economic & Revenue Forecast Council - 360-534-1560 tylerh3@dor.wa.gov

Alice Vogel, Washington State Department of Licensing, 360-902-3986 avogel@dol.wa.gov

Olga Novikova, Washington State Department of Licensing, 360-902-0121, onovikova@dol.wa.gov

Tom Gilmore, Washington State Department of Licensing, 360-902-3751, tgilmore@dol.wa.gov

Christian Bush, Washington State Department of Licensing, 360-634-5237, Christian.Bush@dol.wa.gov

Driver Related Revenue Forecasts

Alice Vogel, Washington State Department of Licensing, 360-902-3986 avogel@dol.wa.gov

Rina Wikandari, Washington State Department of Licensing, 360-634-5379 rina.wikandari@dol.wa.gov

Wenjun Wu, Ph.D., Washington State Department of Licensing, 360-634-5108, wenjun.wu@dol.wa.gov

Other Transportation Related Revenue Forecast

Vehicle Sales, Rental Car Tax and Heavy Equipment Rental Tax

Tyler Humphries, Economic & Revenue Forecast Council - 360-534-1560 tylerh3@dor.wa.gov

Studded Tire Fee

Luis Hillon, Economic & Revenue Forecast Council - 360-534-1560 luish@dor.wa.gov

HOV Penalties and Hazardous Substance Tax

Luis Hillon, Economic & Revenue Forecast Council - 360-534-1560 luish@dor.wa.gov

Business and Other Revenue

Ruslan Makhoulouf, WSDOT-HQ 360-705-7944 olsonr@wsdot.wa.gov

WSP Business Related Revenue

Mario Buono, WSP (360) 596-4046 x11046, mario.buono@wsp.wa.gov

Speed Safety Camera Systems

Kyle Miller, WSDOT, 360-705-7946, milleky@wsdot.wa.gov

Leingang, Tony, WSDOT 360-709-8002, leingaa@wsdot.wa.gov

Aeronautics Revenue

Alice Vogel, Washington State Department of Licensing, 360-902-3986 avogel@dol.wa.gov

Washington State Ferries Ridership and Revenue Forecast

Siri Olson, WSDOT – Ferry Division 206-515-3762 siri.olson@wsdot.wa.gov

Toll Operations Traffic and Revenue

Jen Khozikov, WSDOT-Toll Division, 206-716-1153, khozikj@wsdot.wa.gov

Joe Patterson, WSDOT-Toll Division, 206-464-1220 patterj@wsdot.wa.gov

Federal Funds Forecast***FHWA***

Anissa Allen, WSDOT

Federal Public Transportation

Michelle Cowan, WSDOT, cowanmi@wsdot.wa.gov, 360-705-6956

Firas Makhlof, WSDOT, makhlof@wsdot.wa.gov, 360-705-7875

FTA Ferries

Siri Olson, Washington State Department of Transportation, 206.948.3769, siri.olson@wsdot.wa.gov

Brent Baker, WSP, brent.baker@wsp.com