

TxDOT Long Range Revenue Forecast



State Highway Fund

Revenues	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Vehicle Registration Fee	1,437,344,000	1,496,333,000	1,554,200,000	1,597,706,000	1,642,430,000	1,688,406,000	1,735,669,000	1,784,429,000	1,834,559,000
State Motor Fuels Tax	2,580,919,000	2,627,055,000	2,674,348,000	2,722,675,000	2,770,631,000	2,815,894,000	2,860,496,000	2,902,694,000	2,942,836,000
Lubricant Sales Tax	44,500,000	44,900,000	45,349,000	45,802,000	46,260,000	46,723,000	47,190,000	47,662,000	48,139,000
FHWA Reimbursements ¹	3,592,067,848	4,734,275,524	5,093,250,022	4,451,005,098	4,032,008,259	3,675,657,443	3,215,042,071	3,030,103,560	2,951,050,028
Local Reimbursements	153,419,017	309,460,000	316,259,000	318,128,000	107,341,000	109,674,000	112,115,000	117,690,000	121,798,000
Miscellaneous Revenue	603,744,514	72,100,000	75,519,175	76,249,175	77,676,559	79,103,943	77,154,768	77,914,768	78,684,768
Depository Interest	1,209,434	781,808	650,699	159,618	543,631	1,265,710	2,194,416	2,858,609	2,870,325
Other Federal Funds	220,772,936	467,975,314	314,730,368	202,302,488	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000
Other Agency Revenue	117,346,020	118,668,020	121,036,020	123,451,020	125,915,020	128,428,020	130,991,020	133,605,020	136,275,000
Total	8,751,322,769	9,871,548,666	10,195,342,284	9,537,478,399	8,979,302,469	8,721,649,116	8,357,349,275	8,273,453,957	8,292,709,121

Expenditures

Other Agencies and TERP Transfers	196,810,853	114,452,000	126,813,333	129,289,333	13,541,333	3,000,000	3,000,000	3,000,000	3,000,000
TxDOT Non-Letting	5,627,269,188	5,018,913,308	4,848,356,808	4,926,513,050	5,041,760,975	4,899,405,819	4,999,794,372	5,191,610,716	5,367,738,734
Total	5,824,080,041	5,133,365,308	4,975,170,141	5,055,802,383	5,055,302,308	4,902,405,819	5,002,794,372	5,194,610,716	5,370,738,734

Available for New & Existing Projects	2,927,242,728	4,738,183,358	5,220,172,143	4,481,676,016	3,924,000,161	3,819,243,297	3,354,554,903	3,078,843,241	2,921,970,387
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TMF Taxes & Fees

Revenues

Driver's License Fees	136,448,000	139,177,000	141,265,000	143,384,000	145,535,000	147,718,025	149,933,795	152,182,802	154,465,544
Driver Record Info Fees	64,613,000	65,583,000	66,566,000	67,563,000	68,577,000	69,605,655	70,649,740	71,709,486	72,785,128
Vehicle Inspection Fees	75,000,000	107,306,000	109,452,000	111,642,000	113,874,000	116,151,480	118,474,510	120,844,000	123,260,880
United We Stand	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Certificate of Title Fees	128,890,675	121,584,000	124,016,000	126,496,000	129,046,000	131,626,920	134,259,458	136,944,648	139,683,541
Motor Safety Violations	2,931,000	2,975,000	3,020,000	3,065,000	3,111,000	3,157,665	3,205,030	3,253,105	3,301,902
Interest	3,175,345	3,006,149	2,724,206	2,210,026	2,015,657	1,906,148	1,799,495	1,786,601	1,816,494
Build America Bonds Subsidy	10,859,633	21,719,267	21,719,267	21,719,267	21,719,267	21,711,914	21,699,133	21,662,456	21,600,218
Miscellaneous	(96,719,704)	-	-	-	-	-	-	-	-
SubTotal	325,201,949	461,354,416	468,766,473	476,083,293	483,881,924	491,881,807	500,025,161	508,387,098	516,917,707

Expenditures

Project Development	-	-	100,000,000	100,000,000	75,000,000	100,000,000	90,000,000	90,000,000	90,000,000
Debt Service	345,942,544	365,187,073	368,156,099	377,153,784	384,462,727	391,923,556	399,505,786	407,182,098	415,030,149
Total	345,942,544	365,187,073	368,156,099	377,153,784	384,462,727	391,923,556	399,505,786	407,182,098	415,030,149

Available for Programs	(20,740,595)	96,167,343	100,610,374	98,929,509	99,419,197	99,958,251	100,519,375	101,205,000	101,887,558
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Proposition 1 Oil & Gas Severance

Revenues

Transfer In ²	1,134,670,797	594,182,000	875,000,000	875,000,000	875,000,000	875,000,000	875,000,000	875,000,000	875,000,000
Interest	16,455,581	18,151,088	12,931,436	8,106,767	4,839,596	2,473,348	1,409,740	981,775	766,227
SubTotal	1,151,126,378	612,333,088	887,931,436	883,106,767	879,839,596	877,473,348	876,409,740	875,981,775	875,766,227

Expenditures

Project Development	-	-	175,000,000	175,000,000	175,000,000	175,000,000	175,000,000	175,000,000	175,000,000
Total	-	-	175,000,000						

Available for New & Existing Projects	1,151,126,378	612,333,088	712,931,436	708,106,767	704,839,596	702,473,348	701,409,740	700,981,775	700,766,227
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Proposition 7 Sales and Use Taxes

Revenues

Transfer In	-	-	2,500,000,000	2,500,000,000	2,932,104,000	3,008,477,640	3,087,524,357	3,169,337,710	3,254,014,530
Interest	-	-	3,256,668	18,174,327	27,153,587	32,953,393	35,205,775	36,821,649	38,065,779
SubTotal	-	-	2,503,256,668	2,518,174,327	2,959,257,587	3,041,431,033	3,122,730,132	3,206,159,359	3,292,080,309

Expenditures

Project Development	-	-	125,000,000	500,000,000	521,605,200	590,239,482	605,647,864	621,595,539	638,101,383
Total	-	-	125,000,000	500,000,000	521,605,200	590,239,482	605,647,864	621,595,539	638,101,383

Available for Projects	-	-	2,378,256,668	2,018,174,327	2,437,652,387	2,451,191,551	2,517,082,268	2,584,563,820	2,653,978,926
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Other Revenue

TMF Proceeds Interest	4,453,350	3,392,545	1,142,373	-	-	-	-	-	-
Prop 14 Proceeds Interest	474,406	2,835,616	930,999	-	-	-	-	-	-
Prop 12 Proceeds Interest	2,257,352	3,030,029	970,831	-	-	-	-	-	-
SH 121 Proceeds (NTTA Loan Repayment)	8,000,168	8,000,000	6,300,825	7,800,825	9,550,825	12,623,221	15,322,396	15,322,396	15,322,396
SH 121 Interest	7,562,392	6,399,102	4,827,881	4,110,862	3,678,782	3,430,344	3,493,903	3,714,499	3,911,126
SH 121 Toll Revenue Sharing	8,145,649	9,098,240	9,348,280	9,591,440	11,616,460	11,966,360	12,327,000	12,698,700	13,081,800
SH 130 Interest	881,347	579,995	459,752	345,802	238,314	135,532	110,487	134,681	161,064
SH 130 Toll Revenue Sharing	1,403,346	1,762,247	1,926,267	2,105,182	2,299,199	2,534,150	2,758,278	2,997,293	3,251,650
SH 161 Interest	479,972	303,278	258,219	231,813	209,707	187,539	178,440	179,875	181,322
SH 288 Interest	17,015	205,071	206,720	208,383	210,059	211,748	213,451	215,168	216,899
Total	33,674,997	35,606,123	26,372,147	24,394,307	27,803,346	31,088,894	34,403,955	35,262,612	36,126,257

Build America Bonds Subsidies

Prop 14	12,595,572	25,191,143	25,191,143	25,191,143	25,191,143	25,191,143	25,191,143	25,191,143	24,034,931
Prop 12	11,658,783	11,690,141	11,690,141	11,690,141	11,400,517	11,089,140	10,756,791	10,402,383	10,024,648
Total	24,254,355	36,881,284	36,881,284	36,881,284	36,591,660	36,280,283	35,947,934	35,593,526	34,059,579

TxDOT SHF Letting	3,059,855,462	6,348,794,601	3,626,102,385	2,983,569,607	3,423,309,731	2,839,082,428	2,790,950,956	3,011,139,033	3,066,936,287
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FHWA Obligation Authority ¹	3,269,713,792	3,339,576,000	3,414,301,000	3,494,142,000	3,578,777,000	2,801,966,000	2,851,318,000	2,897,899,000	2,943,800,000
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¹FHWA Obligation Authority projections and associated reimbursements after the final year of FAST (FY2020) are based on a pre-SAFETEA-LU historical rate of return. See page four for additional information.

²FY 2018 – FY 2025 Proposition 1 transfers are listed for planning purposes and are not a part of the base forecast. They are scenario-based projections calculated using the ten year historical average of what may have been transferred if Proposition 1 had been in place during the previous ten years.

TxDOT Long Range Revenue Forecast

State Highway Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Revenues									
Vehicle Registration Fee	1,885,914,000	1,938,707,000	1,992,978,000	2,048,569,000	2,105,711,000	2,164,236,000	2,224,171,000	2,285,766,000	2,348,838,000
State Motor Fuels Tax	2,979,821,000	3,019,043,000	3,060,792,000	3,105,247,000	3,150,750,000	3,197,752,000	3,246,557,000	3,297,665,000	3,350,147,000
Lubricant Sales Tax	48,620,000	49,106,000	50,579,000	52,096,000	53,659,000	55,269,000	56,927,000	58,635,000	60,394,000
FHWA Reimbursements ¹	2,935,746,812	2,969,091,370	3,066,426,694	3,087,914,118	3,088,588,954	3,126,547,203	3,167,314,955	3,210,581,197	3,255,607,770
Local Reimbursements	120,040,000	123,369,000	161,754,000	144,911,000	152,850,000	149,752,000	146,819,000	147,130,000	149,944,000
Miscellaneous Revenue	79,609,680	80,387,680	81,940,680	82,743,080	83,544,081	84,353,680	85,171,880	86,003,680	86,843,880
Depository Interest	2,093,153	758,140	13,431	-	-	-	-	-	-
Other Federal Funds	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000
Other Agency Revenue	138,998,000	141,775,000	144,608,000	147,498,000	150,445,000	153,451,000	156,517,000	159,644,000	162,834,000
Total	8,367,339,645	8,498,734,190	8,735,588,805	8,845,475,198	8,962,045,035	9,107,857,883	9,259,974,835	9,421,921,877	9,591,105,650

Expenditures

Other Agencies and TERP Transfers	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TxDOT Non-Letting	5,524,613,488	5,633,724,994	5,765,498,757	5,806,212,245	5,805,087,330	5,724,836,959	5,788,217,575	5,970,841,486	6,151,976,624
Total	5,527,613,488	5,636,724,994	5,768,498,757	5,809,212,245	5,808,087,330	5,727,836,959	5,791,217,575	5,973,841,486	6,154,976,624

Available for New & Existing Projects	2,839,726,157	2,862,009,196	2,967,090,048	3,036,262,953	3,153,957,705	3,380,020,924	3,468,757,260	3,448,080,391	3,436,129,026
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TMF Taxes & Fees

Revenues

Driver's License Fees	156,782,528	159,134,265	161,521,279	163,944,099	166,403,260	168,899,309	171,432,799	174,004,291	176,614,355
Driver Record Info Fees	73,876,905	74,985,059	76,109,835	77,251,482	78,410,254	79,586,408	80,780,204	81,991,907	83,221,786
Vehicle Inspection Fees	125,726,097	128,240,619	130,805,432	133,421,540	136,089,971	138,811,771	141,588,006	144,419,766	147,308,161
United We Stand	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Certificate of Title Fees	142,477,211	145,326,756	148,233,291	151,197,956	154,221,916	157,306,354	160,452,481	163,661,531	166,934,761
Motor Safety Violations	3,351,431	3,401,702	3,452,728	3,504,518	3,557,086	3,610,443	3,664,599	3,719,568	3,775,362
Interest	1,878,309	1,733,992	1,883,690	2,694,410	3,512,721	4,555,918	5,543,051	6,449,434	7,384,838
Build America Bonds Subsidy	22,307,097	22,977,647	22,829,907	22,646,665	22,425,383	22,176,864	21,877,760	21,532,217	21,136,855
Miscellaneous	-	-	-	-	-	-	-	-	-
SubTotal	526,403,578	535,804,040	544,840,162	554,664,670	564,624,591	574,951,067	585,342,900	595,782,714	606,380,118

Expenditures

Project Development	90,000,000	150,000,000	-	-	-	-	-	-	-
Debt Service	422,853,514	430,892,786	439,053,394	447,322,877	455,741,244	463,547,834	477,658,251	478,141,458	485,566,466
Total	422,853,514	430,892,786	439,053,394	447,322,877	455,741,244	463,547,834	477,658,251	478,141,458	485,566,466

Available for Programs	103,550,064	104,911,254	105,786,768	107,341,793	108,883,347	111,403,233	107,684,649	117,641,256	120,813,652
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Proposition 1 Oil & Gas Severance

Revenues

Transfer In ²	875,000,000	-	-	-	-	-	-	-	-
Interest	728,843	-	-	-	-	-	-	-	-
SubTotal	875,728,843	-							

Expenditures

Project Development	175,000,000	-	-	-	-	-	-	-	-
Total	175,000,000	-							

Available for New & Existing Projects	700,728,843	-							
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Proposition 7 Sales and Use Taxes

Revenues

Transfer In	3,341,655,038	3,432,362,965	3,526,245,668	3,623,414,267	3,723,983,766	2,500,000,000	2,500,000,000	2,500,000,000	-
Interest	39,353,095	40,685,105	42,063,371	43,489,508	44,965,190	44,762,109	38,277,096	34,652,919	-
SubTotal	3,381,008,133	3,473,048,070	3,568,309,039	3,666,903,775	3,768,948,956	2,544,762,109	2,538,277,096	2,534,652,919	-

Expenditures

Project Development	655,184,932	672,866,404	691,166,728	710,107,564	729,711,328	683,597,565	500,000,000	500,000,000	375,000,000
Total	655,184,932	672,866,404	691,166,728	710,107,564	729,711,328	683,597,565	500,000,000	500,000,000	375,000,000

Available for Projects	2,725,823,202	2,800,181,666	2,877,142,311	2,956,796,211	3,039,237,628	1,861,164,544	2,038,277,096	2,034,652,919	(375,000,000)
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Other Revenue

TMF Proceeds Interest	-	-	-	-	-	-	-	-	-
Prop 14 Proceeds Interest	-	-	-	-	-	-	-	-	-
Prop 12 Proceeds Interest	-	-	-	-	-	-	-	-	-
SH 121 Proceeds (NTTA Loan Repayment)	15,322,396	15,322,396	15,322,396	15,322,396	15,322,396	-	-	-	-
SH 121 Interest	4,108,773	4,329,655	4,564,248	4,847,522	5,160,157	5,423,017	5,855,178	5,892,838	6,136,108
SH 121 Toll Revenue Sharing	17,916,160	18,261,240	18,612,960	18,971,480	19,336,920	23,236,360	23,683,920	24,139,900	24,604,660
SH 130 Interest	189,831	221,124	255,048	291,783	331,552	374,595	421,173	471,565	526,073
SH 130 Toll Revenue Sharing	3,533,112	3,820,930	4,122,607	4,448,103	4,799,298	5,178,222	5,587,062	6,028,183	6,504,131
SH 161 Interest	182,781	184,251	-	-	-	-	-	-	-
SH 288 Interest	218,643	220,402	-	-	-	-	-	-	-
Total	41,471,696	42,359,998	42,877,259	43,881,284	44,950,323	34,212,194	35,347,333	36,532,486	37,770,972

Build America Bonds Subsidies

Prop 14	23,673,231	23,181,937	21,820,908	18,127,531	12,448,598	6,329,095	-	-	-
Prop 12	9,973,403	9,864,894	9,375,924	8,831,237	8,270,180	7,692,185	7,096,766	6,483,436	5,851,548
Total	33,646,634	33,046,831	31,196,832	26,958,768	20,718,778	14,021,280	7,096,766	6,483,436	5,851,548

TxDOT SHF Letting	3,121,326,149	3,174,041,252	3,187,836,804	3,233,314,771	3,278,030,504	3,325,858,511	3,375,214,282	3,426,726,618	3,480,392,926
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FHWA Obligation Authority ¹	2,987,227,000	3,028,538,000	3,066,600,000	3,106,965,000	3,149,929,000	3,195,679,000	3,242,507,000	3,290,878,000	3,341,104,000
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TxDOT Long Range Revenue Forecast

State Highway Fund

Revenues	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Vehicle Registration Fee	2,413,415,000	2,479,767,000	2,547,943,000	2,617,993,000	2,689,969,000	2,763,924,000	2,839,912,000
State Motor Fuels Tax	3,408,169,000	3,469,340,000	3,530,371,000	3,593,480,000	3,661,662,000	3,733,840,000	3,808,959,000
Lubricant Sales Tax	62,206,000	64,072,000	65,994,000	67,974,000	70,013,000	72,113,000	74,276,000
FHWA Reimbursements ¹	3,302,645,504	3,351,688,191	3,403,217,934	3,458,507,541	3,516,671,722	3,576,948,846	3,631,549,903
Local Reimbursements	157,430,000	162,797,000	163,127,000	174,969,000	176,692,000	188,379,000	183,123,000
Miscellaneous Revenue	87,692,480	88,539,480	89,399,880	90,273,480	91,150,080	92,039,881	92,942,680
Depository Interest	-	41,386	108,353	182,604	251,490	205,717	105,704
Other Federal Funds	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000	176,497,000
Other Agency Revenue	166,088,000	169,407,000	172,792,000	176,245,000	179,767,000	183,359,000	187,022,998
Total	9,774,142,984	9,962,149,057	10,149,450,167	10,356,121,625	10,562,673,292	10,787,306,444	10,994,388,285

Expenditures

Other Agencies and TERP Transfers	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TxDOT Non-Letting	6,305,360,937	6,384,012,557	6,564,310,229	6,678,624,474	6,852,847,411	7,033,061,911	7,213,276,411
Total	6,308,360,937	6,387,012,557	6,567,310,229	6,681,624,474	6,855,847,411	7,036,061,911	7,216,276,411

Available for New & Existing Projects 3,465,782,047 3,575,136,500 3,582,139,938 3,674,497,151 3,706,825,881 3,751,244,533 3,778,111,874

TMF Taxes & Fees

Revenues	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Driver's License Fees	179,263,570	181,952,524	184,681,812	187,452,039	190,263,819	193,117,777	196,014,543
Driver Record Info Fees	84,470,113	85,737,164	87,023,222	88,328,570	89,653,499	90,998,301	92,363,276
Vehicle Inspection Fees	150,254,325	153,259,411	156,324,599	159,451,091	162,640,113	165,892,915	169,210,774
United We Stand	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Certificate of Title Fees	170,273,456	173,678,926	177,152,504	180,695,554	184,309,465	187,995,655	191,755,568
Motor Safety Violations	3,831,992	3,889,472	3,947,814	4,007,031	4,067,137	4,128,144	4,190,066
Interest	8,687,604	9,556,478	10,655,618	11,344,476	13,434,657	14,353,042	16,039,232
Build America Bonds Subsidy	20,689,357	20,186,248	19,637,182	19,025,264	18,314,192	9,402,375	-
Miscellaneous	-	-	-	-	-	-	-
SubTotal	617,474,417	628,264,223	639,426,751	650,308,025	662,686,882	665,892,209	669,577,459

Expenditures

Project Development	-	-	-	-	-	-	-
Debt Service	493,083,061	500,271,901	506,828,415	509,957,641	554,101,262	554,043,928	171,040,243
Total	493,083,061	500,271,901	506,828,415	509,957,641	554,101,262	554,043,928	171,040,243

Available for Programs 124,391,356 127,992,322 132,598,336 140,350,384 108,585,620 111,848,281 498,537,216

Proposition 1 Oil & Gas Severance

Revenues	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Transfer In ²	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
SubTotal	-						

Expenditures

Project Development	-	-	-	-	-	-	-
Total	-						

Available for New & Existing Projects - - - - - - - -

Proposition 7 Sales and Use Taxes

Revenues	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Transfer In	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
SubTotal	-						

Expenditures

Project Development	-	-	-	-	-	-	-
Total	-						

Available for Projects - - - - - - - -

Other Revenue

TMF Proceeds Interest	-	-	-	-	-	-	-
Prop 14 Proceeds Interest	-	-	-	-	-	-	-
Prop 12 Proceeds Interest	-	-	-	-	-	-	-
SH 121 Proceeds (NTTA Loan Repayment)	-	-	-	-	-	-	-
SH 121 Interest	6,385,107	6,655,712	-	-	-	-	-
SH 121 Toll Revenue Sharing	25,078,420	29,842,620	-	-	-	-	-
SH 130 Interest	585,024	648,769	717,689	792,192	872,721	959,753	1,053,802
SH 130 Toll Revenue Sharing	7,017,658	7,571,729	8,169,547	8,814,565	9,510,509	10,261,401	11,071,578
SH 161 Interest	-	-	-	-	-	-	-
SH 288 Interest	-	-	-	-	-	-	-
Total	39,066,209	44,718,830	8,887,236	9,606,757	10,383,230	11,221,154	12,125,380

Build America Bonds Subsidies

Prop 14	-	-	-	-	-	-	-
Prop 12	5,200,614	4,522,829	3,824,400	3,104,755	2,363,156	1,598,948	811,475
Total	5,200,614	4,522,829	3,824,400	3,104,755	2,363,156	1,598,948	811,475

TxDOT SHF Letting	3,536,846,226	3,594,796,465	3,658,915,168	3,727,065,190	3,795,298,792	3,867,337,876	3,895,538,876
FHWA Obligation Authority ¹	3,393,701,000	3,447,711,000	3,507,423,000	3,570,375,000	3,633,184,000	3,698,131,000	3,768,298,000

TxDOT Long Range Revenue Forecast

Assumptions

State Highway Fund

Revenues

Vehicle Registration Fee

The growth rate for FY 2017-FY 2019 is the recent historical average of 2.8%. The effective growth rates of FY 2017 and FY 2018 will be higher as the TxDMV Processing and Handling fee is phased in beginning January 1, 2017. For FY 2020 through FY 2040, the vehicle registration fee is projected by blending the 2.8% historical average with the TRENDS model growth estimates of the state's population.

State Motor Fuels Tax

For FY 2017 - FY 2019, diesel is projected at the average rate of Gross State Product growth (3.27%), while gasoline is projected at the average growth rate of 1.33%. For FY 2020-FY 2040, the TxDOT forecast was blended with the TRENDS model developed with TEMPO. The TRENDS model uses the vehicle miles annually traveled for both personal and commercial vehicles divided by the projected average fleet wide MPG for each. The resulting number is the number of gallons of fuel used annually. The number of gallons is then multiplied by the fuel tax rate and 75% of the revenue is apportioned to the state highway fund.

Lubricant Sales Tax

The Comptroller determines the amount of the Lubricant Sales Tax deposit to the State Highway Fund, and the projections are from the Comptroller's Certification Revenue Estimate for 2016-2017, with the same assumed growth rate in the future. Beginning in FY 2027, the TxDOT forecast was blended with the TRENDS assumptions, which uses a 3% growth rate.

FHWA Reimbursement

Federal Obligation Authority (OA) is the portion of the National Highway Trust Fund (HTF) expected to be allocated to Texas to obligate projects eligible for FHWA reimbursements. FY 2016 – FY 2020 total estimated OA was calculated based on the Fixing America's Surface Transportation (FAST) Act, the federal highway bill signed into law in December 2015. FY2021-FY2040 OA projections are based on Texas' projected contributions to the HTF, including motor fuels taxes. The contributions for FY 2019-FY 2038 are then adjusted for the historical rate of return to Texas prior to SAFETEA-LU, MAP-21 and FAST to determine OA for FY 2021-FY 2040. Obligation Authority is received two years after the contributions were made to the HTF. Actual Federal reimbursements in a given year will not match the Obligation Authority for that year because they are comprised of reimbursements for progress payments made on both existing and new projects. This line item represents those reimbursements for projected progress payments.

Local Reimbursements

Local reimbursements are projected at the amount of match typically required each year (\$40M), plus any remaining reimbursements on local projects that have already been awarded. Local funds beyond the required match in future years are added to the forecast at the time of the letting, and are not reflected here. Local reimbursements also includes Central Texas Turnpike System (CTTS) operations and maintenance reimbursements projected by the CTTS Financial Plan to be transferred to the State Highway Fund to repay O&M expenditures.

Miscellaneous Revenue

Miscellaneous revenue includes all taxes and fee revenue deposited to the State Highway Fund not specifically broken out separately above. The growth rate is assumed to be 1.0% per year from the base miscellaneous revenue amount in FY2017. FY 2016 reflects \$400M of Short-term Borrowing deposited into the SHF for cash flow management purposes.

Depository Interest

Interest is based on the projected cash balances of the State Highway Fund. Projected balances are determined through anticipated revenues and expenditures each year.

Other Federal Funds

Other Federal Funds are reimbursement programs for Aviation, Public Transportation and Traffic Safety. Because those funds are tied to specific existing program levels, which are expected to remain constant the next few years, there is no assumption of growth. Other Federal Funds also includes federal assistance in the form of loans through the Transportation Infrastructure Finance and Innovation Act (TIFIA) for the IH-35E and SH183 Managed Lanes projects expected to be received FY 2017-FY 2019.

Other Agency Revenue

Historically, other agency revenue was primarily related to unmatched federal reimbursements collected by the Texas Department of Public Safety, Special Vehicle Permit fees collected by the TxDMV, and collections made by the Office of the Attorney General. Beginning in FY 2016, most other agency revenue is no longer be deposited to the State Highway Fund due to legislation from the 84th Legislative Session moving those agencies' appropriations to General Revenue and out of the State Highway Fund. The remaining dollar amounts for FY 2016-FY 2040 are primarily related to the Special Vehicle Permit fees collected by the TxDMV. FY 2016-FY 2017 Special Vehicle Permits projections are a combination of the Comptroller's 2016-17 Biennial Revenue Estimate and recent trends. The growth rate after FY2017 is projected at 2%.

Expenditures

Other Agencies

Other Agency expenditures are expected to continue at current appropriation levels as found in the 2016-2017 General Appropriations Act. The majority of those expenditures were moved out of the State Highway Fund and into General Revenue beginning in FY 2016. Remaining expenditures are TERP transfers through FY 2019 and the Statewide Cost Allocation Program (SWCAP).

TxDOT Non-Letting

Non-letting expenditures are engineering, right-of-way, public transportation, administration, aviation, and other programs for which TxDOT receives funding. The 2016-2017 General Appropriation Act expenditure levels were used in the forecast. Non-letting expenditures also include Proposition 14 Debt Service.

TMF Taxes & Fees

Revenues

Taxes and Fees

Estimates were based on the Comptroller's July 27, 2015 Revenue Certification Estimate

Build America Bonds

Determined by the debt service partial reimbursement agreement entered into with the Federal government as part of the Build America Bond Subsidy program.

Expenditures

Project Development

Beginning in FY 2018, estimates for project development were added to utilize TMF taxes and fees funds while maintaining sufficient balances to fulfill TMF bond debt service requirements.

Debt Service

Determined by the debt service repayment schedules

Proposition 1 Oil & Gas Severance

Revenues

Transfer In

The projected FY 2017 transfer is based on the Comptroller's 2016-17 Certification Revenue Estimate. FY 2018 – FY 2025 transfers will depend upon future oil and gas production tax revenue levels along with future legislative action and are therefore not a part of the base forecast. For planning purposes, FY 2018 - FY 2025 are presented as a scenario based on the ten year historical average of what may have been transferred if Proposition 1 had been in place during the previous ten years. Proposition 1 transfers are set to expire in FY 2025 per provisions in HB1, 83rd Legislature .

Expenditures

Project Development

Beginning in FY 2018, assumes 20% of the total transfer amount is available for project development and 80% for letting.

Proposition 7 Sales and Use Tax:

Revenues

Transfer In

Proposition 7 was a constitutional amendment passed by the Texas Legislature as Senate Joint Resolution (SJR) 5 in May 2015 and approved by the public in November 2015. Beginning in fiscal year 2018, Section 7-c(a) would direct the Comptroller to deposit to the credit of the SHF \$2.5 billion of the net revenue derived from the state sales and use tax under Chapter 151 of the Tax Code in excess of \$28 billion. This provision is set to expire in FY 2032. Beginning in fiscal year 2020, Section 7-c(b) would direct the Comptroller to deposit to the credit of the SHF 35 percent of the revenues collected from the tax imposed on the sale, use, or rental of a motor vehicle under Chapter 152 of the Tax Code that exceed \$5 billion. This provision is set to expire in FY 2029. FY 2018 – FY 2020 were set at the fiscal note levels for SJR 5. FY 2021 – FY 2032 continue from the FY2020 fiscal note level and assume that the Motor Vehicle Sales Tax continues to grow at 3.5% per year.

Expenditures

Project Development

Beginning in FY 2018, assumes 20% of the total transfer amount is available for project development and 80% for letting.

Other Revenue

Interest

Interest is based on the projected cash balances of the various funds. Projected balances are determined through anticipated revenues and expenditures each year. The timing and obligations of projects using bond proceeds will be adjusted to fully utilize them. SH 121, SH 161, and SH 130 project selection is on-going, and unless toll revenue sharing or loan repayments extend beyond FY2025, interest is not projected on balances past that year based on the likely event that most or all of the funds are utilized before then.

Toll Revenue Sharing

Toll Revenue Sharing projections were based on estimates provided by the Region and/or outside entity associated with the program.

Build America Bond Subsidies

Prop 14

Prop 12

Determined by the debt service partial reimbursement agreement entered into with the Federal government as part of the Build America Bond Subsidy program; available only for debt service.

Determined by the debt service partial reimbursement agreement entered into with the Federal government as part of the Build America Bond Subsidy program; available only for debt service.

TxDOT SHF Letting

Annual letting volumes represent the total dollar amounts of contracts awarded or expected to be awarded, not the actual expenditure that fiscal year. Actual expenditures for those projects will occur over time, with typical project lives spanning from 1 – 5 years. The letting schedule is refined as necessary to maintain positive cash flows for all department funds. Therefore the amount that can be let in a particular fiscal year will differ from a simple sum of the revenues as the letting amount must consider several factors including existing cash balances, existing commitments, and projected payout curves for projects to be let.

FHWA Obligation Authority

Federal Obligation Authority is the portion of the National Highway Trust Fund (HTF) expected to be allocated to Texas to obligate projects eligible for FHWA reimbursements. FY 2016 – FY 2020 total estimated OA was calculated based on the Fixing America's Surface Transportation (FAST) Act, the federal highway bill signed into law in December 2015. FY2021-FY2040 OA projections are based on Texas' projected contributions to the HTF, including motor fuels taxes. The contributions for FY 2019-FY 2038 are then adjusted for the historical rate of return to Texas prior to SAFETEA-LU, MAP-21 and FAST to determine OA for FY 2021-FY 2040. Obligation Authority is received two years after the contributions were made to the HTF. Actual Federal reimbursements in a given year will not match the Obligation Authority for that year because they are comprised of reimbursements for progress payments made on both existing and new projects. This line item represents those reimbursements for projected progress payments.