

TRANSPORTATION REVENUE TRACKING REPORT

DEPARTMENT OF MOTOR VEHICLES

HIGHWAY MAINTENANCE & OPERATING AND TRANSPORTATION TRUST FUNDS STATE TAXES AND FEES (\$ Thousands)

Revenue Sources	FY 02 _1/ Forecast	December-01		Fiscal Year-To-Date			% Change	
		Revenue Collected	% Change Year Ago	Revenue Collected	Revenue Forecast	\$ Variance	Actual	Forecast
Motor Fuels Taxes _2/	\$796,818	\$68,204	25.4	\$341,343	347,500	(\$6,157)	(4.3)	(2.5)
Motor Vehicle Sales & Use Tax _3/	497,380	37,690	17.4	265,262	244,960	20,303	6.3	(1.9)
State Retail Sales Tax	415,700	34,313	14.2	196,824	204,925	(8,101)	1.5	5.7
Motor Vehicle Licenses	143,217	9,166	6.4	69,472	68,200	1,272	3.2	1.3
International Registration Plan	58,838	1,913	(44.2)	23,502	23,010	492	22.9	20.4
Priority Transportation Fund	27,500	2,000	#N/A	9,510	11,750	(2,240)	N/A	N/A
Interest Earnings	3,452	2	(85.2)	1,991	1,151	840	(36.7)	(63.4)
Miscellaneous _4/	<u>33,228</u>	<u>1,145</u>	<u>(34.5)</u>	<u>11,867</u>	<u>15,862</u>	<u>(3,995)</u>	<u>27.7</u>	<u>70.7</u>
Total State Taxes and Fees	\$1,976,133	\$154,434	18.5	\$919,771	\$917,357	\$2,414	2.3	2.0

_1/ November 2001 Forecast.

_2/ Includes the road tax and applicable aviation taxes.

_3/ Includes applicable rental tax.

_4/ Miscellaneous fees in the Highway Maintenance and Operating Fund.

Note: Due to rounding columns may not add up exactly

Bottom Line

Led by double-digit gains in motor fuels taxes, motor vehicle sales and use taxes, and state retail sales tax, revenue collections grew by 18.5% over December 2000. On a year-to-date basis, collections have grown 2.3% over fiscal year 2001. The estimates shown above are from the November 2001 official revenue forecast. Currently, revenue collections are ahead of forecast expectations by \$2.4 million, or 0.3%.

Motor Fuels Tax

Motor fuels tax collections showed strong gains of 25.4% in December following a sluggish November. A review of daily collections in December shows over \$2 million in fuels tax revenue within the first week of the month. This is an indication that some November payments were paid in the first part of December. Average US gasoline prices have remained under \$1.20 per gallon for the last 8 weeks and should not be affecting discretionary driving. Net taxable gallons are up 2.5% through October 2001.

Motor Vehicle Sales and Use Tax

New and used car sales saw another strong month in December 2001. New taxable titles gained 19.5% and used taxable titles grew 11.8%. This is the second month in a row where motor vehicle sales and use tax collections has experienced double-digit growth rates. The November 2001 official forecast expects this revenue source to decline by 1.0% during the fiscal year. With strong vehicle sales driven by manufactures incentives, revenue collections are well exceeding forecast expectations by \$20.3 million, or 8.3%.

State Retail Sales Tax

The transportation portion of the state retail sales tax gained 14.2% for the month following a slow December 2000 when revenue fell by 5.4%. Seasonally adjusted advanced national retail sales estimates show an increase of 4.1% over December 2000.

Motor Vehicle Licenses

Motor vehicle licensing revenue made up for a slow November by gaining 6.4% in December. However, the December gains come off of large declines in December 2000 of (19.9%). These gains bring the year-to-date growth rate in revenue to 3.2%, which exceeds forecast expectations by 1.9%. Growth in two-year registrations has come in well above forecast, contributing to the \$1.2 million variance.

Miscellaneous Revenues

The November 2001 revenue projections include estimates for a law change regarding penalties for overweight trucks, or liquidated damages assessments. The fees were increased in higher weight categories giving the incentive to comply with weight regulations. The law went into effect on July 1, 2001 and has worked to change the behavior of motor carrier operators. Both the behavior change and lower than expected overweight violations have contributed to the (\$6.6) million, or (61.1%) forecast variance. The percent variance is expected to remain fairly constant over the fiscal year. Liquidated damages estimate makes up about 1.1% of total CTF projections for fiscal year 2002.

HIGHWAY MAINTENANCE AND OPERATING FUND (HMOF)

(\$ in Thousands)

Revenue Sources	FY 02 _1/ Forecast	December-01		Fiscal Year-To-Date				
		Revenue Collected	% Change Year Ago	Revenue Collected	Revenue Forecast	\$ Variance	Actual	% Change Forecast
Motor Fuels Taxes _2/	\$679,709	\$57,913	24.7	\$290,591	296,235	(\$5,644)	(5.0)	(3.1)
Motor Vehicle Sales and Use Tax	320,565	23,963	15.9	171,483	158,720	12,763	6.3	(1.6)
Motor Vehicle Licenses	124,806	7,902	5.6	60,589	59,580	1,009	3.3	1.6
International Registration Plan	58,838	1,913	(44.2)	23,502	23,010	492	22.9	20.4
Miscellaneous	33,228	1,145	(34.5)	11,867	15,862	(3,995)	27.7	70.7
Total State Taxes and Fees	\$1,217,146	\$92,836	16.4	\$558,031	\$553,407	\$4,624	0.7	(0.2)
Federal Grants and Contracts _3/	22,732	939	(10.1)	6,063	n/a	n/a	14.3	n/a
Transfer to TTF _4/	(28,711)	0	#N/A	0	n/a	n/a	100	n/a
Total HMOF	\$1,211,167	\$93,775	16.0	\$564,094	n/a	n/a	7.6	n/a

_1/ November 2001 Forecast.

_2/ Includes the road tax.

_3/ Revenues reflect prior period activity and are not a reliable measure of revenue or fiscal capacity of the State's program.

_4/ Current law provides for balances to be transferred to the Transportation Trust Fund (TTF).

Note: Due to rounding columns may not add up exactly.

TRANSPORTATION TRUST FUND

(\$ in Thousands)

Revenue Sources	FY 02 _1/ Forecast	December-01		Fiscal Year-To-Date				
		Revenue Collected	% Change Year Ago	Revenue Collected	Revenue Forecast	\$ Variance	Actual	% Change Forecast
Motor Fuels Taxes _2/	\$117,109	\$10,291	29.2	\$50,752	\$51,265	(\$513)	0.1	1.1
Motor Vehicle Sales and Use Tax _3/	176,815	13,728	20.1	\$93,780	86,240	7,540	6.2	(2.3)
Priority Transportation Fund	27,500	2,000	#N/A	\$9,510	11,750	(2,240)	N/A	N/A
State Retail Sales Tax	415,700	34,313	14.2	\$196,824	204,925	(8,101)	1.5	5.7
Motor Vehicle Licenses	18,411	1,264	12.2	\$8,883	8,620	263	2.3	(0.7)
Interest Earnings	\$3,452	2	(85.2)	\$1,991	1,151	840	(36.7)	(63.4)
Total State Taxes and Fees	\$758,987	\$61,598	21.8	\$361,740	\$363,950	(\$2,210)	4.9	5.6
Federal Grants and Contracts _4/	952,355	41,259	(6.2)	532,767	n/a	n/a	75.3	n/a
Local Contributions _5/	36,102	6,110	374.0	22,655	n/a	n/a	89.6	n/a
Toll and Other Revenues _6/	64,621	10,360	21.8	39,874	n/a	n/a	(0.4)	n/a
Transfers from HMOF	28,711	0	#N/A	0	n/a	n/a	9.4	n/a
Total TTF	\$1,840,776	\$119,327	14.3	\$957,036	n/a	n/a	67.3	n/a

TOTAL TRANSPORTATION FUNDS

Total HMOF & TTF Revenues	\$3,051,943	\$213,102	15.1	\$1,521,130	n/a	n/a	20.7	n/a
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_1/ November 2001 Forecast.

_2/ Includes road and aviation fuel taxes.

_3/ Includes applicable rental tax.

_4/ Revenues reflect prior period activity and are not a reliable measure of revenue or the fiscal capacity of the State's program.

_5/ Local government contributions are received on a cost-share basis as provided by law.

**Key Revenue Indicator Tracking Report
December-01**

Key Indicator	FY 2001 Total	FY 2002 Forecast*	Month		% Change	Year-to-Date		% Annual Growth	
			FY 2002	FY 2001		FY 2002	FY 2001	Change	By Forecast
Net Taxable Gallons (000's)	4,746,431	4,865,081							2.5
Oct-01			436,353	405,053	7.7	1,644,785	1,604,454	2.5	
Total Taxable Vehicle Sales (000's)	16,052,879	\$16,038,293	\$1,281,635	\$1,046,431	22.5	\$8,562,875	\$8,022,660	6.7	(0.1)
New Taxable Vehicle Sales (000's)	8,984,267	8,977,085	732,329	593,348	23.4	4,880,165	4,569,663	6.8	(0.1)
Used Taxable Vehicle Sales (000's)	7,068,613	7,061,208	549,306	453,083	21.2	3,682,710	3,452,998	6.7	(0.1)
Total Taxable Titles	1,564,701	1,537,741	111,836	98,320	13.7	795,317	765,138	3.9	(1.7)
New Taxable Titles	397,904	391,722	29,989	25,094	19.5	213,432	201,686	5.8	(1.6)
Used Taxable Titles	1,166,797	1,146,019	81,847	73,226	11.8	581,885	563,452	3.3	(1.8)
Average Price All Motor Vehicles	\$10,253	\$10,365	\$11,460	\$10,643	7.7	\$10,931	\$10,474	4.4	1.1
Average Price New Vehicles	22,579	22,917	24,420	23,645	3.3	22,865	22,657	0.9	1.5
Average Price Used Vehicles	6,058	6,162	6,711	6,187	8.5	6,329	6,128	3.3	1.7
Total Vehicle Registrations	5,877,617	5,867,184	355,042	341,812	3.9	2,769,627	2,727,800	1.5	(0.2)
One-Year Registrations	5,016,212	5,035,455	300,979	293,020	2.7	2,346,347	2,338,743	0.3	0.4
Two-Year Registrations	861,405	831,729	54,063	48,792	10.8	423,280	389,057	8.8	(3.4)

**Twelve Month Rolling Average¹
December-01**

Revenue Source ²	From 1-01 to 12-01	From 1-00 to 12-00	Percent Difference
	(\$Thousands)		
Motor Fuels Tax	\$63,581	\$65,029	-2.23%
Motor Fuels Tax ³	\$62,392	\$63,949	-2.43%
Aviation	\$166	\$133	24.65%
Road Tax	\$1,023	\$947	7.98%
Vehicle Sales Tax	\$43,169	\$42,156	2.40%
Vehicle Sales Tax	\$42,655	\$41,599	2.54%
Rental Tax	\$514	\$557	-7.83%
Retail Sales Tax	\$32,277	\$31,528	2.37%
Motor Vehicle License	\$12,437	\$11,944	4.13%
IRP	\$4,623	\$4,414	4.73%

*November 2001 Forecast

1 Of Selected Revenue Sources

2 Includes HMOF and TTF

3 Includes Clean Special Fuels Tax Revenues