

Estimated 16-Year Revenue Impacts of Forward Washington New Law Proposal (January 28, 2021)

(Dollars in Millions)

	Revenue Item	Option 1 Cap & Invest Based Proposal	Option 2 Carbon Fee Based Proposal
1	Cap & Invest Revenues <i>Option 1 - 50% of the state revenue from Cap and Invest greenhouse gas emission reduction program is dedicated for transportation purposes effective 1/1/2023 pursuant to SB 5126.</i>	\$5,160	\$0
2	Carbon Fee <i>Option 2 - \$20 per metric ton for <u>transportation sector</u> only on 7/1/2022, no growth factor. Fuel used solely for agricultural purposes, aircraft fuel, marine fuel, and rail are exempt.</i>	\$0	\$8,503
3	Fuel Taxes <i>- 6 cent increase on 7/1/2021, with total state gas tax=55.4 cents.</i>	\$3,438	\$3,438
4	Culverts/Water Proposal (separate bill) <i>- Separate legislation would generate revenues for fish culvert projects.</i>	\$3,500	\$0
5	Statewide Special Transportation Benefit Assessment <i>- Assessment on <u>new construction</u> assessed value increases on 1/1/2022. Residential = \$2 per \$1,000 AAV; Manufacturing=\$1 per \$1,000 AAV, Commercial/All Other=\$4 per \$1,000 of AAV. Forestland, agriculture land and timberland are exempt.</i>	\$1,119	\$1,119
6	Air Quality Surcharge Fee <i>- A one-time Air Quality Surcharge fee on the sale of new vehicles and those being retitled in Washington for the first time, effective 7/1/2022. The amount of the fee varies based on the fuel efficiency of each vehicle with the statewide average estimated at \$276 per new vehicle.</i>	\$1,072	\$1,072
7	For-Hire Vehicles and Transportation Network Company Fees <i>- New \$50 cent per trip fee on taxicabs and TNCs (e.g. Uber, Lyft) on 7/1/2021.</i>	\$455	\$455
8	Automobile Parts Sales and Use Tax <i>- 1% increase on 7/1/2021.</i>	\$411	\$411
9	Freight Project Fees <i>- Additional 10% freight project fee on 7/1/2021.</i>	\$229	\$229
10	Enhanced Driver's Licenses and Identicards <i>- \$24 fee increased to \$42 on 7/1/2021 (6-year license).</i>	\$228	\$228
11	Rental Car Tax <i>- 5.9% increased to 6.9% on 7/1/2021.</i>	\$111	\$111
12	Impose Weight Fee Increases Scheduled for 2023 in 2022 <i>- \$10 weight fee for passenger/other vehicle and light duty trucks from 2015 Connecting WA moved up from 7/1/2022 to 7/1/2021.</i>	\$70	\$70
13	Capital Vessel Surcharge <i>- 50 cent surcharge increased to 75 cents on 7/1/2021.</i>	\$69	\$69
14	Trip Permit Fees (3-day for unlicensed drivers or oversized loads) <i>- \$25 fee increased to \$45 on 7/1/2021.</i>	\$60	\$60
15	Motorhome Weight Fee <i>- \$75 fee increased to \$95 on 7/1/2021.</i>	\$23	\$23
16	Bicycle Sales and Use Tax <i>- 1% increase on 7/1/2021.</i>	\$16	\$16
17	Increase in IFTA Decals (Interstate trucks) <i>- \$10 fee increased to \$32.50 on 7/1/2021.</i>	\$13	\$13
18	Drone Registration Fee <i>- \$15 registration fee for commercial drones.</i>	\$3	\$3
19	Tacoma Narrows Bridge Transfers <i>- A total of \$146 million in transfers from the Forward Washington Account to the Tacoma Narrows Bridge Account are made to prevent future toll rate increases for the Tacoma Narrows Bridge.</i>	(\$146)	(\$146)
20	Interest Income <i>- Forward Washington Account and Forward Flexible Account interest earnings.</i>	\$25	\$25
	New Law Revenue Total	\$15,855	\$15,698