

July 2020 Road Fund Forecast

NMDOT State Revenue Sources - Fiscal Years 2010 thru 2024

Table 1

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	(O-M)	(O-M/M)	P	Q	
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20		FY21		FY22	FY21 to FY22		FY23	FY24	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Jan-19 Leg. Bud. Estimate	Jul-20 Revenue Update	Jan-20 Leg. Bud. Estimate	Jul-20 Revenue Update	Jul-20 Bud. Req. Estimate	Budget Growth		Jul-20 Long Run Estimate	Jul-20 Long Run Estimate	
																\$ Change	% Diff			
Road Fund:																				
Road Fund -- Ordinary Revenue:																				
1 Gasoline Tax	109,163	109,282	104,987	111,795	107,998	110,672	110,892	113,022	116,147	117,365	115,500	108,200	119,100	105,300	113,500	(5,600)	-4.7%	112,600	112,700	
2 Special Fuel Tax	88,029	91,078	92,326	92,563	92,923	97,566	97,341	100,066	108,141	113,383	113,600	113,000	115,400	103,700	110,100	(5,300)	-4.6%	116,000	119,900	
3 Weight/Distance	69,598	74,916	72,786	73,489	75,367	79,985	82,990	84,008	86,278	94,016	94,100	91,740	96,800	85,400	92,600	(4,200)	-4.3%	97,600	101,500	
4 Vehicle Registration	72,863	73,445	75,626	74,135	76,218	75,455	80,774	79,232	80,204	82,453	81,950	78,600	83,880	80,730	80,570	(3,310)	-3.9%	81,820	83,800	
5 Trip Tax	5,488	5,973	5,689	5,045	4,666	5,232	5,973	5,951	6,124	6,758	6,690	6,230	7,190	5,060	5,410	(1,780)	-24.8%	5,620	5,730	
6 Driver's License	4,493	4,718	4,424	4,227	4,193	4,158	3,841	3,816	4,191	4,117	4,180	4,000	4,240	4,140	4,170	(70)	-1.7%	4,200	4,230	
7 Oversize/Overweight	3,778	4,687	4,820	4,805	5,026	5,229	4,997	5,104	6,412	7,225	6,860	7,190	7,300	5,860	6,730	(570)	-7.8%	7,070	6,910	
8 Public Regulatory Commission Fees (UCR)	1,420	2,740	881	3,191	2,009	3,362	3,403	3,291	3,359	5,891	3,300	2,875	3,300	3,300	3,300	-	0.0%	3,300	3,300	
9 MVD Miscellaneous	2,735	2,725	2,991	3,100	3,302	3,509	5,426	5,260	6,322	6,407	6,300	5,565	6,450	6,000	6,200	(250)	-3.9%	6,300	6,400	
10 Vehicle Transaction	1,041	1,065	1,114	1,163	1,200	1,173	1,298	1,158	1,153	1,148	1,150	1,000	1,190	1,130	1,130	(60)	-5.0%	1,145	1,175	
11 Motor Vehicle Excise Tax*	-	-	-	-	-	-	-	-	-	6,562	6,730	5,770	6,580	5,510	42,180	35,600	541.0%	44,090	45,310	
12 Subtotal Ordinary Income	358,609	370,629	365,645	373,513	372,902	386,340	396,935	400,910	418,330	445,325	440,360	424,170	451,430	406,130	465,890	14,460	3.2%	479,745	490,955	
Road Fund -- Extraordinary Income:																				
13 All Other (Reimbursements, Asset Sales, etc.)	6,568	6,584	10,375	10,354	6,493	12,365	5,442	5,594	6,094	8,651	2,200	7,587	2,200	2,200	2,200	-	0.0%	2,200	2,200	
14 Rail Runner Track Maintenance Fees	2,000	2,350	17	2,014	1,782	2,143	3,031	4,989	4,202	2,938	2,000	3,074	2,000	2,000	2,000	-	0.0%	2,000	2,000	
15 Road Fund Interest	16	95	108	209	80	39	133	310	1,037	4,222	3,010	6,308	2,730	2,300	2,580	(150)	-5.5%	2,840	2,840	
16 Subtotal Extraordinary Income	8,584	9,029	10,500	12,576	8,355	14,547	8,607	10,893	11,333	15,811	7,210	16,969	6,930	6,500	6,780	-150	-2.2%	7,040	7,040	
17 TOTAL (Recurring) ROAD FUND	367,193	379,658	376,145	386,089	381,257	400,887	405,542	411,803	429,663	461,136	447,570	441,139	458,360	412,630	472,670	14,310	3.1%	486,785	497,995	
18 WIPP Settlement (Nonrecurring)							7,200	-	26,800	-	-	-	-	-	-	-	-	-	-	
19 Motor Vehicle Excise Tax to D2 (1% point)							-	-	-	-	-	46,350	52,910	44,260	-	(52,910)	-100.0%	-	-	
20 TOTAL ROAD FUND	367,193	379,658	376,145	386,089	381,257	400,887	412,742	411,803	456,463	461,136	447,570	487,489	511,270	456,890	472,670	(38,600)	-7.5%	486,785	497,995	

* 0.12% points till FY21; 0.87% points in FY22 and thereafter

- This July 2020 forecast is one of two annual forecasts of NMDOT revenues. Another update will be released next January before FY 2022 budget is set.
- This update significantly reduces FY 2021 Road Fund Recurring revenue expectations (line 17) by 10% or \$45.7 million from the January 2020 legislative budget estimate, as the spread of COVID-19 is expected to impact all the main Road Fund revenue sources.
- FY 2022 Road Fund Recurring revenues are estimated at \$472.7 million. This represents a 3.1% or \$14.3 million growth from the FY 2021 budget. All the growth comes from the additional piece of Motor Vehicle Excise Tax distributed to the State Road Fund starting from FY22. All the other revenues are expected to start improving slightly in FY22, but to still remain below their pre-pandemic level.
- The significant downward revisions in revenues are mostly driven by the spread of the COVID-19, and its impact on the national and the state economy.
 - Business restrictions and closures, event cancellations, and less commuting are expected to largely impact gasoline revenue, which is projected to drop to \$105 million in FY21, and to slightly recover in FY22. Vehicle Registration is expected to remain stable around \$80-83 million.
 - Weight Distance and Special Fuel revenues that more closely track the national economy are also expected to slow down significantly in FY21, as weaker consumer confidence, high unemployment levels, and lower business investments will translate in a reduced freight activity. Both the two revenue sources are then expected to start to recover in FY22, and thereafter, as the national economic outlook improves.
- Overall, in FY 2022 Total Road Fund revenues (line 20) are expected to decline by about 7.5% from the FY 2021 budget, as by then the one percentage point Motor Vehicle Excise Tax distribution to District 2 will sunset.

NMDOT State Revenue Sources - Fiscal Years 2010 thru 2024

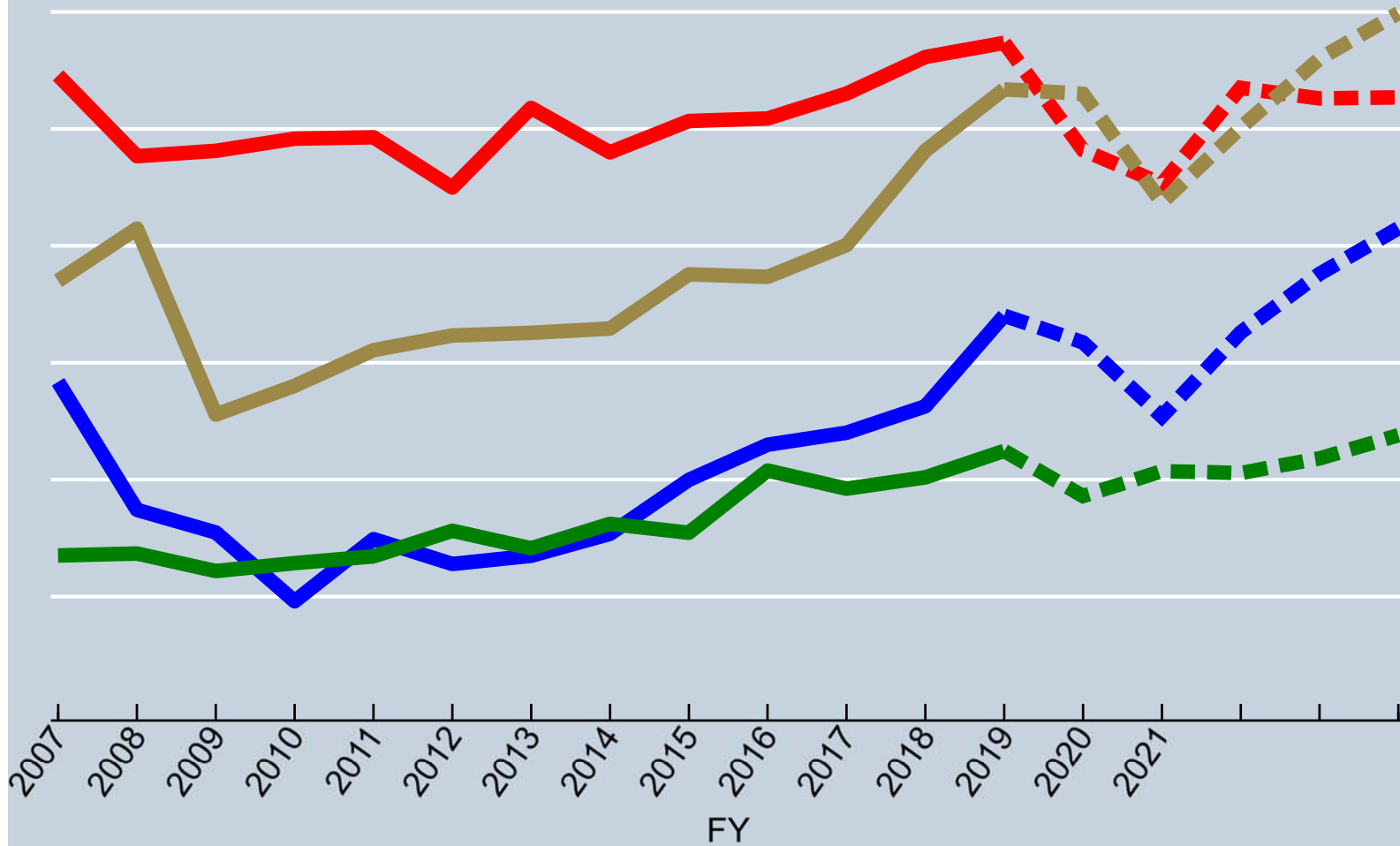
Table 2

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	(O-M)	(O-M/M)	P	Q	
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20		FY21		FY22	FY20 to FY21		FY23	FY24	
											Jan-19	Jul-20	Jan-20	Jul-20	Jul-20	Budget Growth		Jul-20	Jul-20	
											Leg. Bud.	Revenue	Leg. Bud.	Revenue	Bud.Req.	\$ Change	% Diff	Long Run	Long Run	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Update	Estimate	Update	Estimate			Estimate	Estimate	
Other Funds:																				
Highway Infrastructure Fund:																				
21	Leased Vehicle Gross Receipts	5,397	5,657	5,731	5,214	5,889	5,773	5,949	5,964	6,220	6,760	6,510	5,360	6,790	3,860	5,350	(1,440)	-21.2%	5,240	5,920
22	Tire Recycling Fees	1,791	1,806	1,831	1,807	1,836	1,810	1,943	1,868	1,878	1,910	1,905	1,830	1,960	1,900	1,895	(65)	-3.3%	1,925	1,970
23	Interest	18	16	16	25	7	6	13	11	13	74	40	94	40	30	30	(10)	-25.0%	30	30
24	Total Highway Infrastructure Fund	7,206	7,479	7,579	7,047	7,732	7,589	7,905	7,842	8,111	8,744	8,455	7,284	8,790	5,790	7,275	(1,515)	-17.2%	7,195	7,920
25	Total State Infrastructure Bank	597	83	29	45	15	17	45	105	177	527	440	328	160	120	130	(30)	-18.8%	140	140
Local Governments Road Fund:																				
26	From Interest	24	33	30	46	15	19	50	115	208	782	540	907	410	330	460	50	12.2%	1,010	1,010
27	From Special Fuel	9,200	9,546	9,659	9,709	9,753	10,218	10,185	10,478	11,301	11,830	11,910	11,810	12,065	10,830	11,510	(555)	-4.6%	12,130	12,530
28	From PPL Fee	6,725	6,775	6,612	6,926	6,768	6,986	7,000	7,165	7,485	7,651	7,600	7,290	7,770	6,930	7,420	(350)	-4.5%	7,540	7,640
29	From DWI reinstatement fees & ID cards	784	1,015	971	929	896	896	919	783	787	795	780	720	795	795	795	-	0.0%	795	795
30	From Gasoline Tax (MAP)	2,145	2,147	2,066	2,195	2,123	2,174	2,178	2,218	2,277	2,300	2,265	2,128	2,332	2,072	2,227	(105)	-4.5%	2,210	2,213
31	Leased Vehicle Gross Receipts	1,799	1,886	1,910	1,738	1,963	1,924	1,983	1,988	2,073	2,253	2,170	1,790	2,260	1,290	1,780	(480)	-21.2%	1,750	1,970
32	Motor Vehicle Excise Tax (0.75% points)										-	-	-	-	36,180	36,180	100.0%	37,820	38,870	
33	Total Local Governments Road Fund	20,677	21,402	21,249	21,543	22,217	22,314	22,748	24,130	25,611	25,265	24,645	25,632	22,247	60,372	34,740	135.5%	63,255	65,028	
Aviation Fund:																				
34	Gasoline Taxes (Aviation)	387	387	372	395	383	392	393	400	411	415	409	384	421	374	402	(19)	-4.5%	399	400
35	Aviation Jet Fuel	1,852	1,667	2,808	1,952	1,542	1,243	661	639	1,042	1,002	1,170	720	870	510	700	(170)	-19.5%	790	800
36	Aircraft License Fees	74	66	68	60	69	48	64	50	52	56	50	48	55	50	50	(5)	-9.1%	50	50
37	0.046% General Fund GRT (Air Service)	779	855	747	0	1,106	1,009	931	951	1,103	1,284	1,230	1,415	1,380	1,115	1,190	(190)	-13.8%	1,240	1,290
38	General Fund (2007 Enhancement)	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	-	0.0%	3,000	3,000
39	Aviation Fund Interest Earnings	8	16	20	36	12	14	31	56	98	409	270	492	220	180	200	(20)	-9.1%	220	220
40	Total Aviation Fund Income	6,100	5,991	7,016	5,443	6,112	5,707	5,080	5,097	5,706	6,166	6,129	6,059	5,946	5,229	5,542	(404)	-6.8%	5,699	5,760
Transportation Fund:																				
41	Motorcycle Registration (Fund 20600)	130	135	138	135	133	135	133	114	127	123	125	115	125	125	125	-	0.0%	125	125
42	Motorcycle Train. Fund Interest (20600)	1	0	0	0	0	0	0	0	0	0	1	1	-	-	-	-	-	-	-
43	Driver Improvement Fees (10020)	331	349	340	319	271	274	256	226	243	222	230	190	200	200	200	-	0.0%	200	200
44	DWI Prevention (20700)	650	486	530	513	517	487	472	421	434	446	440	355	460	435	435	(25)	-5.4%	435	435
45	Traffic Safety Fees (Fund 20800)	469	446	419	390	526	404	1,090	632	640	601	650	475	550	530	530	(20)	-3.6%	530	530
46	Traffic Safety Fees Interest (20800)	3	3	2	2	1	0	2	7	11	51	27	62	33	20	20	(13)	-39.4%	20	20
47	Community DWI Prevention Fee (20800)	1,000	1,017	838	789	363	426	513	375	363	360	355	330	350	350	350	-	0.0%	350	350
48	Red Light Fees (from AOC) (20800)			144	153	158	109	0	0	0	0	-	-	-	-	-	-	-	-	-
49	Traffic Safety - Interlock Device (82600)	700	2,029	1,167	1,054	810	777	755	704	415	426	415	330	465	425	425	(40)	-8.6%	425	425
50	Total Transportation Fund Income	3,284	4,466	3,578	3,356	2,779	2,611	3,221	2,480	2,233	2,228	2,243	1,859	2,183	2,085	2,085	(98)	-4.5%	2,085	2,085
51	TOTAL Restricted Funds Revenue	37,863	39,421	39,450	37,434	38,156	38,141	38,564	38,271	40,357	43,276	42,532	40,175	42,711	35,471	75,404	32,693	76.5%	78,374	80,933
52	TOTAL (Recurring) NMDOT Revenue	405,056	419,079	415,595	423,523	419,413	439,028	444,106	450,074	470,020	504,412	490,102	481,314	501,071	448,101	548,074	47,003	9.4%	565,159	578,928
53	WIPP Settlement (Nonrecurring)						7,200	-	26,800	-	-	-	-	-	-	-	-	-	-	-
54	Motor Vehicle Excise Tax to D2 (1% point)						-	-	-	-	-	46,350	52,910	44,260	-	-	(52,910)	-100.0%	-	-
55	TOTAL NMDOT STATE REVENUES	405,056	419,079	415,595	423,523	419,413	439,028	451,306	450,074	496,820	504,412	490,102	527,664	553,981	492,361	548,074	(5,907)	-1.1%	565,159	578,928












- Overall NMDOT state funds are forecast at \$548 million in FY 2022 representing a decline of 1.1% or \$5.9 million from the FY 2021 budget.
- Almost all the funds will see some decline in FY21, with the Highway Infrastructure fund, and the Aviation fund among the ones most affected.
- In FY 2022 and thereafter, the Local Governments Road Fund will start receiving about \$36 million of additional revenue from the new Motor Vehicle Excise Tax distribution.

Four Major State Road Fund Revenue Sources

- Gasoline
- Special Fuel
- Weight-Distance
- Vehicle Registration



Distribution of State Road User Revenues

		July 2020 Forecast (\$ Millions)				% of total (FY 2021)			
		2019	2020	2021	2022	Road Fund	NMDOT State Rev		
	Gasoline Tax (17.0 cents / gallon)	→ 5.76% to County Government Road Fund	9.2	8.5	8.3	8.9			
		→ 0.13% to Motorboat Fuel Tax Fund	0.2	0.2	0.2	0.2			
		→ 0.26% to State Aviation Fund	0.4	0.4	0.4	0.4			
		→ 10.38% to Municipalities and Counties	16.4	15.3	14.9	16.1			
		→ 76.27% to State Road Fund - (~13 cents per gallon)	117.4	108.2	105.3	113.5	25.5%	23.5%	
		→ 5.76% to Municipalities	9.2	8.5	8.3	8.9			
		→ 1.44% to Municipal Arterial Program (MAP - Local Governments Road Fund)	2.3	2.1	2.1	2.2			
	Special Fuel (Diesel) Tax (21.0 cents/gallon -- effective 7/1/2004)	→ 90.48% to State Road Fund - (19 cents per gallon)	113.4	113.0	103.7	110.1	25.1%	23.1%	
		→ 9.52% to Local Governments Road Fund	11.8	11.8	10.8	11.5			
	Petroleum Products Loading Fee (1.875 cents/gallon)	→ 26.67% to Local Governments Road Fund	7.7	7.3	6.9	7.4			
		→ 73.33% to Corrective Action Fund (NM Environment Department)	21.0	20.0	19.1	20.4			
	Weight Distance Tax (1¢-4¢/mile)	→ 100% to State Road Fund	94.0	91.7	85.4	92.6	20.7%	19.1%	
		Trip Tax (7¢-16¢/mile)	→ 100% to State Road Fund	6.8	6.2	5.1	5.4	1.2%	1.1%
		Oversize / Overweight Fees	→ 100% to State Road Fund	7.2	7.2	5.9	6.7	1.4%	1.3%
	Motor Trans. Regulatory Fees	→ 100% to State Road Fund	5.9	2.9	3.3	3.3	0.8%	0.7%	
	Vehicle Registration Fees (\$21-\$172/year) A similar distribution applies to many Miscellaneous Motor Vehicle Fees (but only Vehicle Registration Fee revenue amounts are shown in revenue table)	→ 50 cents on Each Registration to Beautification Fund							
		→ \$2.00 of each Motorcycle Registration to Motorcycle Training Fund							
		→ \$2.00 of each Motorcycle Registration to the Taxation & Revenue Department							
		→ 100% of Placard Fees to Taxation and Revenue Department							
		→ 100% of Traffic Safety Training Fee (from Penalty Assessments) and Amateur Radio Fees to State Road Fund							
		→ Tire Recycling Fee (effective 7/1/2003):							
		→ \$ 1.00 Each Motorcycle → 50% to Highway Infrastructure Fund							
		→ \$ 0.50 per wheel of each bus → 50% to Tire Recycling Fund							
		→ \$ 1.50 each car or light truck → \$1.00 to Highway Infrastructure Fund							
		→ \$ 1.50 each heavy truck → \$0.50 to Tire Recycling Fund							
		<i>Effective March 1, 2004 remaining revenues go to:</i>							
	Motor Vehicle Excise Tax (from 3.0% to 4.0% on July 1, 2019)	→ 74.65% to State Road Fund	82.5	78.6	80.7	80.6	19.6%	18.0%	
		→ 7.60% to County General Funds (allocated by Registration Fees on Vehicles in Each County)	8.4	8.0	8.2	8.2			
		→ 7.60% to County Road Funds (allocated by miles of public Roads maintained)	8.4	8.0	8.2	8.2			
		→ 4.06% to Municipal Street Funds (allocated by property Tax net Taxable value)	4.5	4.3	4.4	4.4			
		→ 6.09% to County and Municipal General Funds (allocated by property Tax amounts due)	6.7	6.4	6.6	6.6			
	Transaction Fees (\$3 per Title or Registration)	→ 3.11% to State Road Fund in FY20 & FY21 and 21.86% beginning in FY22	6.6	5.8	5.5	42.2	1.3%	1.2%	
		→ 25.00% to District 2 in FY20 & FY21		46.4	44.3				
		→ 18.75% to Local Governments Road Fund beginning in FY22				36.2			
	Driver License Fees (\$10 per 4 year period + \$3 EDL + \$3 Driver Safety)	→ 71.89% to State General Fund in FY20 & FY21 and 59.39% beginning in FY22	152.0	133.3	127.3	114.6			
		→ \$5 or \$6 to Municipal, County or Fee AGENTS							
		<i>Remaining revenues from Transaction Fees go to:</i>							
	Transaction Fees (\$3 per Title or Registration)	→ 50% to State Road Fund	1.1	1.0	1.1	1.1	0.3%	0.3%	
		→ 50% to County Road Fund (allocated by miles of public roads maintained)	1.1	1.0	1.1	1.1			
	Driver License Fees (\$10 per 4 year period + \$3 EDL + \$3 Driver Safety)	→ \$6 or \$7 per License to Municipal, County or Fee Agents							
		→ 100% of Remaining Drivers License Fee to S Road Fund	4.1	4.0	4.1	4.2	1.0%	0.9%	
		→ 100% Limited License Fees to DWI Prevention and Education Fund	0.4	*	*	*			
		→ 100% DWI Reinstatement Fees and remainder of ID Cards to Local Gov. Road Fund	0.8	0.7	0.8	0.8			
		→ 100% Enhanced Drivers License Fee (\$3) to Taxation & Revenue Department	2.1	*	*	*			
→ 100% Driver Safety Fee (\$3) to public schools for DWI education	1.6	*	*	*					
		Total Local Governments Road Fund	25.6	24.6	22.2	60.4			
		Total Amount Distributed to Local Governments & other Recipients	260.2	235.9	227.6	219.9			
		Total of Gasoline, Diesel, W/D & Registrations NMDOT	407.2	391.5	375.1	396.8	90.9%	83.7%	
		Total State Road Fund Revenues	461.1	441.1	412.6	472.7	100.0%	92.1%	
		Total NMDOT Recurring (1) State Revenues	504.4	481.3	448.1	548.1	NA	100%	

(1) Total NMDOT Recurring Revenue excludes MV Excise Revenue to DOT District 2 in FY20 (46.4) and FY21 (44.3)