

**Revenue Estimating Conference
Transportation Revenues
Executive Summary
January 12, 2026**

The Revenue Estimating Conference met on January 12, 2026, to consider the forecast of revenues flowing into the State Transportation Trust Fund (STTF). Including the estimates for FY 2025-26, overall revenues to the STTF during the work program period ending in FY 2030-31 were increased by \$105.9 million or about 0.3 percent. Just over one-half of this increase came from the previously held Highway Safety Licenses and Fees Conference. The revised estimates reflect actual revenue collections through November of the 2025-26 fiscal year.

For revenues from fuel taxes, the overall forecast was shaped by recent developments in all of the following: changing consumption patterns of motor fuel and other fuels (diesel, aviation and off-highway fuel); demographic changes within the projected driving population, projected fuel tax rates; and technological advancements in fuel efficiency. The revenue projection for all types of fuel was increased by \$12.3 million, which is 0.1 percent over the entire work program. Within this total, collections from the Highway Fuel Sales Tax and SCETS fuel tax were increased by \$13.1 million. Further adding to the net increase, the expected loss associated with the end of the Aviation Fuel Tax was improved by \$1.3 million as the final refunds are processed during the work period. The forecast for Natural Gas Fuel Tax was unchanged. Expected collections from the Fuel Use Tax were decreased by -\$0.8 million while expected collections from Off-Highway Fuel tax were decreased by -\$1.3 million. A fallout of some of the other forecast changes, the Local Option Distribution over the work program was decreased by -\$0.7 million or approximately -0.2 percent over the prior forecast.

Finally, the forecast for the Rental Car Surcharge was increased by \$39.8 million, or 4.8 percent. The new forecast reflects FY 2025-26 year-to-date actual performance; recovery in the car leasing market related to high automobile prices and relatively lower interest rates; the increased use of alternatives to rental cars such as ride sharing services and destination-provided shuttles; and the widespread use of substitutes for traditional business-related travel.

The forecasts for motor vehicle license and registration-related fees were previously adopted by the Highway Safety Licenses and Fees Conference held January 6, 2026. In this work program period, receipts to the STTF from motor vehicle related licenses and fees were increased by \$54.5 million or 0.6 percent over the entire work program. Motor Vehicle Licenses are up \$59.1 million, Initial Registrations are down -\$24.1 million, Title Fees are up \$23.1 million, and Motor Carrier Compliance Penalties are down by -\$3.6 million over the work program period.