

Revised Policies Details - Special Transportation Fund

Sales Tax - STF

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | 260,600,000 | 260,600,000 | - |
| April Consensus Update | - | (7,700,000) | (7,700,000) |
| Policy Estimates and Updates | - | (50,000,000) | (50,000,000) |
| Total | 260,600,000 | 202,900,000 | (57,700,000) |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | (7,700,000) | (7,700,000) |

Policy Revisions

Reduce FY 17 Diversion to the Special Transportation Fund

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | (50,000,000) | (50,000,000) |

Background: Effective December 1, 2015, a portion of the Sales Tax is dedicated to the Special Transportation Fund (STF). The STF rate begins at 0.3% increasing to 0.5% as of July 1, 2017 and remains at 0.5% thereafter in accordance with PA 15-244, as amended by PA 15-5 (JSS) and PA 15-1 (DSS).

Legislative: Temporarily reduce transfers of Sales Tax revenues to the STF. Specifically, Section 45 of PA 16-2 (MSS) requires the Commissioner of the Department of Revenue Services to reduce FY 17 monthly transfers of Sales Tax revenues to the STF by \$4,166,667 which is approximately \$50 million in total. This reduction is effective July 1, 2016.

Motor Fuels

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | 503,700,000 | 503,700,000 | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | - | - |
| Total | 503,700,000 | 503,700,000 | - |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

The April Consensus estimates for FY 17 did not change because the collections data utilized in the April Consensus trended consistently with the data utilized in the January Consensus.

Oil Companies

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | 283,700,000 | 283,700,000 | - |
| April Consensus Update | - | (15,300,000) | (15,300,000) |
| Policy Estimates and Updates | - | - | - |
| Total | 283,700,000 | 268,400,000 | (15,300,000) |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | (15,300,000) | (15,300,000) |

The April Consensus estimate for FY 17 is lower than the January Consensus by \$15.3 due to the decrease in the wholesale price of oil and petroleum products.

Refunds of Taxes

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | (7,500,000) | (7,500,000) | - |
| April Consensus Update | - | (7,000,000) | (7,000,000) |
| Policy Estimates and Updates | - | - | - |
| Total | (7,500,000) | (14,500,000) | (7,000,000) |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | (7,000,000) | (7,000,000) |

The April Consensus estimate for FY 17 is lower than the January Consensus by \$7.7 due to an increase in the FY 15 estimate of \$100,000 which effectively increased the FY 16 revenue base. The change in the FY 15 may be due to higher than anticipated collections.

Sales Tax DMV

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|-------------------|----------------------|---------------------|
| January Consensus | 90,300,000 | 90,300,000 | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | - | - |
| Total | 90,300,000 | 90,300,000 | - |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

The April Consensus estimates for FY 17 did not change because the collections data utilized in the April Consensus trended consistently with the data utilized in the January Consensus.

Motor Vehicle Receipts

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | 255,100,000 | 255,100,000 | - |
| April Consensus Update | - | 6,700,000 | 6,700,000 |
| Policy Estimates and Updates | - | - | - |
| Total | 255,100,000 | 261,800,000 | 6,700,000 |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | 6,700,000 | 6,700,000 |

The April Consensus estimates for FY 17 are higher than the January Consensus by \$6.7 due to higher than anticipated collections for vehicle registrations.

Licenses, Permits and Fees

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | 140,700,000 | 140,700,000 | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | 800,000 | 800,000 |
| Total | 140,700,000 | 141,500,000 | 800,000 |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

The April Consensus estimates for FY 17 did not change because the collections data utilized in the April Consensus trended consistently with the data utilized in the January Consensus.

Policy Revisions

Increase Fees for Oversize and Overweight Vehicles

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | 800,000 | 800,000 |

Background: Various permit fees have remained unchanged since 1992.

Legislative: Section 180 of PA 16-3 (MSS) increases various fees, effective July 1, 2016, including: 1) Single-Trip Permit raised from \$23 to \$30 (\$344,000 est. revenue gain); 2) Annual Permit (per 1,000 lbs) from \$7 to \$9 (\$366,000 est. revenue gain); 3) Transmittal Fee from \$3 to \$5 (\$95,000 revenue gain); 4) Annual Fee for oversize indivisible loads from \$500 to \$650 (\$12,000 est. revenue gain); and 5) increases the monthly divisible load permits from 1/10th of the annual fee per month to \$100 per month (\$35,000 est. revenue gain). In addition, it broadens the definition of a vehicle that falls under the oversize/overweight permit requirements.

Interest Income

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|-------------------|----------------------|---------------------|
| January Consensus | 8,500,000 | 8,500,000 | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | - | - |
| Total | 8,500,000 | 8,500,000 | - |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

The April Consensus estimates for FY 17 did not change because the collections data utilized in the April Consensus trended consistently with the data utilized in the January Consensus.

Federal Grants

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|-------------------|----------------------|---------------------|
| January Consensus | 12,100,000 | 12,100,000 | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | - | - |
| Total | 12,100,000 | 12,100,000 | - |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

The April Federal Grants Tax estimate remains unchanged because the primary source of revenue is a federal grant that remain constant year over year.

Transfers From/To Other Funds

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | (6,500,000) | (6,500,000) | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | - | - |
| Total | (6,500,000) | (6,500,000) | - |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

Refunds of Payments

| Revenue Components | Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|------------------------------|--------------------|----------------------|---------------------|
| January Consensus | (3,800,000) | (3,800,000) | - |
| April Consensus Update | - | - | - |
| Policy Estimates and Updates | - | - | - |
| Total | (3,800,000) | (3,800,000) | - |

April Consensus Update

| Governor FY 17 | Legislative FY 17 | Difference FY 17 |
|-------------------|----------------------|---------------------|
| - | - | - |

The April Refund of Payments tax estimate remains unchanged because the refunds remain constant year over year and no major changes in the number of assessments are anticipated.
