



# Economic and Revenue Forecast Council

**EMBARGOED** until September 21, 2016, 10:00 am PST when it will be released at [www.erfc.wa.gov](http://www.erfc.wa.gov)

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## September update indicates continuation of moderate growth

**OLYMPIA, September 21, 2016** – The General Fund-State (GF-S) revenue forecast has been increased by \$334 million for the 2015-17 biennium and by \$125 million for the 2017-19 biennium.

The Washington economic forecast is similar to that in June, but includes slightly stronger personal income and employment. Risks to the forecast include the impact of a stronger dollar on exports, weak labor productivity, and slow global and U.S. economic growth.

Cumulative General Fund-State revenue collections from June 11 through September 10, 2016 were \$225 million (5.3%) higher than forecasted in June. Over half of the extra revenue came from several large audit-related payments of past due Revenue Act taxes, penalties and interest. Real Estate Excise Taxes were 17.4% higher than forecasted due to sales of large commercial properties and increase in residential sales prices.

Looking forward, this update anticipates \$40.377 billion in the 2017-19 biennium and \$43.630 billion in 2019-21 biennium.

The economic and revenue forecasts are updated quarterly. The next update to the revenue forecast will be presented on Wednesday, November 16, 2016.

### **Forecast of GF-S Revenue (probabilities in parenthesis): 2015-17**

**Baseline (60%):** \$37.765 billion; \$334 million higher than the previous forecast.

**Optimistic (15%):** \$38.797 billion; \$1.032 billion more than the baseline forecast.

**Pessimistic (25%):** \$36.801 billion; \$964 million less than the baseline forecast.

**Governor's Council of Economic Advisors:** \$37.719 billion; \$46 million less than the baseline forecast.

Please see our full report for more information. You can access this report at:  
[http://www.erfc.wa.gov/forecasts/documents/rev20160921\\_color.pdf](http://www.erfc.wa.gov/forecasts/documents/rev20160921_color.pdf)

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#### **About the ERFC:**

**The ERFC was established under RCW 82.33 to provide the Governor and the Legislature with official independent and professional forecasts of the state economy and revenues.**