

The background of the cover is a photograph of the Washington State Capitol building. The building is a large, classical-style structure with a prominent central dome and a portico supported by several columns. The scene is framed by the branches of cherry blossom trees in full bloom, with white flowers and green leaves visible in the foreground and around the building. The sky is a clear, light blue. The text is overlaid on this image.

# **Washington State Economic and Revenue Forecast**

March 2025  
Volume LVI, No. 1



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# Preface

## **ERFC forecasting structure and schedule**

The Economic and Revenue Forecast Council is required by Chapter 231, Section 34, Laws of 1992 (RCW 82.33.020) to prepare a quarterly state economic and revenue forecast and submit it to the Forecast Council. This report presents the state's economic and General Fund-State revenue forecast. It is issued four times a year. The Washington State GF-S revenue forecast is prepared quarterly in conjunction with the state economic forecast for the Economic and Revenue Forecast Council. The Council consists of eleven members, two appointed by the Governor, eight appointed by the Legislature – two from each caucus of the Senate and House of Representatives, and the State Treasurer. Current members of the Economic and Revenue Forecast Council are listed inside the front cover of this publication. The GF-S revenue forecast is updated four times per year: March (February in even-numbered years), June, September, and November. The staff of the Economic and Revenue Forecast Council is responsible for the preparation of the state's economic forecast and the forecast of the Department of Revenue's GF-S revenue sources as well as GF-S revenue from fines and forfeitures collected by the Administrative Office of the Courts with GF-S share of court fees, fines, and forfeitures. The staff is also responsible for review and coordination of the revenue forecasts of other agencies that collect relatively large amounts of GF-S revenue. These are the Department of Licensing, the Office of the Insurance Commissioner, the Lottery Commission, the State Treasurer, the Liquor and Cannabis Board, and the Office of Financial Management. The Office of Financial Management is responsible for summarizing the forecasts of all other state agencies that collect relatively smaller amounts of GF-S revenue.

## **Forecast Procedure**

For each quarterly update, the staff of the Economic and Revenue Forecast Council, under the direction of the Executive Director, reviews (and if warranted, modifies) a national economic forecast prepared by S&P Global Market Intelligence. A state economic forecast is then prepared using an econometric model that links Washington's economy to the national economy. After review by forecast workgroups; the Governor's Council of Economic Advisors; and the Economic and Revenue Forecast Council, this state economic forecast (updated for newly released data) is used to prepare a baseline revenue forecast for GF-S and the related funds. The forecasts are based on current law and administrative practices and do not reflect pending legal challenges to GF-S receipts until they are resolved. Additionally, at least two alternative forecasts are prepared for all GF-S and related fund sources and presented to the Forecast Council for approval. Once the Council approves the forecast, it becomes the official forecast of GF-S and related fund revenues.

Data in this publication are accurate through March 28, 2025.

# **Washington State Economic and Revenue Forecast**

Prepared by the  
Economic and Revenue Forecast Council

March 2025  
Volume LVI, No. 1

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## Executive Summary

- **The U.S. economy continues to expand and remains solid, although headwinds have increased.**
- **We expect real GDP to increase 2.2% in 2025 and 2.0% in 2026, compared with the 2.0% and 2.1% growth rates assumed in the November forecast.**
- **Our forecast for real GDP growth in 2027-29 calls for growth rates of 1.9%, 1.9%, and 1.8% in 2027 through 2029 down 0.1 percentage point each year from the November forecast.**
- **The March forecast is the first to include assumptions regarding President Trump's policy proposals.**
- **The Washington economy continued to expand through the fourth quarter of 2024.**
- **Washington employment growth from November through February was more than expected in the November forecast.**
- **The Washington unemployment rate increased in February from 4.3% to 4.4%.**
- **Washington housing permits ticked up in the fourth quarter of 2024.**
- **Seattle home prices were up 5.5% compared with January 2024.**
- **Washington exports decreased 18.5% from the fourth quarter of 2023 to the fourth quarter of 2024.**
- **Seattle consumer price inflation fell below the national average in February.**
- **Washington personal income growth trailed the national average in the fourth quarter of 2024**
- **Compared to the November forecast, we now anticipate weaker job growth in 2026-2028.**
- **Tracked revenue collections since November 2024 have come in \$56 million above their forecasted amount.**
- **The March economic forecast projects lower housing permits, construction employment, and state personal income. This has resulted in decreases in forecasted Revenue Act taxes throughout the forecast period.**
- **Forecasted real estate excise taxes have increased due to higher-than-expected taxable activity since the last forecast.**
- **Forecasted Education Legacy Trust Account (ELTA) revenue was increased throughout the forecast period due to higher projected capital gains and estate taxes.**
- **The forecast of funds subject to the budget outlook process was increased by \$54 million in the 2023-25 biennium but decreased by \$479 million in the 2025-27 biennium and \$420 million in the 2027-29 biennium.**

## U.S. Economic Forecast

*The economy continues to expand and remains solid*

The economy continues to expand and remains solid. However, headwinds have increased due to changes in trade and fiscal policy and inflation that has remained higher than desired. Consumer confidence has plummeted recently as uncertainty has grown. The Federal Reserve has paused their decline in interest rates to ensure inflation remains under control. Even with restrictive monetary policy, the job market remains tight.

*Our forecast was based on a modified version of the February S&P Global Market Intelligence forecast*

This forecast is based on a modified version of S&P Global Market Intelligence's February 2025 control forecast for the U.S. economy. We have adjusted real gross domestic product (GDP) to be consistent with the February 2025 Blue Chip "Consensus" GDP forecast for 2025 and 2026. We expect real GDP to increase 2.2% in 2025 and 2.0% in 2026, compared with the 2.0% and 2.1% growth rates assumed in the November forecast. Our forecast for real GDP growth in 2027-29 is based on the bottom 10 long-term forecast from Blue Chip which was released in October 2024. We expect growth rates of 1.9%, 1.9%, and 1.8% in 2027 through 2029 down 0.1 percentage point each year from the November forecast.

*The forecast includes new policy assumptions*

The March forecast is the first to include assumptions regarding President Trump's policy proposals. Tariffs and federal job cuts are included in the forecast. The potential impact of trade policy uncertainty is not explicitly included in the forecast. The forecast assumes a 10% universal tariff, a 20% tariff on imports from China, and a 25% tariff on steel and aluminum imports. The forecast includes a cumulative 255,000 reduction in federal payrolls this year. Personal tax policy includes extension beyond the scheduled expiration in 2025 of provisions in the 2017 Tax Act. The forecast assumes some exclusion of tip and overtime pay from federal taxation. Corporate tax policy assumes a lower corporate tax rate on corporate income from 21% to 15% for corporations that produce domestically. Scheduled Social Security and Medicare benefits are paid beyond the projected exhaustion of those trust funds.

## Washington Economic Forecast

*The Washington economy continued to expand in 2024*

The Washington economy continued to grow in early 2025, with total February nonfarm employment increasing by 56,500 (1.6%) over the year. Government and private service-providing sectors led the gains, while construction and manufacturing saw modest job losses. The unemployment rate declined to 4.3% in January, though labor force participation also edged down. Initial unemployment claims rose in February, but it's unclear whether this marks a new trend. Housing activity picked up in the fourth quarter, with both single-family and multi-family permits increasing. Seattle-area home prices grew 5.5% over the year, outpacing the national average. However, export

activity declined sharply, led by a steep drop in transportation equipment exports. For the first time since 2021, Seattle’s consumer price inflation fell below the national rate, rising 2.5% year-over-year compared to 2.8% nationally.

*The Washington forecast features stronger job growth in 2025, but higher Seattle CPI*

The Washington forecast reflects a mixed outlook compared to November, with slightly stronger job growth expected in 2025 but weaker growth from 2026 to 2028. Employment is projected to grow by 1.0% in 2024, with average annual growth of 0.8% from 2025 to 2029. Aerospace employment is forecasted to rise steadily following the resolution of the Boeing machinist strike in 2024, though near-term growth was revised down due to Boeing layoffs in 2025. Software sector employment remains subdued after job losses in 2023, with only modest growth expected in the near-term. Construction employment continues to expand, but near-term growth was revised down significantly. Nominal personal income growth is largely unchanged from the November forecast, averaging 5.4% annually from 2025 to 2029. Housing permits are projected to total 37,000 units in 2025—the lowest level in a decade—with lower totals than previously expected from 2026 to 2029. Seattle CPI inflation is forecasted to rise to 3.2% in both 2025 and 2026 due to potential tariffs, before easing to near-target rates through 2029.

## Revenue Forecast

*Revenue collections have come in above the forecast, but the economic forecast is weaker than the previous forecast*

Tracked revenue collections since November 2024 have come in \$56 million above their forecasted amount, but future collections are expected to weaken. The March economic forecast projects lower housing permits, construction employment and personal income. This has resulted in decreases in forecasted Revenue Act taxes throughout the forecast period, offsetting the surplus collections since the prior forecast. Forecasted real estate excise taxes have increased due to higher-than-expected taxable activity since the last forecast. Forecasted Education Legacy Trust Account (ELTA) revenue was also increased throughout the forecast period due to higher projected capital gains and estate taxes.

*Total forecast change by biennium (millions):*

23-25: +\$54  
25-27: -\$479  
27-29: -\$420

Forecasted revenue was increased by \$54.4 million in the 2023-25 biennium but decreased by \$479.0 million in the 2025-27 biennium and \$420.2 million in the 2027-29 biennium. The March 2025 forecast for funds subject to the budget outlook process total \$66,444.8 million in the 2023-25 biennium, \$70,951.6 million in the 2025-27 biennium and \$76,424.8 million in the 2027-29 biennium.



## Chapter 1: U.S. Economy – Current Conditions and Forecast

- **The U.S. economy continues to expand and remains solid, although headwinds have increased.**
- **Real GDP increased 2.4% (SAAR) in the fourth quarter of 2024 after increasing 3.1% (SAAR) in the third quarter.**
- **The job market remains solid although growth is trending down.**
- **Consumer confidence has plummeted in recent months.**
- **Housing activity is sluggish; manufacturing output remains weak.**
- **Oil prices are declining, and we expect prices to decline throughout the forecast period.**
- **We expect real GDP to increase 2.2% in 2025 and 2.0% in 2026, compared with the 2.0% and 2.1% growth rates assumed in the November forecast.**
- **Our forecast for real GDP growth in 2027-29 calls for growth rates of 1.9%, 1.9%, and 1.8% in 2027 through 2029 down 0.1 percentage point each year from the November forecast.**
- **The March forecast is the first to include assumptions regarding President Trump’s policy proposals.**
- **We expect the Federal Reserve to continue cutting rates but at a slower pace compared to November.**
- **The uncertainty in the baseline forecast is elevated. Downside risks outweigh upside risks.**

### Current Conditions

*The economy continues to expand and remains solid*

The economy continues to expand and remains solid. However, headwinds have increased due to changes in trade and fiscal policy and inflation that has remained higher than desired. Consumer confidence has plummeted recently as uncertainty has grown. The Federal Reserve has paused their decline in interest rates to ensure inflation remains under control. Even with restrictive monetary policy, the job market remains tight.

*Real GDP increased 2.4% (SAAR) in the fourth quarter*

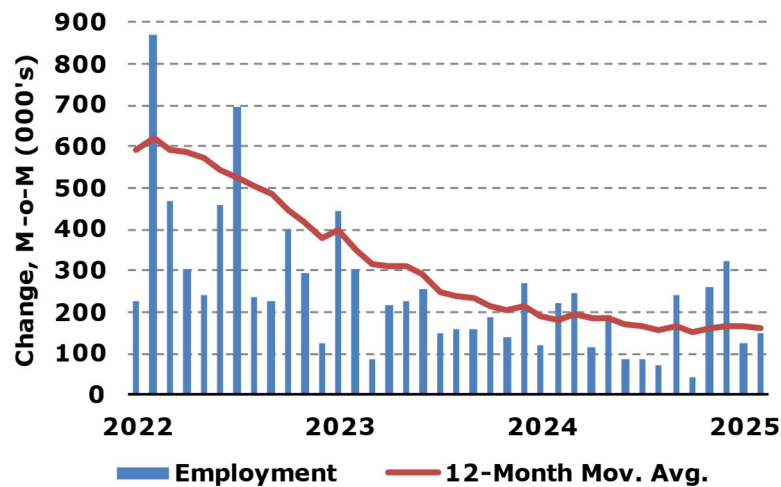
Real GDP increased 2.4% (SAAR) in the fourth quarter of 2024 after increasing 3.1% (SAAR) in the third quarter. Growth was led by consumer spending, particularly durable goods. Consumption grew 4.0% (SAAR) contributing 2.7 percentage

points to overall GDP growth. Consumer spending on goods grew 6.2% (SAAR) adding 1.3 points to topline GDP. Spending on services increased by 3.0% (SAAR), also adding 1.4 points to growth. Fixed investment declined 1.1% (SAAR) after growing 2.1% (SAAR) in the third quarter and subtracted 0.2 points to topline growth. Nonresidential fixed investment decreased 3.0% (SAAR), led by a 8.7% (SAAR) decline in equipment investment which was partially offset by a 2.9% (SAAR) increase in structures. Residential investment increased in the fourth quarter by 5.5% (SAAR) after declining 4.3% (SAAR) in the third quarter and added 0.2 points to overall GDP growth. Imports declined 1.9% (SAAR) and exports declined 0.2% (SAAR) with the net impact of 0.3 points added from GDP growth. Government spending increased 3.1% (SAAR), increasing GDP by 0.5 points. The change in inventories subtracted 0.8 points to GDP growth in the fourth quarter.

*The job market remains solid even as growth has trended down*

The job market remains solid even as growth has trended down. Over four years since the unprecedented 20.5 million job decline in April 2020 due to the pandemic, gains to employment remain solid. In February, total nonfarm employment increased by 151,000 jobs after increasing by 125,000 jobs the month before. Over the past twelve months, job growth has averaged 162,000 (see Figure 1.1). Construction employment has remained resilient and increased by another 19,000 jobs in February. The manufacturing sector is trending down, although in February the sector increased by 10,000 jobs after declining in each of the prior two months. Private service-providing employment increased by 106,000. Employment increases in the service sector were led by a 52,000 increase in health care. Food services and drinking places was the weakest sector in February, declining by 27,500 jobs. Government payrolls increased by 11,000.

**Figure 1.1: U.S. Employment Growth**



Source: U.S. Bureau of Labor Statistics; data through February 2025

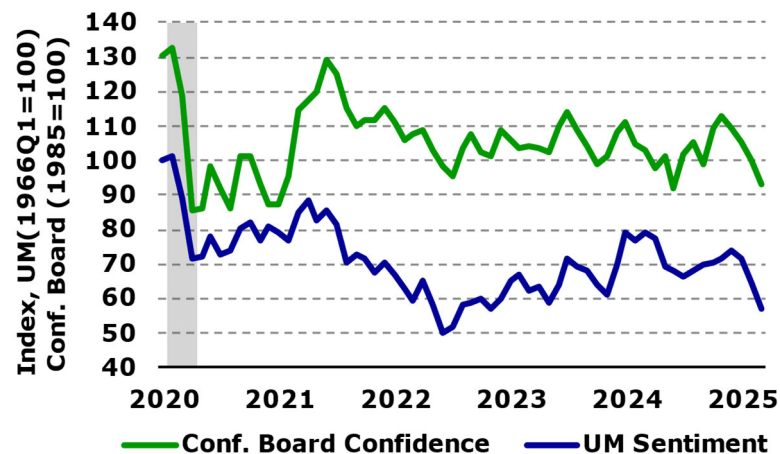
*The unemployment rate has stabilized*

The unemployment rate appears to have stabilized at just over 4.0%. The unemployment rate increased 0.1 percentage points to 4.1% in February. The rate has remained between 4.0% and 4.2% since May 2024. The labor force participation rate fell 0.2 percentage points over the month to 62.4% in February and is down from 63.3% just prior to the pandemic. Average hourly earnings are up \$1.39 from a year ago to \$35.93 while the average workweek fell 0.2 hours from last year to 34.1 hours in February.

*Consumer confidence has plummeted*

Consumer confidence has plummeted in recent months (see Figure 1.2). Consumer confidence as measured by the Conference Board declined 7.2 points in March to 92.9, the fourth consecutive decline, and is down 10.2 points since last year. Consumers' expectations of the future led the decline, falling 9.6 points to 65.2, the lowest level in 12 years. Consumers are worried that labor market and business conditions are deteriorating in the near term. Inflation expectations increased to a two-year high. Respondents indicated that they are planning on pulling back on spending, with many citing policy uncertainty for their lack of confidence. The University of Michigan Consumer Sentiment index declined 7.7 points in March and is down 22.4 points since last year. Declining stock prices weighed on confidence and inflation fears have risen.

**Figure 1.2: U.S. Consumer Confidence and Sentiment**



Source: Conference Board, University of Michigan; data through March 2025

*Oil prices are declining*

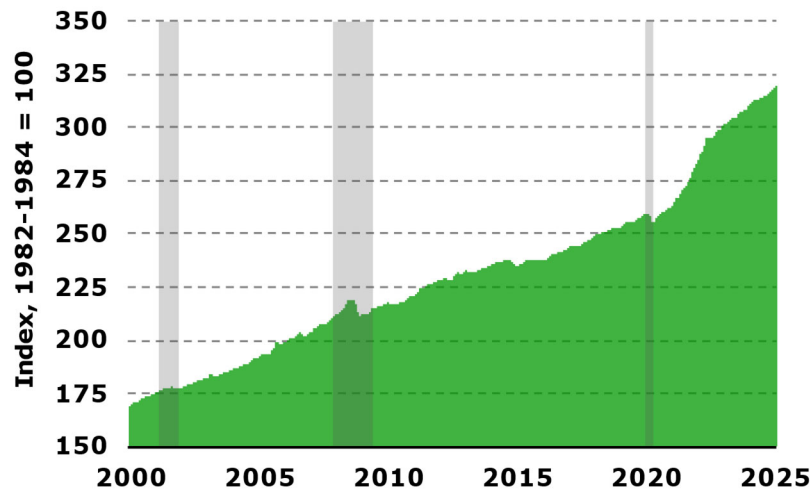
Oil prices are declining as softening global demand has overshadowed supply concerns. The United States reached deals with Ukraine and Russia to pause attacks at sea and against energy targets. The ceasefire may lead to increased oil supply. However, President Trump's threat of tariffs against countries importing oil and gas from Venezuela has raised supply concerns. The Brent spot crude price is now \$72 per barrel in the third week of March, down \$12 from a year ago. The West

Texas Intermediate (WTI) price has declined to \$68 per barrel from \$80 per barrel since last year. U.S. oil production once again reached a new all-time high in December 2024 to 13.491 million barrels-per-day (bpd). U.S. production has averaged 13.216 million bpd in 2024, a 2.2% increase from 2023. The Baker Hughes rig count has been declining since reaching a peak in November 2022. As of March 21<sup>st</sup>, the rig count in the U.S. was 592, down 31 since last year.

*Inflation remains on a downward trend*

Inflation moderated in February after accelerating in each of the prior four months. In February, the Consumer Price Index (CPI) fell from 3.0% to 2.8% on a year-over-year basis. This was down from a 3.2% year-over-year increase a year ago, much lower than the peak of 9.1% in June 2022. Even with the recent decline in inflation, the price level remains much higher than prior to the pandemic (see Figure 1.3). Energy prices were up 0.2% in February but remain down 0.2% over the year. Shelter cost inflation remains high, increasing 0.3% in February and up 4.2% since last year. Food price inflation has picked up in recent months, up 0.2% in February and up 2.6% since last year. Core consumer prices, which exclude food and energy, increased 0.2% since last month and were up 3.1% over the year.

**Figure 1.3: Consumer Price Index Level**



Source: U.S. Bureau of Labor Statistics; data through February 2025

*Home prices are increasing*

Home prices are increasing. The seasonally adjusted S&P CoreLogic Case-Shiller National Home Price Index increased 0.6% in January and is now up 4.1% since last year. The Federal Reserve raised interest rates substantially to combat inflation after the pandemic, leading to a rise in mortgage rates and a drop in affordability. Mortgage rates began to ease as monetary policy has softened, but are now increasing again. The rate on a 30-year mortgage rate increased to 6.67% as of March 20<sup>th</sup>, up from a recent trough of 6.08% in September 2024, but still down from 6.87% a year ago. Despite the drop in

affordability, home prices have remained resilient due to a limited supply of homes for sale. Lumber prices are increasing again and are now at \$686 per 1,000 board feet, up from \$609 a year ago. Homebuilder's remain pessimistic. In March, homebuilder confidence declined from 42 to 39 (readings above 50 indicate optimism), and the index is down from 51 last year.

*Housing activity remains sluggish*

Housing activity remains sluggish. High interest rates, low confidence, and low affordability have weighed down new construction. Housing starts increased 11.2% in February after declining 11.5% the month before. Over the year, starts are down 2.9%. Single-family starts are 2.3% lower than a year ago, although multi-family starts are up 1.9%. Builders are working through a large backlog of permitted but not started units. The inventory of new homes on the market has continued to trend up as builders have struggled to sell new construction. In February there was 8.9 months' worth of supply. In the decade prior to the pandemic, there was an average of 5.7 months' worth of supply. Housing permits declined 1.0% over the month in February and are down 6.7% since last year. Single-family permits are down 2.8% since last year while multi-family permits are down 14.0%. New home sales increased 1.8% over the month in February to 676,000 (SAAR) and are up 5.1% since last year.

*The manufacturing sector remains weak*

The manufacturing sector is no longer contracting but remains weak. The Institute for Supply Management (ISM) Report on Business index declined to 50.3 in February from 50.9 in January (index values below 50 indicate contraction). The index had indicated contraction in the manufacturing sector in each of the past nine months. The new orders component fell back into contractionary territory in February, dropping 6.5 points to 48.6. Production fell 1.8 points but still indicated expansion at 50.7 points. The employment component fell 2.7 points to 47.6, indicating net job losses. Ten manufacturing industries reported growth in November with five indicating contraction. The latest G-17 report measuring industrial production from the Federal Reserve indicates manufacturing output increased 0.9% in February and is up 0.7% from a year ago. Durable goods increased 1.6% led by motor vehicles and parts. Nondurable goods increased 0.2% from the prior month. New orders for core capital goods (nondefense capital goods excluding aircraft) declined 0.3% in February but are up 0.4% from a year ago.

*U.S. exports increased in the fourth quarter*

U.S. exports increased in the fourth quarter of 2024, growing by 1.3% year over year. U.S. exports to the rest of North America increased 0.1% year over year in the fourth quarter, the third consecutive increase. Exports to Mexico grew 1.5% while exports to Canada declined 1.1%. Exports to China once again fell, declining 7.0% year over year in the fourth quarter. Exports to the Netherlands, which has quickly become our fourth largest export market, were once again strong, increasing 6.8% over the year. Most of the increase in Netherland exports is due to a rapid rise in oil and gas exports. Exports of computer and



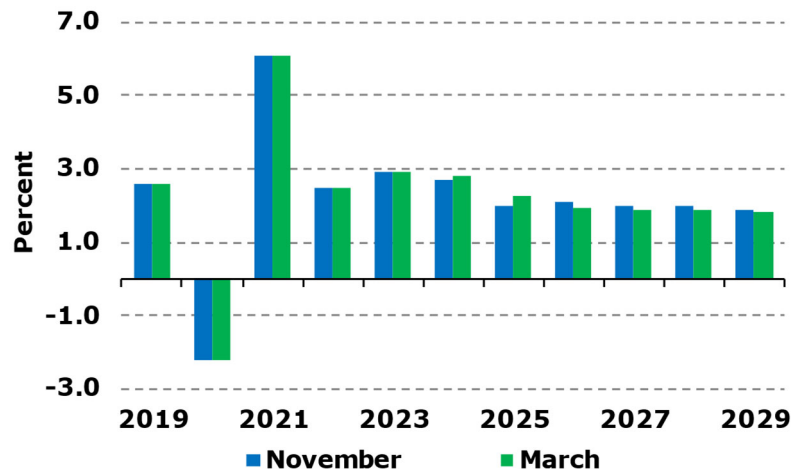
electronic products (our third largest export) were particularly strong, increasing 12.8% over the year. Exports of transportation equipment fell 6.8% in the fourth quarter but remained the top export by value for the United States.

## Forecast

*Our forecast was based on a modified version of the February S&P Global Market Intelligence forecast*

This forecast is based on a modified version of S&P Global Market Intelligence’s February 2025 control forecast for the U.S. economy. We have adjusted real gross domestic product (GDP) to be consistent with the February 2025 Blue Chip “Consensus” GDP forecast for 2025 and 2026. We expect real GDP to increase 2.2% in 2025 and 2.0% in 2026, compared with the 2.0% and 2.1% growth rates assumed in the November forecast (see Figure 1.4). Our forecast for real GDP growth in 2027-29 is based on the bottom 10 long-term forecast from Blue Chip which was released in October 2024. We expect growth rates of 1.9%, 1.9%, and 1.8% in 2027 through 2029 down 0.1 percentage point each year from the November forecast.

**Figure 1.4: Real GDP Growth**



Source: U.S. Bureau of Economic Analysis, March 2025 ERFC forecast; historical data through 2024

*The forecast includes new policy assumptions*

The March forecast is the first to include assumptions regarding President Trump’s policy proposals. Tariffs and federal job cuts are included in the forecast. The potential impact of trade policy uncertainty is not explicitly included in the forecast. The forecast assumes a 10% universal tariff, a 20% tariff on imports from China, and a 25% tariff on steel and aluminum imports. The forecast includes a cumulative 255,000 reduction in federal payrolls this year. Personal tax policy includes extension beyond the scheduled expiration in 2025 of provisions in the 2017 Tax Act. The forecast assumes some exclusion of tip and overtime pay from federal taxation. Corporate tax policy assumes a lower corporate tax rate on corporate income from 21% to 15% for

corporations that produce domestically. Scheduled Social Security and Medicare benefits are paid beyond the projected exhaustion of those trust funds.

*Oil prices are expected to be higher compared to the previous forecast*

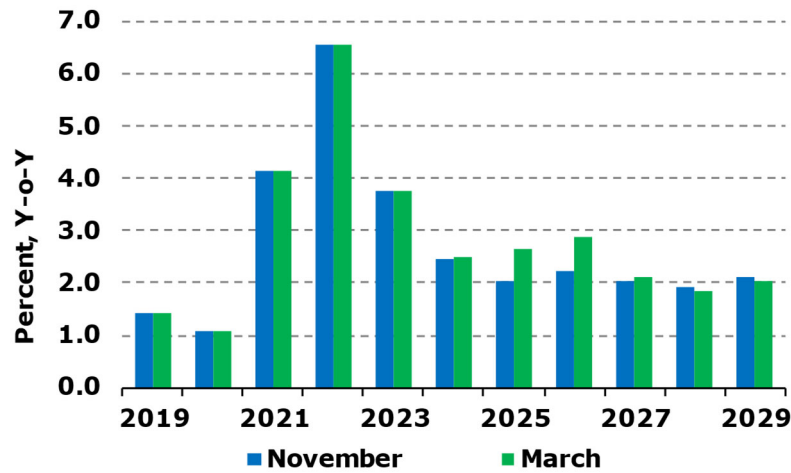
Oil prices are expected to decline throughout the forecast. The outlook for oil demand remains weak. OPEC+ is expected to proceed with a planned increase in output. Record-high U.S. oil production will keep downward pressure on prices. New sanctions on Iran, existing sanctions on Russia, and the revocation of licenses for Venezuela oil exports have increased price volatility but are not expected to cause prices to rise. The refiner acquisition price of crude oil in 2025 is expected to average \$67 per barrel, down from \$70 per barrel assumed in November. Going forward, supply restrictions are expected to be modest, and increased U.S. production will keep prices in check as demand increases. We expect prices to fall gradually throughout the forecast period. The forecast calls for oil prices to reach \$63 per barrel in 2029, down from \$64 assumed in November.

*Oil prices are expected to decline*

*Inflation will remain elevated for longer*

The inflation rate (as measured by the change in the price index for personal consumption expenditures) is expected to increase to 2.6% this year from 2.5% in 2024. The November forecast expected inflation to fall to 2.1% this year (see Figure 1.5). Inflation has come down after the initial surge as demand recovered faster than could be accommodated by supplies of commodities and labor was disrupted by the pandemic. Income support helped fuel the surge in demand, contributing to the increase in prices. Tariffs assumed in the current forecast are expected to increase prices in the near term. Inflation is expected to increase to 2.9% in 2026 as energy prices level out and no longer put downward pressure on prices. The forecast calls for inflation to average 2.0% from 2027 through 2029. Core inflation (excluding food and energy) is expected to be 2.8% in 2025 and 2026. We expect core inflation to trend down and average 2.0% from 2027 through 2029.

**Figure 1.5: Personal Consumption Expenditure Price Index**



Source: U.S. Bureau of Economic Analysis, March 2025 ERFC forecast; historical data through 2024

*Consumer spending growth is expected to slow*

Real consumer spending growth is expected to decline slightly this year to 2.7% from 2.8% in 2024. The November forecast expected real consumption growth to increase to 2.1% this year. Steady job growth and wage gains have been partially offset by persistently high inflation. Consumers have funded current spending with savings as real incomes have not kept up. We believe the savings rate reached a trough of 4.1% in the fourth quarter of 2024. As incomes increase and inflation moderates, the savings rate is expected to increase and reach 8.5% in the fourth quarter of 2029. In the decade prior to the pandemic, the saving rate averaged 6.2%. Real consumer spending is expected to slow to 2.0% next year. The forecast calls for growth to then decrease slightly and average 1.9% from 2027 through 2029, down from 2.0% in the previous forecast.

We expect employment growth of 1.0% this year, down from 1.3% in 2024 as the labor market cools. The previous forecast expected growth to slow to 0.9% this year. With inflation picking up the past few months, the Federal Reserve has had to pause lowering rates to support full employment to ensure high inflation doesn't return. Employment growth is expected to slow to 0.4% in 2026, up from 0.3% in the November forecast. Going forward, employment growth is expected to average 0.3% from 2027 through 2029, down from 0.4% assumed in the previous forecast. We expect the labor market to remain tight throughout the forecast. The March forecast calls for the unemployment rate to increase to 4.2% this year from 4.0% in 2024. The forecast calls for the unemployment rate to increase to 4.5% in 2027 and then decline to 4.3% in 2029.

*Business investment is expected to slow*

Real nonresidential fixed investment growth is expected to slow to 2.3% this year after growing 3.7% in 2024. Business spending on manufacturing structures, particularly those related to semiconductors and electric-vehicle batteries, is expected to peak and turn down. Lending standards for businesses remain tight and borrowing costs are elevated. Office vacancy rates have increased from a year ago and remain high as the shift to flexible work environments is likely permanent. Going forward, we expect many of the headwinds putting downward pressure on business investment to ease. We expect real nonresidential fixed investment growth to reach a trough in 2026 at 2.1% and then average 3.8% from 2027 through 2029. We expect real nonresidential construction to decline 1.1% this year and decline 2.1% in 2026. The forecast calls for nonresidential construction to turn positive as some excess surplus gets worked through and grow 3.5% and 3.3% in 2028 and 2029. Real equipment investment growth is expected to slow this year to 3.2% after growing 3.4% in 2024. We then expect growth to pick up and average 4.5% in 2026 through 2029. Investment in intellectual property products is expected to decrease from 4.1% growth in 2024 to 3.3% growth this year. We expect growth to weaken and average 2.9% from 2026 through 2029.

*The housing market outlook remains weak*

The housing market outlook remains weak. High mortgage rates have lowered affordability and weighed down housing demand. Sales have declined significantly as homeowners holding fixed-rate mortgages financed at historically low rates during the pandemic have been locked into their homes. The cost of moving from one median-priced home to another, assuming 20% down payment, would be \$8,000 a year in higher mortgage payments due to the increase in mortgage rates alone. The March forecast calls for housing starts to decline 0.5% this year after declining in each of the prior three years. We expect multi-family housing to decline 4.9%, offsetting an 1.0% increase in single-family. We expect 2026 to be the trough in total housing starts at 1.32 million units, down 2.6% from 2024. The forecast then calls for housing starts to slowly trend up throughout the remainder of the forecast and average 1.40 million units in 2029.

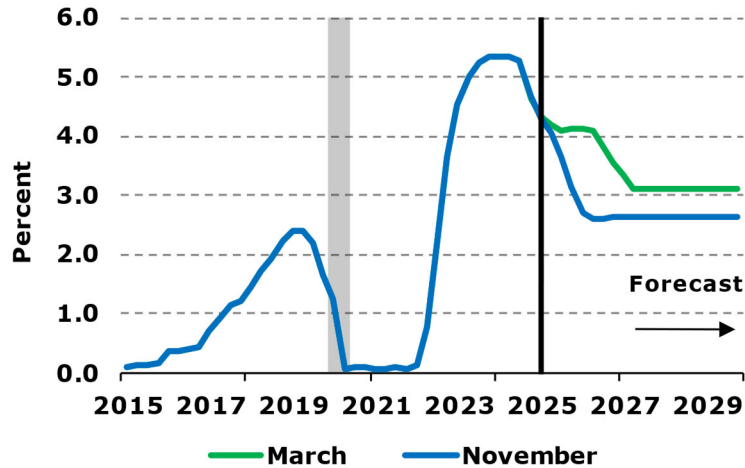
*Growth in major U.S. trading partners is expected to be weaker*

Economic growth of U.S. major trading partners is expected to be weaker compared to the previous forecast. The March forecast calls for 1.9% growth this year, down from 2.2% in the previous forecast. Real GDP growth is expected to be lower in Canada and Mexico this year compared to November. We expect growth in U.S. major trading partners to be 2.1% in 2026 and 2.3% in 2027, down from 2.4% and 2.5% in the November forecast. The forecast then calls for growth in U.S. trading partners to average 2.4% from 2028 through 2029, down from 2.5% expected in the previous forecast. Real U.S. export growth is forecasted to decline to 2.8% this year, down from 3.2% growth in 2024. We expect real export growth to reach a trough in 2026 at 2.0%. The forecast then calls for real export growth to pick up and average 3.7% from 2027 to 2029.

*The Federal Reserve will reduce rates at a slower pace*

The Federal Reserve last cut the target for the federal funds in December by 25 basis points to 4.25% to 4.50%. As inflation declined, the Federal Reserve adopted an easing bias in January 2024. Recently, inflation has stopped declining, and the Federal Reserve has paused their rate cuts aimed at supporting the labor market. Our expectation is for the Federal Reserve to cut the federal funds rate another 25 basis points just once this year at their meeting in May. We expect the federal funds rate to remain unchanged until the middle of 2026 when rate cuts resume and eventually reach 3.00% to 3.25% (see Figure 1.6). Since November, we have revised up our estimate for the neutral interest rate by 50 basis points. The forecast also calls for the Federal Reserve to continue reducing assets from its balance sheet by about one third by 2026 and then hold steady through the end of the forecast in 2029.

**Figure 1.6: Fed Funds Target Rate**



Source: Federal Reserve, March 2025 forecast; historical data through 2024 Q4

Table 1.1 provides a fiscal year summary of the U.S. economic indicators. For calendar year tables, see the appendix.

## Risks to the Forecast

The level of uncertainty in the baseline forecast remains elevated. Downside risks outweigh upside risks.

### Downside Risks

- Higher U.S. tariffs and retaliation
- Large federal employment and spending reductions
- Israeli – Hamas conflict spreads throughout the region
- War in Ukraine escalates
- Inflation remains elevated
- Decreased consumer confidence drags down consumer spending
- Rising mortgage rates cause a sharp downturn in affordability and housing activity
- Oil prices don't decline
- Increasing geopolitical tensions negatively affect consumer confidence
- Deficit fears or debt limit fiscal policy
- A breakdown in trade relations
- Global growth weakens, pulling exports down

### Upside Risks

- Tariffs are avoided or lower
- Inflation declines faster than expected
- Federal Reserve cuts rates sooner than expected
- War in Ukraine ends
- Israeli – Hamas conflict ends
- Energy prices decline faster than expected
- Increased business confidence leads to more hiring
- Increased consumer confidence gives a boost to consumer spending
- Housing sector improves faster than anticipated
- China successfully transitions to a more consumption-based economy
- European and emerging market economies grow faster than expected
- Wage growth picks up faster than expected

Table 1.1

Fiscal Years

**U.S. Economic Forecast Summary**  
 Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	21,838.7	22,314.8	23,004.7	23,590.7	24,050.7	24,523.4	24,984.0	25,453.6
% Ch	4.3	2.2	3.1	2.5	1.9	2.0	1.9	1.9
Real Consumption	15,088.6	15,415.1	15,813.0	16,300.9	16,644.1	16,979.0	17,309.9	17,639.9
% Ch	6.0	2.2	2.6	3.1	2.1	2.0	1.9	1.9
Real Nonresidential Fixed Investment	3,069.5	3,299.9	3,452.2	3,544.6	3,630.4	3,706.8	3,836.1	3,988.2
% Ch	5.8	7.5	4.6	2.7	2.4	2.1	3.5	4.0
Real Residential Fixed Investment	892.6	767.0	785.5	798.2	803.5	810.6	836.8	874.0
% Ch	0.0	-14.1	2.4	1.6	0.7	0.9	3.2	4.4
Real Personal Income	19,073.2	19,214.7	19,713.8	20,199.1	20,735.1	21,309.0	22,002.8	22,602.8
% Ch	-2.0	0.7	2.6	2.5	2.7	2.8	3.3	2.7
Real Per Capita Income (\$/Person)	57,203	57,195	58,127	59,104	60,454	61,975	63,835	65,402
% Ch	-2.4	0.0	1.6	1.7	2.3	2.5	3.0	2.5
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	112.6	118.7	122.1	124.9	128.7	131.9	134.3	137.0
% Ch	6.0	5.4	2.9	2.4	3.0	2.5	1.9	2.0
U.S. Consumer Price Index (1982-84=1.0)	2.820	2.997	3.096	3.184	3.284	3.379	3.442	3.519
% Ch	7.2	6.3	3.3	2.8	3.2	2.9	1.9	2.2
Employment Cost Index (Dec. 2005=1.0)	1.509	1.585	1.652	1.712	1.800	1.883	1.963	2.043
% Ch	5.0	5.0	4.3	3.6	5.1	4.6	4.2	4.1
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	24,930.1	26,906.1	28,476.4	29,919.9	31,534.8	32,946.7	34,303.7	35,725.6
% Ch	11.1	7.9	5.8	5.1	5.4	4.5	4.1	4.1
Personal Income	21,474.5	22,803.8	24,064.6	25,239.6	26,683.6	28,102.3	29,554.6	30,966.2
% Ch	3.9	6.2	5.5	4.9	5.7	5.3	5.2	4.8
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	162.9	165.6	167.7	169.8	171.4	171.5	171.7	172.1
Total U.S. Employment	156.1	159.7	161.3	162.7	164.0	163.8	164.0	164.6
Unemployment Rate (%)	4.19	3.55	3.81	4.15	4.31	4.49	4.50	4.38
Nonfarm Payroll Employment	149.78	154.52	156.99	158.83	160.04	160.32	160.53	161.01
% Ch	4.8	3.2	1.6	1.2	0.8	0.2	0.1	0.3
Manufacturing	12.55	12.87	12.85	12.77	12.74	12.49	12.27	12.10
% Ch	3.4	2.6	-0.1	-0.6	-0.3	-2.0	-1.7	-1.4
Durable Manufacturing	7.79	8.01	8.01	7.92	7.95	7.81	7.64	7.51
% Ch	3.5	2.8	0.0	-1.2	0.5	-1.8	-2.1	-1.6
Nondurable Manufacturing	4.76	4.87	4.85	4.86	4.78	4.68	4.63	4.58
% Ch	3.4	2.2	-0.4	0.2	-1.5	-2.1	-1.1	-1.0
Construction	7.60	7.90	8.11	8.29	8.41	8.47	8.63	8.86
% Ch	3.7	3.9	2.7	2.2	1.4	0.8	1.8	2.7
Service-Providing	129.06	133.12	135.39	137.15	138.28	138.72	139.00	139.47
% Ch	5.0	3.2	1.7	1.3	0.8	0.3	0.2	0.3
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	87.8	81.5	79.9	71.6	65.1	63.3	62.7	62.4
Personal Saving/Disposable Income (%)	5.0	4.1	4.9	4.2	5.7	6.5	7.6	8.1
Auto Sales (Millions)	2.9	3.0	3.0	3.0	3.1	3.1	3.2	3.2
% Ch	-23.1	4.4	1.5	-0.7	1.3	1.9	1.3	1.3
Housing Starts (Millions)	1.654	1.421	1.402	1.360	1.337	1.326	1.360	1.394
% Ch	6.9	-14.1	-1.3	-3.0	-1.7	-0.8	2.5	2.5
Federal Budget Surplus (Billions)	-1,407.6	-1,393.2	-1,726.6	-1,854.0	-1,914.6	-2,011.3	-2,114.8	-2,144.9
Net Exports (Billions)	-977.1	-838.4	-830.2	-948.4	-881.1	-802.3	-700.6	-637.2
3-Month Treasury Bill Rate (%)	0.37	4.10	5.26	4.42	3.85	3.20	2.85	2.83
10-Year Treasury Note Yield (%)	1.93	3.54	4.30	4.31	4.30	4.00	3.84	3.82
Bond Index of 20 G.O. Munis. (%)	2.48	3.59	3.75	4.06	4.20	4.08	4.01	3.95
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.70	6.45	5.99	5.70	5.63

Table 1.2

**Forecast Analysis**

Comparison of Forecasts for 2023-25

<b>U.S.</b>	Average Annual Rate of Growth (Percent) 2023:2-2025:2		Average Rate (Percent) 2023:3 to 2025:2	
	<b>Real GDP</b>	<b>PCE Price Index</b>	<b>3 Month T-Bill Rate</b>	<b>Mortgage Rate</b>
<b>2020</b>				
February	2.0	2.1	2.30	4.62
June	2.3	1.7	0.13	3.24
September	2.4	1.8	0.10	3.27
November	2.0	1.9	0.08	3.29
<b>2021</b>				
March	2.2	1.9	0.23	3.92
June	1.9	1.9	0.22	3.86
September	2.2	1.9	0.47	4.02
November	2.1	2.1	0.88	4.26
<b>2022</b>				
February	2.1	2.1	1.64	4.55
June	2.1	1.7	2.61	5.00
September	2.1	1.9	3.09	5.18
November	1.7	2.1	3.87	5.69
<b>2023</b>				
March	1.4	2.2	4.16	5.93
June	1.2	2.2	3.99	5.81
September	1.5	2.5	4.64	6.31
November	1.6	2.3	5.02	6.82
<b>2024</b>				
February	2.2	2.0	4.68	6.30
June	2.3	2.5	5.08	6.62
September	2.4	2.2	4.89	6.52
November	2.5	2.3	4.85	6.63
<b>2025</b>				
March	2.7	2.5	4.84	6.87



Table 1.3

**Forecast Analysis**

Comparison of Forecasts for 2025-27

<b>U.S.</b>	Average Annual Rate of Growth (Percent) 2025:2-2027:2		Average Rate (Percent) 2025:3 to 2027:2	
	<b>Real GDP</b>	<b>PCE Price Index</b>	<b>3 Month T-Bill Rate</b>	<b>Mortgage Rate</b>
<b>2022</b>				
February	1.9	2.1	2.16	4.84
June	1.9	1.9	2.37	4.80
September	2.0	1.9	2.37	4.81
November	2.0	1.8	2.39	4.87
<b>2023</b>				
March	2.0	1.9	2.44	5.00
June	2.0	2.0	1.94	4.96
September	2.0	2.0	2.54	5.08
November	2.0	2.1	2.76	5.19
<b>2024</b>				
February	2.0	2.1	2.59	5.13
June	2.0	2.4	2.92	5.24
September	2.0	2.2	2.60	5.10
November	2.1	2.1	2.66	5.29
<b>2025</b>				
March	1.9	2.6	3.53	6.22

Table 1.4  
**Forecast Comparison**  
 Forecast 2025 to 2029

Fiscal Years

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>U.S.</b>							
<b>Real GDP</b>							
March	22,314.8	23,004.7	23,590.7	24,050.7	24,523.4	24,984.0	25,453.6
% Ch	2.2	3.1	2.5	1.9	2.0	1.9	1.9
November	22,314.8	23,004.7	23,527.0	23,989.4	24,483.7	24,972.4	25,465.1
% Ch	2.2	3.1	2.3	2.0	2.1	2.0	2.0
<b>PCE Price Index</b>							
March	118.7	122.1	124.9	128.7	131.9	134.3	137.0
% Ch	5.4	2.9	2.4	3.0	2.5	1.9	2.0
November	118.7	122.1	124.7	127.4	130.2	132.6	135.4
% Ch	5.4	2.9	2.1	2.2	2.2	1.8	2.1
<b>Unemployment Rate</b>							
March	3.55	3.81	4.15	4.31	4.49	4.50	4.38
November	3.55	3.80	4.28	4.49	4.55	4.56	4.45
<b>Mortgage Rate</b>							
March	6.31	7.03	6.70	6.45	5.99	5.70	5.63
November	6.31	7.03	6.24	5.50	5.09	4.96	5.00
<b>3 Month T-Bill Rate</b>							
March	4.10	5.26	4.42	3.85	3.20	2.85	2.83
November	4.10	5.26	4.44	2.87	2.45	2.38	2.36



## Chapter 2: Washington Economy – Current Conditions and Forecast

- **The Washington economy continued to expand through the fourth quarter of 2024.**
- **Washington employment growth from November through February was more than expected in the November forecast.**
- **The Washington unemployment rate increased in February from 4.3% to 4.4%.**
- **Washington housing permits ticked up in the fourth quarter of 2024.**
- **Seattle home prices were up 5.5% compared with January 2024.**
- **Washington exports decreased 18.5% from the fourth quarter of 2023 to the fourth quarter of 2024.**
- **Seattle consumer price inflation fell below the national average in February.**
- **Washington personal income growth trailed the national average in the fourth quarter of 2024**
- **Compared to the November forecast, we now anticipate weaker job growth in 2026-2028.**

### Current Conditions

*The Washington economy continued to expand in 2024*

The Washington economy continued to grow in early 2025, with total February nonfarm employment increasing by 56,500 (1.6%) over the year. Government and private service-providing sectors led the gains, while construction and manufacturing saw modest job losses. The unemployment rate declined to 4.3% in January, though labor force participation also edged down. Initial unemployment claims rose in February, but it's unclear whether this marks a new trend. Housing activity picked up in the fourth quarter, with both single-family and multi-family permits increasing. Seattle-area home prices grew 5.5% over the year, outpacing the national average. However, export activity declined sharply, led by a steep drop in transportation equipment exports. For the first time since 2021, Seattle's consumer price inflation fell below the national rate, rising 2.5% year-over-year compared to 2.8% nationally.

*Washington's total nonfarm employment increased 1.6% in the past year*

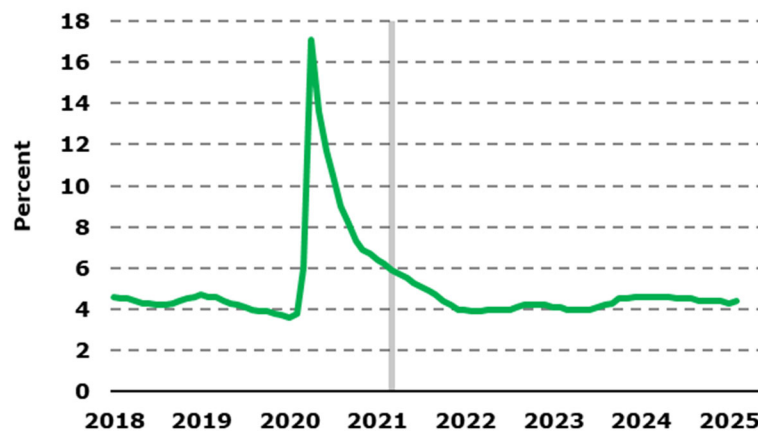
We have four new months of Washington employment data (November to February) since the November forecast was released. During that period Washington employment growth was more than expected. Between higher job growth than forecasted and a BLS revision to employment, there are 20,700 more jobs in February than we forecasted in November.

Washington employment continues to grow. Total nonfarm payrolls expanded by 56,500 from February 2024 to February 2025, a 1.6% increase. Government employment rose by 10,600, driven largely by gains in state and local government. Private service-providing industries added 48,900 jobs over the year, led by a 20,300 job increase in education and health services. Construction employment declined by 1,600, and manufacturing shed 1,300 jobs. Within manufacturing, the largest gains came from other non-durable goods, which added 1,200 jobs.

*Washington's unemployment rate rose in February*

After increasing to 4.6% in December of 2023, the Washington unemployment rate has fallen to 4.4% in February (see Figure 2.1). The unemployment rate increased to 4.4% in February from 4.3% in January. Labor force participation dropped to 63.0% in February, which is down from 63.7% a year ago.

**Figure 2.1 Washington Unemployment Rate**



Source: Employment Security Department, data through January 2025

Seasonally adjusted initial claims for unemployment insurance in Washington rose by 6,000 in February, reaching 27,800, a 23.5% increase compared to February 2024. This uptick follows three consecutive months of declining claims after the resolution of the Boeing strike. It will take several more months of data to determine whether this marks the beginning of a new trend or is simply a temporary fluctuation.

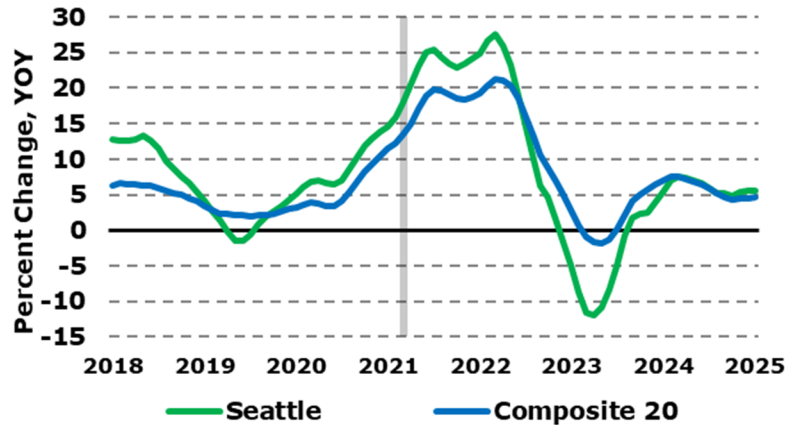
*Washington housing permits increased in the fourth quarter of 2024*

Washington housing permits saw a notable increase in the fourth quarter of 2024. A total of 39,700 units (SAAR) were permitted in October, November, and December, up from 36,700 units (SAAR) in the previous quarter. Of these permits, 19,000 were for single-family homes, while 20,700 were for multi-family units. The actual fourth-quarter numbers missed the November forecast, which had projected 36,900 units, comprising 19,800 single-family and 17,100 multi-family permits. Housing permits remain significantly below the recent peak of 62,000 units permitted in the first quarter of 2022.

*Year-over-year home price growth in the Seattle area continues to outpace the national average*

The S&P/Case-Shiller Home Price Indices show that Seattle area home prices rose by 0.1% in January, below the 0.5% increase in the composite-20 index. Home prices in Seattle are up 5.5% compared with January 2024 (see Figure 2.2). In comparison, the composite-20 index was up 4.7% year-over-year in January.

**Figure 2.2: S&P/Case-Shiller Home Price Indices, SA**

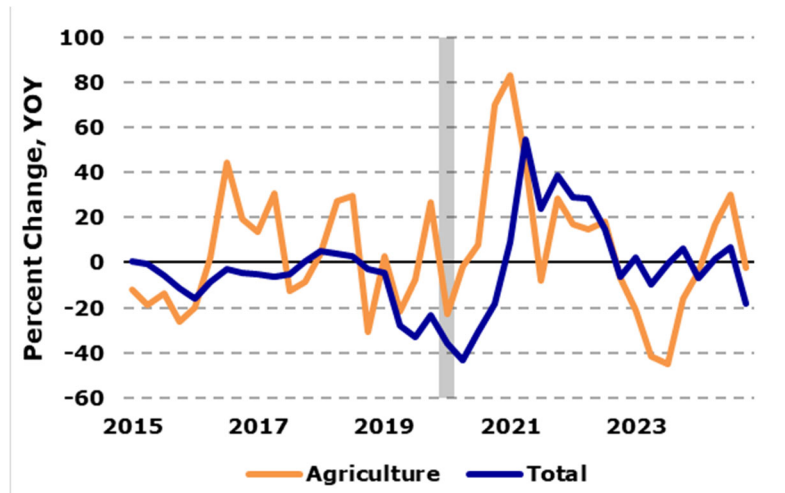


Source: S&P/Case-Shiller Home Price Indices; data through January 2025

*Washington exports of transportation equipment drop by 42.5%*

According to the U.S. Census Bureau, Washington’s exports fell by 18.5% from the fourth quarter of 2023 to the fourth quarter of 2024 (see Figure 2.3). This sharp decline was largely driven by a 42.5% drop in transportation equipment exports. Agricultural product exports also declined, though more modestly, falling 2.6%. Together, transportation equipment and agricultural products accounted for 55% of Washington’s total exports in 2024.

**Figure 2.3: Washington Exports**



Source: US Census; data through 2024 Q4

*Seasonally adjusted Washington car and truck sales decreased in February*

The seasonally adjusted number of new vehicle registrations fell by 7.7% in February to 252,700 (SAAR), following an 11% increase in January. Passenger car registrations dropped 17.4%, while light truck registrations declined 21.3%. The recent fluctuation in auto sales may reflect consumer concerns over potential federal trade policies.

*Washington personal income growth trailed the national average in the fourth quarter of 2024*

In March, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released the preliminary state personal income estimates for the fourth quarter of 2024. Washington personal income increased from \$669.8 billion (SAAR) in the third quarter of 2024 to \$676.9 billion in the fourth quarter of 2024. The 4.3% increase (SAAR) in Washington personal income was the 35<sup>th</sup> lowest among the states and District of Columbia and trailed the 4.6% (SAAR) rate of increase for the U.S. as a whole. Growth in Washington net earnings trailed the U.S. in the fourth quarter, with Washington net earnings increasing 4.7% (SAAR) compared to 5.1% (SAAR) for the nation. Dividends, interest, and rent grew 2.9% (SAAR) in Washington compared to 2.9% (SAAR) for the nation. Growth in transfer payments was the same in both Washington and the nation, increasing 5.0% (SAAR).

*The annual Seattle CPI growth rate is below the national figure*

For the first time since late 2021, Seattle-area consumer price inflation fell below the national average. From February 2024 to February 2025, the Seattle CPI rose 2.5% compared to the 2.8% increase in the U.S. City average index. Inflation has come down sharply since reaching a peak in June of last year at 10.1% for Seattle and 9.1% for the U.S. Shelter costs in both Washington and the U.S. continue to outpace topline inflation, increasing 4.5% and 4.2% respectively. Core inflation (inflation excluding food and energy) has returned to the approximate target level for Seattle but is slightly elevated nationally. Seattle core CPI

rose 2.3% in October compared to 3.1% for the U.S. City average.

## Washington State Forecast

*The Washington forecast features stronger job growth in 2025, but higher Seattle CPI*

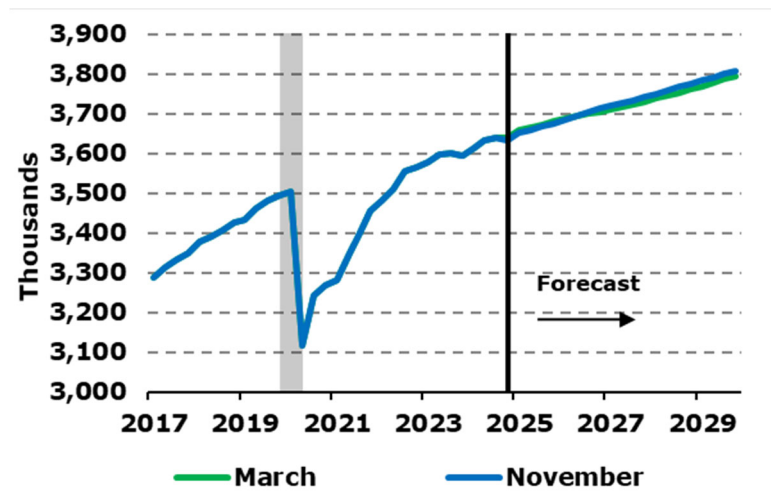
The Washington forecast reflects a mixed outlook compared to November, with slightly stronger job growth expected in 2025 but weaker growth from 2026 to 2028. Employment is projected to grow by 1.0% in 2024, with average annual growth of 0.8% from 2025 to 2029. Aerospace employment is forecasted to rise steadily following the resolution of the Boeing machinist strike in 2024, though near-term growth was revised down due to Boeing layoffs in 2025. Software sector employment remains subdued after job losses in 2023, with only modest growth expected in the near-term. Construction employment continues to expand, but near-term growth was revised down significantly. Nominal personal income growth is largely unchanged from the November forecast, averaging 5.4% annually from 2025 to 2029. Housing permits are projected to total 37,000 units in 2025—the lowest level in a decade—with lower totals than previously expected from 2026 to 2029. Seattle CPI inflation is forecasted to rise to 3.2% in both 2025 and 2026 due to potential tariffs, before easing to near-target rates through 2029.

## Washington Payroll Employment

*Job growth for 2025 is slightly above our November forecast*

Compared to the November forecast, we now anticipate weaker job growth in 2026-2028, but stronger growth in 2025 (see Figure 2.4). Washington employment is projected to grow by 1.0% this year, a slight upgrade from the 0.9% forecast in November. From 2025 to 2029, we anticipate an average annual growth rate of 0.8%, slightly below the previous November projection of 0.9%.

**Figure 2.4: Nonfarm Payroll Employment**



Source: Employment Security Department, ERFC; historical data through 2024 Q4

*Aerospace employment growth should increase after 2025*

With uncertainty surrounding the Boeing machinist strike firmly in the review mirror, we are forecasting aerospace employment to grow, though 2025 is affected by layoffs at Boeing. Compared with the November forecast, near term growth was lowered and growth in 2028-2029 was increased. On an annual average basis, we expect aerospace employment to grow 0.1% this year, 3.1% in 2026 and 3.0% in 2027, then slowing to 1.9% in 2028, and 1.2% in 2029. In November, the forecast showed aerospace employment of 1.1% in 2025, 5.6% in 2026, 3.1% in 2027, 0.9% in 2028, and 0.4% in 2029.

*Software employment has not been growing recently a recent*

Software sector employment in Washington peaked in early 2023 at 88,500 jobs and proceeded to shed 4,500 that year. Employment growth in the sector has stalled over the last quarter and we are forecasting modest growth in the near-term going forward. We expect growth of 0.6% in 2025, 1.7% in 2026, 2.4% in 2027, 2.3% in 2028, and 2.2% in 2029. In November we forecasted software job growth of 1.9% in 2025, 2.2% in 2026, 2.2% in 2027, 2.5% in 2028, and 2.2% in 2029.

*Construction employment growth for 2025 was lowered from 3.1% to 1.1%*

Over the past year construction employment slightly declined. From February 2024 to February 2025 the sector lost 1,600 jobs. We expect construction employment to expand throughout the forecast period, but the near-term forecast was reduced significantly compared with the November forecast. On an annual basis, we expect construction employment to grow by 1.1% in 2025, 2.1% in 2026, 2.1% in 2027, 2.2% in 2028, and 2.4% in 2029. In November we forecasted construction employment to grow at 3.1% in 2025, 3.0% in 2026, 3.0% in 2027, 2.9% in 2028, and 2.4% in 2029.

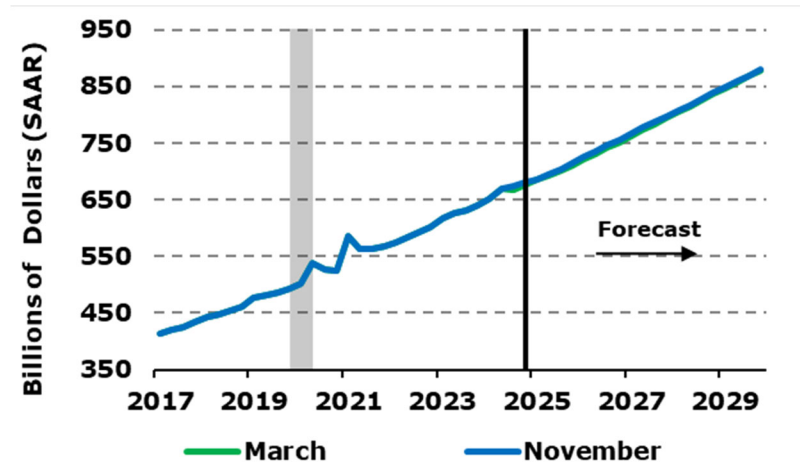
## **Washington Personal Income**

*The nominal personal income is little changed*

The March forecast for nominal personal income assumes similar growth compared to November. Our current forecast of nominal personal income growth is 4.7% in 2025, 5.6% in 2026, 5.7% in 2027, 5.4% in 2028, and 5.1% in 2029. The average growth rate from 2025 to 2029 was 5.4%, unchanged from November forecast. In November we forecasted growth rates of 4.6% in 2025, 5.8% in 2026, 5.6% in 2027, 5.2% in 2028, and 5.0% in 2029. The 2029 nominal personal income is forecasted to fall short of the November forecast by \$1.9 billion.



**Figure 2.5: Washington Personal Income**



Source: Bureau of Economic Analysis, ERFC; historical data through 2024 Q3

## Washington Building Permits

*Housing permits in 2025 are forecasted to reach their lowest level in a decade*

The Washington housing permit forecast for 2025 is close to permits forecasted in November but was decreased from 2026 to 2029. The number of authorized housing units reached 56,900 in 2021 which was the highest annual total since 1978. Permits have since declined over the past few years and came in at 37,500 in 2024. We are forecasting 37,000 permits in 2025. That would mark the lowest annual building permit total in a decade. On a calendar year basis, we expect 37,000 units in 2025, 37,600 units in 2026, 39,400 units in 2027, 40,900 units in 2028 and 42,100 units in 2029. In November we forecasted 36,900 units in 2025, 39,400 units in 2026, 41,700 units in 2027, 43,100 units in 2028 and 43,800 units in 2029.

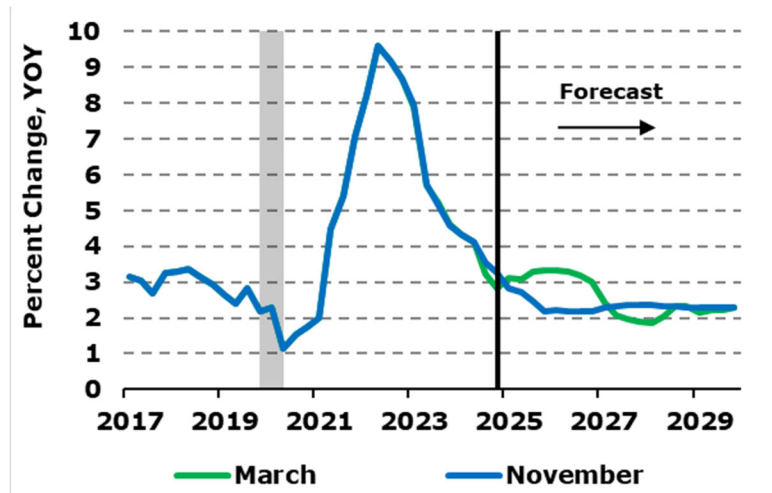
## Consumer Price Index

*Due to potential tariffs, the Seattle CPI forecast was revised upward for 2025 and 2026*

We raised our Seattle CPI forecast for 2025 and 2026 in response to projected tariffs. The annual growth rate was increased to 3.2% in both 2025 and 2026. This is up from our forecast of 2.5% and 2.2% in the November. The Seattle CPI annual growth rate is forecasted to return to target in 2027. The average annual forecasted growth rate is 2.1% in 2027 and 2028, and 2.2% in 2029 (see Figure 2.6).

Table 2.1 provides a fiscal year summary of the state economic indicators. For calendar year tables, see the appendix.

**Figure 2.6 Seattle Consumer Price Inflation**



Source: Bureau of Labor Statistics, ERFC; historical data through 2024 Q4

## Alternative Scenarios

*Alternative forecasts are required by law*

In accordance with state law, the Washington State Economic and Revenue Forecast Council adopted a forecast based on optimistic assumptions and a forecast based on pessimistic assumptions in addition to the baseline forecast.

### Optimistic

*In the optimistic scenario, lower inflation and a lower federal funds rate is driven by lower tariffs*

The optimistic scenario is characterized by lower tariffs across the board and less pronounced countermeasures by trading partners than in the base. Underlying this narrative is the assumption that lower tariffs lead to faster moderation in inflation and lower the neutral funds rate by 25 basis points. Lower inflation leads to lower rates which, along with improved financial conditions, is an additional source of strength in the economy. Furthermore, the scenario assumes that deportations happen slower and on a smaller scale relative than in the base. Looser trade policy implies less downward pressure on imports of goods and pushes net exports lower than in the baseline, while the more lenient immigration policy is less of a drag on population growth, and by extension economic output.

GDP growth remains consistently above baseline through early 2028 because of the joint effect of favorable financial conditions due to the lower tariffs and of faster population growth. On an annual basis, GDP growth averages a solid 2.6% over 2025 and 2026, versus growth averaging 2.2% in the base case.

*The optimistic scenario also assumes a stronger Washington economy*

In addition to reflecting the impact of the stronger U.S. forecast on the state economy, the optimistic scenario assumes that aerospace employment grows significantly faster than assumed in the baseline. Software employment also grows more rapidly than in the baseline forecast. In the optimistic scenario, the stronger regional economy drives Seattle consumer price inflation above the baseline. Washington average wage growth is also higher in the optimistic scenario than in the baseline. Construction employment also grows more rapidly in 2025-2029 than in the baseline forecast. Washington nonfarm payroll employment in 2029 is higher by 72,400 jobs (1.9%) than in the baseline forecast and Washington personal income is \$42.9 billion (5.0%) higher.

### **Pessimistic**

*In the pessimistic scenario, growth slows as consumer spending weakens*

The pessimistic scenario is characterized by higher tariffs across the board and more pronounced countermeasures by trading partners. Underlying this narrative is the assumption that higher tariffs cause higher inflation and raise the neutral federal funds rate by 25 basis points. Higher inflation forces the Fed to keep rates elevated for longer, which, along with mild near-term financial stress, poses an additional source of weakness in the economy. Furthermore, the scenario assumes that deportations happen faster and on a larger scale relative to the baseline. Tight trade policy puts downward pressure on imports of goods and pushes net exports higher than in the baseline, while the stricter immigration policy has an ad-verse effect on population growth, and by extension on economic output. There is no recession in this scenario, but growth remains consistently below baseline.

GDP growth remains consistently below baseline through 2028 because of the joint effect of tighter financial conditions due to the higher tariffs and of slower population growth. On an annual basis, GDP growth averages an unimpressive 1.7% over 2025 and 2026, versus above-trend growth of 2.2% in the base case.

*The pessimistic scenario also assumes a weaker local economy*

In addition to reflecting the impact of the weaker U.S. forecast on the state economy, aerospace employment slowly shrinks, adding around 11,400 fewer jobs relative to the baseline forecast through 2029. Software employment falls throughout 2025 and 2026 and remains flat until 2029. Construction employment slowly declines throughout the forecast period. The relatively weak local economy also puts downward pressure on Washington wages and the Seattle CPI. Washington nonfarm payroll employment in 2029 is 145,160 (3.8%) lower than in the baseline forecast and Washington personal income is \$62.3 billion (7.2%) lower.

Table 2.2 compares the optimistic and pessimistic forecasts with the baseline forecast.

*The Governor's  
Council of  
Economic  
Advisors' (GCEA)  
national forecast  
has slightly higher  
inflation for 2025*

### **Governor's Council of Economic Advisors (GCEA)**

In the GCEA scenario, the U.S. and state forecasts were adjusted to match the average view of the Council members.

The GCEA real GDP growth forecast averages 1.8% per year for 2024 through 2029, which is a little lower than our forecast of 2.0% per year. Their forecast of 1.9% average real consumer spending growth is below our 2.2% average growth rate. The GCEA members' personal consumption expenditures (PCE) inflation forecast averages 2.4% equal to ours. The Council members' mortgage rate forecast averages 6.1% over the next six years, which is the same as ours. The GCEA Brent oil price forecast averages \$73.80 per barrel, higher than our forecast of \$68.20 per barrel.

The Council members' forecast for non-farm payroll employment growth over the five-year period averages 0.8% per year, matching our own 0.8% growth forecast. Their forecast for aerospace employment growth averages 3.2% per year, slightly higher than our 2.3% growth rate. For construction employment, they forecast an annual average of 1.9% compared with our 2.2% growth. The GCEA average annual Seattle CPI rate is the same as ours as 2.4%

Table 2.3 compares the Governor's Council of Economic Advisors' forecast with the baseline forecast.

Table 2.1

Fiscal Years

**Washington Economic Forecast Summary**  
 Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	508.800	513.423	530.708	544.309	556.741	574.249	595.051	614.197
% Ch	-1.7	0.9	3.4	2.6	2.3	3.1	3.6	3.2
Real Wage and Salary Disb.	269.025	272.423	284.163	292.345	297.779	305.702	315.039	324.636
% Ch	2.9	1.3	4.3	2.9	1.9	2.7	3.1	3.0
Real Nonwage Income	239.776	241.000	246.545	251.964	258.962	268.547	280.013	289.562
% Ch	-6.5	0.5	2.3	2.2	2.8	3.7	4.3	3.4
Real Per Capita Income (\$/Person)	65,546	65,832	67,785	69,211	70,521	72,525	74,890	76,958
% Ch	-2.1	0.4	3.0	2.1	1.9	2.8	3.3	2.8
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.126	1.187	1.221	1.249	1.287	1.319	1.343	1.370
% Ch	6.0	5.4	2.9	2.4	3.0	2.5	1.9	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.089	3.331	3.483	3.590	3.708	3.808	3.881	3.969
% Ch	7.6	7.8	4.6	3.1	3.3	2.7	1.9	2.3
Average Nonfarm Annual Wage	85,165	87,966	93,491	97,361	101,244	105,817	110,355	115,049
% Ch	3.5	3.3	6.3	4.1	4.0	4.5	4.3	4.3
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.08	29.54	31.06	33.72	36.03	37.67	39.22	40.77
% Ch	4.3	1.6	5.2	8.6	6.9	4.6	4.1	3.9
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	572.756	609.335	647.826	680.117	716.457	757.321	799.292	841.466
% Ch	4.1	6.4	6.3	5.0	5.3	5.7	5.5	5.3
Disposable Personal Income	495.302	529.784	569.547	596.977	636.499	672.492	708.479	744.202
% Ch	1.4	7.0	7.5	4.8	6.6	5.7	5.4	5.0
Per Capita Income (\$/Person)	73,783	78,129	82,743	86,479	90,751	95,646	100,594	105,434
% Ch	3.7	5.9	5.9	4.5	4.9	5.4	5.2	4.8
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,927.3	4,002.8	4,050.2	4,067.0	4,082.0	4,096.2	4,113.6	4,136.9
Total Washington Employment	3,760.0	3,839.4	3,869.1	3,888.0	3,895.1	3,902.4	3,920.7	3,950.5
Unemployment Rate (%)	4.26	4.08	4.47	4.40	4.58	4.73	4.69	4.51
Nonfarm Payroll Employment	3,461.8	3,574.7	3,610.1	3,651.3	3,683.9	3,709.4	3,734.4	3,765.9
% Ch	5.4	3.3	1.0	1.1	0.9	0.7	0.7	0.8
Manufacturing	263.7	272.3	275.7	273.6	275.3	276.0	276.6	276.8
% Ch	1.2	3.2	1.2	-0.8	0.6	0.3	0.2	0.1
Durable Manufacturing	177.8	185.1	190.3	187.5	190.1	192.2	192.9	193.4
% Ch	-0.5	4.1	2.8	-1.5	1.4	1.1	0.4	0.2
Aerospace	68.3	74.3	80.7	78.8	81.2	83.9	86.0	87.3
% Ch	-3.7	8.8	8.6	-2.4	3.0	3.4	2.5	1.5
Nondurable Manufacturing	85.9	87.2	85.4	86.1	85.2	83.9	83.6	83.4
% Ch	4.7	1.5	-2.1	0.8	-1.0	-1.6	-0.2	-0.3
Construction	227.8	234.4	228.8	229.7	233.4	238.2	243.3	248.8
% Ch	3.8	2.9	-2.4	0.4	1.6	2.1	2.1	2.3
Service-Providing	2,964.7	3,062.5	3,100.1	3,142.7	3,170.1	3,190.0	3,209.3	3,234.8
% Ch	6.0	3.3	1.2	1.4	0.9	0.6	0.6	0.8
Software Publishers	82.8	87.5	83.8	82.7	83.9	85.7	87.7	89.7
% Ch	6.4	5.7	-4.2	-1.4	1.5	2.1	2.4	2.2
Mgmt. of Companies and Enterprises	97.5	103.4	101.0	102.0	105.3	108.4	111.1	113.5
% Ch	6.8	6.0	-2.3	1.0	3.2	2.9	2.5	2.2
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	58.037	40.434	35.650	37.925	36.771	38.501	40.145	41.529
% Ch	17.0	-30.3	-11.8	6.4	-3.0	4.7	4.3	3.4
Single-Family	23.899	16.794	19.406	18.423	19.426	20.894	21.510	21.665
% Ch	-8.7	-29.7	15.5	-5.1	5.4	7.6	2.9	0.7
Multi-Family	34.138	23.640	16.244	19.503	17.345	17.607	18.635	19.864
% Ch	45.7	-30.8	-31.3	20.1	-11.1	1.5	5.8	6.6
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.70	6.45	5.99	5.70	5.63

Table 2.2  
**Comparison of Alternative Forecasts**

Fiscal Years

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP, Percent Change</b>						
Optimistic	3.1	2.6	2.6	2.4	2.1	2.0
Baseline	3.1	2.5	1.9	2.0	1.9	1.9
Pessimistic	3.1	2.5	1.5	1.4	1.3	1.2
<b>PCE Price Index, Percent Change</b>						
Optimistic	2.9	2.3	2.4	2.4	2.4	2.3
Baseline	2.9	2.4	3.0	2.5	2.3	2.1
Pessimistic	2.9	2.4	3.3	2.5	2.2	1.9
<b>Mortgage Rate, Percent</b>						
Optimistic	7.03	6.66	6.06	5.60	5.55	5.50
Baseline	7.03	6.70	6.45	5.99	5.88	5.80
Pessimistic	7.03	6.76	6.66	6.27	6.19	6.12
<b>3 Month T-Bill Rate, Percent</b>						
Optimistic	5.26	4.46	3.55	2.74	2.68	2.67
Baseline	5.26	4.42	3.85	3.20	3.03	2.93
Pessimistic	5.26	4.46	3.94	3.72	3.55	3.36
<b>Washington</b>						
<b>Real Personal Income, Percent Change</b>						
Optimistic	3.4	3.3	4.5	4.4	4.3	4.3
Baseline	3.4	2.6	2.3	3.1	3.4	3.5
Pessimistic	3.4	1.9	0.4	1.5	1.8	2.0
<b>Personal Income, Percent Change</b>						
Optimistic	6.3	5.7	7.0	6.9	6.8	6.6
Baseline	6.3	5.0	5.3	5.7	5.7	5.7
Pessimistic	6.3	4.3	3.7	4.0	4.0	3.9
<b>Employment, Percent Change</b>						
Optimistic	1.0	1.3	1.5	1.2	1.1	1.0
Baseline	1.0	1.1	0.9	0.7	0.6	0.6
Pessimistic	1.0	1.1	0.2	-0.3	-0.4	-0.4
<b>Housing Permits, Thousands of Authorized Units</b>						
Optimistic	35.6	38.2	38.8	41.7	42.2	42.6
Baseline	35.6	37.9	36.8	38.5	39.0	39.4
Pessimistic	35.6	37.7	35.1	35.0	34.9	34.7

Table 2.3  
**Governor's Council of Economic Advisor's Forecast**

Calendar Years

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP</b>						
<i>Growth</i>						
ERFC	2.8	2.2	2.0	1.9	1.9	1.8
GCEA Average	2.8	2.1	1.4	1.9	1.9	2.0
<b>Real Consumption</b>						
<i>Growth</i>						
ERFC	2.8	2.7	2.0	2.0	1.9	1.9
GCEA Average	2.8	2.1	1.5	2.0	2.0	2.0
<b>PCE Price Index</b>						
<i>Growth</i>						
ERFC	2.5	2.6	2.9	2.1	1.9	2.0
GCEA Average	2.5	2.8	2.3	2.1	2.2	2.1
<b>Mortgage Rate</b>						
<i>Percent</i>						
ERFC	6.7	6.7	6.2	5.8	5.7	5.6
GCEA Average	6.7	6.4	5.9	6.1	6.0	6.0
<b>Oil Price (Brent)</b>						
<i>Dollars per barrel</i>						
ERFC	80.5	71.2	67.7	67.0	66.9	67.0
GCEA Average	79.8	75.7	72.2	73.5	73.9	73.9
<b>Washington State</b>						
<b>Real Personal Income</b>						
<i>Growth</i>						
ERFC	3.4	2.0	2.6	3.5	3.5	3.0
GCEA Average	3.4	2.4	2.9	3.4	3.4	3.3
<b>Wage and Salary Employment</b>						
<i>Growth</i>						
ERFC	1.1	1.0	0.8	0.6	0.8	0.9
GCEA Average	1.1	1.1	0.9	0.8	0.7	0.7
<b>Manufacturing Employment</b>						
<i>Growth</i>						
ERFC	0.5	-0.2	0.4	0.2	0.2	0.1
GCEA Average	0.3	0.0	0.2	0.2	0.2	0.2
<b>Construction Employment</b>						
<i>Growth</i>						
ERFC	-1.4	1.1	2.1	2.1	2.2	2.4
GCEA Average	-1.5	2.0	1.9	2.0	1.9	1.8
<b>Housing Permits</b>						
<i>Thousands of authorized units</i>						
ERFC	37.5	37.0	37.6	39.4	40.9	42.1
GCEA Average	37.5	38.7	38.8	40.3	42.0	42.6
<b>Washington Average Annual Wage</b>						
<i>Growth</i>						
ERFC	5.8	3.4	4.5	4.3	4.4	4.1
GCEA Average	5.8	3.7	4.5	4.3	4.2	4.1

Table 2.4  
**Forecast Analysis**  
 Comparison of Forecasts for 2023-25

<b>Washington</b>	Average Annual Rate of Growth (Percent) 2023:2-2025:2			Average Annual Rate (Thousands) 2023:3 to 2025:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
<b>2020</b>				
February	0.6	5.0	2.9	42.3
June	0.9	4.1	2.4	38.2
September	1.2	4.4	2.6	39.7
November	1.1	4.7	2.8	41.4
<b>2021</b>				
March	1.4	5.3	3.4	43.5
June	1.4	4.9	3.0	45.2
September	1.3	5.2	3.2	44.1
November	1.0	5.2	3.0	43.4
<b>2022</b>				
February	1.0	5.3	3.1	44.2
June	0.7	5.4	3.6	48.8
September	0.7	5.1	3.1	46.8
November	0.7	5.1	3.0	45.9
<b>2023</b>				
March	0.2	5.0	2.7	42.1
June	0.4	4.7	2.4	42.4
September	0.4	5.0	2.5	42.2
November	0.9	5.3	2.9	40.6
<b>2024</b>				
February	1.1	5.1	3.1	40.4
June	1.0	5.1	2.6	37.0
September	1.1	4.8	2.5	35.7
November	0.8	5.3	3.0	35.9
<b>2025</b>				
March	0.9	5.2	2.6	36.8



Table 2.5  
**Forecast Analysis**  
 Comparison of Forecasts for 2025-27

<b>Washington</b>	Average Annual Rate of Growth (Percent) 2025:2-2027:2			Average Annual Rate (Thousands) 2025:3 to 2027:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
<b>2022</b>				
February	0.8	5.1	2.9	42.9
June	1.0	5.2	3.3	47.2
September	1.0	5.3	3.3	46.6
November	1.0	5.1	3.2	46.2
<b>2023</b>				
March	0.9	5.2	3.2	44.8
June	1.0	5.2	3.2	44.8
September	1.0	5.1	3.1	45.1
November	0.9	5.4	3.2	44.4
<b>2024</b>				
February	0.9	5.9	3.7	45.0
June	0.9	6.1	3.7	41.7
September	0.8	5.9	3.6	40.0
November	0.9	5.8	3.5	39.0
<b>2025</b>				
March	0.7	5.7	3.0	37.4

Table 2.6  
**Forecast Comparison**  
 Forecast 2025 to 2029

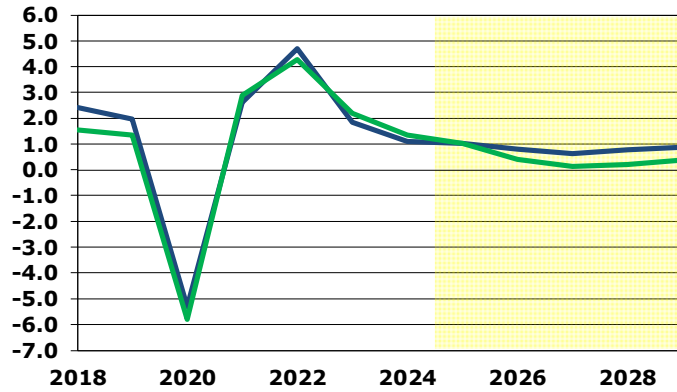
Fiscal Years

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Washington</b>							
<b>Real Personal Income</b>							
March	513.423	530.708	544.309	556.741	574.249	595.051	614.197
% Ch	0.9	3.4	2.6	2.3	3.1	3.6	3.2
November	513.468	530.676	548.425	565.117	584.647	604.945	623.057
% Ch	0.9	3.4	3.3	3.0	3.5	3.5	3.0
<b>Personal Income</b>							
March	609.335	647.826	680.117	716.457	757.321	799.292	841.466
% Ch	6.4	6.3	5.0	5.3	5.7	5.5	5.3
November	609.391	647.790	683.718	719.902	761.309	802.292	843.622
% Ch	6.4	6.3	5.5	5.3	5.8	5.4	5.2
<b>Employment</b>							
March	3574.7	3610.1	3651.3	3683.9	3709.4	3734.4	3765.9
% Ch	3.3	1.0	1.1	0.9	0.7	0.7	0.8
November	3574.7	3610.1	3646.3	3681.5	3716.3	3746.4	3779.4
% Ch	3.3	1.0	1.0	1.0	0.9	0.8	0.9
<b>Housing Permits</b>							
March	40.434	35.650	37.925	36.771	38.501	40.145	41.529
% Ch	-30.3	-11.8	6.4	-3.0	4.7	4.3	3.4
November	40.521	35.236	36.479	37.929	40.654	42.409	43.562
% Ch	-30.1	-13.0	3.5	4.0	7.2	4.3	2.7

Figure 2.7: Comparison of Washington and U.S. Economic Forecasts  
(Percent change)

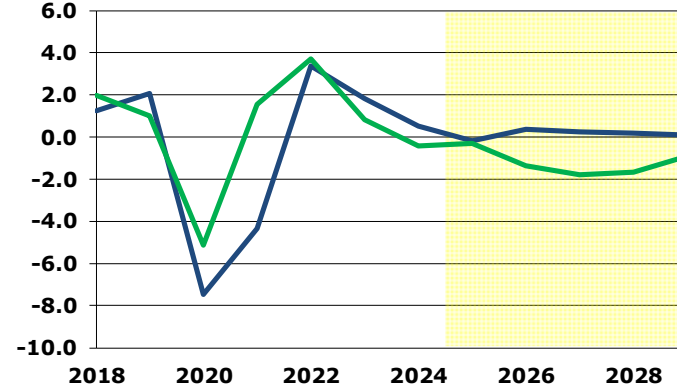
Forecast

Total Nonfarm Payroll Employment



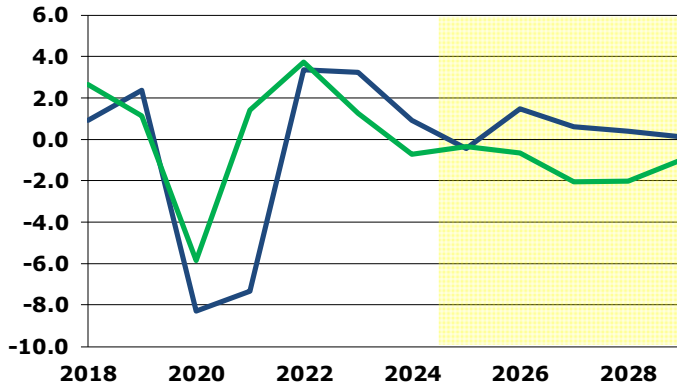
Source: WA State Employment Security Dept. 2024, ERFC 2029

Manufacturing Employment



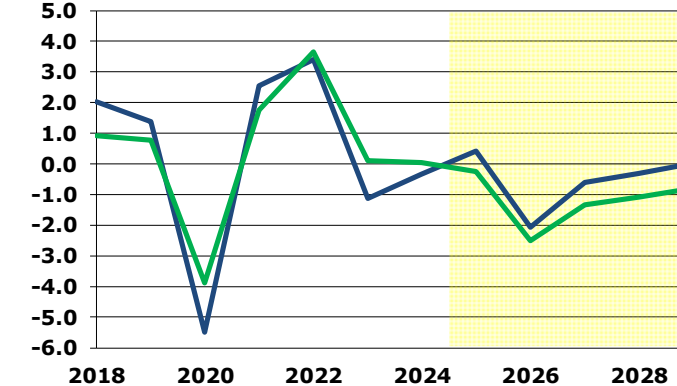
Source: WA State Employment Security Dept. 2024, ERFC 2029

Durable Manufacturing Employment



Source: WA State Employment Security Dept. 2024, ERFC 2029

Nondurable Manufacturing Employment



Source: WA State Employment Security Dept. 2024, ERFC 2029

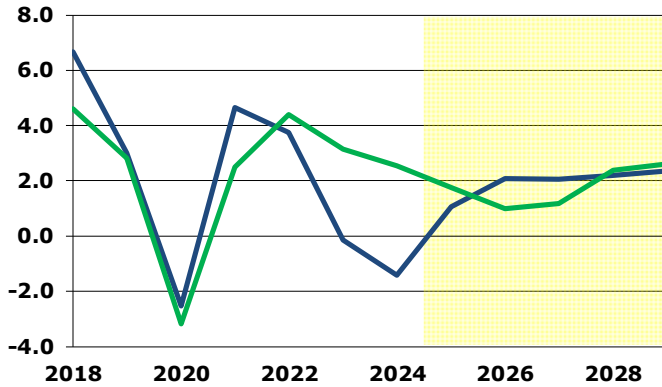
Washington

U.S.

Figure 2.7: Comparison of Washington and U.S. Economic Forecasts (continued)  
 (Percent change)

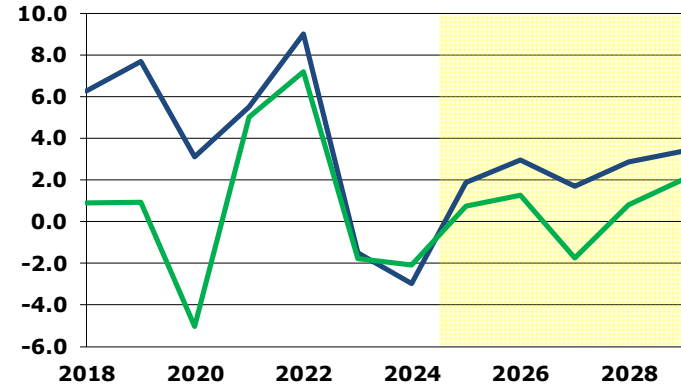
Forecast

Construction Employment



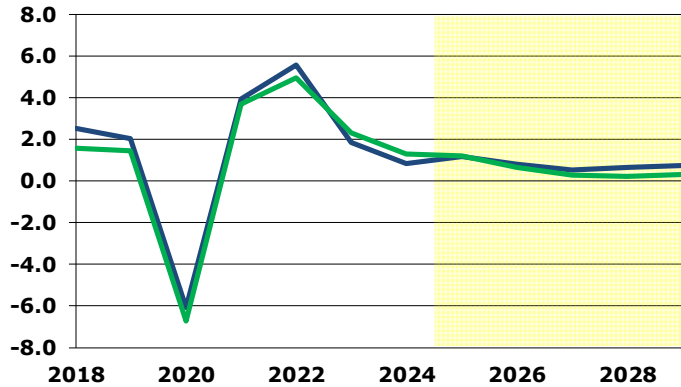
Source: WA State Employment Security Dept. 2024, ERFC 2029

Information Employment



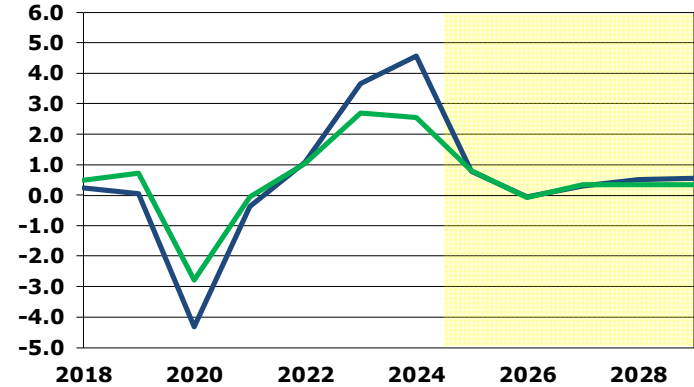
Source: WA State Employment Security Dept. 2024, ERFC 2029

Other Private Employment



Source: WA State Employment Security Dept. 2024, ERFC 2029

Government Employment



Source: WA State Employment Security Dept. 2024, ERFC 2029

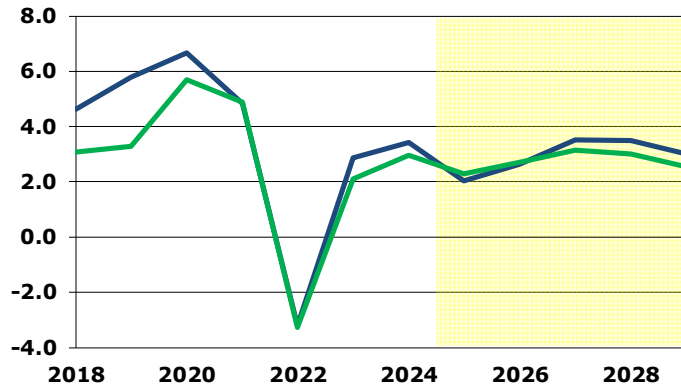
Washington

U.S.

Figure 2.7: Comparison of Washington and U.S. Economic Forecasts (continued)  
 (Percent change)

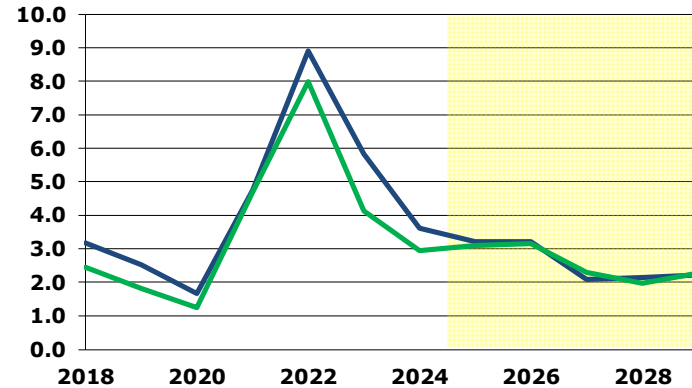
Forecast

Real Personal Income



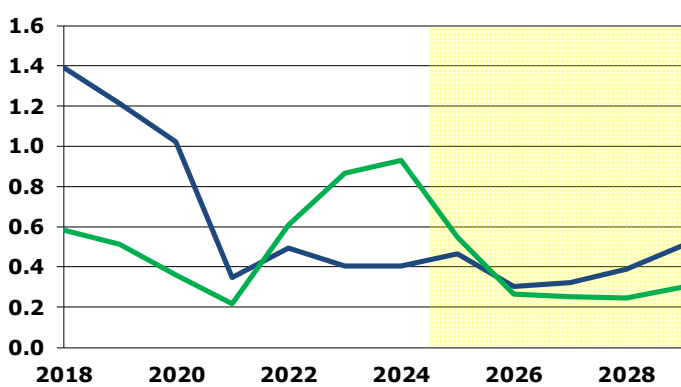
Source: Bureau of Economic Analysis 2024, ERFC 2029

Consumer Price Indices



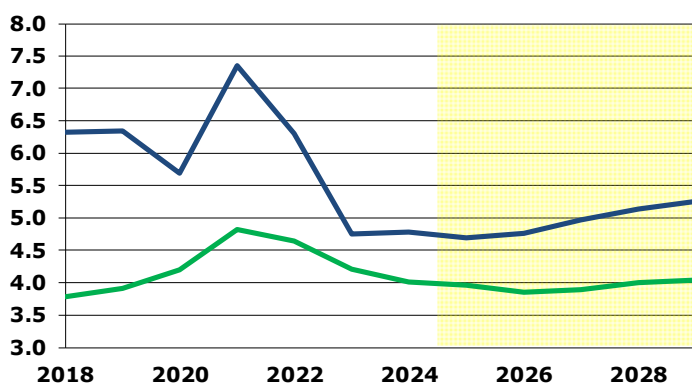
Source: Bureau of Labor Statistics 2024, ERFC 2029

Population



Source: Bureau of Economic Analysis 2024, ERFC 2029

New Housing Units Per 1,000 Population (Level)



Source: Census Bureau, Bureau of Economic Analysis 2024, ERFC 2029

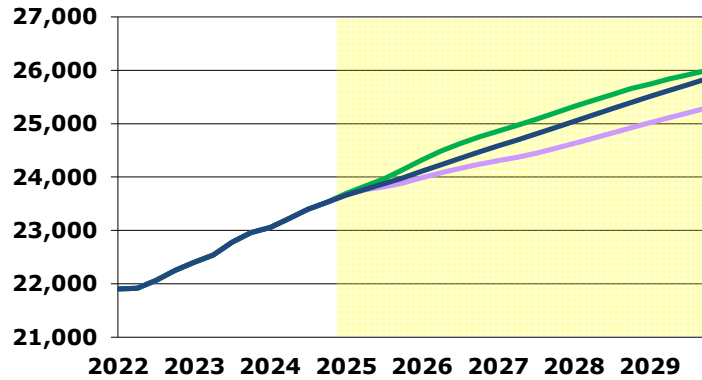
Washington

U.S.

Figure 2.8: Comparison of Alternative U.S. Economic Forecasts

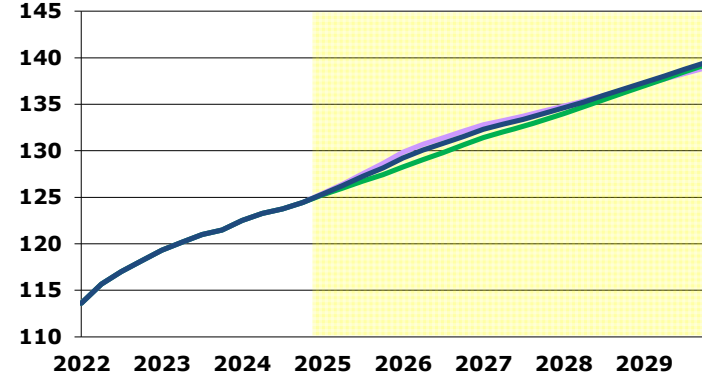
Forecast

Real GDP, Billions of 2017 Dollars



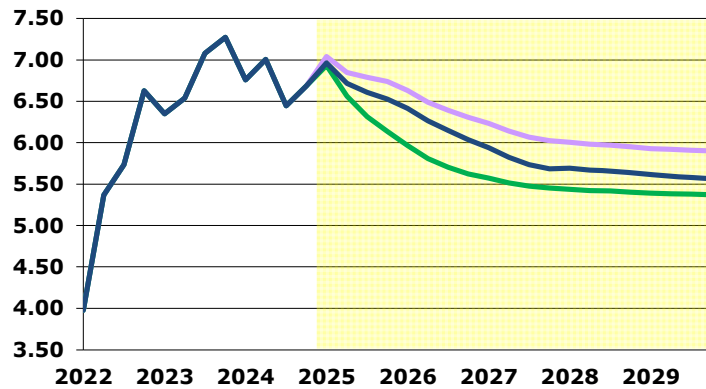
Source: Bureau of Economic Analysis 2024 Q4, ERFC 2029 Q4

PCE Price Index, 2017 = 100



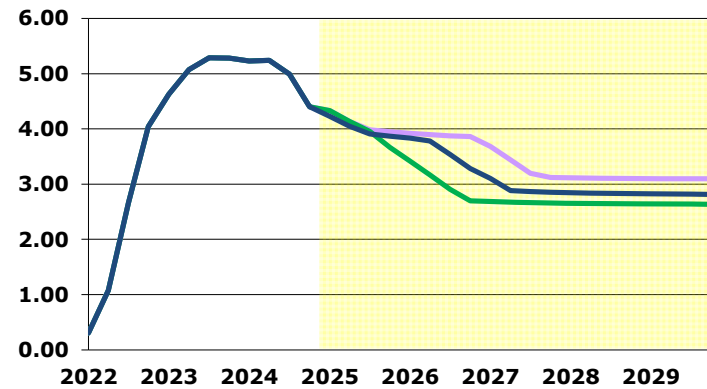
Source: Bureau of Economic Analysis 2024 Q4, ERFC 2029 Q4

Mortgage Rate, Percent



Source: Freddie Mac 2024 Q4, ERFC 2029 Q4

Three Month T-Bill Rate, Percent



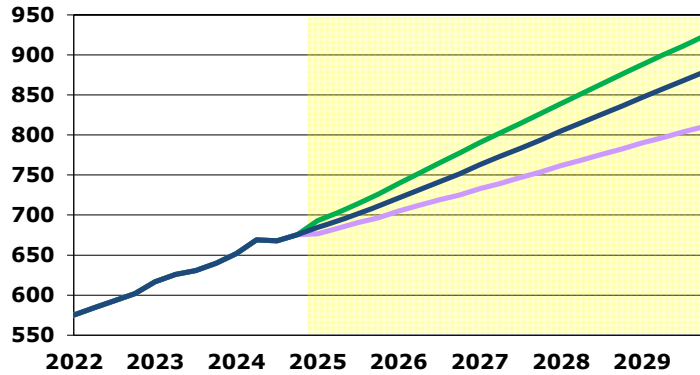
Source: Federal Reserve Board 2024 Q4, ERFC 2029 Q4

■ Baseline     
 ■ Optimistic     
 ■ Pessimistic

Figure 2.9: Comparison of Alternative Washington Economic Forecasts

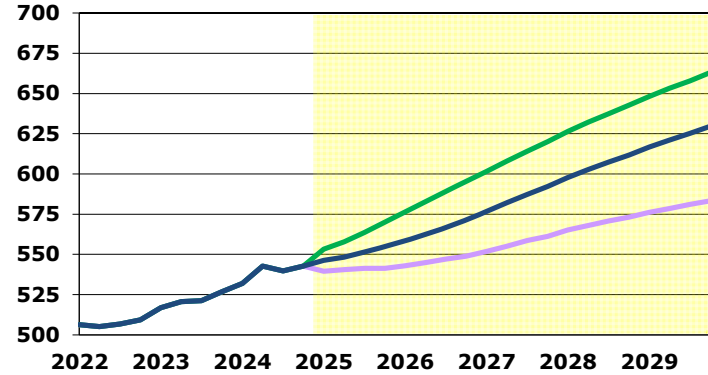
Forecast

Personal Income, Billions of Dollars



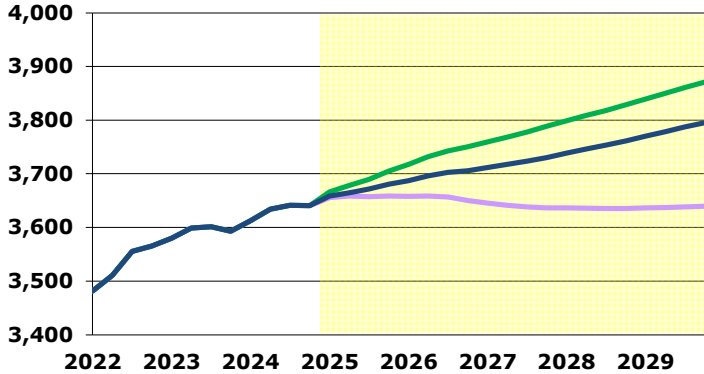
Source: Bureau of Economic Analysis 2024 Q3, ERFC 2029 Q4

Real Personal Income, Billions of 2017 Dollars



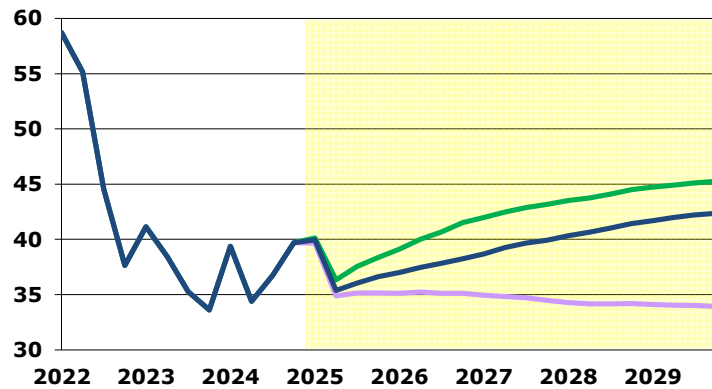
Source: Bureau of Economic Analysis 2024 Q3, ERFC 2029 Q4

Total Nonfarm Payroll Employment, Thousands



Source: WA State Employment Security 2024 Q4, ERFC 2029 Q4

Housing Permits, Thousands



Source: Census Bureau 2024 Q4, ERFC 2029 Q4

Baseline

Optimistic

Pessimistic



## Chapter 3: Washington State Revenue Forecast Summary

- **Tracked revenue collections since November 2024 have come in \$56 million above their forecasted amount.**
- **The March economic forecast projects lower housing permits, construction employment, and state personal income. This has resulted in decreases in forecasted Revenue Act taxes throughout the forecast period.**
- **Forecasted real estate excise taxes have increased due to higher-than-expected taxable activity since the last forecast.**
- **Forecasted Education Legacy Trust Account (ELTA) revenue was increased throughout the forecast period due to higher projected capital gains and estate taxes.**
- **The forecast of funds subject to the budget outlook process was increased by \$54 million in the 2023-25 biennium but decreased by \$479 million in the 2025-27 biennium and \$420 million in the 2027-29 biennium.**

### Overview

*Revenue collections have come in above the forecast, but the economic forecast is weaker than the previous forecast*

Tracked revenue collections since November 2024 have come in \$56 million above their forecasted amount, but future collections are expected to weaken. The March economic forecast projects lower housing permits, construction employment and personal income. This has resulted in decreases in forecasted Revenue Act taxes throughout the forecast period, offsetting the surplus collections since the prior forecast. Forecasted real estate excise taxes have increased due to higher-than-expected taxable activity since the last forecast. Forecasted Education Legacy Trust Account (ELTA) revenue was also increased throughout the forecast period due to higher projected capital gains and estate taxes.

*Total forecast change by biennium (millions):*

23-25: \$54  
25-27: -\$479  
27-29: -\$420

Table 3.1 summarizes the changes to forecasted revenue in funds subject to the budget outlook process for the 2023-25, 2025-27 and 2027-29 biennia. Forecasted revenue was increased by \$54.4 million in the 2023-25 biennium but decreased by \$479.0 million in the 2025-27 biennium and \$420.2 million in the 2027-29 biennium. The March 2025 forecast for funds subject to the budget outlook process total \$66,444.8 million in the 2023-25 biennium, \$70,951.6 million in the 2025-27 biennium and \$76,424.8 million in the 2027-29 biennium.



March forecast  
by biennium  
(\$billions):

2023-25:  
\$66.445

2025-27:  
\$70.952

2027-29:  
\$76.425

The budget  
outlook process  
ensures the  
current biennial  
budget will be  
sustainable in  
the next  
biennium

Though the  
ratio of total  
collections to  
income has  
increased from  
the FY 2015  
trough, it is  
expected to  
have peaked in  
FY 2022

**Table 3.1: Revisions to the forecast of funds subject to the budget outlook\***

	<b>2023-25 Biennium</b>	<b>2025-27 Biennium</b>	<b>2027-29 Biennium</b>
Non-Economic Change	\$0.0	\$0.0	\$0.0
Forecast Change	\$54.4	(\$479.0)	(\$420.2)
<b>Total Change</b>	<b>\$54.4</b>	<b>(\$479.0)</b>	<b>(\$420.2)</b>

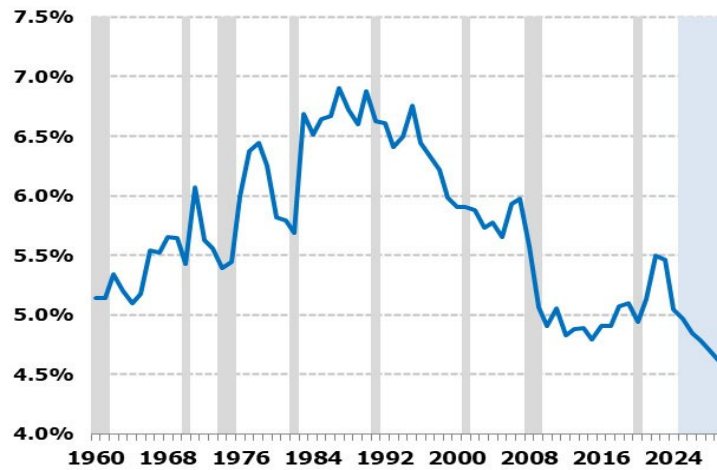
(\*cash basis, millions of dollars)

The budget outlook process ensures that the budget adopted for the current biennium will also be sustainable in the next biennium given forecasted revenue. The funds that are currently included when establishing the outlook are the General Fund-State, the Education Legacy Trust Account, the Washington Opportunity Pathways Account and the Workforce Education Investment Account. Once funded, the planned Fair Start for Kids Account will also be subject to the outlook. The recent history and forecast of these funds can be found in Table 3.17.

Figure 3.1 shows the ratio of revenue collected for funds subject to the budget outlook relative to state personal income. Through FY 2005, the revenue represented in the chart is what is currently defined as GF-S revenue. From FY 2006 onward the revenue includes the Education Legacy Trust Account (ELTA), which in its early years was wholly funded by the estate tax and a portion of the cigarette tax. From FY 2011 onward, the total includes the Washington Opportunity Pathways account (OPA), which is funded by Lottery receipts. From FY 2020 onward the total includes the Workforce Education Investment Account (WEIA), funded by a surtax on large service providers and companies that involve advanced computing. As can be seen in the chart, the ratio of revenue to income followed a downward trend from FY 1995 to FY 2015, broken only by the housing boom that raised the ratio from 2005 to mid-2008, and by temporary taxes and transfers of funds from non-GF-S sources into the GF-S that again boosted the ratio in FY 2011. While the ratio grew slightly in FY 2016 and FY 2017, it increased rapidly in FY 2018 and FY 2019 when the state property tax levy increased to partially displace local levies and increased further in FY 2020 with the establishment of the graduated real estate excise tax. The pandemic-related booms in real estate and spending on goods, coupled with the new WEIA surtax, increased the ratio further in FY 2021 and FY 2022, topping out at 5.5% of personal income. The new tax on certain capital gains kept the ratio near but just below that level in FY 2023. From FY 2024 onward, however, total revenues are expected to grow at a rate lower than the rate of income growth, causing the ratio to continue its pre-FY 2015 downward trend through FY 2029.

**Figure 3.1: Funds subject to the budget outlook as a Percentage of State Personal Income (Fiscal Years)**

*Total revenue relative to state personal income had been on an upward trend since 2015 but started to decline in FY 2023*



Source: ERFC, data through fiscal year 2024. Gray shaded area indicates recession; blue shaded area indicates forecast.

### Track Record for 2023-25 and 2025-27 Biennial forecasts

*The forecast for the current biennium is \$703 million higher than was forecasted at the time of the initial 2023-25 budget*

Table 3.10 summarizes the historical changes to the forecast of funds subject to the budget outlook for the 2023-25 biennium and Table 3.11 tracks changes to the 2025-27 forecast. The February 2020 forecast was the initial forecast for the 2023-25 biennium. The current forecast of total revenue is \$6.60 billion (11.0%) higher than the initial forecast. Non-economic changes have increased the forecast by \$0.61 billion (1.0%). Excluding non-economic changes, the current forecast is \$5.99 billion (10.0%) higher than the initial forecast. The March 2023 forecast, coupled with a \$287 million revenue increase from legislative and budget-driven revenue changes passed in the 2023 legislative session after the March forecast, was the basis for the initial budget for the 2023-25 biennium. The current forecast of biennial revenue is \$703 million (1.1%) higher than that sum. The February 2022 forecast was the initial forecast for the 2025-27 biennium. The current forecast for the biennium is \$926 million (1.3%) higher than the initial forecast.

### Recent Collection Experience

*Tracked collections were \$55.8 million higher than forecasted in November*

GF-S revenue collections from the Department of Revenue (DOR) and the Washington court system are tracked monthly. In the period since the November forecast, total revenue from the above sources came in \$55.8 million (0.5%) higher than expected (see Table 3.2). Revenue Act collections reported by the DOR were \$63.8 million (0.8%) higher than forecasted while revenue from other DOR tax sources was \$8.3 million (0.3%) lower than forecasted.

**Table 3.2: Pre-Forecast Collection Variance of Major General Fund-State Taxes by Agency (relative to the November forecast, cash basis, millions of dollars)**

<u>Agency/Source</u>	<u>Collection Variance</u>	<u>Percent of Estimate</u>
Department of Revenue		
Revenue Act	\$63.8	0.8%
Non-Revenue Act	(\$8.3)	-0.3%
Subtotal	\$55.5	0.5%
Washington court system		
	\$0.3	1.9%
<b>Total*</b>	<b>\$55.8</b>	<b>0.5%</b>

\* Detail may not add to total due to rounding.

Source: ERFC; Period: November 11, 2024 - March 10, 2025

*Revenue Act collections were higher than forecasted and Non-Revenue Act DOR tax collections were lower than forecasted*

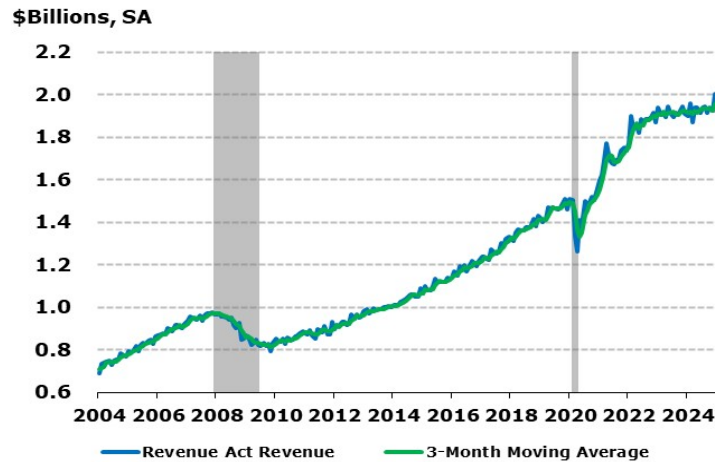
Real estate excise tax (REET) collections came in \$39.6 million (12.9%) higher than forecasted, largely due to several large commercial transactions. Property tax collections, however, came in \$35.3 million (1.7%) lower than forecasted. Cigarette tax collections came in \$9.1 million (12.3%) lower than forecasted and liquor sales and liter tax receipts came in \$6.1 million (4.9%) lower than forecasted. Transfers of unclaimed property into the GF-S were \$0.4 million (1.0%) higher than forecasted. Revenue from all other DOR revenue sources came in \$2.1 million (1.6%) higher than forecasted. Revenue from the Washington court system was \$0.3 million (1.9%) higher than forecasted.

*Adjusted Revenue Act collections were up 1.9% year over year for fourth quarter 2024 activity after 1.3% growth in the third quarter*

Figure 3.2 shows seasonally adjusted Revenue Act receipts excluding payments received under the tax amnesty program in early 2011 and other large payments. It is also adjusted for past changes in payment patterns and deferred payments in the first half of 2020. As shown in the figure, growth in collections began to slow in 2023. While seasonally adjusted collections have shown occasional month-to-month declines, year-over-year quarterly growth has remained low but positive. Adjusted collections for fourth quarter 2024 activity (November 11, 2024 – February 10, 2025 collections) were up 1.9% year over year. Adjusted collections for third quarter activity (August 11 – November 10, 2024 collections) were up 1.3% year over year. Adjusted collections for second quarter 2024 activity were up 0.6% year over year and collections for first quarter activity were up 0.03% year over year. Adjusted collections for December 2024 activity were up 4.3% year over year and collections for January 2025 activity were up 4.9% year over year, but these elevated growth rates were likely impacted by expectations about future potential tariffs and other economic conditions and are not expected to continue.

**Figure 3.2: Revenue Act Collections\***

*Adjusted total collections over the last three months were up 1.3% year over year*



Source: ERFC; Data through March 10, 2025

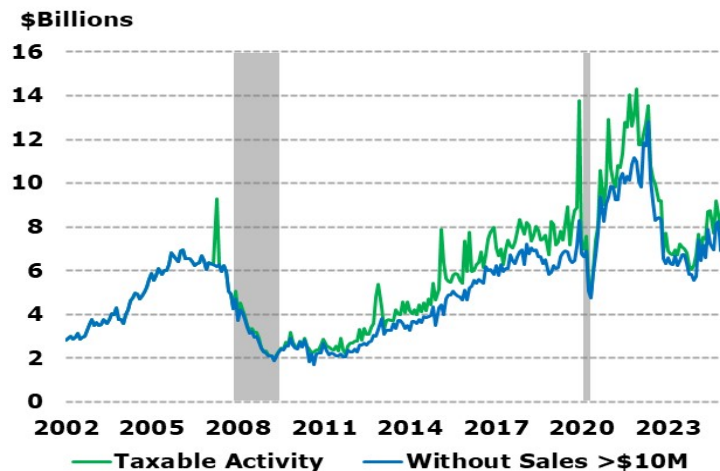
\*Adjusted for large payments/refunds, payment pattern changes and deferred payments

*Real estate activity has been higher than forecasted in November*

Taxable real estate activity has been slightly higher than forecasted in November. Sales of property valued below \$10 million saw declines starting in the middle of 2023 but began to rebound in January 2024 and have been on an upward trend (see Figure 3.3). Large commercial sales (sales greater than \$10 million) have increased since the last forecast, averaging about \$900 million per month over the last four months.

**Figure 3.3: Taxable Real Estate Excise Activity, SA**

*Residential sales activity has been increasing since January 2024*



Source: ERFC estimates through February 2025

## General Fund-State Revenue Forecast by Source

*The GF-S is the largest of the funds subject to the budget outlook*

The General Fund-State (GF-S) is the largest of the funds subject to the budget outlook, consisting of most of the commonly paid state taxes. The history and forecast of nominal and real GF-S revenue by biennium can be found in Table 3.3. GF-S forecast changes by agency and major revenue classification for the 2023-25 biennium can be found in Table 3.5 (cash) and Table 3.6 (GAAP). Forecast changes for the 2025-27 biennium can be found in Table 3.7 (cash) and Table 3.8 (GAAP). The GF-S forecast by fiscal year and major source category through FY 2025 can be found in Table 3.9.

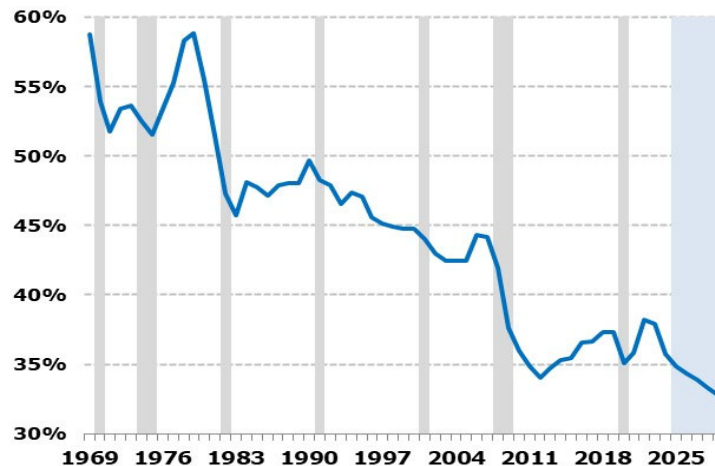
## Department of Revenue

*Taxes collected by DOR make up most of GF-S revenue*

The Department of Revenue (DOR) collects and administers most of Washington's GF-S revenue, accounting for 95.1% of estimated total GF-S revenue in FY 2024. The largest tax sources administered by the DOR are the retail sales tax, business and occupation tax, property tax, use tax, cigarette tax and real estate excise tax. The revenue forecasts discussed below can be found in Tables 3.5-3.8.

**Figure 3.4: Taxable Sales\* as a Percentage of State Personal Income**

*The ratio of taxable sales to state personal income has been on a declining trend historically*



\*Past tax base adjusted to represent current base. Gray shaded area indicates recession, blue shaded area indicates forecast. Source: ERFC; Data through FY24, forecast through FY29

*Retail sales taxes are the largest source of GF-S revenue*

The retail sales tax is the largest source of GF-S revenue, accounting for 47.5% of GF-S revenue in FY 2024. The state's share of the tax is 6.5% of the sales price. While construction labor, repair services, and some other services are taxed, the tax does not apply to most services. As can be seen in Figure 3.4, taxable sales as a share of personal income has long been on a declining trend. The share fell even more sharply than the previous trend from the 2008 recession through FY 2012. In that year, 34.1% of personal income was spent on taxable items and services, the lowest percentage on record. Increased spending on construction and autos, along with legislative changes to services and companies deemed taxable, including

online sales, caused the share to grow to 37.4% of personal income by FY 2019. The COVID-19-related collapse in late FY 2020, coupled with federal emergency income support, caused the ratio of sales to income to dip in FY 2020. In the last months of FY 2020 and continuing into FY 2021, however, the trend of increasing purchases of nontaxable services reversed due to pandemic-related shutdowns of services and stimulus payments to households. With the limited availability of services, consumers opted to buy goods. Car sales and construction activity also increased. These trends continued into FY 2022, which, coupled with a slowdown in FY 2022 income growth after the stimulus-boosted income levels of FY 2021, caused the ratio of sales to income to jump to 38.2%. While in November it appeared that the ratio increased slightly in FY 2023, the recent revision of historical personal income indicates that it decreased to 37.9%. The ratio decreased further to 35.8% in FY 2024 and is forecasted to continue its historical downward trend through FY 2029 as income once again grows faster than taxable sales. Forecasted and historical taxable retail sales by fiscal year can be found in Table 3.4.

*Retail sales tax receipt growth forecast:*

FY25: 2.6%  
 FY26: 4.0%  
 FY27: 4.5%  
 FY28: 3.8%  
 FY29: 3.6%

Growth in FY 2019 taxable activity was relatively strong at 7.6%. Taxable activity growth slowed to 1.0% in FY 2020 due to pandemic-related shutdowns in the latter part of the year but then rebounded by 11.1% in FY 2021 and 11.2% in FY 2022, supported by rising inflation. Growth slowed to 5.7% in FY 2023 and 0.3% in FY 2024. Growth is forecasted to increase to 2.1% in FY 2025, 3.8% in FY 2026, 4.4% in FY 2027, 3.7% in FY 2028 and 3.6% in FY 2029. (see Table 3.4). Due to the lag between taxable activity and collections and the presence of tax deferrals, credits, refunds, and payments of past due taxes, the growth in actual collections differs from the growth in taxable activity. Growth in collections for FY 2020 was 1.7% and growth in FY 2021 was 10.3%. Collections increased by 12.4% in FY 2022, boosted by several large payments of past-due taxes and one large early payment of deferred taxes, and increased by 5.7% in FY 2023. Collections decreased 0.2% in FY 2024 despite the slight increase in estimated taxable activity. Collections growth is forecasted at 2.6% in FY 2025, 4.0% in FY 2026, 4.5% in FY 2027, 3.8% in FY 2028 and 3.6% in FY 2029.

*Business and Occupation taxes are the second largest source of GF-S revenue*

The business and occupation (B&O) tax is the second largest source of GF-S revenue, accounting for 20.6% of GF-S revenue in FY 2024. It is a tax on the gross receipts of all businesses operating in Washington. The state portion of the tax applies ten different rates according to various classifications of business activities. In FY 2024, the largest contributor to total state B&O tax was the services sector, which had a gross tax rate of 1.5% and represented an estimated 45% of B&O taxes due. The next largest sector was retailing, which is taxed at 0.471% and represented an estimated 22% of taxes due, followed by the wholesaling sector, which is taxed at 0.484% and represented an estimated 18% of taxes due.



*B&O tax growth forecast:*

*FY25: 0.9%  
FY26: 4.5%  
FY27: 6.3%  
FY28: 4.3%  
FY29: 4.4%*

In FY 2019, B&O tax receipts grew by 6.9%. Despite a second quarter collapse in activity, FY 2020 growth remained positive at 3.6% followed by growth of 7.9% in FY 2021. Collections grew 14.5% in FY 2022 due to both strong activity and the receipt of several large one-time payments of past-due taxes. Strong activity continued in FY 2023, bringing collections growth of 9.8%. Collections growth slowed to 2.9% in FY 2024. Growth is forecasted at 0.9% in FY 2025, 4.5% in FY 2026, 6.3% in FY 2027, 4.3% in FY 2028 and 4.4% in FY 2029.

*State property taxes are the third largest source of GF-S revenue*

The state property tax levy is the third largest source of GF-S revenue, accounting for 14.8% of total revenue in FY 2024. Although the tax goes into the GF-S, it is dedicated to the funding of basic education. As discussed in the [September 2017](#) forecast publication, the total amount of the state levy was increased by new legislation in June 2017, with the increases beginning in FY 2018.

*Property tax growth forecast:*

*FY25: 2.1%  
FY26: 2.2%  
FY27: 2.2%  
FY28: 2.2%  
FY29: 2.3%*

Constrained by prior law to a levy growth rate of one percent on existing property (or the rate of inflation if less than one percent), property tax collections grew by 1.9% in FY 2017. The first payments of the additional state levy began to arrive in the latter half of FY 2018, bringing total GF-S property tax growth of 31.4% for the fiscal year. Collections fell by 12.4% in FY 2019 due to a temporary reduction in the levy rate for calendar year 2019 and a \$936 million transfer of collections from the levy to the Education Legacy Trust Account (ELTA). Collections rebounded by 44.2% in FY 2020 due to a smaller \$83.8 million transfer to ELTA and the end of the temporary levy reduction in the second half of the year. FY 2021 collections grew by 27.3% due to a full year of collections at the unreduced levy rate along with the collection of some taxes that would have been collected in FY 2020 but were instead deferred due to the pandemic. Absent the extra payments from deferrals, growth slowed to 0.4% in FY 2022. Growth then increased to 1.5% in FY 2023, and 2.3% in FY 2024. Growth is forecasted at 2.1% in FY 2025, 2.2% in FY 2026 through FY 2028, and 2.3% in FY 2029. Growth in property tax levies excluding new construction is once again restricted to the lesser of one percent per year or the rate of inflation beginning with the calendar year 2022 levy.

*Use tax was the fourth largest DOR GF-S source in FY 2024*

The state use tax was the fourth largest DOR GF-S revenue source in FY 2024 at 3.2% of total receipts. The state portion of the tax is 6.5% of the purchase price for items used in the state that were not subject to the state retail sales tax. Examples of items subject to the state use tax are goods purchased out-of-state; online and mail-order purchases, where sales tax was not collected; or purchases of used vehicles from private individuals.

*Use tax growth forecast:*

*FY25: 2.2%  
FY26: -1.7%  
FY27: 4.9%  
FY28: 4.9%  
FY29: 4.6%*

Use tax collections grew 9.0% in FY 2019, boosted by several large one-time purchases. Despite strong collections in the first half of the fiscal year, FY 2020 collections declined by 4.9%. Collections increased by 16.1% in FY 2021 and 7.4% in FY 2022 due to record high used car sales. While used car sales moderated, large payments from other sectors increased growth to 12.6% in FY 2023. Due to FY 2023's elevated levels and

weakness in spring used cars sales, collections decreased by 2.5% in FY 2024. While the dollar amount of total used car sales is expected to decline slightly in FY 2025, large purchases by the manufacturing sector and other business sectors has brought expected growth of 2.2% in FY 2025. Without these large purchases, collections are expected to decline by 1.7% in FY 2026. Growth then returns at 4.9% in FY 2027 and FY 2028 and 4.6% in FY 2029.

*REET rates and distributions changed on January 1, 2020*

The real estate excise tax (REET) was the fifth largest DOR source of GF-S revenue in FY 2024, accounting for 3.1% of total revenue. The tax is applied to both residential and commercial real estate, including purchases of vacant land. Prior to January 1, 2020, the state portion of REET was 1.28% of the sales price and was divided between the GF-S (92.3%), a fund for local public works (2.0%), a fund for assistance of cities and counties (1.6%) and ELTA (4.1%). As of January 1, 2020 rates were 1.1% for the portion of the selling price less than or equal to \$500 thousand, 1.28% for the portion greater than \$500 thousand and less than or equal to \$1.5 million, 2.75% for the portion greater than \$1.5 million and less than or equal to \$3.0 million and 3.0% for the portion greater than \$3.0 million (the rate thresholds were adjusted for inflation as of January 1, 2023 and will be adjusted every fourth year thereafter; current thresholds are \$525 thousand, \$1.525 million and \$3.025 million). The distributions of the tax are also changed: 79.4% is deposited in the GF-S, 1.7% in the Public Works Assistance Account, 1.4% in the City-County Assistance Account and the remainder (17.5%) in ELTA. Beginning July 1, 2023, distributions to the Public Works Assistance Account increased to 5.2% and distributions to the Education Legacy Trust Account decreased to 14%. The new rates and distributions were designed to result in increased collections for both the GF-S and ELTA.

*GF-S REET growth forecast:*

*FY25: 32.2%  
FY26: -1.8%  
FY27: 6.8%  
FY28: 8.0%  
FY29: 4.8%*

From FY 2013 through 2019, the recovery in the residential real estate market after the Great Recession has been accompanied by a boom in commercial real estate. Sales of large commercial properties began to weaken in FY 2019 while residential sales increased, resulting in a 0.5% increase in collections in FY 2019. In the first half of FY 2020, residential sales remained strong, and commercial sales surged in December 2019 ahead of the January 1, 2020 change in tax rates. The COVID-induced real estate market downturn that began with April 2020 collections, however, brought a total decline of 0.7% in FY 2020. Sales then began to boom in July 2020, with strength in both the residential and commercial markets, bringing collections growth of 34.4% in FY 2021 and 35.9% in FY 2022. In FY 2023, higher mortgage rates and unaffordable high prices in many areas caused both the number of transactions and prices to decrease, bringing a decline in REET receipts of 43.8%. Receipts declined a further 13.6% in FY 2024 even though activity started to increase in February 2024. This increased activity has continued through February 2025. This plus several large transactions for transfers of controlling interest of commercial properties has brought expected growth of 32.2% in FY 2025. Due to the special



circumstances of the FY 2025 increase, collections are expected to decline by 1.8% in FY 2026. Growth is then expected to continue at 6.8% in FY 2027, 8.0% in FY 2028 and 4.8% in FY 2029.

*Public utility taxes were the sixth largest DOR GF-S source in FY 2024*

Public utility taxes were the sixth largest DOR source of GF-S revenue in FY 2024, bringing in 1.7% of total receipts. The tax applies to the gross income of sales to consumers by public and privately owned utilities and is in lieu of the B&O tax. The largest source of public utility taxes is the 3.873% tax on the distribution and generation of electrical power, followed by the 3.852% tax on the distribution of natural gas.

*Growth forecast:*

*FY25: 7.3%  
FY26: 1.6%  
FY27: 7.1%  
FY28: 4.6%  
FY29: 3.3%*

Public utility tax receipts grew by 0.3% in FY 2020. The expiration of a large tax credit plus growth in natural gas and electricity use increased collections by 4.2% in FY 2021. The resumption of business activities plus increases in utility prices boosted growth to 16.3% in FY 2022. Further increases in utility prices brought growth of 12.4% in FY 2023. Utility price moderation and a slowdown in economic growth brought a decline in receipts of 2.2% in FY 2024. Growth is forecasted to resume at 7.3% in FY 2025 due to price increases in electricity and natural gas. Growth then continues at 1.6% in FY 2026, 7.1% in FY 2027 (due to additional electricity and natural gas price increases in the national forecast), 4.6% in FY 2028 and 3.3% in FY 2029.

*Taxes on sales of spirits were the seventh largest DOR GF-S source in FY 2024*

State taxes on sales of spirits were the seventh largest DOR GF-S revenue source in FY 2024 at 1.1% of total receipts. Spirits sales are taxed by both volume and price. The total tax rate by volume is \$3.7708 per liter. Liter tax receipts are deposited wholly into the GF-S. The price-based spirits tax is split between the GF-S (65% of receipts) and the Liquor Excise Tax fund (35% of receipts). The overall tax rate on sales to consumers is 20.5% of the sales price and the overall rate on sales to restaurant licensees is 13.7%.

*Spirits tax growth forecast:*

*FY25: 0.1%  
FY26: 0.8%  
FY27: 2.9%  
FY28: 1.9%  
FY29: 1.7%*

Total tax collections on spirits sales grew 5.2% in FY 2019. During the pandemic, spirit sales increased, with total tax collections growing by 8.2% FY 2020 and 9.9% in FY 2021. Collections increased a further 1.8% in FY 2022 and 1.5% in FY 2023. Collections then decreased by 4.4% in FY 2024. Collections growth is forecasted at 0.1% in FY 2025, 0.8% in FY 2026, 2.9% in FY 2027, 1.9% in FY 2028 and 1.7% in FY 2029.

*The cigarette tax was the eighth largest DOR GF-S source in FY 2024*

The state tax on cigarettes was the eighth largest DOR GF-S revenue source in FY 2024 at 0.8% of total receipts. Prior to FY 2010, the tax made up a much smaller portion of GF-S revenue because much of the tax was dedicated to non-GF-S accounts. In FY 2010, all of the tax except the portion dedicated to the Education Legacy Trust account was redirected to the GF-S, and in FY 2011 all of the cigarette tax was redirected to the GF-S. The current tax rate, which took effect May 1, 2010, is \$3.025 per pack of 20 cigarettes.

*Cigarette tax growth forecast:*

FY25: -8.2%  
FY26: 0.0%  
FY27: -4.5%  
FY28: -4.9%  
FY29: -5.4%

The total number of taxed cigarettes has been on a downward trend due to a continuing decline in the number of smokers. Recently, the rate of decline has increased. Collections decreased by 3.3% in FY 2019 after decreasing by 5.4% in FY 2018. The decrease in collections accelerated to 6.0% in FY 2020, partially due to a state increase in the legal age to purchase cigarettes from 18 to 21 that took effect on January 1, 2020. Collections declined 2.4% in FY 2021 and 2.1% in FY 2022 before plunging by 12.0% in FY 2023 and 10.2% in FY 2024. Collections are forecasted to continue to decline by 8.2% in FY 2025, 0.0% in FY 2026, 4.5% in FY 2027, 4.9% in FY 2028 and 5.4% in FY 2029.

## **Forecasted Revenue from Cannabis-Related Sales**

*Sales of cannabis products in state-licensed stores began in July 2014*

Initiative 502, approved by voters in the November 2012 election, legalized the sale and use of recreational cannabis and cannabis products in Washington. The first legal sales of cannabis products in state-licensed stores occurred in July 2014. During the 2015 regular and special sessions, legislation was passed that substantially altered the market rules set up by the initiative. 2SSB 5052, passed during the regular session, brought previously unregulated medical marijuana dispensaries into the same regulatory regime as licensed recreational cannabis outlets. This legislation was outlined in our [June 2015](#) forecast publication. After the June 2015 forecast, 2E2SHB 2136, passed in the second special session, changed the cannabis excise tax from a 25 percent tax collected from growers, processors and retailers to a 37 percent tax on retail sales only. The law also made changes to the distribution of tax and fee revenue. Cannabis taxes and license fees are collected by the Liquor and Cannabis Board (LCB) and are placed into a dedicated fund with annual appropriations to various other accounts including the GF-S.

*Change in GF-S forecast of total cannabis-related revenue by biennium (millions):*

23-25: -\$2.4  
25-27: -\$9.9  
27-29: -\$16.6

Distributions of cannabis excise taxes to the GF-S totaled \$15.3 million in the 2013-15 biennium and \$147.6 million in the 2015-17 biennium. GF-S distributions were \$248.9 million in the 2017-19 biennium, \$361.0 million in the 2019-21 biennium and \$318.9 million in the 2021-23 biennium. The forecast of transfers for the 2023-25 biennium has been decreased \$2.4 million to \$261.9 million. The net forecast of GF-S distributions for the 2025-27 biennium has been decreased \$9.9 million to \$282.8 million and the forecast for the 2027-29 biennium has been decreased \$16.6 million to \$300.1 million. Details of the forecasted distributions from the account can be found in Table 3.18.

## The Office of Financial Management (Other Agencies)

*Forecast change by biennium (millions):*

23-25: \$5.9  
25-27: -\$4.7  
27-29: \$2.7

The Office of Financial Management (OFM) is responsible for preparing General Fund-State revenue and transfer forecasts for all agencies excluding the Department of Revenue, the Liquor and Cannabis Board, the Insurance Commissioner, the Washington State Lottery, and the State Treasurer. The Office's forecast of net GF-S revenue for the 2023-25 biennium was increased \$5.9 million to -\$8.3 million, the forecast for the 2025-27 biennium was decreased \$4.7 million to -\$42.1 million and the forecast for the 2027-29 biennium was increased \$2.7 million to -\$60.4 million. The negative value of projected revenue indicates that more funds will be transferred out of the GF-S by the agencies overseen by the OFM than will be transferred into the GF-S from those agencies during that biennium.

## State Treasurer

*Forecast change by biennium (millions):*

23-25: -\$14.0  
25-27: -\$135.1  
27-29: -\$93.0

The Office of the State Treasurer generates GF-S revenue by investing state short-term cash reserves. The forecast of GF-S revenue for the 2023-25 biennium has been decreased \$14.0 million to \$573.5 million, the forecast of GF-S revenue for the 2025-27 biennium has been decreased \$135.1 million to \$288.5 million and the forecast for the 2027-29 biennium has been decreased \$93.0 million to \$249.5 million. The forecast decreases were mainly due to lower forecasted average balances in interest-earning accounts.

## Insurance Commissioner

*Forecast change by biennium (millions):*

23-25: \$0.0  
25-27: \$0.0  
27-29: \$0.0

The Office of the Insurance Commissioner collects premium taxes on most classes of insurance sold in Washington State. These taxes are distributed to the GF-S and various accounts in support of fire services. The forecast of GF-S distributions for the 2023-25 biennium is unchanged at \$1,734.7 million. The forecast for the 2025-27 biennium is unchanged at \$1,819.0 million and the forecast for the 2027-29 biennium is unchanged at \$1,890.3 million.

## Liquor and Cannabis Board

*Forecast change by biennium (millions):*

23-25: \$9.0  
25-27: \$5.7  
27-29: \$7.1

The Liquor and Cannabis Board (LCB) collects fees from distributors and retailers on sales of spirits and surtaxes on sales of beer and wine (sales and liter taxes on sprits are collected by the DOR). The LCB is also responsible for the collection of excise taxes and fees associated with the legalized sale and use of recreational and medicinal cannabis discussed previously. Forecasted GF-S distributions for the 2023-25 biennium have been increased \$9.0 million to \$573.9 million. The forecast for the 2025-27 biennium has been increased \$5.7 million to \$675.9 million and the forecast for the 2027-29 biennium has been increased \$7.1 million to \$724.4 million.

## Lottery Commission

*GF-S forecast change by biennium (millions):*

23-25: \$0.0  
25-27: -\$1.8  
27-29: \$0.1

While most of the proceeds from sales of lottery games go to the Washington Opportunity Pathways Account (OPA), distributions are also made to the Problem Gambling and Economic Development accounts. Details of the forecast of the distribution of Lottery earnings can be found in Table 3.15 on a cash basis and Table 3.16 on a GAAP basis. When total profits from all Washington-only games plus the Powerball game exceed \$102 million per year, the amount above \$102 million is transferred to the GF-S. The forecast of GF-S transfers for the 2023-25 biennium is unchanged at \$97.2 million. The forecast for the 2025-27 biennium has been decreased \$1.8 million to \$62.5 million and the forecast for the 2027-29 biennium has been increased \$0.1 million to \$66.8 million.

## Washington Court System

*Forecast change by biennium (millions):*

23-25: \$0.6  
25-27: \$3.1  
27-29: \$1.5

The GF-S receives surcharges on certain filing fees, fines, and infraction penalties collected by the Washington court system. This revenue is transferred to the GF-S on a monthly basis. The forecast of GF-S transfers for the 2023-25 biennium has increased \$0.6 million to \$107.9 million. The forecast for the 2025-27 biennium has been increased \$3.1 million to \$118.3 million and the forecast for the 2027-29 biennium has been increased \$1.5 million to \$121.3 million.

## The Relationship between the Cash and GAAP General Fund-State Revenue Forecasts

*GAAP forecasts are based on the period in which the revenue is earned rather than received*

Legislation enacted in 1987 requires that the state's biennial budget be in conformance with Generally Accepted Accounting Principles (GAAP). It also requires a GF-S revenue forecast on both a cash and GAAP basis. The GAAP forecasts of GF-S revenue for the 2023-25 and 2025-27 biennia are presented in Tables 3.6 and 3.8 and the GAAP forecast of Lottery revenue transfers for those biennia is in Table 3.15. The primary difference between the cash and GAAP forecasts is the timing of the receipt of revenue. On a GAAP basis, revenue is credited to the biennium in which it is earned even though it may not have been received. The cash forecast, on the other hand, reflects expected cash receipts during a fiscal period. The forecast on a GAAP, or accrual, basis is primarily used for financial reporting. The cash forecast is used for cash flow management and revenue tracking. The cash forecast is also the forecast used in the state's budgetary balance sheet, which is the principal tool for assessing the General Fund's current surplus or deficit position. References to the GF-S forecast in the text of this chapter refer to the cash forecast unless otherwise noted. Likewise, figures from revenue tables other than Tables 3.6, 3.8 and 3.16 are projected on a cash basis.

## Alternative Forecasts for the 2023-25 and 2025-27 Biennia

*Optimistic scenario (billions):*

23-25: +\$0.81  
25-27: +\$4.37

*Pessimistic scenario (billions):*

23-25: -\$0.88  
25-27: -\$4.77

Chapter 2 outlines optimistic and pessimistic economic scenarios relative to the baseline economic forecast. The forecast assigns a probability of 50% to the baseline forecast, 20% to the optimistic scenario and 30% to the pessimistic scenario. The revenue implications of these alternative scenarios for the 2023-25 biennium are shown in Table 3.13 and those of the 2025-27 biennium are shown in Table 3.14. For the 2023-25 biennium, the optimistic forecast generates \$67.251 billion in revenue subject to the budget outlook process, \$0.806 billion (1.2%) more than the baseline scenario, while the pessimistic forecast produces \$65.561 billion in revenue, \$0.884 billion (1.3%) less than the baseline. For the 2025-27 biennium, the optimistic forecast generates \$75.325 billion in GF-S revenue, \$4.374 billion (6.2%) more than the baseline scenario, while the pessimistic forecast produces \$66.179 billion in revenue, \$4.772 billion (6.7%) less than the baseline.

## Washington Opportunity Pathways Account

*OPA forecast change by biennium (millions):*

23-25: -\$7.8  
25-27: \$6.9  
27-29: -\$3.7

The Washington Opportunity Pathways Account (OPA) receives all profits (excluding statutory transfers) from Washington-only lottery games plus all profits from the Mega Millions game. The forecast of OPA revenue for the 2023-25 biennium has been decreased \$7.8 million to \$340.7 million, the forecast for the 2025-27 biennium has been increased \$6.9 million to \$366.3 million. Forecasted revenue for the 2027-29 biennium has been decreased \$3.7 million to \$374.6 million.

## Education Legacy Trust Account

*ELTA forecast change by biennium (millions):*

23-25: \$29.9  
25-27: \$181.3  
27-29: \$166.7

The Education Legacy Trust Account (ELTA) was created in the 2005 legislative session, with revenue collection beginning in FY 2006. Funds from the account may only be used for support of the common schools, expanding access to higher education through funding for new enrollments and financial aid, and other educational improvement efforts. The ELTA was originally funded primarily by a tax on estates (currently on estates over \$2.19 million). Legislation from the 2013 special session, however, added revenue from public utility (through FY 2023) and real estate excise taxes (REET), which had previously gone into non-GF-S accounts. Subsequent legislation also added revenue from solid waste taxes from FY 2016 – FY 2023 and a transfer of \$935 million from the additional property tax levy to the account in FY 2019. Forecasted revenue was further increased in the 2021 legislative session by ESSB 5096, which establishes a tax on certain transactions that produce capital gains above \$250,000 (adjusted for inflation in subsequent years). Forecasted ELTA revenue has been increased in all biennia due to increases in forecasted REET, estate and capital gains taxes. The increase in capital gains taxes was due to three main factors: an updated federal forecast that indicated higher growth, lower than expected refunds, and additional receipts of taxes due from calendar year 2023. In the next two biennia, the

forecast of estate taxes has also been increased. The total forecast increased by \$29.9 million in the 2023-25 biennium, \$181.3 million in the 2025-27 biennium and \$166.7 million in the 2027-29 biennium. Forecasted ELTA receipts are now \$2,117.5 million for the 2023-25 biennium, \$2,483.4 million for the 2025-27 biennium and \$2,707.3 million for the 2027-29 biennium.

## Workforce Education Investment Account

*WEIA forecast change by biennium (millions):*

23-25: \$32.9  
25-27: -\$2.1  
27-29: -\$4.5

The Workforce Education Investment Account (WEIA) was created in the 2019 legislative session. The account, the purpose of which is to help fund the state's higher education system and student loans, was originally funded by a surcharge on specific industries that benefitted from an educated workforce. This tax was scheduled to take effect on January 1, 2020, and the Economic and Revenue Forecast Council was later tasked with forecasting revenue generated for the account. ESSB 6492, passed in early February of the 2020 legislative session, retroactively eliminated the existing surcharge and replaced it with a simplified version that is effective April 1, 2020. The simplified surcharge applies to businesses with gross taxable activity under the "services and other activities" category of \$1 million or more (with some nonprofit and other businesses exempt). In addition to this surcharge, which equals 0.25% of gross taxable income, another surcharge is applied to a group of "select advanced computing businesses," and is paid quarterly. WEIA revenue totaled \$779.0 million in the 2021-23 biennium. Forecasted revenue has been increased by \$32.9 million in the 2023-25 biennium due to a large one-time payment received in December 2024. Due to the decrease in forecasted state personal income, however, the forecast has been reduced \$2.1 million in the 2025-27 biennium and \$4.5 million in the 2027-29 biennium. WEIA revenue is now forecasted at \$914.6 million in the 2023-25 biennium, \$942.6 million in the 2025-27 biennium and \$1,014.5 million for the 2027-29 biennium. The WEIA forecast by fiscal year is presented in Table 3.19.

## Budgetary Balance Sheet for the 2023-25 Biennium

*Forecasted total reserves are \$3.463 billion at the end of the 2023-25 biennium.*

Table 3.12 shows the budgetary balance sheet for the 2023-25 biennium as prepared by the Office of Financial Management and the House and Senate fiscal committees. The balance sheet shows not only projected GF-S spending and resources but also total projected spending and resources for the GF-S plus the other main non-transportation state-funded accounts: the Education Legacy Trust Account (ELTA), the Washington Opportunity Pathways Account (OPA) and the Workforce Education Investment Account (WEIA). As shown in the table, the GF-S beginning fund balance for the 2023-25 biennium was \$4,184.7 million and the total beginning balance for GF-S, ELTA, OPA and WEIA combined was \$5,287.0 million. Based on the enacted biennial budget, the balance sheet projects total GF-S reserves of \$2,828.7 million at the end of the 2023-25 biennium and total reserves for the GF-S, ELTA, OPA and WEIA accounts of \$3,462.6 million.

Table 3.3  
**General Fund-State collections\***  
(millions of dollars, cash basis)

<b>Biennium</b>	<b>Current Dollars</b>	<b>Percent Change</b>	<b>2017 Chained Dollars</b>	<b>Percent Change</b>
1961-63	\$817.1		\$4,300.0	
1963-65	866.2	6.0%	4,439.3	3.2%
1965-67	1,128.6	30.3%	5,565.5	25.4%
1967-69	1,440.5	27.6%	6,658.6	19.6%
1969-71	1,732.7	20.3%	8,767.4	31.7%
1971-73	1,922.1	10.9%	8,999.4	2.6%
1973-75	2,372.4	23.4%	9,597.2	6.6%
1975-77	3,395.0	43.1%	11,947.7	24.5%
1977-79	4,490.0	32.3%	13,876.7	16.1%
1979-81	5,356.4	19.3%	13,769.6	-0.8%
1981-83	6,801.4	27.0%	15,215.1	10.5%
1983-85	8,202.4	20.6%	16,933.2	11.3%
1985-87	9,574.6	16.7%	18,659.6	10.2%
1987-89	10,934.1	14.2%	19,899.6	6.6%
1989-91	13,309.0	21.7%	22,307.3	12.1%
1991-93	14,862.2	11.7%	23,436.5	5.1%
1993-95	16,564.6	11.5%	24,957.7	6.5%
1995-97	17,637.7	6.5%	25,500.0	2.2%
1997-99	19,620.1	11.2%	27,623.2	8.3%
1999-01	21,262.1	8.4%	28,808.1	4.3%
2001-03	21,140.7	-0.6%	27,679.1	-3.9%
2003-05	23,388.5	10.6%	29,300.7	5.9%
2005-07	27,772.0	18.7%	32,897.0	12.3%
2007-09	27,703.0	-0.2%	31,307.7	-4.8%
2009-11	28,218.1	1.9%	31,112.2	-0.6%
2011-13	30,657.0	8.6%	32,452.7	4.3%
2013-15	33,666.0	9.8%	34,762.6	7.1%
2015-17	38,317.4	13.8%	38,929.8	12.0%
2017-19	44,142.6	15.2%	43,319.7	11.3%
2019-21	50,803.4	15.1%	48,332.7	11.6%
2021-23	61,001.6	20.1%	52,757.6	9.2%
2023-25 <sup>F</sup>	63,071.9	3.4%	51,070.4	-3.2%
2025-27 <sup>F</sup>	67,159.3	6.5%	51,551.5	0.9%
2027-29 <sup>F</sup>	72,328.6	7.7%	53,317.5	3.4%

<sup>F</sup> March 2025 forecast

\*Total General Fund-State revenue and transfers. Cash basis; includes rate base and administrative changes. Modified cash basis: 1985-87 and prior; pure cash basis: 1987-89 and after. May not be comparable because the collection totals include the impact of rate, base and administrative changes.

Source: Department of Revenue, the Office of Financial Management and the Economic and Revenue Forecast Council 's March 2025 forecast.

Table 3.4  
**Taxable retail sales\***  
(millions of dollars)

<b>Fiscal Year</b>	<b>Amount</b>	<b>Percent Change</b>
1981	25,197	4.7%
1982	26,097	3.6%
1983	29,368	12.5%
1984	29,156	-0.7%
1985	30,687	5.3%
1986	32,158	4.8%
1987	34,647	7.7%
1988	37,452	8.1%
1989	41,429	10.6%
1990	47,183	13.9%
1991	49,812	5.6%
1992	53,189	6.8%
1993	55,319	4.0%
1994	59,009	6.7%
1995	61,927	4.9%
1996	62,817	1.4%
1997	66,748	6.3%
1998	72,059	8.0%
1999	77,197	7.1%
2000	83,335	8.0%
2001	85,633	2.8%
2002	84,418	-1.4%
2003	86,165	2.1%
2004	90,139	4.6%
2005	97,253	7.9%
2006	107,071	10.1%
2007	115,527	7.9%
2008	118,676	2.7%
2009	106,379	-10.4%
2010	99,983	-6.0%
2011	101,825	1.8%
2012	106,036	4.1%
2013	113,173	6.7%
2014	120,453	6.4%
2015	130,168	8.1%
2016	141,103	8.4%
2017	149,992	6.3%
2018	162,958	8.6%
2019	175,266	7.6%
2020	176,961	1.0%
2021	196,651	11.1%
2022	218,633	11.2%
2023	231,095	5.7%
2024	231,736	0.3%
2025 <sup>F</sup>	236,708	2.1%
2026 <sup>F</sup>	245,696	3.8%
2027 <sup>F</sup>	256,504	4.4%
2028 <sup>F</sup>	266,006	3.7%
2029 <sup>F</sup>	275,656	3.6%

<sup>F</sup> March 2025 forecast  
Source: ERFCC

\* Actual Base. Includes statutory and administrative changes to the tax base. Historical fiscal year data are from quarterly taxable sales reported by taxpayers on the state's Combined Excise tax return. Reported totals affected by enacted legislation. Major base changes include: exemption of off-premises food, beginning 1978:3 (fiscal 1979); extension of the sales tax base to off premises food (1982:2 to 1983:2); food again exempt 1983:3 (fiscal 1984); extension of the sales tax base to candy, gum and bottled water (September 1 - December 2, 2010); elimination of sales tax exemption for residential phone service (July 1, 2013); elimination of sales tax exemption for bottled water (July 1, 2017); extension of economic nexus to certain remote sellers (January 1, 2018).



Table 3.5

**Comparison of the General Fund-State forecast by agency**

2023-25 biennium; cash basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Nov 2024 Forecast<sup>1</sup></b>	<b>Non-Economic Changes</b>	<b>Forecast Revision</b>	<b>Mar 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$29,971.3	\$0.0	(\$42.4)	\$29,928.9	(\$42.4)
Business & Occupation Use	12,926.3	0.0	(50.8)	12,875.6	(50.8)
Public Utility	1,955.9	0.0	34.4	1,990.2	34.4
Liquor Sales/Liter	1,103.2	0.0	5.6	1,108.8	5.6
Cigarette	686.4	0.0	(10.0)	676.4	(10.0)
Property (State Levy)	482.4	0.0	(11.8)	470.6	(11.8)
Real Estate Excise	9,317.2	0.0	(25.9)	9,291.3	(25.9)
Timber Excise	2,141.2	0.0	94.8	2,236.0	94.8
Other	3.9	0.0	(0.0)	3.9	(0.0)
Subtotal	1,407.2	0.0	4.1	1,411.2	4.1
	59,994.9	0.0	(2.1)	59,992.9	(2.1)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,734.7	0.0	0.0	1,734.8	0.0
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	507.9	0.0	8.8	516.7	8.8
Beer & Wine Surtax	57.0	0.0	0.2	57.2	0.2
<b>Lottery Commission</b>					
Lottery Revenue	97.2	0.0	0.0	97.2	0.0
<b>State Treasurer</b>					
Interest Earnings	587.5	0.0	(14.0)	573.5	(14.0)
<b>Office of Financial Management</b>					
Other Agencies	(14.2)	0.0	5.9	(8.3)	5.9
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	107.3	0.0	0.6	107.9	0.6
<b>Total General Fund-State *</b>	<b>\$63,072.4</b>	<b>\$0.0</b>	<b>(\$0.5)</b>	<b>\$63,071.9</b>	<b>(\$0.5)</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council November 20, 2024<sup>2</sup> Forecast for the 2023-25 biennium, adopted March 18, 2025

\*Detail may not add to totals because of rounding.

Source: ERF, Insurance Commissioner, Lottery Commission, Office of the State Treasurer, Liquor Control Board, Office of Financial Management

Table 3.6

**Comparison of the General Fund-State forecast by agency**

2023-25 biennium; GAAP basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Nov 2024 Forecast<sup>1</sup></b>	<b>Non-Economic Changes</b>	<b>Forecast Revision</b>	<b>Mar 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$30,017.9	\$0.0	(\$42.4)	\$29,975.5	(\$42.4)
Business & Occupation Use	12,936.8	0.0	(50.8)	12,886.0	(50.8)
Public Utility	1,958.8	0.0	34.4	1,993.2	34.4
Liquor Sales/Liter	1,109.0	0.0	5.6	1,114.6	5.6
Cigarette	694.7	0.0	(10.0)	684.7	(10.0)
Property (State Levy)	476.3	0.0	(20.3)	456.0	(20.3)
Real Estate Excise	9,319.6	0.0	(25.9)	9,293.6	(25.9)
Timber Excise	2,157.4	0.0	94.8	2,252.2	94.8
Other	3.9	0.0	0.0	3.9	0.0
Subtotal	1,397.7	0.0	(1.9)	1,395.8	(1.9)
	60,072.0	0.0	(16.5)	60,055.5	(16.5)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,734.7	0.0	0.0	1,734.8	0.0
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	507.9	0.0	8.8	516.7	8.8
Beer & Wine Surtax	57.0	0.0	0.2	57.2	0.2
<b>Lottery Commission</b>					
Lottery Revenue	89.3	0.0	(2.3)	87.1	(2.3)
<b>State Treasurer</b>					
Interest Earnings	601.6	0.0	(19.7)	581.8	(19.7)
<b>Office of Financial Management</b>					
Other Agencies	(14.2)	0.0	5.9	(8.3)	5.9
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	107.3	0.0	0.6	107.9	0.6
<b>Total General Fund-State *</b>	<b>\$63,155.6</b>	<b>\$0.0</b>	<b>(\$23.0)</b>	<b>\$63,132.7</b>	<b>(\$23.0)</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council November 20, 2024<sup>2</sup> Forecast for the 2023-25 biennium, adopted March 18, 2025

\*Detail may not add to totals because of rounding.

Source: ERFC, Insurance Commissioner, Lottery Commission, Office of the State Treasurer, Liquor Control Board, Office of Financial Management

Table 3.7

**Comparison of the General Fund-State forecast by agency**

2025-27 biennium; cash basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Nov 2024 Forecast<sup>1</sup></b>	<b>Non-Economic Changes</b>	<b>Forecast Revision</b>	<b>Mar 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$32,506.0	\$0.0	(\$283.4)	\$32,222.6	(\$283.4)
Business & Occupation Use	14,100.3	0.0	(168.7)	13,931.6	(168.7)
Public Utility	2,024.5	0.0	1.9	2,026.4	1.9
Liquor Sales/Liter	1,200.3	0.0	6.5	1,206.8	6.5
Cigarette	706.6	0.0	(14.5)	692.1	(14.5)
Property (State Levy)	452.8	0.0	(12.3)	440.6	(12.3)
Real Estate Excise	9,763.7	0.0	(65.3)	9,698.4	(65.3)
Timber Excise	2,576.6	0.0	8.1	2,584.7	8.1
Other	3.8	0.0	0.1	4.0	0.1
Subtotal	1,434.7	0.0	(4.7)	1,430.0	(4.7)
	64,769.4	0.0	(532.2)	64,237.2	(532.2)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,819.0	0.0	0.0	1,819.0	0.0
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	612.4	0.0	4.9	617.3	4.9
Beer & Wine Surtax	57.8	0.0	0.8	58.6	0.8
<b>Lottery Commission</b>					
Lottery Revenue	64.4	0.0	(1.8)	62.5	(1.8)
<b>State Treasurer</b>					
Interest Earnings	423.6	0.0	(135.1)	288.5	(135.1)
<b>Office of Financial Management</b>					
Other Agencies	(37.4)	0.0	(4.7)	(42.1)	(4.7)
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	115.2	0.0	3.1	118.3	3.1
<b>Total General Fund-State *</b>	<b>\$67,824.3</b>	<b>\$0.0</b>	<b>(\$665.0)</b>	<b>\$67,159.3</b>	<b>(\$665.0)</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council November 20, 2024<sup>2</sup> Forecast for the 2025-27 biennium, adopted March 18, 2025

\*Detail may not add to totals because of rounding.

Source: ERF, Insurance Commissioner, Lottery Commission, Office of the State Treasurer, Liquor Control Board, Office of Financial Management

Table 3.8

**Comparison of the General Fund-State forecast by agency**

2025-27 biennium; GAAP basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Nov 2024 Forecast<sup>1</sup></b>	<b>Non-Economic Changes</b>	<b>Forecast Revision</b>	<b>Mar 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$32,506.0	\$0.0	(\$283.4)	\$32,222.6	(\$283.4)
Business & Occupation Use	14,100.3	0.0	(168.7)	13,931.6	(168.7)
Public Utility	2,024.5	0.0	1.9	2,026.4	1.9
Liquor Sales/Liter	1,200.3	0.0	6.5	1,206.8	6.5
Cigarette	706.6	0.0	(14.5)	692.1	(14.5)
Property (State Levy)	452.8	0.0	(12.3)	440.6	(12.3)
Real Estate Excise	9,763.7	0.0	(65.3)	9,698.4	(65.3)
Timber Excise	2,576.6	0.0	8.1	2,584.7	8.1
Other	3.9	0.0	0.1	4.0	0.1
Subtotal	1,434.7	0.0	(4.7)	1,430.0	(4.7)
	64,769.4	0.0	(532.2)	64,237.2	(532.2)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,819.0	0.0	0.0	1,819.0	0.0
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	612.4	0.0	4.9	617.3	4.9
Beer & Wine Surtax	57.8	0.0	0.8	58.6	0.8
<b>Lottery Commission</b>					
Lottery Revenue	66.7	0.0	0.5	67.1	0.5
<b>State Treasurer</b>					
Interest Earnings	420.0	0.0	(140.5)	279.5	(140.5)
<b>Office of Financial Management</b>					
Other Agencies	(37.4)	0.0	(4.7)	(42.1)	(4.7)
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	115.2	0.0	3.1	118.3	3.1
<b>Total General Fund-State *</b>	<b>\$67,823.0</b>	<b>\$0.0</b>	<b>(\$668.1)</b>	<b>\$67,154.9</b>	<b>(\$668.1)</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council November 20, 2024<sup>2</sup> Forecast for the 2025-27 biennium, adopted March 18, 2025

\*Detail may not add to totals because of rounding.

Source: ERFC, Insurance Commissioner, Lottery Commission, Office of the State Treasurer, Liquor Control Board, Office of Financial Management

Table 3.9  
**March 2025 General Fund-State forecast detail**  
**2021-23 to 2027-29 Biennia; Cash Basis**  
(Millions of Dollars)

<b>Forecast by Source</b>	<b>Fiscal 2022</b>	<b>Fiscal 2023</b>	<b>2021-23 Biennium</b>	<b>Fiscal 2024</b>	<b>Fiscal 2025</b>	<b>2023-25 Biennium</b>	<b>Fiscal 2026</b>	<b>Fiscal 2027</b>	<b>2025-27 Biennium</b>	<b>Fiscal 2028</b>	<b>Fiscal 2029</b>	<b>2027-29 Biennium</b>
<b>State Taxes</b>												
Retail sales**	\$14,001.0	\$14,795.6	\$28,796.6	\$14,769.9	\$15,159.1	\$29,928.9	\$15,758.6	\$16,464.0	\$32,222.6	\$17,087.1	\$17,702.6	\$34,789.8
Business & occupation Use**	5,677.3	6,231.8	11,909.2	6,410.1	6,465.5	12,875.6	6,753.4	7,178.2	13,931.6	7,489.0	7,815.2	15,304.2
Public Utility	486.7	546.8	1,033.5	534.9	573.8	1,108.8	582.8	624.0	1,206.8	652.7	674.5	1,327.2
Liquor sales/liter	348.5	353.7	702.2	338.0	338.4	676.4	341.1	351.1	692.1	357.8	364.0	721.8
Beer & wine surtax	28.9	31.7	60.6	28.4	28.8	57.2	29.4	29.2	58.6	28.9	28.7	57.6
Cigarette	318.9	280.6	599.4	252.2	231.6	483.8	232.0	222.2	454.2	212.0	201.3	413.2
Tobacco products	45.9	46.6	92.5	45.5	43.7	89.2	43.1	43.0	86.2	42.9	42.8	85.8
Cannabis Excise Taxes	173.0	137.7	310.7	123.6	131.2	254.8	136.0	139.0	275.1	143.7	148.3	292.0
Property (state school levy)	4,426.9	4,492.7	8,919.6	4,596.9	4,694.3	9,291.3	4,795.9	4,902.4	9,698.4	5,008.7	5,121.9	10,130.6
Leasehold Excise Tax	40.7	45.6	86.4	48.9	49.4	98.3	51.0	51.4	102.4	51.6	51.8	103.4
Public utility district	59.6	63.2	122.8	62.0	65.2	127.1	66.8	67.7	134.5	69.0	70.3	139.3
Brokered Natural Gas	40.7	72.4	113.1	33.6	27.3	60.9	36.6	43.5	80.1	45.0	43.5	88.4
Real estate excise***	1,982.9	1,114.9	3,097.9	962.9	1,273.2	2,236.0	1,249.6	1,335.1	2,584.7	1,441.9	1,510.6	2,952.5
Timber excise	5.5	3.4	8.9	2.0	1.9	3.9	2.0	2.0	4.0	2.1	2.1	4.2
Estate/inheritance	0.1	0.0	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Boat excise	18.4	15.5	33.9	15.6	15.8	31.4	15.8	15.8	31.6	15.8	15.8	31.6
Insurance premiums	784.5	803.2	1,587.7	836.6	898.2	1,734.8	900.7	918.3	1,819.0	936.1	954.2	1,890.3
Penalties and interest on past due taxes	118.0	190.3	308.3	175.3	199.5	374.9	197.4	204.4	401.9	211.8	219.2	431.0
Other	62.2	52.4	114.6	60.3	58.9	119.3	56.3	57.3	113.7	58.1	58.6	116.7
<b>Total Taxes</b>	<b>29,516.8</b>	<b>30,288.4</b>	<b>59,805.2</b>	<b>30,281.1</b>	<b>31,261.7</b>	<b>61,542.7</b>	<b>32,237.5</b>	<b>33,686.5</b>	<b>65,923.9</b>	<b>34,942.1</b>	<b>36,163.5</b>	<b>71,105.5</b>
<b>State Non-Tax Sources</b>												
Licenses, permits, fees	180.9	190.0	371.0	180.6	202.1	382.8	202.7	209.9	412.6	218.7	226.2	445.0
Liquor & Cannabis fees	160.9	147.8	308.7	129.8	132.1	262.0	165.4	176.8	342.2	183.6	191.2	374.8
Earnings on investments	36.7	197.1	233.8	327.8	245.7	573.5	164.2	124.3	288.5	124.9	124.6	249.5
Washington Court System	42.7	42.5	85.2	52.3	55.6	107.9	58.5	59.8	118.3	60.4	60.9	121.3
Transfers of unclaimed property	154.3	181.6	336.0	222.0	212.6	434.7	196.9	201.7	398.6	199.2	199.2	398.5
Other revenue & transfers	(62.6)	(75.7)	(138.3)	(100.1)	(131.6)	(231.7)	(162.0)	(162.8)	(324.8)	(170.7)	(195.4)	(366.1)
<b>Total Non-Tax</b>	<b>512.9</b>	<b>683.5</b>	<b>1,196.4</b>	<b>812.5</b>	<b>716.7</b>	<b>1,529.2</b>	<b>625.7</b>	<b>609.8</b>	<b>1,235.4</b>	<b>616.2</b>	<b>606.8</b>	<b>1,223.0</b>
<b>Total General Fund-State *</b>	<b>\$30,029.7</b>	<b>\$30,971.9</b>	<b>\$61,001.6</b>	<b>\$31,093.5</b>	<b>\$31,978.3</b>	<b>\$63,071.9</b>	<b>\$32,863.1</b>	<b>\$34,296.2</b>	<b>\$67,159.3</b>	<b>\$35,558.3</b>	<b>\$36,770.3</b>	<b>\$72,328.6</b>

\* Detail may not add to totals due to rounding  
\*\*GFS portion after Initiative 900 transfer  
\*\*\*Includes penalties and interest

Table 3.10

**Track Record for the 2023-25 Forecast of Funds Subject to the Budget Outlook**

February 2020 through March 2025

Cash Basis - Millions of Dollars

<u>Date of Forecast</u>	<u>General Fund-State</u>	<u>Education Legacy Trust Acct.</u>	<u>Washington Opportunity Pathways Acct.</u>	<u>Workforce Education Investment Acct.</u>	<u>Subtotal</u>	<u>Non-Economic Changes</u>	<u>Total Change</u>	<u>Total of Funds</u>
<b>February 2020*</b>	\$57,930	\$925	\$321	\$667				\$59,843
<b>Changes to Forecast</b>								
June 2020	(4,682)	(9)	8	(3)	(4,685)	209 #1	(4,476)	55,367
September 2020	2,460	125	(7)	35	2,612	0	2,612	57,979
November 2020	16	14	2	(4)	28	0	28	58,007
March 2021	1,846	17	10	25	1,899	0	1,899	59,906
June 2021	1,419	(6)	16	7	1,436	810 #2	2,246	62,151
September 2021	891	31	(1)	9	931	0	931	63,082
November 2021	828	(44)	5	11	800	165 #3	965	64,047
February 2022	1,311	2	2	5	1,320	0	1,320	65,368
June 2022	1,036	21	(1)	55	1,112	(480) #4	632	65,999
September 2022	(332)	(18)	(8)	(21)	(378)	(117) #5	(495)	65,504
November 2022	684	(2)	(6)	6	681	0	681	66,185
March 2023	(407)	(77)	10	(9)	(483)	0	(483)	65,702
June 2023	140	115	7	25	287	39 #6	327	66,028
September 2023	616	12	7	28	663	0	663	66,692
November 2023	172	6	9	5	191	0	191	66,883
February 2024	53	31	24	13	122	0	122	67,005
June 2024	(252)	(188)	(27)	24	(443)	(34) #7	(477)	66,528
September 2024	(146)	54	21	6	(64)	15 #8	(49)	66,479
November 2024	(93)	48	(40)	(4)	(89)	0	(89)	66,390
March 2025	(1)	30	(8)	33	54	0	54	66,445
<b>Total change:</b>								
From February 2020	5,559	165	23	247	5,995	607	6,602	
Percent change	9.6	17.8	7.2	37.0	10.0	1.0	11.0	
<b>Change in forecast since initial 2325 biennial budget**</b>								
	<b>490</b>	<b>109</b>	<b>(7)</b>	<b>131</b>	<b>722</b>	<b>(19)</b>	<b>703</b>	
Percent change	0.8	5.5	-2.1	16.7	1.1	0.0	1.1	

Table 3.11

**Track Record for the 2025-27 Forecast of Funds Subject to the Budget Outlook**

February 2022 through March 2025

Cash Basis - Millions of Dollars

<u>Date of Forecast</u>	<u>General Fund-State</u>	<u>Education Legacy Trust Acct.</u>	<u>Washington Opportunity Pathways Acct.</u>	<u>Workforce Education Investment Acct.</u>	<u>Subtotal</u>	<u>Non-Economic Changes</u>	<u>Total Change</u>	<u>Total of Funds</u>
<b>February 2022***</b>	\$66,533	\$2,305	\$357	\$831				\$70,025
<b>Changes to Forecast</b>								
June 2022	759	19	0	17	795	(619) #4	176	70,202
September 2022	4	8	(7)	(18)	(13)	(53) #5	(66)	70,136
November 2022	687	55	(4)	10	747	0	747	70,883
March 2023	(442)	(97)	9	(11)	(540)	0	(540)	70,342
June 2023	38	18	6	11	72	75 #6	147	70,489
September 2023	400	7	(1)	31	437	0	437	70,927
November 2023	507	59	8	4	579	0	579	71,506
February 2024	169	6	10	31	215	0	215	71,721
June 2024	(37)	(119)	(31)	35	(152)	(37) #7	(189)	71,532
September 2024	(116)	97	27	9	16	63 #8	79	71,611
November 2024	(107)	(54)	(12)	(8)	(181)	0	(181)	71,431
March 2025	(665)	181	7	(2)	(479)	0	(479)	70,952
<b>Total change:</b>								
From February 2022	1,197	179	12	110	1,497	(571)	926	
Percent change	1.8	7.8	3.3	13.2	2.1	(0.8)	1.3	

\*First official forecast for the 2023-25 biennium

\*\*Resources for the initial 2023-25 budget include forecasted March 2023 revenue plus legislative revenue changes from 2023 session subsequent to the March forecast

\*\*\*First official forecast for the 2025-27 biennium

#1 Legislative and budget-driven revenue changes from the 2020 legislative session

#2 Legislative and budget-driven revenue changes from the 2021 legislative session

#3 Addition of financial services tax to forecast after court approval and expected refunds from DOR rule change on apportionment

#4 Legislative and budget-driven revenue changes from the 2022 legislative session

#5 July 2022 BTA decision that allows machinery and equipment sales tax exemption for R&D equipment purchases

#6 Legislative and budget-driven revenue changes from the 2023 legislative session

#7 Legislative and budget-driven revenue changes from the 2024 legislative session

#8 Payments from Washington State Convention Center Public Facilities District less FY 2025 transfer to the Clarke-McNary Account

Table 3.12

**2023-25 Enacted Budget Balance Sheet**  
**General Fund-State (GFS), Education Legacy Trust Account (ELTA),**  
**Washington Opportunity Pathways Account (OPA),**  
**Workforce Education Investment Account (WEIA), Fair Start for Kids Account (FSKA),**  
**Budget Stabilization Account (BSA) and Washington Rescue Plan Transition Account (WRPTA)**  
Dollars in Millions

	<b>2023-25</b>		
	<b>GFS</b>	<b>ELTA , OPA, WEIA, FSKA (1)</b>	<b>TOTAL</b>
<b>RESOURCES</b>			
<b>Beginning Fund Balance</b>	<b>4,184.7</b>	<b>1,102.4</b>	<b>5,287.0</b>
November 2024 Revenue Forecast	63,072.4	3,317.9	66,390.4
March 2025 Revenue Forecast Change	(0.5)	54.9	54.4
<b>Current Revenue Totals</b>	<b>63,071.9</b>	<b>3,372.9</b>	<b>66,444.8</b>
Transfers to Budget Stabilization Account (1% of GSR)	(635.9)	-	(635.9)
Transfers to Budget Stabilization Account (EGSR)	-	-	-
Enacted Fund Transfers	2,092.7		2,092.7
Actual/Assumed Prior Period Adjustments	122.0	0.4	122.3
ACFR Adjustments	(3.4)	54.8	51.4
Prior Period Adjustment - Gain Share <sup>(3)</sup>	117.0		117.0
<b>Total Resources (Including Beginning Fund Balance)</b>	<b>68,948.9</b>	<b>4,530.4</b>	<b>73,479.4</b>
<b>EXPENDITURES</b>			
<b>Enacted Budgets</b>			
2023-25 Biennium	66,255.5	3,548.9	69,804.4
2024 Supplemental Budget	1,793.2	347.6	2,140.8
Actual/Assumed Reversions <sup>(2)</sup>	(600.7)	-	(600.7)
<b>Total Expenditures</b>	<b>67,448.0</b>	<b>3,896.5</b>	<b>71,344.5</b>
<b>RESERVES</b>			
<b>Projected Ending Balance</b>	<b>1,501.0</b>	<b>633.9</b>	<b>2,134.9</b>
<b>Budget Stabilization Account</b>			
Beginning Balance	652.4		652.4
Transfers from General Fund (1% of GSR)	635.9		635.9
Transfers from General Fund (EGSR)	-		-
Actual Prior Period Adjustments	0.1		0.1
Actual/Assumed Biennium - Interest Earnings	59.1		59.1
Appropriations	(21.1)		(21.1)
Actual Reversions	1.4		1.4
<b>Projected BSA Ending Balance</b>	<b>1,327.7</b>		<b>1,327.7</b>
<b>Washington Rescue Plan Transition Account</b>			
Beginning Balance	2,100.0		2,100.0
Transfer to General Fund	(2,100.0)		(2,100.0)
<b>Projected WRPTA Ending Balance</b>	<b>-</b>		<b>-</b>
<b>Total Reserves Including BSA and WRPTA</b>	<b>2,828.7</b>	<b>633.9</b>	<b>3,462.6</b>

(1) No revenue or expenditures for 25H - FSKA.

(2) Reversion percentages are consistent with the ERFC's adopted enacted budget outlook from April 2024 (0.5% for FY25). This is different than former Governor Inslee's proposed FY25 supplemental budget.

(3) Gain Share amount reflects FY24 actuals and FY25 actuals-to-date.

Acronyms

BSA - Budget Stabilization Account

GSR - General State Revenues

EGSR - Extraordinary General State Revenues

WRPTA - Washington Rescue Plan Transition Account



Table 3.13

**Alternative forecasts compared to the baseline forecast**  
**Funds subject to the budget outlook process, 2023-25 biennium**  
(cash basis, millions of dollars)

	<b>Optimistic Forecast</b>	<b>Baseline Forecast</b>	<b>Pessimistic Forecast</b>
<b>General Fund - State</b>			
<b>Department of Revenue</b>			
Retail Sales	\$30,365.2	\$29,928.9	\$29,404.8
Business & Occupation	13,060.1	12,875.6	12,678.9
Use	2,020.6	1,990.2	1,956.2
Public Utility	1,130.7	1,108.8	1,084.3
Property (school levy)	9,316.9	9,291.3	9,265.6
Real Estate Excise	2,240.7	2,236.0	2,232.2
Other	2,570.8	2,562.1	2,554.1
Subtotal	60,705.1	59,992.9	59,176.0
<b>Insurance Commissioner<sup>1</sup></b>	1,795.0	1,734.8	1,749.1
<b>Lottery Commission</b>	97.4	97.2	97.0
<b>State Treasurer - Interest earnings</b>	580.0	573.5	559.3
<b>Liquor and Cannabis Surtaxes &amp; Fees<sup>2</sup></b>	557.6	573.9	553.9
<b>Office of Financial Management</b>	(8.2)	(8.3)	(8.2)
<b>Washington Court System</b>	108.3	107.9	107.6
<b>Total General Fund - State*</b>	<b>\$63,835.3</b>	<b>\$63,071.9</b>	<b>\$62,234.6</b>
<b>Education Legacy Trust Account</b>	<b>\$2,145.0</b>	<b>\$2,117.5</b>	<b>\$2,087.4</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$344.7</b>	<b>\$340.7</b>	<b>\$336.4</b>
<b>Workforce Education Investment Account</b>	<b>\$926.1</b>	<b>\$914.6</b>	<b>\$902.1</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$67,251.0</b>	<b>\$66,444.8</b>	<b>\$65,560.5</b>
<b>Difference from March 2025 Baseline</b>	<b>\$806.2</b>		<b>(\$884.3)</b>

1 Insurance premiums, General Fund-State portion.

2 Includes beer and wine surtax, cannabis excise tax, distributor fees, retailer fees, licensing fees.

\* Detail may not add to total due to rounding.

Source: ERFC, Insurance Commissioner, Lottery Commission, Office of the  
State Treasurer, Liquor Control Board, Office of Financial Management



Table 3.14

**Alternative forecasts compared to the baseline forecast  
Funds subject to the budget outlook process, 2025-27 biennium**  
(cash basis, millions of dollars)

	<b>Optimistic Forecast</b>	<b>Baseline Forecast</b>	<b>Pessimistic Forecast</b>
<b>General Fund - State</b>			
<b>Department of Revenue</b>			
Retail Sales	\$34,604.5	\$32,222.6	\$29,520.5
Business & Occupation	14,910.3	13,931.6	12,908.9
Use	2,171.1	2,026.4	1,854.9
Public Utility	1,300.3	1,206.8	1,098.0
Property (school levy)	9,798.2	9,698.4	9,598.9
Real Estate Excise	2,791.2	2,584.7	2,386.5
Other	2,641.4	2,566.6	2,491.2
Subtotal	68,216.9	64,237.2	59,858.9
<b>Insurance Commissioner<sup>1</sup></b>	1,907.5	1,819.0	1,814.4
<b>Lottery Commission</b>	64.4	62.5	60.7
<b>State Treasurer - Interest earnings</b>	334.0	288.5	180.7
<b>Liquor and Cannabis Surtaxes &amp; Fees<sup>2</sup></b>	695.7	675.9	656.0
<b>Office of Financial Management</b>	(40.8)	(42.1)	(43.4)
<b>Washington Court System</b>	121.7	118.3	114.8
<b>Total General Fund - State*</b>	<b>\$71,299.3</b>	<b>\$67,159.3</b>	<b>\$62,642.1</b>
<b>Education Legacy Trust Account</b>	<b>\$2,636.4</b>	<b>\$2,483.4</b>	<b>\$2,316.3</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$388.8</b>	<b>\$366.3</b>	<b>\$341.7</b>
<b>Workforce Education Investment Account</b>	<b>\$1,000.7</b>	<b>\$942.6</b>	<b>\$879.3</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$75,325.3</b>	<b>\$70,951.6</b>	<b>\$66,179.4</b>
<b>Difference from March 2025 Baseline</b>	<b>\$4,373.7</b>		<b>(\$4,772.2)</b>

1 Insurance premiums, General Fund-State portion.

2 Includes beer and wine surtax, cannabis excise tax, distributor fees, retailer fees, licensing fees.

\* Detail may not add to total due to rounding.

Source: ERFC, Insurance Commissioner, Lottery Commission, Office of the State Treasurer, Liquor Control Board, Office of Financial Management

Table 3.15  
**Lottery transfers by fund**  
 March 2025 Forecast  
 (cash basis, millions of dollars)

<b>Fiscal Year</b>	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Problem Gambling Account</b>	<b>Economic Development Account</b>	<b>Opportunity Pathways Account</b>
2018	183.6	38.5	12.6	0.3	3.5	128.5
2019	213.8	38.7	13.1	0.4	5.8	155.7
2017-19 Biennium	397.3	77.3	25.8	0.8	9.3	284.2
2020	186.4	16.7	13.7	0.4	3.1	152.5
2021	231.6	27.7	14.2	0.5	4.8	184.4
2019-21 Biennium	418.0	44.4	27.9	0.8	8.0	336.9
2022	228.9	32.8	0.0	0.4	6.0	189.7
2023	244.7	48.1	0.0	0.5	7.7	188.4
2021-23 Biennium	473.4	80.7	0.0	0.9	13.7	378.1
2024	245.0	61.2	0.0	0.8	6.4	176.7
2025	206.7	36.0	0.0	0.9	5.8	164.1
2023-25 Biennium	451.7	97.2	0.0	1.7	12.1	340.7
2026	218.3	28.9	0.0	1.0	6.0	182.4
2027	224.3	33.6	0.0	1.0	5.9	183.8
2025-27 Biennium	442.6	62.5	0.0	1.9	11.9	366.3
2028	226.2	33.5	0.0	1.0	5.9	185.9
2029	228.9	33.3	0.0	1.0	5.9	188.7
2027-29 Biennium	455.1	66.8	0.0	1.9	11.8	374.6

Table 3.16  
**Lottery transfers by fund**  
 March 2025 Forecast  
 (GAAP basis, millions of dollars)

<b>Fiscal Year</b>	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Problem Gambling Account</b>	<b>Economic Development Account</b>	<b>Opportunity Pathways Account</b>
2018	183.0	31.2	12.6	0.4	4.6	134.2
2019	215.8	30.9	13.1	0.4	4.6	166.7
2017-19 Biennium	398.8	62.1	25.8	0.8	9.2	300.9
2020	180.9	16.2	13.7	0.4	3.4	147.3
2021	229.0	23.9	14.2	0.5	4.7	185.7
2019-21 Biennium	410.0	40.1	27.9	0.8	8.1	333.1
2022	216.8	33.6	0.0	0.4	6.2	176.6
2023	253.1	45.5	0.0	0.5	7.3	199.9
2021-23 Biennium	470.0	79.1	0.0	0.9	13.5	376.4
2024	242.8	58.2	0.0	0.8	6.7	177.1
2025	208.3	28.9	0.0	0.9	5.9	172.6
2023-25 Biennium	451.1	87.1	0.0	1.7	12.6	349.7
2026	222.5	33.6	0.0	1.0	5.9	182.0
2027	224.5	33.5	0.0	1.0	5.9	184.2
2025-27 Biennium	447.0	67.1	0.0	1.9	11.8	366.1
2028	226.4	33.3	0.0	1.0	5.9	186.2
2029	229.1	33.8	0.0	1.0	5.9	188.5
2027-29 Biennium	455.5	67.1	0.0	1.9	11.8	374.7

\* Total Transfers are equal to total sales less total expenses (prizes, cost of sales, administration etc.)  
 Source: Lottery Commission, ERFC

Table 3.17

**General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account and Workforce Education Investment Account**

History and Forecast by Fiscal Year (Cash basis)

March 2025 - Millions of Dollars

	General Fund-State (GF-S) (current definition)		Education Legacy Trust Account* (ELTA)		WA Opportunity Pathways Account (OPA)		Workforce Ed. Investment Acct. (WEIA)		Total GF-S, ELTA, OPA and WEIA	
	Level	% Chg.	Level	% Chg.	Level	% Chg.	Level	% Chg.	Level	% Chg.
History:										
FY 2005	\$13,036	5.5%							\$13,036	5.5%
FY 2006	\$14,318	9.8%	\$115						\$14,432	10.7%
FY 2007	\$15,467	8.0%	\$266	132.2%					\$15,734	9.0%
FY 2008	\$15,659	1.2%	\$213	-20.1%					\$15,872	0.9%
FY 2009	\$14,158	-9.6%	\$224	5.4%					\$14,382	-9.4%
FY 2010	\$13,571	-4.1%	\$157	-29.9%					\$13,728	-4.6%
FY 2011	\$14,648	7.9%	\$112	-29.0%	\$99				\$14,859	8.2%
FY 2012	\$14,874	1.5%	\$114	2.3%	\$118	19.1%			\$15,107	1.7%
FY 2013	\$15,783	6.1%	\$101	-11.5%	\$126	5.9%			\$16,009	6.0%
FY 2014	\$16,383	3.8%	\$197	95.3%	\$114	-9.4%			\$16,694	4.3%
FY 2015	\$17,283	5.5%	\$207	5.0%	\$120	5.7%			\$17,611	5.5%
FY 2016	\$18,579	7.5%	\$215	3.6%	\$139	15.7%			\$18,933	7.5%
FY 2017	\$19,739	6.2%	\$252	17.5%	\$127	-9.0%			\$20,118	6.3%
FY 2018	\$21,712	10.0%	\$302	19.6%	\$129	1.5%			\$22,143	10.1%
FY 2019	\$22,430	3.3%	\$1,352	348.1%	\$156	21.1%			\$23,938	8.1%
FY 2020	\$23,817	6.2%	\$913	-32.5%	\$153	-2.0%	\$32		\$24,915	4.1%
FY 2021	\$26,986	13.3%	\$726	-20.5%	\$184	20.9%	\$320	905.5%	\$28,217	13.3%
FY 2022	\$30,030	11.3%	\$890	22.6%	\$190	2.9%	\$369	15.1%	\$31,478	11.6%
FY 2023	\$30,972	3.1%	\$1,685	89.4%	\$188	-0.7%	\$410	11.3%	\$33,256	5.6%
FY 2024	\$31,094	0.4%	\$966	-42.7%	\$177	-6.2%	\$435	6.1%	\$32,672	-1.8%
Forecast:										
FY 2025	\$31,978	2.8%	\$1,151	19.2%	\$164	-7.1%	\$479	10.1%	\$33,773	3.4%
FY 2026	\$32,863	2.8%	\$1,216	5.6%	\$182	11.2%	\$463	-3.5%	\$34,724	2.8%
FY 2027	\$34,296	4.4%	\$1,268	4.3%	\$184	0.8%	\$480	3.7%	\$36,228	4.3%
FY 2028	\$35,558	3.7%	\$1,325	4.5%	\$186	1.1%	\$498	3.7%	\$37,567	3.7%
FY 2029	\$36,770	3.4%	\$1,382	4.4%	\$189	1.5%	\$517	3.9%	\$38,858	3.4%
<b>Biennial Totals</b>										
<b>09-11 Biennium</b>	<b>\$28,218</b>	<b>-5.4%</b>	<b>\$269</b>	<b>-38.5%</b>	<b>\$99</b>	<b>NA</b>	<b>\$0</b>	<b>NA</b>	<b>\$28,586</b>	<b>-5.5%</b>
<b>11-13 Biennium</b>	<b>\$30,657</b>	<b>8.6%</b>	<b>\$215</b>	<b>-19.9%</b>	<b>\$244</b>	<b>145.2%</b>	<b>\$0</b>	<b>NA</b>	<b>\$31,116</b>	<b>8.8%</b>
<b>13-15 Biennium</b>	<b>\$33,666</b>	<b>9.8%</b>	<b>\$405</b>	<b>88.0%</b>	<b>\$234</b>	<b>-4.1%</b>	<b>\$0</b>	<b>NA</b>	<b>\$34,305</b>	<b>10.2%</b>
<b>15-17 Biennium</b>	<b>\$38,317</b>	<b>13.8%</b>	<b>\$467</b>	<b>15.4%</b>	<b>\$266</b>	<b>13.6%</b>	<b>\$0</b>	<b>NA</b>	<b>\$39,050</b>	<b>13.8%</b>
<b>17-19 Biennium</b>	<b>\$44,143</b>	<b>15.2%</b>	<b>\$1,654</b>	<b>254.1%</b>	<b>\$284</b>	<b>6.9%</b>	<b>\$0</b>	<b>NA</b>	<b>\$46,081</b>	<b>18.0%</b>
<b>19-21 Biennium</b>	<b>\$50,803</b>	<b>15.1%</b>	<b>\$1,639</b>	<b>-0.9%</b>	<b>\$337</b>	<b>18.5%</b>	<b>\$352</b>	<b>NA</b>	<b>\$53,132</b>	<b>15.3%</b>
<b>21-23 Biennium</b>	<b>\$61,002</b>	<b>20.1%</b>	<b>\$2,575</b>	<b>57.1%</b>	<b>\$378</b>	<b>12.2%</b>	<b>\$779</b>	<b>121.2%</b>	<b>\$64,734</b>	<b>21.8%</b>
<b>23-25 Biennium</b>	<b>\$63,072</b>	<b>3.4%</b>	<b>\$2,117</b>	<b>-17.8%</b>	<b>\$341</b>	<b>-9.9%</b>	<b>\$915</b>	<b>17.4%</b>	<b>\$66,445</b>	<b>2.6%</b>
<b>25-27 Biennium</b>	<b>\$67,159</b>	<b>6.5%</b>	<b>\$2,483</b>	<b>17.3%</b>	<b>\$366</b>	<b>7.5%</b>	<b>\$943</b>	<b>3.1%</b>	<b>\$70,952</b>	<b>6.8%</b>
<b>27-29 Biennium</b>	<b>\$72,329</b>	<b>7.7%</b>	<b>\$2,707</b>	<b>9.0%</b>	<b>\$375</b>	<b>2.3%</b>	<b>\$1,014</b>	<b>7.6%</b>	<b>\$76,425</b>	<b>7.7%</b>

\*Education legacy trust fund excluding FY 14 and FY 15 lottery fund transfers. Includes pension stabilization fund interest in FY 08 and FY 09.

Table 3.18  
**Forecasted distribution of excise tax and license fees from cannabis sales**  
 March 2025  
 Cash forecast, thousands of dollars

Fiscal year	Total of cannabis excise taxes plus license fees	LCB administration and pre-distribution allotments*	Total to distribute	Distribution of remaining funds							
				DSHS substance abuse program	Dept. of Health cannabis education program	UW/WSU research	Basic Health Plan Trust Account	Health Care Authority community health centers	OSPI dropout prevention	Local governments	General Fund-State**
2016	\$168,051	\$16,342	\$151,709	\$12,814	\$7,500	\$345	\$79,750	\$0	\$251	\$0	\$51,049
2017	\$300,635	\$22,180	\$278,455	\$27,786	\$7,500	\$345	\$145,717	\$0	\$511	\$0	\$96,596
2018	\$360,608	\$31,388	\$329,220	\$27,786	\$9,761	\$365	\$173,418	\$0	\$513	\$0	\$117,377
2019	\$391,191	\$60,749	\$330,442	\$0	\$9,764	\$365	\$188,317	\$0	\$515	\$0	\$131,482
2020	\$448,427	\$66,894	\$381,533	\$0	\$10,786	\$374	\$215,096	\$0	\$522	\$0	\$154,754
2021	\$560,929	\$70,584	\$490,345	\$0	\$10,615	\$384	\$272,521	\$0	\$530	\$0	\$206,296
2022	\$527,090	\$17,993	\$509,097	\$0	\$10,584	\$401	\$264,470	\$56,056	\$520	\$0	\$177,066
2023	\$475,235	\$20,073	\$455,162	\$0	\$11,000	\$475	\$230,431	\$48,745	\$550	\$22,157	\$141,804
2024	\$483,451	\$40,735	\$442,717	\$0	\$11,863	\$513	\$229,997	\$49,864	\$593	\$22,665	\$127,222
2025	\$452,263	\$17,907	\$434,356	\$0	\$12,368	\$535	\$218,834	\$46,292	\$618	\$21,042	\$134,667
2026	\$469,324	\$18,453	\$450,871	\$0	\$12,750	\$552	\$227,205	\$48,063	\$637	\$21,847	\$139,819
2027	\$480,068	\$18,870	\$461,198	\$0	\$13,038	\$564	\$232,411	\$49,164	\$651	\$22,347	\$143,022
2028	\$495,639	\$19,294	\$476,346	\$0	\$13,331	\$577	\$240,121	\$50,795	\$666	\$23,089	\$147,767
2029	\$510,710	\$19,748	\$490,962	\$0	\$13,645	\$590	\$247,543	\$52,365	\$682	\$23,802	\$152,334

**Biennial totals**

2015-17	\$468,686	\$38,522	\$430,164	\$40,600	\$15,000	\$690	\$225,467	\$0	\$762	\$0	\$147,645
2017-19	\$751,799	\$92,137	\$659,662	\$27,786	\$19,525	\$730	\$361,735	\$0	\$1,028	\$0	\$248,859
2019-21	\$1,009,356	\$137,478	\$871,878	\$0	\$21,401	\$758	\$487,617	\$0	\$1,052	\$0	\$361,050
2021-23	\$1,002,325	\$38,066	\$964,259	\$0	\$21,584	\$876	\$494,902	\$104,801	\$1,070	\$22,157	\$318,869
2023-25	\$935,714	\$58,642	\$877,073	\$0	\$24,231	\$1,048	\$448,831	\$96,156	\$1,211	\$43,707	\$261,889
2025-27	\$949,392	\$37,322	\$912,069	\$0	\$25,788	\$1,116	\$459,616	\$97,226	\$1,289	\$44,194	\$282,841
2027-29	\$1,006,349	\$39,041	\$967,307	\$0	\$26,976	\$1,167	\$487,665	\$103,160	\$1,348	\$46,891	\$300,101

\*In FY 2024, \$23.559 million was retained by the LCB to adjust for an over-transfer of funds in FY 2022

\*\*Before distributions to local governments FY 2016-FY2022

Table 3.19  
**Workforce Education Investment Account**  
 March 2025  
 Cash forecast, thousands of dollars

	FY22	FY23	2021-23 Biennium	FY24	FY25	2023-25 Biennium	FY26	FY27	2025-27 Biennium	FY28	FY29	2027-29 Biennium
<b>November 2024 forecast</b>	\$368,630	\$410,385	\$779,016	\$435,360	\$446,405	\$881,765	\$463,100	\$481,645	\$944,745	\$499,911	\$518,998	\$1,018,909
<b>Forecast change</b>	\$0	\$0	\$0	\$0	\$32,877	\$32,877	-\$383	-\$1,721	-\$2,104	-\$2,293	-\$2,165	-\$4,458
<b>March 2025 forecast</b>	\$368,630	\$410,385	\$779,016	\$435,360	\$479,282	\$914,641	\$462,717	\$479,925	\$942,641	\$497,618	\$516,832	\$1,014,451



## Detail Components of the Washington State Economic and Revenue Forecast

Calendar Years

*Note: The economic data discussed in these tables were current at the time the forecast was prepared. Many concepts have changed since then due to new releases and data revisions.*

Table A1.1

**U.S. Economic Forecast Summary**

Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	22,034.8	22,671.1	23,302.2	23,824.2	24,289.6	24,751.1	25,221.4	25,675.4
% Ch	2.5	2.9	2.8	2.2	2.0	1.9	1.9	1.8
Real Consumption	15,236.2	15,621.7	16,054.3	16,482.7	16,811.2	17,147.5	17,473.2	17,805.2
% Ch	3.0	2.5	2.8	2.7	2.0	2.0	1.9	1.9
Real Nonresidential Fixed Investment	3,192.9	3,384.5	3,508.2	3,588.9	3,663.0	3,762.5	3,916.4	4,051.8
% Ch	7.0	6.0	3.7	2.3	2.1	2.7	4.1	3.5
Real Residential Fixed Investment	831.6	762.7	794.8	805.4	803.4	822.0	854.5	889.6
% Ch	-8.6	-8.3	4.2	1.3	-0.3	2.3	3.9	4.1
Real Personal Income	19,023.0	19,421.8	19,994.3	20,450.6	21,004.0	21,662.8	22,315.3	22,882.3
% Ch	-3.3	2.1	2.9	2.3	2.7	3.1	3.0	2.5
Real Per Capita Income (\$/Person)	56,853	57,547	58,697	59,710	61,165	62,924	64,660	66,105
% Ch	-3.9	1.2	2.0	1.7	2.4	2.9	2.8	2.2
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	116.1	120.5	123.5	126.8	130.4	133.1	135.6	138.4
% Ch	6.6	3.8	2.5	2.6	2.9	2.1	1.9	2.0
U.S. Consumer Price Index (1982-84=1.0)	2.926	3.047	3.137	3.234	3.336	3.412	3.480	3.559
% Ch	8.0	4.1	3.0	3.1	3.2	2.3	2.0	2.3
Employment Cost Index (Dec. 2005=1.0)	1.548	1.619	1.683	1.751	1.845	1.923	2.003	2.083
% Ch	5.3	4.6	3.9	4.1	5.4	4.2	4.2	4.0
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	26,006.9	27,720.7	29,179.1	30,713.0	32,274.2	33,620.0	35,014.3	36,438.2
% Ch	9.8	6.6	5.3	5.3	5.1	4.2	4.1	4.1
Personal Income	22,088.9	23,402.5	24,692.3	25,924.0	27,390.9	28,843.7	30,264.9	31,667.7
% Ch	3.1	5.9	5.5	5.0	5.7	5.3	4.9	4.6
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	164.3	167.1	168.1	171.2	171.5	171.6	171.9	172.4
Total U.S. Employment	158.3	161.0	161.3	164.0	163.9	163.9	164.2	164.9
Unemployment Rate (%)	3.65	3.64	4.02	4.20	4.41	4.52	4.44	4.33
Nonfarm Payroll Employment	152.54	155.88	157.96	159.59	160.22	160.41	160.73	161.33
% Ch	4.3	2.2	1.3	1.0	0.4	0.1	0.2	0.4
Manufacturing	12.77	12.87	12.82	12.78	12.60	12.38	12.17	12.06
% Ch	3.7	0.8	-0.4	-0.3	-1.4	-1.8	-1.7	-0.9
Durable Manufacturing	7.92	8.02	7.97	7.94	7.89	7.72	7.57	7.49
% Ch	3.7	1.3	-0.7	-0.3	-0.7	-2.1	-2.0	-1.0
Nondurable Manufacturing	4.84	4.85	4.85	4.84	4.72	4.66	4.61	4.57
% Ch	3.7	0.1	0.0	-0.3	-2.5	-1.3	-1.1	-0.8
Construction	7.76	8.01	8.21	8.36	8.44	8.54	8.74	8.97
% Ch	4.4	3.1	2.5	1.8	1.0	1.2	2.4	2.6
Service-Providing	131.40	134.36	136.30	137.85	138.55	138.85	139.21	139.72
% Ch	4.3	2.3	1.4	1.1	0.5	0.2	0.3	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	94.8	77.6	76.5	67.8	63.9	62.9	62.5	62.2
Personal Saving/Disposable Income (%)	3.0	4.7	4.7	4.9	6.0	7.1	7.9	8.3
Auto Sales (Millions)	2.9	3.1	3.0	3.0	3.1	3.1	3.2	3.2
% Ch	-14.7	9.0	-4.4	1.7	1.7	1.9	1.2	0.7
Housing Starts (Millions)	1.552	1.421	1.365	1.357	1.322	1.340	1.380	1.399
% Ch	-3.3	-8.4	-4.0	-0.5	-2.6	1.3	2.9	1.4
Federal Budget Surplus (Billions)	-1,020.3	-1,666.4	-1,838.1	-1,865.1	-1,931.4	-2,083.2	-2,117.9	-2,193.0
Net Exports (Billions)	-958.9	-797.3	-908.8	-929.3	-843.2	-748.5	-665.7	-601.1
3-Month Treasury Bill Rate (%)	2.02	5.07	4.97	4.01	3.61	2.93	2.83	2.82
10-Year Treasury Note Yield (%)	2.95	3.96	4.21	4.45	4.12	3.91	3.83	3.81
Bond Index of 20 G.O. Munis. (%)	3.21	3.69	3.83	4.20	4.13	4.05	3.99	3.93
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.72	6.70	6.22	5.80	5.67	5.59

Table A1.2

**U.S. Economic Forecast Summary**

Forecast 2025 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	23,053.5	23,223.9	23,400.3	23,530.9	23,660.6	23,771.0	23,879.4	23,985.9
% Ch , Annual Rate	1.6	3.0	3.1	2.3	2.2	1.9	1.8	1.8
Real Consumption	15,856.9	15,967.3	16,113.0	16,280.1	16,365.9	16,444.6	16,520.0	16,600.2
% Ch , Annual Rate	1.9	2.8	3.7	4.2	2.1	1.9	1.8	2.0
Real Nonresidential Fixed Investment	3,471.0	3,504.1	3,538.8	3,519.0	3,545.5	3,575.0	3,610.5	3,624.4
% Ch , Annual Rate	4.5	3.9	4.0	-2.2	3.0	3.4	4.0	1.5
Real Residential Fixed Investment	800.8	795.2	786.5	796.7	804.7	804.9	805.6	806.3
% Ch , Annual Rate	13.7	-2.8	-4.3	5.3	4.1	0.1	0.3	0.4
Real Personal Income	19,871.7	19,934.3	20,013.2	20,158.1	20,264.0	20,361.2	20,517.6	20,659.5
% Ch , Annual Rate	5.7	1.3	1.6	2.9	2.1	1.9	3.1	2.8
Real Per Capita Income (\$/Person)	58,517	58,569	58,687	59,016	59,247	59,468	59,876	60,249
% Ch , Annual Rate	4.7	0.4	0.8	2.3	1.6	1.5	2.8	2.5
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	122.5	123.3	123.7	124.4	125.3	126.3	127.3	128.2
% Ch , Annual Rate	3.4	2.5	1.5	2.3	2.9	3.1	3.1	2.9
U.S. Consumer Price Index (1982-84=1.0)	3.110	3.132	3.141	3.165	3.203	3.226	3.242	3.265
% Ch , Annual Rate	3.8	2.8	1.2	3.1	4.9	2.9	2.0	2.9
Employment Cost Index (Dec. 2005=1.0)	1.662	1.676	1.689	1.704	1.720	1.736	1.761	1.787
% Ch , Annual Rate	4.5	3.4	3.1	3.6	3.8	3.8	5.9	6.1
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	28,624.1	29,016.7	29,374.9	29,700.6	30,111.8	30,492.2	30,918.9	31,329.1
% Ch , Annual Rate	4.7	5.6	5.0	4.5	5.7	5.1	5.7	5.4
Personal Income	24,344.2	24,574.0	24,765.8	25,085.3	25,396.1	25,711.3	26,109.5	26,479.2
% Ch , Annual Rate	9.3	3.8	3.2	5.3	5.0	5.1	6.3	5.8
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	167.6	167.9	168.5	168.4	170.9	171.3	171.3	171.4
Total U.S. Employment	161.2	161.3	161.5	161.4	163.9	164.1	164.1	164.1
Unemployment Rate (%)	3.80	3.97	4.17	4.15	4.10	4.18	4.23	4.29
Nonfarm Payroll Employment	157.28	157.79	158.13	158.63	159.06	159.47	159.83	160.01
% Ch , Annual Rate	1.5	1.3	0.9	1.3	1.1	1.0	0.9	0.5
Manufacturing	12.85	12.85	12.81	12.76	12.76	12.76	12.80	12.79
% Ch , Annual Rate	0.0	-0.2	-1.0	-1.7	-0.1	0.2	1.3	-0.4
Durable Manufacturing	8.00	7.99	7.96	7.91	7.90	7.90	7.97	7.99
% Ch , Annual Rate	-0.3	-0.6	-1.8	-2.3	-0.6	0.1	3.6	1.1
Nondurable Manufacturing	4.85	4.85	4.86	4.85	4.86	4.86	4.84	4.80
% Ch , Annual Rate	0.5	0.3	0.3	-0.6	0.7	0.5	-2.3	-2.9
Construction	8.14	8.19	8.24	8.28	8.31	8.33	8.38	8.41
% Ch , Annual Rate	2.6	2.4	2.5	1.8	1.5	1.0	2.4	1.3
Service-Providing	135.65	136.13	136.45	136.98	137.39	137.77	138.04	138.20
% Ch , Annual Rate	1.6	1.4	0.9	1.5	1.2	1.1	0.8	0.5
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	77.6	81.4	76.2	70.7	71.9	67.7	66.3	65.3
Personal Saving/Disposable Income (%)	5.4	4.9	4.3	4.1	4.2	4.2	5.5	5.6
Auto Sales (Millions)	3.0	2.9	3.0	3.1	3.0	3.0	3.0	3.1
% Ch , Annual Rate	-15.2	-10.0	9.4	14.5	-6.0	-2.7	2.2	7.7
Housing Starts (Millions)	1.407	1.340	1.332	1.379	1.372	1.357	1.354	1.346
% Ch , Annual Rate	-18.5	-17.6	-2.5	14.9	-2.1	-4.2	-1.0	-2.2
Federal Budget Surplus (Billions)	-1,746.1	-1,791.6	-1,920.5	-1,894.2	-1,839.4	-1,762.1	-1,958.9	-1,900.0
Net Exports (Billions)	-841.6	-906.9	-943.7	-943.2	-948.3	-958.4	-918.9	-891.7
3-Month Treasury Bill Rate (%)	5.23	5.24	4.99	4.40	4.23	4.05	3.91	3.87
10-Year Treasury Note Yield (%)	4.16	4.44	3.95	4.28	4.57	4.45	4.41	4.37
Bond Index of 20 G.O. Munis. (%)	3.47	3.93	3.88	4.03	4.16	4.19	4.22	4.23
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.45	6.69	6.97	6.71	6.61	6.53



Table A1.2 (continued)  
**U.S. Economic Forecast Summary**  
Forecast 2025 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	24,108.0	24,229.6	24,350.4	24,470.4	24,581.5	24,691.5	24,805.3	24,926.1
% Ch , Annual Rate	2.1	2.0	2.0	2.0	1.8	1.8	1.9	2.0
Real Consumption	16,685.2	16,770.8	16,853.0	16,935.9	17,020.9	17,106.2	17,191.0	17,271.7
% Ch , Annual Rate	2.1	2.1	2.0	2.0	2.0	2.0	2.0	1.9
Real Nonresidential Fixed Investment	3,635.6	3,651.0	3,671.0	3,694.5	3,718.0	3,743.8	3,774.7	3,813.6
% Ch , Annual Rate	1.2	1.7	2.2	2.6	2.6	2.8	3.3	4.2
Real Residential Fixed Investment	801.6	800.5	803.0	808.3	814.1	817.1	823.5	833.3
% Ch , Annual Rate	-2.3	-0.5	1.2	2.7	2.9	1.5	3.1	4.9
Real Personal Income	20,818.9	20,944.2	21,056.0	21,197.0	21,394.7	21,588.3	21,758.1	21,909.9
% Ch , Annual Rate	3.1	2.4	2.2	2.7	3.8	3.7	3.2	2.8
Real Per Capita Income (\$/Person)	60,680	61,011	61,299	61,670	62,204	62,727	63,182	63,585
% Ch , Annual Rate	2.9	2.2	1.9	2.4	3.5	3.4	2.9	2.6
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	129.2	130.1	130.8	131.5	132.3	132.9	133.4	134.0
% Ch , Annual Rate	3.3	2.8	2.2	2.2	2.5	1.6	1.6	1.8
U.S. Consumer Price Index (1982-84=1.0)	3.301	3.328	3.347	3.368	3.395	3.406	3.417	3.432
% Ch , Annual Rate	4.5	3.3	2.2	2.6	3.2	1.3	1.3	1.8
Employment Cost Index (Dec. 2005=1.0)	1.813	1.838	1.856	1.872	1.893	1.912	1.933	1.953
% Ch , Annual Rate	5.8	5.7	4.0	3.6	4.5	4.2	4.4	4.2
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	31,785.1	32,105.9	32,431.4	32,774.3	33,129.4	33,451.7	33,774.3	34,124.6
% Ch , Annual Rate	6.0	4.1	4.1	4.3	4.4	3.9	3.9	4.2
Personal Income	26,899.3	27,246.3	27,541.5	27,876.5	28,310.1	28,680.9	29,024.6	29,359.1
% Ch , Annual Rate	6.5	5.3	4.4	5.0	6.4	5.3	4.9	4.7
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	171.5	171.5	171.5	171.5	171.5	171.6	171.6	171.7
Total U.S. Employment	164.0	164.0	163.9	163.8	163.8	163.8	163.9	163.9
Unemployment Rate (%)	4.34	4.39	4.43	4.48	4.51	4.53	4.53	4.52
Nonfarm Payroll Employment	160.12	160.20	160.26	160.30	160.35	160.39	160.43	160.48
% Ch , Annual Rate	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Manufacturing	12.71	12.64	12.57	12.49	12.46	12.42	12.35	12.29
% Ch , Annual Rate	-2.3	-2.4	-2.1	-2.5	-0.9	-1.4	-2.3	-2.0
Durable Manufacturing	7.95	7.91	7.87	7.81	7.79	7.76	7.70	7.65
% Ch , Annual Rate	-1.9	-2.1	-2.0	-2.8	-1.1	-1.8	-3.0	-2.4
Nondurable Manufacturing	4.76	4.73	4.70	4.68	4.67	4.66	4.65	4.63
% Ch , Annual Rate	-3.0	-2.9	-2.3	-1.8	-0.6	-0.7	-1.2	-1.3
Construction	8.42	8.43	8.44	8.46	8.48	8.51	8.55	8.60
% Ch , Annual Rate	0.5	0.6	0.7	0.8	1.1	1.1	1.9	2.4
Service-Providing	138.38	138.50	138.61	138.70	138.76	138.82	138.88	138.94
% Ch , Annual Rate	0.5	0.4	0.3	0.3	0.2	0.2	0.2	0.2
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	64.5	64.1	63.7	63.4	63.2	63.0	62.8	62.8
Personal Saving/Disposable Income (%)	5.9	6.0	6.0	6.2	6.6	7.0	7.2	7.4
Auto Sales (Millions)	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
% Ch , Annual Rate	-0.8	-1.6	3.5	3.8	1.6	1.1	1.6	0.5
Housing Starts (Millions)	1.328	1.319	1.323	1.320	1.324	1.337	1.344	1.356
% Ch , Annual Rate	-5.4	-2.5	0.9	-0.7	1.1	4.2	2.0	3.5
Federal Budget Surplus (Billions)	-1,892.3	-1,907.2	-1,949.7	-1,976.6	-2,046.7	-2,072.3	-2,100.4	-2,113.4
Net Exports (Billions)	-858.2	-855.5	-840.4	-818.7	-790.4	-759.6	-734.6	-709.2
3-Month Treasury Bill Rate (%)	3.84	3.78	3.54	3.28	3.11	2.89	2.87	2.85
10-Year Treasury Note Yield (%)	4.27	4.14	4.07	4.00	4.01	3.91	3.86	3.84
Bond Index of 20 G.O. Munis. (%)	4.20	4.14	4.10	4.07	4.10	4.04	4.02	4.01
30-Year Fixed Mortgage Rate (%)	6.42	6.27	6.15	6.04	5.94	5.83	5.73	5.68



Table A1.2 (continued)  
**U.S. Economic Forecast Summary**  
Forecast 2025 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	25,043.6	25,161.1	25,279.2	25,401.7	25,509.1	25,624.2	25,728.0	25,840.1
% Ch , Annual Rate	1.9	1.9	1.9	2.0	1.7	1.8	1.6	1.8
Real Consumption	17,346.5	17,430.4	17,515.4	17,600.8	17,681.3	17,762.2	17,845.7	17,931.7
% Ch , Annual Rate	1.7	1.9	2.0	2.0	1.8	1.8	1.9	1.9
Real Nonresidential Fixed Investment	3,857.5	3,898.4	3,936.6	3,973.1	4,005.2	4,037.7	4,067.6	4,096.8
% Ch , Annual Rate	4.7	4.3	4.0	3.8	3.3	3.3	3.0	2.9
Real Residential Fixed Investment	842.8	847.6	856.6	870.8	878.3	890.1	892.4	897.4
% Ch , Annual Rate	4.6	2.3	4.3	6.8	3.5	5.5	1.0	2.3
Real Personal Income	22,093.0	22,250.0	22,389.9	22,528.2	22,677.9	22,815.3	22,949.2	23,086.9
% Ch , Annual Rate	3.4	2.9	2.5	2.5	2.7	2.4	2.4	2.4
Real Per Capita Income (\$/Person)	64,078	64,494	64,857	65,212	65,597	65,941	66,272	66,609
% Ch , Annual Rate	3.1	2.6	2.3	2.2	2.4	2.1	2.0	2.1
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	134.6	135.3	136.0	136.7	137.3	138.0	138.7	139.4
% Ch , Annual Rate	1.9	1.9	2.1	2.1	2.1	2.0	2.1	2.0
U.S. Consumer Price Index (1982-84=1.0)	3.452	3.468	3.489	3.509	3.529	3.549	3.570	3.588
% Ch , Annual Rate	2.3	1.9	2.4	2.4	2.3	2.2	2.4	2.1
Employment Cost Index (Dec. 2005=1.0)	1.973	1.994	2.013	2.033	2.053	2.073	2.093	2.112
% Ch , Annual Rate	4.2	4.2	3.9	4.1	4.0	3.9	3.9	3.7
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	34,485.0	34,830.9	35,189.0	35,552.3	35,899.2	36,261.9	36,615.0	36,976.6
% Ch , Annual Rate	4.3	4.1	4.2	4.2	4.0	4.1	4.0	4.0
Personal Income	29,740.9	30,093.8	30,439.6	30,785.3	31,147.5	31,492.4	31,840.0	32,190.9
% Ch , Annual Rate	5.3	4.8	4.7	4.6	4.8	4.5	4.5	4.5
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	171.7	171.8	171.9	172.0	172.2	172.3	172.5	172.6
Total U.S. Employment	164.0	164.2	164.3	164.5	164.7	164.8	165.0	165.2
Unemployment Rate (%)	4.49	4.46	4.43	4.40	4.37	4.33	4.31	4.30
Nonfarm Payroll Employment	160.56	160.66	160.79	160.93	161.09	161.24	161.40	161.57
% Ch, Annual Rate	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.4
Manufacturing	12.25	12.20	12.15	12.10	12.08	12.06	12.06	12.05
% Ch, Annual Rate	-1.2	-1.5	-1.8	-1.6	-0.5	-0.5	-0.1	-0.4
Durable Manufacturing	7.62	7.59	7.55	7.51	7.50	7.49	7.50	7.49
% Ch, Annual Rate	-1.5	-1.7	-2.2	-1.9	-0.5	-0.4	0.0	-0.5
Nondurable Manufacturing	4.63	4.61	4.60	4.59	4.58	4.57	4.57	4.56
% Ch, Annual Rate	-0.8	-1.2	-1.1	-1.1	-0.6	-0.8	-0.4	-0.4
Construction	8.65	8.70	8.77	8.83	8.88	8.95	8.99	9.04
% Ch, Annual Rate	2.5	2.3	2.9	3.1	2.4	2.9	1.9	2.2
Service-Providing	139.02	139.13	139.27	139.41	139.53	139.65	139.78	139.91
% Ch, Annual Rate	0.2	0.3	0.4	0.4	0.4	0.3	0.4	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	62.6	62.6	62.5	62.4	62.3	62.3	62.2	62.1
Personal Saving/Disposable Income (%)	7.7	7.9	7.9	8.0	8.2	8.3	8.4	8.5
Auto Sales (Millions)	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2
% Ch, Annual Rate	-0.6	4.0	1.6	0.6	1.1	-0.1	-1.2	0.1
Housing Starts (Millions)	1.364	1.375	1.387	1.392	1.397	1.398	1.401	1.401
% Ch, Annual Rate	2.6	3.1	3.8	1.5	1.2	0.4	1.0	0.0
Federal Budget Surplus (Billions)	-2,150.9	-2,094.4	-2,107.1	-2,119.3	-2,169.0	-2,184.2	-2,198.7	-2,220.2
Net Exports (Billions)	-686.7	-671.7	-658.1	-646.2	-632.2	-612.5	-591.3	-568.7
3-Month Treasury Bill Rate (%)	2.84	2.84	2.83	2.83	2.82	2.82	2.82	2.82
10-Year Treasury Note Yield (%)	3.83	3.83	3.83	3.83	3.81	3.81	3.81	3.80
Bond Index of 20 G.O. Munis. (%)	4.01	3.99	3.98	3.96	3.94	3.93	3.92	3.91
30-Year Fixed Mortgage Rate (%)	5.69	5.67	5.66	5.64	5.61	5.59	5.58	5.57

Table A1.3  
**Washington Economic Forecast Summary**  
Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	506.919	521.430	539.306	550.244	564.714	584.585	604.951	623.158
% Ch	-3.2	2.9	3.4	2.0	2.6	3.5	3.5	3.0
Real Wage and Salary Disb.	268.415	277.813	289.803	294.797	301.739	310.003	320.013	329.191
% Ch	0.2	3.5	4.3	1.7	2.4	2.7	3.2	2.9
Real Nonwage Income	238.504	243.617	249.503	255.448	262.976	274.583	284.937	293.967
% Ch	-6.7	2.1	2.4	2.4	2.9	4.4	3.8	3.2
Real Per Capita Income (\$/Person)	65,137	66,732	68,742	69,811	71,431	73,707	75,980	77,873
% Ch	-3.7	2.4	3.0	1.6	2.3	3.2	3.1	2.5
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.161	1.205	1.235	1.268	1.304	1.331	1.356	1.384
% Ch	6.6	3.8	2.5	2.6	2.9	2.1	1.9	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.224	3.412	3.535	3.649	3.765	3.844	3.926	4.013
% Ch	8.9	5.8	3.6	3.2	3.2	2.1	2.1	2.2
Average Nonfarm Annual Wage	85,917	90,609	95,903	99,123	103,588	108,025	112,737	117,335
% Ch	1.8	5.5	5.8	3.4	4.5	4.3	4.4	4.1
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.90	29.71	32.34	35.06	36.92	38.44	40.00	41.53
% Ch	6.6	-0.6	8.8	8.4	5.3	4.1	4.1	3.8
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	588.561	628.277	665.997	697.503	736.441	778.372	820.465	862.418
% Ch	3.2	6.7	6.0	4.7	5.6	5.7	5.4	5.1
Disposable Personal Income	504.690	552.454	584.911	615.952	654.096	690.766	726.310	762.179
% Ch	0.6	9.5	5.9	5.3	6.2	5.6	5.1	4.9
Per Capita Income (\$/Person)	75,626	80,405	84,890	88,494	93,152	98,140	103,047	107,771
% Ch	2.7	6.3	5.6	4.2	5.3	5.4	5.0	4.6
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,968.9	4,031.9	4,060.9	4,073.9	4,089.3	4,104.1	4,124.5	4,150.7
Total Washington Employment	3,808.3	3,862.5	3,878.6	3,892.1	3,898.5	3,909.4	3,934.9	3,966.9
Unemployment Rate (%)	4.05	4.20	4.49	4.46	4.67	4.74	4.60	4.43
Nonfarm Payroll Employment	3,528.2	3,593.1	3,632.1	3,668.9	3,697.8	3,720.6	3,749.8	3,782.8
% Ch	4.7	1.8	1.1	1.0	0.8	0.6	0.8	0.9
Manufacturing	268.8	273.7	275.1	274.6	275.6	276.3	276.8	277.0
% Ch	3.4	1.8	0.5	-0.2	0.4	0.2	0.2	0.1
Durable Manufacturing	181.8	187.7	189.4	188.6	191.4	192.5	193.3	193.5
% Ch	3.4	3.2	0.9	-0.4	1.5	0.6	0.4	0.1
Aerospace	71.3	77.5	79.9	80.1	82.6	85.1	86.7	87.8
% Ch	5.5	8.6	3.2	0.1	3.1	3.0	1.9	1.2
Nondurable Manufacturing	87.0	86.0	85.7	86.1	84.3	83.8	83.5	83.5
% Ch	3.4	-1.1	-0.3	0.4	-2.1	-0.6	-0.3	0.0
Construction	232.3	232.0	228.7	231.1	235.8	240.7	246.0	251.8
% Ch	3.8	-0.1	-1.4	1.1	2.1	2.1	2.2	2.4
Service-Providing	3,021.6	3,081.9	3,122.9	3,158.1	3,181.3	3,198.5	3,221.7	3,248.4
% Ch	4.9	2.0	1.3	1.1	0.7	0.5	0.7	0.8
Software Publishers	86.0	86.0	82.8	83.3	84.7	86.7	88.7	90.7
% Ch	7.6	0.0	-3.8	0.6	1.7	2.4	2.3	2.2
Mgmt. of Companies and Enterprises	104.1	101.7	100.8	103.6	106.9	109.8	112.3	114.7
% Ch	15.4	-2.3	-0.9	2.7	3.3	2.7	2.3	2.1
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	49.030	37.097	37.535	36.987	37.627	39.379	40.860	42.065
% Ch	-13.9	-24.3	1.2	-1.5	1.7	4.7	3.8	2.9
Single-Family	20.400	18.056	19.135	18.413	20.274	21.306	21.597	21.738
% Ch	-18.6	-11.5	6.0	-3.8	10.1	5.1	1.4	0.7
Multi-Family	28.630	19.041	18.400	18.573	17.353	18.073	19.263	20.327
% Ch	-10.2	-33.5	-3.4	0.9	-6.6	4.2	6.6	5.5
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.72	6.70	6.22	5.80	5.67	5.59

Table A1.4  
**Washington Economic Forecast Summary**  
Forecast 2025 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	531.946	542.721	539.764	542.794	546.337	548.341	551.519	554.781
% Ch, Annual Rate	3.9	8.4	-2.2	2.3	2.6	1.5	2.3	2.4
Real Wage and Salary Disb.	283.667	293.550	290.380	291.617	293.437	293.945	294.981	296.824
% Ch, Annual Rate	3.2	14.7	-4.2	1.7	2.5	0.7	1.4	2.5
Real Nonwage Income	248.279	249.171	249.384	251.177	252.901	254.396	256.538	257.957
% Ch, Annual Rate	4.8	1.4	0.3	2.9	2.8	2.4	3.4	2.2
Real Per Capita Income (\$/Person)	67,911	69,228	68,773	69,055	69,421	69,595	69,935	70,295
% Ch, Annual Rate	3.6	8.0	-2.6	1.6	2.1	1.0	2.0	2.1
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.225	1.233	1.237	1.244	1.253	1.263	1.273	1.282
% Ch, Annual Rate	3.4	2.5	1.5	2.3	2.9	3.1	3.1	2.9
Seattle Cons. Price Index (1982-84=1.0)	3.504	3.530	3.541	3.566	3.614	3.639	3.658	3.684
% Ch, Annual Rate	4.4	3.0	1.2	2.9	5.5	2.9	2.0	2.9
Average Nonfarm Annual Wage	93,599	96,966	96,044	97,004	97,820	98,576	99,490	100,605
% Ch, Annual Rate	4.6	15.2	-3.8	4.1	3.4	3.1	3.8	4.6
Avg. Hourly Earnings-Mfg. (\$/Hour)	31.56	32.10	32.89	32.80	34.45	34.76	35.26	35.79
% Ch, Annual Rate	12.5	7.1	10.1	-1.1	21.7	3.6	5.9	6.1
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	651.637	669.007	667.909	675.433	684.703	692.421	701.828	711.062
% Ch, Annual Rate	7.5	11.1	-0.7	4.6	5.6	4.6	5.5	5.4
Disposable Personal Income	573.192	587.019	586.494	592.938	600.793	607.684	623.629	631.702
% Ch, Annual Rate	7.4	10.0	-0.4	4.5	5.4	4.7	10.9	5.3
Per Capita Income (\$/Person)	83,192	85,337	85,101	85,930	87,003	87,882	88,994	90,097
% Ch, Annual Rate	7.1	10.7	-1.1	4.0	5.1	4.1	5.2	5.0
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,051.3	4,064.0	4,065.6	4,062.9	4,066.4	4,073.0	4,075.8	4,080.2
Total Washington Employment	3,865.9	3,878.9	3,884.5	3,884.9	3,890.2	3,892.2	3,891.9	3,894.2
Unemployment Rate (%)	4.58	4.56	4.45	4.38	4.33	4.44	4.51	4.56
Nonfarm Payroll Employment	3,612.5	3,633.8	3,641.2	3,640.8	3,658.7	3,664.4	3,671.9	3,680.6
% Ch, Annual Rate	2.2	2.4	0.8	0.0	2.0	0.6	0.8	1.0
Manufacturing	276.5	277.6	279.3	267.0	273.8	274.2	275.0	275.4
% Ch, Annual Rate	4.1	1.6	2.5	-16.5	10.6	0.6	1.1	0.6
Durable Manufacturing	191.1	191.7	193.7	181.0	187.6	187.8	189.0	189.9
% Ch, Annual Rate	3.9	1.1	4.4	-23.7	15.2	0.4	2.6	2.1
Aerospace	81.4	82.4	83.7	72.3	79.7	79.6	80.1	80.8
% Ch, Annual Rate	6.2	5.2	6.4	-44.2	47.1	-0.1	2.6	3.4
Nondurable Manufacturing	85.4	85.9	85.6	86.0	86.3	86.5	86.0	85.5
% Ch, Annual Rate	4.6	2.6	-1.5	1.9	1.4	0.9	-2.1	-2.4
Construction	227.8	227.9	229.0	229.9	229.3	230.5	231.6	232.8
% Ch, Annual Rate	0.0	0.1	1.9	1.7	-1.1	2.2	1.9	2.1
Service-Providing	3,102.8	3,122.9	3,127.5	3,138.4	3,150.4	3,154.5	3,160.2	3,167.3
% Ch, Annual Rate	2.2	2.6	0.6	1.4	1.5	0.5	0.7	0.9
Software Publishers	83.3	82.9	82.3	82.7	82.7	83.1	83.6	83.8
% Ch, Annual Rate	-6.3	-1.7	-3.2	2.1	-0.2	2.3	2.1	0.9
Mgmt. of Companies and Enterprises	100.0	100.4	102.1	100.8	102.1	103.1	104.1	104.9
% Ch, Annual Rate	-7.6	1.7	6.7	-4.8	5.2	4.0	3.7	3.5
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	39.369	34.374	36.720	39.677	39.935	35.367	36.024	36.621
% Ch, Annual Rate	88.1	-41.9	30.2	36.3	2.6	-38.5	7.6	6.8
Single-Family	20.737	17.897	18.901	19.006	17.769	18.014	18.645	19.225
% Ch, Annual Rate	13.9	-44.5	24.4	2.2	-23.6	5.6	14.8	13.0
Multi-Family	18.632	16.477	17.820	20.671	22.166	17.353	17.379	17.395
% Ch, Annual Rate	258.3	-38.8	36.8	81.1	32.2	-62.4	0.6	0.4
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.45	6.69	6.97	6.71	6.61	6.53

Table A1.4 (continued)  
**Washington Economic Forecast Summary**  
Forecast 2025 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	558.361	562.303	566.857	571.336	576.672	582.133	587.312	592.224
% Ch, Annual Rate	2.6	2.9	3.3	3.2	3.8	3.8	3.6	3.4
Real Wage and Salary Disb.	298.578	300.734	302.891	304.750	306.397	308.770	311.185	313.659
% Ch, Annual Rate	2.4	2.9	2.9	2.5	2.2	3.1	3.2	3.2
Real Nonwage Income	259.783	261.569	263.966	266.586	270.275	273.363	276.128	278.565
% Ch, Annual Rate	2.9	2.8	3.7	4.0	5.7	4.6	4.1	3.6
Real Per Capita Income (\$/Person)	70,701	71,154	71,679	72,189	72,803	73,430	74,021	74,573
% Ch, Annual Rate	2.3	2.6	3.0	2.9	3.4	3.5	3.3	3.0
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.292	1.301	1.308	1.315	1.323	1.329	1.334	1.340
% Ch, Annual Rate	3.3	2.8	2.2	2.2	2.5	1.6	1.6	1.8
Seattle Cons. Price Index (1982-84=1.0)	3.734	3.759	3.775	3.795	3.825	3.836	3.849	3.866
% Ch, Annual Rate	5.5	2.7	1.7	2.1	3.2	1.3	1.3	1.8
Average Nonfarm Annual Wage	101,839	103,042	104,176	105,296	106,348	107,448	108,567	109,735
% Ch, Annual Rate	5.0	4.8	4.5	4.4	4.1	4.2	4.2	4.4
Avg. Hourly Earnings-Mfg. (\$/Hour)	36.29	36.80	37.14	37.46	37.86	38.23	38.63	39.02
% Ch, Annual Rate	5.8	5.7	3.8	3.4	4.3	4.0	4.3	4.1
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	721.437	731.500	741.456	751.374	763.071	773.385	783.455	793.576
% Ch, Annual Rate	6.0	5.7	5.6	5.5	6.4	5.5	5.3	5.3
Disposable Personal Income	640.936	649.728	658.496	667.226	677.681	686.563	695.141	703.679
% Ch, Annual Rate	6.0	5.6	5.5	5.4	6.4	5.3	5.1	5.0
Per Capita Income (\$/Person)	91,350	92,564	93,757	94,937	96,335	97,555	98,741	99,927
% Ch, Annual Rate	5.7	5.4	5.3	5.1	6.0	5.2	5.0	4.9
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,083.8	4,088.2	4,091.4	4,093.7	4,097.7	4,101.8	4,106.0	4,110.7
Total Washington Employment	3,895.8	3,898.4	3,899.7	3,899.9	3,903.2	3,906.9	3,911.1	3,916.6
Unemployment Rate (%)	4.60	4.64	4.69	4.73	4.75	4.75	4.75	4.72
Nonfarm Payroll Employment	3,687.2	3,695.9	3,702.4	3,705.9	3,711.8	3,717.4	3,723.3	3,730.1
% Ch, Annual Rate	0.7	1.0	0.7	0.4	0.6	0.6	0.6	0.7
Manufacturing	275.4	275.5	275.8	275.8	276.1	276.4	276.4	276.4
% Ch, Annual Rate	-0.1	0.2	0.4	0.1	0.4	0.3	0.0	0.0
Durable Manufacturing	190.5	191.1	191.8	192.1	192.3	192.5	192.6	192.7
% Ch, Annual Rate	1.1	1.4	1.3	0.7	0.5	0.5	0.1	0.3
Aerospace	81.5	82.2	82.9	83.6	84.3	84.9	85.4	85.8
% Ch, Annual Rate	3.5	3.6	3.4	3.4	3.1	2.8	2.5	2.1
Nondurable Manufacturing	84.9	84.4	84.0	83.8	83.8	83.8	83.8	83.7
% Ch, Annual Rate	-2.7	-2.4	-1.7	-1.2	0.2	0.1	-0.3	-0.4
Construction	234.0	235.3	236.5	237.6	238.8	240.1	241.3	242.6
% Ch, Annual Rate	2.1	2.1	2.1	2.0	2.1	2.0	2.2	2.1
Service-Providing	3,172.7	3,180.1	3,185.1	3,187.3	3,191.8	3,195.9	3,200.4	3,205.9
% Ch, Annual Rate	0.7	0.9	0.6	0.3	0.6	0.5	0.6	0.7
Software Publishers	84.0	84.4	84.9	85.4	85.9	86.4	87.0	87.5
% Ch, Annual Rate	1.1	2.0	2.5	2.3	2.3	2.4	2.4	2.3
Mgmt. of Companies and Enterprises	105.8	106.6	107.3	108.1	108.8	109.5	110.1	110.8
% Ch, Annual Rate	3.2	3.1	2.9	2.8	2.6	2.5	2.4	2.4
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	36.989	37.448	37.830	38.241	38.688	39.246	39.651	39.933
% Ch, Annual Rate	4.1	5.1	4.1	4.4	4.8	5.9	4.2	2.9
Single-Family	19.702	20.131	20.498	20.764	21.028	21.287	21.430	21.479
% Ch, Annual Rate	10.3	9.0	7.5	5.3	5.2	5.0	2.7	0.9
Multi-Family	17.287	17.317	17.331	17.477	17.660	17.959	18.221	18.454
% Ch, Annual Rate	-2.5	0.7	0.3	3.4	4.3	7.0	6.0	5.2
30-Year Fixed Mortgage Rate (%)	6.42	6.27	6.15	6.04	5.94	5.83	5.73	5.68

Table A1.4 (continued)  
**Washington Economic Forecast Summary**  
Forecast 2025 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	597.877	602.792	607.328	611.806	616.631	621.024	625.313	629.665
% Ch, Annual Rate	3.9	3.3	3.0	3.0	3.2	2.9	2.8	2.8
Real Wage and Salary Disb.	316.361	318.951	321.237	323.505	325.749	328.051	330.346	332.620
% Ch, Annual Rate	3.5	3.3	2.9	2.9	2.8	2.9	2.8	2.8
Real Nonwage Income	281.516	283.841	286.091	288.301	290.882	292.973	294.967	297.045
% Ch, Annual Rate	4.3	3.3	3.2	3.1	3.6	2.9	2.8	2.8
Real Per Capita Income (\$/Person)	75,213	75,754	76,241	76,712	77,218	77,663	78,090	78,519
% Ch, Annual Rate	3.5	2.9	2.6	2.5	2.7	2.3	2.2	2.2
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.346	1.353	1.360	1.367	1.373	1.380	1.387	1.394
% Ch, Annual Rate	1.9	1.9	2.1	2.1	2.1	2.0	2.1	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.896	3.914	3.938	3.956	3.980	4.001	4.025	4.046
% Ch, Annual Rate	3.1	1.9	2.4	1.8	2.4	2.2	2.4	2.1
Average Nonfarm Annual Wage	110,950	112,166	113,337	114,496	115,609	116,753	117,912	119,066
% Ch, Annual Rate	4.5	4.5	4.2	4.2	3.9	4.0	4.0	4.0
Avg. Hourly Earnings-Mfg. (\$/Hour)	39.42	39.81	40.19	40.58	40.96	41.34	41.72	42.09
% Ch, Annual Rate	4.1	4.1	3.8	3.9	3.8	3.8	3.7	3.6
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	804.843	815.293	825.676	836.046	846.930	857.211	867.566	877.965
% Ch, Annual Rate	5.8	5.3	5.2	5.1	5.3	4.9	4.9	4.9
Disposable Personal Income	713.154	721.941	730.677	739.468	748.944	757.720	766.556	775.495
% Ch, Annual Rate	5.5	5.0	4.9	4.9	5.2	4.8	4.7	4.7
Per Capita Income (\$/Person)	101,249	102,460	103,651	104,828	106,057	107,200	108,343	109,483
% Ch, Annual Rate	5.4	4.9	4.7	4.6	4.8	4.4	4.3	4.3
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,116.1	4,121.4	4,127.2	4,133.4	4,140.2	4,146.8	4,154.2	4,161.5
Total Washington Employment	3,924.0	3,931.2	3,938.4	3,946.2	3,954.5	3,962.8	3,971.2	3,979.2
Unemployment Rate (%)	4.67	4.62	4.57	4.53	4.49	4.44	4.41	4.38
Nonfarm Payroll Employment	3,738.3	3,746.0	3,753.4	3,761.3	3,770.1	3,778.5	3,787.2	3,795.5
% Ch, Annual Rate	0.9	0.8	0.8	0.8	0.9	0.9	0.9	0.9
Manufacturing	276.7	276.9	276.9	276.7	276.8	276.8	277.1	277.4
% Ch, Annual Rate	0.4	0.3	0.0	-0.3	0.1	0.1	0.4	0.3
Durable Manufacturing	193.0	193.4	193.4	193.3	193.4	193.4	193.6	193.7
% Ch, Annual Rate	0.7	0.6	0.2	-0.2	0.1	0.1	0.4	0.2
Aerospace	86.2	86.6	86.9	87.2	87.4	87.7	87.9	88.1
% Ch, Annual Rate	1.9	1.7	1.4	1.3	1.2	1.1	0.9	0.8
Nondurable Manufacturing	83.6	83.5	83.4	83.4	83.4	83.4	83.5	83.6
% Ch, Annual Rate	-0.1	-0.5	-0.4	-0.4	0.2	0.1	0.6	0.5
Construction	243.9	245.3	246.7	248.1	249.5	251.0	252.5	254.1
% Ch, Annual Rate	2.2	2.2	2.3	2.3	2.4	2.4	2.4	2.5
Service-Providing	3,212.4	3,218.6	3,224.6	3,231.1	3,238.3	3,245.1	3,251.9	3,258.3
% Ch, Annual Rate	0.8	0.8	0.7	0.8	0.9	0.8	0.8	0.8
Software Publishers	88.0	88.5	88.9	89.4	89.9	90.4	90.9	91.4
% Ch, Annual Rate	2.4	2.2	2.2	2.2	2.3	2.2	2.2	2.3
Mgmt. of Companies and Enterprises	111.4	112.0	112.6	113.2	113.8	114.4	115.0	115.6
% Ch, Annual Rate	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	40.339	40.657	41.028	41.416	41.701	41.972	42.218	42.369
% Ch, Annual Rate	4.1	3.2	3.7	3.8	2.8	2.6	2.4	1.4
Single-Family	21.559	21.574	21.603	21.652	21.685	21.720	21.760	21.786
% Ch, Annual Rate	1.5	0.3	0.5	0.9	0.6	0.7	0.7	0.5
Multi-Family	18.781	19.083	19.425	19.764	20.016	20.251	20.458	20.582
% Ch, Annual Rate	7.3	6.6	7.4	7.2	5.2	4.8	4.1	2.5
30-Year Fixed Mortgage Rate (%)	5.69	5.67	5.66	5.64	5.61	5.59	5.58	5.57

Table A2.1

**U.S. Nonagricultural Employment by Industry (Millions)**

Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Nonfarm Payroll Employment	152.54	155.88	157.96	159.59	160.22	160.41	160.73	161.33
% Ch	4.3	2.2	1.3	1.0	0.4	0.1	0.2	0.4
Manufacturing	12.77	12.87	12.82	12.78	12.60	12.38	12.17	12.06
% Ch	3.7	0.8	-0.4	-0.3	-1.4	-1.8	-1.7	-0.9
Durable Manufacturing	7.92	8.02	7.97	7.94	7.89	7.72	7.57	7.49
% Ch	3.7	1.3	-0.7	-0.3	-0.7	-2.1	-2.0	-1.0
Wood Products	0.43	0.42	0.42	0.43	0.44	0.46	0.48	0.50
% Ch	4.2	-2.0	-0.4	2.2	2.3	4.7	4.4	5.6
Primary and Fabricated Metals	1.80	1.82	1.81	1.82	1.83	1.79	1.77	1.75
% Ch	3.7	1.4	-0.4	0.5	0.2	-1.9	-1.5	-1.2
Computer and Electronic Products	1.04	1.05	1.03	1.00	1.00	0.99	0.97	0.95
% Ch	2.7	0.8	-2.4	-2.3	-0.4	-0.8	-2.2	-2.1
Machinery and Electrical Equipment	1.51	1.55	1.53	1.52	1.48	1.44	1.41	1.39
% Ch	4.4	2.3	-1.0	-0.6	-2.7	-3.0	-1.8	-1.9
Transportation Equipment	1.72	1.78	1.79	1.79	1.81	1.75	1.69	1.68
% Ch	4.4	3.4	0.9	-0.1	1.0	-3.0	-3.5	-0.8
Other Durables	1.42	1.40	1.38	1.37	1.33	1.29	1.25	1.23
% Ch	2.8	-1.4	-1.7	-0.9	-2.8	-3.1	-3.2	-1.5
Nondurable Manufacturing	4.84	4.85	4.85	4.84	4.72	4.66	4.61	4.57
% Ch	3.7	0.1	0.0	-0.3	-2.5	-1.3	-1.1	-0.8
Food Manufacturing	1.70	1.73	1.77	1.77	1.72	1.71	1.70	1.71
% Ch	3.6	2.2	1.9	-0.1	-2.5	-0.9	-0.2	0.3
Paper and Paper Products	0.36	0.36	0.35	0.36	0.35	0.35	0.35	0.34
% Ch	3.8	-1.2	-1.1	0.4	-1.7	-0.1	-0.6	-1.0
Other Nondurables	2.78	2.76	2.73	2.72	2.65	2.60	2.55	2.51
% Ch	3.7	-1.0	-1.0	-0.5	-2.6	-1.8	-1.7	-1.5
Natural Resources and Mining	0.61	0.64	0.63	0.61	0.63	0.65	0.62	0.58
% Ch	8.1	5.4	-1.8	-2.7	3.7	2.2	-4.8	-6.3
Construction	7.76	8.01	8.21	8.36	8.44	8.54	8.74	8.97
% Ch	4.4	3.1	2.5	1.8	1.0	1.2	2.4	2.6
Trade, Transportation, and Utilities	28.64	28.82	28.92	29.02	28.96	29.00	28.76	28.60
% Ch	3.6	0.6	0.4	0.4	-0.2	0.1	-0.8	-0.6
Wholesale Trade	5.98	6.11	6.14	6.19	6.23	6.26	6.21	6.15
% Ch	4.7	2.1	0.6	0.7	0.7	0.6	-0.9	-1.0
Retail Trade	15.50	15.55	15.53	15.52	15.36	15.34	15.20	15.14
% Ch	1.5	0.3	-0.1	0.0	-1.1	-0.1	-0.9	-0.4
Trans., Warehousing, and Utilities	7.17	7.16	7.24	7.31	7.38	7.40	7.35	7.31
% Ch	7.2	0.0	1.1	0.9	0.9	0.3	-0.6	-0.6
Information	3.06	3.01	2.94	2.97	3.00	2.95	2.97	3.03
% Ch	7.2	-1.8	-2.1	0.7	1.3	-1.7	0.8	2.0
Publishing Industries	0.95	0.94	0.91	0.91	0.87	0.85	0.84	0.83
% Ch	8.7	-0.5	-2.8	-0.8	-4.2	-1.7	-1.6	-1.8
Other Information	2.12	2.07	2.03	2.06	2.13	2.10	2.13	2.21
% Ch	6.6	-2.4	-1.8	1.4	3.7	-1.8	1.8	3.6
Financial Activities	9.06	9.17	9.17	9.25	9.35	9.32	9.23	9.15
% Ch	2.9	1.2	0.0	0.8	1.1	-0.3	-1.0	-0.9
Professional and Business Services	22.59	22.77	22.62	22.64	22.51	22.46	22.80	23.38
% Ch	5.4	0.8	-0.7	0.1	-0.6	-0.2	1.5	2.6
Education and Health Services	24.34	25.39	26.49	27.28	27.76	27.89	27.91	27.94
% Ch	2.9	4.3	4.3	3.0	1.8	0.5	0.1	0.1
Leisure and Hospitality	15.82	16.57	16.82	17.07	17.25	17.34	17.44	17.38
% Ch	11.9	4.7	1.5	1.5	1.0	0.5	0.6	-0.4
Other Services	5.69	5.84	5.97	6.07	6.18	6.27	6.38	6.45
% Ch	4.3	2.6	2.1	1.7	1.8	1.5	1.8	1.2
Federal Government	2.87	2.93	3.00	2.93	2.82	2.81	2.81	2.81
% Ch	-0.6	2.0	2.5	-2.3	-3.9	-0.1	-0.1	0.0
State and Local Government	19.33	19.87	20.38	20.63	20.73	20.81	20.89	20.97
% Ch	1.3	2.8	2.6	1.3	0.5	0.4	0.4	0.4

Table A2.2

**U.S. Nonagricultural Employment by Industry (Millions)**

Forecast 2025 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Nonfarm Payroll Employment	157.28	157.79	158.13	158.63	159.06	159.47	159.83	160.01
% Ch, Annual Rate	1.5	1.3	0.9	1.3	1.1	1.0	0.9	0.5
Manufacturing	12.85	12.85	12.81	12.76	12.76	12.76	12.80	12.79
% Ch, Annual Rate	0.0	-0.2	-1.0	-1.7	-0.1	0.2	1.3	-0.4
Durable Manufacturing	8.00	7.99	7.96	7.91	7.90	7.90	7.97	7.99
% Ch, Annual Rate	-0.3	-0.6	-1.8	-2.3	-0.6	0.1	3.6	1.1
Wood Products	0.42	0.42	0.42	0.42	0.42	0.42	0.43	0.44
% Ch, Annual Rate	-0.3	2.0	-1.3	-2.6	2.0	6.1	6.3	5.9
Primary and Fabricated Metals	1.82	1.82	1.81	1.81	1.81	1.81	1.83	1.85
% Ch, Annual Rate	0.4	-1.1	-1.6	-0.8	0.1	0.2	5.9	3.1
Computer and Electronic Products	1.04	1.03	1.03	1.02	1.01	1.00	1.00	1.00
% Ch, Annual Rate	-2.8	-2.1	-1.2	-3.1	-4.2	-1.4	-0.7	-1.0
Machinery and Electrical Equipment	1.54	1.54	1.53	1.52	1.52	1.53	1.53	1.52
% Ch, Annual Rate	-1.6	-1.3	-3.0	-1.0	0.4	0.2	0.2	-2.1
Transportation Equipment	1.80	1.81	1.80	1.77	1.76	1.77	1.81	1.82
% Ch, Annual Rate	2.3	2.3	-1.5	-6.5	-1.5	1.8	8.6	3.7
Other Durables	1.39	1.38	1.38	1.38	1.38	1.37	1.37	1.36
% Ch, Annual Rate	-1.3	-2.5	-1.6	0.4	0.4	-3.2	0.3	-1.4
Nondurable Manufacturing	4.85	4.85	4.86	4.85	4.86	4.86	4.84	4.80
% Ch, Annual Rate	0.5	0.3	0.3	-0.6	0.7	0.5	-2.3	-2.9
Food Manufacturing	1.76	1.77	1.77	1.77	1.77	1.78	1.77	1.75
% Ch, Annual Rate	2.3	1.7	1.6	-0.1	-0.4	1.3	-2.5	-2.8
Paper and Paper Products	0.36	0.35	0.36	0.35	0.36	0.36	0.36	0.36
% Ch, Annual Rate	-1.7	-3.0	2.7	-1.0	1.2	1.1	1.0	-2.4
Other Nondurables	2.73	2.73	2.73	2.72	2.73	2.73	2.71	2.69
% Ch, Annual Rate	-0.5	-0.1	-0.8	-0.8	1.4	-0.1	-2.7	-3.0
Natural Resources and Mining	0.63	0.63	0.62	0.62	0.61	0.61	0.61	0.61
% Ch, Annual Rate	-1.9	-5.2	-1.7	0.2	-7.7	-2.5	0.7	1.9
Construction	8.14	8.19	8.24	8.28	8.31	8.33	8.38	8.41
% Ch, Annual Rate	2.6	2.4	2.5	1.8	1.5	1.0	2.4	1.3
Trade, Transportation, and Utilities	28.86	28.93	28.92	28.97	29.03	29.06	29.02	28.98
% Ch, Annual Rate	0.5	1.0	0.0	0.6	0.9	0.4	-0.5	-0.6
Wholesale Trade	6.13	6.14	6.15	6.17	6.18	6.18	6.19	6.19
% Ch, Annual Rate	-0.4	0.5	0.9	1.3	0.7	0.3	0.6	-0.5
Retail Trade	15.53	15.55	15.52	15.52	15.55	15.57	15.51	15.47
% Ch, Annual Rate	0.3	0.4	-0.7	0.0	0.8	0.4	-1.5	-0.9
Trans., Warehousing, and Utilities	7.20	7.24	7.26	7.28	7.30	7.31	7.32	7.32
% Ch, Annual Rate	1.6	2.6	0.8	1.3	1.2	0.4	0.7	-0.2
Information	2.96	2.95	2.93	2.93	2.96	2.95	2.96	2.99
% Ch, Annual Rate	1.2	-1.3	-2.9	-0.1	3.7	-0.8	1.2	4.7
Publishing Industries	0.92	0.92	0.91	0.91	0.92	0.91	0.91	0.89
% Ch, Annual Rate	-2.4	0.2	-1.9	1.4	1.2	-2.0	-2.6	-6.9
Other Information	2.05	2.04	2.02	2.02	2.04	2.04	2.05	2.10
% Ch, Annual Rate	2.9	-2.0	-3.3	-0.7	4.8	-0.2	2.9	10.2
Financial Activities	9.16	9.16	9.17	9.20	9.21	9.23	9.26	9.28
% Ch, Annual Rate	-0.7	0.1	0.5	1.1	0.6	1.0	1.2	1.0
Professional and Business Services	22.66	22.65	22.60	22.58	22.58	22.58	22.69	22.69
% Ch, Annual Rate	-0.4	-0.1	-0.9	-0.4	0.1	0.1	2.0	0.0
Education and Health Services	26.12	26.39	26.60	26.85	27.00	27.24	27.40	27.49
% Ch, Annual Rate	4.5	4.1	3.3	3.8	2.3	3.5	2.4	1.3
Leisure and Hospitality	16.74	16.78	16.83	16.93	16.98	17.05	17.08	17.18
% Ch, Annual Rate	0.7	0.9	1.1	2.5	1.1	1.8	0.6	2.5
Other Services	5.93	5.96	5.98	5.99	6.02	6.06	6.08	6.10
% Ch, Annual Rate	2.1	2.3	0.9	1.1	1.9	2.3	1.7	1.3
Federal Government	2.99	3.00	3.00	3.01	3.03	2.97	2.90	2.82
% Ch, Annual Rate	3.7	1.5	0.9	0.9	2.5	-7.4	-9.7	-10.5
State and Local Government	20.24	20.32	20.42	20.52	20.58	20.63	20.65	20.67
% Ch, Annual Rate	2.9	1.6	2.0	1.9	1.3	1.0	0.3	0.4



Table A2.2 (continued)

**U.S. Nonagricultural Employment by Industry (Millions)**

Forecast 2025 to 2029

	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4
Nonfarm Payroll Employment	160.12	160.20	160.26	160.30	160.35	160.39	160.43	160.48
% Ch, Annual Rate	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Manufacturing	12.71	12.64	12.57	12.49	12.46	12.42	12.35	12.29
% Ch, Annual Rate	-2.3	-2.4	-2.1	-2.5	-0.9	-1.4	-2.3	-2.0
Durable Manufacturing	7.95	7.91	7.87	7.81	7.79	7.76	7.70	7.65
% Ch, Annual Rate	-1.9	-2.1	-2.0	-2.8	-1.1	-1.8	-3.0	-2.4
Wood Products	0.43	0.43	0.44	0.44	0.45	0.46	0.46	0.46
% Ch, Annual Rate	-1.2	-1.9	3.7	4.8	6.7	6.5	2.9	4.2
Primary and Fabricated Metals	1.84	1.83	1.83	1.81	1.80	1.80	1.79	1.78
% Ch, Annual Rate	-1.5	-1.7	-1.7	-3.1	-1.7	-0.9	-2.4	-2.2
Computer and Electronic Products	1.00	1.00	1.00	1.00	1.00	0.99	0.99	0.99
% Ch, Annual Rate	-0.2	-0.1	0.4	-0.1	-0.9	-1.3	-1.8	-2.0
Machinery and Electrical Equipment	1.50	1.49	1.48	1.46	1.45	1.44	1.43	1.42
% Ch, Annual Rate	-4.6	-3.1	-3.1	-3.3	-2.6	-2.8	-3.5	-2.5
Transportation Equipment	1.83	1.82	1.80	1.78	1.78	1.76	1.74	1.73
% Ch, Annual Rate	0.9	-1.8	-3.3	-4.4	-0.5	-4.0	-4.4	-3.2
Other Durables	1.35	1.34	1.33	1.31	1.30	1.30	1.28	1.27
% Ch, Annual Rate	-4.4	-3.4	-2.9	-4.2	-2.3	-2.1	-4.1	-4.0
Nondurable Manufacturing	4.76	4.73	4.70	4.68	4.67	4.66	4.65	4.63
% Ch, Annual Rate	-3.0	-2.9	-2.3	-1.8	-0.6	-0.7	-1.2	-1.3
Food Manufacturing	1.74	1.73	1.72	1.71	1.71	1.71	1.71	1.70
% Ch, Annual Rate	-3.4	-2.9	-2.2	-1.3	-0.2	-0.1	-0.5	-0.5
Paper and Paper Products	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
% Ch, Annual Rate	-2.8	-2.7	-1.2	-0.7	1.1	0.7	-0.3	-0.8
Other Nondurables	2.67	2.65	2.64	2.62	2.61	2.60	2.59	2.58
% Ch, Annual Rate	-2.8	-3.0	-2.5	-2.3	-1.1	-1.3	-1.8	-1.9
Natural Resources and Mining	0.62	0.63	0.64	0.64	0.64	0.65	0.65	0.65
% Ch, Annual Rate	4.1	7.1	7.4	2.9	-1.6	2.5	3.4	-2.4
Construction	8.42	8.43	8.44	8.46	8.48	8.51	8.55	8.60
% Ch, Annual Rate	0.5	0.6	0.7	0.8	1.1	1.1	1.9	2.4
Trade, Transportation, and Utilities	28.91	28.93	29.00	28.98	29.00	29.03	29.02	28.94
% Ch, Annual Rate	-0.9	0.3	1.0	-0.2	0.2	0.3	-0.2	-1.0
Wholesale Trade	6.20	6.21	6.24	6.26	6.27	6.27	6.26	6.25
% Ch, Annual Rate	0.8	0.9	1.9	1.0	0.6	0.4	-0.6	-1.0
Retail Trade	15.38	15.36	15.37	15.31	15.33	15.36	15.36	15.31
% Ch, Annual Rate	-2.5	-0.3	0.1	-1.4	0.4	0.7	0.0	-1.2
Trans., Warehousing, and Utilities	7.34	7.36	7.39	7.41	7.41	7.40	7.39	7.38
% Ch, Annual Rate	1.2	1.0	2.0	1.1	-0.4	-0.4	-0.2	-0.7
Information	3.01	3.01	3.00	2.99	2.98	2.95	2.94	2.94
% Ch, Annual Rate	1.9	0.0	-0.8	-1.6	-2.1	-2.8	-2.5	0.0
Publishing Industries	0.88	0.87	0.87	0.86	0.86	0.86	0.85	0.85
% Ch, Annual Rate	-6.2	-3.2	-1.2	-1.9	-1.8	-1.4	-1.2	-1.7
Other Information	2.13	2.14	2.14	2.13	2.12	2.10	2.08	2.09
% Ch, Annual Rate	5.5	1.4	-0.6	-1.5	-2.3	-3.4	-3.0	0.8
Financial Activities	9.33	9.35	9.36	9.35	9.34	9.33	9.33	9.30
% Ch, Annual Rate	2.3	0.5	0.7	-0.4	-0.5	-0.2	-0.4	-1.3
Professional and Business Services	22.67	22.58	22.40	22.39	22.48	22.44	22.42	22.49
% Ch, Annual Rate	-0.4	-1.5	-3.2	0.0	1.5	-0.6	-0.4	1.2
Education and Health Services	27.63	27.74	27.83	27.85	27.86	27.89	27.91	27.91
% Ch, Annual Rate	2.2	1.5	1.3	0.3	0.2	0.5	0.3	-0.1
Leisure and Hospitality	17.17	17.20	17.27	17.35	17.28	17.31	17.36	17.41
% Ch, Annual Rate	-0.3	0.7	1.8	1.7	-1.4	0.5	1.3	1.1
Other Services	6.14	6.16	6.19	6.21	6.22	6.25	6.28	6.31
% Ch, Annual Rate	2.6	1.6	1.6	1.3	0.9	1.6	2.1	2.0
Federal Government	2.82	2.82	2.82	2.82	2.82	2.82	2.81	2.81
% Ch, Annual Rate	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
State and Local Government	20.69	20.72	20.74	20.76	20.78	20.80	20.82	20.84
% Ch, Annual Rate	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4



Table A2.2 (continued)

**U.S. Nonagricultural Employment by Industry (Millions)**

Forecast 2025 to 2029

	2028Q1	2028Q2	2028Q3	2028Q4	2029Q1	2029Q2	2029Q3	2029Q4
Nonfarm Payroll Employment	160.56	160.66	160.79	160.93	161.09	161.24	161.40	161.57
% Ch, Annual Rate	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.4
Manufacturing	12.25	12.20	12.15	12.10	12.08	12.06	12.06	12.05
% Ch, Annual Rate	-1.2	-1.5	-1.8	-1.6	-0.5	-0.5	-0.1	-0.4
Durable Manufacturing	7.62	7.59	7.55	7.51	7.50	7.49	7.50	7.49
% Ch, Annual Rate	-1.5	-1.7	-2.2	-1.9	-0.5	-0.4	0.0	-0.5
Wood Products	0.47	0.47	0.48	0.48	0.49	0.50	0.51	0.51
% Ch, Annual Rate	6.0	3.2	3.0	5.7	6.9	7.1	4.8	4.8
Primary and Fabricated Metals	1.77	1.77	1.76	1.76	1.75	1.75	1.74	1.74
% Ch, Annual Rate	-0.9	-0.9	-1.5	-1.9	-1.0	-1.2	-0.5	-0.8
Computer and Electronic Products	0.98	0.97	0.97	0.96	0.96	0.95	0.95	0.94
% Ch, Annual Rate	-2.6	-2.3	-2.3	-2.1	-2.1	-2.2	-1.9	-1.7
Machinery and Electrical Equipment	1.42	1.42	1.41	1.40	1.39	1.39	1.38	1.38
% Ch, Annual Rate	-0.5	-0.9	-1.9	-2.8	-1.8	-1.9	-0.9	-1.6
Transportation Equipment	1.72	1.70	1.68	1.67	1.68	1.68	1.68	1.68
% Ch, Annual Rate	-3.1	-3.5	-3.9	-2.1	0.4	0.8	1.0	-0.5
Other Durables	1.26	1.25	1.24	1.23	1.23	1.23	1.23	1.23
% Ch, Annual Rate	-2.9	-2.8	-3.0	-3.2	-0.7	-0.8	0.1	0.2
Nondurable Manufacturing	4.63	4.61	4.60	4.59	4.58	4.57	4.57	4.56
% Ch, Annual Rate	-0.8	-1.2	-1.1	-1.1	-0.6	-0.8	-0.4	-0.4
Food Manufacturing	1.71	1.70	1.70	1.70	1.71	1.71	1.71	1.71
% Ch, Annual Rate	0.2	-0.3	0.0	-0.1	0.6	0.3	0.8	0.8
Paper and Paper Products	0.35	0.35	0.35	0.35	0.35	0.34	0.34	0.34
% Ch, Annual Rate	-0.2	-0.9	-1.1	-1.3	-0.8	-1.1	-0.7	-0.8
Other Nondurables	2.57	2.56	2.55	2.54	2.53	2.52	2.51	2.50
% Ch, Annual Rate	-1.6	-1.8	-1.8	-1.8	-1.4	-1.5	-1.1	-1.2
Natural Resources and Mining	0.63	0.62	0.61	0.60	0.59	0.58	0.57	0.57
% Ch, Annual Rate	-8.1	-7.8	-7.1	-7.3	-7.4	-5.5	-3.9	-1.7
Construction	8.65	8.70	8.77	8.83	8.88	8.95	8.99	9.04
% Ch, Annual Rate	2.5	2.3	2.9	3.1	2.4	2.9	1.9	2.2
Trade, Transportation, and Utilities	28.85	28.78	28.73	28.69	28.64	28.61	28.59	28.56
% Ch, Annual Rate	-1.3	-1.0	-0.7	-0.6	-0.6	-0.4	-0.4	-0.4
Wholesale Trade	6.24	6.22	6.20	6.18	6.17	6.16	6.14	6.13
% Ch, Annual Rate	-0.7	-1.4	-1.1	-1.0	-0.6	-1.2	-1.0	-1.0
Retail Trade	15.24	15.20	15.19	15.17	15.14	15.15	15.14	15.14
% Ch, Annual Rate	-2.0	-0.8	-0.5	-0.3	-0.9	0.2	-0.1	0.0
Trans., Warehousing, and Utilities	7.38	7.36	7.35	7.33	7.33	7.31	7.30	7.29
% Ch, Annual Rate	-0.3	-0.9	-0.8	-0.7	-0.2	-0.8	-0.6	-0.7
Information	2.96	2.97	2.98	2.99	3.01	3.03	3.05	3.06
% Ch, Annual Rate	2.8	1.8	1.4	1.1	2.5	2.8	2.5	1.1
Publishing Industries	0.85	0.84	0.84	0.83	0.83	0.83	0.82	0.82
% Ch, Annual Rate	-1.4	-1.9	-2.0	-2.1	-1.5	-2.0	-1.7	-1.5
Other Information	2.11	2.13	2.14	2.15	2.18	2.20	2.22	2.24
% Ch, Annual Rate	4.5	3.4	2.7	2.4	4.1	4.7	4.1	2.1
Financial Activities	9.28	9.24	9.20	9.18	9.17	9.15	9.14	9.13
% Ch, Annual Rate	-0.5	-1.8	-1.8	-1.1	-0.4	-0.8	-0.3	-0.8
Professional and Business Services	22.61	22.73	22.87	23.01	23.16	23.31	23.46	23.61
% Ch, Annual Rate	2.1	2.2	2.4	2.5	2.7	2.6	2.6	2.5
Education and Health Services	27.92	27.91	27.91	27.91	27.94	27.93	27.93	27.95
% Ch, Annual Rate	0.1	-0.1	0.0	0.0	0.4	-0.1	0.0	0.3
Leisure and Hospitality	17.39	17.44	17.47	17.48	17.42	17.40	17.36	17.33
% Ch, Annual Rate	-0.5	1.2	0.8	0.3	-1.4	-0.6	-0.7	-0.8
Other Services	6.35	6.37	6.39	6.41	6.44	6.45	6.46	6.47
% Ch, Annual Rate	2.2	1.6	1.4	1.4	1.6	0.7	0.5	0.6
Federal Government	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81
% Ch, Annual Rate	-0.1	-0.1	-0.1	0.1	-0.1	-0.1	-0.1	0.1
State and Local Government	20.86	20.88	20.90	20.92	20.94	20.96	20.98	21.00
% Ch, Annual Rate	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4

Table A2.3

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Nonfarm Payroll Employment	3,528.2	3,593.1	3,632.1	3,668.9	3,697.8	3,720.6	3,749.8	3,782.8
% Ch	4.7	1.8	1.1	1.0	0.8	0.6	0.8	0.9
Manufacturing	268.8	273.7	275.1	274.6	275.6	276.3	276.8	277.0
% Ch	3.4	1.8	0.5	-0.2	0.4	0.2	0.2	0.1
Durable Manufacturing	181.8	187.7	189.4	188.6	191.4	192.5	193.3	193.5
% Ch	3.4	3.2	0.9	-0.4	1.5	0.6	0.4	0.1
Wood Products	13.6	13.6	13.5	13.5	13.8	13.9	13.9	13.9
% Ch	3.1	-0.2	-0.4	-0.3	2.2	0.8	0.0	0.0
Primary and Fabricated Metals	23.7	23.7	23.6	23.6	23.6	23.2	22.8	22.5
% Ch	2.2	0.2	-0.3	-0.4	0.3	-2.0	-1.6	-1.3
Computer and Electronic Products	18.2	18.3	18.4	18.3	18.4	18.3	17.8	17.3
% Ch	1.1	0.8	0.2	-0.3	0.4	-0.3	-2.7	-2.7
Machinery and Electrical Equipment	19.9	20.3	19.8	20.0	19.8	19.5	19.6	19.7
% Ch	4.0	1.9	-2.6	1.4	-1.1	-1.5	0.6	0.5
Aerospace	71.3	77.5	79.9	80.1	82.6	85.1	86.7	87.8
% Ch	5.5	8.6	3.2	0.1	3.1	3.0	1.9	1.2
Other Transportation Equip.	9.5	9.5	9.3	8.0	7.9	7.3	7.1	6.9
% Ch	4.0	0.0	-2.5	-13.9	-1.1	-7.9	-1.9	-3.5
Other Durables	25.6	24.8	24.9	25.1	25.3	25.3	25.3	25.4
% Ch	-0.1	-3.1	0.4	1.1	0.6	0.0	0.0	0.6
Nondurable Manufacturing	87.0	86.0	85.7	86.1	84.3	83.8	83.5	83.5
% Ch	3.4	-1.1	-0.3	0.4	-2.1	-0.6	-0.3	0.0
Food Manufacturing	40.1	40.7	40.6	40.0	38.6	37.9	37.5	37.2
% Ch	3.4	1.3	-0.2	-1.3	-3.6	-1.8	-1.1	-0.7
Paper and Paper Products	7.8	7.5	7.3	7.3	7.1	7.0	6.9	6.7
% Ch	3.5	-3.9	-2.3	0.1	-2.9	-1.2	-1.7	-2.2
Other Nondurables	39.1	37.9	37.8	38.7	38.6	38.9	39.1	39.5
% Ch	3.4	-3.1	-0.1	2.3	-0.4	0.8	0.7	1.1
Natural Resources and Mining	5.5	5.5	5.4	5.1	5.1	5.1	5.3	5.6
% Ch	-2.9	-0.6	-1.5	-5.7	-0.8	1.5	3.2	5.0
Construction	232.3	232.0	228.7	231.1	235.8	240.7	246.0	251.8
% Ch	3.8	-0.1	-1.4	1.1	2.1	2.1	2.2	2.4
Trade, Transportation, and Utilities	612.3	615.0	614.6	615.3	615.6	616.1	614.8	612.9
% Ch	0.9	0.4	-0.1	0.1	0.1	0.1	-0.2	-0.3
Wholesale Trade	137.1	140.2	139.1	139.8	141.1	141.9	141.3	140.3
% Ch	4.4	2.3	-0.8	0.5	0.9	0.6	-0.4	-0.7
Retail Trade	338.7	337.6	335.1	333.9	332.4	331.6	330.7	329.6
% Ch	-1.7	-0.3	-0.8	-0.3	-0.5	-0.3	-0.3	-0.3
Trans., Warehousing, and Utilities	136.5	137.2	140.4	141.5	142.1	142.6	142.8	143.0
% Ch	4.5	0.6	2.3	0.8	0.4	0.3	0.2	0.1
Information	171.4	168.8	163.8	166.8	171.8	174.7	179.7	185.7
% Ch	9.0	-1.5	-3.0	1.9	3.0	1.7	2.8	3.4
Software Publishers	86.0	86.0	82.8	83.3	84.7	86.7	88.7	90.7
% Ch	7.6	0.0	-3.8	0.6	1.7	2.4	2.3	2.2
Other Publishing Industries	7.9	7.5	6.4	7.0	6.4	6.1	5.7	5.4
% Ch	-3.0	-5.4	-15.0	9.2	-8.0	-5.3	-5.6	-6.1
Other Information	77.4	75.2	74.6	76.6	80.7	81.9	85.2	89.7
% Ch	12.1	-2.8	-0.9	2.7	5.3	1.6	4.0	5.2
Financial Activities	165.3	164.9	164.2	165.8	166.6	167.1	167.4	167.4
% Ch	2.6	-0.2	-0.4	1.0	0.5	0.3	0.2	0.0
Professional and Business Services	545.4	549.2	547.4	557.8	568.4	577.8	591.1	607.4
% Ch	9.9	0.7	-0.3	1.9	1.9	1.7	2.3	2.8
Mgmt. of Companies and Enterprises	104.1	101.7	100.8	103.6	106.9	109.8	112.3	114.7
% Ch	15.4	-2.3	-0.9	2.7	3.3	2.7	2.3	2.1
Other Prof. and Bus. Services	441.3	447.5	446.6	454.2	461.4	468.0	478.8	492.7
% Ch	8.7	1.4	-0.2	1.7	1.6	1.4	2.3	2.9
Education and Health Services	514.5	531.7	550.1	563.0	567.3	569.3	571.0	572.9
% Ch	2.4	3.3	3.5	2.3	0.8	0.4	0.3	0.3
Leisure and Hospitality	326.6	342.7	344.9	346.0	347.5	346.5	346.5	346.5
% Ch	15.4	4.9	0.6	0.3	0.4	-0.3	0.0	0.0
Other Services	120.0	122.8	124.4	125.1	126.2	127.1	128.0	129.0
% Ch	5.6	2.3	1.3	0.5	0.9	0.7	0.7	0.7
Federal Government	75.2	77.3	79.6	77.2	76.0	76.0	76.0	76.1
% Ch	-2.1	2.8	3.1	-3.1	-1.5	0.0	0.1	0.1
State and Local Government	490.9	509.4	533.9	541.1	542.0	543.9	547.0	550.4
% Ch	1.6	3.8	4.8	1.4	0.2	0.3	0.6	0.6

Table A2.4

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2025 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Nonfarm Payroll Employment	3,612.5	3,633.8	3,641.2	3,640.8	3,658.7	3,664.4	3,671.9	3,680.6
% Ch, Annual Rate	2.2	2.4	0.8	0.0	2.0	0.6	0.8	1.0
Manufacturing	276.5	277.6	279.3	267.0	273.8	274.2	275.0	275.4
% Ch, Annual Rate	4.1	1.6	2.5	-16.5	10.6	0.6	1.1	0.6
Durable Manufacturing	191.1	191.7	193.7	181.0	187.6	187.8	189.0	189.9
% Ch, Annual Rate	3.9	1.1	4.4	-23.7	15.2	0.4	2.6	2.1
Wood Products	13.7	13.4	13.6	13.4	13.4	13.5	13.5	13.6
% Ch, Annual Rate	1.3	-8.3	8.8	-6.0	-1.0	1.4	1.5	2.7
Primary and Fabricated Metals	23.8	23.6	23.9	23.3	23.3	23.3	23.7	23.9
% Ch, Annual Rate	8.2	-3.8	4.6	-9.7	0.8	0.3	6.2	3.3
Computer and Electronic Products	18.4	18.3	18.2	18.5	18.3	18.3	18.3	18.3
% Ch, Annual Rate	4.9	-1.0	-2.8	7.3	-3.7	-1.3	-0.1	-0.6
Machinery and Electrical Equipment	19.7	19.7	19.7	19.9	19.8	20.0	20.2	20.2
% Ch, Annual Rate	-9.4	0.0	-1.2	4.5	-2.1	4.2	3.8	-0.2
Aerospace	81.4	82.4	83.7	72.3	79.7	79.6	80.1	80.8
% Ch, Annual Rate	6.2	5.2	6.4	-44.2	47.1	-0.1	2.6	3.4
Other Transportation Equip.	9.6	9.6	9.5	8.4	8.0	8.0	8.0	8.0
% Ch, Annual Rate	14.0	-0.3	-4.1	-40.2	-18.6	3.5	-0.3	-0.6
Other Durables	24.5	24.6	25.1	25.2	25.1	25.1	25.2	25.2
% Ch, Annual Rate	1.1	1.1	8.8	1.7	-2.1	-0.7	2.0	0.9
Nondurable Manufacturing	85.4	85.9	85.6	86.0	86.3	86.5	86.0	85.5
% Ch, Annual Rate	4.6	2.6	-1.5	1.9	1.4	0.9	-2.1	-2.4
Food Manufacturing	40.5	40.8	40.6	40.5	40.3	40.3	40.0	39.6
% Ch, Annual Rate	3.3	3.2	-1.4	-1.7	-1.7	0.3	-3.5	-3.9
Paper and Paper Products	7.2	7.2	7.4	7.3	7.3	7.3	7.3	7.3
% Ch, Annual Rate	-1.0	0.4	6.3	-0.6	-1.5	0.3	0.1	-3.7
Other Nondurables	37.7	37.9	37.6	38.2	38.7	38.8	38.7	38.6
% Ch, Annual Rate	7.1	2.5	-3.2	6.3	5.3	1.6	-1.1	-0.7
Natural Resources and Mining	5.4	5.5	5.4	5.4	5.2	5.1	5.1	5.0
% Ch, Annual Rate	-1.1	5.1	-5.4	1.7	-13.2	-7.8	-3.5	-5.0
Construction	227.8	227.9	229.0	229.9	229.3	230.5	231.6	232.8
% Ch, Annual Rate	0.0	0.1	1.9	1.7	-1.1	2.2	1.9	2.1
Trade, Transportation, and Utilities	611.9	615.4	615.9	615.0	615.3	615.2	615.4	615.2
% Ch, Annual Rate	0.3	2.3	0.3	-0.6	0.2	-0.1	0.1	-0.1
Wholesale Trade	138.7	139.2	139.1	139.4	139.6	139.7	140.0	140.0
% Ch, Annual Rate	-5.6	1.3	-0.1	0.8	0.7	0.2	0.9	-0.1
Retail Trade	335.2	335.8	335.0	334.4	334.3	334.1	333.9	333.5
% Ch, Annual Rate	1.8	0.7	-0.9	-0.8	-0.1	-0.2	-0.3	-0.4
Trans., Warehousing, and Utilities	138.0	140.5	141.8	141.2	141.4	141.4	141.5	141.7
% Ch, Annual Rate	2.9	7.3	3.9	-1.8	0.5	0.0	0.5	0.6
Information	164.6	164.0	162.8	163.8	165.1	166.0	167.2	169.0
% Ch, Annual Rate	0.5	-1.4	-2.9	2.5	3.3	2.1	3.0	4.4
Software Publishers	83.3	82.9	82.3	82.7	82.7	83.1	83.6	83.8
% Ch, Annual Rate	-6.3	-1.7	-3.2	2.1	-0.2	2.3	2.1	0.9
Other Publishing Industries	6.3	6.3	6.3	6.6	7.1	7.1	6.9	6.7
% Ch, Annual Rate	-48.9	-0.5	-4.0	20.5	39.6	-5.2	-5.9	-11.0
Other Information	74.9	74.7	74.2	74.5	75.3	75.8	76.7	78.5
% Ch, Annual Rate	16.0	-1.2	-2.5	1.5	4.3	2.7	4.9	9.8
Financial Activities	163.4	163.5	164.6	165.3	165.4	165.7	166.0	166.2
% Ch, Annual Rate	-0.7	0.3	2.8	1.7	0.3	0.7	0.6	0.5
Professional and Business Services	545.0	547.0	548.7	549.0	552.9	555.9	559.5	562.8
% Ch, Annual Rate	-3.2	1.5	1.3	0.2	2.9	2.2	2.6	2.3
Mgmt. of Companies and Enterprises	100.0	100.4	102.1	100.8	102.1	103.1	104.1	104.9
% Ch	-7.6	1.7	6.7	-4.8	5.2	4.0	3.7	3.5
Other Prof. and Bus. Services	445.0	446.6	446.7	448.2	450.8	452.8	455.5	457.8
% Ch	-2.2	1.5	0.1	1.4	2.4	1.8	2.4	2.1
Education and Health Services	542.5	549.3	550.8	557.7	560.2	562.4	564.1	565.3
% Ch, Annual Rate	4.7	5.1	1.1	5.1	1.8	1.5	1.2	0.9
Leisure and Hospitality	344.0	347.3	344.8	343.4	345.6	346.0	346.1	346.2
% Ch, Annual Rate	0.3	3.8	-2.8	-1.6	2.5	0.4	0.1	0.1
Other Services	124.4	125.0	124.6	123.5	124.6	124.9	125.3	125.6
% Ch, Annual Rate	8.3	1.9	-1.2	-3.5	3.6	0.9	1.1	1.0
Federal Government	79.2	79.6	80.1	79.7	79.1	77.7	75.9	76.0
% Ch, Annual Rate	3.6	2.4	2.4	-2.1	-3.0	-6.7	-8.9	0.5
State and Local Government	527.8	531.7	535.0	541.0	542.1	540.7	540.7	541.0
% Ch, Annual Rate	9.0	3.0	2.5	4.6	0.8	-1.0	0.0	0.2

Table A2.4 (continued)

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2025 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Nonfarm Payroll Employment	3,687.2	3,695.9	3,702.4	3,705.9	3,711.8	3,717.4	3,723.3	3,730.1
% Ch, Annual Rate	0.7	1.0	0.7	0.4	0.6	0.6	0.6	0.7
Manufacturing	275.4	275.5	275.8	275.8	276.1	276.4	276.4	276.4
% Ch, Annual Rate	-0.1	0.2	0.4	0.1	0.4	0.3	0.0	0.0
Durable Manufacturing	190.5	191.1	191.8	192.1	192.3	192.5	192.6	192.7
% Ch, Annual Rate	1.1	1.4	1.3	0.7	0.5	0.5	0.1	0.3
Wood Products	13.7	13.8	13.8	13.9	13.9	13.9	13.9	13.9
% Ch, Annual Rate	2.6	2.2	1.8	1.5	0.5	0.3	0.2	-0.1
Primary and Fabricated Metals	23.8	23.7	23.6	23.4	23.3	23.3	23.1	23.0
% Ch, Annual Rate	-1.4	-1.6	-1.6	-3.2	-1.7	-0.8	-2.6	-2.4
Computer and Electronic Products	18.3	18.3	18.4	18.4	18.4	18.4	18.3	18.2
% Ch, Annual Rate	0.7	0.9	1.9	0.9	-0.4	-1.2	-2.1	-2.5
Machinery and Electrical Equipment	19.9	19.8	19.8	19.7	19.6	19.6	19.4	19.4
% Ch, Annual Rate	-4.5	-1.8	-1.7	-2.0	-0.9	-1.2	-2.3	-0.5
Aerospace	81.5	82.2	82.9	83.6	84.3	84.9	85.4	85.8
% Ch, Annual Rate	3.5	3.6	3.4	3.4	3.1	2.8	2.5	2.1
Other Transportation Equip.	8.0	8.0	7.9	7.8	7.5	7.3	7.2	7.2
% Ch, Annual Rate	-0.6	-1.4	-2.4	-6.7	-13.2	-12.3	-4.1	-1.5
Other Durables	25.3	25.3	25.3	25.3	25.3	25.3	25.3	25.3
% Ch, Annual Rate	0.3	0.6	0.5	-0.6	0.2	0.3	-0.3	-0.3
Nondurable Manufacturing	84.9	84.4	84.0	83.8	83.8	83.8	83.8	83.7
% Ch, Annual Rate	-2.7	-2.4	-1.7	-1.2	0.2	0.1	-0.3	-0.4
Food Manufacturing	39.1	38.7	38.4	38.2	38.1	38.0	37.9	37.8
% Ch, Annual Rate	-4.5	-3.9	-3.2	-2.4	-1.3	-1.2	-1.1	-1.0
Paper and Paper Products	7.2	7.1	7.1	7.0	7.0	7.0	7.0	7.0
% Ch, Annual Rate	-4.2	-4.1	-2.4	-1.9	0.3	-0.3	-1.4	-2.0
Other Nondurables	38.6	38.5	38.5	38.6	38.7	38.8	38.9	38.9
% Ch, Annual Rate	-0.5	-0.6	0.0	0.1	1.7	1.4	0.6	0.4
Natural Resources and Mining	5.1	5.1	5.1	5.1	5.1	5.1	5.2	5.2
% Ch, Annual Rate	5.3	-1.9	0.3	2.8	1.5	1.2	2.2	2.9
Construction	234.0	235.3	236.5	237.6	238.8	240.1	241.3	242.6
% Ch, Annual Rate	2.1	2.1	2.1	2.0	2.1	2.0	2.2	2.1
Trade, Transportation, and Utilities	615.2	615.3	615.8	616.1	616.3	616.2	616.0	615.8
% Ch, Annual Rate	0.0	0.0	0.3	0.2	0.1	0.0	-0.1	-0.2
Wholesale Trade	140.5	140.8	141.3	141.8	142.0	142.1	141.9	141.7
% Ch, Annual Rate	1.5	0.9	1.6	1.3	0.4	0.2	-0.4	-0.5
Retail Trade	332.9	332.5	332.3	332.0	331.9	331.7	331.5	331.3
% Ch, Annual Rate	-0.7	-0.5	-0.2	-0.3	-0.2	-0.2	-0.2	-0.2
Trans., Warehousing, and Utilities	141.9	142.0	142.1	142.3	142.4	142.5	142.6	142.7
% Ch, Annual Rate	0.3	0.4	0.5	0.4	0.3	0.3	0.3	0.2
Information	170.4	171.4	172.3	173.1	173.7	174.3	174.9	175.9
% Ch, Annual Rate	3.2	2.5	2.2	1.8	1.5	1.2	1.4	2.5
Software Publishers	84.0	84.4	84.9	85.4	85.9	86.4	87.0	87.5
% Ch, Annual Rate	1.1	2.0	2.5	2.3	2.3	2.4	2.4	2.3
Other Publishing Industries	6.6	6.4	6.4	6.3	6.2	6.1	6.0	6.0
% Ch, Annual Rate	-10.3	-7.0	-4.7	-5.6	-5.5	-5.0	-4.9	-5.6
Other Information	79.8	80.5	81.0	81.4	81.6	81.7	81.9	82.5
% Ch, Annual Rate	6.6	3.8	2.4	1.8	1.2	0.5	0.7	3.3
Financial Activities	166.3	166.5	166.7	166.8	166.9	167.0	167.2	167.3
% Ch, Annual Rate	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3
Professional and Business Services	565.2	567.6	569.4	571.2	573.8	576.3	579.0	582.0
% Ch, Annual Rate	1.7	1.7	1.3	1.3	1.8	1.8	1.9	2.1
Mgmt. of Companies and Enterprises	105.8	106.6	107.3	108.1	108.8	109.5	110.1	110.8
% Ch	3.2	3.1	2.9	2.8	2.6	2.5	2.4	2.4
Other Prof. and Bus. Services	459.4	461.1	462.1	463.2	465.0	466.9	468.8	471.2
% Ch	1.4	1.4	0.9	0.9	1.6	1.6	1.7	2.0
Education and Health Services	566.2	567.0	567.7	568.3	568.7	569.1	569.5	570.0
% Ch, Annual Rate	0.6	0.6	0.5	0.4	0.3	0.3	0.3	0.3
Leisure and Hospitality	346.3	348.4	348.6	346.6	346.6	346.5	346.5	346.6
% Ch, Annual Rate	0.1	2.5	0.2	-2.3	0.0	-0.1	0.0	0.0
Other Services	125.8	126.1	126.3	126.5	126.8	127.0	127.2	127.4
% Ch, Annual Rate	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7
Federal Government	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0
% Ch, Annual Rate	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	541.3	541.9	542.3	542.6	543.0	543.4	544.2	545.0
% Ch, Annual Rate	0.2	0.4	0.3	0.3	0.3	0.3	0.5	0.6

Table A2.4 (continued)

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2025 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Nonfarm Payroll Employment	3,738.3	3,746.0	3,753.4	3,761.3	3,770.1	3,778.5	3,787.2	3,795.5
% Ch, Annual Rate	0.9	0.8	0.8	0.8	0.9	0.9	0.9	0.9
Manufacturing	276.7	276.9	276.9	276.7	276.8	276.8	277.1	277.4
% Ch, Annual Rate	0.4	0.3	0.0	-0.3	0.1	0.1	0.4	0.3
Durable Manufacturing	193.0	193.4	193.4	193.3	193.4	193.4	193.6	193.7
% Ch, Annual Rate	0.7	0.6	0.2	-0.2	0.1	0.1	0.4	0.2
Wood Products	13.9	13.9	13.9	13.9	13.9	13.9	13.9	13.9
% Ch, Annual Rate	-0.1	0.2	0.0	-0.1	-0.2	0.0	0.0	0.1
Primary and Fabricated Metals	22.9	22.9	22.8	22.6	22.6	22.5	22.5	22.4
% Ch, Annual Rate	-1.0	-1.0	-1.7	-2.1	-1.2	-1.4	-0.5	-0.8
Computer and Electronic Products	18.0	17.9	17.7	17.6	17.5	17.4	17.3	17.2
% Ch, Annual Rate	-3.4	-3.0	-2.9	-2.7	-2.7	-2.8	-2.4	-2.0
Machinery and Electrical Equipment	19.6	19.7	19.7	19.6	19.6	19.7	19.8	19.8
% Ch, Annual Rate	2.8	2.2	0.3	-1.2	0.5	0.5	2.1	1.0
Aerospace	86.2	86.6	86.9	87.2	87.4	87.7	87.9	88.1
% Ch, Annual Rate	1.9	1.7	1.4	1.3	1.2	1.1	0.9	0.8
Other Transportation Equip.	7.2	7.2	7.2	7.1	7.0	6.9	6.9	6.8
% Ch, Annual Rate	0.0	0.6	-0.9	-4.2	-4.8	-4.4	-3.4	-3.0
Other Durables	25.3	25.3	25.3	25.3	25.4	25.4	25.5	25.5
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.7	0.7	1.0	1.1
Nondurable Manufacturing	83.6	83.5	83.4	83.4	83.4	83.4	83.5	83.6
% Ch, Annual Rate	-0.1	-0.5	-0.4	-0.4	0.2	0.1	0.6	0.5
Food Manufacturing	37.7	37.5	37.4	37.3	37.3	37.2	37.2	37.2
% Ch, Annual Rate	-0.8	-1.4	-1.1	-1.1	-0.4	-0.7	-0.2	-0.3
Paper and Paper Products	6.9	6.9	6.9	6.8	6.8	6.7	6.7	6.7
% Ch, Annual Rate	-1.3	-2.1	-2.3	-2.6	-2.1	-2.4	-1.9	-2.1
Other Nondurables	39.0	39.1	39.1	39.2	39.3	39.4	39.6	39.8
% Ch, Annual Rate	0.8	0.6	0.7	0.7	1.3	1.2	1.7	1.7
Natural Resources and Mining	5.2	5.3	5.3	5.4	5.5	5.6	5.6	5.7
% Ch, Annual Rate	3.6	2.1	4.8	6.8	4.5	5.9	2.7	6.7
Construction	243.9	245.3	246.7	248.1	249.5	251.0	252.5	254.1
% Ch, Annual Rate	2.2	2.2	2.3	2.3	2.4	2.4	2.4	2.5
Trade, Transportation, and Utilities	615.6	615.1	614.5	614.0	613.7	613.1	612.7	612.3
% Ch, Annual Rate	-0.1	-0.4	-0.4	-0.3	-0.2	-0.4	-0.3	-0.2
Wholesale Trade	141.7	141.4	141.1	140.9	140.8	140.4	140.2	140.0
% Ch, Annual Rate	0.0	-0.9	-0.8	-0.8	-0.2	-1.0	-0.7	-0.7
Retail Trade	331.1	330.9	330.6	330.3	330.0	329.7	329.4	329.3
% Ch, Annual Rate	-0.2	-0.3	-0.4	-0.3	-0.4	-0.3	-0.3	-0.2
Trans., Warehousing, and Utilities	142.7	142.8	142.8	142.9	142.9	143.0	143.0	143.1
% Ch, Annual Rate	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.1
Information	177.6	179.0	180.4	181.7	183.3	185.0	186.6	188.0
% Ch, Annual Rate	3.8	3.3	3.1	3.0	3.6	3.7	3.6	3.0
Software Publishers	88.0	88.5	88.9	89.4	89.9	90.4	90.9	91.4
% Ch, Annual Rate	2.4	2.2	2.2	2.2	2.3	2.2	2.2	2.3
Other Publishing Industries	5.9	5.8	5.7	5.6	5.5	5.4	5.3	5.3
% Ch, Annual Rate	-5.2	-6.0	-6.1	-6.4	-5.7	-6.5	-6.1	-6.0
Other Information	83.7	84.8	85.7	86.7	87.9	89.1	90.4	91.3
% Ch, Annual Rate	5.9	5.1	4.6	4.4	5.6	6.0	5.6	4.2
Financial Activities	167.4	167.4	167.4	167.5	167.4	167.4	167.4	167.4
% Ch, Annual Rate	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Professional and Business Services	585.5	589.2	592.9	596.9	601.2	605.3	609.5	613.5
% Ch, Annual Rate	2.4	2.6	2.6	2.7	2.9	2.8	2.8	2.7
Mgmt. of Companies and Enterprises	111.4	112.0	112.6	113.2	113.8	114.4	115.0	115.6
% Ch	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0
Other Prof. and Bus. Services	474.0	477.2	480.3	483.7	487.3	490.9	494.5	497.9
% Ch	2.4	2.7	2.6	2.9	3.1	2.9	2.9	2.8
Education and Health Services	570.4	570.8	571.2	571.7	572.2	572.7	573.1	573.5
% Ch, Annual Rate	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.2
Leisure and Hospitality	346.5	346.5	346.5	346.6	346.6	346.6	346.5	346.5
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Other Services	127.7	127.9	128.2	128.4	128.7	128.9	129.1	129.3
% Ch, Annual Rate	0.8	0.7	0.7	0.8	0.9	0.7	0.6	0.7
Federal Government	76.0	76.0	76.0	76.1	76.1	76.1	76.1	76.2
% Ch, Annual Rate	0.0	0.1	0.1	0.2	0.1	0.1	0.1	0.2
State and Local Government	545.8	546.7	547.4	548.3	549.2	550.0	550.8	551.6
% Ch, Annual Rate	0.6	0.6	0.5	0.6	0.7	0.6	0.6	0.6

Table A3.1

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Personal Income	22,088.9	23,402.5	24,692.3	25,924.0	27,390.9	28,843.7	30,264.9	31,667.7
% Ch	3.1	5.9	5.5	5.0	5.7	5.3	4.9	4.6
Total Wage and Salary Disbursements	11,123.1	11,725.2	12,421.6	13,074.5	13,843.1	14,458.9	15,120.8	15,783.0
% Ch	7.8	5.4	5.9	5.3	5.9	4.4	4.6	4.4
Nonwage Personal Income	10,965.8	11,677.3	12,270.7	12,849.5	13,547.8	14,384.8	15,144.1	15,884.7
% Ch	-1.2	6.5	5.1	4.7	5.4	6.2	5.3	4.9
Supplements to Wages and Salaries	2,313.6	2,464.9	2,620.3	2,774.1	2,928.7	3,035.8	3,154.8	3,273.2
% Ch	3.2	6.5	6.3	5.9	5.6	3.7	3.9	3.8
Proprietor's Income	1,873.6	1,949.0	2,003.8	2,076.5	2,169.5	2,329.5	2,446.4	2,568.3
% Ch	3.2	4.0	2.8	3.6	4.5	7.4	5.0	5.0
Farm	95.9	71.3	44.2	60.3	75.7	82.9	81.8	79.5
% Ch	27.0	-25.7	-38.0	36.3	25.7	9.4	-1.3	-2.9
Nonfarm	1,777.6	1,877.7	1,959.6	2,016.3	2,093.8	2,246.6	2,364.6	2,488.9
% Ch	2.2	5.6	4.4	2.9	3.8	7.3	5.3	5.3
Less: Contribution For Govt. Soc. Ins.	1,704.8	1,816.6	1,901.5	1,980.7	2,077.3	2,142.8	2,233.9	2,331.9
% Ch	9.3	6.6	4.7	4.2	4.9	3.2	4.3	4.4
Dividends/Int./Rent	4,344.3	4,812.0	5,005.6	5,186.0	5,476.8	5,842.0	6,182.9	6,494.9
% Ch	9.9	10.8	4.0	3.6	5.6	6.7	5.8	5.0
Transfer Payments	4,139.2	4,268.0	4,542.5	4,793.6	5,050.1	5,320.3	5,593.9	5,880.1
% Ch	-11.1	3.1	6.4	5.5	5.4	5.3	5.1	5.1

Table A3.2

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Personal Income	24,344.2	24,574.0	24,765.8	25,085.3	25,396.1	25,711.3	26,109.5	26,479.2
% Ch, Annual Rate	9.3	3.8	3.2	5.3	5.0	5.1	6.3	5.8
Total Wage and Salary Disbursements	12,251.0	12,343.0	12,456.5	12,636.0	12,791.5	12,952.1	13,166.3	13,388.3
% Ch, Annual Rate	10.3	3.0	3.7	5.9	5.0	5.1	6.8	6.9
Nonwage Personal Income	12,093.2	12,231.0	12,309.3	12,449.4	12,604.6	12,759.2	12,943.2	13,090.9
% Ch, Annual Rate	8.4	4.6	2.6	4.6	5.1	5.0	5.9	4.6
Supplements to Wages and Salaries	2,572.8	2,602.6	2,635.7	2,670.1	2,713.8	2,752.2	2,793.5	2,836.8
% Ch, Annual Rate	7.6	4.7	5.2	5.3	6.7	5.8	6.1	6.4
Proprietor's Income	1,972.1	2,002.3	2,013.5	2,027.3	2,052.0	2,076.6	2,084.1	2,093.4
% Ch, Annual Rate	0.4	6.3	2.3	2.8	5.0	4.9	1.4	1.8
Farm	38.5	41.1	46.4	50.9	56.5	57.8	60.8	66.0
% Ch, Annual Rate	-65.3	29.2	63.7	44.0	52.1	9.5	22.6	38.7
Nonfarm	1,933.6	1,961.2	1,967.1	1,976.4	1,995.5	2,018.8	2,023.3	2,027.4
% Ch, Annual Rate	2.9	5.8	1.2	1.9	3.9	4.8	0.9	0.8
Less: Contribution For Govt. Soc. Ins.	1,882.9	1,889.9	1,904.8	1,928.5	1,950.7	1,966.4	1,990.1	2,015.6
% Ch, Annual Rate	6.6	1.5	3.2	5.1	4.7	3.3	4.9	5.2
Dividends/Int./Rent	4,985.1	5,003.6	4,994.5	5,039.4	5,069.9	5,128.7	5,237.6	5,307.9
% Ch, Annual Rate	4.3	1.5	-0.7	3.6	2.4	4.7	8.8	5.5
Transfer Payments	4,446.1	4,512.3	4,570.4	4,641.1	4,719.7	4,768.1	4,818.1	4,868.3
% Ch, Annual Rate	16.8	6.1	5.2	6.3	6.9	4.2	4.3	4.2

Table A3.2 (continued)

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Personal Income	26,899.3	27,246.3	27,541.5	27,876.5	28,310.1	28,680.9	29,024.6	29,359.1
% Ch, Annual Rate	6.5	5.3	4.4	5.0	6.4	5.3	4.9	4.7
Total Wage and Salary Disbursements	13,619.5	13,800.2	13,908.1	14,044.7	14,213.0	14,384.1	14,541.1	14,697.4
% Ch, Annual Rate	7.1	5.4	3.2	4.0	4.9	4.9	4.4	4.4
Nonwage Personal Income	13,279.8	13,446.1	13,633.5	13,831.8	14,097.1	14,296.8	14,483.5	14,661.8
% Ch, Annual Rate	5.9	5.1	5.7	5.9	7.9	5.8	5.3	5.0
Supplements to Wages and Salaries	2,886.4	2,921.6	2,942.0	2,965.0	2,994.9	3,024.0	3,048.4	3,076.0
% Ch, Annual Rate	7.2	5.0	2.8	3.2	4.1	3.9	3.3	3.7
Proprietor's Income	2,110.1	2,129.5	2,193.1	2,245.3	2,286.3	2,314.1	2,341.6	2,375.9
% Ch, Annual Rate	3.2	3.7	12.5	9.9	7.5	5.0	4.8	6.0
Farm	70.4	73.9	77.7	80.9	81.9	83.1	83.3	83.2
% Ch, Annual Rate	29.3	21.7	22.4	17.5	4.9	5.7	1.3	-0.6
Nonfarm	2,039.7	2,055.6	2,115.3	2,164.4	2,204.4	2,231.1	2,258.3	2,292.7
% Ch, Annual Rate	2.4	3.2	12.1	9.6	7.6	4.9	5.0	6.2
Less: Contribution For Govt. Soc. Ins.	2,052.4	2,073.8	2,086.2	2,096.8	2,118.6	2,137.2	2,147.7	2,167.5
% Ch, Annual Rate	7.5	4.2	2.4	2.0	4.2	3.6	2.0	3.7
Dividends/Int./Rent	5,364.1	5,443.1	5,509.6	5,590.2	5,693.9	5,802.1	5,894.3	5,977.7
% Ch, Annual Rate	4.3	6.0	5.0	6.0	7.6	7.8	6.5	5.8
Transfer Payments	4,971.7	5,025.7	5,075.0	5,128.0	5,240.6	5,293.8	5,346.8	5,399.7
% Ch, Annual Rate	8.8	4.4	4.0	4.2	9.1	4.1	4.1	4.0



Table A3.2 (continued)

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Personal Income	29,740.9	30,093.8	30,439.6	30,785.3	31,147.5	31,492.4	31,840.0	32,190.9
% Ch, Annual Rate	5.3	4.8	4.7	4.6	4.8	4.5	4.5	4.5
Total Wage and Salary Disbursements	14,867.8	15,042.5	15,204.8	15,368.0	15,525.2	15,694.5	15,869.2	16,043.1
% Ch, Annual Rate	4.7	4.8	4.4	4.4	4.2	4.4	4.5	4.5
Nonwage Personal Income	14,873.2	15,051.3	15,234.8	15,417.3	15,622.4	15,797.9	15,970.8	16,147.8
% Ch, Annual Rate	5.9	4.9	5.0	4.9	5.4	4.6	4.4	4.5
Supplements to Wages and Salaries	3,111.3	3,141.9	3,169.3	3,196.7	3,228.2	3,257.3	3,288.1	3,319.2
% Ch, Annual Rate	4.7	4.0	3.5	3.5	4.0	3.7	3.8	3.8
Proprietor's Income	2,403.1	2,426.2	2,460.6	2,495.8	2,527.0	2,556.9	2,581.0	2,608.4
% Ch, Annual Rate	4.7	3.9	5.8	5.8	5.1	4.8	3.8	4.3
Farm	82.8	82.2	81.5	80.8	80.1	79.5	79.2	79.0
% Ch, Annual Rate	-1.8	-3.0	-3.4	-3.5	-3.3	-2.8	-1.7	-0.8
Nonfarm	2,320.3	2,344.1	2,379.1	2,415.0	2,446.9	2,477.4	2,501.8	2,529.4
% Ch, Annual Rate	4.9	4.2	6.1	6.2	5.4	5.1	4.0	4.5
Less: Contribution For Govt. Soc. Ins.	2,200.9	2,223.6	2,244.8	2,266.2	2,297.7	2,320.2	2,343.3	2,366.3
% Ch, Annual Rate	6.3	4.2	3.9	3.9	5.7	4.0	4.0	4.0
Dividends/Int./Rent	6,060.0	6,143.9	6,224.5	6,303.1	6,376.9	6,453.9	6,534.5	6,614.5
% Ch, Annual Rate	5.6	5.7	5.4	5.2	4.8	4.9	5.1	5.0
Transfer Payments	5,499.7	5,562.9	5,625.3	5,687.9	5,788.1	5,850.0	5,910.5	5,972.0
% Ch, Annual Rate	7.6	4.7	4.6	4.5	7.2	4.3	4.2	4.2

Table A3.3

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Personal Income	588.561	628.277	665.997	697.503	736.441	778.372	820.465	862.418
% Ch	3.2	6.7	6.0	4.7	5.6	5.7	5.4	5.1
Total Wage and Salary Disbursements	311.641	334.744	357.887	373.687	393.494	412.764	434.017	455.584
% Ch	6.8	7.4	6.9	4.4	5.3	4.9	5.1	5.0
Manufacturing	23.826	25.673	26.668	28.214	29.679	31.118	32.535	33.808
% Ch	10.3	7.8	3.9	5.8	5.2	4.8	4.6	3.9
Durable Manufacturing	18.052	19.674	20.613	21.951	23.289	24.508	25.680	26.704
% Ch	11.2	9.0	4.8	6.5	6.1	5.2	4.8	4.0
Nondurable Manufacturing	5.774	5.999	6.055	6.263	6.390	6.610	6.855	7.104
% Ch	7.6	3.9	0.9	3.4	2.0	3.5	3.7	3.6
Nonmanufacturing	279.323	299.896	321.672	335.464	353.383	370.811	390.215	410.061
% Ch	6.3	7.4	7.3	4.3	5.3	4.9	5.2	5.1
Other Private Wages	1.460	1.538	1.587	1.665	1.755	1.838	1.931	2.023
% Ch	4.2	5.3	3.2	4.9	5.4	4.8	5.0	4.8
Farm Wages	2.753	3.211	3.410	3.577	3.741	3.898	4.073	4.250
% Ch	50.7	16.6	6.2	4.9	4.6	4.2	4.5	4.3
Military Wages	4.278	4.426	4.549	4.767	4.936	5.098	5.264	5.441
% Ch	0.0	3.5	2.8	4.8	3.6	3.3	3.2	3.4
Nonwage Personal Income	276.920	293.533	308.110	323.817	342.948	365.607	386.447	406.834
% Ch	-0.5	6.0	5.0	5.1	5.9	6.6	5.7	5.3
Supplements to Wages and Salaries	63.872	67.992	72.081	75.847	79.732	82.895	86.546	90.250
% Ch	4.9	6.5	6.0	5.2	5.1	4.0	4.4	4.3
Proprietor's Income	41.266	41.838	43.331	45.719	48.497	52.611	55.660	58.714
% Ch	-2.4	1.4	3.6	5.5	6.1	8.5	5.8	5.5
Farm	0.708	-0.939	-1.170	-0.013	0.904	1.394	1.583	1.660
% Ch	...	...	...	...	...	...	...	...
Nonfarm	40.558	42.777	44.501	45.732	47.593	51.217	54.077	57.054
% Ch	-1.1	5.5	4.0	2.8	4.1	7.6	5.6	5.5
Less: Contribution For Govt. Soc. Ins.	49.014	53.189	55.539	57.495	59.879	61.835	64.627	67.636
% Ch	9.6	8.5	4.4	3.5	4.1	3.3	4.5	4.7
Plus: Residence Adjustment	6.078	6.527	6.820	7.248	7.699	8.059	8.446	8.833
% Ch	9.0	7.4	4.5	6.3	6.2	4.7	4.8	4.6
Dividends/Int./Rent	123.557	137.237	142.644	147.777	156.134	166.694	176.710	186.053
% Ch	11.3	11.1	3.9	3.6	5.7	6.8	6.0	5.3
Transfer Payments	91.162	93.129	98.772	104.721	110.765	117.184	123.712	130.621
% Ch	-11.8	2.2	6.1	6.0	5.8	5.8	5.6	5.6
State U.I. Benefits	0.965	1.515	1.684	1.246	1.455	1.583	1.602	1.610
% Ch	-88.2	57.0	11.2	-26.0	16.8	8.8	1.2	0.5
Other Transfers	90.197	91.613	97.088	103.475	109.311	115.601	122.110	129.011
% Ch	-5.2	1.6	6.0	6.6	5.6	5.8	5.6	5.7

Table A3.4

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Personal Income	651.637	669.007	667.909	675.433	684.703	692.421	701.828	711.062
% Ch, Annual Rate	7.5	11.1	-0.7	4.6	5.6	4.6	5.5	5.4
Total Wage and Salary Disbursements	347.494	361.856	359.319	362.878	367.753	371.181	375.374	380.438
% Ch, Annual Rate	6.7	17.6	-2.8	4.0	5.5	3.8	4.6	5.5
Manufacturing	26.328	26.877	26.967	26.500	27.716	28.002	28.380	28.757
% Ch, Annual Rate	-8.9	8.6	1.3	-6.7	19.7	4.2	5.5	5.4
Durable Manufacturing	20.331	20.813	20.935	20.376	21.526	21.741	22.093	22.445
% Ch, Annual Rate	-11.5	9.8	2.4	-10.3	24.6	4.0	6.6	6.5
Nondurable Manufacturing	5.998	6.064	6.032	6.124	6.190	6.261	6.287	6.312
% Ch, Annual Rate	0.7	4.5	-2.1	6.3	4.4	4.7	1.7	1.6
Nonmanufacturing	311.795	325.481	322.743	326.671	330.179	333.218	336.932	341.526
% Ch, Annual Rate	8.3	18.7	-3.3	5.0	4.4	3.7	4.5	5.6
Other Private Wages	1.571	1.582	1.589	1.607	1.635	1.653	1.674	1.698
% Ch, Annual Rate	2.5	2.8	1.7	4.7	7.1	4.6	5.1	5.8
Farm Wages	3.328	3.400	3.438	3.472	3.521	3.556	3.594	3.637
% Ch, Annual Rate	7.6	9.0	4.5	4.0	5.7	4.0	4.4	4.9
Military Wages	4.471	4.516	4.582	4.628	4.701	4.751	4.794	4.821
% Ch, Annual Rate	-1.2	4.1	5.9	4.1	6.5	4.3	3.6	2.3
Nonwage Personal Income	304.143	307.151	308.590	312.555	316.951	321.240	326.454	330.623
% Ch, Annual Rate	8.4	4.0	1.9	5.2	5.7	5.5	6.7	5.2
Supplements to Wages and Salaries	70.592	72.157	72.432	73.142	74.535	75.403	76.235	77.217
% Ch, Annual Rate	3.2	9.2	1.5	4.0	7.8	4.7	4.5	5.3
Proprietor's Income	42.585	43.230	43.450	44.059	44.868	45.634	45.989	46.386
% Ch, Annual Rate	4.1	6.2	2.1	5.7	7.5	7.0	3.1	3.5
Farm	-1.482	-1.209	-1.196	-0.793	-0.414	-0.146	0.118	0.390
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	44.067	44.439	44.646	44.852	45.281	45.780	45.870	45.995
% Ch, Annual Rate	4.4	3.4	1.9	1.9	3.9	4.5	0.8	1.1
Less: Contribution For Govt. Soc. Ins.	54.708	55.684	55.625	56.138	56.960	57.235	57.625	58.161
% Ch, Annual Rate	1.7	7.3	-0.4	3.7	6.0	1.9	2.8	3.8
Plus: Residence Adjustment	6.658	6.747	6.886	6.991	7.082	7.176	7.302	7.432
% Ch, Annual Rate	9.3	5.5	8.5	6.3	5.3	5.4	7.2	7.3
Dividends/Int./Rent	142.066	142.591	142.328	143.592	144.446	146.136	149.253	151.272
% Ch, Annual Rate	4.3	1.5	-0.7	3.6	2.4	4.8	8.8	5.5
Transfer Payments	96.951	98.109	99.119	100.909	102.981	104.126	105.300	106.477
% Ch, Annual Rate	16.8	4.9	4.2	7.4	8.5	4.5	4.6	4.5
State U.I. Benefits	1.767	1.806	1.776	1.387	1.078	1.236	1.312	1.356
% Ch, Annual Rate	23.1	9.2	-6.6	-62.8	-63.5	72.6	27.0	14.1
Other Transfers	95.183	96.303	97.343	99.522	101.902	102.890	103.987	105.121
% Ch, Annual Rate	16.7	4.8	4.4	9.3	9.9	3.9	4.3	4.4

Table A3.4 (continued)

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Personal Income	721.437	731.500	741.456	751.374	763.071	773.385	783.455	793.576
% Ch, Annual Rate	6.0	5.7	5.6	5.5	6.4	5.5	5.3	5.3
Total Wage and Salary Disbursements	385.781	391.225	396.186	400.783	405.435	410.212	415.110	420.300
% Ch, Annual Rate	5.7	5.8	5.2	4.7	4.7	4.8	4.9	5.1
Manufacturing	29.119	29.505	29.874	30.218	30.577	30.949	31.299	31.649
% Ch, Annual Rate	5.1	5.4	5.1	4.7	4.8	5.0	4.6	4.6
Durable Manufacturing	22.781	23.137	23.470	23.770	24.063	24.367	24.655	24.946
% Ch, Annual Rate	6.1	6.4	5.9	5.2	5.0	5.2	4.8	4.8
Nondurable Manufacturing	6.338	6.368	6.405	6.448	6.513	6.581	6.644	6.703
% Ch, Annual Rate	1.7	1.9	2.3	2.7	4.1	4.2	3.8	3.6
Nonmanufacturing	346.380	351.334	355.823	359.994	364.170	368.478	372.923	377.671
% Ch, Annual Rate	5.8	5.8	5.2	4.8	4.7	4.8	4.9	5.2
Other Private Wages	1.721	1.745	1.766	1.786	1.806	1.827	1.849	1.871
% Ch, Annual Rate	5.7	5.6	4.9	4.5	4.6	4.7	4.8	5.0
Farm Wages	3.680	3.723	3.762	3.799	3.838	3.877	3.918	3.961
% Ch, Annual Rate	4.8	4.8	4.3	4.0	4.1	4.2	4.2	4.4
Military Wages	4.881	4.919	4.960	4.985	5.044	5.081	5.121	5.148
% Ch, Annual Rate	5.1	3.1	3.4	2.1	4.8	2.9	3.2	2.1
Nonwage Personal Income	335.656	340.274	345.270	350.591	357.636	363.173	368.345	373.275
% Ch, Annual Rate	6.2	5.6	6.0	6.3	8.3	6.3	5.8	5.5
Supplements to Wages and Salaries	78.390	79.385	80.218	80.933	81.736	82.517	83.230	84.098
% Ch, Annual Rate	6.2	5.2	4.3	3.6	4.0	3.9	3.5	4.2
Proprietor's Income	46.925	47.535	49.117	50.412	51.470	52.209	52.939	53.825
% Ch, Annual Rate	4.7	5.3	14.0	11.0	8.7	5.9	5.7	6.9
Farm	0.624	0.822	1.007	1.165	1.271	1.368	1.440	1.496
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	46.301	46.713	48.110	49.248	50.199	50.841	51.499	52.329
% Ch, Annual Rate	2.7	3.6	12.5	9.8	8.0	5.2	5.3	6.6
Less: Contribution For Govt. Soc. Ins.	59.031	59.659	60.236	60.589	61.160	61.642	61.955	62.585
% Ch, Annual Rate	6.1	4.3	3.9	2.4	3.8	3.2	2.0	4.1
Plus: Residence Adjustment	7.568	7.674	7.736	7.816	7.915	8.015	8.107	8.198
% Ch, Annual Rate	7.5	5.7	3.3	4.2	5.1	5.2	4.7	4.6
Dividends/Int./Rent	152.890	155.163	157.080	159.405	162.399	165.526	168.206	170.647
% Ch, Annual Rate	4.3	6.1	5.0	6.1	7.7	7.9	6.6	5.9
Transfer Payments	108.914	110.177	111.355	112.614	115.277	116.548	117.818	119.092
% Ch, Annual Rate	9.5	4.7	4.3	4.6	9.8	4.5	4.4	4.4
State U.I. Benefits	1.397	1.424	1.472	1.526	1.551	1.578	1.596	1.607
% Ch, Annual Rate	12.5	7.9	14.3	15.4	6.8	7.1	4.8	2.5
Other Transfers	107.517	108.753	109.883	111.089	113.726	114.970	116.221	117.485
% Ch, Annual Rate	9.4	4.7	4.2	4.5	9.8	4.4	4.4	4.4

Table A3.4 (continued)

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2025 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Personal Income	804.843	815.293	825.676	836.046	846.930	857.211	867.566	877.965
% Ch, Annual Rate	5.8	5.3	5.2	5.1	5.3	4.9	4.9	4.9
Total Wage and Salary Disbursements	425.875	431.390	436.729	442.076	447.410	452.815	458.325	463.784
% Ch, Annual Rate	5.4	5.3	5.0	5.0	4.9	4.9	5.0	4.8
Manufacturing	32.025	32.388	32.713	33.013	33.321	33.632	33.972	34.307
% Ch, Annual Rate	4.8	4.6	4.1	3.7	3.8	3.8	4.1	4.0
Durable Manufacturing	25.256	25.561	25.829	26.073	26.318	26.567	26.834	27.097
% Ch, Annual Rate	5.1	4.9	4.3	3.8	3.8	3.8	4.1	4.0
Nondurable Manufacturing	6.769	6.826	6.884	6.940	7.003	7.065	7.137	7.210
% Ch, Annual Rate	4.0	3.5	3.4	3.3	3.7	3.6	4.2	4.1
Nonmanufacturing	382.740	387.786	392.692	397.642	402.539	407.524	412.581	417.602
% Ch, Annual Rate	5.5	5.4	5.2	5.1	5.0	5.0	5.1	5.0
Other Private Wages	1.896	1.920	1.943	1.966	1.988	2.012	2.035	2.059
% Ch, Annual Rate	5.3	5.1	4.8	4.8	4.7	4.8	4.8	4.7
Farm Wages	4.006	4.051	4.095	4.138	4.182	4.227	4.272	4.318
% Ch, Annual Rate	4.7	4.6	4.4	4.3	4.3	4.3	4.4	4.3
Military Wages	5.208	5.245	5.286	5.316	5.380	5.421	5.465	5.499
% Ch, Annual Rate	4.7	2.9	3.2	2.3	4.8	3.1	3.3	2.5
Nonwage Personal Income	378.968	383.903	388.947	393.969	399.520	404.396	409.241	414.181
% Ch, Annual Rate	6.2	5.3	5.4	5.3	5.8	5.0	4.9	4.9
Supplements to Wages and Salaries	85.204	86.127	86.994	87.860	88.881	89.776	90.705	91.636
% Ch, Annual Rate	5.4	4.4	4.1	4.0	4.7	4.1	4.2	4.2
Proprietor's Income	54.550	55.166	56.026	56.899	57.682	58.427	59.035	59.713
% Ch, Annual Rate	5.5	4.6	6.4	6.4	5.6	5.3	4.2	4.7
Farm	1.540	1.573	1.599	1.620	1.637	1.652	1.667	1.683
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	53.010	53.593	54.427	55.279	56.046	56.775	57.368	58.029
% Ch, Annual Rate	5.3	4.5	6.4	6.4	5.7	5.3	4.2	4.7
Less: Contribution For Govt. Soc. Ins.	63.615	64.300	64.963	65.630	66.613	67.291	67.981	68.662
% Ch, Annual Rate	6.7	4.4	4.2	4.2	6.1	4.1	4.2	4.1
Plus: Residence Adjustment	8.298	8.400	8.495	8.591	8.683	8.782	8.884	8.986
% Ch, Annual Rate	5.0	5.0	4.6	4.6	4.3	4.6	4.7	4.7
Dividends/Int./Rent	173.068	175.545	177.938	180.287	182.504	184.819	187.241	189.648
% Ch, Annual Rate	5.8	5.8	5.6	5.4	5.0	5.2	5.3	5.2
Transfer Payments	121.463	122.965	124.457	125.963	128.383	129.883	131.356	132.860
% Ch, Annual Rate	8.2	5.0	4.9	4.9	7.9	4.8	4.6	4.7
State U.I. Benefits	1.599	1.598	1.603	1.608	1.607	1.607	1.609	1.615
% Ch, Annual Rate	-1.9	-0.3	1.4	1.2	-0.3	0.1	0.4	1.5
Other Transfers	119.864	121.368	122.854	124.355	126.776	128.276	129.747	131.245
% Ch, Annual Rate	8.3	5.1	5.0	5.0	8.0	4.8	4.7	4.7

Table A4.1  
**Selected Inflation Indicators**  
(PCE Price Index 2017=100; CPI 1982-84=1)

	PCE Price Index*		U.S. CPI#		Seattle CPI+	
	Index	Percent Change	Index	Percent Change	Index	Percent Change
1971	20.6	4.2	0.405	4.2	0.382	2.1
1972	21.3	3.4	0.418	3.3	0.393	2.9
1973	22.5	5.4	0.444	6.3	0.418	6.4
1974	24.8	10.4	0.493	11.0	0.464	11.0
1975	26.9	8.3	0.538	9.1	0.511	10.2
1976	28.3	5.5	0.569	5.8	0.540	5.5
1977	30.2	6.5	0.606	6.5	0.583	8.0
1978	32.3	7.0	0.652	7.6	0.640	9.9
1979	35.1	8.9	0.726	11.3	0.709	10.8
1980	38.9	10.8	0.824	13.5	0.827	16.7
1981	42.4	9.0	0.909	10.4	0.916	10.8
1982	44.8	5.6	0.965	6.2	0.978	6.7
1983	46.7	4.3	0.996	3.2	0.993	1.5
1984	48.4	3.8	1.039	4.4	1.030	3.8
1985	50.1	3.5	1.076	3.5	1.056	2.5
1986	51.2	2.2	1.097	1.9	1.066	1.0
1987	52.8	3.1	1.136	3.6	1.092	2.4
1988	54.9	3.9	1.183	4.1	1.128	3.3
1989	57.3	4.4	1.239	4.8	1.181	4.7
1990	59.8	4.4	1.307	5.4	1.268	7.3
1991	61.8	3.3	1.362	4.2	1.341	5.8
1992	63.4	2.7	1.403	3.0	1.390	3.7
1993	65.0	2.5	1.445	3.0	1.429	2.8
1994	66.4	2.1	1.482	2.6	1.478	3.4
1995	67.8	2.1	1.524	2.8	1.522	3.0
1996	69.2	2.1	1.569	2.9	1.575	3.4
1997	70.4	1.7	1.605	2.3	1.630	3.5
1998	71.0	0.8	1.630	1.5	1.677	2.9
1999	72.0	1.5	1.666	2.2	1.728	3.0
2000	73.8	2.5	1.722	3.4	1.792	3.7
2001	75.3	2.0	1.770	2.8	1.857	3.6
2002	76.3	1.3	1.799	1.6	1.893	2.0
2003	77.9	2.1	1.840	2.3	1.924	1.6
2004	79.8	2.5	1.889	2.7	1.947	1.2
2005	82.1	2.9	1.953	3.4	2.002	2.8
2006	84.4	2.8	2.016	3.2	2.076	3.7
2007	86.6	2.6	2.073	2.9	2.157	3.9
2008	89.2	3.0	2.153	3.8	2.247	4.2
2009	88.9	-0.3	2.146	-0.3	2.260	0.6
2010	90.5	1.8	2.181	1.6	2.267	0.3
2011	92.8	2.5	2.249	3.1	2.328	2.7
2012	94.5	1.9	2.296	2.1	2.387	2.5
2013	95.8	1.3	2.330	1.5	2.416	1.2
2014	97.1	1.4	2.367	1.6	2.460	1.8
2015	97.3	0.2	2.370	0.1	2.494	1.4
2016	98.3	1.0	2.400	1.3	2.550	2.3
2017	100.0	1.7	2.451	2.1	2.627	3.0
2018	102.0	2.0	2.511	2.4	2.711	3.2
2019	103.5	1.4	2.557	1.8	2.779	2.5
2020	104.6	1.1	2.588	1.2	2.826	1.7
2021	109.0	4.1	2.710	4.7	2.960	4.7
2022	116.1	6.6	2.926	8.0	3.224	8.9
2023	120.5	3.8	3.047	4.1	3.412	5.8
2024	123.5	2.5	3.137	3.0	3.535	3.6
Forecast						
2025	126.8	2.6	3.234	3.1	3.649	3.2
2026	130.4	2.9	3.336	3.2	3.765	3.2
2027	133.1	2.1	3.412	2.3	3.844	2.1
2028	135.6	1.9	3.480	2.0	3.926	2.1
2029	138.4	2.0	3.559	2.3	4.013	2.2

\* GDP Price Index for Personal Consumption Expenditures

# Consumer Price Index for all Urban Consumers

+ Consumer Price Index for the Seattle-Tacoma-Bremerton, WA CMSA

Consumer Price Index and PCE Price Index values shown here are annual averages of seasonally adjusted quarterly data and may differ slightly from the annual values published by the Bureau of Labor Statistics and Bureau of Economic Analysis.

Table A4.2  
**Price Indexes for Gross Domestic Product**  
(2017=100)

	Services		Food		Fuels		Gasoline	
	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change
1971	15.0	5.5	20.8	2.3	7.2	6.3	13.2	0.7
1972	15.6	4.2	21.7	4.8	7.3	0.6	13.4	1.3
1973	16.4	4.8	24.5	12.7	8.3	14.6	14.6	9.6
1974	17.8	8.5	28.2	15.2	13.2	58.9	19.8	35.1
1975	19.3	8.6	30.3	7.5	14.3	8.5	21.1	6.7
1976	20.6	6.9	30.9	1.9	15.4	7.3	22.0	4.2
1977	22.2	7.6	32.7	5.9	17.4	13.2	23.3	5.8
1978	23.9	7.7	35.9	9.6	18.4	5.7	24.3	4.3
1979	25.9	8.4	39.4	9.8	25.4	37.9	32.5	34.0
1980	28.6	10.4	42.7	8.4	35.6	40.4	45.2	38.8
1981	31.5	10.2	45.7	7.1	43.6	22.3	50.2	11.3
1982	34.0	7.8	46.9	2.6	42.8	-1.9	47.7	-5.1
1983	36.1	6.1	47.5	1.1	39.4	-7.8	46.1	-3.3
1984	38.0	5.2	48.9	3.0	40.3	2.2	45.4	-1.5
1985	39.8	4.9	49.4	1.1	38.7	-3.9	45.8	0.8
1986	41.5	4.1	50.6	2.4	30.3	-21.7	36.0	-21.5
1987	42.7	3.0	52.2	3.2	31.1	2.6	37.4	3.8
1988	44.8	4.8	53.7	3.0	31.1	0.0	37.7	0.8
1989	46.9	4.7	56.6	5.3	32.9	6.0	41.2	9.2
1990	49.0	4.6	59.3	4.9	39.7	20.4	46.9	13.8
1991	50.9	3.9	61.2	3.1	37.8	-4.8	46.2	-1.3
1992	52.8	3.6	61.7	0.8	36.2	-4.1	46.1	-0.4
1993	54.6	3.5	62.5	1.4	36.0	-0.7	45.6	-1.0
1994	56.1	2.7	63.6	1.7	35.3	-1.8	45.8	0.5
1995	57.6	2.8	65.0	2.2	35.0	-0.9	46.5	1.6
1996	59.2	2.7	66.9	3.1	39.7	13.3	49.4	6.1
1997	60.9	2.8	68.2	1.9	39.7	0.2	49.4	0.0
1998	62.2	2.1	69.1	1.3	35.2	-11.4	43.0	-12.9
1999	63.4	2.0	70.2	1.6	35.8	1.7	46.8	8.9
2000	65.2	2.8	71.9	2.3	52.5	46.6	59.8	27.8
2001	67.3	3.2	73.9	2.9	51.5	-2.0	57.7	-3.6
2002	69.0	2.6	75.1	1.5	45.9	-10.8	54.2	-6.0
2003	71.3	3.3	76.5	1.9	55.5	20.9	63.1	16.5
2004	73.5	3.1	78.9	3.1	64.6	16.4	74.2	17.6
2005	76.0	3.4	80.2	1.7	86.0	33.0	90.3	21.6
2006	78.8	3.6	81.6	1.7	97.7	13.7	101.9	12.9
2007	81.4	3.3	84.8	3.9	104.5	6.9	110.5	8.4
2008	83.8	2.9	89.9	6.1	141.8	35.7	128.6	16.5
2009	84.4	0.8	91.0	1.2	97.1	-31.6	94.4	-26.6
2010	86.1	1.9	91.3	0.3	113.5	16.9	111.3	18.0
2011	87.7	1.9	94.9	4.0	144.5	27.3	139.9	25.7
2012	89.6	2.2	97.2	2.4	146.5	1.4	144.8	3.5
2013	91.7	2.2	98.1	1.0	144.9	-1.1	140.8	-2.8
2014	93.8	2.3	100.0	1.9	144.5	-0.3	135.5	-3.8
2015	95.5	1.8	101.1	1.1	104.0	-28.0	99.7	-26.4
2016	97.6	2.3	100.1	-1.0	87.4	-15.9	88.7	-11.0
2017	100.0	2.4	100.0	-0.1	100.0	14.4	100.0	12.7
2018	102.6	2.6	100.5	0.5	119.1	19.1	113.1	13.1
2019	105.0	2.3	101.5	1.0	113.8	-4.4	109.2	-3.4
2020	107.1	2.0	104.9	3.3	91.0	-20.1	93.2	-14.7
2021	111.0	3.7	108.2	3.1	118.5	30.2	124.4	33.5
2022	117.1	5.5	119.3	10.3	185.1	56.2	162.7	30.8
2023	123.1	5.1	125.3	5.0	158.7	-14.2	146.5	-9.9
2024	127.9	3.9	127.0	1.3	146.7	-7.6	139.0	-5.2
Forecast								
2025	132.1	3.3	130.0	2.4	136.7	-6.8	132.7	-4.5
2026	136.7	3.4	133.6	2.7	136.7	0.0	131.7	-0.7
2027	140.9	3.1	135.9	1.8	135.0	-1.3	129.9	-1.4
2028	144.6	2.6	138.6	1.9	134.9	-0.1	130.9	0.8
2029	148.7	2.9	141.2	1.9	135.7	0.6	132.8	1.4

Table A5.1  
**Washington Resident Population and Components of Change\***  
(Thousands)

	<u>Population</u>	<u>Change</u>	<u>Percent Change</u>	<u>Births</u>	<u>Deaths</u>	<u>Net Migration</u>
1970	3413.2	16.2	0.5	59.9	30.0	-13.7
1971	3436.3	23.1	0.7	60.0	29.8	-7.2
1972	3430.3	-6.0	-0.2	53.1	30.4	-28.7
1973	3444.3	14.0	0.4	47.7	30.4	-3.3
1974	3508.7	64.4	1.9	48.2	29.9	46.2
1975	3567.9	59.2	1.7	50.1	30.3	39.4
1976	3634.9	67.0	1.9	51.4	30.2	45.8
1977	3715.4	80.5	2.2	54.2	29.1	55.4
1978	3836.2	120.8	3.3	57.3	30.4	94.0
1979	3979.2	143.0	3.7	60.2	30.2	113.0
1980	4132.2	153.0	3.8	65.4	31.3	118.9
1981	4229.3	97.1	2.4	68.2	31.8	60.8
1982	4276.5	47.3	1.1	70.3	31.7	8.7
1983	4307.2	30.7	0.7	69.6	32.6	-6.3
1984	4354.1	46.8	1.1	68.6	33.3	11.5
1985	4415.8	61.7	1.4	69.2	34.0	26.5
1986	4462.2	46.4	1.1	70.3	34.0	10.1
1987	4527.1	64.9	1.5	69.4	34.4	29.8
1988	4616.9	89.8	2.0	71.1	36.0	54.7
1989	4728.1	111.2	2.4	73.2	36.1	74.0
1990	4866.7	138.6	2.9	76.7	36.3	98.3
1991	5000.4	133.7	2.7	79.3	36.7	91.1
1992	5091.1	90.8	1.8	80.6	37.2	47.5
1993	5188.0	96.9	1.9	79.5	39.4	56.7
1994	5291.6	103.6	2.0	78.3	39.6	64.9
1995	5396.6	105.0	2.0	77.5	40.0	67.5
1996	5483.1	86.5	1.6	77.0	41.2	50.7
1997	5579.1	96.0	1.8	78.0	42.6	60.6
1998	5685.5	106.3	1.9	78.8	41.6	69.1
1999	5792.2	106.8	1.9	79.8	43.1	70.1
2000	5894.1	101.9	1.8	79.9	43.7	65.8
2001	5970.5	76.3	1.3	80.7	43.9	39.5
2002	6059.7	89.2	1.5	79.3	44.9	54.9
2003	6126.9	67.2	1.1	79.1	44.7	32.9
2004	6208.5	81.6	1.3	81.0	46.0	46.7
2005	6298.8	90.3	1.5	81.8	45.6	54.0
2006	6420.2	121.4	1.9	83.2	45.3	83.5
2007	6525.1	104.9	1.6	87.8	46.2	63.3
2008	6608.2	83.1	1.3	89.6	47.9	41.5
2009	6672.3	64.0	1.0	89.8	48.1	22.3
2010	6724.5	52.3	0.8	88.4	47.7	11.5
2011	6781.5	56.9	0.8	86.4	48.8	19.3
2012	6835.2	53.8	0.8	87.1	49.2	15.9
2013	6909.4	74.2	1.1	87.3	51.1	38.1
2014	7005.2	95.8	1.4	87.0	50.7	59.4
2015	7106.6	101.4	1.4	88.5	52.8	65.8
2016	7237.2	130.6	1.8	89.8	54.7	95.4
2017	7344.1	106.9	1.5	89.7	56.1	73.3
2018	7463.5	119.4	1.6	87.3	56.4	88.4
2019	7581.8	118.3	1.6	85.7	57.2	89.8
2020	7706.3	124.5	1.6	84.8	58.5	98.2
2021	7767.0	60.7	0.8	82.1	64.0	42.5
2022	7864.4	97.4	1.3	84.5	70.7	83.7
2023	7951.2	86.8	1.1	83.2	68.8	72.4
<b>Forecast</b>						
2024	8031.7	80.6	1.0	85.0	65.0	60.6
2025	8100.0	68.3	0.9	85.5	66.1	48.9
2026	8171.1	71.1	0.9	85.9	67.3	52.5
2027	8247.5	76.4	0.9	86.4	68.6	58.6
2028	8324.3	76.8	0.9	86.9	69.9	59.9
2029	8400.4	76.0	0.9	87.4	71.4	60.0

\* As of April 1 of Each Year

Source: Office of Financial Management, November 2024 Forecast



Table A5.2  
**Washington Population\***  
 (Thousands)

	<b>Actual</b>				<b>Forecast</b>					
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Total Population	7706.3	7767.0	7864.4	7951.2	8031.7	8100.0	8171.1	8247.5	8324.3	8400.4
Percent Change	1.6	0.8	1.3	1.1	1.0	0.9	0.9	0.9	0.9	0.9
Age 17 and Under	1680.2	1680.0	1691.0	1695.4	1696.3	1692.8	1689.5	1687.3	1685.4	1683.9
Percent of Total	21.8	21.6	21.5	21.3	21.1	20.9	20.7	20.5	20.2	20.0
Age 6-18	1246.2	1250.7	1263.2	1271.3	1275.3	1275.3	1274.7	1269.3	1265.2	1259.1
Percent of Total	16.2	16.1	16.1	16.0	15.9	15.7	15.6	15.4	15.2	15.0
Age 18 and Over	6026.1	6087.0	6173.4	6255.7	6335.5	6407.2	6481.7	6560.3	6639.0	6716.5
Percent of Total	78.2	78.4	78.5	78.7	78.9	79.1	79.3	79.5	79.8	80.0
Age 21 and Over	5733.3	5798.2	5885.3	5964.2	6038.0	6104.6	6174.3	6248.8	6324.7	6400.8
Percent of Total	74.4	74.7	74.8	75.0	75.2	75.4	75.6	75.8	76.0	76.2
Age 20-34	1629.0	1627.4	1637.8	1641.5	1641.0	1636.2	1633.7	1635.3	1639.6	1646.6
Percent of Total	21.1	21.0	20.8	20.6	20.4	20.2	20.0	19.8	19.7	19.6
Age 18-64	4773.8	4787.9	4829.0	4864.4	4895.0	4919.6	4948.5	4982.9	5019.0	5055.7
Percent of Total	61.9	61.6	61.4	61.2	60.9	60.7	60.6	60.4	60.3	60.2
Age 65 and Over	1252.3	1299.1	1344.5	1391.3	1440.5	1487.6	1533.2	1577.4	1619.9	1660.8
Percent of Total	16.2	16.7	17.1	17.5	17.9	18.4	18.8	19.1	19.5	19.8

\* As of April 1 of Each Year

Source: Office of Financial Management, November 2024 Forecast

Table A6.1

**Summary of National and State Indicators**

<b>Indicator</b>	<b>Latest Data</b>	<b>Indication*</b>
U.S. Leading Index	February 2025	+
U.S. Real GDP Growth	4th quarter 2024	-
U.S. ISM Index	February 2025	+
U.S. Employment YOY%Δ	February 2025	-
U.S. Unemployment Rate	February 2025	=
U.S. Consumer Confidence	March 2025	-
U.S. Consumer Sentiment	March 2025	-
U.S. CPI YOY%Δ	February 2025	-
U.S. Home Prices YOY%Δ	January 2025	-
S&P 500 Index	March 2025	-
WA Leading Index	February 2025	+
WA Employment YOY%Δ	February 2025	-
WA Aerospace Empl. YOY%Δ	February 2025	-
WA Unemployment Rate	February 2025	=
WA Help Wanted Index	February 2025	+
WA Business Cycle Indicator	February 2025	+
WA Initial Unemploy. Claims	February 2025	-
WA Housing Permits	February 2025	-
WA Weekly Hours in Mfg.	February 2025	-
WA New Vehicle Registration	February 2025	-
WA In-Migration	January 2025	-
WA Exports-Total YOY%Δ	4th quarter 2024	-
WA Exports- w/o Trans. Equip. YOY%Δ	4th quarter 2024	-
Seattle CPI YOY%Δ	February 2025	+
Seattle Home Prices YOY%Δ	January 2025	-
WA Construction Activity Index	February 2025	-

\*Change from the previous reading

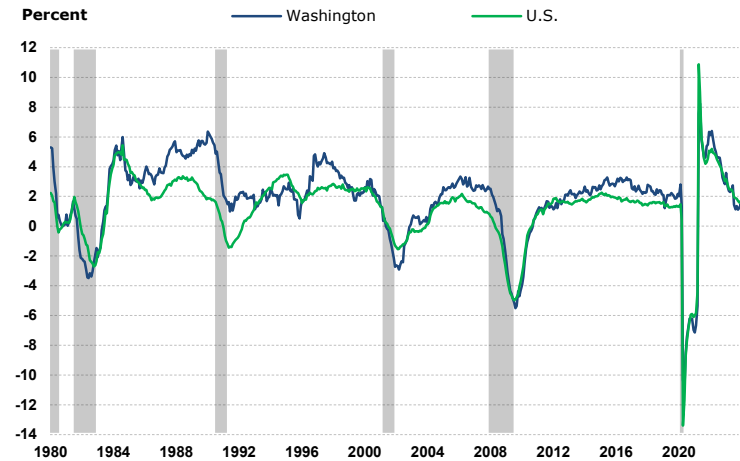
Table A6.2  
**Washington Business Indicators**  
 Historical Data

	WA Index of Leading Indicators	U.S. Index of Leading Indicators	WA State Business Cycle Indicator	WA State Construction Index	WA State Help Wanted Index	U.S. Purchasing Management Index
2016:01	119.1	99.3	63.7	107.0	128.7	48.2
2016:02	119.7	99.2	65.6	108.5	124.9	49.7
2016:03	120.0	99.2	63.0	108.0	128.9	51.7
2016:04	121.0	99.7	63.4	109.0	130.9	50.7
2016:05	121.9	99.5	65.5	109.7	148.2	51.0
2016:06	122.1	99.8	66.8	109.9	151.3	52.8
2016:07	122.4	100.2	68.1	109.5	156.3	52.3
2016:08	122.0	100.2	66.9	107.5	153.1	49.4
2016:09	122.5	100.4	67.5	112.1	143.4	51.7
2016:10	122.4	100.5	68.5	112.3	152.3	52.0
2016:11	122.2	100.7	69.6	112.7	148.8	53.5
2016:12	122.0	101.2	70.8	113.8	149.2	54.5
2017:01	122.8	101.8	69.3	111.5	152.5	56.0
2017:02	122.6	102.1	68.8	111.8	140.1	57.7
2017:03	123.5	102.6	70.2	112.2	143.4	57.2
2017:04	123.9	102.8	69.2	112.9	143.3	54.8
2017:05	124.8	103.2	70.8	113.6	149.2	54.9
2017:06	125.1	103.8	70.9	115.0	145.4	57.8
2017:07	125.4	104.1	71.0	115.5	139.5	56.3
2017:08	125.6	104.5	72.2	115.9	135.1	58.8
2017:09	125.7	104.5	73.4	115.2	140.4	60.8
2017:10	126.2	105.9	73.2	119.5	132.7	58.7
2017:11	126.1	106.3	75.2	118.0	134.7	58.2
2017:12	126.9	107.1	75.1	117.8	138.6	59.7
2018:01	127.6	107.8	74.6	117.1	136.8	59.1
2018:02	129.1	108.5	76.5	119.0	133.3	60.8
2018:03	129.6	108.8	77.2	120.6	137.4	59.3
2018:04	129.9	109.3	76.4	118.9	133.7	57.3
2018:05	128.9	109.4	77.5	116.9	128.2	58.7
2018:06	128.6	110.0	78.5	118.0	128.0	60.2
2018:07	128.5	110.4	78.0	117.4	129.3	58.1
2018:08	128.5	110.9	76.7	119.1	129.2	61.3
2018:09	128.8	111.5	77.0	118.5	132.4	59.8
2018:10	128.7	111.4	77.2	119.8	133.0	57.7
2018:11	128.6	111.6	77.5	121.2	131.3	59.3
2018:12	129.6	111.3	78.2	121.9	140.1	54.1
2019:01	131.3	111.3	78.9	121.2	154.6	56.6
2019:02	128.6	111.5	75.1	112.3	156.5	54.2
2019:03	132.0	111.7	77.7	121.4	150.1	55.3
2019:04	132.7	111.8	79.4	122.7	154.0	52.8
2019:05	132.5	111.8	79.3	121.9	150.2	52.1
2019:06	132.1	111.6	80.7	121.7	149.9	51.7
2019:07	132.8	112.0	80.5	123.7	152.0	51.2
2019:08	131.8	111.8	79.5	121.5	153.3	49.1
2019:09	131.8	111.6	80.9	123.0	154.8	47.8
2019:10	131.1	111.4	80.3	122.8	147.2	48.3
2019:11	131.4	111.6	80.3	125.5	146.6	48.1
2019:12	132.1	111.4	84.8	126.1	147.9	47.2
2020:01	131.7	112.0	81.8	119.1	149.1	50.9
2020:02	132.9	111.8	81.7	121.6	149.4	50.1
2020:03	120.7	103.5	73.2	121.6	127.9	49.1
2020:04	112.3	96.9	41.2	103.8	97.5	41.5
2020:05	118.3	99.8	46.3	114.9	119.8	43.1
2020:06	122.5	102.8	57.9	115.7	136.5	52.6
2020:07	124.7	104.9	64.8	118.5	139.8	54.2
2020:08	126.1	106.5	66.5	119.5	134.3	56.0
2020:09	126.0	107.5	71.7	121.8	133.8	55.4
2020:10	127.3	108.2	73.1	121.0	137.7	59.3
2020:11	128.6	109.2	74.6	122.2	135.6	57.5
2020:12	131.1	109.6	77.8	127.1	136.0	60.7
2021:01	131.6	110.1	78.2	125.6	141.6	58.7
2021:02	132.7	110.1	79.9	124.6	150.6	60.8
2021:03	134.2	111.5	82.5	126.5	160.4	64.7
2021:04	135.5	113.1	87.4	125.8	175.3	60.7
2021:05	135.5	114.6	87.9	125.4	176.0	61.2
2021:06	138.8	116.2	88.1	124.6	189.5	60.6
2021:07	141.2	116.6	92.1	126.7	206.7	59.5
2021:08	140.7	117.4	90.4	130.4	187.9	59.9
2021:09	140.3	117.6	92.3	124.7	193.3	61.1
2021:10	141.0	118.1	92.6	128.4	193.3	60.8
2021:11	142.5	118.8	94.9	129.7	198.7	61.1
2021:12	142.0	119.3	96.8	129.3	198.7	58.7
2022:01	141.8	118.5	97.0	126.2	198.4	57.6
2022:02	144.3	119.4	102.7	127.7	204.5	58.6
2022:03	145.1	119.3	104.2	130.0	215.1	57.0
2022:04	144.3	118.7	103.5	127.2	206.9	55.9
2022:05	143.8	117.9	103.4	128.7	204.3	56.1
2022:06	141.5	115.3	100.8	130.0	194.1	53.1
2022:07	140.7	114.4	100.2	128.3	203.9	52.7
2022:08	139.5	114.1	95.9	127.0	182.4	52.9
2022:09	139.7	113.5	94.6	125.8	194.5	51.0
2022:10	138.3	112.5	95.9	125.0	187.6	50.0
2022:11	137.7	111.5	93.3	122.7	189.8	49.0
2022:12	138.2	110.7	93.2	123.0	199.9	48.4
2023:01	140.0	110.2	91.0	121.0	197.4	47.4
2023:02	140.1	109.7	90.5	124.7	200.7	47.7
2023:03	139.4	108.4	91.3	122.6	201.9	46.5
2023:04	139.2	107.5	92.2	122.2	203.3	47.0
2023:05	139.7	106.9	93.8	124.4	206.9	46.6
2023:06	139.1	106.2	96.3	123.6	208.2	46.4
2023:07	138.3	105.9	95.8	120.7	208.2	46.5
2023:08	138.5	105.5	96.8	123.1	211.0	47.6
2023:09	137.6	104.7	96.1	120.8	212.8	48.6
2023:10	137.4	103.8	94.6	120.3	214.5	46.9
2023:11	137.4	103.3	94.6	118.2	214.5	46.6
2023:12	138.4	103.1	95.9	119.7	220.3	47.1
2024:01	138.3	102.5	94.6	118.9	211.5	49.1
2024:02	138.7	102.7	96.0	120.3	212.3	47.8
2024:03	139.3	102.4	96.5	123.9	219.4	50.3
2024:04	139.1	101.7	97.4	121.7	218.9	49.2
2024:05	138.5	101.3	96.5	121.5	213.3	48.7
2024:06	138.0	102.9	96.4	120.1	210.1	48.5
2024:07	137.8	102.4	97.2	119.8	208.7	47.0
2024:08	138.2	102.1	97.3	121.4	208.6	47.5
2024:09	137.9	101.7	99.6	122.0	206.7	47.5
2024:10	133.1	101.4	93.9	122.4	202.4	46.9
2024:11	136.4	101.7	97.6	120.5	201.3	48.4
2024:12	137.8	101.6	99.8	123.9	203.9	49.2
2025:01	137.8	101.4	100.4	122.3	203.0	50.9
2025:02	136.7	101.1	95.6	121.2	202.0	50.3

# Figure A7.1: Washington State Economic Indicators

## Year-over-Year Employment Growth

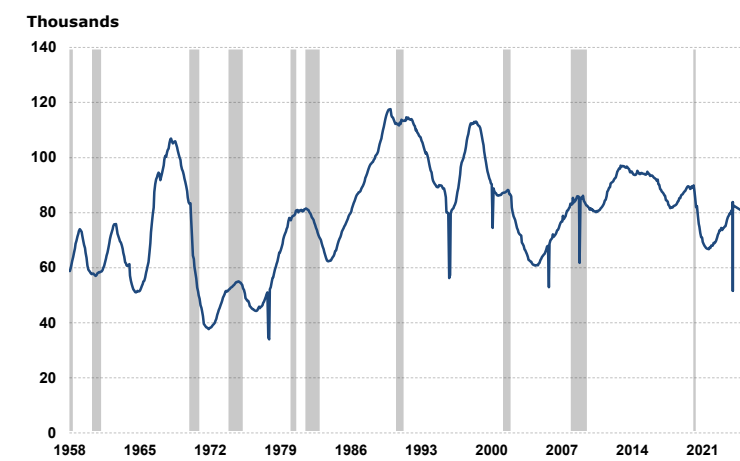
January 1980 to February 2025



\* Bureau of Labor Statistics, WA State Employment Security, ERFC Kalman Filtered Data

## Washington Aircraft and Parts Employment

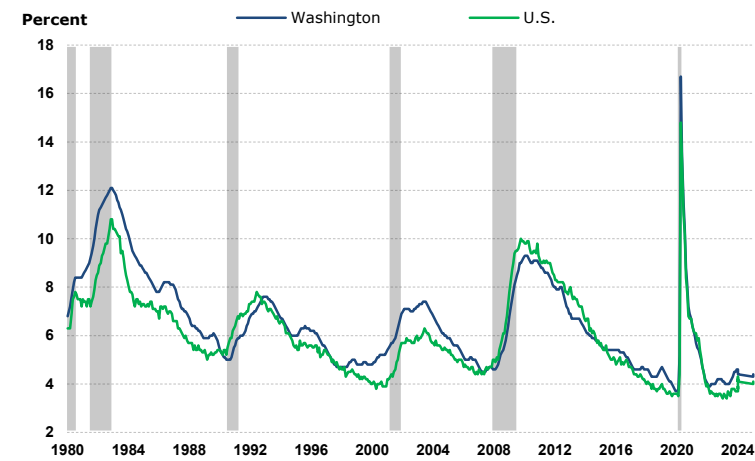
January 1958 to February 2025



\* Source: Bureau of Labor Statistics, ERFC

## Unemployment Rate, S.A.

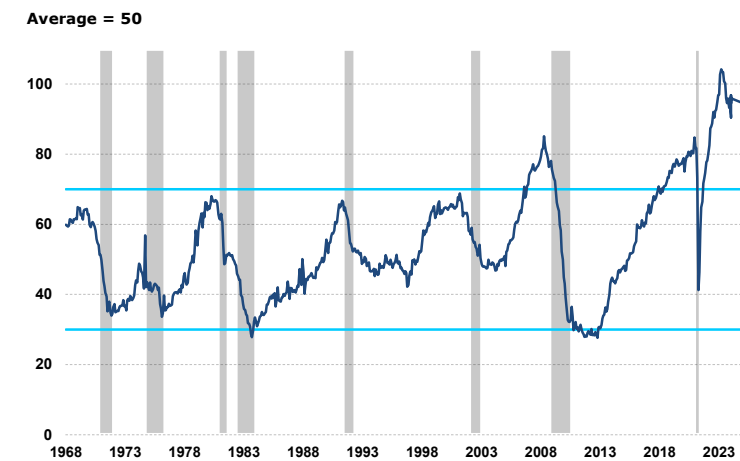
January 1980 to February 2025



\* Source: Bureau of Labor Statistics

## Washington Business Cycle Indicator

January 1968 to February 2025



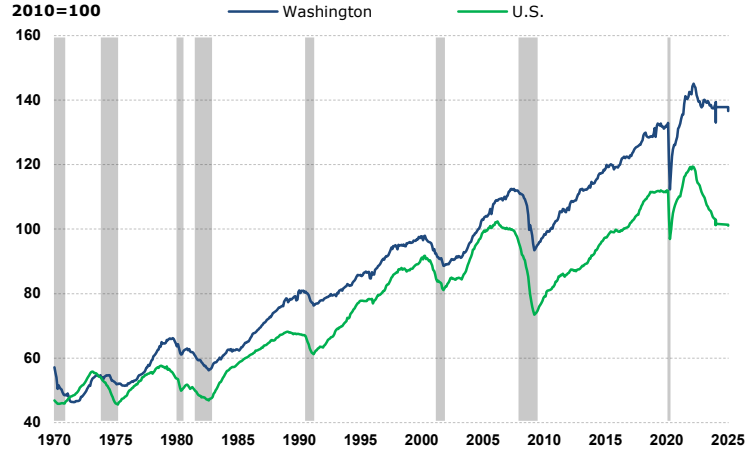
\* Source: ERFC

\* Shaded areas correspond with national recessions.  
Appendix

# Figure A7.2: Washington State Leading Indicators

## The Washington and U.S. Indexes of Leading Indicators

January 1970 to February 2025



\* The Conference Board, ERFC

## Washington Initial Claims for Unemployment Insurance

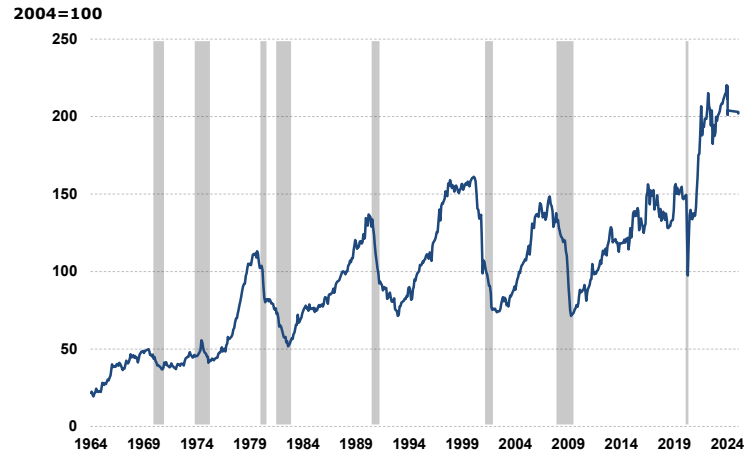
January 1970 to February 2025, S.A.



\* Source: WA State Employment Security, ERFC

## Washington State Help Wanted Index

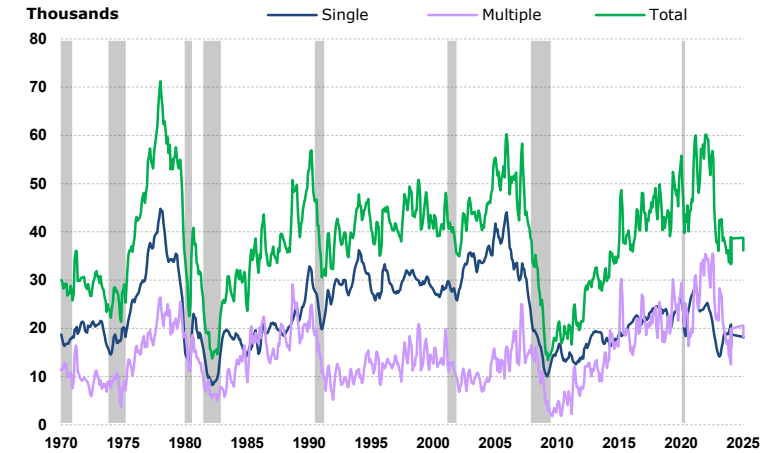
January 1964 to February 2025



\* Source: The Conference Board, ERFC

## Housing Units Authorized in Washington State

January 1970 to February 2025, 3mma, SAAR



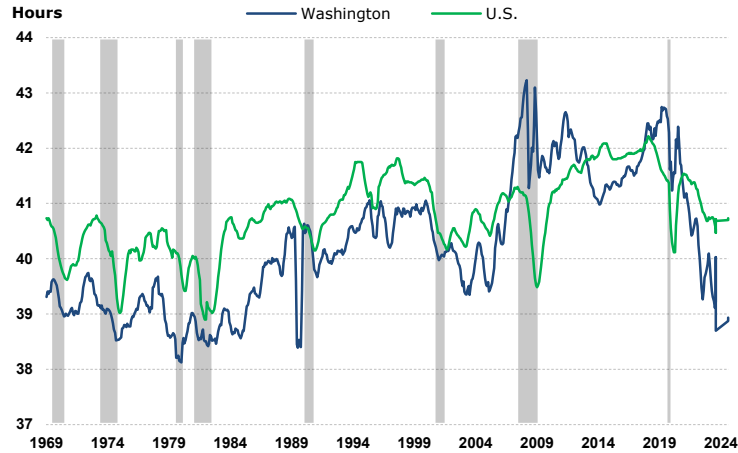
\* Source: Census Bureau, ERFC

\* Shaded areas correspond with national recessions.

# Figure A7.3: Other State Economic Indicators

## Average Weekly Hours in Manufacturing

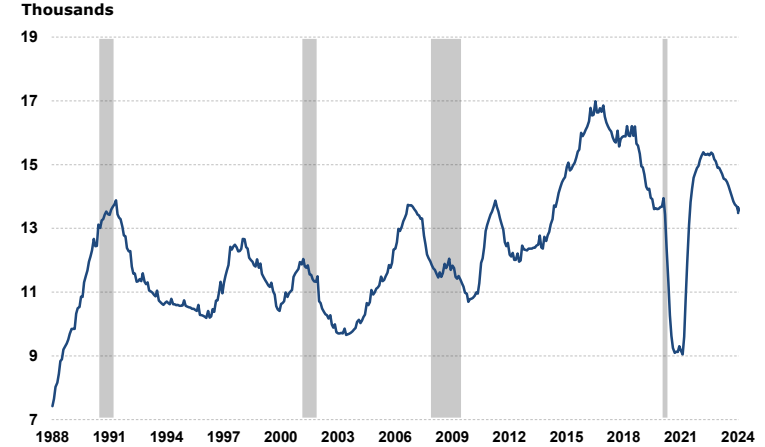
June 1969 to February 2025, 6-Month Moving Average, S.A.



\* Bureau of Labor Statistics, ERFC

## Washington Driver's License In-Migration

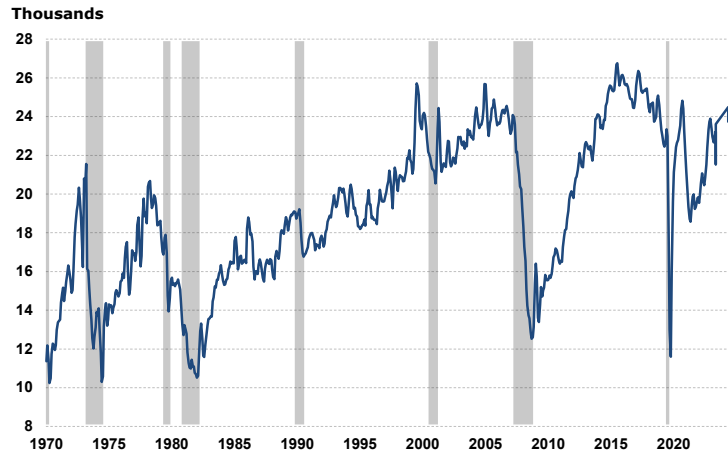
November 1989 to January 2025, 12-Month Moving Average



\* Source: WA State Department of Licensing, ERFC

## New Car and Truck Registrations in Washington

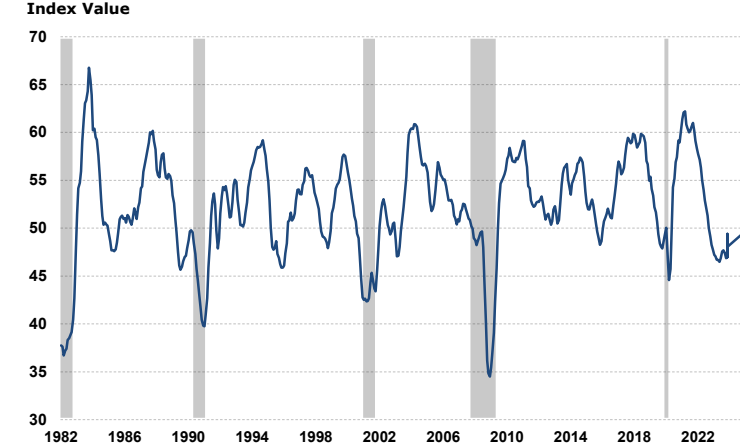
September 1970 to February 2025, 3-Month Moving Average, S.A.



\* Source: WA State Department of Licensing, ERFC

## U.S. Institute for Supply Management Index

March 1982 to February 2025, 3-Month Moving Average, S.A.



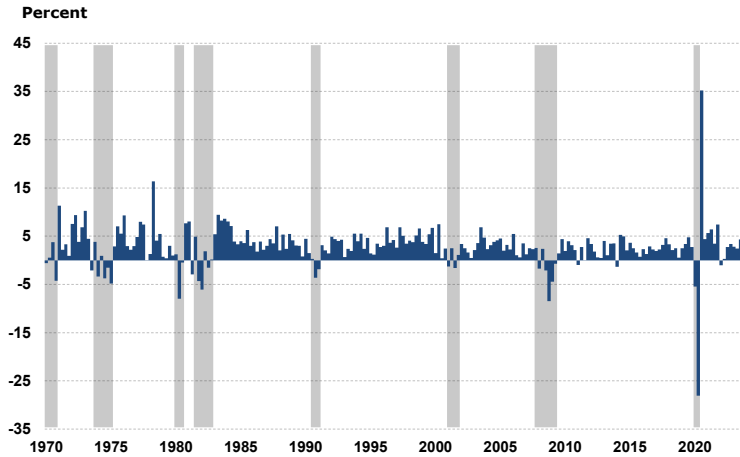
\* Source: Institute for Supply Management, ISM-WW, ERFC

\* Shaded areas correspond with national recessions.  
Appendix

# Figure A7.4: Other Economic Indicators

## Quarterly U.S. Real GDP Growth

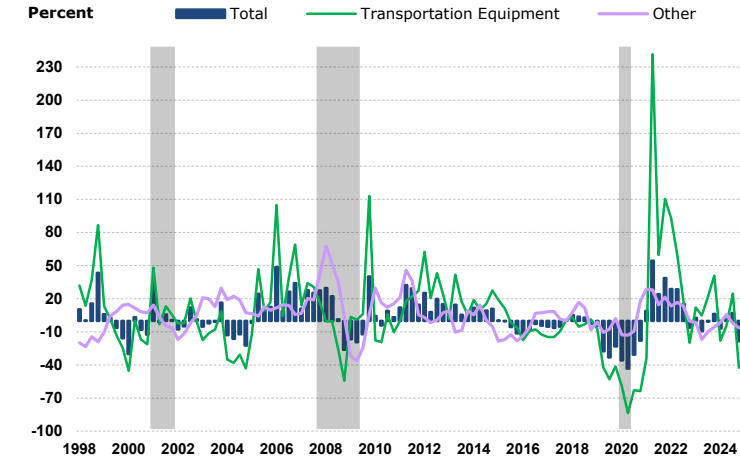
1970Q1 to 2024Q4, SAAR



\* Source: Bureau of Economic Analysis

## Washington State Export Composition

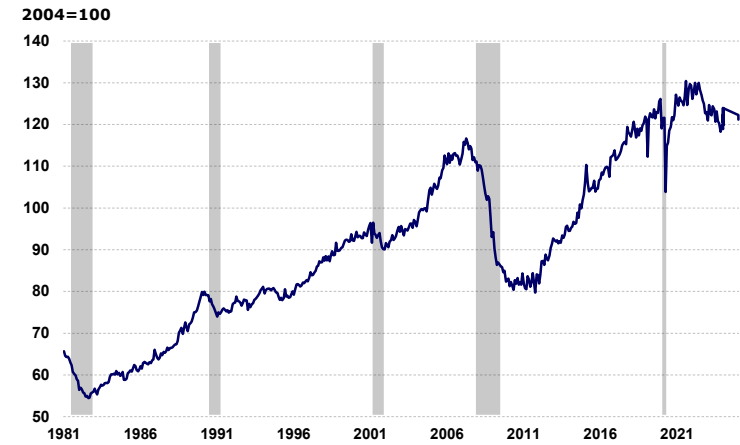
1998Q1 to 2024Q4, Year-over-year percent change



\* Source: US Census

## Washington State Construction Index

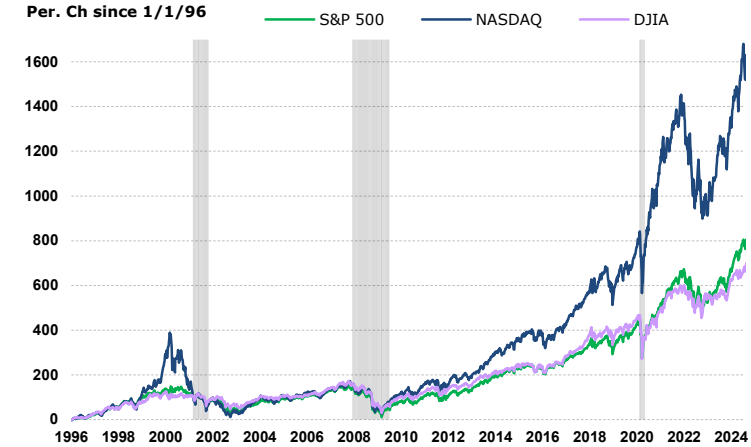
January 1981 to February 2025, 12mma



\* Source: ERFC

## National Stock Indexes

January 1, 1996 to March 28, 2025



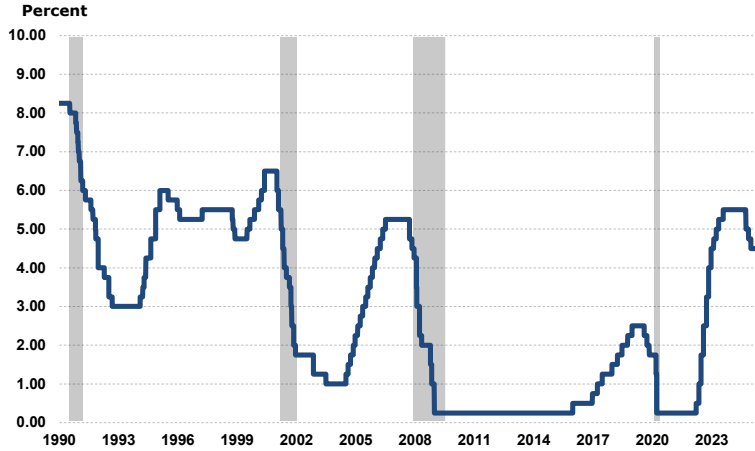
\* Source: ERFC

\* Shaded areas correspond with national recessions.  
Appendix

# Figure A7.4: Other Economic Indicators (continued...)

## Federal Funds Target Rate

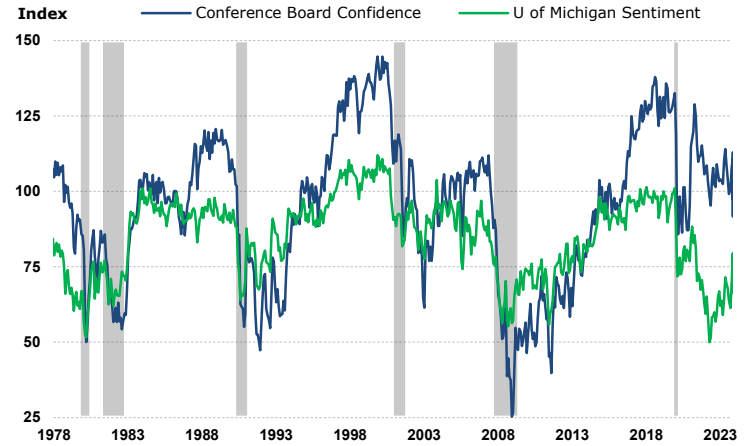
January 1, 1990 to March 30, 2025



\* Federal Reserve

## Consumer Confidence

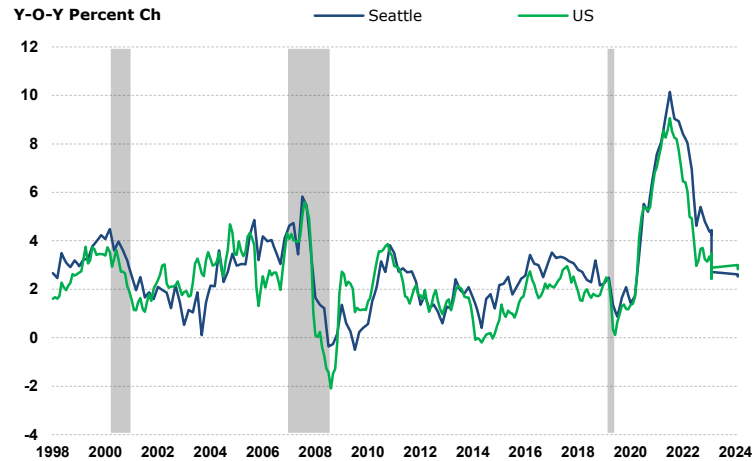
March 1978 to February 2025



\* Source: The Conference Board, University of Michigan

## Seattle vs U.S. CPI (All Urban Consumers)

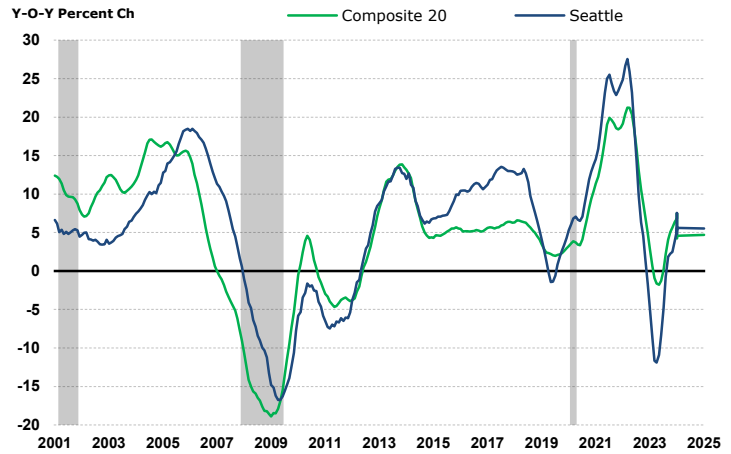
December 1998 to February 2025



\* Source: Bureau of Labor Statistics

## Case Shiller Home Price Index

January 2001 to January 2025, SA



\* Source: Case Shiller, ERFC

\* Shaded areas correspond with national recessions.  
Appendix



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## Glossary

**Biennium:** The state's two years budget cycle.

**Cash Basis:** Cash receipts received during a period. The Forecast Council forecasts revenues on a Cash and GAAP (Generally Accepted Accounting Principles) basis.

**CPI:** The Consumer Price Index for All Urban Consumers. The Bureau of Labor Statistics (BLS) updates the CPI monthly, surveying over 60,000 goods in 85 urban areas.

**Tax Elasticity:** A measure of how tax revenues respond to changes in personal income. If tax revenue elasticity is greater than one, a one percent change in personal income will be associated with more than a one percent increase in tax revenues. If elasticity is less than one, a one percent increase in personal income will be associated with less than a one percent increase in tax revenues.

**Fiscal Year:** The state's budget year. Washington State's fiscal year runs from July 1 through June 30. Fiscal year 2018, for example, ran from July 1, 2017 through June 30, 2018.

**GAAP Basis:** Generally Accepted Accounting Principles measure revenue in the period during which they accrue rather than the period in which they are received.  
**General Fund:** Accounts for all financial resources and transactions not accounted for in another fund.

**General Fund-State (GF-S) Revenue:** Resources from state sources only, excludes federal monies. The general fund is the principal state fund supporting the operation of the state.

**Implicit Price Deflator, PCE (IPD):** The IPD for consumption is a by-product of the National Income and Product Accounts. It is derived by dividing current dollar (nominal) consumer expenditures by constant dollar (real) consumer expenditures.

**Mortgage Rate:** The average interest rate on 30-year conventional loan (as reported by Freddie Mac).

**Near General Fund:** All accounts included in the General Fund - State plus the Education Legacy Trust Account and the Washington Opportunity Pathways Account.

**Non-Wage Income:** Personal income other than from wages and salaries. The major components are: proprietor's income, transfer payments, and dividends, interest and rent.

**Real GDP:** Gross Domestic Production adjusted for the price level.

**Revenue Act:** Revenue Act taxes consist of the retail sales tax, use tax, business and occupation tax, public utility tax and tobacco products tax, plus penalty and interest payments associated with those taxes.

**Personal Income:** Income from wages and salaries; other labor income; proprietor's income; dividends, interest and rent; transfer payments; and a residence adjustment. It is reduced by employee contributions for social insurance.

**Seasonally Adjusted:** Adjusted for normal seasonal variations. Monthly statistics, such as the unemployment rate, are seasonally adjusted to make month-to-month comparisons possible.

**Seasonally Adjusted Annual Rate:** A rate for a given period that is typically less than one year, but that is computed as if the rate were for a full year and seasonally adjusted.

**Nonfarm Payroll Employment:** Civilian non-farm payroll employees. The self-employed, farm workers, members of the armed forces, private household employees, and workers on strike are excluded.