

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 dome and a portico supported by columns. The words "LEGISLATIVE BUILDING" are visible on the pediment. The building is framed by the branches of cherry blossom trees in full bloom, with white flowers and green leaves. The sky is a clear, light blue.

# **Washington State Economic and Revenue Forecast**

June 2025  
Volume LVII, No. 2



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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 July 9, 2025.

# **Washington State Economic and Revenue Forecast**

Prepared by the  
Economic and Revenue Forecast Council

June 2025  
Volume LVII, No. 2

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## Executive Summary

- **The U.S. economic outlook has deteriorated since the March forecast.**
- **We expect real GDP to increase 1.4% in 2025 and 2026. The March forecast assumed 2.2% and 2.0% growth in 2025 and 2026.**
- **Our forecast for real GDP growth in 2027-29 calls for growth rates of 2.0%, 2.0%, and 1.9% in 2027 through 2029, up from 1.9%, 1.9%, and 1.8% in the previous forecast.**
- **The June forecast includes assumptions regarding President Trump's policy proposals regarding tariffs and federal job cuts.**
- **The Washington economy continued to expand through the first quarter of 2025.**
- **There are fewer jobs in June than were forecasted in March. This is mostly due to downward revisions.**
- **The Washington unemployment rate increased in May from 4.4% to 4.5%.**
- **Washington housing permits have slightly increased so far in the second quarter.**
- **Seattle home prices were up 3.0% compared with April 2024.**
- **Washington exports increased 3.9% from the first quarter of 2024 to the first quarter of 2025.**
- **Seattle area consumer price inflation remains below the national average, continuing a recent trend.**
- **Washington personal income growth trailed the national average in the first quarter of 2025, and had the lowest growth rate in the nation.**
- **Compared to the March forecast, we now anticipate weaker job growth in 2025-2029.**
- **Tracked revenue collections since March have come in \$15 million below their forecasted amount.**
- **Legislative and budget-driven revenue changes from the 2025 legislative session have substantially increased forecasted revenue for the next two biennia.**
- **Legislative changes mainly affected General Fund-State revenue but also substantially increased revenue for the Education Legacy Trust account and the Workforce Education Investment Account.**
- **The June economic forecast projects lower housing permits and construction employment. Without the legislative changes, forecasted Revenue Act taxes would have decreased throughout the forecast period.**
- **The forecast of funds subject to the budget outlook process was increased by \$692 million in the 2023-25 biennium, \$3.80 billion in the 2025-27 biennium and \$3.59 billion in the 2027-29 biennium.**

## U.S. Economic Forecast

*The economic outlook has deteriorated*

The economic outlook has deteriorated since the March forecast. The labor market has remained resilient while inflation has declined, but output weakened. Headwinds have increased due to changes in trade and fiscal policy. Consumer confidence has plummeted as uncertainty has grown. Recent geopolitical events have added to uncertainty. The Federal Reserve has paused their decline in interest rates to ensure inflation remains under control.

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

This forecast is based on a modified version of S&P Global Market Intelligence's June 2025 control forecast for the U.S. economy. We have adjusted real gross domestic product (GDP) to be consistent with the Blue Chip "Consensus" GDP forecast for 2025 and 2026. We expect real GDP to increase 1.4% in 2025 and 2026. The March forecast assumed 2.2% and 2.0% growth in 2025 and 2026. Our forecast for real GDP growth in 2027-29 is based on the most recent long-term forecast from Blue Chip which was released in March 2025. We expect growth rates of 2.0%, 2.0%, and 1.9% in 2027 through 2029, up from 1.9%, 1.9%, and 1.8% in the previous forecast.

*The forecast includes policy assumptions*

The June forecast includes assumptions regarding President Trump's policy proposals. Tariffs and federal job cuts are included in the forecast. The forecast includes tariffs on China (20%), Canada (25%), and Mexico (25%), with Canadian and Mexican tariffs stepping down to 12% by early 2026. The forecast also includes new tariffs on copper, lumber, semiconductors, pharmaceuticals, and critical minerals ranging from 10% to 25%. For reciprocal tariffs, we assume a 10% universal baseline. 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. The debt ceiling is assumed raised prior to the exhaustion of extraordinary measures.

## Washington Economic Forecast

*The Washington economy continued to expand in 2025, but at a slower rate*

The Washington economy continued to grow in mid-2025, with total June nonfarm employment increasing by 19,100 (0.5%) over the year. Government and private service-providing sectors gained, while construction and manufacturing experienced job losses. The unemployment rate increased to 4.5% in May, though labor force participation declined to its lowest level since 1976. Initial unemployment claims rose in May, reversing a two-month decline, but remain below recent peaks. Housing permits have slightly increased so far in the second quarter, but remain

well below the previous peak. Seattle-area home prices grew 3.0% over the year, trailing the national average. Export activity improved modestly, driven by a sharp increase in transportation equipment exports, while agricultural exports declined. Seattle's CPI remained below the national rate, rising 1.7% year-over-year compared to 2.3% nationally in April 2025.

*The Washington forecast features weaker job growth in 2025*

The Washington forecast reflects a weaker near-term outlook compared to March, with slower job growth now expected in 2025 and slightly lower average job growth through 2029. Employment is projected to grow by 0.5% in 2025, with average annual growth of 0.7% from 2025 to 2029. Aerospace employment has declined in recent months and is expected to fall further this year before rebounding from 2026 to 2029, though at a slower pace than previously forecasted. Software employment has posted modest recent gains but remains below year-ago levels, with a small decline projected in 2025 followed by stronger growth through 2029. Construction employment declined over the past year, and while it is expected to resume growth, the near-term outlook was revised down. Nominal personal income growth is expected to be stronger in 2025 than in March, averaging 5.3% annually over the forecast horizon. Housing permits are projected to fall to 34,800 units in 2025—the lowest total in a decade—with a slower recovery in subsequent years. Seattle CPI inflation is now forecast to be lower than previously expected in 2025 and 2026, returning to target levels by 2027.

## Revenue

*Revenue collections have come in lower than expected, but legislative changes have increased the forecast*

Tracked revenue collections since March have come in \$15 million below their forecasted amount. Legislative and budget-driven revenue changes from the 2025 legislative session have substantially increased forecasted revenue for the next two biennia. The changes mainly affected General Fund-State revenue but also substantially increased revenue for the Education Legacy Trust account and the Workforce Education Investment Account. The June economic forecast projects lower housing permits and construction employment. Without the legislative changes, forecasted Revenue Act taxes would have decreased throughout the forecast period.

*Total forecast change by biennium (billions):*

23-25: \$0.69  
25-27: \$3.80  
27-29: \$3.59

Forecasted revenue subject to the budget outlook process was increased by \$692.3 million in the 2023-25 biennium, \$3,803.9 million in the 2025-27 biennium and \$3,589.6 million in the 2027-29 biennium. Non-economic changes increased the forecast by \$285.0 million in the 2023-25 biennium, \$4,293.8 million in the 2025-27 biennium and 4,228.0 million in the 2027-29 biennium. Without the non-economic changes, the forecast would have increased by \$407.3 million in the 2023-25 biennium but decreased by \$489.9 million in the 2025-27 biennium and 638.3 million in the 2027-29 biennium. The June 2025 forecast

for funds subject to the budget outlook process total \$67,137.1 million in the 2023-25 biennium, \$74,755.5 million in the 2025-27 biennium and \$80,014.5 million in the 2027-29 biennium.



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

- **The U.S. economic outlook has deteriorated since the March forecast.**
- **Real GDP declined 0.5% (SAAR) in the first quarter of 2025 after increasing 2.4% (SAAR) in the fourth quarter of 2024.**
- **The job market remains solid although growth is trending down.**
- **Inflation is cooling.**
- **Consumer confidence has declined since the end of last year.**
- **Housing activity is contracting; manufacturing output remains weak.**
- **Oil prices have trended down, but we expect prices to increase slightly throughout the forecast period.**
- **We expect real GDP to increase 1.4% in 2025 and 2026. The March forecast assumed 2.2% and 2.0% growth in 2025 and 2026.**
- **Our forecast for real GDP growth in 2027-29 calls for growth rates of 2.0%, 2.0%, and 1.9% in 2027 through 2029, up from 1.9%, 1.9%, and 1.8% in the previous forecast.**
- **The June forecast includes assumptions regarding President Trump's policy proposals regarding tariffs and federal job cuts.**
- **We expect the Federal Reserve to cut the federal funds rate another 25 basis points just once this year at their meeting in December.**
- **The uncertainty in the baseline forecast is elevated. Downside risks outweigh upside risks.**

### Current Conditions

*The economic outlook has deteriorated*

The economic outlook has deteriorated since the March forecast. The labor market has remained resilient while inflation has declined, but output weakened. Headwinds have increased due to changes in trade and fiscal policy. Consumer confidence has plummeted as uncertainty has grown. Recent geopolitical events have added to uncertainty. The Federal Reserve has paused their decline in interest rates to ensure inflation remains under control.

*Real GDP declined 0.5% (SAAR) in the first quarter*

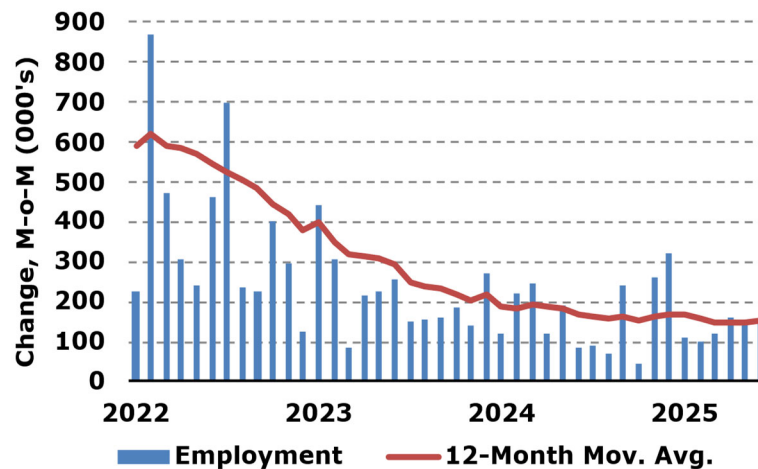
Real GDP declined 0.5% (SAAR) in the first quarter of 2025 after increasing 2.4% (SAAR) in the fourth quarter. This was the first decline in GDP since the first quarter of 2022. A surge in imports

was the primary cause of the decline as consumers and businesses attempted to get goods into the country ahead of rising tariffs. Imports increased 37.9% (SAAR) while exports increased 0.4% (SAAR) with the net impact of 4.6 points subtracted from GDP growth. Government spending was also a negative to overall GDP growth, falling 0.6% (SAAR) and reducing GDP growth by 0.1 points. On the positive side, fixed investment was strong, growing 7.6% (SAAR) and adding 1.3 points to GDP growth. Nonresidential fixed investment grew 10.3% (SAAR), led by a 23.7% (SAAR) increase in equipment investment which was partially offset by a 2.4% (SAAR) decrease in structures. Residential investment declined in the first quarter by 1.3% (SAAR) after increasing 5.5% (SAAR) in the fourth quarter and subtracted 0.05 points to overall GDP growth. The change in inventories added 2.6 points to GDP growth in the first quarter. Consumer spending grew just 0.5% (SAAR) in the first quarter after growing 4.0% (SAAR) in the fourth quarter and added 0.3 points to topline GDP growth. Consumer spending on goods grew 0.1% (SAAR) while spending on services increased by 0.6% (SAAR).

*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 have continued. In June, total nonfarm employment increased by 147,000 jobs after increasing by 144,000 jobs the month before. Over the past twelve months, job growth has averaged 151,000 (see Figure 1.1). Construction employment has remained resilient and increased by another 15,000 jobs in June. The manufacturing sector is trending down, declining 7,000 in each of the past two months. Private service-providing employment increased by 68,000. Employment increases in the service sector were led by a 58,600 increase in health care and social assistance. Durable goods wholesaling was the weakest sector in June, declining by 9,400 jobs. Government payrolls increased by 74,000 due primarily to a 63,500 gain in state and local government education.

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



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

*The unemployment rate has stabilized*

The unemployment rate has stabilized at just over 4.0%. The unemployment rate declined 0.1 percentage points to 4.1% in June. The rate has remained between 4.0% and 4.2% since May 2024. The labor force participation rate fell 0.1 percentage points over the month to 62.3% in June and is down from 63.3% just prior to the pandemic. Average hourly earnings are up \$1.30 from a year ago to \$36.30 while the average workweek fell 0.1 hours from last year to 34.2 hours in June.

*Consumer confidence has declined*

Consumer confidence has declined since the end of last year. Consumer confidence as measured by the Conference Board declined 5.4 points in June to 93.0, and is down 19.8 points since the recent peak in November. Both the present conditions and expectations indexes fell in June, as consumers view of business and labor market conditions and their future incomes weakened. Inflation expectations cooled slightly, but remain higher than late 2024. The University of Michigan Consumer Sentiment index increased 8.5 points in June but remains down 13.3 points since the recent peak in December. Expectations led the gain in June, although consumers' view of current conditions also rose.

*Oil prices are on a downward trend*

Oil prices have increased since the beginning of May but remain on a downward trend. Oil markets are stabilizing as conflicts in the Middle East have calmed down. The ceasefire between Israel and Iran appears to be holding, and the U.S. bombing of Iranian nuclear sites did not lead to a substantial increase in prices. The Brent spot crude price is now \$70 per barrel in the fourth week of June, down \$17 from a year ago. The West Texas Intermediate (WTI) price has declined to \$67 per barrel from \$83 per barrel since last year. U.S. oil production once again reached a new all-time high in April 13.468 million barrels-per-day (bpd). The Baker Hughes rig count has been declining since reaching a peak in November 2022. As of June 27<sup>th</sup>, the rig count in the U.S. was 547, down 70 since last year.

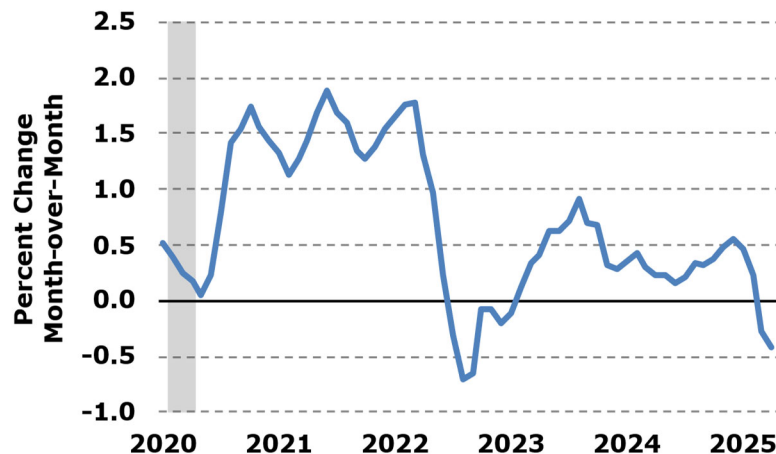
*Inflation is cooling*

Inflation moderated in May, rising 0.1% over the month following a 0.2% increase in April. In May, the Consumer Price Index (CPI) rose from 2.3% to 2.4% on a year-over-year basis. This was down from a 3.3% year-over-year increase a year ago, and 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. The fall in oil prices have contributed to a drop in overall energy prices. In May, energy prices were down 1.0% and down 3.5% over the year. Shelter cost inflation remains high, increasing 0.3% in February and up 3.9% since last year. Food price inflation picked up in May, up 0.3% and up 2.9% since last year. Core consumer prices, which exclude food and energy, increased 0.1% in the most recent month and were up 2.8% over the year.

*Home prices are starting to decline*

Home prices have started to decline. The seasonally adjusted S&P CoreLogic Case-Shiller National Home Price Index declined 0.4% in April after declining 0.3% the prior month (see Figure 1.2). 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. The rate on a 30-year mortgage rate was 6.77% as of June 26<sup>th</sup>, up from a recent trough of 6.08% in September 2024, but down slightly from 6.86% a year ago. In the decade prior to the pandemic, mortgage rates averaged 4.09%. Lumber prices are increasing again and are now at \$666 per 1,000 board feet, up from \$451 a year ago. Homebuilder's remain pessimistic. In March, homebuilder confidence declined from 34 to 32 (readings above 50 indicate optimism), and the index is down from 43 last year.

**Figure 1.2: Case-Shiller National Home Price Index**



Source: S&P CoreLogic Case-Shiller; data through April 2025

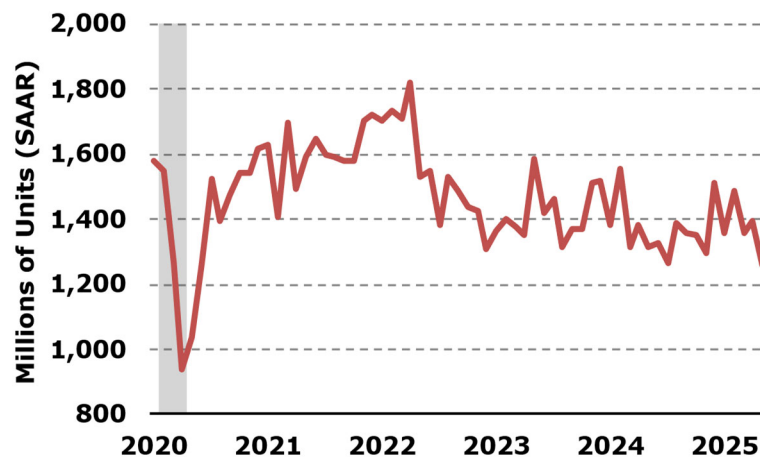
*Housing construction activity is declining*

Housing construction activity is declining. High interest rates, low confidence, and low affordability have weighed down new construction. Housing starts declined 9.8% in May after a 2.7%



increase the month before. Over the year, starts are down 4.6% (see Figure 1.3). Single-family starts are 7.3% lower than a year ago, although multi-family starts are up 4.1%. 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 May there was 9.8 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 2.0% over the month in May and are down 0.9% since last year. Single-family permits are down 6.3% since last year while multi-family permits are up 10.5%. New home sales declined 13.7% over the month in May to 623,000 (SAAR) and are down 6.3% since last year.

**Figure 1.3: New Privately-Owned Housing Units Started**



Source: U.S. Census Bureau; data through May 2025

*The manufacturing sector remains weak*

The manufacturing sector is hovering around contraction and expansion. The Institute for Supply Management (ISM) Report on Business index increased to 49.0 in June from 48.5 in May (index values below 50 indicate contraction). The index had indicated contraction in the manufacturing sector in each of the past four months. The new orders component fell further in June, dropping 1.2 points to 46.4. Production returned to expansionary territory in June, gaining 4.9 points to 50.3 points. The employment component fell 1.8 points to 45.0, indicating continued job losses. Nine manufacturing industries reported growth in November with six indicating contraction. The latest G-17 report measuring industrial production from the Federal Reserve indicates manufacturing output ticked up 0.1% in May and is up 0.5% from a year ago. Durable goods increased 0.4% led by motor vehicles and parts. Nondurable goods declined 0.2% from the prior month. New orders for core capital goods (nondefense capital goods excluding aircraft) increased 1.7% in May and is up 1.5% from a year ago.

U.S. exports increased in the first quarter of 2025

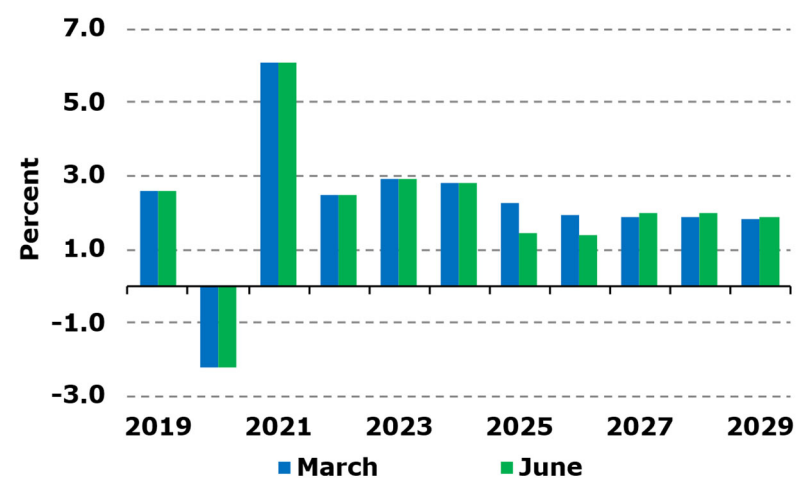
U.S. exports increased in the first quarter of 2025, growing by 3.1% year over year. U.S. exports to the rest of North America increased 2.5% year over year in the first quarter, the fourth consecutive increase. Exports to Mexico grew 4.6% while exports to Canada increased 0.6%. Exports to China declined sharply, falling 13.5% year over year in the first quarter. The recent tariff escalation with China has weighed on trade. Recently, however, China has agreed to a trade framework to lift export restrictions. Exports to the United Kingdom, which has reclaimed the fourth largest export market by value, increased 20.7% over the year. Exports of transportation equipment turned positive on a year over year basis, increasing 7.6%. Computer and electronic products (our third largest export) were particularly strong, increasing 16.7% over the year.

Forecast

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

This forecast is based on a modified version of S&P Global Market Intelligence’s June 2025 control forecast for the U.S. economy. We have adjusted real gross domestic product (GDP) to be consistent with the Blue Chip “Consensus” GDP forecast for 2025 and 2026. We expect real GDP to increase 1.4% in 2025 and 2026. The March forecast assumed 2.2% and 2.0% growth in 2025 and 2026 (see Figure 1.4). Our forecast for real GDP growth in 2027-29 is based on the most recent long-term forecast from Blue Chip which was released in March 2025. We expect growth rates of 2.0%, 2.0%, and 1.9% in 2027 through 2029, up from 1.9%, 1.9%, and 1.8% in the previous forecast.

Figure 1.4: Real GDP Growth



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

The forecast includes policy assumptions

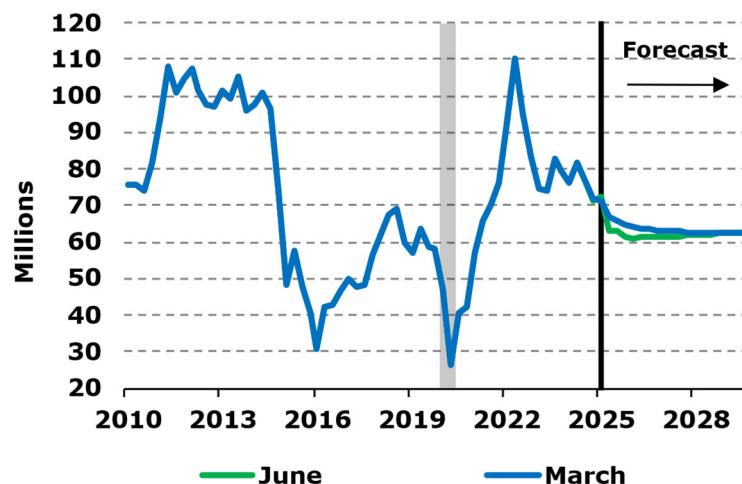
The June forecast includes assumptions regarding President Trump’s policy proposals. Tariffs and federal job cuts are included in the forecast. The forecast includes tariffs on China

(20%), Canada (25%), and Mexico (25%), with Canadian and Mexican tariffs stepping down to 12% by early 2026. The forecast also includes new tariffs on copper, lumber, semiconductors, pharmaceuticals, and critical minerals ranging from 10% to 25%. For reciprocal tariffs, we assume a 10% universal baseline. 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. The debt ceiling is assumed raised prior to the exhaustion of extraordinary measures.

*Oil prices are expected to increase slightly throughout the forecast*

Oil prices are expected to increase slightly throughout the forecast. The outlook for oil prices is increasingly uncertain given recent geopolitical events. President Trump's approval of China to purchase Iranian oil reflects a return to lax enforcement of sanctions, with the likely goal of preventing the closure of the Strait of Hormuz which would severely limit global oil supply. OPEC+ is expected to proceed with a planned increase in output in the near term despite the turmoil in the Middle East. Record-high U.S. oil production will keep downward pressure on prices. The refiner acquisition price of crude oil in 2025 is expected to average \$65 per barrel, down from \$67 per barrel assumed in March. We expect oil prices to continue to fall and reach a trough in the first quarter of 2026 at \$61 per barrel. 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 rise gradually throughout the forecast period. The forecast calls for oil prices to reach \$62 per barrel in the fourth quarter of 2029, down from \$63 assumed in March (see Figure 1.5).

**Figure 1.5: Average Price of Crude Oil**



*Inflation is expected to temporarily increase in 2025*

The inflation rate (as measured by the change in the price index for personal consumption expenditures) is expected to increase to 3.0% this year from 2.5% in 2024. The March forecast expected inflation to increase to 2.6% this year. 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. Energy prices are expected to level out and no longer put downward pressure on prices. Inflation is expected to fall slightly to 2.7% in 2026. The forecast calls for inflation to average 1.8% from 2027 through 2029. Core inflation (excluding food and energy) is expected to be 3.3% and 2.7% in 2025 and 2026. We expect core inflation to trend down and average 1.8% from 2027 through 2029.

*Consumer spending growth is expected to slow*

Real consumer spending growth is expected to decline this year to 2.1% from 2.8% in 2024. The March forecast expected real consumption growth to increase to 2.7% 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 3.8% in the fourth quarter of 2024. As incomes increase and inflation moderates, the savings rate is expected to increase and reach 8.8% in the fourth quarter of 2029. In the decade prior to the pandemic, the saving rate averaged 6.1%. Recent consumption has been boosted by future high value purchases being pulled forward to avoid potential tariff increases. Consumer confidence has dropped significantly in recent months even as the labor market has remained solid. Real consumer spending is expected to slow to 1.4% next year. The forecast calls for growth to then increase and average 2.1% from 2027 through 2029, up from 1.9% 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 also expected growth to slow to 1.0% this year. The Federal Reserve has paused lowering rates to support full employment and to ensure high inflation doesn't return given the uncertainty surrounding the effects of tariffs. Going forward, employment growth is expected to average 0.3% from 2025 through 2029, equal to the average growth expected in the previous forecast. We expect the labor market to remain tight throughout the forecast. The June forecast calls for the unemployment rate to increase to 4.3% this year from 4.0% in 2024. The forecast calls for the unemployment rate to increase to 4.7% 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 1.5% this year after growing 3.6% in 2024. Fallout from tariffs is weighing on business fixed investment. The Federal reserve has paused its easing cycle in response to increased risk of higher inflation. This has kept borrowing costs elevated and has contributed to a slowing of business fixed investment. Lending standards for businesses have continued to tighten further increasing borrowing costs. Office vacancy rates have increased from a year ago and remain high as the shift to flexible work environments is likely permanent. The forecast calls for real nonresidential fixed investment to fall 2.4% in 2026. Going forward, we expect many of the headwinds putting downward pressure on business investment to ease. We expect real nonresidential fixed investment growth of 1.7% in 2027 then average 3.6% in 2028 and 2029. We expect real nonresidential construction to decline 1.6% this year and decline 4.6% and 1.2% in 2026 and 2027. The forecast calls for nonresidential construction to turn positive as some excess surplus gets worked through and grow 2.6% and 3.3% in 2028 and 2029. Real equipment investment growth is expected to slow this year to 2.7% after growing 3.4% in 2024. We then expect real equipment investment to decline 2.7% in 2026. We then expect growth to turn positive and average 4.3% in 2027 through 2029. Investment in intellectual property products is expected to decrease from 4.1% growth in 2024 to 2.3% growth this year then fall 1.0% in 2026. We then expect growth to average 2.5% from 2027 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 June forecast calls for housing starts to grow 1.4% this year after declining in each of the prior three years. We expect multi-family housing to increase 13.7%, offsetting a 2.8% decline in single-family. We expect housing starts to decline over the next two years by 3.1% and 1.9% respectively. We expect 2028 to be the trough in total housing starts at 1.32 million units. The forecast then calls for housing starts to slowly trend up throughout the remainder of the forecast and average 1.34 million units in 2029.

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

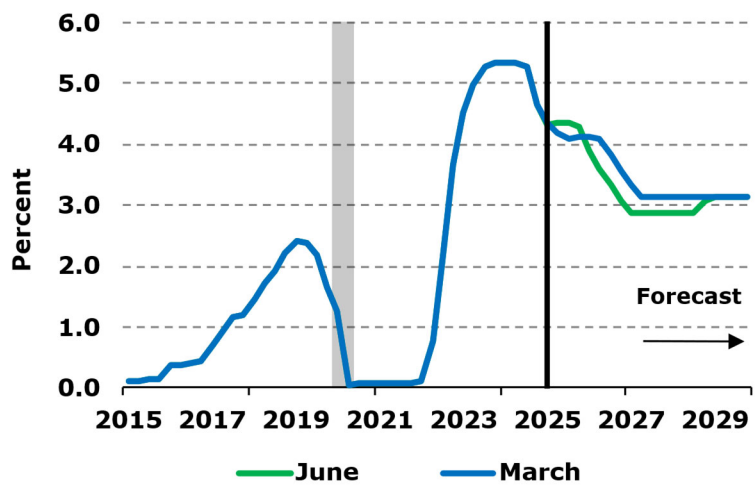
Economic growth of U.S. major trading partners is expected to be weaker compared to the previous forecast. The June forecast calls for 1.5% growth this year, down from 1.9% in the previous forecast. Canada is expected to have a contraction in GDP in mid-2025. In mainland China, growth is expected to be below 4% annually through 2026 due to trade tensions with the United States. We expect growth in U.S. major trading partners to be 2.0%, down from 2.1% March forecast. The forecast then calls

for growth in U.S. trading partners to average 2.4% from 2027 through 2029, equal to the 2.4% growth expected in the previous forecast. Real U.S. export growth is forecasted to increase 0.6% this year, down from 3.3% growth in 2024. We expect real export growth to pick up and average 3.8% from 2026 to 2029.

*We expect the Federal Reserve to cut the federal funds rate throughout 2026*

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, the Federal Reserve has expressed increased uncertainty regarding the economic outlook, particularly with the potential impact of trade policy. As a result of this uncertainty, the Federal Reserve has opted to pause cutting rates. 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 December. We then expect the Federal Reserve to cut the federal funds rate throughout 2026 and eventually reach 2.75% to 3.00% (see Figure 1.6). The forecast then assumes the federal funds rate is raised once by 25 basis points in 2028 to reach the estimated long-run neutral rate of 3.00% to 3.25%. 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, June 2025 forecast; historical data through 2025 Q1

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
- Israeli – Iran ceasefire is broken
- Iran blocks the Strait of Hormuz
- U.S. get entangled in a war in the Middle East
- 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
- Israeli/U.S. peace with Iran
- 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	23,527.5	23,766.0	24,207.3	24,684.2	25,171.6
% Ch	4.3	2.2	3.1	2.3	1.0	1.9	2.0	2.0
Real Consumption	15,088.6	15,415.1	15,813.0	16,274.3	16,481.3	16,779.8	17,143.6	17,488.2
% Ch	6.0	2.2	2.6	2.9	1.3	1.8	2.2	2.0
Real Nonresidential Fixed Investment	3,069.5	3,299.9	3,452.2	3,564.0	3,493.2	3,497.7	3,590.8	3,727.9
% Ch	5.8	7.5	4.6	3.2	-2.0	0.1	2.7	3.8
Real Residential Fixed Investment	892.6	767.0	785.5	795.7	796.9	798.0	814.9	846.1
% Ch	0.0	-14.1	2.4	1.3	0.2	0.1	2.1	3.8
Real Personal Income	19,073.2	19,214.7	19,713.8	20,206.6	20,534.4	21,109.5	21,792.8	22,458.1
% Ch	-2.0	0.7	2.6	2.5	1.6	2.8	3.2	3.1
Real Per Capita Income (\$/Person)	57,203	57,195	58,127	59,126	59,869	61,395	63,225	64,983
% Ch	-2.4	0.0	1.6	1.7	1.3	2.5	3.0	2.8
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	112.6	118.7	122.1	125.1	129.2	131.9	134.1	136.5
% Ch	6.0	5.4	2.9	2.5	3.3	2.0	1.7	1.8
U.S. Consumer Price Index (1982-84=1.0)	2.820	2.997	3.096	3.179	3.274	3.352	3.419	3.488
% Ch	7.2	6.3	3.3	2.7	3.0	2.4	2.0	2.0
Employment Cost Index (Dec. 2005=1.0)	1.509	1.585	1.653	1.712	1.775	1.843	1.920	2.000
% Ch	5.0	5.0	4.3	3.6	3.7	3.8	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	29,881.5	31,273.8	32,494.9	33,792.1	35,154.5
% Ch	11.1	7.9	5.8	4.9	4.7	3.9	4.0	4.0
Personal Income	21,474.5	22,803.8	24,064.6	25,275.5	26,536.7	27,837.5	29,235.4	30,655.2
% Ch	3.9	6.2	5.5	5.0	5.0	4.9	5.0	4.9
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	162.9	165.6	167.7	169.6	171.4	171.9	172.2	172.6
Total U.S. Employment	156.1	159.7	161.3	162.5	163.7	163.8	164.1	164.9
Unemployment Rate (%)	4.19	3.55	3.81	4.15	4.50	4.73	4.71	4.48
Nonfarm Payroll Employment	149.78	154.52	156.99	158.89	159.90	160.27	160.71	161.37
% Ch	4.8	3.2	1.6	1.2	0.6	0.2	0.3	0.4
Manufacturing	12.55	12.87	12.85	12.77	12.69	12.38	12.18	12.16
% Ch	3.4	2.6	-0.1	-0.6	-0.6	-2.5	-1.6	-0.2
Durable Manufacturing	7.79	8.01	8.01	7.92	7.85	7.59	7.44	7.45
% Ch	3.5	2.8	0.0	-1.1	-0.9	-3.3	-1.9	0.2
Nondurable Manufacturing	4.76	4.87	4.85	4.85	4.85	4.79	4.74	4.70
% Ch	3.4	2.2	-0.4	0.1	-0.1	-1.1	-1.1	-0.7
Construction	7.60	7.90	8.11	8.29	8.37	8.38	8.47	8.64
% Ch	3.7	3.9	2.7	2.2	1.0	0.2	1.0	2.0
Service-Providing	129.06	133.12	135.39	137.20	138.20	138.87	139.42	139.95
% Ch	5.0	3.2	1.7	1.3	0.7	0.5	0.4	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	87.8	81.5	79.9	70.6	62.2	61.7	62.0	62.2
Personal Saving/Disposable Income (%)	5.0	4.1	4.9	4.2	5.1	6.8	7.7	8.4
Auto Sales (Millions)	2.9	3.0	3.0	3.0	2.7	2.8	2.8	2.9
% Ch	-23.1	4.4	1.5	-0.6	-10.7	2.4	2.6	3.4
Housing Starts (Millions)	1.652	1.422	1.402	1.374	1.377	1.330	1.322	1.338
% Ch	6.8	-13.9	-1.4	-2.0	0.2	-3.4	-0.6	1.2
Federal Budget Surplus (Billions)	-1,407.6	-1,393.2	-1,726.6	-1,799.1	-1,655.2	-2,011.3	-2,162.2	-2,189.7
Net Exports (Billions)	-977.1	-838.4	-830.2	-1,004.9	-840.5	-701.4	-570.6	-467.3
3-Month Treasury Bill Rate (%)	0.37	4.10	5.26	4.47	3.84	2.82	2.63	2.77
10-Year Treasury Note Yield (%)	1.93	3.54	4.30	4.27	4.24	4.00	3.91	3.97
Bond Index of 20 G.O. Munis. (%)	2.48	3.59	3.75	4.27	4.87	4.57	4.40	4.23
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.68	6.47	6.05	5.82	5.77



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
June	2.4	2.6	4.87	6.86

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>
2022				
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
2023				
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
2024				
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
2025				
March	1.9	2.6	3.53	6.22
June	1.6	2.4	3.33	6.26

Table 1.4

Fiscal Years

**Forecast Comparison**

Forecast 2025 to 2029

	<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>							
June	22,314.8	23,004.7	23,527.5	23,766.0	24,207.3	24,684.2	25,171.6
% Ch	2.2	3.1	2.3	1.0	1.9	2.0	2.0
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
<b>PCE Price Index</b>							
June	118.7	122.1	125.1	129.2	131.9	134.1	136.5
% Ch	5.4	2.9	2.5	3.3	2.0	1.7	1.8
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
<b>Unemployment Rate</b>							
June	3.55	3.81	4.15	4.50	4.73	4.71	4.48
March	3.55	3.81	4.15	4.31	4.49	4.50	4.38
<b>Mortgage Rate</b>							
June	6.31	7.03	6.68	6.47	6.05	5.82	5.77
March	6.31	7.03	6.70	6.45	5.99	5.70	5.63
<b>3 Month T-Bill Rate</b>							
June	4.10	5.26	4.47	3.84	2.82	2.63	2.77
March	4.10	5.26	4.42	3.85	3.20	2.85	2.83



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

- **The Washington economy continued to expand through the first quarter of 2025.**
- **There are fewer jobs in June than were forecasted in March. This is mostly due to downward revisions.**
- **The Washington unemployment rate increased in May from 4.4% to 4.5%.**
- **Washington housing permits have slightly increased so far in the second quarter.**
- **Seattle home prices were up 3.0% compared with April 2024.**
- **Washington exports increased 3.9% from the first quarter of 2024 to the first quarter of 2025.**
- **Seattle area consumer price inflation remains below the national average, continuing a recent trend.**
- **Washington personal income growth trailed the national average in the first quarter of 2025, and had the lowest growth rate in the nation.**
- **Compared to the March forecast, we now anticipate weaker job growth in 2025-2029.**

### Current Conditions

*The Washington economy continued to expand in 2025, but at a slower rate*

The Washington economy continued to grow in mid-2025, with total June nonfarm employment increasing by 19,100 (0.5%) over the year. Government and private service-providing sectors gained, while construction and manufacturing experienced job losses. The unemployment rate increased to 4.5% in May, and labor force participation declined to its lowest level since 1976. Initial unemployment claims rose in May, reversing a two-month decline, but remain below recent peaks. Housing permits have slightly increased so far in the second quarter, but remain well below the previous peak. Seattle-area home prices grew 3.0% over the year, trailing the national average. Export activity improved modestly, driven by a sharp increase in transportation equipment exports, while agricultural exports declined. Seattle's CPI remained below the national rate, rising 1.7% year-over-year compared to 2.3% nationally in April.

*Washington's total nonfarm employment increased 0.5% in the past year*

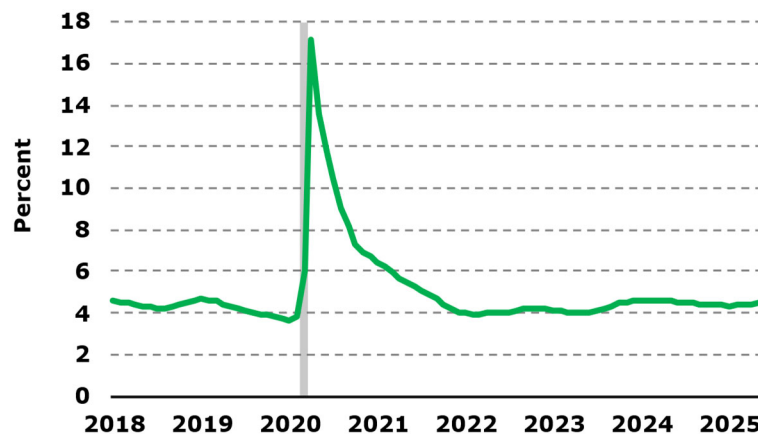
We have four new months of Washington employment data (March to June) since the March forecast was released. During that period Washington employment growth rate was more than expected, but revisions lowered the overall employment level. Between higher job growth than forecasted and a revision to employment, there are 8,700 fewer jobs in June than we forecasted in March.

Washington employment continues to grow, though at a slower pace. Total nonfarm payrolls expanded by 19,100 from June 2024 to June 2025, a 0.5% increase. Government employment rose by 9,700, driven largely by gains in state and local government. Private service-providing industries added 24,500 jobs over the year, led by a 13,000 job increase in education and health services. Construction employment declined by 1,100, and manufacturing shed 4,100 jobs. Within manufacturing, the largest change came from aerospace product and parts manufacturing, which shed 5,800 jobs.

*Washington's unemployment rate increased in May*

The Washington unemployment rate has held steady for the past year, fluctuating between 4.3% and 4.5% (see Figure 2.1). The unemployment rate increased to 4.5% in May from 4.4% in April. Labor force participation dropped to 62.5% in May, which is down from 63.7% a year ago, and the lowest reading since 1976.

**Figure 2.1 Washington Unemployment Rate**



Source: Employment Security Department, data through May 2025

Seasonally adjusted initial claims for unemployment insurance in Washington rose by 3,400 in May, reaching 26,600, a 15.5% increase compared to May 2024. This uptick follows two months of declining claims. The three-month average is down from a peak six months ago but is elevated from where it was much of last year.

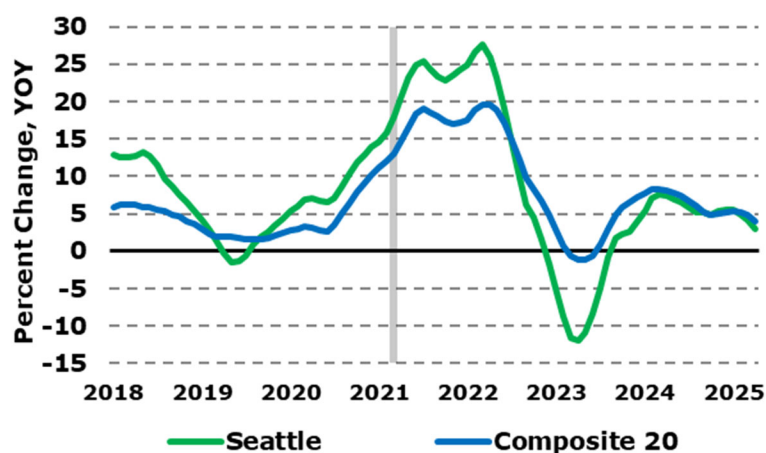
*Washington housing permits have slightly increased so far in the second quarter*

Washington housing construction picked up in April and May 2025 with 32,700 (SAAR) units permitted. In the first quarter, a total of 32,500 units (SAAR) were permitted, consisting of 18,000 (SAAR) single-family units and 14,500 (SAAR) multi-family units. April and May permits consisted of 18,600 (SAAR) single-family units and 14,100 multi-family units. The March forecast assumed 35,400 units for the second quarter as a whole, consisting of 18,000 single-family units and 17,400 multi-family units. Housing permits remain significantly below the recent peak of 61,100 units permitted in the fourth quarter of 2021.

*Year-over-year home price growth in the Seattle area falls below the national average*

The S&P/Case-Shiller Home Price Indices show that Seattle area home prices fell by 0.9% in April compared with March, more than the 0.3% decrease in the composite-20 index. Home prices in Seattle are up 3.0% compared with April 2024 (see Figure 2.2). In comparison, the composite-20 index was up 4.0% year-over-year in April.

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

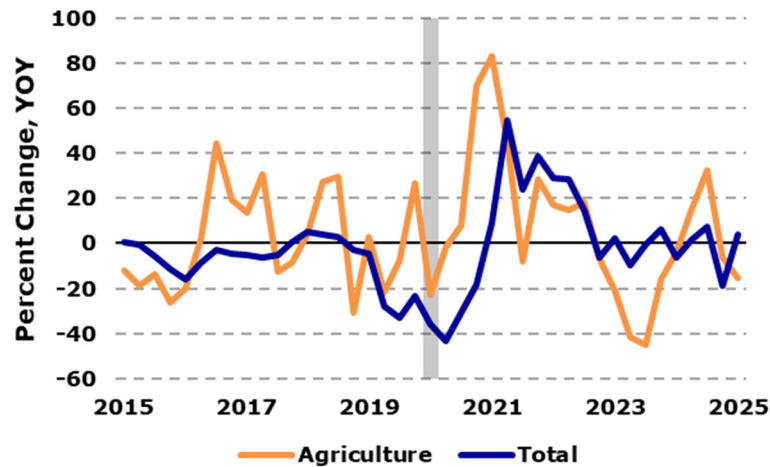


Source: S&P/Case-Shiller Home Price Indices; data through April 2025

*Washington exports of transportation equipment rise by 50.1%*

According to the U.S. Census Bureau, Washington's exports grew by 3.9% from the first quarter of 2024 to the first quarter of 2025 (see Figure 2.3). The increase was largely driven by a 50.1% increase in transportation equipment exports. Agricultural product exports declined, falling 15.7%. 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 2025 Q1

*Seasonally adjusted annual Washington car and truck sales increased in June*

The seasonally adjusted number of new vehicle registrations increased by 8.0% year over year in June to 269,000 (SAAR), following a 7.3% increase in May. Month to month passenger car registrations dropped 6.4%, while light truck registrations declined 4.6%.

*Washington personal income growth was lowest in the nation for the first quarter of 2025*

In June, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released the preliminary state personal income estimates for the first quarter of 2025. Washington personal income increased from \$681.7 billion (SAAR) in the fourth quarter of 2024 to \$687.2 billion in the first quarter of 2025. The 3.2% increase (SAAR) in Washington personal income was the lowest among the states and trailed the 6.7% (SAAR) rate of increase for the U.S. as a whole. Growth in Washington net earnings trailed the U.S. in the first quarter, with Washington net earnings increasing 0.1% (SAAR) compared to 5.0% (SAAR) for the nation. Growth in dividends, interest, and rent was the same in both Washington and the nation, increasing 5.6% (SAAR). Growth in transfer payments in Washington exceeded the U.S. Washington transfer payments grew 14.0% (SAAR) compared to 13.6% (SAAR) nationally.

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

Seattle-area consumer price inflation remains below the national average, continuing a recent trend. From April 2024 to April 2025, the Seattle CPI rose 1.7% compared to the 2.3% increase in the U.S. City average index. Inflation has come down sharply since reaching a peak of 10.1% in June of 2022 for Seattle and 9.1% for the U.S. Shelter costs in both Washington and the U.S. continue to outpace topline inflation, increasing 3.3% and 3.9% 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 1.7% in April compared to 2.8% for the U.S. City average.

## Washington State Forecast

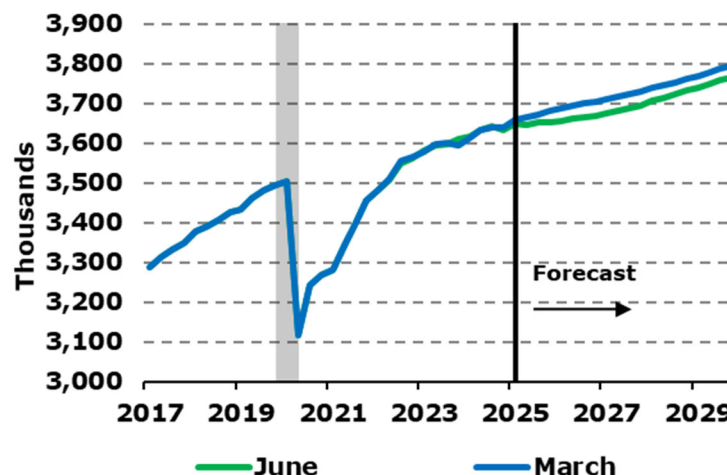
*The Washington forecast features weaker job growth in 2025*

The Washington forecast reflects a weaker near-term outlook compared to March, with slower job growth now expected in 2025 and slightly lower average job growth through 2029. Employment is projected to grow by 0.5% in 2025, with average annual growth of 0.7% from 2025 to 2029. Aerospace employment has declined in recent months and is expected to fall further this year before rebounding from 2026 to 2029, though at a slower pace than previously forecasted. Software employment has posted modest recent gains but remains below year-ago levels, with a small decline projected in 2025 followed by stronger growth through 2029. Construction employment declined over the past year, and while it is expected to resume growth, the near-term outlook was revised down. Nominal personal income growth is expected to be stronger in 2025 than in March, averaging 5.3% annually over the forecast horizon. Housing permits are projected to fall to 34,800 units in 2025—the lowest total in a decade—with a slower recovery in subsequent years. Seattle CPI inflation is now forecast to be lower than previously expected in 2025 and 2026, falling to 2% in 2028 and 2029.

*Job growth for 2025 is below our November forecast*

Compared to the March forecast, we now anticipate weaker job growth in 2025 (see Figure 2.4). Washington employment is projected to grow by 0.5% this year, a decline from the 1.0% forecast in March. From 2025 to 2029, we anticipate an average annual growth rate of 0.7%, slightly below the previous March projection of 0.8%.

**Figure 2.4: Nonfarm Payroll Employment**



Source: Employment Security Department, ERFC; historical data through 2025 Q1

*Aerospace employment should return to growth in 2026*

Since the start of the new year, aerospace employment has declined by 2,200 jobs, and is down 3,900 from a year ago. Compared with the March forecast, near-term growth was lowered. On an annual average basis, we expect aerospace employment to decline by 1.0% this year and grow by 2.1% in



2026 and 2.3% in 2027, 2.1%, in 2028, and 1.3% in 2029. In March, the forecast showed aerospace employment of 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.

*Software employment has added jobs the past four months*

Software sector employment in Washington posted gains in each of the last four months but is down 500 jobs over the last year. We expect software employment to decline by 0.4% in 2025 and return to expansion in 2026. Growth is forecasted at 2.4% in 2026, 2.2% in 2027, 2.3% in 2028, and 2.2% in 2029. In March we forecasted software job growth of 0.6% in 2025, 1.7% in 2026, 2.4% in 2027, 2.3% in 2028, and 2.2% in 2029.

*Construction employment growth for 2025 was lowered from 1.1% to a decline of 0.7%*

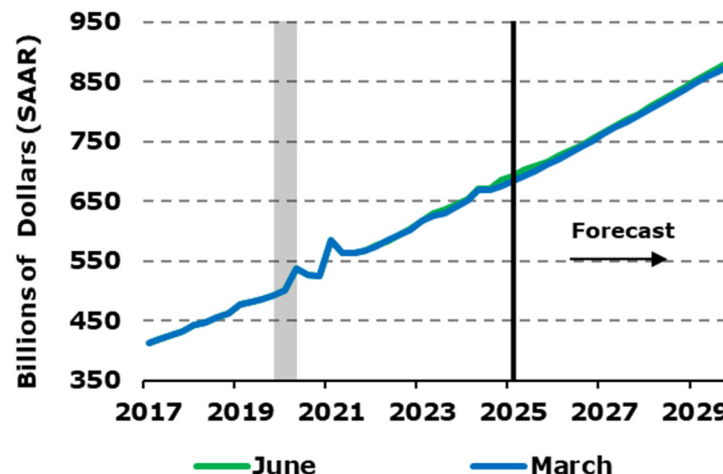
Over the past year construction employment slightly declined. From May 2024 to May 2025 the sector lost 2,700 jobs, which is a 1.2% decline. We expect construction employment to expand throughout the forecast period, but the 2025 forecast was reduced significantly compared with the March forecast due primarily to lower employment to date. On an annual basis, we expect construction employment to decline by 0.7% in 2025 but grow each year thereafter. We forecast growth of 1.8% in 2026, 1.9% in 2027, 1.9% in 2028, and 1.8% in 2029. In March we forecasted construction employment to grow at 1.1% in 2025, 2.1% in 2026, 2.1% in 2027, 2.2% in 2028, and 2.4% in 2029.

## Washington Personal Income

*Nominal personal income growth for 2025 was increased from 4.7% to 5.2%*

The June forecast for nominal personal income assumes higher growth in 2025 compared to the March forecast. Our current forecast of nominal personal income growth is 5.2% in 2025, 5.0% in 2026, 5.5% in 2027, 5.5% in 2028, and 5.2% in 2029. The average growth rate from 2025 to 2029 is forecasted to be 5.3%. In March we forecasted growth rates of 4.7% in 2025, 5.6% in 2026, 5.7% in 2027, 5.4% in 2028, and 5.1% in 2029. The 2029 nominal personal income is now forecasted to be \$4.9 billion above the March forecast.

**Figure 2.5: Washington Personal Income**



Source: Bureau of Economic Analysis, ERFC; historical data through 2025 Q1

## Washington Building Permits

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

The Washington housing permit forecast for 2025 was much lower than the March forecast. The growth rate was lowered for 2025 from -1.5% to -8.0%. The number of authorized housing units reached 56,900 in 2021 which was the highest annual total since 1978. Permits have declined over the past few years and came in at 37,800 in 2024. We are forecasting 34,800 permits in 2025. That would mark the lowest annual building permit total in a decade. On a calendar year basis, we expect 37,100 units in 2026, 38,500 units in 2027, 39,900 units in 2028 and 40,900 units in 2029. In March we forecasted 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.

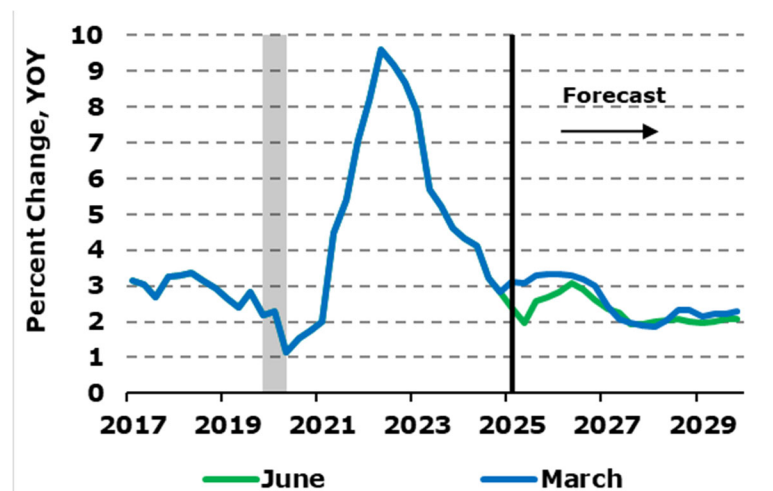
## Consumer Price Index

*The Seattle CPI forecast was revised downward for 2025 and 2026*

The Seattle CPI forecast for 2025 and 2026 was lowered from March forecast levels. The annual growth rate decreased from 3.2% each year to 2.4% and 2.8% respectively. The Seattle CPI annual growth rate is forecasted to return to close to 2.0% in 2027. The average annual forecasted growth rate is 2.1% in 2027, 2.0% in 2028, and 2.0% 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 2025 Q1

## 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 tariffs lead to lower inflation and a lower federal funds rate*

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 lowers 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 2027 as a result of the joint effect of favorable financial conditions due to the lower tariffs and faster population growth. On an average annual basis, GDP growth averages a trend-like 2.1% over 2025-2027, versus growth averaging 1.5% 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 77,410 jobs (2.1%) than in the baseline forecast and Washington personal income is \$49.7 billion (5.7%) higher.

### Pessimistic

*In the pessimistic scenario, higher tariffs lead to higher inflation and slower growth*

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, while financial conditions deteriorate further over most of this year, hampering economic activity and leading to a decline in consumer and business confidence. As a result, there is a two-quarter recession in this scenario starting in mid-2025 with a cumulative, non-annualized decline in GDP of 0.2%.

GDP growth remains consistently below baseline through early 2027 as a result of the tariff-induced inflationary pressures and a negative response in financial markets to the policy assumptions included in this scenario. On an annual basis, GDP growth averages an unimpressive 1.1% over 2025-2027, versus growth of 1.7% 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 10,00 fewer jobs relative to the baseline forecast through 2029. Software employment falls throughout 2025 to 2027 and remains mostly flat until 2029. Construction employment 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 151,400 (4.0%) lower than in the baseline forecast and Washington personal income is \$68.6 billion (7.9%) lower.

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

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

*The Governor's Council of Economic Advisors' (GCEA) forecast is unavailable*

We were unable to provide a GCEA forecast due to a lack of survey responses from the Council members.

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	508.721	514.932	534.169	550.297	559.120	576.977	598.379	619.705
% Ch	-1.8	1.2	3.7	3.0	1.6	3.2	3.7	3.6
Real Wage and Salary Disb.	268.945	273.933	287.596	296.629	299.409	306.153	316.059	326.781
% Ch	2.8	1.9	5.0	3.1	0.9	2.3	3.2	3.4
Real Nonwage Income	239.776	241.000	246.574	253.668	259.711	270.824	282.320	292.924
% Ch	-6.5	0.5	2.3	2.9	2.4	4.3	4.2	3.8
Real Per Capita Income (\$/Person)	65,485	65,795	67,545	68,895	69,708	71,734	74,140	76,418
% Ch	-2.2	0.5	2.7	2.0	1.2	2.9	3.4	3.1
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.126	1.187	1.221	1.251	1.292	1.319	1.341	1.365
% Ch	6.0	5.4	2.9	2.5	3.3	2.0	1.7	1.8
Seattle Cons. Price Index (1982-84=1.0)	3.089	3.331	3.483	3.574	3.673	3.766	3.841	3.918
% Ch	7.6	7.8	4.6	2.6	2.8	2.5	2.0	2.0
Average Nonfarm Annual Wage	85,147	88,534	94,548	99,147	103,104	107,100	111,640	116,365
% Ch	3.5	4.0	6.8	4.9	4.0	3.9	4.2	4.2
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.08	29.54	31.06	33.86	35.67	36.98	38.48	40.03
% Ch	4.3	1.6	5.2	9.0	5.4	3.7	4.1	4.0
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	572.658	611.136	652.040	688.315	722.559	760.875	802.743	845.901
% Ch	4.1	6.7	6.7	5.6	5.0	5.3	5.5	5.4
Disposable Personal Income	495.229	531.657	574.100	604.220	638.096	677.722	714.081	750.076
% Ch	1.4	7.4	8.0	5.2	5.6	6.2	5.4	5.0
Per Capita Income (\$/Person)	73,713	78,086	82,447	86,173	90,084	94,597	99,460	104,310
% Ch	3.7	5.9	5.6	4.5	4.5	5.0	5.1	4.9
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,927.3	4,002.8	4,050.2	4,059.1	4,058.3	4,074.2	4,093.0	4,117.5
Total Washington Employment	3,760.0	3,839.4	3,869.1	3,880.0	3,866.3	3,874.6	3,896.6	3,930.5
Unemployment Rate (%)	4.26	4.08	4.47	4.41	4.73	4.90	4.80	4.54
Nonfarm Payroll Employment	3,461.3	3,572.2	3,614.2	3,643.7	3,655.8	3,673.0	3,701.3	3,736.6
% Ch	5.4	3.2	1.2	0.8	0.3	0.5	0.8	1.0
Manufacturing	263.7	272.2	275.9	271.9	274.4	275.0	275.9	277.3
% Ch	1.2	3.2	1.4	-1.5	0.9	0.2	0.3	0.5
Durable Manufacturing	177.8	185.1	190.5	187.0	188.6	189.5	190.7	192.0
% Ch	-0.5	4.1	2.9	-1.8	0.9	0.5	0.6	0.7
Aerospace	68.3	74.3	80.8	78.7	79.9	81.8	83.6	85.1
% Ch	-3.7	8.8	8.7	-2.6	1.6	2.3	2.3	1.7
Nondurable Manufacturing	85.9	87.1	85.5	85.0	85.8	85.4	85.2	85.3
% Ch	4.7	1.4	-1.9	-0.6	0.9	-0.4	-0.3	0.1
Construction	227.7	232.9	226.8	222.5	224.2	228.8	233.1	237.4
% Ch	3.7	2.3	-2.6	-1.9	0.8	2.0	1.9	1.9
Service-Providing	2,964.3	3,061.7	3,106.0	3,144.1	3,152.2	3,164.2	3,187.4	3,216.9
% Ch	6.0	3.3	1.4	1.2	0.3	0.4	0.7	0.9
Software Publishers	82.8	87.4	83.6	82.6	83.8	85.7	87.6	89.6
% Ch	6.4	5.5	-4.4	-1.1	1.5	2.2	2.3	2.3
Mgmt. of Companies and Enterprises	97.5	103.4	101.4	103.3	106.3	109.4	112.1	114.6
% Ch	6.8	6.0	-2.0	1.9	2.9	2.9	2.5	2.2
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	58.037	40.434	35.766	36.044	36.260	37.820	39.168	40.509
% Ch	17.0	-30.3	-11.5	0.8	0.6	4.3	3.6	3.4
Single-Family	23.899	16.794	19.406	18.729	19.182	20.304	20.999	21.280
% Ch	-8.7	-29.7	15.6	-3.5	2.4	5.8	3.4	1.3
Multi-Family	34.138	23.640	16.360	17.316	17.078	17.516	18.169	19.229
% Ch	45.7	-30.8	-30.8	5.8	-1.4	2.6	3.7	5.8
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.68	6.47	6.05	5.82	5.77

Table 2.2

Fiscal Years

**Comparison of Alternative Forecasts**

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP, Percent Change</b>						
Optimistic	3.1	2.3	2.2	2.6	2.2	1.9
Baseline	3.1	2.3	1.0	1.9	2.0	2.0
Pessimistic	3.1	2.2	0.3	1.3	1.5	1.5
<b>PCE Price Index, Percent Change</b>						
Optimistic	2.9	2.4	2.8	2.4	2.5	2.5
Baseline	2.9	2.5	3.3	2.0	1.9	1.8
Pessimistic	2.9	2.5	3.3	1.8	1.6	1.5
<b>Mortgage Rate, Percent</b>						
Optimistic	7.03	6.66	6.14	5.65	5.60	5.57
Baseline	7.03	6.68	6.47	6.05	5.97	5.90
Pessimistic	7.03	6.67	6.12	5.66	5.62	5.59
<b>3 Month T-Bill Rate, Percent</b>						
Optimistic	5.26	4.48	3.50	2.53	2.47	2.46
Baseline	5.26	4.47	3.84	2.82	2.70	2.65
Pessimistic	5.26	4.49	3.15	1.94	1.82	1.77
<b>Washington</b>						
<b>Real Personal Income, Percent Change</b>						
Optimistic	3.7	3.4	4.1	4.9	4.8	4.5
Baseline	3.7	3.0	1.6	3.2	3.5	3.6
Pessimistic	3.7	2.7	-0.8	1.5	2.0	2.4
<b>Personal Income, Percent Change</b>						
Optimistic	6.7	5.9	7.1	7.4	7.3	7.1
Baseline	6.7	5.6	5.0	5.3	5.4	5.5
Pessimistic	6.7	5.2	2.6	3.3	3.7	3.8
<b>Employment, Percent Change</b>						
Optimistic	1.2	0.8	0.8	1.3	1.2	1.2
Baseline	1.2	0.8	0.3	0.5	0.5	0.6
Pessimistic	1.2	0.8	-0.6	-0.9	-0.8	-0.6
<b>Housing Permits, Thousands of Authorized Units</b>						
Optimistic	35.8	36.1	37.5	40.9	41.5	42.1
Baseline	35.8	36.0	36.3	37.8	38.2	38.5
Pessimistic	35.8	36.0	34.1	33.5	33.4	33.4

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

Table unavailable for the June 2025 Forecast

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

<b>Washington</b>	Average Annual Rate of Growth (Percent)			Average Annual Rate (Thousands)
	2023:2-2025:2			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
June	0.7	5.6	2.9	35.9



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

<b>Washington</b>	Average Annual Rate of Growth (Percent)			Average Annual Rate (Thousands)
	2025:2-2027:2			2025:3 to 2027:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
2022				
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
2023				
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
2024				
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
2025				
March	0.7	5.7	3.0	37.4
June	0.5	5.1	2.6	36.8

Table 2.6

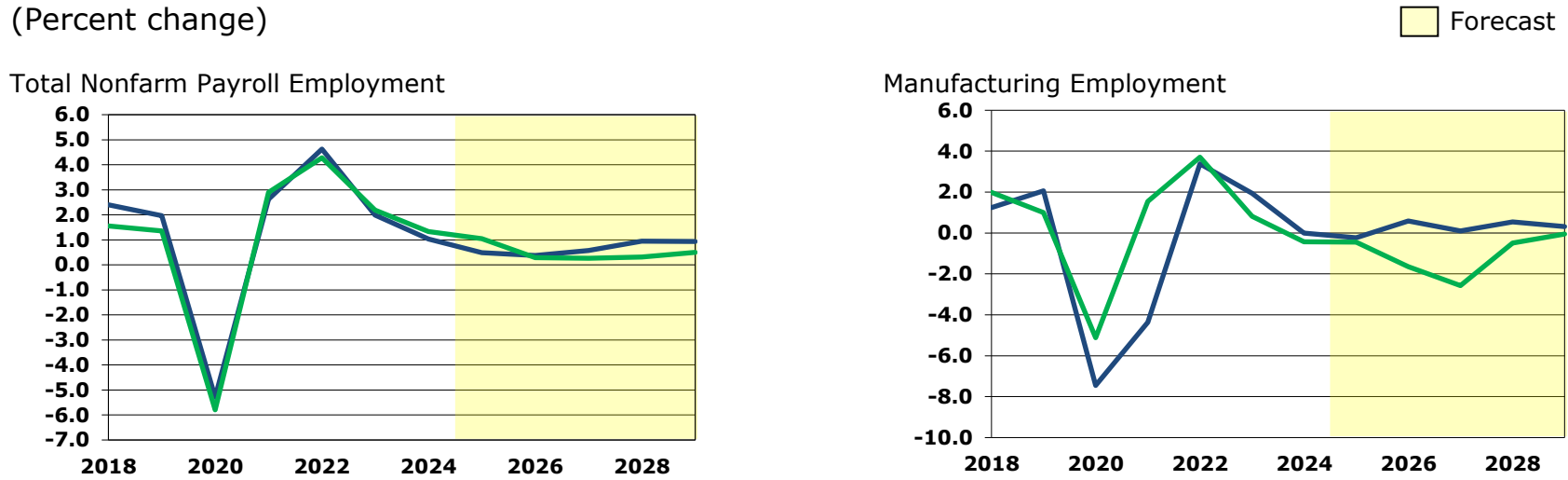
Fiscal Years

**Forecast Comparison**

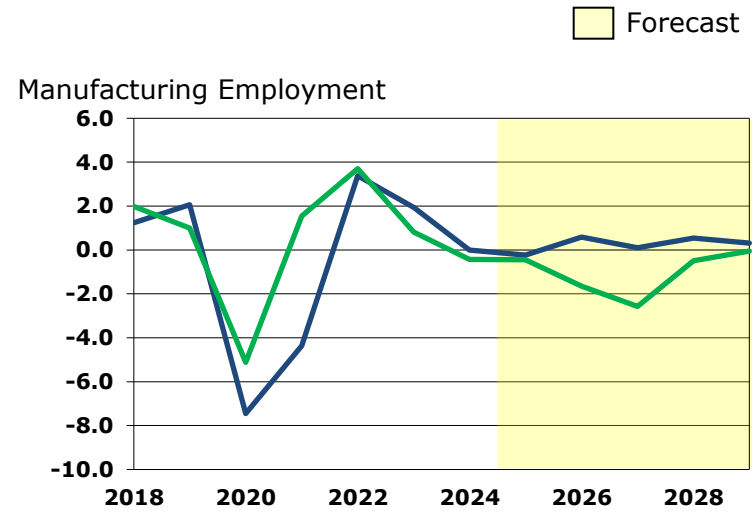
Forecast 2025 to 2029

	2023	2024	2025	2026	2027	2028	2029
<b>Washington</b>							
<b>Real Personal Income</b>							
June	514.932	534.169	550.297	559.120	576.977	598.379	619.705
% Ch	1.2	3.7	3.0	1.6	3.2	3.7	3.6
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
<b>Personal Income</b>							
June	611.136	652.040	688.315	722.559	760.875	802.743	845.901
% Ch	6.7	6.7	5.6	5.0	5.3	5.5	5.4
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
<b>Employment</b>							
June	3572.2	3614.2	3643.7	3655.8	3673.0	3701.3	3736.6
% Ch	3.2	1.2	0.8	0.3	0.5	0.8	1.0
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
<b>Housing Permits</b>							
June	40.434	35.766	36.044	36.260	37.820	39.168	40.509
% Ch	-30.3	-11.5	0.8	0.6	4.3	3.6	3.4
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

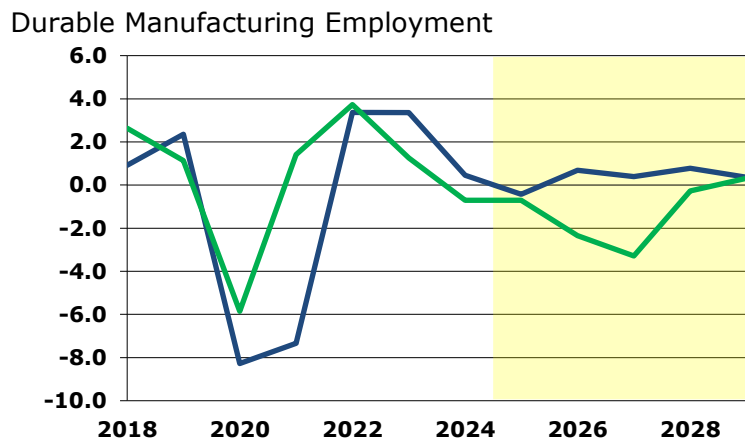
Figure 2.7: Comparison of Washington and U.S. Economic Forecasts  
(Percent change)



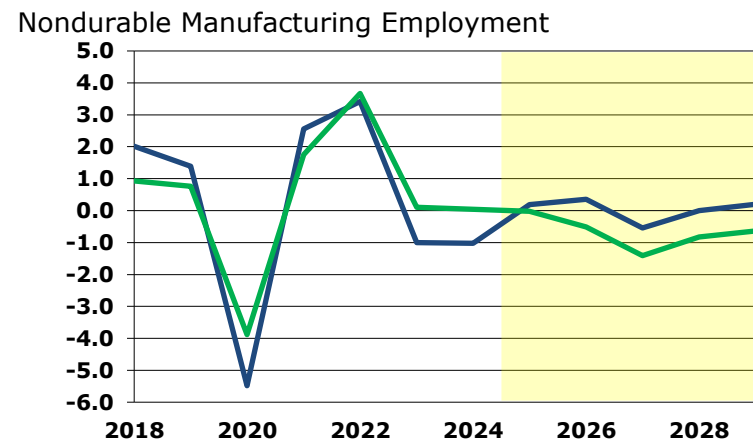
Source: WA State Employment Security Dept. 2024, ERFC 2029



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



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



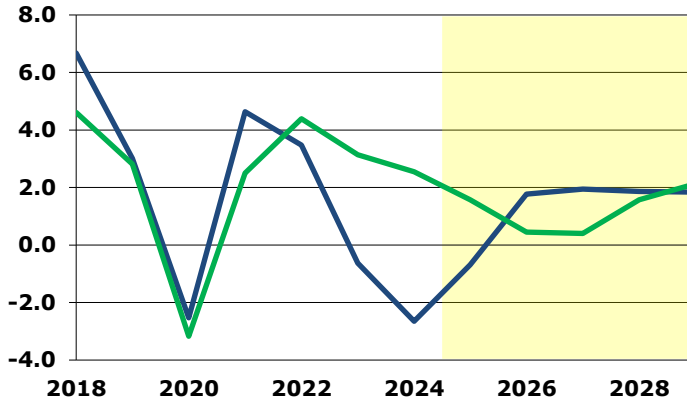
Source: WA State Employment Security Dept. 2024, ERFC 2029

Washington

U.S.

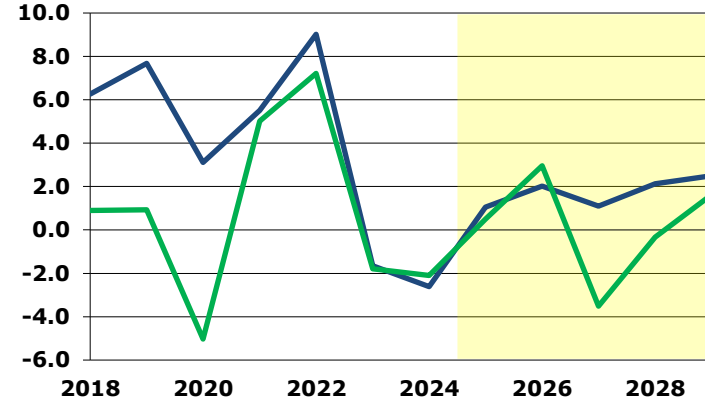
Figure 2.7: Comparison of Washington and U.S. Economic Forecasts (continued)  
(Percent change)

Construction Employment



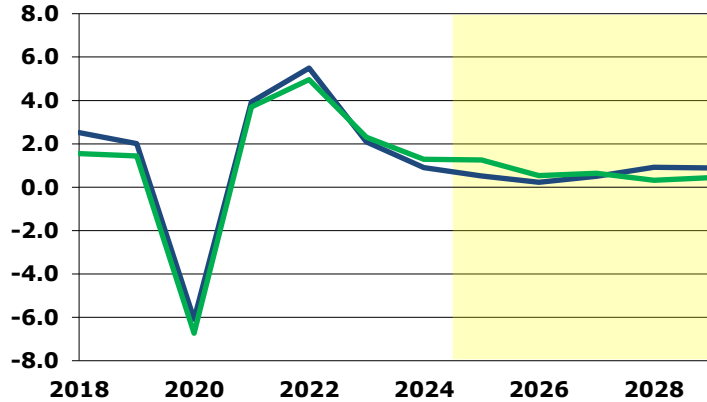
Source: WA State Employment Security Dept. 2024, ERFC 2029

Information Employment



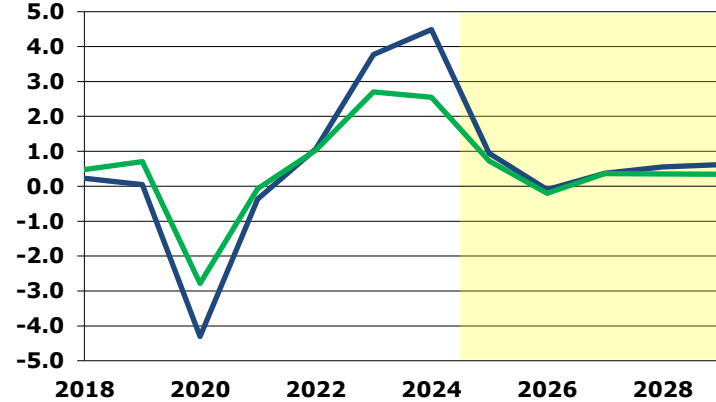
Source: WA State Employment Security Dept. 2024, ERFC 2029

Other Private Employment



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

Government Employment



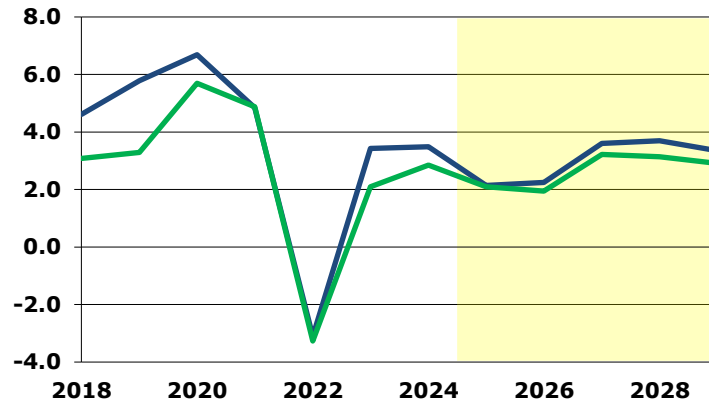
Source: WA State Employment Security Dept. 2024, ERFC 2029

Washington

U.S.

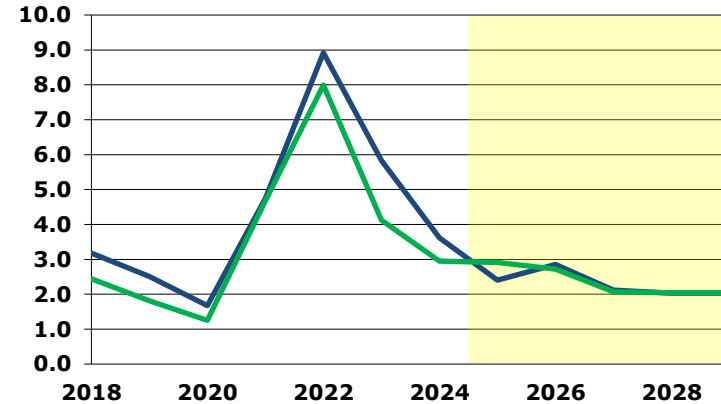
Figure 2.7: Comparison of Washington and U.S. Economic Forecasts (continued)  
(Percent change)

Real Personal Income



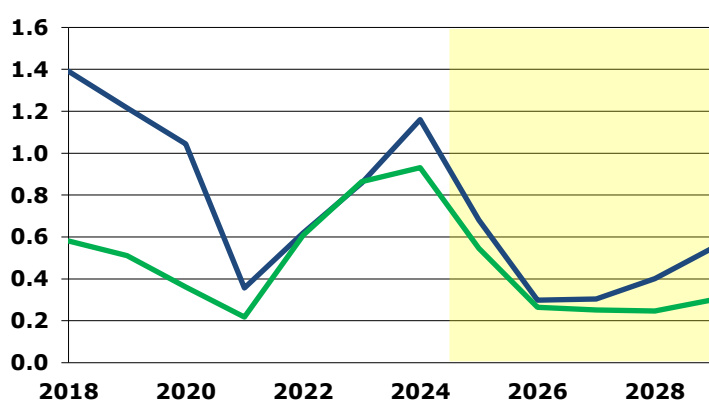
Source: Bureau of Economic Analysis 2024, ERFC 2029

Consumer Price Indices



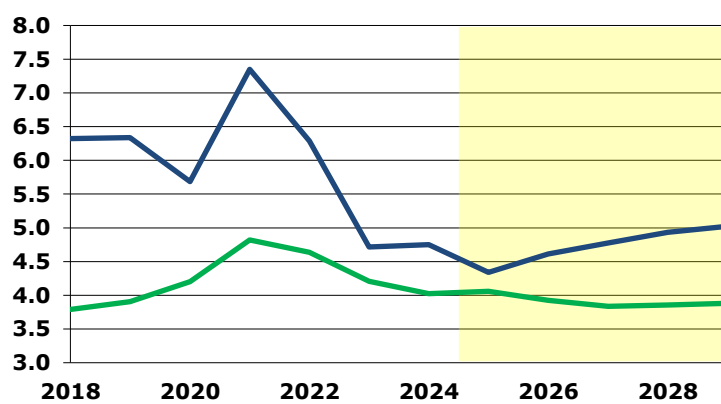
Source: Bureau of Labor Statistics 2024, ERFC 2029

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

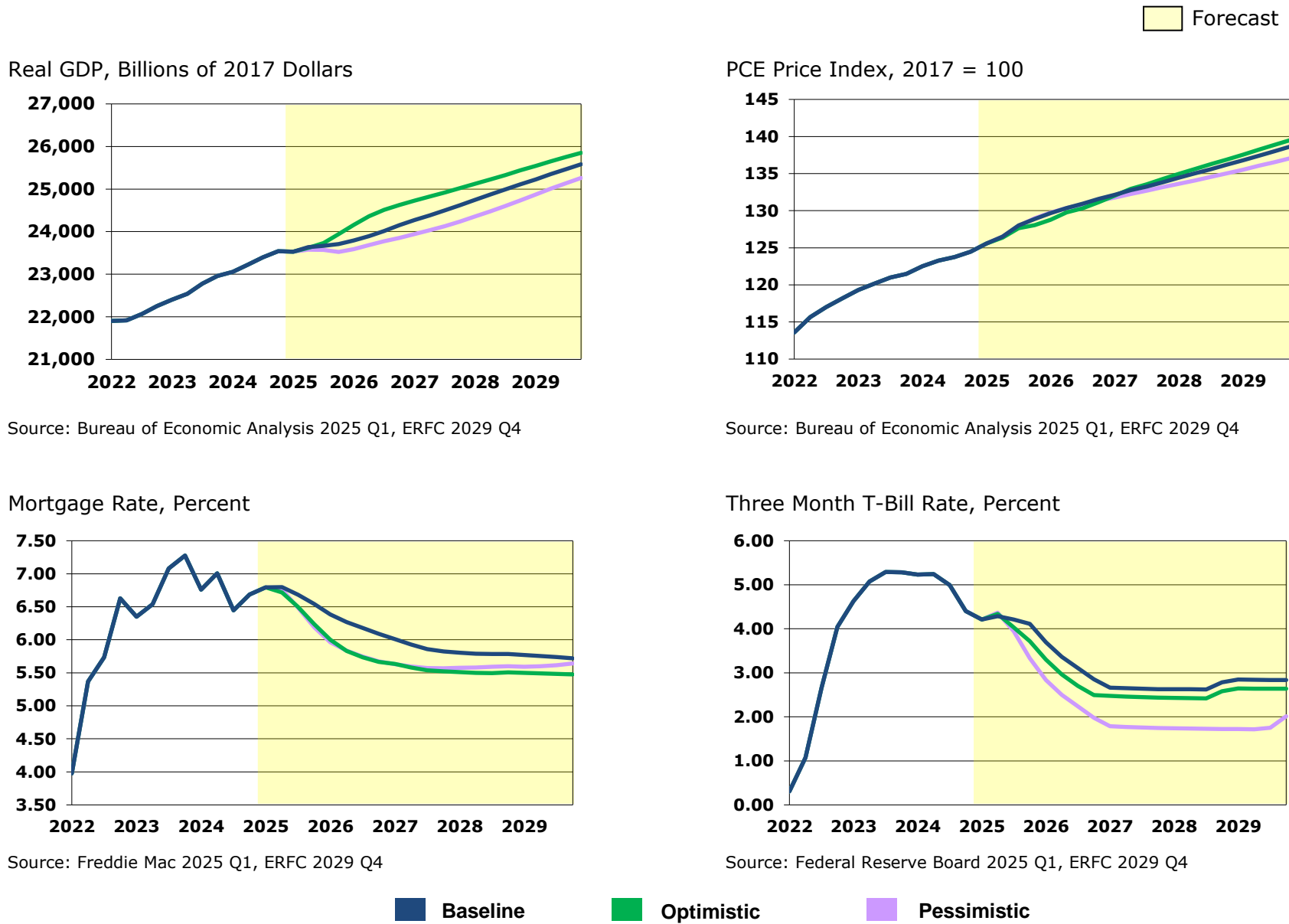
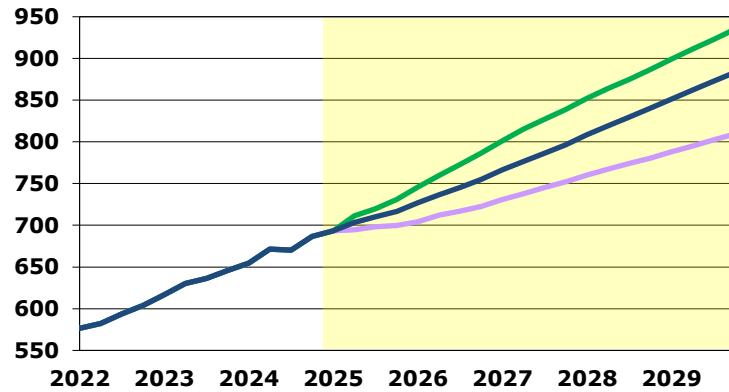


Figure 2.9: Comparison of Alternative Washington Economic Forecasts

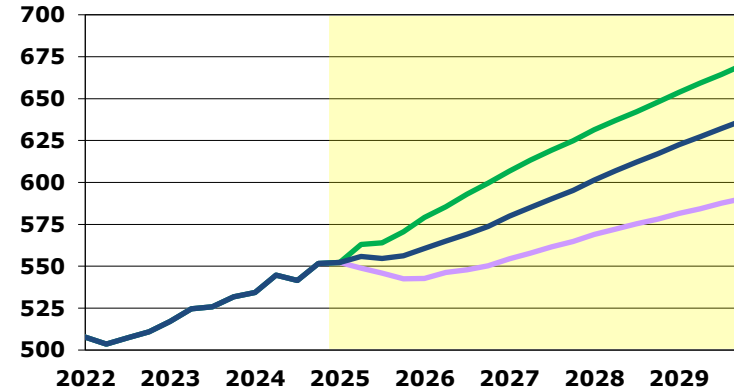
Forecast

Personal Income, Billions of Dollars



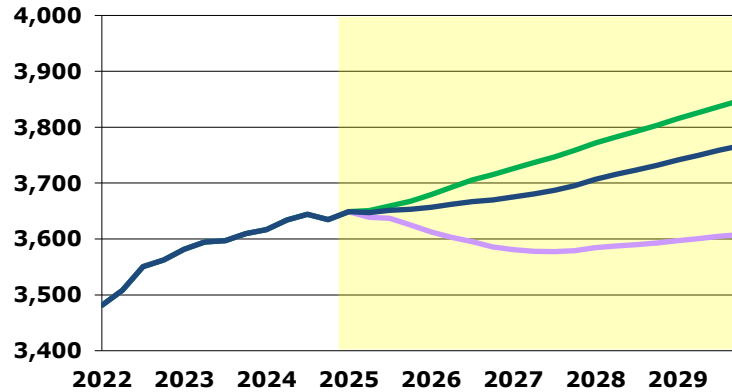
Source: Bureau of Economic Analysis 2025 Q1, ERFC 2029 Q4

Real Personal Income, Billions of 2017 Dollars



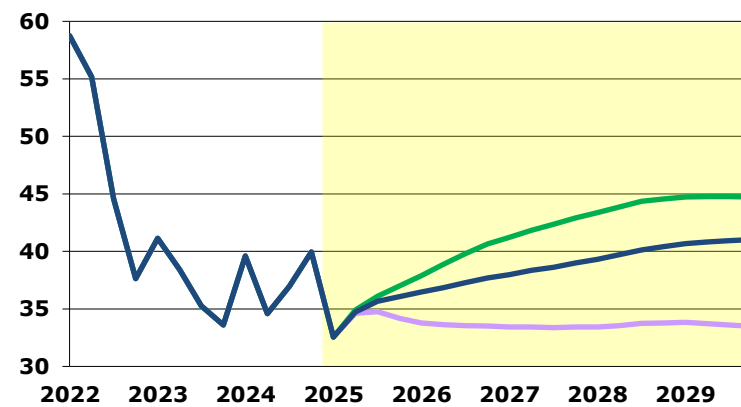
Source: Bureau of Economic Analysis 2025 Q1, ERFC 2029 Q4

Total Nonfarm Payroll Employment, Thousands



Source: WA State Employment Security 2025 Q1, ERFC 2029 Q4

Housing Permits, Thousands



Source: Census Bureau 2025 Q1, ERFC 2029 Q4

Baseline

Optimistic

Pessimistic



## Chapter 3: Washington State Revenue Forecast Summary

- **Tracked revenue collections since March have come in \$15 million below their forecasted amount.**
- **Legislative and budget-driven revenue changes from the 2025 legislative session have substantially increased forecasted revenue for the next two biennia.**
- **Legislative changes mainly affected General Fund-State revenue but also substantially increased revenue for the Education Legacy Trust account and the Workforce Education Investment Account.**
- **The June economic forecast projects lower housing permits and construction employment. Without the legislative changes, forecasted Revenue Act taxes would have decreased throughout the forecast period.**
- **The forecast of funds subject to the budget outlook process was increased by \$692 million in the 2023-25 biennium, \$3.80 billion in the 2025-27 biennium and \$3.59 billion in the 2027-29 biennium.**

### Overview

*Revenue collections have come in lower than expected, but legislative changes have increased the forecast*

Tracked revenue collections since March have come in \$15 million below their forecasted amount. Legislative and budget-driven revenue changes from the 2025 legislative session have substantially increased forecasted revenue for the next two biennia. The changes mainly affected General Fund-State revenue but also substantially increased revenue for the Education Legacy Trust account and the Workforce Education Investment Account. The June economic forecast projects lower housing permits and construction employment. Without the legislative changes, forecasted Revenue Act taxes would have decreased throughout the forecast period.

*Total forecast change by biennium (billions):*

23-25: \$0.69  
25-27: \$3.80  
27-29: \$3.59

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 \$692.3 million in the 2023-25 biennium, \$3,803.9 million in the 2025-27 biennium and \$3,589.6 million in the 2027-29 biennium. Non-economic changes increased the forecast by \$285.0 million in the 2023-25 biennium, \$4,293.8 million in the 2025-27 biennium and 4,228.0 million in the 2027-29 biennium. Without the non-economic changes, the forecast would have increased by \$407.3 million in the 2023-25 biennium but decreased by \$489.9 million in the 2025-27 biennium and 638.3 million in the 2027-29 biennium. The June 2025 forecast



for funds subject to the budget outlook process total \$67,137.1 million in the 2023-25 biennium, \$74,755.5 million in the 2025-27 biennium and \$80,014.5 million in the 2027-29 biennium.

June forecast  
by biennium  
(\$billions):

2023-25:  
\$67.137

2025-27:  
\$74.756

2027-29:  
\$80.014

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

	2023-25 Biennium	2025-27 Biennium	2027-29 Biennium
Non-Economic Change	\$285.0	\$4,293.8	\$4,228.0
Forecast Change	\$407.3	(\$489.9)	(\$638.3)
<b>Total Change</b>	<b>\$692.3</b>	<b>\$3,803.9</b>	<b>\$3,589.6</b>

(\*cash basis, millions of dollars)

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

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.

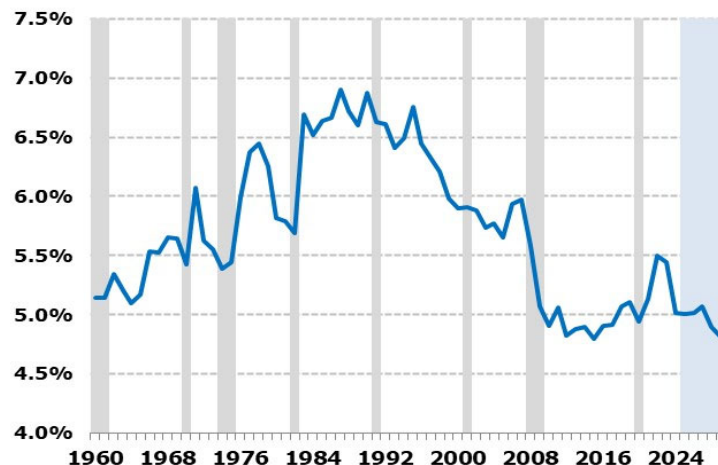
Though the  
ratio of total  
collections to  
income has  
increased from  
the FY 2015  
trough, it is  
expected to  
have peaked in  
FY 2022

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. The ratio decreased to 5.0% in FY 2024 but legislative changes from the 2025 session are expected to keep the ratio at that level through FY 2026. After a quick spike to 5.1% in FY 2027, 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 \$1.40 billion 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 \$7.29 billion (12.2%) higher than the initial forecast. Non-economic changes have increased the forecast by \$0.89 billion (1.5%). Excluding non-economic changes, the current forecast is \$6.40 billion (10.7%) 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 \$1.40 billion (1.5%) higher than that sum. The February 2022 forecast was the initial forecast for the 2025-27 biennium. The current forecast for the biennium is \$4.73 billion (6.8%) higher than the initial forecast, mainly due to \$3.72 billion in non-economic changes. Excluding the non-economic changes, the current forecast is \$1.01 billion (1.4%) higher than the initial forecast.

## Recent Collection Experience

*Tracked collections were \$14.6 million lower than forecasted in March*

GF-S revenue collections from the Department of Revenue (DOR) and the Washington court system are tracked monthly. In the period since the March forecast, total revenue from the above sources came in \$14.6 million (0.2%) lower than expected (see Table 3.2). Revenue Act collections reported by the DOR were \$1.2 million (0.0%) lower than forecasted while revenue from other DOR tax sources was \$14.5 million (0.5%) lower than

forecasted. Revenue from the Washington court system was \$1.1 million (7.8%) higher than forecasted.

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

<u>Agency/Source</u>	<u>Collection Variance</u>	<u>Percent of Estimate</u>
Department of Revenue		
Revenue Act	(\$1.2)	0.0%
Non-Revenue Act	(\$14.5)	-0.5%
Subtotal	(\$15.7)	-0.2%
Washington court system	\$1.1	7.8%
<b>Total*</b>	<b>(\$14.6)</b>	<b>-0.2%</b>

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

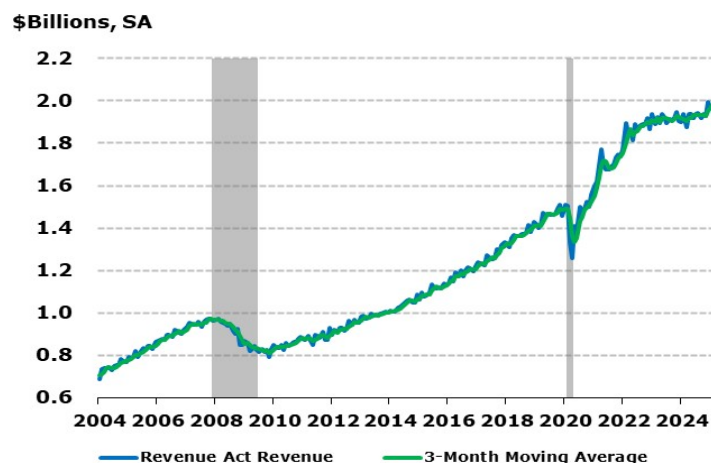
Source: ERFC; Period: March 11, 2024 - June 10, 2025

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

Real estate excise tax (REET) collections came in \$59.7 million (16.4%) lower than forecasted. About half of the shortfall was due to the lack of an expected large payment for the transfer of controlling interest of a corporate property that did not occur when expected. Property tax collections came in \$23.5 million (1.1%) higher than forecasted. Cigarette tax collections came in \$4.6 million (8.9%) lower than forecasted and liquor sales and liter tax receipts came in \$2.9 million (4.0%) higher than forecasted. Transfers of unclaimed property into the GF-S were \$35.4 million higher than forecasted. Revenue from all other DOR revenue sources came in \$11.9 million (23.9%) lower than forecasted.

**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 June 10, 2025

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

*Adjusted Revenue Act collections were up 1.8% year over year for first quarter 2025 activity*

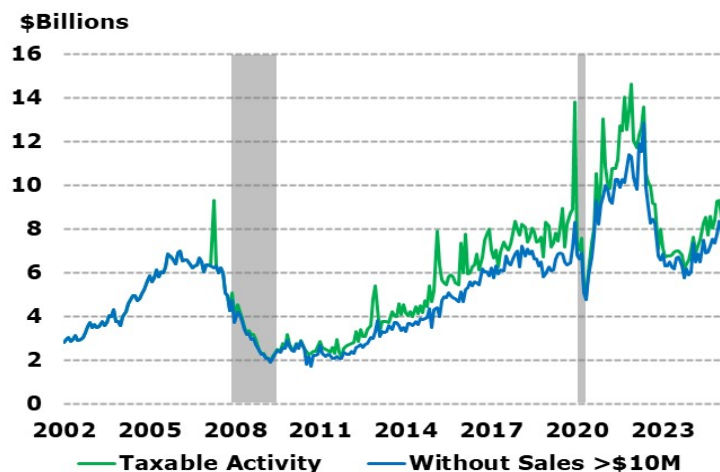
Figure 3.2 shows seasonally adjusted Revenue Act receipts excluding payments received under the tax amnesty program in early 2011 and other large payments. It is also adjusted for past changes in payment patterns and deferred payments in the first half of 2020. As shown in the figure, growth in collections 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 first quarter 2025 activity (February 11-May 10, 2025 collections) were up 1.8% year over year. 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 were up 1.3% year over year and adjusted collections for second quarter 2024 activity were up 0.6% year over. Adjusted collections for March 2025 activity were up 1.4% year over year and collections for April 2025 activity were up 4.6% year over year.

*Residential real estate activity has been lower than forecasted in March*

Taxable real estate activity has been lower than forecasted in March. Most of the decline was from sales of property valued below \$10 million, which began to decline in February (see Figure 3.3). Large commercial sales (sales greater than \$10 million) have remained steady since the last forecast, averaging about \$970 million per month over the last three months.

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

*Residential sales activity started to decline in February 2025*



Source: ERFC estimates through May 2025

## Legislative and Budget-Driven Revenue Chances to the Forecast

*Legislative and budget-driven revenue changes produced a substantial increase in expected revenue*

Table 3.20 summarizes the legislative and budget-driven revenue changes to the forecast from bills passed in the 2025 legislative session. The total effect of these changes, as summarized in Table 3.1 above, are substantial. The largest impacts came from the expansion of sales taxes to certain services and increases in several business and occupation tax rates. Changes to the forecast resulting from new legislation are discussed in the relevant revenue source sections.

## 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.

*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.

*Legislative changes have increased forecasted retail sales tax revenue*

Legislative changes from the 2025 session have increased forecasted retail sales tax collections for the next two biennia. Most of the changes were from Engrossed Substitute Senate Bill 5814, which extended the retail sales tax to several services which previously did not pay the tax. Second Substitute Senate Bill 5802 also had a large effect on sales tax revenue. While it added to FY 2026 revenue due to transfers and by making deferred taxes for certain transportation construction projects due in that year, it subtracts from FY 2028 and 2029 revenue by requiring the transfer of 0.1% of retail sales tax collections to the Multimodal Transportation Account starting July 1, 2027. Other bills have also brought smaller changes (see Table 3.20). The sum of the changes will add \$666.4 million in GF-S retail sales tax revenue in FY 2026, \$826.9 million in FY 2027, \$575.3 million in FY 2028 and \$582.5 million in FY 2029.

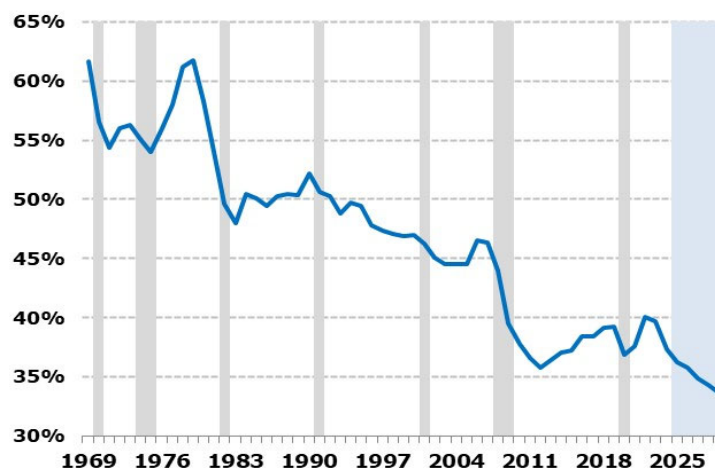
*Figure 3.4 shows the historical ratio of taxable sales to state personal income*

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, 35.8% 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 39.2% 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 40.0%. The ratio then began to decline again, reaching 37.3% in FY 2024, and is forecasted to continue to decline 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.

**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, including 2025 legislation. Gray shaded area indicates recession, blue shaded area indicates forecast. Source: ERF; Data through FY24, forecast through FY29

*Retail sales tax receipt growth forecast:*

FY25: 2.5%  
FY26: 7.8%  
FY27: 4.6%  
FY28: 2.1%  
FY29: 3.4%

Taxable retail sales activity grew at 5.7% in FY 2023 but slowed to 0.3% in FY 2024. Growth is forecasted to increase to 2.6% in FY 2025. The legislative changes described above then cause growth in taxable activity to increase to 6.8% in FY 2026, before settling down to growth of 4.5% in FY 2027, 3.8% in FY 2028 and 3.4% 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 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 2.5% in FY 2025, 7.8% in FY 2026, and 4.6% in FY 2027. The newly legislated transfer of funds to transportation accounts outlined above slows collections growth to 2.1% in FY 2028, increasing to 3.4% 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.

*Legislative changes have increased forecasted B&O revenue*

Legislative changes from the 2025 session have increased forecasted B&O tax collections for the next two biennia. Most of the changes were from Engrossed Substitute House Bill 2081. The bill will raise the B&O rates of all classifications that currently pay the 0.471% and 0.484% rates to 0.5% from January 1, 2027 through January 1, 2034. It also increases a surcharge on specified financial institutions from 1.2% to 1.5% effective October 1, 2025 and adds a new line code to increase the tax rate for service and other activities from 1.75% to 2.1% for taxpayers with income of \$5 million or greater starting January 1, 2026. Other bills have also brought smaller changes (see Table 3.20). The sum of the changes will add \$216.6 million in GF-S B&O revenue in FY 2026, \$966.6 million in FY 2027, \$1.122 billion in FY 2028 and \$1.186 billion in FY 2029.

*B&O tax growth forecast:*

*FY25: 0.6%  
FY26: 7.1%  
FY27: 16.5%  
FY28: 5.9%  
FY29: 4.8%*

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 and is expected to slow further to 0.6% in FY 2025. Revenue from the above legislative changes then boosts growth to 7.1% in FY 2026 and 16.5% in FY 2027 before settling down to 5.9% in FY 2028 and 4.8% 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: 2.2%  
FY26: 2.1%  
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 2.2% in FY 2025, 2.1% in FY 2026, 2.2% in FY 2027 and 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: 4.9%  
FY26: -3.8%  
FY27: 5.1%  
FY28: 3.4%  
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 4.9% in FY 2025. Without these large purchases, collections are expected to decline by 3.8% in FY 2026. Growth then returns at 5.1% in FY 2027, 3.4% in FY 2028 and 4.6% in FY 2029. These growth rates include forecast decreases of \$16.6 million in FY 2028 and \$17.1 million in fiscal year 2029 due to Second Substitute Senate Bill 5802, which transfers 0.1% of use tax collections to the Multimodal Transportation Account starting July 1, 2027 (see Table 3.20).

*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: 26.4%  
FY26: 1.5%  
FY27: 7.1%  
FY28: 7.9%  
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 most of FY 2025. The increased activity plus several large transactions for transfers of controlling interest of commercial properties has brought expected growth of 26.4% in FY 2025. Due to FY 2025's elevated level, collections are only expected to increase by 1.5% in FY 2026. Growth then accelerates to 7.1% in FY 2027, 7.9% 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: 8.5%  
FY26: 1.8%  
FY27: 6.8%  
FY28: 4.3%  
FY29: 3.4%*

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 8.5% in FY 2025 due to price increases in electricity and natural gas. Growth then continues at 1.8% in FY 2026,

6.8% in FY 2027 (due to additional electricity and natural gas price increases in the national forecast), 4.3% in FY 2028 and 3.4% in FY 2029. These growth rates include forecast increases of \$1.0 million in FY 2026 and \$2.5 million in fiscal years 2027 through 2029 due to the elimination of a tax credit (see Table 3.20).

*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: 1.9%  
FY26: 2.7%  
FY27: 1.4%  
FY28: 1.8%  
FY29: 2.1%

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 1.9% in FY 2025, 2.7% in FY 2026, 1.4% in FY 2027, 1.8% in FY 2028 and 2.1% 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: -9.3%  
FY26: 1.3%  
FY27: -4.7%  
FY28: -5.1%  
FY29: -5.5%

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 9.3% in FY 2025 but increase by 1.3% in FY 2026 due to FY 2025's low level. Declines are then expected to continue at 4.7% in FY 2027, 5.1% in FY 2028 and 5.5% 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: -\$3.9  
25-27: -\$20.2  
27-29: -\$22.3

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 \$3.9 million to \$257.9 million. The net forecast of GF-S distributions for the 2025-27 biennium has been decreased \$20.2 million to \$262.7 million and the forecast for the 2027-29 biennium has been decreased \$22.3 million to \$277.8 million. Details of the forecasted distributions from the account can be found in Table 3.18.

## The Office of Financial Management (Other Agencies)

*Non-economic changes increased GF-S revenue in the current and 2025-27 biennia but decreased it in the 2027-29 biennium*

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 \$268.4 million to \$260.1 million, mainly due to a transfer of \$271.1 million from the Tobacco Settlement Account to the GF-S, offset by another smaller transfer out of the GF-S and other forecast changes. Legislative changes had major effects on the forecast for the next two biennia. The largest change came from Second Substitute Senate Bill 5802. The bill transferred funds from certain transportation accounts into the GF-S in FY 2026 and FY 2027, but directs 0.1% of GF-S retail sales and use tax collections to be deposited into the Multimodal Transportation Account starting July 1, 2027. The sum of those transfers and other legislative and budgetary changes (see Table 3.20) result in a total non-economic forecast change of 468.4

million in the 2025-27 biennium and -\$600.0 million in the 2027-29 biennium.

*Forecast  
change by  
biennium  
(millions):*

23-25: \$268.4  
25-27: \$460.5  
27-29: -\$574.1

Adding the non-economic changes to changes from economic factors, the forecast for the 2025-27 biennium was increased \$460.5 million to \$418.4 million and the forecast for the 2027-29 biennium was decreased \$574.1 million to -\$634.5 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: -\$1.4  
25-27: -\$3.3  
27-29: -\$8.2

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 \$1.4 million to \$572.1 million, the forecast of GF-S revenue for the 2025-27 biennium has been decreased \$3.3 million to \$285.2 million and the forecast for the 2027-29 biennium has been decreased \$8.2 million to \$241.4 million.

## Insurance Commissioner

*Forecast change by  
biennium (millions):*

23-25: \$55.2  
25-27: \$78.1  
27-29: \$81.2

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 has been increased \$55.2 million to \$1,790.0 million. The forecast for the 2025-27 biennium has been increased \$78.1 million to \$1,897.1 million and the forecast for the 2027-29 biennium has been increased \$81.2 million to \$1,971.5 million.

## Liquor and Cannabis Board

*Forecasted LCB  
revenue has  
been increased  
by legislation  
and changes in  
the agency's  
budget*

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 spirits 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. Changes to the LCB budget in the 2025 legislative session have increased forecasted transfers in the current biennium but have decreased expected transfers in the next two biennia. These decreases have been offset by legislation that is expected to increase LCB fee revenue (see Table 3.20). The total of all the legislative and budget-related changes has increased revenue by \$14.0 million in the current biennium, \$5.6 million in the 2025-27 biennium and \$11.2 million in the 2027-29 biennium.

*Forecast  
change by  
biennium  
(millions):*

23-25: *-\$11.7*  
25-27: *-\$9.4*  
27-29: *-\$10.3*

While the legislative and budget-related changes increased expected revenue, these increases have been outweighed by lower-than-expected GF-S transfer since the March forecast and the decreases in forecasted cannabis taxes and fees discussed above. Summing the legislative and forecast changes, GF-S distributions for the 2023-25 biennium have been decreased \$11.7 million to \$562.2 million. The forecast for the 2025-27 biennium has been decreased \$9.4 million to \$666.5 million and the forecast for the 2027-29 biennium has been decreased \$10.3 million to \$714.1 million.

## Lottery Commission

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

23-25: *-\$10.2*  
25-27: *\$7.5*  
27-29: *\$0.5*

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 has decreased \$10.2 million to \$86.9 million. The forecast for the 2025-27 biennium has been increased \$7.5 million to \$70.0 million and the forecast for the 2027-29 biennium has been increased \$0.5 million to \$67.3 million.

## Washington Court System

*Forecast change  
by biennium  
(millions):*

23-25: *\$0.7*  
25-27: *\$1.8*  
27-29: *\$4.5*

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 \$0.7 million to \$108.6 million. The forecast for the 2025-27 biennium has been increased \$1.8 million to \$120.0 million and the forecast for the 2027-29 biennium has been increased \$4.5 million to \$125.9 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: +\$0.17  
25-27: +\$3.60

*Pessimistic  
scenario  
(billions):*

23-25: -\$0.18  
25-27: -\$3.69

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 \$67.311 billion in revenue subject to the budget outlook process, \$174 million (0.3%) more than the baseline scenario, while the pessimistic forecast produces \$66.953 billion in revenue, \$184 million (0.3%) less than the baseline. For the 2025-27 biennium, the optimistic forecast generates \$78.356 billion in GF-S revenue, \$3.601 billion (4.8%) more than the baseline scenario, while the pessimistic forecast produces \$71.062 billion in revenue, \$3.693 billion (4.9%) less than the baseline.

## Washington Opportunity Pathways Account

*OPA forecast  
change by  
biennium  
(millions):*

23-25: \$8.5  
25-27: -\$29.5  
27-29: -\$19.7

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 increased \$8.5 million to \$349.3 million, while the forecast for the 2025-27 biennium has been decreased \$29.5 million to \$336.8 million. Forecasted revenue for the 2027-29 biennium has been decreased \$19.7 million to \$354.8 million. The forecast changes include increases of \$0.1 million in the current biennium, \$1.3 million in the 2025-27 biennium and \$1.2 million in the 2027-29 biennium due to budgetary changes (see Table 3.20).

## Education Legacy Trust Account

*New legislation  
has increased  
the ELTA  
forecast in the  
next two  
biennia*

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 is currently funded by three sources; a tax on large estates, 14% of the state real estate excise tax (REET), and tax on certain transactions that produce capital gains above a certain threshold (\$270,000 for CY 2024 gains, adjusted for inflation in subsequent years). Legislation passed in the 2025 session has increased forecasted

ELTA revenue in the next two biennia. Most of the changes were from Engrossed Substitute Senate Bill 5813 (see Table 3.20). The bill introduced graduated rates for the estate tax (while increasing the amount excluded from tax) and established an increased tax on capital gains over \$1 million (adjusted for inflation in subsequent years). These changes, coupled with smaller changes from other legislation, increased forecasted revenue by \$321.6 million in the 2025-27 biennium and \$313.9 million in the 2027-29 biennium.

*ELTA forecast change by biennium (millions):*

23-25: \$288.9  
25-27: \$284.3  
27-29: \$250.7

Forecasted ELTA revenue has been increased by \$288.9 million in the current biennium due to higher-than-expected collections of estate and capital gains taxes since the March forecast. REET collections, however, were lower than forecasted and the forecast of REET revenue has been decreased for the next two biennia. Adding the legislative changes to the changes in the underlying forecast, the forecast has increased by \$284.3 million in the 2025-27 biennium and \$250.7 million in the 2027-29 biennium. Forecasted ELTA receipts are now \$2,406.4 million for the 2023-25 biennium, \$2,767.6 million for the 2025-27 biennium and \$2,958.0 million for the 2027-29 biennium.

## Workforce Education Investment Account

*The WEIA forecast has been greatly increased in the next two biennia by new legislation*

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, is funded by a B&O tax surcharge on certain large service-providing industries and another surcharge on select advanced computing businesses. Legislation passed in the 2025 session has raised both surcharges and added a new surcharge on selected very large businesses, effective October 1, 2025. Other legislation has also affected projected collection by a lesser extent (see Table 3.20). The total forecasted effect of all legislative changes is an additional \$596.0 million in revenue in the 2025-27 biennium and \$890.8 million in the 2027-29 biennium.

*WEIA forecast change by biennium (millions):*

23-25: \$40.3  
25-27: \$620.1  
27-29: \$900.2

Forecasted revenue has been increased by \$40.3 million in the 2023-25 biennium due to higher-than-expected collections since the last forecast. Disregarding the legislative changes, the higher baseline would have increased forecasted future collections by \$24.1 million in the next biennium and \$9.4 million in the 2027-29 biennium. Adding these changes to the legislative changes above, the forecast has increased by \$620.1 million in the 2025-27 biennium and \$900.2 million in the 2027-29 biennium. WEIA revenue is now forecasted at \$955.0 million in the 2023-25 biennium, \$1,562.8 million in the 2025-27 biennium and \$1,914.7 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 and 2025-27 Biennia

*Forecasted  
total  
reserves are  
\$3.595  
billion at the  
end of the  
2023-25  
biennium  
and \$2.057  
billion at the  
end of the  
2025-27  
biennium.*

Table 3.12 shows the budgetary balance sheet for the 2023-25 and 2025-27 biennia 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). Based on the enacted biennial budget, the balance sheet projects total GF-S reserves of \$2,698.5 million at the end of the 2023-25 biennium and total reserves for the GF-S, ELTA, OPA and WEIA accounts of \$3,594.7 million. Based on the newly enacted 2025-27 biennial budget, the balance sheet projects total GF-S reserves of \$1,667.1 million at the end of the 2025-27 biennium and total reserves for the GF-S, ELTA, OPA and WEIA accounts of \$2,057.1 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>	63,426.4	4.0%	51,331.1	-2.7%
2025-27 <sup>F</sup>	70,088.4	10.5%	53,688.8	4.6%
2027-29 <sup>F</sup>	74,787.0	6.7%	55,266.7	2.9%

<sup>F</sup> June 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 June 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>	237,663	2.6%
2026 <sup>F</sup>	253,886	6.8%
2027 <sup>F</sup>	265,289	4.5%
2028 <sup>F</sup>	275,304	3.8%
2029 <sup>F</sup>	284,725	3.4%

<sup>F</sup> June 2025 forecast  
Source: ERFC

\* 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), extension of tax base to certain services (October 1, 2025).

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>Mar 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Jun 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$29,928.9	\$0.0	(\$26.8)	\$29,902.1	(\$26.8)
Business & Occupation	12,875.6	0.0	(14.6)	12,861.0	(14.6)
Use	1,990.2	0.0	26.3	2,016.5	26.3
Public Utility	1,108.8	0.0	6.7	1,115.5	6.7
Liquor Sales/Liter	676.4	0.0	5.8	682.2	5.8
Cigarette	470.6	0.0	(2.7)	467.9	(2.7)
Property (State Levy)	9,291.3	0.0	4.4	9,295.7	4.4
Real Estate Excise	2,236.0	0.0	(55.9)	2,180.1	(55.9)
Timber Excise	3.9	0.0	0.4	4.3	0.4
Other	1,411.2	0.0	109.9	1,521.1	109.9
Subtotal	59,992.9	0.0	53.5	60,046.4	53.5
<b>Insurance Commissioner</b>					
Insurance Premiums	1,734.8	0.0	55.2	1,790.0	55.2
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	516.7	14.0	(24.3)	506.4	(10.3)
Beer & Wine Surtax	57.2	0.0	(1.3)	55.8	(1.3)
<b>Lottery Commission</b>					
Lottery Revenue	97.2	0.0	(10.2)	86.9	(10.2)
<b>State Treasurer</b>					
Interest Earnings	573.5	0.0	(1.4)	572.1	(1.4)
<b>Office of Financial Management</b>					
Other Agencies	(8.3)	270.9	(2.5)	260.1	268.4
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	107.9	0.0	0.7	108.6	0.7
<b>Total General Fund-State *</b>	<b>\$63,071.9</b>	<b>\$284.9</b>	<b>\$69.7</b>	<b>\$63,426.4</b>	<b>\$354.6</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council March 18, 2025<sup>2</sup> Forecast for the 2023-25 biennium, adopted June 24, 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 3.6

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

2023-25 biennium; GAAP basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Mar 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Jun 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$29,975.5	\$0.0	(\$26.8)	\$29,948.7	(\$26.8)
Business & Occupation	12,886.0	0.0	(14.6)	12,871.4	(14.6)
Use	1,993.2	0.0	26.3	2,019.5	26.3
Public Utility	1,114.6	0.0	6.7	1,121.3	6.7
Liquor Sales/Liter	684.7	0.0	5.8	690.5	5.8
Cigarette	456.0	0.0	5.8	461.9	5.8
Property (State Levy)	9,293.6	0.0	4.4	9,298.0	4.4
Real Estate Excise	2,252.2	0.0	(55.9)	2,196.3	(55.9)
Timber Excise	3.9	0.0	0.5	4.4	0.5
Other	1,395.8	0.0	134.4	1,530.3	134.4
Subtotal	60,055.5	0.0	86.6	60,142.1	86.6
<b>Insurance Commissioner</b>					
Insurance Premiums	1,734.8	0.0	55.2	1,790.0	55.2
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	516.7	14.0	(24.3)	506.4	(10.3)
Beer & Wine Surtax	57.2	0.0	(1.3)	55.8	(1.3)
<b>Lottery Commission</b>					
Lottery Revenue	87.1	0.0	(3.0)	84.1	(3.0)
<b>State Treasurer</b>					
Interest Earnings	581.8	0.0	0.2	582.0	0.2
<b>Office of Financial Management</b>					
Other Agencies	(8.3)	270.9	(2.5)	260.1	268.4
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	107.9	0.0	0.7	108.6	0.7
<b>Total General Fund-State *</b>	<b>\$63,132.7</b>	<b>\$284.9</b>	<b>\$111.6</b>	<b>\$63,529.1</b>	<b>\$396.4</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council March 18, 2025<sup>2</sup> Forecast for the 2023-25 biennium, adopted June 24, 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>Mar 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Jun 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$32,222.6	\$1,525.7	(\$367.5)	\$33,380.9	\$1,158.2
Business & Occupation	13,931.6	1,200.7	(169.4)	14,962.9	1,031.3
Use	2,026.4	0.0	10.0	2,036.4	10.0
Public Utility	1,206.8	3.5	12.1	1,222.4	15.6
Liquor Sales/Liter	692.1	0.0	20.4	712.5	20.4
Cigarette	440.6	0.0	(0.4)	440.2	(0.4)
Property (State Levy)	9,698.4	0.0	1.8	9,700.2	1.8
Real Estate Excise	2,584.7	(0.0)	(25.5)	2,559.1	(25.6)
Timber Excise	4.0	0.0	1.0	5.0	1.0
Other	1,430.0	170.9	10.5	1,611.4	181.4
Subtotal	64,237.2	2,900.8	(507.0)	66,631.0	2,393.8
<b>Insurance Commissioner</b>					
Insurance Premiums	1,819.0	0.0	78.1	1,897.1	78.1
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	617.3	5.6	(14.1)	608.7	(8.5)
Beer & Wine Surtax	58.6	0.0	(0.9)	57.8	(0.9)
<b>Lottery Commission</b>					
Lottery Revenue	62.5	0.0	7.5	70.0	7.5
<b>State Treasurer</b>					
Interest Earnings	288.5	0.0	(3.3)	285.2	(3.3)
<b>Office of Financial Management</b>					
Other Agencies	(42.1)	468.4	(7.9)	418.4	460.5
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	118.3	0.0	1.8	120.0	1.8
<b>Total General Fund-State *</b>	<b>\$67,159.3</b>	<b>\$3,374.8</b>	<b>(\$445.8)</b>	<b>\$70,088.4</b>	<b>\$2,929.0</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council March 18, 2025<sup>2</sup> Forecast for the 2025-27 biennium, adopted June 24, 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 3.8  
**Comparison of the General Fund-State forecast by agency**  
 2025-27 biennium; GAAP basis  
 (millions of dollars)

<b>Forecast by Agency</b>	<b>Mar 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Jun 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b><i>Department of Revenue</i></b>					
Retail Sales	\$32,222.6	\$1,525.7	(\$367.5)	\$33,380.9	\$1,158.2
Business & Occupation	13,931.6	1,200.7	(169.4)	14,962.9	1,031.3
Use	2,026.4	0.0	10.0	2,036.4	10.0
Public Utility	1,206.8	3.5	12.1	1,222.4	15.6
Liquor Sales/Liter	692.1	0.0	20.4	712.5	20.4
Cigarette	440.6	0.0	(0.4)	440.2	(0.4)
Property (State Levy)	9,698.4	0.0	1.8	9,700.2	1.8
Real Estate Excise	2,584.7	(0.0)	(25.5)	2,559.1	(25.6)
Timber Excise	4.0	0.0	1.0	5.0	1.0
Other	1,430.0	170.9	10.5	1,611.4	181.4
Subtotal	64,237.2	2,900.8	(507.0)	66,631.0	2,393.8
<b><i>Insurance Commissioner</i></b>					
Insurance Premiums	1,819.0	0.0	78.1	1,897.1	78.1
<b><i>Liquor and Cannabis Board</i></b>					
Fees, Cannabis Excise Tax	617.3	5.6	(14.1)	608.7	(8.5)
Beer & Wine Surtax	58.6	0.0	(0.9)	57.8	(0.9)
<b><i>Lottery Commission</i></b>					
Lottery Revenue	67.1	0.0	0.5	67.6	0.5
<b><i>State Treasurer</i></b>					
Interest Earnings	279.5	0.0	(3.6)	275.9	(3.6)
<b><i>Office of Financial Management</i></b>					
Other Agencies	(42.1)	468.4	(7.9)	418.4	460.5
<b><i>Washington Court System</i></b>					
Court Fees, Fines & Forfeitures	118.3	0.0	1.8	120.0	1.8
<b><u>Total General Fund-State *</u></b>	<b>\$67,154.9</b>	<b>\$3,374.8</b>	<b>(\$453.1)</b>	<b>\$70,076.7</b>	<b>\$2,921.7</b>

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

<sup>2</sup> Forecast for the 2025-27 biennium, adopted June 24, 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  
**June 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	\$15,132.2	\$29,902.1	\$16,316.6	\$17,064.2	\$33,380.9	\$17,418.0	\$18,017.2	\$35,435.2
Business & occupation	5,677.3	6,231.8	11,909.2	6,410.1	6,450.9	12,861.0	6,911.1	8,051.8	14,962.9	8,524.2	8,932.3	17,456.4
Use**	897.0	1,010.1	1,907.2	984.4	1,032.1	2,016.5	992.7	1,043.7	2,036.4	1,078.9	1,128.1	2,207.0
Public Utility	486.7	546.8	1,033.5	534.9	580.6	1,115.5	591.1	631.3	1,222.4	658.1	680.7	1,338.8
Liquor sales/liter	348.5	353.7	702.2	338.0	344.3	682.2	353.7	358.8	712.5	365.4	373.1	738.6
Beer & wine surtax	28.9	31.7	60.6	28.4	27.4	55.8	29.0	28.8	57.8	28.6	28.5	57.1
Cigarette	318.9	280.6	599.4	252.2	227.5	479.7	232.1	221.7	453.9	211.2	200.2	411.4
Tobacco products	45.9	46.6	92.5	45.5	40.5	86.1	75.8	120.5	196.2	123.1	125.8	248.9
Cannabis Excise Taxes	173.0	137.7	310.7	123.6	127.3	250.8	125.9	129.0	254.9	132.5	137.2	269.7
Property (state school levy)	4,426.9	4,492.7	8,919.6	4,596.9	4,698.7	9,295.7	4,797.2	4,903.0	9,700.2	5,008.5	5,121.8	10,130.4
Leasehold Excise Tax	40.7	45.6	86.4	48.9	51.1	100.0	51.5	52.0	103.5	52.0	52.1	104.1
Public utility district	59.6	63.2	122.8	62.0	65.2	127.1	67.8	69.2	137.0	69.8	71.0	140.8
Brokered Natural Gas	40.7	72.4	113.1	33.6	23.2	56.8	30.8	35.2	65.9	36.9	37.9	74.8
Real estate excise***	1,982.9	1,114.9	3,097.9	962.9	1,217.2	2,180.1	1,235.7	1,323.5	2,559.1	1,428.6	1,496.7	2,925.3
Timber excise	5.5	3.4	8.9	2.0	2.3	4.3	2.4	2.5	5.0	2.6	2.6	5.3
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	16.2	31.8	16.0	16.0	32.1	16.0	16.0	32.1
Insurance premiums	784.5	803.2	1,587.7	836.6	953.4	1,790.0	939.4	957.7	1,897.1	976.3	995.2	1,971.5
Penalties and interest on past due taxes	118.0	190.3	308.3	175.3	204.8	380.1	199.9	207.0	406.8	214.4	221.9	436.3
Other	62.2	52.4	114.6	60.3	51.8	112.2	55.0	110.4	165.5	57.0	57.8	114.7
<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>31,246.7</b>	<b>61,527.8</b>	<b>33,023.7</b>	<b>35,326.4</b>	<b>68,350.1</b>	<b>36,402.1</b>	<b>37,696.2</b>	<b>74,098.4</b>
<b>State Non-Tax Sources</b>												
Licenses, permits, fees	180.9	190.0	371.0	180.6	201.1	381.7	201.1	39.8	240.9	220.1	227.1	447.2
Liquor & Cannabis fees	160.9	147.8	308.7	129.8	125.7	255.6	172.3	181.5	353.9	190.8	196.5	387.3
Earnings on investments	36.7	197.1	233.8	327.8	244.4	572.1	164.2	121.0	285.2	120.8	120.6	241.4
Washington Court System	42.7	42.5	85.2	52.3	56.4	108.6	59.2	60.9	120.0	62.5	63.4	125.9
Transfers of unclaimed property	154.3	181.6	336.0	222.0	331.7	553.7	210.3	214.1	424.4	214.7	215.3	430.0
Other revenue & transfers	(62.6)	(75.7)	(138.3)	(100.1)	127.0	26.9	195.3	118.6	313.9	(462.7)	(480.5)	(943.2)
<b>Total Non-Tax</b>	<b>512.9</b>	<b>683.5</b>	<b>1,196.4</b>	<b>812.5</b>	<b>1,086.1</b>	<b>1,898.6</b>	<b>1,002.3</b>	<b>735.9</b>	<b>1,738.2</b>	<b>346.2</b>	<b>342.5</b>	<b>688.6</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>\$32,332.9</b>	<b>\$63,426.4</b>	<b>\$34,026.1</b>	<b>\$36,062.3</b>	<b>\$70,088.4</b>	<b>\$36,748.3</b>	<b>\$38,038.7</b>	<b>\$74,787.0</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 June 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
June 2025	70	289	8	40	407	285 #9	692	67,137
<b>Total change:</b>								
From February 2020	5,629	454	32	287	6,402	892	7,294	
Percent change	9.7	49.1	9.8	43.1	10.7	1.5	12.2	
<b>Change in forecast since initial 2325 biennial budget**</b>								
	<b>559</b>	<b>398</b>	<b>1</b>	<b>171</b>	<b>1,130</b>	<b>266</b>	<b>1,396</b>	
Percent change	0.9	19.8	0.3	21.8	1.7	0.4	2.1	

Table 3.11  
**Track Record for the 2025-27 Forecast of Funds Subject to the Budget Outlook**  
 February 2022 through June 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
June 2025	(446)	(37)	(31)	24	(490)	4,294 #9	3,804	74,756
<b>Total change:</b>								
From February 2022	751	142	-19	134	1,007	3,723	4,730	
Percent change	1.1	6.1	-5.3	16.1	1.4	5.3	6.8	

\*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  
 #9 Legislative and budget-driven revenue changes from the 2025 legislative session less Governor vetoes plus transfer from the tobacco settlement account in FY 2025



Table 3.12

**2023-25 and 2025-27 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**

	2023-25			2025-27		
	GFS	ELTA , OPA, WEIA, FSKA (1)	TOTAL	GFS	ELTA , OPA, WEIA, FSKA (1)	TOTAL
<b>RESOURCES</b>						
<b>Beginning Fund Balance</b>	<b>4,184.7</b>	<b>1,102.4</b>	<b>5,287.0</b>	<b>1,448.2</b>	<b>896.1</b>	<b>2,344.3</b>
March 2025 Revenue Forecast	63,071.9	3,372.9	66,444.8	67,159.3	3,792.3	70,951.6
June 2025 Revenue Forecast Change	69.7	337.6	407.3	(445.8)	(44.1)	(489.9)
<b>Current Revenue Totals</b>	<b>63,141.6</b>	<b>3,710.5</b>	<b>66,852.1</b>	<b>66,713.5</b>	<b>3,748.2</b>	<b>70,461.8</b>
Transfers to Budget Stabilization Account (1% of GSR)	(635.8)	-	(635.8)	(676.6)	-	(676.6)
Transfers to Budget Stabilization Account (EGSR)	-	-	-	-	-	-
Prior Enacted Fund Transfers	2,092.7		2,092.7			-
Actual/Assumed Prior Period Adjustments	220.9	0.4	221.3	40.8	-	40.8
ACFR Adjustments	(3.4)	54.8	51.4	-	-	-
Prior Period Adjustment - Gain Share (3)	128.9		128.9	37.7	-	37.7
2025 Legislative Session - Enacted Budgets Revenue Legislation	-	-	-	3,419.7	930.9	4,350.6
Budget Driven Revenue	14.0	0.1	14.1	36.7	1.3	38.0
Fund Transfers (4)	314.4	-	314.4	621.0	8.0	629.0
Governor's Vetoes				(85.4)	(13.3)	(98.6)
<b>Total Resources (Including Beginning Fund Balance)</b>	<b>69,457.8</b>	<b>4,868.2</b>	<b>74,326.0</b>	<b>71,555.6</b>	<b>5,571.3</b>	<b>77,126.9</b>
<b>EXPENDITURES</b>						
<b>Enacted Budgets</b>						
2023-25 Biennium	68,048.6	3,896.5	71,945.1			
2025 Supplemental Budget	684.5	67.2	751.8			
2025-27 Biennium				72,690.3	5,181.9	77,872.2
Governor's Vetoes and Lapses	38.3	8.3	46.6	(13.8)	(0.7)	(14.5)
Actual/Assumed Reversions (2)	(761.9)	-	(761.9)	(764.1)	-	(764.1)
<b>Total Expenditures</b>	<b>68,009.6</b>	<b>3,972.0</b>	<b>71,981.7</b>	<b>71,912.3</b>	<b>5,181.2</b>	<b>77,093.6</b>
<b>RESERVES</b>						
<b>Projected Ending Balance</b>	<b>1,448.2</b>	<b>896.1</b>	<b>2,344.3</b>	<b>(356.7)</b>	<b>390.1</b>	<b>33.4</b>
<b>Budget Stabilization Account</b>						
Beginning Balance	652.4		652.4	1,250.4		1,250.4
Transfers from General Fund (1% of GSR)	635.8		635.8	676.6		676.6
Transfers from General Fund (EGSR)	-		-	-		-
Actual Prior Period Adjustments	0.1		0.1	-		-
Actual/Assumed Biennium - Interest Earnings	59.5		59.5	96.8		96.8
2023-25 Biennium Appropriations	(21.1)		(21.1)	-		-
2025 Supplemental Budget Appropriations	(77.7)		(77.7)			
Actual Reversions	1.4		1.4	-		-
<b>Projected BSA Ending Balance</b>	<b>1,250.4</b>		<b>1,250.4</b>	<b>2,023.8</b>		<b>2,023.8</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>-</b>		<b>-</b>
<b>Total Reserves Including BSA and WRPTA</b>	<b>2,698.5</b>	<b>896.1</b>	<b>3,594.7</b>	<b>1,667.1</b>	<b>390.1</b>	<b>2,057.1</b>

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

(2) Reversion percentages are consistent with the ERFC's adopted enacted budget outlook from June 2025 (1.0% for FY25 and FY26; 0.75% for FY27).

(3) Gain Share amount reflects FY24 actuals and FY25 actuals-to-date with projected incoming receipts. FY26 based on preliminary actuary calculation.

(4) 2025 session fund transfers in 2023-25 includes \$271 from one-time Tobacco Settlement transfer.

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><i>Department of Revenue</i></b>			
Retail Sales	\$29,963.6	\$29,902.1	\$29,811.6
Business & Occupation	12,886.1	12,861.0	12,825.2
Use	2,020.3	2,016.5	2,010.9
Public Utility	1,118.3	1,115.5	1,111.3
Property (school levy)	9,317.0	9,295.7	9,265.6
Real Estate Excise	2,180.8	2,180.1	2,179.7
Other	2,679.6	2,675.6	2,671.2
Subtotal	60,165.8	60,046.4	59,875.5
<b><i>Insurance Commissioner</i><sup>1</sup></b>	1,835.3	1,790.0	1,786.6
<b><i>Lottery Commission</i></b>	87.0	86.9	86.9
<b><i>State Treasurer - Interest earnings</i></b>	572.1	572.1	572.1
<b><i>Liquor and Cannabis Surtaxes &amp; Fees</i><sup>2</sup></b>	562.9	562.2	561.3
<b><i>Office of Financial Management</i></b>	257.5	260.1	262.8
<b><i>Washington Court System</i></b>	108.8	108.6	108.4
<b>Total General Fund - State*</b>	<b>\$63,589.5</b>	<b>\$63,426.4</b>	<b>\$63,253.7</b>
<b>Education Legacy Trust Account</b>	<b>\$2,413.7</b>	<b>\$2,406.4</b>	<b>\$2,398.7</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$350.1</b>	<b>\$349.3</b>	<b>\$348.4</b>
<b>Workforce Education Investment Account</b>	<b>\$957.6</b>	<b>\$955.0</b>	<b>\$952.2</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$67,310.9</b>	<b>\$67,137.1</b>	<b>\$66,953.0</b>
<b>Difference from June 2025 Baseline</b>	<b>\$173.8</b>		<b>(\$184.1)</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><u>Optimistic Forecast</u></b>	<b><u>Baseline Forecast</u></b>	<b><u>Pessimistic Forecast</u></b>
<b>General Fund - State</b>			
<b><i>Department of Revenue</i></b>			
Retail Sales	\$35,109.6	\$33,380.9	\$31,254.3
Business & Occupation	15,907.9	14,962.9	14,307.5
Use	2,145.5	2,036.4	1,889.6
Public Utility	1,288.5	1,222.4	1,143.0
Property (school levy)	9,798.2	9,700.2	9,598.9
Real Estate Excise	2,737.7	2,559.1	2,434.3
Other	2,861.7	2,769.0	2,670.4
Subtotal	69,849.0	66,631.0	63,298.0
<b><i>Insurance Commissioner</i><sup>1</sup></b>	1,991.6	1,897.1	1,894.4
<b><i>Lottery Commission</i></b>	72.3	70.0	67.6
<b><i>State Treasurer - Interest earnings</i></b>	330.7	285.2	178.4
<b><i>Liquor and Cannabis Surtaxes &amp; Fees</i><sup>2</sup></b>	688.7	666.5	642.9
<b><i>Office of Financial Management</i></b>	405.9	418.4	431.0
<b><i>Washington Court System</i></b>	124.0	120.0	115.8
<b>Total General Fund - State*</b>	<b>\$73,462.1</b>	<b>\$70,088.4</b>	<b>\$66,628.0</b>
<b>Education Legacy Trust Account</b>	<b>\$2,900.4</b>	<b>\$2,767.6</b>	<b>\$2,631.5</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$353.0</b>	<b>\$336.8</b>	<b>\$320.1</b>
<b>Workforce Education Investment Account</b>	<b>\$1,640.9</b>	<b>\$1,562.8</b>	<b>\$1,482.4</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$78,356.4</b>	<b>\$74,755.5</b>	<b>\$71,062.1</b>
<b>Difference from June 2025 Baseline</b>	<b>\$3,600.9</b>		<b>(\$3,693.4)</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**  
June 2025 Forecast  
(cash basis, millions of dollars)

<u>Fiscal Year</u>	<u>Lottery: Total Transfers:*</u>	<u>General Fund</u>	<u>Exhibition Center &amp; Stadium</u>	<u>Problem Gambling Account</u>	<u>Economic Development Account</u>	<u>Opportunity Pathways Account</u>
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	204.8	25.7	0.0	0.9	5.6	172.6
2023-25 Biennium	449.8	86.9	0.0	1.6	12.0	349.3
2026	206.0	36.1	0.0	0.9	6.1	162.8
2027	214.7	33.9	0.0	0.9	5.9	174.0
2025-27 Biennium	420.7	70.0	0.0	1.9	12.0	336.8
2028	216.7	33.7	0.0	0.9	5.9	176.1
2029	219.1	33.6	0.0	1.0	5.9	178.7
2027-29 Biennium	435.8	67.3	0.0	1.9	11.8	354.8

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

<u>Fiscal Year</u>	<u>Lottery: Total Transfers:*</u>	<u>General Fund</u>	<u>Exhibition Center &amp; Stadium</u>	<u>Problem Gambling Account</u>	<u>Economic Development Account</u>	<u>Opportunity Pathways Account</u>
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	203.4	25.9	0.0	0.9	5.9	170.7
2023-25 Biennium	446.2	84.1	0.0	1.7	12.6	347.8
2026	212.4	33.9	0.0	0.9	5.9	171.7
2027	214.9	33.7	0.0	0.9	5.9	174.4
2025-27 Biennium	427.3	67.6	0.0	1.9	11.8	346.0
2028	216.8	33.6	0.0	0.9	5.9	176.4
2029	219.4	34.0	0.0	1.0	5.9	178.5
2027-29 Biennium	436.2	67.5	0.0	1.9	11.8	355.0

\* 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)

June 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	\$32,333	4.0%	\$1,440	49.1%	\$173	-2.3%	\$520	19.3%	\$34,465	5.5%
FY 2026	\$34,026	5.2%	\$1,361	-5.5%	\$163	-5.7%	\$647	24.6%	\$36,197	5.0%
FY 2027	\$36,062	6.0%	\$1,407	3.4%	\$174	6.9%	\$915	41.4%	\$38,558	6.5%
FY 2028	\$36,748	1.9%	\$1,455	3.4%	\$176	1.2%	\$943	3.0%	\$39,322	2.0%
FY 2029	\$38,039	3.5%	\$1,503	3.3%	\$179	1.5%	\$972	3.0%	\$40,692	3.5%
<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>\$63,426</b>	<b>4.0%</b>	<b>\$2,406</b>	<b>-6.6%</b>	<b>\$349</b>	<b>-7.6%</b>	<b>\$955</b>	<b>22.6%</b>	<b>\$67,137</b>	<b>3.7%</b>
<b>25-27 Biennium</b>	<b>\$70,088</b>	<b>10.5%</b>	<b>\$2,768</b>	<b>15.0%</b>	<b>\$337</b>	<b>-3.6%</b>	<b>\$1,563</b>	<b>63.6%</b>	<b>\$74,756</b>	<b>11.3%</b>
<b>27-29 Biennium</b>	<b>\$74,787</b>	<b>6.7%</b>	<b>\$2,958</b>	<b>6.9%</b>	<b>\$355</b>	<b>5.4%</b>	<b>\$1,915</b>	<b>22.5%</b>	<b>\$80,014</b>	<b>7.0%</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**

June 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							General Fund- State**
				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	
2016	<b>\$168,051</b>	\$16,342	<b>\$151,709</b>	\$12,814	\$7,500	\$345	\$79,750	\$0	\$251	\$0	<b>\$51,049</b>
2017	<b>\$300,635</b>	\$22,180	<b>\$278,455</b>	\$27,786	\$7,500	\$345	\$145,717	\$0	\$511	\$0	<b>\$96,596</b>
2018	<b>\$360,608</b>	\$31,388	<b>\$329,220</b>	\$27,786	\$9,761	\$365	\$173,418	\$0	\$513	\$0	<b>\$117,377</b>
2019	<b>\$391,191</b>	\$60,749	<b>\$330,442</b>	\$0	\$9,764	\$365	\$188,317	\$0	\$515	\$0	<b>\$131,482</b>
2020	<b>\$448,427</b>	\$66,894	<b>\$381,533</b>	\$0	\$10,786	\$374	\$215,096	\$0	\$522	\$0	<b>\$154,754</b>
2021	<b>\$560,929</b>	\$70,584	<b>\$490,345</b>	\$0	\$10,615	\$384	\$272,521	\$0	\$530	\$0	<b>\$206,296</b>
2022	<b>\$527,090</b>	\$17,993	<b>\$509,097</b>	\$0	\$10,584	\$401	\$264,470	\$56,056	\$520	\$0	<b>\$177,066</b>
2023	<b>\$475,235</b>	\$20,073	<b>\$455,162</b>	\$0	\$11,000	\$475	\$230,431	\$48,745	\$550	\$22,157	<b>\$141,804</b>
2024	<b>\$483,451</b>	\$40,735	<b>\$442,717</b>	\$0	\$11,863	\$513	\$229,997	\$49,864	\$593	\$22,665	<b>\$127,222</b>
2025	<b>\$439,939</b>	\$17,907	<b>\$422,032</b>	\$0	\$12,368	\$535	\$212,425	\$44,936	\$618	\$20,426	<b>\$130,723</b>
2026	<b>\$437,572</b>	\$18,456	<b>\$419,116</b>	\$0	\$12,748	\$551	\$210,694	\$44,570	\$637	\$20,259	<b>\$129,658</b>
2027	<b>\$449,124</b>	\$19,066	<b>\$430,058</b>	\$0	\$13,169	\$570	\$216,144	\$45,723	\$658	\$20,783	<b>\$133,011</b>
2028	<b>\$461,067</b>	\$19,548	<b>\$441,519</b>	\$0	\$13,502	\$584	\$221,914	\$46,943	\$675	\$21,338	<b>\$136,562</b>
2029	<b>\$476,409</b>	\$19,935	<b>\$456,475</b>	\$0	\$13,769	\$596	\$229,539	\$48,556	\$688	\$22,071	<b>\$141,255</b>
<b>Biennial totals</b>											
2015-17	<b>\$468,686</b>	\$38,522	<b>\$430,164</b>	\$40,600	\$15,000	\$690	\$225,467	\$0	\$762	\$0	<b>\$147,645</b>
2017-19	<b>\$751,799</b>	\$92,137	<b>\$659,662</b>	\$27,786	\$19,525	\$730	\$361,735	\$0	\$1,028	\$0	<b>\$248,859</b>
2019-21	<b>\$1,009,356</b>	\$137,478	<b>\$871,878</b>	\$0	\$21,401	\$758	\$487,617	\$0	\$1,052	\$0	<b>\$361,050</b>
2021-23	<b>\$1,002,325</b>	\$38,066	<b>\$964,259</b>	\$0	\$21,584	\$876	\$494,902	\$104,801	\$1,070	\$22,157	<b>\$318,869</b>
2023-25	<b>\$923,390</b>	\$58,642	<b>\$864,748</b>	\$0	\$24,231	\$1,048	\$442,422	\$94,800	\$1,211	\$43,091	<b>\$257,945</b>
2025-27	<b>\$886,696</b>	\$37,522	<b>\$849,174</b>	\$0	\$25,917	\$1,121	\$426,837	\$90,293	\$1,295	\$41,042	<b>\$262,669</b>
2027-29	<b>\$937,476</b>	\$39,483	<b>\$897,993</b>	\$0	\$27,271	\$1,180	\$451,453	\$95,500	\$1,363	\$43,409	<b>\$277,817</b>

\*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**

June 2025

Cash forecast, thousands of dollars

			2021-23			2023-25			2025-27			2027-29
	<b>FY22</b>	<b>FY23</b>	<b>Biennium</b>	<b>FY24</b>	<b>FY25</b>	<b>Biennium</b>	<b>FY26</b>	<b>FY27</b>	<b>Biennium</b>	<b>FY28</b>	<b>FY29</b>	<b>Biennium</b>
<b>March 2025 forecast</b>	\$368,630	\$410,385	<b>\$779,016</b>	\$435,360	\$479,282	<b>\$914,641</b>	\$462,717	\$479,925	<b>\$942,641</b>	\$497,618	\$516,832	<b>\$1,014,451</b>
Economic Change	\$0	\$0	<b>\$0</b>	\$0	\$40,314	<b>\$40,314</b>	\$17,582	\$6,483	<b>\$24,064</b>	\$5,573	\$3,858	<b>\$9,431</b>
Legislative Change	\$0	\$0	<b>\$0</b>	\$0	\$0	<b>\$0</b>	\$167,140	\$428,905	<b>\$596,045</b>	\$439,900	\$450,870	<b>\$890,770</b>
Total forecast change	\$0	\$0	<b>\$0</b>	\$0	\$40,314	<b>\$40,314</b>	\$184,722	\$435,388	<b>\$620,109</b>	\$445,473	\$454,728	<b>\$900,201</b>
<b>June 2025 forecast</b>	\$368,630	\$410,385	<b>\$779,016</b>	\$435,360	\$519,595	<b>\$954,955</b>	\$647,438	\$915,312	<b>\$1,562,750</b>	\$943,092	\$971,560	<b>\$1,914,652</b>



Table 3.20

Legislative and Budget-Driven Revenue Changes from 2025 Legislative Session

Amounts in millions of dollars

Bill number	Bill title	Tax Type/Fee	Rev Source	FY24	FY25	FY26	FY27	FY28	FY29
2025 General Fund-State Revenue Legislation									
1163	Firearm Purchase	GFS	0866	0.0	0.0	0.0	0.0	0.0	8.7
1355	Tax Compacts/Capital Investment	GFS	0101	0.0	0.0	0.0	0.0	-9.0	-28.0
1468	Accounts	GFS	0621	0.0	0.0	10.4	0.0	0.0	0.0
1515	Alcohol Service in Public	GFS	0205	0.0	0.0	0.9	0.6	0.3	0.0
1791	Local Real Estate Excise Tax	GFS	0157	0.0	0.0	0.0	0.0	0.0	0.0
2015	Public Safety Funding	GFS	0101	0.0	0.0	0.2	1.3	2.9	3.1
2020	Payment Card Processing/Tax	GFS	0105	0.0	0.0	1.9	4.7	5.0	5.0
2047	Employee Ownership Program	GFS	0105	0.0	0.0	0.0	0.4	0.4	0.4
2061	Duty-free sales enterprises	GFS	0101	0.0	0.0	0.2	0.0	0.0	0.0
2077	Zero-Emission Vehicle Program	GFS	0101	0.0	0.0	0.0	54.5	0.0	0.0
2081	Business and Occupation Tax	GFS	0105	0.0	0.0	299.4	1,083.7	1,242.1	1,307.3
5284	Solid Waste Management	GFS	0105	0.0	0.0	0.6	1.4	1.4	1.5
5316	Unclaimed property	GFS	0649	0.0	0.0	2.1	2.4	2.9	3.3
5682	Employment Training Program	GFS	0105	0.0	0.0	0.0	-0.1	-0.1	-0.1
5786	Liquor License Fees	GFS	0205	0.0	0.0	8.9	8.9	8.9	8.9
5794	Tax Preferences	GFS	0101	0.0	0.0	6.8	16.2	16.2	16.2
5794	Tax Preferences	GFS	0105	0.0	0.0	28.5	80.1	86.2	92.9
5794	Tax Preferences	GFS	0135	0.0	0.0	1.0	2.5	2.5	2.5
5802	Transportation Transfers	GFS	0621	0.0	0.0	339.9	114.0	0.0	0.0
5802	Transportation Transfers	GFS	0622	0.0	0.0	0.0	0.0	-304.7	-304.7
5802	Transportation Transfers	GFS	0101	0.0	0.0	155.2	0.0	-281.8	-292.3
5802	Transportation Transfers	GFS	0110	0.0	0.0	0.0	0.0	-16.6	-17.1
5814	Excise Taxes	GFS	0101	0.0	0.0	504.0	809.3	846.9	883.5
5814	Excise Taxes	GFS	0105	0.0	0.0	-89.5	-142.5	-148.8	-154.9
5814	Excise Taxes	GFS	0126	0.0	0.0	32.2	79.6	82.3	85.2
Total GFS Revenue Legislation						1,302.6	2,117.1	1,537.0	1,621.4
Biennium Totals							3,419.7		3,158.4
2025 Education Legacy Trust Account Revenue Legislation									
1791	Local Real Estate Excise Tax	ELTA	0157			0.0	0.0	0.0	0.0
5813	Tax Rates/Cap. Gains, Estate; Capital Gain	ELTA	0152			151.0	131.0	136.0	143.0
5813	Tax Rates/Cap. Gains, Estate; Estate	ELTA	0155			9.9	29.7	21.8	13.1
Total ELTA Revenue Legislation						160.9	160.7	157.8	156.1
Biennium Totals							321.6		313.9
2025 Workforce Education Investment Account Revenue Legislation									
2020	Payment Card Processing/Tax	WEIA	0105	0.0	0.0	-1.7	-4.4	-4.7	-4.7
2081	Business and Occupation Tax	WEIA	0105			186.6	461.5	474.0	486.2
5284	Solid Waste Management	WEIA	0105			0.1	0.2	0.2	0.2
5814	Excise Taxes	WEIA	0105			-17.9	-28.4	-29.6	-30.9
5794	Tax Preferences	WEIA	0105			3.8	9.5	9.9	10.4
Total WEIA Revenue Legislation						170.9	438.4	449.8	461.3
Biennium Totals							609.3		911.1
2025 Budget Driven Revenue									
	Firearms Certificate Program	GFS		0.0	0.0	0.2	0.2	0.2	0.2
	Liquor Control Board (Liquor)	GFS		0.0	14.0	-7.3	-6.2	-4.0	-2.6
	Liquor Control Board (Marijuana)	GFS		0.0	0.0	0.0	-0.1	-0.2	-0.1
	Marijuana Distribution Changes	GFS		0.0	0.0	0.0	0.0	0.0	0.0
	Voluntary Disclosure Program	GFS		0.0	0.0	50.0	0.0	0.0	0.0
	Lottery	OPA		0.0	0.1	0.7	0.6	0.6	0.6
Total NGFS Budget Driven Revenue				-	14.1	43.6	(5.6)	(3.4)	(1.9)
Biennium Totals					14.1		38.0		(5.3)
Governor Vetoes									
	5974 First Mortgage Removal	GFS	0105			-24.3	-61.1	-63.7	-66.4
	5974 First Mortgage Removal	WEIA	0105			-3.8	-9.5	-9.9	-10.4



## 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	23,305.0	23,636.6	23,964.1	24,443.4	24,932.2	25,406.0
% Ch	2.5	2.9	2.8	1.4	1.4	2.0	2.0	1.9
Real Consumption	15,236.2	15,621.7	16,052.6	16,390.7	16,613.3	16,962.2	17,318.4	17,664.8
% Ch	3.0	2.5	2.8	2.1	1.4	2.1	2.1	2.0
Real Nonresidential Fixed Investment	3,192.9	3,384.5	3,506.6	3,560.7	3,475.2	3,534.0	3,660.0	3,796.2
% Ch	7.0	6.0	3.6	1.5	-2.4	1.7	3.6	3.7
Real Residential Fixed Investment	831.6	762.7	794.9	798.4	796.2	804.2	829.4	859.7
% Ch	-8.6	-8.3	4.2	0.4	-0.3	1.0	3.1	3.6
Real Personal Income	19,023.0	19,421.8	19,974.4	20,392.0	20,788.0	21,456.5	22,131.2	22,775.5
% Ch	-3.3	2.1	2.8	2.1	1.9	3.2	3.1	2.9
Real Per Capita Income (\$/Person)	56,853	57,547	58,639	59,539	60,536	62,325	64,127	65,796
% Ch	-3.9	1.2	1.9	1.5	1.7	3.0	2.9	2.6
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	116.1	120.5	123.5	127.2	130.6	133.0	135.3	137.7
% Ch	6.6	3.8	2.5	3.0	2.7	1.8	1.7	1.8
U.S. Consumer Price Index (1982-84=1.0)	2.926	3.047	3.137	3.228	3.316	3.385	3.454	3.524
% Ch	8.0	4.1	3.0	2.9	2.7	2.1	2.0	2.0
Employment Cost Index (Dec. 2005=1.0)	1.548	1.619	1.683	1.743	1.809	1.881	1.960	2.038
% Ch	5.3	4.6	3.9	3.6	3.8	4.0	4.2	4.0
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	26,006.9	27,720.7	29,184.9	30,593.5	31,875.2	33,126.4	34,479.5	35,846.6
% Ch	9.8	6.6	5.3	4.8	4.2	3.9	4.1	4.0
Personal Income	22,088.9	23,402.5	24,669.3	25,947.9	27,158.6	28,539.4	29,947.4	31,369.9
% Ch	3.1	5.9	5.4	5.2	4.7	5.1	4.9	4.7
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	164.3	167.1	168.1	171.0	171.7	172.1	172.4	172.9
Total U.S. Employment	158.3	161.0	161.3	163.7	163.7	163.9	164.4	165.4
Unemployment Rate (%)	3.65	3.64	4.02	4.27	4.66	4.74	4.61	4.34
Nonfarm Payroll Employment	152.54	155.88	157.96	159.60	160.07	160.49	160.99	161.79
% Ch	4.3	2.2	1.3	1.0	0.3	0.3	0.3	0.5
Manufacturing	12.77	12.87	12.82	12.76	12.55	12.23	12.17	12.16
% Ch	3.7	0.8	-0.4	-0.4	-1.7	-2.6	-0.5	-0.1
Durable Manufacturing	7.92	8.02	7.97	7.91	7.72	7.47	7.45	7.47
% Ch	3.7	1.3	-0.7	-0.7	-2.4	-3.3	-0.3	0.3
Nondurable Manufacturing	4.84	4.85	4.85	4.85	4.83	4.76	4.72	4.69
% Ch	3.7	0.1	0.0	0.0	-0.5	-1.4	-0.8	-0.6
Construction	7.76	8.01	8.21	8.34	8.38	8.41	8.54	8.73
% Ch	4.4	3.1	2.5	1.6	0.5	0.4	1.6	2.1
Service-Providing	131.40	134.36	136.31	137.88	138.51	139.20	139.65	140.29
% Ch	4.3	2.3	1.4	1.2	0.5	0.5	0.3	0.5
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	94.8	77.6	76.5	65.3	61.5	61.8	62.1	62.2
Personal Saving/Disposable Income (%)	3.0	4.7	4.6	4.4	6.1	7.3	8.1	8.6
Auto Sales (Millions)	2.9	3.1	3.0	2.9	2.7	2.8	2.9	3.0
% Ch	-14.7	9.0	-4.4	-2.5	-8.1	4.8	3.3	2.6
Housing Starts (Millions)	1.552	1.421	1.371	1.390	1.348	1.321	1.330	1.343
% Ch	-3.2	-8.4	-3.5	1.4	-3.1	-1.9	0.7	0.9
Federal Budget Surplus (Billions)	-1,020.3	-1,666.4	-1,833.4	-1,587.4	-1,891.9	-2,106.3	-2,182.6	-2,213.8
Net Exports (Billions)	-958.9	-797.3	-903.1	-983.0	-765.4	-635.4	-509.8	-439.7
3-Month Treasury Bill Rate (%)	2.02	5.07	4.97	4.20	3.25	2.65	2.67	2.84
10-Year Treasury Note Yield (%)	2.95	3.96	4.21	4.38	4.10	3.93	3.94	3.97
Bond Index of 20 G.O. Munis. (%)	3.21	3.69	3.83	4.77	4.70	4.48	4.31	4.16
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.72	6.70	6.23	5.90	5.79	5.74

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	23,542.3	23,528.0	23,639.2	23,667.4	23,711.9
% Ch , Annual Rate	1.6	3.0	3.1	2.5	-0.2	1.9	0.5	0.8
Real Consumption	15,856.9	15,967.3	16,113.0	16,273.2	16,321.1	16,390.0	16,410.0	16,441.7
% Ch , Annual Rate	1.9	2.8	3.7	4.0	1.2	1.7	0.5	0.8
Real Nonresidential Fixed Investment	3,471.0	3,504.1	3,538.8	3,512.4	3,599.9	3,604.7	3,539.1	3,499.0
% Ch , Annual Rate	4.5	3.9	4.0	-2.9	10.3	0.5	-7.1	-4.5
Real Residential Fixed Investment	800.8	795.2	786.5	797.1	795.9	803.1	794.8	799.7
% Ch , Annual Rate	13.7	-2.8	-4.3	5.5	-0.6	3.6	-4.1	2.5
Real Personal Income	19,871.7	19,934.3	19,973.6	20,117.8	20,278.5	20,456.4	20,395.7	20,437.3
% Ch , Annual Rate	5.7	1.3	0.8	2.9	3.2	3.6	-1.2	0.8
Real Per Capita Income (\$/Person)	58,517	58,569	58,571	58,898	59,290	59,746	59,520	59,602
% Ch , Annual Rate	4.7	0.4	0.0	2.3	2.7	3.1	-1.5	0.6
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	122.5	123.3	123.7	124.5	125.6	126.5	128.0	128.9
% Ch , Annual Rate	3.4	2.5	1.5	2.4	3.6	3.0	4.9	2.7
U.S. Consumer Price Index (1982-84=1.0)	3.110	3.131	3.142	3.165	3.195	3.215	3.241	3.262
% Ch , Annual Rate	3.7	2.8	1.4	3.0	3.8	2.6	3.3	2.6
Employment Cost Index (Dec. 2005=1.0)	1.662	1.676	1.689	1.705	1.718	1.736	1.750	1.767
% Ch , Annual Rate	4.5	3.4	3.1	3.8	3.1	4.3	3.3	3.9
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	28,624.1	29,016.7	29,374.9	29,723.9	29,976.6	30,450.7	30,822.3	31,124.6
% Ch , Annual Rate	4.7	5.6	5.0	4.8	3.4	6.5	5.0	4.0
Personal Income	24,344.2	24,574.0	24,716.7	25,042.3	25,463.7	25,879.4	26,111.5	26,337.1
% Ch , Annual Rate	9.3	3.8	2.3	5.4	6.9	6.7	3.6	3.5
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	167.6	167.9	168.5	168.4	170.6	170.9	171.2	171.4
Total U.S. Employment	161.2	161.3	161.5	161.4	163.6	163.7	163.8	163.7
Unemployment Rate (%)	3.80	3.97	4.17	4.15	4.10	4.20	4.34	4.44
Nonfarm Payroll Employment	157.28	157.79	158.13	158.64	159.16	159.61	159.78	159.86
% Ch , Annual Rate	1.5	1.3	0.9	1.3	1.3	1.1	0.4	0.2
Manufacturing	12.85	12.85	12.81	12.76	12.76	12.75	12.77	12.76
% Ch , Annual Rate	0.0	-0.2	-1.0	-1.7	0.0	-0.3	0.6	-0.5
Durable Manufacturing	8.00	7.99	7.96	7.91	7.91	7.90	7.92	7.91
% Ch , Annual Rate	-0.3	-0.6	-1.8	-2.3	-0.2	-0.2	1.1	-0.9
Nondurable Manufacturing	4.85	4.85	4.86	4.85	4.85	4.85	4.85	4.85
% Ch , Annual Rate	0.5	0.3	0.3	-0.6	0.4	-0.3	-0.2	0.2
Construction	8.14	8.19	8.24	8.28	8.30	8.34	8.35	8.38
% Ch , Annual Rate	2.6	2.4	2.5	1.8	0.9	2.0	0.5	1.5
Service-Providing	135.65	136.13	136.45	136.98	137.48	137.89	138.04	138.09
% Ch , Annual Rate	1.6	1.4	0.9	1.5	1.5	1.2	0.4	0.2
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	77.6	81.4	76.2	70.7	71.8	63.5	63.9	61.8
Personal Saving/Disposable Income (%)	5.4	4.9	4.1	3.8	4.3	4.7	4.2	4.3
Auto Sales (Millions)	3.0	2.9	3.0	3.1	3.0	3.0	2.9	2.7
% Ch , Annual Rate	-15.2	-10.0	9.4	14.5	-6.9	1.8	-19.2	-21.4
Housing Starts (Millions)	1.415	1.343	1.338	1.387	1.396	1.377	1.403	1.386
% Ch , Annual Rate	-13.6	-18.9	-1.5	15.6	2.5	-5.4	7.8	-4.7
Federal Budget Surplus (Billions)	-1,746.1	-1,791.6	-1,928.9	-1,867.1	-1,826.0	-1,574.3	-1,503.8	-1,445.5
Net Exports (Billions)	-841.6	-906.9	-943.7	-920.1	-1,267.6	-888.2	-915.8	-860.4
3-Month Treasury Bill Rate (%)	5.23	5.24	4.99	4.40	4.21	4.28	4.21	4.11
10-Year Treasury Note Yield (%)	4.16	4.44	3.95	4.28	4.45	4.39	4.36	4.30
Bond Index of 20 G.O. Munis. (%)	3.47	3.93	3.88	4.03	4.14	5.04	5.00	4.92
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.45	6.69	6.79	6.80	6.68	6.54

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	23,790.4	23,894.2	24,017.4	24,154.4	24,274.9	24,382.3	24,497.5	24,618.8
% Ch , Annual Rate	1.3	1.8	2.1	2.3	2.0	1.8	1.9	2.0
Real Consumption	16,501.5	16,571.8	16,648.4	16,731.6	16,825.1	16,913.9	17,009.4	17,100.5
% Ch , Annual Rate	1.5	1.7	1.9	2.0	2.3	2.1	2.3	2.2
Real Nonresidential Fixed Investment	3,469.2	3,465.3	3,474.2	3,492.2	3,504.8	3,519.6	3,540.9	3,570.9
% Ch , Annual Rate	-3.4	-0.4	1.0	2.1	1.4	1.7	2.4	3.4
Real Residential Fixed Investment	798.7	794.4	794.0	797.5	800.2	800.3	804.2	812.3
% Ch , Annual Rate	-0.5	-2.1	-0.2	1.8	1.3	0.0	2.0	4.1
Real Personal Income	20,584.7	20,719.9	20,844.9	21,002.7	21,214.2	21,376.2	21,542.3	21,693.5
% Ch , Annual Rate	2.9	2.7	2.4	3.1	4.1	3.1	3.1	2.8
Real Per Capita Income (\$/Person)	59,997	60,357	60,685	61,105	61,680	62,111	62,555	62,957
% Ch , Annual Rate	2.7	2.4	2.2	2.8	3.8	2.8	2.9	2.6
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	129.7	130.4	131.0	131.6	132.2	132.8	133.3	133.8
% Ch , Annual Rate	2.5	2.2	1.8	2.0	1.7	1.8	1.5	1.8
U.S. Consumer Price Index (1982-84=1.0)	3.286	3.308	3.326	3.345	3.361	3.378	3.390	3.409
% Ch , Annual Rate	3.0	2.7	2.2	2.3	2.0	2.0	1.5	2.3
Employment Cost Index (Dec. 2005=1.0)	1.784	1.800	1.817	1.834	1.852	1.871	1.891	1.910
% Ch , Annual Rate	3.8	3.8	3.7	3.8	4.0	4.2	4.3	4.3
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	31,436.3	31,711.9	32,003.6	32,349.1	32,656.3	32,970.4	33,268.7	33,610.2
% Ch , Annual Rate	4.1	3.6	3.7	4.4	3.9	3.9	3.7	4.2
Personal Income	26,688.7	27,009.4	27,296.8	27,639.3	28,036.2	28,377.8	28,707.7	29,036.0
% Ch , Annual Rate	5.4	4.9	4.3	5.1	5.9	5.0	4.7	4.7
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	171.5	171.6	171.8	171.9	172.0	172.1	172.2	172.2
Total U.S. Employment	163.7	163.7	163.7	163.8	163.8	163.9	164.0	164.0
Unemployment Rate (%)	4.56	4.66	4.71	4.73	4.73	4.75	4.75	4.74
Nonfarm Payroll Employment	159.93	160.02	160.11	160.22	160.33	160.43	160.54	160.65
% Ch , Annual Rate	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3
Manufacturing	12.64	12.61	12.55	12.40	12.31	12.25	12.19	12.17
% Ch , Annual Rate	-3.7	-0.8	-1.9	-4.7	-3.0	-1.9	-2.0	-0.6
Durable Manufacturing	7.79	7.77	7.73	7.60	7.53	7.48	7.44	7.43
% Ch , Annual Rate	-5.6	-1.1	-2.2	-6.2	-3.9	-2.4	-2.5	-0.4
Nondurable Manufacturing	4.84	4.84	4.82	4.80	4.78	4.76	4.75	4.74
% Ch , Annual Rate	-0.5	-0.3	-1.3	-2.3	-1.5	-1.2	-1.1	-1.0
Construction	8.38	8.38	8.37	8.38	8.39	8.39	8.42	8.45
% Ch , Annual Rate	-0.1	-0.1	0.0	0.4	0.2	0.3	1.0	1.5
Service-Providing	138.28	138.40	138.55	138.80	138.99	139.14	139.28	139.38
% Ch , Annual Rate	0.5	0.3	0.4	0.7	0.6	0.4	0.4	0.3
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	61.4	61.5	61.5	61.6	61.7	61.8	61.9	62.0
Personal Saving/Disposable Income (%)	5.7	6.0	6.2	6.5	7.0	7.3	7.5	7.6
Auto Sales (Millions)	2.6	2.6	2.7	2.8	2.8	2.8	2.8	2.8
% Ch , Annual Rate	-10.8	-6.3	17.5	12.5	4.1	-2.1	1.9	1.1
Housing Starts (Millions)	1.368	1.351	1.341	1.330	1.326	1.321	1.317	1.321
% Ch , Annual Rate	-5.0	-4.9	-3.0	-3.1	-1.2	-1.7	-1.0	1.2
Federal Budget Surplus (Billions)	-1,802.6	-1,869.0	-1,926.4	-1,969.7	-2,056.4	-2,092.5	-2,128.5	-2,147.8
Net Exports (Billions)	-799.1	-786.5	-759.7	-716.3	-681.5	-648.1	-622.0	-590.2
3-Month Treasury Bill Rate (%)	3.69	3.36	3.11	2.85	2.66	2.65	2.64	2.63
10-Year Treasury Note Yield (%)	4.19	4.12	4.07	4.03	3.99	3.93	3.90	3.90
Bond Index of 20 G.O. Munis. (%)	4.82	4.74	4.66	4.60	4.54	4.50	4.45	4.42
30-Year Fixed Mortgage Rate (%)	6.38	6.27	6.18	6.09	6.01	5.93	5.86	5.82

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	24,749.2	24,871.1	24,994.4	25,114.3	25,228.8	25,349.1	25,463.5	25,582.5
% Ch , Annual Rate	2.1	2.0	2.0	1.9	1.8	1.9	1.8	1.9
Real Consumption	17,188.0	17,276.7	17,363.3	17,445.7	17,527.6	17,616.4	17,710.9	17,804.3
% Ch , Annual Rate	2.1	2.1	2.0	1.9	1.9	2.0	2.2	2.1
Real Nonresidential Fixed Investment	3,608.2	3,643.5	3,677.3	3,710.9	3,744.2	3,779.3	3,813.4	3,847.9
% Ch , Annual Rate	4.2	4.0	3.8	3.7	3.6	3.8	3.7	3.7
Real Residential Fixed Investment	820.1	823.2	830.8	843.6	849.7	860.2	861.9	866.9
% Ch , Annual Rate	3.9	1.5	3.8	6.3	2.9	5.1	0.8	2.3
Real Personal Income	21,882.1	22,053.1	22,217.0	22,372.8	22,543.6	22,698.9	22,854.0	23,005.3
% Ch , Annual Rate	3.5	3.2	3.0	2.8	3.1	2.8	2.8	2.7
Real Per Capita Income (\$/Person)	63,466	63,923	64,356	64,763	65,209	65,605	65,997	66,374
% Ch , Annual Rate	3.3	2.9	2.7	2.5	2.8	2.5	2.4	2.3
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	134.4	135.0	135.6	136.2	136.8	137.4	138.0	138.7
% Ch , Annual Rate	1.8	1.8	1.6	1.8	1.8	1.9	1.8	1.9
U.S. Consumer Price Index (1982-84=1.0)	3.428	3.447	3.462	3.479	3.497	3.516	3.534	3.551
% Ch , Annual Rate	2.3	2.1	1.8	2.0	2.1	2.2	2.0	2.0
Employment Cost Index (Dec. 2005=1.0)	1.930	1.950	1.970	1.990	2.010	2.029	2.048	2.066
% Ch , Annual Rate	4.2	4.2	4.2	4.1	4.0	3.8	3.8	3.7
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	33,977.2	34,312.4	34,644.6	34,983.9	35,316.2	35,673.4	36,020.3	36,376.3
% Ch , Annual Rate	4.4	4.0	3.9	4.0	3.9	4.1	3.9	4.0
Personal Income	29,419.5	29,778.4	30,122.4	30,469.4	30,836.1	31,192.9	31,547.3	31,903.1
% Ch , Annual Rate	5.4	5.0	4.7	4.7	4.9	4.7	4.6	4.6
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	172.3	172.3	172.4	172.5	172.6	172.8	173.0	173.1
Total U.S. Employment	164.2	164.3	164.5	164.7	165.0	165.2	165.5	165.8
Unemployment Rate (%)	4.70	4.64	4.57	4.52	4.45	4.37	4.31	4.25
Nonfarm Payroll Employment	160.76	160.89	161.06	161.26	161.47	161.68	161.91	162.12
% Ch, Annual Rate	0.3	0.3	0.4	0.5	0.5	0.5	0.6	0.5
Manufacturing	12.18	12.18	12.16	12.15	12.16	12.16	12.16	12.17
% Ch, Annual Rate	0.3	0.0	-0.4	-0.4	0.2	0.0	0.2	0.1
Durable Manufacturing	7.44	7.45	7.45	7.45	7.46	7.47	7.48	7.49
% Ch, Annual Rate	0.9	0.5	-0.3	-0.2	0.6	0.5	0.6	0.4
Nondurable Manufacturing	4.73	4.72	4.71	4.70	4.70	4.69	4.69	4.68
% Ch, Annual Rate	-0.5	-0.7	-0.7	-0.9	-0.6	-0.7	-0.3	-0.3
Construction	8.48	8.52	8.56	8.61	8.66	8.71	8.75	8.79
% Ch, Annual Rate	1.7	1.6	2.1	2.5	1.9	2.6	1.7	2.2
Service-Providing	139.46	139.56	139.70	139.86	140.04	140.20	140.39	140.55
% Ch, Annual Rate	0.2	0.3	0.4	0.5	0.5	0.5	0.5	0.5
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	62.0	62.1	62.1	62.2	62.2	62.2	62.1	62.2
Personal Saving/Disposable Income (%)	7.9	8.0	8.2	8.3	8.5	8.6	8.7	8.8
Auto Sales (Millions)	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0
% Ch, Annual Rate	4.4	8.6	2.3	0.8	0.1	7.5	1.5	0.8
Housing Starts (Millions)	1.323	1.327	1.333	1.339	1.340	1.342	1.344	1.344
% Ch, Annual Rate	0.4	1.4	1.6	1.8	0.4	0.5	0.8	0.0
Federal Budget Surplus (Billions)	-2,179.5	-2,193.1	-2,208.1	-2,149.8	-2,195.4	-2,205.5	-2,216.9	-2,237.4
Net Exports (Billions)	-550.0	-520.3	-493.8	-475.2	-455.0	-445.2	-435.3	-423.1
3-Month Treasury Bill Rate (%)	2.63	2.63	2.62	2.79	2.85	2.84	2.84	2.84
10-Year Treasury Note Yield (%)	3.92	3.93	3.96	3.97	3.97	3.98	3.98	3.97
Bond Index of 20 G.O. Munis. (%)	4.38	4.34	4.30	4.24	4.20	4.17	4.14	4.12
30-Year Fixed Mortgage Rate (%)	5.81	5.79	5.79	5.78	5.77	5.75	5.74	5.72

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	507.360	524.753	543.073	554.709	567.157	587.591	609.320	629.709
% Ch	-3.1	3.4	3.5	2.1	2.2	3.6	3.7	3.3
Real Wage and Salary Disb.	268.857	281.136	293.267	297.721	302.420	310.791	321.592	331.831
% Ch	0.4	4.6	4.3	1.5	1.6	2.8	3.5	3.2
Real Nonwage Income	238.504	243.617	249.806	256.988	264.737	276.801	287.728	297.878
% Ch	-6.7	2.1	2.5	2.9	3.0	4.6	3.9	3.5
Real Per Capita Income (\$/Person)	65,084	66,741	68,279	69,271	70,614	72,936	75,331	77,426
% Ch	-3.7	2.5	2.3	1.5	1.9	3.3	3.3	2.8
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.161	1.205	1.235	1.272	1.306	1.330	1.353	1.377
% Ch	6.6	3.8	2.5	3.0	2.7	1.8	1.7	1.8
Seattle Cons. Price Index (1982-84=1.0)	3.224	3.412	3.535	3.620	3.723	3.802	3.880	3.958
% Ch	8.9	5.8	3.6	2.4	2.8	2.1	2.0	2.0
Average Nonfarm Annual Wage	86,128	91,667	97,080	101,081	105,066	109,325	114,038	118,691
% Ch	2.1	6.4	5.9	4.1	3.9	4.1	4.3	4.1
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.90	29.71	32.32	35.12	36.31	37.71	39.26	40.77
% Ch	6.6	-0.6	8.8	8.7	3.4	3.9	4.1	3.8
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	589.077	632.296	670.711	705.835	740.967	781.562	824.521	867.337
% Ch	3.3	7.3	6.1	5.2	5.0	5.5	5.5	5.2
Disposable Personal Income	505.206	556.473	589.913	618.805	659.508	696.053	732.208	768.148
% Ch	0.7	10.1	6.0	4.9	6.6	5.5	5.2	4.9
Per Capita Income (\$/Person)	75,564	80,417	84,325	88,142	92,254	97,013	101,936	106,642
% Ch	2.7	6.4	4.9	4.5	4.7	5.2	5.1	4.6
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,968.9	4,031.9	4,060.9	4,054.1	4,066.4	4,082.6	4,104.9	4,131.6
Total Washington Employment	3,808.3	3,862.5	3,878.6	3,870.6	3,868.7	3,883.3	3,913.3	3,948.0
Unemployment Rate (%)	4.05	4.20	4.49	4.53	4.86	4.88	4.67	4.44
Nonfarm Payroll Employment	3,525.6	3,595.5	3,632.4	3,650.1	3,663.7	3,684.6	3,719.4	3,754.1
% Ch	4.6	2.0	1.0	0.5	0.4	0.6	0.9	0.9
Manufacturing	268.8	274.0	274.0	273.3	274.9	275.2	276.7	277.5
% Ch	3.4	1.9	0.0	-0.2	0.6	0.1	0.5	0.3
Durable Manufacturing	181.8	187.9	188.8	187.9	189.2	190.0	191.5	192.2
% Ch	3.4	3.4	0.5	-0.4	0.7	0.4	0.8	0.4
Aerospace	71.3	77.5	80.1	79.2	80.9	82.7	84.4	85.5
% Ch	5.5	8.7	3.3	-1.0	2.1	2.3	2.1	1.3
Nondurable Manufacturing	87.0	86.1	85.2	85.4	85.7	85.2	85.2	85.4
% Ch	3.4	-1.0	-1.0	0.2	0.4	-0.5	0.0	0.2
Construction	231.7	230.2	224.1	222.6	226.5	230.9	235.2	239.6
% Ch	3.5	-0.6	-2.7	-0.7	1.8	1.9	1.9	1.8
Service-Providing	3,019.6	3,085.8	3,129.0	3,149.1	3,157.3	3,173.5	3,202.5	3,231.8
% Ch	4.8	2.2	1.4	0.6	0.3	0.5	0.9	0.9
Software Publishers	86.0	85.6	83.1	82.7	84.7	86.6	88.6	90.6
% Ch	7.6	-0.5	-2.9	-0.4	2.4	2.2	2.3	2.2
Mgmt. of Companies and Enterprises	104.1	102.2	101.4	104.7	107.9	110.8	113.3	115.8
% Ch	15.4	-1.9	-0.7	3.2	3.1	2.7	2.3	2.1
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	49.030	37.097	37.778	34.752	37.065	38.486	39.897	40.857
% Ch	-13.9	-24.3	1.8	-8.0	6.7	3.8	3.7	2.4
Single-Family	20.400	18.056	19.136	18.760	19.687	20.744	21.151	21.415
% Ch	-18.6	-11.5	6.0	-2.0	4.9	5.4	2.0	1.2
Multi-Family	28.630	19.041	18.642	15.992	17.378	17.742	18.746	19.442
% Ch	-10.2	-33.5	-2.1	-14.2	8.7	2.1	5.7	3.7
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.72	6.70	6.23	5.90	5.79	5.74

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	534.395	544.776	541.538	551.583	552.198	555.869	554.624	556.146
% Ch, Annual Rate	2.0	8.0	-2.4	7.6	0.4	2.7	-0.9	1.1
Real Wage and Salary Disb.	286.046	295.559	291.198	300.264	297.096	297.959	297.362	298.468
% Ch, Annual Rate	-0.4	14.0	-5.8	13.0	-4.2	1.2	-0.8	1.5
Real Nonwage Income	248.348	249.216	250.339	251.319	255.103	257.911	257.262	257.678
% Ch, Annual Rate	4.9	1.4	1.8	1.6	6.2	4.5	-1.0	0.6
Real Per Capita Income (\$/Person)	67,473	68,567	67,977	69,099	69,066	69,439	69,220	69,358
% Ch, Annual Rate	0.8	6.6	-3.4	6.8	-0.2	2.2	-1.3	0.8
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.225	1.233	1.237	1.245	1.256	1.265	1.280	1.289
% Ch, Annual Rate	3.4	2.5	1.5	2.4	3.6	3.0	4.9	2.7
Seattle Cons. Price Index (1982-84=1.0)	3.504	3.530	3.541	3.566	3.588	3.600	3.631	3.661
% Ch, Annual Rate	4.4	3.0	1.2	2.9	2.6	1.3	3.5	3.4
Average Nonfarm Annual Wage	94,292	97,642	96,234	100,151	99,553	100,650	101,552	102,570
% Ch, Annual Rate	2.1	15.0	-5.6	17.3	-2.4	4.5	3.6	4.1
Avg. Hourly Earnings-Mfg. (\$/Hour)	31.56	32.10	32.89	32.73	34.89	34.91	35.18	35.51
% Ch, Annual Rate	12.5	7.1	10.2	-1.9	29.1	0.3	3.1	3.7
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	654.637	671.540	670.104	686.562	693.361	703.231	710.055	716.693
% Ch, Annual Rate	5.5	10.7	-0.9	10.2	4.0	5.8	3.9	3.8
Disposable Personal Income	576.891	590.609	589.674	602.480	608.065	616.659	622.311	628.184
% Ch, Annual Rate	5.7	9.9	-0.6	9.0	3.8	5.8	3.7	3.8
Per Capita Income (\$/Person)	82,654	84,522	84,115	86,008	86,723	87,848	88,619	89,380
% Ch, Annual Rate	4.2	9.3	-1.9	9.3	3.4	5.3	3.6	3.5
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,051.3	4,064.0	4,065.6	4,062.9	4,062.4	4,045.5	4,052.4	4,055.9
Total Washington Employment	3,865.9	3,878.9	3,884.5	3,884.9	3,885.7	3,864.8	3,866.0	3,865.8
Unemployment Rate (%)	4.58	4.56	4.45	4.38	4.35	4.47	4.60	4.69
Nonfarm Payroll Employment	3,616.7	3,633.9	3,644.4	3,634.5	3,648.7	3,647.1	3,651.1	3,653.3
% Ch, Annual Rate	0.8	1.9	1.2	-1.1	1.6	-0.2	0.4	0.2
Manufacturing	276.3	277.2	277.5	264.9	272.9	272.4	273.7	274.3
% Ch, Annual Rate	1.5	1.3	0.3	-17.0	12.8	-0.8	1.9	1.0
Durable Manufacturing	190.9	191.5	192.2	180.4	188.4	186.8	188.1	188.5
% Ch, Annual Rate	1.4	1.2	1.6	-22.4	18.9	-3.3	2.7	0.9
Aerospace	81.3	82.4	83.7	72.9	80.0	78.1	79.1	79.7
% Ch, Annual Rate	5.0	5.4	6.4	-42.4	45.5	-9.4	5.2	3.3
Nondurable Manufacturing	85.4	85.8	85.2	84.5	84.6	85.6	85.6	85.8
% Ch, Annual Rate	1.6	1.6	-2.5	-3.6	0.5	4.9	0.0	1.1
Construction	225.6	224.9	224.0	222.1	222.0	222.1	222.5	223.8
% Ch, Annual Rate	-3.8	-1.3	-1.6	-3.3	-0.2	0.1	0.9	2.2
Service-Providing	3,109.4	3,126.5	3,137.8	3,142.4	3,148.6	3,147.6	3,149.9	3,150.2
% Ch, Annual Rate	1.1	2.2	1.5	0.6	0.8	-0.1	0.3	0.0
Software Publishers	83.1	83.1	83.2	82.9	81.9	82.4	83.1	83.5
% Ch, Annual Rate	-2.0	0.0	0.1	-1.3	-4.6	2.5	3.2	2.3
Mgmt. of Companies and Enterprises	100.0	100.4	102.6	102.7	103.8	104.1	105.0	105.9
% Ch, Annual Rate	-11.9	1.9	8.9	0.4	4.5	0.9	3.7	3.5
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	39.615	34.591	36.956	39.950	32.549	34.722	35.673	36.063
% Ch, Annual Rate	92.9	-41.9	30.3	36.6	-55.9	29.5	11.4	4.4
Single-Family	20.738	17.898	18.902	19.007	18.032	18.974	19.014	19.020
% Ch, Annual Rate	13.9	-44.5	24.4	2.2	-19.0	22.6	0.8	0.1
Multi-Family	18.877	16.694	18.054	20.943	14.517	15.748	16.660	17.043
% Ch, Annual Rate	277.5	-38.8	36.8	81.1	-76.9	38.5	25.2	9.5
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.45	6.69	6.79	6.80	6.68	6.54



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	560.637	565.075	569.127	573.787	579.988	585.005	590.205	595.168
% Ch, Annual Rate	3.3	3.2	2.9	3.3	4.4	3.5	3.6	3.4
Real Wage and Salary Disb.	300.230	301.575	303.007	304.866	307.212	309.526	311.995	314.429
% Ch, Annual Rate	2.4	1.8	1.9	2.5	3.1	3.0	3.2	3.2
Real Nonwage Income	260.407	263.500	266.120	268.921	272.775	275.479	278.210	280.739
% Ch, Annual Rate	4.3	4.8	4.0	4.3	5.9	4.0	4.0	3.7
Real Per Capita Income (\$/Person)	69,872	70,380	70,838	71,367	72,083	72,647	73,232	73,782
% Ch, Annual Rate	3.0	2.9	2.6	3.0	4.1	3.2	3.3	3.0
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.297	1.304	1.310	1.316	1.322	1.328	1.333	1.338
% Ch, Annual Rate	2.5	2.2	1.8	2.0	1.7	1.8	1.5	1.8
Seattle Cons. Price Index (1982-84=1.0)	3.689	3.711	3.736	3.757	3.776	3.795	3.809	3.830
% Ch, Annual Rate	3.1	2.3	2.8	2.3	2.0	2.0	1.5	2.3
Average Nonfarm Annual Wage	103,706	104,589	105,438	106,532	107,647	108,784	109,888	110,983
% Ch, Annual Rate	4.5	3.5	3.3	4.2	4.3	4.3	4.1	4.0
Avg. Hourly Earnings-Mfg. (\$/Hour)	35.83	36.15	36.47	36.80	37.14	37.51	37.90	38.29
% Ch, Annual Rate	3.7	3.6	3.5	3.6	3.8	4.0	4.2	4.2
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	726.886	736.603	745.284	755.095	766.501	776.620	786.519	796.610
% Ch, Annual Rate	5.8	5.5	4.8	5.4	6.2	5.4	5.2	5.2
Disposable Personal Income	646.433	655.456	663.590	672.552	682.906	691.838	700.422	709.044
% Ch, Annual Rate	12.1	5.7	5.1	5.5	6.3	5.3	5.1	5.0
Per Capita Income (\$/Person)	90,591	91,744	92,763	93,917	95,263	96,443	97,591	98,755
% Ch, Annual Rate	5.5	5.2	4.5	5.1	5.9	5.0	4.8	4.9
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,060.2	4,064.8	4,068.7	4,071.7	4,075.9	4,080.3	4,084.5	4,089.7
Total Washington Employment	3,865.9	3,867.3	3,869.8	3,871.9	3,875.9	3,880.6	3,885.1	3,891.4
Unemployment Rate (%)	4.78	4.86	4.89	4.91	4.91	4.89	4.88	4.85
Nonfarm Payroll Employment	3,656.8	3,662.0	3,666.6	3,669.5	3,675.0	3,680.8	3,687.0	3,695.6
% Ch, Annual Rate	0.4	0.6	0.5	0.3	0.6	0.6	0.7	0.9
Manufacturing	274.7	275.0	275.1	274.9	274.9	275.0	275.2	275.7
% Ch, Annual Rate	0.5	0.5	0.1	-0.2	0.0	0.1	0.3	0.6
Durable Manufacturing	188.8	189.2	189.4	189.5	189.6	189.7	190.1	190.5
% Ch, Annual Rate	0.7	0.8	0.4	0.2	0.2	0.4	0.7	1.0
Aerospace	80.2	80.6	81.1	81.5	82.0	82.4	82.9	83.4
% Ch, Annual Rate	2.6	2.0	2.2	2.2	2.2	2.4	2.4	2.4
Nondurable Manufacturing	85.8	85.8	85.7	85.4	85.3	85.3	85.2	85.1
% Ch, Annual Rate	0.1	-0.2	-0.5	-1.1	-0.4	-0.4	-0.4	-0.3
Construction	224.8	225.9	227.1	228.4	229.3	230.4	231.5	232.5
% Ch, Annual Rate	1.8	2.0	2.2	2.3	1.7	1.8	1.9	1.8
Service-Providing	3,152.4	3,156.2	3,159.5	3,161.3	3,165.8	3,170.4	3,175.4	3,182.5
% Ch, Annual Rate	0.3	0.5	0.4	0.2	0.6	0.6	0.6	0.9
Software Publishers	84.0	84.6	85.0	85.4	85.9	86.4	86.8	87.3
% Ch, Annual Rate	2.3	2.6	2.0	2.1	2.3	2.2	2.2	2.2
Mgmt. of Companies and Enterprises	106.7	107.6	108.3	109.1	109.8	110.5	111.1	111.8
% 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	36.465	36.838	37.281	37.677	37.971	38.351	38.629	38.993
% Ch, Annual Rate	4.5	4.2	4.9	4.3	3.2	4.1	2.9	3.8
Single-Family	19.214	19.480	19.852	20.202	20.459	20.703	20.847	20.968
% Ch, Annual Rate	4.1	5.7	7.9	7.2	5.2	4.9	2.8	2.3
Multi-Family	17.250	17.358	17.428	17.475	17.512	17.648	17.782	18.026
% Ch, Annual Rate	5.0	2.5	1.6	1.1	0.9	3.1	3.1	5.6
30-Year Fixed Mortgage Rate (%)	6.38	6.27	6.18	6.09	6.01	5.93	5.86	5.82

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	601.283	606.859	612.083	617.054	622.391	627.293	632.204	636.949
% Ch, Annual Rate	4.2	3.8	3.5	3.3	3.5	3.2	3.2	3.0
Real Wage and Salary Disb.	317.412	320.399	323.037	325.521	328.018	330.549	333.154	335.602
% Ch, Annual Rate	3.8	3.8	3.3	3.1	3.1	3.1	3.2	3.0
Real Nonwage Income	283.871	286.460	289.046	291.533	294.373	296.743	299.050	301.347
% Ch, Annual Rate	4.5	3.7	3.7	3.5	4.0	3.3	3.1	3.1
Real Per Capita Income (\$/Person)	74,467	75,076	75,632	76,148	76,700	77,190	77,676	78,137
% Ch, Annual Rate	3.8	3.3	3.0	2.8	2.9	2.6	2.5	2.4
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.344	1.350	1.356	1.362	1.368	1.374	1.380	1.387
% Ch, Annual Rate	1.8	1.8	1.6	1.8	1.8	1.9	1.8	1.9
Seattle Cons. Price Index (1982-84=1.0)	3.851	3.872	3.888	3.907	3.928	3.949	3.969	3.989
% Ch, Annual Rate	2.3	2.1	1.7	2.0	2.1	2.2	2.0	2.0
Average Nonfarm Annual Wage	112,199	113,491	114,658	115,805	116,906	118,091	119,289	120,478
% Ch, Annual Rate	4.5	4.7	4.2	4.1	3.9	4.1	4.1	4.0
Avg. Hourly Earnings-Mfg. (\$/Hour)	38.67	39.06	39.45	39.84	40.22	40.59	40.95	41.31
% Ch, Annual Rate	4.0	4.1	4.1	4.0	3.8	3.7	3.6	3.6
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	808.399	819.443	829.880	840.364	851.333	862.027	872.685	883.303
% Ch, Annual Rate	6.1	5.6	5.2	5.2	5.3	5.1	5.0	5.0
Disposable Personal Income	718.848	728.010	736.655	745.320	754.708	763.623	772.586	781.676
% Ch, Annual Rate	5.6	5.2	4.8	4.8	5.1	4.8	4.8	4.8
Per Capita Income (\$/Person)	100,118	101,376	102,544	103,706	104,913	106,075	107,223	108,358
% Ch, Annual Rate	5.6	5.1	4.7	4.6	4.7	4.5	4.4	4.3
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,096.2	4,101.8	4,107.6	4,113.9	4,120.8	4,127.6	4,135.2	4,142.7
Total Washington Employment	3,900.7	3,909.2	3,917.5	3,925.9	3,934.9	3,943.6	3,952.5	3,961.1
Unemployment Rate (%)	4.77	4.70	4.63	4.57	4.51	4.46	4.42	4.38
Nonfarm Payroll Employment	3,706.9	3,715.5	3,723.4	3,731.8	3,741.3	3,750.0	3,758.6	3,766.5
% Ch, Annual Rate	1.2	0.9	0.8	0.9	1.0	0.9	0.9	0.8
Manufacturing	276.1	276.6	276.9	277.2	277.4	277.5	277.6	277.6
% Ch, Annual Rate	0.7	0.6	0.5	0.3	0.3	0.2	0.2	0.0
Durable Manufacturing	190.9	191.3	191.7	191.9	192.1	192.2	192.2	192.1
% Ch, Annual Rate	0.8	0.8	0.7	0.5	0.4	0.1	0.1	-0.1
Aerospace	83.9	84.3	84.6	85.0	85.2	85.5	85.6	85.7
% Ch, Annual Rate	2.1	1.9	1.8	1.5	1.3	1.1	0.8	0.5
Nondurable Manufacturing	85.2	85.2	85.3	85.3	85.3	85.3	85.4	85.5
% Ch, Annual Rate	0.3	0.2	0.2	0.0	0.2	0.2	0.4	0.4
Construction	233.6	234.6	235.8	236.9	237.9	239.0	240.1	241.2
% Ch, Annual Rate	1.9	1.8	1.9	1.9	1.8	1.9	1.8	1.8
Service-Providing	3,192.2	3,199.3	3,205.7	3,212.7	3,220.9	3,228.3	3,235.7	3,242.4
% Ch, Annual Rate	1.2	0.9	0.8	0.9	1.0	0.9	0.9	0.8
Software Publishers	87.9	88.4	88.9	89.4	89.9	90.4	90.8	91.3
% Ch, Annual Rate	2.7	2.2	2.2	2.2	2.3	2.2	2.2	2.1
Mgmt. of Companies and Enterprises	112.4	113.0	113.7	114.3	114.9	115.5	116.1	116.6
% 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	39.322	39.727	40.115	40.426	40.670	40.827	40.925	41.008
% Ch, Annual Rate	3.4	4.2	4.0	3.1	2.4	1.6	1.0	0.8
Single-Family	21.059	21.122	21.183	21.241	21.322	21.375	21.449	21.514
% Ch, Annual Rate	1.8	1.2	1.2	1.1	1.5	1.0	1.4	1.2
Multi-Family	18.262	18.605	18.932	19.185	19.348	19.451	19.476	19.494
% Ch, Annual Rate	5.4	7.7	7.2	5.5	3.4	2.1	0.5	0.4
30-Year Fixed Mortgage Rate (%)	5.81	5.79	5.79	5.78	5.77	5.75	5.74	5.72



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	159.60	160.07	160.49	160.99	161.79
% Ch	4.3	2.2	1.3	1.0	0.3	0.3	0.3	0.5
Manufacturing	12.77	12.87	12.82	12.76	12.55	12.23	12.17	12.16
% Ch	3.7	0.8	-0.4	-0.4	-1.7	-2.6	-0.5	-0.1
Durable Manufacturing	7.92	8.02	7.97	7.91	7.72	7.47	7.45	7.47
% Ch	3.7	1.3	-0.7	-0.7	-2.4	-3.3	-0.3	0.3
Wood Products	0.43	0.42	0.42	0.42	0.44	0.44	0.47	0.49
% Ch	4.2	-2.0	-0.4	1.3	3.6	1.6	5.2	5.0
Primary and Fabricated Metals	1.80	1.82	1.81	1.83	1.79	1.71	1.73	1.74
% Ch	3.7	1.4	-0.4	0.9	-2.1	-4.5	0.9	0.9
Computer and Electronic Products	1.04	1.05	1.03	1.01	1.02	1.01	1.00	0.98
% Ch	2.7	0.8	-2.4	-1.7	0.5	-0.1	-1.6	-1.9
Machinery and Electrical Equipment	1.51	1.55	1.53	1.51	1.44	1.37	1.36	1.36
% Ch	4.4	2.3	-1.0	-1.5	-4.7	-4.9	-0.5	0.3
Transportation Equipment	1.72	1.78	1.79	1.76	1.72	1.67	1.66	1.66
% Ch	4.4	3.4	0.9	-2.0	-2.4	-2.6	-0.9	0.3
Other Durables	1.42	1.40	1.38	1.38	1.32	1.26	1.24	1.23
% Ch	2.8	-1.4	-1.7	-0.2	-4.0	-4.9	-1.6	-0.5
Nondurable Manufacturing	4.84	4.85	4.85	4.85	4.83	4.76	4.72	4.69
% Ch	3.7	0.1	0.0	0.0	-0.5	-1.4	-0.8	-0.6
Food Manufacturing	1.70	1.73	1.77	1.78	1.81	1.80	1.80	1.81
% Ch	3.6	2.2	1.9	0.7	1.6	-0.5	0.1	0.5
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	0.2	-0.6	-1.4	-0.5	-0.5
Other Nondurables	2.78	2.76	2.73	2.72	2.66	2.61	2.57	2.53
% Ch	3.7	-1.0	-1.0	-0.5	-1.9	-2.1	-1.5	-1.4
Natural Resources and Mining	0.61	0.64	0.63	0.63	0.64	0.65	0.64	0.61
% Ch	8.1	5.4	-1.8	-0.1	1.6	2.0	-2.1	-3.4
Construction	7.76	8.01	8.21	8.34	8.38	8.41	8.54	8.73
% Ch	4.4	3.1	2.5	1.6	0.5	0.4	1.6	2.1
Trade, Transportation, and Utilities	28.64	28.82	28.92	29.09	29.28	29.37	28.94	28.82
% Ch	3.6	0.6	0.4	0.6	0.7	0.3	-1.5	-0.4
Wholesale Trade	5.98	6.11	6.14	6.19	6.27	6.32	6.27	6.21
% Ch	4.7	2.1	0.6	0.8	1.3	0.8	-0.8	-1.1
Retail Trade	15.50	15.55	15.53	15.54	15.55	15.54	15.19	15.19
% Ch	1.5	0.3	-0.1	0.1	0.0	0.0	-2.3	0.0
Trans., Warehousing, and Utilities	7.17	7.16	7.25	7.36	7.46	7.50	7.48	7.42
% Ch	7.2	0.0	1.1	1.5	1.4	0.6	-0.4	-0.8
Information	3.06	3.01	2.94	2.96	3.05	2.94	2.93	2.98
% Ch	7.2	-1.8	-2.1	0.5	3.0	-3.5	-0.3	1.6
Publishing Industries	0.95	0.94	0.91	0.92	0.91	0.88	0.87	0.86
% Ch	8.7	-0.5	-2.8	0.4	-1.5	-2.2	-1.5	-1.8
Other Information	2.12	2.07	2.03	2.04	2.14	2.05	2.06	2.12
% Ch	6.6	-2.4	-1.8	0.5	5.0	-4.1	0.2	3.1
Financial Activities	9.06	9.17	9.17	9.24	9.39	9.43	9.38	9.28
% Ch	2.9	1.2	0.0	0.8	1.6	0.5	-0.5	-1.0
Professional and Business Services	22.59	22.77	22.62	22.55	21.66	21.53	22.28	23.10
% Ch	5.4	0.8	-0.7	-0.3	-4.0	-0.6	3.5	3.7
Education and Health Services	24.34	25.39	26.49	27.35	28.01	28.36	28.54	28.61
% Ch	2.9	4.3	4.3	3.2	2.4	1.2	0.6	0.2
Leisure and Hospitality	15.82	16.57	16.82	17.09	17.50	17.72	17.50	17.29
% Ch	11.9	4.7	1.5	1.6	2.4	1.3	-1.3	-1.2
Other Services	5.69	5.84	5.97	6.04	6.12	6.26	6.41	6.47
% Ch	4.3	2.6	2.1	1.3	1.2	2.4	2.4	0.9
Federal Government	2.87	2.93	3.00	2.90	2.76	2.76	2.76	2.76
% Ch	-0.6	2.0	2.5	-3.3	-5.0	0.0	0.0	0.0
State and Local Government	19.33	19.87	20.38	20.65	20.74	20.83	20.91	20.99
% 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	158.64	159.16	159.61	159.78	159.86
% Ch, Annual Rate	1.5	1.3	0.9	1.3	1.3	1.1	0.4	0.2
Manufacturing	12.85	12.85	12.81	12.76	12.76	12.75	12.77	12.76
% Ch, Annual Rate	0.0	-0.2	-1.0	-1.7	0.0	-0.3	0.6	-0.5
Durable Manufacturing	8.00	7.99	7.96	7.91	7.91	7.90	7.92	7.91
% Ch, Annual Rate	-0.3	-0.6	-1.8	-2.3	-0.2	-0.2	1.1	-0.9
Wood Products	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.44
% Ch, Annual Rate	-0.3	2.0	-1.3	-2.6	0.2	-0.2	3.6	23.0
Primary and Fabricated Metals	1.82	1.82	1.81	1.81	1.81	1.82	1.85	1.85
% Ch, Annual Rate	0.4	-1.1	-1.6	-0.8	1.0	1.4	6.3	1.1
Computer and Electronic Products	1.04	1.03	1.03	1.02	1.01	1.01	1.01	1.01
% Ch, Annual Rate	-2.8	-2.1	-1.2	-3.1	-3.1	-1.8	2.2	-0.1
Machinery and Electrical Equipment	1.54	1.54	1.53	1.52	1.52	1.53	1.51	1.48
% Ch, Annual Rate	-1.6	-1.3	-3.0	-0.8	-0.4	1.2	-5.5	-5.5
Transportation Equipment	1.80	1.81	1.80	1.77	1.77	1.76	1.76	1.75
% Ch, Annual Rate	2.3	2.3	-1.5	-6.4	-0.4	-2.3	0.6	-3.2
Other Durables	1.39	1.38	1.38	1.38	1.38	1.38	1.38	1.37
% Ch, Annual Rate	-1.3	-2.5	-1.6	0.4	0.7	-0.2	1.1	-2.7
Nondurable Manufacturing	4.85	4.85	4.86	4.85	4.85	4.85	4.85	4.85
% Ch, Annual Rate	0.5	0.3	0.3	-0.6	0.4	-0.3	-0.2	0.2
Food Manufacturing	1.76	1.77	1.77	1.77	1.77	1.77	1.78	1.79
% Ch, Annual Rate	2.3	1.7	1.6	-0.2	-0.5	0.8	1.8	2.9
Paper and Paper Products	0.36	0.35	0.36	0.35	0.35	0.36	0.35	0.36
% Ch, Annual Rate	-1.7	-3.0	2.7	-0.7	0.3	1.1	-1.4	0.9
Other Nondurables	2.73	2.73	2.73	2.72	2.73	2.72	2.71	2.70
% Ch, Annual Rate	-0.5	-0.1	-0.8	-0.8	1.1	-1.2	-1.4	-1.7
Natural Resources and Mining	0.63	0.63	0.62	0.62	0.62	0.63	0.63	0.63
% Ch, Annual Rate	-1.9	-5.2	-1.7	0.6	-0.4	1.5	1.2	0.6
Construction	8.14	8.19	8.24	8.28	8.30	8.34	8.35	8.38
% Ch, Annual Rate	2.6	2.4	2.5	1.8	0.9	2.0	0.5	1.5
Trade, Transportation, and Utilities	28.86	28.93	28.92	28.97	29.10	29.08	29.07	29.12
% Ch, Annual Rate	0.5	1.0	0.0	0.7	1.8	-0.3	-0.2	0.8
Wholesale Trade	6.13	6.14	6.15	6.17	6.18	6.19	6.20	6.20
% Ch, Annual Rate	-0.4	0.5	0.9	1.3	0.6	0.7	0.6	0.4
Retail Trade	15.53	15.55	15.52	15.52	15.58	15.55	15.50	15.54
% Ch, Annual Rate	0.3	0.4	-0.7	0.0	1.5	-0.6	-1.3	0.9
Trans., Warehousing, and Utilities	7.20	7.24	7.26	7.28	7.35	7.33	7.37	7.38
% Ch, Annual Rate	1.6	2.6	0.8	1.5	3.4	-0.6	1.7	0.9
Information	2.96	2.95	2.93	2.93	2.94	2.95	2.97	2.97
% Ch, Annual Rate	1.2	-1.3	-2.9	0.0	1.1	1.4	3.2	0.2
Publishing Industries	0.92	0.92	0.91	0.91	0.92	0.92	0.92	0.92
% Ch, Annual Rate	-2.4	0.2	-1.9	1.4	2.0	-0.5	1.1	-2.1
Other Information	2.05	2.04	2.02	2.02	2.02	2.03	2.05	2.06
% Ch, Annual Rate	2.9	-2.0	-3.3	-0.7	0.7	2.2	4.2	1.3
Financial Activities	9.16	9.16	9.17	9.19	9.23	9.23	9.23	9.28
% Ch, Annual Rate	-0.7	0.1	0.5	1.0	1.7	0.1	-0.3	2.3
Professional and Business Services	22.66	22.65	22.60	22.58	22.59	22.71	22.66	22.26
% Ch, Annual Rate	-0.4	-0.1	-0.9	-0.3	0.1	2.2	-0.9	-6.9
Education and Health Services	26.12	26.39	26.60	26.85	27.06	27.28	27.42	27.63
% Ch, Annual Rate	4.5	4.1	3.3	3.8	3.1	3.4	2.1	3.1
Leisure and Hospitality	16.74	16.78	16.83	16.93	16.96	17.01	17.09	17.31
% Ch, Annual Rate	0.7	0.9	1.1	2.5	0.7	1.3	1.9	5.2
Other Services	5.93	5.96	5.98	5.99	6.02	6.03	6.05	6.08
% Ch, Annual Rate	2.1	2.3	0.9	1.1	1.8	0.8	0.9	1.9
Federal Government	2.99	3.00	3.00	3.01	3.00	2.96	2.88	2.75
% Ch, Annual Rate	3.7	1.5	0.9	0.8	-1.1	-5.7	-10.0	-16.5
State and Local Government	20.24	20.32	20.42	20.52	20.59	20.64	20.67	20.69
% Ch, Annual Rate	2.9	1.6	2.0	1.9	1.3	0.9	0.7	0.3

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	159.93	160.02	160.11	160.22	160.33	160.43	160.54	160.65
% Ch, Annual Rate	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3
Manufacturing	12.64	12.61	12.55	12.40	12.31	12.25	12.19	12.17
% Ch, Annual Rate	-3.7	-0.8	-1.9	-4.7	-3.0	-1.9	-2.0	-0.6
Durable Manufacturing	7.79	7.77	7.73	7.60	7.53	7.48	7.44	7.43
% Ch, Annual Rate	-5.6	-1.1	-2.2	-6.2	-3.9	-2.4	-2.5	-0.4
Wood Products	0.44	0.44	0.44	0.43	0.44	0.44	0.45	0.45
% Ch, Annual Rate	-2.5	1.3	-1.1	-4.0	3.6	5.2	1.8	5.8
Primary and Fabricated Metals	1.82	1.81	1.79	1.75	1.72	1.71	1.70	1.71
% Ch, Annual Rate	-6.3	-2.1	-4.7	-9.2	-5.5	-2.5	-1.9	0.5
Computer and Electronic Products	1.01	1.01	1.02	1.02	1.02	1.02	1.01	1.01
% Ch, Annual Rate	0.7	0.4	0.8	0.6	0.0	-0.4	-1.1	-1.4
Machinery and Electrical Equipment	1.45	1.45	1.44	1.42	1.39	1.37	1.36	1.35
% Ch, Annual Rate	-8.5	-1.3	-1.6	-6.6	-6.8	-5.1	-4.8	-1.6
Transportation Equipment	1.72	1.72	1.72	1.70	1.68	1.67	1.66	1.66
% Ch, Annual Rate	-5.1	0.3	-0.8	-5.7	-2.7	-2.2	-2.3	-0.3
Other Durables	1.34	1.33	1.32	1.29	1.27	1.26	1.25	1.25
% Ch, Annual Rate	-7.9	-2.9	-4.0	-8.3	-5.5	-3.7	-3.7	-1.8
Nondurable Manufacturing	4.84	4.84	4.82	4.80	4.78	4.76	4.75	4.74
% Ch, Annual Rate	-0.5	-0.3	-1.3	-2.3	-1.5	-1.2	-1.1	-1.0
Food Manufacturing	1.80	1.81	1.81	1.81	1.80	1.80	1.80	1.80
% Ch, Annual Rate	1.7	2.3	0.3	-1.3	-0.9	-0.7	-0.2	-0.1
Paper and Paper Products	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
% Ch, Annual Rate	-0.4	-0.7	-1.7	-2.9	-0.9	-0.8	-1.2	-0.9
Other Nondurables	2.69	2.67	2.66	2.64	2.63	2.62	2.60	2.59
% Ch, Annual Rate	-1.9	-2.1	-2.4	-2.9	-1.9	-1.5	-1.8	-1.7
Natural Resources and Mining	0.63	0.63	0.64	0.64	0.64	0.65	0.65	0.65
% Ch, Annual Rate	1.5	2.0	2.9	2.1	0.9	2.7	3.6	-0.9
Construction	8.38	8.38	8.37	8.38	8.39	8.39	8.42	8.45
% Ch, Annual Rate	-0.1	-0.1	0.0	0.4	0.2	0.3	1.0	1.5
Trade, Transportation, and Utilities	29.19	29.25	29.32	29.37	29.42	29.43	29.37	29.26
% Ch, Annual Rate	0.9	0.8	1.0	0.7	0.7	0.1	-0.8	-1.5
Wholesale Trade	6.23	6.25	6.28	6.31	6.34	6.34	6.32	6.29
% Ch, Annual Rate	1.7	1.5	2.0	1.9	1.5	0.1	-1.5	-1.3
Retail Trade	15.54	15.55	15.56	15.55	15.56	15.57	15.55	15.48
% Ch, Annual Rate	0.0	0.4	0.3	-0.4	0.4	0.3	-0.5	-1.9
Trans., Warehousing, and Utilities	7.42	7.44	7.47	7.51	7.52	7.51	7.50	7.48
% Ch, Annual Rate	2.1	1.0	1.8	1.9	0.7	-0.4	-0.9	-0.9
Information	3.03	3.07	3.06	3.03	2.99	2.95	2.92	2.91
% Ch, Annual Rate	8.0	4.7	-0.8	-4.4	-5.1	-5.4	-3.4	-2.1
Publishing Industries	0.91	0.91	0.90	0.90	0.89	0.89	0.88	0.88
% Ch, Annual Rate	-1.9	-0.9	-3.0	-2.5	-2.0	-2.3	-2.1	-2.0
Other Information	2.12	2.16	2.16	2.13	2.09	2.06	2.04	2.03
% Ch, Annual Rate	12.6	7.2	0.2	-5.2	-6.4	-6.7	-3.9	-2.1
Financial Activities	9.36	9.38	9.40	9.41	9.44	9.44	9.44	9.41
% Ch, Annual Rate	3.6	0.9	0.6	0.5	1.1	0.3	-0.3	-1.1
Professional and Business Services	21.94	21.65	21.54	21.50	21.45	21.47	21.52	21.68
% Ch, Annual Rate	-5.5	-5.2	-2.0	-0.8	-1.0	0.3	1.1	3.0
Education and Health Services	27.82	27.98	28.06	28.19	28.30	28.35	28.38	28.40
% Ch, Annual Rate	2.7	2.4	1.2	1.9	1.6	0.7	0.4	0.2
Leisure and Hospitality	17.39	17.49	17.54	17.60	17.64	17.69	17.78	17.79
% Ch, Annual Rate	1.7	2.4	1.1	1.6	0.7	1.2	1.9	0.4
Other Services	6.09	6.10	6.12	6.17	6.21	6.25	6.28	6.32
% Ch, Annual Rate	1.1	0.3	1.5	3.0	2.9	2.4	2.3	2.4
Federal Government	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
% Ch, Annual Rate	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	20.71	20.73	20.75	20.77	20.79	20.82	20.84	20.86
% 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	160.76	160.89	161.06	161.26	161.47	161.68	161.91	162.12
% Ch, Annual Rate	0.3	0.3	0.4	0.5	0.5	0.5	0.6	0.5
Manufacturing	12.18	12.18	12.16	12.15	12.16	12.16	12.16	12.17
% Ch, Annual Rate	0.3	0.0	-0.4	-0.4	0.2	0.0	0.2	0.1
Durable Manufacturing	7.44	7.45	7.45	7.45	7.46	7.47	7.48	7.49
% Ch, Annual Rate	0.9	0.5	-0.3	-0.2	0.6	0.5	0.6	0.4
Wood Products	0.46	0.47	0.47	0.48	0.48	0.49	0.49	0.50
% Ch, Annual Rate	7.8	4.8	3.6	4.9	6.2	5.6	3.6	4.7
Primary and Fabricated Metals	1.72	1.72	1.73	1.74	1.74	1.74	1.74	1.74
% Ch, Annual Rate	2.2	2.2	1.4	1.1	1.0	0.6	0.4	0.1
Computer and Electronic Products	1.01	1.00	1.00	0.99	0.99	0.98	0.98	0.97
% Ch, Annual Rate	-2.0	-1.8	-1.7	-1.7	-1.9	-2.1	-2.0	-1.9
Machinery and Electrical Equipment	1.36	1.36	1.36	1.36	1.36	1.36	1.37	1.37
% Ch, Annual Rate	1.5	1.4	0.7	-0.2	0.2	0.1	0.5	-0.1
Transportation Equipment	1.66	1.66	1.65	1.65	1.65	1.66	1.67	1.67
% Ch, Annual Rate	0.1	-0.9	-2.0	-0.9	1.0	1.4	1.8	1.3
Other Durables	1.24	1.24	1.24	1.23	1.23	1.23	1.23	1.23
% Ch, Annual Rate	-0.7	-0.6	-1.4	-1.5	0.1	-0.3	0.2	0.3
Nondurable Manufacturing	4.73	4.72	4.71	4.70	4.70	4.69	4.69	4.68
% Ch, Annual Rate	-0.5	-0.7	-0.7	-0.9	-0.6	-0.7	-0.3	-0.3
Food Manufacturing	1.80	1.80	1.80	1.80	1.81	1.81	1.81	1.82
% Ch, Annual Rate	0.5	0.0	0.2	0.2	0.6	0.5	1.0	1.0
Paper and Paper Products	0.35	0.35	0.35	0.35	0.35	0.35	0.34	0.34
% Ch, Annual Rate	0.0	0.0	-0.3	-0.8	-0.5	-0.7	-0.4	-0.5
Other Nondurables	2.58	2.58	2.57	2.56	2.55	2.54	2.53	2.52
% Ch, Annual Rate	-1.3	-1.3	-1.4	-1.6	-1.4	-1.6	-1.3	-1.3
Natural Resources and Mining	0.64	0.64	0.63	0.63	0.62	0.61	0.61	0.61
% Ch, Annual Rate	-4.7	-4.4	-2.8	-3.5	-4.2	-3.4	-2.4	-1.6
Construction	8.48	8.52	8.56	8.61	8.66	8.71	8.75	8.79
% Ch, Annual Rate	1.7	1.6	2.1	2.5	1.9	2.6	1.7	2.2
Trade, Transportation, and Utilities	29.05	28.95	28.90	28.87	28.84	28.83	28.81	28.80
% Ch, Annual Rate	-2.8	-1.4	-0.7	-0.4	-0.4	-0.2	-0.2	-0.2
Wholesale Trade	6.31	6.28	6.26	6.25	6.24	6.22	6.20	6.18
% Ch, Annual Rate	0.7	-1.4	-1.3	-1.1	-0.6	-1.3	-1.2	-1.2
Retail Trade	15.25	15.18	15.17	15.17	15.16	15.18	15.21	15.23
% Ch, Annual Rate	-5.9	-1.7	-0.4	0.1	-0.3	0.7	0.6	0.6
Trans., Warehousing, and Utilities	7.50	7.48	7.47	7.45	7.45	7.43	7.41	7.39
% Ch, Annual Rate	1.1	-0.9	-0.8	-0.8	-0.3	-1.0	-0.9	-0.9
Information	2.92	2.93	2.93	2.94	2.96	2.97	2.98	3.00
% Ch, Annual Rate	1.7	1.3	0.9	1.0	2.0	2.2	1.6	1.8
Publishing Industries	0.88	0.87	0.87	0.87	0.86	0.86	0.85	0.85
% Ch, Annual Rate	0.1	-1.9	-1.8	-1.9	-1.3	-2.0	-1.9	-2.0
Other Information	2.04	2.05	2.06	2.08	2.09	2.11	2.13	2.15
% Ch, Annual Rate	2.4	2.7	2.1	2.3	3.5	3.9	3.0	3.3
Financial Activities	9.44	9.40	9.36	9.33	9.31	9.29	9.28	9.25
% Ch, Annual Rate	1.2	-1.7	-1.7	-1.2	-0.7	-1.0	-0.6	-1.2
Professional and Business Services	21.99	22.18	22.37	22.56	22.78	22.99	23.21	23.41
% Ch, Annual Rate	5.8	3.5	3.4	3.6	3.9	3.7	3.9	3.6
Education and Health Services	28.53	28.53	28.55	28.56	28.60	28.60	28.61	28.62
% Ch, Annual Rate	1.9	0.0	0.2	0.1	0.6	0.0	0.1	0.2
Leisure and Hospitality	17.51	17.52	17.50	17.47	17.37	17.32	17.27	17.22
% Ch, Annual Rate	-6.2	0.1	-0.3	-0.8	-2.3	-1.1	-1.1	-1.2
Other Services	6.38	6.41	6.42	6.44	6.46	6.47	6.47	6.48
% Ch, Annual Rate	4.0	1.5	1.1	1.1	1.3	0.4	0.3	0.3
Federal Government	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	20.88	20.90	20.92	20.94	20.96	20.98	21.00	21.02
% 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	3,525.6	3,595.5	3,632.4	3,650.1	3,663.7	3,684.6	3,719.4	3,754.1
% Ch	4.6	2.0	1.0	0.5	0.4	0.6	0.9	0.9
Manufacturing	268.8	274.0	274.0	273.3	274.9	275.2	276.7	277.5
% Ch	3.4	1.9	0.0	-0.2	0.6	0.1	0.5	0.3
Durable Manufacturing	181.8	187.9	188.8	187.9	189.2	190.0	191.5	192.2
% Ch	3.4	3.4	0.5	-0.4	0.7	0.4	0.8	0.4
Wood Products	13.6	13.6	13.3	13.0	13.3	13.5	13.7	13.7
% Ch	3.1	0.0	-2.3	-2.2	2.1	2.0	1.0	0.3
Primary and Fabricated Metals	23.7	23.8	23.4	23.3	23.3	22.7	22.7	22.4
% Ch	2.2	0.4	-1.4	-0.4	-0.2	-2.4	-0.3	-1.1
Computer and Electronic Products	18.2	18.4	18.3	18.9	19.4	19.5	19.2	18.8
% Ch	1.1	1.2	-0.3	2.9	2.5	1.0	-1.6	-2.2
Machinery and Electrical Equipment	19.9	20.2	19.7	19.1	18.4	17.9	18.1	18.4
% Ch	4.0	1.5	-2.7	-2.6	-3.7	-3.0	1.0	2.1
Aerospace	71.3	77.5	80.1	79.2	80.9	82.7	84.4	85.5
% Ch	5.5	8.7	3.3	-1.0	2.1	2.3	2.1	1.3
Other Transportation Equip.	9.5	9.6	9.6	9.6	9.3	9.1	8.9	8.7
% Ch	4.0	0.8	-0.3	0.7	-3.2	-2.8	-1.9	-2.3
Other Durables	25.6	24.8	24.4	24.7	24.7	24.5	24.5	24.6
% Ch	-0.1	-2.9	-1.7	1.4	-0.1	-0.7	0.0	0.3
Nondurable Manufacturing	87.0	86.1	85.2	85.4	85.7	85.2	85.2	85.4
% Ch	3.4	-1.0	-1.0	0.2	0.4	-0.5	0.0	0.2
Food Manufacturing	40.1	40.7	40.5	40.1	40.4	39.9	39.6	39.3
% Ch	3.4	1.4	-0.5	-1.0	0.8	-1.1	-0.9	-0.6
Paper and Paper Products	7.8	7.5	7.2	7.1	7.0	6.8	6.7	6.6
% Ch	3.5	-3.6	-4.3	-1.3	-1.7	-2.7	-1.6	-1.7
Other Nondurables	39.1	37.9	37.6	38.2	38.3	38.5	39.0	39.5
% Ch	3.4	-3.0	-0.9	1.7	0.3	0.5	1.3	1.3
Natural Resources and Mining	5.5	5.4	5.3	5.1	5.0	4.9	5.0	5.2
% Ch	-3.5	-1.6	-2.5	-3.7	-1.8	-1.0	1.6	3.3
Construction	231.7	230.2	224.1	222.6	226.5	230.9	235.2	239.6
% Ch	3.5	-0.6	-2.7	-0.7	1.8	1.9	1.9	1.8
Trade, Transportation, and Utilities	611.8	624.8	624.9	628.1	631.1	632.8	631.6	628.1
% Ch	0.8	2.1	0.0	0.5	0.5	0.3	-0.2	-0.6
Wholesale Trade	136.9	139.3	138.3	138.8	140.5	141.7	141.9	140.6
% Ch	4.2	1.7	-0.8	0.4	1.3	0.9	0.1	-0.9
Retail Trade	338.4	337.4	334.0	334.5	333.7	333.1	331.9	330.4
% Ch	-1.8	-0.3	-1.0	0.2	-0.2	-0.2	-0.4	-0.4
Trans., Warehousing, and Utilities	136.5	148.1	152.6	154.8	156.9	158.0	157.8	157.0
% Ch	4.5	8.5	3.1	1.4	1.3	0.7	-0.1	-0.5
Information	171.4	168.5	164.1	165.9	169.2	171.1	174.7	179.1
% Ch	9.0	-1.7	-2.6	1.0	2.0	1.1	2.1	2.5
Software Publishers	86.0	85.6	83.1	82.7	84.7	86.6	88.6	90.6
% Ch	7.6	-0.5	-2.9	-0.4	2.4	2.2	2.3	2.2
Other Publishing Industries	7.9	7.2	6.3	6.1	5.7	5.3	5.0	4.6
% Ch	-3.0	-9.5	-12.6	-2.4	-6.8	-6.9	-6.2	-7.0
Other Information	77.4	75.8	74.8	77.0	78.7	79.1	81.1	83.8
% Ch	12.1	-2.1	-1.3	2.9	2.3	0.5	2.4	3.4
Financial Activities	165.1	164.4	163.2	162.7	165.5	166.8	167.4	167.9
% Ch	2.5	-0.4	-0.8	-0.3	1.8	0.8	0.3	0.3
Professional and Business Services	544.5	545.6	545.6	545.6	536.7	540.3	560.0	581.3
% Ch	9.7	0.2	0.0	0.0	-1.6	0.7	3.6	3.8
Mgmt. of Companies and Enterprises	104.1	102.2	101.4	104.7	107.9	110.8	113.3	115.8
% Ch	15.4	-1.9	-0.7	3.2	3.1	2.7	2.3	2.1
Other Prof. and Bus. Services	440.4	443.5	444.2	440.9	428.8	429.5	446.6	465.6
% Ch	8.5	0.7	0.2	-0.8	-2.7	0.2	4.0	4.2
Education and Health Services	514.5	530.6	548.8	559.8	564.2	566.5	568.7	571.2
% Ch	2.4	3.1	3.4	2.0	0.8	0.4	0.4	0.4
Leisure and Hospitality	326.6	342.4	346.0	344.1	347.1	349.0	348.8	348.1
% Ch	15.4	4.8	1.0	-0.5	0.9	0.5	-0.1	-0.2
Other Services	119.6	122.0	122.6	123.4	124.5	125.7	126.7	127.6
% Ch	5.2	2.0	0.5	0.6	0.9	1.0	0.8	0.7
Federal Government	75.2	77.3	79.6	78.6	76.4	76.4	76.5	76.6
% Ch	-2.1	2.8	3.0	-1.3	-2.8	0.0	0.1	0.2
State and Local Government	490.9	510.2	534.2	541.0	542.6	544.8	548.2	551.9
% Ch	1.6	3.9	4.7	1.3	0.3	0.4	0.6	0.7

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	3,616.7	3,633.9	3,644.4	3,634.5	3,648.7	3,647.1	3,651.1	3,653.3
% Ch, Annual Rate	0.8	1.9	1.2	-1.1	1.6	-0.2	0.4	0.2
Manufacturing	276.3	277.2	277.5	264.9	272.9	272.4	273.7	274.3
% Ch, Annual Rate	1.5	1.3	0.3	-17.0	12.8	-0.8	1.9	1.0
Durable Manufacturing	190.9	191.5	192.2	180.4	188.4	186.8	188.1	188.5
% Ch, Annual Rate	1.4	1.2	1.6	-22.4	18.9	-3.3	2.7	0.9
Wood Products	13.6	13.4	13.2	13.0	13.1	12.8	13.0	13.1
% Ch, Annual Rate	-3.5	-6.2	-5.9	-4.4	1.9	-7.2	4.5	3.0
Primary and Fabricated Metals	23.7	23.6	23.4	23.1	23.0	23.2	23.5	23.6
% Ch, Annual Rate	1.1	-2.3	-2.5	-6.1	-1.0	4.2	5.1	0.9
Computer and Electronic Products	18.3	18.3	18.4	18.3	18.5	18.8	19.1	19.1
% Ch, Annual Rate	-0.6	-0.7	1.9	-1.7	4.1	7.3	4.7	0.9
Machinery and Electrical Equipment	19.9	19.8	19.6	19.4	19.1	19.5	19.2	18.8
% Ch, Annual Rate	-2.9	-1.9	-2.8	-4.8	-5.6	7.9	-6.5	-6.5
Aerospace	81.3	82.4	83.7	72.9	80.0	78.1	79.1	79.7
% Ch, Annual Rate	5.0	5.4	6.4	-42.4	45.5	-9.4	5.2	3.3
Other Transportation Equip.	9.6	9.6	9.5	9.6	9.8	9.7	9.6	9.5
% Ch, Annual Rate	0.6	-0.1	-3.9	2.0	12.4	-6.5	-4.4	-4.1
Other Durables	24.5	24.5	24.4	24.2	24.8	24.6	24.7	24.7
% Ch, Annual Rate	-1.6	-0.2	-0.3	-4.4	10.9	-2.4	0.8	0.4
Nondurable Manufacturing	85.4	85.8	85.2	84.5	84.6	85.6	85.6	85.8
% Ch, Annual Rate	1.6	1.6	-2.5	-3.6	0.5	4.9	0.0	1.1
Food Manufacturing	40.5	40.8	40.5	40.1	39.5	40.2	40.3	40.5
% Ch, Annual Rate	1.6	2.8	-2.4	-4.1	-6.4	7.5	0.9	1.8
Paper and Paper Products	7.2	7.2	7.2	7.0	7.1	7.1	7.1	7.1
% Ch, Annual Rate	-3.8	-0.8	-0.5	-13.4	7.5	0.4	-2.7	0.0
Other Nondurables	37.7	37.8	37.5	37.4	38.0	38.3	38.3	38.3
% Ch, Annual Rate	2.6	0.9	-2.9	-1.0	6.9	3.1	-0.3	0.5
Natural Resources and Mining	5.4	5.4	5.2	5.1	5.2	5.0	5.0	5.0
% Ch, Annual Rate	-4.1	0.3	-12.4	-5.7	7.6	-14.2	1.3	-2.8
Construction	225.6	224.9	224.0	222.1	222.0	222.1	222.5	223.8
% Ch, Annual Rate	-3.8	-1.3	-1.6	-3.3	-0.2	0.1	0.9	2.2
Trade, Transportation, and Utilities	622.0	624.9	627.1	625.5	627.0	627.9	628.6	628.8
% Ch, Annual Rate	-1.5	1.8	1.4	-1.0	1.0	0.6	0.4	0.2
Wholesale Trade	138.8	138.9	138.2	137.3	138.0	138.8	139.1	139.2
% Ch, Annual Rate	-1.8	0.2	-2.0	-2.5	2.1	2.4	1.0	0.1
Retail Trade	334.5	334.7	334.5	332.1	334.9	334.5	334.3	334.2
% Ch, Annual Rate	-1.5	0.2	-0.2	-2.9	3.5	-0.5	-0.2	-0.2
Trans., Warehousing, and Utilities	148.7	151.3	154.4	156.1	154.1	154.6	155.1	155.5
% Ch, Annual Rate	-1.3	7.2	8.5	4.4	-5.0	1.4	1.2	1.1
Information	164.2	164.2	164.3	163.9	165.1	165.4	166.2	166.8
% Ch, Annual Rate	-0.6	0.1	0.3	-0.9	2.8	0.7	1.9	1.6
Software Publishers	83.1	83.1	83.2	82.9	81.9	82.4	83.1	83.5
% Ch, Annual Rate	-2.0	0.0	0.1	-1.3	-4.6	2.5	3.2	2.3
Other Publishing Industries	6.5	6.4	6.2	6.1	6.5	6.1	6.1	6.0
% Ch, Annual Rate	-17.1	-6.2	-9.0	-8.3	27.1	-21.6	-1.9	-6.3
Other Information	74.5	74.7	74.9	74.9	76.7	76.9	77.0	77.3
% Ch, Annual Rate	2.7	0.7	1.3	0.1	9.6	0.8	0.9	1.6
Financial Activities	163.1	163.2	163.5	163.0	163.2	162.5	162.1	162.9
% Ch, Annual Rate	-2.0	0.2	0.8	-1.2	0.5	-1.8	-0.9	2.1
Professional and Business Services	544.4	545.9	547.9	544.2	545.5	546.7	546.4	543.6
% Ch, Annual Rate	-1.6	1.1	1.5	-2.7	1.0	0.9	-0.2	-2.0
Mgmt. of Companies and Enterprises	100.0	100.4	102.6	102.7	103.8	104.1	105.0	105.9
% Ch	-11.9	1.9	8.9	0.4	4.5	0.9	3.7	3.5
Other Prof. and Bus. Services	444.5	445.5	445.3	441.5	441.7	442.7	441.4	437.7
% Ch	1.0	0.9	-0.2	-3.4	0.2	0.9	-1.1	-3.3
Education and Health Services	541.6	547.4	551.0	555.2	557.2	559.0	560.8	562.3
% Ch, Annual Rate	3.1	4.4	2.7	3.1	1.4	1.3	1.3	1.1
Leisure and Hospitality	344.2	346.4	346.7	346.8	346.2	342.6	343.4	344.2
% Ch, Annual Rate	-0.6	2.6	0.3	0.2	-0.7	-4.1	0.9	0.9
Other Services	122.9	122.9	122.6	122.2	123.0	123.3	123.5	123.7
% Ch, Annual Rate	1.2	0.0	-0.9	-1.4	2.8	0.9	0.7	0.5
Federal Government	79.1	79.6	79.8	79.9	80.4	79.7	77.9	76.4
% Ch, Annual Rate	3.6	2.6	0.9	0.3	2.6	-3.4	-9.0	-7.5
State and Local Government	528.0	532.0	534.9	541.7	541.0	540.5	541.1	541.4
% Ch, Annual Rate	7.7	3.0	2.2	5.2	-0.6	-0.3	0.4	0.3



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	3,656.8	3,662.0	3,666.6	3,669.5	3,675.0	3,680.8	3,687.0	3,695.6
% Ch, Annual Rate	0.4	0.6	0.5	0.3	0.6	0.6	0.7	0.9
Manufacturing	274.7	275.0	275.1	274.9	274.9	275.0	275.2	275.7
% Ch, Annual Rate	0.5	0.5	0.1	-0.2	0.0	0.1	0.3	0.6
Durable Manufacturing	188.8	189.2	189.4	189.5	189.6	189.7	190.1	190.5
% Ch, Annual Rate	0.7	0.8	0.4	0.2	0.2	0.4	0.7	1.0
Wood Products	13.1	13.2	13.3	13.4	13.4	13.5	13.6	13.6
% Ch, Annual Rate	2.3	2.5	2.2	2.1	1.7	2.2	1.9	1.5
Primary and Fabricated Metals	23.5	23.5	23.2	23.0	22.8	22.8	22.7	22.7
% Ch, Annual Rate	-1.3	-0.8	-4.0	-3.8	-2.5	-1.6	-1.1	-0.3
Computer and Electronic Products	19.2	19.3	19.4	19.5	19.6	19.6	19.5	19.5
% Ch, Annual Rate	2.2	1.7	2.4	2.2	1.1	0.4	-0.7	-1.3
Machinery and Electrical Equipment	18.6	18.6	18.4	18.2	18.0	17.9	17.8	17.8
% Ch, Annual Rate	-4.2	-1.8	-3.2	-4.6	-4.0	-2.5	-1.8	1.1
Aerospace	80.2	80.6	81.1	81.5	82.0	82.4	82.9	83.4
% Ch, Annual Rate	2.6	2.0	2.2	2.2	2.2	2.4	2.4	2.4
Other Transportation Equip.	9.4	9.3	9.3	9.3	9.2	9.1	9.0	9.0
% Ch, Annual Rate	-3.8	-1.6	-0.7	-1.7	-3.7	-5.9	-1.6	-1.3
Other Durables	24.7	24.7	24.7	24.6	24.6	24.5	24.5	24.5
% Ch, Annual Rate	-0.2	0.0	-0.3	-1.0	-1.0	-0.7	-0.5	0.0
Nondurable Manufacturing	85.8	85.8	85.7	85.4	85.3	85.3	85.2	85.1
% Ch, Annual Rate	0.1	-0.2	-0.5	-1.1	-0.4	-0.4	-0.4	-0.3
Food Manufacturing	40.5	40.5	40.4	40.3	40.2	40.0	39.9	39.8
% Ch, Annual Rate	0.3	-0.1	-0.7	-1.4	-1.1	-1.6	-1.2	-1.1
Paper and Paper Products	7.0	7.0	6.9	6.9	6.8	6.8	6.8	6.7
% Ch, Annual Rate	-1.5	-1.8	-3.0	-4.4	-2.1	-2.0	-2.4	-2.1
Other Nondurables	38.3	38.3	38.3	38.3	38.4	38.5	38.5	38.6
% Ch, Annual Rate	0.2	0.0	0.1	-0.3	0.6	1.1	0.8	1.0
Natural Resources and Mining	5.0	5.0	5.0	5.0	5.0	4.9	4.9	4.9
% Ch, Annual Rate	2.5	-4.6	-2.1	1.6	-0.9	-2.3	-0.9	0.9
Construction	224.8	225.9	227.1	228.4	229.3	230.4	231.5	232.5
% Ch, Annual Rate	1.8	2.0	2.2	2.3	1.7	1.8	1.9	1.8
Trade, Transportation, and Utilities	629.8	630.7	631.6	632.5	633.1	633.1	632.7	632.4
% Ch, Annual Rate	0.6	0.5	0.6	0.6	0.4	0.0	-0.2	-0.2
Wholesale Trade	139.7	140.2	140.8	141.5	141.9	142.0	141.6	141.5
% Ch, Annual Rate	1.6	1.3	1.8	1.9	1.2	0.2	-0.9	-0.4
Retail Trade	334.0	333.8	333.7	333.5	333.3	333.2	333.0	332.8
% Ch, Annual Rate	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Trans., Warehousing, and Utilities	156.1	156.6	157.1	157.6	157.9	158.0	158.1	158.1
% Ch, Annual Rate	1.6	1.3	1.2	1.2	0.7	0.3	0.3	0.1
Information	168.0	169.0	169.7	170.1	170.3	170.6	171.2	172.1
% Ch, Annual Rate	2.9	2.3	1.8	0.8	0.6	0.6	1.6	2.0
Software Publishers	84.0	84.6	85.0	85.4	85.9	86.4	86.8	87.3
% Ch, Annual Rate	2.3	2.6	2.0	2.1	2.3	2.2	2.2	2.2
Other Publishing Industries	5.9	5.8	5.7	5.6	5.5	5.4	5.3	5.2
% Ch, Annual Rate	-6.1	-4.8	-7.8	-7.2	-6.6	-7.0	-7.0	-6.9
Other Information	78.1	78.6	79.1	79.1	78.9	78.8	79.1	79.6
% Ch, Annual Rate	4.2	2.5	2.4	-0.1	-0.6	-0.6	1.6	2.4
Financial Activities	164.4	165.3	166.0	166.4	166.7	166.8	166.9	167.0
% Ch, Annual Rate	3.5	2.4	1.6	1.1	0.6	0.2	0.2	0.3
Professional and Business Services	539.6	536.3	535.4	535.4	536.6	538.3	540.8	545.5
% Ch, Annual Rate	-2.9	-2.4	-0.7	0.0	0.9	1.3	1.9	3.6
Mgmt. of Companies and Enterprises	106.7	107.6	108.3	109.1	109.8	110.5	111.1	111.8
% Ch	3.2	3.1	2.9	2.8	2.6	2.5	2.4	2.4
Other Prof. and Bus. Services	432.9	428.7	427.1	426.4	426.9	427.9	429.7	433.8
% Ch	-4.4	-3.7	-1.6	-0.7	0.5	0.9	1.7	3.9
Education and Health Services	563.3	564.0	564.5	565.1	565.6	566.3	566.8	567.4
% Ch, Annual Rate	0.7	0.5	0.3	0.4	0.3	0.5	0.4	0.4
Leisure and Hospitality	345.0	347.8	348.4	347.1	347.9	349.0	349.5	349.5
% Ch, Annual Rate	0.9	3.3	0.7	-1.6	1.0	1.2	0.6	0.0
Other Services	124.0	124.3	124.6	125.0	125.3	125.6	125.8	126.1
% Ch, Annual Rate	1.0	1.1	1.1	1.1	1.0	0.9	0.8	0.9
Federal Government	76.4	76.4	76.4	76.4	76.4	76.4	76.4	76.4
% Ch, Annual Rate	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1
State and Local Government	541.8	542.4	542.8	543.3	543.8	544.4	545.2	546.0
% Ch, Annual Rate	0.3	0.4	0.3	0.4	0.4	0.4	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	3,706.9	3,715.5	3,723.4	3,731.8	3,741.3	3,750.0	3,758.6	3,766.5
% Ch, Annual Rate	1.2	0.9	0.8	0.9	1.0	0.9	0.9	0.8
Manufacturing	276.1	276.6	276.9	277.2	277.4	277.5	277.6	277.6
% Ch, Annual Rate	0.7	0.6	0.5	0.3	0.3	0.2	0.2	0.0
Durable Manufacturing	190.9	191.3	191.7	191.9	192.1	192.2	192.2	192.1
% Ch, Annual Rate	0.8	0.8	0.7	0.5	0.4	0.1	0.1	-0.1
Wood Products	13.6	13.7	13.7	13.7	13.7	13.7	13.7	13.7
% Ch, Annual Rate	0.8	0.3	0.5	0.4	0.3	0.1	-0.1	0.0
Primary and Fabricated Metals	22.7	22.7	22.7	22.6	22.6	22.5	22.4	22.3
% Ch, Annual Rate	0.3	0.3	-0.6	-1.0	-1.0	-1.6	-1.6	-2.1
Computer and Electronic Products	19.4	19.3	19.2	19.1	19.0	18.9	18.7	18.6
% Ch, Annual Rate	-2.3	-2.0	-1.9	-1.9	-2.2	-2.5	-2.4	-2.1
Machinery and Electrical Equipment	17.9	18.0	18.1	18.2	18.3	18.4	18.5	18.6
% Ch, Annual Rate	1.4	2.1	2.4	1.7	2.0	2.0	2.7	1.7
Aerospace	83.9	84.3	84.6	85.0	85.2	85.5	85.6	85.7
% Ch, Annual Rate	2.1	1.9	1.8	1.5	1.3	1.1	0.8	0.5
Other Transportation Equip.	9.0	8.9	8.9	8.8	8.8	8.7	8.7	8.6
% Ch, Annual Rate	-1.3	-1.7	-2.1	-2.1	-2.2	-2.8	-2.7	-2.4
Other Durables	24.5	24.5	24.5	24.5	24.6	24.6	24.6	24.6
% Ch, Annual Rate	0.1	0.3	0.2	0.3	0.4	0.3	0.4	0.4
Nondurable Manufacturing	85.2	85.2	85.3	85.3	85.3	85.3	85.4	85.5
% Ch, Annual Rate	0.3	0.2	0.2	0.0	0.2	0.2	0.4	0.4
Food Manufacturing	39.7	39.6	39.5	39.5	39.4	39.4	39.3	39.3
% Ch, Annual Rate	-0.7	-0.8	-0.8	-0.8	-0.6	-0.4	-0.5	-0.5
Paper and Paper Products	6.7	6.7	6.7	6.6	6.6	6.6	6.5	6.5
% Ch, Annual Rate	-1.1	-1.1	-1.4	-2.0	-1.7	-1.9	-1.6	-1.7
Other Nondurables	38.8	38.9	39.1	39.2	39.3	39.4	39.6	39.7
% Ch, Annual Rate	1.5	1.5	1.4	1.1	1.3	1.2	1.5	1.5
Natural Resources and Mining	5.0	5.0	5.0	5.1	5.1	5.2	5.2	5.3
% Ch, Annual Rate	3.5	1.2	2.7	3.7	4.1	3.2	1.6	5.3
Construction	233.6	234.6	235.8	236.9	237.9	239.0	240.1	241.2
% Ch, Annual Rate	1.9	1.8	1.9	1.9	1.8	1.9	1.8	1.8
Trade, Transportation, and Utilities	632.9	632.1	631.2	630.2	629.6	628.5	627.6	626.5
% Ch, Annual Rate	0.3	-0.5	-0.6	-0.6	-0.4	-0.7	-0.6	-0.7
Wholesale Trade	142.4	142.1	141.8	141.4	141.3	140.8	140.4	140.0
% Ch, Annual Rate	2.5	-0.6	-0.9	-1.0	-0.4	-1.3	-1.1	-1.2
Retail Trade	332.4	332.0	331.6	331.3	330.9	330.6	330.3	329.8
% Ch, Annual Rate	-0.5	-0.5	-0.5	-0.5	-0.4	-0.4	-0.4	-0.5
Trans., Warehousing, and Utilities	158.1	157.9	157.7	157.5	157.4	157.1	156.9	156.7
% Ch, Annual Rate	-0.2	-0.4	-0.5	-0.4	-0.4	-0.6	-0.5	-0.6
Information	173.2	174.2	175.2	176.1	177.3	178.5	179.6	180.8
% Ch, Annual Rate	2.6	2.4	2.2	2.2	2.7	2.7	2.5	2.6
Software Publishers	87.9	88.4	88.9	89.4	89.9	90.4	90.8	91.3
% Ch, Annual Rate	2.7	2.2	2.2	2.2	2.3	2.2	2.2	2.1
Other Publishing Industries	5.1	5.0	5.0	4.9	4.8	4.7	4.6	4.5
% Ch, Annual Rate	-3.9	-6.9	-6.8	-7.2	-6.4	-7.5	-7.5	-7.7
Other Information	80.2	80.8	81.3	81.9	82.7	83.5	84.2	84.9
% Ch, Annual Rate	2.9	3.2	2.7	2.9	3.7	4.0	3.4	3.6
Financial Activities	167.2	167.3	167.4	167.6	167.8	167.9	168.0	168.0
% Ch, Annual Rate	0.4	0.3	0.3	0.4	0.4	0.3	0.3	0.1
Professional and Business Services	552.2	557.5	562.4	567.6	573.2	578.6	584.1	589.3
% Ch, Annual Rate	5.0	3.9	3.6	3.7	4.0	3.8	3.9	3.6
Mgmt. of Companies and Enterprises	112.4	113.0	113.7	114.3	114.9	115.5	116.1	116.6
% Ch	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0
Other Prof. and Bus. Services	439.8	444.5	448.8	453.4	458.4	463.1	468.1	472.7
% Ch	5.7	4.3	3.9	4.1	4.5	4.2	4.3	4.0
Education and Health Services	567.9	568.4	568.9	569.5	570.2	570.9	571.5	572.1
% Ch, Annual Rate	0.3	0.4	0.3	0.4	0.5	0.5	0.4	0.4
Leisure and Hospitality	349.1	348.9	348.6	348.5	348.4	348.2	348.0	347.8
% Ch, Annual Rate	-0.4	-0.3	-0.3	-0.2	-0.1	-0.2	-0.2	-0.2
Other Services	126.4	126.6	126.8	127.1	127.3	127.5	127.7	127.9
% Ch, Annual Rate	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Federal Government	76.5	76.5	76.5	76.5	76.6	76.6	76.7	76.7
% Ch, Annual Rate	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2
State and Local Government	546.9	547.8	548.6	549.5	550.5	551.5	552.4	553.2
% Ch, Annual Rate	0.7	0.7	0.6	0.7	0.7	0.7	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	24,669.3	25,947.9	27,158.6	28,539.4	29,947.4	31,369.9
% Ch	3.1	5.9	5.4	5.2	4.7	5.1	4.9	4.7
Total Wage and Salary Disbursements	11,123.1	11,725.2	12,401.1	13,012.4	13,529.2	14,092.7	14,738.1	15,409.4
% Ch	7.8	5.4	5.8	4.9	4.0	4.2	4.6	4.6
Nonwage Personal Income	10,965.8	11,677.3	12,268.2	12,935.5	13,629.4	14,446.7	15,209.4	15,960.4
% Ch	-1.2	6.5	5.1	5.4	5.4	6.0	5.3	4.9
Supplements to Wages and Salaries	2,313.6	2,464.9	2,618.8	2,763.7	2,880.6	3,002.5	3,125.1	3,233.6
% Ch	3.2	6.5	6.2	5.5	4.2	4.2	4.1	3.5
Proprietor's Income	1,873.6	1,949.0	2,005.9	2,105.3	2,246.2	2,344.3	2,422.0	2,529.3
% Ch	3.2	4.0	2.9	5.0	6.7	4.4	3.3	4.4
Farm	95.9	71.3	45.2	63.5	65.8	77.7	84.2	87.5
% Ch	27.0	-25.7	-36.6	40.4	3.7	18.0	8.4	4.0
Nonfarm	1,777.6	1,877.7	1,960.7	2,041.8	2,180.4	2,266.7	2,337.8	2,441.7
% Ch	2.2	5.6	4.4	4.1	6.8	4.0	3.1	4.4
Less: Contribution For Govt. Soc. Ins.	1,704.8	1,816.6	1,898.7	1,980.2	2,042.0	2,100.1	2,188.8	2,288.5
% Ch	9.3	6.6	4.5	4.3	3.1	2.8	4.2	4.6
Dividends/Int./Rent	4,344.3	4,812.0	5,003.4	5,149.4	5,388.9	5,780.1	6,157.1	6,506.9
% Ch	9.9	10.8	4.0	2.9	4.7	7.3	6.5	5.7
Transfer Payments	4,139.2	4,268.0	4,538.9	4,897.4	5,155.8	5,419.9	5,694.0	5,979.2
% Ch	-11.1	3.1	6.3	7.9	5.3	5.1	5.1	5.0

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	24,716.7	25,042.3	25,463.7	25,879.4	26,111.5	26,337.1
% Ch, Annual Rate	9.3	3.8	2.3	5.4	6.9	6.7	3.6	3.5
Total Wage and Salary Disbursements	12,251.0	12,343.0	12,404.1	12,606.2	12,767.0	12,959.7	13,097.3	13,225.7
% Ch, Annual Rate	10.3	3.0	2.0	6.7	5.2	6.2	4.3	4.0
Nonwage Personal Income	12,093.2	12,231.0	12,312.7	12,436.1	12,696.8	12,919.7	13,014.2	13,111.5
% Ch, Annual Rate	8.4	4.6	2.7	4.1	8.7	7.2	3.0	3.0
Supplements to Wages and Salaries	2,572.8	2,602.6	2,632.0	2,668.0	2,709.1	2,749.8	2,785.7	2,810.1
% Ch, Annual Rate	7.6	4.7	4.6	5.6	6.3	6.2	5.3	3.6
Proprietor's Income	1,972.1	2,002.3	2,013.5	2,035.5	2,054.3	2,118.3	2,117.1	2,131.5
% Ch, Annual Rate	0.4	6.3	2.3	4.4	3.7	13.1	-0.2	2.8
Farm	38.5	41.1	46.4	54.7	55.7	81.0	57.8	59.3
% Ch, Annual Rate	-65.3	29.2	63.7	93.1	7.1	347.5	-74.0	10.7
Nonfarm	1,933.6	1,961.2	1,967.1	1,980.8	1,998.6	2,037.3	2,059.3	2,072.2
% Ch, Annual Rate	2.9	5.8	1.2	2.8	3.6	8.0	4.4	2.5
Less: Contribution For Govt. Soc. Ins.	1,882.9	1,889.9	1,897.7	1,924.6	1,955.4	1,975.5	1,988.6	2,001.3
% Ch, Annual Rate	6.6	1.5	1.7	5.8	6.6	4.2	2.7	2.6
Dividends/Int./Rent	4,985.1	5,003.6	4,994.5	5,030.5	5,103.5	5,114.5	5,182.2	5,197.3
% Ch, Annual Rate	4.3	1.5	-0.7	2.9	5.9	0.9	5.4	1.2
Transfer Payments	4,446.1	4,512.3	4,570.4	4,626.6	4,785.3	4,912.7	4,917.8	4,973.9
% Ch, Annual Rate	16.8	6.1	5.2	5.0	14.4	11.1	0.4	4.6

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	26,688.7	27,009.4	27,296.8	27,639.3	28,036.2	28,377.8	28,707.7	29,036.0
% Ch, Annual Rate	5.4	4.9	4.3	5.1	5.9	5.0	4.7	4.7
Total Wage and Salary Disbursements	13,364.9	13,468.2	13,570.7	13,712.9	13,864.9	14,019.1	14,169.5	14,317.6
% Ch, Annual Rate	4.3	3.1	3.1	4.3	4.5	4.5	4.4	4.2
Nonwage Personal Income	13,323.9	13,541.2	13,726.1	13,926.3	14,171.4	14,358.7	14,538.2	14,718.4
% Ch, Annual Rate	6.6	6.7	5.6	6.0	7.2	5.4	5.1	5.1
Supplements to Wages and Salaries	2,842.7	2,866.7	2,891.5	2,921.4	2,956.0	2,989.0	3,017.3	3,047.6
% Ch, Annual Rate	4.7	3.4	3.5	4.2	4.8	4.5	3.8	4.1
Proprietor's Income	2,177.5	2,230.3	2,271.4	2,305.6	2,323.5	2,336.4	2,347.0	2,370.4
% Ch, Annual Rate	8.9	10.1	7.6	6.2	3.1	2.2	1.8	4.0
Farm	61.0	64.0	67.5	70.9	73.5	76.7	79.3	81.1
% Ch, Annual Rate	11.6	21.3	24.1	21.2	15.9	18.6	13.9	9.6
Nonfarm	2,116.5	2,166.3	2,203.9	2,234.8	2,250.0	2,259.7	2,267.8	2,289.2
% Ch, Annual Rate	8.8	9.7	7.1	5.7	2.7	1.7	1.4	3.8
Less: Contribution For Govt. Soc. Ins.	2,025.2	2,036.2	2,047.7	2,059.1	2,078.3	2,094.6	2,104.4	2,123.1
% Ch, Annual Rate	4.9	2.2	2.3	2.2	3.8	3.2	1.9	3.6
Dividends/Int./Rent	5,252.7	5,350.6	5,431.0	5,521.4	5,631.1	5,734.3	5,832.3	5,922.7
% Ch, Annual Rate	4.3	7.7	6.1	6.8	8.2	7.5	7.0	6.3
Transfer Payments	5,076.3	5,129.8	5,180.0	5,236.9	5,339.1	5,393.5	5,446.0	5,500.8
% Ch, Annual Rate	8.5	4.3	4.0	4.5	8.0	4.1	3.9	4.1

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	29,419.5	29,778.4	30,122.4	30,469.4	30,836.1	31,192.9	31,547.3	31,903.1
% Ch, Annual Rate	5.4	5.0	4.7	4.7	4.9	4.7	4.6	4.6
Total Wage and Salary Disbursements	14,484.8	14,660.2	14,822.3	14,985.1	15,146.8	15,320.7	15,497.9	15,672.4
% Ch, Annual Rate	4.8	4.9	4.5	4.5	4.4	4.7	4.7	4.6
Nonwage Personal Income	14,934.7	15,118.2	15,300.2	15,484.4	15,689.4	15,872.2	16,049.4	16,230.7
% Ch, Annual Rate	6.0	5.0	4.9	4.9	5.4	4.7	4.5	4.6
Supplements to Wages and Salaries	3,084.2	3,114.2	3,139.0	3,163.0	3,191.3	3,218.5	3,247.6	3,277.2
% Ch, Annual Rate	4.9	4.0	3.2	3.1	3.6	3.4	3.7	3.7
Proprietor's Income	2,391.2	2,406.4	2,430.7	2,459.6	2,487.2	2,517.2	2,541.3	2,571.3
% Ch, Annual Rate	3.6	2.6	4.1	4.9	4.6	4.9	3.9	4.8
Farm	82.5	83.7	84.8	85.8	86.6	87.3	87.9	88.4
% Ch, Annual Rate	7.1	5.9	5.4	4.6	4.0	3.1	2.8	2.6
Nonfarm	2,308.7	2,322.7	2,345.9	2,373.9	2,400.6	2,430.0	2,453.5	2,482.9
% Ch, Annual Rate	3.4	2.5	4.1	4.9	4.6	5.0	3.9	4.9
Less: Contribution For Govt. Soc. Ins.	2,155.6	2,178.5	2,199.8	2,221.4	2,253.2	2,276.6	2,300.4	2,323.8
% Ch, Annual Rate	6.3	4.3	4.0	4.0	5.9	4.2	4.2	4.1
Dividends/Int./Rent	6,016.0	6,113.1	6,204.9	6,294.6	6,376.2	6,463.5	6,551.6	6,636.2
% Ch, Annual Rate	6.5	6.6	6.1	5.9	5.3	5.6	5.6	5.3
Transfer Payments	5,598.9	5,663.0	5,725.4	5,788.5	5,887.8	5,949.6	6,009.3	6,069.9
% Ch, Annual Rate	7.3	4.7	4.5	4.5	7.0	4.3	4.1	4.1

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	589.077	632.296	670.711	705.835	740.967	781.562	824.521	867.337
% Ch	3.3	7.3	6.1	5.2	5.0	5.5	5.5	5.2
Total Wage and Salary Disbursements	312.157	338.763	362.204	378.830	395.093	413.384	435.173	457.051
% Ch	7.0	8.5	6.9	4.6	4.3	4.6	5.3	5.0
Manufacturing	23.793	25.647	26.616	26.902	28.246	29.489	30.906	32.179
% Ch	10.1	7.8	3.8	1.1	5.0	4.4	4.8	4.1
Durable Manufacturing	18.040	19.692	20.594	20.611	21.692	22.710	23.855	24.854
% Ch	11.1	9.2	4.6	0.1	5.2	4.7	5.0	4.2
Nondurable Manufacturing	5.754	5.955	6.022	6.291	6.554	6.779	7.052	7.325
% Ch	7.2	3.5	1.1	4.5	4.2	3.4	4.0	3.9
Nonmanufacturing	279.883	303.957	326.029	342.053	356.695	373.340	393.259	413.409
% Ch	6.5	8.6	7.3	4.9	4.3	4.7	5.3	5.1
Other Private Wages	1.449	1.521	1.604	1.680	1.750	1.829	1.926	2.021
% Ch	3.4	4.9	5.5	4.7	4.1	4.6	5.3	4.9
Farm Wages	2.753	3.211	3.411	3.536	3.670	3.822	4.002	4.183
% Ch	50.7	16.6	6.2	3.7	3.8	4.1	4.7	4.5
Military Wages	4.278	4.426	4.545	4.658	4.732	4.904	5.079	5.258
% Ch	0.0	3.5	2.7	2.5	1.6	3.6	3.6	3.5
Nonwage Personal Income	276.920	293.533	308.507	327.005	345.874	368.178	389.349	410.286
% Ch	-0.5	6.0	5.1	6.0	5.8	6.4	5.8	5.4
Supplements to Wages and Salaries	63.872	67.992	72.242	75.904	79.224	82.743	86.583	90.024
% Ch	4.9	6.5	6.3	5.1	4.4	4.4	4.6	4.0
Proprietor's Income	41.266	41.838	43.379	46.262	50.228	52.883	54.999	57.600
% Ch	-2.4	1.4	3.7	6.6	8.6	5.3	4.0	4.7
Farm	0.708	-0.939	-1.178	-0.176	0.615	1.237	1.585	1.775
% Ch	...	...	...	...	...	...	...	...
Nonfarm	40.558	42.777	44.558	46.438	49.613	51.647	53.415	55.825
% Ch	-1.1	5.5	4.2	4.2	6.8	4.1	3.4	4.5
Less: Contribution For Govt. Soc. Ins.	49.014	53.189	55.604	57.694	59.507	61.264	64.086	67.118
% Ch	9.6	8.5	4.5	3.8	3.1	3.0	4.6	4.7
Plus: Residence Adjustment	6.078	6.527	6.755	7.083	7.385	7.715	8.092	8.485
% Ch	9.0	7.4	3.5	4.9	4.3	4.5	4.9	4.9
Dividends/Int./Rent	123.557	137.237	142.583	146.800	153.684	164.936	175.984	186.475
% Ch	11.3	11.1	3.9	3.0	4.7	7.3	6.7	6.0
Transfer Payments	91.162	93.129	99.151	108.650	114.860	121.165	127.777	134.820
% Ch	-11.8	2.2	6.5	9.6	5.7	5.5	5.5	5.5
State U.I. Benefits	0.965	1.515	1.756	1.301	1.408	1.474	1.455	1.572
% Ch	-88.2	57.0	15.9	-25.9	8.3	4.7	-1.3	8.1
Other Transfers	90.197	91.613	97.395	107.349	113.452	119.691	126.322	133.248
% Ch	-5.2	1.6	6.3	10.2	5.7	5.5	5.5	5.5

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	654.637	671.540	670.104	686.562	693.361	703.231	710.055	716.693
% Ch, Annual Rate	5.5	10.7	-0.9	10.2	4.0	5.8	3.9	3.8
Total Wage and Salary Disbursements	350.409	364.333	360.332	373.743	373.045	376.948	380.697	384.629
% Ch, Annual Rate	3.0	16.9	-4.3	15.7	-0.7	4.3	4.0	4.2
Manufacturing	26.301	26.831	26.891	26.440	26.166	26.731	27.170	27.542
% Ch, Annual Rate	-7.0	8.3	0.9	-6.5	-4.1	8.9	6.7	5.6
Durable Manufacturing	20.320	20.790	20.897	20.369	20.041	20.457	20.830	21.118
% Ch, Annual Rate	-10.1	9.6	2.1	-9.7	-6.3	8.6	7.5	5.6
Nondurable Manufacturing	5.980	6.041	5.994	6.071	6.126	6.273	6.340	6.424
% Ch, Annual Rate	4.6	4.1	-3.0	5.2	3.6	10.0	4.3	5.4
Nonmanufacturing	314.728	327.995	323.827	337.565	337.077	340.346	343.611	347.178
% Ch, Annual Rate	3.8	18.0	-5.0	18.1	-0.6	3.9	3.9	4.2
Other Private Wages	1.580	1.591	1.593	1.651	1.650	1.672	1.690	1.708
% Ch, Annual Rate	22.2	2.7	0.5	15.5	-0.3	5.3	4.5	4.1
Farm Wages	3.328	3.400	3.438	3.477	3.481	3.521	3.555	3.588
% Ch, Annual Rate	7.6	9.0	4.5	4.5	0.5	4.6	4.0	3.8
Military Wages	4.471	4.516	4.582	4.610	4.669	4.679	4.670	4.614
% Ch, Annual Rate	-1.2	4.1	5.9	2.5	5.2	0.8	-0.8	-4.7
Nonwage Personal Income	304.228	307.206	309.772	312.820	320.317	326.283	329.358	332.064
% Ch, Annual Rate	8.5	4.0	3.4	4.0	9.9	7.7	3.8	3.3
Supplements to Wages and Salaries	70.700	72.216	72.609	73.444	74.620	75.491	76.410	77.095
% Ch, Annual Rate	3.9	8.9	2.2	4.7	6.6	4.8	5.0	3.6
Proprietor's Income	42.656	43.291	43.571	43.999	44.757	46.355	46.703	47.234
% Ch, Annual Rate	4.7	6.1	2.6	4.0	7.1	15.1	3.0	4.6
Farm	-1.417	-1.147	-1.113	-1.034	-0.693	0.016	-0.131	0.105
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	44.073	44.439	44.685	45.034	45.450	46.339	46.834	47.129
% Ch, Annual Rate	4.5	3.4	2.2	3.2	3.8	8.0	4.3	2.5
Less: Contribution For Govt. Soc. Ins.	54.801	55.748	55.663	56.202	57.134	57.553	57.869	58.220
% Ch, Annual Rate	2.4	7.1	-0.6	3.9	6.8	3.0	2.2	2.4
Plus: Residence Adjustment	6.657	6.747	6.771	6.844	6.939	7.052	7.133	7.208
% Ch, Annual Rate	9.3	5.5	1.5	4.4	5.7	6.7	4.6	4.3
Dividends/Int./Rent	142.066	142.591	142.328	143.347	145.463	145.802	147.746	148.190
% Ch, Annual Rate	4.3	1.5	-0.7	2.9	6.0	0.9	5.4	1.2
Transfer Payments	96.951	98.109	100.155	101.387	105.671	109.135	109.236	110.557
% Ch, Annual Rate	16.8	4.9	8.6	5.0	18.0	13.8	0.4	4.9
State U.I. Benefits	1.767	1.806	1.776	1.673	1.405	1.159	1.295	1.345
% Ch, Annual Rate	23.1	9.2	-6.6	-21.2	-50.3	-53.8	56.1	16.2
Other Transfers	95.183	96.303	98.379	99.714	104.266	107.977	107.941	109.212
% Ch, Annual Rate	16.7	4.8	8.9	5.5	19.5	15.0	-0.1	4.8

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	726.886	736.603	745.284	755.095	766.501	776.620	786.519	796.610
% Ch, Annual Rate	5.8	5.5	4.8	5.4	6.2	5.4	5.2	5.2
Total Wage and Salary Disbursements	389.260	393.118	396.794	401.199	406.006	410.910	415.770	420.852
% Ch, Annual Rate	4.9	4.0	3.8	4.5	4.9	4.9	4.8	5.0
Manufacturing	27.876	28.132	28.345	28.632	28.968	29.323	29.665	30.002
% Ch, Annual Rate	4.9	3.7	3.1	4.1	4.8	5.0	4.7	4.6
Durable Manufacturing	21.384	21.595	21.775	22.016	22.285	22.573	22.853	23.132
% Ch, Annual Rate	5.1	4.0	3.4	4.5	5.0	5.3	5.1	5.0
Nondurable Manufacturing	6.492	6.536	6.571	6.617	6.683	6.751	6.812	6.870
% Ch, Annual Rate	4.3	2.8	2.1	2.8	4.1	4.1	3.7	3.5
Nonmanufacturing	351.357	354.877	358.256	362.289	366.637	371.082	375.496	380.146
% Ch, Annual Rate	4.9	4.1	3.9	4.6	4.9	4.9	4.8	5.0
Other Private Wages	1.727	1.742	1.755	1.774	1.796	1.818	1.840	1.863
% Ch, Annual Rate	4.6	3.4	3.2	4.4	5.0	5.1	4.9	5.0
Farm Wages	3.625	3.654	3.682	3.718	3.759	3.801	3.842	3.884
% Ch, Annual Rate	4.1	3.3	3.1	4.0	4.5	4.5	4.4	4.5
Military Wages	4.675	4.713	4.755	4.784	4.846	4.885	4.927	4.957
% Ch, Annual Rate	5.4	3.3	3.6	2.5	5.2	3.3	3.5	2.4
Nonwage Personal Income	337.627	343.485	348.490	353.896	360.495	365.710	370.748	375.759
% Ch, Annual Rate	6.9	7.1	6.0	6.4	7.7	5.9	5.6	5.5
Supplements to Wages and Salaries	78.075	78.832	79.584	80.406	81.393	82.337	83.152	84.091
% Ch, Annual Rate	5.2	3.9	3.9	4.2	5.0	4.7	4.0	4.6
Proprietor's Income	48.458	49.815	50.881	51.757	52.269	52.659	52.988	53.617
% Ch, Annual Rate	10.8	11.7	8.8	7.1	4.0	3.0	2.5	4.8
Farm	0.316	0.525	0.722	0.897	1.045	1.188	1.308	1.406
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	48.142	49.290	50.159	50.860	51.224	51.471	51.680	52.211
% Ch, Annual Rate	8.9	9.9	7.2	5.7	2.9	1.9	1.6	4.2
Less: Contribution For Govt. Soc. Ins.	58.957	59.336	59.708	60.025	60.596	61.084	61.385	61.989
% Ch, Annual Rate	5.2	2.6	2.5	2.1	3.9	3.3	2.0	4.0
Plus: Residence Adjustment	7.289	7.350	7.409	7.493	7.582	7.672	7.760	7.846
% Ch, Annual Rate	4.6	3.4	3.3	4.6	4.8	4.8	4.7	4.5
Dividends/Int./Rent	149.781	152.585	154.888	157.480	160.630	163.603	166.438	169.071
% Ch, Annual Rate	4.4	7.7	6.2	6.9	8.2	7.6	7.1	6.5
Transfer Payments	112.980	114.239	115.435	116.785	119.218	120.522	121.796	123.122
% Ch, Annual Rate	9.1	4.5	4.3	4.8	8.6	4.4	4.3	4.4
State U.I. Benefits	1.378	1.396	1.412	1.447	1.473	1.471	1.480	1.472
% Ch, Annual Rate	10.3	5.4	4.6	10.2	7.5	-0.5	2.3	-2.1
Other Transfers	111.602	112.843	114.023	115.339	117.744	119.051	120.316	121.651
% Ch, Annual Rate	9.0	4.5	4.2	4.7	8.6	4.5	4.3	4.5

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	808.399	819.443	829.880	840.364	851.333	862.027	872.685	883.303
% Ch, Annual Rate	6.1	5.6	5.2	5.2	5.3	5.1	5.0	5.0
Total Wage and Salary Disbursements	426.747	432.635	437.982	443.326	448.677	454.242	459.881	465.404
% Ch, Annual Rate	5.7	5.6	5.0	5.0	4.9	5.1	5.1	4.9
Manufacturing	30.366	30.754	31.093	31.412	31.713	32.024	32.341	32.638
% Ch, Annual Rate	4.9	5.2	4.5	4.2	3.9	4.0	4.0	3.7
Durable Manufacturing	23.423	23.733	24.004	24.259	24.496	24.737	24.980	25.203
% Ch, Annual Rate	5.1	5.4	4.6	4.3	4.0	4.0	4.0	3.6
Nondurable Manufacturing	6.943	7.021	7.089	7.153	7.217	7.287	7.362	7.435
% Ch, Annual Rate	4.3	4.6	3.9	3.6	3.6	3.9	4.2	4.0
Nonmanufacturing	385.540	390.925	395.823	400.750	405.669	410.811	416.016	421.141
% Ch, Annual Rate	5.8	5.7	5.1	5.1	5.0	5.2	5.2	5.0
Other Private Wages	1.889	1.915	1.938	1.961	1.984	2.009	2.033	2.057
% Ch, Annual Rate	5.8	5.7	4.9	4.8	4.8	5.0	5.0	4.8
Farm Wages	3.933	3.982	4.025	4.069	4.114	4.160	4.207	4.253
% Ch, Annual Rate	5.1	5.0	4.5	4.4	4.4	4.6	4.6	4.5
Military Wages	5.019	5.059	5.103	5.133	5.197	5.238	5.283	5.315
% Ch, Annual Rate	5.1	3.2	3.5	2.4	5.0	3.2	3.5	2.5
Nonwage Personal Income	381.652	386.808	391.897	397.038	402.656	407.785	412.804	417.900
% Ch, Annual Rate	6.4	5.5	5.4	5.4	5.8	5.2	5.0	5.0
Supplements to Wages and Salaries	85.275	86.230	87.027	87.799	88.723	89.567	90.457	91.351
% Ch, Annual Rate	5.8	4.6	3.7	3.6	4.3	3.9	4.0	4.0
Proprietor's Income	54.203	54.626	55.231	55.936	56.605	57.317	57.889	58.588
% Ch, Annual Rate	4.4	3.2	4.5	5.2	4.9	5.1	4.1	4.9
Farm	1.487	1.558	1.620	1.673	1.720	1.760	1.794	1.825
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	52.716	53.069	53.612	54.263	54.885	55.557	56.095	56.763
% Ch, Annual Rate	3.9	2.7	4.2	4.9	4.7	5.0	3.9	4.9
Less: Contribution For Govt. Soc. Ins.	63.043	63.774	64.434	65.095	66.066	66.766	67.474	68.165
% Ch, Annual Rate	7.0	4.7	4.2	4.2	6.1	4.3	4.3	4.2
Plus: Residence Adjustment	7.944	8.046	8.141	8.236	8.331	8.433	8.536	8.638
% Ch, Annual Rate	5.1	5.3	4.8	4.8	4.7	5.0	5.0	4.9
Dividends/Int./Rent	171.807	174.666	177.392	180.074	182.533	185.163	187.821	190.382
% Ch, Annual Rate	6.6	6.8	6.4	6.2	5.6	5.9	5.9	5.6
Transfer Payments	125.466	127.014	128.540	130.088	132.530	134.071	135.575	137.105
% Ch, Annual Rate	7.8	5.0	4.9	4.9	7.7	4.7	4.6	4.6
State U.I. Benefits	1.447	1.445	1.458	1.469	1.505	1.547	1.594	1.643
% Ch, Annual Rate	-6.7	-0.5	3.7	3.2	10.0	11.8	12.5	13.0
Other Transfers	124.019	125.569	127.082	128.618	131.025	132.524	133.981	135.461
% Ch, Annual Rate	8.0	5.1	4.9	4.9	7.7	4.7	4.5	4.5



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	2.589	1.3	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	127.2	3.0	3.228	2.9	3.620	2.4
2026	130.6	2.7	3.316	2.7	3.723	2.8
2027	133.0	1.8	3.385	2.1	3.802	2.1
2028	135.3	1.7	3.454	2.0	3.880	2.0
2029	137.7	1.8	3.524	2.0	3.958	2.0

\* 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	146.8	-7.5	138.8	-5.3
Forecast								
2025	132.5	3.6	130.7	2.9	132.9	-9.4	124.5	-10.3
2026	136.7	3.2	133.7	2.3	130.4	-1.9	121.8	-2.2
2027	140.5	2.8	135.6	1.4	133.0	1.9	124.5	2.2
2028	144.2	2.6	137.8	1.6	134.3	1.0	127.0	2.0
2029	147.9	2.6	140.1	1.7	134.9	0.4	128.7	1.3

Table A5.1

**Washington Resident Population and Components of Change\***  
 (Thousands)

	<b>Population</b>	<b>Change</b>	<b>Percent Change</b>	<b>Births</b>	<b>Deaths</b>	<b>Net Migration</b>
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
2024	8035.7	84.6	1.1	81.7	66.4	69.3
<b>Forecast</b>						
2025	8116.0	80.3	1.0	83.1	69.3	66.5
2026	8193.4	77.4	1.0	83.7	70.1	63.8
2027	8268.3	74.9	0.9	84.3	71.0	61.5
2028	8340.5	72.2	0.9	84.9	71.9	59.3
2029	8411.3	70.8	0.9	85.4	73.0	58.4

\* As of April 1 of Each Year

Source: Office of Financial Management, November 2024 Forecast

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

	<b>2020</b>	<b>2021</b>	<b>Actual 2022</b>	<b>2023</b>	<b>2024</b>		<b>2025</b>	<b>2026</b>	<b>Forecast 2027</b>	<b>2028</b>	<b>2029</b>
Total Population	7706.3	7767.0	7864.4	7951.2	8035.7		8116.0	8193.4	8268.3	8340.5	8411.3
Percent Change	1.6	0.8	1.3	1.1	1.1		1.0	1.0	0.9	0.9	0.8
Age 17 and Under	1680.2	1680.0	1691.0	1695.4	1694.4		1692.9	1689.8	1685.7	1681.1	1676.5
Percent of Total	21.8	21.6	21.5	21.3	21.1		20.9	20.6	20.4	20.2	19.9
Age 6-18	1246.2	1250.7	1263.2	1271.3	1276.7		1280.0	1281.5	1276.8	1272.8	1266.0
Percent of Total	16.2	16.1	16.1	16.0	15.9		15.8	15.6	15.4	15.3	15.1
Age 18 and Over	6026.1	6087.0	6173.4	6255.7	6341.3		6423.1	6503.6	6582.6	6659.5	6734.8
Percent of Total	78.2	78.4	78.5	78.7	78.9		79.1	79.4	79.6	79.8	80.1
Age 21 and Over	5733.3	5798.2	5885.3	5964.2	6043.3		6119.0	6194.3	6269.3	6343.7	6417.8
Percent of Total	74.4	74.7	74.8	75.0	75.2		75.4	75.6	75.8	76.1	76.3
Age 20-34	1629.0	1627.4	1637.8	1641.5	1644.1		1646.1	1648.0	1650.5	1654.3	1660.3
Percent of Total	21.1	21.0	20.8	20.6	20.5		20.3	20.1	20.0	19.8	19.7
Age 18-64	4773.8	4787.9	4829.0	4864.4	4900.4		4936.1	4972.2	5008.3	5043.9	5079.4
Percent of Total	61.9	61.6	61.4	61.2	61.0		60.8	60.7	60.6	60.5	60.4
Age 65 and Over	1252.3	1299.1	1344.5	1391.3	1440.9		1486.9	1531.4	1574.3	1615.6	1655.4
Percent of Total	16.2	16.7	17.1	17.5	17.9		18.3	18.7	19.0	19.4	19.7

\* 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	May 2025	–
U.S. Real GDP Growth	1st quarter 2025	–
U.S. ISM Index	June 2025	+
U.S. Employment YOY%Δ	June 2025	–
U.S. Unemployment Rate	June 2025	–
U.S. Consumer Confidence	June 2025	+
U.S. Consumer Sentiment	June 2025	+
U.S. CPI YOY%Δ	May 2025	+
U.S. Home Prices YOY%Δ	April 2025	–
S&P 500 Index	June 2025	+
WA Leading Index	May 2025	–
WA Employment YOY%Δ	June 2025	+
WA Aerospace Empl. YOY%Δ	June 2025	=
WA Unemployment Rate	May 2025	+
WA Help Wanted Index	May 2025	–
WA Business Cycle Indicator	May 2025	–
WA Initial Unemploy. Claims	May 2025	+
WA Housing Permits	May 2025	–
WA Weekly Hours in Mfg.	May 2025	+
WA New Vehicle Registration	June 2025	–
WA In-Migration	January 2025	–
WA Exports-Total YOY%Δ	1st quarter 2025	+
WA Exports- w/o Trans. Equip. YOY%Δ	1st quarter 2025	+
Seattle CPI YOY%Δ	April 2025	–
Seattle Home Prices YOY%Δ	April 2025	–
WA Construction Activity Index	May 2025	–

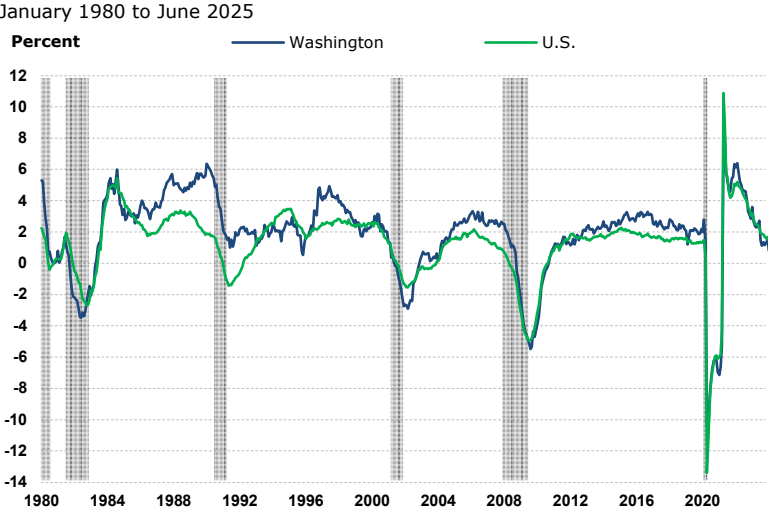
\*Change from the previous reading

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	63.8	107.0	128.7	48.2
2016:02	119.7	99.2	65.6	108.6	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	72.1	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	119.4	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	107.9	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	116.8	128.2	58.7
2018:06	128.6	110.0	78.5	119.0	128.0	60.2
2018:07	128.4	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	111.5	77.2	120.3	133.3	59.3
2018:12	129.6	112.3	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	112.4	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	112.9	79.3	121.9	150.3	52.1
2019:06	132.1	111.6	80.7	121.7	149.9	51.7
2019:07	132.8	112.0	80.5	123.6	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	125.6	148.1	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	103.8	97.5	97.5	41.5
2020:05	118.3	99.8	46.2	114.8	119.8	43.1
2020:06	122.5	102.8	57.8	115.6	136.5	52.6
2020:07	124.7	104.9	64.8	118.5	139.8	54.2
2020:08	126.1	106.5	66.4	119.4	134.3	56.0
2020:09	126.0	107.5	71.7	121.7	133.8	55.4
2020:10	127.3	108.2	73.1	121.1	137.7	59.3
2020:11	128.6	109.2	74.7	122.3	135.6	57.5
2020:12	131.1	109.6	77.8	127.2	136.0	60.7
2021:01	131.6	110.1	78.3	125.7	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	87.3	125.6	175.3	60.7
2021:05	135.5	114.6	87.9	125.3	176.0	61.2
2021:06	138.8	116.2	88.6	124.4	189.5	60.6
2021:07	141.2	116.6	92.0	126.7	206.7	59.5
2021:08	140.6	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	128.5	193.3	60.8
2021:11	142.6	118.8	95.1	129.9	198.7	61.1
2021:12	142.1	119.3	97.0	129.5	198.7	58.7
2022:01	141.9	118.5	97.2	126.4	198.4	57.6
2022:02	144.3	119.4	102.7	129.8	204.5	58.6
2022:03	145.1	119.3	104.2	129.9	215.1	57.0
2022:04	144.3	118.7	103.3	127.0	206.9	55.9
2022:05	143.8	117.9	103.3	128.7	204.3	56.1
2022:06	141.5	115.3	100.6	129.7	194.1	53.1
2022:07	140.7	114.4	100.1	128.2	203.9	52.7
2022:08	139.5	114.1	95.9	127.0	182.4	52.9
2022:09	139.6	113.5	94.5	125.8	194.5	51.0
2022:10	138.3	112.5	95.9	125.0	187.6	50.0
2022:11	137.8	111.5	93.5	123.0	189.8	49.0
2022:12	138.2	110.7	93.4	123.2	199.9	48.4
2023:01	140.1	110.2	91.4	121.3	197.4	47.4
2023:02	140.1	109.7	90.5	124.8	200.7	47.7
2023:03	139.4	108.4	91.3	122.5	201.9	46.5
2023:04	139.1	107.5	91.9	121.8	203.3	47.0
2023:05	139.7	106.9	93.8	124.4	206.9	46.6
2023:06	139.1	106.2	95.9	123.2	208.2	46.4
2023:07	138.3	105.9	95.7	120.5	208.2	46.5
2023:08	138.5	105.5	96.8	123.0	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	120.4	214.5	46.9
2023:11	137.5	103.3	95.0	118.7	214.5	46.6
2023:12	138.5	103.1	96.3	120.1	220.3	47.1
2024:01	138.4	102.5	94.9	119.3	211.5	49.1
2024:02	138.7	102.7	96.1	120.7	212.3	47.8
2024:03	139.3	102.4	96.4	123.7	219.4	50.3
2024:04	139.0	101.7	97.0	121.2	218.8	49.2
2024:05	138.5	101.3	96.5	121.5	213.3	48.7
2024:06	137.9	100.9	95.9	119.7	210.1	48.3
2024:07	137.8	102.4	97.0	119.7	208.7	47.0
2024:08	138.2	102.1	97.3	121.4	208.5	47.5
2024:09	137.9	101.7	99.1	121.6	206.7	47.5
2024:10	133.2	101.4	93.3	121.6	202.4	46.9
2024:11	136.3	101.7	97.8	119.9	201.3	48.4
2024:12	137.7	101.6	98.8	123.3	203.9	49.2
2025:01	137.9	101.4	100.6	122.7	202.9	50.9
2025:02	136.3	101.2	95.5	118.8	201.7	50.3
2025:03	137.4	100.5	98.7	121.0	199.5	49.0
2025:04	137.3	99.1	98.7	122.0	197.4	48.7
2025:05	137.2	99.0	96.4	120.4	195.4	48.5

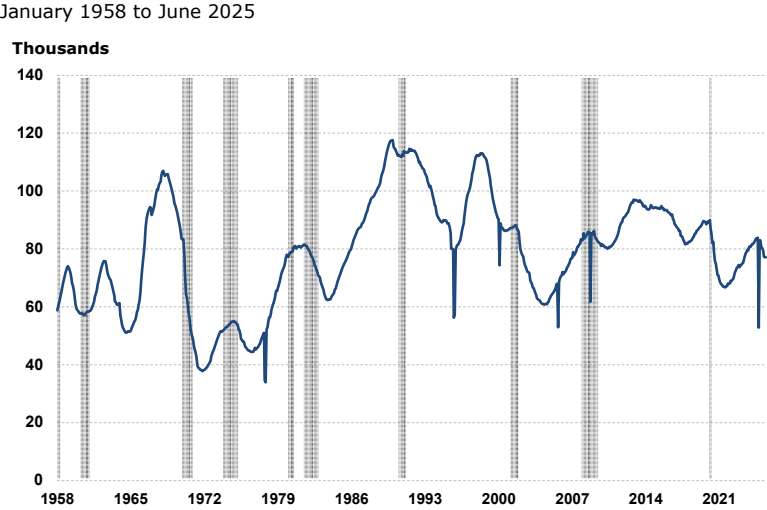
Figure A7.1: Washington State Economic Indicators

Year-over-Year Employment Growth



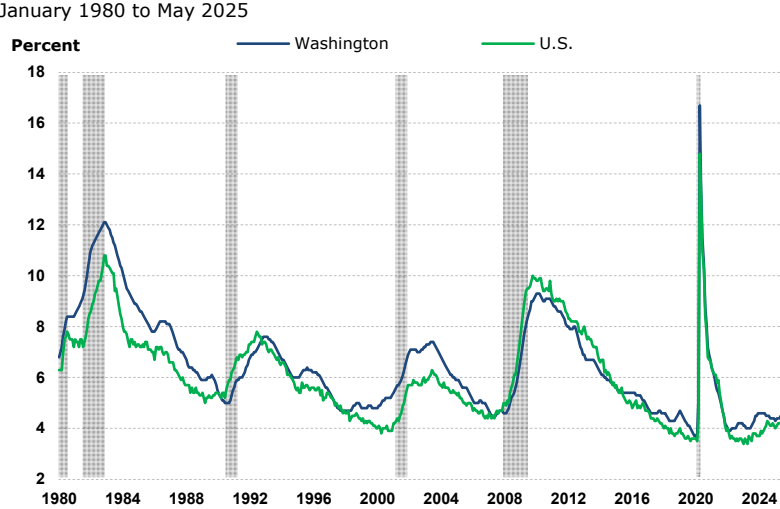
\* Bureau of Labor Statistics, WA State Employment Security, ERFC Kalman Filtered Data

Washington Aircraft and Parts Employment



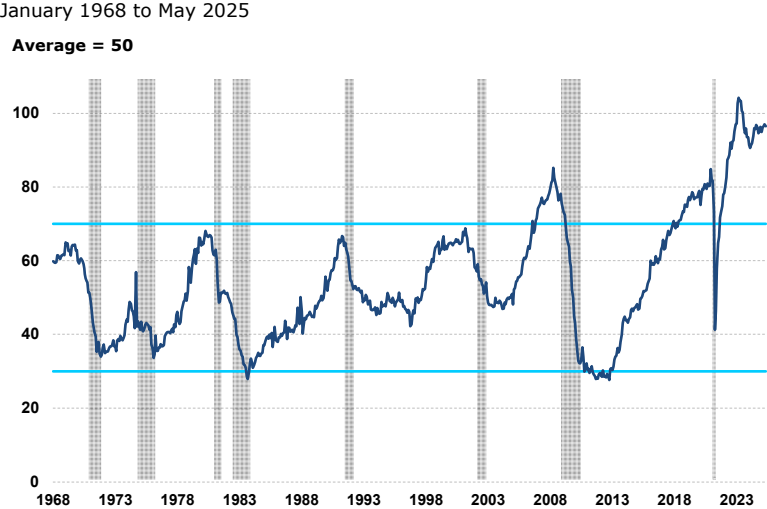
\* Source: Bureau of Labor Statistics, ERFC

Unemployment Rate, S.A.



\* Source: Bureau of Labor Statistics

Washington Business Cycle Indicator



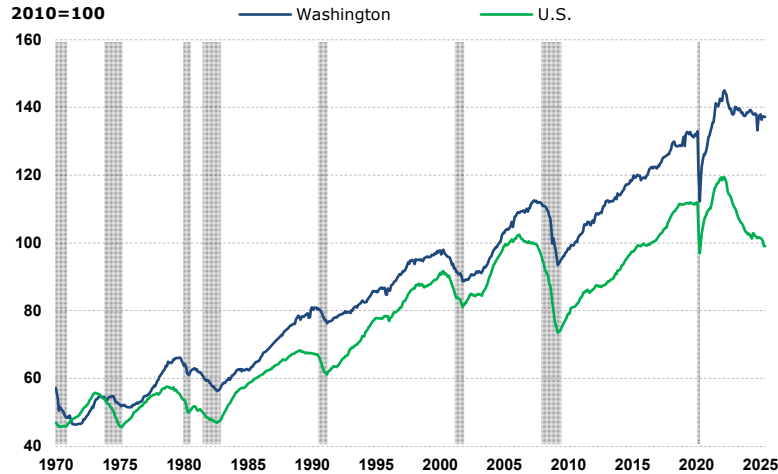
\* Source: ERFC

\* Shaded areas correspond with national recessions.  
Appendix

Figure A7.2: Washington State Leading Indicators

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

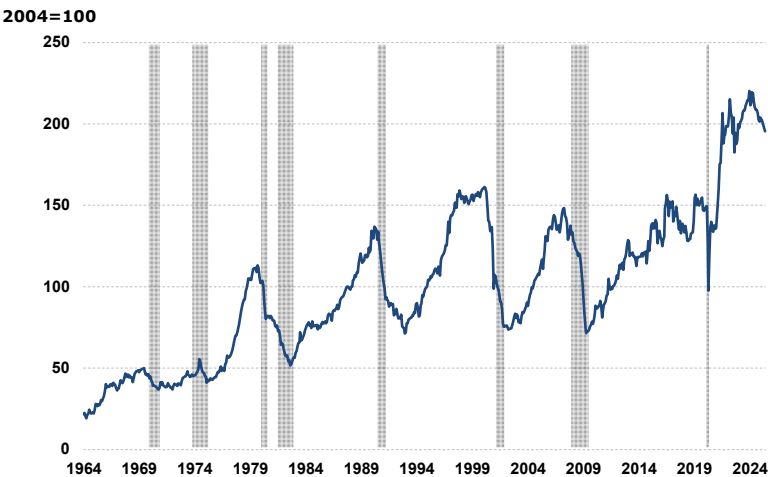
January 1970 to May 2025



\* The Conference Board, ERFC

**Washington State Help Wanted Index**

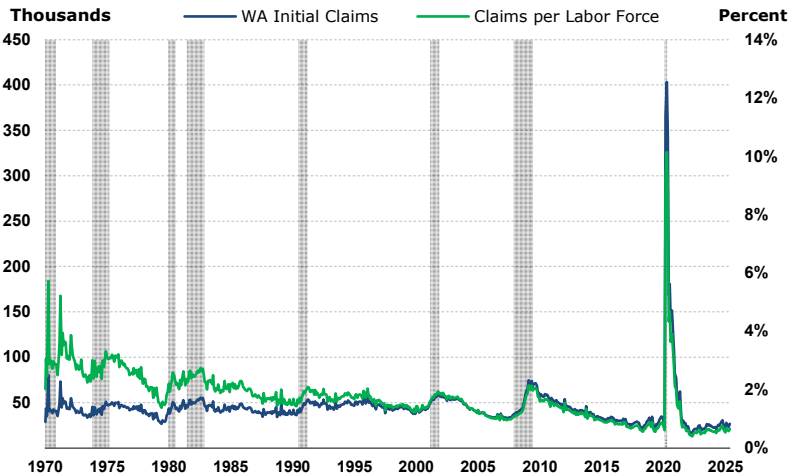
January 1964 to May 2025



\* Source: The Conference Board, ERFC

**Washington Initial Claims for Unemployment Insurance**

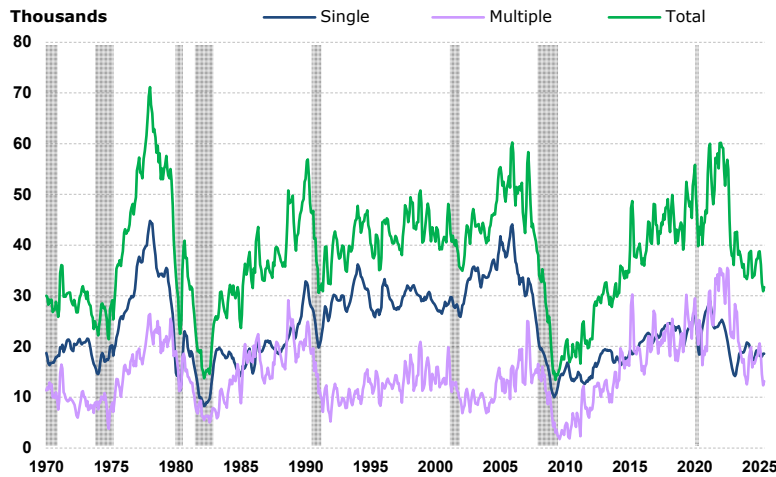
January 1970 to May 2025, S.A.



\* Source: WA State Employment Security, ERFC

**Housing Units Authorized in Washington State**

January 1970 to May 2025, 3mma, SAAR



\* Source: Census Bureau, ERFC

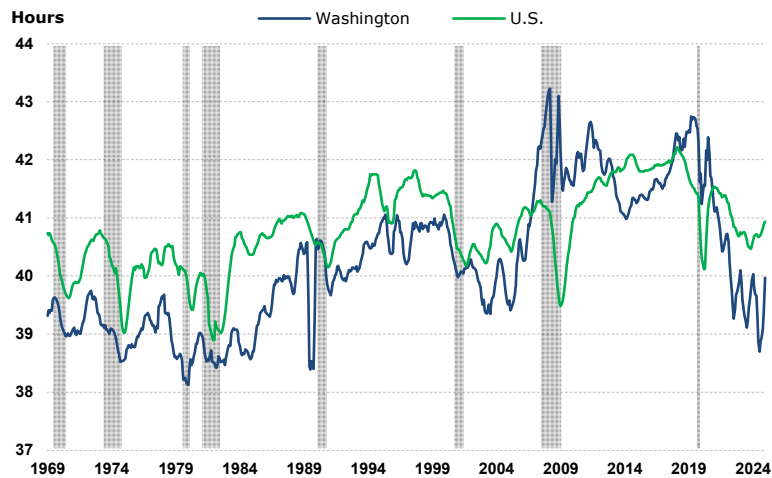
\* Shaded areas correspond with national recessions.  
Appendix



Figure A7.3: Other State Economic Indicators

Average Weekly Hours in Manufacturing

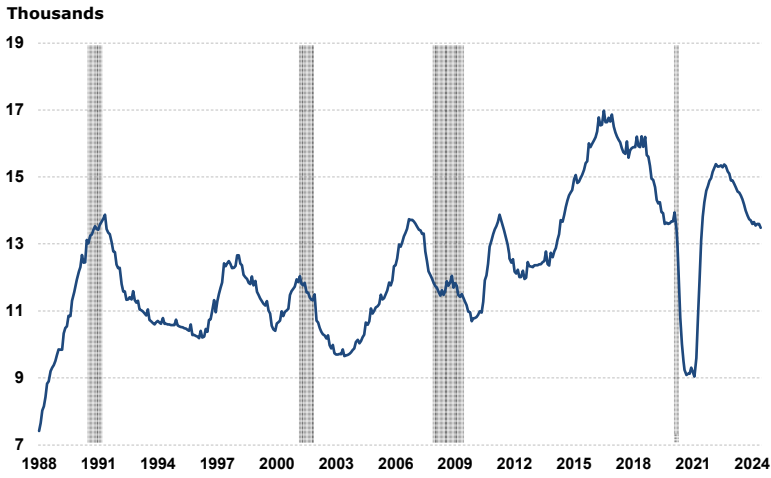
June 1969 to May 2025, 6-Month Moving Average, S.A.



\* Bureau of Labor Statistics, ERFC

Washington Driver's License In-Migration

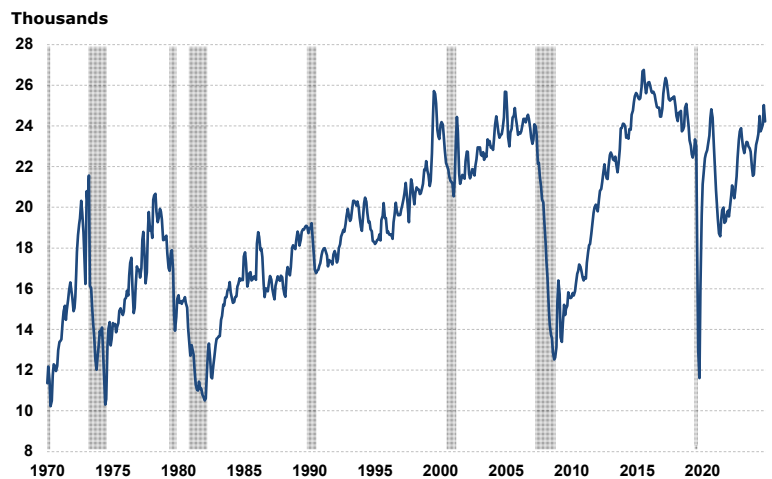
November 1989 to January 2025, 12-Month Moving Average



\* Source: WA State Department of Licensing, ERFC

New Car and Truck Registrations in Washington

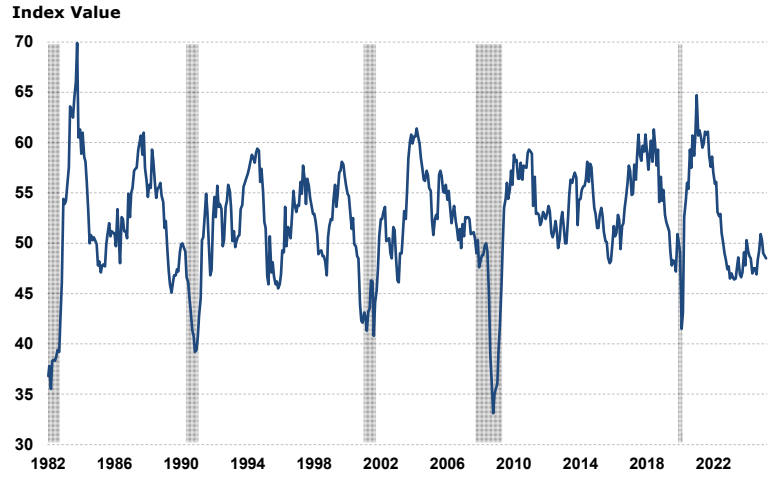
September 1970 to June 2025, 3-Month Moving Average, S.A.



\* 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.



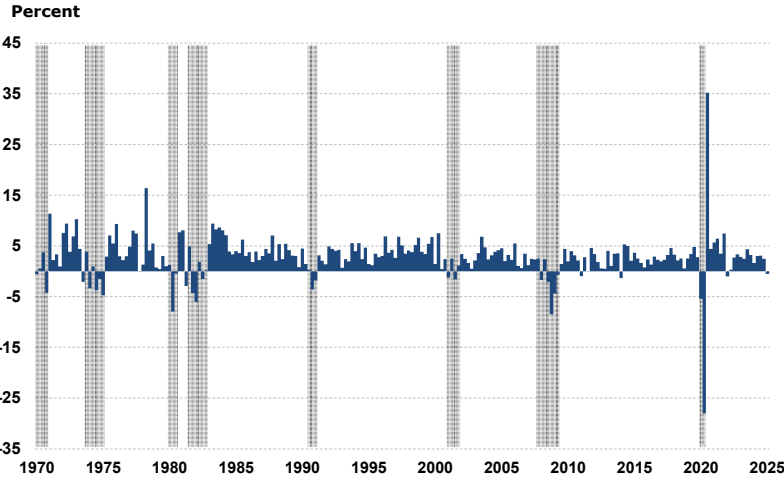
\* Source: Institute for Supply Management, ISM-WW, ERFC

\* Shaded areas correspond with national recessions.  
Appendix

Figure A7.4: Other Economic Indicators

Quarterly U.S. Real GDP Growth

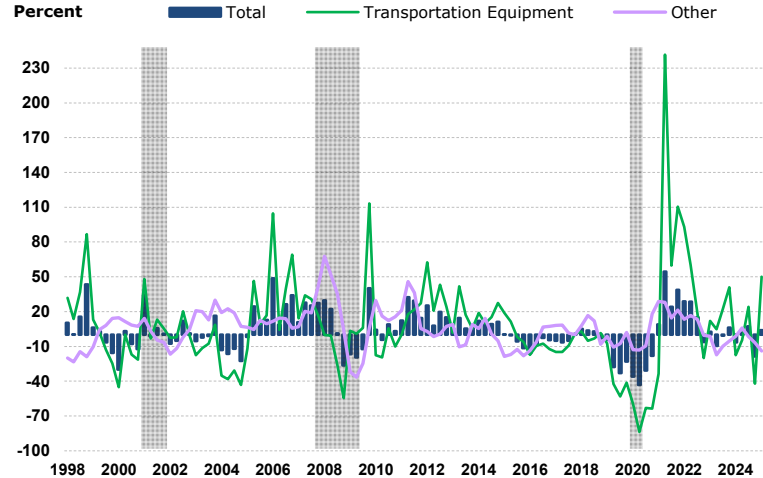
1970Q1 to 2025Q1, SAAR



\* Source: Bureau of Economic Analysis

Washington State Export Composition

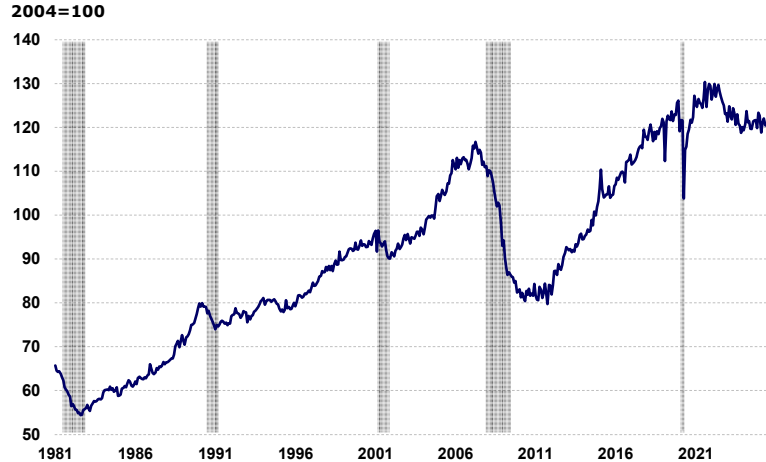
1998Q1 to 2025Q1, Year-over-year percent change



\* Source: US Census

Washington State Construction Index

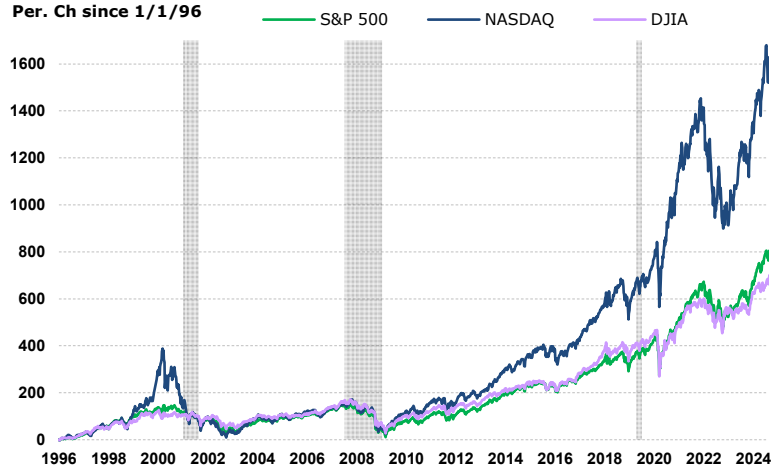
January 1981 to May 2025, 12mma



\* Source: ERFC

National Stock Indexes

January 1, 1996 to July 3, 2025



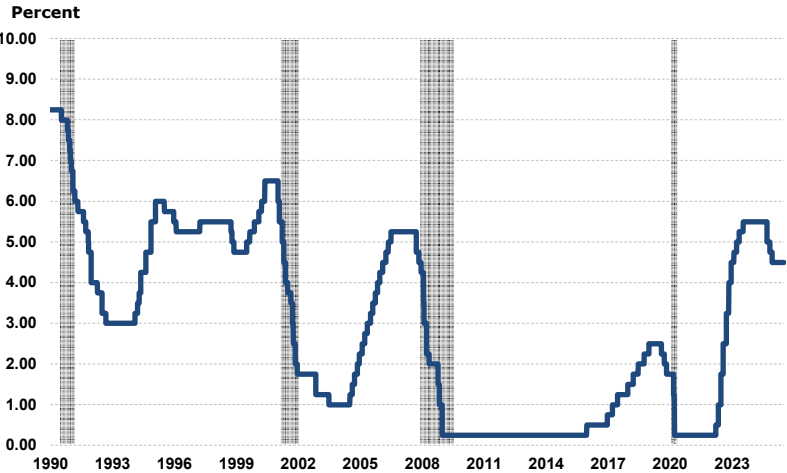
\* Source: ERFC

\* Shaded areas correspond with national recessions.  
Appendix

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

Federal Funds Target Rate

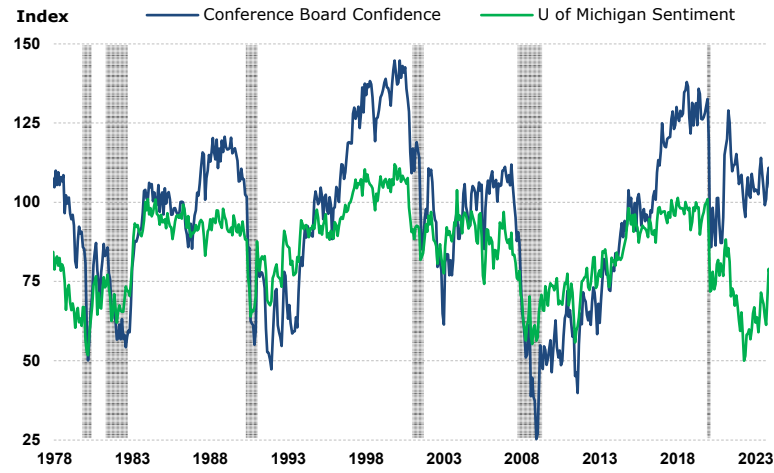
January 1, 1990 to July 8, 2025



\* Federal Reserve

Consumer Confidence

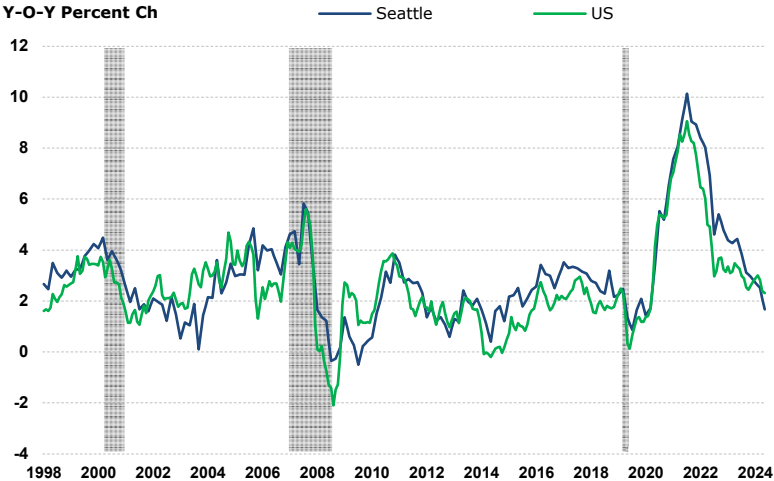
March 1978 to June 2025



\* Source: The Conference Board, University of Michigan

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

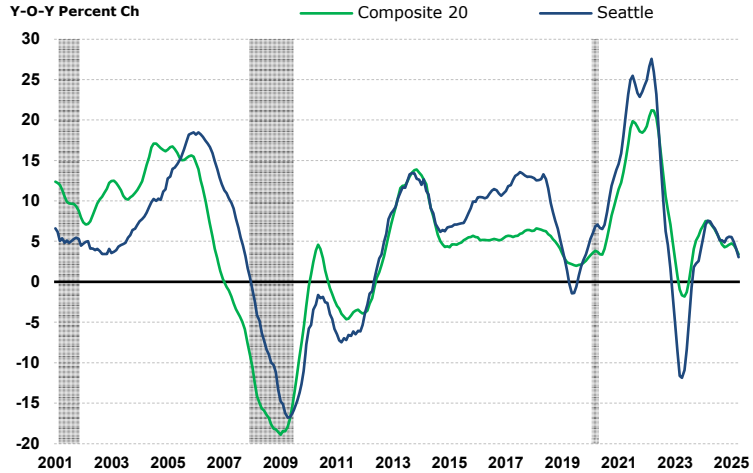
December 1998 to April 2025



\* Source: Bureau of Labor Statistics

Case Shiller Home Price Index

January 2001 to April 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.