

**EMBARGOED**

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Revenue Review

September 23, 2025



WASHINGTON STATE  
ECONOMIC AND REVENUE FORECAST COUNCIL

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WASHINGTON STATE  
**ECONOMIC AND REVENUE FORECAST COUNCIL**

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## AGENDA

### **REVENUE REVIEW**

September 23, 2025  
1:00 p.m.

- Call to order
- Approval of meeting minutes from September 9, 2025
  - *Motion expected*
- Economic & Revenue Forecast
  - Adoption of official state economic and revenue forecast and unofficial optimistic and pessimistic alternative forecasts
  - *Motion expected*
- Adjournment

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STATE OF WASHINGTON  
ECONOMIC AND REVENUE FORECAST COUNCIL  
PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Economic Review**  
September 9, 2025  
Zoom Webinar

**Economic and Revenue Forecast Council**

*Staff*

Dave Reich, Executive Director

June Robinson, Senate, Chair  
April Berg, House of Representatives  
Travis Couture, House of Representatives  
Timm Ormsby, House of Representatives  
Ed Orcutt, House of Representatives  
Yasmin Trudeau, Senate  
Mike Pellicciotti, Treasurer  
Katherine Chapman-See, Office of Financial  
Management  
Drew Shirk, Department of Revenue

**Call to Order**

Senator Robinson called the meeting to order at 1:01 p.m.

**Approval of the Minutes**

Representative Ormsby moved, seconded by Representative Couture, to adopt the meeting minutes from June 24, 2025. Motion passed at 1:01 p.m.

**Economic Forecast Presentation**

Dr. Reich presented information on the preliminary economic forecast. Dr. Reich summarized the forecast changes and provided background information on both the U.S. and Washington economies.

**Bylaws Presentation**

Dr. Reich gave an overview of the draft bylaws. Several requests from the council were made. Rep Orcutt asked that the bylaws state an election will be held to elect the chair from among the caucus members next within the rotation. An election will also be held for the vice-chair from among the caucus members next within the rotation.

Representative Berg asked caucus one and caucus two, be more clearly stated. Rep. Orcutt suggested the names be changed to Republican and Democrat as they are the current governing caucuses. Should that change in the future, the bylaws will be updated.

Director Chapman-See asked that it be clearly stated within the bylaws if something is required by RCW.

**Adjournment**

With no further business, the meeting adjourned at 1:44 p.m.

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**Economic & Revenue Forecast Council  
State of Washington**



**Revenue Review: September 23, 2025**

**Executive Summary**

**United States**

- This forecast is based on a modified version of S&P Global Market Intelligence's September 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 1.7% in 2025 and 1.5% in 2026. The June forecast assumed 1.4% 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, unchanged from the previous forecast.
- Our oil price forecast reflects the futures markets for the Brent (North Sea) oil price and West Texas Intermediate (WTI) benchmarks. This forecast was based on the Wednesday, September 10, 2025 closing prices for Brent and WTI futures. Oil prices are slightly higher compared to the June forecast. The latest futures prices indicate that the refiner acquisition price of crude oil will average \$65 per barrel in the third quarter of 2025, up from \$63 per barrel in the previous forecast. Oil prices are expected to decline over the forecast period, reaching a trough of \$62 in the first quarter of 2027 before increasing somewhat. By the fourth quarter of 2029 the refiner acquisition price of crude is expected to average \$64 per barrel, compared with \$62 in the June forecast.
- National employment in August increased by 22,000 net jobs and employment levels for June and July were revised down due to additional data and updated seasonal factors by a combined 21,000 jobs. Sectors with the largest job gains in August included healthcare (+30,600), social assistance (+16,200), and leisure and hospitality (+28,000). Sectors with declining employment in August included federal employment (-15,000), administrative and support services (-13,700), professional and business services (-17,000) and manufacturing (-12,000).
- Two key measures of consumer confidence decreased in August. The University of Michigan (UM) consumer sentiment survey decreased by 3.5 points to 58.2 after increasing by 1.0 point in July. The Conference Board index of consumer confidence decreased by 1.3 points in August to 97.4. Survey results indicated less optimistic views of the current situation and increased pessimism about future employment prospects and income. This was partially offset by stronger expectations of future business conditions.

- Consumer prices increased 0.4% (SA) in August following a 0.2% increase in July. Compared to August 2024, prices are up 2.9%. Core prices, which exclude food and energy, rose by 3.1% compared to August 2024.
- Initial claims for unemployment insurance decreased by 33,000 to 231,000 (SA) in the week ending September 13th. The four-week moving average of initial claims was 240,000, down 750 from the prior week.
- Industrial production increased by 0.1% in August following a 0.4% decrease in July. Industrial production was up 0.9% compared with its August 2024 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 1.1% (SA) in July following a 0.6% decrease in June according to U.S. Census Bureau data. New orders for core capital goods were 2.3% above their July 2024 level.
- Residential construction activity was down in August compared with July, and new and existing home sales were mixed in July compared with June. August housing starts decreased by 8.5% (SA) compared to July and were 6.0% below their August 2024 level. Housing units authorized by building permits in August were 3.7% (SA) below their July level and 11.1% below their year-ago level. New home sales in July decreased by 0.6% (SA) compared to June and were 8.2% below their year-ago level. Existing home sales in July increased by 2.0% (SA) compared to June and increased 0.8% compared to July 2024. The seasonally adjusted Case-Shiller national home price index for June was 0.3% below its May level but was 1.9% above its year-ago level.
- The major risks to the U.S. and Washington economies continue to be the impacts of trade policy and changes to federal government spending, employment and services, along with high interest rates and geopolitical conflict.

## Washington

- We have three months of new Washington employment data since the June forecast was released. Total seasonally adjusted nonfarm payroll employment increased 3,700 in June, July, and August which was 600 more than the increase of 3,100 expected in the forecast. The construction sector declined by 1,400 jobs while manufacturing employment increased by 2,100 in the three-month period. Health services and social assistance had the largest increase in the private service sector with a gain of 3,600 jobs while the largest decline in was in administration and support services with a loss of 3,900 jobs. Government employment increased by 2,000 due to a 9,100 job gain in local government education. Federal, state, and other local government all declined in the three month period.
- The September forecast calls for a 0.3% increase in Washington employment this year, down from 0.5% in the June forecast. We expect growth to slow further in 2026 at 0.2% compared to 0.4% growth expected in the previous forecast. The September forecast has employment growth pick up and reach 1.0% in 2028 and 2029. We expect the unemployment rate to remain at 4.5% this year, unchanged from the June forecast. Going forward, we expect the unemployment rate to increase to 4.9% in 2027, then decline to 4.5% in



2029. The previous forecast called for the unemployment rate to peak at 4.9% as well before declining to 4.4%.

- Washington's aerospace employment increased 17,100 jobs since reaching a trough of 66,700 in August 2021, bringing the level to 83,900 in September 2024. Since reaching the peak, aerospace employment has declined as Boeing incorporated layoffs. We expect the June 2025 estimate of 78,800 jobs to be the trough in aerospace employment. Going forward, we expect aerospace employment to increase through the forecast period and reach 85,700 jobs by the fourth quarter 2029.
- In June, after the forecast was complete, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released 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 (SAAR) 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) for the U.S. The increase in transfer receipts in the first quarter of 2025 reflected a 2.5% cost-of-living adjustment for social security recipients along with an increase in Affordable Care Act premium tax credits.
- The September forecast for nominal personal income growth this year is 5.2%, unchanged since the June forecast. We expect nominal personal income growth to average 5.3% from 2025 to 2029, also unchanged from the previous forecast. The combination of small downward revisions to historical data, and slightly weaker growth in 2029 results in Washington nominal personal income being \$1.0 billion (0.1%) lower in 2029 than assumed in the previous forecast.
- Seattle-area home prices declined for the fifth consecutive month in June. Home prices fell 0.2% in June after a 0.8% decline the month before. In comparison, the composite-20 index fell 0.2% in June after a 0.3% decline in May. Seattle home prices in June remain up 0.9% over the year, while composite-20 index was up 2.1%.
- Seattle-area consumer price inflation picked up in August. From August 2024 to August 2025, the Seattle CPI rose 2.8% after increasing 2.7% in June. The U.S. city average year over year increase in the CPI was 2.9% in August. Seattle inflation has increased since reaching a trough of 1.7% in April. Shelter cost inflation in Washington has declined, increasing 1.1% in August. The increase in energy prices has accelerated, rising 7.3% year over year in August. Core inflation (excluding food and energy), has also increased in recent months. Seattle core CPI rose 2.6% in August compared to 3.1% for the U.S. City average.

- Washington exports increased 5.1% from the second quarter of 2024 to the second quarter of 2025. The increase was due to a 25.5% increase in transportation equipment exports. Excluding transportation equipment, Washington exports declined 6.9% year over year in the second quarter of 2025. Exports to the rest of North America were down 12.7% year over year, while exports to the rest of the world were up 10.1%.
- Washington car and truck sales declined in August. The seasonally adjusted number of new vehicle registrations fell 5.9% in August from the month before to 260,100 (SAAR). Passenger car registrations declined 3.2% while light truck registrations fell 21.9%. The number of total registrations were down 3.7% over the year in August.
- Washington housing construction picked up in the second quarter of 2025. The number of housing units authorized by building permits increased to 35,200 (SAAR) in the second quarter from 32,500 in the first quarter. Single family permits in the second quarter declined slightly to 17,900 (SAAR) from 18,000 (SAAR) in the first quarter. Multi-family permits increased to 17,300 (SAAR) in the second quarter from 14,500 (SAAR) the prior quarter. The June forecast expected 34,700 units (SAAR) in the second quarter, consisting of 19,000 single-family units and 15,700 multi-family units. Permits declined by 4,600 units (SAAR) in July to 30,500. Permits consisted of 18,400 single-family units and 12,200 multi-family units. The June forecast expected 35,700 units (SAAR) for the third quarter as a whole consisting of 19,000 single-family units and 16,700 multi-family units.
- The September forecast calls for housing permits to decrease to 32,900 units this year from 37,800 units in 2024. We expect housing permits to grow through 2029 reaching 40,500 units. The previous forecast called for total housing permits of 34,800 units this year, reaching 40,900 units in 2029.

## Revenue

- Cumulative major General Fund-State revenue (GF-S) since the June 2025 forecast came in \$142.8 million (2.0%) higher than forecasted. Collections of Revenue Act taxes (the main category of GF-S taxes including retail sales and use, business and occupation (B&O), public utility and non-cigarette tobacco products) came in \$154.1 million (2.5%) higher than forecasted. Collections of all other DOR revenue sources were \$11.5 million (1.3%) lower than forecasted.
- The September state economic forecast projects slightly lower personal income, housing permits and construction employment than expected in June. These factors have resulted in decreases in forecasted Revenue Act taxes, even taking into account the surplus since the June forecast. Forecasted Revenue Act receipts have decreased by \$164.3 million in the current biennium and \$235.6 million in the 2027-29 biennium. Because the surplus collections began in July, receipts for the recently ended 2023-25 biennium were \$47.6 million lower than forecasted in June.

- Real estate excise tax collections since June came in \$12.2 million (3.6%) higher than forecasted. A slowdown in forecasted housing price growth and lower expected housing construction, however, have reduced forecasted real estate excise tax collections. Forecasted receipts have decreased by \$64.8 million in the current biennium and \$93.1 million in the 2027-29 biennium. Receipts for the recently ended 2023-25 biennium were \$4.4 million lower than forecasted in June.
- The preliminary total of GF-S revenue for the 2023-25 biennium is \$63.379 billion, which is \$47.3 million less than forecasted in June 2025. Forecasted GF-S revenue for the 2025-27 biennium is now \$69.772 billion, a decrease of \$316.5 million from the June forecast, and forecasted revenue for the 2027-29 biennium is \$74.416 billion, a decrease of \$371.2 million.
- Final Education Legacy Trust Account (ELTA) revenue in the recently ended 2023-25 biennium was \$2.428 billion, \$22.0 million higher than forecasted in June, due to higher estate tax collections. The forecast, however, has decreased due to reductions in all major ELTA sources. The ELTA forecast has decreased by \$77.7 million in the current biennium and \$83.0 million in the 2027-29 biennium. Forecasted ELTA revenue is now \$2.690 billion for the current biennium and \$2.875 billion for the 2027-29 biennium.
- The forecast of revenue dedicated to the Opportunity Pathways Account (OPA) has decreased \$15.0 million in the current biennium and \$16.4 million in the 2027-29 biennium. Estimated OPA revenue is now \$321.8 million for the current biennium and \$338.5 million for the 2027-29 biennium. Final revenue for the 2023-25 biennium was \$349.3 million, unchanged from the June forecast.
- Final revenue for the Workforce Education Investment Account (WEIA) in the 2023-25 biennium was \$966.9 million, \$11.9 million more than forecasted in June. Forecasted revenue, however, has decreased slightly. The forecast decreased by \$3.1 million in the current biennium and \$6.8 million in the 2027-29 biennium. Estimated WEIA revenue is now \$1.560 billion for the 2025-27 biennium and \$1.908 billion for the 2027-29 biennium.
- Summing the GF-S, ELTA, OPA and WEIA forecasts, preliminary total state revenue subject to the budget outlook process was \$13.4 million lower than forecasted in the 2023-25 biennium. The total forecast has decreased by \$412.3 million in the 2025-27 biennium and \$477.3 million in the 2027-29 biennium.
- The preliminary total of GF-S, ELTA, OPA and WEIA revenue for the 2023-25 biennium is \$67.124 billion, an increase of 3.7% over 2021-23 biennial revenue. Forecasted total revenue for the 2025-27 biennium is \$74.343 billion, an increase of 10.8% over the prior biennium, and forecasted total revenue for the 2027-29 biennium is \$79.537 billion, an increase of 7.0% over the prior biennium.

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# Revenue Review

Presented to the  
Washington State Economic and Revenue  
Forecast Council

Dave Reich  
Executive Director

September 23, 2025



**WASHINGTON STATE  
ECONOMIC AND REVENUE FORECAST COUNCIL**



## Overview

- The U.S. economic forecast for output is slightly stronger and inflation is slightly higher than in June
- Generally, the U.S. and Washington economies have been transitioning to slower growth (GDP, employment) with recent policy uncertainty compounding the trend
- There is a significant amount of uncertainty in the forecast due to trade and federal/fiscal policy
- The forecast of funds subject to the budget outlook is decreased by \$412 million (0.6%) for 2025-27 period
- The forecast of funds subject to the budget outlook is decreased by \$477 million (0.6%) for 2027-29 period

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## Since the June forecast...

The economic forecast incorporates WA and U.S. employment data through August 2025

### Positives:

- Second quarter GDP rebounded (+3.3%)
- Debt limit raised
- Several preliminary trade agreements (UK, EU, Japan, others)
- Stock markets at record highs

### Negatives:

- Economic impacts of tariffs
- Federal changes in employment and spending
- Slow employment growth
- WA revenue collections growth continues to be slow

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## Economic forecast risks

### Upside

- Tariffs are ended or lower or just more certain
- Stronger consumer spending and employment markets, or faster interest rate cuts
- Quicker resolution of Russia – Ukraine, Middle East conflicts leads to more certainty

### Downside

- Trade policy (higher U.S. tariffs and retaliation)
- Larger federal employment/spending reductions, shutdown
- Higher than expected inflation due to tariffs and/or Federal Reserve pressure
- Russia – Ukraine, Middle East conflicts intensify, leading to higher prices for energy

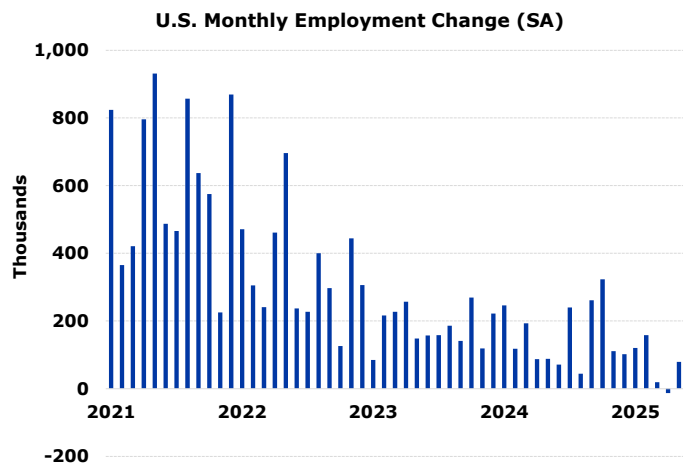
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## U.S. employment growth has been slowing for years but it slowed significantly in last few months



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

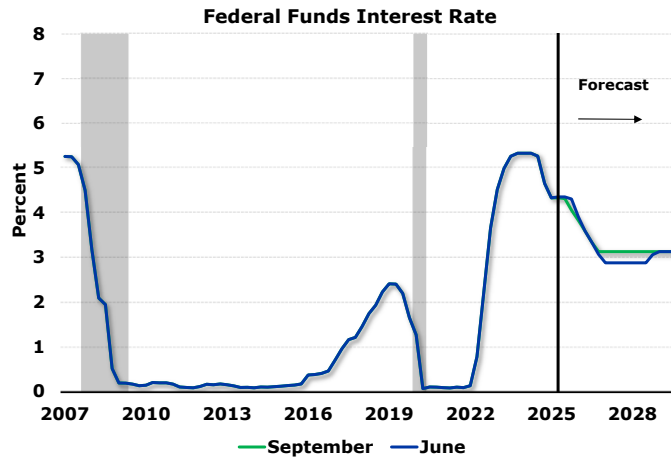
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## The Federal Reserve reduced rates last week due to labor market weakness with more likely to come

The Federal Reserve reduced interest rates in September by 0.25% and the current rate range is 4.0%-4.25%.



Source: ERFC September 2025 forecast; historical data through 2025 Q2

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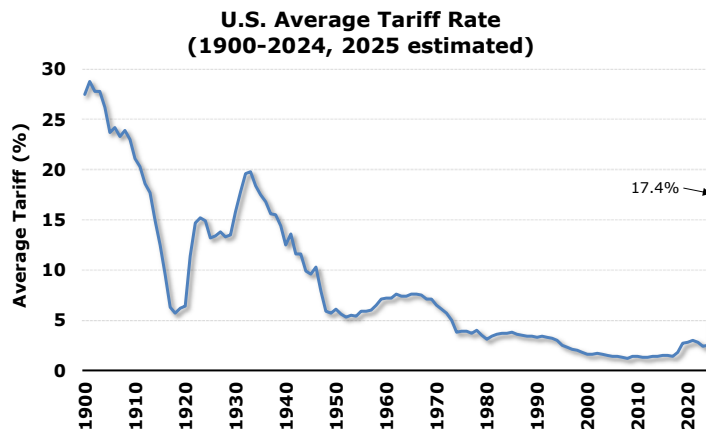
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## Tariffs are a significant economic driver, and uncertainty is making it harder

Includes 10% tariffs on most countries, 35%/25% tariffs on Canada and Mexico, 50% steel and aluminum tariffs and a 30% tariff on Chinese goods and others:

~17.4%  
(Yale budget lab, 9/4/25)



Source: Yale budget lab

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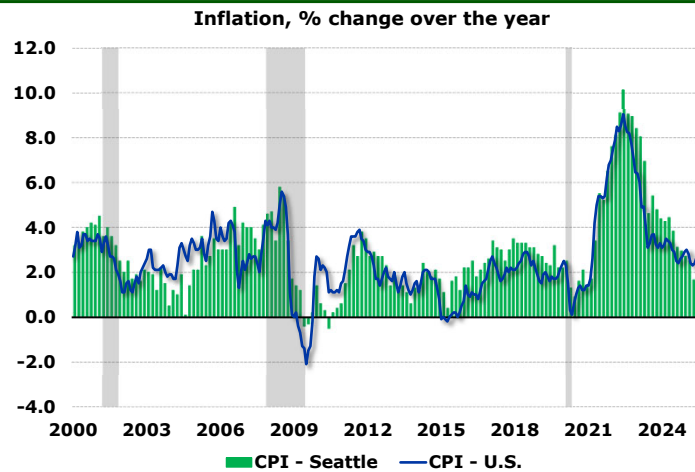
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## Inflation has slowed significantly but tariffs will increase prices in the near-term



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Source: U.S. Bureau of Labor Statistics, data through August 2025

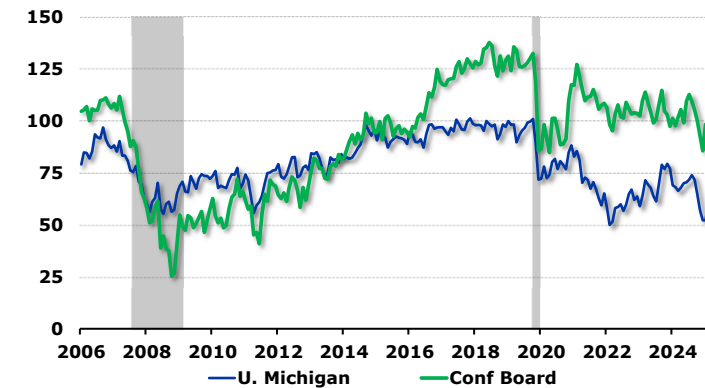
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## Consumer sentiment improved near the end of 2024, but is down significantly so far in 2025

**Index**  
Mich: 1966Q1 = 100, SA  
Conf Board: 1985 = 100, SA



The preliminary September U of M index is 55.4, down 2.8 points from August

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Sources: Data through August 2025 (CB), August 2025 (UM)

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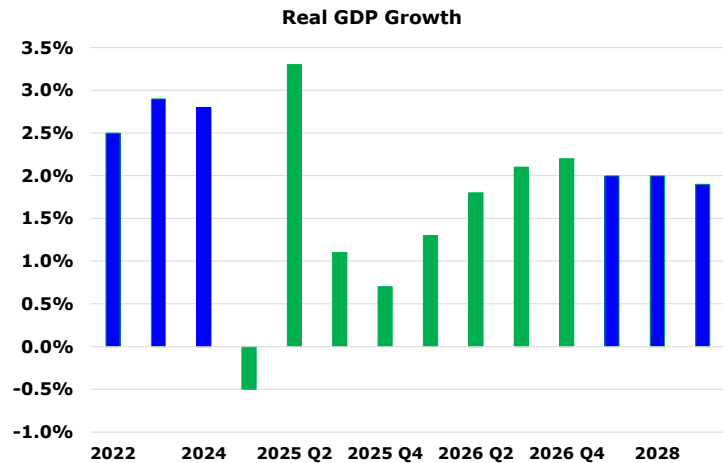
## GDP rebounded in the second quarter, but the forecast calls for slow growth in 2025 and beyond

Growth in the second quarter of 2025 was +3.3% SAAR (2nd estimate)

Recession probabilities are elevated, but not the base case

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Source: IHS Markit, ERFC September 2025 forecast; historical data through 2025 Q2

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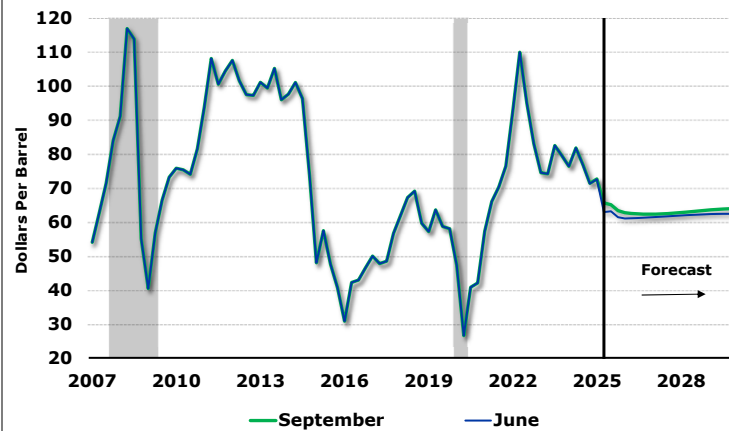


## Oil prices are higher than in the June forecast

Oil prices in the second quarter of 2025 were higher than expected in the June forecast

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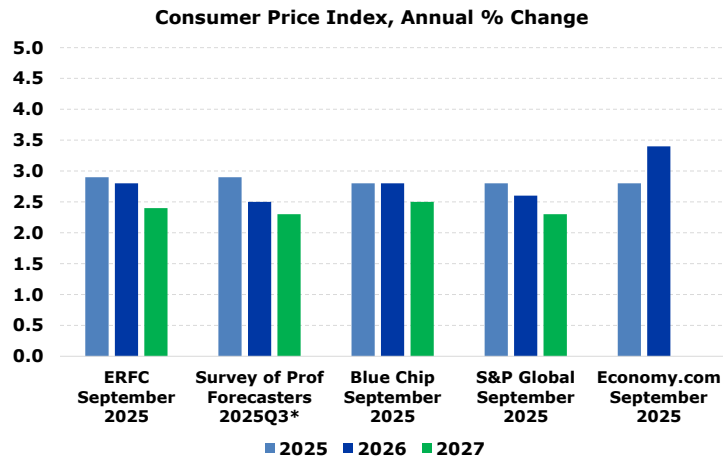
Source: Energy Information Administration, IHS Markit, ERFC; data through 2025 Q2  
Note: Vertical black line indicates last actual

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## Inflation is likely to pick up over the next few years as tariffs lead to price increases

The Consumer Price Index increased by 3.0% in 2024



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Survey of Professional Forecasters reflects change in price level in 4<sup>th</sup> quarter compared to 4<sup>th</sup> quarter of prior year; all others reflect average change over the year compared to prior year.

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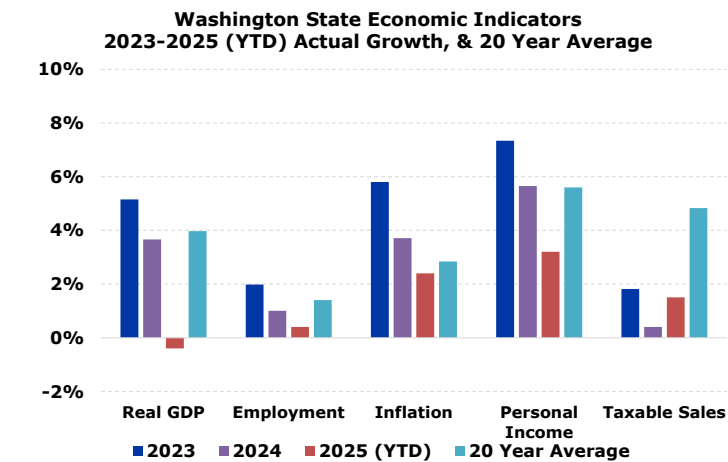
## Most Washington economic indicators growing slowly after normalizing post-pandemic

2025

WA employment is up 0.4% (YTD) through August

Seattle CPI up 2.8% (yoy) in August

WA taxable sales growth has picked up likely tied to tariff policy



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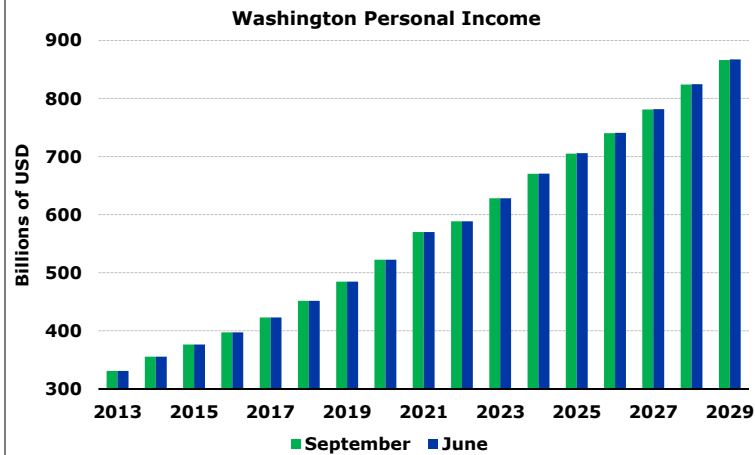
Source: BEA, ERFC, U.S. Bureau of Labor Statistics, WA Employment Security, WA DOR. 2025 GDP, PI and taxable sales through 1Q, Employment and inflation through August

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## WA personal income levels nearly unchanged from June

In June, BEA released 2025:1Q personal income and WA was up 3.2% (SAAR)



Source: ERFC September 2025 forecast; historical data through 2025 1Q

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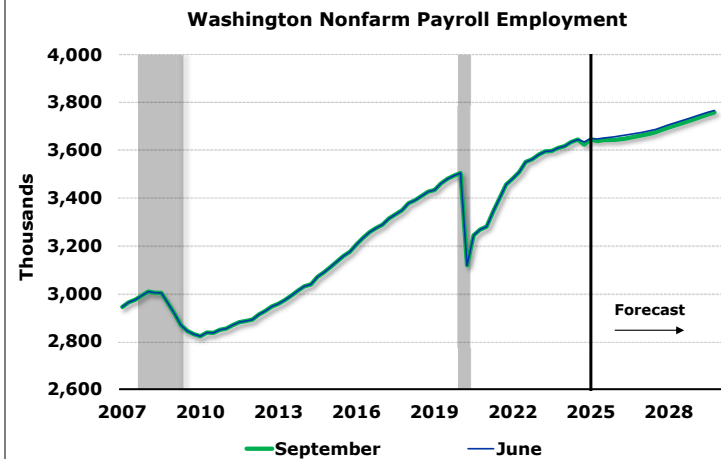


## WA employment forecast is lower over the forecast period

Average annual employment growth, 2025 to 2029:

U.S. = 0.4%

WA = 0.7%



Source: ERFC September 2025 forecast; historical data through 2025 Q2

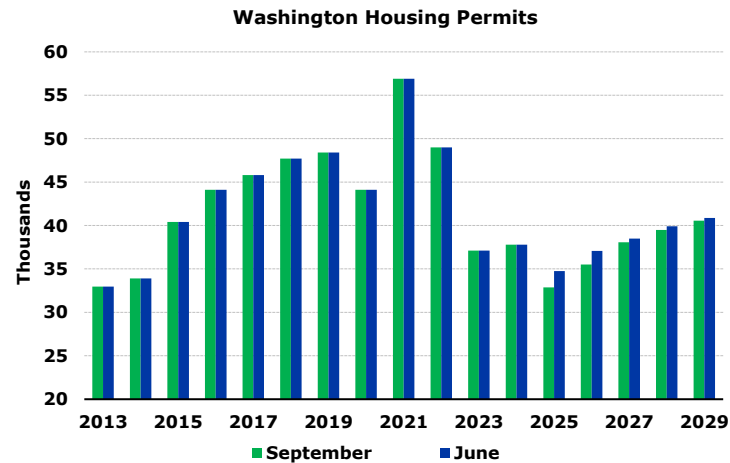
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## WA housing permit forecast revised down from June



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Source: ERFC September 2025 forecast; historical data through 2024

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## Revenue Forecast Notes

### Economic

- U.S. model includes assumptions for interest rates, tariffs, federal employment
- WA model includes assumptions for federal employment reductions, no additional tariff impacts

### Revenues

- Recent improved revenue growth likely tariff related-slow revenue growth still with us
- Slow growth likely due to Covid related impacts (e.g. high interest rates) and slowing economy
- Recent policy changes (e.g. tariffs) cloud the picture

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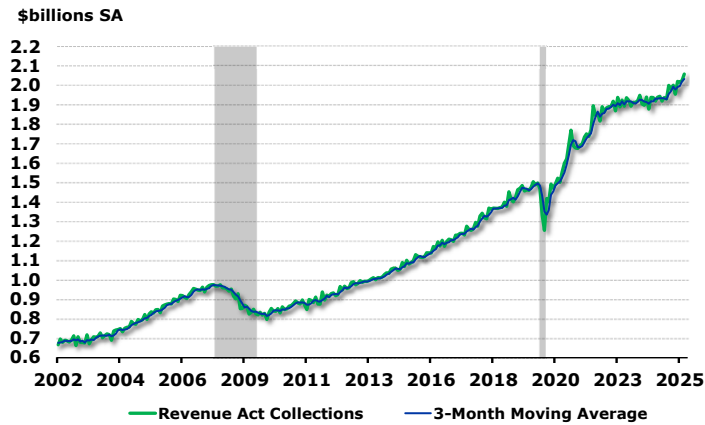
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## Revenue Act collections growth; July activity was up 6.2% (SA) compared with July 2024

Revenue Act includes:  
Sales tax  
B&O tax  
Use tax  
Pub util tax  
Penalties  
Tobacco



\* Adjusted for large one-time transactions, amnesty payments, reporting frequency change and deferred 2020 payments, current definition of Revenue Act

Source: DOR and ERFC; monthly data through July 2025 activity

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## WA retail trade contracted for seven quarters before returning to growth in the fourth quarter of 2024

Retail trade made up 41.3% of taxable sales in FY 2024



Source: ERFC analysis of DOR data through 2025 Q1. NAICS 44 & 45 indicated, SIC data re-classified to match NAICS classifications prior to 2005.

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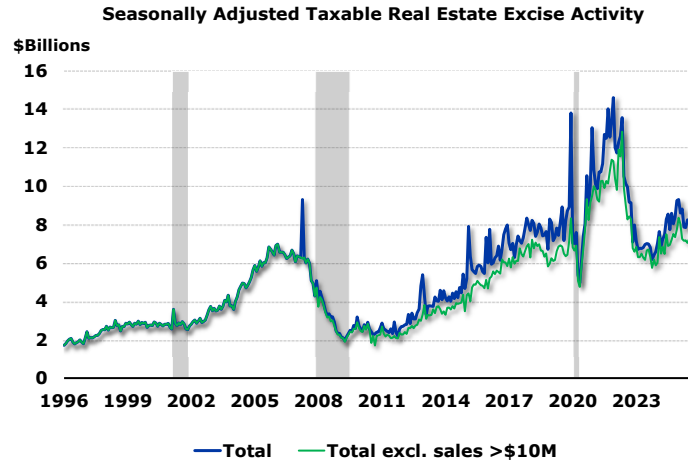
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## Taxable real estate activity increased in 2024 and early 2025 but has decreased recently

Transactions of \$10 million or more were about \$1.2B in August 2025



Source: ERFC; Monthly data through August 2025 estimate

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## Forecast changes, all funds: 2023-25 biennium, cash basis

The forecast decrease represents 0.004% of biennial revenue

\$Millions	Jun. 2025 Forecast	Non-economic Change	Forecast Change	Sep. 2025 Forecast	Total Change <sup>#</sup>
General Fund-State	\$63,426	n/a	(\$47)	\$63,379	(\$47)
Education Legacy Trust Account	\$2,406	n/a	\$22	\$2,428	\$22
WA Opportunity Pathways Account	\$349	n/a	\$0	\$349	\$0
Workforce Education Investment Account	\$955	n/a	\$12	\$967	\$12
<b>Total</b>	<b>\$67,137</b>	<b>n/a</b>	<b>(\$13)</b>	<b>\$67,124</b>	<b>(\$13)</b>

<sup>#</sup> Detail may not add to total due to rounding

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## Forecast changes, all funds: 2025-27 biennium, cash basis

The forecast decrease represents 0.6% of biennial revenue

<b>\$Millions</b>	<u>Jun. 2024 Forecast</u>	<u>Non-economic Change</u>	<u>Forecast Change</u>	<u>Sep. 2025 Forecast</u>	<u>Total Change<sup>#</sup></u>
General Fund-State	\$70,088	n/a	(\$317)	\$69,772	(\$317)
Education Legacy Trust Account	\$2,768	n/a	(\$78)	\$2,690	(\$78)
WA Opportunity Pathways Account	\$337	n/a	(\$15)	\$322	(\$15)
Workforce Education Investment Account	\$1,563	n/a	(\$3)	\$1,560	(\$3)
<b>Total</b>	<b>\$74,756</b>	<b>n/a</b>	<b>(\$412)</b>	<b>\$74,343</b>	<b>(\$412)</b>

<sup>#</sup> Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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## Forecast changes, all funds: 2027-29 biennium, cash basis

The forecast decrease represents 0.6% of biennial revenue

<b>\$Millions</b>	<u>Jun. 2024 Forecast</u>	<u>Non-economic Change</u>	<u>Forecast Change</u>	<u>Sep. 2025 Forecast</u>	<u>Total Change<sup>#</sup></u>
General Fund-State	\$74,787	n/a	(\$371)	\$74,416	(\$371)
Education Legacy Trust Account	\$2,958	n/a	(\$83)	\$2,875	(\$83)
WA Opportunity Pathways Account	\$355	n/a	(\$16)	\$339	(\$16)
Workforce Education Investment Account	\$1,915	n/a	(\$7)	\$1,908	(\$7)
<b>Total</b>	<b>\$80,014</b>	<b>n/a</b>	<b>(\$477)</b>	<b>\$79,537</b>	<b>(\$477)</b>

<sup>#</sup> Detail may not add to total due to rounding

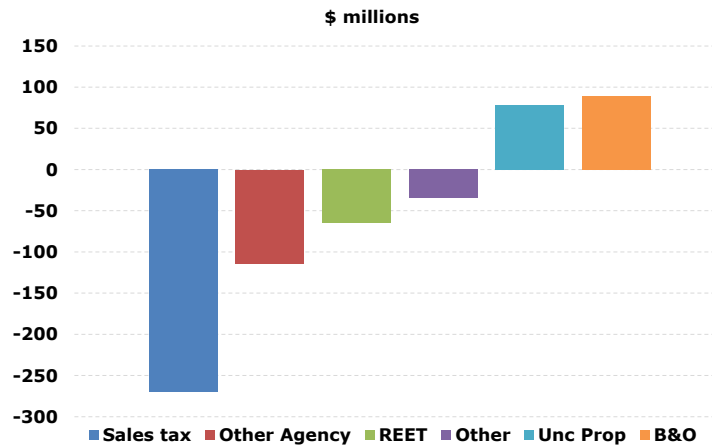
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## 2025- 2027 biennium GF-S forecast changes by source



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Source: ERFC September 2025 forecast

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## 2025-27 Biennium alternative forecasts for funds subject to the budget outlook

\$Millions (cash basis)	2025-27 Biennium	Difference From the baseline*
September 2025 Baseline (50%)	\$74,343	
<b>September 2025 Alternative Forecasts</b>		
Optimistic (20%)	\$77,442	\$3,098
Pessimistic (30%)	\$70,985	(\$3,358)
Probability Weighted Average	\$73,955	(\$388)
GCEA*	\$74,070	(\$273)

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\*Based on the Governor's Council of Economic Advisor's economic assumptions  
# May not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



## 2027-29 Biennium alternative forecasts for funds subject to the budget outlook

\$Millions (cash basis)	2027-29 Biennium	Difference From the baseline*
September 2025 Baseline (50%)	\$79,537	
<b>September 2025 Alternative Forecasts</b>		
Optimistic (20%)	\$86,338	\$6,801
Pessimistic (30%)	\$71,967	(\$7,570)
Probability Weighted Average	\$78,626	(\$911)
GCEA*	\$79,082	(\$455)

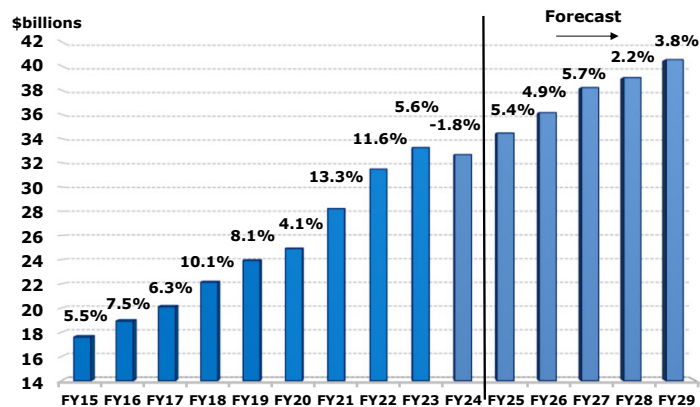
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\*Based on the Governor's Council of Economic Advisor's economic assumptions  
#May not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



## Forecast of funds subject to the budget outlook process\* by fiscal year



\*Funds subject to the budget outlook process are General Fund-State plus Education Legacy Trust, Washington Opportunities Pathway and Workforce Education Investment Accounts  
Source: ERFC forecast, September 2025

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## Summary

- U.S. & WA economies are slowing, and uncertainty is elevated due to recent/future policy changes
- Impacts of tariffs, federal employment/funding, geopolitical conflict and lower spending & higher inflation/interest rates, pose risks to the forecast
- The revenue forecast is reduced due to lower forecasted retail sales, and reduced real estate excise tax and other agency revenues
- Total state revenues are expected to grow 10.8% between the 2023-25 and 2025-27 biennia and 7.0% between the 2025-27 and 2027-29 biennia

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WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



## Questions?



Economic & Revenue Forecast Council  
PO BOX 40912  
Olympia WA 98504-0912  
[www.erfc.wa.gov](http://www.erfc.wa.gov)  
360-534-1560

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**Total Changes to General Fund-State, Education Legacy Trust Account,  
Washington Opportunity Pathways Account and Workforce Education Investment Account Forecasts**  
Comparison of the September 2025 to the June 2025 Forecast  
2023-25 Biennium  
Cash Forecast; Millions of Dollars

	<u>June 2025 Forecast</u>	<u>Non-economic Changes</u>	<u>Forecast Change</u>	<u>September 2025 Forecast</u>	<u>Total Change*</u>
General Fund-State	\$63,426.4	\$0.0	(\$47.3)	\$63,379.1	(\$47.3)
Education Legacy Trust Account	\$2,406.4	\$0.0	\$22.0	\$2,428.4	\$22.0
WA Opportunity Pathways Account	\$349.3	\$0.0	\$0.0	\$349.3	\$0.0
Workforce Education Investment Account	\$955.0	\$0.0	\$11.9	\$966.9	\$11.9
Total	<b>\$67,137.1</b>	<b>\$0.0</b>	<b>(\$13.4)</b>	<b>\$67,123.7</b>	<b>(\$13.4)</b>

**Total Changes to General Fund-State, Education Legacy Trust Account,  
Washington Opportunity Pathways Account and Workforce Education Investment Account Forecasts**  
Comparison of the September 2025 to the June 2025 Forecast  
2025-27 Biennium  
Cash Forecast; Millions of Dollars

	<u>June 2025 Forecast</u>	<u>Non-economic Changes</u>	<u>Forecast Change</u>	<u>September 2025 Forecast</u>	<u>Total Change*</u>
General Fund-State	\$70,088.4	\$0.0	(\$316.5)	\$69,771.8	(\$316.5)
Education Legacy Trust Account	\$2,767.6	\$0.0	(\$77.7)	\$2,689.9	(\$77.7)
WA Opportunity Pathways Account	\$336.8	\$0.0	(\$15.0)	\$321.8	(\$15.0)
Workforce Education Investment Account	\$1,562.8	\$0.0	(\$3.1)	\$1,559.6	(\$3.1)
Total	<b>\$74,755.5</b>	<b>\$0.0</b>	<b>(\$412.3)</b>	<b>\$74,343.2</b>	<b>(\$412.3)</b>

\*Details may not add due to rounding

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

February 2020 through September 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
September 2025	(47)	22	0	12	(13)	0	(13)	67,124
<b>Total change:</b>								
<b>From February 2020</b>	<b>5,582</b>	<b>476</b>	<b>32</b>	<b>299</b>	<b>6,389</b>	<b>892</b>	<b>7,281</b>	
Percent change	9.6	51.5	9.8	44.9	10.7	1.5	12.2	
<b>Change in forecast since initial 23-25 biennial budget**</b>								
	<b>512</b>	<b>420</b>	<b>1</b>	<b>183</b>	<b>1,116</b>	<b>266</b>	<b>1,382</b>	
Percent change	0.8	20.9	0.3	23.3	1.7	0.4	2.1	

\* 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

#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 transfer to the Clarke-McNary Account

#9 Budget-driven revenue changes from 2025 supplemental budget plus transfers from the tobacco settlement account and to the Emergency Drought Response Account

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

February 2022 through September 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) #1	176	70,202
September 2022	4	8	(7)	(18)	(13)	(53) #2	(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 #3	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) #4	(189)	71,532
September 2024	(116)	97	27	9	16	63 #5	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 #6	3,804	74,756
September 2025	(317)	(78)	(15)	(3)	(412)	0	(412)	74,343
<b>Total change:</b>								
<b>From February 2022</b>	<b>434</b>	<b>64</b>	<b>(34)</b>	<b>131</b>	<b>595</b>	<b>3,723</b>	<b>4,318</b>	
Percent change	0.7	2.8	-9.5	15.7	0.8	5.3	6.2	
<b>Change in forecast since initial 25-27 biennial budget**</b>								
	<b>(762)</b>	<b>(115)</b>	<b>(46)</b>	<b>21</b>	<b>(902)</b>	<b>0</b>	<b>(902)</b>	
Percent change	(1.1)	(4.1)	(12.5)	1.4	(1.2)	0.0	(1.2)	

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

\*\*Resources for the initial 2025-27 budget include forecasted March 2025 revenue plus legislative revenue changes from 2025 session subsequent to the March forecast

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

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

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

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

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

#6 Legislative and budget-driven revenue changes from the 2025 legislative session less Governor vetoes

**September 2025**

Alternative forecasts of funds subject to the budget outlook  
Millions of Dollars

Cash Basis

**2025-27 Biennium**

	2025-27 <u>Biennium</u>	Difference From the <u>September 2025 Baseline</u>
September 2025 Baseline (50%)	\$74,343	
September 2025 Alternative Forecasts		
Optimistic (20%)	\$77,442	\$3,098
Pessimistic (30%)	\$70,985	(\$3,358)
Probability Weighted Average	\$73,955	(\$388)
GCEA*	\$74,070	(\$273)

**2027-29 Biennium**

	2027-29 <u>Biennium</u>	Difference From the <u>September 2025 Baseline</u>
September 2025 Baseline (50%)	\$79,537	
September 2025 Alternative Forecasts		
Optimistic (20%)	\$86,338	\$6,801
Pessimistic (30%)	\$71,967	(\$7,570)
Probability Weighted Average	\$78,626	(\$911)
GCEA*	\$79,082	(\$455)

\* Based on the Governor's Council of Economic Advisors Assumptions.

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

History and Forecast by Fiscal Year (Cash basis)

September 2025 - Millions of Dollars

	General Fund-State (GF-S) (current definition)		Education Legacy Trust Fund* (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	\$32,286	3.8%	\$1,462	51.3%	\$173	-2.3%	\$532	22.1%	\$34,452	5.4%
FY 2026	\$34,009	5.3%	\$1,330	-9.1%	\$155	-10.3%	\$646	21.6%	\$36,140	4.9%
FY 2027	\$35,763	5.2%	\$1,360	2.3%	\$167	7.8%	\$913	41.3%	\$38,204	5.7%
FY 2028	\$36,508	2.1%	\$1,413	3.9%	\$168	0.6%	\$940	2.9%	\$39,029	2.2%
FY 2029	\$37,908	3.8%	\$1,462	3.4%	\$171	1.5%	\$968	3.0%	\$40,508	3.8%
<b>Biennial Totals</b>										
<b>07-09 Biennium</b>	<b>\$29,817</b>	<b>0.1%</b>	<b>\$437</b>	<b>14.8%</b>	<b>\$0</b>	<b>NA</b>	<b>\$0</b>	<b>NA</b>	<b>\$30,254</b>	<b>0.3%</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>\$63,379</b>	<b>3.9%</b>	<b>\$2,428</b>	<b>-5.7%</b>	<b>\$349</b>	<b>-7.6%</b>	<b>\$967</b>	<b>24.1%</b>	<b>\$67,124</b>	<b>3.7%</b>
<b>25-27 Biennium</b>	<b>\$69,772</b>	<b>10.1%</b>	<b>\$2,690</b>	<b>10.8%</b>	<b>\$322</b>	<b>-7.9%</b>	<b>\$1,560</b>	<b>61.3%</b>	<b>\$74,343</b>	<b>10.8%</b>
<b>27-29 Biennium</b>	<b>\$74,416</b>	<b>6.7%</b>	<b>\$2,875</b>	<b>6.9%</b>	<b>\$338</b>	<b>5.2%</b>	<b>\$1,908</b>	<b>22.3%</b>	<b>\$79,537</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.



# Lottery transfers by fund

September 2025 forecast

(gaap basis, millions of dollars)

	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Mariners Stadium</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Student ACHV Account</b>	<b>School Construction Account</b>	<b>Problem Gambling Account</b>	<b>Economic Develop. Account</b>	<b>Opportunity Pathways Account</b>	<b>Veteran's VIP Account</b>	<b>Education Legacy Trust Account</b>	<b>Gambling Revolving Account</b>
2006	125.1	1.9	4.4	7.9	0.0	107.8	0.2	3.0	0.0	0.0	0.0	0.0
2007	120.6	7.6	4.5	8.2	0.0	97.0	0.3	3.0	0.0	0.0	0.0	0.0
2005-07 Biennium	245.7	9.5	8.9	16.1	0.0	204.8	0.4	6.0	0.0	0.0	0.0	0.0
2008	124.1	0.0	4.7	8.5	0.0	106.9	0.3	3.7	0.0	0.0	0.0	0.0
2009	122.2	11.1	4.9	8.9	0.0	94.4	0.2	2.7	0.0	0.0	0.0	0.0
2007-09 Biennium	246.4	11.1	9.6	17.4	0.0	201.3	0.5	6.4	0.0	0.0	0.0	0.0
2010	129.4	12.9	5.1	9.2	0.0	97.4	0.3	4.6	0.0	0.0	0.0	0.0
2011	138.2	7.0	5.3	9.6	0.0	0.0	0.3	3.7	112.3	0.0	0.0	0.0
2009-11 Biennium	267.6	19.9	10.4	18.8	0.0	97.4	0.5	8.3	112.3	0.0	0.0	0.0
2012	138.0	0.0	2.7	10.0	0.0	0.0	0.3	3.0	121.8	0.2	0.0	0.0
2013	139.2	9.3	0.0	10.4	0.0	0.0	0.3	3.6	115.5	0.0	0.0	0.0
2011-13 Biennium	277.2	9.3	2.7	20.4	0.0	0.0	0.6	6.6	237.4	0.2	0.0	0.0
2014	147.7	0.6	0.0	10.8	0.0	0.0	0.3	4.0	121.9	0.0	10.1	0.0
2015	141.3	0.0	0.0	11.2	0.0	0.0	0.3	4.7	119.0	0.0	6.1	0.0
2013-15 Biennium	288.9	0.6	0.0	22.0	0.0	0.0	0.6	8.7	240.9	0.0	16.1	0.0
2016	175.5	31.9	0.0	11.7	0.0	0.0	0.3	2.8	128.7	0.0	0.0	0.0
2017	161.9	16.8	0.0	12.2	0.0	0.0	0.3	4.9	126.8	0.0	0.0	1.0
2015-17 Biennium	337.4	48.7	0.0	23.8	0.0	0.0	0.7	7.7	255.5	0.0	0.0	1.0
2018	183.0	31.2	0.0	12.6	0.0	0.0	0.4	4.6	134.2	0.0	0.0	0.0
2019	215.8	30.9	0.0	13.1	0.0	0.0	0.4	4.6	166.7	0.0	0.0	0.0
2017-19 Biennium	398.8	62.1	0.0	25.8	0.0	0.0	0.8	9.2	300.9	0.0	0.0	0.0
2020	180.9	16.2	0.0	13.7	0.0	0.0	0.4	3.4	147.3	0.0	0.0	0.0
2021	229.0	23.9	0.0	14.2	0.0	0.0	0.5	4.7	185.7	0.0	0.0	0.0
2019-21 Biennium	410.0	40.1	0.0	27.9	0.0	0.0	0.8	8.1	333.1	0.0	0.0	0.0
2022	216.8	33.6	0.0	0.0	0.0	0.0	0.4	6.2	176.6	0.0	0.0	0.0
2023	253.1	45.5	0.0	0.0	0.0	0.0	0.5	7.3	199.9	0.0	0.0	0.0
2021-23 Biennium	473.4	80.7	0.0	0.0	0.0	0.0	0.9	13.7	378.1	0.0	0.0	0.0
2024	242.8	58.2	0.0	0.0	0.0	0.0	0.8	6.7	177.1	0.0	0.0	0.0
2025	201.2	25.6	0.0	0.0	0.0	0.0	0.9	5.7	169.0	0.0	0.0	0.0
2023-25 Biennium	444.1	83.8	0.0	0.0	0.0	0.0	1.7	12.4	346.2	0.0	0.0	0.0
2026	213.9	42.6	0.0	0.0	0.0	0.0	0.9	6.1	164.2	0.0	0.0	0.0
2027	208.5	34.6	0.0	0.0	0.0	0.0	0.9	6.1	166.8	0.0	0.0	0.0
2025-27 Biennium	422.4	77.2	0.0	0.0	0.0	0.0	1.9	12.3	331.0	0.0	0.0	0.0
2028	210.0	33.9	0.0	0.0	0.0	0.0	0.9	6.1	169.0	0.0	0.0	0.0
2029	211.7	33.6	0.0	0.0	0.0	0.0	0.9	6.1	171.0	0.0	0.0	0.0
2027-29 Biennium	421.7	67.6	0.0	0.0	0.0	0.0	1.9	12.3	339.9	0.0	0.0	0.0

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

Source: Lottery Commission, ERFC

# Lottery transfers by fund

September 2025 forecast

(cash basis, millions of dollars)

	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Mariners Stadium</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Student ACHV Account</b>	<b>School Construction Account</b>	<b>Problem Gambling Account</b>	<b>Economic Develop. Account</b>	<b>Opportunity Pathways Account</b>	<b>Veteran's VIP Account</b>	<b>Education Legacy Trust Account</b>	<b>Gambling Revolving Account</b>
2006	125.1	1.9	4.4	7.9	0.0	107.8	0.2	3.0	0.0	0.0	0.0	0.0
2007	120.6	7.6	4.5	8.2	0.0	97.0	0.3	3.0	0.0	0.0	0.0	0.0
2005-07 Biennium	245.7	9.5	8.9	16.1	0.0	204.8	0.4	6.0	0.0	0.0	0.0	0.0
2008	124.1	0.0	4.7	8.5	0.0	106.9	0.3	3.7	0.0	0.0	0.0	0.0
2009	122.2	11.1	4.9	8.9	0.0	94.4	0.2	2.7	0.0	0.0	0.0	0.0
2007-09 Biennium	246.4	11.1	9.6	17.4	0.0	201.3	0.5	6.4	0.0	0.0	0.0	0.0
2010	126.4	12.9	5.1	9.2	0.0	95.6	0.3	3.3	0.0	0.0	0.0	0.0
2011	137.2	8.6	5.3	9.6	0.0	9.4	0.3	4.5	99.5	0.0	0.0	0.0
2009-11 Biennium	263.6	21.5	10.4	18.8	0.0	105.0	0.5	7.9	99.5	0.0	0.0	0.0
2012	135.1	0.0	2.7	10.0	0.0	0.0	0.3	3.3	118.5	0.2	0.0	0.0
2013	139.7	0.0	0.0	10.4	0.0	0.0	0.3	3.5	125.5	0.0	0.0	0.0
2011-13 Biennium	274.8	0.0	2.7	20.4	0.0	0.0	0.6	6.9	244.0	0.2	0.0	0.0
2014	147.9	9.3	0.0	10.8	0.0	0.0	0.3	3.7	113.7	0.0	10.1	0.0
2015	143.1	0.6	0.0	11.2	0.0	0.0	0.3	4.7	120.2	0.0	6.1	0.0
2013-15 Biennium	291.0	9.9	0.0	22.0	0.0	0.0	0.6	8.4	233.9	0.0	16.1	0.0
2016	171.6	17.1	0.0	11.7	0.0	0.0	0.3	3.3	139.1	0.0	0.0	0.0
2017	159.7	14.8	0.0	12.2	0.0	0.0	0.3	4.8	126.6	0.0	0.0	1.0
2015-17 Biennium	331.2	31.9	0.0	23.8	0.0	0.0	0.7	8.0	265.7	0.0	0.0	1.0
2018	183.6	38.5	0.0	12.6	0.0	0.0	0.3	3.5	128.5	0.0	0.0	0.0
2019	213.8	38.7	0.0	13.1	0.0	0.0	0.4	5.8	155.7	0.0	0.0	0.0
2017-19 Biennium	397.3	77.3	0.0	25.8	0.0	0.0	0.8	9.3	284.2	0.0	0.0	0.0
2020	186.4	16.7	0.0	13.7	0.0	0.0	0.4	3.1	152.5	0.0	0.0	0.0
2021	231.6	27.7	0.0	14.2	0.0	0.0	0.5	4.8	184.4	0.0	0.0	0.0
2019-21 Biennium	418.0	44.4	0.0	27.9	0.0	0.0	0.8	8.0	336.9	0.0	0.0	0.0
2022	228.7	32.6	0.0	0.0	0.0	0.0	0.4	6.0	189.7	0.0	0.0	0.0
2023	244.7	48.1	0.0	0.0	0.0	0.0	0.5	7.7	188.4	0.0	0.0	0.0
2021-23 Biennium	473.4	80.7	0.0	0.0	0.0	0.0	0.9	13.7	378.1	0.0	0.0	0.0
2024	245.0	61.2	0.0	0.0	0.0	0.0	0.8	6.4	176.7	0.0	0.0	0.0
2025	204.8	25.7	0.0	0.0	0.0	0.0	0.9	5.6	172.6	0.0	0.0	0.0
2023-25 Biennium	449.8	86.9	0.0	0.0	0.0	0.0	1.6	12.0	349.3	0.0	0.0	0.0
2026	205.8	43.8	0.0	0.0	0.0	0.0	0.9	6.2	154.8	0.0	0.0	0.0
2027	208.6	34.6	0.0	0.0	0.0	0.0	0.9	6.1	166.9	0.0	0.0	0.0
2025-27 Biennium	414.4	78.4	0.0	0.0	0.0	0.0	1.9	12.3	321.8	0.0	0.0	0.0
2028	209.6	34.6	0.0	0.0	0.0	0.0	0.9	6.1	167.9	0.0	0.0	0.0
2029	211.5	33.9	0.0	0.0	0.0	0.0	0.9	6.1	170.5	0.0	0.0	0.0
2027-29 Biennium	421.2	68.5	0.0	0.0	0.0	0.0	1.9	12.3	338.5	0.0	0.0	0.0

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

Source: Lottery Commission, ERFC

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the September 2025 and June 2025 forecasts  
2023-25 Biennium  
(Amounts in Millions)

Source/Agency	June 2025 Baseline	Non-Economic Changes	Economic Changes	September 2025 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,790.0	\$0.0	\$7.9	\$1,797.8	\$7.9
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$562.2	\$0.0	(\$9.2)	\$553.0	(\$9.2)
Lottery Commission Lottery Revenue	\$86.9	\$0.0	\$0.0	\$86.9	\$0.0
State Treasurer Interest Earnings	\$572.1	\$0.0	\$0.2	\$572.3	\$0.2
Office of Financial Management Other Agencies	\$260.1	\$0.0	\$12.0	\$272.1	\$12.0
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	\$108.6	\$0.0	(\$0.1)	\$108.5	(\$0.1)
<b>Total General Fund-State</b>	<b>\$3,380.0</b>	<b>\$0.0</b>	<b>\$10.7</b>	<b>\$3,390.7</b>	<b>\$10.7</b>

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the September 2025 and June 2025 forecasts  
2023-25 Biennium  
(Amounts in Millions)

Source/Agency	June 2025 Baseline	Non-Economic Changes	Economic Changes	September 2025 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,790.0	\$0.0	\$7.9	\$1,797.8	\$7.9
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$562.2	\$0.0	(\$9.2)	\$553.0	(\$9.2)
Lottery Commission Lottery Revenue	\$84.1	\$0.0	(\$0.3)	\$83.8	(\$0.3)
State Treasurer Interest Earnings	\$582.0	\$0.0	\$23.3	\$605.3	\$23.3
Office of Financial Management Other Agencies	\$260.1	\$0.0	\$12.0	\$272.1	\$12.0
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	\$108.6	\$0.0	(\$0.1)	\$108.5	(\$0.1)
<b>Total General Fund-State</b>	<b>\$3,387.0</b>	<b>\$0.0</b>	<b>\$33.5</b>	<b>\$3,420.5</b>	<b>\$33.5</b>

\* Detail may not total due to rounding.

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the September 2025 and June 2025 forecasts  
2025-27 Biennium  
(Amounts in Millions)

Source/Agency	June 2025 Baseline	Non-Economic Changes	Economic Changes	September 2025 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,897.1	\$0.0	\$0.0	\$1,897.1	\$0.0
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$666.5	\$0.0	(\$42.4)	\$624.1	(\$42.4)
Lottery Commission Lottery Revenue	\$70.0	\$0.0	\$8.4	\$78.4	\$8.4
State Treasurer Interest Earnings	\$285.2	\$0.0	(\$98.9)	\$186.3	(\$98.9)
Office of Financial Management Other Agencies	\$418.4	\$0.0	\$18.8	\$437.3	\$18.8
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$120.0	\$0.0	\$2.5	\$122.6	\$2.5
<b>Total General Fund-State</b>	<b>\$3,457.4</b>	<b>\$0.0</b>	<b>(\$111.6)</b>	<b>\$3,345.8</b>	<b>(\$111.6)</b>

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the September 2025 and June 2025 forecasts  
2025-27 Biennium  
(Amounts in Millions)

Source/Agency	June 2025 Baseline	Non-Economic Changes	Economic Changes	September 2025 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,897.1	\$0.0	\$0.0	\$1,897.1	\$0.0
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$666.5	\$0.0	(\$42.4)	\$624.1	(\$42.4)
Lottery Commission Lottery Revenue	\$67.6	\$0.0	\$9.6	\$77.2	\$9.6
State Treasurer Interest Earnings	\$275.9	\$0.0	(\$97.8)	\$178.1	(\$97.8)
Office of Financial Management Other Agencies	\$418.4	\$0.0	\$18.8	\$437.3	\$18.8
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$120.0	\$0.0	\$2.5	\$122.6	\$2.5
<b>Total General Fund-State</b>	<b>\$3,445.6</b>	<b>\$0.0</b>	<b>(\$109.3)</b>	<b>\$3,336.4</b>	<b>(\$109.3)</b>

\* Detail may not total due to rounding.

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the September 2025 and June 2025 forecasts  
2027-29 Biennium  
(Amounts in Millions)

Source/Agency	June 2025 Baseline	Non-Economic Changes	Economic Changes	September 2025 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,971.5	\$0.0	\$0.0	\$1,971.5	\$0.0
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$714.1	\$0.0	(\$43.2)	\$671.0	(\$43.2)
Lottery Commission Lottery Revenue	\$67.3	\$0.0	\$1.2	\$68.5	\$1.2
State Treasurer Interest Earnings	\$241.4	\$0.0	(\$23.8)	\$217.5	(\$23.8)
Office of Financial Management Other Agencies	(\$634.5)	\$0.0	\$15.0	(\$619.5)	\$15.0
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	\$125.9	\$0.0	\$3.0	\$128.9	\$3.0
<b>Total General Fund-State</b>	<b>\$2,485.6</b>	<b>\$0.0</b>	<b>(\$47.7)</b>	<b>\$2,437.9</b>	<b>(\$47.7)</b>

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the September 2025 and June 2025 forecasts  
2027-29 Biennium  
(Amounts in Millions)

Source/Agency	June 2025 Baseline	Non-Economic Changes	Economic Changes	September 2025 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,971.5	\$0.0	\$0.0	\$1,971.5	\$0.0
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$714.1	\$0.0	(\$43.2)	\$671.0	(\$43.2)
Lottery Commission Lottery Revenue	\$67.5	\$0.0	\$0.0	\$67.6	\$0.0
State Treasurer Interest Earnings	\$241.6	\$0.0	(\$21.3)	\$220.3	(\$21.3)
Office of Financial Management Other Agencies	(\$634.5)	\$0.0	\$15.0	(\$619.5)	\$15.0
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	\$125.9	\$0.0	\$3.0	\$128.9	\$3.0
<b>Total General Fund-State</b>	<b>\$2,486.1</b>	<b>\$0.0</b>	<b>(\$46.3)</b>	<b>\$2,439.8</b>	<b>(\$46.3)</b>

**U.S. Forecast Comparison**

	2025Q3	2025Q4	2026Q1	2026Q2
<b>Real GDP (Billions of 2017 Dollars)</b>				
September Forecast, Final	23,769	23,808	23,885	23,993
Percent Change	1.1%	0.7%	1.3%	1.8%
September Forecast, Preliminary	23,720	23,760	23,845	23,959
Percent Change	0.6%	0.7%	1.4%	1.9%
<b>Real Consumption (Billions of 2017 Dollars)</b>				
September Forecast, Final	16,401	16,432	16,480	16,548
Percent Change	1.1%	0.8%	1.2%	1.7%
September Forecast, Preliminary	16,389	16,423	16,473	16,543
Percent Change	0.9%	0.8%	1.2%	1.7%
<b>PCE Price Index (2017=100)</b>				
September Forecast, Final	127.5	129.0	130.0	130.7
Percent Change	4.0%	4.8%	3.0%	2.3%
September Forecast, Preliminary	127.8	129.2	130.1	130.8
Percent Change	5.1%	4.2%	3.0%	2.3%
<b>Real Personal Income (Billions of 2017 Dollars)</b>				
September Forecast, Final	20,380	20,351	20,548	20,679
Percent Change	-0.8%	-0.6%	3.9%	2.6%
September Forecast, Preliminary	20,340	20,324	20,528	20,663
Percent Change	-1.6%	-0.3%	4.1%	2.6%
<b>Nonfarm Payroll Employment (Millions)</b>				
September Forecast, Final	159.5	159.6	159.6	159.7
Percent Change	0.1%	0.2%	0.2%	0.3%
September Forecast, Preliminary	159.6	159.7	159.8	160.0
Percent Change	0.4%	0.3%	0.3%	0.3%
<b>Unemployment Rate (Percent of Labor Force)</b>				
September Forecast, Final	4.3	4.4	4.6	4.6
September Forecast, Preliminary	4.3	4.4	4.5	4.6
<b>Oil Price, Refiner's Acquisition</b>				
September Forecast, Final	65.1	63.3	62.7	62.5
September Forecast, Preliminary	64.8	62.3	61.4	61.3
<b>30 Year Fixed Mortgage Rate (Percent, average)</b>				
September Forecast, Final	6.6	6.5	6.4	6.2
September Forecast, Preliminary	6.7	6.6	6.5	6.3
<b>3 Month T-Bill Rate (Percent, average)</b>				
September Forecast, Final	4.2	3.9	3.6	3.4
September Forecast, Preliminary	4.3	4.2	3.8	3.4

2024	2025	2026	2027	2028	2029
23,305	23,698	24,060	24,541	25,032	25,507
2.8%	1.7%	1.5%	2.0%	2.0%	1.9%
23,305	23,669	24,027	24,507	24,997	25,472
2.8%	1.6%	1.5%	2.0%	2.0%	1.9%
16,053	16,370	16,593	16,942	17,298	17,644
2.8%	2.0%	1.4%	2.1%	2.1%	2.0%
16,053	16,363	16,585	16,933	17,289	17,634
2.8%	1.9%	1.4%	2.1%	2.1%	2.0%
123.5	127.1	131.0	133.7	136.5	139.1
2.5%	2.9%	3.1%	2.0%	2.1%	1.9%
123.5	127.2	131.2	133.8	136.4	139.0
2.5%	3.0%	3.1%	2.0%	1.9%	1.9%
19,974	20,354	20,741	21,381	21,974	22,578
2.8%	1.9%	1.9%	3.1%	2.8%	2.8%
19,974	20,337	20,725	21,362	21,993	22,591
2.8%	1.8%	1.9%	3.1%	3.0%	2.7%
158.0	159.4	159.8	160.4	161.1	161.8
1.3%	0.9%	0.2%	0.4%	0.4%	0.4%
158.0	159.5	160.0	160.5	161.1	161.8
1.3%	1.0%	0.3%	0.3%	0.3%	0.4%
4.0	4.3	4.7	4.7	4.6	4.4
4.0	4.2	4.6	4.7	4.6	4.4
76.6	66.7	62.5	62.4	63.1	63.7
76.6	66.9	61.3	61.3	61.8	62.3
6.7	6.7	6.2	6.0	5.9	5.8
6.7	6.7	6.3	6.0	5.9	5.8
5.0	4.1	3.3	2.9	2.8	2.9
5.0	4.2	3.3	2.7	2.7	2.8

**U.S. Forecast Comparison**

	2025Q3	2025Q4	2026Q1	2026Q2
<b>Real GDP (Billions of 2017 Dollars)</b>				
September Forecast, Final	23,769	23,808	23,885	23,993
Percent Change	1.1%	0.7%	1.3%	1.8%
June Forecast	23,667	23,712	23,790	23,894
Percent Change	0.5%	0.8%	1.3%	1.8%
<b>Real Consumption (Billions of 2017 Dollars)</b>				
September Forecast, Final	16,401	16,432	16,480	16,548
Percent Change	1.1%	0.8%	1.2%	1.7%
June Forecast	16,410	16,442	16,502	16,572
Percent Change	0.5%	0.8%	1.5%	1.7%
<b>PCE Price Index (2017=100)</b>				
September Forecast, Final	127.5	129.0	130.0	130.7
Percent Change	4.0%	4.8%	3.0%	2.3%
June Forecast	128.0	128.9	129.7	130.4
Percent Change	4.9%	2.7%	2.5%	2.2%
<b>Real Personal Income (Billions of 2017 Dollars)</b>				
September Forecast, Final	20,380	20,351	20,548	20,679
Percent Change	-0.8%	-0.6%	3.9%	2.6%
June Forecast	20,396	20,437	20,585	20,720
Percent Change	-1.2%	0.8%	2.9%	2.7%
<b>Nonfarm Payroll Employment (Millions)</b>				
September Forecast, Final	159.5	159.6	159.6	159.7
Percent Change	0.1%	0.2%	0.2%	0.3%
June Forecast	159.8	159.9	159.9	160.0
Percent Change	0.4%	0.2%	0.2%	0.2%
<b>Unemployment Rate (Percent of Labor Force)</b>				
September Forecast, Final	4.3	4.4	4.6	4.6
June Forecast	4.3	4.4	4.6	4.7
<b>Oil Price, Refiner's Acquisition</b>				
September Forecast, Final	65.1	63.3	62.7	62.5
June Forecast	63.1	61.4	61.0	61.1
<b>30 Year Fixed Mortgage Rate (Percent, average)</b>				
September Forecast, Final	6.6	6.5	6.4	6.2
June Forecast	6.7	6.5	6.4	6.3
<b>3 Month T-Bill Rate (Percent, average)</b>				
September Forecast, Final	4.2	3.9	3.6	3.4
June Forecast	4.2	4.1	3.7	3.4

	2024	2025	2026	2027	2028	2029
	23,305	23,698	24,060	24,541	25,032	25,507
	2.8%	1.7%	1.5%	2.0%	2.0%	1.9%
	23,305	23,637	23,964	24,443	24,932	25,406
	2.8%	1.4%	1.4%	2.0%	2.0%	1.9%
	16,053	16,370	16,593	16,942	17,298	17,644
	2.8%	2.0%	1.4%	2.1%	2.1%	2.0%
	16,053	16,391	16,613	16,962	17,318	17,665
	2.8%	2.1%	1.4%	2.1%	2.1%	2.0%
	123.5	127.1	131.0	133.7	136.5	139.1
	2.5%	2.9%	3.1%	2.0%	2.1%	1.9%
	123.5	127.2	130.6	133.0	135.3	137.7
	2.5%	3.0%	2.7%	1.8%	1.7%	1.8%
	19,974	20,354	20,741	21,381	21,974	22,578
	2.8%	1.9%	1.9%	3.1%	2.8%	2.8%
	19,974	20,392	20,788	21,457	22,131	22,775
	2.8%	2.1%	1.9%	3.2%	3.1%	2.9%
	158.0	159.4	159.8	160.4	161.1	161.8
	1.3%	0.9%	0.2%	0.4%	0.4%	0.4%
	158.0	159.6	160.1	160.5	161.0	161.8
	1.3%	1.0%	0.3%	0.3%	0.3%	0.5%
	4.0	4.3	4.7	4.7	4.6	4.4
	4.0	4.3	4.7	4.7	4.6	4.3
	76.6	66.7	62.5	62.4	63.1	63.7
	76.6	65.0	61.2	61.6	62.1	62.4
	6.7	6.7	6.2	6.0	5.9	5.8
	6.7	6.7	6.2	5.9	5.8	5.7
	5.0	4.1	3.3	2.9	2.8	2.9
	5.0	4.2	3.3	2.6	2.7	2.8

**Washington Forecast Comparison**

	2025Q3	2025Q4	2026Q1	2026Q2
<b>Real Personal Income (Billions of 2017 Dollars)</b>				
September Forecast, Final	555.9	555.1	558.7	563.0
Percent Change	-0.7%	-0.6%	2.6%	3.1%
September Forecast, Preliminary	554.7	554.1	558.1	562.4
Percent Change	-1.6%	-0.4%	2.9%	3.1%
<b>Personal Income (Billions of Dollars)</b>				
September Forecast, Final	708.7	716.1	726.1	735.7
Percent Change	3.4%	4.2%	5.7%	5.4%
September Forecast, Preliminary	709.0	715.7	726.2	735.9
Percent Change	3.5%	3.8%	6.0%	5.5%
<b>Disposable Personal Income (Billions of Dollars)</b>				
September Forecast, Final	620.3	627.0	643.0	652.0
Percent Change	2.8%	4.4%	10.5%	5.7%
September Forecast, Preliminary	620.5	626.7	643.1	652.3
Percent Change	2.9%	4.1%	10.9%	5.8%
<b>Nonfarm Payroll Employment (Thousands)</b>				
September Forecast, Final	3642.2	3643.1	3643.9	3647.3
Percent Change	0.4%	0.1%	0.1%	0.4%
September Forecast, Preliminary	3642.1	3642.9	3644.8	3651.2
Percent Change	0.4%	0.1%	0.2%	0.7%
<b>Unemployment Rate (Percent of Labor Force)</b>				
September Forecast, Final	4.5	4.6	4.7	4.8
September Forecast, Preliminary	4.5	4.6	4.8	4.8
<b>Manufacturing Employment (Thousands)</b>				
September Forecast, Final	274.3	274.8	275.5	276.1
Percent Change	3.2%	0.8%	1.0%	0.8%
September Forecast, Preliminary	273.7	274.3	274.8	275.0
Percent Change	2.4%	0.8%	0.7%	0.3%
<b>Construction Employment (Thousands)</b>				
September Forecast, Final	220.8	222.1	223.2	224.3
Percent Change	-1.9%	2.3%	2.0%	1.9%
September Forecast, Preliminary	221.3	223.2	224.5	226.1
Percent Change	-1.1%	3.5%	2.3%	2.8%
<b>Housing Permits (Thousands)</b>				
September Forecast, Final	31.5	32.3	33.8	35.3
Percent Change	-35.9%	11.2%	19.4%	19.1%
September Forecast, Preliminary	37.6	36.7	36.2	36.2
Percent Change	31.1%	-9.2%	-5.3%	0.0%

2024	2025	2026	2027	2028	2029
542.8	554.8	564.9	584.2	603.7	622.7
3.4%	2.2%	1.8%	3.4%	3.3%	3.2%
542.8	554.2	564.4	584.0	604.5	623.8
3.4%	2.1%	1.8%	3.5%	3.5%	3.2%
670.3	705.0	740.2	781.2	824.2	866.3
6.0%	5.2%	5.0%	5.5%	5.5%	5.1%
670.3	705.0	740.4	781.5	824.4	867.1
6.0%	5.2%	5.0%	5.5%	5.5%	5.2%
589.6	617.6	656.2	691.6	727.5	762.0
6.0%	4.7%	6.2%	5.4%	5.2%	4.7%
589.6	617.6	656.6	691.8	727.7	762.7
6.0%	4.8%	6.3%	5.4%	5.2%	4.8%
3630	3642	3650	3673	3708	3745
1.0%	0.3%	0.2%	0.6%	1.0%	1.0%
3630	3642	3653	3676	3713	3749
1.0%	0.3%	0.3%	0.6%	1.0%	1.0%
4.5	4.5	4.8	4.9	4.8	4.5
4.5	4.5	4.9	4.9	4.7	4.5
273.9	274.0	276.1	277.1	278.5	279.8
-0.1%	0.1%	0.7%	0.4%	0.5%	0.5%
273.9	273.8	275.0	276.0	278.0	279.4
-0.1%	0.0%	0.4%	0.4%	0.7%	0.5%
223.7	221.9	224.8	228.9	233.0	236.7
-2.8%	-0.8%	1.3%	1.9%	1.8%	1.6%
223.7	222.3	226.6	231.2	235.7	239.9
-2.8%	-0.6%	1.9%	2.0%	2.0%	1.8%
37.8	32.9	35.5	38.1	39.5	40.5
1.8%	-13.0%	8.0%	7.2%	3.7%	2.7%
37.8	35.5	36.6	38.2	40.0	41.5
1.8%	-6.0%	3.0%	4.5%	4.6%	3.9%



**Washington Forecast Comparison**

	2025Q3	2025Q4	2026Q1	2026Q2
<b>Real Personal Income (Billions of 2017 Dollars)</b>				
September Forecast, Final	555.9	555.1	558.7	563.0
Percent Change	-0.7%	-0.6%	2.6%	3.1%
June Forecast	554.6	556.1	560.6	565.1
Percent Change	-0.9%	1.1%	3.3%	3.2%
<b>Personal Income (Billions of Dollars)</b>				
September Forecast, Final	708.7	716.1	726.1	735.7
Percent Change	3.4%	4.2%	5.7%	5.4%
June Forecast	710.1	716.7	726.9	736.6
Percent Change	3.9%	3.8%	5.8%	5.5%
<b>Disposable Personal Income (Billions of Dollars)</b>				
September Forecast, Final	620.3	627.0	643.0	652.0
Percent Change	2.8%	4.4%	10.5%	5.7%
June Forecast	622.3	628.2	646.4	655.5
Percent Change	3.7%	3.8%	12.1%	5.7%
<b>Nonfarm Payroll Employment (Thousands)</b>				
September Forecast, Final	3642.2	3643.1	3643.9	3647.3
Percent Change	0.4%	0.1%	0.1%	0.4%
June Forecast	3651.1	3653.3	3656.8	3662.0
Percent Change	0.4%	0.2%	0.4%	0.6%
<b>Unemployment Rate (Percent of Labor Force)</b>				
September Forecast, Final	4.5	4.6	4.7	4.8
June Forecast	4.6	4.7	4.8	4.9
<b>Manufacturing Employment (Thousands)</b>				
September Forecast, Final	274.3	274.8	275.5	276.1
Percent Change	3.2%	0.8%	1.0%	0.8%
June Forecast	273.7	274.3	274.7	275.0
Percent Change	1.9%	1.0%	0.5%	0.5%
<b>Construction Employment (Thousands)</b>				
September Forecast, Final	220.8	222.1	223.2	224.3
Percent Change	-1.9%	2.3%	2.0%	1.9%
June Forecast	222.5	223.8	224.8	225.9
Percent Change	0.9%	2.2%	1.8%	2.0%
<b>Housing Permits (Thousands)</b>				
September Forecast, Final	31.5	32.3	33.8	35.3
Percent Change	-35.9%	11.2%	19.4%	19.1%
June Forecast	35.7	36.1	36.5	36.8
Percent Change	11.4%	4.4%	4.5%	4.2%

2024	2025	2026	2027	2028	2029
542.8	554.8	564.9	584.2	603.7	622.7
3.4%	2.2%	1.8%	3.4%	3.3%	3.2%
543.1	554.7	567.2	587.6	609.3	629.7
3.5%	2.1%	2.2%	3.6%	3.7%	3.3%
670.3	705.0	740.2	781.2	824.2	866.3
6.0%	5.2%	5.0%	5.5%	5.5%	5.1%
670.7	705.8	741.0	781.6	824.5	867.3
6.1%	5.2%	5.0%	5.5%	5.5%	5.2%
589.6	617.6	656.2	691.6	727.5	762.0
6.0%	4.7%	6.2%	5.4%	5.2%	4.7%
589.9	618.8	659.5	696.1	732.2	768.1
6.0%	4.9%	6.6%	5.5%	5.2%	4.9%
3630	3642	3650	3673	3708	3745
1.0%	0.3%	0.2%	0.6%	1.0%	1.0%
3632	3650	3664	3685	3719	3754
1.0%	0.5%	0.4%	0.6%	0.9%	0.9%
4.5	4.5	4.8	4.9	4.8	4.5
4.5	4.5	4.9	4.9	4.7	4.4
273.9	274.0	276.1	277.1	278.5	279.8
-0.1%	0.1%	0.7%	0.4%	0.5%	0.5%
274.0	273.3	274.9	275.2	276.7	277.5
0.0%	-0.2%	0.6%	0.1%	0.5%	0.3%
223.7	221.9	224.8	228.9	233.0	236.7
-2.8%	-0.8%	1.3%	1.9%	1.8%	1.6%
224.1	222.6	226.5	230.9	235.2	239.6
-2.7%	-0.7%	1.8%	1.9%	1.9%	1.8%
37.8	32.9	35.5	38.1	39.5	40.5
1.8%	-13.0%	8.0%	7.2%	3.7%	2.7%
37.8	34.8	37.1	38.5	39.9	40.9
1.8%	-8.0%	6.7%	3.8%	3.7%	2.4%

U.S. Forecast Comparison				Fiscal Years		
	2024	2025	2026	2027	2028	2029
<b>Real GDP</b>						
Billions of 2017 dollars						
September Forecast	23,005	23,540	23,864	24,304	24,780	25,276
Growth	3.1%	2.3%	1.4%	1.8%	2.0%	2.0%
June Forecast	23,005	23,527	23,766	24,207	24,684	25,172
Growth	3.1%	2.3%	1.0%	1.9%	2.0%	2.0%
Difference in level	0	12	98	97	96	105
<i>Difference in growth forecast</i>	<i>0.0%</i>	<i>0.1%</i>	<i>0.4%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<b>Real Consumption</b>						
Billions of 2017 dollars						
September Forecast	15,813	16,258	16,465	16,763	17,119	17,472
Growth	2.6%	2.8%	1.3%	1.8%	2.1%	2.1%
June Forecast	15,813	16,274	16,481	16,780	17,144	17,488
Growth	2.6%	2.9%	1.3%	1.8%	2.2%	2.0%
Difference in level	0	-16	-16	-17	-24	-16
<i>Difference in growth forecast</i>	<i>0.0%</i>	<i>-0.1%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.1%</i>
<b>PCE Price Index</b>						
2017 = 100						
September Forecast	122.1	125.0	129.3	132.4	135.2	137.8
Growth	2.9%	2.4%	3.4%	2.4%	2.1%	2.0%
June Forecast	122.1	125.1	129.2	131.9	134.1	136.5
Growth	2.9%	2.5%	3.3%	2.0%	1.7%	1.8%
Difference in level	0.0	-0.1	0.1	0.5	1.0	1.3
<i>Difference in growth forecast</i>	<i>0.0%</i>	<i>-0.1%</i>	<i>0.1%</i>	<i>0.4%</i>	<i>0.4%</i>	<i>0.2%</i>
<b>Unemployment Rate</b>						
Percent of Labor Force						
September Forecast	3.8%	4.2%	4.5%	4.7%	4.7%	4.5%
June Forecast	3.8%	4.2%	4.5%	4.7%	4.7%	4.5%
<i>Difference in forecast</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.1%</i>
<b>30 Year Fixed Mortgage Rate</b>						
Annual Average						
September Forecast	7.0%	6.7%	6.4%	6.1%	5.9%	5.9%
June Forecast	7.0%	6.7%	6.5%	6.1%	5.8%	5.8%
<i>Difference in forecast</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.1%</i>	<i>0.1%</i>
<b>3 Month T-Bill Rate</b>						
Annual Average						
September Forecast	5.3%	4.5%	3.8%	3.0%	2.9%	2.8%
June Forecast	5.3%	4.5%	3.8%	2.8%	2.6%	2.8%
<i>Difference in forecast</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-0.1%</i>	<i>0.1%</i>	<i>0.2%</i>	<i>0.1%</i>

Washington Forecast Comparison					Fiscal Years	
	2024	2025	2026	2027	2028	2029
<b>Real Personal Income</b>						
Billions of 2017 dollars						
September Forecast	534.1	550.0	558.2	574.2	593.9	613.2
Growth	3.7%	3.0%	1.5%	2.9%	3.4%	3.2%
June Forecast	534.2	550.3	559.1	577.0	598.4	619.7
Growth	3.7%	3.0%	1.6%	3.2%	3.7%	3.6%
Difference in level	-0.1	-0.3	-0.9	-2.8	-4.4	-6.5
<b>Difference in growth forecast</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-0.3%</b>	<b>-0.3%</b>	<b>-0.3%</b>
<b>Nominal Personal Income</b>						
Billions of dollars						
September Forecast	651.9	687.6	721.7	760.1	802.9	845.2
Growth	6.7%	5.5%	4.9%	5.3%	5.6%	5.3%
June Forecast	652.0	688.3	722.6	760.9	802.7	845.9
Growth	6.7%	5.6%	5.0%	5.3%	5.3%	5.4%
Difference in level	-0.1	-0.7	-0.9	-0.7	0.1	-0.7
<b>Difference in growth forecast</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>-0.1%</b>
<b>Nonfarm Payroll Employment</b>						
Thousands						
September Forecast	3,614.2	3,637.9	3,644.1	3,660.2	3,690.1	3,726.0
Growth	1.2%	0.7%	0.2%	0.4%	0.8%	1.0%
June Forecast	3,614.2	3,643.7	3,655.8	3,673.0	3,701.3	3,736.6
Growth	1.2%	0.8%	0.3%	0.5%	0.8%	1.0%
Difference in level	0.0	-5.8	-11.7	-12.8	-11.1	-10.6
<b>Difference in growth forecast</b>	<b>0.0%</b>	<b>-0.2%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Housing Permits</b>						
Units Authorized, Thousands						
September Forecast	35.8	36.2	33.2	37.1	38.8	40.1
Growth	-11.5%	1.1%	-8.2%	11.7%	4.7%	3.2%
June Forecast	35.8	36.0	36.3	37.8	39.2	40.5
Growth	-11.5%	0.8%	0.6%	4.3%	3.6%	3.4%
Difference in level	0.0	0.1	-3.1	-0.7	-0.4	-0.5
<b>Difference in growth forecast</b>	<b>0.0%</b>	<b>0.3%</b>	<b>-8.8%</b>	<b>7.4%</b>	<b>1.1%</b>	<b>-0.2%</b>

**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 <sup>(1)</sup>	TOTAL	GFS	ELTA , OPA, WEIA, FSKA <sup>(1)</sup>	TOTAL
<b>RESOURCES</b>						
<b>Beginning Fund Balance</b>	4,184.7	1,102.4	5,287.0	1,397.2	930.0	2,327.2
June 2025 Revenue Forecast	63,426.4	3,710.7	67,137.1	70,088.4	4,667.2	74,755.5
September 2025 Revenue Forecast Change	(47.3)	33.9	(13.4)	(316.5)	(95.8)	(412.3)
<b>Current Revenue Totals</b>	<b>63,379.1</b>	<b>3,744.5</b>	<b>67,123.7</b>	<b>69,771.8</b>	<b>4,571.4</b>	<b>74,343.2</b>
Transfers to Budget Stabilization Account (1% of GSR)	(639.5)	-	(639.5)	(701.8)	-	(701.8)
Transfers to Budget Stabilization Account (EGSR)	-	-	-	-	-	-
Enacted Fund Transfers	2,136.2		2,136.2	617.2	8.0	625.2
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 <sup>(2)</sup>	128.9		128.9	37.7	-	37.7
<b>Total Resources (Including Beginning Fund Balance)</b>	<b>69,406.8</b>	<b>4,902.1</b>	<b>74,308.9</b>	<b>71,163.0</b>	<b>5,509.4</b>	<b>76,672.4</b>
<b>EXPENDITURES</b>						
<b>Enacted Budgets</b>						
2023-25 Biennium	68,771.5	3,972.0	72,743.5			
2025-27 Biennium				72,676.4	5,181.2	77,857.7
Actual/Assumed Reversions <sup>(3)</sup>	(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>1,397.2</b>	<b>930.0</b>	<b>2,327.2</b>	<b>(749.4)</b>	<b>328.2</b>	<b>(421.2)</b>
<b>Budget Stabilization Account</b>						
Beginning Balance	652.4		652.4	1,254.0		1,254.0
Transfers from General Fund (1% of GSR)	639.5		639.5	701.8		701.8
Transfers from General Fund (EGSR)	-		-	-		-
Actual Prior Period Adjustments	0.1		0.1	-		-
Actual/Assumed Biennium - Interest Earnings	59.5		59.5	95.4		95.4
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>1,254.0</b>		<b>1,254.0</b>	<b>2,051.3</b>		<b>2,051.3</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>2,651.2</b>	<b>930.0</b>	<b>3,581.2</b>	<b>1,301.9</b>	<b>328.2</b>	<b>1,630.1</b>

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

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

(3) 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).

Acronyms

BSA - Budget Stabilization Account

GSR - General State Revenues

EGSR - Extraordinary General State Revenues

WRPTA - Washington Rescue Plan Transition Account