

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**

September 2025  
Volume LVIII, No. 3



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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 October 7, 2025.

# **Washington State Economic and Revenue Forecast**

Prepared by the  
Economic and Revenue Forecast Council

September 2025  
Volume LVIII, No. 3

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## Executive Summary

- **The U.S. economic outlook has improved slightly since the June forecast.**
- **We expect real GDP to increase 1.7% in 2025 and 1.5% in 2026. The June forecast assumed 1.4% 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, unchanged from the previous forecast.**
- **The September forecast includes assumptions regarding changes to U.S. trade policy and federal job cuts.**
- **The Washington economy continued to expand, though at a slower pace.**
- **There are fewer jobs in August than were forecasted in June. This is due to downward revisions to historical data.**
- **The Washington unemployment rate held steady in August, at 4.5%.**
- **Washington housing permits reached their lowest level in over a decade.**
- **Seattle home prices were unchanged compared with July 2024.**
- **Washington exports increased 5.1% from the second quarter of 2024 to the second 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 second quarter of 2025 and had the 13<sup>th</sup> lowest growth rate in the nation.**
- **Compared to the June forecast, we now anticipate weaker job growth in 2026.**
- **Tracked revenue collections since June have come in \$143 million above their forecasted amount, but the upturn in taxable activity is expected to be temporary.**
- **The September economic forecast projects lower housing permits and construction employment, and slightly lower personal income, all of which have decreased forecasted receipts.**
- **The preliminary total of funds subject to the budget outlook process in the 2023-25 biennium was \$13 million lower than forecasted in June.**
- **The forecast of funds subject to the budget outlook process was decreased by \$412 million in the 2025-27 biennium and \$477 million in the 2027-29 biennium.**

## U.S. Economic Forecast

*The economic outlook has improved slightly*

The economic outlook has improved slightly since the June forecast. The labor market continues to soften although net job growth remains positive. Inflation is no longer declining and remains above desired levels. Headwinds have increased due to changes in trade and fiscal policy. Consumer confidence has plummeted as uncertainty has grown. At the time of this publication, the federal government remains shut down, adding to uncertainty. The Federal Reserve cut interest rates sooner than previously expected, but a rapid reduction in rates remains unlikely due to inflation concerns.

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

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% 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.

*The forecast includes policy assumptions*

The September forecast includes assumptions regarding changes to U.S. trade policy. Tariffs and federal job cuts are included in the forecast. In addition to Section 232 tariffs already in place, the forecast includes new tariffs as well. The forecast includes new tariffs on lumber, semiconductors, pharmaceuticals, and critical minerals, ranging from 10% to 25%. For reciprocal tariffs, the forecast assumes rates that were announced August 1 or later, including the recent increase to 50% on imports from India. Reciprocal tariffs range from 10% to 50%. The forecast includes additional tariffs related to fentanyl flows and immigration on China (20%), Canada (35%), and Mexico (25%), with Canadian and Mexican tariffs stepping down to 12% by early 2026. The forecast includes a cumulative 255,000 reduction in federal payrolls this year. Personal tax policy includes the provisions within the One Big Beautiful Bill Act (OBBBA) that extends the cuts to marginal personal tax rates and includes new deductions for tip income and overtime pay. All other provisions from the OBBBA are included in the forecast as well.

## Washington Economic Forecast

*The Washington economy is showing mixed signals*

The Washington economy showed mixed conditions so far in 2025. Employment growth was slightly stronger than expected over the summer, though revisions left total nonfarm employment 9,600 below the June forecast. Total employment in August was down 0.04% from a year earlier, as gains in

government and health services were offset by losses in manufacturing and construction. The unemployment rate held steady at 4.5% while labor force participation edged higher. Initial unemployment claims increased in August but remain below levels seen last fall. Housing construction stayed subdued, and home prices in the Seattle area were unchanged over the year, trailing the modest national gain. Exports rose in the second quarter, led by transportation equipment, while vehicle registrations declined. Seattle inflation closely matched the national average, with prices rising 2.8% over the year.

*The Washington forecast features weaker job growth in the near term*

The Washington forecast reflects a slightly weaker near-term outlook compared to June, with slower job growth now expected in 2026 but little change to average growth through 2029. Employment is projected to increase by 0.2% in 2026, with average annual growth of 0.7% from 2025 to 2029. Aerospace employment has fallen in recent months, and near-term growth has been revised lower, though moderate gains are expected to resume after 2026. Software employment continues to soften, with a decline anticipated in 2026 before returning to growth from 2027 through 2029. Construction employment has edged down over the past year but is expected to expand steadily through the forecast period. Nominal personal income growth is little changed from June, averaging 5.3% annually from 2025 to 2029. Housing permits came in below expectations for 2025, resulting in a lower base for the forecast despite stronger projected growth in later years. The Seattle CPI forecast is similar, with inflation expected to moderate from 2.8% in 2026 to 2.0% by 2029.

## Revenue

*Revenue collections have come in higher than expected, but growth in collections is expected to slow*

Tracked revenue collections since June have come in \$143 million above their forecasted amount. Much of the unexpected growth, however, was due to a rush to purchase goods ahead of anticipated tariff-related price increases. These accelerated purchases are expected to lower future sales. The September economic forecast also projects lower housing permits and construction employment, and slightly lower personal income, all of which have decreased forecasted revenue.

*Total forecast change by biennium (millions):*

23-25: -\$13.4  
25-27: -\$412.3  
27-29: -\$477.3

The preliminary total of revenue in the 2023-25 biennium was \$13.4 million less than forecasted in June. Forecasted revenue was decreased by \$412.3 million in the 2025-27 biennium and \$477.3 million in the 2027-29 biennium. The preliminary total of funds subject to the budget outlook process was \$67,124 billion in the 2023-25 biennium. The September 2025 forecast for the funds totals \$74.343 billion in the 2025-27 biennium and \$79.537 billion in the 2027-29 biennium.



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

- **The U.S. economic outlook has improved slightly since the June forecast.**
- **Real GDP rebounded in the second quarter, growing 3.8% (SAAR) after declining 0.6% (SAAR) in the first quarter.**
- **The job market has softened and growth has continued to trend down.**
- **Inflation accelerated in August.**
- **Consumer confidence has declined since the end of last year.**
- **The housing and manufacturing sectors are declining.**
- **Oil prices have trended down, but we expect prices to increase slightly throughout the forecast period.**
- **We expect real GDP to increase 1.7% in 2025 and 1.5% in 2026. The June forecast assumed 1.4% 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, unchanged from the previous forecast.**
- **The September forecast includes assumptions regarding changes to U.S. trade policy and federal job cuts.**
- **We expect the Federal Reserve to cut the federal funds rate another 25 basis points just once more 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 improved slightly*

The economic outlook has improved slightly since the June forecast. The labor market continues to soften although net job growth remains positive. Inflation is no longer declining and remains above desired levels. Headwinds have increased due to changes in trade and fiscal policy. Consumer confidence has plummeted as uncertainty has grown. At the time of this publication, the federal government remains shut down, adding to uncertainty. The Federal Reserve cut interest rates sooner than previously expected, but a rapid reduction in rates remains unlikely due to inflation concerns.

*Real GDP increased 3.8% (SAAR) in the second quarter*

Real GDP rebounded in the second quarter, growing 3.8% (SAAR) after declining 0.6% (SAAR) in the first quarter. Imports again played a large role in growth. After surging in the first quarter by 38.0% (SAAR), imports fell 29.0% (SAAR) in the second quarter. This was driven by consumers and businesses attempting to get goods into the country ahead of rising tariffs. In the second quarter, along with the drop in imports, exports declined 1.8% (SAAR) resulting in a net impact of 4.8 points added to GDP growth. Aside from the contribution of trade, consumer spending was the largest driver of overall growth in the second quarter. Consumer spending grew 2.5% (SAAR) in the second quarter after growing just 0.6% (SAAR) in the first quarter and added 1.7 points to topline GDP growth. Consumer spending on goods grew 2.2% (SAAR) while spending on services increased by 2.6% (SAAR). Fixed investment grew 4.4% (SAAR) adding 0.8 points to GDP growth. Nonresidential fixed investment grew 7.3% (SAAR), led by a 15.0% (SAAR) increase in intellectual property which was partially offset by a 7.5% (SAAR) decrease in structures. Residential investment declined in the second quarter by 5.1% (SAAR) after declining 1.0% (SAAR) in the first quarter and subtracted 0.2 points from overall GDP growth. Government spending was slightly negative, falling 0.1% (SAAR). The change in inventories subtracted 3.4 points to GDP growth in the second quarter.

*The job market has softened*

The job market has softened and growth has continued to trend down. Employment growth since April has averaged just 27,000 net new jobs. In August, total nonfarm employment increased by 22,000 jobs after increasing by 79,000 jobs the month before. Over the past twelve months, job growth has averaged 122,000. Construction employment is now declining due to the stagnant housing market. In August, construction declined 7,000 jobs, the worst month in over two years. The manufacturing sector is contracting as well. In August, manufacturing declined another 12,000 jobs, the fourth consecutive months of job losses. Private service-providing employment increased by 63,000 in the most recent month of data. Employment increases in the service sector were led by a 46,800 increase in health care and social assistance. Wholesale trade was the weakest sector in August, declining by 11,700 jobs. Temporary help services also experienced a large decline with a decline of 9,800 jobs. Government payrolls declined by 16,000 due primarily to a 15,000 drop in federal government employment.

*The unemployment rate has increased*

The unemployment rate increased to 4.3% in August from 4.2% in July. This was the highest the unemployment rate has been since October 2021 (see Figure 1.1). The primary reason for the increase in August, however, was a large increase in the labor force as more people started looking for jobs and were thus counted as unemployed. The labor force participation rate increased 0.1 percentage points over the month to 62.3% in August, just above the recent trough of 62.2% in July. Average hourly earnings are up \$1.30 from a year ago to \$36.53 while

the average workweek fell 0.1 hours from last year to 34.2 hours in August.

**Figure 1.1: Unemployment Rate**

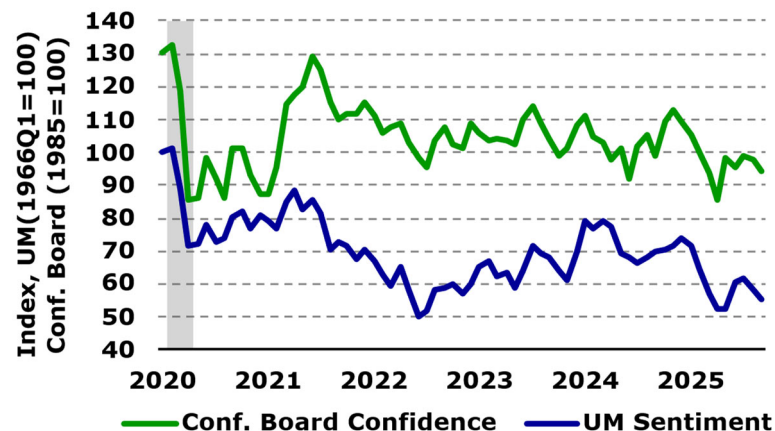


Source: U.S. Bureau of Labor Statistics; data through August 2025

*Consumer confidence has declined*

Consumer confidence has declined since the end of last year (see Figure 1.2). Consumer confidence as measured by the Conference Board declined 3.6 points in September to 94.2, and is down 18.6 points since the recent peak in November. Both the present conditions and expectations indexes fell in September, with present conditions experiencing the largest drop. Consumers view of business and labor market conditions weakened while inflation expectations cooled slightly. The University of Michigan Consumer Sentiment index fell 3.1 points in September and remains down 18.9 points since the recent peak in December. Expectations led the drop in September, although consumers' view of current conditions also fell.

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



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

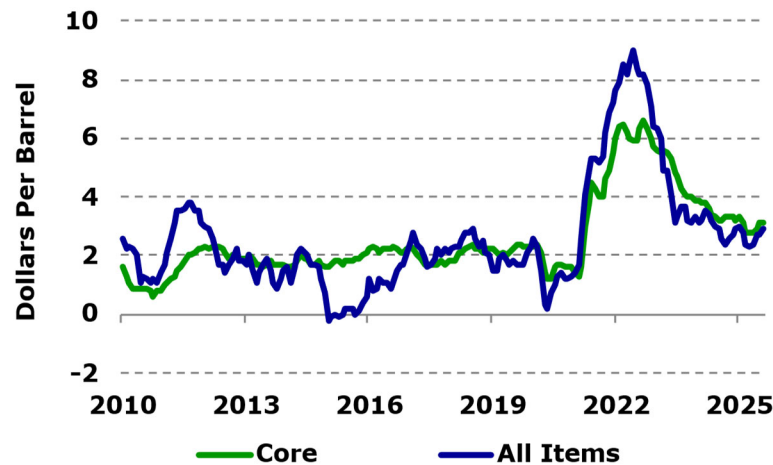
*Oil prices are  
on a downward  
trend*

Oil prices remain on a downward trend. Oil markets are stabilizing as conflicts in the Middle East have calmed down. OPEC+ has less control of prices than in past, but can still manipulate markets in the short term. Their recent decision to hike output less than expected resulted in a temporary rise in oil prices. In September, the Brent spot crude price was \$68 per barrel, down \$16 from a year ago. The West Texas Intermediate (WTI) price has declined to \$64 per barrel from \$70 per barrel since last year. U.S. oil production once again reached a new all-time high in July at 13.642 million barrels-per-day (bpd). The Baker Hughes rig count has been declining since reaching a peak in November 2022. As of October 3<sup>rd</sup>, the rig count in the U.S. was 549, down 36 since last year.

*Inflation  
accelerated in  
August*

Inflation accelerated in August, rising 0.4% over the month following a 0.2% increase in July. In August, the Consumer Price Index (CPI) rose from 2.7% to 2.9% on a year-over-year basis (see Figure 1.3). While this is down significantly from the peak as a result of the pandemic, it remains elevated and the price level remains much higher than prior to the pandemic. Declining energy prices had been putting downward pressure on overall inflation, but it appears that is no longer the case. In August, energy prices were up 0.7% over the month, although they remain up just 0.2% over the year. Shelter cost inflation remains high, increasing 0.4% in August and up 3.6% since last year. Food price inflation also picked up in August, up 0.5% and up 3.2% since last year. Core consumer prices, which exclude food and energy, increased 0.3% in the most recent month and were up 3.1% over the year.

**Figure 1.3: Consumer Price Index**



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

*Home prices  
are declining*

Home prices are declining. The seasonally adjusted S&P CoreLogic Case-Shiller National Home Price Index declined 0.1% in July, the fifth consecutive decline. 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. Even with the recent rate cut in September, interest rates are much higher than prior to the pandemic. The rate on a 30-year mortgage rate was 6.34% as of October 2<sup>nd</sup>, down from a recent peak of 7.04% in January, but up from 6.12% a year ago. In the decade prior to the pandemic, mortgage rates averaged 4.09%. Lumber prices are increasing again and are now at \$614 per 1,000 board feet, up from \$526 a year ago. Homebuilders remain pessimistic. In September, homebuilder confidence remained at 32 (readings above 50 indicate optimism), and the index is down from 41 last year.

*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 8.5% in August after a 3.4% increase the month before. Over the year, starts are down 6.0%. Single-family starts are 6.7% lower than a year ago, while multi-family starts are down 4.2%. 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. On the positive side, housing inventory dropped sharply in August due to a surge in new home sales. The month's supply of new homes fell to 7.4, down from 9.0 in July. In the decade prior to the pandemic, there was an average of 5.7 months' worth of supply. New home sales increased 20.5% over the month in August to 800,000 (SAAR) and are up 15.4% since last year. Housing permits declined 2.3% over the month in August and are down 9.9% since last year. Single-family permits are down 11.3% since last year while multi-family permits are down 7.3%.

*The  
manufacturing  
sector  
appears to be  
contracting*

The manufacturing sector appears to be contracting. The Institute for Supply Management (ISM) Report on Business index increased to 49.1 in September from 48.7 in August (index values below 50 indicate contraction). The index had indicated contraction in the manufacturing sector in each of the past seven months. The new orders component fell back into contractionary territory in September, dropping 2.5 points to 48.9. Production returned to growth in September, gaining 3.2 points to 51.0 points. The employment component increased 1.5 points to 45.3, indicating continued job losses. Five manufacturing industries reported growth in September with eleven indicating contraction. The latest G-17 report measuring industrial production from the Federal Reserve indicates manufacturing output ticked up 0.2% in August and is up 0.9% from a year ago. Durable goods increased 0.2% led by motor vehicles and parts. Nondurable goods increased 0.3% from the prior month. New orders for core capital goods (nondefense capital goods excluding aircraft) increased 0.6% in August and are up 2.4% from a year ago.



U.S. exports increased in the second quarter

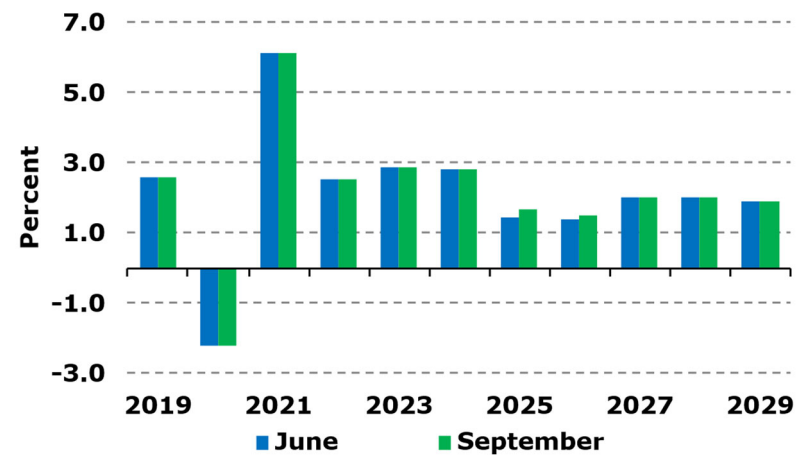
U.S. exports increased in the second quarter of 2025, growing by 6.4% year over year. U.S. exports to the rest of North America declined 5.6% year over year in the second quarter, the first decline since the first quarter of 2024. Exports to Mexico fell 2.2% while exports to Canada declined 8.8%. Exports to China declined sharply, falling 29.4% year over year in the second quarter. The recent tariff escalation with China has weighed on trade. While China has agreed to a trade framework to lift export restrictions, nothing has materialized. Exports to the Netherlands, which has surpassed China and the United Kingdom as our third largest export partner, increased 16.7% over the year. Exports of transportation equipment turned negative on a year over year basis, declining 1.7%. in the second quarter. Computer and electronic products (our third largest export) were particularly strong, increasing 19.0% over the year.

Forecast

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

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% 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, unchanged from the previous forecast.

Figure 1.4: Real GDP Growth



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

The September forecast includes assumptions regarding changes to U.S. trade policy. Tariffs and federal job cuts are included in the forecast. In addition to Section 232 tariffs already in place,

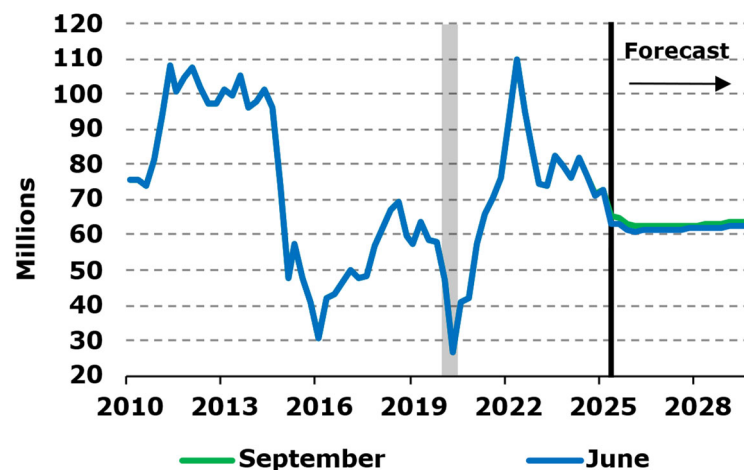
*The forecast includes policy assumptions*

the forecast includes new tariffs as well. The forecast includes new tariffs on lumber, semiconductors, pharmaceuticals, and critical minerals, ranging from 10% to 25%. For reciprocal tariffs, the forecast assumes rates that were announced August 1 or later, including the recent increase to 50% on imports from India. Reciprocal tariffs range from 10% to 50%. The forecast includes additional tariffs related to fentanyl flows and immigration on China (20%), Canada (35%), and Mexico (25%), with Canadian and Mexican tariffs stepping down to 12% by early 2026. The forecast includes a cumulative 255,000 reduction in federal payrolls this year. Personal tax policy includes the provisions within the One Big Beautiful Bill Act (OBBBA) that extends the cuts to marginal personal tax rates and includes new deductions for tip income and overtime pay. All other provisions from the OBBBA are included in the forecast as well.

*Oil prices are expected to remain low*

Oil prices are expected to slowly decline through the first half of the forecast and remain low thereafter. Oil prices should remain under downward pressure from supplies growing faster than demand. OPEC+ has recently committed to increasing output, and South American supplies are growing as well. Record-high U.S. oil production will also keep downward pressure on prices. The refiner acquisition price of crude oil in 2025 is expected to average \$67 per barrel, up from \$65 per barrel assumed in June. We expect oil prices to continue to fall and reach a trough in the first quarter of 2027 at \$62 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 remainder of the forecast period. The forecast calls for oil prices to reach \$64 per barrel in 2029, up from \$62 assumed in June (see Figure 1.5).

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



Source: U.S. Energy Information Administration, September 2025 ERFC forecast; historical data through 2025 Q2

*Inflation is expected to increase in 2025 and 2026*

The inflation rate (as measured by the change in the price index for personal consumption expenditures) is expected to increase to 2.9% this year from 2.5% in 2024. The June forecast expected inflation to increase to 3.0% this year. Inflation has come down after the Covid surge caused by demand recovering faster than could be accommodated by supplies of commodities and labor being 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 increase to 3.1% in 2026 as some trade policies take effect. The forecast calls for inflation to average 2.0% from 2027 through 2029. Core inflation (excluding food and energy) is expected to be 3.1% and 3.2% in 2025 and 2026. We expect core inflation to trend down and average 2.0% from 2027 through 2029.

*Consumer spending growth is expected to slow*

Real consumer spending growth is expected to decline this year to 2.0% from 2.8% in 2024. The June forecast expected real consumption growth to decline to 2.1% this year. Job growth has been weaker than initially reported and continues to trend down. While inflation has come down from the peak, it is starting to pick up again and the price level remain high. 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 7.6% 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 as the job market has softened and inflation fears have returned. 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, unchanged from the previous forecast.

*Employment growth is expected to slow*

We expect employment growth of 0.9% this year, down from 1.3% in 2024 as the labor market cools. The previous forecast expected growth to slow to 1.0% this year. The Federal Reserve has been hesitant to lower rates to support full employment given the uncertainty surrounding the effects of tariffs and the potential impact on inflation. Going forward, employment growth is expected to average 0.4% from 2026 through 2029, slightly above the 0.3% average growth expected in the previous forecast. We expect the labor market to remain tight throughout the forecast. The September forecast calls for the unemployment rate to increase to 4.3% this year from 4.0% in 2024. The forecast then calls for the unemployment rate to increase to 4.7% in 2026 and 2027 before declining to 4.4% in 2029. The previous forecast had the unemployment rate declining to 4.3% in 2029.

*Business investment is expected to slow*

Real nonresidential fixed investment growth is expected to slow to 3.2% this year after growing 3.6% in 2024. In the first half of this year, business investment was bolstered by elevated imports of equipment as companies sought to avoid tariffs. Going forward, the fallout from tariffs will weigh on business fixed investment. The Federal Reserve's reluctance to lower rates due to inflation concerns 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. The national office vacancy rate is at a historic high as the shift to flexible work environments is likely permanent. The forecast calls for real nonresidential fixed investment to decline 1.6% 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 1.3% in 2027 then average 3.8% in 2028 and 2029. We expect real nonresidential construction to decline 4.1% this year and decline 5.3% and 1.0% in 2026 and 2027. The forecast calls for nonresidential construction to turn positive as some excess surplus gets worked through and grow 3.3% and 3.9% in 2028 and 2029. Real equipment investment growth is expected to slow this year to 0.2% after growing 4.1% in 2024. We then expect real equipment investment to decline 5.1% in 2026. We then expect growth to turn positive and average 5.5% in 2027 through 2029. Growth in investment in intellectual property products is expected to increase from 3.9% growth in 2024 to 4.3% growth this year. We then expect growth to average 2.1% from 2026 through 2029.

*The housing market outlook remains weak*

The housing market outlook remains weak. High mortgage rates have lowered affordability and weighed down housing demand. Sales have declined significantly as homeowners holding fixed-rate mortgages financed at historically low rates during the pandemic have been locked into their homes. The cost of moving from one median-priced home to another, assuming 20% down payment, would be \$8,000 a year in higher mortgage payments due to the increase in mortgage rates alone. The September forecast calls for housing starts to fall another 0.7% this year after declining in each of the prior three years. We expect single-family housing to decline 6.9%, offsetting a 17.1% increase in multi-family. We expect housing starts to decline next year by 3.1% as both single and multi-family starts fall. We expect 2027 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 1.35 million units in 2029.

*Growth in major U.S. trading partners is expected to be slightly stronger this year*

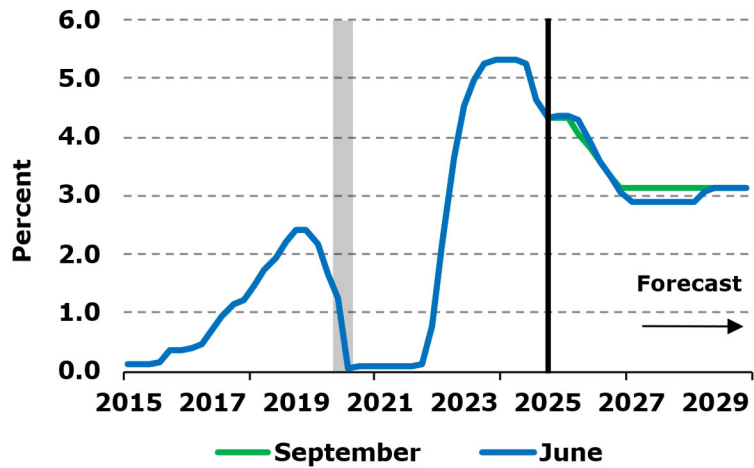
Economic growth of U.S. major trading partners is expected to be stronger this year compared to the previous forecast. The September forecast calls for 1.9% growth this year, up from 1.5% in the previous forecast. Mainland China's growth has been more resilient than expected in the first half of 2025, although a slowdown is still expected. Brazil and Russia have shown more signs of weakness and Europe's largest economies

have struggled. We expect growth in U.S. major trading partners to be 1.9% next year, down from 2.0% in the June 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 1.1% this year, down from 3.3% growth in 2024. We expect real export growth to pick up and average 3.9% from 2026 to 2029.

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

The Federal Reserve cut the target for the federal funds in September by 25 basis points to 4.00% to 4.25%. This was the first rate cut since December 2024. The Federal Reserve had been reluctant to cut rates, even as the economic outlook deteriorated, due to inflation fears surrounding trade policy. We expect the Federal Reserve to continue to ease rates gradually as inflation firms temporarily and jobs gains continue, albeit slowly. Our expectation is for the Federal Reserve to cut the federal funds rate another 25 basis points once more this year at their meeting in December. We then expect the Federal Reserve to cut the federal funds rate throughout most of 2026 to reach the estimated long-run neutral rate of 3.00% to 3.25% (see Figure 1.6). 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, September 2025 forecast; historical data through 2025 Q2

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
- U.S. employment begins to decline
- 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
- Job growth picks up steam
- 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	23,539.8	23,863.6	24,303.8	24,779.8	25,276.3
% Ch	4.3	2.2	3.1	2.3	1.4	1.8	2.0	2.0
Real Consumption	15,088.6	15,415.1	15,813.0	16,258.4	16,465.2	16,762.7	17,119.2	17,472.2
% Ch	6.0	2.2	2.6	2.8	1.3	1.8	2.1	2.1
Real Nonresidential Fixed Investment	3,069.5	3,299.9	3,452.2	3,575.3	3,587.9	3,573.4	3,666.1	3,813.9
% Ch	5.8	7.5	4.6	3.6	0.4	-0.4	2.6	4.0
Real Residential Fixed Investment	892.6	767.0	785.5	790.7	756.2	758.6	783.4	816.4
% Ch	0.0	-14.1	2.4	0.7	-4.4	0.3	3.3	4.2
Real Personal Income	19,073.2	19,214.7	19,713.8	20,193.7	20,489.3	21,051.4	21,678.0	22,274.7
% Ch	-2.0	0.7	2.6	2.4	1.5	2.7	3.0	2.8
Real Per Capita Income (\$/Person)	57,201	57,196	58,127	59,084	59,724	61,205	62,863	64,412
% Ch	-2.4	0.0	1.6	1.6	1.1	2.5	2.7	2.5
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	112.6	118.7	122.1	125.0	129.3	132.4	135.2	137.8
% Ch	6.0	5.4	2.9	2.4	3.4	2.4	2.1	2.0
U.S. Consumer Price Index (1982-84=1.0)	2.820	2.997	3.096	3.178	3.276	3.358	3.439	3.515
% Ch	7.2	6.3	3.3	2.6	3.1	2.5	2.4	2.2
Employment Cost Index (Dec. 2005=1.0)	1.509	1.585	1.653	1.712	1.777	1.852	1.936	2.018
% Ch	5.0	5.0	4.3	3.6	3.8	4.2	4.6	4.2
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	24,930.1	26,906.1	28,476.4	29,853.7	31,268.1	32,609.9	34,041.1	35,506.5
% Ch	11.1	7.9	5.8	4.8	4.7	4.3	4.4	4.3
Personal Income	21,474.5	22,803.8	24,064.6	25,246.4	26,489.9	27,868.1	29,303.4	30,698.7
% Ch	3.9	6.2	5.5	4.9	4.9	5.2	5.2	4.8
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	162.9	165.6	167.7	169.5	171.1	171.7	172.1	172.3
Total U.S. Employment	156.1	159.7	161.3	162.5	163.4	163.6	164.0	164.5
Unemployment Rate (%)	4.19	3.55	3.81	4.15	4.49	4.72	4.71	4.53
Nonfarm Payroll Employment	149.78	154.52	156.99	158.84	159.60	160.09	160.74	161.42
% Ch	4.8	3.2	1.6	1.2	0.5	0.3	0.4	0.4
Manufacturing	12.55	12.87	12.85	12.77	12.72	12.45	12.30	12.21
% Ch	3.4	2.6	-0.1	-0.6	-0.4	-2.1	-1.2	-0.8
Durable Manufacturing	7.79	8.01	8.01	7.92	7.88	7.64	7.54	7.48
% Ch	3.5	2.8	0.0	-1.1	-0.5	-2.9	-1.3	-0.8
Nondurable Manufacturing	4.76	4.87	4.85	4.85	4.85	4.80	4.76	4.73
% Ch	3.4	2.2	-0.4	0.2	-0.1	-0.9	-0.9	-0.8
Construction	7.60	7.90	8.11	8.28	8.23	8.16	8.23	8.41
% Ch	3.7	3.9	2.7	2.1	-0.6	-0.9	0.9	2.2
Service-Providing	129.06	133.12	135.39	137.17	138.04	138.86	139.57	140.17
% Ch	5.0	3.2	1.7	1.3	0.6	0.6	0.5	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	87.8	81.5	79.9	70.8	63.6	62.4	62.8	63.3
Personal Saving/Disposable Income (%)	5.0	4.1	4.9	4.2	4.8	6.3	7.0	7.3
Auto Sales (Millions)	2.9	3.0	3.0	2.9	2.8	2.7	2.8	2.9
% Ch	-23.1	4.4	1.5	-3.2	-6.4	-0.3	2.6	3.6
Housing Starts (Millions)	1.652	1.422	1.402	1.368	1.335	1.319	1.329	1.346
% Ch	6.8	-13.9	-1.4	-2.4	-2.4	-1.2	0.7	1.3
Federal Budget Surplus (Billions)	-1,407.6	-1,393.2	-1,726.6	-1,838.5	-1,610.7	-1,904.6	-1,988.6	-1,942.5
Net Exports (Billions)	-977.1	-838.4	-830.2	-994.6	-847.0	-709.9	-571.3	-466.2
3-Month Treasury Bill Rate (%)	0.37	4.10	5.26	4.46	3.77	2.96	2.85	2.84
10-Year Treasury Note Yield (%)	1.93	3.54	4.30	4.26	4.18	4.01	3.97	4.03
Bond Index of 20 G.O. Munis. (%)	2.48	3.59	3.75	4.29	5.03	4.69	4.56	4.40
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.68	6.44	6.08	5.93	5.89

Table 1.2  
**Forecast Analysis**  
 Comparison of Forecasts for 2023-25

U.S.	Average Annual Rate of Growth (Percent) 2023:2-2025:2		Average Rate (Percent) 2023:3 to 2025:2	
	Real GDP	PCE Price Index	3 Month T-Bill Rate	Mortgage Rate
2020				
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
2021				
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
2022				
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
2023				
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
2024				
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
2025				
March	2.7	2.5	4.84	6.87
June	2.4	2.6	4.87	6.86
September	2.6	2.5	4.86	6.85



Table 1.3  
**Forecast Analysis**  
 Comparison of Forecasts for 2025-27

U.S.	Average Annual Rate of Growth (Percent) 2025:2-2027:2		Average Rate (Percent) 2025:3 to 2027:2	
	Real GDP	PCE Price Index	3 Month T-Bill Rate	Mortgage Rate
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
September	1.6	2.8	3.37	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>							
September	22,314.8	23,004.7	23,539.8	23,863.6	24,303.8	24,779.8	25,276.3
% Ch	2.2	3.1	2.3	1.4	1.8	2.0	2.0
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
<b>PCE Price Index</b>							
September	118.7	122.1	125.0	129.3	132.4	135.2	137.8
% Ch	5.4	2.9	2.4	3.4	2.4	2.1	2.0
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
<b>Unemployment Rate</b>							
September	3.55	3.81	4.15	4.49	4.72	4.71	4.53
June	3.55	3.81	4.15	4.50	4.73	4.71	4.48
<b>Mortgage Rate</b>							
September	6.31	7.03	6.68	6.44	6.08	5.93	5.89
June	6.31	7.03	6.68	6.47	6.05	5.82	5.77
<b>3 Month T-Bill Rate</b>							
September	4.10	5.26	4.46	3.77	2.96	2.85	2.84
June	4.10	5.26	4.47	3.84	2.82	2.63	2.77



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

- **The Washington economy continued to expand, though at a slower pace.**
- **There are fewer jobs in August than were forecasted in June. This is due to downward revisions to historical data.**
- **The Washington unemployment rate held steady in August, at 4.5%.**
- **Washington housing permits reached their lowest level in over a decade.**
- **Seattle home prices were unchanged compared with July 2024.**
- **Washington exports increased 5.1% from the second quarter of 2024 to the second 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 second quarter of 2025 and had the 13<sup>th</sup> lowest growth rate in the nation.**
- **Compared to the June forecast, we now anticipate weaker job growth in 2026.**

### Current Conditions

*The Washington economy is showing mixed signals*

The Washington economy showed mixed conditions so far in 2025. Employment growth was slightly stronger than expected over the summer, though revisions left total nonfarm employment 9,600 below the June forecast. Total employment in August was down 0.04% from a year earlier, as gains in government and health services were offset by losses in manufacturing and construction. The unemployment rate held steady at 4.5% while labor force participation edged higher. Initial unemployment claims increased in August but remain below levels seen last fall. Housing construction stayed subdued, and home prices in the Seattle area were unchanged over the year, trailing the modest national gain. Exports rose in the second quarter, led by transportation equipment, while vehicle registrations declined. Seattle inflation closely matched the national average, with prices rising 2.8% over the year.

*Washington's total nonfarm employment decreased by 1,300 in the past year*

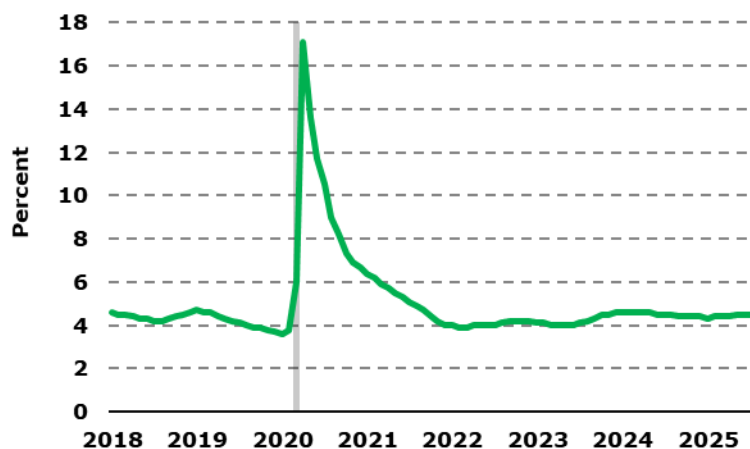
We have three new months of Washington employment data (June to August) since the June forecast was released. During that period, the Washington employment growth rate was slightly higher than expected, but revisions lowered the overall employment level. Between higher job growth than forecasted and a revision to employment, there are 9,600 fewer jobs in August than we forecasted in June.

Washington employment is down slightly from one year ago. Total nonfarm payrolls decreased by 1,300 from August 2024 to August 2025, a 0.04% decrease. Government employment rose by 5,700, driven largely by gains in state and local government. Private service-providing industries added fewer than 100 jobs over the year, led by a 16,500 job increase in health services and social assistance. Professional and business services dropped by 12,600 jobs. Construction employment declined by 3,600, and manufacturing shed 3,100 jobs. Within manufacturing, the largest change came from aerospace product and parts manufacturing, which shed 4,200 jobs.

*Washington's unemployment rate was unchanged in August*

The Washington unemployment rate has held steady for the past year, fluctuating between 4.3% and 4.5% (see Figure 2.1). The rate held steady at 4.5% between July and August. Meanwhile, labor force participation edged up to 62.4% in August, though this remains below the 63.5% level recorded a year earlier.

**Figure 2.1 Washington Unemployment Rate**



Source: Employment Security Department, data through August 2025

Seasonally adjusted initial claims for unemployment insurance in Washington rose by 1,500 in August, reaching 28,800, a 9.0% increase compared to a year ago. Initial claims are now at their highest level since October of last year, but October claims were likely elevated due to the Boeing machinist strike.

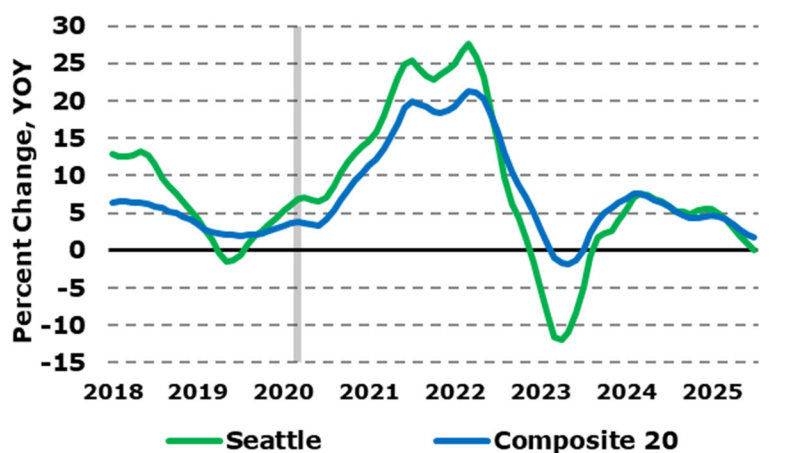
*Washington housing permits have slightly increased in the second quarter*

In the second quarter, a total of 35,200 housing units (SAAR) were permitted, consisting of 17,900 (SAAR) single-family units and 17,300 (SAAR) multi-family units. The June forecast assumed 34,700 units for the second quarter as a whole, consisting of 19,000 single-family units and 15,700 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 increased by 0.1% in July compared with June, more than the 0.1% decrease in the composite-20 index. Home prices in Seattle are virtually unchanged compared with July 2024 (see Figure 2.2). In comparison, the composite-20 index was up 1.8% year-over-year in July.

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

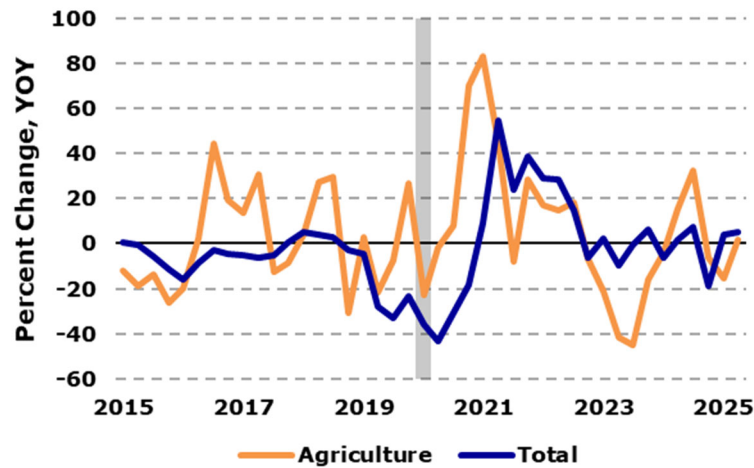


Source: S&P/Case-Shiller Home Price Indices; data through July 2025

*Washington exports of transportation equipment rose by 25.5% in the second quarter*

According to the U.S. Census Bureau, Washington's exports grew by 5.1% from the second quarter of 2024 to the second quarter of 2025 (see Figure 2.3). The increase was largely driven by a 25.5% increase in transportation equipment exports. Agricultural product exports modestly increased by 1.4%. 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 Q2

The seasonally adjusted number of new vehicle registrations decreased by 5.1% year over year in September to 269,500 (SAAR), following a 3.7% decline in August. Month to month passenger car registrations increased 2.6%, while light truck registrations increased 10.9%.

In September, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released the preliminary state personal income estimates for the second quarter of 2025. Washington personal income increased from \$704.0 billion (SAAR) in the first quarter of 2025 to \$711.9 billion in the second quarter of 2025. The 1.1% increase in Washington personal income was the 13<sup>th</sup> worst among the states and trailed the 1.4% rate of increase for the U.S. Growth in Washington net earnings trailed the U.S. in the second quarter, with Washington net earnings increasing 0.8% compared to 1.1% for the nation. Growth in dividends, interest, and rent was the same in both Washington and the nation, increasing 0.3%. Growth in transfer payments in Washington exceeded the U.S. Washington transfer payments grew 4.0% compared to 3.4% nationally.

*Washington personal income growth was 13<sup>th</sup> lowest in the nation for the second quarter of 2025*

Seattle-area consumer price inflation is closely aligned with national trends. From August 2024 to August 2025, the Seattle CPI rose 2.8%, nearly matching the 2.9% increase in the U.S. city average index. Inflation has eased significantly from its June 2022 peak of 10.1% in Seattle and 9.1% nationally. The shelter component of the Seattle CPI increased just 1.1% over the past year, well below the 3.6% growth recorded nationwide. Core inflation, which excludes food and energy, grew 2.8% in Seattle compared to 3.1% nationally.

*The annual Seattle CPI growth rate is close to the national rate*

## Washington State Forecast

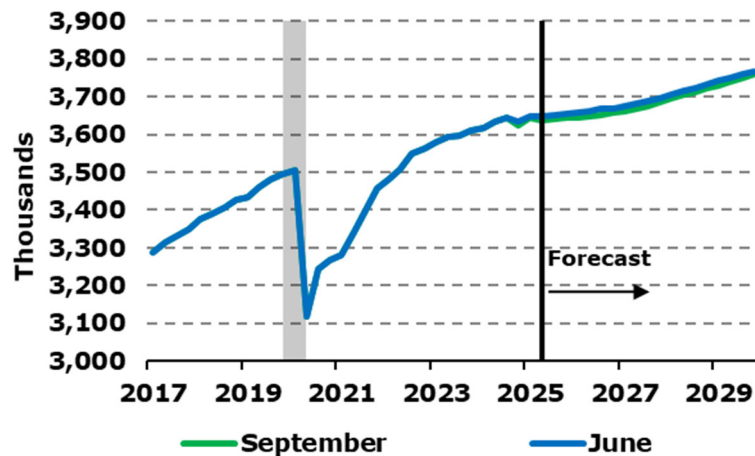
*The Washington forecast features weaker job growth in the near term*

The Washington forecast reflects a slightly weaker near-term outlook compared to June, with slower job growth now expected in 2026 but little change to average growth through 2029. Employment is projected to increase by 0.2% in 2026, with average annual growth of 0.7% from 2025 to 2029. Aerospace employment has fallen in recent months, and near-term growth has been revised lower, though moderate gains are expected to resume after 2026. Software employment continues to soften, with a decline anticipated in 2026 before returning to growth from 2027 through 2029. Construction employment has edged down over the past year but is expected to expand steadily through the forecast period. Nominal personal income growth is little changed from June, averaging 5.3% annually from 2025 to 2029. Housing permits came in below expectations for 2025, resulting in a lower base for the forecast despite stronger projected growth in later years. The Seattle CPI forecast is similar, with inflation expected to moderate from 2.8% in 2026 to 2.0% by 2029.

*Job growth for 2026 is below our June forecast*

Compared to the June forecast, we now expect slower job growth in 2026 (see Figure 2.4). Washington employment is projected to increase by 0.3% this year, down from the 0.5% growth rate forecast in June. From 2025 through 2029, employment is anticipated to grow at an average annual rate of 0.7%, unchanged from the June projection.

**Figure 2.4: Nonfarm Payroll Employment**



Source: Employment Security Department, ERFC; historical data through 2025 Q2

*Aerospace employment growth picks up in 2027*

Since the start of 2025, aerospace employment has fallen by 3,700 jobs and is down 4,200 compared to a year ago. Near-term growth has been revised lower from the June forecast. On an annual average basis, aerospace employment is now expected to grow by 0.9% in 2026, 1.9% in 2027, 1.9% in 2028, and 1.5% in 2029. In June, the forecast projected growth of 2.1% in 2026, 2.3% in 2027, 2.1% in 2028, and 1.3% in 2029.

Software employment is forecasted to fall in 2026

Software sector employment has declined by 7,700 jobs since March 2023 and is down 2,700 jobs compared to a year ago. Employment in the sector is expected to contract in 2026 before returning to growth in 2027. Software employment is forecast to decline by 0.7% in 2026, then increase by 1.8% in 2027, 2.4% in 2028, and 2.1% in 2029. In the June forecast, growth was projected at 2.4% in 2026, 2.2% in 2027, 2.3% in 2028, and 2.2% in 2029.

Construction employment growth for 2026 was lowered from 1.8% to 1.3%

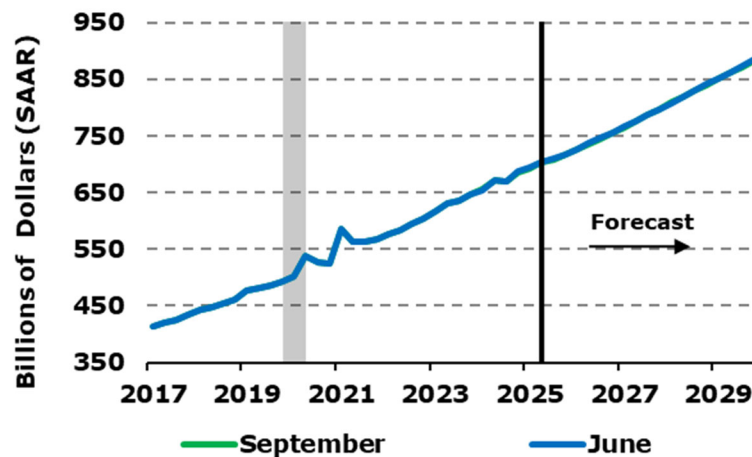
From August 2024 to August 2025, construction employment declined by 3,600 jobs. Construction employment is expected to expand throughout the forecast period, with growth of 1.3% in 2026, 1.9% in 2027, 1.8% in 2028, and 1.6% in 2029. In the June forecast, growth was projected at 1.8% in 2026, 1.9% in 2027, 1.9% in 2028, and 1.8% in 2029.

## Washington Personal Income

The nominal personal income growth forecast was unchanged for 2025

The September forecast for nominal personal income is little changed from the June forecast. Nominal personal income is now forecast to grow by 5.0% in 2026, 5.5% in 2027, 5.5% in 2028, and 5.1% in 2029. The average growth rate from 2025 to 2029 is projected to be 5.3%. In the June forecast, growth was projected at 5.0% in 2026, 5.5% in 2027, 5.5% in 2028, and 5.2% in 2029. The 2029 nominal personal income is now forecast to be \$1.0 billion below the June projection.

**Figure 2.5: Washington Personal Income**



Source: Bureau of Economic Analysis, ERFC; historical data through 2025 Q2

## Washington Building Permits

Housing permits in 2025 reached their lowest level in over a decade

The Washington housing permit forecast for 2025 is more pessimistic than the June forecast. The forecasted growth rate for 2025 was a 13% decrease, five percentage points below the June forecast. The number of authorized housing units reached 56,900 in 2021, the highest annual total since 1978. Permits have declined in recent years, totaling 32,900 in 2025, marking the lowest annual building permit total in over a decade. On a



calendar-year basis, housing permits are now expected to reach 35,500 units in 2026, 38,100 units in 2027, 39,500 units in 2028, and 40,500 units in 2029. In the June forecast, the projections were 37,100 units in 2026, 38,500 units in 2027, 39,900 units in 2028, and 40,900 units in 2029.

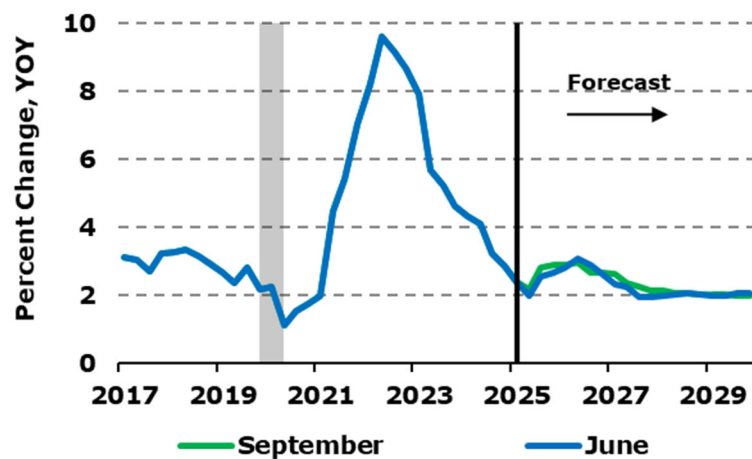
## Consumer Price Index

*The Seattle CPI forecast was unchanged in 2026 at 2.8%.*

The Seattle CPI forecast for 2026 remains unchanged at 2.8%. Annual growth is now projected at 2.8% in 2026, 2.3% in 2027, 2.1% in 2028, and 2.0% in 2029. In the June forecast, growth was projected at 2.8% in 2026, 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 Q2

## 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 an above trend 2.5% over 2025-2027, versus trend-like growth of 2.0% 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 89,830 jobs (2.4%) than in the baseline forecast and Washington personal income is \$53.2 billion (6.1%) 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 late 2025 with a cumulative, non-annualized decline in GDP of 0.2%.

GDP growth remains consistently below baseline through mid-2028 as a result of the tariff-induced inflationary pressures, slower population growth, and a negative response in financial markets to the trade and immigration policy assumptions included in this scenario. On an annual basis, GDP growth averages an unimpressive 1.0% over 2025-2027, versus trend-like growth of 2.0% in the base.

*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, coming in at 9,700 fewer jobs relative to the baseline forecast through 2029. Software employment falls each year through to 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 200,800 (5.4%) lower than in the baseline forecast and Washington personal income is \$77.6 billion (9.0%) 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) national forecast has slightly lower Seattle inflation for 2026*

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

The GCEA real GDP growth forecast is 1.2% for 2026, which is a little lower than our forecast of 1.5%. The GCEA members' personal consumption expenditures (PCE) inflation forecast is 2.5% in 2026, while ours is 3.1%.

The Council members' forecast for Washington non-farm payroll employment growth for 2026 is 0.3%, slightly above our own 0.2% growth forecast. Their forecast for construction employment growth in 2026 is like ours. They forecast a growth rate of 1.2% compared with our 1.3%. The GCEA Seattle CPI rate for 2026 is 2.5% compared with ours at 2.8%

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

Table 2.1

Fiscal Years

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

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	508.721	514.932	534.095	550.042	558.193	574.192	593.942	613.232
% Ch	-1.8	1.2	3.7	3.0	1.5	2.9	3.4	3.2
Real Wage and Salary Disb.	268.945	273.933	287.586	297.759	300.151	306.187	315.908	325.608
% Ch	2.8	1.9	5.0	3.5	0.8	2.0	3.2	3.1
Real Nonwage Income	239.776	241.000	246.509	252.283	258.041	268.005	278.034	287.624
% Ch	-6.5	0.5	2.3	2.3	2.3	3.9	3.7	3.4
Real Per Capita Income (\$/Person)	65,485	65,795	67,535	68,851	69,570	71,372	73,581	75,621
% Ch	-2.2	0.5	2.6	1.9	1.0	2.6	3.1	2.8
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.126	1.187	1.221	1.250	1.293	1.324	1.352	1.378
% Ch	6.0	5.4	2.9	2.4	3.4	2.4	2.1	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.089	3.331	3.483	3.575	3.679	3.774	3.855	3.934
% Ch	7.6	7.8	4.6	2.7	2.9	2.6	2.2	2.0
Average Nonfarm Annual Wage	85,147	88,534	94,545	99,676	103,778	107,943	112,823	117,442
% Ch	3.5	4.0	6.8	5.4	4.1	4.0	4.5	4.1
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.08	29.54	31.06	33.80	34.98	36.41	38.03	39.58
% Ch	4.3	1.6	5.2	8.8	3.5	4.1	4.5	4.1
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	572.658	611.136	651.947	687.639	721.660	760.125	802.873	845.154
% Ch	4.1	6.7	6.7	5.5	4.9	5.3	5.6	5.3
Disposable Personal Income	495.226	531.658	574.030	603.600	635.559	673.684	709.966	744.605
% Ch	1.4	7.4	8.0	5.2	5.3	6.0	5.4	4.9
Per Capita Income (\$/Person)	73,713	78,086	82,435	86,073	89,943	94,484	99,464	104,220
% Ch	3.7	5.9	5.6	4.4	4.5	5.0	5.3	4.8
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,927.3	4,002.8	4,050.2	4,058.3	4,031.0	4,046.8	4,064.9	4,087.0
Total Washington Employment	3,760.0	3,839.4	3,869.1	3,879.4	3,842.6	3,847.8	3,867.7	3,897.6
Unemployment Rate (%)	4.26	4.08	4.47	4.41	4.67	4.92	4.85	4.63
Nonfarm Payroll Employment	3,461.3	3,572.2	3,614.2	3,637.9	3,644.1	3,660.2	3,690.1	3,726.0
% Ch	5.4	3.2	1.2	0.7	0.2	0.4	0.8	1.0
Manufacturing	263.7	272.2	275.9	272.2	275.2	276.5	277.9	279.2
% Ch	1.2	3.2	1.4	-1.3	1.1	0.5	0.5	0.5
Durable Manufacturing	177.8	185.1	190.5	187.4	189.4	190.9	192.3	193.5
% Ch	-0.5	4.1	2.9	-1.6	1.1	0.8	0.7	0.6
Aerospace	68.3	74.3	80.8	79.5	80.2	81.8	83.4	84.9
% Ch	-3.7	8.8	8.7	-1.5	0.8	2.0	1.9	1.8
Nondurable Manufacturing	85.9	87.1	85.5	84.8	85.8	85.6	85.6	85.7
% Ch	4.7	1.4	-1.9	-0.8	1.1	-0.2	0.0	0.1
Construction	227.7	232.9	226.8	222.2	222.6	226.8	231.1	234.8
% Ch	3.7	2.3	-2.6	-2.0	0.2	1.9	1.9	1.6
Service-Providing	2,964.3	3,061.7	3,106.0	3,138.3	3,141.7	3,152.4	3,176.8	3,207.5
% Ch	6.0	3.3	1.4	1.0	0.1	0.3	0.8	1.0
Software Publishers	82.8	87.4	83.6	82.7	80.5	81.4	83.3	85.2
% Ch	6.4	5.5	-4.4	-1.0	-2.7	1.2	2.3	2.3
Mgmt. of Companies and Enterprises	97.5	103.4	101.4	101.2	101.2	104.1	106.7	109.1
% Ch	6.8	6.0	-2.0	-0.2	0.0	2.9	2.5	2.2
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	58.037	40.434	35.766	36.153	33.194	37.086	38.811	40.053
% Ch	17.0	-30.3	-11.5	1.1	-8.2	11.7	4.7	3.2
Single-Family	23.899	16.794	19.406	18.451	18.252	19.670	20.776	21.339
% Ch	-8.7	-29.7	15.6	-4.9	-1.1	7.8	5.6	2.7
Multi-Family	34.138	23.640	16.360	17.703	14.942	17.415	18.035	18.714
% Ch	45.7	-30.8	-30.8	8.2	-15.6	16.6	3.6	3.8
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.68	6.44	6.08	5.93	5.89

Table 2.2  
**Comparison of Alternative Forecasts**

Fiscal Years

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP, Percent Change</b>						
Optimistic	3.1	2.3	2.7	2.8	2.4	2.1
Baseline	3.1	2.3	1.4	1.8	2.0	2.0
Pessimistic	3.1	2.3	0.8	0.6	0.8	0.9
<b>PCE Price Index, Percent Change</b>						
Optimistic	2.9	2.4	2.9	2.5	2.4	2.5
Baseline	2.9	2.4	3.4	2.4	2.1	2.0
Pessimistic	2.9	2.4	3.4	2.2	1.8	1.6
<b>Mortgage Rate, Percent</b>						
Optimistic	7.03	6.68	6.20	5.70	5.66	5.63
Baseline	7.03	6.68	6.44	6.08	6.03	5.99
Pessimistic	7.03	6.68	6.20	5.67	5.64	5.62
<b>3 Month T-Bill Rate, Percent</b>						
Optimistic	5.26	4.46	3.61	2.72	2.70	2.69
Baseline	5.26	4.46	3.77	2.96	2.90	2.89
Pessimistic	5.26	4.46	3.33	2.08	2.01	2.00
<b>Washington</b>						
<b>Real Personal Income, Percent Change</b>						
Optimistic	3.7	3.0	4.1	5.0	5.1	4.8
Baseline	3.7	3.0	1.5	2.9	3.3	3.4
Pessimistic	3.7	3.0	-0.4	0.3	0.9	1.3
<b>Personal Income, Percent Change</b>						
Optimistic	6.7	5.5	7.2	7.7	7.6	7.4
Baseline	6.7	5.5	4.9	5.3	5.5	5.5
Pessimistic	6.7	5.5	2.9	2.5	2.7	3.0
<b>Employment, Percent Change</b>						
Optimistic	1.2	0.7	0.8	1.4	1.4	1.3
Baseline	1.2	0.7	0.2	0.4	0.5	0.6
Pessimistic	1.2	0.7	-0.5	-1.3	-1.3	-1.1
<b>Housing Permits, Thousands of Authorized Units</b>						
Optimistic	35.8	36.2	34.0	39.6	40.5	41.2
Baseline	35.8	36.2	33.2	37.1	37.6	38.1
Pessimistic	35.8	36.2	31.5	32.0	31.9	31.7

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

Calendar Years

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP</b>						
<i>Growth</i>						
ERFC	2.8	1.7	1.5	2.0	2.0	1.9
GCEA Average	2.8	1.5	1.2	2.0	1.9	1.9
<b>Real Consumption</b>						
<i>Growth</i>						
ERFC	2.8	2.0	1.4	2.1	2.1	2.0
GCEA Average	2.8	1.7	1.2	2.1	1.9	2.0
<b>PCE Price Index</b>						
<i>Growth</i>						
ERFC	2.5	2.9	3.1	2.0	2.1	1.9
GCEA Average	2.5	2.9	2.5	2.3	2.2	2.2
<b>Mortgage Rate</b>						
<i>Percent</i>						
ERFC	6.7	6.7	6.2	6.0	5.9	5.8
GCEA Average	6.7	6.4	6.0	6.0	6.1	6.2
<b>Oil Price (Brent)</b>						
<i>Dollars per barrel</i>						
ERFC	80.5	69.9	66.4	66.4	67.1	67.9
GCEA Average	80.5	69.6	65.6	68.7	70.4	71.3
<b>Washington State</b>						
<b>Real Personal Income</b>						
<i>Growth</i>						
ERFC	3.4	2.2	1.8	3.4	3.3	3.2
GCEA Average	3.4	2.0	1.9	3.4	3.4	3.2
<b>Wage and Salary Employment</b>						
<i>Growth</i>						
ERFC	1.0	0.3	0.2	0.6	1.0	1.0
GCEA Average	1.0	0.3	0.3	0.5	0.9	1.0
<b>Manufacturing Employment</b>						
<i>Growth</i>						
ERFC	-0.1	0.1	0.7	0.4	0.5	0.5
GCEA Average	-0.1	-0.5	0.2	0.3	0.6	0.5
<b>Construction Employment</b>						
<i>Growth</i>						
ERFC	-2.8	-0.8	1.3	1.9	1.8	1.6
GCEA Average	-2.8	-0.6	1.2	1.5	1.6	1.8
<b>Housing Permits</b>						
<i>Thousands of authorized units</i>						
ERFC	37.8	32.9	35.5	38.1	39.5	40.5
GCEA Average	37.8	35.2	36.6	38.2	39.5	41.0
<b>Washington Average Annual Wage</b>						
<i>Growth</i>						
ERFC	6.0	5.0	3.7	4.3	4.4	4.0
GCEA Average	6.0	4.9	3.7	4.2	4.2	4.0

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

<b>Washington</b>	Average Annual Rate of Growth (Percent) 2023:2-2025:2			Average Annual Rate (Thousands) 2023:3 to 2025:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
2020				
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
2021				
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
2022				
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
2023				
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
2024				
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
2025				
March	0.9	5.2	2.6	36.8
June	0.7	5.6	2.9	35.9
September	0.6	5.6	3.0	36.0

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

<b>Washington</b>	Average Annual Rate of Growth (Percent) 2025:2-2027:2			Average Annual Rate (Thousands) 2025:3 to 2027:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
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
September	0.4	5.1	2.2	35.1



Table 2.6

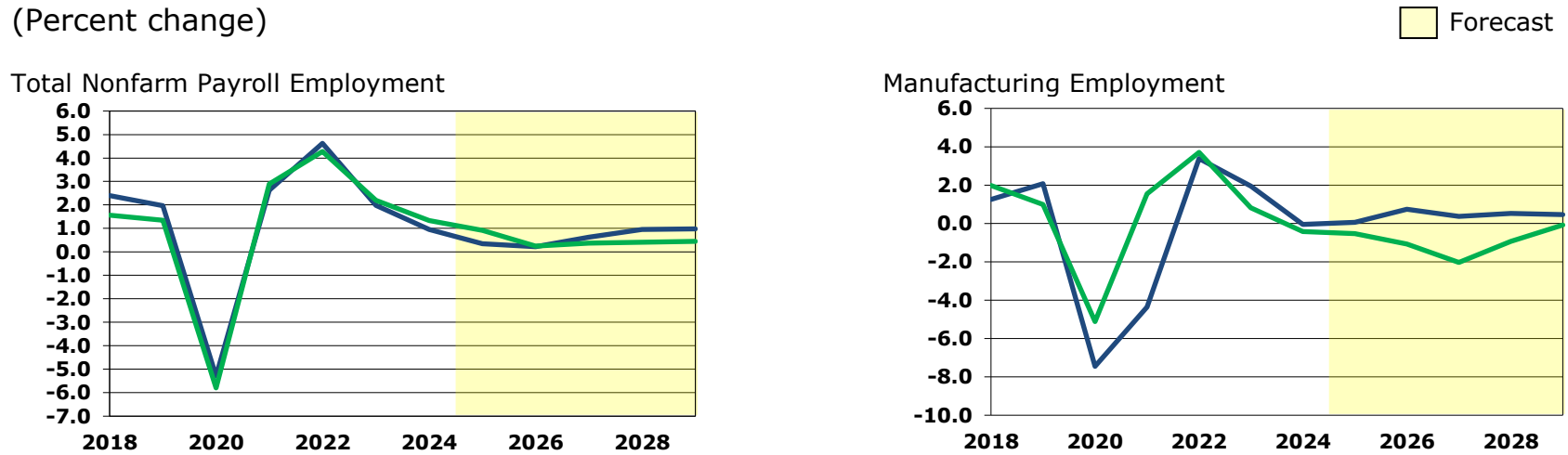
Fiscal Years

**Forecast Comparison**

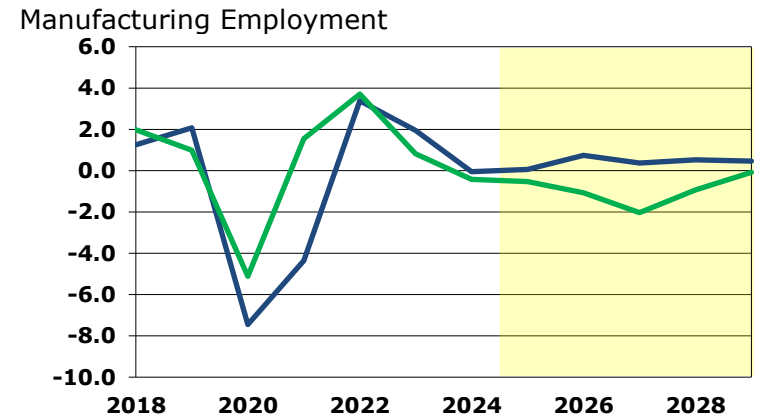
Forecast 2025 to 2029

	2023	2024	2025	2026	2027	2028	2029
<b>Washington</b>							
<b>Real Personal Income</b>							
September	514.932	534.095	550.042	558.193	574.192	593.942	613.232
% Ch	1.2	3.7	3.0	1.5	2.9	3.4	3.2
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
<b>Personal Income</b>							
September	611.136	651.947	687.639	721.660	760.125	802.873	845.154
% Ch	6.7	6.7	5.5	4.9	5.3	5.6	5.3
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
<b>Employment</b>							
September	3572.2	3614.2	3637.9	3644.1	3660.2	3690.1	3726.0
% Ch	3.2	1.2	0.7	0.2	0.4	0.8	1.0
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
<b>Housing Permits</b>							
September	40.434	35.766	36.153	33.194	37.086	38.811	40.053
% Ch	-30.3	-11.5	1.1	-8.2	11.7	4.7	3.2
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

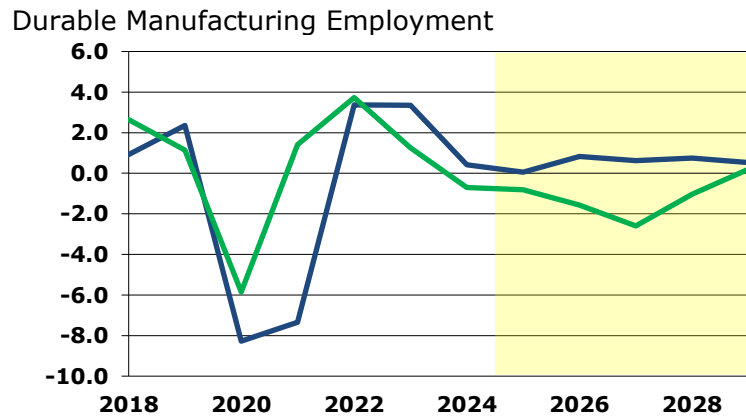
Figure 2.7: Comparison of Washington and U.S. Economic Forecasts  
(Percent change)



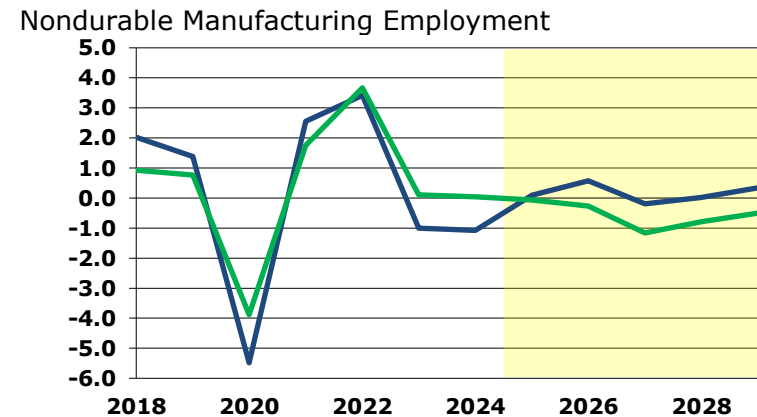
Source: WA State Employment Security Dept. 2024, ERFC 2029



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



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



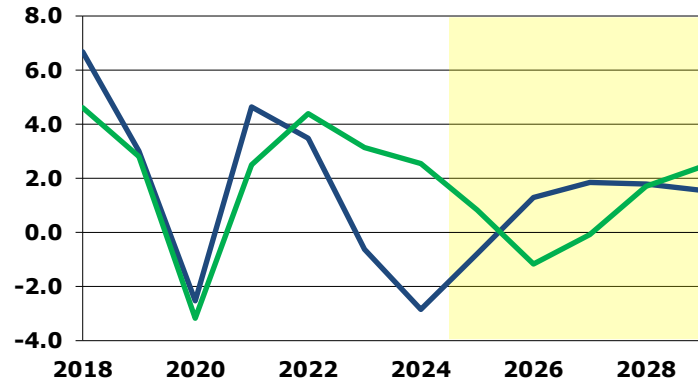
Source: WA State Employment Security Dept. 2024, ERFC 2029

Washington

U.S.

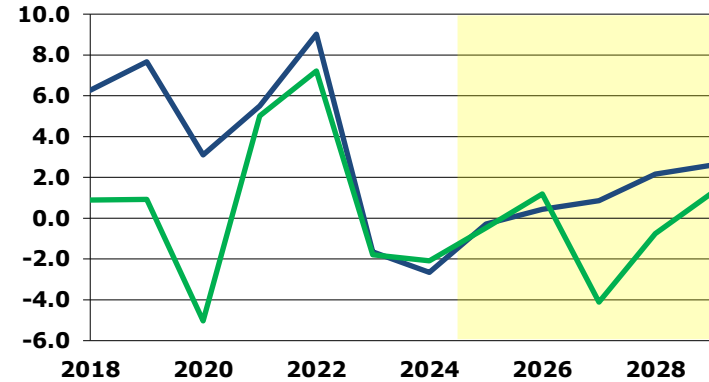
Figure 2.7: Comparison of Washington and U.S. Economic Forecasts (continued)  
(Percent change)

Construction Employment



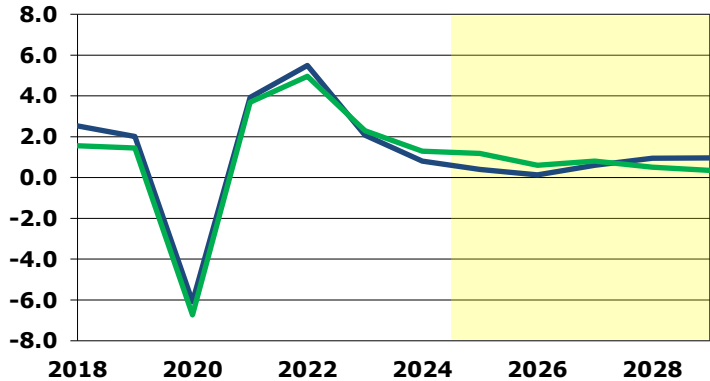
Source: WA State Employment Security Dept. 2024, ERFC 2029

Information Employment



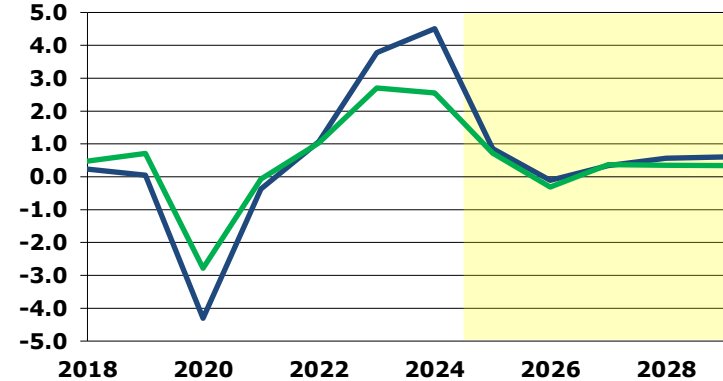
Source: WA State Employment Security Dept. 2024, ERFC 2029

Other Private Employment



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

Government Employment



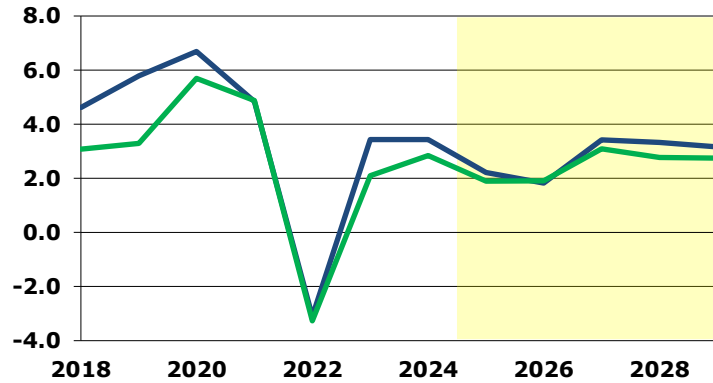
Source: WA State Employment Security Dept. 2024, ERFC 2029

■ Washington

■ U.S.

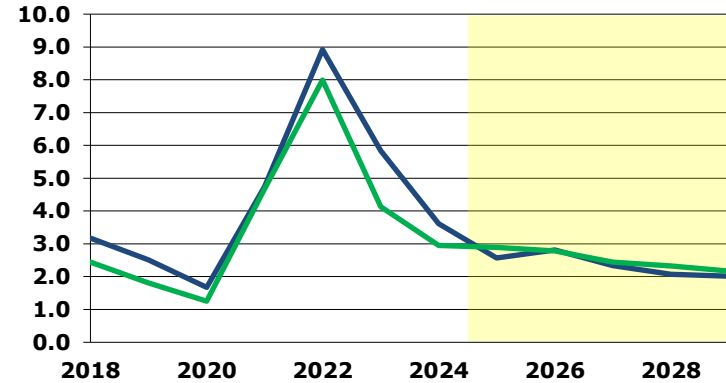
Figure 2.7: Comparison of Washington and U.S. Economic Forecasts (continued)  
(Percent change)

Real Personal Income



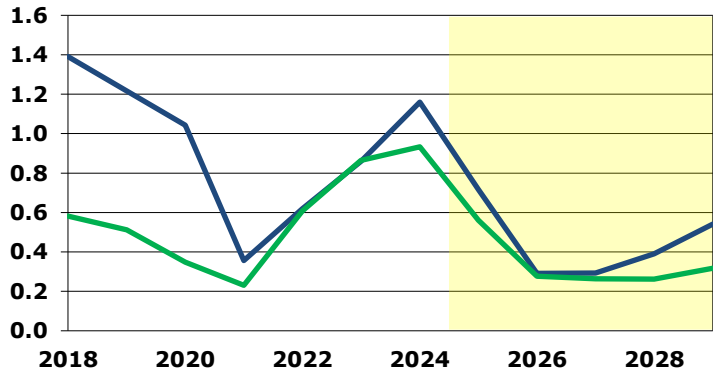
Source: Bureau of Economic Analysis 2024, ERFC 2029

Consumer Price Indices



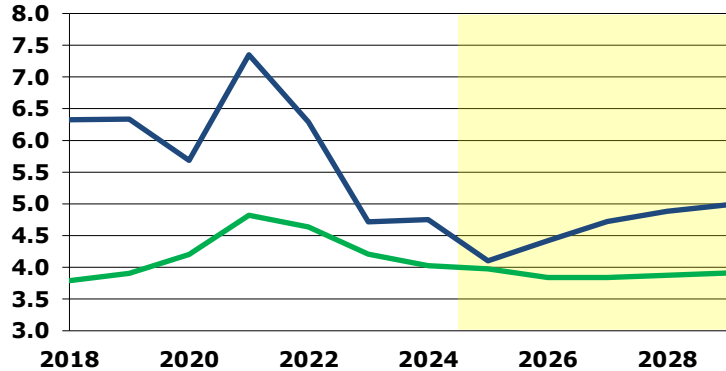
Source: Bureau of Labor Statistics 2024, ERFC 2029

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

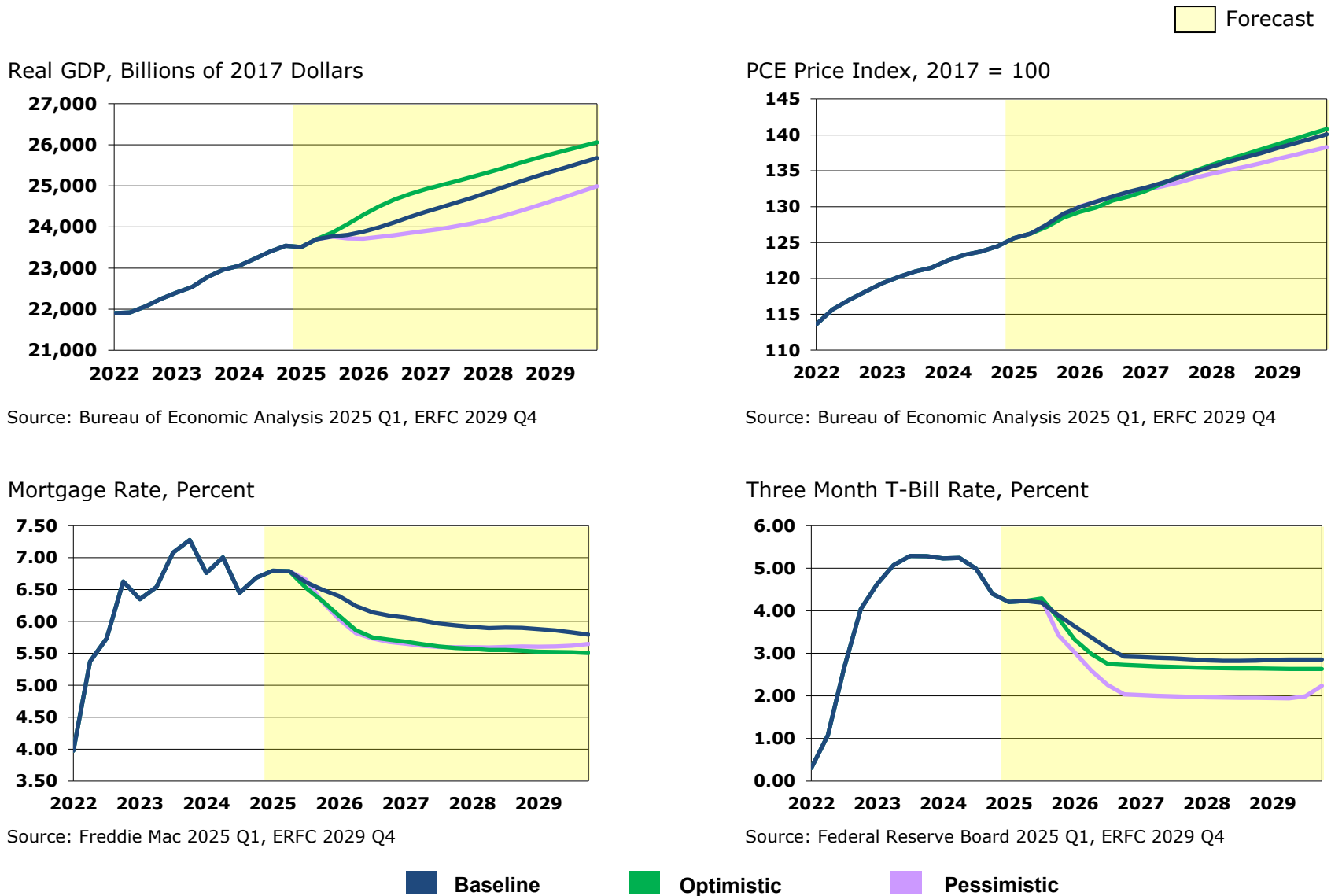
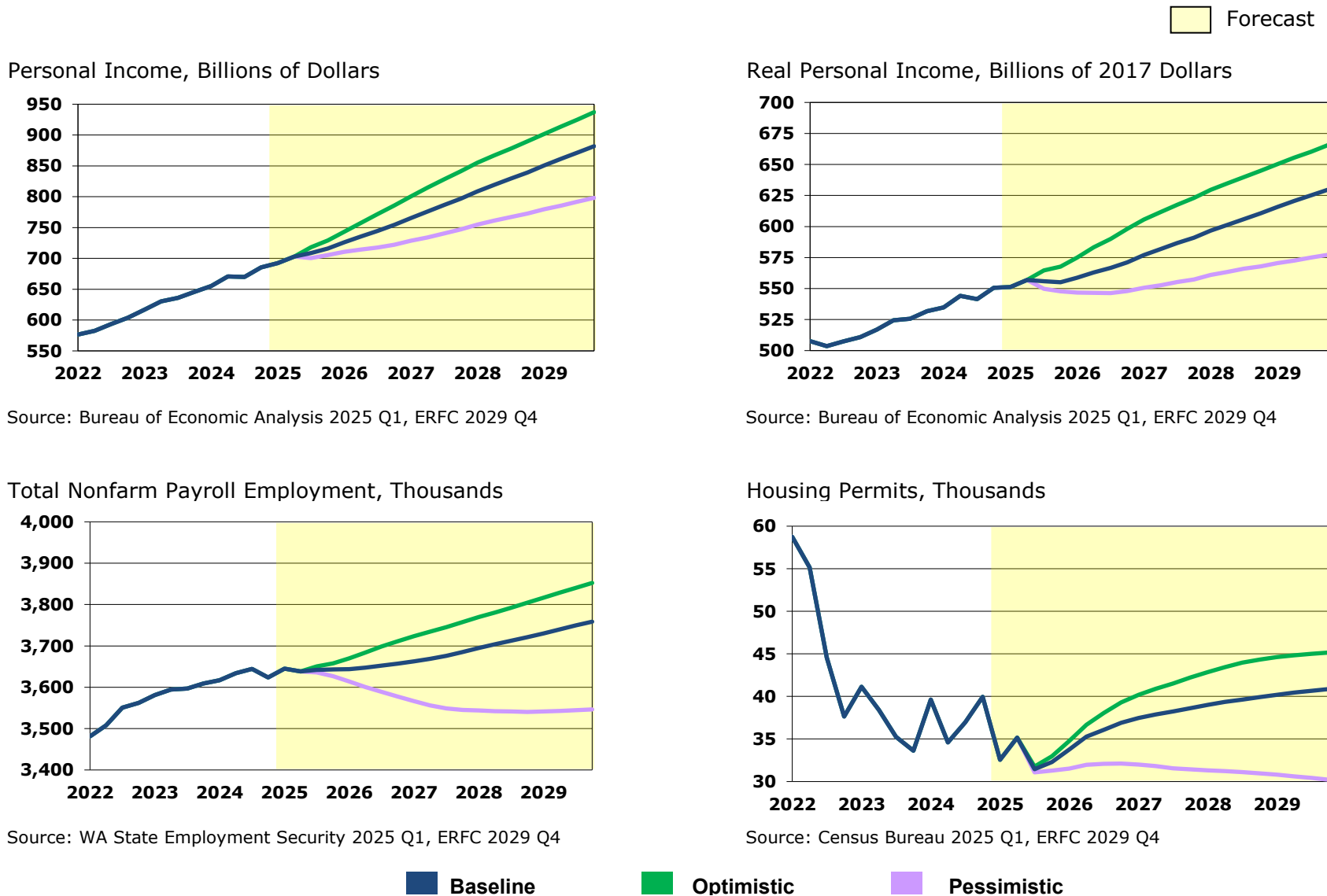


Figure 2.9: Comparison of Alternative Washington Economic Forecasts





## Chapter 3: Washington State Revenue Forecast Summary

- **Tracked revenue collections since June have come in \$143 million above their forecasted amount, but the upturn in taxable activity is expected to be temporary.**
- **The September economic forecast projects lower housing permits and construction employment, and slightly lower personal income, all of which have decreased forecasted receipts.**
- **The preliminary total of funds subject to the budget outlook process in the 2023-25 biennium was \$13 million lower than forecasted in June.**
- **The forecast of funds subject to the budget outlook process was decreased by \$412 million in the 2025-27 biennium and \$477 million in the 2027-29 biennium.**

### Overview

*Revenue collections have come in higher than expected, but growth in collections is expected to slow*

Tracked revenue collections since June have come in \$143 million above their forecasted amount. Much of the unexpected growth, however, was due to a rush to purchase goods ahead of anticipated tariff-related price increases. These accelerated purchases are expected to lower future sales. The September economic forecast also projects lower housing permits and construction employment, and slightly lower personal income, all of which have decreased forecasted revenue.

*Total forecast change by biennium (millions):*

23-25: *-\$13.4*  
25-27: *-\$412.3*  
27-29: *-\$477.3*

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. The preliminary total of revenue in the 2023-25 biennium was \$13.4 million less than forecasted in June. Forecasted revenue was decreased by \$412.3 million in the 2025-27 biennium and \$477.3 million in the 2027-29 biennium. The preliminary total of funds subject to the budget outlook process was \$67,124 billion in the 2023-25 biennium. The September 2025 forecast for the funds totals \$74.343 billion in the 2025-27 biennium and \$79.537 billion in the 2027-29 biennium.

September  
forecast by  
biennium  
(\$billions):

2023-25:  
\$67.124

2025-27:  
\$74.343

2027-29:  
\$79.537

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

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

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

	<b>2023-25 Biennium</b>	<b>2025-27 Biennium</b>	<b>2027-29 Biennium</b>
Non-Economic Change	\$0.0	\$0.0	\$0.0
Forecast Change	(\$13.4)	(\$412.3)	(\$477.3)
<b>Total Change</b>	<b>(\$13.4)</b>	<b>(\$412.3)</b>	<b>(\$477.3)</b>

(\*cash basis, millions of dollars)

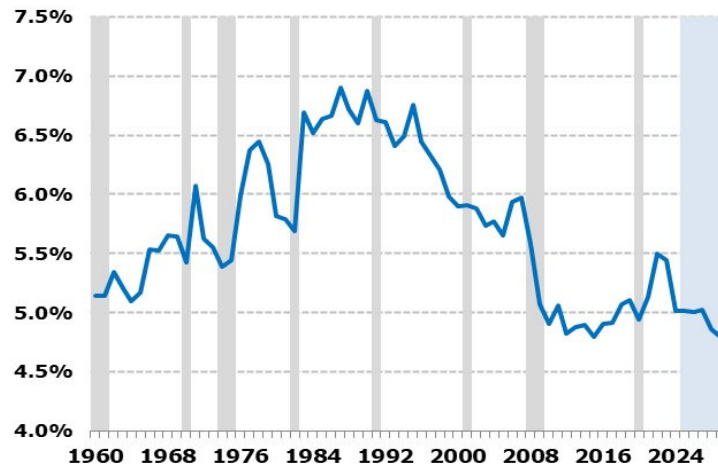
The budget outlook process ensures that the budget adopted for the current biennium will also be sustainable in the next biennium given forecasted revenue. The funds that are currently included when establishing the outlook are the General Fund-State, the Education Legacy Trust Account, the Washington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

Figure 3.1 shows the ratio of revenue collected for funds subject to the budget outlook relative to state personal income. Through FY 2005, the revenue represented in the chart is what is currently defined as GF-S revenue. From FY 2006 onward the revenue includes the Education Legacy Trust Account (ELTA), which in its early years was wholly funded by the estate tax and a portion of the cigarette tax. From FY 2011 onward, the total includes the Washington Opportunity Pathways account (OPA), which is funded by Lottery receipts. From FY 2020 onward the total includes the Workforce Education Investment Account (WEIA), funded by a surtax on large service providers and companies that involve advanced computing. As can be seen in the chart, the ratio of revenue to income followed a downward trend from FY 1995 to FY 2015, broken only by the housing boom that raised the ratio from 2005 to mid-2008, and by temporary taxes and transfers of funds from non-GF-S sources into the GF-S that again boosted the ratio in FY 2011. While the ratio grew slightly in FY 2016 and FY 2017, it increased rapidly in FY 2018 and FY 2019 when the state property tax levy increased to partially displace local levies and increased further in FY 2020 with the establishment of the graduated real estate excise tax. The pandemic-related booms in real estate and spending on goods, coupled with the new WEIA surtax, increased the ratio further in FY 2021 and FY 2022, topping out at 5.5% of personal income. The new tax on certain capital gains kept the ratio near but just below that level in FY 2023. The ratio decreased to 5.0% in FY 2024 but legislative changes from the 2025 session are expected to keep the ratio close to that level through FY 2027. After 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 \$902 million lower than was forecasted at the time of the initial 2025-27 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 preliminary total of revenue for the biennium is \$7.28 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 \$6.39 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 preliminary total of biennial revenue is \$1.38 billion (2.1%) higher than that sum. The February 2022 forecast was the initial forecast for the 2025-27 biennium. The current forecast for the biennium is \$4.32 billion (6.2%) higher than the initial forecast, mainly due to \$3.72 billion in non-economic changes. Excluding the non-economic changes, the current forecast is \$595 million (0.08%) higher than the initial forecast. The March 2025 forecast, coupled with a \$4.29 billion revenue increase from legislative and budget-driven revenue changes passed in the 2025 legislative session after the March forecast, was the basis for the initial budget for the 2025-27 biennium. The current forecast of biennial revenue is \$902 million (1.2%) lower than that sum.

## Recent Collection Experience

*Tracked collections were \$142.8 million higher than forecasted in June*

GF-S revenue collections from the Department of Revenue (DOR) and the Washington court system are tracked monthly. In the period since the June forecast, total revenue from the above sources came in \$142.8 million (2.0%) higher than expected (see Table 3.2), with all of the surplus in collections occurring

after the June 30<sup>th</sup> end of the 2023-25 biennium. Revenue Act collections reported by the DOR were \$154.1 million (2.5%) higher than forecasted while revenue from other DOR tax sources was \$11.5 million (1.3%) lower than forecasted. Revenue from the Washington court system was \$0.2 million (1.3%) higher than forecasted.

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

<u>Agency/Source</u>	<u>Collection Variance</u>	<u>Percent of Estimate</u>
Department of Revenue		
Revenue Act	\$154.1	2.5%
Non-Revenue Act	(\$11.5)	-1.3%
Subtotal	\$142.6	2.0%
Washington court system		
	\$0.2	1.3%
<b>Total*</b>	<b>\$142.8</b>	<b>2.0%</b>

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

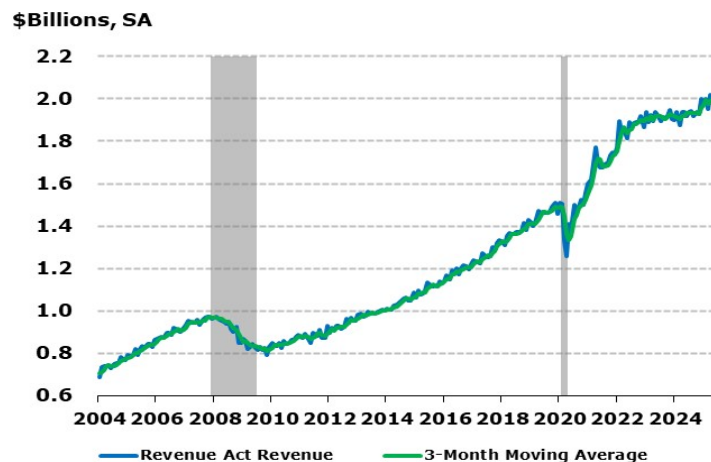
Source: ERFC; Period: June 11, 2024 - September 10, 2025

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

Real estate excise tax (REET) collections came in \$12.2 million (3.6%) higher than forecasted. Property tax collections came in \$0.6 million (0.1%) lower than forecasted. Cigarette tax collections came in \$7.3 million (11.3%) lower than forecasted and liquor sales and liter tax receipts came in \$5.2 million (5.4%) lower than forecasted. Net refunds of unclaimed property out of the GF-S were \$14.5 million higher than forecasted. Revenue from all other DOR revenue sources came in \$3.8 million (8.4%) higher than forecasted.

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

*Adjusted total collections over the last three months were up 5.3% year over year*



Source: ERFC; Data through September 10, 2025

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

*Adjusted Revenue Act collections were up 4.5% year over year for second quarter 2025 activity*

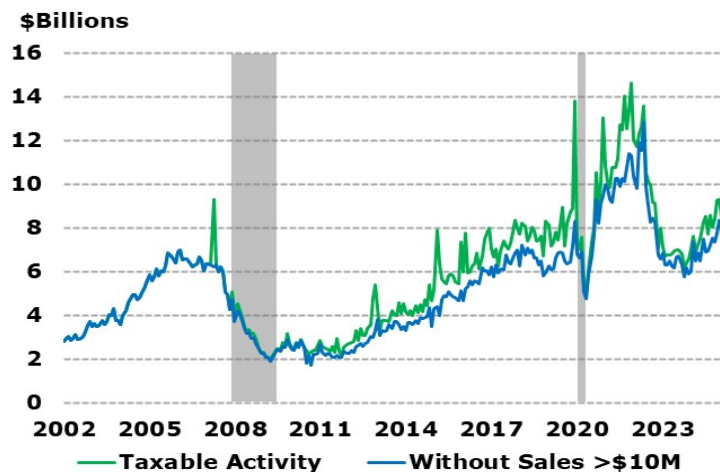
Figure 3.2 shows seasonally adjusted Revenue Act receipts excluding payments received under the tax amnesty program in early 2011 and other large payments. It is also adjusted for past changes in payment patterns and deferred payments in the first half of 2020. As shown in the figure, after a slow period of collections growth starting in 2023, growth began to increase in early 2025. We are attributing most of this growth to a rush among consumers and businesses to purchase products before expected price increases due to impending tariffs. As such, we do not expect this strong growth to continue. Adjusted collections for second quarter 2025 activity (May 11 - August 10, 2025 collections) were up 4.5% year over year. 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 were up 1.9% year over year and adjusted collections for third quarter activity were up 1.3% year over year. Adjusted collections for June 2025 activity were up 5.2% year over year and collections for August 2025 activity were up 7.0% year over year.

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

While taxable real estate activity has been higher than forecasted in June, it has lately been on a declining trend. Most of the decline has been in 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 \$1.11 billion 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 August 2025

## General Fund-State Revenue Forecast by Source

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

The General Fund-State (GF-S) is the largest of the funds subject to the budget outlook, consisting of most of the commonly paid state taxes. The history and forecast of nominal and real GF-S revenue by biennium can be found in Table 3.3. GF-S forecast changes by agency and major revenue classification for the 2023-25 biennium can be found in Table 3.5 (cash) and Table

3.6 (GAAP). Forecast changes for the 2025-27 biennium can be found in Table 3.7 (cash) and Table 3.8 (GAAP). The GF-S forecast by fiscal year and major source category through FY 2025 can be found in Table 3.9.

Department of Revenue

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

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

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

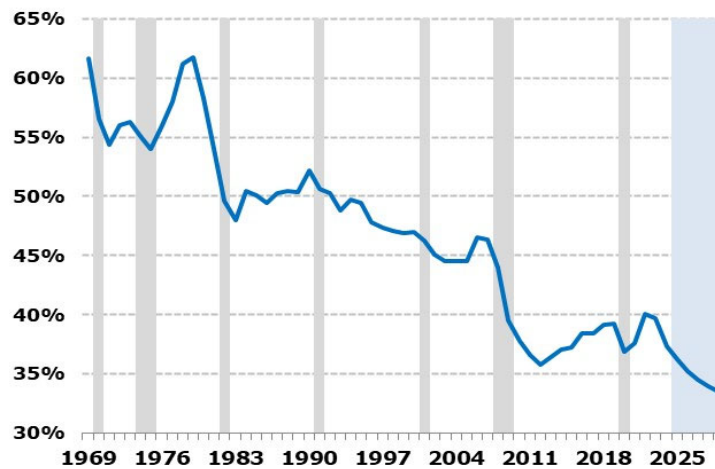
The retail sales tax is the largest source of GF-S revenue, accounting for 47.5% of GF-S revenue in FY 2024. The state’s share of the tax is 6.5% of the sales price. While construction labor, repair services, and some other services are taxed, the tax does not apply to most services.

*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 40.1%. 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: ERFC; Data through FY24, forecast through FY29

*Retail sales tax receipt growth forecast:*

FY25: 2.0%  
FY26: 7.9%  
FY27: 3.7%  
FY28: 2.3%  
FY29: 3.8%

Taxable retail sales activity grew at 5.7% in FY 2023 but slowed to 0.3% in FY 2024. Growth increased to an estimated 2.4% in FY 2025. Legislative changes described in the June 2025 publication, which included extending the retail sales tax to several services, then cause growth in taxable activity to increase to 5.2% in FY 2026 and 5.0% in FY 2027. Growth then slows to 3.9% in FY 2028 and 3.8% 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 and 2.0% in FY 2025. Collections are forecasted to increase by 7.9% in FY 2026 due to both an increase in taxable activity and the accelerated payment of some deferred taxes. Growth then slows to 3.7% in FY 2027. The legislated transfer of 0.1% of sales taxes to transportation accounts, which begins July 1, 2027, slows collections growth to 2.3% in FY 2028, increasing to 3.8% in FY 2029.

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

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

*B&O tax  
growth  
forecast:*

*FY25: 0.9%  
FY26: 8.0%  
FY27: 15.4%  
FY28: 5.8%  
FY29: 5.0%*

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 slowed further to 0.9% in FY 2025. Increased revenue from legislative changes discussed in the June 2025 publication, including increased tax rates in several sectors, boosts growth to 8.0% in FY 2026 and 15.4% in FY 2027 before growth settles down to 5.8% in FY 2028 and 5.0% 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: 2.2%*

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, slowing to 2.2% in FY 2025. Growth is forecasted at 2.1% in FY 2026 and 2.2% in FY 2027 through 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: 4.6%  
FY26: -2.4%  
FY27: 3.0%  
FY28: 3.5%  
FY29: 4.8%

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 declined slightly in FY 2025, large purchases by the manufacturing sector and other business sectors brought fiscal year growth of 4.6%. Without these large purchases, collections are expected to decline by 2.4% in FY 2026. Growth then resumes at 3.0% in FY 2027, 3.5% in FY 2028 and 4.8% in FY 2029.

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

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

*GF-S REET  
growth  
forecast:*

FY25: 26.0%  
FY26: 2.3%  
FY27: 1.0%  
FY28: 9.5%  
FY29: 6.3%

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, which continued through most of FY 2025, plus several large transactions for transfers of controlling interest of commercial properties, boosted FY 2025 growth to 26.0%. Growth has slowed in recent months and is expected to remain low, with growth of 2.3% in FY 2026 and 1.0% in FY 2027. Growth then accelerates to 9.5% in FY 2028 and 6.3% in FY 2029 as forecasted mortgage rates ease and housing construction increases.

*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: 9.1%  
FY26: 0.6%  
FY27: 8.4%  
FY28: 6.3%  
FY29: 2.9%

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. Receipts then grew by 9.1% in FY 2025 due to price increases in electricity and natural gas. An expected moderation in prices slows growth to 0.6% in FY 2026 before expected increases in electricity and natural gas prices in the national forecast, coupled with the elimination of a tax credit in January 2026, bring growth of 8.4% in FY 2027 and 6.3% in FY 2028. Growth then slows to 2.9% in FY 2029.

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

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

*Spirits tax growth forecast:*

FY25: 1.3%  
FY26: -1.4%  
FY27: 1.0%  
FY28: -1.1%  
FY29: 0.3%

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 before growing by 1.3% in FY 2025. Collections are forecasted to trend slightly downward over the next four years, decreasing by 1.4% in FY 2026, growing 1.0% in FY 2027, decreasing again by 1.1% in FY 2028 and growing 0.3% 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: -10.8%  
FY26: 0.0%  
FY27: -4.1%  
FY28: -5.2%  
FY29: -5.6%*

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 declined by 10.8% in FY 2025 and are forecasted to stay roughly at the same low level in FY 2026 before continuing to decline at 4.1% in FY 2027, 5.2% in FY 2028 and 5.6% 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: \$0.7  
25-27: -\$6.9  
27-29: -\$11.2*

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 preliminary total transfers for the 2023-25 biennium was \$258.7 million, \$0.7 million more than forecasted in June. The net forecast of GF-S distributions for the 2025-27 biennium has been decreased \$6.9 million to \$255.8 million and the forecast for the 2027-29 biennium has been decreased \$11.2 million to \$266.6 million.

Details of the forecasted distributions from the account can be found in Table 3.18.

## The Office of Financial Management (Other Agencies)

*Forecast  
change by  
biennium  
(millions):*

23-25: \$12.0  
25-27: \$18.8  
27-29: \$15.0

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 preliminary total of net GF-S revenue for the 2023-25 biennium was \$272.1 million, \$12.0 million more than expected in June. The forecast for the 2025-27 biennium was increased \$18.8 million to \$437.3 million and the forecast for the 2027-29 biennium was increased \$15.0 million to -\$619.5 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: \$0.2  
25-27: -\$98.9  
27-29: -\$23.8

The Office of the State Treasurer generates GF-S revenue by investing state short-term cash reserves. The preliminary total of GF-S revenue for the 2023-25 biennium was \$572.3 million, \$0.2 million more than forecasted in June. The forecast of GF-S revenue for the 2025-27 biennium has been decreased \$98.9 million to \$186.3 million and the forecast for the 2027-29 biennium has been decreased \$23.8 million to \$217.5 million. The main reason for the reduction was a decrease in forecasted average daily balances in interest-earning accounts.

## Insurance Commissioner

*Forecast change by  
biennium (millions):*

23-25: \$7.9  
25-27: \$0.0  
27-29: \$0.0

The Office of the Insurance Commissioner collects premium taxes on most classes of insurance sold in Washington State. These taxes are distributed to the GF-S and various accounts in support of fire services. Preliminary GF-S distributions for the 2023-25 biennium totaled \$1.798 billion, \$7.9 million more than forecasted in June. The forecast for the 2025-27 biennium is unchanged at \$1,897.1 million and the forecast for the 2027-29 biennium is unchanged at \$1,971.5 million.

## Liquor and Cannabis Board

*Forecast  
change by  
biennium  
(millions):*

23-25: -\$9.2  
25-27: -\$42.4  
27-29: -\$43.2

The Liquor and Cannabis Board (LCB) collects fees from distributors and retailers on sales of spirits and surtaxes on sales of beer and wine (sales and liter taxes on sprits are collected by the DOR). The LCB is also responsible for the collection of excise taxes and fees associated with the legalized sale and use of recreational and medicinal cannabis discussed previously. Preliminary GF-S distributions for the 2023-25 biennium totaled \$553.0 million, \$9.2 million less than expected in June. The forecast for the 2025-27 biennium has been decreased \$42.4

million to \$624.1 million and the forecast for the 2027-29 biennium has been decreased \$43.2 million to \$671.0 million.

## Lottery Commission

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

23-25: \$0.0  
25-27: \$8.4  
27-29: \$1.2

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. Preliminary total GF-S transfers in the 2023-25 biennium were \$86.9 million, the same as expected in June. The forecast for the 2025-27 biennium has been increased \$8.4 million to \$78.4 million and the forecast for the 2027-29 biennium has been increased \$1.2 million to \$68.5 million.

## Washington Court System

*Forecast change  
by biennium  
(millions):*

23-25: -\$0.1  
25-27: \$2.5  
27-29: \$3.0

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. Preliminary total GF-S transfers for the 2023-25 biennium were \$108.5 million, \$0.1 million less than expected in June. The forecast for the 2025-27 biennium has been increased \$2.5 million to \$122.6 million and the forecast for the 2027-29 biennium has been increased \$3.0 million to \$128.9 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 2025-27 and 2027-29 Biennia

*Optimistic  
scenario  
(billions):*

25-27: +\$3.10  
27-29: +\$6.80

*Pessimistic  
scenario  
(billions):*

25-27: -\$3.36  
27-29: -\$7.57

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 2025-27 biennium are shown in Table 3.13 and those of the 2027-29 biennium are shown in Table 3.14. For the 2025-27 biennium, the optimistic forecast generates \$77.442 billion in revenue subject to the budget outlook process, \$3.098 billion (4.2%) more than the baseline scenario, while the pessimistic forecast produces \$70.985 billion in revenue, \$3.358 billion (4.5%) less than the baseline. For the 2027-29 biennium, the optimistic forecast generates \$86.338 billion in GF-S revenue, \$6.801 billion (8.6%) more than the baseline scenario, while the pessimistic forecast produces \$71.967 billion in revenue, \$7.570 billion (9.5%) less than the baseline.

## Washington Opportunity Pathways Account

*OPA forecast  
change by  
biennium  
(millions):*

23-25: \$0.0  
25-27: -\$15.0  
27-29: -\$16.4

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 preliminary total of OPA revenue for the 2023-25 biennium was \$349.3 million, the same as expected in June. Forecasted revenue for the 2025-27 biennium has been decreased \$15.0 million to \$321.8 million and the forecast for the 2027-29 biennium has been decreased \$16.4 million to \$338.5 million.

## Education Legacy Trust Account

*ELTA forecast  
change by  
biennium  
(millions):*

23-25: \$22.0  
25-27: -\$77.7  
27-29: -\$83.0

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). The preliminary total of ELTA revenue for the 2023-25 biennium was \$22.0 million higher than the June forecast due to higher-than-expected collections of estate taxes. Going forward, however, the forecast has been reduced due to reductions in all three sources, with the largest reduction occurring in capital gains taxes. The forecast has decreased by \$77.7 million in the 2025-27 biennium and \$83.0 million in the 2027-29 biennium. The preliminary total revenue for the 2023-25 biennium was \$2.428 billion. Forecasted ELTA receipts are now \$2.690 billion for the 2025-27 biennium and \$2.875 billion for the 2027-29 biennium.

## Workforce Education Investment Account

*WEIA forecast  
change by  
biennium  
(millions):*

23-25: \$11.9  
25-27: -\$3.1  
27-29: -\$6.8

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. Final revenue for the 2023-25 biennium was \$966.9 million, \$11.9 million above the June forecast, due to higher-than-expected computing surcharge payments. Due to slightly lower observed taxable activity for the services surcharge and lower forecasted personal income, however, the forecast has been reduced by \$3.1 million in the 2025-27 biennium and \$6.8 million in the 2027-29 biennium. The final total of WEIA revenue is now forecasted at \$1.560 billion in the 2025-27 biennium and \$1.908 billion for the 2027-29 biennium. The large increases in revenue in the current and next biennia are due to legislative changes from the 2025 session, which were detailed in our June 2025 forecast publication. The WEIA forecast by fiscal year is presented in Table 3.19.

## Budgetary Balance Sheet for the 2023-25 and 2025-27 Biennia

*Preliminary  
total  
reserves  
were \$3.581  
billion at the  
end of the  
2023-25  
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 preliminary accounting, the balance sheet shows a fund balance of \$1.397 billion for the GF-S at the end of the 2023-25 biennium and a balance for the total of the GF-S, ELTA, OPA and WEIA accounts of \$2.327 billion. Adding the funds in the Budget Stabilization Account (BSA), total GF-S reserves were \$2.651 billion at the end of the biennium and the total reserves of the GF-S, ELTA, OPA and WEIA accounts were \$3.581 billion.

*Forecasted  
total  
reserves are  
\$1.630  
billion at the  
end of the  
2025-27  
biennium.*

Based on the updated forecast and the enacted 2025-27 biennial budget, the balance sheet projects a negative GF-S balance of \$749 million at the end of the 2025-27 biennium and a negative balance for the total of the GF-S, ELTA, OPA and WEIA accounts of \$421 million. Adding the funds in the BSA, however, total GF-S reserves are projected to be \$1.302 billion at the end of the biennium and total reserves for the GF-S, ELTA, OPA and WEIA accounts are projected at \$1.630 billion.

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>	63,379.1	3.9%	51,306.2	-2.8%
2025-27 <sup>F</sup>	69,771.8	10.1%	53,331.3	3.9%
2027-29 <sup>F</sup>	74,415.8	6.7%	54,520.6	2.2%

<sup>F</sup> September 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>	237,309	2.4%
2026 <sup>F</sup>	249,544	5.2%
2027 <sup>F</sup>	262,078	5.0%
2028 <sup>F</sup>	272,377	3.9%
2029 <sup>F</sup>	282,775	3.8%

<sup>F</sup> September 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>Jun 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Sept 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$29,902.1	\$0.0	(\$61.1)	\$29,841.0	(\$61.1)
Business & Occupation	12,861.0	0.0	18.4	12,879.3	18.4
Use	2,016.5	0.0	(2.3)	2,014.2	(2.3)
Public Utility	1,115.5	0.0	2.9	1,118.4	2.9
Liquor Sales/Liter	682.2	0.0	(1.9)	680.3	(1.9)
Cigarette	467.9	0.0	(3.6)	464.3	(3.6)
Property (State Levy)	9,295.7	0.0	(3.0)	9,292.7	(3.0)
Real Estate Excise	2,180.1	0.0	(4.4)	2,175.7	(4.4)
Timber Excise	4.3	0.0	0.0	4.3	0.0
Other	1,521.1	0.0	(2.9)	1,518.2	(2.9)
Subtotal	60,046.4	0.0	(58.0)	59,988.4	(58.0)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,790.0	0.0	7.9	1,797.8	7.9
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	506.4	0.0	(8.7)	497.7	(8.7)
Beer & Wine Surtax	55.8	0.0	(0.5)	55.3	(0.5)
<b>Lottery Commission</b>					
Lottery Revenue	86.9	0.0	0.0	86.9	0.0
<b>State Treasurer</b>					
Interest Earnings	572.1	0.0	0.2	572.3	0.2
<b>Office of Financial Management</b>					
Other Agencies	260.1	0.0	12.0	272.1	12.0
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	108.6	0.0	(0.1)	108.5	(0.1)
<b>Total General Fund-State *</b>	<b>\$63,426.4</b>	<b>\$0.0</b>	<b>(\$47.3)</b>	<b>\$63,379.1</b>	<b>(\$47.3)</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council June 24, 2025<sup>2</sup> Forecast for the 2023-25 biennium, adopted September 23, 2025

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

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



Table 3.6

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

2023-25 biennium; GAAP basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Jun 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Sept 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$29,948.7	\$0.0	\$11.7	\$29,960.4	\$11.7
Business & Occupation	12,871.4	0.0	58.3	12,929.7	58.3
Use	2,019.5	0.0	13.8	2,033.2	13.8
Public Utility	1,121.3	0.0	4.2	1,125.5	4.2
Liquor Sales/Liter	690.5	0.0	(8.3)	682.2	(8.3)
Cigarette	461.9	0.0	(1.4)	460.5	(1.4)
Property (State Levy)	9,298.0	0.0	(1.9)	9,296.1	(1.9)
Real Estate Excise	2,196.3	0.0	(4.8)	2,191.5	(4.8)
Timber Excise	4.4	0.0	0.1	4.4	0.1
Other	1,530.3	0.0	(17.2)	1,513.0	(17.2)
Subtotal	60,142.1	0.0	54.5	60,196.5	54.5
<b>Insurance Commissioner</b>					
Insurance Premiums	1,790.0	0.0	7.9	1,797.8	7.9
<b>Liquor and Cannabis Board</b>					
Fees, Cannabis Excise Tax	506.4	0.0	(8.7)	497.7	(8.7)
Beer & Wine Surtax	55.8	0.0	(0.5)	55.3	(0.5)
<b>Lottery Commission</b>					
Lottery Revenue	84.1	0.0	(0.3)	83.8	(0.3)
<b>State Treasurer</b>					
Interest Earnings	582.0	0.0	23.3	605.3	23.3
<b>Office of Financial Management</b>					
Other Agencies	260.1	0.0	12.0	272.1	12.0
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	108.6	0.0	(0.1)	108.5	(0.1)
<b>Total General Fund-State *</b>	<b>\$63,529.1</b>	<b>\$0.0</b>	<b>\$87.9</b>	<b>\$63,617.0</b>	<b>\$87.9</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council June 24, 2025<sup>2</sup> Forecast for the 2023-25 biennium, adopted September 23, 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>Jun 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Sept 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b><i>Department of Revenue</i></b>					
Retail Sales	\$33,380.9	\$0.0	(\$270.5)	\$33,110.4	(\$270.5)
Business & Occupation	14,962.9	0.0	89.4	15,052.3	89.4
Use	2,036.4	0.0	4.2	2,040.6	4.2
Public Utility	1,222.4	0.0	0.8	1,223.2	0.8
Liquor Sales/Liter	712.5	0.0	(34.3)	678.3	(34.3)
Cigarette	440.2	0.0	(11.3)	428.9	(11.3)
Property (State Levy)	9,700.2	0.0	(3.6)	9,696.6	(3.6)
Real Estate Excise	2,559.1	0.0	(64.8)	2,494.3	(64.8)
Timber Excise	5.0	0.0	0.3	5.3	0.3
Other	1,611.4	0.0	84.8	1,696.2	84.8
Subtotal	66,631.0	0.0	(204.9)	66,426.0	(204.9)
<b><i>Insurance Commissioner</i></b>					
Insurance Premiums	1,897.1	0.0	0.0	1,897.1	0.0
<b><i>Liquor and Cannabis Board</i></b>					
Fees, Cannabis Excise Tax	608.7	0.0	(42.5)	566.2	(42.5)
Beer & Wine Surtax	57.8	0.0	0.1	57.9	0.1
<b><i>Lottery Commission</i></b>					
Lottery Revenue	70.0	0.0	8.4	78.4	8.4
<b><i>State Treasurer</i></b>					
Interest Earnings	285.2	0.0	(98.9)	186.3	(98.9)
<b><i>Office of Financial Management</i></b>					
Other Agencies	418.4	0.0	18.8	437.3	18.8
<b><i>Washington Court System</i></b>					
Court Fees, Fines & Forfeitures	120.0	0.0	2.5	122.6	2.5
<b><u>Total General Fund-State *</u></b>	<b>\$70,088.4</b>	<b>\$0.0</b>	<b>(\$316.5)</b>	<b>\$69,771.8</b>	<b>(\$316.5)</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council June 24, 2025<sup>2</sup> Forecast for the 2025-27 biennium, adopted September 23, 2025

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

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

Table 3.8

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

2025-27 biennium; GAAP basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Jun 2025 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Sept 2025 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b><i>Department of Revenue</i></b>					
Retail Sales	\$33,380.9	\$0.0	(\$270.5)	\$33,110.4	(\$270.5)
Business & Occupation	14,962.9	0.0	89.4	15,052.3	89.4
Use	2,036.4	0.0	4.2	2,040.6	4.2
Public Utility	1,222.4	0.0	0.8	1,223.2	0.8
Liquor Sales/Liter	712.5	0.0	(34.3)	678.3	(34.3)
Cigarette	440.2	0.0	(11.3)	428.9	(11.3)
Property (State Levy)	9,700.2	0.0	30.5	9,730.8	30.5
Real Estate Excise	2,559.1	0.0	(64.8)	2,494.3	(64.8)
Timber Excise	5.0	0.0	0.3	5.3	0.3
Other	1,611.4	0.0	85.2	1,696.6	85.2
Subtotal	66,631.0	0.0	(170.4)	66,460.7	(170.4)
<b><i>Insurance Commissioner</i></b>					
Insurance Premiums	1,897.1	0.0	0.0	1,897.1	0.0
<b><i>Liquor and Cannabis Board</i></b>					
Fees, Cannabis Excise Tax	608.7	0.0	(42.5)	566.2	(42.5)
Beer & Wine Surtax	57.8	0.0	0.1	57.9	0.1
<b><i>Lottery Commission</i></b>					
Lottery Revenue	67.6	0.0	9.6	77.2	9.6
<b><i>State Treasurer</i></b>					
Interest Earnings	275.9	0.0	(97.8)	178.1	(97.8)
<b><i>Office of Financial Management</i></b>					
Other Agencies	418.4	0.0	18.8	437.3	18.8
<b><i>Washington Court System</i></b>					
Court Fees, Fines & Forfeitures	120.0	0.0	2.5	122.6	2.5
<b><u>Total General Fund-State *</u></b>	<b>\$70,076.7</b>	<b>\$0.0</b>	<b>(\$279.6)</b>	<b>\$69,797.0</b>	<b>(\$279.6)</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council June 24, 2025<sup>2</sup> Forecast for the 2025-27 biennium, adopted September 23, 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  
**September 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	\$15,071.1	\$29,841.0	\$16,254.3	\$16,856.0	\$33,110.4	\$17,235.7	\$17,898.8	\$35,134.5
Business & occupation	5,677.3	6,231.8	11,909.2	6,410.1	6,469.2	12,879.3	6,989.6	8,062.7	15,052.3	8,533.9	8,962.5	17,496.4
Use**	897.0	1,010.1	1,907.2	984.4	1,029.8	2,014.2	1,005.3	1,035.3	2,040.6	1,071.8	1,123.4	2,195.1
Public Utility	486.7	546.8	1,033.5	534.9	583.4	1,118.4	586.9	636.4	1,223.2	676.5	696.4	1,372.9
Liquor sales/liter	348.5	353.7	702.2	338.0	342.3	680.3	337.5	340.7	678.3	337.0	338.1	675.1
Beer & wine surtax	28.9	31.7	60.6	28.4	27.0	55.3	29.0	28.8	57.9	28.7	28.6	57.3
Cigarette	318.9	280.6	599.4	252.2	223.9	476.0	225.1	216.3	441.5	205.6	194.6	400.2
Tobacco products	45.9	46.6	92.5	45.5	40.3	85.8	78.3	120.6	199.0	123.3	126.0	249.3
Cannabis Excise Taxes	173.0	137.7	310.7	123.6	127.9	251.5	123.5	125.2	248.7	127.8	131.7	259.5
Property (state school levy)	4,426.9	4,492.7	8,919.6	4,596.9	4,695.7	9,292.7	4,796.0	4,900.7	9,696.6	5,007.7	5,119.7	10,127.4
Leasehold Excise Tax	40.7	45.6	86.4	48.9	51.0	99.9	52.3	52.9	105.2	54.0	54.1	108.2
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	23.6	57.1	26.0	28.0	53.9	31.8	34.1	65.8
Real estate excise***	1,982.9	1,114.9	3,097.9	962.9	1,212.8	2,175.7	1,240.9	1,253.4	2,494.3	1,372.6	1,459.6	2,832.2
Timber excise	5.5	3.4	8.9	2.0	2.3	4.3	2.6	2.7	5.3	2.8	2.7	5.5
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	17.2	32.8	17.2	17.2	34.4	17.2	17.2	34.4
Insurance premiums	784.5	803.2	1,587.7	836.6	961.3	1,797.8	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	199.5	374.8	207.4	208.2	415.6	215.7	223.2	438.9
Other	62.2	52.4	114.6	60.3	59.7	120.0	57.6	113.1	170.6	59.4	60.0	119.4
<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>31,203.2</b>	<b>61,484.3</b>	<b>33,036.8</b>	<b>35,025.2</b>	<b>68,062.0</b>	<b>36,147.5</b>	<b>37,537.0</b>	<b>73,684.5</b>
<b>State Non-Tax Sources</b>												
Licenses, permits, fees	180.9	190.0	371.0	180.6	209.4	390.0	207.8	210.6	418.4	223.0	228.7	451.7
Liquor & Cannabis fees	160.9	147.8	308.7	129.8	116.3	246.2	146.2	171.3	317.5	175.2	179.0	354.2
Earnings on investments	36.7	197.1	233.8	327.8	244.5	572.3	100.8	85.5	186.3	100.4	117.1	217.5
Washington Court System	42.7	42.5	85.2	52.3	56.2	108.5	59.8	62.7	122.6	64.2	64.7	128.9
Transfers of unclaimed property	154.3	181.6	336.0	222.0	327.3	549.3	250.0	252.6	502.6	255.1	257.6	512.7
Other revenue & transfers	(62.6)	(75.7)	(138.3)	(100.1)	128.5	28.4	207.2	(44.8)	162.4	(458.0)	(475.7)	(933.7)
<b>Total Non-Tax</b>	<b>512.9</b>	<b>683.5</b>	<b>1,196.4</b>	<b>812.5</b>	<b>1,082.3</b>	<b>1,894.8</b>	<b>971.8</b>	<b>738.0</b>	<b>1,709.8</b>	<b>360.0</b>	<b>371.4</b>	<b>731.3</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>\$32,285.6</b>	<b>\$63,379.1</b>	<b>\$34,008.6</b>	<b>\$35,763.2</b>	<b>\$69,771.8</b>	<b>\$36,507.5</b>	<b>\$37,908.3</b>	<b>\$74,415.8</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 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>								
From February 2020	5,582	476	32	299	6,389	892	7,281	
Percent change	9.6	51.5	9.8	44.9	10.7	1.5	12.2	
<b>Change in forecast since initial 2325 biennial budget**</b>								
	<b>512</b>	<b>420</b>	<b>1</b>	<b>183</b>	<b>1,116</b>	<b>305</b>	<b>1,382</b>	
Percent change	0.8	20.9	0.3	23.3	1.7	0.5	2.1	

Table 3.11  
**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) #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
September 2025	(317)	(78)	(15)	(3)	(412)	0	(412)	74,343
<b>Total change:</b>								
From February 2022	434	64	-34	131	595	3,723	4,318	
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 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  
\*\*\*\*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 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>1,397.2</b>	<b>930.0</b>	<b>2,327.2</b>
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



Table 3.13

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

	<b>Optimistic Forecast</b>	<b>Baseline Forecast</b>	<b>Pessimistic Forecast</b>
<b>General Fund - State</b>			
<b><i>Department of Revenue</i></b>			
Retail Sales	\$34,763.2	\$33,110.4	\$31,388.3
Business & Occupation	15,744.9	15,052.3	14,283.4
Use	2,146.7	2,040.6	1,915.9
Public Utility	1,287.9	1,223.2	1,161.7
Property (school levy)	9,748.0	9,696.6	9,649.1
Real Estate Excise	2,655.4	2,494.3	2,355.1
Other	2,900.8	2,808.6	2,716.9
Subtotal	69,246.9	66,426.0	63,470.4
<b><i>Insurance Commissioner</i><sup>1</sup></b>	1,915.7	1,897.1	1,822.3
<b><i>Lottery Commission</i></b>	80.9	78.4	76.0
<b><i>State Treasurer - Interest earnings</i></b>	213.8	186.3	106.4
<b><i>Liquor and Cannabis Surtaxes &amp; Fees</i><sup>2</sup></b>	644.7	624.1	603.7
<b><i>Office of Financial Management</i></b>	448.7	437.3	426.3
<b><i>Washington Court System</i></b>	126.6	122.6	118.6
<b>Total General Fund - State*</b>	<b>\$72,677.3</b>	<b>\$69,771.8</b>	<b>\$66,623.7</b>
<b>Education Legacy Trust Account</b>	<b>\$2,801.5</b>	<b>\$2,689.9</b>	<b>\$2,569.3</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$335.2</b>	<b>\$321.8</b>	<b>\$307.2</b>
<b>Workforce Education Investment Account</b>	<b>\$1,627.5</b>	<b>\$1,559.6</b>	<b>\$1,485.0</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$77,441.5</b>	<b>\$74,343.2</b>	<b>\$70,985.1</b>
<b>Difference from September 2025 Baseline</b>	<b>\$3,098.3</b>		<b>(\$3,358.1)</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, 2027-29 biennium**  
(cash basis, millions of dollars)

	<b>Optimistic Forecast</b>	<b>Baseline Forecast</b>	<b>Pessimistic Forecast</b>
<b>General Fund - State</b>			
<b>Department of Revenue</b>			
Retail Sales	\$38,840.1	\$35,134.5	\$31,138.1
Business & Occupation	19,027.1	17,496.4	15,745.0
Use	2,424.5	2,195.1	1,944.9
Public Utility	1,502.4	1,372.9	1,255.9
Property (school levy)	10,196.5	10,127.4	10,073.2
Real Estate Excise	3,224.9	2,832.2	2,407.4
Other	2,983.1	2,819.3	2,613.2
Subtotal	78,198.7	71,977.9	65,177.7
<b>Insurance Commissioner<sup>1</sup></b>	1,988.4	1,971.5	1,891.4
<b>Lottery Commission</b>	72.5	68.5	63.5
<b>State Treasurer - Interest earnings</b>	258.4	217.5	122.1
<b>Liquor and Cannabis Surtaxes &amp; Fees<sup>2</sup></b>	709.9	671.0	621.8
<b>Office of Financial Management</b>	(585.3)	(619.5)	(663.0)
<b>Washington Court System</b>	136.4	128.9	119.5
<b>Total General Fund - State*</b>	<b>\$80,779.0</b>	<b>\$74,415.8</b>	<b>\$67,333.1</b>
<b>Education Legacy Trust Account</b>	<b>\$3,120.8</b>	<b>\$2,875.0</b>	<b>\$2,601.4</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$367.4</b>	<b>\$338.5</b>	<b>\$306.3</b>
<b>Workforce Education Investment Account</b>	<b>\$2,071.0</b>	<b>\$1,907.9</b>	<b>\$1,726.4</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$86,338.1</b>	<b>\$79,537.2</b>	<b>\$71,967.1</b>
<b>Difference from September 2025 Baseline</b>	<b>\$6,800.9</b>		<b>(\$7,570.0)</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**  
 September 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	205.8	43.8	0.0	0.9	6.2	154.8
2027	208.6	34.6	0.0	0.9	6.1	166.9
2025-27 Biennium	414.4	78.4	0.0	1.9	12.3	321.8
2028	209.6	34.6	0.0	0.9	6.1	167.9
2029	211.5	33.9	0.0	0.9	6.1	170.5
2027-29 Biennium	421.2	68.5	0.0	1.9	12.3	338.5

Table 3.16  
**Lottery transfers by fund**  
 September 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	201.2	25.6	0.0	0.9	5.7	169.0
2023-25 Biennium	444.1	83.8	0.0	1.7	12.4	346.2
2026	213.9	42.6	0.0	0.9	6.1	164.2
2027	208.5	34.6	0.0	0.9	6.1	166.8
2025-27 Biennium	422.4	77.2	0.0	1.9	12.3	331.0
2028	210.0	33.9	0.0	0.9	6.1	169.0
2029	211.7	33.6	0.0	0.9	6.1	171.0
2027-29 Biennium	421.7	67.6	0.0	1.9	12.3	339.9

\* 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)

September 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	\$32,286	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>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.

Table 3.18

**Forecasted distribution of excise tax and license fees from cannabis sales**

September 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	\$168,051	\$16,342	\$151,709	\$12,814	\$7,500	\$345	\$79,750	\$0	\$251	\$0	\$51,049
2017	\$300,635	\$22,180	\$278,455	\$27,786	\$7,500	\$345	\$145,717	\$0	\$511	\$0	\$96,596
2018	\$360,608	\$31,388	\$329,220	\$27,786	\$9,761	\$365	\$173,418	\$0	\$513	\$0	\$117,377
2019	\$391,191	\$60,749	\$330,442	\$0	\$9,764	\$365	\$188,317	\$0	\$515	\$0	\$131,482
2020	\$448,427	\$66,894	\$381,533	\$0	\$10,786	\$374	\$215,096	\$0	\$522	\$0	\$154,754
2021	\$560,929	\$70,584	\$490,345	\$0	\$10,615	\$384	\$272,521	\$0	\$530	\$0	\$206,296
2022	\$527,090	\$17,993	\$509,097	\$0	\$10,584	\$401	\$264,470	\$56,056	\$520	\$0	\$177,066
2023	\$475,235	\$20,073	\$455,162	\$0	\$11,000	\$475	\$230,431	\$48,745	\$550	\$22,157	\$141,804
2024	\$483,451	\$40,735	\$442,717	\$0	\$11,863	\$513	\$229,997	\$49,864	\$593	\$22,665	\$127,222
2025	\$441,865	\$17,907	\$423,958	\$0	\$12,368	\$535	\$213,427	\$45,148	\$618	\$20,426	\$131,436
2026	\$429,454	\$18,455	\$410,999	\$0	\$12,748	\$551	\$206,473	\$43,677	\$637	\$19,853	\$127,060
2027	\$435,782	\$19,066	\$416,716	\$0	\$13,169	\$570	\$209,206	\$44,255	\$658	\$20,116	\$128,742
2028	\$444,684	\$19,562	\$425,123	\$0	\$13,511	\$585	\$213,383	\$45,139	\$675	\$20,518	\$131,312
2029	\$457,820	\$19,992	\$437,828	\$0	\$13,809	\$598	\$219,820	\$46,500	\$690	\$21,137	\$135,274
<b>Biennial totals</b>											
2015-17	\$468,686	\$38,522	\$430,164	\$40,600	\$15,000	\$690	\$225,467	\$0	\$762	\$0	\$147,645
2017-19	\$751,799	\$92,137	\$659,662	\$27,786	\$19,525	\$730	\$361,735	\$0	\$1,028	\$0	\$248,859
2019-21	\$1,009,356	\$137,478	\$871,878	\$0	\$21,401	\$758	\$487,617	\$0	\$1,052	\$0	\$361,050
2021-23	\$1,002,325	\$38,066	\$964,259	\$0	\$21,584	\$876	\$494,902	\$104,801	\$1,070	\$22,157	\$318,869
2023-25	\$925,316	\$58,642	\$866,675	\$0	\$24,231	\$1,048	\$443,424	\$95,012	\$1,211	\$43,091	\$258,658
2025-27	\$865,236	\$37,521	\$827,715	\$0	\$25,917	\$1,121	\$415,678	\$87,932	\$1,295	\$39,969	\$255,802
2027-29	\$902,504	\$39,554	\$862,951	\$0	\$27,320	\$1,183	\$433,203	\$91,639	\$1,365	\$41,654	\$266,587

\*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**

September 2025

Cash forecast, thousands of dollars

	FY22		FY23		2021-23 Biennium		FY24		FY25		2023-25 Biennium		FY26		FY27		2025-27 Biennium		FY28		FY29		2027-29 Biennium	
<b>June 2025 forecast</b>	\$368,630		\$410,385		\$779,016		\$435,360		\$519,595		\$954,955		\$647,438		\$915,312		\$1,562,750		\$943,092		\$971,560		\$1,914,652	
Economic Change	\$0		\$0		\$0		\$0		\$11,906		\$11,906		(\$1,049)		(\$2,058)		(\$3,107)		(\$3,134)		(\$3,624)		(\$6,758)	
Legislative Change	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Total forecast change	\$0		\$0		\$0		\$0		\$11,906		\$11,906		(\$1,049)		(\$2,058)		(\$3,107)		(\$3,134)		(\$3,624)		(\$6,758)	
<b>September 2025 forecast</b>	\$368,630		\$410,385		\$779,016		\$435,360		\$531,501		\$966,861		\$646,389		\$913,254		\$1,559,644		\$939,958		\$967,936		\$1,907,894	



## 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	23,698.3	24,059.8	24,541.0	25,031.8	25,507.4
% Ch	2.5	2.9	2.8	1.7	1.5	2.0	2.0	1.9
Real Consumption	15,236.2	15,621.7	16,052.6	16,369.9	16,593.5	16,942.0	17,297.7	17,643.7
% Ch	3.0	2.5	2.8	2.0	1.4	2.1	2.1	2.0
Real Nonresidential Fixed Investment	3,192.9	3,384.5	3,506.6	3,620.3	3,561.2	3,607.0	3,740.3	3,885.9
% Ch	7.0	6.0	3.6	3.2	-1.6	1.3	3.7	3.9
Real Residential Fixed Investment	831.6	762.7	794.9	774.5	753.9	768.6	800.3	831.2
% Ch	-8.6	-8.3	4.2	-2.6	-2.7	2.0	4.1	3.9
Real Personal Income	19,023.0	19,421.8	19,974.4	20,353.6	20,740.8	21,380.6	21,973.5	22,578.1
% Ch	-3.3	2.1	2.8	1.9	1.9	3.1	2.8	2.8
Real Per Capita Income (\$/Person)	56,853	57,547	58,638	59,418	60,381	62,080	63,635	65,179
% Ch	-3.9	1.2	1.9	1.3	1.6	2.8	2.5	2.4
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	116.1	120.5	123.5	127.1	131.0	133.7	136.5	139.1
% Ch	6.6	3.8	2.5	2.9	3.1	2.0	2.1	1.9
U.S. Consumer Price Index (1982-84=1.0)	2.926	3.047	3.137	3.228	3.317	3.398	3.478	3.553
% Ch	8.0	4.1	3.0	2.9	2.8	2.4	2.3	2.2
Employment Cost Index (Dec. 2005=1.0)	1.548	1.619	1.683	1.742	1.816	1.892	1.978	2.057
% Ch	5.3	4.6	3.9	3.5	4.3	4.2	4.5	4.0
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	26,006.9	27,720.7	29,184.9	30,539.2	31,945.9	33,297.2	34,792.2	36,214.6
% Ch	9.8	6.6	5.3	4.6	4.6	4.2	4.5	4.1
Personal Income	22,088.9	23,402.5	24,669.3	25,864.8	27,179.0	28,591.0	30,001.8	31,410.2
% Ch	3.1	5.9	5.4	4.8	5.1	5.2	4.9	4.7
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	164.3	167.1	168.1	170.8	171.4	171.9	172.2	172.5
Total U.S. Employment	158.3	161.0	161.3	163.5	163.4	163.8	164.2	164.9
Unemployment Rate (%)	3.65	3.64	4.02	4.26	4.66	4.72	4.64	4.40
Nonfarm Payroll Employment	152.54	155.88	157.96	159.41	159.81	160.42	161.07	161.79
% Ch	4.3	2.2	1.3	0.9	0.2	0.4	0.4	0.4
Manufacturing	12.77	12.87	12.82	12.75	12.61	12.35	12.24	12.23
% Ch	3.7	0.8	-0.4	-0.5	-1.1	-2.0	-0.9	-0.1
Durable Manufacturing	7.92	8.02	7.97	7.90	7.78	7.58	7.50	7.51
% Ch	3.7	1.3	-0.7	-0.8	-1.6	-2.6	-1.0	0.2
Nondurable Manufacturing	4.84	4.85	4.85	4.85	4.84	4.78	4.74	4.72
% Ch	3.7	0.1	0.0	-0.1	-0.3	-1.2	-0.8	-0.5
Construction	7.76	8.01	8.21	8.28	8.18	8.18	8.32	8.52
% Ch	4.4	3.1	2.5	0.8	-1.2	-0.1	1.7	2.4
Service-Providing	131.40	134.36	136.31	137.77	138.40	139.26	139.89	140.42
% Ch	4.3	2.3	1.4	1.1	0.5	0.6	0.5	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	94.8	77.6	76.5	66.3	62.6	62.5	63.1	63.6
Personal Saving/Disposable Income (%)	3.0	4.7	4.6	4.2	5.8	6.7	7.2	7.5
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	-3.2	-7.9	4.5	3.4	2.8
Housing Starts (Millions)	1.552	1.421	1.371	1.361	1.319	1.323	1.337	1.354
% Ch	-3.2	-8.4	-3.5	-0.7	-3.1	0.3	1.1	1.3
Federal Budget Surplus (Billions)	-1,020.3	-1,666.4	-1,833.4	-1,639.5	-1,790.2	-1,964.7	-1,988.4	-1,885.5
Net Exports (Billions)	-958.9	-797.3	-903.1	-975.8	-772.3	-641.9	-508.7	-436.2
3-Month Treasury Bill Rate (%)	2.02	5.07	4.97	4.13	3.26	2.89	2.83	2.85
10-Year Treasury Note Yield (%)	2.95	3.96	4.21	4.33	4.05	4.00	3.98	4.06
Bond Index of 20 G.O. Munis. (%)	3.21	3.69	3.83	4.89	4.81	4.64	4.47	4.35
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.72	6.67	6.22	5.99	5.90	5.84

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	23,512.7	23,703.8	23,768.9	23,807.6
% Ch , Annual Rate	1.6	3.0	3.1	2.5	-0.5	3.3	1.1	0.7
Real Consumption	15,856.9	15,967.3	16,113.0	16,273.2	16,291.8	16,355.4	16,400.8	16,431.5
% Ch , Annual Rate	1.9	2.8	3.7	4.0	0.5	1.6	1.1	0.8
Real Nonresidential Fixed Investment	3,471.0	3,504.1	3,538.8	3,512.4	3,599.9	3,650.1	3,654.0	3,577.1
% Ch , Annual Rate	4.5	3.9	4.0	-2.9	10.3	5.7	0.4	-8.2
Real Residential Fixed Investment	800.8	795.2	786.5	797.1	794.4	784.9	766.1	752.5
% Ch , Annual Rate	13.7	-2.8	-4.3	5.5	-1.3	-4.7	-9.2	-6.9
Real Personal Income	19,871.7	19,934.3	19,973.6	20,117.8	20,262.6	20,420.9	20,380.0	20,350.8
% Ch , Annual Rate	5.7	1.3	0.8	2.9	2.9	3.2	-0.8	-0.6
Real Per Capita Income (\$/Person)	58,518	58,569	58,569	58,894	59,237	59,634	59,463	59,337
% Ch , Annual Rate	4.7	0.4	0.0	2.2	2.3	2.7	-1.1	-0.8
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	122.5	123.3	123.7	124.5	125.6	126.2	127.5	129.0
% Ch , Annual Rate	3.4	2.5	1.5	2.4	3.7	2.0	4.0	4.8
U.S. Consumer Price Index (1982-84=1.0)	3.110	3.131	3.142	3.165	3.195	3.208	3.240	3.268
% Ch , Annual Rate	3.7	2.8	1.4	3.0	3.8	1.6	4.0	3.5
Employment Cost Index (Dec. 2005=1.0)	1.662	1.676	1.689	1.705	1.718	1.736	1.750	1.764
% Ch , Annual Rate	4.5	3.4	3.1	3.8	3.1	4.2	3.2	3.3
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	28,624.1	29,016.7	29,374.9	29,723.9	29,962.0	30,353.9	30,728.7	31,112.3
% Ch , Annual Rate	4.7	5.6	5.0	4.8	3.2	5.3	5.0	5.1
Personal Income	24,344.2	24,574.0	24,716.7	25,042.3	25,450.1	25,776.6	25,981.5	26,250.8
% Ch , Annual Rate	9.3	3.8	2.3	5.4	6.7	5.2	3.2	4.2
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	167.6	167.9	168.5	168.4	170.6	170.7	170.7	171.1
Total U.S. Employment	161.2	161.3	161.5	161.4	163.6	163.5	163.3	163.5
Unemployment Rate (%)	3.80	3.97	4.17	4.15	4.10	4.18	4.33	4.44
Nonfarm Payroll Employment	157.28	157.79	158.13	158.64	159.16	159.44	159.49	159.55
% Ch , Annual Rate	1.5	1.3	0.9	1.3	1.3	0.7	0.1	0.2
Manufacturing	12.85	12.85	12.81	12.76	12.76	12.75	12.75	12.74
% Ch , Annual Rate	0.0	-0.2	-1.0	-1.7	0.0	-0.3	-0.1	-0.3
Durable Manufacturing	8.00	7.99	7.96	7.91	7.91	7.90	7.90	7.90
% Ch , Annual Rate	-0.3	-0.6	-1.8	-2.3	-0.2	-0.3	-0.1	0.1
Nondurable Manufacturing	4.85	4.85	4.86	4.85	4.85	4.85	4.85	4.84
% Ch , Annual Rate	0.5	0.3	0.3	-0.6	0.4	-0.2	-0.2	-0.8
Construction	8.14	8.19	8.24	8.28	8.30	8.30	8.29	8.23
% Ch , Annual Rate	2.6	2.4	2.5	1.8	0.9	0.4	-0.8	-2.7
Service-Providing	135.65	136.13	136.45	136.98	137.48	137.76	137.85	137.98
% Ch , Annual Rate	1.6	1.4	0.9	1.5	1.5	0.8	0.2	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	77.6	81.4	76.2	70.7	71.8	64.6	65.6	63.4
Personal Saving/Disposable Income (%)	5.4	4.9	4.1	3.8	4.3	4.6	4.1	3.9
Auto Sales (Millions)	3.0	2.9	3.0	3.1	3.0	2.7	3.0	2.8
% Ch , Annual Rate	-15.2	-10.0	9.4	14.5	-6.9	-34.9	60.5	-32.9
Housing Starts (Millions)	1.415	1.343	1.338	1.387	1.401	1.346	1.367	1.331
% Ch , Annual Rate	-13.6	-18.9	-1.5	15.6	4.1	-14.8	6.3	-10.1
Federal Budget Surplus (Billions)	-1,746.1	-1,791.6	-1,928.9	-1,867.1	-1,811.0	-1,746.8	-1,598.1	-1,402.4
Net Exports (Billions)	-841.6	-906.9	-943.7	-920.1	-1,245.1	-869.4	-908.2	-880.4
3-Month Treasury Bill Rate (%)	5.23	5.24	4.99	4.40	4.21	4.23	4.19	3.90
10-Year Treasury Note Yield (%)	4.16	4.44	3.95	4.28	4.45	4.36	4.27	4.25
Bond Index of 20 G.O. Munis. (%)	3.47	3.93	3.88	4.03	4.14	5.12	5.20	5.10
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.45	6.69	6.79	6.79	6.61	6.49

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	23,884.8	23,993.2	24,115.5	24,245.7	24,371.2	24,482.7	24,596.9	24,713.1
% Ch , Annual Rate	1.3	1.8	2.1	2.2	2.1	1.8	1.9	1.9
Real Consumption	16,480.0	16,548.4	16,628.7	16,717.0	16,807.2	16,898.1	16,987.4	17,075.2
% Ch , Annual Rate	1.2	1.7	2.0	2.1	2.2	2.2	2.1	2.1
Real Nonresidential Fixed Investment	3,561.6	3,558.9	3,557.4	3,567.0	3,577.4	3,591.9	3,614.1	3,644.6
% Ch , Annual Rate	-1.7	-0.3	-0.2	1.1	1.2	1.6	2.5	3.4
Real Residential Fixed Investment	753.5	752.8	753.0	756.2	760.0	765.0	770.7	778.8
% Ch , Annual Rate	0.5	-0.4	0.1	1.7	2.0	2.7	3.0	4.3
Real Personal Income	20,547.6	20,678.9	20,790.1	20,946.6	21,155.4	21,313.5	21,462.8	21,590.7
% Ch , Annual Rate	3.9	2.6	2.2	3.0	4.0	3.0	2.8	2.4
Real Per Capita Income (\$/Person)	59,874	60,222	60,507	60,922	61,487	61,905	62,298	62,630
% Ch , Annual Rate	3.7	2.3	1.9	2.8	3.8	2.7	2.6	2.1
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	130.0	130.7	131.4	132.1	132.7	133.3	134.0	134.8
% Ch , Annual Rate	3.0	2.3	2.2	2.0	1.8	2.0	2.1	2.4
U.S. Consumer Price Index (1982-84=1.0)	3.293	3.305	3.324	3.348	3.373	3.386	3.406	3.428
% Ch , Annual Rate	3.1	1.5	2.3	2.9	3.1	1.6	2.3	2.7
Employment Cost Index (Dec. 2005=1.0)	1.788	1.808	1.825	1.842	1.860	1.880	1.903	1.926
% Ch , Annual Rate	5.7	4.4	3.9	3.8	4.0	4.4	4.9	5.0
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	31,468.3	31,763.3	32,098.0	32,453.9	32,771.1	33,116.5	33,459.4	33,841.8
% Ch , Annual Rate	4.7	3.8	4.3	4.5	4.0	4.3	4.2	4.6
Personal Income	26,702.0	27,025.3	27,321.7	27,666.8	28,065.3	28,418.6	28,768.3	29,111.8
% Ch , Annual Rate	7.1	4.9	4.5	5.1	5.9	5.1	5.0	4.9
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	171.2	171.4	171.5	171.6	171.8	171.9	172.0	172.0
Total U.S. Employment	163.4	163.4	163.4	163.5	163.7	163.8	163.9	163.9
Unemployment Rate (%)	4.56	4.65	4.71	4.73	4.73	4.73	4.72	4.72
Nonfarm Payroll Employment	159.63	159.73	159.86	160.01	160.17	160.33	160.50	160.66
% Ch , Annual Rate	0.2	0.3	0.3	0.4	0.4	0.4	0.4	0.4
Manufacturing	12.70	12.70	12.57	12.48	12.39	12.36	12.33	12.33
% Ch , Annual Rate	-1.1	-0.1	-4.2	-2.8	-2.7	-1.1	-0.8	-0.1
Durable Manufacturing	7.85	7.85	7.73	7.67	7.60	7.58	7.56	7.57
% Ch , Annual Rate	-2.4	-0.1	-5.8	-3.3	-3.6	-1.2	-0.9	0.3
Nondurable Manufacturing	4.85	4.85	4.83	4.81	4.79	4.78	4.77	4.77
% Ch , Annual Rate	1.0	-0.1	-1.4	-1.9	-1.2	-0.9	-0.8	-0.7
Construction	8.22	8.19	8.17	8.16	8.16	8.16	8.18	8.21
% Ch , Annual Rate	-0.5	-1.6	-1.0	-0.5	0.0	0.2	0.8	1.5
Service-Providing	138.10	138.24	138.51	138.76	139.00	139.19	139.35	139.48
% Ch , Annual Rate	0.4	0.4	0.8	0.7	0.7	0.5	0.5	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	62.8	62.6	62.5	62.4	62.4	62.4	62.5	62.7
Personal Saving/Disposable Income (%)	5.4	5.7	5.9	6.1	6.4	6.7	6.9	6.9
Auto Sales (Millions)	2.6	2.6	2.7	2.8	2.8	2.8	2.8	2.8
% Ch , Annual Rate	-18.7	-6.8	16.5	12.0	4.0	-2.1	1.9	1.1
Housing Starts (Millions)	1,323	1,319	1,318	1,318	1,320	1,321	1,324	1,327
% Ch , Annual Rate	-2.3	-1.2	-0.4	0.2	0.4	0.5	0.7	1.0
Federal Budget Surplus (Billions)	-1,678.2	-1,764.3	-1,827.4	-1,890.9	-1,938.0	-1,962.1	-1,981.3	-1,977.2
Net Exports (Billions)	-807.0	-792.3	-765.5	-724.3	-691.2	-658.7	-625.8	-591.9
3-Month Treasury Bill Rate (%)	3.63	3.38	3.12	2.92	2.91	2.90	2.88	2.86
10-Year Treasury Note Yield (%)	4.18	4.04	4.00	4.00	4.01	4.01	4.00	3.98
Bond Index of 20 G.O. Munis. (%)	4.96	4.85	4.75	4.69	4.67	4.66	4.63	4.59
30-Year Fixed Mortgage Rate (%)	6.40	6.24	6.14	6.09	6.06	6.01	5.97	5.94



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	24,840.5	24,968.7	25,098.3	25,219.7	25,337.0	25,450.1	25,564.0	25,678.5
% Ch , Annual Rate	2.1	2.1	2.1	1.9	1.9	1.8	1.8	1.8
Real Consumption	17,161.1	17,253.3	17,345.0	17,431.6	17,514.6	17,597.7	17,686.6	17,775.9
% Ch , Annual Rate	2.0	2.2	2.1	2.0	1.9	1.9	2.0	2.0
Real Nonresidential Fixed Investment	3,683.6	3,722.0	3,759.5	3,796.2	3,832.0	3,868.2	3,903.8	3,939.6
% Ch , Annual Rate	4.4	4.2	4.1	4.0	3.8	3.8	3.7	3.7
Real Residential Fixed Investment	787.7	796.3	804.7	812.4	820.0	828.6	834.7	841.3
% Ch , Annual Rate	4.6	4.5	4.3	3.9	3.8	4.3	3.0	3.2
Real Personal Income	21,758.0	21,900.7	22,046.4	22,189.1	22,355.6	22,507.7	22,652.0	22,796.9
% Ch , Annual Rate	3.1	2.6	2.7	2.6	3.0	2.7	2.6	2.6
Real Per Capita Income (\$/Person)	63,076	63,448	63,826	64,192	64,623	65,007	65,365	65,720
% Ch , Annual Rate	2.9	2.4	2.4	2.3	2.7	2.4	2.2	2.2
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	135.6	136.2	136.8	137.5	138.2	138.8	139.4	140.1
% Ch , Annual Rate	2.2	2.1	1.8	1.8	2.0	1.8	1.9	1.8
U.S. Consumer Price Index (1982-84=1.0)	3.454	3.466	3.484	3.506	3.529	3.541	3.560	3.583
% Ch , Annual Rate	3.0	1.5	2.1	2.5	2.7	1.4	2.1	2.6
Employment Cost Index (Dec. 2005=1.0)	1.947	1.968	1.988	2.007	2.028	2.047	2.066	2.085
% Ch , Annual Rate	4.4	4.3	4.1	4.0	4.1	3.9	3.8	3.7
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	34,242.4	34,620.7	34,977.8	35,327.7	35,685.1	36,035.3	36,394.3	36,743.9
% Ch , Annual Rate	4.8	4.5	4.2	4.1	4.1	4.0	4.0	3.9
Personal Income	29,494.5	29,839.1	30,170.3	30,503.2	30,884.7	31,236.6	31,586.2	31,933.5
% Ch , Annual Rate	5.4	4.8	4.5	4.5	5.1	4.6	4.6	4.5
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	172.1	172.1	172.2	172.3	172.3	172.4	172.6	172.7
Total U.S. Employment	164.0	164.1	164.2	164.4	164.6	164.8	165.0	165.3
Unemployment Rate (%)	4.70	4.67	4.63	4.57	4.50	4.43	4.37	4.32
Nonfarm Payroll Employment	160.82	160.99	161.16	161.33	161.51	161.70	161.88	162.07
% Ch, Annual Rate	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5
Manufacturing	12.30	12.25	12.21	12.19	12.20	12.22	12.24	12.25
% Ch, Annual Rate	-1.1	-1.6	-1.1	-0.7	0.4	0.7	0.5	0.5
Durable Manufacturing	7.54	7.50	7.48	7.47	7.48	7.51	7.52	7.54
% Ch, Annual Rate	-1.4	-1.9	-1.3	-0.7	0.8	1.2	0.9	0.8
Nondurable Manufacturing	4.76	4.75	4.74	4.73	4.72	4.72	4.72	4.72
% Ch, Annual Rate	-0.6	-1.0	-1.0	-0.8	-0.4	-0.3	-0.1	-0.1
Construction	8.25	8.29	8.34	8.39	8.44	8.49	8.54	8.60
% Ch, Annual Rate	1.9	2.2	2.3	2.4	2.5	2.7	2.4	2.5
Service-Providing	139.64	139.81	139.97	140.12	140.24	140.36	140.48	140.60
% Ch, Annual Rate	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	62.9	63.0	63.1	63.3	63.4	63.5	63.6	63.8
Personal Saving/Disposable Income (%)	7.2	7.2	7.2	7.2	7.4	7.5	7.6	7.6
Auto Sales (Millions)	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0
% Ch, Annual Rate	4.4	8.7	2.5	1.0	0.4	7.8	1.8	0.9
Housing Starts (Millions)	1.330	1.334	1.339	1.344	1.349	1.353	1.356	1.358
% Ch, Annual Rate	1.0	1.3	1.5	1.5	1.4	1.1	0.9	0.7
Federal Budget Surplus (Billions)	-2,003.7	-1,992.0	-1,982.1	-1,976.0	-1,940.4	-1,871.6	-1,866.2	-1,863.9
Net Exports (Billions)	-547.7	-519.8	-493.9	-473.5	-455.5	-442.1	-429.7	-417.7
3-Month Treasury Bill Rate (%)	2.84	2.83	2.83	2.83	2.85	2.85	2.85	2.85
10-Year Treasury Note Yield (%)	3.96	3.96	3.98	4.02	4.05	4.07	4.07	4.06
Bond Index of 20 G.O. Munis. (%)	4.54	4.49	4.45	4.41	4.39	4.36	4.33	4.31
30-Year Fixed Mortgage Rate (%)	5.91	5.90	5.90	5.90	5.88	5.86	5.83	5.79



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	542.755	554.773	564.875	584.190	603.657	622.727
% Ch	-3.1	3.4	3.4	2.2	1.8	3.4	3.3	3.2
Real Wage and Salary Disb.	268.857	281.136	293.184	299.877	302.209	310.884	320.848	330.526
% Ch	0.4	4.6	4.3	2.3	0.8	2.9	3.2	3.0
Real Nonwage Income	238.504	243.617	249.572	254.896	262.666	273.306	282.809	292.200
% Ch	-6.7	2.1	2.4	2.1	3.0	4.1	3.5	3.3
Real Per Capita Income (\$/Person)	65,084	66,741	68,239	69,255	70,311	72,502	74,627	76,570
% Ch	-3.7	2.5	2.2	1.5	1.5	3.1	2.9	2.6
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.161	1.205	1.235	1.271	1.310	1.337	1.365	1.391
% Ch	6.6	3.8	2.5	2.9	3.1	2.0	2.1	1.9
Seattle Cons. Price Index (1982-84=1.0)	3.224	3.412	3.535	3.626	3.728	3.815	3.894	3.973
% Ch	8.9	5.8	3.6	2.6	2.8	2.3	2.1	2.0
Average Nonfarm Annual Wage	86,128	91,667	97,134	101,954	105,744	110,332	115,187	119,756
% Ch	2.1	6.4	6.0	5.0	3.7	4.3	4.4	4.0
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.90	29.71	32.32	34.69	35.72	37.19	38.82	40.32
% Ch	6.6	-0.6	8.8	7.3	3.0	4.1	4.4	3.9
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	589.077	632.296	670.316	704.978	740.223	781.209	824.214	866.332
% Ch	3.3	7.3	6.0	5.2	5.0	5.5	5.5	5.1
Disposable Personal Income	505.206	556.473	589.616	617.618	656.196	691.560	727.496	761.951
% Ch	0.7	10.1	6.0	4.7	6.2	5.4	5.2	4.7
Per Capita Income (\$/Person)	75,564	80,417	84,275	88,005	92,137	96,953	101,893	106,522
% Ch	2.7	6.4	4.8	4.4	4.7	5.2	5.1	4.5
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,968.9	4,031.9	4,060.9	4,039.7	4,038.9	4,055.4	4,075.4	4,100.8
Total Washington Employment	3,808.3	3,862.5	3,878.6	3,858.7	3,843.0	3,856.3	3,881.6	3,915.7
Unemployment Rate (%)	4.05	4.20	4.49	4.48	4.85	4.91	4.76	4.51
Nonfarm Payroll Employment	3,525.6	3,595.5	3,629.7	3,642.1	3,650.2	3,673.1	3,708.3	3,744.6
% Ch	4.6	2.0	1.0	0.3	0.2	0.6	1.0	1.0
Manufacturing	268.8	274.0	273.9	274.0	276.1	277.1	278.5	279.8
% Ch	3.4	1.9	-0.1	0.1	0.7	0.4	0.5	0.5
Durable Manufacturing	181.8	187.9	188.7	188.8	190.3	191.5	192.9	193.9
% Ch	3.4	3.4	0.4	0.1	0.8	0.6	0.7	0.5
Aerospace	71.3	77.5	80.1	80.2	81.0	82.6	84.2	85.4
% Ch	5.5	8.7	3.3	0.2	0.9	1.9	1.9	1.5
Nondurable Manufacturing	87.0	86.1	85.2	85.3	85.8	85.6	85.6	85.9
% Ch	3.4	-1.0	-1.1	0.1	0.6	-0.2	0.0	0.3
Construction	231.7	230.2	223.7	221.9	224.8	228.9	233.0	236.7
% Ch	3.5	-0.6	-2.8	-0.8	1.3	1.9	1.8	1.6
Service-Providing	3,019.6	3,085.8	3,126.9	3,141.3	3,144.8	3,162.8	3,192.3	3,223.5
% Ch	4.8	2.2	1.3	0.5	0.1	0.6	0.9	1.0
Software Publishers	86.0	85.6	83.0	81.4	80.8	82.3	84.3	86.1
% Ch	7.6	-0.5	-3.0	-2.0	-0.7	1.8	2.4	2.1
Mgmt. of Companies and Enterprises	104.1	102.2	101.5	100.0	102.7	105.5	107.9	110.2
% Ch	15.4	-1.9	-0.7	-1.5	2.8	2.7	2.3	2.1
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	49.030	37.097	37.778	32.864	35.503	38.058	39.483	40.549
% Ch	-13.9	-24.3	1.8	-13.0	8.0	7.2	3.7	2.7
Single-Family	20.400	18.056	19.136	18.054	18.806	20.345	21.066	21.657
% Ch	-18.6	-11.5	6.0	-5.7	4.2	8.2	3.5	2.8
Multi-Family	28.630	19.041	18.642	14.810	16.696	17.713	18.417	18.892
% Ch	-10.2	-33.5	-2.1	-20.6	12.7	6.1	4.0	2.6
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.72	6.67	6.22	5.99	5.90	5.84

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	534.776	544.094	541.467	550.684	551.133	556.882	555.934	555.141
% Ch, Annual Rate	2.3	7.2	-1.9	7.0	0.3	4.2	-0.7	-0.6
Real Wage and Salary Disb.	286.519	295.046	291.287	299.883	298.488	301.378	300.554	299.088
% Ch, Annual Rate	0.2	12.4	-5.0	12.3	-1.8	3.9	-1.1	-1.9
Real Nonwage Income	248.257	249.049	250.180	250.801	252.646	255.504	255.380	256.053
% Ch, Annual Rate	4.8	1.3	1.8	1.0	3.0	4.6	-0.2	1.1
Real Per Capita Income (\$/Person)	67,521	68,481	67,968	68,986	68,909	69,542	69,360	69,210
% Ch, Annual Rate	1.1	5.8	-3.0	6.1	-0.4	3.7	-1.0	-0.9
<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	1.262	1.275	1.290
% Ch, Annual Rate	3.4	2.5	1.5	2.4	3.7	2.0	4.1	4.8
Seattle Cons. Price Index (1982-84=1.0)	3.504	3.530	3.541	3.566	3.588	3.607	3.641	3.669
% Ch, Annual Rate	4.4	3.0	1.2	2.9	2.6	2.1	3.8	3.1
Average Nonfarm Annual Wage	94,451	97,469	96,276	100,340	100,205	101,881	102,509	103,219
% Ch, Annual Rate	2.7	13.4	-4.8	18.0	-0.5	6.9	2.5	2.8
Avg. Hourly Earnings-Mfg. (\$/Hour)	31.56	32.10	32.89	32.73	34.89	34.69	34.45	34.72
% Ch, Annual Rate	12.5	7.1	10.2	-1.9	29.1	-2.3	-2.7	3.1
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	655.105	670.700	670.016	685.444	692.192	702.903	708.734	716.085
% Ch, Annual Rate	5.8	9.9	-0.4	9.5	4.0	6.3	3.4	4.2
Disposable Personal Income	577.242	589.979	589.604	601.639	607.133	616.025	620.264	627.048
% Ch, Annual Rate	6.0	9.1	-0.3	8.4	3.7	6.0	2.8	4.4
Per Capita Income (\$/Person)	82,713	84,416	84,104	85,868	86,546	87,776	88,424	89,274
% Ch, Annual Rate	4.5	8.5	-1.5	8.7	3.2	5.8	3.0	3.9
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,051.3	4,064.0	4,065.6	4,062.9	4,062.4	4,042.4	4,022.9	4,031.1
Total Washington Employment	3,865.9	3,878.9	3,884.5	3,884.9	3,885.7	3,862.3	3,841.9	3,844.9
Unemployment Rate (%)	4.58	4.56	4.45	4.38	4.35	4.46	4.50	4.62
Nonfarm Payroll Employment	3,616.7	3,633.9	3,644.4	3,623.7	3,645.0	3,638.2	3,642.2	3,643.1
% Ch, Annual Rate	0.8	1.9	1.2	-2.3	2.4	-0.7	0.4	0.1
Manufacturing	276.3	277.2	277.5	264.4	274.9	272.1	274.3	274.8
% Ch, Annual Rate	1.5	1.3	0.3	-17.6	16.9	-4.0	3.2	0.8
Durable Manufacturing	190.9	191.5	192.2	180.1	190.5	186.9	188.6	189.2
% Ch, Annual Rate	1.4	1.2	1.6	-22.9	25.0	-7.3	3.6	1.4
Aerospace	81.3	82.4	83.7	72.9	82.6	78.9	79.5	80.0
% Ch, Annual Rate	5.0	5.4	6.4	-42.4	64.8	-16.4	2.8	2.4
Nondurable Manufacturing	85.4	85.8	85.2	84.3	84.4	85.2	85.7	85.6
% Ch, Annual Rate	1.6	1.6	-2.5	-4.4	0.8	3.7	2.3	-0.4
Construction	225.6	224.9	224.0	220.3	222.8	221.9	220.8	222.1
% Ch, Annual Rate	-3.8	-1.3	-1.6	-6.3	4.6	-1.6	-1.9	2.3
Service-Providing	3,109.4	3,126.5	3,137.8	3,133.9	3,142.2	3,139.3	3,142.4	3,141.5
% Ch, Annual Rate	1.1	2.2	1.5	-0.5	1.1	-0.4	0.4	-0.1
Software Publishers	83.1	83.1	83.2	82.7	82.6	82.3	80.3	80.4
% Ch, Annual Rate	-2.0	0.0	0.1	-2.2	-0.5	-1.3	-9.3	0.3
Mgmt. of Companies and Enterprises	100.0	100.4	102.6	103.0	100.2	99.0	100.0	100.8
% Ch, Annual Rate	-11.9	1.9	8.9	1.6	-10.6	-4.7	4.0	3.5
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	39.615	34.591	36.956	39.950	32.549	35.158	31.453	32.296
% Ch, Annual Rate	92.9	-41.9	30.3	36.6	-55.9	36.1	-35.9	11.2
Single-Family	20.738	17.898	18.902	19.007	18.032	17.861	18.286	18.038
% Ch, Annual Rate	13.9	-44.5	24.4	2.2	-19.0	-3.7	9.9	-5.3
Multi-Family	18.877	16.694	18.054	20.943	14.517	17.297	13.167	14.258
% Ch, Annual Rate	277.5	-38.8	36.8	81.1	-76.9	101.6	-66.4	37.5
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.45	6.69	6.79	6.79	6.61	6.49

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

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	558.729	562.966	566.615	571.189	577.021	581.943	586.744	591.053
% Ch, Annual Rate	2.6	3.1	2.6	3.3	4.1	3.5	3.3	3.0
Real Wage and Salary Disb.	299.518	301.445	302.935	304.936	307.200	309.677	312.184	314.477
% Ch, Annual Rate	0.6	2.6	2.0	2.7	3.0	3.3	3.3	3.0
Real Nonwage Income	259.211	261.521	263.680	266.253	269.820	272.266	274.561	276.576
% Ch, Annual Rate	5.0	3.6	3.3	4.0	5.5	3.7	3.4	3.0
Real Per Capita Income (\$/Person)	69,612	70,097	70,507	71,028	71,700	72,255	72,792	73,262
% Ch, Annual Rate	2.3	2.8	2.4	3.0	3.8	3.1	3.0	2.6
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.300	1.307	1.314	1.321	1.327	1.333	1.340	1.348
% Ch, Annual Rate	3.0	2.3	2.2	2.0	1.8	2.0	2.1	2.4
Seattle Cons. Price Index (1982-84=1.0)	3.693	3.714	3.739	3.766	3.789	3.802	3.823	3.847
% Ch, Annual Rate	2.6	2.4	2.7	3.0	2.4	1.3	2.2	2.6
Average Nonfarm Annual Wage	104,108	105,276	106,247	107,347	108,455	109,721	110,976	112,174
% Ch, Annual Rate	3.5	4.6	3.7	4.2	4.2	4.8	4.7	4.4
Avg. Hourly Earnings-Mfg. (\$/Hour)	35.20	35.57	35.90	36.22	36.56	36.95	37.39	37.84
% Ch, Annual Rate	5.7	4.3	3.7	3.6	3.8	4.3	4.9	4.9
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	726.081	735.741	744.628	754.441	765.491	775.940	786.460	796.946
% Ch, Annual Rate	5.7	5.4	4.9	5.4	6.0	5.6	5.5	5.4
Disposable Personal Income	642.951	651.974	660.355	669.502	677.750	687.128	696.289	705.075
% Ch, Annual Rate	10.5	5.7	5.2	5.7	5.0	5.7	5.4	5.1
Per Capita Income (\$/Person)	90,463	91,610	92,658	93,815	95,119	96,342	97,569	98,783
% Ch, Annual Rate	5.4	5.2	4.7	5.1	5.7	5.2	5.2	5.1
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,033.1	4,036.9	4,040.9	4,044.7	4,048.9	4,052.9	4,057.3	4,062.4
Total Washington Employment	3,842.1	3,841.5	3,843.1	3,845.5	3,849.4	3,853.2	3,858.2	3,864.3
Unemployment Rate (%)	4.74	4.84	4.89	4.92	4.93	4.93	4.91	4.88
Nonfarm Payroll Employment	3,643.9	3,647.3	3,652.1	3,657.3	3,662.8	3,668.5	3,675.9	3,685.4
% Ch, Annual Rate	0.1	0.4	0.5	0.6	0.6	0.6	0.8	1.0
Manufacturing	275.5	276.1	276.3	276.4	276.5	276.8	277.3	277.8
% Ch, Annual Rate	1.0	0.8	0.3	0.2	0.1	0.5	0.6	0.8
Durable Manufacturing	189.7	190.3	190.6	190.8	190.9	191.3	191.7	192.2
% Ch, Annual Rate	1.0	1.2	0.6	0.6	0.2	0.7	0.9	1.1
Aerospace	80.4	80.8	81.2	81.6	82.0	82.4	82.7	83.2
% Ch, Annual Rate	2.2	1.9	2.0	2.0	1.9	1.9	1.9	2.0
Nondurable Manufacturing	85.9	85.8	85.7	85.6	85.6	85.6	85.6	85.6
% Ch, Annual Rate	1.0	-0.1	-0.5	-0.7	-0.1	0.1	0.1	0.1
Construction	223.2	224.3	225.3	226.3	227.3	228.4	229.4	230.6
% Ch, Annual Rate	2.0	1.9	1.8	1.9	1.8	1.8	1.9	2.0
Service-Providing	3,140.6	3,142.4	3,146.1	3,150.1	3,154.6	3,158.9	3,164.8	3,172.7
% Ch, Annual Rate	-0.1	0.2	0.5	0.5	0.6	0.6	0.7	1.0
Software Publishers	80.5	80.6	80.9	81.2	81.6	82.0	82.5	83.0
% Ch, Annual Rate	0.5	0.8	1.2	1.5	2.0	2.2	2.3	2.4
Mgmt. of Companies and Enterprises	101.6	102.4	103.1	103.8	104.5	105.1	105.8	106.4
% 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	33.761	35.268	36.089	36.894	37.473	37.887	38.242	38.631
% Ch, Annual Rate	19.4	19.1	9.7	9.2	6.4	4.5	3.8	4.1
Single-Family	18.133	18.551	19.020	19.521	19.917	20.224	20.509	20.730
% Ch, Annual Rate	2.1	9.5	10.5	10.9	8.4	6.3	5.8	4.4
Multi-Family	15.627	16.716	17.069	17.373	17.556	17.663	17.733	17.901
% Ch, Annual Rate	44.3	30.9	8.7	7.3	4.3	2.5	1.6	3.9
30-Year Fixed Mortgage Rate (%)	6.40	6.24	6.14	6.09	6.06	6.01	5.97	5.94

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	596.664	601.308	606.017	610.638	615.757	620.517	625.058	629.575
% Ch, Annual Rate	3.9	3.1	3.2	3.1	3.4	3.1	3.0	2.9
Real Wage and Salary Disb.	317.277	319.695	322.039	324.382	326.714	329.299	331.819	334.273
% Ch, Annual Rate	3.6	3.1	3.0	2.9	2.9	3.2	3.1	3.0
Real Nonwage Income	279.388	281.613	283.979	286.256	289.043	291.218	293.239	295.302
% Ch, Annual Rate	4.1	3.2	3.4	3.2	4.0	3.0	2.8	2.8
Real Per Capita Income (\$/Person)	73,886	74,384	74,881	75,357	75,885	76,361	76,801	77,233
% Ch, Annual Rate	3.5	2.7	2.7	2.6	2.8	2.5	2.3	2.3
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.356	1.362	1.368	1.375	1.382	1.388	1.394	1.401
% Ch, Annual Rate	2.2	2.1	1.8	1.8	2.0	1.8	1.9	1.8
Seattle Cons. Price Index (1982-84=1.0)	3.871	3.881	3.901	3.925	3.949	3.960	3.979	4.003
% Ch, Annual Rate	2.5	1.0	2.1	2.5	2.5	1.1	2.0	2.4
Average Nonfarm Annual Wage	113,484	114,657	115,746	116,862	117,994	119,167	120,351	121,513
% Ch, Annual Rate	4.8	4.2	3.9	3.9	3.9	4.0	4.0	3.9
Avg. Hourly Earnings-Mfg. (\$/Hour)	38.24	38.63	39.01	39.39	39.78	40.14	40.50	40.86
% Ch, Annual Rate	4.3	4.1	4.0	3.9	4.0	3.7	3.6	3.6
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	808.819	819.266	829.331	839.440	850.681	861.163	871.585	881.897
% Ch, Annual Rate	6.1	5.3	5.0	5.0	5.5	5.0	4.9	4.8
Disposable Personal Income	715.024	723.476	731.593	739.888	749.195	757.742	766.262	774.603
% Ch, Annual Rate	5.8	4.8	4.6	4.6	5.1	4.6	4.6	4.4
Per Capita Income (\$/Person)	100,158	101,346	102,474	103,593	104,837	105,974	107,092	108,186
% Ch, Annual Rate	5.7	4.8	4.5	4.4	4.9	4.4	4.3	4.2
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,067.6	4,072.5	4,077.9	4,083.5	4,089.8	4,096.8	4,104.5	4,112.2
Total Washington Employment	3,870.8	3,877.5	3,885.0	3,893.0	3,901.5	3,910.9	3,920.5	3,929.9
Unemployment Rate (%)	4.84	4.79	4.73	4.67	4.61	4.54	4.48	4.43
Nonfarm Payroll Employment	3,695.1	3,704.2	3,712.7	3,721.1	3,730.3	3,740.0	3,749.5	3,758.5
% Ch, Annual Rate	1.1	1.0	0.9	0.9	1.0	1.0	1.0	1.0
Manufacturing	278.1	278.4	278.7	278.9	279.3	279.7	280.1	280.3
% Ch, Annual Rate	0.5	0.4	0.4	0.4	0.5	0.6	0.5	0.3
Durable Manufacturing	192.5	192.8	193.1	193.3	193.6	193.9	194.1	194.2
% Ch, Annual Rate	0.7	0.6	0.6	0.5	0.6	0.6	0.4	0.1
Aerospace	83.6	84.0	84.4	84.7	85.1	85.4	85.6	85.7
% Ch, Annual Rate	2.0	1.9	1.9	1.7	1.6	1.4	1.1	0.6
Nondurable Manufacturing	85.6	85.6	85.6	85.6	85.7	85.8	86.0	86.1
% Ch, Annual Rate	0.1	-0.1	-0.1	0.0	0.4	0.6	0.7	0.7
Construction	231.6	232.6	233.5	234.4	235.3	236.2	237.1	238.0
% Ch, Annual Rate	1.8	1.7	1.6	1.4	1.5	1.7	1.5	1.5
Service-Providing	3,181.0	3,188.7	3,196.1	3,203.3	3,211.2	3,219.5	3,227.7	3,235.6
% Ch, Annual Rate	1.0	1.0	0.9	0.9	1.0	1.0	1.0	1.0
Software Publishers	83.5	84.0	84.5	85.0	85.4	85.9	86.3	86.7
% Ch, Annual Rate	2.5	2.4	2.3	2.2	2.1	2.0	2.0	2.0
Mgmt. of Companies and Enterprises	107.0	107.6	108.2	108.8	109.3	109.9	110.5	111.0
% 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	39.000	39.369	39.639	39.923	40.190	40.459	40.674	40.872
% Ch, Annual Rate	3.9	3.8	2.8	2.9	2.7	2.7	2.1	2.0
Single-Family	20.861	21.004	21.133	21.267	21.396	21.558	21.739	21.936
% Ch, Annual Rate	2.6	2.8	2.5	2.6	2.4	3.1	3.4	3.7
Multi-Family	18.139	18.366	18.506	18.656	18.795	18.900	18.936	18.936
% Ch, Annual Rate	5.4	5.1	3.1	3.3	3.0	2.3	0.8	0.0
30-Year Fixed Mortgage Rate (%)	5.91	5.90	5.90	5.90	5.88	5.86	5.83	5.79

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	159.41	159.81	160.42	161.07	161.79
% Ch	4.3	2.2	1.3	0.9	0.2	0.4	0.4	0.4
Manufacturing	12.77	12.87	12.82	12.75	12.61	12.35	12.24	12.23
% Ch	3.7	0.8	-0.4	-0.5	-1.1	-2.0	-0.9	-0.1
Durable Manufacturing	7.92	8.02	7.97	7.90	7.78	7.58	7.50	7.51
% Ch	3.7	1.3	-0.7	-0.8	-1.6	-2.6	-1.0	0.2
Wood Products	0.43	0.42	0.42	0.42	0.42	0.44	0.46	0.48
% Ch	4.2	-2.0	-0.4	-0.1	1.6	2.9	5.1	5.0
Primary and Fabricated Metals	1.80	1.82	1.81	1.81	1.78	1.71	1.71	1.72
% Ch	3.7	1.4	-0.4	0.0	-2.1	-3.9	0.1	0.9
Computer and Electronic Products	1.04	1.05	1.03	1.00	1.01	1.01	1.01	0.99
% Ch	2.7	0.8	-2.4	-2.3	0.2	0.8	-0.6	-1.5
Machinery and Electrical Equipment	1.51	1.55	1.53	1.52	1.47	1.41	1.40	1.40
% Ch	4.4	2.3	-1.0	-1.1	-2.9	-3.9	-0.9	0.1
Transportation Equipment	1.72	1.78	1.79	1.77	1.75	1.71	1.66	1.67
% Ch	4.4	3.4	0.9	-1.3	-1.0	-2.3	-2.8	0.2
Other Durables	1.42	1.40	1.38	1.38	1.35	1.29	1.26	1.25
% Ch	2.8	-1.4	-1.7	0.0	-2.3	-4.1	-2.6	-1.0
Nondurable Manufacturing	4.84	4.85	4.85	4.85	4.84	4.78	4.74	4.72
% Ch	3.7	0.1	0.0	-0.1	-0.3	-1.2	-0.8	-0.5
Food Manufacturing	1.70	1.73	1.77	1.78	1.81	1.81	1.81	1.82
% Ch	3.6	2.2	1.9	0.5	1.8	0.0	0.0	0.6
Paper and Paper Products	0.36	0.36	0.35	0.35	0.35	0.35	0.34	0.34
% Ch	3.8	-1.2	-1.1	-0.1	-1.1	-1.4	-0.4	-0.2
Other Nondurables	2.78	2.76	2.73	2.72	2.68	2.62	2.59	2.56
% Ch	3.7	-1.0	-1.0	-0.5	-1.5	-1.9	-1.4	-1.3
Natural Resources and Mining	0.61	0.64	0.63	0.62	0.61	0.63	0.63	0.62
% Ch	8.1	5.4	-1.8	-1.6	-0.6	2.6	0.9	-2.1
Construction	7.76	8.01	8.21	8.28	8.18	8.18	8.32	8.52
% Ch	4.4	3.1	2.5	0.8	-1.2	-0.1	1.7	2.4
Trade, Transportation, and Utilities	28.64	28.82	28.92	29.11	29.35	29.64	29.20	28.92
% Ch	3.6	0.6	0.4	0.7	0.8	1.0	-1.5	-1.0
Wholesale Trade	5.98	6.11	6.14	6.15	6.16	6.22	6.21	6.11
% Ch	4.7	2.1	0.6	0.1	0.1	1.1	-0.2	-1.5
Retail Trade	15.50	15.55	15.53	15.61	15.75	15.92	15.48	15.38
% Ch	1.5	0.3	-0.1	0.5	0.9	1.1	-2.8	-0.7
Trans., Warehousing, and Utilities	7.17	7.16	7.25	7.35	7.44	7.50	7.51	7.42
% Ch	7.2	0.0	1.1	1.5	1.3	0.7	0.2	-1.2
Information	3.06	3.01	2.94	2.93	2.97	2.84	2.82	2.86
% Ch	7.2	-1.8	-2.1	-0.5	1.2	-4.1	-0.8	1.2
Publishing Industries	0.95	0.94	0.91	0.92	0.91	0.89	0.88	0.86
% Ch	8.7	-0.5	-2.8	0.6	-1.5	-2.1	-0.7	-2.1
Other Information	2.12	2.07	2.03	2.01	2.06	1.96	1.94	1.99
% Ch	6.6	-2.4	-1.8	-1.0	2.4	-5.0	-0.8	2.7
Financial Activities	9.06	9.17	9.17	9.25	9.39	9.49	9.53	9.42
% Ch	2.9	1.2	0.0	0.9	1.5	1.1	0.4	-1.2
Professional and Business Services	22.59	22.77	22.62	22.46	21.46	21.21	21.92	22.97
% Ch	5.4	0.8	-0.7	-0.7	-4.4	-1.2	3.4	4.8
Education and Health Services	24.34	25.39	26.49	27.38	28.23	28.64	28.96	28.88
% Ch	2.9	4.3	4.3	3.4	3.1	1.5	1.1	-0.3
Leisure and Hospitality	15.82	16.57	16.82	17.04	17.43	17.66	17.46	17.33
% Ch	11.9	4.7	1.5	1.3	2.3	1.3	-1.2	-0.7
Other Services	5.69	5.84	5.97	6.05	6.11	6.21	6.35	6.33
% Ch	4.3	2.6	2.1	1.4	1.0	1.6	2.3	-0.3
Federal Government	2.87	2.93	3.00	2.91	2.75	2.76	2.76	2.76
% Ch	-0.6	2.0	2.5	-3.1	-5.3	0.1	0.0	0.0
State and Local Government	19.33	19.87	20.38	20.64	20.72	20.80	20.88	20.96
% Ch	1.3	2.8	2.6	1.3	0.4	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	159.44	159.49	159.55
% Ch, Annual Rate	1.5	1.3	0.9	1.3	1.3	0.7	0.1	0.2
Manufacturing	12.85	12.85	12.81	12.76	12.76	12.75	12.75	12.74
% Ch, Annual Rate	0.0	-0.2	-1.0	-1.7	0.0	-0.3	-0.1	-0.3
Durable Manufacturing	8.00	7.99	7.96	7.91	7.91	7.90	7.90	7.90
% Ch, Annual Rate	-0.3	-0.6	-1.8	-2.3	-0.2	-0.3	-0.1	0.1
Wood Products	0.42	0.42	0.42	0.42	0.42	0.41	0.41	0.42
% Ch, Annual Rate	-0.3	2.0	-1.3	-2.6	0.2	-0.3	-0.1	7.5
Primary and Fabricated Metals	1.82	1.82	1.81	1.81	1.81	1.81	1.81	1.82
% Ch, Annual Rate	0.4	-1.1	-1.6	-0.8	1.0	0.3	0.4	0.5
Computer and Electronic Products	1.04	1.03	1.03	1.02	1.01	1.01	1.00	1.00
% Ch, Annual Rate	-2.8	-2.1	-1.2	-3.1	-3.1	-1.9	-1.5	-0.9
Machinery and Electrical Equipment	1.54	1.54	1.53	1.52	1.52	1.52	1.52	1.51
% Ch, Annual Rate	-1.6	-1.3	-3.0	-0.8	-0.4	-0.8	-1.0	-2.6
Transportation Equipment	1.80	1.81	1.80	1.77	1.77	1.77	1.77	1.77
% Ch, Annual Rate	2.3	2.3	-1.5	-6.4	-0.4	-0.3	0.9	0.0
Other Durables	1.39	1.38	1.38	1.38	1.38	1.38	1.38	1.38
% Ch, Annual Rate	-1.3	-2.5	-1.6	0.4	0.7	0.4	0.1	1.2
Nondurable Manufacturing	4.85	4.85	4.86	4.85	4.85	4.85	4.85	4.84
% Ch, Annual Rate	0.5	0.3	0.3	-0.6	0.4	-0.2	-0.2	-0.8
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	0.9	1.2	1.3
Paper and Paper Products	0.36	0.35	0.36	0.35	0.35	0.36	0.36	0.35
% Ch, Annual Rate	-1.7	-3.0	2.7	-0.7	0.3	0.8	-0.1	-4.6
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	-1.0	-1.6
Natural Resources and Mining	0.63	0.63	0.62	0.62	0.62	0.62	0.61	0.61
% Ch, Annual Rate	-1.9	-5.2	-1.7	0.6	-0.4	-0.4	-6.9	-2.1
Construction	8.14	8.19	8.24	8.28	8.30	8.30	8.29	8.23
% Ch, Annual Rate	2.6	2.4	2.5	1.8	0.9	0.4	-0.8	-2.7
Trade, Transportation, and Utilities	28.86	28.93	28.92	28.97	29.10	29.09	29.08	29.17
% Ch, Annual Rate	0.5	1.0	0.0	0.7	1.8	-0.2	0.0	1.1
Wholesale Trade	6.13	6.14	6.15	6.17	6.18	6.18	6.14	6.11
% Ch, Annual Rate	-0.4	0.5	0.9	1.3	0.6	-0.2	-2.1	-1.8
Retail Trade	15.53	15.55	15.52	15.52	15.58	15.58	15.59	15.68
% Ch, Annual Rate	0.3	0.4	-0.7	0.0	1.5	0.1	0.3	2.2
Trans., Warehousing, and Utilities	7.20	7.24	7.26	7.28	7.35	7.33	7.35	7.38
% Ch, Annual Rate	1.6	2.6	0.8	1.5	3.4	-0.7	0.9	1.4
Information	2.96	2.95	2.93	2.93	2.94	2.94	2.93	2.92
% Ch, Annual Rate	1.2	-1.3	-2.9	0.0	1.1	0.0	-1.7	-1.4
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	-0.1	0.8	0.1
Other Information	2.05	2.04	2.02	2.02	2.02	2.02	2.01	2.00
% Ch, Annual Rate	2.9	-2.0	-3.3	-0.7	0.7	0.0	-2.8	-2.1
Financial Activities	9.16	9.16	9.17	9.19	9.23	9.25	9.26	9.28
% Ch, Annual Rate	-0.7	0.1	0.5	1.0	1.7	0.6	0.5	0.8
Professional and Business Services	22.66	22.65	22.60	22.58	22.59	22.59	22.44	22.24
% Ch, Annual Rate	-0.4	-0.1	-0.9	-0.3	0.1	0.0	-2.6	-3.5
Education and Health Services	26.12	26.39	26.60	26.85	27.06	27.27	27.46	27.72
% Ch, Annual Rate	4.5	4.1	3.3	3.8	3.1	3.2	2.8	3.8
Leisure and Hospitality	16.74	16.78	16.83	16.93	16.96	17.01	17.05	17.15
% Ch, Annual Rate	0.7	0.9	1.1	2.5	0.7	1.3	1.0	2.3
Other Services	5.93	5.96	5.98	5.99	6.02	6.03	6.05	6.09
% Ch, Annual Rate	2.1	2.3	0.9	1.1	1.8	0.9	1.1	2.3
Federal Government	2.99	3.00	3.00	3.01	3.00	2.96	2.92	2.75
% Ch, Annual Rate	3.7	1.5	0.9	0.8	-1.1	-5.9	-4.9	-21.5
State and Local Government	20.24	20.32	20.42	20.52	20.59	20.63	20.65	20.67
% Ch, Annual Rate	2.9	1.6	2.0	1.9	1.3	0.9	0.4	0.4



Table A2.2 (continued)

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

Forecast 2025 to 2029

	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4
Nonfarm Payroll Employment	159.63	159.73	159.86	160.01	160.17	160.33	160.50	160.66
% Ch, Annual Rate	0.2	0.3	0.3	0.4	0.4	0.4	0.4	0.4
Manufacturing	12.70	12.70	12.57	12.48	12.39	12.36	12.33	12.33
% Ch, Annual Rate	-1.1	-0.1	-4.2	-2.8	-2.7	-1.1	-0.8	-0.1
Durable Manufacturing	7.85	7.85	7.73	7.67	7.60	7.58	7.56	7.57
% Ch, Annual Rate	-2.4	-0.1	-5.8	-3.3	-3.6	-1.2	-0.9	0.3
Wood Products	0.42	0.43	0.42	0.42	0.43	0.43	0.44	0.45
% Ch, Annual Rate	0.1	4.7	-4.8	0.3	2.5	7.0	6.0	7.3
Primary and Fabricated Metals	1.81	1.80	1.76	1.73	1.71	1.70	1.70	1.71
% Ch, Annual Rate	-2.4	-1.1	-8.6	-5.9	-5.1	-1.8	-0.3	1.4
Computer and Electronic Products	1.00	1.00	1.01	1.01	1.01	1.01	1.02	1.02
% Ch, Annual Rate	0.9	1.1	1.1	1.8	0.1	0.9	0.4	0.1
Machinery and Electrical Equipment	1.49	1.49	1.46	1.45	1.43	1.42	1.41	1.41
% Ch, Annual Rate	-4.1	-0.3	-7.3	-3.9	-5.3	-3.1	-2.1	-0.3
Transportation Equipment	1.76	1.77	1.74	1.73	1.72	1.71	1.71	1.70
% Ch, Annual Rate	-1.9	0.9	-4.7	-2.6	-3.1	-1.4	-1.4	-0.8
Other Durables	1.37	1.36	1.34	1.32	1.31	1.30	1.29	1.28
% Ch, Annual Rate	-3.9	-2.1	-7.1	-4.9	-5.0	-2.6	-2.9	-1.1
Nondurable Manufacturing	4.85	4.85	4.83	4.81	4.79	4.78	4.77	4.77
% Ch, Annual Rate	1.0	-0.1	-1.4	-1.9	-1.2	-0.9	-0.8	-0.7
Food Manufacturing	1.80	1.81	1.81	1.81	1.81	1.81	1.81	1.81
% Ch, Annual Rate	3.2	2.6	0.5	-0.4	-0.4	-0.2	0.1	0.2
Paper and Paper Products	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.34
% Ch, Annual Rate	1.3	-0.7	-2.2	-2.8	-1.2	-0.6	-0.8	-0.5
Other Nondurables	2.70	2.69	2.67	2.65	2.64	2.63	2.62	2.61
% Ch, Annual Rate	-0.5	-1.9	-2.6	-2.8	-1.8	-1.4	-1.3	-1.3
Natural Resources and Mining	0.61	0.61	0.62	0.62	0.62	0.63	0.63	0.63
% Ch, Annual Rate	-1.6	2.4	4.5	3.0	0.8	2.6	4.0	1.6
Construction	8.22	8.19	8.17	8.16	8.16	8.16	8.18	8.21
% Ch, Annual Rate	-0.5	-1.6	-1.0	-0.5	0.0	0.2	0.8	1.5
Trade, Transportation, and Utilities	29.18	29.24	29.43	29.54	29.63	29.70	29.67	29.56
% Ch, Annual Rate	0.2	0.9	2.6	1.4	1.2	0.9	-0.4	-1.5
Wholesale Trade	6.11	6.14	6.17	6.20	6.22	6.24	6.22	6.21
% Ch, Annual Rate	-0.2	1.8	2.4	1.7	1.4	1.0	-1.0	-1.0
Retail Trade	15.67	15.69	15.80	15.84	15.90	15.96	15.95	15.87
% Ch, Annual Rate	-0.2	0.5	2.9	1.1	1.5	1.3	-0.1	-2.1
Trans., Warehousing, and Utilities	7.40	7.42	7.46	7.49	7.50	7.50	7.50	7.49
% Ch, Annual Rate	1.4	1.0	2.2	1.7	0.5	0.2	-0.4	-0.4
Information	2.97	2.99	2.97	2.93	2.89	2.86	2.83	2.80
% Ch, Annual Rate	7.3	3.4	-2.6	-6.1	-4.9	-4.8	-4.0	-3.2
Publishing Industries	0.91	0.91	0.91	0.90	0.89	0.89	0.89	0.88
% Ch, Annual Rate	-2.9	-2.3	-1.9	-2.8	-2.1	-2.0	-1.7	-1.1
Other Information	2.05	2.08	2.07	2.03	2.00	1.97	1.94	1.92
% Ch, Annual Rate	12.3	6.1	-3.0	-7.6	-6.1	-6.0	-5.0	-4.1
Financial Activities	9.32	9.36	9.42	9.44	9.47	9.50	9.50	9.50
% Ch, Annual Rate	2.1	1.4	2.9	0.9	1.3	1.0	0.2	-0.3
Professional and Business Services	21.83	21.50	21.32	21.22	21.16	21.12	21.20	21.36
% Ch, Annual Rate	-7.2	-5.9	-3.2	-1.9	-1.1	-0.7	1.5	3.1
Education and Health Services	27.98	28.22	28.29	28.42	28.55	28.62	28.67	28.72
% Ch, Annual Rate	3.8	3.4	1.1	1.8	1.8	1.1	0.7	0.7
Leisure and Hospitality	17.29	17.37	17.48	17.57	17.61	17.65	17.69	17.70
% Ch, Annual Rate	3.3	1.9	2.5	2.1	0.9	0.9	0.9	0.1
Other Services	6.10	6.10	6.11	6.14	6.16	6.19	6.22	6.26
% Ch, Annual Rate	1.0	0.0	0.5	1.9	1.8	1.9	1.9	2.2
Federal Government	2.75	2.75	2.75	2.75	2.76	2.76	2.76	2.76
% Ch, Annual Rate	0.3	0.3	0.1	0.1	0.0	0.0	0.0	0.0
State and Local Government	20.69	20.71	20.73	20.75	20.77	20.79	20.81	20.83
% Ch, Annual Rate	0.2	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	160.82	160.99	161.16	161.33	161.51	161.70	161.88	162.07
% Ch, Annual Rate	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5
Manufacturing	12.30	12.25	12.21	12.19	12.20	12.22	12.24	12.25
% Ch, Annual Rate	-1.1	-1.6	-1.1	-0.7	0.4	0.7	0.5	0.5
Durable Manufacturing	7.54	7.50	7.48	7.47	7.48	7.51	7.52	7.54
% Ch, Annual Rate	-1.4	-1.9	-1.3	-0.7	0.8	1.2	0.9	0.8
Wood Products	0.45	0.46	0.46	0.47	0.47	0.48	0.48	0.49
% Ch, Annual Rate	3.9	3.8	4.7	4.9	5.3	5.4	4.5	6.1
Primary and Fabricated Metals	1.71	1.71	1.71	1.71	1.72	1.72	1.73	1.73
% Ch, Annual Rate	-0.2	-0.5	0.4	0.7	1.5	1.5	0.8	0.6
Computer and Electronic Products	1.01	1.01	1.01	1.00	1.00	1.00	0.99	0.99
% Ch, Annual Rate	-1.0	-1.1	-1.2	-1.3	-1.5	-1.8	-1.8	-1.8
Machinery and Electrical Equipment	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
% Ch, Annual Rate	-0.6	-1.0	-0.4	-0.4	0.3	0.7	0.4	0.0
Transportation Equipment	1.69	1.67	1.65	1.64	1.65	1.66	1.67	1.68
% Ch, Annual Rate	-3.7	-4.7	-4.0	-2.0	1.6	2.8	2.8	2.1
Other Durables	1.27	1.26	1.25	1.25	1.25	1.25	1.25	1.25
% Ch, Annual Rate	-2.8	-3.4	-2.9	-2.5	-0.2	0.2	0.1	0.4
Nondurable Manufacturing	4.76	4.75	4.74	4.73	4.72	4.72	4.72	4.72
% Ch, Annual Rate	-0.6	-1.0	-1.0	-0.8	-0.4	-0.3	-0.1	-0.1
Food Manufacturing	1.81	1.81	1.81	1.81	1.81	1.82	1.82	1.83
% Ch, Annual Rate	0.3	-0.4	-0.2	0.1	0.8	1.0	1.2	1.2
Paper and Paper Products	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
% Ch, Annual Rate	-0.1	-0.5	-0.6	-0.7	-0.1	0.0	0.0	0.0
Other Nondurables	2.60	2.59	2.58	2.57	2.57	2.56	2.55	2.54
% Ch, Annual Rate	-1.2	-1.5	-1.6	-1.5	-1.2	-1.2	-1.1	-1.1
Natural Resources and Mining	0.63	0.64	0.64	0.63	0.63	0.62	0.62	0.62
% Ch, Annual Rate	0.0	0.8	-0.2	-2.6	-3.9	-2.1	-1.4	-2.1
Construction	8.25	8.29	8.34	8.39	8.44	8.49	8.54	8.60
% Ch, Annual Rate	1.9	2.2	2.3	2.4	2.5	2.7	2.4	2.5
Trade, Transportation, and Utilities	29.35	29.23	29.14	29.09	29.01	28.94	28.88	28.83
% Ch, Annual Rate	-2.8	-1.7	-1.2	-0.6	-1.1	-0.9	-0.8	-0.7
Wholesale Trade	6.23	6.22	6.20	6.19	6.16	6.13	6.10	6.07
% Ch, Annual Rate	1.5	-0.8	-0.9	-1.2	-1.5	-2.2	-1.9	-1.9
Retail Trade	15.60	15.49	15.42	15.41	15.37	15.38	15.38	15.39
% Ch, Annual Rate	-6.6	-2.7	-1.7	-0.4	-1.0	0.1	0.0	0.2
Trans., Warehousing, and Utilities	7.53	7.52	7.51	7.50	7.47	7.44	7.41	7.38
% Ch, Annual Rate	2.0	-0.3	-0.5	-0.8	-1.2	-1.9	-1.7	-1.7
Information	2.81	2.82	2.83	2.83	2.84	2.85	2.86	2.87
% Ch, Annual Rate	0.8	1.3	1.3	1.1	1.2	1.6	1.0	1.2
Publishing Industries	0.89	0.88	0.88	0.88	0.87	0.87	0.86	0.85
% Ch, Annual Rate	1.3	-1.1	-1.4	-1.7	-2.1	-2.7	-2.6	-2.5
Other Information	1.92	1.93	1.95	1.96	1.97	1.99	2.00	2.02
% Ch, Annual Rate	0.6	2.5	2.5	2.4	2.7	3.5	2.6	2.9
Financial Activities	9.56	9.54	9.52	9.51	9.48	9.44	9.40	9.36
% Ch, Annual Rate	2.6	-0.5	-0.9	-0.7	-1.3	-1.7	-1.4	-1.8
Professional and Business Services	21.65	21.83	22.01	22.20	22.52	22.82	23.12	23.40
% Ch, Annual Rate	5.5	3.4	3.4	3.4	5.8	5.6	5.3	5.0
Education and Health Services	28.91	28.95	28.98	28.99	28.97	28.91	28.85	28.81
% Ch, Annual Rate	2.8	0.5	0.5	0.1	-0.2	-0.9	-0.8	-0.6
Leisure and Hospitality	17.43	17.46	17.47	17.46	17.38	17.34	17.31	17.28
% Ch, Annual Rate	-6.0	0.8	0.2	-0.2	-1.9	-0.8	-0.8	-0.7
Other Services	6.32	6.35	6.36	6.37	6.36	6.34	6.32	6.30
% Ch, Annual Rate	4.4	1.6	0.9	0.3	-0.4	-1.4	-1.3	-1.2
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	20.85	20.87	20.89	20.91	20.93	20.95	20.97	20.99
% 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	3,629.7	3,642.1	3,650.2	3,673.1	3,708.3	3,744.6
% Ch	4.6	2.0	1.0	0.3	0.2	0.6	1.0	1.0
Manufacturing	268.8	274.0	273.9	274.0	276.1	277.1	278.5	279.8
% Ch	3.4	1.9	-0.1	0.1	0.7	0.4	0.5	0.5
Durable Manufacturing	181.8	187.9	188.7	188.8	190.3	191.5	192.9	193.9
% Ch	3.4	3.4	0.4	0.1	0.8	0.6	0.7	0.5
Wood Products	13.6	13.6	13.3	12.9	13.2	13.5	13.7	13.7
% Ch	3.1	0.0	-2.3	-3.3	2.5	2.2	1.4	0.5
Primary and Fabricated Metals	23.7	23.8	23.4	23.3	23.4	22.9	22.7	22.5
% Ch	2.2	0.4	-1.6	-0.5	0.7	-2.2	-1.0	-0.6
Computer and Electronic Products	18.2	18.4	18.3	19.1	19.6	20.0	20.0	19.7
% Ch	1.1	1.2	-0.3	4.1	2.4	2.4	0.1	-1.5
Machinery and Electrical Equipment	19.9	20.2	19.7	19.8	19.7	19.4	19.5	19.8
% Ch	4.0	1.5	-2.8	0.6	-0.6	-1.1	0.4	1.4
Aerospace	71.3	77.5	80.1	80.2	81.0	82.6	84.2	85.4
% Ch	5.5	8.7	3.3	0.2	0.9	1.9	1.9	1.5
Other Transportation Equip.	9.5	9.6	9.6	9.7	9.5	9.2	9.1	8.9
% Ch	4.0	0.8	-0.3	1.0	-2.1	-2.7	-1.4	-1.8
Other Durables	25.6	24.8	24.4	23.9	24.1	23.9	23.8	23.8
% Ch	-0.1	-2.9	-1.8	-2.0	0.8	-0.6	-0.5	-0.1
Nondurable Manufacturing	87.0	86.1	85.2	85.3	85.8	85.6	85.6	85.9
% Ch	3.4	-1.0	-1.1	0.1	0.6	-0.2	0.0	0.3
Food Manufacturing	40.1	40.7	40.5	40.9	41.5	41.2	40.7	40.5
% Ch	3.4	1.4	-0.5	1.0	1.4	-0.6	-1.2	-0.7
Paper and Paper Products	7.8	7.5	7.2	7.0	6.9	6.7	6.6	6.5
% Ch	3.5	-3.6	-4.3	-1.9	-2.5	-2.7	-1.6	-1.4
Other Nondurables	39.1	37.9	37.5	37.3	37.4	37.7	38.3	39.0
% Ch	3.4	-3.0	-1.0	-0.5	0.2	0.8	1.6	1.7
Natural Resources and Mining	5.5	5.4	5.3	4.8	4.5	4.4	4.4	4.6
% Ch	-3.5	-1.6	-2.6	-8.3	-7.0	-3.1	1.5	3.4
Construction	231.7	230.2	223.7	221.9	224.8	228.9	233.0	236.7
% Ch	3.5	-0.6	-2.8	-0.8	1.3	1.9	1.8	1.6
Trade, Transportation, and Utilities	611.8	624.8	624.4	626.7	631.4	634.4	635.5	632.2
% Ch	0.8	2.1	-0.1	0.4	0.7	0.5	0.2	-0.5
Wholesale Trade	136.9	139.3	138.2	136.3	138.0	139.5	140.1	138.6
% Ch	4.2	1.7	-0.8	-1.4	1.3	1.0	0.5	-1.1
Retail Trade	338.4	337.4	333.7	331.6	331.3	331.7	331.8	331.1
% Ch	-1.8	-0.3	-1.1	-0.6	-0.1	0.1	0.0	-0.2
Trans., Warehousing, and Utilities	136.5	148.1	152.5	158.8	162.0	163.2	163.6	162.4
% Ch	4.5	8.5	3.0	4.1	2.0	0.8	0.2	-0.7
Information	171.4	168.5	164.1	163.6	164.3	165.7	169.3	173.7
% Ch	9.0	-1.7	-2.7	-0.3	0.4	0.9	2.2	2.6
Software Publishers	86.0	85.6	83.0	81.4	80.8	82.3	84.3	86.1
% Ch	7.6	-0.5	-3.0	-2.0	-0.7	1.8	2.4	2.1
Other Publishing Industries	7.9	7.2	6.3	5.9	5.8	5.4	5.2	4.8
% Ch	-3.0	-9.5	-12.6	-6.2	-1.5	-6.6	-5.0	-7.3
Other Information	77.4	75.8	74.8	76.3	77.7	78.0	79.9	82.9
% Ch	12.1	-2.1	-1.3	2.1	1.8	0.4	2.4	3.7
Financial Activities	165.1	164.4	163.0	162.5	165.0	166.8	167.8	168.2
% Ch	2.5	-0.4	-0.8	-0.3	1.5	1.1	0.6	0.2
Professional and Business Services	544.5	545.6	545.0	537.3	527.7	531.7	548.8	572.3
% Ch	9.7	0.2	-0.1	-1.4	-1.8	0.8	3.2	4.3
Mgmt. of Companies and Enterprises	104.1	102.2	101.5	100.0	102.7	105.5	107.9	110.2
% Ch	15.4	-1.9	-0.7	-1.5	2.8	2.7	2.3	2.1
Other Prof. and Bus. Services	440.4	443.5	443.5	437.3	424.9	426.3	440.9	462.1
% Ch	8.5	0.7	0.0	-1.4	-2.8	0.3	3.4	4.8
Education and Health Services	514.5	530.6	548.6	563.7	566.5	568.3	570.5	572.8
% Ch	2.4	3.1	3.4	2.8	0.5	0.3	0.4	0.4
Leisure and Hospitality	326.6	342.4	345.5	345.7	347.7	350.5	350.5	350.3
% Ch	15.4	4.8	0.9	0.1	0.6	0.8	0.0	-0.1
Other Services	119.6	122.0	122.5	122.7	123.7	124.7	125.6	126.0
% Ch	5.2	2.0	0.4	0.2	0.8	0.8	0.7	0.4
Federal Government	75.2	77.3	79.7	78.6	76.4	76.5	76.6	76.7
% Ch	-2.1	2.8	3.2	-1.5	-2.7	0.1	0.1	0.2
State and Local Government	490.9	510.2	534.2	540.6	542.1	544.1	547.6	551.2
% Ch	1.6	3.9	4.7	1.2	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	3,623.7	3,645.0	3,638.2	3,642.2	3,643.1
% Ch, Annual Rate	0.8	1.9	1.2	-2.3	2.4	-0.7	0.4	0.1
Manufacturing	276.3	277.2	277.5	264.4	274.9	272.1	274.3	274.8
% Ch, Annual Rate	1.5	1.3	0.3	-17.6	16.9	-4.0	3.2	0.8
Durable Manufacturing	190.9	191.5	192.2	180.1	190.5	186.9	188.6	189.2
% Ch, Annual Rate	1.4	1.2	1.6	-22.9	25.0	-7.3	3.6	1.4
Wood Products	13.6	13.4	13.2	13.0	12.9	12.7	12.8	13.0
% Ch, Annual Rate	-3.5	-6.2	-5.9	-3.9	-4.0	-6.5	5.0	4.0
Primary and Fabricated Metals	23.7	23.6	23.4	22.9	23.0	23.1	23.5	23.5
% Ch, Annual Rate	1.1	-2.3	-2.5	-8.5	1.5	2.2	6.0	1.0
Computer and Electronic Products	18.3	18.3	18.4	18.3	18.8	19.1	19.2	19.2
% Ch, Annual Rate	-0.6	-0.7	1.9	-1.9	11.1	6.5	2.9	-0.5
Machinery and Electrical Equipment	19.9	19.8	19.6	19.4	19.6	19.8	19.9	19.9
% Ch, Annual Rate	-2.9	-1.9	-2.8	-5.4	4.7	4.4	1.8	-0.4
Aerospace	81.3	82.4	83.7	72.9	82.6	78.9	79.5	80.0
% Ch, Annual Rate	5.0	5.4	6.4	-42.4	64.8	-16.4	2.8	2.4
Other Transportation Equip.	9.6	9.6	9.5	9.6	9.7	9.6	9.7	9.6
% Ch, Annual Rate	0.6	-0.1	-3.9	1.8	6.9	-4.1	4.6	-4.9
Other Durables	24.5	24.5	24.4	24.1	23.9	23.6	23.9	24.1
% Ch, Annual Rate	-1.6	-0.2	-0.3	-5.9	-2.8	-4.5	5.2	2.4
Nondurable Manufacturing	85.4	85.8	85.2	84.3	84.4	85.2	85.7	85.6
% Ch, Annual Rate	1.6	1.6	-2.5	-4.4	0.8	3.7	2.3	-0.4
Food Manufacturing	40.5	40.8	40.5	40.1	39.9	40.7	41.5	41.5
% Ch, Annual Rate	1.6	2.8	-2.4	-4.2	-2.1	8.2	8.5	-0.1
Paper and Paper Products	7.2	7.2	7.2	7.0	7.1	7.1	7.0	6.9
% Ch, Annual Rate	-3.8	-0.8	-0.5	-13.5	6.5	1.0	-3.1	-6.4
Other Nondurables	37.7	37.8	37.5	37.2	37.5	37.4	37.2	37.2
% Ch, Annual Rate	2.6	0.9	-2.9	-2.7	3.0	-0.4	-3.1	0.5
Natural Resources and Mining	5.4	5.4	5.2	5.1	5.1	4.9	4.7	4.6
% Ch, Annual Rate	-4.1	0.3	-12.4	-6.9	-0.3	-16.0	-15.9	-4.2
Construction	225.6	224.9	224.0	220.3	222.8	221.9	220.8	222.1
% Ch, Annual Rate	-3.8	-1.3	-1.6	-6.3	4.6	-1.6	-1.9	2.3
Trade, Transportation, and Utilities	622.0	624.9	627.1	623.6	625.3	625.9	627.1	628.5
% Ch, Annual Rate	-1.5	1.8	1.4	-2.2	1.1	0.4	0.7	0.9
Wholesale Trade	138.8	138.9	138.2	136.8	136.1	136.4	136.1	136.6
% Ch, Annual Rate	-1.8	0.2	-2.0	-3.8	-2.2	0.8	-0.9	1.6
Retail Trade	334.5	334.7	334.5	331.2	332.8	331.7	331.0	331.1
% Ch, Annual Rate	-1.5	0.2	-0.2	-3.9	1.9	-1.4	-0.8	0.1
Trans., Warehousing, and Utilities	148.7	151.3	154.4	155.5	156.4	157.9	160.0	160.8
% Ch, Annual Rate	-1.3	7.2	8.5	2.9	2.2	3.9	5.5	1.9
Information	164.2	164.2	164.3	163.7	164.2	164.0	163.0	163.2
% Ch, Annual Rate	-0.6	0.1	0.3	-1.6	1.4	-0.6	-2.4	0.5
Software Publishers	83.1	83.1	83.2	82.7	82.6	82.3	80.3	80.4
% Ch, Annual Rate	-2.0	0.0	0.1	-2.2	-0.5	-1.3	-9.3	0.3
Other Publishing Industries	6.5	6.4	6.2	6.1	5.9	5.5	6.1	6.1
% Ch, Annual Rate	-17.1	-6.2	-9.0	-9.5	-10.9	-25.1	55.1	-3.3
Other Information	74.5	74.7	74.9	74.9	75.7	76.2	76.5	76.7
% Ch, Annual Rate	2.7	0.7	1.3	-0.2	4.6	2.4	1.8	0.9
Financial Activities	163.1	163.2	163.5	162.4	163.3	161.8	162.1	162.8
% Ch, Annual Rate	-2.0	0.2	0.8	-2.6	2.2	-3.5	0.7	1.8
Professional and Business Services	544.4	545.9	547.9	541.8	539.8	538.4	536.0	534.9
% Ch, Annual Rate	-1.6	1.1	1.5	-4.4	-1.5	-1.0	-1.8	-0.8
Mgmt. of Companies and Enterprises	100.0	100.4	102.6	103.0	100.2	99.0	100.0	100.8
% Ch	-11.9	1.9	8.9	1.6	-10.6	-4.7	4.0	3.5
Other Prof. and Bus. Services	444.5	445.5	445.3	438.8	439.6	439.4	436.0	434.1
% Ch	1.0	0.9	-0.2	-5.7	0.7	-0.1	-3.1	-1.8
Education and Health Services	541.6	547.4	551.0	554.2	561.4	562.9	565.2	565.4
% Ch, Annual Rate	3.1	4.4	2.7	2.4	5.3	1.1	1.6	0.1
Leisure and Hospitality	344.2	346.4	346.7	344.6	346.4	344.4	346.0	346.0
% Ch, Annual Rate	-0.6	2.6	0.3	-2.4	2.1	-2.3	1.9	0.0
Other Services	122.9	122.9	122.6	121.5	122.5	122.6	122.7	123.1
% Ch, Annual Rate	1.2	0.0	-0.9	-3.4	3.1	0.4	0.6	1.0
Federal Government	79.1	79.6	79.8	80.3	80.5	79.2	78.3	76.3
% Ch, Annual Rate	3.6	2.6	0.9	2.5	0.7	-6.1	-4.7	-9.5
State and Local Government	528.0	532.0	534.9	541.8	539.0	540.1	542.0	541.3
% Ch, Annual Rate	7.7	3.0	2.2	5.2	-2.0	0.8	1.5	-0.5

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	3,643.9	3,647.3	3,652.1	3,657.3	3,662.8	3,668.5	3,675.9	3,685.4
% Ch, Annual Rate	0.1	0.4	0.5	0.6	0.6	0.6	0.8	1.0
Manufacturing	275.5	276.1	276.3	276.4	276.5	276.8	277.3	277.8
% Ch, Annual Rate	1.0	0.8	0.3	0.2	0.1	0.5	0.6	0.8
Durable Manufacturing	189.7	190.3	190.6	190.8	190.9	191.3	191.7	192.2
% Ch, Annual Rate	1.0	1.2	0.6	0.6	0.2	0.7	0.9	1.1
Wood Products	13.1	13.1	13.2	13.3	13.4	13.4	13.5	13.6
% Ch, Annual Rate	2.7	2.4	2.4	2.3	2.3	2.1	2.0	1.9
Primary and Fabricated Metals	23.5	23.6	23.4	23.2	23.0	22.9	22.9	22.8
% Ch, Annual Rate	0.5	0.1	-2.5	-3.0	-3.1	-1.9	-1.4	-0.8
Computer and Electronic Products	19.3	19.5	19.6	19.8	19.9	20.0	20.1	20.1
% Ch, Annual Rate	2.5	2.8	2.8	4.1	1.3	2.5	1.8	1.3
Machinery and Electrical Equipment	19.7	19.7	19.6	19.5	19.4	19.4	19.4	19.5
% Ch, Annual Rate	-2.5	0.0	-1.9	-2.1	-1.6	-0.7	0.2	1.3
Aerospace	80.4	80.8	81.2	81.6	82.0	82.4	82.7	83.2
% Ch, Annual Rate	2.2	1.9	2.0	2.0	1.9	1.9	1.9	2.0
Other Transportation Equip.	9.5	9.5	9.5	9.4	9.3	9.2	9.2	9.2
% Ch, Annual Rate	-3.3	-1.3	-1.4	-2.9	-4.0	-3.3	-1.5	-1.0
Other Durables	24.1	24.1	24.1	24.0	24.0	23.9	23.9	23.9
% Ch, Annual Rate	0.1	0.3	-0.6	-0.8	-0.8	-0.7	-0.5	-0.4
Nondurable Manufacturing	85.9	85.8	85.7	85.6	85.6	85.6	85.6	85.6
% Ch, Annual Rate	1.0	-0.1	-0.5	-0.7	-0.1	0.1	0.1	0.1
Food Manufacturing	41.5	41.5	41.5	41.5	41.4	41.3	41.2	41.1
% Ch, Annual Rate	-0.1	-0.1	-0.1	-0.3	-0.7	-1.0	-1.1	-1.1
Paper and Paper Products	6.9	6.9	6.8	6.8	6.7	6.7	6.7	6.6
% Ch, Annual Rate	0.5	-1.8	-3.7	-4.3	-2.5	-1.8	-2.1	-1.7
Other Nondurables	37.4	37.4	37.4	37.4	37.5	37.6	37.8	37.9
% Ch, Annual Rate	2.4	0.2	-0.4	-0.4	1.1	1.6	1.7	1.7
Natural Resources and Mining	4.5	4.5	4.5	4.4	4.4	4.3	4.3	4.3
% Ch, Annual Rate	-7.6	-2.3	-3.5	-4.6	-4.0	-2.8	-0.8	-0.1
Construction	223.2	224.3	225.3	226.3	227.3	228.4	229.4	230.6
% Ch, Annual Rate	2.0	1.9	1.8	1.9	1.8	1.8	1.9	2.0
Trade, Transportation, and Utilities	629.6	630.8	632.0	633.0	633.6	634.1	634.7	635.2
% Ch, Annual Rate	0.7	0.8	0.7	0.7	0.4	0.3	0.4	0.3
Wholesale Trade	137.2	137.8	138.3	138.8	139.1	139.3	139.6	139.9
% Ch, Annual Rate	1.7	1.9	1.4	1.4	0.9	0.7	0.7	0.8
Retail Trade	331.2	331.3	331.4	331.5	331.6	331.6	331.7	331.8
% Ch, Annual Rate	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Trans., Warehousing, and Utilities	161.3	161.7	162.3	162.7	162.9	163.1	163.4	163.6
% Ch, Annual Rate	1.2	1.1	1.4	1.1	0.5	0.6	0.6	0.4
Information	163.9	164.3	164.5	164.5	164.9	165.3	166.0	166.7
% Ch, Annual Rate	1.8	1.0	0.5	0.1	0.8	1.1	1.6	1.8
Software Publishers	80.5	80.6	80.9	81.2	81.6	82.0	82.5	83.0
% Ch, Annual Rate	0.5	0.8	1.2	1.5	2.0	2.2	2.3	2.4
Other Publishing Industries	6.0	5.9	5.8	5.7	5.6	5.5	5.4	5.3
% Ch, Annual Rate	-7.3	-6.6	-6.1	-7.4	-6.7	-6.6	-6.3	-5.5
Other Information	77.5	77.8	77.9	77.7	77.7	77.8	78.1	78.4
% Ch, Annual Rate	4.0	1.8	0.3	-0.9	0.2	0.6	1.5	1.6
Financial Activities	163.8	164.7	165.6	166.0	166.3	166.7	167.0	167.3
% Ch, Annual Rate	2.4	2.3	2.0	1.1	0.8	0.8	0.8	0.7
Professional and Business Services	530.1	527.1	526.6	526.9	528.0	529.5	532.3	537.0
% Ch, Annual Rate	-3.5	-2.2	-0.4	0.3	0.9	1.1	2.1	3.6
Mgmt. of Companies and Enterprises	101.6	102.4	103.1	103.8	104.5	105.1	105.8	106.4
% Ch	3.2	3.1	2.9	2.8	2.6	2.5	2.4	2.4
Other Prof. and Bus. Services	428.5	424.8	423.4	423.1	423.6	424.4	426.5	430.6
% Ch	-5.1	-3.4	-1.2	-0.3	0.4	0.8	2.0	3.9
Education and Health Services	565.8	566.2	566.7	567.1	567.6	568.0	568.5	569.1
% Ch, Annual Rate	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4
Leisure and Hospitality	346.1	347.2	348.3	349.3	350.2	350.6	350.6	350.6
% Ch, Annual Rate	0.1	1.3	1.2	1.1	1.1	0.4	0.1	0.0
Other Services	123.3	123.6	123.9	124.1	124.3	124.6	124.8	125.0
% Ch, Annual Rate	0.9	1.0	0.8	0.8	0.7	0.7	0.7	0.8
Federal Government	76.4	76.4	76.4	76.5	76.5	76.5	76.5	76.5
% Ch, Annual Rate	0.3	0.3	0.1	0.1	0.1	0.1	0.0	0.1
State and Local Government	541.5	541.9	542.2	542.7	543.1	543.7	544.4	545.3
% Ch, Annual Rate	0.1	0.3	0.2	0.3	0.3	0.4	0.6	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	3,695.1	3,704.2	3,712.7	3,721.1	3,730.3	3,740.0	3,749.5	3,758.5
% Ch, Annual Rate	1.1	1.0	0.9	0.9	1.0	1.0	1.0	1.0
Manufacturing	278.1	278.4	278.7	278.9	279.3	279.7	280.1	280.3
% Ch, Annual Rate	0.5	0.4	0.4	0.4	0.5	0.6	0.5	0.3
Durable Manufacturing	192.5	192.8	193.1	193.3	193.6	193.9	194.1	194.2
% Ch, Annual Rate	0.7	0.6	0.6	0.5	0.6	0.6	0.4	0.1
Wood Products	13.6	13.6	13.7	13.7	13.7	13.7	13.7	13.7
% Ch, Annual Rate	1.4	1.0	0.8	0.6	0.5	0.4	0.3	0.3
Primary and Fabricated Metals	22.8	22.7	22.7	22.6	22.6	22.6	22.5	22.5
% Ch, Annual Rate	-0.9	-0.9	-0.7	-0.7	-0.4	-0.4	-0.6	-0.9
Computer and Electronic Products	20.1	20.1	20.0	20.0	19.9	19.8	19.7	19.6
% Ch, Annual Rate	-0.6	-0.8	-1.0	-1.1	-1.5	-1.9	-2.0	-1.9
Machinery and Electrical Equipment	19.5	19.5	19.5	19.5	19.6	19.7	19.9	20.0
% Ch, Annual Rate	0.2	0.3	0.2	0.5	1.4	2.7	2.4	2.0
Aerospace	83.6	84.0	84.4	84.7	85.1	85.4	85.6	85.7
% Ch, Annual Rate	2.0	1.9	1.9	1.7	1.6	1.4	1.1	0.6
Other Transportation Equip.	9.1	9.1	9.1	9.0	9.0	8.9	8.9	8.8
% Ch, Annual Rate	-1.0	-1.4	-1.7	-1.6	-1.5	-1.9	-2.2	-2.3
Other Durables	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8
% Ch, Annual Rate	-0.4	-0.6	-0.5	-0.3	0.0	0.2	0.3	0.4
Nondurable Manufacturing	85.6	85.6	85.6	85.6	85.7	85.8	86.0	86.1
% Ch, Annual Rate	0.1	-0.1	-0.1	0.0	0.4	0.6	0.7	0.7
Food Manufacturing	40.9	40.8	40.7	40.6	40.5	40.5	40.5	40.4
% Ch, Annual Rate	-1.3	-1.2	-1.2	-1.0	-0.7	-0.3	-0.2	-0.2
Paper and Paper Products	6.6	6.6	6.5	6.5	6.5	6.5	6.5	6.4
% Ch, Annual Rate	-1.1	-1.6	-1.7	-1.9	-1.2	-1.1	-1.0	-1.1
Other Nondurables	38.1	38.2	38.4	38.5	38.7	38.9	39.1	39.3
% Ch, Annual Rate	1.8	1.4	1.4	1.4	1.9	1.9	2.0	2.0
Natural Resources and Mining	4.4	4.4	4.4	4.5	4.5	4.5	4.6	4.6
% Ch, Annual Rate	2.2	3.3	3.0	3.8	3.5	2.9	3.2	5.1
Construction	231.6	232.6	233.5	234.4	235.3	236.2	237.1	238.0
% Ch, Annual Rate	1.8	1.7	1.6	1.4	1.5	1.7	1.5	1.5
Trade, Transportation, and Utilities	635.7	635.8	635.6	635.1	634.1	632.8	631.5	630.2
% Ch, Annual Rate	0.3	0.1	-0.1	-0.3	-0.6	-0.8	-0.8	-0.8
Wholesale Trade	140.2	140.3	140.2	139.9	139.6	139.0	138.3	137.7
% Ch, Annual Rate	0.9	0.2	-0.2	-0.9	-0.9	-1.8	-1.8	-1.7
Retail Trade	331.9	331.9	331.8	331.7	331.5	331.2	330.9	330.7
% Ch, Annual Rate	0.1	0.0	0.0	-0.1	-0.3	-0.3	-0.4	-0.3
Trans., Warehousing, and Utilities	163.6	163.7	163.6	163.5	163.1	162.6	162.2	161.8
% Ch, Annual Rate	0.2	0.0	-0.1	-0.4	-1.0	-1.1	-1.0	-1.0
Information	167.7	168.8	169.9	171.0	172.0	173.2	174.3	175.4
% Ch, Annual Rate	2.3	2.7	2.6	2.6	2.6	2.8	2.5	2.6
Software Publishers	83.5	84.0	84.5	85.0	85.4	85.9	86.3	86.7
% Ch, Annual Rate	2.5	2.4	2.3	2.2	2.1	2.0	2.0	2.0
Other Publishing Industries	5.3	5.2	5.1	5.0	4.9	4.8	4.7	4.6
% Ch, Annual Rate	-2.0	-5.6	-6.1	-6.6	-7.3	-8.4	-8.3	-8.5
Other Information	78.9	79.6	80.2	80.9	81.7	82.5	83.3	84.0
% Ch, Annual Rate	2.3	3.5	3.5	3.5	3.7	4.2	3.6	3.8
Financial Activities	167.5	167.7	167.9	168.1	168.1	168.2	168.2	168.3
% Ch, Annual Rate	0.5	0.5	0.5	0.3	0.2	0.1	0.1	0.1
Professional and Business Services	541.8	546.5	551.1	556.0	562.1	568.9	575.9	582.4
% Ch, Annual Rate	3.6	3.5	3.4	3.6	4.5	5.0	5.0	4.6
Mgmt. of Companies and Enterprises	107.0	107.6	108.2	108.8	109.3	109.9	110.5	111.0
% Ch	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0
Other Prof. and Bus. Services	434.8	438.9	442.9	447.2	452.7	459.0	465.4	471.4
% Ch	3.9	3.8	3.7	4.0	5.0	5.7	5.7	5.3
Education and Health Services	569.6	570.2	570.8	571.4	572.0	572.6	573.1	573.6
% Ch, Annual Rate	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Leisure and Hospitality	350.7	350.6	350.5	350.5	350.4	350.3	350.3	350.2
% Ch, Annual Rate	0.0	-0.1	-0.1	0.0	-0.1	-0.1	-0.1	-0.1
Other Services	125.3	125.5	125.7	125.8	125.9	126.0	126.1	126.2
% Ch, Annual Rate	0.8	0.7	0.6	0.5	0.3	0.2	0.3	0.3
Federal Government	76.5	76.5	76.6	76.6	76.6	76.7	76.7	76.7
% Ch, Annual Rate	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2
State and Local Government	546.2	547.1	548.0	548.9	549.9	550.8	551.7	552.5
% Ch, Annual Rate	0.7	0.7	0.7	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	25,864.8	27,179.0	28,591.0	30,001.8	31,410.2
% Ch	3.1	5.9	5.4	4.8	5.1	5.2	4.9	4.7
Total Wage and Salary Disbursements	11,123.1	11,725.2	12,401.1	12,969.1	13,554.4	14,176.2	14,841.8	15,522.5
% Ch	7.8	5.4	5.8	4.6	4.5	4.6	4.7	4.6
Nonwage Personal Income	10,965.8	11,677.3	12,268.2	12,895.7	13,624.5	14,414.8	15,160.0	15,887.8
% Ch	-1.2	6.5	5.1	5.1	5.7	5.8	5.2	4.8
Supplements to Wages and Salaries	2,313.6	2,464.9	2,618.8	2,766.3	2,919.8	3,063.0	3,198.6	3,307.1
% Ch	3.2	6.5	6.2	5.6	5.5	4.9	4.4	3.4
Proprietor's Income	1,873.6	1,949.0	2,005.9	2,063.8	2,196.2	2,332.8	2,420.6	2,522.5
% Ch	3.2	4.0	2.9	2.9	6.4	6.2	3.8	4.2
Farm	95.9	71.3	45.2	50.0	54.8	70.8	82.8	91.0
% Ch	27.0	-25.7	-36.6	10.7	9.5	29.2	17.1	9.8
Nonfarm	1,777.6	1,877.7	1,960.7	2,013.8	2,141.4	2,262.0	2,337.8	2,431.5
% Ch	2.2	5.6	4.4	2.7	6.3	5.6	3.4	4.0
Less: Contribution For Govt. Soc. Ins.	1,704.8	1,816.6	1,898.7	1,976.5	2,044.4	2,109.0	2,199.1	2,299.0
% Ch	9.3	6.6	4.5	4.1	3.4	3.2	4.3	4.5
Dividends/Int./Rent	4,344.3	4,812.0	5,003.4	5,125.5	5,356.8	5,680.6	6,047.9	6,403.6
% Ch	9.9	10.8	4.0	2.4	4.5	6.0	6.5	5.9
Transfer Payments	4,139.2	4,268.0	4,538.9	4,916.6	5,196.2	5,447.4	5,691.9	5,953.6
% Ch	-11.1	3.1	6.3	8.3	5.7	4.8	4.5	4.6

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	25,450.1	25,776.6	25,981.5	26,250.8
% Ch, Annual Rate	9.3	3.8	2.3	5.4	6.7	5.2	3.2	4.2
Total Wage and Salary Disbursements	12,251.0	12,343.0	12,404.1	12,606.2	12,767.0	12,918.6	13,043.5	13,147.1
% Ch, Annual Rate	10.3	3.0	2.0	6.7	5.2	4.8	3.9	3.2
Nonwage Personal Income	12,093.2	12,231.0	12,312.7	12,436.1	12,683.1	12,858.1	12,938.0	13,103.7
% Ch, Annual Rate	8.4	4.6	2.7	4.1	8.2	5.6	2.5	5.2
Supplements to Wages and Salaries	2,572.8	2,602.6	2,632.0	2,668.0	2,709.0	2,748.3	2,785.9	2,822.2
% Ch, Annual Rate	7.6	4.7	4.6	5.6	6.3	5.9	5.6	5.3
Proprietor's Income	1,972.1	2,002.3	2,013.5	2,035.5	2,053.2	2,063.0	2,061.8	2,077.3
% Ch, Annual Rate	0.4	6.3	2.3	4.4	3.5	1.9	-0.2	3.0
Farm	38.5	41.1	46.4	54.7	56.1	50.9	46.9	46.2
% Ch, Annual Rate	-65.3	29.2	63.7	93.1	10.5	-32.5	-27.6	-6.0
Nonfarm	1,933.6	1,961.2	1,967.1	1,980.8	1,997.1	2,012.2	2,014.9	2,031.0
% Ch, Annual Rate	2.9	5.8	1.2	2.8	3.3	3.1	0.5	3.2
Less: Contribution For Govt. Soc. Ins.	1,882.9	1,889.9	1,897.7	1,924.6	1,955.3	1,975.5	1,983.8	1,991.6
% Ch, Annual Rate	6.6	1.5	1.7	5.8	6.5	4.2	1.7	1.6
Dividends/Int./Rent	4,985.1	5,003.6	4,994.5	5,030.5	5,099.5	5,098.3	5,119.8	5,184.2
% Ch, Annual Rate	4.3	1.5	-0.7	2.9	5.6	-0.1	1.7	5.1
Transfer Payments	4,446.1	4,512.3	4,570.4	4,626.6	4,776.6	4,923.9	4,954.2	5,011.6
% Ch, Annual Rate	16.8	6.1	5.2	5.0	13.6	12.9	2.5	4.7

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	26,702.0	27,025.3	27,321.7	27,666.8	28,065.3	28,418.6	28,768.3	29,111.8
% Ch, Annual Rate	7.1	4.9	4.5	5.1	5.9	5.1	5.0	4.9
Total Wage and Salary Disbursements	13,354.9	13,492.3	13,609.5	13,761.1	13,922.3	14,091.5	14,262.2	14,429.0
% Ch, Annual Rate	6.5	4.2	3.5	4.5	4.8	5.0	4.9	4.8
Nonwage Personal Income	13,347.2	13,533.0	13,712.3	13,905.7	14,143.0	14,327.1	14,506.1	14,682.8
% Ch, Annual Rate	7.6	5.7	5.4	5.8	7.0	5.3	5.1	5.0
Supplements to Wages and Salaries	2,870.8	2,904.2	2,934.7	2,969.2	3,008.1	3,046.3	3,080.7	3,117.0
% Ch, Annual Rate	7.1	4.7	4.3	4.8	5.3	5.2	4.6	4.8
Proprietor's Income	2,116.5	2,172.8	2,226.3	2,269.3	2,299.8	2,320.9	2,341.8	2,368.7
% Ch, Annual Rate	7.8	11.1	10.2	7.9	5.5	3.7	3.6	4.7
Farm	49.1	53.0	56.7	60.3	64.7	69.1	73.0	76.3
% Ch, Annual Rate	27.5	35.3	31.6	27.8	32.2	30.1	24.7	19.2
Nonfarm	2,067.4	2,119.9	2,169.6	2,208.9	2,235.1	2,251.8	2,268.8	2,292.4
% Ch, Annual Rate	7.4	10.5	9.7	7.5	4.8	3.0	3.0	4.2
Less: Contribution For Govt. Soc. Ins.	2,023.8	2,038.6	2,051.5	2,063.8	2,084.1	2,102.2	2,114.4	2,135.3
% Ch, Annual Rate	6.6	3.0	2.6	2.4	4.0	3.5	2.4	4.0
Dividends/Int./Rent	5,268.0	5,325.0	5,380.9	5,453.2	5,542.4	5,636.3	5,728.1	5,815.6
% Ch, Annual Rate	6.6	4.4	4.3	5.5	6.7	6.9	6.7	6.3
Transfer Payments	5,115.6	5,169.5	5,222.0	5,277.8	5,376.8	5,425.9	5,470.0	5,516.8
% Ch, Annual Rate	8.6	4.3	4.1	4.3	7.7	3.7	3.3	3.5

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	29,494.5	29,839.1	30,170.3	30,503.2	30,884.7	31,236.6	31,586.2	31,933.5
% Ch, Annual Rate	5.4	4.8	4.5	4.5	5.1	4.6	4.6	4.5
Total Wage and Salary Disbursements	14,597.7	14,765.8	14,922.3	15,081.5	15,250.9	15,431.7	15,614.1	15,793.2
% Ch, Annual Rate	4.8	4.7	4.3	4.3	4.6	4.8	4.8	4.7
Nonwage Personal Income	14,896.8	15,073.3	15,248.1	15,421.7	15,633.8	15,804.9	15,972.1	16,140.3
% Ch, Annual Rate	6.0	4.8	4.7	4.6	5.6	4.4	4.3	4.3
Supplements to Wages and Salaries	3,156.6	3,187.8	3,213.1	3,237.0	3,266.0	3,292.6	3,320.7	3,349.0
% Ch, Annual Rate	5.2	4.0	3.2	3.0	3.6	3.3	3.5	3.5
Proprietor's Income	2,389.6	2,407.8	2,430.2	2,455.0	2,482.9	2,508.1	2,535.5	2,563.4
% Ch, Annual Rate	3.6	3.1	3.8	4.1	4.6	4.1	4.4	4.5
Farm	79.1	81.7	84.2	86.4	88.6	90.4	91.9	93.0
% Ch, Annual Rate	15.4	13.8	12.8	11.4	10.1	8.7	6.6	5.1
Nonfarm	2,310.5	2,326.1	2,346.0	2,368.5	2,394.4	2,417.7	2,443.6	2,470.4
% Ch, Annual Rate	3.2	2.7	3.5	3.9	4.4	3.9	4.4	4.5
Less: Contribution For Govt. Soc. Ins.	2,167.7	2,189.2	2,209.3	2,230.1	2,262.9	2,287.0	2,311.2	2,335.1
% Ch, Annual Rate	6.2	4.0	3.7	3.8	6.0	4.3	4.3	4.2
Dividends/Int./Rent	5,905.0	6,000.6	6,096.9	6,189.1	6,277.8	6,364.5	6,446.1	6,526.1
% Ch, Annual Rate	6.3	6.6	6.6	6.2	5.9	5.6	5.2	5.1
Transfer Payments	5,613.4	5,666.3	5,717.2	5,770.7	5,870.0	5,926.6	5,981.1	6,036.8
% Ch, Annual Rate	7.2	3.8	3.6	3.8	7.1	3.9	3.7	3.8



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	670.316	704.978	740.223	781.209	824.214	866.332
% Ch	3.3	7.3	6.0	5.2	5.0	5.5	5.5	5.1
Total Wage and Salary Disbursements	312.157	338.763	362.100	381.062	396.016	415.730	438.075	459.826
% Ch	7.0	8.5	6.9	5.2	3.9	5.0	5.4	5.0
Manufacturing	23.793	25.647	26.610	27.527	28.868	30.341	31.854	33.179
% Ch	10.1	7.8	3.8	3.4	4.9	5.1	5.0	4.2
Durable Manufacturing	18.040	19.692	20.590	21.330	22.373	23.569	24.795	25.847
% Ch	11.1	9.2	4.6	3.6	4.9	5.3	5.2	4.2
Nondurable Manufacturing	5.754	5.955	6.021	6.197	6.495	6.772	7.059	7.332
% Ch	7.2	3.5	1.1	2.9	4.8	4.3	4.2	3.9
Nonmanufacturing	279.883	303.957	325.960	343.799	357.122	374.935	395.303	415.274
% Ch	6.5	8.6	7.2	5.5	3.9	5.0	5.4	5.1
Other Private Wages	1.449	1.521	1.602	1.633	1.706	1.795	1.896	1.991
% Ch	3.4	4.9	5.3	2.0	4.5	5.2	5.6	5.0
Farm Wages	2.753	3.211	3.411	3.550	3.689	3.855	4.042	4.223
% Ch	50.7	16.6	6.2	4.1	3.9	4.5	4.9	4.5
Military Wages	4.278	4.426	4.517	4.552	4.632	4.804	4.980	5.159
% Ch	0.0	3.5	2.0	0.8	1.7	3.7	3.7	3.6
Nonwage Personal Income	276.920	293.533	308.217	323.917	344.207	365.479	386.139	406.506
% Ch	-0.5	6.0	5.0	5.1	6.3	6.2	5.7	5.3
Supplements to Wages and Salaries	63.872	67.992	72.298	75.513	79.252	83.236	87.349	90.702
% Ch	4.9	6.5	6.3	4.4	5.0	5.0	4.9	3.8
Proprietor's Income	41.266	41.838	43.389	44.484	48.445	52.062	54.435	56.973
% Ch	-2.4	1.4	3.7	2.5	8.9	7.5	4.6	4.7
Farm	0.708	-0.939	-1.142	-0.983	0.102	0.937	1.459	1.775
% Ch	...	...	...	...	...	...	...	...
Nonfarm	40.558	42.777	44.531	45.467	48.344	51.125	52.976	55.199
% Ch	-1.1	5.5	4.1	2.1	6.3	5.8	3.6	4.2
Less: Contribution For Govt. Soc. Ins.	49.014	53.189	55.712	57.553	59.118	61.031	63.871	66.831
% Ch	9.6	8.5	4.7	3.3	2.7	3.2	4.7	4.6
Plus: Residence Adjustment	6.078	6.527	6.801	7.252	7.595	7.959	8.348	8.746
% Ch	9.0	7.4	4.2	6.6	4.7	4.8	4.9	4.8
Dividends/Int./Rent	123.557	137.237	142.583	146.061	152.678	161.963	172.673	183.264
% Ch	11.3	11.1	3.9	2.4	4.5	6.1	6.6	6.1
Transfer Payments	91.162	93.129	98.858	108.160	115.354	121.291	127.206	133.652
% Ch	-11.8	2.2	6.2	9.4	6.7	5.1	4.9	5.1
State U.I. Benefits	0.965	1.515	1.595	1.301	1.387	1.513	1.531	1.619
% Ch	-88.2	57.0	5.3	-18.4	6.6	9.1	1.2	5.8
Other Transfers	90.197	91.613	97.263	106.860	113.967	119.778	125.676	132.033
% Ch	-5.2	1.6	6.2	9.9	6.7	5.1	4.9	5.1

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	655.105	670.700	670.016	685.444	692.192	702.903	708.734	716.085
% Ch, Annual Rate	5.8	9.9	-0.4	9.5	4.0	6.3	3.4	4.2
Total Wage and Salary Disbursements	350.988	363.700	360.442	373.268	374.883	380.403	383.162	385.798
% Ch, Annual Rate	3.7	15.3	-3.5	15.0	1.7	6.0	2.9	2.8
Manufacturing	26.307	26.822	26.897	26.415	26.313	28.307	27.590	27.898
% Ch, Annual Rate	-6.9	8.1	1.1	-7.0	-1.5	33.9	-9.8	4.5
Durable Manufacturing	20.314	20.784	20.903	20.358	20.260	22.138	21.331	21.592
% Ch, Annual Rate	-10.3	9.6	2.3	-10.0	-1.9	42.6	-13.8	5.0
Nondurable Manufacturing	5.994	6.038	5.994	6.057	6.053	6.169	6.259	6.306
% Ch, Annual Rate	5.5	3.0	-2.9	4.3	-0.3	7.9	6.0	3.0
Nonmanufacturing	315.297	327.375	323.977	337.191	338.935	342.359	345.766	348.138
% Ch, Annual Rate	4.5	16.2	-4.1	17.3	2.1	4.1	4.0	2.8
Other Private Wages	1.585	1.587	1.591	1.643	1.606	1.630	1.642	1.655
% Ch, Annual Rate	23.7	0.3	1.1	13.6	-8.6	5.9	3.2	3.2
Farm Wages	3.328	3.400	3.438	3.477	3.499	3.541	3.567	3.593
% Ch, Annual Rate	7.6	9.0	4.5	4.5	2.6	4.9	3.0	3.0
Military Wages	4.470	4.515	4.538	4.543	4.530	4.568	4.597	4.514
% Ch, Annual Rate	-1.3	4.1	2.1	0.4	-1.1	3.3	2.6	-7.1
Nonwage Personal Income	304.116	307.000	309.575	312.176	317.309	322.500	325.572	330.287
% Ch, Annual Rate	8.3	3.8	3.4	3.4	6.7	6.7	3.9	5.9
Supplements to Wages and Salaries	70.725	72.185	72.417	73.864	74.168	74.953	76.023	76.906
% Ch, Annual Rate	4.0	8.5	1.3	8.2	1.7	4.3	5.8	4.7
Proprietor's Income	42.641	43.272	43.587	44.054	43.689	44.324	44.647	45.276
% Ch, Annual Rate	4.6	6.1	2.9	4.4	-3.3	5.9	3.0	5.7
Farm	-1.436	-1.157	-1.073	-0.902	-1.396	-1.108	-0.848	-0.578
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	44.077	44.430	44.660	44.956	45.085	45.432	45.496	45.854
% Ch, Annual Rate	4.5	3.2	2.1	2.7	1.2	3.1	0.6	3.2
Less: Contribution For Govt. Soc. Ins.	54.827	55.711	55.496	56.813	57.069	57.456	57.777	57.912
% Ch, Annual Rate	2.6	6.6	-1.5	9.8	1.8	2.7	2.3	0.9
Plus: Residence Adjustment	6.657	6.752	6.801	6.994	7.134	7.222	7.296	7.356
% Ch, Annual Rate	9.3	5.8	2.9	11.9	8.2	5.1	4.1	3.4
Dividends/Int./Rent	142.066	142.591	142.328	143.347	145.301	145.287	145.907	147.749
% Ch, Annual Rate	4.3	1.5	-0.7	2.9	5.6	0.0	1.7	5.1
Transfer Payments	96.854	97.911	99.938	100.729	104.086	108.169	109.476	110.911
% Ch, Annual Rate	16.3	4.4	8.5	3.2	14.0	16.6	4.9	5.3
State U.I. Benefits	1.671	1.608	1.558	1.542	1.515	1.374	1.068	1.247
% Ch, Annual Rate	-1.6	-14.2	-11.8	-4.1	-6.9	-32.4	-63.4	85.4
Other Transfers	95.183	96.303	98.379	99.187	102.571	106.795	108.407	109.665
% Ch, Annual Rate	16.7	4.8	8.9	3.3	14.4	17.5	6.2	4.7

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	726.081	735.741	744.628	754.441	765.491	775.940	786.460	796.946
% Ch, Annual Rate	5.7	5.4	4.9	5.4	6.0	5.6	5.5	5.4
Total Wage and Salary Disbursements	389.230	393.959	398.107	402.767	407.540	412.911	418.444	424.025
% Ch, Annual Rate	3.6	4.9	4.3	4.8	4.8	5.4	5.5	5.4
Manufacturing	28.269	28.725	29.060	29.416	29.747	30.144	30.541	30.930
% Ch, Annual Rate	5.4	6.6	4.7	5.0	4.6	5.5	5.4	5.2
Durable Manufacturing	21.882	22.253	22.530	22.825	23.089	23.408	23.730	24.047
% Ch, Annual Rate	5.5	7.0	5.1	5.3	4.7	5.6	5.6	5.5
Nondurable Manufacturing	6.387	6.472	6.530	6.591	6.657	6.736	6.811	6.883
% Ch, Annual Rate	5.3	5.4	3.6	3.8	4.1	4.8	4.6	4.3
Nonmanufacturing	351.087	355.252	358.967	363.181	367.502	372.368	377.391	382.481
% Ch, Annual Rate	3.4	4.8	4.2	4.8	4.8	5.4	5.5	5.5
Other Private Wages	1.673	1.697	1.717	1.738	1.759	1.783	1.807	1.832
% Ch, Annual Rate	4.4	6.0	4.7	5.0	4.8	5.5	5.6	5.7
Farm Wages	3.627	3.671	3.709	3.748	3.787	3.831	3.877	3.923
% Ch, Annual Rate	3.8	5.0	4.1	4.4	4.2	4.7	4.8	4.9
Military Wages	4.574	4.613	4.655	4.684	4.745	4.785	4.828	4.858
% Ch, Annual Rate	5.5	3.4	3.7	2.5	5.4	3.4	3.6	2.5
Nonwage Personal Income	336.851	341.782	346.520	351.674	357.951	363.029	368.015	372.921
% Ch, Annual Rate	8.2	6.0	5.7	6.1	7.3	5.8	5.6	5.4
Supplements to Wages and Salaries	77.833	78.816	79.717	80.643	81.679	82.746	83.721	84.796
% Ch, Annual Rate	4.9	5.1	4.7	4.7	5.2	5.3	4.8	5.2
Proprietor's Income	46.379	47.841	49.222	50.341	51.155	51.737	52.316	53.040
% Ch, Annual Rate	10.1	13.2	12.1	9.4	6.6	4.6	4.6	5.6
Farm	-0.284	-0.007	0.240	0.459	0.671	0.864	1.034	1.179
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	46.663	47.848	48.982	49.881	50.485	50.873	51.283	51.861
% Ch, Annual Rate	7.3	10.5	9.8	7.5	4.9	3.1	3.3	4.6
Less: Contribution For Govt. Soc. Ins.	58.449	58.943	59.370	59.711	60.266	60.808	61.195	61.856
% Ch, Annual Rate	3.8	3.4	2.9	2.3	3.8	3.6	2.6	4.4
Plus: Residence Adjustment	7.478	7.559	7.627	7.716	7.810	7.909	8.009	8.106
% Ch, Annual Rate	6.8	4.4	3.7	4.7	5.0	5.2	5.1	5.0
Dividends/Int./Rent	150.143	151.772	153.366	155.429	157.983	160.678	163.325	165.866
% Ch, Annual Rate	6.6	4.4	4.3	5.5	6.7	7.0	6.8	6.4
Transfer Payments	113.467	114.737	115.958	117.256	119.590	120.767	121.838	122.968
% Ch, Annual Rate	9.5	4.6	4.3	4.6	8.2	4.0	3.6	3.8
State U.I. Benefits	1.314	1.378	1.407	1.450	1.482	1.517	1.528	1.525
% Ch, Annual Rate	23.6	20.8	8.6	13.0	9.1	9.8	2.9	-1.0
Other Transfers	112.152	113.359	114.552	115.805	118.108	119.250	120.310	121.444
% Ch, Annual Rate	9.4	4.4	4.3	4.5	8.2	3.9	3.6	3.8

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	808.819	819.266	829.331	839.440	850.681	861.163	871.585	881.897
% Ch, Annual Rate	6.1	5.3	5.0	5.0	5.5	5.0	4.9	4.8
Total Wage and Salary Disbursements	430.090	435.575	440.708	445.926	451.362	457.006	462.691	468.243
% Ch, Annual Rate	5.8	5.2	4.8	4.8	5.0	5.1	5.1	4.9
Manufacturing	31.346	31.700	32.022	32.347	32.680	33.021	33.355	33.660
% Ch, Annual Rate	5.5	4.6	4.1	4.1	4.2	4.2	4.1	3.7
Durable Manufacturing	24.382	24.670	24.932	25.196	25.460	25.728	25.985	26.215
% Ch, Annual Rate	5.7	4.8	4.3	4.3	4.3	4.3	4.1	3.6
Nondurable Manufacturing	6.964	7.030	7.089	7.151	7.220	7.293	7.370	7.445
% Ch, Annual Rate	4.8	3.8	3.4	3.5	3.9	4.1	4.3	4.1
Nonmanufacturing	387.988	393.008	397.710	402.507	407.477	412.668	417.902	423.048
% Ch, Annual Rate	5.9	5.3	4.9	4.9	5.0	5.2	5.2	5.0
Other Private Wages	1.861	1.885	1.908	1.931	1.954	1.979	2.004	2.027
% Ch, Annual Rate	6.3	5.4	4.9	4.9	5.0	5.1	5.1	4.8
Farm Wages	3.975	4.021	4.064	4.108	4.153	4.200	4.247	4.293
% Ch, Annual Rate	5.3	4.8	4.4	4.4	4.5	4.6	4.6	4.4
Military Wages	4.921	4.961	5.004	5.034	5.097	5.139	5.183	5.215
% Ch, Annual Rate	5.3	3.3	3.5	2.4	5.1	3.3	3.5	2.5
Nonwage Personal Income	378.729	383.690	388.623	393.514	399.319	404.157	408.894	413.654
% Ch, Annual Rate	6.4	5.3	5.2	5.1	6.0	4.9	4.8	4.7
Supplements to Wages and Salaries	86.060	86.999	87.790	88.546	89.464	90.272	91.115	91.956
% Ch, Annual Rate	6.1	4.4	3.7	3.5	4.2	3.7	3.8	3.7
Proprietor's Income	53.616	54.116	54.693	55.314	56.001	56.625	57.295	57.972
% Ch, Annual Rate	4.4	3.8	4.3	4.6	5.1	4.5	4.8	4.8
Farm	1.303	1.414	1.514	1.603	1.682	1.751	1.809	1.856
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	52.313	52.702	53.179	53.711	54.319	54.874	55.487	56.116
% Ch, Annual Rate	3.5	3.0	3.7	4.1	4.6	4.2	4.5	4.6
Less: Contribution For Govt. Soc. Ins.	62.917	63.572	64.184	64.812	65.785	66.484	67.186	67.868
% Ch, Annual Rate	7.0	4.2	3.9	4.0	6.1	4.3	4.3	4.1
Plus: Residence Adjustment	8.205	8.303	8.395	8.488	8.587	8.693	8.799	8.904
% Ch, Annual Rate	4.9	4.9	4.5	4.5	4.8	5.0	5.0	4.9
Dividends/Int./Rent	168.475	171.274	174.106	176.838	179.480	182.080	184.538	186.957
% Ch, Annual Rate	6.4	6.8	6.8	6.4	6.1	5.9	5.5	5.3
Transfer Payments	125.290	126.571	127.824	129.140	131.573	132.971	134.333	135.732
% Ch, Annual Rate	7.8	4.2	4.0	4.2	7.8	4.3	4.2	4.2
State U.I. Benefits	1.521	1.523	1.532	1.546	1.583	1.605	1.630	1.659
% Ch, Annual Rate	-0.9	0.5	2.4	3.6	10.0	5.6	6.4	7.3
Other Transfers	123.769	125.048	126.291	127.594	129.990	131.366	132.703	134.073
% Ch, Annual Rate	7.9	4.2	4.0	4.2	7.7	4.3	4.1	4.2

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	127.1	2.9	3.228	2.9	3.626	2.6
2026	131.0	3.1	3.317	2.8	3.728	2.8
2027	133.7	2.0	3.398	2.4	3.815	2.3
2028	136.5	2.1	3.478	2.3	3.894	2.1
2029	139.1	1.9	3.553	2.2	3.973	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	
	<u>Index</u>	<u>Percent Change</u>	<u>Index</u>	<u>Percent Change</u>	<u>Index</u>	<u>Percent Change</u>	<u>Index</u>	<u>Percent Change</u>
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	132.4	3.5	129.4	1.9	144.0	-1.9	132.1	-4.8
2026	136.9	3.4	132.4	2.3	140.8	-2.2	129.9	-1.7
2027	141.2	3.1	134.9	1.9	139.3	-1.1	129.3	-0.5
2028	145.4	3.0	137.6	2.0	140.1	0.6	131.1	1.4
2029	149.2	2.6	140.1	1.8	141.4	0.9	133.3	1.6

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

	<u>Population</u>	<u>Change</u>	<u>Percent Change</u>	<u>Births</u>	<u>Deaths</u>	<u>Net Migration</u>
1970	3413.2	16.2	0.5	59.9	30.0	-13.7
1971	3436.3	23.1	0.7	60.0	29.8	-7.2
1972	3430.3	-6.0	-0.2	53.1	30.4	-28.7
1973	3444.3	14.0	0.4	47.7	30.4	-3.3
1974	3508.7	64.4	1.9	48.2	29.9	46.2
1975	3567.9	59.2	1.7	50.1	30.3	39.4
1976	3634.9	67.0	1.9	51.4	30.2	45.8
1977	3715.4	80.5	2.2	54.2	29.1	55.4
1978	3836.2	120.8	3.3	57.3	30.4	94.0
1979	3979.2	143.0	3.7	60.2	30.2	113.0
1980	4132.2	153.0	3.8	65.4	31.3	118.9
1981	4229.3	97.1	2.4	68.2	31.8	60.8
1982	4276.5	47.3	1.1	70.3	31.7	8.7
1983	4307.2	30.7	0.7	69.6	32.6	-6.3
1984	4354.1	46.8	1.1	68.6	33.3	11.5
1985	4415.8	61.7	1.4	69.2	34.0	26.5
1986	4462.2	46.4	1.1	70.3	34.0	10.1
1987	4527.1	64.9	1.5	69.4	34.4	29.8
1988	4616.9	89.8	2.0	71.1	36.0	54.7
1989	4728.1	111.2	2.4	73.2	36.1	74.0
1990	4866.7	138.6	2.9	76.7	36.3	98.3
1991	5000.4	133.7	2.7	79.3	36.7	91.1
1992	5091.1	90.8	1.8	80.6	37.2	47.5
1993	5188.0	96.9	1.9	79.5	39.4	56.7
1994	5291.6	103.6	2.0	78.3	39.6	64.9
1995	5396.6	105.0	2.0	77.5	40.0	67.5
1996	5483.1	86.5	1.6	77.0	41.2	50.7
1997	5579.1	96.0	1.8	78.0	42.6	60.6
1998	5685.5	106.3	1.9	78.8	41.6	69.1
1999	5792.2	106.8	1.9	79.8	43.1	70.1
2000	5894.1	101.9	1.8	79.9	43.7	65.8
2001	5970.5	76.3	1.3	80.7	43.9	39.5
2002	6059.7	89.2	1.5	79.3	44.9	54.9
2003	6126.9	67.2	1.1	79.1	44.7	32.9
2004	6208.5	81.6	1.3	81.0	46.0	46.7
2005	6298.8	90.3	1.5	81.8	45.6	54.0
2006	6420.2	121.4	1.9	83.2	45.3	83.5
2007	6525.1	104.9	1.6	87.8	46.2	63.3
2008	6608.2	83.1	1.3	89.6	47.9	41.5
2009	6672.3	64.0	1.0	89.8	48.1	22.3
2010	6724.5	52.3	0.8	88.4	47.7	11.5
2011	6781.5	56.9	0.8	86.4	48.8	19.3
2012	6835.2	53.8	0.8	87.1	49.2	15.9
2013	6909.4	74.2	1.1	87.3	51.1	38.1
2014	7005.2	95.8	1.4	87.0	50.7	59.4
2015	7106.6	101.4	1.4	88.5	52.8	65.8
2016	7237.2	130.6	1.8	89.8	54.7	95.4
2017	7344.1	106.9	1.5	89.7	56.1	73.3
2018	7463.5	119.4	1.6	87.3	56.4	88.4
2019	7581.8	118.3	1.6	85.7	57.2	89.8
2020	7706.3	124.5	1.6	84.8	58.5	98.2
2021	7767.0	60.7	0.8	82.1	64.0	42.5
2022	7864.4	97.4	1.3	84.5	70.7	83.7
2023	7951.2	86.8	1.1	83.2	68.8	72.4
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	August 2025	–
U.S. Real GDP Growth	2nd quarter 2025	+
U.S. ISM Index	September 2025	+
U.S. Employment YOY%Δ	August 2025	–
U.S. Unemployment Rate	August 2025	+
U.S. Consumer Confidence	September 2025	–
U.S. Consumer Sentiment	September 2025	–
U.S. CPI YOY%Δ	August 2025	+
U.S. Home Prices YOY%Δ	July 2025	–
S&P 500 Index	October 2025	+
WA Leading Index	August 2025	+
WA Employment YOY%Δ	August 2025	–
WA Aerospace Empl. YOY%Δ	August 2025	–
WA Unemployment Rate	August 2025	=
WA Help Wanted Index	August 2025	+
WA Business Cycle Indicator	August 2025	–
WA Initial Unemploy. Claims	August 2025	+
WA Housing Permits	August 2025	+
WA Weekly Hours in Mfg.	August 2025	+
WA New Vehicle Registration	September 2025	+
WA In-Migration	January 2025	–
WA Exports-Total YOY%Δ	2nd quarter 2025	+
WA Exports- w/o Trans. Equip. YOY%Δ	2nd quarter 2025	+
Seattle CPI YOY%Δ	August 2025	=
Seattle Home Prices YOY%Δ	July 2025	–
WA Construction Activity Index	August 2025	+

\*Change from the previous reading

Table A6.2

**Washington Business Indicators**

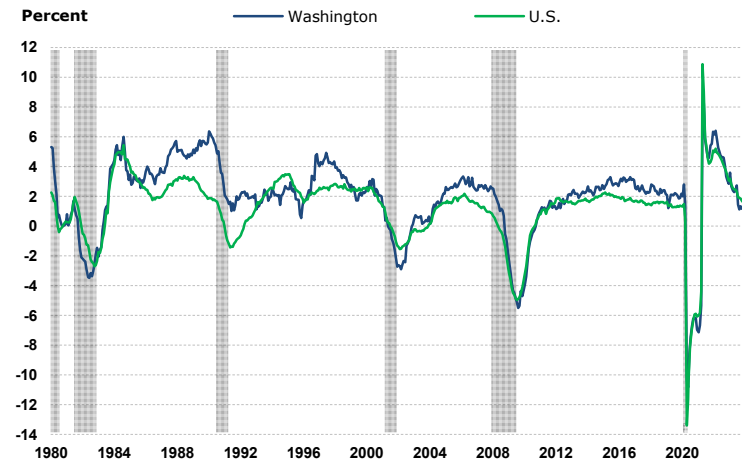
Historical Data

	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
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	111.8	79.3	121.9	150.2	52.1
2019:06	132.1	111.6	80.7	121.7	149.9	51.7
2019:07	132.8	112.0	80.5	123.6	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	146.6	48.1
2019:12	132.1	111.4	84.8	126.1	147.9	47.2
2020:01	131.7	112.0	81.8	119.1	149.1	50.9
2020:02	132.9	111.8	81.7	121.6	149.4	50.1
2020:03	120.7	103.5	73.2	121.6	127.9	49.1
2020:04	112.3	96.9	41.2	103.8	97.5	41.5
2020:05	118.3	99.8	46.2	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	119.5	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	126.3	198.4	57.6
2022:02	144.3	119.4	102.7	127.7	204.5	58.6
2022:03	145.1	119.3	104.2	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	128.3	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	91.3	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	123.3	208.2	46.4
2023:07	138.3	105.9	95.7	120.7	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	120.0	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	121.1	218.9	49.2
2024:05	138.5	101.3	96.4	121.5	213.2	48.7
2024:06	137.9	102.9	95.9	119.7	210.1	48.5
2024:07	137.8	102.4	97.0	119.9	208.6	47.0
2024:08	138.2	102.1	97.3	121.3	208.6	47.5
2024:09	137.9	101.7	99.1	121.6	206.7	47.5
2024:10	133.2	101.4	93.1	121.1	202.3	46.9
2024:11	136.3	101.7	97.5	119.4	201.2	48.4
2024:12	137.7	101.6	99.5	122.8	203.9	49.2
2025:01	138.1	101.4	101.2	123.3	202.9	50.9
2025:02	136.6	101.2	96.0	118.8	201.8	50.3
2025:03	137.5	100.5	99.0	121.0	199.6	49.0
2025:04	137.4	99.1	99.0	121.8	197.5	48.7
2025:05	137.0	99.1	96.5	120.3	195.4	48.5
2025:06	138.0	98.8	95.4	121.7	194.1	49.0
2025:07	134.8	98.9	95.8	119.8	192.1	48.0
2025:08	137.1	98.4	94.1	120.1	194.0	48.7
2025:09						49.1

## Figure A7.1: Washington State Economic Indicators

### Year-over-Year Employment Growth

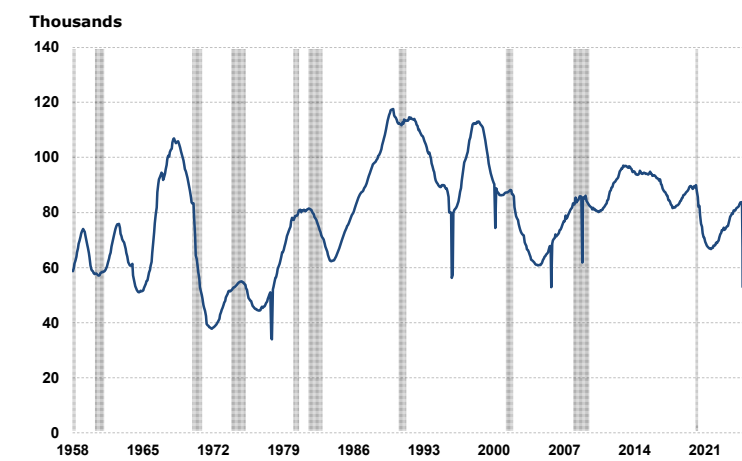
January 1980 to August 2025



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

### Washington Aircraft and Parts Employment

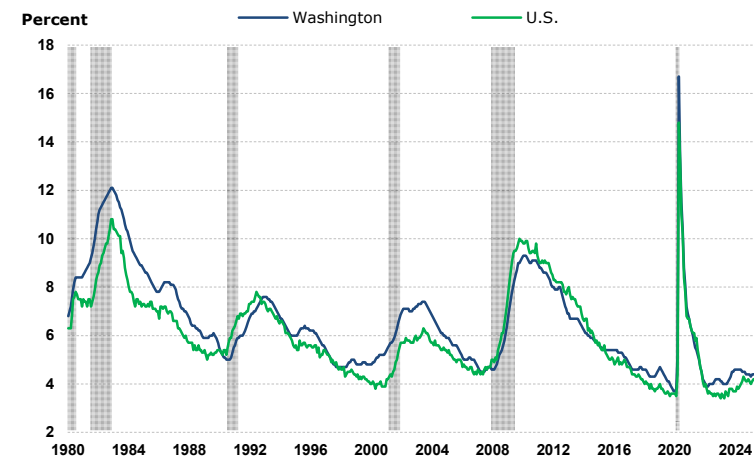
January 1958 to August 2025



\* Source: Bureau of Labor Statistics, ERFC

### Unemployment Rate, S.A.

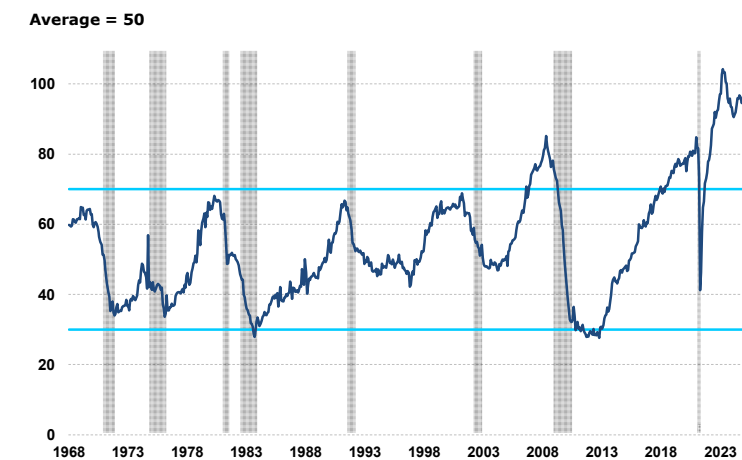
January 1980 to August 2025



\* Source: Bureau of Labor Statistics

### Washington Business Cycle Indicator

January 1968 to August 2025

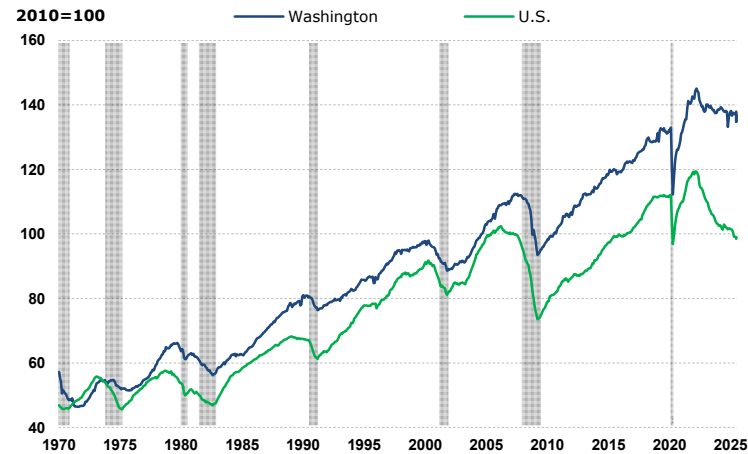


\* Source: ERFC

## Figure A7.2: Washington State Leading Indicators

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

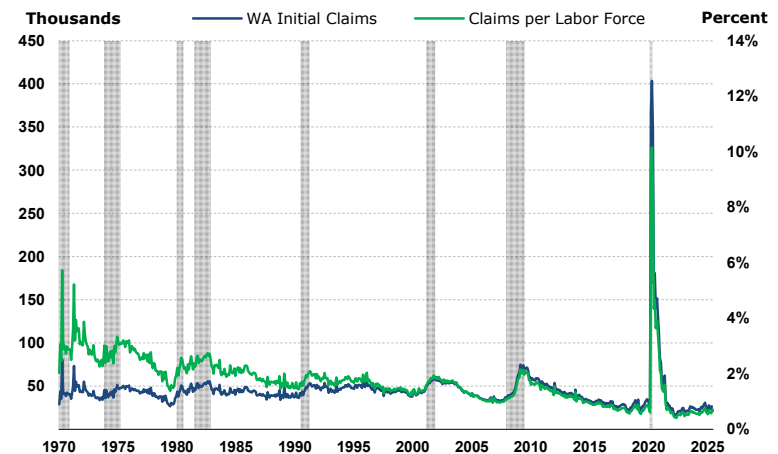
January 1970 to August 2025



\* The Conference Board, ERFC

### Washington Initial Claims for Unemployment Insurance

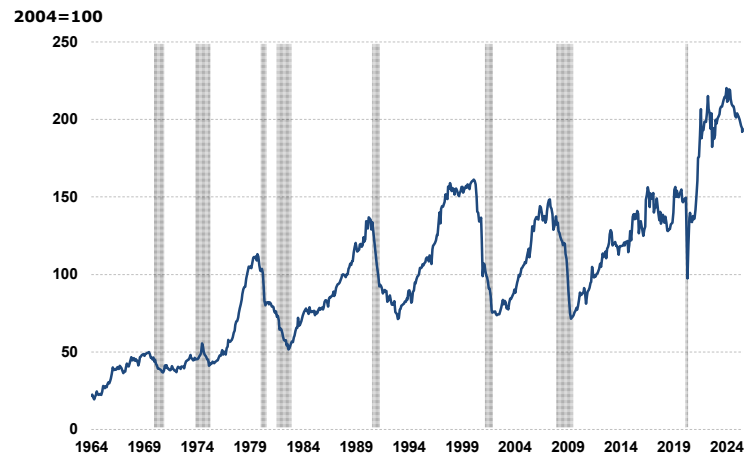
January 1970 to August 2025, S.A.



\* Source: WA State Employment Security, ERFC

### Washington State Help Wanted Index

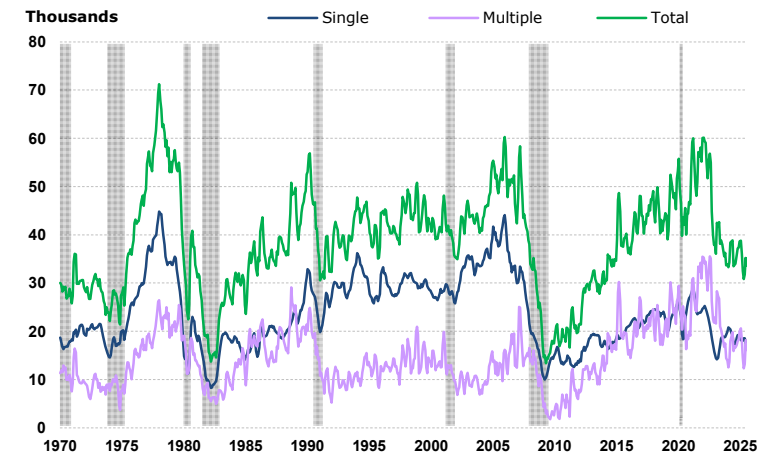
January 1964 to August 2025



\* Source: The Conference Board, ERFC

### Housing Units Authorized in Washington State

January 1970 to August 2025, 3mma, SAAR

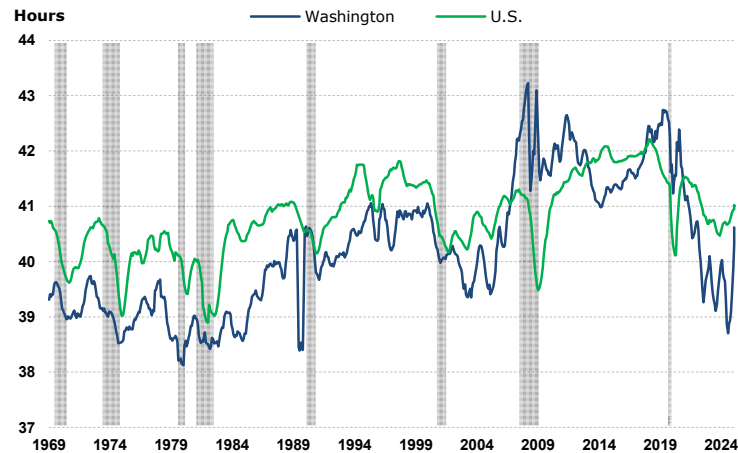


\* Source: Census Bureau, ERFC

## Figure A7.3: Other State Economic Indicators

### Average Weekly Hours in Manufacturing

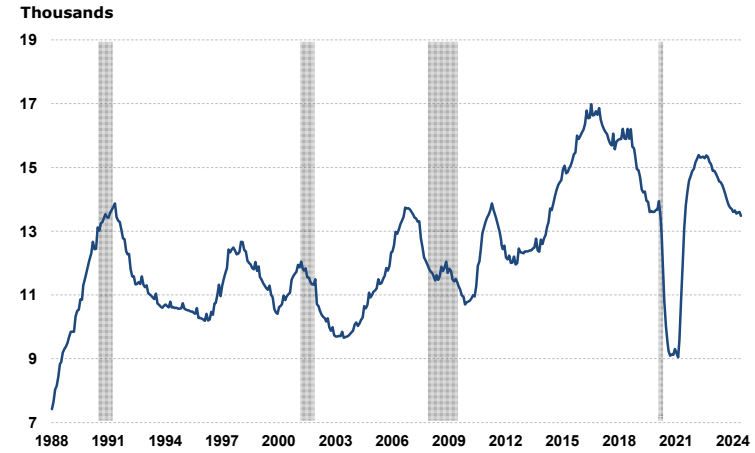
June 1969 to August 2025, 6-Month Moving Average, S.A.



\* Bureau of Labor Statistics, ERFC

### Washington Driver's License In-Migration

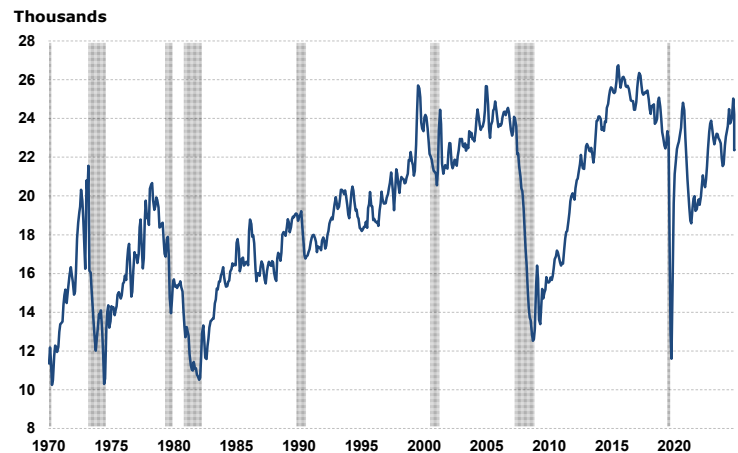
November 1989 to January 2025, 12-Month Moving Average



\* Source: WA State Department of Licensing, ERFC

### New Car and Truck Registrations in Washington

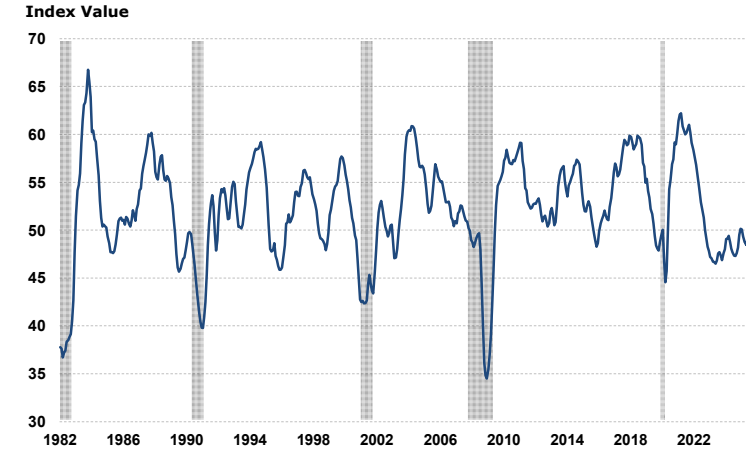
September 1970 to September 2025, 3-Month Moving Average, S.A.



\* Source: WA State Department of Licensing, ERFC

### U.S. Institute for Supply Management Index

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

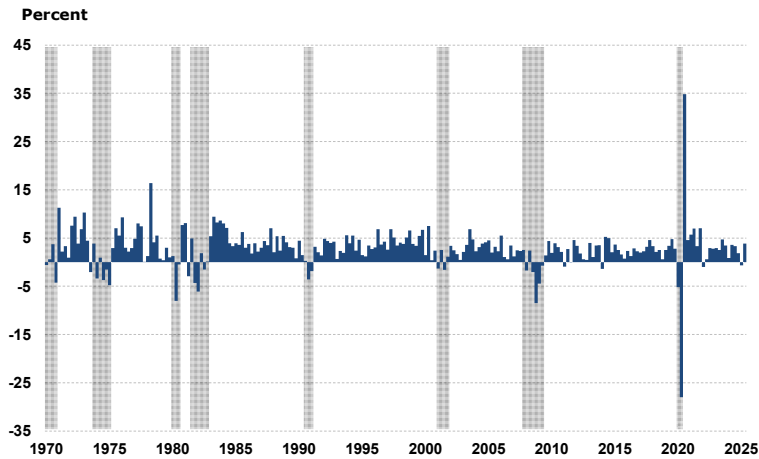


\* Source: Institute for Supply Management, ISM-WW, ERFC

# Figure A7.4: Other Economic Indicators

## Quarterly U.S. Real GDP Growth

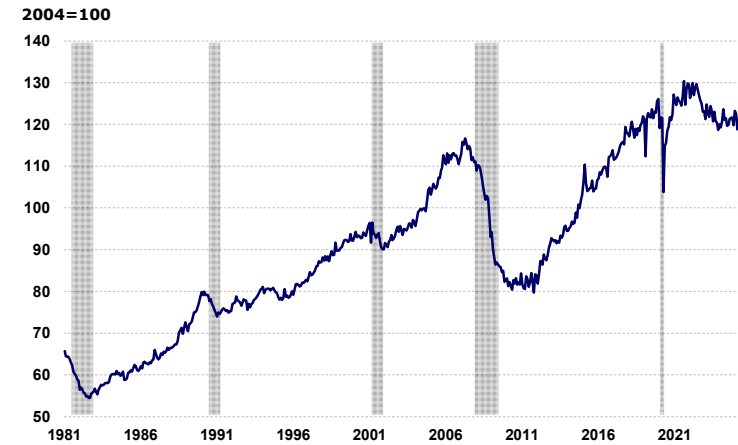
1970Q1 to 2025Q2, SAAR



\* Source: Bureau of Economic Analysis

## Washington State Construction Index

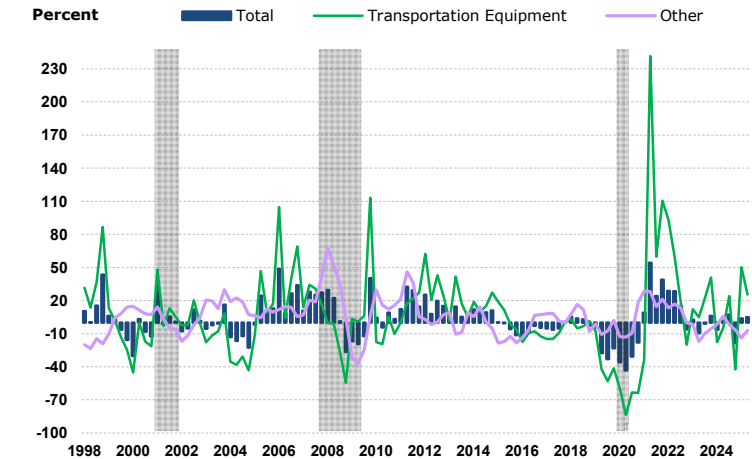
January 1981 to August 2025, 12mma



\* Source: ERFC

## Washington State Export Composition

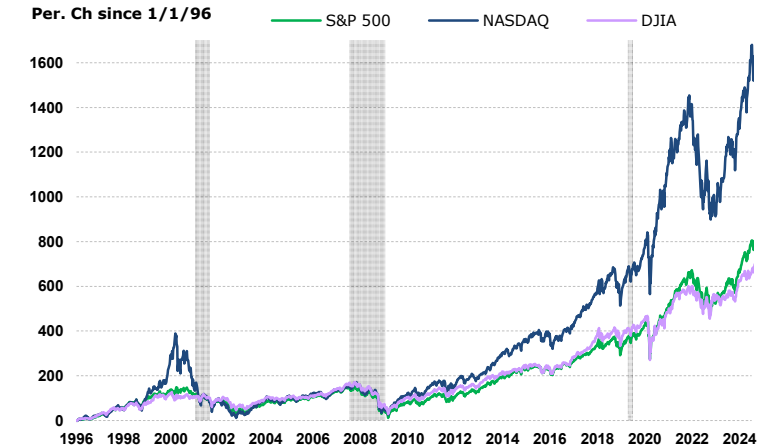
1998Q1 to 2025Q2, Year-over-year percent change



\* Source: US Census

## National Stock Indexes

January 1, 1996 to October 3, 2025

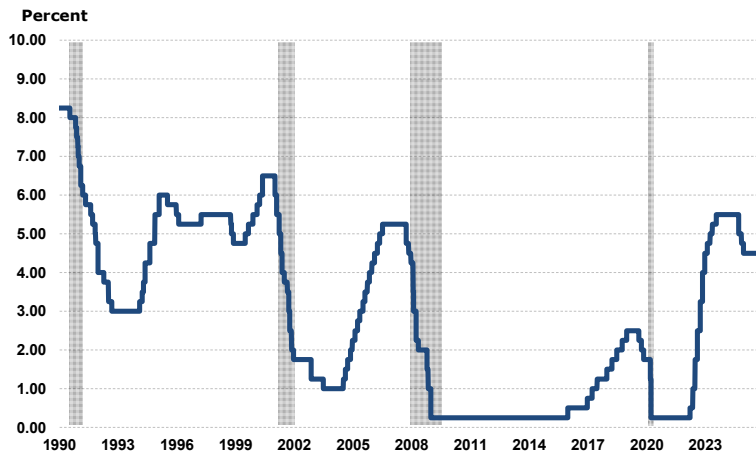


\* Source: ERFC

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

### Federal Funds Target Rate

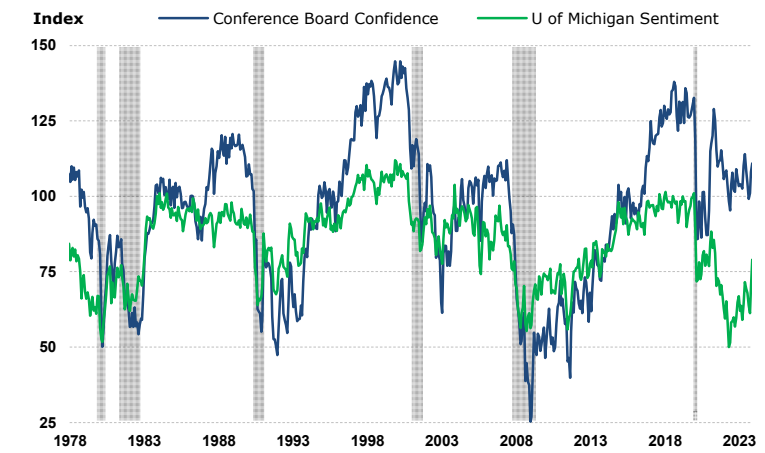
January 1, 1990 to October 6, 2025



\* Federal Reserve

### Consumer Confidence

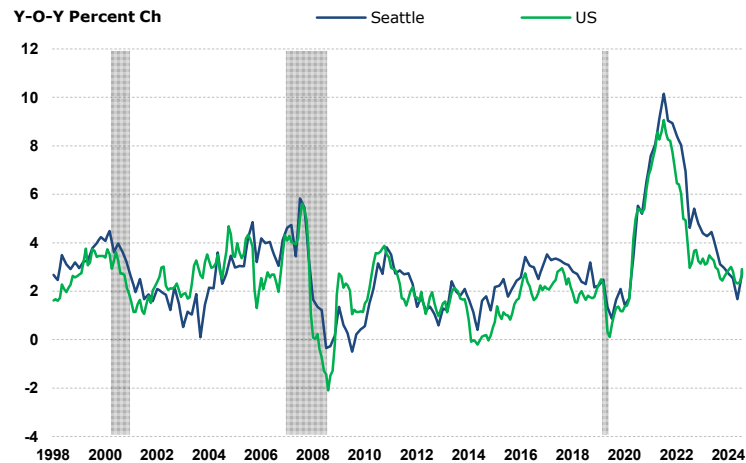
March 1978 to September 2025



\* Source: The Conference Board, University of Michigan

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

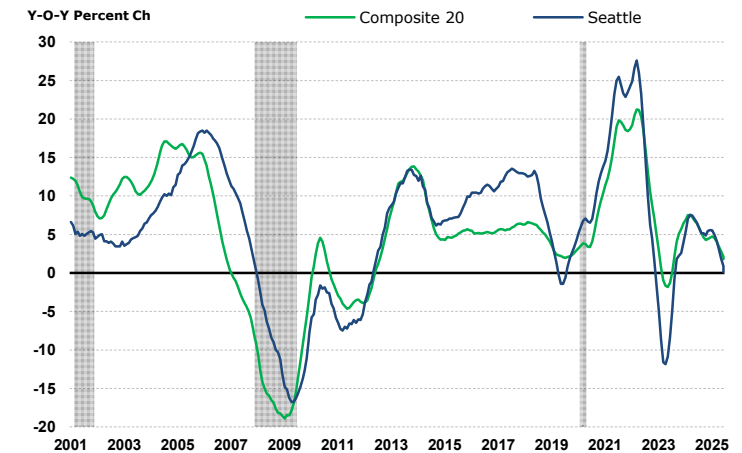
December 1998 to August 2025



\* Source: Bureau of Labor Statistics

### Case Shiller Home Price Index

January 2001 to July 2025, SA



\* Source: Case Shiller, ERFC

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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.