EMBARGOED

until September 25, 2026, 12:00 pm PDT when it will be published at www.erfc.wa.gov

Revenue Review

September 25, 2026

WASHINGTON STATE
ECONOMIC AND REVENUE FORECAST COUNCIL

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WASHINGTON STATE

ECONOMIC AND REVENUE FORECAST COUNCIL

AGENDA

REVENUE REVIEW

September 25, 2026
12:00 p.m.

- Call to order
- Approval of meeting minutes from September 11, 2026
  - *Motion expected*
- Economic and Revenue Forecast
  - Adoption of official state economic and revenue forecast and unofficial optimistic and pessimistic alternative forecasts
  - *Motion expected*
- Adjournment

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

Meeting Minutes
Economic Review
September 11, 2026
Conference Call

Economic and Revenue Forecast Council

June Robinson, Senate, Chair
April Berg, House of Representatives
Travis Couture, House of Representatives
Chris Gildon, Senate
Timm Ormsby, House of Representatives
Ed Orcutt, House of Representatives
Nikki Torres, Senate
Yasmin Trudeau, Senate
Mike Pellicciotti, Treasurer
John Ryser, Department of Revenue
Katherine Chapman-See, Office of Financial Management

Staff
Dave Reich, Executive Director
Rachel Knutson, Office of Financial Management
Corban Nemeth, Senate Ways and Means
James Mackison, House Appropriations

Call to Order
Senator Robinson called the meeting to order at 12:01 p.m.

Approval of the Minutes
Representative Ormsby moved, seconded by Representative Orcutt, to adopt the meeting minutes from June 26, 2026. Motion passed at 12:02 p.m.

Budget Outlook Workgroup
The Budget Outlook Workgroup presented two issues to the council for consideration in preparing the 2027-29 Growth Factor Methodology.

Motion
Representative Couture moved, seconded by Representative Orcutt, to direct the Outlook Workgroup to use a separate growth factor and methodology for the Department of Children, Youth, and Families for the 2027–29 biennium. The motion passed at 12:23 p.m.

Representative Couture moved, seconded by Representative Orcutt to use the growth factors included in Option A when preparing Outlooks in the 2027-29 biennium, which continue to exclude the 2019–21 and 2021–23 biennia. The motion passed at 12:29 p.m.

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

Adjournment
With no further business, the meeting adjourned at 12:54 p.m.

DRAFT

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Economic & Revenue Forecast Council
State of Washington

Revenue Review: September 25, 2026

Executive Summary

United States

- This forecast is based on a modified version of S&P Global Market Intelligence's September 2026 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 2026 and 2027. We expect real GDP to increase 2.1% in 2026 and 2.0% in 2027. The June forecast assumed 2.0% growth in both 2026 and 2027. Our forecast for real GDP growth in 2028-31 is based on the most recent long-term forecast from Blue Chip which was released in March 2026. We expect growth rates of 2.0% in 2028 through 2030 and 1.9% in 2031. This is unchanged from the previous forecast.

- Our oil price forecast reflects the futures markets for the Brent (North Sea) oil price and West Texas Intermediate (WTI) benchmarks. This forecast was based on the Thursday September 10, 2026 closing prices for Brent and WTI futures. The war in Iran and the reduction of ships using the Strait of Hormuz, a key oil shipping route, have caused oil prices to increase. Oil prices are higher in the near-term compared to the June forecast. The latest futures prices indicate that the refiner acquisition price of crude oil will average $88 per barrel in the third quarter of 2026, up from $86 per barrel in the previous forecast. Oil prices are expected to decline throughout the forecast period and reach $63 per barrel in the fourth quarter of 2031, down from $65 in the June forecast.

- National employment in August increased by 162,000 net jobs and employment levels for June and July were revised up due to additional data and updated seasonal factors by a combined 55,000 jobs. Sectors with the largest job gains in August included leisure and hospitality (+62,000), health care and social assistance (+28,400), and government (+35,000). Sectors with declining employment in August included information (-23,000), financial activities (-11,000) and arts, entertainment and recreation (-6,300).

- Two key measures of consumer confidence decreased in August. The University of Michigan (UM) consumer sentiment survey decreased by 3.5 points to 51.7 after increasing by 5.7 points in July. The Conference Board index of consumer confidence decreased by 0.8 points in August to 89.4. Survey results indicated increased optimism about current business and labor market conditions that was more than offset by pessimism about future business and labor market conditions.

- Consumer prices increased 0.4% (SA) in August following a 0.1% increase in July. Compared to August 2025, prices are up 3.4%. Core prices, which exclude food and energy, rose by 2.4% compared to August 2025.

- Initial claims for unemployment insurance decreased by 1,000 to 197,000 (SA) in the week ending September 19th. The four-week moving average of initial claims was 202,250, down 1,750 from the prior week.

- Industrial production was unchanged in August following a 0.2% increase in July. Industrial production was up 1.4% compared with its August 2025 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 0.2% (SA) in July following a 1.7% increase in June according to U.S. Census Bureau data. New orders for core capital goods were 10.0% above their July 2025 level.

- Residential construction activity and home sales decreased compared with prior months based on the most recent data. August housing starts decreased by 2.6% (SA) compared to July and were 1.2% below their August 2025 level. Housing units authorized by building permits in August were 2.7% (SA) below their July level but 3.5% above their year-ago level. New home sales in July decreased by 10.5% (SA) compared to June and were 6.3% below their year-ago level. Existing home sales in August decreased by 2.0% (SA) compared to July and decreased 1.2% compared to August 2025. The seasonally adjusted Case-Shiller national home price index for June was 0.1% above its May level and 1.5% above its year-ago level.

- The major risks to the U.S. and Washington economies continue to be the impacts of the Iran war and other geopolitical conflicts, trade policy and changes to federal government spending, employment and services, along with high interest rates and a declining equity market.

Washington

- Washington job growth has been stronger than expected since the June forecast, although historical revisions have lowered the level of employment. Total seasonally adjusted nonfarm payroll employment increased 13,800 in June, July, and August which was 12,900 more than the increase of 900 expected in the forecast. The construction sector increased by 300 jobs and manufacturing employment increased by 2,800 in the three-month period. Education and health services had the largest increase in the private service sector with a gain of 5,900 jobs while the largest decline was in employment services with a loss of 3,000 jobs. Government employment increased by 1,900 with gains in state and local government. Revisions to employment data subtracted 6,000 (0.2%) to the estimated level of total employment in May 2026. The combined effect of the downward revision to historical data and the stronger growth in the last three months is that August employment is 6,800 (0.2%) higher than expected in the June forecast.

- Washington's unemployment rate has declined in each of the past two months. The unemployment rate declined to 4.9% in August from 5.0% in July and 5.2% in June. August labor force participation was 62.0%, down slightly from 62.1% in July. Labor force participation is down from the recent peak of 64.2% in May 2023.

- The September forecast calls for a 0.2% increase in Washington employment this year, up from 0.1% growth in the June forecast. We expect growth to pick up but remain slow during the remainder of the forecast. The forecast

calls for Washington employment growth to average 0.8% per year in 2027 through 2031, unchanged from the previous forecast. The September forecast expects the Washington unemployment rate to increase from 4.6% in 2025 to 5.1% in 2026 and 2027. The forecast then calls for the unemployment rate to trend down and reach 4.6% in 2031. The previous forecast expected the unemployment rate to peak at 5.3% in 2026 and 2027 before trending down to 4.6% in 2031.

- Washington's aerospace employment reached a trough of 79,200 jobs in September 2025 after incorporating layoffs following the most recent strike. Since the trough, aerospace employment has increased, reaching 85,100 jobs in August 2026. The forecast calls for aerospace employment to continue to increase through the forecast period and reach 87,600 jobs in the fourth quarter of 2031.

- In June, after the previous forecast was complete, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the first quarter of 2026. Washington personal income increased from $718.9 billion (SAAR) in the fourth quarter of 2025 to $725.2 (SAAR) billion in the first quarter of 2026. The 3.6% increase (SAAR) in Washington personal income ranked 22nd among the states and led the 3.4% (SAAR) rate of increase for the U.S. as a whole. Growth in Washington net earnings trailed the U.S. in the first quarter, with Washington net earnings increasing 2.5% (SAAR) compared to 3.1% (SAAR) for the nation. Growth in dividends, interest, and rent was the slightly stronger for Washington, increasing 4.3% (SAAR) compared to 4.2% (SAAR) for the nation. Growth in transfer payments in Washington exceeded the U.S. Washington transfer payments grew 7.0% (SAAR) compared to 3.7% (SAAR) for the U.S.

- Our forecast for nominal personal income growth this year is 4.1%, unchanged from the June forecast. The forecast for nominal personal income growth from 2027 through 2031 averages 5.4% per year, up from 5.2% average growth in the previous forecast. The combination of small downward revisions to historical data and stronger growth from 2027, results in Washington nominal personal income being $13.7 billion (1.4%) higher in 2031 than assumed in the previous forecast.

- Seattle-area home prices are declining. The S&P CoreLogic Case-Shiller Seattle home price index fell 0.3% in June, the sixth consecutive decline. Home prices in Seattle are down 1.9% since last year. In comparison, the composite-20 index increased 0.2% in June and was up 2.1% year-over-year.

- Seattle-area consumer price inflation remains elevated. From August 2025 to August 2026, the Seattle CPI rose 4.4% while the U.S. City average index (nationwide inflation) rose 3.4%. Energy prices were up sharply, increasing 15.9% over the year. The war in Iran and the consequent reduction in tanker traffic through the Strait of Hormuz has caused oil prices to spike. Shelter costs in both Washington and the U.S. were moderate, increasing 2.6% in Washington and 3.0% in the U.S. in August. Core inflation (excluding food and energy) also remains elevated. Core inflation was 3.3% in August for Seattle and 2.4% for the U.S. City average. Non-durable goods inflation remained very high up 6.0% year over year.

- Washington's exports have seen rapid growth recently. In the second quarter of 2026, exports increased by 27.1% year over year, compared to a 16.2% rise year over year in the first quarter. Transportation equipment exports remained robust, climbing 40.7% from the previous year. Additionally, petroleum and coal products surged by 124%, and agricultural exports grew by 27.7% over the same period.

- Washington car and truck sales have trended down since the Spring of 2025. The seasonally adjusted number of new vehicle registrations declined 14.8% in August to 224,400 (SAAR). Passenger car registrations fell 13.1% while light truck registrations declined 25.4%. The number of total registrations remains down 14.5% over the year in August.

- Washington housing construction has increased sharply in the second quarter due to a surge in the multi-family sector. A total of 49,800 units (SAAR) were permitted in the second quarter of 2026, up from 37,700 units (SAAR) in the first quarter. Permits in the second quarter consisted of 17,400 (SAAR) single-family units and 32,400 (SAAR) multi-family units. The June forecast expected 39,400 units for the second quarter as a whole, consisting of 16,500 single-family units and 22,900 multi-family units.

- The September forecast calls for housing permits to increase to 42,100 units this year from 34,900 units in 2025 due primarily to stronger multi-family permits to date. The September forecast expects an average of 40,400 new housing units per year from 2027 through 2031, up from 39,200 units expected in the previous forecast. We expect housing permits to continue to grow through the end of 2031 and reach 42,600 units in the fourth quarter, up from 41,200 units expected in the June forecast.

Revenue

- Cumulative major General Fund-State revenue (GF-S) since the June 2026 forecast came in $198.9 million (2.5%) higher than forecasted. Collections of Revenue Act taxes (the main category of GF-S taxes including retail sales and use, business and occupation (B&O), public utility, penalties, and non-cigarette tobacco products) came in $226.7 million (3.3%) higher than forecasted. Collections of all other tracked revenue sources were $27.8 million (2.9%) lower than forecasted.

- The September state economic forecast generally indicates increased economic activity compared with the June 2026 forecast. The September economic forecast includes an upward revision to Washington personal income growth, employment growth, and housing permits. Forecasted Revenue Act receipts have decreased by $15.2 million in the current biennium and $232.2 million in the 2025-27 biennium. Forecasted Revenue Act receipts are estimated to increase by $47.4 million in the 2029-31 biennium.

- Real estate excise tax collections since June came in $5.1 million (1.4%) higher than forecasted. Lower than expected housing construction and baseline activity, and an elevated interest rate environment have decreased

the forecast by $22.4 million in the current biennium, $7.3 million in the 2027-29 biennium, and $4.7 million in the 2029-31 biennium.

- Forecasted GF-S revenue for the 2025-27 biennium is now $69.973 billion, a decrease of $54.5 million from the June forecast. Forecasted revenue for the 2027-29 biennium is $77.404 billion, an increase of $524.0 million from the June forecast. Forecasted revenue for the 2029-31 biennium is $88.152 billion, an increase of $2.443 billion driven largely by an upward revision of the estimated receipts from the Individual Income Tax (IIT).

- The forecast of revenue dedicated to the Education Legacy Trust Account (ELTA) has increased $123.2 million in the current biennium. It has decreased by $79.3 million in the 2027-29 biennium and $80.3 million in the 2029-31 biennium. Estimated ELTA revenue is now $4.191 billion for the current biennium, $2.765 billion for the 2027-29 biennium, and $3.038 billion for the 2029-31 biennium.

- The forecast of revenue dedicated to the Opportunity Pathways Account (OPA) has increased $22.7 million in the current biennium, $11.5 million in the 2027-29 biennium, and $5.6 million in the 2029-31 biennium. Estimated OPA revenue is now $337.9 million for the current biennium, $339.4 million for the 2027-29 biennium, and $346.5 million for the 2029-31 biennium.

- The forecast of revenue dedicated to the Workforce Education Investment Account (WEIA) has decreased $69.7 million in the current biennium, $26.2 million in the 2027-29 biennium, and $92.2 million in the 2029-31 biennium. Estimated WEIA revenue is now $1.756 billion for the 2025-27 biennium, $2.086 billion for the 2027-29 biennium, and $2.157 billion for the 2029-31 biennium.

- The forecast of revenue dedicated to the Fair Start for Kids Account (FSKA), which will be funded by a transfer of 5% of the revenue from the IIT starting in FY30, increased $40.3 million for FY30 and $65.0 million in FY31. The increase is due to the upward revision of estimated collections from the IIT. The current forecast of the funds for this account increased $105.2 million from the June forecast and is now $426.7 for the 2029-31 biennium.

- Summing up the GF-S, ELTA, OPA, WEIA, and FSKA forecasts, the total forecast has increased by $21.7 million in the 2025-27 biennium, $430.0 million in the 2027-29 biennium, and $2.382 billion in the 2029-31 biennium.

- The forecasted total revenue for the 2025-27 biennium is $76.258 billion. For the 2027-29 biennium, it is $82.594 billion, an increase of 8.31% over the current biennium. For the 2029-31 biennium it is $94.121 billion, an increase of 13.96% over the 2027-29 biennium.

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Revenue Review

Presented to the Washington State Economic and Revenue Forecast Council

Dave Reich
Executive Director

September 25, 2026

Key Issues/Drivers in September 2026

- Continuing Iran war impacts
- Elevated prices even excluding war impacts
- Consumers and investment driving growth
- Employment growth has been weak
- Tariff uncertainty continues (Canadian trade war)
- Interest rates/equity market up

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Slide 1

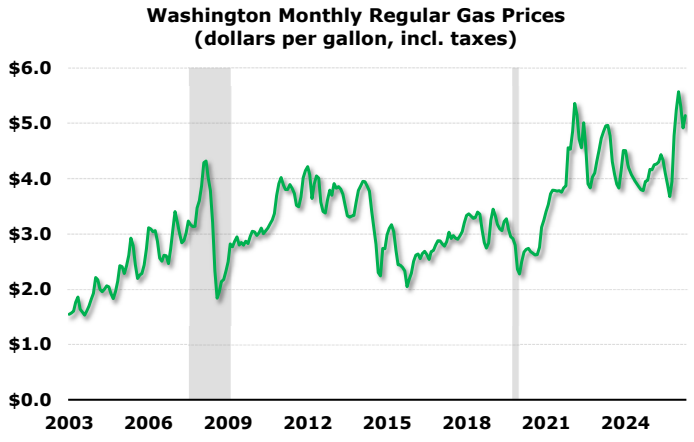
WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

The war pushed gasoline prices to the highest level on record in May

The Iran war impacts were included in our forecast in June

WA residents facing higher energy prices and uncertainty

Interest rates are also higher



Source: EIA monthly retail gasoline prices, data through August 2026

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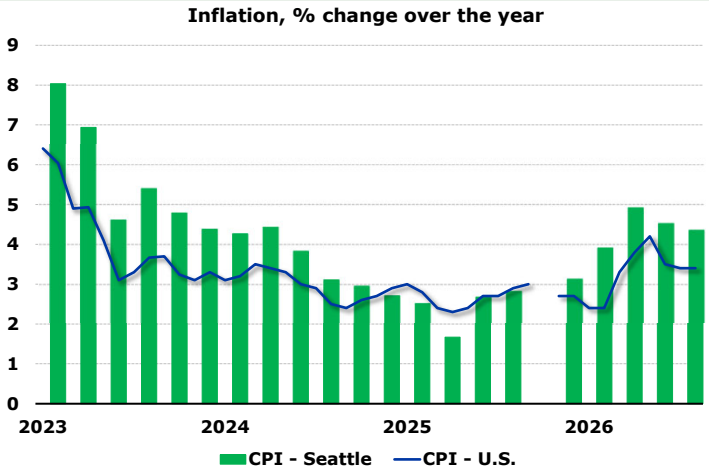
Slide 2

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

Inflation has slowed significantly over the last few years, but has picked up recently

There were no CPI values for October 2025 due to the federal government shutdown



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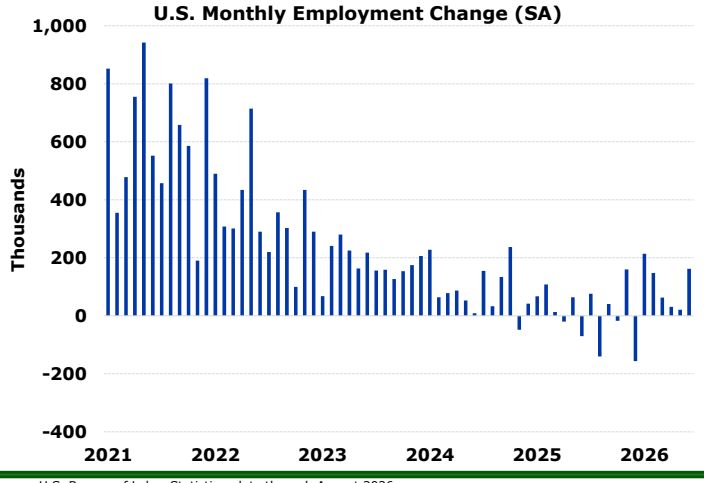
Slide 3

Source: U.S. Bureau of Labor Statistics, data through August 2026 (U.S.) and August 2026 (WA)

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

U.S. employment growth slowed significantly in 2025 but has stabilized in 2026



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Slide 4

Source: U.S. Bureau of Labor Statistics; data through August 2026

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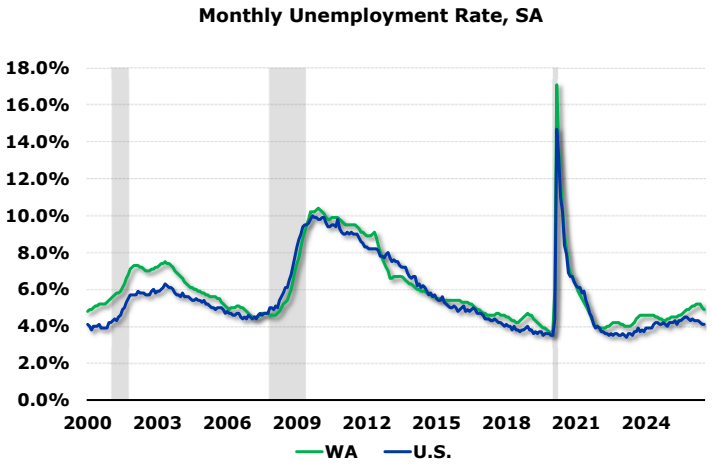
Unemployment rates have increased but remain near historically low levels



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Slide 5

Source: U.S. Bureau of Labor Statistics, data through August 2026 (U.S.), August 2026 (WA)

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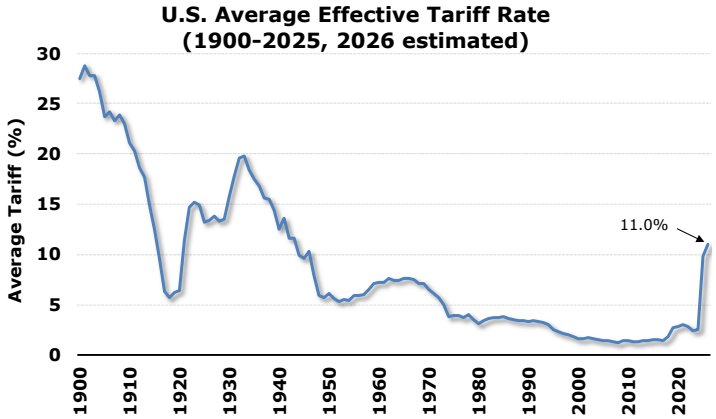
Tariffs are a significant economic driver but may be stabilizing

Includes Section 301 tariffs on most countries and Section 232 tariffs (e.g. steel/aluminum, auto parts), Section 338 on Canada

IEEPA refunds in progress

~11.0% (Yale budget lab, 8/24/26)



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Slide 6

Source: Yale budget lab, Penn Wharton Budget Model

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

Economic and revenue forecast risks

Upside

- Iran war ends and economy recovers quickly
- Tariffs are avoided/lower/more certain
- Stronger consumer spending and employment markets, or faster interest rate cuts
- Quicker resolution of Russia – Ukraine, other conflicts, leads to more certainty

Downside

- Iran war drags on-restricts supplies, increases uncertainty
- Trade policy (higher U.S. tariffs and retaliation)
- Stock market correction impacting consumer spending
- WA Initiative 645
- Boeing strike
- Russia – Ukraine/other conflicts intensify, leading to higher prices for energy and uncertainty

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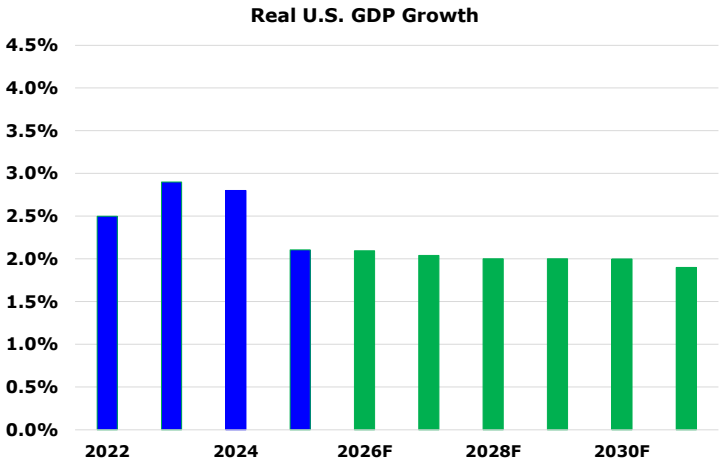
September, 2026

Slide 7

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

GDP has been impacted by tariffs and the Iran war and growth is expected to be modest

Growth in the second quarter of 2026 was +1.5% SAAR (second estimate)



Source: IHS Markit, ERFC September 2026 forecast; historical data through 2026 Q2

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Slide 8

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

The oil price forecast is increased compared with the June forecast

Recent oil prices have been higher than expected in the June forecast

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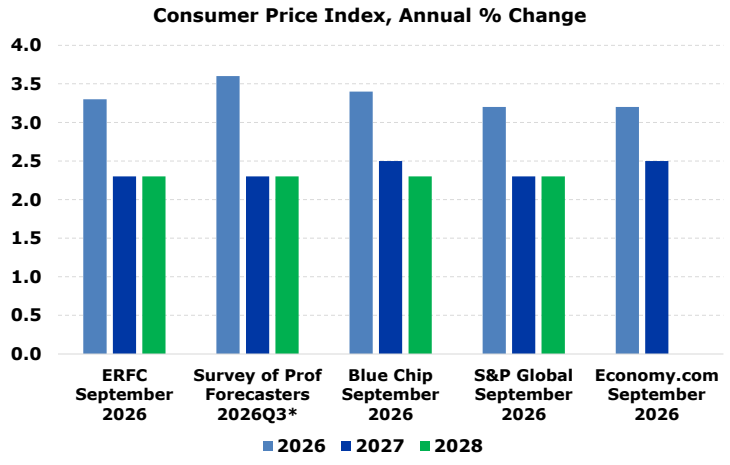
Slide 9

Source: Energy Information Administration, IHS Markit, ERFC; data through 2026 Q2
Note: Vertical black line indicates last actual

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

Inflation has increased and is likely to remain elevated for the near-term due to the war/tariffs and AI buildout

The Consumer Price Index increased by 2.6% in 2025



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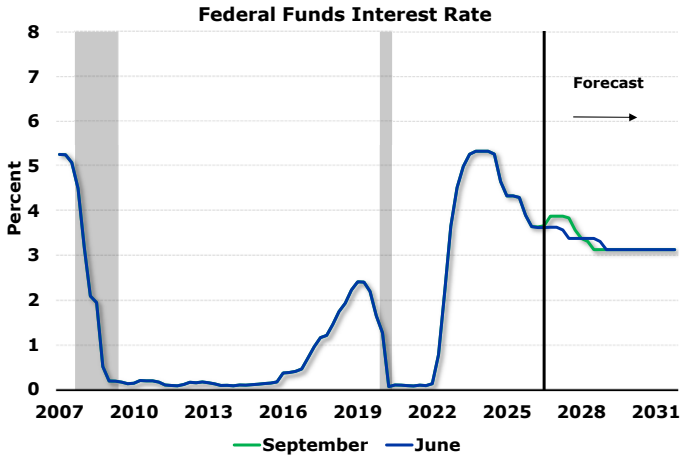
Slide 10

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

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

The Federal Reserve has been on hold but raised rates in September

The Federal Reserve raised interest rates in September 2026 and the current rate range is 3.75%-4.0%.



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Slide 11

Source: ERFC September 2026 forecast; historical data through 2026 Q2

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

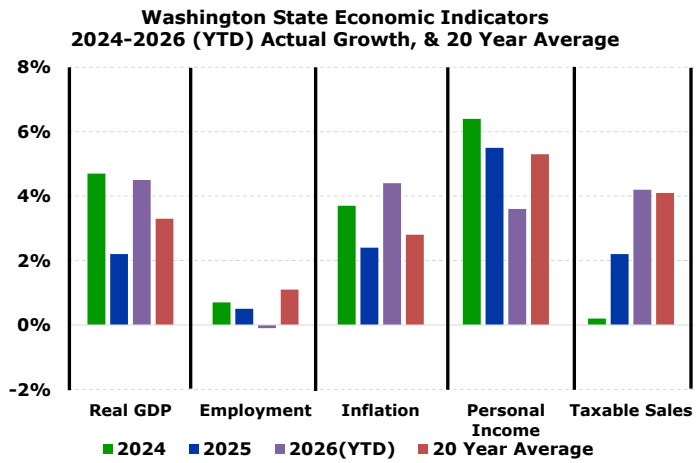
Washington economic indicators show economic growth, elevated price growth and no employment growth

2025/2026

WA employment grew 0.5% in 2025. -0.1% YTD (Jan-Aug)

Seattle CPI up 4.4% in Aug. '26

WA taxable sales growth has picked up likely tied to legislative changes



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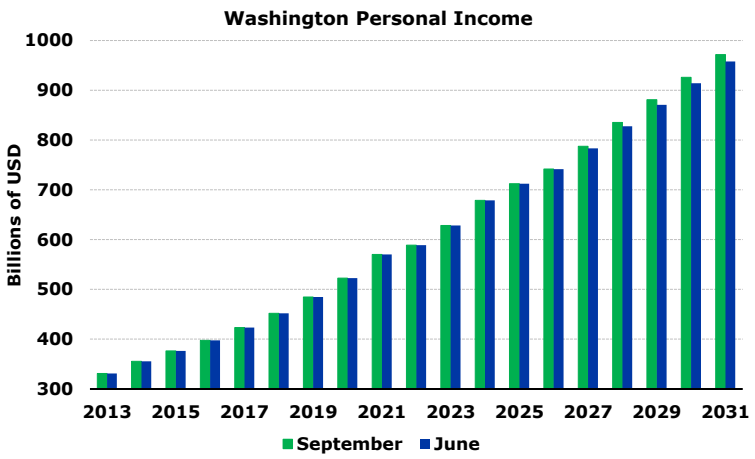
Slide 12

Sources: BEA, ERFC, U.S. Bureau of Labor Statistics, WA Employment Security, WA DOR. 2026 GDP, PI & taxable sales (Prelim QBR) through 2026:1Q, Employment through Aug 2026, inflation through Aug 2026

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

WA personal income levels are revised up from June

In June, BEA released 2026:1Q personal income and WA was up 3.6% (SAAR)



Source: ERFC September 2026 forecast; historical data through 2026 1Q

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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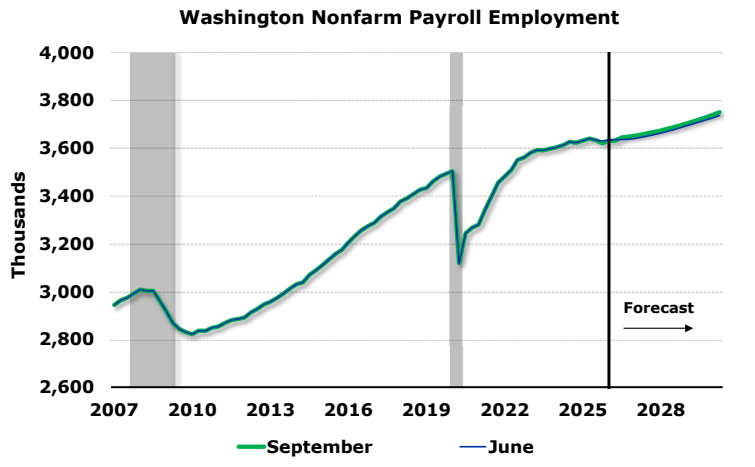
Slide 13

WA employment forecast is slightly higher over the forecast period

Average annual employment growth, 2026 to 2031:

U.S. = 0.3%

WA = 0.7%



Source: ERFC September 2026 forecast; historical data through 2026 Q2

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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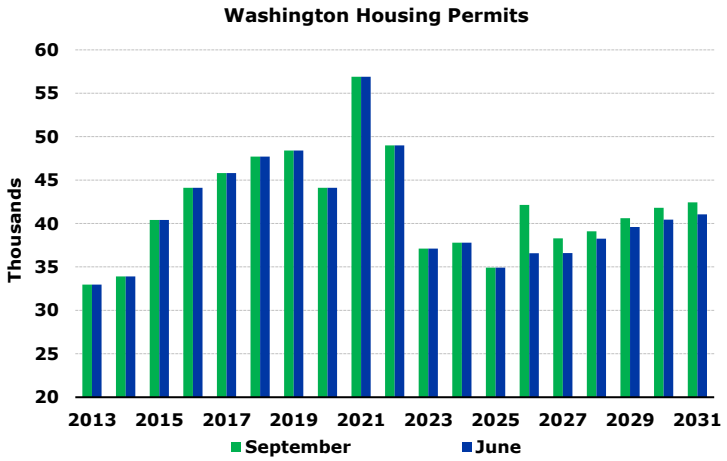
September, 2026

Slide 14

WA housing permit forecast revised up from June



Source: ERFC September 2026 forecast; historical data through 2025

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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September, 2026

Slide 15

2025-2028 Economic Forecast Summary

	2025	2026	2027	2028
U.S. RGDP Growth	2.1%	2.1%	2.0%	2.0%
U.S. Unemployment	4.3%	4.3%	4.3%	4.4%
WA Employment Growth	0.4%	0.2%	0.6%	0.7%
Seattle Inflation (change in Sea CPI)	2.5%	4.3%	2.4%	2.5%
WA Personal Income Growth	4.9%	4.1%	6.1%	6.1%
WA Residential Permit Growth	-7.6%	20.7%	-9.2%	2.1%

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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September, 2026

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Revenue Forecast Notes

Economic

- U.S. model includes assumptions for oil prices, interest rates, tariffs, labor force
- WA model includes assumptions pertinent for Washington

Revenues

- Slow growth over 2023-2024 likely due to pandemic related factors (e.g., high interest rates)
- Recent improved revenue growth likely represents legislative changes
- War impacts (fuel prices) and uncertainty likely weighing on spending
- 2026 legislative changes included (e.g., IIT)

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September, 2026

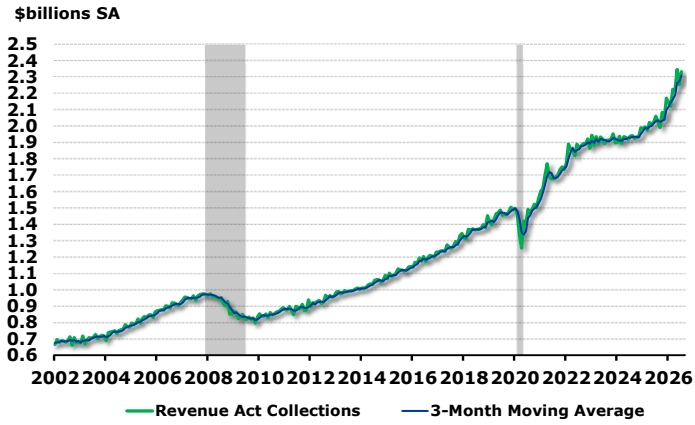
Slide 17

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

Revenue Act collections growth; July activity was up 13.2% (SA) compared with July 2025

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

Revenue growth now reflecting recent legislative changes



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

Source: DOR and ERFC; monthly data through July 2026 activity

WARR
September, 2026

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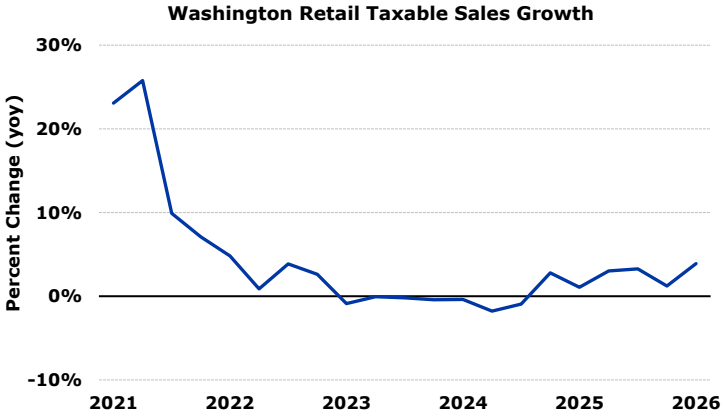
WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

WA retail taxable sales contracted in 2023-2024 but has returned to growth

Retail taxable sales made up 42.9% of taxable sales in FY 2025



WARR
September, 2026

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Source: ERFC analysis of DOR data through 2026 Q1, 2026:1Q is preliminary. NAICS 44 & 45 indicated, SIC data re-classified to match NAICS classifications prior to 2005.

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

Taxable real estate activity increased in 2025 but has slowed in 2026

Transactions of $10 million or more were about $1.3B in Aug 2026

Real estate activity through August is down 1.3% YTD

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September, 2026

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Source: ERFC; Monthly data through August 2026 estimate

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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

$Millions	Jun. 2026 Forecast	Non-economic Change	Forecast Change	Sep. 2026 Forecast	Total Change#
General Fund-State	$70,028	$0	($55)	$69,974	($55)
Education Legacy Trust Account	$4,068	$0	$123	$4,191	$123
WA Opportunity Pathways Account	$315	$0	$23	$338	$23
Workforce Education Investment Account	$1,825	$0	($70)	$1,756	($70)
Total	**$76,237**	**$0**	**$22**	**$76,258**	**$22**

The forecast increase represents 0.03% of biennial revenue

Detail may not add to total due to rounding

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

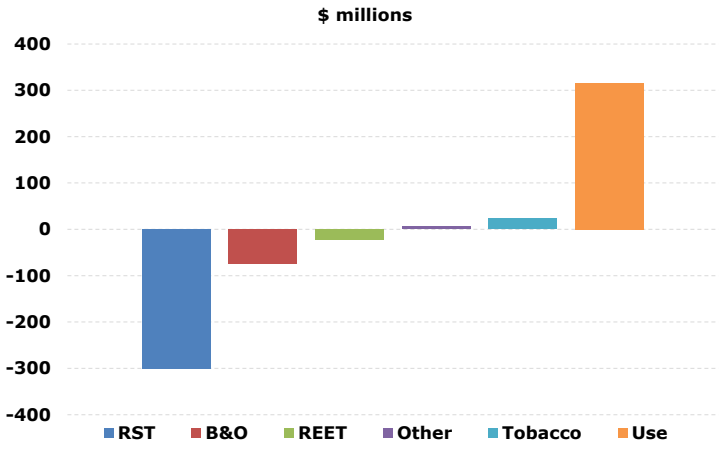
$Millions	Jun. 2026 Forecast	Non-economic Change	Forecast Change	Sep. 2026 Forecast	Total Change#
General Fund-State	$76,880	$0	$524	$77,404	$524
Education Legacy Trust Account	$2,845	$0	($79)	$2,765	($79)
WA Opportunity Pathways Account	$328	$0	$12	$339	$12
Workforce Education Investment Account	$2,112	$0	($26)	$2,086	($26)
Total	**$82,165**	**$0**	**$430**	**$82,594**	**$430**

The forecast increase represents 0.5% of biennial revenue

Detail may not add to total due to rounding

2025- 2027 biennium GF-S forecast changes by source (top 5)

The total 2025-2027 change is -$54.5M



WARR September, 2026

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Source: ERFC September 2026 forecast

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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

$Millions (cash basis)	2025-27 Biennium	Difference From the baseline#
September 2026 Baseline (50%)	**$76,258**	
September 2026 Alternative Forecasts		
Optimistic (20%)	**$78,787**	**$2,529**
Pessimistic (30%)	**$73,437**	**($2,821)**
Probability Weighted Average	**$75,918**	**($341)**
GCEA*	**N/A**	**N/A**

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*There were not enough responses provided for a forecast based on the Governor's Council of Economic Advisors assumptions. #May not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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

$Millions (cash basis)	2027-29 Biennium	Difference From the baseline#
September 2026 Baseline (50%)	**$82,594**	
September 2026 Alternative Forecasts		
Optimistic (20%)	**$87,793**	**$5,199**
Pessimistic (30%)	**$77,106**	**($5,489)**
Probability Weighted Average	**$81,988**	**($607)**
GCEA*	**N/A**	**N/A**

*There were not enough responses provided for a forecast based on the Governor's Council of Economic Advisors assumptions. #May not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

WARR
September, 2026

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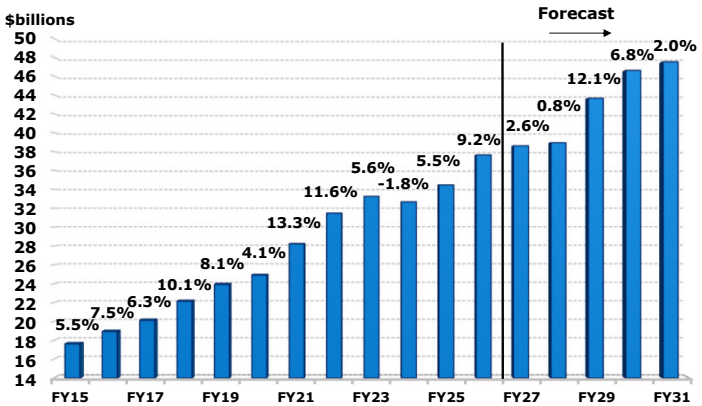
Forecast of funds subject to the budget outlook process* by fiscal year



*Funds subject to the budget outlook process are General Fund-State plus Education Legacy Trust, Washington Opportunities Pathway and Workforce Education Investment Accounts. Fair Start For Kids included starting in FY30
Source: ERFC forecast, September 2026

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

WARR
September, 2026

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Summary

- The U.S. economic forecast for September is slightly more optimistic compared with June's forecast with higher GDP and higher real personal income.
- The Washington economic forecast calls for slightly stronger employment growth, higher personal income and more housing permits compared to June
- There continues to be significant uncertainty in the forecast due to the Iran war, trade policy and I-645
- The forecast of funds subject to the budget outlook is increased by $22 million (0.03%) for 2025-27 period
- The forecast of funds subject to the budget outlook is increased by $430 million (0.5%) for 2027-29 period

Questions?

Economic & Revenue Forecast Council
PO BOX 40912
Olympia WA 98504-0912

www.erfc.wa.gov
360-534-1560

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Total Changes to General Fund-State, Education Legacy Trust Account, Washington Opportunity Pathways Account, Workforce Education Investment Account, and Fair Start for Kids Account Forecasts
Comparison of the September 2026 to the June 2026 Forecast
2025-27 Biennium
Cash Forecast; Millions of Dollars

	June 2026 Forecast	Non-economic Changes	Forecast Change	September 2026 Forecast	Total Change*
General Fund-State	$70,028.4	$0.0	($54.5)	$69,973.8	($54.5)
Education Legacy Trust Account	$4,067.7	$0.0	$123.2	$4,190.9	$123.2
WA Opportunity Pathways Account	$315.2	$0.0	$22.7	$337.9	$22.7
Workforce Education Investment Account	$1,825.3	$0.0	($69.7)	$1,755.5	($69.7)
Fair Start for Kids Account	$0.0	$0.0	$0.0	$0.0	$0.0
Total	**$76,236.6**	**$0.0**	**$21.7**	**$76,258.2**	**$21.7**

Total Changes to General Fund-State, Education Legacy Trust Account, Washington Opportunity Pathways Account, Workforce Education Investment Account, and Fair Start for Kids Account Forecasts
Comparison of the September 2026 to the June 2026 Forecast
2027-29 Biennium
Cash Forecast; Millions of Dollars

	June 2026 Forecast	Non-economic Changes	Forecast Change	September 2026 Forecast	Total Change*
General Fund-State	$76,879.6	$0.0	$524.0	$77,403.6	$524.0
Education Legacy Trust Account	$2,844.7	$0.0	($79.3)	$2,765.4	($79.3)
WA Opportunity Pathways Account	$327.9	$0.0	$11.5	$339.4	$11.5
Workforce Education Investment Account	$2,112.3	$0.0	($26.2)	$2,086.0	($26.2)
Fair Start for Kids Account	$0.0	$0.0	$0.0	$0.0	$0.0
Total	**$82,164.5**	**$0.0**	**$430.0**	**$82,594.4**	**$430.0**

*Details may not add due to rounding

Track Record for the 2025-27 Forecast of Funds Subject to the Budget Outlook
February 2022 through September 2026
Cash Basis - Millions of Dollars

Date of Forecast	General Fund-State	Education Legacy Trust Acct.	Washington Opportunity Pathways Acct.	Workforce Education Investment Acct.	Subtotal	Non-Economic Changes		Total Change	Total of Funds
February 2022*	*$66,533*	*$2,305*	*$357*	*$831*					*$70,025*
Changes to Forecast									
June 2022	759	19	0	17	795	(619)	#1	176	70,202
September 2022	4	8	(7)	(18)	(13)	(53)	#2	(66)	70,136
November 2022	687	55	(4)	10	747	0		747	70,883
March 2023	(442)	(97)	9	(11)	(540)	0		(540)	70,342
June 2023	38	18	6	11	72	75	#3	147	70,489
September 2023	400	7	(1)	31	437	0		437	70,927
November 2023	507	59	8	4	579	0		579	71,506
February 2024	169	6	10	31	215	0		215	71,721
June 2024	(37)	(119)	(31)	35	(152)	(37)	#4	(189)	71,532
September 2024	(116)	97	27	9	16	63	#5	79	71,611
November 2024	(107)	(54)	(12)	(8)	(181)	0		(181)	71,431
March 2025	(665)	181	7	(2)	(479)	0		(479)	70,952
June 2025	(446)	(37)	(31)	24	(490)	4,294	#6	3,804	74,756
September 2025	(317)	(78)	(15)	(3)	(412)	0		(412)	74,343
November 2025	(14)	91	7	22	105	0		105	74,449
February 2026	656	7	(7)	172	827	0		827	75,276
June 2026	(423)	(65)	(6)	67	(427)	1,387	#7	961	76,237
September 2026	(55)	123	23	(70)	22	0		22	76,258
Total change:									
From February 2022	**598**	**221**	(17)	**322**	**1,123**	**5,110**		**6,233**	
Percent change	0.9	9.6	(4.9)	38.7	1.6	7.3		8.9	
Change in forecast since initial 25-27 biennial budget**									
	(599)	**42**	**(29)**	**212**	**(374)**	**5,681**		**5,307**	
Percent change	(0.8)	1.5	(8.0)	13.8	(0.5)	7.5		7.1	

* First official forecast for the 2025-27 biennium.

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

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

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

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

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

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

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

#7 Legislative and budget-driven revenue changes from the 2026 legislative session less Governor vetoes

September 2026 Cash Basis
Alternative forecasts of funds subject to the budget outlook
Millions of Dollars

2025-27 Biennium

	2025-27 Biennium	Difference From the September 2026 Baseline
September 2026 Baseline (50%)	$76,258	
September 2026 Alternative Forecasts		
Optimistic (20%)	$78,787	$2,529
Pessimistic (30%)	$73,437	($2,821)
Probability Weighted Average	$75,918	($341)

2027-29 Biennium

	2027-29 Biennium	Difference From the September 2026 Baseline
September 2026 Baseline (50%)	$82,594	
September 2026 Alternative Forecasts		
Optimistic (20%)	$87,793	$5,199
Pessimistic (30%)	$77,106	($5,489)
Probability Weighted Average	$81,988	($607)

General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account, Workforce Education Investment Account, and Fair Start for Kids Account
History and Forecast by Fiscal Year (Cash basis)
September 2026 - Millions of Dollars

	General Fund-State (GF-S) (current defintion)		Education Legacy Trust Fund* (ELTA)		WA Opportunity Pathways Account (OPA)		Workforce Ed. Investment Acct. (WEIA)		Fair Start For Kids Acct. (FSKA)		Total GF-S, ELTA, OPA, WEIA, and FSKA	
	Level	**% Chg.**	**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%
FY 2025	$32,299	3.9%	$1,462	51.3%	$173	-2.3%	$532	22.1%			$34,465	5.5%
FY 2026	$34,360	6.4%	$2,360	61.4%	$167	-3.3%	$754	41.9%			$37,641	9.2%
Forecast:												
FY 2027	$35,614	3.7%	$1,831	-22.4%	$171	2.5%	$1,001	32.8%			$38,618	2.6%
FY 2028	$36,398	2.2%	$1,354	-26.1%	$169	-1.3%	$1,021	2.0%			$38,942	0.8%
FY 2029	$41,005	12.7%	$1,412	4.3%	$170	0.9%	$1,065	4.3%			$43,652	12.1%
FY 2030	$43,705	6.6%	$1,487	5.3%	$173	1.3%	$1,064	0.0%	175.2		$46,604	6.8%
FY 2031	$44,447	1.7%	$1,551	4.4%	$174	0.7%	$1,093	2.7%	251.6	43.6%	$47,517	2.0%
Biennial Totals												
07-09 Biennium	**$29,817**	**0.1%**	**$437**	**14.8%**	**$0**	**NA**	**$0**	**NA**	**$0**	**NA**	**$30,254**	**0.3%**
09-11 Biennium	**$28,218**	**-5.4%**	**$269**	**-38.5%**	**$99**	**NA**	**$0**	**NA**	**$0**	**NA**	**$28,586**	**-5.5%**
11-13 Biennium	**$30,657**	**8.6%**	**$215**	**-19.9%**	**$244**	**145.2%**	**$0**	**NA**	**$0**	**NA**	**$31,116**	**8.8%**
13-15 Biennium	**$33,666**	**9.8%**	**$405**	**88.0%**	**$234**	**-4.1%**	**$0**	**NA**	**$0**	**NA**	**$34,305**	**10.2%**
15-17 Biennium	**$38,317**	**13.8%**	**$467**	**15.4%**	**$266**	**13.6%**	**$0**	**NA**	**$0**	**NA**	**$39,050**	**13.8%**
17-19 Biennium	**$44,143**	**15.2%**	**$1,654**	**254.1%**	**$284**	**6.9%**	**$0**	**NA**	**$0**	**NA**	**$46,081**	**18.0%**
19-21 Biennium	**$50,803**	**15.1%**	**$1,639**	**-0.9%**	**$337**	**18.5%**	**$352**	**NA**	**$0**	**NA**	**$53,132**	**15.3%**
21-23 Biennium	**$61,002**	**20.1%**	**$2,575**	**57.1%**	**$378**	**12.2%**	**$779**	**121.2%**	**$0**	**NA**	**$64,734**	**21.8%**
23-25 Biennium	**$63,392**	**3.9%**	**$2,428**	**-5.7%**	**$349**	**-7.6%**	**$967**	**24.1%**	**$0**	**NA**	**$67,137**	**3.7%**
25-27 Biennium	**$69,974**	**10.4%**	**$4,191**	**72.6%**	**$338**	**-3.3%**	**$1,756**	**81.6%**	**$0**	**NA**	**$76,258**	**13.6%**
27-29 Biennium	**$77,404**	**10.6%**	**$2,765**	**-34.0%**	**$339**	**0.4%**	**$2,086**	**18.8%**	**$0**	**NA**	**$82,594**	**8.3%**
30-31 Biennium	**$88,152**	**13.9%**	**$3,038**	**9.9%**	**$346**	**2.1%**	**$2,157**	**3.4%**	**$427**	**NA**	**$94,121**	**14.0%**

*Education legacy trust fund excluding FY 14 and FY 15 lottery fund transfers. Includes pension stabilization fund interest in FY08 and FY09.

Lottery transfers by fund
September 2026 forecast
(cash basis, millions of dollars)

	Lottery: Total Transfers:*	General Fund	Mariners Stadium	Exhibition Center & Stadium	Student ACHV Account	School Construction Account	Problem Gambling Account	Economic Develop. Account	Opportunity Pathways Account	Veteran's VIP Account	Education Legacy Trust Account	Gambling Revolving Account
2006	125.1	1.9	4.4	7.9	0.0	107.8	0.2	3.0	0.0	0.0	0.0	0.0
2007	120.6	7.6	4.5	8.2	0.0	97.0	0.3	3.0	0.0	0.0	0.0	0.0
2005-07 Biennium	245.7	9.5	8.9	16.1	0.0	204.8	0.4	6.0	0.0	0.0	0.0	0.0
2008	124.1	0.0	4.7	8.5	0.0	106.9	0.3	3.7	0.0	0.0	0.0	0.0
2009	122.2	11.1	4.9	8.9	0.0	94.4	0.2	2.7	0.0	0.0	0.0	0.0
2007-09 Biennium	246.4	11.1	9.6	17.4	0.0	201.3	0.5	6.4	0.0	0.0	0.0	0.0
2010	126.4	12.9	5.1	9.2	0.0	95.6	0.3	3.3	0.0	0.0	0.0	0.0
2011	137.2	8.6	5.3	9.6	0.0	9.4	0.3	4.5	99.5	0.0	0.0	0.0
2009-11 Biennium	263.6	21.5	10.4	18.8	0.0	105.0	0.5	7.9	99.5	0.0	0.0	0.0
2012	135.1	0.0	2.7	10.0	0.0	0.0	0.3	3.3	118.5	0.2	0.0	0.0
2013	139.7	0.0	0.0	10.4	0.0	0.0	0.3	3.5	125.5	0.0	0.0	0.0
2011-13 Biennium	274.8	0.0	2.7	20.4	0.0	0.0	0.6	6.9	244.0	0.2	0.0	0.0
2014	147.9	9.3	0.0	10.8	0.0	0.0	0.3	3.7	113.7	0.0	10.1	0.0
2015	143.1	0.6	0.0	11.2	0.0	0.0	0.3	4.7	120.2	0.0	6.1	0.0
2013-15 Biennium	291.0	9.9	0.0	22.0	0.0	0.0	0.6	8.4	233.9	0.0	16.1	0.0
2016	171.6	17.1	0.0	11.7	0.0	0.0	0.3	3.3	139.1	0.0	0.0	0.0
2017	159.7	14.8	0.0	12.2	0.0	0.0	0.3	4.8	126.6	0.0	0.0	1.0
2015-17 Biennium	331.2	31.9	0.0	23.8	0.0	0.0	0.7	8.0	265.7	0.0	0.0	1.0
2018	183.6	38.5	0.0	12.6	0.0	0.0	0.3	3.5	128.5	0.0	0.0	0.0
2019	213.8	38.7	0.0	13.1	0.0	0.0	0.4	5.8	155.7	0.0	0.0	0.0
2017-19 Biennium	397.3	77.3	0.0	25.8	0.0	0.0	0.8	9.3	284.2	0.0	0.0	0.0
2020	186.4	16.7	0.0	13.7	0.0	0.0	0.4	3.1	152.5	0.0	0.0	0.0
2021	231.6	27.7	0.0	14.2	0.0	0.0	0.5	4.8	184.4	0.0	0.0	0.0
2019-21 Biennium	418.0	44.4	0.0	27.9	0.0	0.0	0.8	8.0	336.9	0.0	0.0	0.0
2022	228.7	32.6	0.0	0.0	0.0	0.0	0.4	6.0	189.7	0.0	0.0	0.0
2023	244.7	48.1	0.0	0.0	0.0	0.0	0.5	7.7	188.4	0.0	0.0	0.0
2021-23 Biennium	473.4	80.7	0.0	0.0	0.0	0.0	0.9	13.7	378.1	0.0	0.0	0.0
2024	245.0	61.2	0.0	0.0	0.0	0.0	0.8	6.4	176.7	0.0	0.0	0.0
2025	204.8	25.7	0.0	0.0	0.0	0.0	0.9	5.6	172.6	0.0	0.0	0.0
2023-25 Biennium	449.8	86.9	0.0	0.0	0.0	0.0	1.6	12.0	349.3	0.0	0.0	0.0
2026	232.2	51.0	0.0	0.0	0.0	0.0	1.0	5.5	166.8	0.0	8.0	0.0
2027	222.5	43.8	0.0	0.0	0.0	0.0	1.0	6.6	171.1	0.0	0.0	0.0
2025-27 Biennium	454.8	94.8	0.0	0.0	0.0	0.0	2.0	12.1	337.9	0.0	8.0	0.0
2028	216.1	40.1	0.0	0.0	0.0	0.0	1.0	6.1	168.9	0.0	0.0	0.0
2029	217.8	40.2	0.0	0.0	0.0	0.0	1.0	6.1	170.5	0.0	0.0	0.0
2027-29 Biennium	433.9	80.3	0.0	0.0	0.0	0.0	1.9	12.2	339.4	0.0	0.0	0.0
2030	220.2	40.5	0.0	0.0	0.0	0.0	1.0	6.1	172.7	0.0	0.0	0.0
2031	221.4	40.5	0.0	0.0	0.0	0.0	1.0	6.1	173.8	0.0	0.0	0.0
2029-31 Biennium	441.6	80.9	0.0	0.0	0.0	0.0	2.0	12.2	346.5	0.0	0.0	0.0

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

Lottery transfers by fund
September 2026 forecast
(gaap basis, millions of dollars)

	Lottery: Total Transfers:*	General Fund	Mariners Stadium	Exhibition Center & Stadium	Student ACHV Account	School Construction Account	Problem Gambling Account	Economic Develop. Account	Opportunity Pathways Account	Veteran's VIP Account	Education Legacy Trust Account	Gambling Revolving Account
2006	125.1	1.9	4.4	7.9	0.0	107.8	0.2	3.0	0.0	0.0	0.0	0.0
2007	120.6	7.6	4.5	8.2	0.0	97.0	0.3	3.0	0.0	0.0	0.0	0.0
2005-07 Biennium	245.7	9.5	8.9	16.1	0.0	204.8	0.4	6.0	0.0	0.0	0.0	0.0
2008	124.1	0.0	4.7	8.5	0.0	106.9	0.3	3.7	0.0	0.0	0.0	0.0
2009	122.2	11.1	4.9	8.9	0.0	94.4	0.2	2.7	0.0	0.0	0.0	0.0
2007-09 Biennium	246.4	11.1	9.6	17.4	0.0	201.3	0.5	6.4	0.0	0.0	0.0	0.0
2010	129.4	12.9	5.1	9.2	0.0	97.4	0.3	4.6	0.0	0.0	0.0	0.0
2011	138.2	7.0	5.3	9.6	0.0	0.0	0.3	3.7	112.3	0.0	0.0	0.0
2009-11 Biennium	267.6	19.9	10.4	18.8	0.0	97.4	0.5	8.3	112.3	0.0	0.0	0.0
2012	138.0	0.0	2.7	10.0	0.0	0.0	0.3	3.0	121.8	0.2	0.0	0.0
2013	139.2	9.3	0.0	10.4	0.0	0.0	0.3	3.6	115.5	0.0	0.0	0.0
2011-13 Biennium	277.2	9.3	2.7	20.4	0.0	0.0	0.6	6.6	237.4	0.2	0.0	0.0
2014	147.7	0.6	0.0	10.8	0.0	0.0	0.3	4.0	121.9	0.0	10.1	0.0
2015	141.3	0.0	0.0	11.2	0.0	0.0	0.3	4.7	119.0	0.0	6.1	0.0
2013-15 Biennium	288.9	0.6	0.0	22.0	0.0	0.0	0.6	8.7	240.9	0.0	16.1	0.0
2016	175.5	31.9	0.0	11.7	0.0	0.0	0.3	2.8	128.7	0.0	0.0	0.0
2017	161.9	16.8	0.0	12.2	0.0	0.0	0.3	4.9	126.8	0.0	0.0	1.0
2015-17 Biennium	337.4	48.7	0.0	23.8	0.0	0.0	0.7	7.7	255.5	0.0	0.0	1.0
2018	183.0	31.2	0.0	12.6	0.0	0.0	0.4	4.6	134.2	0.0	0.0	0.0
2019	215.8	30.9	0.0	13.1	0.0	0.0	0.4	4.6	166.7	0.0	0.0	0.0
2017-19 Biennium	398.8	62.1	0.0	25.8	0.0	0.0	0.8	9.2	300.9	0.0	0.0	0.0
2020	180.9	16.2	0.0	13.7	0.0	0.0	0.4	3.4	147.3	0.0	0.0	0.0
2021	229.0	23.9	0.0	14.2	0.0	0.0	0.5	4.7	185.7	0.0	0.0	0.0
2019-21 Biennium	410.0	40.1	0.0	27.9	0.0	0.0	0.8	8.1	333.1	0.0	0.0	0.0
2022	216.8	33.6	0.0	0.0	0.0	0.0	0.4	6.2	176.6	0.0	0.0	0.0
2023	253.1	45.5	0.0	0.0	0.0	0.0	0.5	7.3	199.9	0.0	0.0	0.0
2021-23 Biennium	473.4	80.7	0.0	0.0	0.0	0.0	0.9	13.7	378.1	0.0	0.0	0.0
2024	242.8	58.2	0.0	0.0	0.0	0.0	0.8	6.7	177.1	0.0	0.0	0.0
2025	201.2	25.6	0.0	0.0	0.0	0.0	0.9	5.7	169.0	0.0	0.0	0.0
2023-25 Biennium	444.1	83.8	0.0	0.0	0.0	0.0	1.7	12.4	346.2	0.0	0.0	0.0
2026	240.5	52.0	0.0	0.0	0.0	0.0	1.0	6.0	173.5	0.0	8.0	0.0
2027	222.9	43.6	0.0	0.0	0.0	0.0	1.0	6.1	172.2	0.0	0.0	0.0
2025-27 Biennium	463.3	95.6	0.0	0.0	0.0	0.0	2.0	12.1	345.7	0.0	8.0	0.0
2028	216.4	40.2	0.0	0.0	0.0	0.0	1.0	6.1	169.2	0.0	0.0	0.0
2029	217.9	40.5	0.0	0.0	0.0	0.0	1.0	6.1	170.3	0.0	0.0	0.0
2027-29 Biennium	434.3	80.7	0.0	0.0	0.0	0.0	1.9	12.2	339.5	0.0	0.0	0.0
2030	220.4	38.8	0.0	0.0	0.0	0.0	1.0	6.1	174.5	0.0	0.0	0.0
2031	221.8	40.9	0.0	0.0	0.0	0.0	1.0	6.1	173.9	0.0	0.0	0.0
2029-31 Biennium	442.3	79.7	0.0	0.0	0.0	0.0	2.0	12.2	348.4	0.0	0.0	0.0

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

General Fund-State Cash Estimates - Other Agencies
Comparison of the September 2026 and June 2026 forecasts
2025-27 Biennium
(Amounts in Millions)

Source/Agency	June 2026 Baseline	Non-Economic Changes	Economic Changes	September 2026 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	$1,988.4	$0.0	$14.1	$2,002.6	$14.1
Liquor & Cannabis Board Taxes, Licenses, and Fees	$544.5	$0.0	($11.4)	$533.1	($11.4)
Lottery Commission Lottery Revenue	$91.2	$0.0	$3.6	$94.8	$3.6
State Treasurer Interest Earnings	$194.3	$0.0	$3.0	$197.3	$3.0
Office of Financial Management Other Agencies	$526.8	$0.0	$1.5	$528.3	$1.5
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	$121.8	$0.0	($5.8)	$116.0	($5.8)
Total General Fund-State	**$3,467.1**	**$0.0**	**$5.0**	**$3,472.1**	**$5.0**

General Fund-State GAAP Estimates - Other Agencies
Comparison of the September 2026 and June 2026 forecasts
2025-27 Biennium
(Amounts in Millions)

Source/Agency	June 2026 Baseline	Non-Economic Changes	Economic Changes	September 2026 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	$1,988.4	$0.0	$14.1	$2,002.6	$14.1
Liquor & Cannabis Board Taxes, Licenses, and Fees	$544.5	$0.0	($11.4)	$533.1	($11.4)
Lottery Commission Lottery Revenue	$91.4	$0.0	$4.2	$95.6	$4.2
State Treasurer Interest Earnings	$186.4	$0.0	$3.0	$189.3	$3.0
Office of Financial Management Other Agencies	$526.8	$0.0	$1.5	$528.3	$1.5
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	$121.8	$0.0	($5.8)	$116.0	($5.8)
Total General Fund-State	**$3,459.3**	**$0.0**	**$5.6**	**$3,464.9**	**$5.6**

* Detail may not total due to rounding.

General Fund-State Cash Estimates - Other Agencies
Comparison of the September 2026 and June 2026 forecasts
2027-29 Biennium
(Amounts in Millions)

Source/Agency	June 2026 Baseline	Non-Economic Changes	Economic Changes	September 2026 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	$2,140.1	$0.0	$4.2	$2,144.3	$4.2
Liquor & Cannabis Board Taxes, Licenses, and Fees	$568.3	$0.0	($8.8)	$559.5	($8.8)
Lottery Commission Lottery Revenue	$71.6	$0.0	$8.8	$80.3	$8.8
State Treasurer Interest Earnings	$196.5	$0.0	($21.8)	$174.7	($21.8)
Office of Financial Management Other Agencies	($605.2)	$0.0	($4.4)	($609.7)	($4.4)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	$128.1	$0.0	($11.0)	$117.1	($11.0)
Total General Fund-State	**$2,499.3**	**$0.0**	**($33.0)**	**$2,466.2**	**($33.0)**

General Fund-State GAAP Estimates - Other Agencies
Comparison of the September 2026 and June 2026 forecasts
2027-29 Biennium
(Amounts in Millions)

Source/Agency	June 2026 Baseline	Non-Economic Changes	Economic Changes	September 2026 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	$2,140.1	$0.0	$4.2	$2,144.3	$4.2
Liquor & Cannabis Board Taxes, Licenses, and Fees	$568.3	$0.0	($8.8)	$559.5	($8.8)
Lottery Commission Lottery Revenue	$71.5	$0.0	$9.2	$80.7	$9.2
State Treasurer Interest Earnings	$198.0	$0.0	($22.5)	$175.5	($22.5)
Office of Financial Management Other Agencies	($605.2)	$0.0	($4.4)	($609.7)	($4.4)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	$128.1	$0.0	($11.0)	$117.1	($11.0)
Total General Fund-State	**$2,500.7**	**$0.0**	**($33.3)**	**$2,467.4**	**($33.3)**

* Detail may not total due to rounding.

General Fund-State Cash Estimates - Other Agencies
Comparison of the September 2026 and June 2026 forecasts
2029-31 Biennium
(Amounts in Millions)

Source/Agency	June 2026 Baseline	Non-Economic Changes	Economic Changes	September 2026 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	$2,298.7	$0.0	$2.8	$2,301.5	$2.8
Liquor & Cannabis Board Taxes, Licenses, and Fees	$581.2	$0.0	($8.4)	$572.8	($8.4)
Lottery Commission Lottery Revenue	$70.5	$0.0	$10.4	$80.9	$10.4
State Treasurer Interest Earnings	$215.6	$0.0	($7.4)	$208.2	($7.4)
Office of Financial Management Other Agencies	($340.3)	$0.0	($115.3)	($455.6)	($115.3)
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	$130.2	$0.0	($11.3)	$118.9	($11.3)
Total General Fund-State	**$2,955.9**	**$0.0**	**($129.3)**	**$2,826.6**	**($129.3)**

General Fund-State GAAP Estimates - Other Agencies
Comparison of the September 2026 and June 2026 forecasts
2029-31 Biennium
(Amounts in Millions)

Source/Agency	June 2026 Baseline	Non-Economic Changes	Economic Changes	September 2026 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	$2,298.7	$0.0	$2.8	$2,301.5	$2.8
Liquor & Cannabis Board Taxes, Licenses, and Fees	$581.2	$0.0	($8.4)	$572.8	($8.4)
Lottery Commission Lottery Revenue	$70.6	$0.0	$9.0	$79.7	$9.0
State Treasurer Interest Earnings	$215.8	$0.0	($6.9)	$208.8	($6.9)
Office of Financial Management Other Agencies	($340.3)	$0.0	($115.3)	($455.6)	($115.3)
Washington Court System GF-S Share of Fines, Fees, and Forfeitures	$130.2	$0.0	($11.3)	$118.9	($11.3)
Total General Fund-State	**$2,956.3**	**$0.0**	**($130.2)**	**$2,826.1**	**($130.2)**

U.S. Forecast Comparison

	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2025	2026	2027	2028	2029	2030	2031
Real GDP (Billions of 2017 Dollars)												
September Forecast, Final	24,270	24,423	24,547	24,670	24,790	23,850	24,355	24,852	25,349	25,856	26,374	26,875
Percent Change	*1.5%*	*2.6%*	*2.0%*	*2.0%*	*2.0%*	*2.1%*	*2.1%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*1.9%*
September Forecast, Preliminary	24,271	24,414	24,534	24,658	24,785	23,850	24,350	24,847	25,344	25,850	26,367	26,868
Percent Change	*1.5%*	*2.4%*	*2.0%*	*2.0%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*1.9%*
Real Consumption (Billions of 2017 Dollars)												
September Forecast, Final	16,830	16,909	16,978	17,055	17,138	16,511	16,851	17,178	17,539	17,907	18,283	18,649
Percent Change	*3.4%*	*1.9%*	*1.7%*	*1.8%*	*2.0%*	*2.6%*	*2.1%*	*1.9%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*
September Forecast, Preliminary	16,818	16,888	16,954	17,030	17,112	16,511	16,837	17,155	17,515	17,883	18,258	18,624
Percent Change	*3.2%*	*1.7%*	*1.6%*	*1.8%*	*1.9%*	*2.6%*	*2.0%*	*1.9%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*
PCE Price Index (2017=100)												
September Forecast, Final	131.3	132.2	133.1	133.8	134.5	126.9	131.6	134.9	137.9	140.9	143.7	146.6
Percent Change	*5.3%*	*2.5%*	*2.9%*	*2.1%*	*2.2%*	*2.6%*	*3.7%*	*2.5%*	*2.2%*	*2.2%*	*2.0%*	*2.0%*
September Forecast, Preliminary	131.3	131.7	132.6	133.3	134.1	126.9	131.3	134.4	137.4	140.3	143.1	146.0
Percent Change	*5.1%*	*1.2%*	*2.8%*	*2.2%*	*2.2%*	*2.6%*	*3.5%*	*2.4%*	*2.2%*	*2.1%*	*2.0%*	*2.0%*
Real Personal Income (Billions of 2017 Dollars)												
September Forecast, Final	20,488	20,612	20,741	20,973	21,163	20,564	20,599	21,255	21,941	22,565	23,227	23,817
Percent Change	*-1.3%*	*2.4%*	*2.5%*	*4.6%*	*3.7%*	*2.1%*	*0.2%*	*3.2%*	*3.2%*	*2.8%*	*2.9%*	*2.5%*
September Forecast, Preliminary	20,487	20,638	20,775	21,001	21,202	20,564	20,614	21,302	22,046	22,690	23,309	23,906
Percent Change	*-1.3%*	*3.0%*	*2.7%*	*4.4%*	*3.9%*	*2.1%*	*0.2%*	*3.3%*	*3.5%*	*2.9%*	*2.7%*	*2.6%*
Nonfarm Payroll Employment (Millions)												
September Forecast, Final	158.8	159.0	159.1	159.2	159.2	158.4	158.9	159.2	159.5	159.9	160.5	161.0
Percent Change	*0.7%*	*0.4%*	*0.2%*	*0.2%*	*0.1%*	*0.5%*	*0.3%*	*0.2%*	*0.2%*	*0.2%*	*0.4%*	*0.3%*
September Forecast, Preliminary	158.9	159.0	159.0	159.1	159.2	158.4	158.9	159.2	159.4	159.9	160.5	161.0
Percent Change	*0.9%*	*0.2%*	*0.2%*	*0.2%*	*0.1%*	*0.5%*	*0.3%*	*0.2%*	*0.2%*	*0.3%*	*0.4%*	*0.3%*
Unemployment Rate (Percent of Labor Force)												
September Forecast, Final	4.3	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.4	4.4	4.3	4.3
September Forecast, Preliminary	4.3	4.3	4.4	4.4	4.4	4.3	4.3	4.4	4.4	4.4	4.3	4.3
Oil Price, Refiner's Acquisition												
September Forecast, Final	98.2	88.4	99.6	88.5	80.8	66.6	89.1	79.7	70.7	67.8	65.8	64.1
September Forecast, Preliminary	91.4	79.1	76.6	73.0	71.0	66.6	79.4	70.7	67.4	66.0	65.0	64.1
30 Year Fixed Mortgage Rate (Percent, average)												
September Forecast, Final	6.4	6.6	6.5	6.4	6.2	6.6	6.4	6.2	5.8	5.7	5.7	5.6
September Forecast, Preliminary	6.4	6.6	6.4	6.2	6.1	6.6	6.4	6.0	5.8	5.7	5.7	5.6
3 Month T-Bill Rate (Percent, average)												
September Forecast, Final	3.6	3.8	3.9	3.8	3.7	4.1	3.7	3.6	3.0	2.8	2.8	2.8
September Forecast, Preliminary	3.6	3.8	3.7	3.6	3.5	4.1	3.7	3.4	2.9	2.8	2.8	2.8

U.S. Forecast Comparison

	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2025	2026	2027	2028	2029	2030	2031
Real GDP (Billions of 2017 Dollars)												
September Forecast, Final	24,270	24,423	24,547	24,670	24,790	23,850	24,355	24,852	25,349	25,856	26,374	26,875
Percent Change	*1.5%*	*2.6%*	*2.0%*	*2.0%*	*2.0%*	*2.1%*	*2.1%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*1.9%*
June Forecast	24,286	24,397	24,516	24,643	24,764	23,850	24,338	24,822	25,319	25,825	26,342	26,842
Percent Change	*2.2%*	*1.8%*	*2.0%*	*2.1%*	*2.0%*	*2.1%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*1.9%*
Real Consumption (Billions of 2017 Dollars)												
September Forecast, Final	16,830	16,909	16,978	17,055	17,138	16,511	16,851	17,178	17,539	17,907	18,283	18,649
Percent Change	*3.4%*	*1.9%*	*1.7%*	*1.8%*	*2.0%*	*2.6%*	*2.1%*	*1.9%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*
June Forecast	16,796	16,860	16,932	17,008	17,088	16,511	16,828	17,130	17,490	17,857	18,232	18,597
Percent Change	*1.7%*	*1.5%*	*1.7%*	*1.8%*	*1.9%*	*2.6%*	*1.9%*	*1.8%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*
PCE Price Index (2017=100)												
September Forecast, Final	131.3	132.2	133.1	133.8	134.5	126.9	131.6	134.9	137.9	140.9	143.7	146.6
Percent Change	*5.3%*	*2.5%*	*2.9%*	*2.1%*	*2.2%*	*2.6%*	*3.7%*	*2.5%*	*2.2%*	*2.2%*	*2.0%*	*2.0%*
June Forecast	131.3	132.0	132.9	133.7	134.5	126.9	131.4	134.8	138.2	141.3	144.0	146.9
Percent Change	*5.2%*	*2.0%*	*2.8%*	*2.6%*	*2.3%*	*2.6%*	*3.6%*	*2.6%*	*2.5%*	*2.2%*	*1.9%*	*2.0%*
Real Personal Income (Billions of 2017 Dollars)												
September Forecast, Final	20,488	20,612	20,741	20,973	21,163	20,564	20,599	21,255	21,941	22,565	23,227	23,817
Percent Change	*-1.3%*	*2.4%*	*2.5%*	*4.6%*	*3.7%*	*2.1%*	*0.2%*	*3.2%*	*3.2%*	*2.8%*	*2.9%*	*2.5%*
June Forecast	20,441	20,581	20,737	20,977	21,160	20,564	20,577	21,246	21,880	22,481	23,117	23,764
Percent Change	*-2.1%*	*2.8%*	*3.1%*	*4.7%*	*3.5%*	*2.1%*	*0.1%*	*3.3%*	*3.0%*	*2.7%*	*2.8%*	*2.8%*
Nonfarm Payroll Employment (Millions)												
September Forecast, Final	158.8	159.0	159.1	159.2	159.2	158.4	158.9	159.2	159.5	159.9	160.5	161.0
Percent Change	*0.7%*	*0.4%*	*0.2%*	*0.2%*	*0.1%*	*0.5%*	*0.3%*	*0.2%*	*0.2%*	*0.2%*	*0.4%*	*0.3%*
June Forecast	158.9	159.0	159.0	159.0	159.0	158.4	158.9	159.0	159.3	159.8	160.5	160.9
Percent Change	*0.9%*	*0.2%*	*0.0%*	*0.0%*	*0.0%*	*0.5%*	*0.3%*	*0.1%*	*0.2%*	*0.4%*	*0.4%*	*0.3%*
Unemployment Rate (Percent of Labor Force)												
September Forecast, Final	4.3	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.4	4.4	4.3	4.3
June Forecast	4.3	4.5	4.6	4.7	4.8	4.3	4.4	4.8	4.6	4.4	4.3	4.3
Oil Price, Refiner's Acquisition												
September Forecast, Final	98.2	88.4	99.6	88.5	80.8	66.6	89.1	79.7	70.7	67.8	65.8	64.1
June Forecast	99.4	86.3	81.9	78.7	76.5	66.6	84.4	76.1	72.0	69.4	67.2	65.3
30 Year Fixed Mortgage Rate (Percent, average)												
September Forecast, Final	6.4	6.6	6.5	6.4	6.2	6.6	6.4	6.2	5.8	5.7	5.7	5.6
June Forecast	6.4	6.4	6.2	6.1	6.0	6.6	6.3	6.0	5.9	5.8	5.8	5.8
3 Month T-Bill Rate (Percent, average)												
September Forecast, Final	3.6	3.8	3.9	3.8	3.7	4.1	3.7	3.6	3.0	2.8	2.8	2.8
June Forecast	3.7	3.6	3.5	3.5	3.4	4.1	3.6	3.3	2.9	2.9	2.8	2.8

Washington Forecast Comparison

	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2025	2026	2027	2028	2029	2030	2031
Real Personal Income (Billions of 2017 Dollars)												
September Forecast, Final	560.0	564.9	568.7	574.8	580.7	561.2	563.8	583.6	605.7	625.3	644.3	662.9
Percent Change	*-1.1%*	*3.6%*	*2.7%*	*4.4%*	*4.1%*	*2.3%*	*0.5%*	*3.5%*	*3.8%*	*3.2%*	*3.0%*	*2.9%*
September Forecast, Preliminary	559.9	565.7	569.5	575.5	581.5	561.2	564.2	584.5	606.6	626.7	645.6	664.0
Percent Change	*-1.1%*	*4.2%*	*2.7%*	*4.3%*	*4.2%*	*2.3%*	*0.5%*	*3.6%*	*3.8%*	*3.3%*	*3.0%*	*2.9%*
Personal Income (Billions of Dollars)												
September Forecast, Final	735.4	746.6	756.9	769.1	781.2	712.2	741.7	787.3	835.1	881.0	925.9	971.5
Percent Change	*4.1%*	*6.3%*	*5.7%*	*6.6%*	*6.5%*	*4.9%*	*4.1%*	*6.1%*	*6.1%*	*5.5%*	*5.1%*	*4.9%*
September Forecast, Preliminary	735.1	744.9	755.2	767.3	779.5	712.2	740.8	785.5	833.3	879.1	924.1	969.6
Percent Change	*4.0%*	*5.5%*	*5.6%*	*6.6%*	*6.5%*	*4.9%*	*4.0%*	*6.0%*	*6.1%*	*5.5%*	*5.1%*	*4.9%*
Disposable Personal Income (Billions of Dollars)												
September Forecast, Final	648.1	657.9	666.6	676.3	686.7	623.8	653.3	692.0	735.1	775.9	813.9	850.7
Percent Change	*4.9%*	*6.2%*	*5.4%*	*5.9%*	*6.3%*	*2.9%*	*4.7%*	*5.9%*	*6.2%*	*5.6%*	*4.9%*	*4.5%*
September Forecast, Preliminary	647.8	655.5	664.2	673.7	684.1	623.8	652.0	689.3	731.7	772.1	810.3	848.0
Percent Change	*4.7%*	*4.9%*	*5.4%*	*5.8%*	*6.3%*	*2.9%*	*4.5%*	*5.7%*	*6.2%*	*5.5%*	*4.9%*	*4.7%*
Nonfarm Payroll Employment (Thousands)												
September Forecast, Final	3630.6	3644.9	3648.4	3652.6	3656.7	3632	3639	3660	3684	3717	3753	3776
Percent Change	*0.0%*	*1.6%*	*0.4%*	*0.5%*	*0.5%*	*0.4%*	*0.2%*	*0.6%*	*0.7%*	*0.9%*	*1.0%*	*0.6%*
September Forecast, Preliminary	3630.5	3643.5	3645.1	3649.9	3654.9	3632	3637	3658	3681	3712	3747	3771
Percent Change	*0.0%*	*1.4%*	*0.2%*	*0.5%*	*0.6%*	*0.4%*	*0.2%*	*0.6%*	*0.6%*	*0.8%*	*0.9%*	*0.6%*
Unemployment Rate (Percent of Labor Force)												
September Forecast, Final	5.2	5.0	5.1	5.1	5.1	4.6	5.1	5.1	5.0	4.8	4.7	4.6
September Forecast, Preliminary	5.2	5.0	5.1	5.1	5.1	4.6	5.1	5.1	5.0	4.8	4.7	4.6
Manufacturing Employment (Thousands)												
September Forecast, Final	274.0	276.6	277.5	277.5	277.2	271.1	274.9	277.0	275.7	275.0	275.4	275.6
Percent Change	*3.5%*	*3.9%*	*1.3%*	*0.0%*	*-0.4%*	*-1.1%*	*1.4%*	*0.8%*	*-0.5%*	*-0.3%*	*0.2%*	*0.0%*
September Forecast, Preliminary	274.0	275.9	276.4	276.3	276.1	271.1	274.5	276.0	275.2	274.7	275.0	275.1
Percent Change	*3.5%*	*2.8%*	*0.8%*	*-0.1%*	*-0.3%*	*-1.1%*	*1.2%*	*0.6%*	*-0.3%*	*-0.2%*	*0.1%*	*0.1%*
Construction Employment (Thousands)												
September Forecast, Final	213.9	214.2	214.5	214.9	215.3	217.6	214.7	215.8	219.2	223.4	227.0	228.3
Percent Change	*-4.0%*	*0.5%*	*0.7%*	*0.7%*	*0.7%*	*-1.7%*	*-1.3%*	*0.5%*	*1.6%*	*1.9%*	*1.6%*	*0.6%*
September Forecast, Preliminary	213.9	214.5	214.8	215.2	215.6	217.6	214.8	216.1	219.2	223.2	226.7	228.1
Percent Change	*-4.0%*	*1.0%*	*0.6%*	*0.8%*	*0.7%*	*-1.7%*	*-1.3%*	*0.6%*	*1.4%*	*1.8%*	*1.6%*	*0.6%*
Housing Permits (Thousands)												
September Forecast, Final	49.8	42.7	38.4	38.3	38.3	34.9	42.1	38.3	39.1	40.6	41.8	42.4
Percent Change	*204.5%*	*-45.6%*	*-34.8%*	*-0.8%*	*-0.7%*	*-7.6%*	*20.7%*	*-9.2%*	*2.1%*	*3.9%*	*3.0%*	*1.5%*
September Forecast, Preliminary	49.8	40.2	36.8	36.7	36.5	34.9	41.1	36.6	37.6	39.2	40.5	41.5
Percent Change	*204.5%*	*-57.5%*	*-30.0%*	*-1.1%*	*-1.2%*	*-7.6%*	*17.7%*	*-10.9%*	*2.6%*	*4.3%*	*3.4%*	*2.4%*

Washington Forecast Comparison

	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2025	2026	2027	2028	2029	2030	2031
Real Personal Income (Billions of 2017 Dollars)												
September Forecast, Final	560.0	564.9	568.7	574.8	580.7	561.2	563.8	583.6	605.7	625.3	644.3	662.9
Percent Change	*-1.1%*	*3.6%*	*2.7%*	*4.4%*	*4.1%*	*2.3%*	*0.5%*	*3.5%*	*3.8%*	*3.2%*	*3.0%*	*2.9%*
June Forecast	560.9	564.4	568.4	573.2	578.3	561.2	564.0	580.8	598.6	616.3	634.9	652.0
Percent Change	*-1.0%*	*2.5%*	*2.9%*	*3.4%*	*3.6%*	*2.3%*	*0.5%*	*3.0%*	*3.1%*	*3.0%*	*3.0%*	*2.7%*
Personal Income (Billions of Dollars)												
September Forecast, Final	735.4	746.6	756.9	769.1	781.2	712.2	741.7	787.3	835.1	881.0	925.9	971.5
Percent Change	*4.1%*	*6.3%*	*5.7%*	*6.6%*	*6.5%*	*4.9%*	*4.1%*	*6.1%*	*6.1%*	*5.5%*	*5.1%*	*4.9%*
June Forecast	736.5	744.7	755.3	766.4	777.7	712.2	741.3	783.3	827.4	870.7	914.0	957.8
Percent Change	*4.2%*	*4.6%*	*5.8%*	*6.1%*	*6.0%*	*4.9%*	*4.1%*	*5.7%*	*5.6%*	*5.2%*	*5.0%*	*4.8%*
Disposable Personal Income (Billions of Dollars)												
September Forecast, Final	648.1	657.9	666.6	676.3	686.7	623.8	653.3	692.0	735.1	775.9	813.9	850.7
Percent Change	*4.9%*	*6.2%*	*5.4%*	*5.9%*	*6.3%*	*2.9%*	*4.7%*	*5.9%*	*6.2%*	*5.6%*	*4.9%*	*4.5%*
June Forecast	647.3	654.5	663.9	673.0	682.5	623.8	651.7	687.3	726.5	764.6	800.1	835.6
Percent Change	*4.0%*	*4.5%*	*5.8%*	*5.6%*	*5.8%*	*2.9%*	*4.5%*	*5.5%*	*5.7%*	*5.3%*	*4.6%*	*4.4%*
Nonfarm Payroll Employment (Thousands)												
September Forecast, Final	3630.6	3644.9	3648.4	3652.6	3656.7	3632	3639	3660	3684	3717	3753	3776
Percent Change	*0.0%*	*1.6%*	*0.4%*	*0.5%*	*0.5%*	*0.4%*	*0.2%*	*0.6%*	*0.7%*	*0.9%*	*1.0%*	*0.6%*
June Forecast	3635.2	3636.5	3636.9	3640.4	3645.5	3634	3636	3648	3674	3706	3738	3760
Percent Change	*0.1%*	*0.1%*	*0.0%*	*0.4%*	*0.6%*	*0.5%*	*0.1%*	*0.4%*	*0.7%*	*0.9%*	*0.9%*	*0.6%*
Unemployment Rate (Percent of Labor Force)												
September Forecast, Final	5.2	5.0	5.1	5.1	5.1	4.6	5.1	5.1	5.0	4.8	4.7	4.6
June Forecast	5.2	5.3	5.4	5.4	5.4	4.6	5.3	5.3	5.1	4.8	4.7	4.6
Manufacturing Employment (Thousands)												
September Forecast, Final	274.0	276.6	277.5	277.5	277.2	271.1	274.9	277.0	275.7	275.0	275.4	275.6
Percent Change	*3.5%*	*3.9%*	*1.3%*	*0.0%*	*-0.4%*	*-1.1%*	*1.4%*	*0.8%*	*-0.5%*	*-0.3%*	*0.2%*	*0.0%*
June Forecast	275.2	276.1	276.6	276.5	276.6	271.1	275.0	276.5	276.4	277.8	278.8	279.1
Percent Change	*4.4%*	*1.4%*	*0.7%*	*-0.1%*	*0.1%*	*-1.1%*	*1.4%*	*0.5%*	*0.0%*	*0.5%*	*0.4%*	*0.1%*
Construction Employment (Thousands)												
September Forecast, Final	213.9	214.2	214.5	214.9	215.3	217.6	214.7	215.8	219.2	223.4	227.0	228.3
Percent Change	*-4.0%*	*0.5%*	*0.7%*	*0.7%*	*0.7%*	*-1.7%*	*-1.3%*	*0.5%*	*1.6%*	*1.9%*	*1.6%*	*0.6%*
June Forecast	215.8	215.7	215.6	215.8	216.3	218.1	215.7	216.8	220.8	225.1	228.3	229.3
Percent Change	*0.2%*	*-0.1%*	*-0.2%*	*0.4%*	*0.8%*	*-1.5%*	*-1.1%*	*0.5%*	*1.8%*	*1.9%*	*1.5%*	*0.4%*
Housing Permits (Thousands)												
September Forecast, Final	49.8	42.7	38.4	38.3	38.3	34.9	42.1	38.3	39.1	40.6	41.8	42.4
Percent Change	*204.5%*	*-45.6%*	*-34.8%*	*-0.8%*	*-0.7%*	*-7.6%*	*20.7%*	*-9.2%*	*2.1%*	*3.9%*	*3.0%*	*1.5%*
June Forecast	39.4	34.3	35.0	35.7	36.4	34.9	36.6	36.6	38.2	39.6	40.4	41.0
Percent Change	*19.8%*	*-42.7%*	*8.1%*	*8.5%*	*8.0%*	*-7.6%*	*4.8%*	*0.0%*	*4.5%*	*3.5%*	*2.1%*	*1.5%*

Washington and U.S. Forecast Comparison

	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2025	2026	2027	2028	2029	2030	2031
Real GDP												
September Forecast, WA	1.6%	2.5%	2.0%	2.2%	2.4%	2.2%	2.4%	2.2%	2.6%	2.6%	2.5%	2.5%
September Forecast, US	1.5%	2.6%	2.0%	2.0%	2.0%	2.1%	2.1%	2.0%	2.0%	2.0%	2.0%	1.9%
Personal Income												
September Forecast, WA	4.1%	6.3%	5.7%	6.6%	6.5%	4.9%	4.1%	6.1%	6.1%	5.5%	5.1%	4.9%
September Forecast, US	3.9%	5.1%	5.5%	6.8%	6.0%	4.8%	3.8%	5.8%	5.5%	5.1%	5.0%	4.6%
Nonfarm Payroll Employment												
September Forecast, WA	0.0%	1.6%	0.4%	0.5%	0.5%	0.4%	0.2%	0.6%	0.7%	0.9%	1.0%	0.6%
September Forecast, US	0.7%	0.4%	0.2%	0.2%	0.1%	0.5%	0.3%	0.2%	0.2%	0.2%	0.4%	0.3%
Housing Permits/Starts [1]												
September Forecast, WA	204.5%	-45.6%	-34.8%	-0.8%	-0.7%	-7.6%	20.7%	-9.2%	2.1%	3.9%	3.0%	1.5%
September Forecast, US	-20.9%	-2.7%	4.5%	-0.4%	-1.8%	-1.0%	0.0%	-1.9%	-1.5%	-0.2%	0.0%	-0.2%
Unemployment Rate												
September Forecast, WA	5.2%	5.0%	5.1%	5.1%	5.1%	4.6%	5.1%	5.1%	5.0%	4.8%	4.7%	4.6%
September Forecast, US	4.3%	4.2%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.4%	4.4%	4.3%	4.3%
Consumer Price Index [2]												
September Forecast, WA	4.7%	4.4%	4.2%	2.9%	2.2%	2.5%	4.3%	2.4%	2.5%	2.4%	2.3%	2.3%
September Forecast, US	3.8%	3.5%	3.4%	2.9%	2.0%	2.7%	3.3%	2.3%	2.3%	2.3%	2.1%	2.2%

[1] WA Housing Permits, US Housing Starts

[2] WA Forecast is Seattle CPI. Percent Change is YoY

U.S. Forecast Comparison						Fiscal Years
	2026	2027	2028	2029	2030	2031
Real GDP						
Billions of 2017 dollars						
September Forecast	24,133	24,608	25,100	25,601	26,115	26,627
Growth	*2.3%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*
June Forecast	24,130	24,580	25,068	25,569	26,087	26,593
Growth	*2.3%*	*1.9%*	*2.0%*	*2.0%*	*2.0%*	*1.9%*
Difference in level	3	28	32	32	28	33
Difference in growth forecast	***0.0%***	***0.1%***	***0.0%***	***0.0%***	***0.0%***	***0.0%***
Real Consumption						
Billions of 2017 dollars						
September Forecast	16,692	17,020	17,353	17,721	18,097	18,468
Growth	*2.3%*	*2.0%*	*2.0%*	*2.1%*	*2.1%*	*2.0%*
June Forecast	16,693	16,972	17,305	17,669	18,050	18,416
Growth	*2.3%*	*1.7%*	*2.0%*	*2.1%*	*2.2%*	*2.0%*
Difference in level	0	48	48	52	47	52
Difference in growth forecast	***0.0%***	***0.3%***	***0.0%***	***0.0%***	***0.0%***	***0.0%***
PCE Price Index						
2017 = 100						
September Forecast	129.1	133.4	136.4	139.4	142.3	145.1
Growth	*3.1%*	*3.3%*	*2.2%*	*2.2%*	*2.1%*	*2.0%*
June Forecast	129.1	133.3	136.5	139.8	142.6	145.4
Growth	*3.1%*	*3.2%*	*2.4%*	*2.5%*	*2.0%*	*2.0%*
Difference in level	0.0	0.1	-0.1	-0.4	-0.3	-0.3
Difference in growth forecast	***0.0%***	***0.1%***	***-0.2%***	***-0.2%***	***0.1%***	***0.0%***
Unemployment Rate						
Percent of Labor Force						
September Forecast	4.4%	4.3%	4.4%	4.4%	4.3%	4.3%
June Forecast	4.4%	4.6%	4.7%	4.5%	4.3%	4.3%
Difference in forecast	***0.0%***	***-0.4%***	***-0.4%***	***-0.2%***	***0.0%***	***0.0%***
30 Year Fixed Mortgage Rate						
Annual Average						
September Forecast	6.3%	6.4%	5.9%	5.8%	5.7%	5.6%
June Forecast	6.3%	6.2%	5.9%	5.9%	5.7%	5.8%
Difference in forecast	***0.0%***	***0.3%***	***0.0%***	***-0.1%***	***0.0%***	***-0.2%***
3 Month T-Bill Rate						
Annual Average						
September Forecast	3.8%	3.8%	3.3%	2.8%	2.8%	2.8%
June Forecast	3.8%	3.5%	3.1%	2.9%	2.9%	2.8%
Difference in forecast	***0.0%***	***0.3%***	***0.2%***	***0.0%***	***0.0%***	***-0.1%***

Washington Forecast Comparison						Fiscal Years
	2026	2027	2028	2029	2030	2031
Real Personal Income						
Billions of 2017 dollars						
September Forecast	562.2	572.3	595.1	615.6	634.9	653.6
Growth	*1.2%*	*1.8%*	*4.0%*	*3.5%*	*3.1%*	*2.9%*
June Forecast	562.8	571.1	590.2	607.1	625.7	643.6
Growth	*1.4%*	*1.5%*	*3.3%*	*2.9%*	*3.1%*	*2.9%*
Difference in level	-0.6	1.2	4.9	8.5	9.2	10.0
Difference in growth forecast	***-0.1%***	***0.3%***	***0.6%***	***0.6%***	***0.1%***	***0.1%***
Nominal Personal Income						
Billions of dollars						
September Forecast	725.8	763.5	811.5	858.3	903.5	948.6
Growth	*4.4%*	*5.2%*	*6.3%*	*5.8%*	*5.3%*	*5.0%*
June Forecast	726.5	761.0	805.5	849.1	892.3	935.8
Growth	*4.5%*	*4.8%*	*5.8%*	*5.4%*	*5.4%*	*4.9%*
Difference in level	-0.7	2.4	6.0	9.2	11.2	12.8
Difference in growth forecast	***-0.1%***	***0.4%***	***0.4%***	***0.4%***	***-0.1%***	***0.1%***
Nonfarm Payroll Employment						
Thousands						
September Forecast	3,629.0	3,650.7	3,671.4	3,699.3	3,735.6	3,765.5
Growth	*0.0%*	*0.6%*	*0.6%*	*0.8%*	*1.0%*	*0.8%*
June Forecast	3,633.3	3,639.8	3,660.2	3,689.7	3,723.3	3,750.3
Growth	*0.1%*	*0.2%*	*0.6%*	*0.8%*	*0.9%*	*0.7%*
Difference in level	-4.4	10.9	11.3	9.6	12.3	15.2
Difference in growth forecast	***-0.1%***	***0.4%***	***0.0%***	***0.0%***	***0.1%***	***0.1%***
Housing Permits						
Units Authorized, Thousands						
September Forecast	39.5	39.4	38.5	39.8	41.3	42.2
Growth	*8.5%*	*-0.1%*	*-2.4%*	*3.5%*	*3.6%*	*2.2%*
June Forecast	36.9	35.3	37.5	39.0	40.0	40.8
Growth	*1.4%*	*-4.2%*	*6.2%*	*4.0%*	*2.7%*	*1.9%*
Difference in level	2.6	4.1	1.0	0.8	1.2	1.4
Difference in growth forecast	***7.1%***	***4.1%***	***-8.6%***	***-0.5%***	***0.9%***	***0.3%***

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),
and Budget Stabilization Account (BSA)
Dollars in Millions

	2025-27		
	GFS	ELTA , OPA, WEIA, FSKA [1]	TOTAL
RESOURCES			
Beginning Fund Balance	**1,482.4**	**1,053.2**	**2,535.6**
June 2026 Revenue Forecast [2]	70,028.4	6,208.2	76,236.6
September 2026 Revenue Forecast Changes [3]	(54.5)	76.2	21.7
Current Revenue Totals	**69,973.8**	**6,284.4**	**76,258.2**
Transfers to Budget Stabilization Account (1% of GSR)	(701.1)	-	(701.1)
Transfers to Budget Stabilization Account (EGSR)	-	-	-
Transfers from Budget Stabilization Account	880.0	-	880.0
Enacted Fund Transfers	1,002.9	8.0	1,010.9
Assumed Prior Period Adjustments	250.0	-	250.0
ACFR Adjustments	-	-	-
Total Resources (Including Beginning Fund Balance)	**72,888.1**	**7,345.5**	**80,233.7**
EXPENDITURES			
Enacted Budgets			
2025-27 Biennium	72,676.4	5,181.2	77,857.7
2026 Supplemental Budget [4]	1,448.3	898.2	2,346.5
Assumed Reversions [5]	(837.5)	-	(837.5)
Total Expenditures	**73,287.2**	**6,079.5**	**79,366.7**
RESERVES			
Projected Ending Balance	**(399.1)**	**1,266.1**	**867.0**
Budget Stabilization Account			
Beginning Balance	1,268.9		1,268.9
Transfers from General Fund (1% of GSR)	701.1		701.1
Transfers from General Fund (EGSR)	-		-
Transfers to General Fund	(880.0)		(880.0)
Assumed Prior Period Adjustments	-		-
Assumed Biennium - Interest Earnings	83.6		83.6
Appropriations	(141.3)		(141.3)
Assumed Reversions	-		-
Projected BSA Ending Balance	**1,032.2**		**1,032.2**
Total Reserves Including BSA	**633.1**	**1,266.1**	**1,899.2**

(1) No revenue or expenditures for 25H - FSKA in 2025-27.

(2) All legislative revenue changes, including capital gains tax redistributions, are reflected in the June forecast.

(3) The September 2026 revenue forecast changes line represents economic changes.

(4) For calculation purposes only, the expenditures include General Fund-State funding in the amount of $189,000 for FY 2027 that was vetoed by the Governor in subsection 119(13) of Chapter 268, Laws of 2026, partial veto (ESSB 5998). No final determination has been made regarding whether the funding lapses as a result of the Governor's veto.

(5) Reversion percentages are consistent with the ERFC's adopted enacted budget outlook from April 2026 (1.0% for FY26 and 0.9% for FY27).

Acronyms

BSA - Budget Stabilization Account

GSR - General State Revenues

EGSR - Extraordinary General State Revenues