Washington State Economic and Revenue Forecast

September 2026
Volume LXII, 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, 2026.

Washington State Economic and Revenue Forecast

Prepared by the
Economic and Revenue Forecast Council

September 2026
Volume LXII, No. 3

Table of Contents

Preface ..... **iii**

List of Tables ..... **vi**

List of Figures ..... **vii**

Executive Summary **1**

U.S. Economic Forecast 2
Washington Economic Forecast 3
Revenue Forecast 4

Chapter 1: U.S. Economy – Current Conditions and Forecast **5**
Current Conditions 5
Forecast 11
Risks to the Forecast 16

Chapter 2: Washington Economy – Current Conditions and Forecast **22**
Current Conditions 22
Washington State Forecast 26
Washington Payroll Employment 26
Washington Personal Income 28
Washington Building Permits 28
Consumer Price Index 29
Alternative Scenarios 29
Governor's Council of Economic Advisors (GCEA) 31

Chapter 3: Washington State Revenue Forecast Summary **43**
Overview 43
Track Record for the 2025-27 and 2027-29 Biennial forecasts 45
Recent Collection Experience 45
General Fund-State Revenue Forecast by Source 47
Department of Revenue 47
Forecasted Revenue from Cannabis-Related Sales 53
The Office of Financial Management (Other Agencies) 53
State Treasurer 54
Insurance Commissioner 54
Liquor and Cannabis Board 54
Lottery Commission 54
Washington Court System 55
The Relationship between Cash and CAAP General Fund-State Revenue Forecasts 55
Alternative Forecasts for the 2025-27 and 2027-29 Biennia 55
Washington Opportunity Pathways Account 56
Education Legacy Trust Account 56
Workforce Education Investment Account 56
Fair Start for Kids Account 56
Budgetary Balance Sheet for the 2025-27 Biennia 57

Appendix **73**

Glossary **109**

List of Tables

Chapter 1: U.S. Economy – Current Conditions and Forecast
Table 1.1 U.S. Economic Forecast Summary 17
Table 1.2 Forecast Analysis, Comparison of Forecasts for 2025-27 18
Table 1.3 Forecast Analysis, Comparison of Forecasts for 2027-29 19
Table 1.4 Forecast Comparison, 2026 to 2029 20

Chapter 2: Washington Economy – Current Conditions and Forecast
Table 2.1 Washington Economic Forecast Summary 32
Table 2.2 Comparison of Alternative Forecasts 33
Table 2.3 Governor's Council of Economic Advisor's Forecast 34
Table 2.4 Forecast Analysis, Comparison of Forecasts for 2025-27 35
Table 2.5 Forecast Analysis, Comparison of Forecasts for 2027-29 36
Table 2.6 Forecast Comparison, Forecast 2027 to 2031 37

Chapter 3: Washington State Revenue Forecast Summary
Table 3.1 Revisions to the forecast of funds subject to the budget outlook 43
Table 3.2 Pre-Forecast Collection Variance of Major General Fund-State Taxes 46
Table 3.3 General Fund-State collections 58
Table 3.4 Taxable retail sales 59
Table 3.5 General Fund-State forecast by agency, 2025-27 biennium, Cash 60
Table 3.6 General Fund-State forecast by agency, 2025-27 biennium, GAAP 61
Table 3.7 General Fund-State forecast by agency, 2027-29 biennium, Cash 62
Table 3.8 General Fund-State forecast by agency, 2027-29 biennium, GAAP 63
Table 3.9 September 2026 General Fund-State Forecast Detail 64
Table 3.10 Track Record for the 2025-27 Forecast of Funds Subject to the Budget outlook 65
Table 3.11 Track Record for the 2027-29 Forecast of Funds Subject to the Budget Outlook 65
Table 3.12 2025-27 Enacted Budget Balance Sheet 66
Table 3.13 Alternative Forecasts Compared to the Baseline Forecast, 2025-27 67
Table 3.14 Alternative Forecasts Compared to the Baseline Forecast, 2027-29 68
Table 3.15 Lottery Transfers by Fund, Cash 69
Table 3.16 Lottery Transfers by Fund, GAAP 69
Table 3.17 GF-S, ELTA and OPA (Near General Fund-State) 70
Table 3.18 Forecasted Distribution of Excise Tax & License Fees from Cannabis Sales . 71
Table 3.19 Workforce Education Investment Account 71

Appendix: Detail Components of the State Economic and Revenue Forecast
Table A1.1 U.S. Economic Forecast Summary, Annual 73
Table A1.2 U.S. Economic Forecast Summary, Quarterly 74
Table A1.3 Washington Economic Forecast Summary, Annual 77
Table A1.4 Washington Economic Forecast Summary, Quarterly 78
Table A2.1 U.S. Nonagricultural Employment by Industry, Annual 81
Table A2.2 U.S. Nonagricultural Employment by Industry, Quarterly 82
Table A2.3 Washington Nonagricultural Employment by Industry, Annual 85
Table A2.4 Washington Nonagricultural Employment by Industry, Quarterly 86
Table A3.1 U.S. Personal Income by Component, Annual 89
Table A3.2 U.S. Personal Income by Component, Quarterly 90
Table A3.3 Washington Personal Income by Component, Annual 93
Table A3.4 Washington Personal Income by Component, Quarterly 94
Table A4.1 Selected Inflation Indicators 97
Table A4.2 Price Indexes for Gross Domestic Product 98
Table A5.1 Washington Resident Population and Components of Change 99

Table A5.2 Washington Population 100
Table A6.1 Summary of National and State Indicators 101
Table A6.2 Washington Business Indicators 102

List of Figures

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

Figure 1.1 U.S. Total Nonfarm Payroll Employment 7
Figure 1.2 U.S. Consumer Confidence and Sentiment 8
Figure 1.3 Consumer Price Index 9
Figure 1.4 Real GDP Growth 11
Figure 1.5 Average Price of Crude Oil 12
Figure 1.6 Federal Funds Rate 15

Chapter 2: Washington Economy – Current Conditions and Forecast

Figure 2.1 Washington Unemployment Rate 23
Figure 2.2 Washington Housing Units Authorized 24
Figure 2.3 S&P/Case-hiller Home Price Indices, SA 24
Figure 2.4 Washington Goods Exports 25
Figure 2.5 Nonfarm Payroll Employment 27
Figure 2.6 Washington Personal Income 28
Figure 2.7 Seattle CPI 29
Figure 2.8 Comparison of Alternative of WA and U.S. Economic Forecasts 38
Figure 2.9 Comparison of Alternative U.S. Economic Forecasts 41
Figure 2.10 Comparison of Alternative Washington Economic Forecasts 42

Chapter 3: Washington State Revenue Forecast Summary

Figure 3.1 Funds subject to the budget outlook as a Percentage of State Personal Income (Fiscal Years) 45
Figure 3.2 Revenue Act Collections 46
Figure 3.3 Taxable Real Estate Excise Activity, SA 47
Figure 3.4 Taxable Sales as a Percentage of State Personal Income 48

Appendix:
Detail Components of the Washington State Economic and Revenue Forecast

Figure A7.1 Washington State Economic Indicators 103
Figure A7.2 Washington State Leading Indicators 104
Figure A7.3 Other State Economic Indicators 105
Figure A7.4 Other Economic Indicators 106

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Executive Summary

- **The U.S. economic outlook is slightly stronger compared to the previous forecast.**
- **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.**
- **We expect growth rates of 2.0% in 2028 through 2030 and 1.9% in 2031, unchanged from the previous forecast.**
- **Fallout from the ongoing war in Iran raised oil prices dramatically.**
- **The September forecast is modestly stronger compared to June, with higher employment and income, lower near-term inflation, and more housing permits.**
- **Washington job growth has been stronger than expected but historical revisions have lowered the level of employment, resulting in 4,500 fewer jobs than assumed in the June forecast.**
- **The unemployment rate fell to 4.9% in August while labor force participation slipped to 62.0%, and initial unemployment claims rose 11.4% in August, the largest monthly increase since February.**
- **The number of housing units authorized by building permits fell to 25,400 units (SAAR) in August after strong gains earlier in the year, but third-quarter permitting is running slightly above expectations, even as Seattle home prices continue to decline year over year.**
- **Washington goods exports increased 27.1% over the year in the second quarter, led by transportation equipment and petroleum products, while exports to China rose 7.8% after a large first-quarter drop.**
- **Personal income rose to $735.2 billion in the second quarter of 2026, up 3.4% (SAAR), ranking 36th among the states and below the national growth rate of 4.7%.**
- **Seattle inflation eased to 4.4% in August, though energy costs remain 15.9% higher than a year ago due to global supply disruptions linked to the Iran conflict.**
- **Seattle CPI is now expected to rise 4.3% in 2026, below the June forecast of 4.6%, with inflation averaging 2.4% from 2027–2031.**
- **The September forecast revises 2026 Washington employment higher (0.2% growth) and shows stronger aerospace employment, a smaller decline in software publishing, slightly weaker construction employment, and more building permits.**

- **Compared with June, the September forecast for personal income indicates unchanged growth in 2026 (4.1%) but a higher average growth rate for 2027–2031 (5.4% vs. 5.2%).**
- **Tracked revenue collections since June have come in $198.9 million (2.5%) above their forecasted amount.**
- **The September economic forecast calls for higher personal income, employment, and housing permits, all of which have slightly increased forecasted receipts.**
- **The forecast of funds subject to the budget outlook was 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.**

U.S. Economic Forecast

The economic outlook is slightly stronger in the near term

The economic outlook is slightly stronger in the near term compared to the June forecast. The war in Iran and the subsequent closure of the Strait of Hormuz, a key oil shipping route, caused energy prices to rise dramatically. With the war lingering on, prices have remained high. The forecast continues to assume the conflict will end soon along with a resumption of normal shipping through the strait. GDP growth has been moderate in the first half of the year after a weak finish to 2025. The labor market appears to have stabilized at a low level and job growth remains positive. Consumer confidence continues to fall as people are worried about inflation. Housing construction remains on a downward trend. The Federal Reserve has been forced to increase rates as inflation has reemerged as a threat due to high energy prices. Uncertainty remains elevated due primarily the war in Iran, but also unpredictable trade policy.

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 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.

The Iran war raised oil prices dramatically

Fallout from the ongoing war in Iran raised oil prices dramatically. Oil prices are expected to decline rapidly on the assumption that an agreement is reached with Iran that opens the Strait of Hormuz, a key oil shipping route. Damage to inventories is cumulative, and will affect not just the peak, but also how long it takes after the war for inventories to return to normal. The US has so far structured Strategic Petroleum Reserve withdrawals as loans rather than outright sales and will need to be repaid. Oil prices are expected to eventually reach a similar level as the previous forecast where supply increases are

sufficient to meet demand. OPEC+, which pumps half of the world's oil, are set to keep output targets steady. The United Arab Emirates recently left the cartel and is nearing record crude output. Record-high U.S. oil production will also keep downward pressure on prices once the war ends. The refiner acquisition price of crude oil in 2026 is expected to average $89.10 per barrel, up from $84.40 per barrel assumed in June. We expect oil prices to fall and reach $63.50 per barrel in the fourth quarter of 2031 The June forecast expected oil prices to reach $64.60 by the fourth quarter of 2031.

Washington Economic Forecast

The September forecast is modestly stronger relative to June

The September forecast is modestly stronger relative to June, with higher employment and personal income, a downward near-term revision to Seattle inflation, and more housing permits. Nonfarm payrolls increased by 2,700 over four months versus the 1,200 gain expected, but historical revisions left employment 4,500 below the June forecast. Manufacturing added 3,600 jobs, driven mainly by durable goods, and construction rose by 600 jobs, while state government educational services lost 8,000 jobs and government employment declined by 2,000 despite a 600 job gain in federal government. The unemployment rate fell to 4.9%, labor force participation slipped to 62.0%, and initial claims rose to 27,500 in August. Housing permits dropped to 25,400 units (SAAR) in August, but third-quarter permitting has averaged 34,900 units so far—slightly above the expected 34,300—even as Seattle home prices fell 1.6% year over year. Goods exports climbed 27.1%, led by a 40.7% gain in transportation equipment and a 124.1% jump in petroleum and coal products, while exports to China rose 7.8% after a steep first-quarter decline. Personal income reached $735.2 billion, up 3.4% (SAAR) in the second quarter, while Seattle inflation eased to 4.4% even as energy costs remained 15.9% higher amid global supply disruptions tied to the conflict with Iran.

The Washington forecast features slightly stronger Washington payroll employment

The September forecast presents a modestly stronger economic outlook overall when compared with the June forecast. The September forecast projects slightly stronger Washington payroll employment than expected in June, with 2026 job growth revised up to 0.2% from 0.1%. Between 2027 and 2031, employment is expected to grow at an average annual rate of 0.8%, unchanged from the prior forecast but from a higher base. The aerospace sector outlook has strengthened further, with 2026 employment now expected to rise 4.3%, up from 2.9% previously, and job levels exceeding the June forecast throughout the forecast horizon. Aerospace employment is projected to average 83,800 jobs in 2026 and 87,600 in 2031, with annual growth slowing through 2031. The software publishing sector outlook has improved in the near term, with a 1.0% decline expected in 2026 compared with a 3.3% decline in the June forecast. Software employment is expected to grow at an average annual rate of

0.4% between 2027 and 2031, down from 0.8% in the previous forecast, although from a higher base. Construction employment is slightly weaker than in the June forecast, declining 1.3% in 2026, compared with 1.1% previously, before returning to growth and reaching 228,300 jobs in 2031. Between 2027 and 2031, construction employment grows at an average annual rate of 1.4%, unchanged from the previous forecast.

Compared with June, the September forecast projects faster income growth, stronger housing activity and lower 2026 inflation

The September forecast anticipates higher nominal personal income growth compared with June. Personal income growth is unchanged in the near term, at 4.1% in 2026, but has been revised upward in every year from 2027 through 2031, averaging 5.4% annually, up from 5.2% in the June forecast. Washington building permits are higher throughout the forecast horizon, with 2026 permits now expected to grow 20.7%, up from 4.8%, reaching 42,100 units. This growth is primarily due to a surge in the multi-family sector. Permits from 2027 to 2031 are expected to average 40,400 units annually, above the June outlook of 39,200. Seattle-area inflation has been revised lower for 2026, now projected at 4.3% compared with 4.6% in the June forecast. Inflation between 2027 and 2031 averages 2.4%, little changed from the prior forecast.

Revenue Forecast

Revenue collections have come in higher than expected

Tracked revenue collections since June have come in $198.9 million above their forecasted amount. The September economic forecast projects higher personal income, employment, and housing permits, all of which have slightly increased forecasted receipts.

Total forecast change by biennium (millions):

25-27: $21.7
27-29: $430.0
29-31: $2,381.5

The forecast of funds subject to the budget outlook process was $76.258 billion in the 2025-27 biennium, $82.594 billion in the 2027-29 biennium, and $94.121 billion in the 2029-31 biennium.

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

- **The U.S. economic outlook is slightly stronger compared to the previous forecast.**
- **The war in Iran and the subsequent closure of the Strait of Hormuz, a key oil shipping route, caused energy prices to rise dramatically.**
- **Real GDP growth eased in the second quarter, growing 2.2% (SAAR) after increasing 2.5% (SAAR) in the first quarter.**
- **Employment growth appears to have stabilized at a low level.**
- **Consumer confidence continues to be low.**
- **Housing construction continues to trend down while the manufacturing sector has returned to growth.**
- **Inflation has increased sharply due to the war in Iran.**
- **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.**
- **We expect growth rates of 2.0% in 2028 through 2030 and 1.9% in 2031, unchanged from the previous forecast.**
- **The September forecast includes assumptions regarding the Iran war, U.S. tax policy provisions in H.R.1, and changes to tariffs.**
- **Fallout from the ongoing war in Iran raised oil prices dramatically.**
- **We expect the Federal Reserve to cut rates starting in the fall of 2027 and culminating in a fed funds target rate of 3.00% to 3.25%.**
- **Uncertainty in the baseline forecast remains elevated and downside risks outweigh upside risks.**

Current Conditions

The economic outlook is slightly stronger in the near term

The economic outlook is slightly stronger in the near term compared to the June forecast. The war in Iran and the subsequent closure of the Strait of Hormuz, a key oil shipping route, caused energy prices to rise dramatically. With the war lingering on, prices have remained high. The forecast continues to assume the conflict will end soon along with a resumption of normal shipping through the strait. GDP growth has been moderate in the first half of the year after a weak finish to 2025. The labor market appears to have stabilized at a low level and job growth remains positive. Consumer confidence continues to

fall as people are worried about inflation. Housing construction remains on a downward trend. The Federal Reserve has been forced to increase rates as inflation has reemerged as a threat due to high energy prices. Uncertainty remains elevated due primarily the war in Iran, but also unpredictable trade policy.

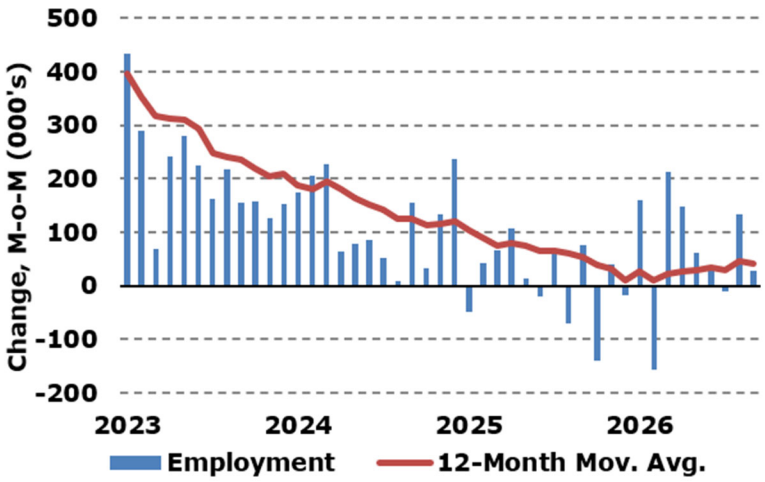
Real GDP increased 2.2% (SAAR) in the second quarter

Real GDP growth eased in the second quarter, growing 2.2% (SAAR) after increasing 2.5% (SAAR) in the first quarter. Growth has been volatile since the beginning of last year due to changes in trade policy and government spending. Real GDP growth has been boosted by the surge in investment related to artificial intelligence (AI). In the second quarter, however, equipment investment in computers declined 6.7% (SAAR) after increasing 70.1% (SAAR) in the first quarter. This slowdown was offset by strong growth in other information equipment (24.3%), industrial equipment (27.0%) and transportation equipment (24.6%). Intellectual property products increased 9.2% (SAAR) driven by a 14.0% (SAAR) increase in software. Personal consumption increased 3.8% (SAAR) and added 2.5 points to overall GDP, rebounding from the weak 0.7% (SAAR) growth in the first quarter. Residential investment returned to growth after five consecutive quarters of decline, increasing 2.8% (SAAR). Net exports dragged GDP growth down 1.1 points as imports outpaced exports. Government spending was essentially flat while the change in inventories subtracted 0.5 points from topline GDP.

Employment growth appears to have stabilized at a low level

Employment growth appears to have stabilized, albeit at a low level, after trending down since the pandemic (see Figure 1.1). In September, total nonfarm employment increased by 29,000 after a 133,000 increase in August. Employment growth over the past twelve months has averaged just 41,000 net new jobs. Employment growth in goods producing sectors was positive in September. Construction employment increased 11,000 jobs while the manufacturing sector increased by 9,000 jobs. Private service-providing employment increased by 28,000 in September. Employment increases in the service sector were once again led by health care and social assistance which increased by 23,000 jobs. Administrative and support services was the weakest sector in September, declining by 7,600 jobs, led by a 10,900 job decline in temporary help services. Government payrolls declined by 17,000 with most of the job losses occurring at the local government level.

Figure 1.1: U.S. Total Nonfarm Payroll Employment



Source: Bureau of Labor Statistics; data through September 2026

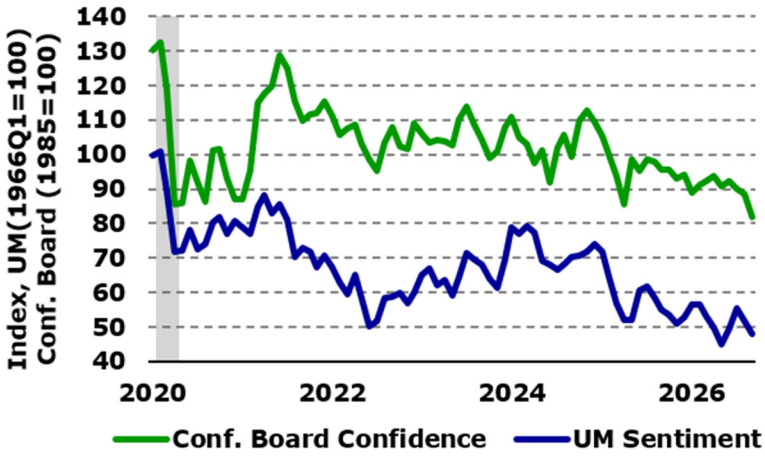
The unemployment rate increased in September

The unemployment rate increased to 4.2% in September from 4.1% in August. The increase in the unemployment rate was due largely to positive developments in the labor market. Household employment rose by 406,000 in September and the labor force expanded by 485,000, indicating more people actively searching for employment opportunities. These increases were accompanied by 78,000 rise in the number of unemployment people. The labor force participation rate increased 0.2 percentage points over the month to 61.8% in September. Average hourly earnings rose by $1.11 from a year ago to $37.81 and the average number of hours per workweek increased to 34.4 hours from 34.2 hours the prior year.

Consumer confidence continues to trend down

Consumer confidence fell sharply in September (see Figure 1.2). Consumer confidence as measured by the Conference Board declined 6.7 points in September to 81.9 and remains down 30.9 points since the recent peak in November 2024. Consumer confidence is now at the lowest level since April 2014. The expectation component fell 5.9 points to 63.6. This marks the 20th consecutive month the index has been below 80 which historically has signaled recessionary territory. The present conditions fell sharply as well. Consumers were less optimistic about the labor market and business conditions while inflation expectations increased to the highest level since May. The University of Michigan Consumer Sentiment index showed a similar decline, falling fell 3.6 points in September and is down 25.9 points since the recent peak in December 2024. Both expectations and present conditions deteriorated. Elevated cost concerns remain a persistent drag on confidence.

Figure 1.2: U.S. Consumer Confidence and Sentiment



Source: Conference Board, University of Michigan; data through September 2026

Oil prices spiked due to the war in Iran

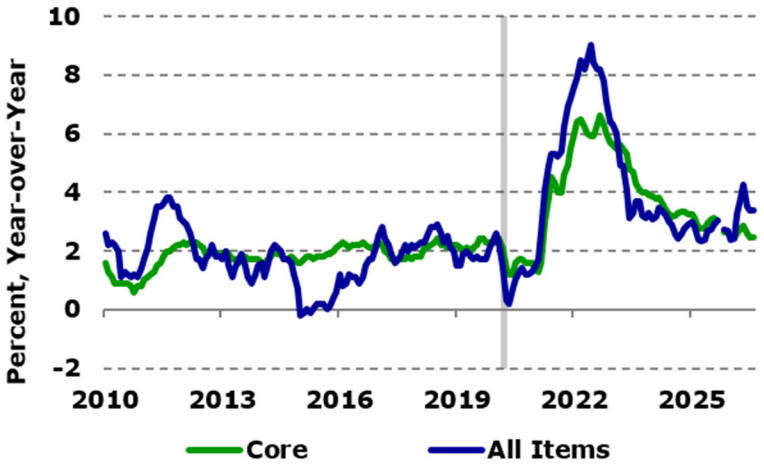
Oil prices spiked due to the war in Iran and the closure of the Strait of Hormuz. The strait handles about 20% of the world's total oil supply and the closure has dramatically reduced global supply by roughly 20 million barrels per day. Prices have fluctuated as the U.S. and Iran have engaged in diplomacy, although a lasting deal remains elusive. The U.S. has loaned oil out of the Strategic Petroleum Reserve with withdrawals causing oil reserves to reach a 44-year low. In a boost to global supply, The United Arab Emirates have left OPEC+ and are now producing oil above the cartel's production caps. Diesel prices have skyrocketed nearly 70% over the past year, as Ukrainian drone strikes in Russian refining infrastructure has exacerbated the problem. In response President Trump has threated to ban diesel exports and there are reports that China is suspending fuel exports. As of September 25th, the Brent spot crude price was $117.08 per barrel, up $27.35 since the prior month and just down from $124.61 reached in April at the height of the war. The West Texas Intermediate (WTI) price has increased to $93.57 per barrel from $84.62 per barrel at the end of August, but down from $105.67 at the peak during the war. U.S. oil production remains near an all-time high as of July at 13.948 million barrels-per-day (bpd). U.S. oil production is up 224,000 bpd since last year. The Baker Hughes rig count has increased in recent months, potentially pointing to higher production. As of September 25th, the rig count in the U.S. was 599, up 50 since last year.

Inflation increased sharply

Inflation has increased sharply due to the war in Iran. The disruption to the global oil supply due to the closure of the Strait of Hormuz have driven energy prices higher and led to higher topline inflation. In August, the Consumer Price Index (CPI) rose 0.4% over the month and was up 3.4% from a year ago (see

Figure 1.3). Inflation has cooled since the peak of 4.2% in May but remains elevated. A year ago, inflation was 2.9%. The price level remains much higher than prior to the pandemic, and the sharp rise in prices recently have exacerbated the issue. Energy prices fell from their high level in August by 5.7% but remain up 16.3% over the year. Gasoline prices are up 27.4% since last year. Shelter cost inflation remains elevated, increasing 0.1% in August and up 3.0% since last year. Food prices were up 0.1% over last month and up 2.7% since last year. Core consumer prices, which exclude food and energy, increased 0.2% in the most recent month and were up 2.4% over the year.

Figure 1.3: Consumer Price Index



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

Home price appreciation is picking up again

Home price appreciation is picking up again, although it remains modest. The seasonally adjusted S&P CoreLogic Case-Shiller National Home Price Index increased 0.3% in July following a 0.2% increase in June. Home prices are up just 1.9% since July 2025. Mortgage rates had been trending up even before the Federal Reserve raised interest rates to combat inflation, leading to a further drop in affordability. The rate on a 30-year mortgage was 7.28% as of October 1st, up from the recent trough of 5.98% in February. In the decade prior to the pandemic, mortgage rates averaged 4.09%. Lumber prices are trending down again easing some of the cost of new homes. Lumber prices are now at $527 per 1,000 board feet, down from a recent peak of $659 in July. Homebuilders remain deeply pessimistic. In September, homebuilder confidence fell to 32 (readings above 50 indicate optimism), down from 35 the month before and equal to the reading last year. The last time homebuilder confidence was a net positive was in April 2024.

Housing construction activity continues to trend down

Housing construction activity continues to slowly trend down. High interest rates, low confidence, and low affordability have weighed down new construction. Housing starts declined 2.6% in August after a 9.0% decline the month before. Over the year,

starts are down 1.2%. Single-family starts are 5.2% higher than a year ago, while multi-family starts are down 14.6%. Builders are working through a large backlog of permitted but not started units. Builders have struggled to sell new construction as well. The inventory of new homes on the market has been trending up since the pandemic. The month's supply of new homes increased to 8.5 in August, up from 8.2 a year ago. In the decade prior to the pandemic, there was an average of 5.7 months' worth of supply. New home sales increased 6.4% over the month in August to 684,000 (SAAR) but are 2.0% lower than last year. Housing permits declined 2.1% over the month in August but are up 4.2% since last year. Single-family permits are up 1.5% since last year while multi-family permits are up 9.0%.

The manufacturing sector is recovering

The manufacturing sector is recovering. The Institute for Supply Management (ISM) Report on Business index fell slightly to 54.5 in September from 54.6 in August (index values below 50 indicate contraction). This was the ninth consecutive months of expansion in the manufacturing sector. The details of the index remained positive despite a minor slowdown. The new orders component increased 1.6 points to 55.3. Production slowed but remained strong, falling 1.6 points to 56.7 points. The employment component increased 1.5 points to 52.7. Growth was widespread with twelve manufacturing industries reporting growth in September with two indicating contraction. The latest G-17 report measuring industrial production from the Federal Reserve indicates manufacturing output declined 0.3% in August after increasing for seven consecutive months. Manufacturing output remains up 0.9% from a year ago. Durable goods declined 0.5% while nondurable manufacturing was unchanged. New orders for core capital goods (nondefense capital goods excluding aircraft) increased 1.6% in August and are up 10.6% from a year ago.

U.S. export growth is strong

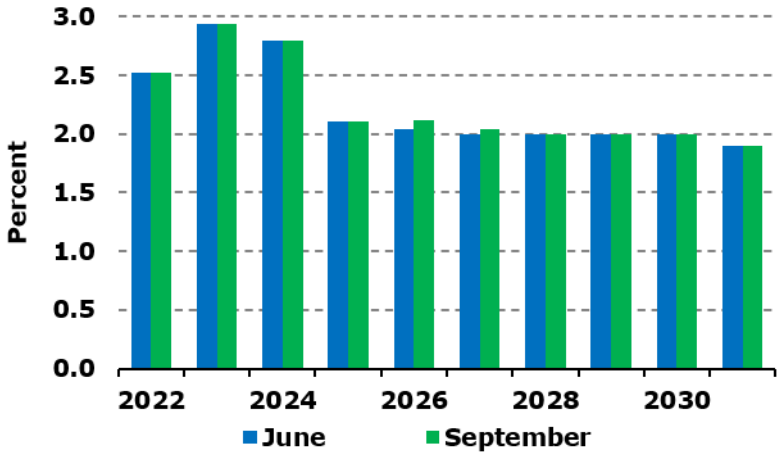
U.S. exports are surging and increased 14.5% year over year in the second quarter, following a 15.1% increase in the first quarter. U.S. exports to the rest of North America were strong, increasing 14.5% year-over-year as well. Exports to Mexico increased 22.4% while exports to Canada were up 6.7%. However, the recent escalation of the trade war with Canada will likely have an impact on exports going forward. Exports to China returned to growth after declining in each of the past six quarters on an annual basis, increasing 16.8%. Exports of computers and electronic products increased 22.1% over the year and is now our largest export industry. Transportation equipment, now our second largest export industry, increased 10.5% year-over-year in the second quarter. Energy related exports (oil, gas, petroleum, and coal) were strong reflecting inflated costs, increasing 65.2% 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 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. (see Figure 1.4).

Figure 1.4: Real GDP Growth



Source: U.S. Bureau of Economic Analysis, September 2026 ERFC forecast; historical data through 2025

The forecast includes assumptions regarding U.S. tax policy and tariffs

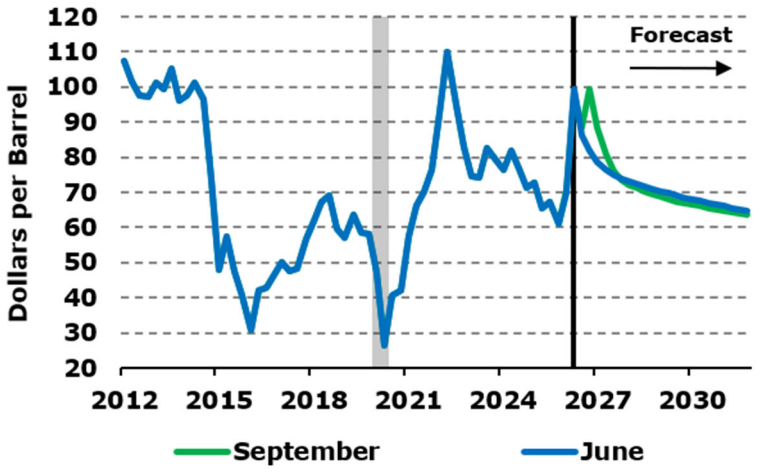
The forecast includes assumptions regarding changes to U.S. tax policy and tariffs. On Feb. 20, 2026, the Supreme Court invalidated the administration's tariffs authorized under the International Emergency Economic Powers Act (IEEPA). Section 122 tariffs, which temporarily replaced IEEPA tariffs, are now expired and have been replaced with Section 301 tariffs. We estimate that the current tariff regime implies a 10-12% average effective tariff rate on nonpetroleum imports, and we assume the current tariff regime remains in place indefinitely. Personal tax policy includes the provisions within the One Big Beautiful Bill Act (OBBBA) that extend 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.

The Iran war raised oil prices dramatically

Fallout from the ongoing war in Iran raised oil prices dramatically. Oil prices are expected to decline rapidly on the assumption that an agreement is reached with Iran that opens the Strait of Hormuz, a key oil shipping route. Damage to

inventories is cumulative, and will affect not just the peak, but also how long it takes after the war for inventories to return to normal. The US has so far structured Strategic Petroleum Reserve withdrawals as loans rather than outright sales and will need to be repaid. Oil prices are expected to eventually reach a similar level as the previous forecast where supply increases are sufficient to meet demand. OPEC+, which pumps half of the world's oil, are set to keep output targets steady. The United Arab Emirates recently left the cartel and is nearing record crude output. Record-high U.S. oil production will also keep downward pressure on prices once the war ends. The refiner acquisition price of crude oil in 2026 is expected to average $89.10 per barrel, up from $84.40 per barrel assumed in June. We expect oil prices to fall and reach $63.50 per barrel in the fourth quarter of 2031 (see Figure 1.5). The June forecast expected oil prices to reach $64.60 by the fourth quarter of 2031.

Figure 1.5: Average Price of Crude Oil



Source: U.S. Energy Information Administration, September 2026 ERFC forecast; historical data through 2026 Q2

Inflation is expected to be higher this year

The inflation rate (as measured by the change in the price index for personal consumption expenditures) is expected to be slightly higher this year compared to the previous forecast due to the ongoing impacts of the Iran war and the increase in energy prices. The September forecast expects inflation to increase to 3.7% this year from 2.6% in 2025. The June forecast expected inflation to rise to 3.6% this year. The lingering effects of enacted tariffs are diminishing. Energy prices are expected to fall once the war in Iran is resolved, putting downward pressure on prices. Inflation is expected to fall to 2.5% in 2027 driven by the assumption that energy markets have stabilized. The forecast calls for inflation to trend down and reach 2.0% in 2030 and 2031. Core inflation (excluding food and energy) is expected to be 3.3% in 2026, up from 2.8% in 2025. We expect core inflation to trend down and reach 2.0% in 2031.

Consumer spending growth is expected to slow

Real consumer spending growth is expected to slow this year to 2.1% from 2.6% in 2025, although this is up from the 1.9% growth assumed in the previous forecast. Job growth has been relatively weak and has been trending down over the past few years. Inflation has spiked and gas prices in particular have increased sharply, shifting spending away from other goods and services. Consumers have funded current spending with savings as real incomes have not kept up. We expect the savings rate to have reached a trough in the second quarter of 2.80%. As incomes increase and inflation moderates, the savings rate is expected to increase and reach 7.22% by the end of 2031. In the decade prior to the pandemic, the saving rate averaged 6.14%. Consumer confidence has dropped significantly in recent months and has declined further due to the impacts of the Iran war. However, consumer frustrations are not expected to further slow consumption significantly. Real consumer spending is expected to decline to 1.9% next year, up from 1.8% in the previous forecast. The current forecast calls for growth to then increase slightly and average 2.1% from 2028 through 2031, unchanged from the June forecast.

Employment growth is expected to be slightly stronger compared to the previous forecast

Employment growth is expected to be slightly stronger compared to the previous forecast. We expect employment growth of 0.3% this year, unchanged from the previous forecast, but down from 0.5% growth in 2025. The Federal Reserve is now having to raise rates to combat inflation and is not in a position to support full employment through rate reductions. With inflation surging due to the war in Iran, economic support from the Federal Reserve in the form of rate cuts is increasingly unlikely. Employment growth is expected to slow further in 2027 to 0.2%, up slightly from the 0.1% growth assumed in the June forecast. Going forward, employment growth is expected to average 0.3% from 2028 through 2031, unchanged from the previous forecast. We expect the labor market to remain tight throughout the forecast. The September forecast calls for the unemployment rate to remain at 4.3% this year from 2025. The forecast then calls for the unemployment rate to increase to 4.4% in 2028 and 2029 before declining to 4.3% for the remainder of the forecast. The June forecast assumed the unemployment rate would peak at 4.8% before falling to 4.3%.

Business investment is expected to be stronger compared to the previous forecast

Real nonresidential fixed investment is expected to be stronger in the near term compared to the previous forecast. AI is expected to keep business fixed investment robust in the near term. Investment in computers is surging, likely reflecting a ramp-up in spending to equip data centers. The September forecast expects growth of 7.2% this year, compared to 6.2% growth expected in the June forecast. In 2025, growth in real nonresidential fixed investment was 4.1%. Real spending on data centers is rising rapidly, as businesses continue to invest in capacity for AI and cloud services. High oil prices due to the Iran war have increased the incentive for oil and gas well drilling, providing a boost to investment. The forecast calls for real nonresidential fixed investment growth to slow and average

3.5% in 2027 through 2031, up from 3.2% expected in the June forecast.

Real nonresidential construction is expected to decline this year

Real nonresidential construction is expected to decline by 3.1% this year. The national office vacancy rate remains near a historic high as the shift to flexible work environments is likely permanent. Investment in manufacturing structures has peaked and is expected to decline throughout the forecast. Business investment in data centers has been a bright spot due to the emergence of artificial intelligence (AI). Businesses continue to invest in capacity for AI and cloud services. This has led to an increase in equipment and intellectual property products related to AI, particularly computers. The forecast calls for nonresidential construction to turn positive in 2027 as some excess surplus gets worked through and grow an average of 3.0% from 2027 through 2031. Real equipment investment growth is expected to be strong this year at 11.1% then slow and average 2.8% for the remainder of the forecast. Growth in investment in intellectual property products is expected to increase from 5.6% in 2025 to 9.0% this year. We then expect growth to average 4.4% from 2027 through 2031.

The housing market outlook remains weak

The housing market outlook remains weak. Home sales remain depressed because home ownership is much more expensive since the pandemic. Affordably is not consistently improving. Higher interest rates have been somewhat offset by rising incomes, but not enough to increase affordability. The mortgage payment used in the National Association of Realtors Housing Affordability Index increased to $2,274 in August, over twice as high as they were prior to the pandemic of $1,001. 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 September forecast calls for housing starts to remain flat this year after declining in each of the prior four years. We expect housing starts to slowly trend down throughout the forecast, reaching 1.31 million units in 2031, down from the recent peak of 1.60 million units in 2021.

Growth in major U.S. trading partners is expected to be stronger over the next two years

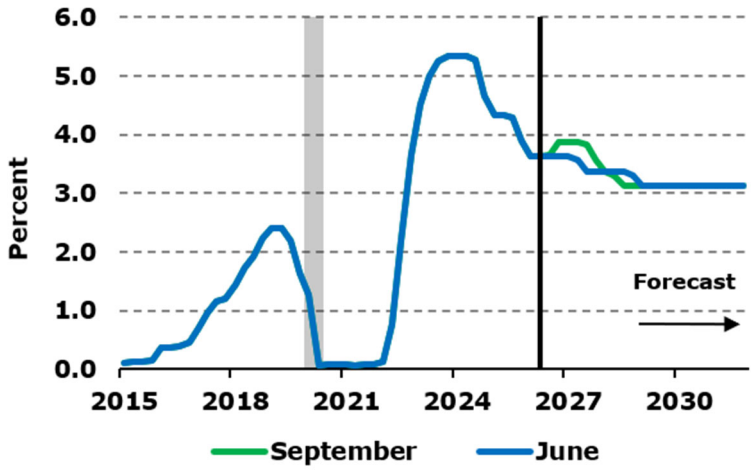
Economic growth of U.S. major trading partners is expected to be stronger over the next two years compared to the previous forecast. The war in Iran and the subsequent closing of the Strait of Hormuz has caused economic fallout across the globe, although growth has been more resilient that initially assumed. The September forecast calls for 1.8% growth this year, up from 1.5% expected in the previous forecast but down from 2.0% in 2025. Many Asian countries are expected to be slightly stronger than the previous forecast, particularly Taiwan, which has been fueled by the global AI boom. Growth in the Eurozone and other North American countries have been revised slightly higher as well. Russia and China are the primary exceptions to assumed stronger growth as the outlook for both countries have been lowered. We expect growth in U.S. major trading partners to be 2.3% next year, up from 2.1% assumed in June. The forecast then calls for growth of 2.4% each year for the remainder of the

forecast. Real U.S. export growth is forecasted to increase 3.8% this year, up from 1.6% growth in 2025. We expect real export growth to slow and average 3.1% from 2027 to 2031.

We expect the Federal Reserve to start cutting rates in the fall of 2027

The Federal Reserve raised the target for the federal funds in September to 3.75% to 4.00%. The war in Iran has caused inflation to increase and remain well above the target rate of 2%. Even before the war, inflation remained stubbornly high and increases in energy prices made it increasingly unlikely that inflation would naturally decelerate without tighter monetary policy. Relatively strong consumer spending and a slightly better job market, combined with strong investment related to AI also likely convinced policymakers that the economy could handle higher borrowing costs without risk of causing a recession. Our expectation is the Federal Reserve is finished raising rates this cycle and the current tightening of monetary policy, combined with the end of the war in Iran, will be enough to get inflation in check. Going forward, we expect three rate cuts starting in the fall of 2027 and culminating in a fed funds target rate of 3.00% to 3.25%. The forecast also calls for the Federal Reserve to continue reducing assets from its balance sheet through the end of 2027 and then hold steady through the end of the forecast in 2031.

Figure 1.6: Federal Funds Rate



Source: Federal Reserve, September 2026 ERFC forecast; historical data through 2026 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

- The Iran war continues.
- War in the Middle East escalates
- Artificial Intelligence results in mass layoffs
- Higher U.S. tariffs and retaliation
- U.S. employment begins to decline
- 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

- Israeli/U.S. peace with Iran
- Israeli – Hamas/Lebanon conflict ends
- Artificial Intelligence creates new jobs
- 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
- 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 2027 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Real National Income Accounts (Billions of Chained 2017 Dollars)								
Real Gross Domestic Product	23,060.8	23,596.1	24,133.2	24,607.6	25,099.7	25,601.1	26,115.4	26,626.8
% Ch	3.2	2.3	2.3	2.0	2.0	2.0	2.0	2.0
Real Consumption	15,832.2	16,319.5	16,692.1	17,019.7	17,352.7	17,720.7	18,097.5	18,468.3
% Ch	2.7	3.1	2.3	2.0	2.0	2.1	2.1	2.0
Real Nonresidential Fixed Investment	3,483.2	3,579.2	3,771.2	4,044.5	4,138.0	4,245.7	4,400.5	4,593.9
% Ch	5.3	2.8	5.4	7.2	2.3	2.6	3.6	4.4
Real Residential Fixed Investment	786.7	785.1	754.7	749.9	770.9	790.9	816.9	843.9
% Ch	2.3	-0.2	-3.9	-0.6	2.8	2.6	3.3	3.3
Real Personal Income	19,862.3	20,375.5	20,572.8	20,872.4	21,615.7	22,250.3	22,900.4	23,527.6
% Ch	2.9	2.6	1.0	1.5	3.6	2.9	2.9	2.7
Real Per Capita Income ($/Person)	58,580	59,662	60,040	60,757	62,757	64,418	66,064	67,620
% Ch	1.9	1.8	0.6	1.2	3.3	2.6	2.6	2.4
Price and Wage Indexes								
PCE Price Index (2017=100)	122.1	125.2	129.1	133.4	136.4	139.4	142.3	145.1
% Ch	2.9	2.5	3.1	3.3	2.2	2.2	2.1	2.0
U.S. Consumer Price Index (1982-84=1.0)	3.096	3.177	3.274	3.370	3.443	3.527	3.601	3.678
% Ch	3.3	2.6	3.0	2.9	2.2	2.4	2.1	2.1
Employment Cost Index (Dec. 2005=1.0)	1.653	1.712	1.769	1.834	1.908	1.982	2.057	2.137
% Ch	4.3	3.6	3.3	3.6	4.1	3.9	3.8	3.9
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	28,588.7	29,966.2	31,718.1	33,449.6	34,949.3	36,481.8	38,032.2	39,636.5
% Ch	6.0	4.8	5.8	5.5	4.5	4.4	4.2	4.2
Personal Income	24,262.4	25,512.3	26,562.4	27,844.6	29,476.3	31,018.8	32,587.1	34,147.2
% Ch	5.9	5.2	4.1	4.8	5.9	5.2	5.1	4.8
Employment (Millions)								
U.S. Civilian Labor Force	167.7	169.5	170.6	169.8	170.8	171.3	171.7	172.2
Total U.S. Employment	161.3	162.5	163.2	162.6	163.3	163.8	164.3	164.8
Unemployment Rate (%)	3.81	4.15	4.36	4.27	4.37	4.37	4.34	4.31
Nonfarm Payroll Employment	156.95	158.18	158.59	159.12	159.36	159.66	160.18	160.73
% Ch	1.6	0.8	0.3	0.3	0.2	0.2	0.3	0.3
Manufacturing	12.85	12.70	12.60	12.71	12.39	11.96	11.82	11.82
% Ch	-0.2	-1.2	-0.8	0.9	-2.5	-3.5	-1.1	0.0
Durable Manufacturing	8.01	7.88	7.82	7.98	7.82	7.49	7.37	7.39
% Ch	0.0	-1.6	-0.8	2.0	-2.0	-4.2	-1.6	0.2
Nondurable Manufacturing	4.84	4.82	4.78	4.73	4.57	4.47	4.45	4.44
% Ch	-0.5	-0.5	-0.8	-1.1	-3.4	-2.2	-0.5	-0.3
Construction	8.11	8.26	8.29	8.37	8.47	8.60	8.78	8.95
% Ch	2.7	1.8	0.3	1.0	1.1	1.6	2.1	1.9
Service-Providing	135.36	136.60	137.10	137.41	137.83	138.42	138.91	139.32
% Ch	1.7	0.9	0.4	0.2	0.3	0.4	0.4	0.3
Miscellaneous Indicators								
Oil-WTI ($ per barrel)	79.9	70.8	72.3	88.1	72.3	68.4	65.9	63.6
Personal Saving/Disposable Income (%)	5.7	5.0	3.7	3.5	5.0	6.1	6.9	7.2
Auto Sales (Millions)	3.0	2.9	2.6	2.8	2.8	2.8	2.9	2.9
% Ch	1.6	-3.6	-11.3	6.2	1.0	1.8	1.6	0.4
Housing Starts (Millions)	1.401	1.370	1.356	1.337	1.317	1.308	1.308	1.307
% Ch	-1.4	-2.2	-1.0	-1.4	-1.5	-0.7	0.0	0.0
Federal Budget Surplus (Billions)	-1,768.1	-1,925.9	-1,765.8	-1,915.0	-2,045.7	-2,153.0	-2,210.1	-2,219.7
Net Exports (Billions)	-817.6	-1,010.3	-809.3	-1,077.9	-1,071.9	-949.0	-863.8	-795.3
3-Month Treasury Bill Rate (%)	5.26	4.46	3.76	3.81	3.30	2.85	2.81	2.78
10-Year Treasury Note Yield (%)	4.30	4.26	4.24	4.44	3.96	3.95	4.02	4.03
Bond Index of 20 G.O. Munis. (%)	3.75	4.29	5.23	4.73	4.44	4.41	4.49	4.48
30-Year Fixed Mortgage Rate (%)	7.03	6.68	6.33	6.43	5.94	5.76	5.70	5.63

Table 1.2
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
November	1.8	2.7	3.32	6.18
2026				
February	2.1	2.6	3.36	6.07
June	2.1	3.1	3.64	6.25
September	2.1	3.2	3.78	6.38

Table 1.3
Forecast Analysis
Comparison of Forecasts for 2027-29

U.S.	Average Annual Rate of Growth (Percent) 2027:2-2029:2		Average Rate (Percent) 2027:3 to 2029:2	
	Real GDP	**PCE Price Index**	**3 Month T-Bill Rate**	**Mortgage Rate**
2024				
February	1.9	2.2	2.36	5.00
June	1.9	2.1	2.36	4.92
September	1.9	2.1	2.36	4.92
November	2.0	2.0	2.37	4.98
2025				
March	1.9	1.9	2.84	5.66
June	2.0	1.7	2.70	5.80
September	2.0	2.0	2.85	5.91
November	1.9	2.1	2.85	5.84
2026				
February	2.0	2.1	2.85	5.74
June	2.0	2.4	2.98	5.90
September	2.0	2.2	3.07	5.85

Table 1.4 Fiscal Years

Forecast Comparison
Forecast 2027 to 2031

	2025	2026	2027	2028	2029	2030	2031
U.S.							
Real GDP							
September	23,596.1	24,133.2	24,607.6	25,099.7	25,601.1	26,115.4	26,626.8
% Ch	2.3	2.3	2.0	2.0	2.0	2.0	2.0
June	23,596.1	24,130.2	24,579.7	25,067.6	25,569.2	26,087.3	26,593.4
% Ch	2.3	2.3	1.9	2.0	2.0	2.0	1.9
PCE Price Index							
September	125.2	129.1	133.4	136.4	139.4	142.3	145.1
% Ch	2.5	3.1	3.3	2.2	2.2	2.1	2.0
June	125.2	129.1	133.3	136.5	139.8	142.6	145.4
% Ch	2.5	3.1	3.2	2.4	2.5	2.0	2.0
Unemployment Rate							
September	4.15	4.36	4.27	4.37	4.37	4.34	4.31
June	4.15	4.37	4.64	4.74	4.53	4.33	4.31
Mortgage Rate							
September	6.68	6.33	6.43	5.94	5.76	5.70	5.63
June	6.68	6.33	6.17	5.90	5.85	5.79	5.79
3 Month T-Bill Rate							
September	4.46	3.76	3.81	3.30	2.85	2.81	2.78
June	4.46	3.77	3.51	3.09	2.88	2.85	2.83

Chapter 2: Washington Economy – Current Conditions and Forecast

- **The September forecast is modestly stronger compared to June, with higher employment and income, lower near-term inflation, and more housing permits.**
- **Washington job growth has been stronger than expected but historical revisions have lowered the level of employment, resulting in 4,500 fewer jobs than assumed in the June forecast.**
- **The unemployment rate fell to 4.9% in August while labor force participation slipped to 62.0%, and initial unemployment claims rose 11.4% in August, the largest monthly increase since February.**
- **The number of housing units authorized by building permits fell to 25,400 units (SAAR) in August after strong gains earlier in the year, but third-quarter permitting is running slightly above expectations, even as Seattle home prices continue to decline year over year.**
- **Washington goods exports increased 27.1% over the year in the second quarter, led by transportation equipment and petroleum products, while exports to China rose 7.8% after a large first-quarter drop.**
- **Personal income rose to $735.2 billion in the second quarter of 2026, up 3.4% (SAAR), ranking 36th among the states and below the national growth rate of 4.7%.**
- **Seattle inflation eased to 4.4% in August, though energy costs remain 15.9% higher than a year ago due to global supply disruptions linked to the Iran conflict.**
- **Seattle CPI is now expected to rise 4.3% in 2026, below the June forecast of 4.6%, with inflation averaging 2.4% from 2027–2031.**
- **The September forecast revises 2026 Washington employment higher (0.2% growth) and shows stronger aerospace employment, a smaller decline in software publishing, slightly weaker construction employment, and more building permits.**
- **Compared with June, the September forecast for personal income indicates unchanged growth in 2026 (4.1%) but a higher average growth rate for 2027–2031 (5.4% vs. 5.2%).**

Current Conditions

The September forecast is modestly stronger relative to June

The September forecast is modestly stronger relative to June, with higher employment and personal income, a downward near-term revision to Seattle inflation, and more housing permits. Nonfarm payrolls increased by 2,700 over four months versus the 1,200 gain expected, but historical revisions left employment 4,500 below the June forecast. Manufacturing added 3,600 jobs, driven mainly by durable goods, and construction rose by 600 jobs, while state government educational services lost 8,000 jobs and government employment declined by 2,000 despite a 600 job gain in federal government. The unemployment rate fell to 4.9%, labor force participation slipped to 62.0%, and initial claims rose to 27,500 in August. Housing permits dropped to 25,400 units (SAAR) in August, but third-quarter permitting has averaged 34,900 units so far—slightly above the expected 34,300—even as Seattle home prices fell 1.6% year over year. Goods exports climbed 27.1%, led by a 40.7% gain in transportation equipment and a 124.1% jump in petroleum and coal products, while exports to China rose 7.8% after a steep first-quarter decline. Personal income reached $735.2 billion, up 3.4% (SAAR) in the second quarter, while Seattle inflation eased to 4.4% even as energy costs remained 15.9% higher amid global supply disruptions tied to the conflict with Iran.

Washington job growth has been stronger than expected since the June forecast

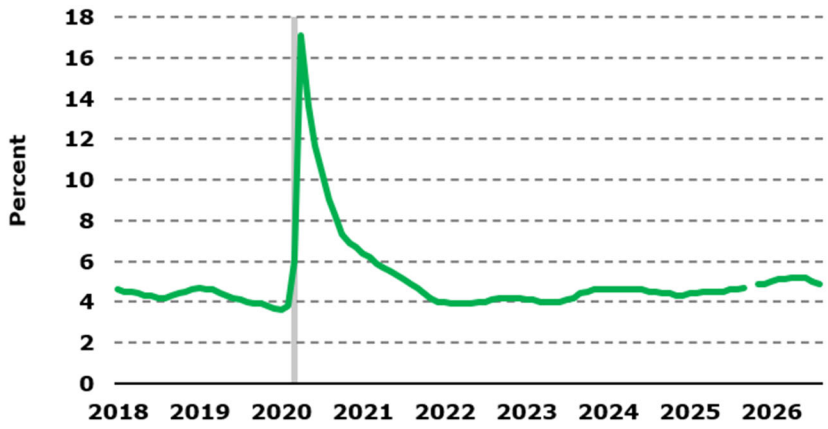
Washington job growth has been stronger than expected since the June forecast, but historical revisions have lowered the level of employment. Total seasonally adjusted nonfarm payroll employment increased by 2,700 in the four months since the forecast compared to an expected 1,200 job gain. The construction sector increased by 600 jobs, due to gains in non-residential construction. Manufacturing employment increased by 3,600 in the four-month period, fueled primarily by a 3,500 job gain in durable goods. The largest gain in the private sector was ambulatory healthcare services with a gain of 3,100 jobs. The largest overall decline was in state government educational services with a loss of 8,000 jobs. Government employment as a whole declined by 2,000, despite an increase of 600 jobs in federal government. Downward revisions to historical data, combined with stronger than expected job growth, have resulted in the level of employment being 4,500 lower than expected in the June forecast.

The unemployment rate fell to 5.0% in July and 4.9% in August, the first decline after 18 consecutive months of increases or no change

Washington's labor market has softened gradually over the past year and a half, and recent months have brought mixed signals. As illustrated in Figure 2.1, the state's unemployment rate reached a low of 4.3% in November 2024 and then increased or held steady for 18 consecutive months (October 2025 data are unavailable due to a lapse in appropriations). In July 2026, however, the rate fell to 5.0%, and in August it declined further to 4.9%. Labor force participation has also decreased in recent months. The participation rate was 62.0% in August, down from

62.1% in July, 62.3% in June, and 62.5% from March through May.

Figure 2.1 Washington Unemployment Rate



Source: Employment Security Department, data through August 2026

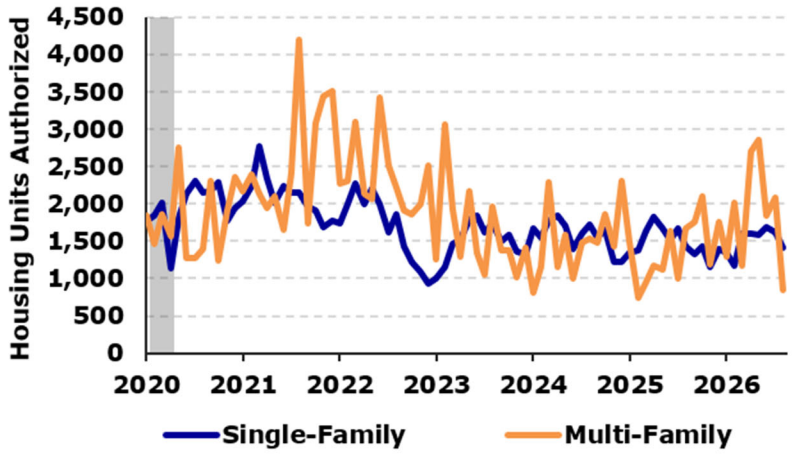
Washington initial claims increased in August

Initial claims for unemployment insurance in Washington increased in August. Seasonally adjusted initial claims totaled 27,500, up 2,800 (11.4%) from July, the largest monthly increase since February. Claims were 2.6% lower than in August 2025.

Washington housing permits rose sharply from February through July 2026, but declined in August

Washington housing permits have strengthened in 2026, with notable gains from February through July. Over that period, permits averaged 44,700 units (SAAR), up sharply from 32,600 units during the same period last year. This total included 17,000 single-family units and 27,700 multi-family units. In August 2026, however, permits fell to 25,400 units (SAAR), a 26.7% decrease from August 2025, driven mostly by a decline in multi-family permitting. Third-quarter permits have averaged 34,900 units (SAAR) through August, with one month of data still to come. By comparison, the June forecast expected 34,300 units for the quarter as a whole, indicating that permitting is running slightly above expectations. Figure 2.2 illustrates monthly single-family and multi-family permits, showing that the recent volatility has come primarily from multi-family permitting.

Figure 2.2: Washington Housing Units Authorized

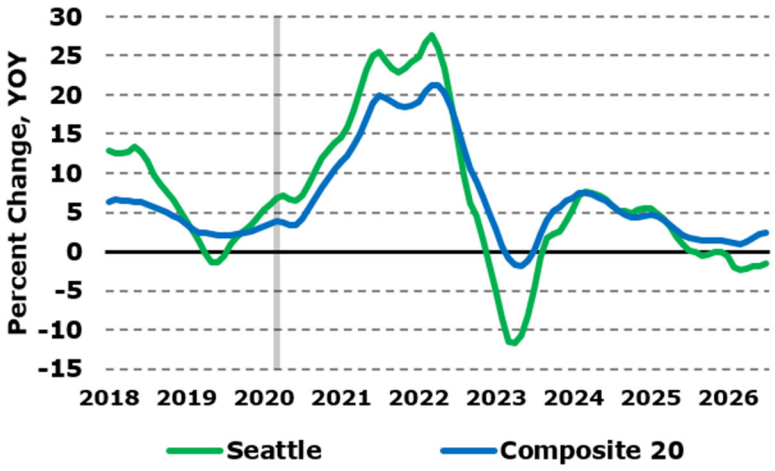


Source: US Census; data through August 2026

Home prices increased in July after decreasing for six straight months

Seattle-area home prices have softened this year, declining for six consecutive months from January through June. Prices rose 0.2% in July but remained 1.6% lower than a year earlier, marking 12 straight months of year-over-year declines. In contrast, the national composite-20 index rose 2.5% year over year in July and has posted positive annual growth since June 2023.

Figure 2.3: S&P/Case-Shiller Home Price Indices, SA



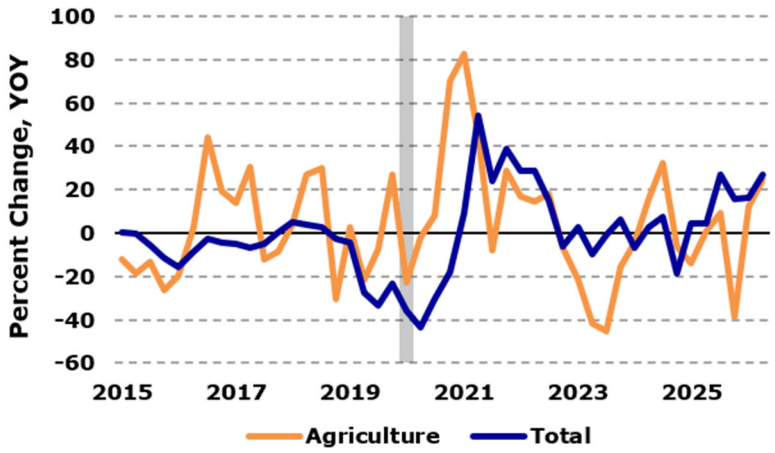
Source: S&P/Case-Shiller Home Price Indices; data through July 2026

According to the United States Census, Washington goods exports rose 27.1% from the second quarter of 2025 to the second quarter of 2026 (see figure). The increase was driven by a 40.7% rise in transportation equipment exports and a 124.1% surge in petroleum and coal products. Agricultural exports also

Washington goods exports increased 27.1% from the second quarter of 2025 to the second quarter of 2026

grew, up 24.3% over the year. Excluding transportation equipment and agricultural products, total Washington goods exports increased 13.0% year over year in the second quarter of 2026. Goods exports to the rest of North America increased 8.3% over the year, while goods exports to China rose 7.8% after a 31.2% drop in the first quarter.

Figure 2.4: Washington Goods Exports



Source: US Census; data through 2026 Q2

New vehicle registrations increased in September

Washington car and truck sales increased in September. The seasonally adjusted number of new vehicle registrations increased 3.3% to 231,700 (SAAR), but registrations were still down 13.3% from a year earlier. Passenger car registrations increased by 1.9% in September, while light truck registrations increased by 12.6% in comparison to the previous month.

Washington's personal income rose in the second quarter of 2026, growing 3.4% annualized, slower than the national rate

In September, the U.S. Department of Commerce's Bureau of Economic Analysis (BEA) released state personal income estimates for the second quarter of 2026. Washington's personal income rose from $729.0 billion (SAAR) in the first quarter of 2026 to $735.2 billion in the second quarter of 2026. This reflects a 3.4% annualized increase. Washington's 3.4% SAAR growth ranked 36th among the states and was lower than the national growth rate of 4.7%. Net earnings in Washington grew 3.0% (SAAR), below the U.S. average of 4.8%. Transfer receipts rose at a 4.3% annual rate, compared with 5.1% nationally. Property income (dividends, interest, and rent) increased 4.1% in Washington, similar to the U.S. rate of 4.2%.

Seattle inflation eased but remains elevated as global energy disruptions drive sharp price increases across the region

Seattle-area consumer price inflation eased to 4.4% year over year in August 2026, down slightly from 4.5% in June and below its 4.9% peak in April. It remains well above the region's 1.7% low in April 2025 and the U.S. city average of 3.4%. Energy is still the largest source of pressure, up 15.9% from a year earlier amid global supply disruptions tied to the conflict with Iran, though prices dipped 3.8% over the June–August period. Core

inflation, which excludes food and energy, was 3.3%, down from 3.8% in April but above the national rate of 2.4%. Shelter inflation increased to 2.6%, matching its 2026 high from March.

Washington State Forecast

The Washington forecast features slightly stronger Washington payroll employment

The September forecast presents a modestly stronger economic outlook overall when compared with the June forecast. The September forecast projects slightly stronger Washington payroll employment than expected in June, with 2026 job growth revised up to 0.2% from 0.1%. Between 2027 and 2031, employment is expected to grow at an average annual rate of 0.8%, unchanged from the prior forecast but from a higher base. The aerospace sector outlook has strengthened further, with 2026 employment now expected to rise 4.3%, up from 2.9% previously, and job levels exceeding the June forecast throughout the forecast horizon. Aerospace employment is projected to average 83,800 jobs in 2026 and 87,600 in 2031, with annual growth slowing through 2031. The software publishing sector outlook has improved in the near term, with a 1.0% decline expected in 2026 compared with a 3.3% decline in the June forecast. Software employment is expected to grow at an average annual rate of 0.4% between 2027 and 2031, down from 0.8% in the previous forecast, although from a higher base. Construction employment is slightly weaker than in the June forecast, declining 1.3% in 2026, compared with 1.1% previously, before returning to growth and reaching 228,300 jobs in 2031. Between 2027 and 2031, construction employment grows at an average annual rate of 1.4%, unchanged from the previous forecast.

Compared with June, the September forecast projects faster income growth, stronger housing activity and lower 2026 inflation

The September forecast anticipates higher nominal personal income growth compared with June. Personal income growth is unchanged in the near term, at 4.1% in 2026, but has been revised upward in every year from 2027 through 2031, averaging 5.4% annually, up from 5.2% in the June forecast. Washington building permits are higher throughout the forecast horizon, with 2026 permits now expected to grow 20.7%, up from 4.8%, reaching 42,100 units. This growth is primarily due to a surge in the multi-family sector. Permits from 2027 to 2031 are expected to average 40,400 units annually, above the June outlook of 39,200. Seattle-area inflation has been revised lower for 2026, now projected at 4.3% compared with 4.6% in the June forecast. Inflation between 2027 and 2031 averages 2.4%, little changed from the prior forecast.

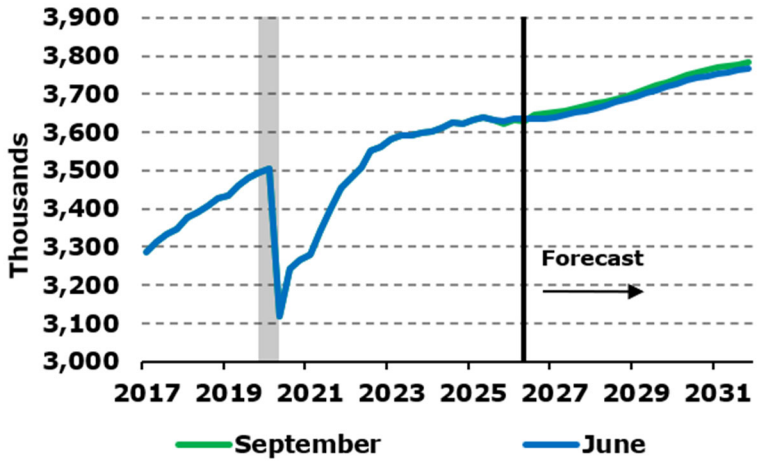
Washington Payroll Employment

Job growth is slightly stronger than in June

We expect job growth to be slightly stronger than projected in the June forecast, with employment levels revised upward throughout the forecast horizon. Washington employment is now expected to increase 0.2% in 2026, compared with the previously anticipated 0.1%. Across the forecast horizon, growth is similar

to or slightly faster than previously expected, with employment levels running 0.1% to 0.4% above the June forecast. Between 2027 and 2031, employment is expected to grow at an average annual rate of 0.8%, with year-over-year increases of 0.6% in 2027, 0.7% in 2028, 0.9% in 2029, 1.0% in 2030, and 0.6% in 2031.

Figure 2.5: Nonfarm Payroll Employment



Source: Employment Security Department, ERFC; historical data through 2026 Q2

Aerospace employment is increasing

After a 0.4% increase in aerospace employment in 2025, the September forecast calls for a 4.3% increase in 2026, up from the 2.9% growth expected in the June forecast. The September forecast also anticipates continued expansion in Washington's aerospace sector, with employment averaging 83,800 jobs in 2026, 87,400 in 2029, and 87,600 in 2031, all of which are higher than projected in the June forecast. Growth after 2027 is somewhat slower than previously expected as employment levels off. On an annual average basis, aerospace employment is expected to grow 3.1% in 2027, 0.6% in 2028, 0.5% in 2029, and 0.2% in 2030, and to hold steady in 2031.

Software jobs have decreased since 2022

Since peaking in 2022, the software publishing sector has declined each of the past three years, falling 2.0% year over year in 2025. We now expect a smaller contraction of 1.0% in 2026, compared with the June forecast's projected decline of 3.3%. Between 2027 and 2031, the software sector is forecasted to grow at an average annual rate of 0.4%, down from 0.8% in the previous forecast, although from a higher base. The software employment levels are 1.3% to 3.2% above the June forecast throughout the forecast horizon.

Construction employment is expected to decrease in 2026 and then increase through 2031

Construction employment declined a revised 1.7% year over year in 2025, more than previously reported. This year we expect a 1.3% decline in construction employment, compared with the 1.1% decline expected in the June forecast. As in the June forecast, we expect construction employment to resume

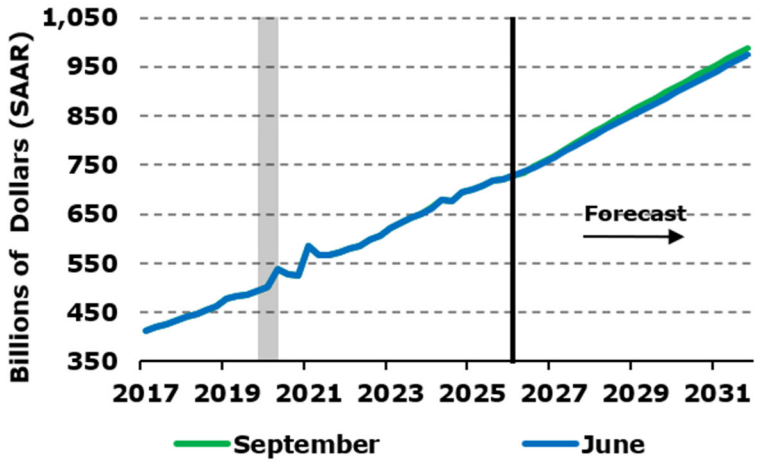
expansion throughout the rest of the forecast period, reaching 228,300 jobs in 2031, with employment levels 0.4% to 0.7% below the June forecast. On an annual basis, we expect construction employment to grow by 0.5% in 2027, 1.6% in 2028, 1.9% in 2029, 1.6% in 2030, and 0.6% in 2031.

Washington Personal Income

Nominal personal income growth is stronger in the September forecast than in the June forecast

The September forecast for nominal personal income growth in 2026 is 4.1%, unchanged from the June forecast. Moving forward, we expect nominal personal income growth of 6.1% in 2027, 6.1% in 2028, 5.5% in 2029, 5.1% in 2030, and 4.9% in 2031. Growth has been revised upward every year from 2027 through 2031, and the September forecast calls for an average annual growth rate of 5.4% between 2027 and 2031, up from 5.2% in the June forecast. As a result, personal income is higher than in the June forecast throughout the forecast horizon, with the level 1.4% above the June forecast by 2031. Figure 2.6 below highlights how the September forecast compares with the June outlook.

Figure 2.6: Washington Personal Income



Source: Bureau of Economic Analysis, ERFC; historical data through 2026 Q1

Washington Building Permits

Early-2026 permit gains led to a higher forecast for Washington Building Permits

The Washington housing permits forecast is higher throughout the forecast horizon compared with the June forecast, with the largest revision in the near term. After reaching a peak of 56,900 units in 2021, the highest annual total since 1978, permits declined in 2022 and 2023. Permits rose slightly in 2024 before falling 7.6% in 2025. The September forecast expects permits to grow 20.7% in 2026, up from the 4.8% growth assumed in the June forecast, with total permits reaching 42,100 units this year, compared with 36,600 in June. This growth is primarily due to a surge in the multi-family sector in the second

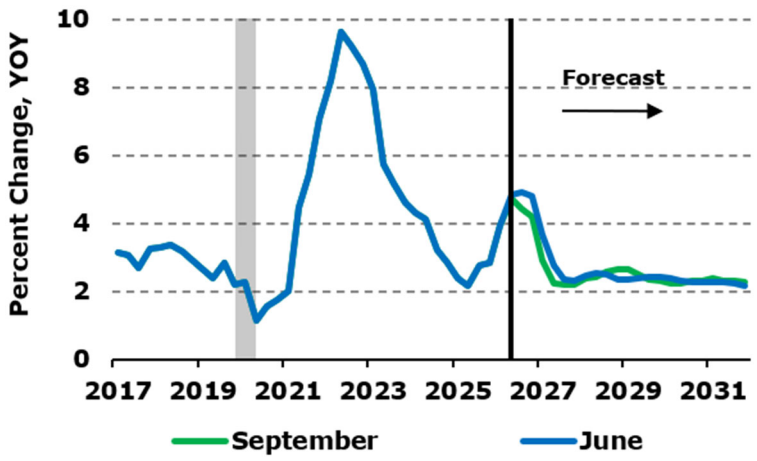
quarter of 2026. Permits are expected to decline 9.2% in 2027 from this year's elevated level before resuming growth of 2.1% in 2028, 3.9% in 2029, 3.0% in 2030, and 1.5% in 2031. Looking ahead, housing permits are expected to average 40,400 units in 2027 through 2031, up from 39,200 in the June forecast.

Consumer Price Index

Higher energy prices lead to higher Seattle-area inflation

The September forecast calls for slightly lower Seattle-area inflation than the June forecast in the near term, although inflation remains elevated this year. Seattle-area inflation is now projected to be 4.3% in 2026, down from 4.6% in the June forecast, and 2.4% in 2027, down from 2.8%. Beyond 2027, the outlook is little changed from the June forecast, with annual inflation of 2.5% in 2028, 2.4% in 2029, and 2.3% in both 2030 and 2031. Between 2027 and 2031, inflation averages 2.4%, little changed from 2.3% in the June forecast. Because of lower near-term inflation, the Seattle-area price level is 0.3% to 0.6% below the June forecast throughout the forecast horizon. Figure 2.7 summarizes the updated inflation outlook for the Seattle area. Table 2.1 provides a fiscal year summary of the state economic indicators. For calendar year tables, see the appendix.

Figure 2.7 Seattle CPI



Source: Bureau of Labor Statistics, ERFC; historical data through 2026 Q2

Alternative Scenarios

Alternative forecasts are required by law

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

Optimistic

In the optimistic scenario, a definitive resolution of the conflict in Iran lowers energy prices and near-term inflation and boosts consumer and business confidence

The optimistic scenario is characterized by an improved energy market due to a definitive resolution to the conflict in Iran and a well-functioning global supply of oil and other commodities. Underlying this narrative is the assumption that the resolution of the war leads to a moderation in energy prices causing lower inflation. The abrupt end of the conflict leads to a modest amelioration in financial conditions and stronger economic activity, which lead to an increase in consumer and business confidence. As a result, compared with our base case, this scenario shows a lower unemployment rate, an initially lower inflation path, higher equity valuations, and stronger growth.

The optimistic scenario assumes faster software growth, producing a stronger Washington economy

In addition to reflecting the impact of the stronger U.S. forecast on the state economy, the optimistic scenario assumes faster growth in Washington's software sector. While software employment grows only modestly in the baseline forecast, averaging 0.4% per year between 2027 and 2031, the optimistic scenario assumes growth of roughly 2.7% per year, leaving software employment 13.0% higher than in the baseline by 2031. The stronger regional economy also drives overall employment to higher growth levels than in the baseline, with jobs growing at an average annual rate of 1.3% between 2027 and 2031, compared with 0.8% in the baseline. Washington nonfarm payroll employment in 2031 is higher by 103,200 jobs (2.7%) than in the baseline forecast, and Washington personal income is $56.4 billion (5.8%) higher. The stronger labor market also brings the unemployment rate down more quickly: after reaching 5.1% in 2026 in both scenarios, it declines to 4.2% by 2031 in the optimistic scenario, compared with 4.6% in the baseline. Seattle-area inflation is similar to the baseline in the near term, at 4.2% in 2026 compared with 4.3%, but runs higher in later years as the stronger economy adds to price pressures, averaging 3.0% per year between 2027 and 2031, compared with 2.4% in the baseline. Housing permits decline less in 2027 and grow more rapidly in 2028 and 2029 than in the base case, with the overall level higher throughout the forecast horizon and 6.5% above the baseline by 2031.

Pessimistic

In the pessimistic scenario, continuation of the conflict in Iran raises energy prices and near-term inflation and weakens consumer and business

The pessimistic scenario is characterized by a tighter energy market due to the continuation of the conflict in Iran and the disruption in global supply of oil and other commodities. Underlying this narrative is the assumption that the tighter energy market leads to elevated energy prices, causing higher inflation. The uncertainty surrounding the conflict leads to a modest worsening in financial conditions and weaker economic activity, which lead to a moderation in consumer and business confidence. As a result, compared with our base forecast, this scenario shows a higher unemployment rate, an initially higher inflation path, lower equity valuations, and lower growth.

The pessimistic scenario assumes declining software employment, producing a weaker Washington economy

In addition to reflecting the impact of the weaker U.S. forecast on the state economy, the pessimistic scenario projects faster Seattle-area inflation in the near term, at 3.4% in 2027 compared with 2.4% in the baseline, before inflation slows sharply to between 0.6% and 2.0% per year from 2028 through 2031 as the weaker economy eases price pressures. Software employment falls each year over the forecast period, declining at an average annual rate of 2.2% between 2027 and 2031, compared with 0.4% growth in the baseline, and ending 12.3% below the baseline by 2031. Construction employment also falls every year over the forecast period, ending 16.8% below the baseline in 2031. The weaker regional economy slows overall job growth to an average annual rate of 0.1% between 2027 and 2031, compared with 0.8% in the baseline. Washington nonfarm payroll employment in 2031 is 140,100 jobs (3.7%) lower than in the baseline forecast, and Washington personal income is $64.8 billion (6.7%) lower. The unemployment rate rises to a peak of 5.9% in 2028 and remains elevated at 5.6% in 2031, compared with 4.6% in the baseline. Housing permits fall more sharply in 2027 and remain below the baseline throughout the forecast horizon, ending 14.8% lower by 2031.

Governor's Council of Economic Advisors (GCEA)

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

Table 2.1 Fiscal Years

Washington Economic Forecast Summary

Forecast 2027 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Real Income (Billions of Chained 2017 Dollars)								
Real Personal Income	539.481	555.282	562.174	572.298	595.051	615.642	634.900	653.600
% Ch	4.1	2.9	1.2	1.8	4.0	3.5	3.1	2.9
Real Wage and Salary Disb.	286.137	294.982	298.685	301.108	310.776	320.258	329.905	340.401
% Ch	5.0	3.1	1.3	0.8	3.2	3.1	3.0	3.2
Real Nonwage Income	253.345	260.300	263.489	271.190	284.275	295.384	304.995	313.198
% Ch	3.1	2.7	1.2	2.9	4.8	3.9	3.3	2.7
Real Per Capita Income ($/Person)	68,427	69,713	70,068	71,086	73,657	75,850	77,731	79,482
% Ch	3.1	1.9	0.5	1.5	3.6	3.0	2.5	2.3
Price and Wage Indexes								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.221	1.252	1.291	1.334	1.364	1.394	1.423	1.451
% Ch	2.9	2.5	3.1	3.3	2.2	2.2	2.1	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.483	3.575	3.703	3.830	3.918	4.020	4.111	4.207
% Ch	4.5	2.7	3.6	3.4	2.3	2.6	2.3	2.3
Average Nonfarm Annual Wage	94,422	99,180	103,576	107,253	112,535	117,684	122,563	127,990
% Ch	7.3	5.0	4.4	3.6	4.9	4.6	4.1	4.4
Avg. Hourly Earnings-Mfg. ($/Hour)	31.06	33.79	36.47	37.78	39.28	40.74	42.22	43.81
% Ch	5.2	8.8	7.9	3.6	4.0	3.7	3.6	3.7
Current Dollar Income (Billions of Dollars)								
Personal Income	658.975	695.233	725.794	763.469	811.451	858.261	903.458	948.616
% Ch	7.1	5.5	4.4	5.2	6.3	5.8	5.3	5.0
Disposable Personal Income	589.714	615.196	636.328	671.867	713.428	756.012	795.150	832.244
% Ch	8.8	4.3	3.4	5.6	6.2	6.0	5.2	4.7
Per Capita Income ($/Person)	83,581	87,281	90,460	94,831	100,443	105,740	110,609	115,357
% Ch	6.2	4.4	3.6	4.8	5.9	5.3	4.6	4.3
Employment (Thousands)								
Washington Civilian Labor Force	4,038.1	4,043.5	4,060.9	4,058.7	4,086.2	4,112.2	4,142.4	4,171.3
Total Washington Employment	3,857.2	3,863.5	3,859.9	3,853.1	3,879.3	3,909.4	3,946.5	3,977.4
Unemployment Rate (%)	4.48	4.45	4.95	5.07	5.06	4.93	4.73	4.65
Nonfarm Payroll Employment	3,601.5	3,630.4	3,629.0	3,650.7	3,671.4	3,699.3	3,735.6	3,765.5
% Ch	0.8	0.8	0.0	0.6	0.6	0.8	1.0	0.8
Manufacturing	275.9	272.2	271.2	277.2	276.3	275.1	275.2	275.5
% Ch	1.4	-1.3	-0.4	2.2	-0.3	-0.4	0.0	0.1
Durable Manufacturing	190.4	187.7	188.2	194.7	194.8	193.9	193.8	193.8
% Ch	2.9	-1.4	0.2	3.5	0.1	-0.4	-0.1	0.0
Aerospace	80.8	79.7	80.9	85.9	86.7	87.1	87.5	87.6
% Ch	8.7	-1.3	1.5	6.1	1.0	0.5	0.4	0.1
Nondurable Manufacturing	85.6	84.5	83.0	82.6	81.5	81.2	81.4	81.8
% Ch	-1.8	-1.2	-1.7	-0.6	-1.2	-0.5	0.3	0.4
Construction	224.2	220.3	215.2	214.7	217.3	221.3	225.4	228.0
% Ch	-3.7	-1.8	-2.3	-0.2	1.2	1.8	1.9	1.1
Service-Providing	3,096.0	3,132.8	3,137.6	3,153.8	3,173.0	3,198.0	3,230.0	3,256.8
% Ch	1.1	1.2	0.2	0.5	0.6	0.8	1.0	0.8
Software Publishers	83.2	82.5	80.0	80.6	81.3	81.8	82.0	82.2
% Ch	-4.8	-0.8	-3.0	0.7	0.9	0.6	0.3	0.2
Mgmt. of Companies and Enterprises	101.4	101.6	101.2	101.6	102.5	103.4	104.4	105.3
% Ch	-2.0	0.2	-0.4	0.4	0.9	0.9	0.9	0.9
Housing Indicators (Thousands)								
Housing Units Authorized by Bldg. Permit	35.803	36.373	39.470	39.435	38.495	39.841	41.290	42.179
% Ch	-11.5	1.6	8.5	-0.1	-2.4	3.5	3.6	2.2
Single-Family	19.390	18.515	17.470	17.850	18.886	20.030	21.050	21.607
% Ch	15.5	-4.5	-5.6	2.2	5.8	6.1	5.1	2.6
Multi-Family	16.413	17.858	22.000	21.585	19.609	19.811	20.240	20.573
% Ch	-30.6	8.8	23.2	-1.9	-9.2	1.0	2.2	1.6
30-Year Fixed Mortgage Rate (%)	7.03	6.68	6.33	6.43	5.94	5.76	5.70	5.63

Table 2.2 Fiscal Years
Comparison of Alternative Forecasts

	2026	2027	2028	2029	2030	2031
U.S.						
Real GDP, Percent Change						
Optimistic	2.3	2.3	3.2	2.4	1.9	1.8
Baseline	2.3	2.0	2.0	2.0	2.0	2.0
Pessimistic	2.3	1.7	1.9	2.1	2.0	2.1
PCE Price Index, Percent Change						
Optimistic	3.1	3.0	2.1	2.1	2.1	2.1
Baseline	3.1	3.3	2.2	2.2	2.1	2.0
Pessimistic	3.1	3.8	2.9	1.7	1.1	1.3
Mortgage Rate, Percent						
Optimistic	6.33	6.40	5.96	5.79	5.75	5.71
Baseline	6.33	6.43	5.94	5.76	5.70	5.63
Pessimistic	6.33	6.51	6.07	5.83	5.76	5.71
3 Month T-Bill Rate, Percent						
Optimistic	3.76	3.89	3.38	2.92	2.88	2.87
Baseline	3.76	3.81	3.30	2.85	2.81	2.78
Pessimistic	3.76	4.09	4.04	3.14	2.88	2.87
Washington						
Real Personal Income, Percent Change						
Optimistic	1.2	3.5	5.8	5.1	3.7	3.3
Baseline	1.2	1.8	4.0	3.5	3.1	2.9
Pessimistic	1.2	-0.5	2.6	3.3	2.4	2.0
Personal Income, Percent Change						
Optimistic	4.4	6.6	8.0	7.3	5.9	5.5
Baseline	4.4	5.2	6.3	5.8	5.3	5.0
Pessimistic	4.4	3.3	5.7	5.0	3.6	3.4
Employment, Percent Change						
Optimistic	0.0	0.8	1.2	1.4	1.5	1.2
Baseline	0.0	0.6	0.6	0.8	1.0	0.8
Pessimistic	0.0	0.1	-0.2	0.0	0.3	0.1
Housing Permits, Thousands of Authorized Units						
Optimistic	39.5	39.7	39.6	42.0	44.0	44.9
Baseline	39.5	39.4	38.5	39.8	41.3	42.2
Pessimistic	39.5	38.2	35.6	35.7	36.3	36.3

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

Table unavailable for the September 2026 Forecast

Table 2.4
Forecast Analysis
Comparison of Forecasts for 2025-27

Washington	Average Annual Rate of Growth (Percent) 2025:2-2027:2			Average Annual Rate (Thousands) 2025:3 to 2027:2
	Employment	**Personal Income**	**Real Personal Income**	**Housing Units Authorized**
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
November	0.2	4.8	2.0	34.7
2026				
February	0.7	5.1	2.9	37.0
June	0.8	5.5	3.0	38.0
September	0.8	5.9	3.6	39.1

Table 2.5
Forecast Analysis
Comparison of Forecasts for 2027-29

Washington	Average Annual Rate of Growth (Percent) 2027:2-2029:2			Average Annual Rate (Thousands) 2027:3 to 2029:2
	Employment	**Personal Income**	**Real Personal Income**	**Housing Units Authorized**
2024				
February	0.8	5.0	2.9	45.8
June	1.0	5.3	3.0	44.5
September	0.9	5.4	3.2	42.9
November	0.9	5.1	3.1	43.0
2025				
March	0.8	5.3	3.3	40.8
June	0.9	5.4	3.6	39.8
September	1.0	5.3	3.3	39.4
November	0.8	5.1	3.0	37.8
2026				
February	0.7	5.1	2.9	37.1
June	0.8	5.5	3.0	38.2
September	0.8	5.9	3.6	39.2

Table 2.6 Fiscal Years

Forecast Comparison
Forecast 2027 to 2031

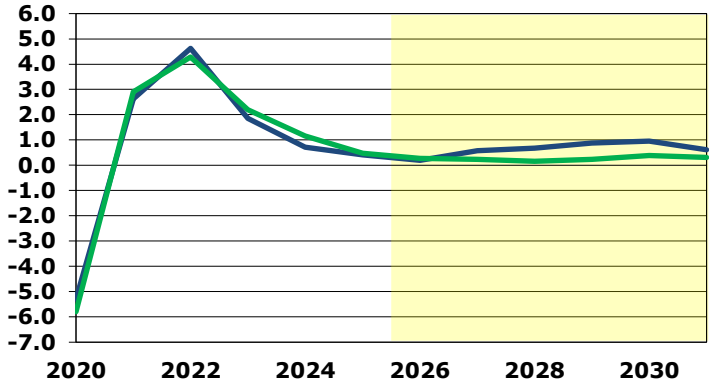
	2025	2026	2027	2028	2029	2030	2031
Washington							
Real Personal Income							
September	555.282	562.174	572.298	595.051	615.642	634.900	653.600
% Ch	2.9	1.2	1.8	4.0	3.5	3.1	2.9
June	555.221	562.756	571.092	590.192	607.122	625.736	643.601
% Ch	2.9	1.4	1.5	3.3	2.9	3.1	2.9
Personal Income							
September	695.233	725.794	763.469	811.451	858.261	903.458	948.616
% Ch	5.5	4.4	5.2	6.3	5.8	5.3	5.0
June	695.156	726.502	761.033	805.486	849.100	892.298	935.809
% Ch	5.5	4.5	4.8	5.8	5.4	5.1	4.9
Employment							
September	3630.4	3629.0	3650.7	3671.4	3699.3	3735.6	3765.5
% Ch	0.8	0.0	0.6	0.6	0.8	1.0	0.8
June	3630.4	3633.3	3639.8	3660.2	3689.7	3723.3	3750.3
% Ch	0.8	0.1	0.2	0.6	0.8	0.9	0.7
Housing Permits							
September	36.373	39.470	39.435	38.495	39.841	41.290	42.179
% Ch	1.6	8.5	-0.1	-2.4	3.5	3.6	2.2
June	36.373	36.881	35.318	37.507	38.993	40.045	40.789
% Ch	1.6	1.4	-4.2	6.2	4.0	2.7	1.9

Figure 2.8: Comparison of Washington and U.S. Economic Forecasts

(Percent change)

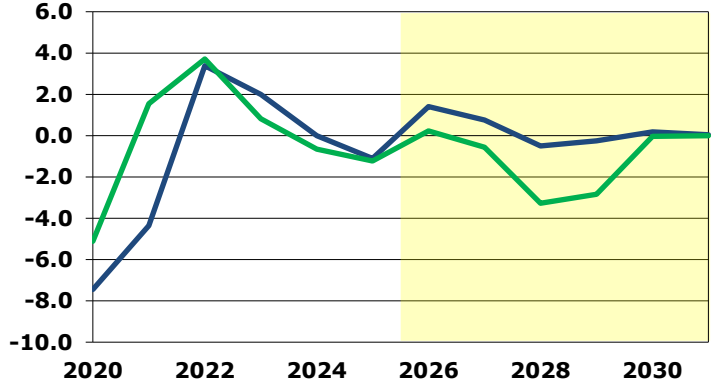
Forecast

Total Nonfarm Payroll Employment



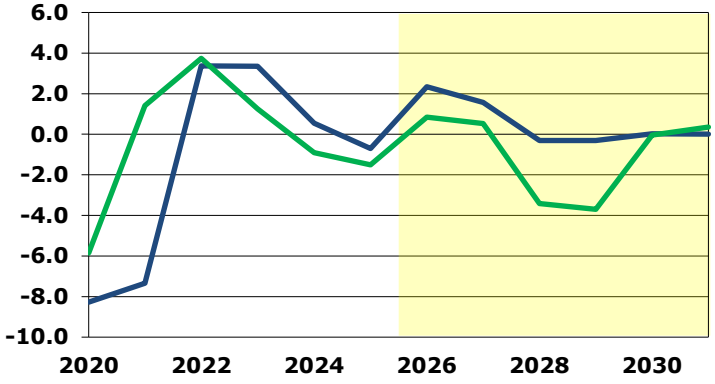
Source: WA State Employment Security Dept. 2025, ERFC 2031

Manufacturing Employment



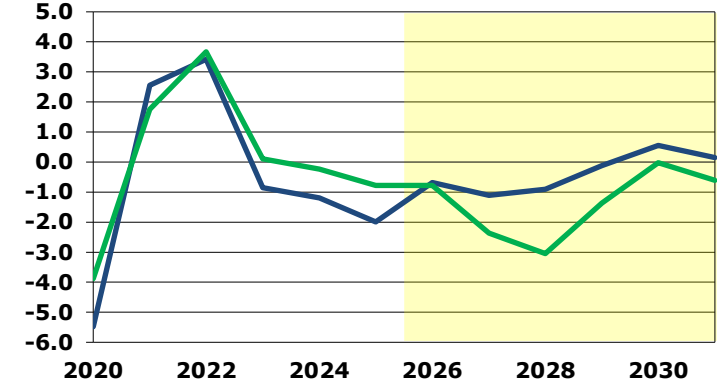
Source: WA State Employment Security Dept. 2025, ERFC 2031

Durable Manufacturing Employment



Source: WA State Employment Security Dept. 2025, ERFC 2031

Nondurable Manufacturing Employment



Source: WA State Employment Security Dept. 2025, ERFC 2031

Washington

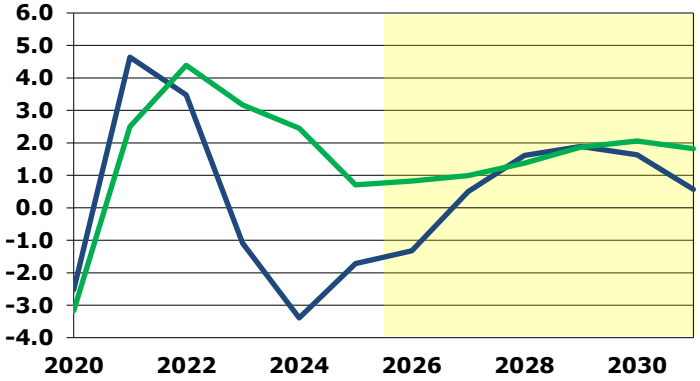
U.S.

Figure 2.8: Comparison of Washington and U.S. Economic Forecasts (continued)

(Percent change)

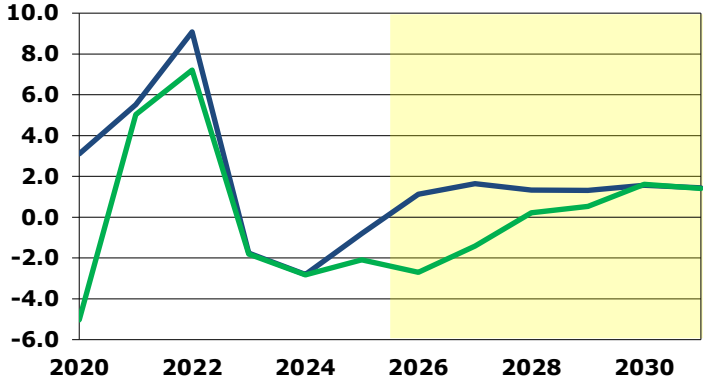
Forecast

Construction Employment



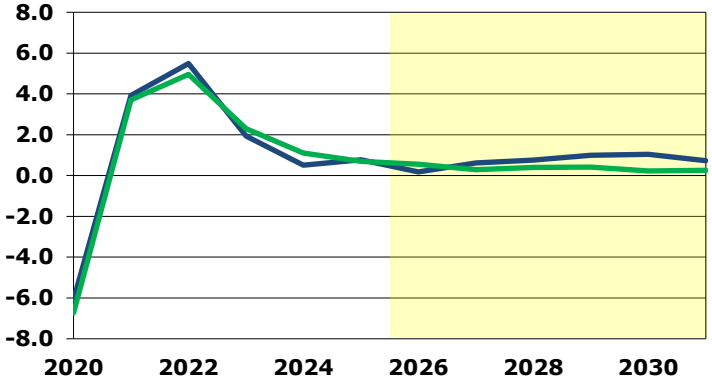
Source: WA State Employment Security Dept. 2025, ERFC 2031

Information Employment



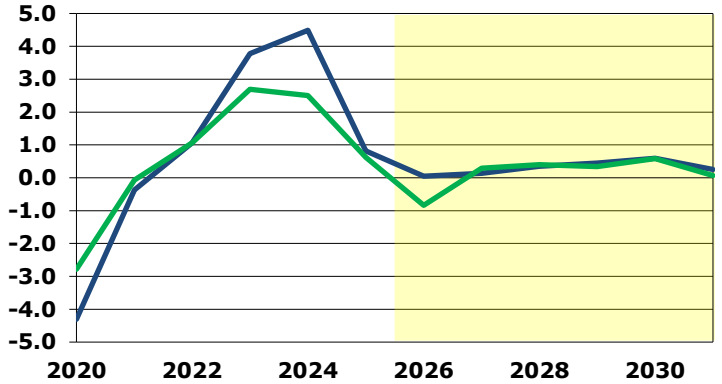
Source: WA State Employment Security Dept. 2025, ERFC 2031

Other Private Employment



Source: WA State Employment Security Dept. 2025, ERFC 2031

Government Employment



Source: WA State Employment Security Dept. 2025, ERFC 2031

Washington

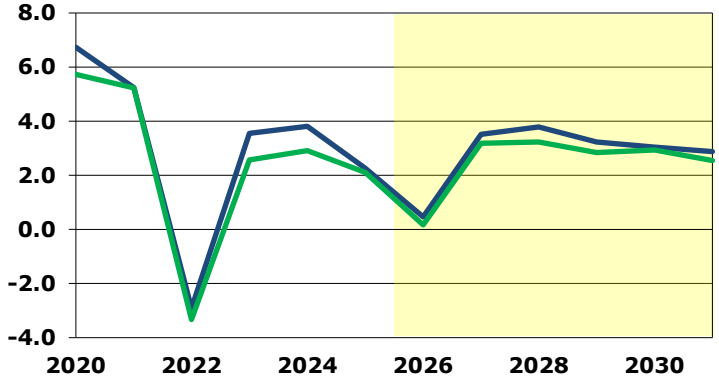
U.S.

Figure 2.8: Comparison of Washington and U.S. Economic Forecasts (continued)

(Percent change)

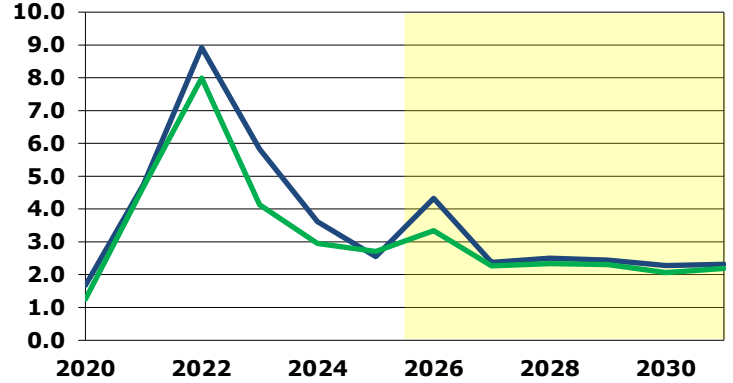
Forecast

Real Personal Income



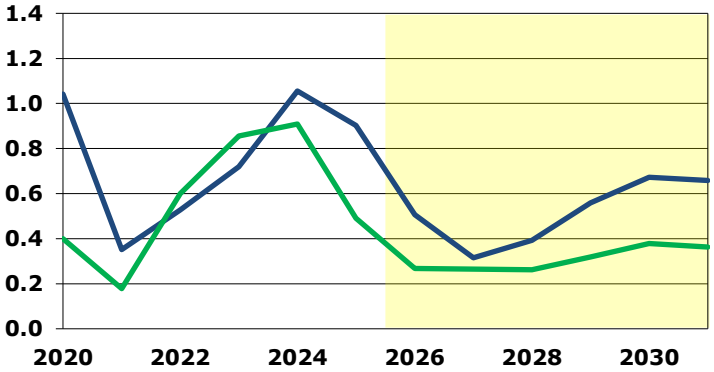
Source: Bureau of Economic Analysis 2024, ERFC 2031

Consumer Price Indices



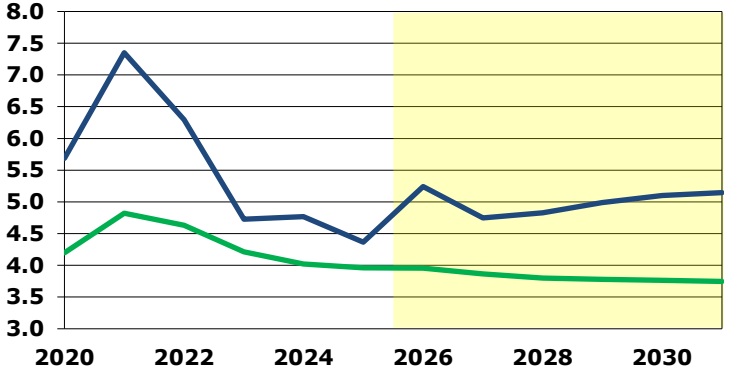
Source: Bureau of Labor Statistics 2025, ERFC 2031

Population



Source: Bureau of Economic Analysis 2024, ERFC 2031

New Housing Units Per 1,000 Population (Level)

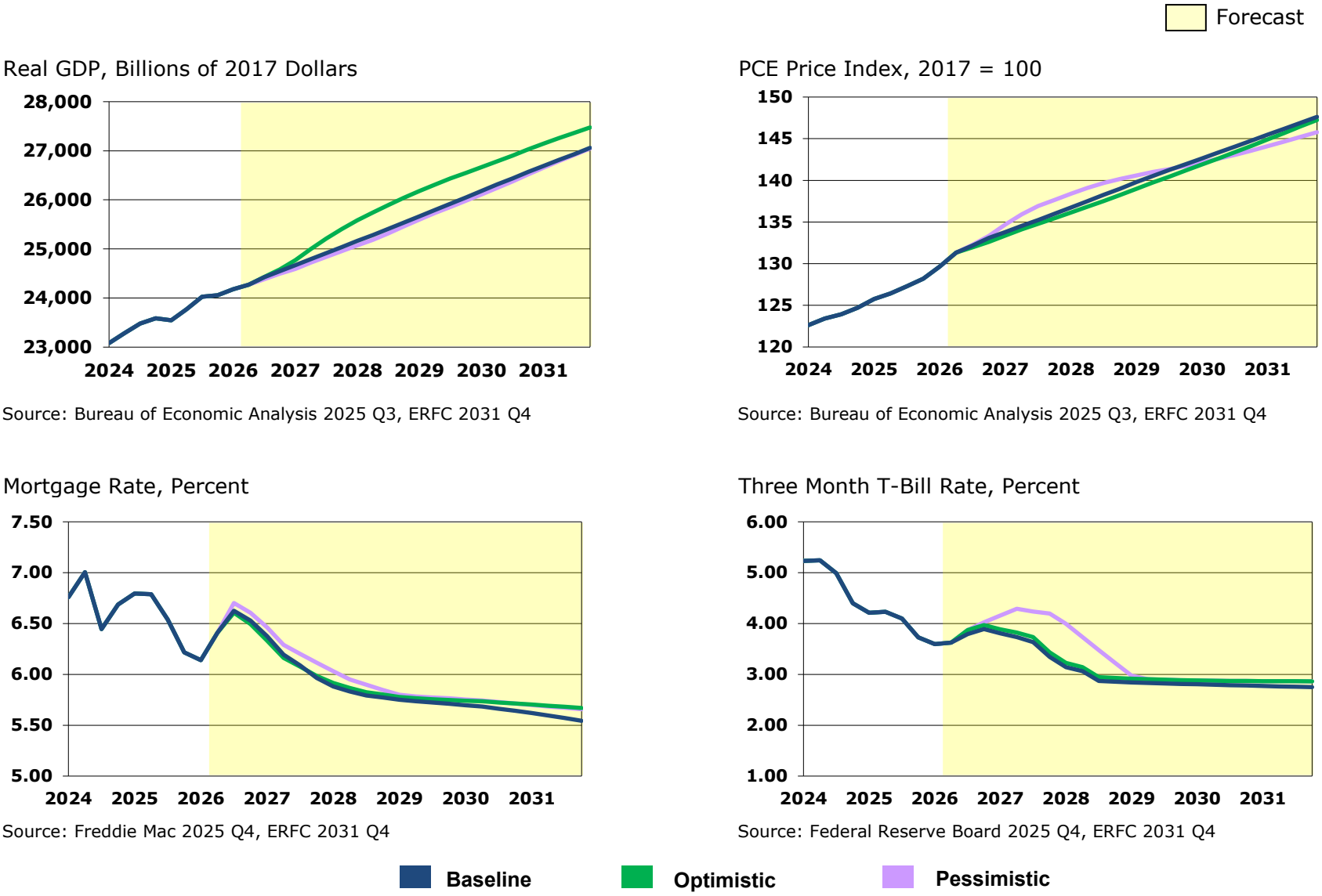


Source: Census Bureau, Bureau of Economic Analysis 2024, ERFC 2031

Washington

U.S.

Figure 2.9: Comparison of Alternative U.S. Economic Forecasts



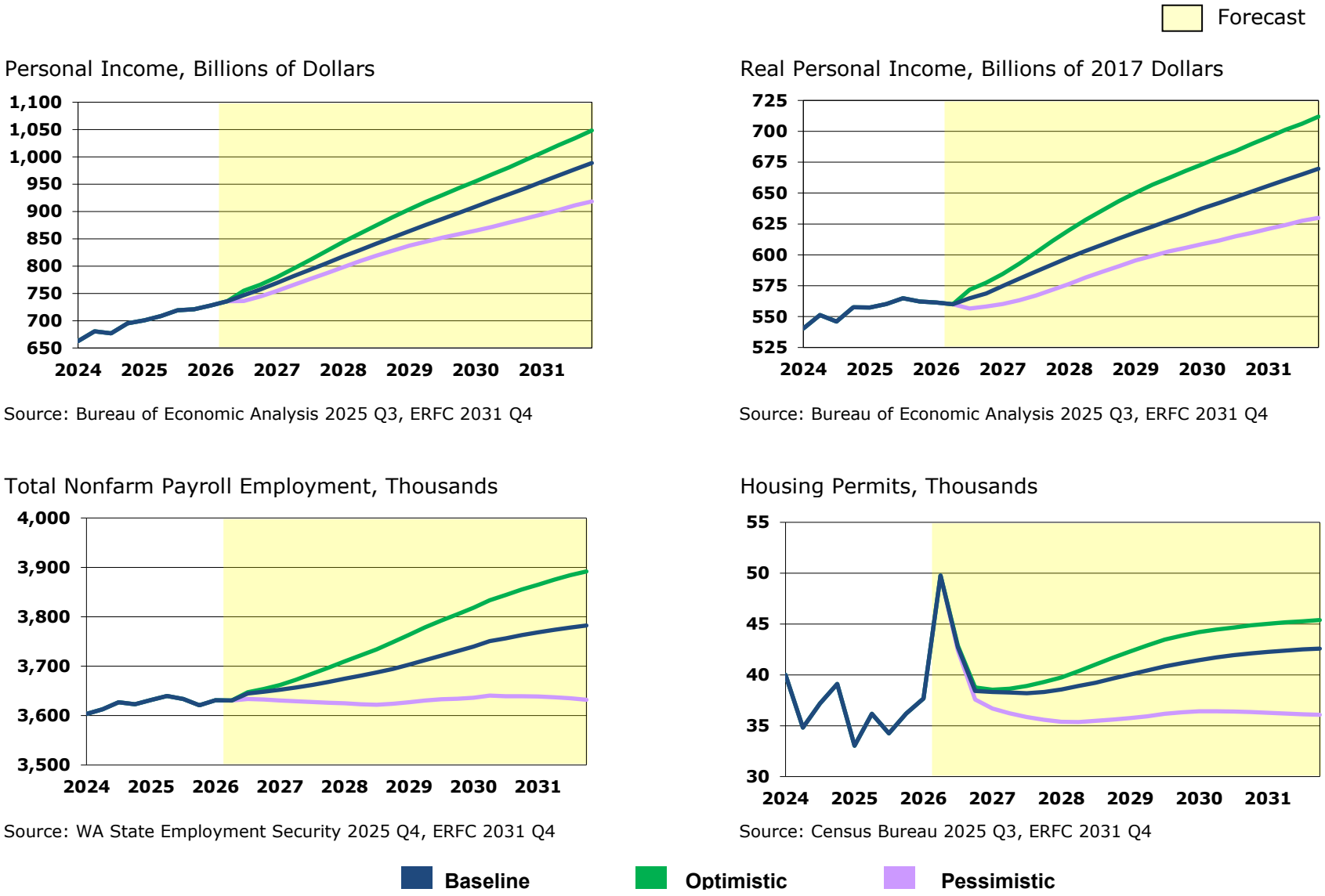
Source: Bureau of Economic Analysis 2025 Q3, ERFC 2031 Q4

Source: Bureau of Economic Analysis 2025 Q3, ERFC 2031 Q4

Source: Freddie Mac 2025 Q4, ERFC 2031 Q4

Source: Federal Reserve Board 2025 Q4, ERFC 2031 Q4

Figure 2.10: Comparison of Alternative Washington Economic Forecasts



Source: Bureau of Economic Analysis 2025 Q3, ERFC 2031 Q4

Source: Bureau of Economic Analysis 2025 Q3, ERFC 2031 Q4

Source: WA State Employment Security 2025 Q4, ERFC 2031 Q4

Source: Census Bureau 2025 Q3, ERFC 2031 Q4

Chapter 3: Washington State Revenue Forecast Summary

- **Tracked revenue collections since June have come in $198.9 million (2.5%) above their forecasted amount.**
- **The September economic forecast projects higher personal income, employment, and housing permits, all of which have slightly increased forecasted receipts.**
- **The total of funds subject to the budget outlook process in the 2025-27 biennium was $21.7 million higher than forecast in June.**
- **The forecast of funds subject to the budget outlook was increased by $430.0 million in the 2027-29 biennium and $2.382 billion in the 2029-31 biennium. The 2029-31 increase was driven mostly by legislative changes from the 2026 session related to the Individual Income Tax.**

Overview

Revenue collections have come in higher than expected

Tracked revenue collections since June have come in $198.9 million above their forecasted amount. The September economic forecast projects higher personal income, employment, and housing permits, all of which have slightly increased forecasted receipts.

Total forecast change by biennium (millions):

25-27: $21.7
27-29: $430.0
29-31: $2,381.5

Table 3.1 summarizes the changes to forecasted revenue in funds subject to the budget outlook process for the 2025-27 and 2027-29 biennia. Forecasted revenue 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 September forecast of funds subject to the budget outlook process total $76.258 billion in the 2025-27 biennium, $82.594 billion in the 2027-29 biennium, and $94.121 billion in the 2029-31 biennium.

September forecast by biennium ($billions):

2025-27: $76.258
2027-29: $82.594
2029-31: $94.121

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

	2025-27 Biennium	2027-29 Biennium	2029-31 Biennium
Non-Economic Change	$0.0	$0.0	$0.0
Forecast Change	$21.7	$430.0	$2,381.5
Total Change*	**$21.7**	**$430.0**	**$2,381.5**

(*cash basis, millions of dollars)

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

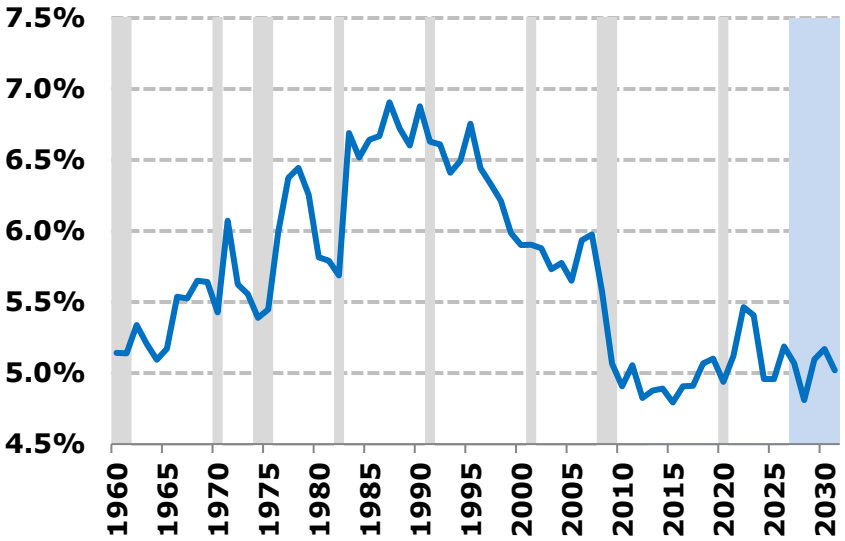
The budget outlook process ensures that the budget adopted for the current biennium will also be sustainable in the next biennium given forecasted revenue. The funds that are currently included when establishing the outlook are the General Fund-State, the Education Legacy Trust Account, the Washington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

Though the ratio of total collections to income has increased from the FY 2015 trough, it peaked in FY 2023

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 this 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. From FY 2030 onward the total includes the Fair Start for Kids Account (FSKA), which is funded by the Individual Income Tax implemented in the 2026 legislative session. 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 and 2026 sessions are expected to keep the ratio close to the 5.0% level through FY 2027. After FY 2027, total revenues are expected to decline to 4.8% in FY 2028 before increasing to levels above 5.0% from FY 2029 through FY 2031. The pattern of changes is driven by legislative changes that start in FY 2029 and some that expire in FY 2030 and beyond.

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. Recent legislative changes have driven the pattern of growth from FY 2027 onwards.



Source: ERFC, data through fiscal year 2026. Gray shaded area indicates recession; blue shaded area indicates forecast.

Track Record for 2025-27 and 2027-29 Biennial forecasts

The forecast for the current biennium is $1.013 billion higher 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 2025-27 biennium and Table 3.11 tracks changes to the 2027-29 forecast. The February 2022 forecast was the initial forecast for the 2025-27 biennium. The current forecast of revenue for the biennium is $6.23 billion (8.9%) higher than the initial forecast. Non-economic changes have increased the forecast by $5.11 billion (7.3%). Excluding non-economic changes, the current forecast is $1.12 billion (1.6%) higher than the initial forecast. The March 2025 forecast was the basis for the initial budget for the 2025-27 biennium. The current forecast for biennial revenue is $1.013 billion (1.3%) higher than that sum. The February 2024 forecast was the initial forecast for the 2027-29 biennium. The current forecast for the biennium is $5.73 billion (7.4%) higher than the initial forecast.

Recent Collection Experience

Tracked collections were $198.9 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 $198.9 million (2.5%) higher than expected (see Table 3.2). Revenue Act collections reported by the DOR were $226.7 million (3.3%) higher than forecasted and revenue from other DOR tax sources was $26.4 million (2.8%) lower than forecasted. Revenue from the Washington court system was $1.4 million (9.0%) lower 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)

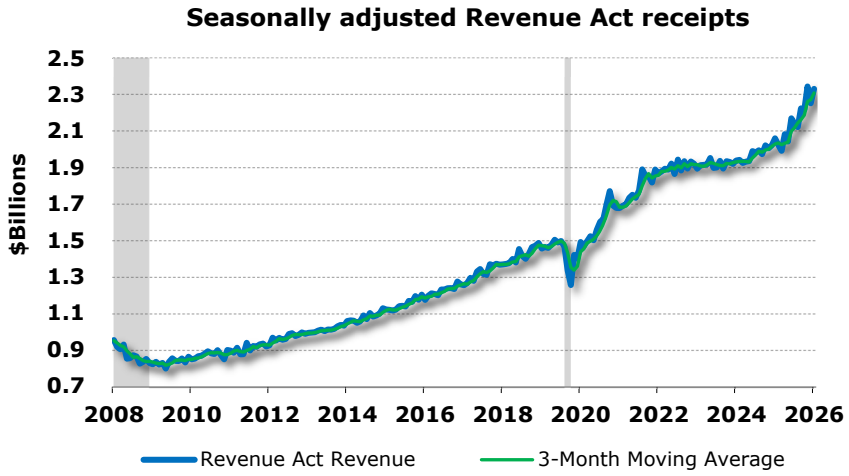
Revenue Act collections were higher than forecasted and non-Revenue Act DOR tax collections were lower

Agency/Source	Collection Variance	Percent of Estimate
Department of Revenue		
Revenue Act	$226.7	3.3%
Non-Revenue Act	($26.4)	-2.8%
Subtotal	$200.3	2.6%
Washington court system	($1.4)	-9.0%
Total*	**$198.9**	**2.5%**

* Detail may not add to total due to rounding.
Source: ERFC; Period: June 11, 2026 - September 10, 2026

Real estate excise tax (REET) collections came in $5.13 million (1.4%) higher than forecasted. Property tax collections came in $16.08 million (4.0%) higher than forecasted. Cigarette tax collections came in $9.27 million (14.8%) lower than forecasted and liquor sales and liter tax receipts came in $3.86 million (4.3%) lower than forecasted. Net transfers of unclaimed property into GF-S were $29.1 million lower than forecasted. Revenue from all other DOR revenue sources came in $5.34 million (9.6%) lower than forecasted.

Figure 3.2: Revenue Act Collections*



Source: ERFC; Data through September 10, 2026
*Adjusted for large payments/refunds, payment pattern changes and deferred payments

Adjusted Revenue Act collections were up 12.8% year over year for second quarter 2026 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. Growth has accelerated further in recent months as newly enacted tax increases have taken effect in the fourth quarter of 2025. Adjusted collections for fourth quarter 2025

activity (November 11, 2025 – February 10, 2026 collections) were up 7.5% year over year. Adjusted collections for first quarter 2026 activity (February 11, 2026 – May 10, 2026 collections) were up 9.6% year over year. Adjusted collections for June 2026 activity were up 12.8% year over year and collections for July 2026 activity were up 15.7% year over year.

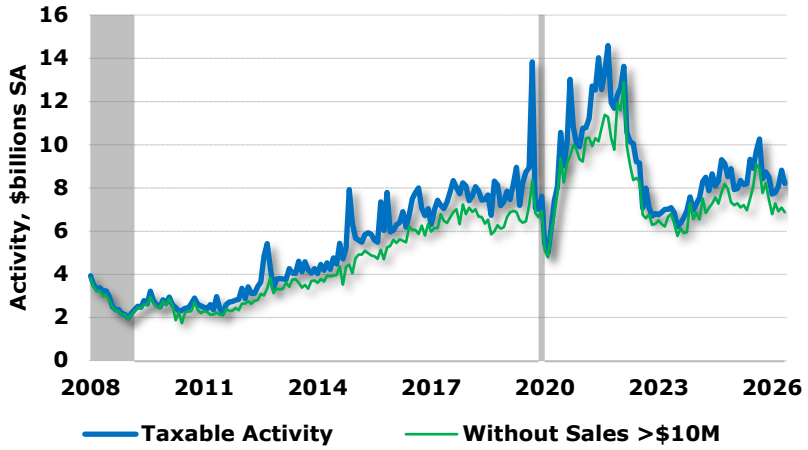
Taxable real estate activity has been higher than forecasted in June

Taxable real estate activity has been higher than forecasted in June. Most of the increase was from large commercial (sales greater than $10 million) which have averaged $1.41 billion per month in the last 3 months. Sales of property valued below $10 million as well as large commercial property have declined starting in July 2026 (see Figure 3.3).

Figure 3.3: Taxable Real Estate Excise Activity, SA

Both residential and commercial taxable

Residential sales activity started to decrease in July 2026



Source: ERFC estimates through August 2026

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 2025-27 biennium can be found in Table 3.5 (cash) and Table 3.6 (GAAP). Forecast changes for the 2027-29 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 2031 can be found in Table 3.9.

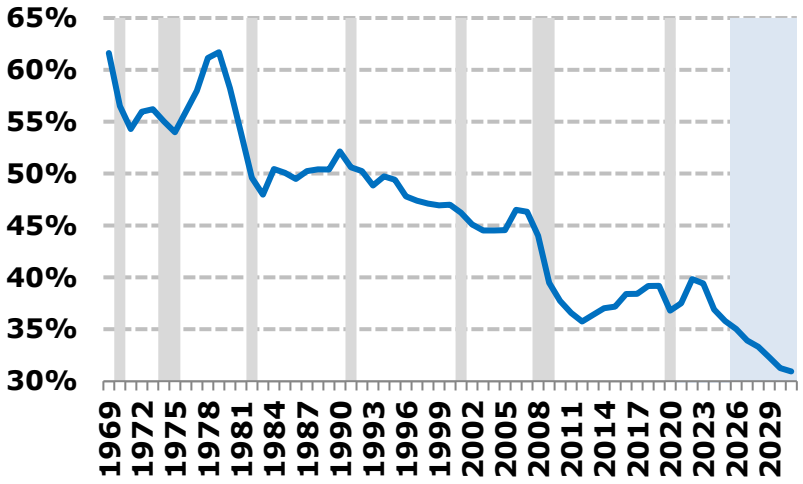
Department of Revenue

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 total GF-S revenue in FY 2026. The largest tax sources administered by the DOR are the retail sales tax, business and occupation tax, property tax, use tax, cigarette tax and real estate excise tax. The revenue forecasts discussed below can be found in Tables 3.5-3.8.

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

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



*Past tax base adjusted to represent current base, including 2025 and 2026 legislation. Shaded area indicates recession, blue shaded area indicates forecast.
Source: ERFC; Data through FY26, forecast through FY31

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 45.7% of GF-S revenue in FY 2026. 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.

Retail sales tax receipt growth forecast:

FY27: 5.2%
FY28: 3.4%
FY29: 2.0%
FY30: 1.4%
FY31: 4.0%

Taxable retail sales activity grew 0.2% in FY 2024 but increased to 2.2% in FY 2025 and 4.0% in FY 2026 mostly due to legislative changes in the 2025 legislative session. Growth is expected to decrease to 3.6% in FY 2027 and increase to 4.4% in FY 2028 before slowing to 2.6% and 1.8% in FY 2029 and FY 2030 respectively. Growth is then estimated to return to 4.0% in FY 2031 (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. Collections decreased 0.2% in FY 2024 despite the slight increase in estimated taxable activity and increased 2.0% in FY 2025 and 4.3% in FY 2026 due to both an increase in taxable activity and the accelerated payment of some deferred taxes. Collections are forecasted increase in FY 2027 to 5.2%. The legislated transfer of 0.1% of sales taxes to transportation accounts, which begins July 1, 2027, slows collections growth to 3.4% in FY 2028, 2.0% in FY 2029, and 1.4% in FY 2030. Collections are expected to increase to 4.0% in FY 2031.

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 21.0% of GF-S revenue in FY 2026. 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 2026, the largest contributor to total state B&O tax was the services sector, which had a tiered gross tax rate ranging from 1.5% to 2.1% 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:

FY27: 9.4%
FY28: 6.0%
FY29: 5.2%
FY30: 4.7%
FY31: 4.4%

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 0.9% in FY 2025. Driven by legislative changes in the FY 2025 legislative session, collections growth increased to 11.7% in FY 2026. Growth is forecasted at 9.4% in FY 2027, 6.0% in FY 2028, 5.2% in FY 2029, 4.7% in FY 2030, and 4.4% in FY 2031.

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 14.0% of total revenue in FY 2026. 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:

FY27: 2.1%
FY28: 2.2%
FY29: 2.2%
FY30: 2.2%
FY31: 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 0.5% in FY 2022. Growth then increased to 1.4% in FY 2023. and 2.2% in FY 2024, slowing to 2.1% in FY 2025. Legislative changes in the 2026 legislative session combined the two property tax levies into one levy. Growth is forecasted at 2.1% in FY 2027 before increasing to 2.2% in FY 2028 and stabilizing at that rate through FY 2031. Growth in property tax levies excluding new construction is 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 2026

The state use tax was the fourth largest DOR GF-S revenue source in FY 2026 at 4.2% 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:

FY27: -11.7%
FY28: -6.4%
FY29: 3.4%
FY30: 4.1%
FY31: 3.9%

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. As 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 a fiscal year growth of 6.0%. Collections are growth accelerated to 36.9% in FY 2026 due to more large purchases that have occurred in the information and manufacturing sectors and a large payment for SR16 and SR520 bridges that was received on the last day of the fiscal year, June 30th, 2026. Due to FY 2026's elevated levels, partially offset by the expiration of the tax exemption eligibility for qualifying businesses and tenants that operate data centers on July 1, 2026, collections are expected to decrease 11.7% in FY 2027 and 6.4% in FY 2028 before increasing to 3.4% in FY 2029, 4.1% in FY 2030, and 3.9% in FY 2031 respectively.

REET was the fifth largest DOR source of GF-S revenue in FY 2026

The real estate excise tax (REET) was the fifth largest DOR source of GF-S revenue in FY 2026, accounting for 3.6% 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:

FY27: 0.1%
FY28: 7.3%
FY29: 5.5%
FY30: 11.2%
FY31: 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 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 continued into FY 2026, but at a lower rate of 1.8%. Collections are expected to grow slowly at 0.1% in FY 2027 due to higher mortgage rates and the high interest rate environment. Growth then is expected to accelerate to 7.3% in FY 2028 and 5.5% in FY 2029 as forecast mortgage rates ease and housing construction increases. Growth is then forecasted to continue the increase to 11.2% and 6.3% in FY 2030 and FY 2031 respectively.

Public utility taxes were the sixth largest DOR GF-S source in FY 2026

Public utility taxes were the sixth largest DOR source of GF-S revenue in FY 2026, bringing in 1.8% 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:

FY27: 8.3%
FY28: 8.5%
FY29: 4.7%
FY30: 4.0%
FY31: 5.1%

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. A slower increase in prices reduced growth to 5.0% in FY 2026. The elimination of a tax credit in January 2026 and continued electricity and gas price increases bring growth of 8.3% in FY 2027 and 8.5% in FY 2028 before slowing to 4.7% in FY 2029, 4.0% in FY 2030, and 5.1% in FY 2031 respectively.

Net transfers of unclaimed property were the seventh largest DOR GF-S revenue

Net transfers of unclaimed property into the GF-S were the seventh largest DOR GF-S revenue source in FY 2026 at 1.0% of total receipts. Unclaimed property is money or intangible property owed to an individual or business. Property is considered unclaimed after it has been held with no owner contact for a period of one to three years, depending on the type of asset. Businesses are required to turn over unclaimed property to the state of Washington, which holds the property until it is claimed by the owner. The unclaimed property

transferred to the GF-S is net of the property that is continually being refunded to its owners, typically tens of millions of dollars per year.

Unclaimed property growth forecast:

FY27: -12.3%
FY28: -0.02%
FY29: 0.04%
FY30: 0.05%
FY31: 0.00%

Net transfers of unclaimed property vary significantly from year to year due to the occasional very large transfer or refund. Changes in reporting rules and thresholds have also resulted in increased transfers over time. In FY 2025, net transfers grew 47.4% from the prior year and in FY 2026, they grew 4.5% year over year. They are forecasted to decrease by 12.3% in FY 2027, before stabilizing near 0.0% from FY 2028 to FY 2031.

Taxes on sales of spirits were the eighth largest DOR GF-S source in FY 2026

State taxes on sales of spirits were the eight+(largest DOR GF-S revenue source in FY 2026 at 1.0% 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:

FY27: -5.3%
FY28: 0.3%
FY29: 0.5%
FY30: 0.8%
FY31: 0.8%

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, decreasing again by 1.8% in FY 2026. Collections growth is forecasted to decrease 5.3% in FY 2027 before returning to modest growth of 0.3% in FY 2028, 0.5% in FY 2029, 0.8% in FY 2030, and 0.8% in FY 2031.

The cigarette tax was the ninth largest DOR GF-S source in FY 2026

The state tax on cigarettes was the ninth largest DOR GF-S revenue source in FY 2026 at 0.6% 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 the tax except the portion dedicated to the Education Legacy Trust account was redirected to the GF-S, and in FY 2011 all the cigarette tax collections were 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:

FY27: -2.8%
FY28: -3.8%
FY29: -5.8%
FY30: -8.0%
FY31: -8.9%

The total number of taxed cigarettes has been declining due to decrease in the number of smokers. Recently, the rate of decline has accelerated. Collections decreased by 6.0% in FY 2020 after decreasing by 3.3% in FY 2019. The decrease in collections accelerated in FY 2020, was partially due to a state's 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 further declined by 10.8% in FY 2025 and 7.0% in FY 2026. Collections are forecasted to decline 2.8% in FY 2027, 3.8% in FY 2028, 5.8% in FY 2029, 8.0% in FY 2030, and 8.9% in FY 2031.

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.

Distributions 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. Final transfers for the 2023-25 biennium totaled $258.7 million. The net distributions for the 2025-27 biennium are forecasted to total $244.3 million, a decrease of $936 thousand from the June forecast. The forecast for the 2027-29 biennium has increased $1.42 million to $247.5 million and the forecast for the 2029-31 biennium is $250.0 million, an additional $559 thousand increase from the June forecast. 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):

25-27: $1.5
27-29: -$4.4
29-31: -$115.3

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 forecast for the 2025-27 biennium has increased $1.5 million to $528.3 million, the forecast for the 2027-29 biennium has decreased $4.4 million to -$609.7 million. The forecast for the 2029-31 biennium has decreased $115.3 million to -$455.6 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 those biennia.

State Treasurer

Forecast change by biennium (millions):

25-27: $3.0
27-29: -$21.8
29-31: -$7.4

The Office of the State Treasurer generates GF-S revenue by investing state short-term cash reserves. The forecast of GF-S revenue for the 2025-27 biennium has increased $3.0 million to $197.3 million, the forecast for the 2027-29 biennium has decreased $21.8 million to $174.7 million. The forecast for the 2029-31 biennium has decreased $7.4 million to $208.2 million. The main reason for the reduction was a decrease in forecasted average daily cash balances in interest-earning accounts.

Insurance Commissioner

Forecast change by biennium (millions):

25-27: $14.1
27-29: $4.2
29-31: $2.8

The Office of the Insurance Commissioner collects premium taxes on most classes of insurance sold in Washington State. These taxes are distributed to the GF-S and various accounts in support of fire services. The forecast of GF-S distributions for the 2025-27 biennium has increased $14.1 million to $2.0 billion, the forecast for the 2027-29 biennium has increased$4.2 million to $2.1 billion, and the forecast for the 2029-31 biennium has increased by $2.8 million to $ billion. The main driver of the forecasted increases is rising insurance rates.

Liquor and Cannabis Board

Forecast change by biennium (millions):

25-27: -$11.4
27-29: -$8.8
29-31: -$8.4

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. The forecast of GF-S distributions for the 2025-27 biennium has decreased $11.4 million to $533.1 million, the forecast for the 2027-29 biennium has decreased $8.8 million to $559.5 million, and the forecast for the 2029-31 biennium has decreased $8.4 million to $572.8 million.

Lottery Commission

GF-S forecast change by biennium (millions):

25-27: $3.6
27-29: $8.8
29-31: $10.4

While most of the proceeds from sales of lottery games go to the Washington Opportunity Pathways Account (OPA), distributions are also made to the Problem Gambling and Economic Development accounts. Details of the forecast of the distribution of Lottery earnings can be found in Table 3.15 on a cash basis and Table 3.16 on a GAAP basis. When total profits from all Washington-only games plus the Powerball game exceed $102 million per year, the amount above $102 million is transferred to the GF-S. The forecast for GF-S transfers for the 2025-27 biennium has increased $3.6 million to $94.8 million, the forecast for the 2027-29 biennium has increased $8.8 million to $80.3 million, and the forecast for the 2029-31 biennium has increased $10.4 million to $80.9 million.

Washington Court System

Forecast change by biennium (millions):

25-27: -$5.8
27-29: -$11.0
29-31: -$11.3

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 monthly. The forecast of GF-S transfers for the 2025-27 biennium has decreased $5.8 million $116.0 million, the forecast for the 2027-29 biennium has decreased $11.0 million to $117.1 million, and the forecast for the 2029-31 biennium has decreased $11.3 million to $118.9 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 2025-27 and 2027-29 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: +$2.529
27-29: +$5.199

Pessimistic scenario (billions):

25-27: -$2.821
27-29: -$5.489

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 $78.787 billion in revenue subject to the budget outlook process, $2.529 billion (3.3%) more than the baseline scenario, while the pessimistic forecast produces $73.437 billion in revenue, $2.821 billion (3.7%) less than the baseline. For the 2027-29 biennium, the optimistic forecast generates $87.793 billion in GF-S revenue, $5.199 billion (6.3%) more than the baseline scenario, while the pessimistic forecast produces $77.106 billion in revenue, $5.489 billion (6.6%) less than the baseline.

Washington Opportunity Pathways Account

OPA forecast change by biennium (millions):

25-27: $22.7
27-29: $11.5
29-31: $5.6

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. Forecasted OPA revenue for the 2025-27 biennium has increased $22.7 million to $337.9 million, the forecast for the 2027-29 biennium has increased $11.5 million to $339.4 million, and the forecast for the 2029-31 biennium has increased $5.6 million to $346.5 million (see Table 3.15).

Education Legacy Trust Account

ELTA forecast change by biennium (millions):

25-27: $123.2
27-29: $-79.3
29-31: $-80.3

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 ($289,000 for CY 2026 gains, adjusted for inflation in subsequent years). Legislation passed in the 2026 legislative sessions impacted the transfer of capital gains - ESSB 5998, Section 940(3) and estate tax rates – ESSB 6347, Sec 2. These changes, coupled with smaller changes from other legislation, increased revenue by $123.2 million in the 2025-27 biennium, and decreased revenue by $79.3 million in the 2027-29 biennium and $80.3 million in the 2029-31 biennium.

Forecasted ELTA receipts are 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.

Workforce Education Investment Account

WEIA forecast change by biennium (millions):

25-27: -$69.7
27-29: -$26.2
29-31: -$92.2

The Workforce Education Investment Account (WEIA) was created in the 2019 legislative session. The purpose of this account 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. Due mainly to lower observed revenues in FY 2026, the forecast decreased by $69.7 million in the 2025-27 biennium. The forecast has decreased by $26.2 million in the 2027-29 biennium, and by $92.2 million in the 2029-31 biennium. WEIA revenue is now forecasted at $1.756 billion in the 2025-27 biennium, $2.086 billion for the 2027-29 biennium, and $2.157 billion for the 2029-31 biennium. The WEIA forecast for the fiscal year is presented in Table 3.19.

Fair Start for Kids Account

The Fair Start for Kids Account (FSKA) was created in the 2021 legislative session. Funds from the FSKA once appropriated,

may only be used for childcare and early learning purposes. Starting on July 1, 2029 (i.e., FY 2030), the account will be funded by transfers from the individual income tax. The initial amount from the June forecast for the 2029-31 biennium was $321.5 million with $134.9 million occurring in FY 2030 and $186.6 million occurring in FY 2031. The September forecast calls for an increase of $105.2 million to $426.7 million for the 2029-31 biennium with $40.3 million occurring in FY 2030 and $65.0 million occurring in FY 2031.

Budgetary Balance Sheet for the 2025-27 Biennium

Forecasted total reserves are $1.899 billion at the end of the 2025-27 biennium.

Table 3.12 shows the budgetary balance sheet for the 2025-27 biennium as prepared by the Office of Financial Management and the House and Senate fiscal committees. The balance sheet shows not only projected GF-S spending and resources but also total projected spending and resources for the GF-S plus the other main non-transportation state-funded accounts: the Education Legacy Trust Account (ELTA), the Washington Opportunity Pathways Account (OPA), the Workforce Education Investment Account (WEIA), and the Fair Start for Kids Account (FSKA). The balance sheet shows a beginning fund balance of $1.482 billion for the GF-S and a beginning balance for the total of the GF-S, ELTA, OPA, WEIA, and FSKA accounts of $2.536 billion. Based on the updated forecast and the enacted 2025-27 biennial budget, the balance sheet projects a negative GF-S balance of $399.1 million at the end of the 2025-27 biennium and a balance for the total of the GF-S, ELTA, OPA, WEIA, and FSKA accounts of $1,266.1 million. Adding the funds in the Budget Stabilization Account (BSA), however, total GF-S reserves are projected to be $633.1 million at the end of the biennium and total reserves for the GF-S, ELTA, OPA, WEIA, and FSKA accounts are projected at $1,899 billion.

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

Biennium	Current Dollars	Percent Change	2017 Chained Dollars	Percent Change
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%	48,324.8	11.6%
2021-23	62,065.4	22.2%	53,682.5	11.1%
2023-25	63,392.3	2.1%	51,260.8	-4.5%
2025-27 [F]	69,973.8	10.4%	53,411.6	4.2%
2027-29 [F]	77,403.6	10.6%	56,358.9	5.5%
2029-31 [F]	88,152.4	13.9%	61,583.2	9.3%

[F] September 2026 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 September 2026 forecast.

Table 3.4
Taxable retail sales*
(millions of dollars)

Fiscal Year	Amount	Percent Change
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	132,371	9.9%
2016	143,463	8.4%
2017	152,497	6.3%
2018	165,558	8.6%
2019	177,945	7.5%
2020	179,569	0.9%
2021	199,862	11.3%
2022	222,085	11.1%
2023	234,230	5.5%
2024	234,583	0.2%
2025	239,678	2.2%
2026	249,242	4.0%
2027[F]	258,181	3.6%
2028[F]	269,626	4.4%
2029[F]	276,625	2.6%
2030[F]	281,678	1.8%
2031[F]	292,848	4.0%

[F] September 2026 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

2025-27 biennium; cash basis

(millions of dollars)

Forecast by Agency	Jun 2026 Forecast[1]	Non-Economic Changes	Forecast Revision	Sep 2026 Forecast[2]	Total Change
Department of Revenue					
Retail Sales	$32,562.9	$0.0	($301.5)	$32,261.4	(301.5)
Business & Occupation	15,215.6	0.0	(75.3)	15,140.3	(75.3)
Use	2,373.3	0.0	315.2	2,688.5	315.2
Public Utility	1,261.1	0.0	14.2	1,275.2	14.2
Individual Income Tax	0.0	0.0	0.0	0.0	0.0
Liquor Sales/Liter	660.7	0.0	(6.4)	654.3	(6.4)
Cigarette	413.9	0.0	(12.5)	401.5	(12.5)
Property (State Levy)	9,683.2	0.0	12.2	9,695.4	12.2
Real Estate Excise	2,492.3	0.0	(22.4)	2,469.9	(22.4)
Timber Excise	3.9	0.0	(0.8)	3.1	(0.8)
Other	1,894.4	0.0	17.7	1,912.1	17.7
Subtotal	66,561.3	0.0	(59.5)	66,501.8	(59.5)
Insurance Commissioner					
Insurance Premiums	1,988.4	0.0	14.1	2,002.6	14.1
Liquor and Cannabis Board					
Fees, Cannabis Excise Tax	493.1	0.0	(11.4)	481.6	(11.4)
Beer & Wine Surtax	51.5	0.0	0.0	51.5	0.0
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					
Court Fees, Fines & Forfeitures	121.8	0.0	(5.8)	116.0	(5.8)
Total General Fund-State *	**$70,028.4**	**$0.0**	**($54.5)**	**$69,973.8**	**($54.5)**

[1] Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council June 26, 2026

[2] Forecast for the 2025-27 biennium, adopted September 25, 2026

*Detail may not add to totals because of rounding.

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

Table 3.6
Comparison of the General Fund-State forecast by agency
2025-27 biennium; GAAP basis
(millions of dollars)

Forecast by Agency	Jun 2026 Forecast[1]	Non-Economic Changes	Forecast Revision	Sep 2026 Forecast[2]	Total Change
Department of Revenue					
Retail Sales	$32,562.9	$0.0	($115.5)	$32,447.4	($115.5)
Business & Occupation	15,215.6	0.0	47.2	15,262.8	47.2
Use	2,373.3	0.0	359.7	2,733.0	359.7
Public Utility	1,261.1	0.0	17.4	1,278.5	17.4
Individual Income Tax	0.0	0.0	0.0	0.0	0.0
Liquor Sales/Liter	660.7	0.0	(8.5)	652.2	(8.5)
Cigarette	413.9	0.0	(11.5)	402.4	(11.5)
Property (State Levy)	9,683.2	0.0	57.8	9,741.0	57.8
Real Estate Excise	2,492.3	0.0	(34.4)	2,457.9	(34.4)
Timber Excise	4.0	0.0	(0.9)	3.0	(0.9)
Other	1,914.6	0.0	22.8	1,937.4	22.8
Subtotal	66,581.56	0.0	333.9	66,915.48	333.9
Insurance Commissioner					
Insurance Premiums	1,988.4	0.0	14.1	2,002.6	14.1
Liquor and Cannabis Board					
Fees, Cannabis Excise Tax	493.1	0.0	(11.4)	481.6	(11.4)
Beer & Wine Surtax	51.5	0.0	0.0	51.5	0.0
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					
Court Fees, Fines & Forfeitures	121.8	0.0	(5.8)	116.0	(5.8)
Total General Fund-State *	**$70,040.9**	**$0.0**	**$339.5**	**$70,380.4**	**$339.5**

[1] Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council June 26, 2026

[2] Forecast for the 2025-27 biennium, adopted September 25, 2026

*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

2027-29 biennium; cash basis

(millions of dollars)

Forecast by Agency	Jun 2026 Forecast[1]	Non-Economic Changes	Forecast Revision	Sep 2026 Forecast[2]	Total Change
Department of Revenue					
Retail Sales	$34,659.0	$0.0	($111.4)	$34,547.6	($111.4)
Business & Occupation	17,568.5	0.0	(353.8)	17,214.7	(353.8)
Use	2,280.6	0.0	120.1	2,400.7	120.1
Public Utility	1,429.4	0.0	43.0	1,472.4	43.0
Individual Income Tax	2,698.0	0.0	805.1	3,503.1	805.1
Liquor Sales/Liter	658.8	0.0	(19.0)	639.9	(19.0)
Cigarette	373.7	0.0	(4.2)	369.5	(4.2)
Property (State Levy)	10,114.7	0.0	7.3	10,122.0	7.3
Real Estate Excise	2,732.5	0.0	(7.3)	2,725.1	(7.3)
Timber Excise	4.1	0.0	(0.3)	3.8	(0.3)
Other	1,861.0	0.0	77.5	1,938.4	77.5
Subtotal	74,380.3	0.0	557.1	74,937.4	557.1
Insurance Commissioner		0.0			
Insurance Premiums	2,140.1	0.0	4.2	2,144.3	4.2
Liquor and Cannabis Board					
Fees, Cannabis Excise Tax	517.0	0.0	(8.9)	508.0	(8.9)
Beer & Wine Surtax	51.3	0.0	0.1	51.5	0.1
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					
Court Fees, Fines & Forfeitures	128.1	0.0	(11.0)	117.1	(11.0)
Total General Fund-State *	**$76,879.6**	**$0.0**	**$524.0**	**$77,403.6**	**$524.0**

[1] Forecast for the 2027-29 biennium adopted by the Economic and Revenue Forecast Council June 26, 2026

[2] Forecast for the 2027-29 biennium, adopted September 25, 2026

*Detail may not add to totals because of rounding.

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

Table 3.8
Comparison of the General Fund-State forecast by agency
2027-29 biennium; GAAP basis
(millions of dollars)

Forecast by Agency	Jun 2026 Forecast[1]	Non-Economic Changes	Forecast Revision	Sep 2026 Forecast[2]	Total Change
Department of Revenue					
Retail Sales	$34,659.0	$0.0	($111.4)	$34,547.6	($111.4)
Business & Occupation	17,568.5	0.0	(353.8)	17,214.7	(353.8)
Use	2,280.6	0.0	120.1	2,400.7	120.1
Public Utility	1,429.4	0.0	43.0	1,472.4	43.0
Individual Income Tax	2,698.0	0.0	805.1	3,503.1	805.1
Liquor Sales/Liter	658.8	0.0	(19.0)	639.9	(19.0)
Cigarette	373.7	0.0	(4.2)	369.5	(4.2)
Property (State Levy)	10,114.7	0.0	7.3	10,122.0	7.3
Real Estate Excise	2,732.5	0.0	(7.3)	2,725.1	(7.3)
Timber Excise	4.2	0.0	(0.4)	3.8	(0.4)
Other	1,861.0	0.0	77.5	1,938.4	77.5
Subtotal	74,380.4	0.0	557.0	74,937.4	557.0
Insurance Commissioner					
Insurance Premiums	2,140.1	0.0	4.2	2,144.3	4.2
Liquor and Cannabis Board					
Fees, Cannabis Excise Tax	493.1	0.0	15.0	508.0	15.0
Beer & Wine Surtax	51.5	0.0	0.0	51.5	0.0
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					
Court Fees, Fines & Forfeitures	128.1	0.0	(11.0)	117.1	(11.0)
Total General Fund-State *	**$76,857.3**	**$0.0**	**$547.6**	**$77,404.8**	**$547.6**

[1] Forecast for the 2027-29 biennium adopted by the Economic and Revenue Forecast Council June 26, 2026

[2] Forecast for the 2027-29 biennium, adopted September 25, 2026

*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 2026 General Fund-State forecast detail
2023-25 to 2029-31 Biennia; Cash Basis
(Millions of Dollars)

Forecast by Source	Fiscal 2024	Fiscal 2025	2023-25 Biennium	Fiscal 2026	Fiscal 2027	2025-27 Biennium	Fiscal 2028	Fiscal 2029	2027-29 Biennium	Fiscal 2030	Fiscal 2031	2029-31 Biennium
State Taxes												
Retail sales**	$14,769.9	$15,071.1	$29,841.0	$15,719.4	$16,542.0	$32,261.4	$17,106.1	$17,441.5	$34,547.6	$17,679.9	$18,388.5	$36,068.4
Business & occupation	6,410.1	6,469.2	12,879.3	7,229.2	7,911.2	15,140.3	8,387.8	8,826.9	17,214.7	9,241.4	9,646.6	18,888.0
Use**	984.4	1,043.0	2,027.4	1,428.0	1,260.5	2,688.5	1,180.3	1,220.4	2,400.7	1,270.2	1,319.2	2,589.4
Public Utility	534.9	583.4	1,118.4	612.3	662.9	1,275.2	719.2	753.2	1,472.4	783.7	823.5	1,607.2
Liquor sales/liter	338.0	342.3	680.3	336.1	318.2	654.3	319.1	320.8	639.9	323.2	325.8	649.0
Beer & wine surtax	28.4	27.0	55.3	25.8	25.7	51.5	25.7	25.7	51.5	25.8	25.8	51.5
Cigarette	252.2	223.9	476.0	210.5	204.7	415.2	197.2	186.1	383.3	171.8	157.1	328.8
Tobacco products	45.5	40.3	85.8	96.1	140.1	236.2	144.7	147.8	292.5	144.2	140.6	284.8
Cannabis Excise Taxes	123.6	127.9	251.5	117.2	119.2	236.4	119.2	119.8	239.0	120.4	121.1	241.5
Property (state school levy)	4,596.9	4,695.7	9,292.7	4,796.9	4,898.5	9,695.4	5,006.1	5,115.8	10,122.0	5,227.2	5,343.3	10,570.5
Leasehold Excise Tax	48.9	51.0	99.9	53.1	52.8	105.9	54.3	56.0	110.4	57.7	59.5	117.2
Public utility district	62.0	65.2	127.1	68.3	69.5	137.7	70.8	72.0	142.7	73.2	74.5	147.7
Brokered Natural Gas	33.6	23.6	57.1	16.7	15.9	32.6	18.8	21.0	39.9	22.6	23.8	46.4
Real estate excise***	962.9	1,212.8	2,175.7	1,234.2	1,235.7	2,469.9	1,325.8	1,399.3	2,725.1	1,556.4	1,655.2	3,211.6
Timber excise	2.0	2.3	4.3	1.9	1.2	3.1	1.9	1.9	3.8	2.0	2.0	4.0
Estate/inheritance	0.1	0.0	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Boat excise	17.4	17.4	34.8	17.8	17.5	35.3	17.5	17.5	35.0	17.5	17.5	35.0
Insurance premiums	836.6	961.3	1,797.8	985.3	1,017.2	2,002.6	1,052.9	1,091.4	2,144.3	1,130.7	1,170.7	2,301.5
Penalties and interest on past due taxes	175.3	199.5	374.8	229.4	257.2	486.6	241.6	250.8	492.3	258.5	265.3	523.7
Other (Including Individual Income Tax)	60.3	59.7	120.0	48.6	87.6	136.2	56.5	3,560.4	3,616.9	5,089.0	4,461.8	9,550.9
Total Taxes	30,282.9	31,216.6	61,499.5	33,226.9	34,837.6	68,064.5	36,045.8	40,628.4	76,674.2	43,195.3	44,021.9	87,217.2
State Non-Tax Sources												
Licenses, permits, fees	178.8	211.3	390.1	237.1	238.2	475.3	238.0	240.2	478.2	86.5	87.6	174.1
Liquor & Cannabis fees	129.8	116.3	246.2	117.0	128.2	245.2	132.3	136.8	269.1	139.0	140.7	279.7
Earnings on investments	327.8	244.5	572.3	105.8	91.5	197.3	77.2	97.4	174.7	101.1	107.1	208.2
Washington Court System	52.3	56.2	108.5	59.0	57.0	116.0	58.3	58.8	117.1	59.2	59.7	118.9
Transfers of unclaimed property	222.0	327.3	549.3	341.9	299.8	641.7	299.7	299.9	599.6	300.0	300.0	600.0
Other revenue & transfers	(100.1)	126.5	26.4	272.0	(38.1)	233.9	(453.0)	(456.2)	(909.2)	(176.3)	(269.5)	(445.7)
Total Non-Tax	**810.7**	**1,082.1**	**1,892.8**	**1,132.8**	**776.6**	**1,909.4**	**352.5**	**376.9**	**729.4**	**509.5**	**425.6**	**935.1**
Total General Fund-State *	**$31,093.5**	**$32,298.8**	**$63,392.3**	**$34,359.7**	**$35,614.2**	**$69,973.8**	**$36,398.3**	**$41,005.3**	**$77,403.6**	**$43,704.9**	**$44,447.5**	**$88,152.4**

* 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 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.	Fair Start For Kids Acct.	Subtotal	Non-Economic Changes		Total Change	Total of Funds
February 2022*	*$66,533*	*$2,305*	*$357*	*$831*	*$0*					*$70,025*
Changes to Forecast										
June 2022	759	19	0	17	N/A	795	(619)	#1	176	70,202
September 2022	4	8	(7)	(18)	N/A	(13)	(53)	#2	(66)	70,136
November 2022	687	55	(4)	10	N/A	747	0		747	70,883
March 2023	(442)	(97)	9	(11)	N/A	(540)	0		(540)	70,342
June 2023	38	18	6	11	N/A	72	75	#3	147	70,489
September 2023	400	7	(1)	31	N/A	437	0		437	70,927
November 2023	507	59	8	4	N/A	579	0		579	71,506
February 2024	169	6	10	31	N/A	215	0		215	71,721
June 2024	(37)	(119)	(31)	35	N/A	(152)	(37)	#4	(189)	71,532
September 2024	(116)	97	27	9	N/A	16	63	#5	79	71,611
November 2024	(107)	(54)	(12)	(8)	N/A	(181)	0		(181)	71,431
March 2025	(665)	181	7	(2)	N/A	(479)	0		(479)	70,952
June 2025	(446)	(37)	(31)	24	N/A	(490)	4,294	#6	3,804	74,756
September 2025	(317)	(78)	(15)	(3)	N/A	(412)	0		(412)	74,343
November 2025	(14)	91	7	22	N/A	106	0		106	74,449
February 2026	656	7	(7)	172	N/A	827	0		827	75,276
June 2026	(423)	(65)	(6)	67	0	(427)	1,387	#7	961	76,237
September 2026	(55)	123.2	22.7	(70)	0.0	21.7	0.0		21.7	76,258
Total change:										
From February 2022	598	221	(17)	322	0	1,123	5,110		6,233	
Percent change	0.9	9.6	(4.8)	38.7	0.0	1.6	7.3		8.9	
Change in forecast since initial 25-27 biennial budget**										
	(599)	42	(29)	212	0	(374)	1,387		1,013	
Percent change	(0.8)	1.5	(7.9)	13.8	N/A	(0.5)	1.8		1.3	

Table 3.11
Track Record for the 2027-29 Forecast of Funds Subject to the Budget Outlook
February 2024 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.	Fair Start For Kids Acct.	Subtotal	Non-Economic Changes		Total Change	Total of Funds
February 2024**	*$72,982*	*$2,596*	*$393*	*$978*	*$0*					*$76,948*
Changes to Forecast										
June 2024	129	(47)	(29)	42	N/A	96	34	#8	130	77,044
September 2024	(191)	91	24	9	N/A	(69)	53	#9	(16)	76,976
November 2024	(12)	(99)	(10)	(10)	N/A	(131)	0		(131)	76,845
March 2025	(579)	167	(4)	(4)	N/A	(420)	0		(420)	76,425
June 2025	(564)	(63)	(21)	9	N/A	(638)	4,228	#10	3,590	80,014
September 2025	(371)	(83)	(16)	(7)	N/A	(477)	0		(477)	79,537
November 2025	(282)	63	7	28	N/A	(185)	0		(185)	79,352
February 2026	739	47	(6)	249	N/A	1028	0		1028	80,381
June 2026	(509)	201	(12)	(130)	0	(450)	2,234	#11	1,784	82,164
September 2026	524	(79)	11	(26)	0	430	0		430	82,594
Total change:										
From February 2024	(1,116)	196	(55)	159	0	(815)	6,548		5,733	
Percent change	(1.5)	7.6	(14.0)	16.3	N/A	(1.1)	8.5		7.4	

*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 2026 legislative session
#8 Legislative and budget-driven revenue changes from the 2024 legislative session
#9 Payments from Washington State Convention Center Public Facilities District less FY 2025 transfer to the Clarke-McNary Account
#10 Legislative and budget-driven revenue changes from the 2025 legislative session less Governor vetoes plus transfer from the tobacco settlement account in FY 2025
#11 Legislative and budget-driven revenue changes from the 2026 legislative session

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

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)

	Optimistic Forecast	Baseline Forecast	Pessimistic Forecast
General Fund - State			
Department of Revenue			
Retail Sales	$33,174.9	$32,261.4	$30,522.5
Business & Occupation	16,387.0	15,140.3	14,607.2
Use	2,719.8	2,688.5	2,592.3
Public Utility	1,293.5	1,275.2	1,212.4
Individual Income Tax	N/A	N/A	N/A
Property (school levy)	9,739.4	9,695.4	9,650.9
Real Estate Excise	2,474.7	2,469.9	2,431.6
Other	2,991.4	2,971.0	2,944.5
Subtotal	68,780.7	66,501.8	63,961.6
Insurance Commissioner [1]	2,016.3	2,002.6	1,984.7
Lottery Commission	95.4	94.8	94.0
State Treasurer - Interest earnings	224.3	197.3	175.1
Liquor and Cannabis Surtaxes & Fees [2]	536.8	533.1	528.3
Office of Financial Management	533.6	528.3	523.0
Washington Court System	116.8	116.0	115.0
Total General Fund - State*	**$72,303.8**	**$69,973.8**	**$67,381.8**
Education Legacy Trust Account	**$4,314.2**	**$4,190.9**	**$4,041.2**
Washington Opportunity Pathways Account	**$349.1**	**$337.9**	**$325.4**
Workforce Education Investment Account	**$1,819.8**	**$1,755.5**	**$1,688.6**
Fair Start for Kids Account	**N/A**	**N/A**	**N/A**
Total of Funds Subject to Budget Outlook*	**$78,786.9**	**76,258.2**	**$73,436.9**
Difference from June 2026 Baseline	**$2,528.7**		**(2,821.3)**

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)

	Optimistic Forecast	Baseline Forecast	Pessimistic Forecast
General Fund - State			
Department of Revenue			
Retail Sales	$36,053.4	$34,547.6	$31,552.9
Business & Occupation	19,776.0	17,214.7	16,026.7
Use	2,517.2	2,400.7	2,178.5
Public Utility	1,513.2	1,472.4	1,379.8
Individual Income Tax	3,397.3	3,503.1	3,659.5
Property (school levy)	10,213.0	10,122.0	10,030.1
Real Estate Excise	2,814.3	2,725.1	2,512.3
Other	39,377.3	37,499.2	34,163.5
Subtotal	79,608.2	74,937.4	69,950.3
Insurance Commissioner [1]	2,224.4	2,144.3	2,086.8
Lottery Commission	83.3	80.3	78.2
State Treasurer - Interest earnings	248.2	174.7	114.0
Liquor and Cannabis Surtaxes & Fees [2]	580.4	559.5	544.5
Office of Financial Management	(591.4)	(609.7)	(628.0)
Washington Court System	121.5	117.1	114.0
Total General Fund - State*	**$82,274.7**	**$77,403.6**	**$72,259.8**
Education Legacy Trust Account	**$2,939.8**	**$2,765.4**	**$2,581.7**
Washington Opportunity Pathways Account	**$360.8**	**$339.4**	**$316.9**
Workforce Education Investment Account	**$2,217.6**	**$2,086.0**	**$1,947.5**
Fair Start for Kids Account	**N/A**	**N/A**	**N/A**
Total of Funds Subject to Budget Outlook*	**$87,793.0**	**$82,594.4**	**$77,105.8**
Difference from September 2026 Baseline	**$5,198.5**		**($5,488.6)**

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 2026 Forecast
(cash basis, millions of dollars)

Fiscal Year	Lottery: Total Transfers:*	General Fund	Exhibition Center & Stadium	Problem Gambling Account	Economic Development Account	Opportunity Pathways Account
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	232.2	51.0	0.0	1.0	5.5	166.8
2027	222.5	43.8	0.0	1.0	6.6	171.1
2025-27 Biennium	454.8	94.8	0.0	2.0	12.1	337.9
2028	216.1	40.1	0.0	1.0	6.1	168.9
2029	217.8	40.2	0.0	1.0	6.1	170.5
2027-29 Biennium	433.9	80.3	0.0	1.9	12.2	339.4
2030	220.2	40.5	0.0	1.0	6.1	172.7
2031	221.4	40.5	0.0	1.0	6.1	173.8
2029-31 Biennium	441.6	80.9	0.0	2.0	12.2	346.5

Table 3.16
Lottery transfers by fund
September 2026 Forecast
(GAAP basis, millions of dollars)

Fiscal Year	Lottery: Total Transfers:*	General Fund	Exhibition Center & Stadium	Problem Gambling Account	Economic Development Account	Opportunity Pathways Account
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	240.5	52.0	0.0	1.0	6.0	173.5
2027	222.9	43.6	0.0	1.0	6.1	172.2
2025-27 Biennium	463.3	95.6	0.0	2.0	12.1	345.7
2028	216.4	40.2	0.0	1.0	6.1	169.2
2029	217.9	40.5	0.0	1.0	6.1	170.3
2027-29 Biennium	434.3	80.7	0.0	1.9	12.2	339.5
2030	220.4	38.8	0.0	1.0	6.1	174.5
2031	221.8	40.9	0.0	1.0	6.1	173.9
2029-31 Biennium	442.3	79.7	0.0	2.0	12.2	348.4

* 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 2026 - Millions of Dollars

	General Fund-State (GF-S) (current defintion)		Education Legacy Trust Account* (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%	175.16		$46,604	6.8%
FY 2031	$44,447	1.7%	$1,551	4.4%	$174	0.7%	$1,093	2.7%	251.56	43.6%	$47,517	2.0%
Biennial Totals												
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%**
29-31 Biennium	**$88,152**	**13.9%**	**$3,038**	**9.9%**	**$346**	**2.1%**	**$2,157**	**3.4%**	**$0**	**NA**	**$94,121**	**14.0%**

*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 2026
Cash forecast, thousands of dollars

				Distribution of remaining funds							
Fiscal year	**Total of cannabis excise taxes plus license fees**	LCB administration and pre-distribution allotments*	**Total to distribute**	DSHS substance abuse program	Dept. of Health cannabis education program	UW/WSU research	Basic Health Plan Trust Account	Health Care Authority community health centers	OSPI dropout prevention	Local governments	**General Fund-State****
2016	**$168,051**	$16,342	**$151,709**	$12,814	$7,500	$345	$79,750	$0	$251	$0	**$51,049**
2017	**$300,635**	$22,180	**$278,455**	$27,786	$7,500	$345	$145,717	$0	$511	$0	**$96,596**
2018	**$360,608**	$31,388	**$329,220**	$27,786	$9,761	$365	$173,418	$0	$513	$0	**$117,377**
2019	**$391,191**	$60,749	**$330,442**	$0	$9,764	$365	$188,317	$0	$515	$0	**$131,482**
2020	**$448,427**	$66,894	**$381,533**	$0	$10,786	$374	$215,096	$0	$522	$0	**$154,754**
2021	**$560,929**	$70,584	**$490,345**	$0	$10,615	$384	$272,521	$0	$530	$0	**$206,296**
2022	**$527,090**	$17,993	**$509,097**	$0	$10,584	$401	$264,470	$56,056	$520	$0	**$177,066**
2023	**$475,235**	$20,073	**$455,162**	$0	$11,000	$475	$230,431	$48,745	$550	$22,157	**$141,804**
2024	**$483,451**	$40,735	**$442,717**	$0	$11,863	$513	$229,997	$49,864	$593	$22,665	**$127,222**
2025	**$441,865**	$17,907	**$423,958**	$0	$12,368	$535	$213,427	$45,148	$618	$20,426	**$131,436**
2026	**$409,919**	$18,381	**$391,538**	$0	$12,696	$578	$196,368	$41,539	$634	$18,882	**$120,842**
2027	**$419,187**	$18,977	**$400,210**	$0	$13,091	$596	$200,652	$42,446	$654	$19,293	**$123,478**
2028	**$420,106**	$19,571	**$400,535**	$0	$13,501	$615	$200,587	$42,432	$674	$19,287	**$123,438**
2029	**$422,731**	$20,026	**$402,704**	$0	$13,815	$629	$201,537	$42,633	$690	$19,379	**$124,023**
2030	**$425,534**	$20,534	**$405,000**	$0	$14,165	$645	$202,531	$42,843	$708	$19,474	**$124,634**
2031	**$428,596**	$21,000	**$407,595**	$0	$14,487	$660	$203,697	$43,090	$724	$19,586	**$125,352**
Biennial totals											
2015-17	**$468,686**	$38,522	**$430,164**	$40,600	$15,000	$690	$225,467	$0	$762	$0	**$147,645**
2017-19	**$751,799**	$92,137	**$659,662**	$27,786	$19,525	$730	$361,735	$0	$1,028	$0	**$248,859**
2019-21	**$1,009,356**	$137,478	**$871,878**	$0	$21,401	$758	$487,617	$0	$1,052	$0	**$361,050**
2021-23	**$1,002,325**	$38,066	**$964,259**	$0	$21,584	$876	$494,902	$104,801	$1,070	$22,157	**$318,869**
2023-25	**$925,316**	$58,642	**$866,675**	$0	$24,231	$1,048	$443,424	$95,012	$1,211	$43,091	**$258,658**
2025-27	**$829,107**	$37,358	**$791,749**	$0	$25,787	$1,174	$397,020	$83,985	$1,288	$38,175	**$244,320**
2027-29	**$842,837**	$39,597	**$803,239**	$0	$27,316	$1,244	$402,124	$85,065	$1,365	$38,666	**$247,461**
2029-31	**$854,130**	$41,535	**$812,595**	$0	$28,652	$1,304	$406,228	$85,933	$1,431	$39,060	**$249,986**

*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 2026
Cash forecast, thousands of dollars

	FY26	**FY27**	**2025-27 Biennium**	**FY28**	**FY29**	**2027-29 Biennium**	**FY30**	**FY31**	**2029-31 Biennium**
June 2026 forecast	$818,681	$1,006,602	**$1,825,284**	$1,039,268	$1,073,014	**$2,112,283**	$1,106,061	$1,143,070	**$2,249,130**
Economic Change	($64,492)	($5,246)	**($69,738)**	($17,951)	($8,287)	**($26,239)**	($41,861)	($50,298)	**($92,160)**
Legislative Change	$0	$0	**$0**	$0	$0	**$0**	$0	$0	**$0**
Total forecast change	($64,492)	($5,246)	**($69,738)**	($17,951)	($8,287)	**($26,239)**	($41,861)	($50,298)	**($92,160)**
September 2026 Forecast	$754,190	$1,001,356	**$1,755,546**	$1,021,317	$1,064,727	**$2,086,044**	$1,064,199	$1,092,771	**$2,156,971**

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 2026 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Real National Income Accounts (Billions of Chained 2017 Dollars)								
Real Gross Domestic Product	23,358.4	23,850.4	24,355.0	24,852.4	25,349.4	25,856.4	26,373.6	26,874.7
% Ch	2.8	2.1	2.1	2.0	2.0	2.0	2.0	1.9
Real Consumption	16,088.5	16,510.6	16,851.0	17,178.1	17,538.8	17,907.1	18,283.2	18,648.8
% Ch	2.9	2.6	2.1	1.9	2.1	2.1	2.1	2.0
Real Nonresidential Fixed Investment	3,518.9	3,663.1	3,928.6	4,094.3	4,188.2	4,317.1	4,493.7	4,697.7
% Ch	2.9	4.1	7.2	4.2	2.3	3.1	4.1	4.5
Real Residential Fixed Investment	790.4	773.1	744.9	761.3	780.8	803.2	830.6	856.9
% Ch	3.2	-2.2	-3.7	2.2	2.6	2.9	3.4	3.2
Real Personal Income	20,138.9	20,563.8	20,598.8	21,254.8	21,940.9	22,565.3	23,226.7	23,817.3
% Ch	2.9	2.1	0.2	3.2	3.2	2.8	2.9	2.5
Real Per Capita Income ($/Person)	59,145	60,098	60,040	61,788	63,616	65,219	66,878	68,331
% Ch	2.0	1.6	-0.1	2.9	3.0	2.5	2.5	2.2
Price and Wage Indexes								
PCE Price Index (2017=100)	123.7	126.9	131.6	134.9	137.9	140.9	143.7	146.6
% Ch	2.6	2.6	3.7	2.5	2.2	2.2	2.0	2.0
U.S. Consumer Price Index (1982-84=1.0)	3.137	3.222	3.329	3.405	3.485	3.565	3.639	3.718
% Ch	3.0	2.7	3.3	2.3	2.3	2.3	2.1	2.2
Employment Cost Index (Dec. 2005=1.0)	1.683	1.741	1.799	1.871	1.945	2.019	2.097	2.178
% Ch	3.9	3.5	3.3	4.0	4.0	3.8	3.9	3.9
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	29,298.0	30,762.1	32,630.4	34,183.4	35,724.3	37,249.3	38,829.0	40,444.8
% Ch	5.3	5.0	6.1	4.8	4.5	4.3	4.2	4.2
Personal Income	24,905.9	26,099.9	27,100.2	28,672.0	30,251.0	31,791.9	33,378.1	34,907.7
% Ch	5.6	4.8	3.8	5.8	5.5	5.1	5.0	4.6
Employment (Millions)								
U.S. Civilian Labor Force	168.1	170.9	169.8	170.4	171.1	171.5	172.0	172.5
Total U.S. Employment	161.3	163.6	162.6	162.9	163.6	164.0	164.6	165.1
Unemployment Rate (%)	4.02	4.29	4.26	4.35	4.37	4.36	4.31	4.30
Nonfarm Payroll Employment	157.69	158.44	158.88	159.24	159.50	159.87	160.49	160.99
% Ch	1.2	0.5	0.3	0.2	0.2	0.2	0.4	0.3
Manufacturing	12.79	12.63	12.66	12.59	12.18	11.83	11.83	11.83
% Ch	-0.7	-1.2	0.2	-0.6	-3.3	-2.8	0.0	0.0
Durable Manufacturing	7.95	7.83	7.90	7.94	7.67	7.38	7.38	7.41
% Ch	-0.9	-1.5	0.8	0.5	-3.4	-3.7	0.0	0.4
Nondurable Manufacturing	4.84	4.80	4.76	4.65	4.51	4.45	4.45	4.42
% Ch	-0.2	-0.8	-0.8	-2.4	-3.0	-1.4	0.0	-0.6
Construction	8.21	8.26	8.33	8.41	8.53	8.69	8.87	9.03
% Ch	2.5	0.7	0.8	1.0	1.4	1.9	2.1	1.8
Service-Providing	136.07	136.93	137.28	137.58	138.11	138.67	139.14	139.50
% Ch	1.3	0.6	0.3	0.2	0.4	0.4	0.3	0.3
Miscellaneous Indicators								
Oil-WTI ($ per barrel)	76.5	65.3	87.8	78.4	70.0	67.1	64.8	62.5
Personal Saving/Disposable Income (%)	5.5	4.6	3.2	4.3	5.6	6.5	7.1	7.2
Auto Sales (Millions)	3.0	2.7	2.7	2.8	2.8	2.9	2.9	2.9
% Ch	-4.5	-8.5	-1.3	2.7	2.1	1.4	1.3	-0.1
Housing Starts (Millions)	1.370	1.356	1.356	1.330	1.311	1.308	1.308	1.306
% Ch	-3.6	-1.0	0.0	-1.9	-1.5	-0.2	0.0	-0.2
Federal Budget Surplus (Billions)	-1,874.5	-1,821.3	-1,828.3	-1,990.8	-2,105.0	-2,182.5	-2,221.6	-2,208.3
Net Exports (Billions)	-898.5	-926.5	-951.0	-1,101.1	-1,009.5	-904.7	-823.6	-775.1
3-Month Treasury Bill Rate (%)	4.97	4.07	3.72	3.63	2.98	2.83	2.79	2.76
10-Year Treasury Note Yield (%)	4.21	4.29	4.46	4.14	3.92	3.98	4.04	4.00
Bond Index of 20 G.O. Munis. (%)	3.83	4.91	5.03	4.59	4.38	4.46	4.51	4.43
30-Year Fixed Mortgage Rate (%)	6.72	6.58	6.43	6.16	5.82	5.73	5.67	5.58

Table A1.2
U.S. Economic Forecast Summary
Forecast 2026 to 2031

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Real National Income Accounts (Billions of Chained 2017 Dollars)								
Real Gross Domestic Product	24,180.4	24,269.6	24,423.2	24,546.8	24,670.1	24,790.5	24,914.1	25,035.0
% Ch , Annual Rate	2.1	1.5	2.6	2.0	2.0	2.0	2.0	2.0
Real Consumption	16,687.7	16,829.7	16,908.5	16,978.0	17,054.6	17,137.5	17,218.5	17,301.6
% Ch , Annual Rate	0.5	3.4	1.9	1.7	1.8	2.0	1.9	1.9
Real Nonresidential Fixed Investment	3,804.4	3,882.7	3,994.5	4,032.8	4,070.2	4,080.4	4,102.0	4,124.8
% Ch , Annual Rate	10.6	8.5	12.0	3.9	3.8	1.0	2.1	2.2
Real Residential Fixed Investment	745.7	748.0	740.0	745.9	756.0	757.8	763.0	768.2
% Ch , Annual Rate	-7.8	1.3	-4.2	3.2	5.5	0.9	2.8	2.7
Real Personal Income	20,554.1	20,487.9	20,612.2	20,741.0	20,973.2	21,163.1	21,355.0	21,527.9
% Ch , Annual Rate	-1.1	-1.3	2.4	2.5	4.6	3.7	3.7	3.3
Real Per Capita Income ($/Person)	59,965	59,737	60,061	60,396	61,030	61,541	62,059	62,522
% Ch , Annual Rate	-1.4	-1.5	2.2	2.2	4.3	3.4	3.4	3.0
Price and Wage Indexes								
PCE Price Index (2017=100)	129.7	131.3	132.2	133.1	133.8	134.5	135.2	136.0
% Ch , Annual Rate	4.6	5.3	2.5	2.9	2.1	2.2	2.1	2.2
U.S. Consumer Price Index (1982-84=1.0)	3.281	3.330	3.344	3.363	3.376	3.398	3.414	3.432
% Ch , Annual Rate	3.6	6.1	1.7	2.2	1.6	2.6	2.0	2.1
Employment Cost Index (Dec. 2005=1.0)	1.775	1.790	1.807	1.824	1.842	1.861	1.881	1.900
% Ch , Annual Rate	2.9	3.5	3.7	4.0	3.9	4.3	4.2	4.1
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	31,865.7	32,486.1	32,876.1	33,293.7	33,630.0	33,998.7	34,361.6	34,743.2
% Ch , Annual Rate	5.8	8.0	4.9	5.2	4.1	4.5	4.3	4.5
Personal Income	26,649.4	26,905.7	27,239.8	27,605.9	28,061.2	28,471.4	28,882.0	29,273.4
% Ch , Annual Rate	3.4	3.9	5.1	5.5	6.8	6.0	5.9	5.5
Employment (Millions)								
U.S. Civilian Labor Force	170.3	169.8	169.3	169.7	170.0	170.2	170.5	170.7
Total U.S. Employment	163.0	162.6	162.3	162.5	162.6	162.8	163.1	163.2
Unemployment Rate (%)	4.34	4.27	4.17	4.26	4.32	4.34	4.36	4.37
Nonfarm Payroll Employment	158.56	158.85	159.01	159.10	159.16	159.22	159.27	159.33
% Ch , Annual Rate	0.3	0.7	0.4	0.2	0.2	0.1	0.1	0.1
Manufacturing	12.59	12.60	12.69	12.77	12.72	12.65	12.54	12.44
% Ch , Annual Rate	-0.1	0.4	2.9	2.5	-1.5	-2.1	-3.6	-2.9
Durable Manufacturing	7.81	7.84	7.93	8.00	8.00	7.97	7.91	7.87
% Ch , Annual Rate	0.6	1.3	4.9	3.6	0.0	-1.6	-3.3	-1.9
Nondurable Manufacturing	4.78	4.76	4.76	4.76	4.72	4.68	4.63	4.58
% Ch , Annual Rate	-1.3	-1.2	-0.5	0.6	-3.9	-2.9	-4.2	-4.6
Construction	8.31	8.32	8.34	8.36	8.39	8.39	8.42	8.45
% Ch , Annual Rate	2.1	0.4	1.2	0.8	1.6	0.0	1.5	1.3
Service-Providing	137.06	137.32	137.37	137.35	137.41	137.52	137.65	137.76
% Ch , Annual Rate	0.3	0.8	0.2	-0.1	0.2	0.3	0.4	0.3
Miscellaneous Indicators								
Oil-WTI ($ per barrel)	71.9	92.7	88.2	98.3	86.8	79.3	74.8	72.6
Personal Saving/Disposable Income (%)	3.9	2.8	2.9	3.1	3.7	4.1	4.5	4.8
Auto Sales (Millions)	2.5	2.7	2.8	2.7	2.8	2.8	2.8	2.8
% Ch , Annual Rate	2.0	28.1	17.7	-12.8	8.4	-2.8	1.7	1.2
Housing Starts (Millions)	1.418	1.337	1.328	1.343	1.341	1.335	1.326	1.318
% Ch , Annual Rate	31.7	-20.9	-2.7	4.5	-0.4	-1.8	-2.8	-2.4
Federal Budget Surplus (Billions)	-1,807.2	-1,784.4	-1,845.1	-1,876.6	-1,953.3	-1,984.9	-2,006.0	-2,019.2
Net Exports (Billions)	-820.0	-875.8	-1,052.7	-1,055.5	-1,091.4	-1,112.2	-1,109.4	-1,091.5
3-Month Treasury Bill Rate (%)	3.59	3.62	3.79	3.89	3.81	3.73	3.64	3.34
10-Year Treasury Note Yield (%)	4.20	4.42	4.66	4.56	4.38	4.16	4.05	3.96
Bond Index of 20 G.O. Munis. (%)	5.25	5.30	4.75	4.81	4.74	4.63	4.54	4.44
30-Year Fixed Mortgage Rate (%)	6.14	6.41	6.62	6.53	6.38	6.19	6.09	5.97

Table A1.2 (continued)
U.S. Economic Forecast Summary
Forecast 2026 to 2031

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Real National Income Accounts (Billions of Chained 2017 Dollars)								
Real Gross Domestic Product	25,164.7	25,285.0	25,408.2	25,539.9	25,664.4	25,792.1	25,921.8	26,047.5
% Ch , Annual Rate	2.1	1.9	2.0	2.1	2.0	2.0	2.0	2.0
Real Consumption	17,396.9	17,493.9	17,586.2	17,678.2	17,762.6	17,856.0	17,957.0	18,052.8
% Ch , Annual Rate	2.2	2.2	2.1	2.1	1.9	2.1	2.3	2.2
Real Nonresidential Fixed Investment	4,150.5	4,174.9	4,199.1	4,228.2	4,259.8	4,295.7	4,335.8	4,376.9
% Ch , Annual Rate	2.5	2.4	2.3	2.8	3.0	3.4	3.8	3.8
Real Residential Fixed Investment	773.9	778.4	783.1	787.7	793.2	799.6	806.6	813.3
% Ch , Annual Rate	3.0	2.3	2.4	2.4	2.8	3.2	3.6	3.4
Real Personal Income	21,708.7	21,871.1	22,015.7	22,168.0	22,333.3	22,484.3	22,642.1	22,801.4
% Ch , Annual Rate	3.4	3.0	2.7	2.8	3.0	2.7	2.8	2.8
Real Per Capita Income ($/Person)	63,007	63,438	63,813	64,207	64,635	65,017	65,414	65,811
% Ch , Annual Rate	3.1	2.8	2.4	2.5	2.7	2.4	2.5	2.5
Price and Wage Indexes								
PCE Price Index (2017=100)	136.7	137.5	138.3	139.0	139.8	140.5	141.2	142.0
% Ch , Annual Rate	2.2	2.2	2.3	2.2	2.3	2.1	2.0	2.0
U.S. Consumer Price Index (1982-84=1.0)	3.453	3.473	3.496	3.516	3.537	3.557	3.574	3.592
% Ch , Annual Rate	2.4	2.5	2.6	2.4	2.4	2.2	1.9	2.1
Employment Cost Index (Dec. 2005=1.0)	1.918	1.936	1.955	1.974	1.991	2.009	2.027	2.047
% Ch , Annual Rate	3.8	3.8	4.0	3.9	3.6	3.6	3.8	4.0
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	35,155.7	35,536.8	35,913.4	36,291.0	36,668.7	37,053.9	37,445.1	37,829.3
% Ch , Annual Rate	4.8	4.4	4.3	4.3	4.2	4.3	4.3	4.2
Personal Income	29,681.8	30,067.8	30,439.7	30,814.8	31,222.4	31,598.4	31,979.8	32,366.9
% Ch , Annual Rate	5.7	5.3	5.0	5.0	5.4	4.9	4.9	4.9
Employment (Millions)								
U.S. Civilian Labor Force	170.9	171.0	171.1	171.2	171.3	171.4	171.5	171.6
Total U.S. Employment	163.4	163.5	163.6	163.7	163.8	163.9	164.0	164.2
Unemployment Rate (%)	4.38	4.38	4.37	4.37	4.37	4.36	4.36	4.35
Nonfarm Payroll Employment	159.39	159.46	159.53	159.61	159.70	159.80	159.92	160.06
% Ch , Annual Rate	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.4
Manufacturing	12.34	12.24	12.14	11.99	11.89	11.82	11.79	11.83
% Ch , Annual Rate	-3.5	-3.1	-3.3	-4.7	-3.5	-2.2	-1.0	1.2
Durable Manufacturing	7.79	7.72	7.64	7.52	7.43	7.38	7.35	7.38
% Ch , Annual Rate	-3.7	-3.9	-4.1	-6.1	-4.6	-2.9	-1.4	1.5
Nondurable Manufacturing	4.54	4.52	4.50	4.47	4.46	4.44	4.44	4.45
% Ch , Annual Rate	-3.0	-1.8	-1.8	-2.4	-1.6	-0.9	-0.3	0.7
Construction	8.48	8.51	8.55	8.58	8.62	8.67	8.71	8.76
% Ch , Annual Rate	1.5	1.4	1.7	1.7	1.9	2.0	2.1	2.2
Service-Providing	137.89	138.03	138.16	138.36	138.51	138.63	138.73	138.80
% Ch , Annual Rate	0.4	0.4	0.4	0.6	0.4	0.4	0.3	0.2
Miscellaneous Indicators								
Oil-WTI ($ per barrel)	71.3	70.4	69.5	68.8	68.0	67.4	66.8	66.2
Personal Saving/Disposable Income (%)	5.2	5.5	5.7	6.0	6.3	6.4	6.6	6.7
Auto Sales (Millions)	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9
% Ch , Annual Rate	4.4	3.2	0.7	1.1	0.3	2.5	1.9	2.0
Housing Starts (Millions)	1.315	1.311	1.308	1.309	1.308	1.308	1.308	1.308
% Ch , Annual Rate	-0.9	-1.2	-0.7	0.0	-0.1	-0.2	0.0	0.0
Federal Budget Surplus (Billions)	-2,067.0	-2,090.6	-2,119.8	-2,142.4	-2,169.5	-2,180.3	-2,186.7	-2,193.5
Net Exports (Billions)	-1,059.4	-1,027.4	-994.7	-956.6	-932.0	-912.8	-897.0	-876.9
3-Month Treasury Bill Rate (%)	3.14	3.06	2.87	2.85	2.84	2.83	2.82	2.81
10-Year Treasury Note Yield (%)	3.93	3.91	3.92	3.94	3.95	3.97	4.00	4.02
Bond Index of 20 G.O. Munis. (%)	4.39	4.37	4.37	4.40	4.43	4.45	4.47	4.49
30-Year Fixed Mortgage Rate (%)	5.88	5.83	5.79	5.77	5.75	5.74	5.72	5.71

Table A1.2 (continued)
U.S. Economic Forecast Summary
Forecast 2026 to 2031

	2030:1	2030:2	2030:3	2030:4	2031:1	2031:2	2031:3	2031:4
Real National Income Accounts (Billions of Chained 2017 Dollars)								
Real Gross Domestic Product	26,180.9	26,311.3	26,434.9	26,567.1	26,691.2	26,813.9	26,933.7	27,059.9
% Ch , Annual Rate	2.1	2.0	1.9	2.0	1.9	1.9	1.8	1.9
Real Consumption	18,144.5	18,235.5	18,327.1	18,425.5	18,516.3	18,604.3	18,690.4	18,784.4
% Ch , Annual Rate	2.0	2.0	2.0	2.2	2.0	1.9	1.9	2.0
Real Nonresidential Fixed Investment	4,422.2	4,467.2	4,517.3	4,568.2	4,619.2	4,670.9	4,723.5	4,777.0
% Ch , Annual Rate	4.2	4.1	4.6	4.6	4.5	4.6	4.6	4.6
Real Residential Fixed Investment	820.5	827.1	833.5	841.2	847.4	853.4	860.2	866.8
% Ch , Annual Rate	3.5	3.3	3.2	3.8	3.0	2.9	3.2	3.1
Real Personal Income	23,000.6	23,157.5	23,300.9	23,447.8	23,610.4	23,751.5	23,885.9	24,021.4
% Ch , Annual Rate	3.5	2.8	2.5	2.5	2.8	2.4	2.3	2.3
Real Per Capita Income ($/Person)	66,322	66,710	67,060	67,421	67,827	68,172	68,498	68,826
% Ch , Annual Rate	3.1	2.4	2.1	2.2	2.4	2.1	1.9	1.9
Price and Wage Indexes								
PCE Price Index (2017=100)	142.6	143.3	144.1	144.8	145.5	146.2	146.9	147.6
% Ch , Annual Rate	1.9	2.0	2.0	2.0	2.1	1.9	2.0	1.9
U.S. Consumer Price Index (1982-84=1.0)	3.610	3.629	3.648	3.668	3.689	3.708	3.728	3.748
% Ch , Annual Rate	2.0	2.1	2.1	2.2	2.3	2.1	2.2	2.1
Employment Cost Index (Dec. 2005=1.0)	2.067	2.087	2.107	2.127	2.148	2.168	2.189	2.209
% Ch , Annual Rate	3.9	3.9	3.9	3.8	4.0	3.8	3.9	3.7
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	38,224.0	38,630.4	39,026.5	39,435.2	39,841.6	40,242.6	40,644.1	41,050.9
% Ch , Annual Rate	4.2	4.3	4.2	4.3	4.2	4.1	4.1	4.1
Personal Income	32,806.2	33,195.5	33,566.4	33,944.3	34,353.6	34,724.4	35,092.7	35,460.1
% Ch , Annual Rate	5.5	4.8	4.5	4.6	4.9	4.4	4.3	4.3
Employment (Millions)								
U.S. Civilian Labor Force	171.7	172.0	172.0	172.1	172.3	172.4	172.6	172.7
Total U.S. Employment	164.3	164.6	164.6	164.7	164.9	165.0	165.2	165.3
Unemployment Rate (%)	4.32	4.31	4.31	4.31	4.31	4.30	4.30	4.29
Nonfarm Payroll Employment	160.24	160.50	160.55	160.66	160.79	160.93	161.06	161.18
% Ch, Annual Rate	0.4	0.7	0.1	0.3	0.3	0.3	0.3	0.3
Manufacturing	11.84	11.83	11.82	11.82	11.82	11.83	11.83	11.82
% Ch, Annual Rate	0.3	-0.1	-0.4	-0.1	0.2	0.2	0.0	-0.3
Durable Manufacturing	7.38	7.38	7.38	7.38	7.39	7.40	7.41	7.42
% Ch, Annual Rate	0.4	-0.1	-0.4	0.1	0.7	0.7	0.6	0.1
Nondurable Manufacturing	4.45	4.45	4.45	4.44	4.43	4.42	4.42	4.41
% Ch, Annual Rate	0.2	-0.2	-0.4	-0.5	-0.6	-0.7	-0.8	-0.9
Construction	8.80	8.85	8.89	8.93	8.97	9.01	9.05	9.09
% Ch, Annual Rate	2.1	2.0	1.9	1.9	1.7	1.7	1.9	1.8
Service-Providing	138.93	139.16	139.19	139.26	139.36	139.46	139.55	139.64
% Ch, Annual Rate	0.4	0.7	0.1	0.2	0.3	0.3	0.3	0.3
Miscellaneous Indicators								
Oil-WTI ($ per barrel)	65.6	65.1	64.5	64.0	63.3	62.8	62.3	61.7
Personal Saving/Disposable Income (%)	7.0	7.1	7.2	7.1	7.2	7.3	7.3	7.2
Auto Sales (Millions)	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
% Ch, Annual Rate	1.1	1.4	0.6	-1.0	-0.7	0.2	0.6	0.5
Housing Starts (Millions)	1.307	1.308	1.309	1.308	1.306	1.306	1.306	1.304
% Ch, Annual Rate	-0.2	0.2	0.4	-0.5	-0.3	0.0	-0.1	-0.5
Federal Budget Surplus (Billions)	-2,227.8	-2,232.3	-2,218.9	-2,207.5	-2,228.9	-2,223.3	-2,216.9	-2,164.2
Net Exports (Billions)	-852.4	-829.0	-812.2	-800.8	-789.3	-778.7	-769.3	-763.1
3-Month Treasury Bill Rate (%)	2.80	2.80	2.79	2.78	2.77	2.76	2.76	2.75
10-Year Treasury Note Yield (%)	4.03	4.04	4.04	4.03	4.02	4.01	3.99	3.97
Bond Index of 20 G.O. Munis. (%)	4.50	4.51	4.51	4.50	4.48	4.45	4.42	4.39
30-Year Fixed Mortgage Rate (%)	5.70	5.68	5.66	5.64	5.62	5.60	5.57	5.54

Table A1.3
Washington Economic Forecast Summary
Forecast 2026 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Real Income (Billions of Chained 2017 Dollars)								
Real Personal Income	548.808	561.197	563.785	583.612	605.704	625.282	644.334	662.864
% Ch	3.8	2.3	0.5	3.5	3.8	3.2	3.0	2.9
Real Wage and Salary Disb.	291.818	298.257	298.226	305.584	315.753	324.932	335.042	345.899
% Ch	4.6	2.2	0.0	2.5	3.3	2.9	3.1	3.2
Real Nonwage Income	256.990	262.941	265.559	278.028	289.951	300.349	309.292	316.965
% Ch	2.9	2.3	1.0	4.7	4.3	3.6	3.0	2.5
Real Per Capita Income ($/Person)	69,235	70,166	70,134	72,372	74,818	76,806	78,618	80,350
% Ch	2.7	1.3	0.0	3.2	3.4	2.7	2.4	2.2
Price and Wage Indexes								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.237	1.269	1.316	1.349	1.379	1.409	1.437	1.466
% Ch	2.6	2.6	3.7	2.5	2.2	2.2	2.0	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.535	3.625	3.782	3.872	3.969	4.066	4.158	4.255
% Ch	3.6	2.5	4.3	2.4	2.5	2.4	2.3	2.3
Average Nonfarm Annual Wage	97,255	101,626	105,095	109,799	115,208	120,112	125,150	130,995
% Ch	6.9	4.5	3.4	4.5	4.9	4.3	4.2	4.7
Avg. Hourly Earnings-Mfg. ($/Hour)	32.33	35.35	37.19	38.53	40.01	41.46	43.01	44.62
% Ch	8.8	9.3	5.2	3.6	3.8	3.6	3.7	3.7
Current Dollar Income (Billions of Dollars)								
Personal Income	678.686	712.237	741.713	787.281	835.124	880.954	925.950	971.531
% Ch	6.5	4.9	4.1	6.1	6.1	5.5	5.1	4.9
Disposable Personal Income	606.468	623.828	653.253	691.979	735.063	775.880	813.868	850.730
% Ch	6.7	2.9	4.7	5.9	6.2	5.6	4.9	4.5
Per Capita Income ($/Person)	85,619	89,049	92,267	97,628	103,155	108,210	112,978	117,765
% Ch	5.4	4.0	3.6	5.8	5.7	4.9	4.4	4.2
Employment (Thousands)								
Washington Civilian Labor Force	4,040.6	4,052.2	4,057.8	4,072.8	4,099.0	4,126.5	4,157.6	4,184.3
Total Washington Employment	3,858.9	3,865.1	3,851.0	3,865.7	3,893.4	3,927.5	3,963.4	3,990.6
Unemployment Rate (%)	4.50	4.62	5.10	5.08	5.02	4.82	4.67	4.63
Nonfarm Payroll Employment	3,616.6	3,631.5	3,638.7	3,659.8	3,684.4	3,716.8	3,752.5	3,775.8
% Ch	0.7	0.4	0.2	0.6	0.7	0.9	1.0	0.6
Manufacturing	274.1	271.1	274.9	277.0	275.7	275.0	275.4	275.6
% Ch	0.0	-1.1	1.4	0.8	-0.5	-0.3	0.2	0.0
Durable Manufacturing	188.9	187.6	192.0	195.0	194.4	193.8	193.8	193.8
% Ch	0.5	-0.7	2.3	1.6	-0.3	-0.3	0.0	0.0
Aerospace	80.1	80.4	83.8	86.4	86.9	87.4	87.6	87.6
% Ch	3.4	0.4	4.3	3.1	0.6	0.5	0.2	0.0
Nondurable Manufacturing	85.2	83.5	82.9	82.0	81.3	81.2	81.6	81.8
% Ch	-1.2	-2.0	-0.7	-1.1	-0.9	-0.1	0.6	0.2
Construction	221.4	217.6	214.7	215.8	219.2	223.4	227.0	228.3
% Ch	-3.4	-1.7	-1.3	0.5	1.6	1.9	1.6	0.6
Service-Providing	3,115.9	3,137.8	3,144.1	3,162.2	3,184.6	3,213.6	3,245.0	3,266.6
% Ch	1.1	0.7	0.2	0.6	0.7	0.9	1.0	0.7
Software Publishers	82.8	81.1	80.3	81.0	81.6	81.9	82.1	82.2
% Ch	-3.1	-2.0	-1.0	0.9	0.8	0.4	0.2	0.2
Mgmt. of Companies and Enterprises	101.5	101.9	100.1	102.1	103.0	103.9	104.8	105.8
% Ch	-0.6	0.4	-1.8	2.0	0.9	0.9	0.9	0.9
Housing Indicators (Thousands)								
Housing Units Authorized by Bldg. Permit	37.778	34.912	42.145	38.278	39.087	40.614	41.812	42.436
% Ch	1.8	-7.6	20.7	-9.2	2.1	3.9	3.0	1.5
Single-Family	19.136	17.856	17.395	18.363	19.446	20.594	21.373	21.815
% Ch	6.0	-6.7	-2.6	5.6	5.9	5.9	3.8	2.1
Multi-Family	18.642	17.056	24.750	19.915	19.641	20.020	20.438	20.621
% Ch	-2.1	-8.5	45.1	-19.5	-1.4	1.9	2.1	0.9
30-Year Fixed Mortgage Rate (%)	6.72	6.58	6.43	6.16	5.82	5.73	5.67	5.58

Table A1.4
Washington Economic Forecast Summary
Forecast 2026 to 2031

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Real Income (Billions of Chained 2017 Dollars)								
Real Personal Income	561.493	559.991	564.949	568.708	574.838	580.696	586.600	592.316
% Ch, Annual Rate	-0.6	-1.1	3.6	2.7	4.4	4.1	4.1	4.0
Real Wage and Salary Disb.	298.058	296.361	298.492	299.993	301.680	304.265	306.797	309.595
% Ch, Annual Rate	-0.1	-2.3	2.9	2.0	2.3	3.5	3.4	3.7
Real Nonwage Income	263.435	263.629	266.457	268.715	273.157	276.431	279.804	282.721
% Ch, Annual Rate	-1.1	0.3	4.4	3.4	6.8	4.9	5.0	4.2
Real Per Capita Income ($/Person)	69,919	69,690	70,257	70,670	71,375	72,043	72,713	73,357
% Ch, Annual Rate	-1.1	-1.3	3.3	2.4	4.1	3.8	3.8	3.6
Price and Wage Indexes								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.296	1.313	1.322	1.331	1.338	1.345	1.352	1.360
% Ch, Annual Rate	4.6	5.3	2.6	2.9	2.1	2.2	2.1	2.2
Seattle Cons. Price Index (1982-84=1.0)	3.728	3.778	3.800	3.821	3.837	3.863	3.883	3.905
% Ch, Annual Rate	6.9	5.5	2.3	2.2	1.7	2.7	2.1	2.3
Average Nonfarm Annual Wage	103,730	104,480	105,490	106,682	107,716	109,123	110,461	111,898
% Ch, Annual Rate	3.4	2.9	3.9	4.6	3.9	5.3	5.0	5.3
Avg. Hourly Earnings-Mfg. ($/Hour)	36.64	37.29	37.25	37.60	37.95	38.34	38.73	39.11
% Ch, Annual Rate	-3.9	7.4	-0.5	3.9	3.7	4.2	4.1	4.0
Current Dollar Income (Billions of Dollars)								
Personal Income	727.952	735.359	746.600	756.941	769.105	781.230	793.362	805.425
% Ch, Annual Rate	4.0	4.1	6.3	5.7	6.6	6.5	6.4	6.2
Disposable Personal Income	640.395	648.120	657.910	666.587	676.262	686.708	697.176	707.772
% Ch, Annual Rate	7.4	4.9	6.2	5.4	5.9	6.3	6.2	6.2
Per Capita Income ($/Person)	90,647	91,515	92,846	94,060	95,496	96,921	98,343	99,750
% Ch, Annual Rate	3.5	3.9	5.9	5.3	6.2	6.1	6.0	5.8
Employment (Thousands)								
Washington Civilian Labor Force	4,065.3	4,062.6	4,048.0	4,055.3	4,062.4	4,069.2	4,076.3	4,083.2
Total Washington Employment	3,858.1	3,851.2	3,845.1	3,849.7	3,855.6	3,862.1	3,869.1	3,876.0
Unemployment Rate (%)	5.10	5.20	5.01	5.07	5.09	5.09	5.08	5.08
Nonfarm Payroll Employment	3,630.9	3,630.6	3,644.9	3,648.4	3,652.6	3,656.7	3,662.0	3,668.0
% Ch, Annual Rate	1.1	0.0	1.6	0.4	0.5	0.5	0.6	0.7
Manufacturing	271.6	274.0	276.6	277.5	277.5	277.2	276.8	276.5
% Ch, Annual Rate	3.1	3.5	3.9	1.3	0.0	-0.4	-0.6	-0.5
Durable Manufacturing	188.4	191.0	193.8	194.7	195.0	195.0	195.0	194.9
% Ch, Annual Rate	3.8	5.6	6.2	1.9	0.6	0.1	-0.1	-0.1
Aerospace	81.4	82.9	85.3	85.8	86.1	86.4	86.5	86.7
% Ch, Annual Rate	8.3	7.8	11.7	2.4	1.6	1.1	0.8	0.6
Nondurable Manufacturing	83.2	83.0	82.8	82.8	82.5	82.2	81.9	81.6
% Ch, Annual Rate	1.5	-1.1	-1.2	0.0	-1.2	-1.6	-1.6	-1.4
Construction	216.1	213.9	214.2	214.5	214.9	215.3	216.0	216.8
% Ch, Annual Rate	5.5	-4.0	0.5	0.7	0.7	0.7	1.4	1.5
Service-Providing	3,138.2	3,137.7	3,149.2	3,151.4	3,155.3	3,159.3	3,164.3	3,169.9
% Ch, Annual Rate	0.6	-0.1	1.5	0.3	0.5	0.5	0.6	0.7
Software Publishers	80.3	80.0	80.4	80.5	80.7	80.9	81.1	81.3
% Ch, Annual Rate	6.8	-1.3	1.8	0.6	1.0	1.1	0.9	0.9
Mgmt. of Companies and Enterprises	98.5	99.1	101.2	101.5	101.7	101.9	102.2	102.4
% Ch, Annual Rate	-15.2	2.4	8.9	0.9	0.9	0.9	0.9	0.9
Housing Indicators (Thousands)								
Housing Units Authorized by Bldg. Permit	37.670	49.764	42.740	38.405	38.330	38.262	38.204	38.314
% Ch, Annual Rate	17.4	204.5	-45.6	-34.8	-0.8	-0.7	-0.6	1.2
Single-Family	17.009	17.408	17.451	17.714	17.986	18.248	18.473	18.745
% Ch, Annual Rate	-24.6	9.7	1.0	6.2	6.3	6.0	5.0	6.0
Multi-Family	20.661	32.356	25.290	20.691	20.344	20.014	19.731	19.569
% Ch, Annual Rate	76.1	501.4	-62.7	-55.2	-6.5	-6.3	-5.5	-3.2
30-Year Fixed Mortgage Rate (%)	6.14	6.41	6.62	6.53	6.38	6.19	6.09	5.97

Table A1.4 (continued)
Washington Economic Forecast Summary
Forecast 2026 to 2031

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Real Income (Billions of Chained 2017 Dollars)								
Real Personal Income	598.002	603.287	608.269	613.259	618.122	622.917	627.687	632.400
% Ch, Annual Rate	3.9	3.6	3.3	3.3	3.2	3.1	3.1	3.0
Real Wage and Salary Disb.	312.058	314.655	316.971	319.329	321.100	323.631	326.247	328.751
% Ch, Annual Rate	3.2	3.4	3.0	3.0	2.2	3.2	3.3	3.1
Real Nonwage Income	285.944	288.632	291.299	293.931	297.021	299.287	301.440	303.649
% Ch, Annual Rate	4.6	3.8	3.7	3.7	4.3	3.1	2.9	3.0
Real Per Capita Income ($/Person)	73,991	74,568	75,096	75,615	76,106	76,581	77,044	77,493
% Ch, Annual Rate	3.5	3.2	2.9	2.8	2.6	2.5	2.4	2.4
Price and Wage Indexes								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.367	1.375	1.383	1.390	1.398	1.405	1.412	1.420
% Ch, Annual Rate	2.2	2.2	2.3	2.2	2.3	2.1	2.0	2.0
Seattle Cons. Price Index (1982-84=1.0)	3.928	3.956	3.983	4.007	4.032	4.055	4.076	4.100
% Ch, Annual Rate	2.5	2.9	2.7	2.5	2.5	2.3	2.0	2.3
Average Nonfarm Annual Wage	113,200	114,580	115,891	117,163	118,208	119,475	120,756	122,009
% Ch, Annual Rate	4.7	5.0	4.7	4.5	3.6	4.4	4.4	4.2
Avg. Hourly Earnings-Mfg. ($/Hour)	39.46	39.82	40.20	40.57	40.91	41.26	41.63	42.03
% Ch, Annual Rate	3.7	3.7	3.9	3.8	3.4	3.4	3.6	3.9
Current Dollar Income (Billions of Dollars)								
Personal Income	817.635	829.381	841.014	852.466	864.148	875.417	886.548	897.702
% Ch, Annual Rate	6.2	5.9	5.7	5.6	5.6	5.3	5.2	5.1
Disposable Personal Income	719.016	729.750	740.511	750.976	761.425	771.138	780.729	790.230
% Ch, Annual Rate	6.5	6.1	6.0	5.8	5.7	5.2	5.1	5.0
Per Capita Income ($/Person)	101,167	102,513	103,831	105,109	106,399	107,623	108,817	110,002
% Ch, Annual Rate	5.8	5.4	5.2	5.0	5.0	4.7	4.5	4.4
Employment (Thousands)								
Washington Civilian Labor Force	4,089.7	4,095.7	4,102.2	4,108.4	4,115.5	4,122.5	4,130.2	4,137.9
Total Washington Employment	3,882.8	3,889.4	3,896.6	3,904.7	3,913.7	3,922.7	3,932.3	3,941.5
Unemployment Rate (%)	5.06	5.04	5.01	4.96	4.90	4.85	4.79	4.75
Nonfarm Payroll Employment	3,674.8	3,681.0	3,687.3	3,694.4	3,703.1	3,712.3	3,721.4	3,730.5
% Ch, Annual Rate	0.7	0.7	0.7	0.8	0.9	1.0	1.0	1.0
Manufacturing	276.1	275.8	275.5	275.1	274.9	274.8	274.9	275.2
% Ch, Annual Rate	-0.5	-0.4	-0.4	-0.6	-0.3	-0.1	0.1	0.4
Durable Manufacturing	194.7	194.5	194.3	194.0	193.8	193.7	193.7	193.8
% Ch, Annual Rate	-0.4	-0.5	-0.5	-0.6	-0.4	-0.1	0.0	0.1
Aerospace	86.8	86.9	87.0	87.1	87.2	87.3	87.4	87.5
% Ch, Annual Rate	0.6	0.4	0.4	0.5	0.5	0.6	0.5	0.3
Nondurable Manufacturing	81.4	81.3	81.3	81.2	81.1	81.1	81.2	81.4
% Ch, Annual Rate	-0.8	-0.4	-0.2	-0.6	-0.3	0.0	0.4	0.9
Construction	217.7	218.7	219.7	220.8	221.8	222.9	223.9	225.0
% Ch, Annual Rate	1.7	1.7	2.0	2.0	1.8	1.9	1.9	1.9
Service-Providing	3,176.1	3,181.6	3,187.2	3,193.6	3,201.5	3,209.7	3,217.7	3,225.4
% Ch, Annual Rate	0.8	0.7	0.7	0.8	1.0	1.0	1.0	1.0
Software Publishers	81.4	81.5	81.7	81.8	81.9	81.9	82.0	82.0
% Ch, Annual Rate	0.7	0.7	0.6	0.5	0.5	0.3	0.2	0.1
Mgmt. of Companies and Enterprises	102.6	102.9	103.1	103.3	103.5	103.8	104.0	104.2
% Ch, Annual Rate	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Housing Indicators (Thousands)								
Housing Units Authorized by Bldg. Permit	38.562	38.900	39.240	39.645	40.032	40.447	40.824	41.151
% Ch, Annual Rate	2.6	3.6	3.5	4.2	4.0	4.2	3.8	3.2
Single-Family	19.021	19.305	19.571	19.886	20.177	20.485	20.749	20.964
% Ch, Annual Rate	6.0	6.1	5.6	6.6	6.0	6.3	5.3	4.2
Multi-Family	19.541	19.595	19.669	19.759	19.855	19.962	20.075	20.187
% Ch, Annual Rate	-0.6	1.1	1.5	1.8	2.0	2.2	2.3	2.3
30-Year Fixed Mortgage Rate (%)	5.88	5.83	5.79	5.77	5.75	5.74	5.72	5.71

Table A1.4 (continued)
Washington Economic Forecast Summary
Forecast 2026 to 2031

	2030:1	2030:2	2030:3	2030:4	2031:1	2031:2	2031:3	2031:4
Real Income (Billions of Chained 2017 Dollars)								
Real Personal Income	637.474	642.039	646.612	651.212	655.948	660.626	665.163	669.720
% Ch, Annual Rate	3.2	2.9	2.9	2.9	2.9	2.9	2.8	2.8
Real Wage and Salary Disb.	331.007	333.615	336.393	339.154	341.555	344.502	347.357	350.181
% Ch, Annual Rate	2.8	3.2	3.4	3.3	2.9	3.5	3.4	3.3
Real Nonwage Income	306.467	308.424	310.219	312.058	314.393	316.123	317.806	319.539
% Ch, Annual Rate	3.8	2.6	2.3	2.4	3.0	2.2	2.1	2.2
Real Per Capita Income ($/Person)	77,981	78,405	78,829	79,257	79,702	80,141	80,565	80,994
% Ch, Annual Rate	2.5	2.2	2.2	2.2	2.3	2.2	2.1	2.1
Price and Wage Indexes								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.426	1.433	1.441	1.448	1.455	1.462	1.469	1.476
% Ch, Annual Rate	1.9	2.0	2.0	2.0	2.1	1.9	2.0	1.9
Seattle Cons. Price Index (1982-84=1.0)	4.122	4.146	4.171	4.194	4.220	4.242	4.267	4.290
% Ch, Annual Rate	2.2	2.3	2.4	2.3	2.4	2.2	2.3	2.2
Average Nonfarm Annual Wage	123,134	124,354	125,835	127,275	128,642	130,208	131,778	133,351
% Ch, Annual Rate	3.7	4.0	4.8	4.7	4.4	5.0	4.9	4.9
Avg. Hourly Earnings-Mfg. ($/Hour)	42.42	42.81	43.21	43.60	44.01	44.41	44.83	45.22
% Ch, Annual Rate	3.8	3.7	3.7	3.7	3.9	3.7	3.8	3.6
Current Dollar Income (Billions of Dollars)								
Personal Income	909.239	920.343	931.486	942.731	954.419	965.827	977.244	988.632
% Ch, Annual Rate	5.2	5.0	4.9	4.9	5.1	4.9	4.8	4.7
Disposable Personal Income	800.201	809.440	818.385	827.446	836.972	846.175	855.370	864.404
% Ch, Annual Rate	5.1	4.7	4.5	4.5	4.7	4.5	4.4	4.3
Per Capita Income ($/Person)	111,226	112,391	113,558	114,736	115,968	117,165	118,364	119,562
% Ch, Annual Rate	4.5	4.3	4.2	4.2	4.4	4.2	4.2	4.1
Employment (Thousands)								
Washington Civilian Labor Force	4,145.6	4,155.9	4,160.9	4,168.1	4,174.9	4,181.4	4,187.6	4,193.4
Total Washington Employment	3,950.6	3,961.8	3,967.0	3,974.2	3,981.0	3,987.6	3,993.8	3,999.8
Unemployment Rate (%)	4.70	4.67	4.66	4.65	4.64	4.64	4.63	4.62
Nonfarm Payroll Employment	3,739.5	3,751.0	3,756.4	3,763.2	3,768.7	3,773.7	3,778.3	3,782.4
% Ch, Annual Rate	1.0	1.2	0.6	0.7	0.6	0.5	0.5	0.4
Manufacturing	275.3	275.4	275.5	275.5	275.6	275.6	275.6	275.5
% Ch, Annual Rate	0.2	0.1	0.1	0.1	0.1	0.0	0.0	-0.1
Durable Manufacturing	193.8	193.8	193.8	193.8	193.8	193.8	193.8	193.8
% Ch, Annual Rate	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Aerospace	87.5	87.6	87.6	87.6	87.6	87.6	87.6	87.6
% Ch, Annual Rate	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Nondurable Manufacturing	81.5	81.6	81.7	81.8	81.8	81.8	81.8	81.7
% Ch, Annual Rate	0.7	0.5	0.4	0.4	0.1	0.0	-0.1	-0.3
Construction	226.0	226.8	227.5	227.9	228.2	228.4	228.4	228.4
% Ch, Annual Rate	1.8	1.5	1.2	0.8	0.4	0.3	0.1	0.0
Service-Providing	3,233.3	3,243.8	3,248.5	3,254.6	3,259.7	3,264.5	3,269.0	3,273.1
% Ch, Annual Rate	1.0	1.3	0.6	0.8	0.6	0.6	0.6	0.5
Software Publishers	82.0	82.1	82.1	82.1	82.2	82.2	82.2	82.3
% Ch, Annual Rate	0.2	0.1	0.2	0.2	0.2	0.1	0.1	0.1
Mgmt. of Companies and Enterprises	104.5	104.7	105.0	105.2	105.4	105.7	105.9	106.1
% Ch, Annual Rate	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Housing Indicators (Thousands)								
Housing Units Authorized by Bldg. Permit	41.459	41.725	41.946	42.118	42.262	42.392	42.506	42.583
% Ch, Annual Rate	3.0	2.6	2.1	1.6	1.4	1.2	1.1	0.7
Single-Family	21.162	21.324	21.453	21.554	21.657	21.762	21.867	21.972
% Ch, Annual Rate	3.8	3.1	2.5	1.9	1.9	1.9	2.0	1.9
Multi-Family	20.297	20.401	20.492	20.563	20.605	20.630	20.638	20.612
% Ch, Annual Rate	2.2	2.1	1.8	1.4	0.8	0.5	0.2	-0.5
30-Year Fixed Mortgage Rate (%)	5.70	5.68	5.66	5.64	5.62	5.60	5.57	5.54

Table A2.1
U.S. Nonagricultural Employment by Industry (Millions)
Forecast 2026 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Nonfarm Payroll Employment	157.69	158.44	158.88	159.24	159.50	159.87	160.49	160.99
% Ch	1.2	0.5	0.3	0.2	0.2	0.2	0.4	0.3
Manufacturing	12.79	12.63	12.66	12.59	12.18	11.83	11.83	11.83
% Ch	-0.7	-1.2	0.2	-0.6	-3.3	-2.8	0.0	0.0
Durable Manufacturing	7.95	7.83	7.90	7.94	7.67	7.38	7.38	7.41
% Ch	-0.9	-1.5	0.8	0.5	-3.4	-3.7	0.0	0.4
Wood Products	0.41	0.40	0.40	0.43	0.41	0.40	0.42	0.45
% Ch	-1.0	-2.6	-1.9	8.2	-4.1	-2.4	5.4	5.7
Primary and Fabricated Metals	1.81	1.80	1.83	1.82	1.74	1.67	1.68	1.70
% Ch	-0.6	-0.6	1.4	-0.1	-4.7	-3.9	0.4	1.4
Computer and Electronic Products	1.03	1.00	1.00	1.01	1.02	1.02	1.02	1.02
% Ch	-2.6	-2.8	-0.1	1.4	0.5	0.7	-0.1	-0.3
Machinery and Electrical Equipment	1.53	1.52	1.54	1.54	1.48	1.42	1.42	1.43
% Ch	-0.9	-1.0	1.2	-0.1	-3.9	-3.5	-0.3	0.5
Transportation Equipment	1.79	1.74	1.77	1.80	1.76	1.65	1.64	1.62
% Ch	0.6	-2.5	1.6	1.9	-2.7	-5.9	-1.0	-1.1
Other Durables	1.38	1.37	1.37	1.34	1.27	1.21	1.20	1.20
% Ch	-1.9	-0.7	0.2	-2.6	-4.9	-4.5	-0.7	-0.7
Nondurable Manufacturing	4.84	4.80	4.76	4.65	4.51	4.45	4.45	4.42
% Ch	-0.2	-0.8	-0.8	-2.4	-3.0	-1.4	0.0	-0.6
Food Manufacturing	1.77	1.78	1.77	1.74	1.69	1.69	1.71	1.73
% Ch	2.1	0.6	-0.5	-2.1	-2.5	-0.4	1.6	0.8
Paper and Paper Products	0.35	0.35	0.36	0.34	0.32	0.32	0.32	0.31
% Ch	-1.1	0.2	0.0	-4.5	-4.3	-2.2	-0.3	-0.6
Other Nondurables	2.71	2.66	2.63	2.58	2.49	2.44	2.42	2.38
% Ch	-1.6	-1.8	-1.1	-2.2	-3.3	-1.9	-1.1	-1.6
Natural Resources and Mining	0.63	0.61	0.61	0.66	0.68	0.68	0.66	0.63
% Ch	-2.0	-2.0	-0.3	7.7	3.1	0.5	-3.9	-4.0
Construction	8.21	8.26	8.33	8.41	8.53	8.69	8.87	9.03
% Ch	2.5	0.7	0.8	1.0	1.4	1.9	2.1	1.8
Trade, Transportation, and Utilities	28.83	28.74	28.70	28.52	28.12	27.69	27.43	27.38
% Ch	0.0	-0.3	-0.1	-0.6	-1.4	-1.5	-0.9	-0.2
Wholesale Trade	6.11	6.06	6.04	5.99	5.99	5.94	5.83	5.81
% Ch	0.0	-0.8	-0.4	-0.7	-0.1	-0.8	-1.8	-0.4
Retail Trade	15.49	15.44	15.49	15.40	14.98	14.62	14.58	14.59
% Ch	-0.4	-0.3	0.3	-0.6	-2.7	-2.4	-0.3	0.1
Trans., Warehousing, and Utilities	7.23	7.24	7.17	7.13	7.15	7.12	7.02	6.98
% Ch	0.9	0.2	-1.0	-0.6	0.3	-0.4	-1.5	-0.5
Information	2.92	2.86	2.78	2.74	2.75	2.76	2.81	2.85
% Ch	-2.8	-2.1	-2.7	-1.4	0.2	0.5	1.6	1.4
Publishing Industries	0.91	0.91	0.89	0.88	0.87	0.86	0.83	0.82
% Ch	-3.3	-0.3	-1.8	-1.3	-0.5	-1.7	-2.9	-1.9
Other Information	2.01	1.95	1.89	1.87	1.88	1.91	1.97	2.03
% Ch	-2.6	-2.9	-3.1	-1.5	0.6	1.6	3.6	2.8
Financial Activities	9.16	9.19	9.06	9.00	9.06	9.03	8.90	8.90
% Ch	-0.2	0.4	-1.4	-0.7	0.7	-0.4	-1.4	0.0
Professional and Business Services	22.58	22.42	22.63	22.93	23.48	24.20	25.19	25.73
% Ch	-0.8	-0.7	1.0	1.3	2.4	3.1	4.1	2.1
Education and Health Services	26.49	27.34	27.83	27.94	28.33	28.41	28.24	28.25
% Ch	4.4	3.2	1.8	0.4	1.4	0.3	-0.6	0.1
Leisure and Hospitality	16.77	16.87	16.95	17.05	16.76	16.83	16.74	16.57
% Ch	1.2	0.6	0.5	0.6	-1.7	0.4	-0.5	-1.0
Other Services	5.95	6.00	6.01	6.01	6.14	6.20	6.13	6.11
% Ch	1.9	0.7	0.2	-0.1	2.2	1.0	-1.1	-0.3
Federal Government	3.00	2.90	2.68	2.68	2.68	2.68	2.74	2.68
% Ch	2.5	-3.2	-7.6	-0.1	0.0	0.0	2.3	-2.2
State and Local Government	20.37	20.61	20.63	20.70	20.79	20.87	20.95	21.03
% Ch	2.5	1.2	0.1	0.3	0.4	0.4	0.4	0.4

Table A2.2
U.S. Nonagricultural Employment by Industry (Millions)
Forecast 2026 to 2031

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Nonfarm Payroll Employment	158.56	158.85	159.01	159.10	159.16	159.22	159.27	159.33
% Ch, Annual Rate	0.3	0.7	0.4	0.2	0.2	0.1	0.1	0.1
Manufacturing	12.59	12.60	12.69	12.77	12.72	12.65	12.54	12.44
% Ch, Annual Rate	-0.1	0.4	2.9	2.5	-1.5	-2.1	-3.6	-2.9
Durable Manufacturing	7.81	7.84	7.93	8.00	8.00	7.97	7.91	7.87
% Ch, Annual Rate	0.6	1.3	4.9	3.6	0.0	-1.6	-3.3	-1.9
Wood Products	0.39	0.39	0.40	0.40	0.43	0.44	0.43	0.42
% Ch, Annual Rate	-4.6	-0.4	3.8	8.4	25.7	7.2	-6.2	-4.5
Primary and Fabricated Metals	1.81	1.81	1.83	1.85	1.85	1.84	1.81	1.80
% Ch, Annual Rate	0.6	2.0	3.9	4.8	-0.6	-3.0	-5.3	-3.6
Computer and Electronic Products	0.99	0.99	1.00	1.01	1.01	1.01	1.01	1.01
% Ch, Annual Rate	-0.5	2.2	1.5	3.8	1.0	0.4	0.2	0.5
Machinery and Electrical Equipment	1.52	1.52	1.54	1.56	1.56	1.54	1.53	1.52
% Ch, Annual Rate	0.9	1.4	4.3	5.7	-1.2	-4.1	-3.8	-2.4
Transportation Equipment	1.74	1.75	1.79	1.80	1.79	1.80	1.81	1.81
% Ch, Annual Rate	2.6	1.1	10.7	0.3	-0.6	2.5	1.1	0.9
Other Durables	1.36	1.36	1.37	1.38	1.37	1.35	1.32	1.31
% Ch, Annual Rate	-0.1	0.6	2.4	2.6	-4.4	-5.9	-7.2	-4.0
Nondurable Manufacturing	4.78	4.76	4.76	4.76	4.72	4.68	4.63	4.58
% Ch, Annual Rate	-1.3	-1.2	-0.5	0.6	-3.9	-2.9	-4.2	-4.6
Food Manufacturing	1.78	1.77	1.77	1.77	1.76	1.75	1.73	1.71
% Ch, Annual Rate	-0.6	-1.3	-0.6	0.9	-4.3	-1.8	-3.5	-4.6
Paper and Paper Products	0.36	0.36	0.36	0.35	0.35	0.34	0.34	0.33
% Ch, Annual Rate	1.3	1.2	-0.8	-4.8	-6.2	-4.8	-6.3	-5.8
Other Nondurables	2.64	2.63	2.63	2.64	2.61	2.59	2.56	2.53
% Ch, Annual Rate	-2.1	-1.4	-0.2	1.2	-3.4	-3.4	-4.4	-4.5
Natural Resources and Mining	0.60	0.61	0.61	0.62	0.64	0.65	0.67	0.67
% Ch, Annual Rate	-1.8	4.7	0.7	8.0	8.9	12.2	7.7	4.9
Construction	8.31	8.32	8.34	8.36	8.39	8.39	8.42	8.45
% Ch, Annual Rate	2.1	0.4	1.2	0.8	1.6	0.0	1.5	1.3
Trade, Transportation, and Utilities	28.64	28.72	28.76	28.67	28.62	28.58	28.50	28.39
% Ch, Annual Rate	-0.3	1.1	0.6	-1.2	-0.7	-0.6	-1.1	-1.5
Wholesale Trade	6.05	6.05	6.03	6.01	6.01	6.01	5.99	5.97
% Ch, Annual Rate	0.1	0.3	-1.9	-0.9	0.0	-0.3	-1.2	-1.2
Retail Trade	15.43	15.46	15.57	15.51	15.47	15.44	15.39	15.31
% Ch, Annual Rate	0.0	0.8	2.8	-1.6	-1.0	-0.7	-1.2	-2.1
Trans., Warehousing, and Utilities	7.16	7.20	7.16	7.16	7.15	7.13	7.12	7.11
% Ch, Annual Rate	-1.1	2.2	-2.1	-0.4	-0.6	-0.7	-0.7	-0.6
Information	2.80	2.78	2.78	2.77	2.76	2.74	2.74	2.74
% Ch, Annual Rate	-6.5	-2.9	0.4	-1.1	-2.3	-2.8	-0.2	1.1
Publishing Industries	0.90	0.90	0.89	0.88	0.88	0.88	0.88	0.88
% Ch, Annual Rate	-1.8	-1.0	-5.0	-4.3	0.2	1.0	0.3	-1.4
Other Information	1.90	1.88	1.90	1.90	1.88	1.86	1.86	1.87
% Ch, Annual Rate	-8.7	-3.8	3.0	0.4	-3.5	-4.6	-0.3	2.4
Financial Activities	9.14	9.11	9.02	8.97	8.99	9.00	9.00	9.00
% Ch, Annual Rate	-1.8	-1.3	-3.9	-2.2	0.7	0.7	0.0	-0.2
Professional and Business Services	22.42	22.48	22.78	22.86	22.88	22.87	22.93	23.05
% Ch, Annual Rate	1.0	1.0	5.5	1.3	0.4	-0.1	1.0	2.1
Education and Health Services	27.75	27.89	27.83	27.84	27.86	27.92	27.97	28.02
% Ch, Annual Rate	2.4	2.2	-1.0	0.2	0.4	0.9	0.6	0.7
Leisure and Hospitality	16.96	16.99	16.92	16.93	16.97	17.04	17.10	17.11
% Ch, Annual Rate	0.3	0.6	-1.6	0.4	0.9	1.6	1.6	0.1
Other Services	6.03	6.03	6.00	5.98	5.99	6.00	6.01	6.03
% Ch, Annual Rate	0.9	0.3	-2.2	-0.8	0.3	0.6	0.5	1.4
Federal Government	2.69	2.68	2.68	2.68	2.68	2.68	2.68	2.68
% Ch, Annual Rate	-7.0	-0.2	-0.2	0.0	-0.1	0.0	0.0	0.0
State and Local Government	20.64	20.65	20.61	20.63	20.66	20.68	20.72	20.74
% Ch, Annual Rate	0.2	0.1	-0.7	0.5	0.5	0.5	0.6	0.5

Table A2.2 (continued)
U.S. Nonagricultural Employment by Industry (Millions)
Forecast 2026 to 2031

	2028Q1	2028Q2	2028Q3	2028Q4	2029Q1	2029Q2	2029Q3	2029Q4
Nonfarm Payroll Employment	159.39	159.46	159.53	159.61	159.70	159.80	159.92	160.06
% Ch, Annual Rate	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.4
Manufacturing	12.34	12.24	12.14	11.99	11.89	11.82	11.79	11.83
% Ch, Annual Rate	-3.5	-3.1	-3.3	-4.7	-3.5	-2.2	-1.0	1.2
Durable Manufacturing	7.79	7.72	7.64	7.52	7.43	7.38	7.35	7.38
% Ch, Annual Rate	-3.7	-3.9	-4.1	-6.1	-4.6	-2.9	-1.4	1.5
Wood Products	0.42	0.41	0.41	0.40	0.40	0.40	0.40	0.41
% Ch, Annual Rate	-4.8	-4.2	-4.3	-5.4	-4.0	-0.7	1.2	7.8
Primary and Fabricated Metals	1.77	1.75	1.73	1.70	1.68	1.67	1.66	1.67
% Ch, Annual Rate	-5.1	-4.9	-4.8	-5.7	-5.2	-3.0	-1.5	1.6
Computer and Electronic Products	1.01	1.01	1.02	1.02	1.02	1.02	1.02	1.02
% Ch, Annual Rate	0.2	0.6	1.0	1.1	0.7	0.5	0.2	0.1
Machinery and Electrical Equipment	1.50	1.48	1.47	1.45	1.43	1.42	1.42	1.42
% Ch, Annual Rate	-4.3	-4.1	-4.7	-5.0	-4.3	-2.3	-1.9	0.0
Transportation Equipment	1.80	1.77	1.75	1.70	1.67	1.65	1.64	1.65
% Ch, Annual Rate	-3.4	-5.0	-5.1	-11.3	-6.6	-5.4	-1.9	3.0
Other Durables	1.29	1.28	1.26	1.24	1.23	1.21	1.21	1.21
% Ch, Annual Rate	-4.4	-3.9	-4.9	-6.5	-5.7	-3.7	-2.4	0.3
Nondurable Manufacturing	4.54	4.52	4.50	4.47	4.46	4.44	4.44	4.45
% Ch, Annual Rate	-3.0	-1.8	-1.8	-2.4	-1.6	-0.9	-0.3	0.7
Food Manufacturing	1.70	1.70	1.69	1.68	1.68	1.68	1.69	1.70
% Ch, Annual Rate	-2.6	-0.6	-1.4	-2.0	-0.7	0.4	1.3	2.8
Paper and Paper Products	0.33	0.33	0.32	0.32	0.32	0.32	0.32	0.32
% Ch, Annual Rate	-3.8	-3.3	-2.6	-3.5	-2.6	-1.7	-0.8	0.4
Other Nondurables	2.51	2.50	2.49	2.47	2.46	2.44	2.44	2.43
% Ch, Annual Rate	-3.2	-2.4	-2.1	-2.5	-2.1	-1.7	-1.3	-0.6
Natural Resources and Mining	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68
% Ch, Annual Rate	0.6	0.8	0.7	1.3	1.0	1.6	-0.9	-4.0
Construction	8.48	8.51	8.55	8.58	8.62	8.67	8.71	8.76
% Ch, Annual Rate	1.5	1.4	1.7	1.7	1.9	2.0	2.1	2.2
Trade, Transportation, and Utilities	28.24	28.17	28.11	27.95	27.85	27.71	27.62	27.56
% Ch, Annual Rate	-2.1	-1.0	-0.8	-2.3	-1.4	-2.0	-1.3	-0.8
Wholesale Trade	5.99	5.99	5.98	5.99	5.98	5.96	5.93	5.89
% Ch, Annual Rate	1.7	-0.4	-0.7	0.7	-0.4	-1.2	-2.0	-3.1
Retail Trade	15.10	15.04	14.99	14.80	14.70	14.60	14.57	14.61
% Ch, Annual Rate	-5.4	-1.7	-1.1	-5.1	-2.6	-2.8	-0.8	1.1
Trans., Warehousing, and Utilities	7.15	7.15	7.14	7.16	7.16	7.15	7.12	7.07
% Ch, Annual Rate	2.1	0.0	-0.3	1.1	0.0	-0.8	-1.8	-2.9
Information	2.77	2.75	2.74	2.74	2.75	2.76	2.77	2.78
% Ch, Annual Rate	3.2	-2.0	-1.3	-0.6	1.1	2.2	1.6	1.0
Publishing Industries	0.88	0.88	0.87	0.87	0.87	0.86	0.86	0.85
% Ch, Annual Rate	0.6	-1.5	-1.8	-0.2	-1.2	-2.0	-3.1	-4.4
Other Information	1.89	1.88	1.87	1.87	1.88	1.90	1.92	1.93
% Ch, Annual Rate	4.4	-2.2	-1.1	-0.8	2.1	4.2	3.8	3.5
Financial Activities	9.06	9.06	9.05	9.07	9.07	9.05	9.02	8.95
% Ch, Annual Rate	3.0	-0.1	-0.7	1.2	0.0	-0.7	-1.4	-3.0
Professional and Business Services	23.33	23.43	23.51	23.63	23.82	24.03	24.29	24.64
% Ch, Annual Rate	4.9	1.8	1.4	2.0	3.3	3.5	4.4	6.0
Education and Health Services	28.22	28.30	28.34	28.47	28.50	28.48	28.41	28.27
% Ch, Annual Rate	3.0	1.1	0.6	1.9	0.4	-0.2	-1.1	-1.9
Leisure and Hospitality	16.73	16.72	16.78	16.79	16.78	16.82	16.85	16.85
% Ch, Annual Rate	-8.4	-0.3	1.3	0.3	-0.3	1.1	0.7	-0.1
Other Services	6.09	6.12	6.15	6.20	6.22	6.22	6.20	6.16
% Ch, Annual Rate	4.2	2.1	1.7	3.2	1.6	0.1	-1.2	-2.8
Federal Government	2.68	2.68	2.68	2.68	2.68	2.68	2.68	2.68
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	20.76	20.78	20.80	20.82	20.84	20.86	20.88	20.90
% Ch, Annual Rate	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4

Table A2.2 (continued)
U.S. Nonagricultural Employment by Industry (Millions)
Forecast 2026 to 2031

	2030Q1	2030Q2	2030Q3	2030Q4	2031Q1	2031Q2	2031Q3	2031Q4
Nonfarm Payroll Employment	160.24	160.50	160.55	160.66	160.79	160.93	161.06	161.18
% Ch, Annual Rate	0.4	0.7	0.1	0.3	0.3	0.3	0.3	0.3
Manufacturing	11.84	11.83	11.82	11.82	11.82	11.83	11.83	11.82
% Ch, Annual Rate	0.3	-0.1	-0.4	-0.1	0.2	0.2	0.0	-0.3
Durable Manufacturing	7.38	7.38	7.38	7.38	7.39	7.40	7.41	7.42
% Ch, Annual Rate	0.4	-0.1	-0.4	0.1	0.7	0.7	0.6	0.1
Wood Products	0.41	0.42	0.43	0.43	0.44	0.44	0.45	0.46
% Ch, Annual Rate	6.9	6.2	4.9	5.8	6.3	5.6	5.3	4.5
Primary and Fabricated Metals	1.67	1.68	1.68	1.68	1.69	1.70	1.70	1.71
% Ch, Annual Rate	1.0	0.8	0.1	0.8	2.2	2.0	1.7	0.9
Computer and Electronic Products	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
% Ch, Annual Rate	-0.1	-0.3	-0.6	-0.6	-0.1	-0.1	-0.2	0.0
Machinery and Electrical Equipment	1.42	1.42	1.42	1.42	1.42	1.43	1.43	1.43
% Ch, Annual Rate	0.3	0.0	-0.1	0.4	0.9	0.8	0.6	0.1
Transportation Equipment	1.65	1.64	1.63	1.62	1.62	1.62	1.62	1.61
% Ch, Annual Rate	-0.9	-1.9	-2.3	-1.5	-0.7	-0.5	-0.5	-0.9
Other Durables	1.21	1.21	1.20	1.20	1.20	1.20	1.20	1.19
% Ch, Annual Rate	0.0	-0.5	-0.7	-0.5	-0.8	-0.6	-0.6	-1.1
Nondurable Manufacturing	4.45	4.45	4.45	4.44	4.43	4.42	4.42	4.41
% Ch, Annual Rate	0.2	-0.2	-0.4	-0.5	-0.6	-0.7	-0.8	-0.9
Food Manufacturing	1.71	1.71	1.72	1.72	1.72	1.73	1.73	1.73
% Ch, Annual Rate	1.9	1.3	1.0	0.9	0.9	0.7	0.6	0.5
Paper and Paper Products	0.32	0.32	0.32	0.32	0.32	0.31	0.31	0.31
% Ch, Annual Rate	0.0	-0.2	-0.5	-0.4	-0.5	-0.7	-0.8	-0.8
Other Nondurables	2.43	2.42	2.41	2.40	2.39	2.38	2.37	2.36
% Ch, Annual Rate	-1.0	-1.2	-1.4	-1.4	-1.7	-1.8	-1.9	-2.0
Natural Resources and Mining	0.67	0.66	0.65	0.64	0.64	0.63	0.63	0.62
% Ch, Annual Rate	-5.7	-4.8	-3.9	-4.7	-4.7	-3.5	-2.9	-2.3
Construction	8.80	8.85	8.89	8.93	8.97	9.01	9.05	9.09
% Ch, Annual Rate	2.1	2.0	1.9	1.9	1.7	1.7	1.9	1.8
Trade, Transportation, and Utilities	27.50	27.45	27.41	27.37	27.37	27.38	27.39	27.39
% Ch, Annual Rate	-0.9	-0.7	-0.5	-0.6	0.0	0.1	0.1	0.0
Wholesale Trade	5.87	5.84	5.82	5.81	5.81	5.81	5.81	5.81
% Ch, Annual Rate	-1.4	-1.6	-1.3	-1.2	0.4	-0.2	0.0	-0.1
Retail Trade	14.59	14.58	14.58	14.57	14.57	14.58	14.60	14.61
% Ch, Annual Rate	-0.7	-0.1	0.0	-0.2	-0.2	0.4	0.4	0.3
Trans., Warehousing, and Utilities	7.05	7.03	7.01	6.99	6.99	6.99	6.98	6.97
% Ch, Annual Rate	-1.1	-1.2	-0.9	-0.9	0.1	-0.5	-0.4	-0.5
Information	2.79	2.80	2.81	2.82	2.83	2.84	2.85	2.87
% Ch, Annual Rate	2.2	1.5	1.4	1.4	0.8	1.8	1.6	1.8
Publishing Industries	0.84	0.84	0.83	0.83	0.82	0.82	0.82	0.81
% Ch, Annual Rate	-2.4	-2.5	-2.3	-2.4	-1.3	-1.7	-1.6	-1.7
Other Information	1.95	1.97	1.98	2.00	2.01	2.02	2.04	2.05
% Ch, Annual Rate	4.2	3.2	3.1	3.1	1.8	3.3	2.9	3.3
Financial Activities	8.93	8.90	8.89	8.87	8.88	8.89	8.91	8.91
% Ch, Annual Rate	-1.1	-1.2	-0.6	-1.1	0.7	0.5	0.6	0.2
Professional and Business Services	24.89	25.11	25.30	25.46	25.59	25.69	25.78	25.86
% Ch, Annual Rate	4.1	3.5	3.1	2.7	2.0	1.5	1.4	1.2
Education and Health Services	28.25	28.23	28.22	28.25	28.26	28.25	28.25	28.26
% Ch, Annual Rate	-0.2	-0.3	-0.1	0.3	0.2	-0.2	0.0	0.2
Leisure and Hospitality	16.78	16.76	16.73	16.70	16.62	16.60	16.55	16.52
% Ch, Annual Rate	-1.6	-0.4	-0.9	-0.7	-1.8	-0.6	-1.1	-0.8
Other Services	6.15	6.14	6.13	6.12	6.12	6.12	6.11	6.10
% Ch, Annual Rate	-0.8	-0.8	-0.5	-0.6	0.1	-0.3	-0.4	-0.4
Federal Government	2.71	2.83	2.74	2.69	2.68	2.68	2.68	2.68
% Ch, Annual Rate	4.6	18.2	-12.2	-6.5	-1.5	0.0	0.0	0.0
State and Local Government	20.92	20.94	20.96	20.98	21.00	21.02	21.04	21.06
% 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 2026 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Nonfarm Payroll Employment	3,616.6	3,631.5	3,638.7	3,659.8	3,684.4	3,716.8	3,752.5	3,775.8
% Ch	0.7	0.4	0.2	0.6	0.7	0.9	1.0	0.6
Manufacturing	274.1	271.1	274.9	277.0	275.7	275.0	275.4	275.6
% Ch	0.0	-1.1	1.4	0.8	-0.5	-0.3	0.2	0.0
Durable Manufacturing	188.9	187.6	192.0	195.0	194.4	193.8	193.8	193.8
% Ch	0.5	-0.7	2.3	1.6	-0.3	-0.3	0.0	0.0
Wood Products	13.2	12.7	12.5	12.5	12.4	12.4	12.4	12.4
% Ch	-2.7	-3.4	-1.9	-0.4	-0.1	-0.1	0.0	0.1
Primary and Fabricated Metals	23.3	23.0	24.1	24.1	23.5	23.1	22.9	22.9
% Ch	-1.8	-1.4	4.6	0.1	-2.4	-2.0	-0.6	-0.1
Computer and Electronic Products	18.5	18.6	19.0	19.6	20.0	20.4	20.6	20.8
% Ch	0.7	0.6	2.0	3.3	2.0	2.0	1.0	0.8
Machinery and Electrical Equipment	19.6	19.4	19.4	19.3	18.7	18.3	18.3	18.4
% Ch	-2.6	-1.3	0.2	-0.8	-2.7	-2.1	0.0	0.5
Aerospace	80.1	80.4	83.8	86.4	86.9	87.4	87.6	87.6
% Ch	3.4	0.4	4.3	3.1	0.6	0.5	0.2	0.0
Other Transportation Equip.	9.6	9.9	10.0	10.0	9.9	9.6	9.4	9.2
% Ch	0.2	2.6	1.7	-0.3	-1.3	-2.6	-2.3	-2.3
Other Durables	24.5	23.6	23.1	23.1	22.9	22.6	22.6	22.5
% Ch	-1.5	-3.8	-2.1	0.1	-1.2	-1.3	-0.1	-0.1
Nondurable Manufacturing	85.2	83.5	82.9	82.0	81.3	81.2	81.6	81.8
% Ch	-1.2	-2.0	-0.7	-1.1	-0.9	-0.1	0.6	0.2
Food Manufacturing	40.4	39.9	41.1	40.9	40.8	40.7	40.7	40.6
% Ch	-0.6	-1.2	2.8	-0.4	-0.3	-0.2	-0.1	-0.2
Paper and Paper Products	7.2	7.0	6.8	6.5	6.3	6.0	5.9	5.8
% Ch	-3.6	-3.1	-2.6	-4.7	-4.0	-3.6	-2.0	-1.7
Other Nondurables	37.5	36.5	35.0	34.6	34.2	34.4	35.1	35.3
% Ch	-1.3	-2.6	-4.2	-1.3	-1.1	0.6	1.8	0.8
Natural Resources and Mining	5.2	5.0	5.0	4.9	4.8	4.9	5.0	5.3
% Ch	-3.6	-3.5	-0.7	-2.1	-0.4	0.7	2.3	5.9
Construction	221.4	217.6	214.7	215.8	219.2	223.4	227.0	228.3
% Ch	-3.4	-1.7	-1.3	0.5	1.6	1.9	1.6	0.6
Trade, Transportation, and Utilities	621.4	621.8	615.9	618.1	619.9	621.2	621.9	622.4
% Ch	-0.5	0.1	-0.9	0.4	0.3	0.2	0.1	0.1
Wholesale Trade	136.5	132.8	129.3	129.1	129.3	129.3	129.3	129.3
% Ch	-1.8	-2.7	-2.7	-0.1	0.1	0.0	0.0	0.0
Retail Trade	332.6	329.9	326.0	326.5	326.6	326.6	326.5	326.5
% Ch	-1.4	-0.8	-1.2	0.2	0.0	0.0	0.0	0.0
Trans., Warehousing, and Utilities	152.3	159.0	160.6	162.5	164.0	165.3	166.2	166.7
% Ch	2.8	4.4	1.0	1.2	1.0	0.8	0.5	0.3
Information	163.7	162.4	164.2	166.9	169.2	171.4	174.1	176.6
% Ch	-2.8	-0.8	1.1	1.6	1.3	1.3	1.6	1.4
Software Publishers	82.8	81.1	80.3	81.0	81.6	81.9	82.1	82.2
% Ch	-3.1	-2.0	-1.0	0.9	0.8	0.4	0.2	0.2
Other Publishing Industries	6.2	5.7	5.4	5.2	4.9	4.6	4.1	3.8
% Ch	-13.7	-8.0	-5.3	-4.4	-4.9	-7.1	-9.5	-8.6
Other Information	74.8	75.7	73.8	73.7	74.7	76.4	78.7	80.7
% Ch	-1.4	1.2	-2.5	0.0	1.3	2.2	3.0	2.6
Financial Activities	162.0	162.2	163.3	163.2	163.3	163.4	163.5	163.4
% Ch	-1.3	0.1	0.7	-0.1	0.1	0.1	0.0	0.0
Professional and Business Services	540.8	540.3	537.0	541.7	551.5	568.0	587.4	600.5
% Ch	-0.5	-0.1	-0.6	0.9	1.8	3.0	3.4	2.2
Mgmt. of Companies and Enterprises	101.5	101.9	100.1	102.1	103.0	103.9	104.8	105.8
% Ch	-0.6	0.4	-1.8	2.0	0.9	0.9	0.9	0.9
Other Prof. and Bus. Services	439.3	438.4	436.9	439.7	448.5	464.1	482.5	494.8
% Ch	-0.5	-0.2	-0.3	0.6	2.0	3.5	4.0	2.5
Education and Health Services	548.1	564.4	575.4	582.4	588.0	593.3	597.7	600.9
% Ch	3.3	3.0	1.9	1.2	1.0	0.9	0.7	0.5
Leisure and Hospitality	344.2	343.8	344.5	344.9	345.2	345.5	345.4	345.3
% Ch	0.7	-0.1	0.2	0.1	0.1	0.1	0.0	0.0
Other Services	121.9	124.1	124.8	125.0	125.5	126.0	126.6	127.3
% Ch	0.3	1.8	0.6	0.2	0.3	0.4	0.5	0.6
Federal Government	79.7	77.8	76.5	76.1	76.1	76.3	77.4	76.6
% Ch	3.2	-2.4	-1.7	-0.5	0.1	0.2	1.4	-1.0
State and Local Government	534.0	541.0	542.6	543.8	545.9	548.6	551.2	553.6
% Ch	4.7	1.3	0.3	0.2	0.4	0.5	0.5	0.4

Table A2.4
Washington Nonagricultural Employment by Industry (Thousands)
Forecast 2026 to 2031

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Nonfarm Payroll Employment	3,630.9	3,630.6	3,644.9	3,648.4	3,652.6	3,656.7	3,662.0	3,668.0
% Ch, Annual Rate	1.1	0.0	1.6	0.4	0.5	0.5	0.6	0.7
Manufacturing	271.6	274.0	276.6	277.5	277.5	277.2	276.8	276.5
% Ch, Annual Rate	3.1	3.5	3.9	1.3	0.0	-0.4	-0.6	-0.5
Durable Manufacturing	188.4	191.0	193.8	194.7	195.0	195.0	195.0	194.9
% Ch, Annual Rate	3.8	5.6	6.2	1.9	0.6	0.1	-0.1	-0.1
Wood Products	12.5	12.6	12.5	12.5	12.5	12.5	12.5	12.4
% Ch, Annual Rate	-2.0	2.3	-4.1	-0.1	-0.1	0.0	-0.1	-0.1
Primary and Fabricated Metals	23.4	24.0	24.4	24.5	24.3	24.2	24.0	23.9
% Ch, Annual Rate	5.2	10.0	7.2	2.3	-3.0	-2.8	-2.9	-1.9
Computer and Electronic Products	18.7	18.8	19.1	19.4	19.5	19.6	19.7	19.8
% Ch, Annual Rate	4.9	3.0	6.4	5.2	2.7	1.7	1.7	1.9
Machinery and Electrical Equipment	19.5	19.4	19.4	19.4	19.4	19.3	19.2	19.1
% Ch, Annual Rate	2.4	-1.4	-0.5	0.1	0.2	-1.9	-1.9	-1.9
Aerospace	81.4	82.9	85.3	85.8	86.1	86.4	86.5	86.7
% Ch, Annual Rate	8.3	7.8	11.7	2.4	1.6	1.1	0.8	0.6
Other Transportation Equip.	9.9	10.1	10.1	10.0	10.0	10.0	10.0	10.0
% Ch, Annual Rate	3.0	8.3	-2.2	-1.6	-0.9	0.1	0.4	-0.9
Other Durables	23.0	23.1	23.2	23.2	23.2	23.2	23.1	23.1
% Ch, Annual Rate	-8.1	2.1	1.1	0.6	0.2	-0.7	-1.0	-0.8
Nondurable Manufacturing	83.2	83.0	82.8	82.8	82.5	82.2	81.9	81.6
% Ch, Annual Rate	1.5	-1.1	-1.2	0.0	-1.2	-1.6	-1.6	-1.4
Food Manufacturing	40.7	41.2	41.2	41.1	41.0	40.9	40.9	40.9
% Ch, Annual Rate	7.2	4.9	-0.4	-1.0	-0.9	-0.7	-0.4	-0.3
Paper and Paper Products	6.9	6.9	6.9	6.8	6.6	6.5	6.5	6.4
% Ch, Annual Rate	-4.1	-2.0	0.3	-5.8	-6.5	-6.3	-4.4	-3.0
Other Nondurables	35.6	34.9	34.7	34.9	34.9	34.7	34.5	34.3
% Ch, Annual Rate	-3.6	-7.5	-2.4	2.3	-0.5	-1.8	-2.5	-2.4
Natural Resources and Mining	5.0	5.0	5.0	4.9	4.9	4.9	4.9	4.8
% Ch, Annual Rate	11.6	4.2	-4.4	-0.9	-3.0	-3.0	-0.8	-3.8
Construction	216.1	213.9	214.2	214.5	214.9	215.3	216.0	216.8
% Ch, Annual Rate	5.5	-4.0	0.5	0.7	0.7	0.7	1.4	1.5
Trade, Transportation, and Utilities	614.8	614.8	616.8	617.1	617.4	617.8	618.3	618.8
% Ch, Annual Rate	-3.0	0.0	1.3	0.2	0.2	0.3	0.3	0.3
Wholesale Trade	129.8	129.2	129.1	129.1	129.1	129.1	129.1	129.2
% Ch, Annual Rate	-4.7	-1.8	-0.2	-0.2	0.0	0.1	0.1	0.1
Retail Trade	325.8	325.2	326.5	326.5	326.5	326.5	326.5	326.5
% Ch, Annual Rate	-2.2	-0.8	1.6	0.0	0.0	0.0	0.1	0.0
Trans., Warehousing, and Utilities	159.2	160.4	161.2	161.5	161.9	162.3	162.7	163.1
% Ch, Annual Rate	-3.1	3.1	1.9	0.9	0.9	1.0	1.0	1.0
Information	160.5	164.6	165.7	166.1	166.4	166.6	167.1	167.8
% Ch, Annual Rate	1.2	10.6	2.6	1.1	0.6	0.5	1.2	1.7
Software Publishers	80.3	80.0	80.4	80.5	80.7	80.9	81.1	81.3
% Ch, Annual Rate	6.8	-1.3	1.8	0.6	1.0	1.1	0.9	0.9
Other Publishing Industries	5.5	5.4	5.4	5.3	5.2	5.2	5.1	5.1
% Ch, Annual Rate	-3.5	-4.0	0.1	-10.0	-3.7	-2.5	-3.6	-6.2
Other Information	74.8	74.2	72.9	73.2	73.4	73.6	73.9	74.1
% Ch, Annual Rate	-4.2	-3.2	-6.6	1.2	1.2	1.4	1.3	1.4
Financial Activities	163.4	163.5	163.1	163.1	163.1	163.2	163.2	163.2
% Ch, Annual Rate	3.8	0.1	-0.9	0.1	0.1	0.1	0.0	0.1
Professional and Business Services	537.3	536.2	536.7	537.8	539.0	540.6	542.5	544.8
% Ch, Annual Rate	-1.0	-0.8	0.4	0.8	1.0	1.1	1.4	1.8
Mgmt. of Companies and Enterprises	98.5	99.1	101.2	101.5	101.7	101.9	102.2	102.4
% Ch	-15.2	2.4	8.9	0.9	0.9	0.9	0.9	0.9
Other Prof. and Bus. Services	438.7	437.1	435.5	436.3	437.3	438.6	440.3	442.4
% Ch	2.5	-1.5	-1.4	0.7	1.0	1.2	1.5	2.0
Education and Health Services	573.2	572.3	577.3	578.7	580.3	581.7	583.2	584.6
% Ch, Annual Rate	3.5	-0.6	3.5	1.0	1.1	1.0	1.0	1.0
Leisure and Hospitality	344.8	343.4	345.1	344.9	344.8	344.9	345.0	345.0
% Ch, Annual Rate	2.9	-1.7	2.0	-0.2	0.0	0.1	0.1	0.1
Other Services	124.8	124.7	124.8	124.8	124.9	125.0	125.1	125.2
% Ch, Annual Rate	1.3	-0.2	0.3	0.1	0.2	0.3	0.3	0.3
Federal Government	76.0	76.9	77.0	76.1	76.1	76.1	76.1	76.1
% Ch, Annual Rate	6.2	4.7	0.2	-4.6	0.0	0.0	0.1	0.1
State and Local Government	543.3	541.3	542.8	542.9	543.3	543.6	544.0	544.4
% Ch, Annual Rate	0.1	-1.5	1.1	0.1	0.3	0.2	0.3	0.3

Table A2.4 (continued)
Washington Nonagricultural Employment by Industry (Thousands)
Forecast 2026 to 2031

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Nonfarm Payroll Employment	3,674.8	3,681.0	3,687.3	3,694.4	3,703.1	3,712.3	3,721.4	3,730.5
% Ch, Annual Rate	0.7	0.7	0.7	0.8	0.9	1.0	1.0	1.0
Manufacturing	276.1	275.8	275.5	275.1	274.9	274.8	274.9	275.2
% Ch, Annual Rate	-0.5	-0.4	-0.4	-0.6	-0.3	-0.1	0.1	0.4
Durable Manufacturing	194.7	194.5	194.3	194.0	193.8	193.7	193.7	193.8
% Ch, Annual Rate	-0.4	-0.5	-0.5	-0.6	-0.4	-0.1	0.0	0.1
Wood Products	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4
% Ch, Annual Rate	-0.1	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	0.0
Primary and Fabricated Metals	23.7	23.6	23.4	23.3	23.2	23.1	23.0	23.0
% Ch, Annual Rate	-2.5	-2.4	-2.6	-2.5	-2.2	-1.6	-1.1	-0.3
Computer and Electronic Products	19.9	20.0	20.1	20.2	20.3	20.4	20.5	20.5
% Ch, Annual Rate	2.2	2.1	2.2	2.0	2.2	1.9	1.5	1.3
Machinery and Electrical Equipment	19.0	18.8	18.7	18.5	18.4	18.3	18.3	18.3
% Ch, Annual Rate	-3.2	-3.0	-3.4	-3.3	-2.2	-1.2	-0.8	-0.2
Aerospace	86.8	86.9	87.0	87.1	87.2	87.3	87.4	87.5
% Ch, Annual Rate	0.6	0.4	0.4	0.5	0.5	0.6	0.5	0.3
Other Transportation Equip.	10.0	9.9	9.8	9.8	9.7	9.6	9.6	9.5
% Ch, Annual Rate	-1.4	-2.2	-2.5	-2.6	-2.8	-2.7	-2.4	-2.5
Other Durables	23.0	22.9	22.8	22.7	22.6	22.6	22.5	22.6
% Ch, Annual Rate	-1.3	-1.3	-1.3	-1.9	-1.8	-0.9	-0.4	0.1
Nondurable Manufacturing	81.4	81.3	81.3	81.2	81.1	81.1	81.2	81.4
% Ch, Annual Rate	-0.8	-0.4	-0.2	-0.6	-0.3	0.0	0.4	0.9
Food Manufacturing	40.8	40.8	40.8	40.8	40.8	40.7	40.7	40.7
% Ch, Annual Rate	-0.2	-0.2	-0.2	-0.2	-0.3	-0.2	-0.2	-0.1
Paper and Paper Products	6.4	6.3	6.2	6.2	6.1	6.0	6.0	6.0
% Ch, Annual Rate	-3.8	-4.4	-3.6	-4.6	-4.3	-3.2	-2.2	-0.9
Other Nondurables	34.2	34.2	34.2	34.2	34.2	34.3	34.5	34.7
% Ch, Annual Rate	-1.0	0.1	0.5	-0.3	0.4	1.0	1.6	2.6
Natural Resources and Mining	4.9	4.9	4.8	4.8	4.9	4.9	4.9	4.9
% Ch, Annual Rate	3.0	0.2	-1.2	0.3	0.9	1.3	1.2	2.6
Construction	217.7	218.7	219.7	220.8	221.8	222.9	223.9	225.0
% Ch, Annual Rate	1.7	1.7	2.0	2.0	1.8	1.9	1.9	1.9
Trade, Transportation, and Utilities	619.3	619.7	620.2	620.5	620.9	621.2	621.3	621.5
% Ch, Annual Rate	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1
Wholesale Trade	129.2	129.2	129.3	129.3	129.3	129.3	129.3	129.3
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Retail Trade	326.6	326.6	326.7	326.7	326.7	326.6	326.6	326.5
% Ch, Annual Rate	0.1	0.0	0.0	0.0	0.0	-0.1	-0.1	0.0
Trans., Warehousing, and Utilities	163.4	163.8	164.2	164.6	164.9	165.2	165.5	165.7
% Ch, Annual Rate	1.0	0.9	1.0	0.9	0.8	0.7	0.5	0.6
Information	168.7	169.0	169.3	169.7	170.3	171.1	171.8	172.4
% Ch, Annual Rate	2.2	0.6	0.8	0.9	1.5	1.8	1.6	1.4
Software Publishers	81.4	81.5	81.7	81.8	81.9	81.9	82.0	82.0
% Ch, Annual Rate	0.7	0.7	0.6	0.5	0.5	0.3	0.2	0.1
Other Publishing Industries	5.0	4.9	4.8	4.8	4.7	4.6	4.5	4.4
% Ch, Annual Rate	-3.1	-6.4	-7.0	-4.6	-6.3	-7.6	-9.6	-11.8
Other Information	74.4	74.6	74.8	75.1	75.6	76.1	76.7	77.3
% Ch, Annual Rate	1.3	1.3	1.3	1.5	2.3	2.9	3.1	3.1
Financial Activities	163.2	163.3	163.3	163.3	163.4	163.4	163.4	163.4
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Professional and Business Services	547.4	550.1	552.6	556.0	560.5	565.5	570.6	575.4
% Ch, Annual Rate	1.9	2.0	1.9	2.4	3.3	3.6	3.6	3.5
Mgmt. of Companies and Enterprises	102.6	102.9	103.1	103.3	103.5	103.8	104.0	104.2
% Ch	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Other Prof. and Bus. Services	444.7	447.2	449.5	452.7	457.0	461.7	466.5	471.2
% Ch	2.1	2.3	2.1	2.8	3.9	4.2	4.2	4.1
Education and Health Services	586.0	587.4	588.7	590.0	591.4	592.7	593.9	595.1
% Ch, Annual Rate	1.0	0.9	0.9	0.9	0.9	0.9	0.8	0.8
Leisure and Hospitality	345.1	345.2	345.3	345.4	345.5	345.5	345.5	345.4
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.1	0.0	0.0	-0.1
Other Services	125.3	125.4	125.5	125.6	125.8	125.9	126.1	126.2
% Ch, Annual Rate	0.4	0.3	0.3	0.5	0.5	0.4	0.4	0.4
Federal Government	76.1	76.1	76.2	76.2	76.2	76.3	76.3	76.3
% Ch, Annual Rate	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2
State and Local Government	545.0	545.6	546.2	546.8	547.5	548.2	548.9	549.6
% Ch, Annual Rate	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5

Table A2.4 (continued)
Washington Nonagricultural Employment by Industry (Thousands)
Forecast 2026 to 2031

	2030:1	2030:2	2030:3	2030:4	2031:1	2031:2	2031:3	2031:4
Nonfarm Payroll Employment	3,739.5	3,751.0	3,756.4	3,763.2	3,768.7	3,773.7	3,778.3	3,782.4
% Ch, Annual Rate	1.0	1.2	0.6	0.7	0.6	0.5	0.5	0.4
Manufacturing	275.3	275.4	275.5	275.5	275.6	275.6	275.6	275.5
% Ch, Annual Rate	0.2	0.1	0.1	0.1	0.1	0.0	0.0	-0.1
Durable Manufacturing	193.8	193.8	193.8	193.8	193.8	193.8	193.8	193.8
% Ch, Annual Rate	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Wood Products	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4
% Ch, Annual Rate	0.1	0.1	0.1	0.0	0.1	0.0	0.1	0.0
Primary and Fabricated Metals	23.0	22.9	22.9	22.9	22.9	22.9	22.9	22.9
% Ch, Annual Rate	-0.4	-0.5	-0.6	-0.4	0.1	0.1	0.2	0.0
Computer and Electronic Products	20.6	20.6	20.6	20.7	20.7	20.7	20.8	20.8
% Ch, Annual Rate	0.9	0.6	0.7	0.6	0.8	0.9	0.9	0.6
Machinery and Electrical Equipment	18.3	18.3	18.3	18.4	18.4	18.4	18.4	18.5
% Ch, Annual Rate	0.4	0.3	0.3	0.6	0.7	0.5	0.4	0.4
Aerospace	87.5	87.6	87.6	87.6	87.6	87.6	87.6	87.6
% Ch, Annual Rate	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other Transportation Equip.	9.5	9.4	9.4	9.3	9.2	9.2	9.1	9.1
% Ch, Annual Rate	-2.3	-2.1	-2.4	-2.4	-2.4	-2.4	-2.3	-2.2
Other Durables	22.6	22.6	22.6	22.6	22.6	22.6	22.5	22.5
% Ch, Annual Rate	0.1	0.0	0.0	0.1	-0.1	0.0	-0.2	-0.4
Nondurable Manufacturing	81.5	81.6	81.7	81.8	81.8	81.8	81.8	81.7
% Ch, Annual Rate	0.7	0.5	0.4	0.4	0.1	0.0	-0.1	-0.3
Food Manufacturing	40.7	40.7	40.7	40.7	40.7	40.6	40.6	40.5
% Ch, Annual Rate	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.4	-0.5
Paper and Paper Products	6.0	5.9	5.9	5.9	5.8	5.8	5.8	5.8
% Ch, Annual Rate	-1.8	-2.4	-2.4	-1.7	-1.5	-1.3	-1.4	-1.6
Other Nondurables	34.9	35.0	35.1	35.2	35.3	35.3	35.4	35.4
% Ch, Annual Rate	2.0	1.6	1.4	1.3	0.6	0.5	0.4	0.2
Natural Resources and Mining	4.9	5.0	5.0	5.1	5.2	5.2	5.3	5.4
% Ch, Annual Rate	2.3	2.6	2.8	3.2	8.4	7.3	7.3	6.6
Construction	226.0	226.8	227.5	227.9	228.2	228.4	228.4	228.4
% Ch, Annual Rate	1.8	1.5	1.2	0.8	0.4	0.3	0.1	0.0
Trade, Transportation, and Utilities	621.7	621.8	622.0	622.1	622.3	622.4	622.5	622.5
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Wholesale Trade	129.3	129.3	129.3	129.3	129.3	129.3	129.3	129.2
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Retail Trade	326.5	326.5	326.4	326.4	326.5	326.5	326.5	326.5
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trans., Warehousing, and Utilities	165.9	166.1	166.2	166.4	166.5	166.7	166.8	166.9
% Ch, Annual Rate	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.2
Information	173.1	173.8	174.4	175.0	175.6	176.2	176.9	177.6
% Ch, Annual Rate	1.7	1.5	1.5	1.5	1.3	1.5	1.5	1.5
Software Publishers	82.0	82.1	82.1	82.1	82.2	82.2	82.2	82.3
% Ch, Annual Rate	0.2	0.1	0.2	0.2	0.2	0.1	0.1	0.1
Other Publishing Industries	4.3	4.2	4.1	4.0	3.9	3.8	3.7	3.6
% Ch, Annual Rate	-8.8	-9.2	-9.0	-9.4	-7.6	-8.4	-8.5	-8.9
Other Information	77.9	78.4	79.0	79.5	80.0	80.5	81.0	81.4
% Ch, Annual Rate	3.2	2.8	2.7	2.6	2.6	2.5	2.5	2.4
Financial Activities	163.4	163.5	163.5	163.5	163.4	163.4	163.4	163.4
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1
Professional and Business Services	580.5	585.4	589.8	593.9	596.9	599.4	601.8	604.0
% Ch, Annual Rate	3.5	3.4	3.0	2.8	2.1	1.7	1.6	1.4
Mgmt. of Companies and Enterprises	104.5	104.7	105.0	105.2	105.4	105.7	105.9	106.1
% Ch	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Other Prof. and Bus. Services	476.0	480.7	484.8	488.7	491.5	493.8	495.9	497.8
% Ch	4.1	4.0	3.5	3.2	2.3	1.9	1.8	1.5
Education and Health Services	596.2	597.3	598.2	599.1	599.9	600.6	601.2	601.8
% Ch, Annual Rate	0.8	0.7	0.6	0.6	0.5	0.5	0.4	0.4
Leisure and Hospitality	345.4	345.4	345.4	345.4	345.3	345.3	345.2	345.2
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1
Other Services	126.3	126.5	126.7	126.9	127.0	127.2	127.4	127.6
% Ch, Annual Rate	0.4	0.6	0.6	0.6	0.5	0.5	0.6	0.6
Federal Government	76.4	79.2	77.1	76.8	76.5	76.6	76.6	76.7
% Ch, Annual Rate	0.2	15.8	-10.5	-1.6	-1.1	0.2	0.2	0.2
State and Local Government	550.3	550.9	551.5	552.2	552.7	553.3	553.9	554.4
% Ch, Annual Rate	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4

Table A3.1
U.S. Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Personal Income	24,905.9	26,099.9	27,100.2	28,672.0	30,251.0	31,791.9	33,378.1	34,907.7
% Ch	5.6	4.8	3.8	5.8	5.5	5.1	5.0	4.6
Total Wage and Salary Disbursements	12,387.9	12,958.7	13,453.8	14,123.6	14,809.1	15,506.2	16,335.7	17,159.0
% Ch	5.6	4.6	3.8	5.0	4.9	4.7	5.3	5.0
Nonwage Personal Income	12,518.0	13,141.3	13,646.4	14,548.4	15,441.9	16,285.7	17,042.4	17,748.7
% Ch	5.6	5.0	3.8	6.6	6.1	5.5	4.6	4.1
Supplements to Wages and Salaries	2,639.1	2,768.3	2,872.9	2,991.7	3,150.1	3,320.9	3,483.9	3,627.4
% Ch	6.6	4.9	3.8	4.1	5.3	5.4	4.9	4.1
Proprietor's Income	2,023.1	2,109.4	2,173.6	2,318.3	2,473.0	2,603.2	2,722.0	2,828.0
% Ch	4.2	4.3	3.0	6.7	6.7	5.3	4.6	3.9
Farm	57.8	75.8	57.3	55.8	72.4	90.7	103.9	108.9
% Ch	-19.0	31.0	-24.3	-2.6	29.7	25.3	14.6	4.8
Nonfarm	1,965.2	2,033.6	2,116.2	2,262.5	2,400.6	2,512.5	2,618.1	2,719.1
% Ch	5.1	3.5	4.1	6.9	6.1	4.7	4.2	3.9
Less: Contribution For Govt. Soc. Ins.	1,923.2	2,019.1	2,096.4	2,133.2	2,210.1	2,303.2	2,419.8	2,537.8
% Ch	6.8	5.0	3.8	1.8	3.6	4.2	5.1	4.9
Dividends/Int./Rent	5,223.5	5,330.8	5,488.6	5,891.8	6,306.2	6,647.7	6,933.2	7,193.8
% Ch	4.9	2.1	3.0	7.3	7.0	5.4	4.3	3.8
Transfer Payments	4,555.4	4,952.0	5,207.7	5,479.8	5,722.7	6,017.1	6,323.1	6,637.3
% Ch	7.0	8.7	5.2	5.2	4.4	5.1	5.1	5.0

Table A3.2
U.S. Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Personal Income	26,649.4	26,905.7	27,239.8	27,605.9	28,061.2	28,471.4	28,882.0	29,273.4
% Ch, Annual Rate	3.4	3.9	5.1	5.5	6.8	6.0	5.9	5.5
Total Wage and Salary Disbursements	13,246.2	13,365.2	13,512.7	13,691.0	13,856.5	14,035.8	14,213.3	14,388.8
% Ch, Annual Rate	3.4	3.6	4.5	5.4	4.9	5.3	5.2	5.0
Nonwage Personal Income	13,403.2	13,540.5	13,727.1	13,914.9	14,204.6	14,435.7	14,668.8	14,884.6
% Ch, Annual Rate	3.5	4.2	5.6	5.6	8.6	6.7	6.6	6.0
Supplements to Wages and Salaries	2,836.3	2,859.1	2,885.7	2,910.7	2,940.6	2,974.2	3,006.9	3,045.1
% Ch, Annual Rate	3.4	3.2	3.8	3.5	4.2	4.7	4.5	5.2
Proprietor's Income	2,138.0	2,158.7	2,185.5	2,212.1	2,255.0	2,298.7	2,339.5	2,380.2
% Ch, Annual Rate	5.2	3.9	5.0	5.0	8.0	8.0	7.3	7.1
Farm	73.4	65.5	46.5	44.0	48.6	54.0	58.4	62.3
% Ch, Annual Rate	129.7	-36.4	-74.7	-19.5	48.7	52.9	36.3	29.4
Nonfarm	2,064.7	2,093.2	2,139.0	2,168.1	2,206.4	2,244.7	2,281.1	2,317.9
% Ch, Annual Rate	2.5	5.6	9.0	5.6	7.3	7.1	6.7	6.6
Less: Contribution For Govt. Soc. Ins.	2,080.0	2,099.0	2,101.3	2,105.0	2,116.1	2,128.2	2,135.5	2,153.1
% Ch, Annual Rate	7.2	3.7	0.4	0.7	2.1	2.3	1.4	3.3
Dividends/Int./Rent	5,409.2	5,452.4	5,500.3	5,592.4	5,712.8	5,832.2	5,957.6	6,064.6
% Ch, Annual Rate	4.2	3.2	3.6	6.9	8.9	8.6	8.9	7.4
Transfer Payments	5,099.7	5,169.3	5,257.0	5,304.7	5,412.3	5,458.8	5,500.3	5,547.8
% Ch, Annual Rate	3.7	5.6	7.0	3.7	8.4	3.5	3.1	3.5

Table A3.2 (continued)
U.S. Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Personal Income	29,681.8	30,067.8	30,439.7	30,814.8	31,222.4	31,598.4	31,979.8	32,366.9
% Ch, Annual Rate	5.7	5.3	5.0	5.0	5.4	4.9	4.9	4.9
Total Wage and Salary Disbursements	14,557.3	14,733.4	14,889.9	15,056.0	15,218.7	15,403.2	15,601.7	15,801.4
% Ch, Annual Rate	4.8	4.9	4.3	4.5	4.4	4.9	5.3	5.2
Nonwage Personal Income	15,124.5	15,334.4	15,549.8	15,758.9	16,003.7	16,195.2	16,378.2	16,565.5
% Ch, Annual Rate	6.6	5.7	5.7	5.5	6.4	4.9	4.6	4.7
Supplements to Wages and Salaries	3,088.5	3,129.4	3,170.3	3,212.3	3,257.7	3,299.9	3,342.4	3,383.5
% Ch, Annual Rate	5.8	5.4	5.3	5.4	5.8	5.3	5.3	5.0
Proprietor's Income	2,418.8	2,453.6	2,492.7	2,526.7	2,558.5	2,588.5	2,617.2	2,648.7
% Ch, Annual Rate	6.7	5.9	6.5	5.6	5.1	4.8	4.5	4.9
Farm	65.7	69.9	74.8	79.2	83.8	88.6	93.0	97.4
% Ch, Annual Rate	24.2	27.6	31.0	26.0	25.6	24.5	21.5	20.5
Nonfarm	2,353.1	2,383.8	2,417.9	2,447.5	2,474.6	2,500.0	2,524.2	2,551.3
% Ch, Annual Rate	6.2	5.3	5.9	5.0	4.5	4.2	3.9	4.4
Less: Contribution For Govt. Soc. Ins.	2,181.9	2,201.6	2,218.9	2,238.0	2,267.5	2,290.2	2,315.0	2,340.1
% Ch, Annual Rate	5.5	3.6	3.2	3.5	5.4	4.1	4.4	4.4
Dividends/Int./Rent	6,161.5	6,259.5	6,355.4	6,448.4	6,535.9	6,612.2	6,684.3	6,758.3
% Ch, Annual Rate	6.5	6.5	6.3	6.0	5.5	4.8	4.4	4.5
Transfer Payments	5,637.6	5,693.4	5,750.2	5,809.5	5,919.3	5,984.7	6,049.3	6,115.1
% Ch, Annual Rate	6.6	4.0	4.1	4.2	7.8	4.5	4.4	4.4

Table A3.2 (continued)
U.S. Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2030:1	2030:2	2030:3	2030:4	2031:1	2031:2	2031:3	2031:4
Personal Income	32,806.2	33,195.5	33,566.4	33,944.3	34,353.6	34,724.4	35,092.7	35,460.1
% Ch, Annual Rate	5.5	4.8	4.5	4.6	4.9	4.4	4.3	4.3
Total Wage and Salary Disbursements	16,021.4	16,234.7	16,439.0	16,647.9	16,852.0	17,058.9	17,262.2	17,463.0
% Ch, Annual Rate	5.7	5.4	5.1	5.2	5.0	5.0	4.9	4.7
Nonwage Personal Income	16,784.8	16,960.9	17,127.4	17,296.4	17,501.6	17,665.5	17,830.5	17,997.2
% Ch, Annual Rate	5.4	4.3	4.0	4.0	4.8	3.8	3.8	3.8
Supplements to Wages and Salaries	3,428.1	3,467.3	3,502.5	3,537.6	3,576.4	3,610.6	3,644.3	3,678.2
% Ch, Annual Rate	5.4	4.6	4.1	4.1	4.5	3.9	3.8	3.8
Proprietor's Income	2,680.0	2,709.5	2,735.9	2,762.8	2,789.8	2,814.2	2,840.5	2,867.4
% Ch, Annual Rate	4.8	4.5	4.0	4.0	4.0	3.5	3.8	3.8
Farm	100.8	103.2	105.1	106.7	107.9	108.7	109.3	109.7
% Ch, Annual Rate	14.7	9.8	7.7	6.1	4.7	2.9	2.2	1.6
Nonfarm	2,579.2	2,606.3	2,630.8	2,656.1	2,681.9	2,705.5	2,731.2	2,757.7
% Ch, Annual Rate	4.4	4.3	3.8	3.9	3.9	3.6	3.9	3.9
Less: Contribution For Govt. Soc. Ins.	2,379.4	2,406.8	2,433.0	2,459.9	2,498.0	2,524.9	2,551.2	2,577.2
% Ch, Annual Rate	6.9	4.7	4.4	4.5	6.3	4.4	4.2	4.1
Dividends/Int./Rent	6,835.0	6,900.2	6,965.1	7,032.5	7,097.5	7,161.5	7,225.8	7,290.6
% Ch, Annual Rate	4.6	3.9	3.8	3.9	3.7	3.7	3.6	3.6
Transfer Payments	6,221.1	6,290.7	6,357.0	6,423.5	6,535.9	6,604.1	6,671.1	6,738.2
% Ch, Annual Rate	7.1	4.6	4.3	4.2	7.2	4.2	4.1	4.1

Table A3.3
Washington Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2024	2025	2026	2027	2028	2029	2030	2031
Personal Income	678.686	712.237	741.713	787.281	835.124	880.954	925.950	971.531
% Ch	6.5	4.9	4.1	6.1	6.1	5.5	5.1	4.9
Total Wage and Salary Disbursements	360.887	378.530	392.336	412.223	435.347	457.795	481.480	506.973
% Ch	7.3	4.9	3.6	5.1	5.6	5.2	5.2	5.3
Manufacturing	26.590	27.739	31.011	32.759	34.427	35.854	37.340	39.061
% Ch	3.9	4.3	11.8	5.6	5.1	4.1	4.1	4.6
Durable Manufacturing	20.568	21.569	24.596	26.105	27.479	28.616	29.774	31.137
% Ch	4.8	4.9	14.0	6.1	5.3	4.1	4.0	4.6
Nondurable Manufacturing	6.023	6.170	6.415	6.654	6.949	7.237	7.566	7.924
% Ch	1.0	2.4	4.0	3.7	4.4	4.2	4.5	4.7
Nonmanufacturing	325.153	341.310	351.408	369.097	390.055	410.595	432.302	455.555
% Ch	8.0	5.0	3.0	5.0	5.7	5.3	5.3	5.4
Other Private Wages	1.601	1.652	1.719	1.816	1.929	2.032	2.137	2.249
% Ch	5.6	3.2	4.1	5.6	6.2	5.4	5.2	5.2
Farm Wages	3.017	3.105	3.226	3.404	3.610	3.804	4.005	4.220
% Ch	-18.7	2.9	3.9	5.5	6.0	5.4	5.3	5.4
Military Wages	4.526	4.724	4.972	5.146	5.327	5.510	5.696	5.887
% Ch	1.9	4.4	5.3	3.5	3.5	3.4	3.4	3.4
Nonwage Personal Income	317.799	333.707	349.377	375.058	399.777	423.159	444.470	464.558
% Ch	5.6	5.0	4.7	7.4	6.6	5.8	5.0	4.5
Supplements to Wages and Salaries	71.824	75.828	78.000	81.190	85.821	90.658	95.043	99.260
% Ch	5.7	5.6	2.9	4.1	5.7	5.6	4.8	4.4
Proprietor's Income	43.140	44.808	46.045	49.970	53.841	57.050	59.906	62.371
% Ch	5.4	3.9	2.8	8.5	7.7	6.0	5.0	4.1
Farm	-0.154	0.199	0.069	0.642	1.258	1.757	2.087	2.231
% Ch	…	…	…	…	…	…	…	…
Nonfarm	43.295	44.609	45.976	49.328	52.583	55.294	57.819	60.140
% Ch	4.5	3.0	3.1	7.3	6.6	5.2	4.6	4.0
Less: Contribution For Govt. Soc. Ins.	55.744	58.791	60.381	61.411	63.916	66.720	69.842	73.255
% Ch	6.2	5.5	2.7	1.7	4.1	4.4	4.7	4.9
Plus: Residence Adjustment	6.519	6.629	6.920	7.312	7.713	8.120	8.606	9.088
% Ch	0.5	1.7	4.4	5.7	5.5	5.3	6.0	5.6
Dividends/Int./Rent	152.995	156.436	161.191	173.125	185.555	196.092	205.143	213.523
% Ch	5.4	2.2	3.0	7.4	7.2	5.7	4.6	4.1
Transfer Payments	99.065	108.797	117.602	124.872	130.764	137.958	145.613	153.571
% Ch	6.6	9.8	8.1	6.2	4.7	5.5	5.5	5.5
State U.I. Benefits	1.761	1.788	1.977	2.151	2.120	1.990	1.974	2.064
% Ch	11.5	1.5	10.6	8.8	-1.5	-6.1	-0.8	4.6
Other Transfers	97.304	107.009	115.625	122.721	128.645	135.968	143.639	151.506
% Ch	6.5	10.0	8.1	6.1	4.8	5.7	5.6	5.5

Table A3.4
Washington Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Personal Income	727.952	735.359	746.600	756.941	769.105	781.230	793.362	805.425
% Ch, Annual Rate	4.0	4.1	6.3	5.7	6.6	6.5	6.4	6.2
Total Wage and Salary Disbursements	386.420	389.171	394.467	399.286	403.634	409.338	414.934	420.983
% Ch, Annual Rate	4.5	2.9	5.6	5.0	4.4	5.8	5.6	6.0
Manufacturing	30.699	30.444	31.188	31.711	32.085	32.554	32.974	33.424
% Ch, Annual Rate	37.4	-3.3	10.1	6.9	4.8	6.0	5.3	5.6
Durable Manufacturing	24.331	24.074	24.769	25.210	25.533	25.932	26.288	26.667
% Ch, Annual Rate	47.7	-4.2	12.0	7.3	5.2	6.4	5.6	5.9
Nondurable Manufacturing	6.368	6.370	6.419	6.501	6.552	6.622	6.685	6.756
% Ch, Annual Rate	5.6	0.1	3.1	5.2	3.1	4.4	3.9	4.3
Nonmanufacturing	345.932	348.877	353.312	357.509	361.362	366.477	371.532	377.016
% Ch, Annual Rate	2.1	3.5	5.2	4.8	4.4	5.8	5.6	6.0
Other Private Wages	1.694	1.701	1.729	1.753	1.774	1.802	1.829	1.859
% Ch, Annual Rate	0.0	1.6	6.7	5.7	4.8	6.5	6.2	6.7
Farm Wages	3.178	3.195	3.244	3.289	3.328	3.379	3.429	3.482
% Ch, Annual Rate	5.2	2.2	6.4	5.6	4.8	6.3	6.0	6.4
Military Wages	4.918	4.954	4.994	5.024	5.085	5.127	5.171	5.202
% Ch, Annual Rate	3.0	2.9	3.3	2.4	5.0	3.3	3.5	2.4
Nonwage Personal Income	341.532	346.188	352.132	357.655	365.471	371.892	378.428	384.441
% Ch, Annual Rate	3.5	5.6	7.0	6.4	9.0	7.2	7.2	6.5
Supplements to Wages and Salaries	77.015	77.493	78.455	79.037	79.747	80.693	81.589	82.731
% Ch, Annual Rate	3.5	2.5	5.1	3.0	3.6	4.8	4.5	5.7
Proprietor's Income	44.877	45.588	46.459	47.257	48.369	49.472	50.506	51.533
% Ch, Annual Rate	-2.7	6.5	7.9	7.0	9.8	9.4	8.6	8.4
Farm	0.033	0.125	-0.003	0.123	0.347	0.565	0.748	0.908
% Ch, Annual Rate	…	…	…	…	…	…	…	…
Nonfarm	44.844	45.463	46.463	47.134	48.023	48.907	49.758	50.625
% Ch, Annual Rate	0.3	5.6	9.1	5.9	7.8	7.6	7.1	7.2
Less: Contribution For Govt. Soc. Ins.	59.906	60.338	60.634	60.647	60.857	61.240	61.472	62.076
% Ch, Annual Rate	7.3	2.9	2.0	0.1	1.4	2.5	1.5	4.0
Plus: Residence Adjustment	6.799	6.869	6.955	7.059	7.156	7.261	7.365	7.467
% Ch, Annual Rate	1.1	4.2	5.1	6.1	5.6	6.0	5.8	5.7
Dividends/Int./Rent	158.847	160.118	161.538	164.261	167.816	171.349	175.070	178.264
% Ch, Annual Rate	4.3	3.2	3.6	6.9	8.9	8.7	9.0	7.5
Transfer Payments	113.900	116.459	119.359	120.688	123.240	124.357	125.370	126.522
% Ch, Annual Rate	7.0	9.3	10.3	4.5	8.7	3.7	3.3	3.7
State U.I. Benefits	1.834	1.992	1.929	2.151	2.146	2.151	2.157	2.151
% Ch, Annual Rate	-1.0	39.2	-12.0	54.6	-1.0	0.9	1.1	-1.2
Other Transfers	112.066	114.467	117.429	118.537	121.093	122.206	123.213	124.372
% Ch, Annual Rate	7.1	8.8	10.8	3.8	8.9	3.7	3.3	3.8

Table A3.4 (continued)
Washington Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Personal Income	817.635	829.381	841.014	852.466	864.148	875.417	886.548	897.702
% Ch, Annual Rate	6.2	5.9	5.7	5.6	5.6	5.3	5.2	5.1
Total Wage and Salary Disbursements	426.670	432.579	438.254	443.885	448.906	454.814	460.792	466.667
% Ch, Annual Rate	5.5	5.7	5.4	5.2	4.6	5.4	5.4	5.2
Manufacturing	33.816	34.246	34.643	35.004	35.287	35.659	36.043	36.426
% Ch, Annual Rate	4.8	5.2	4.7	4.2	3.3	4.3	4.4	4.3
Durable Manufacturing	26.989	27.334	27.649	27.941	28.169	28.466	28.768	29.063
% Ch, Annual Rate	4.9	5.2	4.7	4.3	3.3	4.3	4.3	4.2
Nondurable Manufacturing	6.827	6.911	6.993	7.063	7.118	7.193	7.275	7.363
% Ch, Annual Rate	4.2	5.1	4.8	4.0	3.2	4.3	4.6	5.0
Nonmanufacturing	382.169	387.525	392.682	397.844	402.451	407.868	413.339	418.722
% Ch, Annual Rate	5.6	5.7	5.4	5.4	4.7	5.5	5.5	5.3
Other Private Wages	1.887	1.916	1.943	1.969	1.991	2.019	2.046	2.072
% Ch, Annual Rate	6.1	6.2	5.8	5.5	4.6	5.6	5.5	5.2
Farm Wages	3.533	3.585	3.636	3.685	3.728	3.779	3.830	3.880
% Ch, Annual Rate	5.9	6.1	5.7	5.5	4.8	5.6	5.5	5.3
Military Wages	5.265	5.307	5.351	5.383	5.448	5.490	5.534	5.567
% Ch, Annual Rate	5.0	3.2	3.4	2.4	4.9	3.1	3.3	2.4
Nonwage Personal Income	390.965	396.803	402.760	408.581	415.242	420.603	425.756	431.035
% Ch, Annual Rate	7.0	6.1	6.1	5.9	6.7	5.3	5.0	5.1
Supplements to Wages and Salaries	84.012	85.203	86.428	87.639	88.899	90.096	91.262	92.375
% Ch, Annual Rate	6.3	5.8	5.9	5.7	5.9	5.5	5.3	5.0
Proprietor's Income	52.509	53.374	54.322	55.160	55.948	56.694	57.401	58.158
% Ch, Annual Rate	7.8	6.8	7.3	6.3	5.8	5.4	5.1	5.4
Farm	1.048	1.189	1.333	1.462	1.586	1.706	1.815	1.920
% Ch, Annual Rate	…	…	…	…	…	…	…	…
Nonfarm	51.460	52.185	52.989	53.698	54.361	54.988	55.586	56.238
% Ch, Annual Rate	6.8	5.8	6.3	5.5	5.0	4.7	4.4	4.8
Less: Contribution For Govt. Soc. Ins.	62.982	63.617	64.225	64.841	65.686	66.368	67.069	67.756
% Ch, Annual Rate	6.0	4.1	3.9	3.9	5.3	4.2	4.3	4.2
Plus: Residence Adjustment	7.566	7.668	7.760	7.857	7.952	8.060	8.176	8.293
% Ch, Annual Rate	5.4	5.6	4.8	5.1	4.9	5.5	5.9	5.8
Dividends/Int./Rent	181.171	184.125	187.039	189.885	192.586	194.970	197.239	199.572
% Ch, Annual Rate	6.7	6.7	6.5	6.2	5.8	5.0	4.7	4.8
Transfer Payments	128.689	130.049	131.437	132.881	135.544	137.150	138.747	140.392
% Ch, Annual Rate	7.0	4.3	4.3	4.5	8.3	4.8	4.7	4.8
State U.I. Benefits	2.139	2.135	2.122	2.083	2.042	2.001	1.967	1.952
% Ch, Annual Rate	-2.0	-0.9	-2.4	-7.1	-7.7	-7.7	-6.7	-2.9
Other Transfers	126.550	127.915	129.315	130.798	133.503	135.149	136.780	138.440
% Ch, Annual Rate	7.2	4.4	4.5	4.7	8.5	5.0	4.9	4.9

Table A3.4 (continued)
Washington Personal Income by Component (Billions of Dollars)
Forecast 2026 to 2031

	2030:1	2030:2	2030:3	2030:4	2031:1	2031:2	2031:3	2031:4
Personal Income	909.239	920.343	931.486	942.731	954.419	965.827	977.244	988.632
% Ch, Annual Rate	5.2	5.0	4.9	4.9	5.1	4.9	4.8	4.7
Total Wage and Salary Disbursements	472.120	478.227	484.596	490.978	496.971	503.658	510.330	516.933
% Ch, Annual Rate	4.8	5.3	5.4	5.4	5.0	5.5	5.4	5.3
Manufacturing	36.748	37.117	37.540	37.954	38.359	38.829	39.298	39.757
% Ch, Annual Rate	3.6	4.1	4.6	4.5	4.3	5.0	4.9	4.8
Durable Manufacturing	29.312	29.599	29.930	30.254	30.575	30.950	31.326	31.696
% Ch, Annual Rate	3.5	4.0	4.5	4.4	4.3	5.0	4.9	4.8
Nondurable Manufacturing	7.437	7.518	7.610	7.701	7.784	7.879	7.972	8.061
% Ch, Annual Rate	4.0	4.5	5.0	4.8	4.4	5.0	4.8	4.6
Nonmanufacturing	423.718	429.335	435.152	441.004	446.449	452.537	458.606	464.630
% Ch, Annual Rate	4.9	5.4	5.5	5.5	5.0	5.6	5.5	5.4
Other Private Wages	2.095	2.122	2.151	2.179	2.205	2.234	2.264	2.293
% Ch, Annual Rate	4.6	5.3	5.4	5.4	4.8	5.5	5.4	5.2
Farm Wages	3.926	3.977	4.031	4.085	4.136	4.192	4.249	4.305
% Ch, Annual Rate	4.8	5.4	5.5	5.5	5.0	5.6	5.5	5.4
Military Wages	5.632	5.675	5.722	5.756	5.822	5.866	5.913	5.948
% Ch, Annual Rate	4.8	3.1	3.3	2.4	4.7	3.1	3.3	2.4
Nonwage Personal Income	437.119	442.116	446.890	451.753	457.449	462.169	466.914	471.699
% Ch, Annual Rate	5.8	4.7	4.4	4.4	5.1	4.2	4.2	4.2
Supplements to Wages and Salaries	93.483	94.537	95.569	96.583	97.693	98.739	99.782	100.828
% Ch, Annual Rate	4.9	4.6	4.4	4.3	4.7	4.4	4.3	4.3
Proprietor's Income	58.903	59.612	60.236	60.874	61.496	62.056	62.659	63.272
% Ch, Annual Rate	5.2	4.9	4.3	4.3	4.2	3.7	3.9	4.0
Farm	2.003	2.066	2.118	2.161	2.197	2.222	2.243	2.260
% Ch, Annual Rate	…	…	…	…	…	…	…	…
Nonfarm	56.899	57.546	58.118	58.713	59.300	59.834	60.415	61.012
% Ch, Annual Rate	4.8	4.6	4.0	4.2	4.1	3.7	3.9	4.0
Less: Contribution For Govt. Soc. Ins.	68.720	69.450	70.215	70.984	72.041	72.855	73.664	74.460
% Ch, Annual Rate	5.8	4.3	4.5	4.5	6.1	4.6	4.5	4.4
Plus: Residence Adjustment	8.422	8.547	8.666	8.789	8.908	9.029	9.148	9.265
% Ch, Annual Rate	6.4	6.1	5.7	5.8	5.6	5.5	5.4	5.2
Dividends/Int./Rent	201.993	204.082	206.167	208.331	210.423	212.486	214.554	216.629
% Ch, Annual Rate	4.9	4.2	4.1	4.3	4.1	4.0	4.0	3.9
Transfer Payments	143.039	144.788	146.467	148.159	150.969	152.714	154.435	156.165
% Ch, Annual Rate	7.8	5.0	4.7	4.7	7.8	4.7	4.6	4.6
State U.I. Benefits	1.954	1.959	1.979	2.003	2.026	2.050	2.077	2.105
% Ch, Annual Rate	0.5	1.1	4.1	4.9	4.6	4.9	5.3	5.6
Other Transfers	141.084	142.829	144.488	146.156	148.943	150.664	152.358	154.059
% Ch, Annual Rate	7.9	5.0	4.7	4.7	7.8	4.7	4.6	4.5

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

	PCE Price Index*		U.S. CPI#		Seattle CPI+	
	Index	Percent Change	Index	Percent Change	Index	Percent Change
1971	20.6	4.2	0.405	4.2	0.382	2.1
1972	21.3	3.4	0.418	3.3	0.393	2.9
1973	22.5	5.4	0.444	6.3	0.418	6.4
1974	24.8	10.4	0.493	11.0	0.464	11.0
1975	26.9	8.3	0.538	9.1	0.511	10.2
1976	28.3	5.5	0.569	5.8	0.540	5.5
1977	30.2	6.5	0.606	6.5	0.583	8.0
1978	32.3	7.0	0.652	7.6	0.640	9.9
1979	35.1	8.9	0.726	11.3	0.709	10.8
1980	38.9	10.8	0.824	13.5	0.827	16.7
1981	42.4	9.0	0.909	10.4	0.916	10.8
1982	44.8	5.6	0.965	6.2	0.978	6.7
1983	46.7	4.3	0.996	3.2	0.993	1.5
1984	48.4	3.8	1.039	4.4	1.030	3.8
1985	50.1	3.5	1.076	3.5	1.056	2.5
1986	51.2	2.2	1.097	1.9	1.066	1.0
1987	52.8	3.1	1.136	3.6	1.092	2.4
1988	54.9	3.9	1.183	4.1	1.128	3.3
1989	57.3	4.4	1.239	4.8	1.181	4.7
1990	59.8	4.4	1.307	5.4	1.268	7.3
1991	61.8	3.3	1.362	4.2	1.341	5.8
1992	63.4	2.7	1.403	3.0	1.390	3.7
1993	65.0	2.5	1.445	3.0	1.429	2.8
1994	66.4	2.1	1.482	2.6	1.478	3.4
1995	67.8	2.1	1.524	2.8	1.522	3.0
1996	69.2	2.1	1.569	2.9	1.575	3.4
1997	70.4	1.7	1.605	2.3	1.630	3.5
1998	71.0	0.8	1.630	1.5	1.677	2.9
1999	72.0	1.5	1.666	2.2	1.728	3.0
2000	73.8	2.5	1.722	3.4	1.792	3.7
2001	75.3	2.0	1.770	2.8	1.857	3.6
2002	76.3	1.3	1.799	1.6	1.893	2.0
2003	77.9	2.1	1.840	2.3	1.924	1.6
2004	79.8	2.5	1.889	2.7	1.947	1.2
2005	82.1	2.9	1.953	3.4	2.002	2.8
2006	84.4	2.8	2.016	3.2	2.076	3.7
2007	86.6	2.6	2.073	2.9	2.157	3.9
2008	89.2	3.0	2.153	3.8	2.247	4.2
2009	88.9	-0.3	2.146	-0.3	2.260	0.6
2010	90.5	1.8	2.181	1.6	2.267	0.3
2011	92.8	2.5	2.249	3.1	2.328	2.7
2012	94.5	1.9	2.296	2.1	2.387	2.5
2013	95.8	1.3	2.330	1.5	2.416	1.2
2014	97.1	1.4	2.367	1.6	2.460	1.8
2015	97.3	0.2	2.370	0.1	2.494	1.4
2016	98.3	1.0	2.400	1.3	2.550	2.3
2017	100.0	1.7	2.451	2.1	2.627	3.0
2018	102.0	2.0	2.511	2.4	2.711	3.2
2019	103.5	1.4	2.557	1.8	2.779	2.5
2020	104.7	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	6.5	2.926	8.0	3.224	8.9
2023	120.5	3.8	3.047	4.1	3.412	5.8
2024	123.7	2.6	3.137	3.0	3.535	3.6
2025	126.9	2.6	3.222	2.7	3.625	2.5
Forecast						
2026	131.6	3.7	3.329	3.3	3.782	4.3
2027	134.9	2.5	3.405	2.3	3.872	2.4
2028	137.9	2.2	3.485	2.3	3.969	2.5
2029	140.9	2.2	3.565	2.3	4.066	2.4
2030	143.7	2.0	3.639	2.1	4.158	2.3
2031	146.6	2.0	3.718	2.2	4.255	2.3

* GDP Price Index for Personal Consumption Expenditures
# Consumer Price Index for all Urban Consumers
+ Consumer Price Index for the Seattle-Tacoma-Bremerton, WA CMSA
Consumer Price Index and PCE Price Index values shown here are annual averages of seasonally adjusted quarterly data and may differ slightly from the annual values published by the Bureau of Labor Statistics and Bureau of Economic Analysis.

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

	Services		Food		Fuels		Gasoline	
	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change
1971	15.0	5.5	20.8	2.3	7.2	6.3	13.2	0.7
1972	15.6	4.2	21.7	4.8	7.3	0.6	13.4	1.3
1973	16.4	4.8	24.5	12.7	8.3	14.6	14.6	9.6
1974	17.8	8.5	28.2	15.2	13.2	58.9	19.8	35.1
1975	19.3	8.6	30.3	7.5	14.3	8.5	21.1	6.7
1976	20.6	6.9	30.9	1.9	15.4	7.3	22.0	4.2
1977	22.2	7.6	32.7	5.9	17.4	13.2	23.3	5.8
1978	23.9	7.7	35.9	9.6	18.4	5.7	24.3	4.3
1979	25.9	8.4	39.4	9.8	25.4	37.9	32.5	34.0
1980	28.6	10.4	42.7	8.4	35.6	40.4	45.2	38.8
1981	31.5	10.2	45.7	7.1	43.6	22.3	50.2	11.3
1982	34.0	7.8	46.9	2.6	42.8	-1.9	47.7	-5.1
1983	36.1	6.1	47.5	1.1	39.4	-7.8	46.1	-3.3
1984	38.0	5.2	48.9	3.0	40.3	2.2	45.4	-1.5
1985	39.8	4.9	49.4	1.1	38.7	-3.9	45.8	0.8
1986	41.5	4.1	50.6	2.4	30.3	-21.7	36.0	-21.5
1987	42.7	3.0	52.2	3.2	31.1	2.6	37.4	3.8
1988	44.8	4.8	53.7	3.0	31.1	0.0	37.7	0.8
1989	46.9	4.7	56.6	5.3	32.9	6.0	41.2	9.2
1990	49.0	4.6	59.3	4.9	39.7	20.4	46.9	13.8
1991	50.9	3.9	61.2	3.1	37.8	-4.8	46.2	-1.3
1992	52.8	3.6	61.7	0.8	36.2	-4.1	46.1	-0.4
1993	54.6	3.5	62.5	1.4	36.0	-0.7	45.6	-1.0
1994	56.1	2.7	63.6	1.7	35.3	-1.8	45.8	0.5
1995	57.6	2.8	65.0	2.2	35.0	-0.9	46.5	1.6
1996	59.2	2.7	66.9	3.1	39.7	13.3	49.4	6.1
1997	60.9	2.8	68.2	1.9	39.7	0.2	49.4	0.0
1998	62.2	2.1	69.1	1.3	35.2	-11.4	43.0	-12.9
1999	63.4	2.0	70.2	1.6	35.8	1.7	46.8	8.9
2000	65.2	2.8	71.9	2.3	52.5	46.6	59.8	27.8
2001	67.3	3.2	73.9	2.9	51.5	-2.0	57.7	-3.6
2002	69.0	2.6	75.1	1.5	45.9	-10.8	54.2	-6.0
2003	71.3	3.3	76.5	1.9	55.5	20.9	63.1	16.5
2004	73.5	3.1	78.9	3.1	64.6	16.4	74.2	17.6
2005	76.0	3.4	80.2	1.7	86.0	33.0	90.3	21.6
2006	78.8	3.6	81.6	1.7	97.7	13.7	101.9	12.9
2007	81.4	3.3	84.8	3.9	104.5	6.9	110.5	8.4
2008	83.8	2.9	89.9	6.1	141.8	35.7	128.6	16.5
2009	84.4	0.8	91.0	1.2	97.1	-31.6	94.4	-26.6
2010	86.1	1.9	91.3	0.3	113.5	16.9	111.3	18.0
2011	87.7	1.9	94.9	4.0	144.5	27.3	139.9	25.7
2012	89.6	2.2	97.2	2.4	146.5	1.4	144.8	3.5
2013	91.7	2.2	98.1	1.0	144.9	-1.1	140.8	-2.8
2014	93.8	2.3	100.0	1.9	144.5	-0.3	135.5	-3.8
2015	95.5	1.8	101.1	1.1	104.0	-28.0	99.7	-26.4
2016	97.6	2.3	100.1	-1.0	87.4	-15.9	88.7	-11.0
2017	100.0	2.4	100.0	-0.1	100.0	14.4	100.0	12.7
2018	102.6	2.6	100.5	0.5	119.1	19.1	113.1	13.1
2019	105.0	2.3	101.5	1.0	113.8	-4.4	109.2	-3.4
2020	107.1	2.0	104.9	3.3	91.0	-20.1	93.3	-14.6
2021	111.0	3.7	108.2	3.1	118.5	30.2	124.4	33.3
2022	117.1	5.5	119.3	10.3	185.2	56.3	162.7	30.8
2023	123.1	5.1	125.3	5.0	158.7	-14.3	146.6	-9.9
2024	128.1	4.1	127.0	1.3	146.3	-7.8	138.9	-5.2
2025	132.6	3.5	129.4	1.9	143.9	-1.7	131.7	-5.2
Forecast								
2026	137.5	3.7	132.3	2.3	186.8	29.8	160.9	22.1
2027	142.3	3.5	135.8	2.6	181.9	-2.6	150.2	-6.6
2028	146.9	3.3	138.8	2.2	176.5	-3.0	145.1	-3.4
2029	151.5	3.1	141.6	2.0	175.7	-0.5	143.6	-1.0
2030	155.9	2.9	144.2	1.9	174.6	-0.6	142.4	-0.9
2031	160.3	2.9	146.9	1.8	174.0	-0.4	141.6	-0.5

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

	Population	Change	Percent Change	Births	Deaths	Net Migration
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	81.6	66.0	69.0
2025	8115.1	79.4	1.0	83.7	66.6	62.3
Forecast						
2026	8185.2	70.1	0.9	82.0	68.0	56.1
2027	8246.6	61.5	0.8	82.5	69.0	48.1
2028	8307.9	61.2	0.7	82.8	70.1	48.5
2029	8373.8	65.9	0.8	83.3	71.3	53.9
2030	8439.6	65.8	0.8	83.8	72.6	54.6
2031	8505.3	65.7	0.8	84.5	73.9	55.2

* As of April 1 of Each Year
Source: Office of Financial Management, November 2025 Forecast

Table A5.2
Washington Population*
(Thousands)

	Actual						Forecast					
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Total Population	7706.3	7767.0	7864.4	7951.2	8035.7	8115.1	8185.2	8246.6	8307.9	8373.8	8439.6	8505.3
Percent Change	1.6	0.8	1.3	1.1	1.1	1.0	0.9	0.8	0.7	0.8	0.8	0.8
Age 17 and Under	1680.2	1680.0	1691.0	1695.4	1694.3	1692.3	1685.5	1676.4	1667.3	1660.0	1653.4	1647.7
Percent of Total	21.8	21.6	21.5	21.3	21.1	20.9	20.6	20.3	20.1	19.8	19.6	19.4
Age 6-18	1246.2	1250.7	1263.2	1271.3	1276.6	1279.2	1279.2	1272.0	1266.1	1258.4	1249.3	1242.3
Percent of Total	16.2	16.1	16.1	16.0	15.9	15.8	15.6	15.4	15.2	15.0	14.8	14.6
Age 18 and Over	6026.1	6087.0	6173.4	6255.7	6341.4	6422.8	6499.6	6570.3	6640.5	6713.7	6786.2	6857.6
Percent of Total	78.2	78.4	78.5	78.7	78.9	79.1	79.4	79.7	79.9	80.2	80.4	80.6
Age 21 and Over	5733.3	5798.2	5885.3	5964.2	6043.5	6119.0	6191.0	6258.4	6326.6	6398.6	6470.6	6542.2
Percent of Total	74.4	74.7	74.8	75.0	75.2	75.4	75.6	75.9	76.2	76.4	76.7	76.9
Age 20-34	1629.0	1627.4	1637.8	1641.5	1644.0	1644.4	1643.3	1640.6	1640.3	1644.7	1652.4	1664.1
Percent of Total	21.1	21.0	20.8	20.6	20.5	20.3	20.1	19.9	19.7	19.6	19.6	19.6
Age 18-64	4773.8	4787.9	4829.0	4864.4	4900.3	4933.8	4965.0	4992.3	5020.7	5053.3	5086.7	5127.0
Percent of Total	61.9	61.6	61.4	61.2	61.0	60.8	60.7	60.5	60.4	60.3	60.3	60.3
Age 65 and Over	1252.3	1299.1	1344.5	1391.3	1441.2	1489.0	1534.6	1578.0	1619.8	1660.4	1699.6	1730.6
Percent of Total	16.2	16.7	17.1	17.5	17.9	18.3	18.7	19.1	19.5	19.8	20.1	20.3

* As of April 1 of Each Year
Source: Office of Financial Management, November 2025 Forecast

Table A6.1
Summary of National and State Indicators

Indicator	Latest Data	Indication*
U.S. Leading Index	August 2026	–
U.S. Real GDP Growth	2nd Quarter 2026	–
U.S. ISM Index	September 2026	+
U.S. Employment YOY%Δ	September 2026	+
U.S. Unemployment Rate	September 2026	–
U.S. Consumer Confidence	September 2026	–
U.S. Consumer Sentiment	September 2026	–
U.S. CPI YOY%Δ	August 2026	=
U.S. Home Prices YOY%Δ	July 2026	+
S&P 500 Index	September 2026	–
WA Leading Index	August 2026	–
WA Employment YOY%Δ	September 2026	–
WA Aerospace Empl. YOY%Δ	September 2026	+
WA Unemployment Rate	August 2026	–
WA Help Wanted Index	September 2026	+
WA Business Cycle Indicator	August 2026	+
WA Initial Unemploy. Claims	August 2026	+
WA Housing Permits	August 2026	–
WA Weekly Hours in Mfg.	August 2026	–
WA New Vehicle Registration	September 2026	–
WA In-Migration	August 2026	–
WA Exports-Total YOY%Δ	2nd Quarter 2026	+
WA Exports- w/o Trans. Equip. YOY%Δ	2nd Quarter 2026	+
Seattle CPI YOY%Δ	August 2026	–
Seattle Home Prices YOY%Δ	July 2026	+
WA Construction Activity Index	August 2026	–

*Change from the previous reading

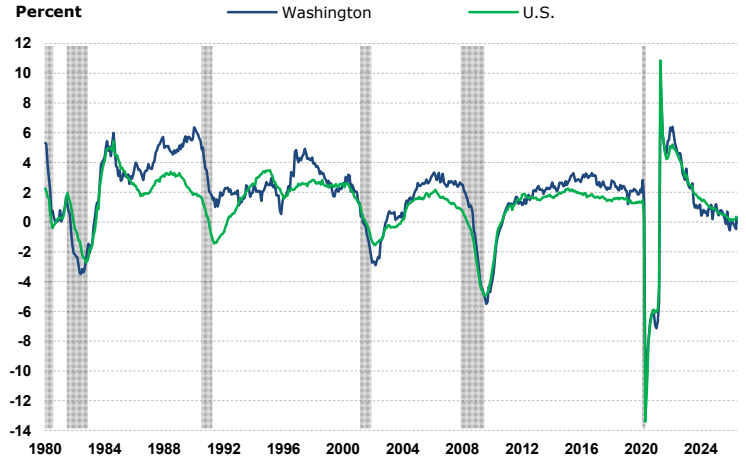
Table A6.2
Washington Business Indicators
Historical Data

	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	130.6	111.3	79.5	121.4	154.6	56.7
2019:02	128.2	111.5	75.8	112.6	156.5	55.0
2019:03	131.2	111.7	78.3	121.7	150.1	55.4
2019:04	131.6	111.8	80.1	123.1	154.0	54.1
2019:05	131.5	111.8	79.9	122.2	150.2	53.4
2019:06	131.4	111.6	81.3	122.0	149.9	52.2
2019:07	132.0	112.0	81.1	124.0	152.0	51.7
2019:08	131.4	111.8	79.9	121.8	153.3	50.7
2019:09	131.1	111.6	81.5	123.4	154.8	49.4
2019:10	130.8	111.4	80.8	123.1	147.2	48.4
2019:11	131.2	111.6	80.9	125.9	146.6	48.1
2019:12	131.6	111.4	85.3	126.5	147.9	47.9
2020:01	131.1	112.0	82.0	119.4	149.1	48.7
2020:02	132.3	111.8	81.9	121.9	149.4	49.4
2020:03	121.8	103.5	73.6	122.0	127.9	50.0
2020:04	113.5	96.9	41.8	103.9	97.5	46.9
2020:05	119.7	99.8	47.1	115.1	119.8	44.6
2020:06	122.9	102.8	59.1	115.9	136.5	45.7
2020:07	125.5	104.9	66.8	118.8	139.8	50.0
2020:08	126.5	106.5	68.8	119.7	134.3	54.3
2020:09	126.4	107.5	74.3	122.1	133.8	55.2
2020:10	127.7	108.2	75.6	121.4	137.7	56.9
2020:11	128.6	109.2	77.6	122.6	135.6	57.4
2020:12	130.9	109.6	80.9	127.5	136.0	59.2
2021:01	131.4	110.1	81.7	125.9	141.6	59.0
2021:02	132.2	110.1	83.6	125.0	150.6	60.1
2021:03	133.4	111.5	86.5	126.9	160.4	61.4
2021:04	134.9	113.1	91.6	126.1	175.3	62.1
2021:05	135.2	114.6	92.3	125.8	176.0	62.2
2021:06	137.7	116.2	93.2	124.9	189.5	60.8
2021:07	140.1	116.6	96.2	127.2	206.7	60.4
2021:08	139.2	117.4	94.6	130.9	187.9	60.0
2021:09	138.8	117.6	96.4	125.1	193.3	60.2
2021:10	139.4	118.1	96.8	128.8	193.3	60.6
2021:11	140.6	118.8	99.5	130.3	198.7	61.0
2021:12	140.3	119.3	101.5	129.9	198.7	60.2
2022:01	140.2	118.5	101.8	126.7	198.4	59.1
2022:02	142.5	119.4	107.4	128.1	204.5	58.3
2022:03	143.2	119.3	109.0	130.5	215.1	57.7
2022:04	142.4	118.7	108.4	127.5	206.9	57.2
2022:05	141.9	117.9	108.6	129.3	204.3	56.3
2022:06	139.7	115.3	105.6	130.3	194.1	55.0
2022:07	139.1	114.4	105.3	128.9	203.9	54.0
2022:08	137.6	114.1	101.1	127.5	182.4	52.9
2022:09	137.8	113.5	99.5	126.1	194.5	52.2
2022:10	136.3	112.5	100.5	125.3	187.6	51.3
2022:11	136.1	111.5	98.3	123.2	189.8	50.0
2022:12	136.7	110.7	98.1	123.4	199.9	49.1
2023:01	138.0	110.2	96.2	121.4	197.4	48.3
2023:02	138.5	109.7	95.9	125.1	200.7	47.8
2023:03	137.7	108.4	96.8	123.0	201.9	47.2
2023:04	137.6	107.5	97.4	122.0	203.3	47.1
2023:05	138.1	106.9	99.4	124.7	206.9	46.7
2023:06	137.5	106.2	101.5	123.6	208.2	46.7
2023:07	136.9	105.9	100.9	120.8	208.2	46.5
2023:08	137.0	105.5	101.9	123.1	211.0	46.8
2023:09	136.1	104.7	100.6	120.7	212.8	47.6
2023:10	135.4	103.8	99.3	120.1	214.5	47.7
2023:11	135.8	103.3	99.8	118.2	214.5	47.4
2023:12	136.8	103.1	101.1	119.6	220.3	46.9
2024:01	136.5	102.5	99.6	118.7	211.5	47.6
2024:02	137.1	102.7	100.8	120.0	212.3	48.0
2024:03	137.8	102.4	100.6	123.3	219.4	49.1
2024:04	137.1	101.7	100.8	120.4	218.9	49.1
2024:05	137.2	101.3	100.5	121.0	213.2	49.4
2024:06	136.5	102.9	100.3	119.3	210.1	48.8
2024:07	136.1	102.4	102.3	119.8	208.6	48.1
2024:08	136.8	102.1	102.3	121.2	208.6	47.7
2024:09	136.3	101.7	104.2	121.3	206.7	47.3
2024:10	131.8	101.4	99.0	121.5	202.3	47.3
2024:11	134.8	101.7	103.8	119.5	201.2	47.6
2024:12	135.8	101.6	105.6	123.1	202.7	48.2
2025:01	136.4	101.4	105.6	122.4	202.4	49.5
2025:02	135.1	101.2	101.0	118.0	200.9	50.0
2025:03	135.9	100.5	103.1	120.6	198.0	49.9
2025:04	135.9	99.4	103.4	121.6	196.2	49.2
2025:05	136.0	99.1	100.8	120.3	194.6	48.8
2025:06	136.4	98.8	99.6	121.5	193.5	48.8
2025:07	136.1	98.8	98.7	119.5	191.7	48.7
2025:08	135.7	98.5	97.6	120.1	192.5	48.8
2025:09	136.1	98.3	98.5	120.7	188.9	48.7
2025:10	135.8	98.1	97.4	120.3	185.5	48.9
2025:11	135.1	97.8	97.0	118.8	186.3	48.6
2025:12	136.2	97.6	97.7	121.3	189.1	48.2
2026:01	137.0	97.6	97.1	120.1	189.8	49.5
2026:02	137.4	97.9	96.2	121.2	192.2	51.0
2026:03	137.2	99.0	95.3	118.4	190.9	52.6
2026:04	138.3	99.2	96.6	122.1	188.7	52.6
2026:05	138.5	99.4	97.1	123.2	187.4	53.1
2026:06	138.4	99.4	97.4	120.7	185.2	53.3
2026:07	138.4	99.6	97.9	121.6	186.7	54.3
2026:08	138.2	99.5	98.1	117.0	187.2	54.5
2026:09					189.7	54.9

Figure A7.1: Washington State Economic Indicators

Year-over-Year Employment Growth

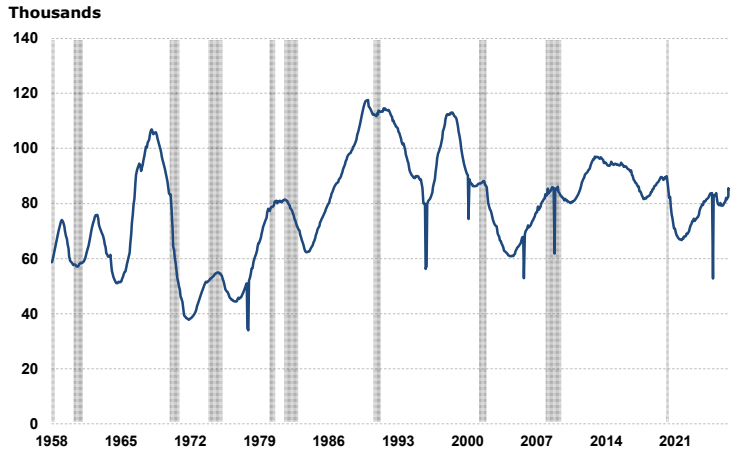
January 1980 to September 2026



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

Washington Aircraft and Parts Employment

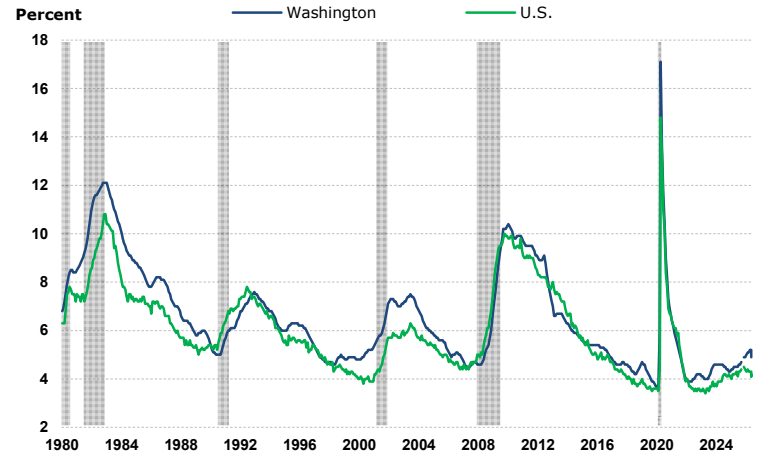
January 1958 to September 2026



* Source: Bureau of Labor Statistics, ERFC

Unemployment Rate, S.A.

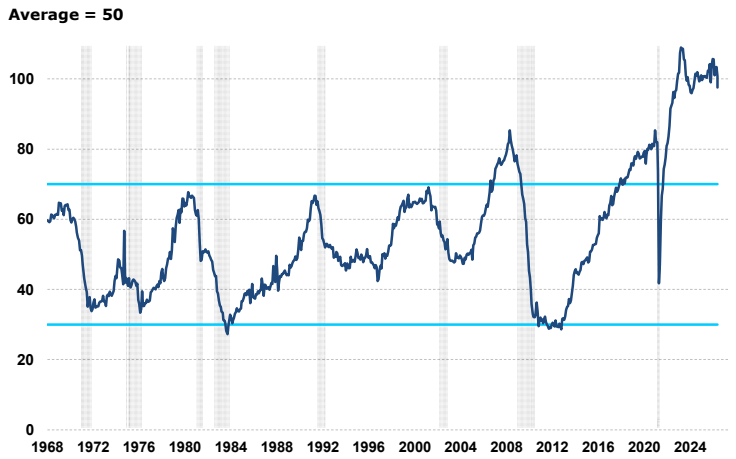
January 1980 to September 2026



* Source: Bureau of Labor Statistics

Washington Business Cycle Indicator

January 1968 to August 2026



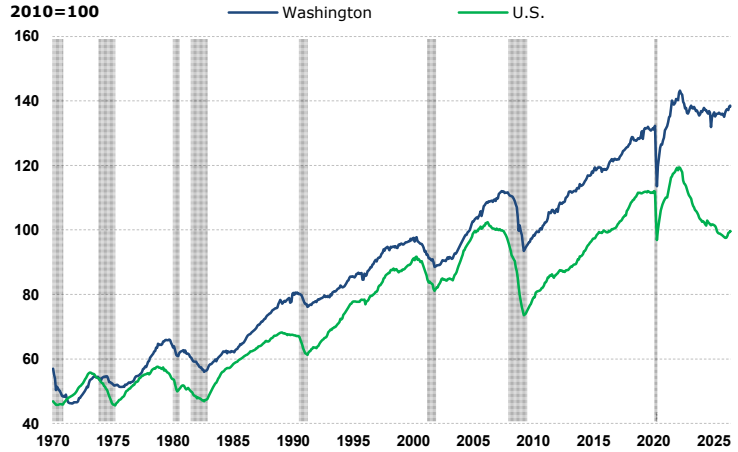
* Source: ERFC

* Shaded areas correspond with national recessions.

Figure A7.2: Washington State Leading Indicators

The Washington and U.S. Indexes of Leading Indicators

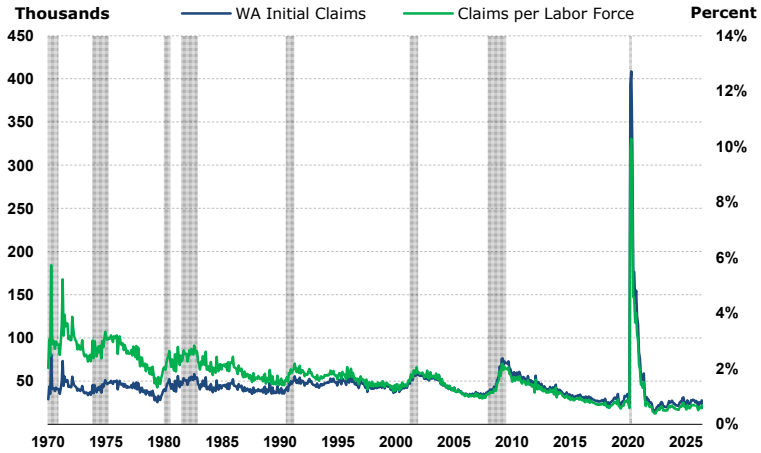
January 1970 to August 2026



* The Conference Board, ERFC

Washington Initial Claims for Unemployment Insurance

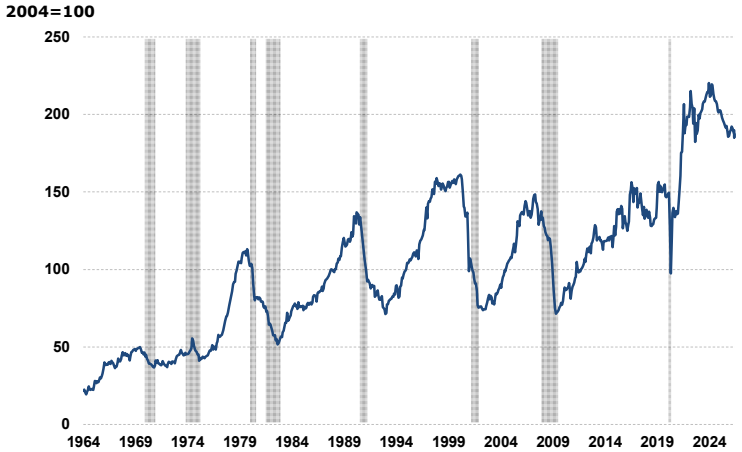
January 1970 to August 2026, S.A.



* Source: WA State Employment Security, ERFC

Washington State Help Wanted Index

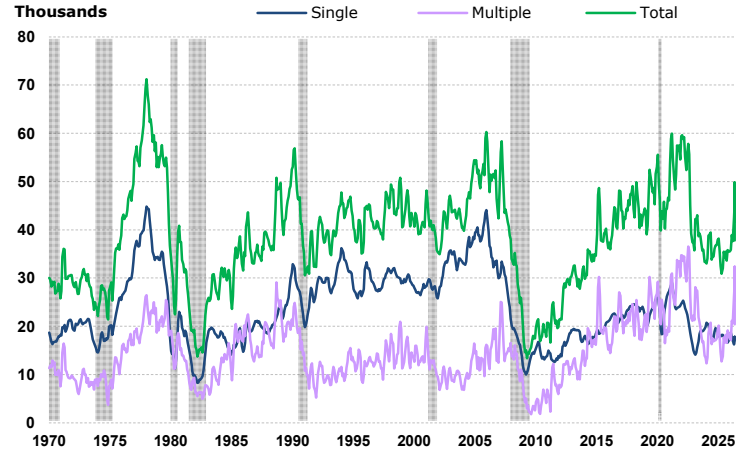
January 1964 to September 2026



* Source: The Conference Board, ERFC

Housing Units Authorized in Washington State

January 1970 to August 2026, 3mma, SAAR



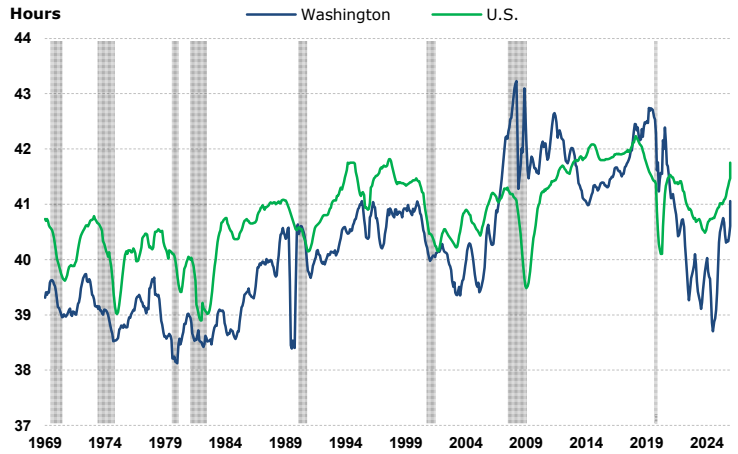
* Source: Census Bureau, ERFC

* Shaded areas correspond with national recessions.

Figure A7.3: Other State Economic Indicators

Average Weekly Hours in Manufacturing

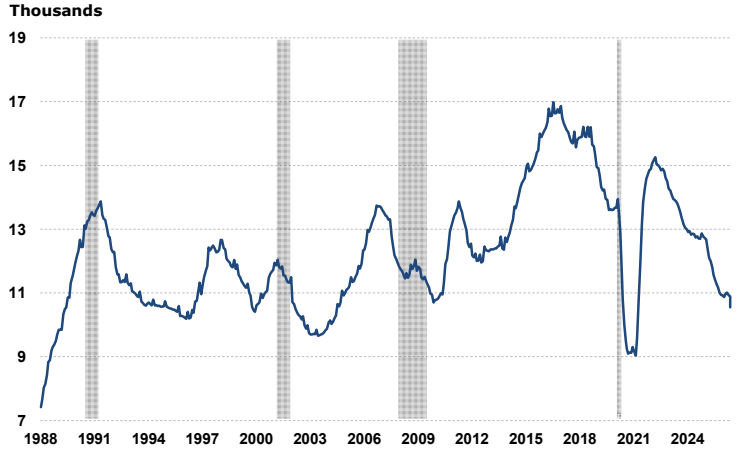
June 1969 to September 2026, 6-Month Moving Average, S.A.



* Bureau of Labor Statistics, ERFC

Washington Driver's License In-Migration

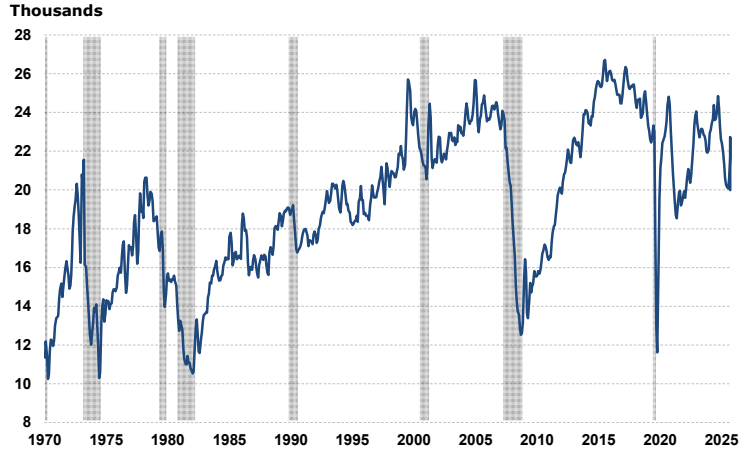
November 1989 to August 2026, 12-Month Moving Average



* Source: WA State Department of Licensing, ERFC

New Car and Truck Registrations in Washington

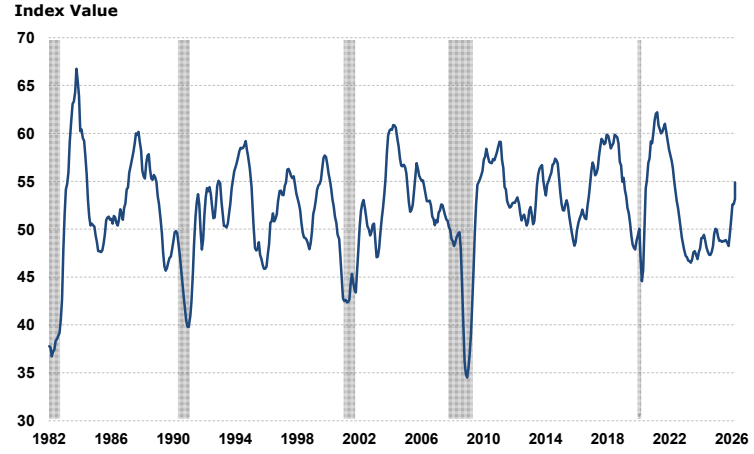
September 1970 to September 2026, 3-Month Moving Average, S.A.



* Source: WA State Department of Licensing, ERFC

U.S. Institute for Supply Management Index

March 1982 to September 2026, 3-Month Moving Average, S.A.



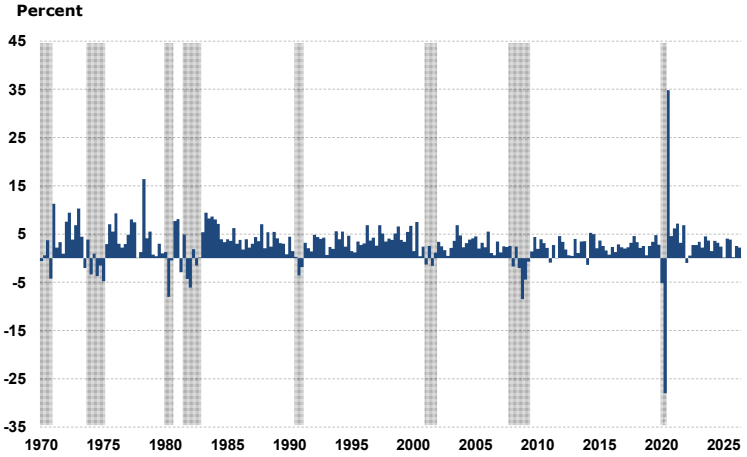
* Source: Institute for Supply Management, ISM-WW, ERFC

* Shaded areas correspond with national recessions.

Figure A7.4: Other Economic Indicators

Quarterly U.S. Real GDP Growth

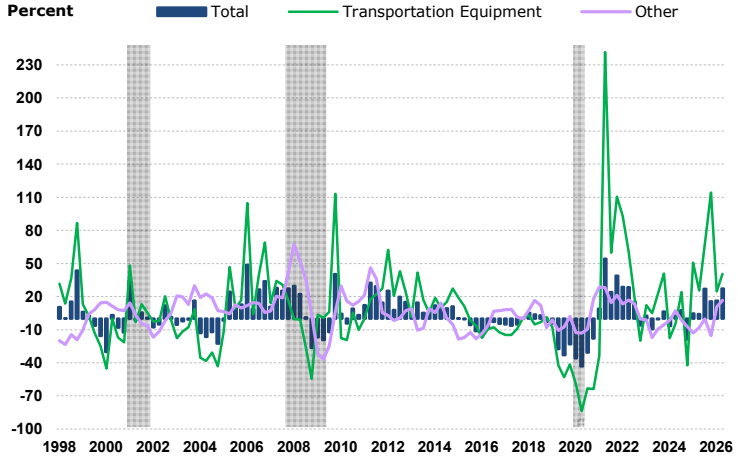
1970Q1 to 2026Q2, SAAR



* Source: Bureau of Economic Analysis

Washington State Export Composition

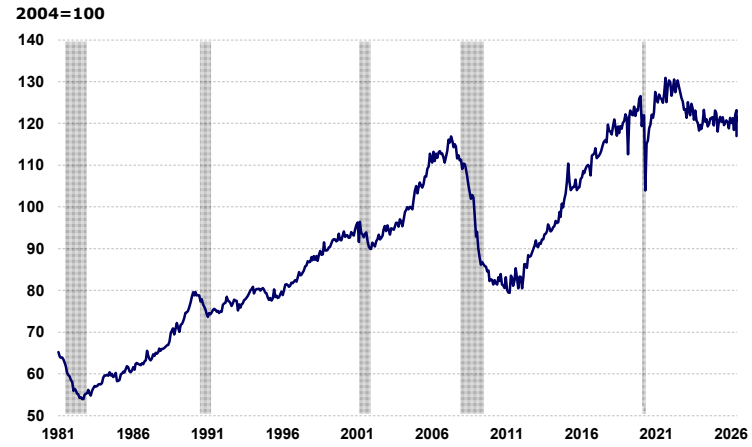
1998Q1 to 2026Q2, Year-over-year percent change



* Source: US Census

Washington State Construction Index

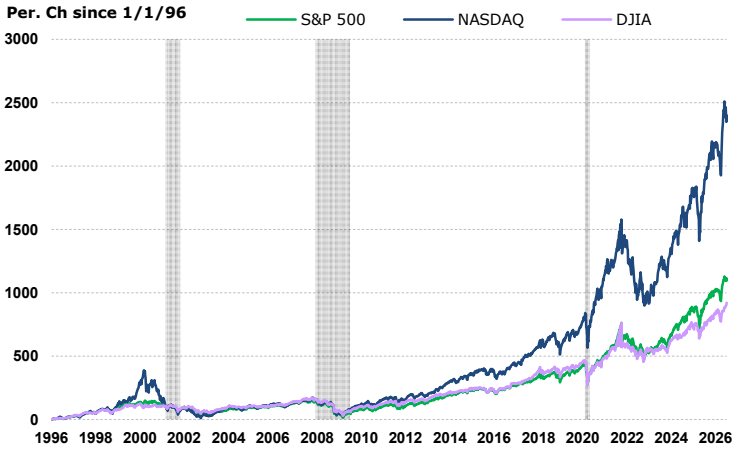
January 1981 to August 2026, 12mma



* Source: ERFC

National Stock Indexes

January 1, 1996 to September 27, 2026



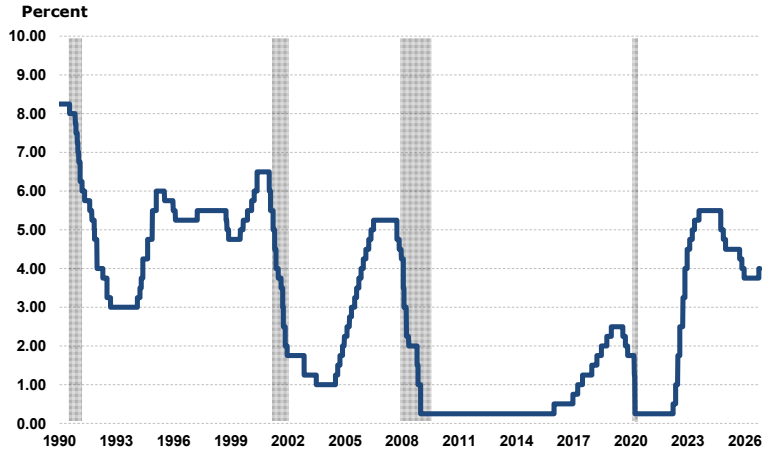
* Source: ERFC

* Shaded areas correspond with national recessions.

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

Federal Funds Target Rate

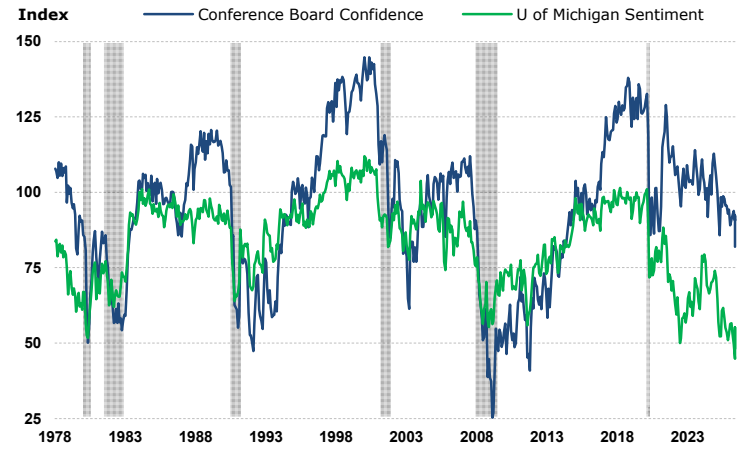
January 1, 1990 to October 7, 2026



* Federal Reserve

Consumer Confidence

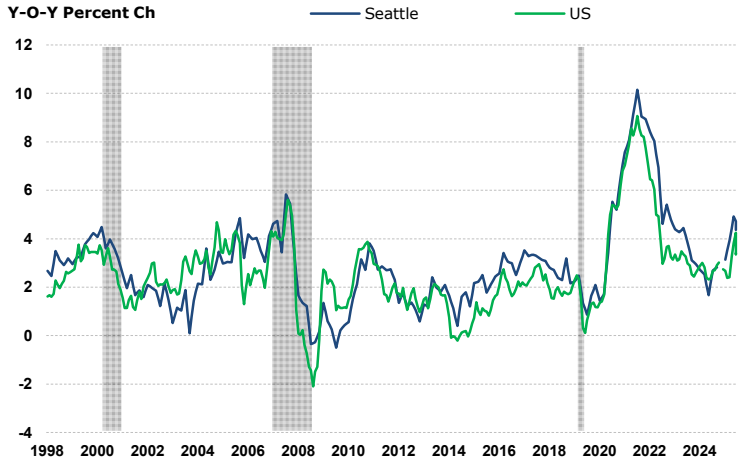
March 1978 to September 2026



* Source: The Conference Board, University of Michigan

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

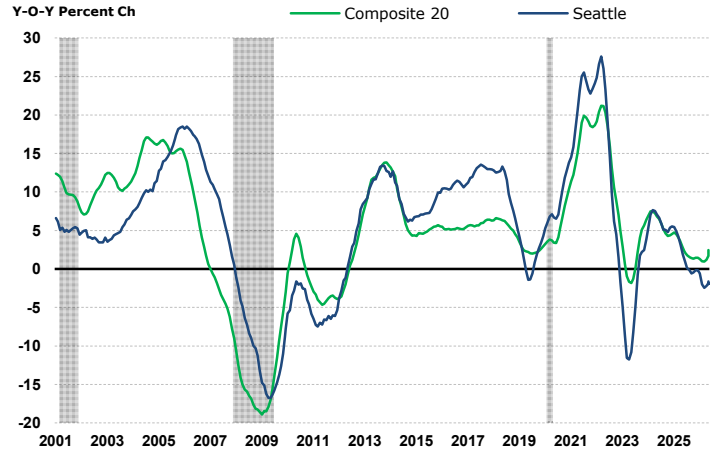
December 1998 to August 2026



* Source: Bureau of Labor Statistics

Case Shiller Home Price Index

January 2001 to July 2026, SA



* Source: Case Shiller, ERFC

* Shaded areas correspond with national recessions.

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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.