

The background of the cover is a photograph of the Washington State Capitol building. The building is a large, classical-style structure with a prominent central dome and a portico supported by several columns. The scene is framed by the branches of cherry blossom trees in full bloom, with white flowers and green leaves visible in the foreground and around the building. The sky is a clear, light blue.

# **Washington State Economic and Revenue Forecast**

September 2024  
Volume LIV, 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 IHS Markit. 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 9, 2024.

# **Washington State Economic and Revenue Forecast**

Prepared by the  
Economic and Revenue Forecast Council

September 2024  
Volume LIV, No. 3

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## Executive Summary

- **The economy continues to expand and inflation is declining.**
- **We expect real GDP to increase 2.6% in 2024 and 1.8% in 2025, up from the 2.3% and 1.8% growth rates assumed in the June forecast.**
- **Our forecast for real GDP growth in 2026-29 is based on the most recent long-term forecast from Blue Chip which was released in March 2024. We expect growth rates of 2.0%, 2.0%, 1.9%, and 1.9% in 2026 through 2029.**
- **We expect the Federal Reserve to continue cutting rates until the first quarter of 2026.**
- **The Washington economy continued to expand through the second quarter of 2024.**
- **Washington employment growth continued into 2024.**
- **The Washington unemployment rate fell to 4.8% in August from 4.9% in July.**
- **Washington housing permits ticked down in the second quarter of 2024.**
- **Seattle home prices increased in April and were up 6.0% compared with July 2023.**
- **Washington exports increased 1.6% from the second quarter of 2023 to the second quarter of 2024.**
- **The Boeing machinists strike temporarily reduces employment and wages.**
- **Tracked revenue collections since June have come in close to their forecasted amounts.**
- **The September economic forecast predicts lower state personal income and construction activity. This has resulted in slight decreases in forecasted Revenue Act taxes throughout the forecast period.**
- **Forecasted real estate excise taxes have increased due to higher-than-expected taxable activity since the last forecast.**
- **Much of the decrease in forecasted General Fund-State revenue was offset by increases in other non-General Fund forecasts.**
- **The forecast of funds subject to the budget outlook process was decreased by \$49 million in the 2023-25 biennium, increased by \$79 million in the 2025-27 biennium and decreased by \$69 million in the 2027-29 biennium.**

## U.S. Economic Forecast

*The economy continues to expand and inflation is declining*

The economy continues to expand and inflation is declining. The Federal Reserve combatted inflation by raising interest rates to slow economic activity and price growth. With inflation declining, the Federal Reserve shifted and has begun another easing cycle to support economic growth. Over four years after the onset of COVID-19, the pandemic is no longer materially impacting the economy.

*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 2024 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 2024 and 2025. We expect real GDP to increase 2.6% in 2024 and 1.8% in 2025, up from the 2.3% and 1.8% growth rates assumed in the June forecast. Our forecast for real GDP growth in 2026-29 is based on the most recent long-term forecast from Blue Chip which was released in March 2024. We expect growth rates of 2.0%, 2.0%, 1.9%, and 1.9% in 2026 through 2029 unchanged from the June forecast.

*The Federal Reserve is now cutting rates*

The Federal Reserve cut the target for the federal funds in September by 50 basis points to 4.75% to 5.00%. This was the first cut to the federal funds rate since March 2020. As inflation declined, the Federal Reserve adopted an easing bias in January 2024. Recently, inflation has come down to the point the Federal Reserve is comfortable providing support to the labor market. Our expectation is for the Federal Reserve to hold the rate steady at 4.75% to 5.00% until their final meeting of the year in December when rates are cut by another 25 basis points. The June forecast assumed the December rate cut would be the first of the cycle (see Figure 1.6). The rate cuts are expected to end in the first quarter of 2026 and then hold steady through 2029 at 2.50% to 2.75%. The forecast also calls for the Federal Reserve to continue reducing assets from its balance sheet by about one third by 2026 and then hold steady through the end of the forecast in 2029.

## Washington Economic Forecast

*The Washington economy continued to expand into 2024*

The Washington economy continued to expand in 2024. Unemployment increased earlier this year from 3.8% up to 4.8%, but has since leveled off. The unemployment rate has fluctuated between 4.8% and 4.9% since March. Washington housing permits fell in the second quarter of 2024. Washington exports increased 1.6% from the second quarter of 2023 to the second quarter of 2024. Seattle consumer price inflation continued to outpace the national average in August 2024.

The Washington forecast features a slightly lower growth rate of nominal personal income in 2024, 2025, and 2026 compared to

*The Washington forecast features slower nominal personal income growth from 2024 – 2026*

the June forecast. We expect a 5.2% increase in nominal Washington personal income this year, down from 5.3% in the June forecast. Compared to the June forecast, we expect stronger employment growth in 2025, but weaker growth thereafter. For 2025, we forecast 1.1% growth, up from 0.9%. Our unemployment rate forecast is a tick up from in June, up one tenth of a percentage point for each year. By 2029, we forecast 16,400 fewer jobs than the June forecast. We expect housing permits to total 35,600 units this year, down from the June forecast, and we expect permits to average 41,300 units in 2025 through 2029, down from the 43,000 units in the June forecast. We expect Seattle headline inflation to be 3.1% by the end of this year, down from 3.4% in the June forecast. We expect Seattle inflation to average 2.5% in 2025, down 0.1 percentage points from the June forecast. The Seattle CPI growth rate is predicted to gradually decline to 2.3% by 2029.

## **Revenue Forecast**

*Revenue collections have come in close to the forecast, but the economic forecast is slightly weaker than the previous forecast*

Total tracked revenue collections since June have come in close to their forecasted amounts. The September economic forecast, however, projects slightly lower personal income and construction activity throughout the forecast period. This has resulted in decreases in forecasted Revenue Act taxes. Forecasted real estate excise taxes, have increased due to the higher-than-expected taxable activity. There were also non-economic increases to GF-S revenue in forecasts from the Office of Financial Management. Decreases in forecasted General Fund-State revenue were partially offset by increased revenue projections in other funds subject to the outlook process.

*Total forecast change by biennium (millions):*

23-25: *-\$49*  
25-27: *+\$79*  
27-29: *-\$69*

Forecasted revenue in funds subject to the budget outlook process was decreased by \$49.2 million in the 2023-25 biennium, increased by \$79.1 million in the 2025-27 biennium and decreased by \$68.6 million in the 2027-29 biennium. A portion of the forecast revision was due to non-economic changes to the forecasts compiled by the OFM of revenue from various other agencies. These changes added \$15.0 million in expected revenue to the current biennium, \$63.2 million to the next biennium and \$52.6 million to revenue for the 2027-29 biennium. The September 2024 forecast for funds subject to the budget outlook process total \$66,479.2 million in the 2023-25 biennium, \$71,611.3 million in the 2025-27 biennium and \$76,975.8 million in the 2027-29 biennium.



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

- **The economy continues to expand and inflation is declining.**
- **Real GDP increased 3.0% (SAAR) in the second quarter of 2024 after increasing 1.6% (SAAR) in the first quarter.**
- **The job market has been stronger than expected although growth is trending down.**
- **Housing activity remains weak; manufacturing output is declining.**
- **Oil prices are declining, and we expect prices to decline throughout the forecast period.**
- **We expect real GDP to increase 2.6% in 2024 and 1.8% in 2025, up from the 2.3% and 1.8% growth rates assumed in the June forecast.**
- **Our forecast for real GDP growth in 2026-29 is based on the most recent long-term forecast from Blue Chip which was released in March 2024. We expect growth rates of 2.0%, 2.0%, 1.9%, and 1.9% in 2026 through 2029.**
- **We expect the Federal Reserve to continue cutting rates until the first quarter of 2026.**
- **The uncertainty in the baseline forecast is elevated. Downside risks outweigh upside risks.**

### Current Conditions

*The economy continues to expand and inflation is declining*

The economy continues to expand and inflation is declining. The Federal Reserve combatted inflation by raising interest rates to slow economic activity and price growth. With inflation declining, the Federal Reserve shifted and has begun another easing cycle to support economic growth. Over four years after the onset of COVID-19, the pandemic is no longer materially impacting the economy.

*Real GDP increased 3.0% (SAAR) in the second quarter*

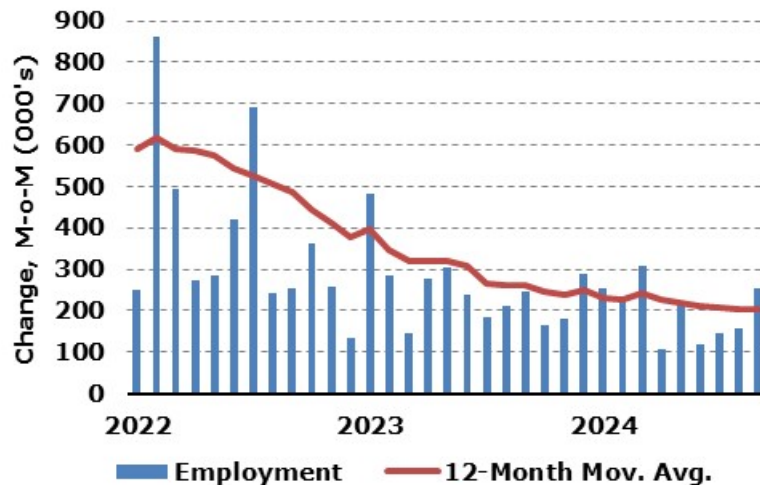
Real GDP increased 3.0% (SAAR) in the second quarter of 2024 after increasing 1.6% (SAAR) in the first quarter. Growth was led by consumer spending both on goods and services. Consumption grew 2.8% (SAAR) contributing 1.9 percentage points to overall GDP growth. Consumer spending on services grew 2.7% (SAAR) adding 1.3 points to topline GDP. Spending on goods increased by 3.0% (SAAR), adding 0.6 points to growth. Fixed investment grew 2.3% (SAAR) from 6.5% (SAAR)

in the second quarter and added 0.4 points to topline growth. Nonresidential fixed investment increased 3.9% (SAAR), led by 9.8% (SAAR) growth in equipment investment. Residential investment fell in the second quarter by 2.8% (SAAR) after 13.7% (SAAR) growth in the first quarter and subtracted 0.1 points to overall GDP growth. Import growth outpaced exports, with the net impact of 0.9 points subtracted from GDP growth. Government spending increased 3.1% (SAAR), increasing GDP by 0.5 points. The change in inventories added 1.1 points to GDP growth in the second quarter.

*The job market has been stronger than expected*

The job market continues to outpace consensus expectations. Over four years since the unprecedented 20.5 million job decline in April 2020 due to the pandemic, employment has continued to grow, although growth is trending down. In September, total nonfarm employment increased by 254,000 jobs after increasing by 159,000 jobs the month before. Over the past twelve months, job growth has averaged 203,000 (see Figure 1.1). Construction employment has remained resilient and increased by another 25,000 jobs in September. The manufacturing sector has been trending down and declined by 7,000 jobs in September. Private service-providing employment increased by 202,000. Employment increases in the service sector were led by a 69,400 increase in food and drinking places and a 45,200 increase in health care. Temporary help services was the weakest sector in September, declining by 13,800 jobs. Government payrolls increased by 31,000.

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



Source: U.S. Bureau of Labor Statistics; data through August 2024

*The unemployment rate has declined*

The unemployment rate has declined since peaking in July after trending up for a year. The unemployment rate declined 0.1 percentage points in each of the past two months to 4.1% in September. The labor force participation rate has held steady at

62.7% since July but is down from 63.3% just prior to the pandemic. Average hourly earnings are up \$1.35 from a year ago to \$35.36 while the average workweek fell 0.2 hours from last year to 34.2 hours in September.

*Consumer confidence remains under pressure*

Consumer confidence remains under pressure. Consumer confidence as measured by the Conference Board declined 6.9 points in September and is down 5.6 points since last year. Consumers' view of both their present situation and expectations fell in September. Current business conditions and the labor market as well as expectations for jobs and incomes weakened. The University of Michigan Consumer Sentiment index increased 2.2 points in September and is up 2.2 points since last year, but remains down 8.9 points since the beginning of the year. High interest rates and an upward trend in the unemployment rate were weights. Declines in gas prices contributed to the increase in September. Both confidence measures remain well below pre-pandemic levels.

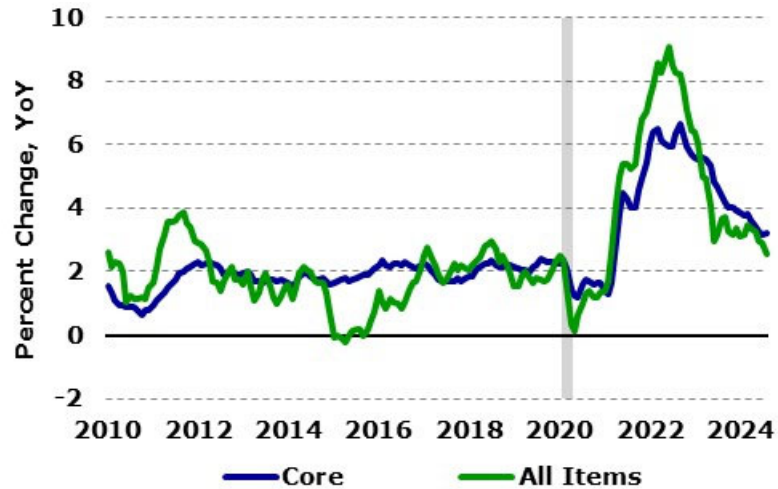
*Oil prices are declining*

Oil prices are declining as softening global demand has overshadowed supply concerns. Escalating Middle East tensions have not had a significant impact on oil supply. OPEC+ has not been able to limit supply effectively as Saudi Arabia has moved towards increasing production to regain market share. The Brent spot crude price is now \$76 per barrel in the first week of October, down \$14 from a year ago. The West Texas Intermediate (WTI) price has declined to \$72 per barrel from \$86 per barrel since last year. U.S. oil production has plateaued since reaching an all-time high in December of 13.308 million bpd. U.S. production in July was 13.205 million bpd, down from 13.230 the prior month. The Baker Hughes rig count has been declining since reaching a peak in November 2022. As of October 4<sup>th</sup>, the rig count in the U.S. was 585, down 34 since last year.

*Inflation has moderated*

Inflation has moderated after months of stagnation. After peaking at 9.1% in June 2022, inflation as measured by the Consumer Price Index (CPI) declined as the Federal Reserve raised rates. Inflation then remained 3% or higher for a year. In August, the CPI declined for the fifth consecutive month on a year-over-year basis to 2.5% (see Figure 1.3). Energy prices declined 0.8% in August and are down 4.0% over the year. Shelter cost inflation remains high, increasing 0.5% in August and up 5.2% since last year. Food price inflation has moderated, up 0.1% in August and up 2.1% since last year. Core consumer prices, which exclude food and energy, increased 0.3% since last month and were up 3.2% over the year.

**Figure 1.2: Consumer Price Index**



Source: U.S. Bureau of Labor Statistics; data through August 2024

*Home prices are increasing*

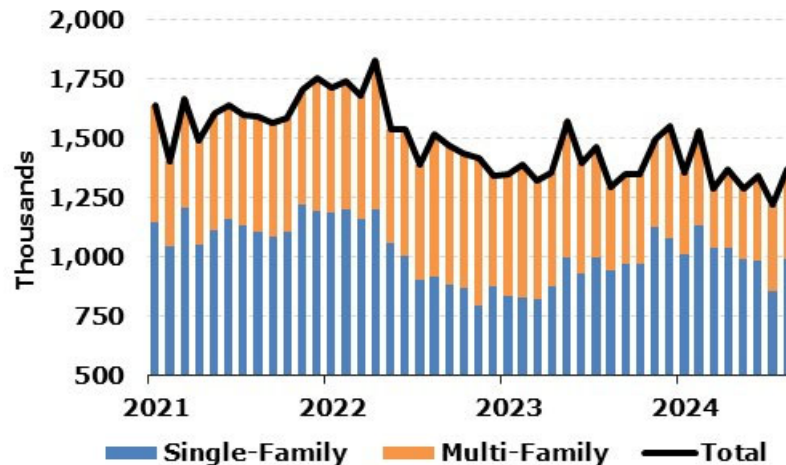
Home prices are increasing. The seasonally adjusted S&P CoreLogic Case-Shiller National Home Price Index increased 0.2% in July and is now up 4.9% since last year. With inflation remaining persistently high, the Federal Reserve raised interest rates substantially. This led to a rapid rise in mortgage rates which has caused affordability to plummet. Mortgage rates have since eased as monetary policy has softened. The rate on a 30-year mortgage rate fell to 6.12% as of October 3<sup>rd</sup>, down from 7.49% last year, but still well above pre-pandemic levels. Despite the drop in affordability, home prices have remained resilient due to a limited supply of homes for sale. Lumber prices have stabilized close to pre-pandemic levels. The random length lumber price reached an all-time high \$1,671 per 1,000 board feet in May 2021. Prices have trended down since then and are now at \$525 as of October 4<sup>th</sup>. Homebuilder confidence is trending down. In September, homebuilder confidence increased from 39 to 41 (readings above 50 indicate optimism), but is down from a recent high of 51 in April.

*Housing activity remains weak*

Housing activity has improved but remains weak (see Figure 1.3). High interest rates, low confidence, and low affordability have weighed down new construction. Housing starts increased in August by 9.6% and are up 3.9% since last year. Single-family starts are 5.2% higher than a year ago, and multi-family starts are up 5.9%. Builders are working through a large backlog of permitted but not started units and there is a near record number of housing units currently under construction. The inventory of new homes on the market has remained high as builders have struggled to sell new construction. In August there were 7.8 months' worth of supply, up from 7.3 in July, but down from 7.9 a year ago. Housing permits increased 4.6% over the month in August but are down 6.8% since last year. Single-

family permits are down 0.5% since last year while multi-family permits are down 17.0%. New home sales declined 4.7% in August to 716,000 (SAAR) but are up 9.8% since last year.

**Figure 1.3: U.S. Housing Starts**



Source: U.S. Census Bureau; data through August 2024

*The manufacturing sector is contracting*

The manufacturing sector continues to contract. The Institute for Supply Management (ISM) Report on Business index was unchanged at 47.2 in September (index values below 50 indicate contraction). The index has indicated contraction in manufacturing sector in 22 of the past 23 months. The new orders component improved 1.5 points to 46.1. Production improved 5.0 points but still remained in contractionary territory at 49.8 points. The employment component fell further, dropping 2.1 points to 43.9. Five of the 18 manufacturing industries reported growth in September with the remaining indicating contraction. Unlike the ISM report, the latest G-17 report from the Federal Reserve indicates manufacturing output rose 0.9% in August and is up 0.2% from a year ago. Durable goods increased 2.1% while nondurable goods declined 0.2% from the prior month. New orders for core capital goods (nondefense capital goods excluding aircraft) increased 0.3% in August but are down 0.1% from a year ago.

*U.S. exports increased in the second quarter*

U.S. exports increased in the second quarter of 2024, growing by 4.5% year over year. U.S. exports to the rest of North America increased 3.4% year over year after declining in each of the past four quarters. Strong growth to Mexico, which increased 8.5% annually, more than offset a 1.0% decline in exports to Canada. Exports to China were flat following four straight quarters of decline. Exports to the Netherlands, which has quickly become our fourth largest export market, were once again strong, increasing 7.1% over the year. Most of the increase is due to a rapid rise in oil and gas exports. Exports of computer and



electronic products (our third largest export) were particularly strong, increasing 11.8% over the year. Exports of transportation equipment grew 2.2% in the second quarter and remained the top export by value for the United States.

## 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 2024 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 2024 and 2025. We expect real GDP to increase 2.6% in 2024 and 1.8% in 2025, up from the 2.3% and 1.8% growth rates assumed in the June forecast (see Figure 1.4). Our forecast for real GDP growth in 2026-29 is based on the most recent long-term forecast from Blue Chip which was released in March 2024. We expect growth rates of 2.0%, 2.0%, 1.9%, and 1.9% in 2026 through 2029 unchanged from the June forecast.

**Figure 1.4: Real GDP Growth**



Source: U.S. Bureau of Economic Analysis, September 2024 ERFC forecast; historical data through 2023

*The forecast includes key assumptions related to fiscal policy*

The forecast includes key assumptions related to fiscal policy. The debt ceiling is suspended through 2024 and is raised without incident in 2025. Personal taxes are governed by current policy, which includes an extension beyond the expiration of provisions at the end of 2025 in the 2017 Tax Act. Corporate taxes, however, are governed by current law, including the Inflation Reduction Act and phase outs of provisions in the 2017 Tax Act. Social Security and Medicare benefits are paid beyond the projected exhaustion of those funds. The forecast includes the Biden administration’s 25%-100% tariffs on roughly \$18 billion of imports. The forecast includes faster growth of immigration

over recent history and in the forecast compared to what is assumed by the Census Bureau.

*Oil prices are expected to be lower compared to the previous forecast*

Oil prices are expected to be lower compared to the June forecast (see Figure 1.5). The outlook for oil demand has diminished in recent months, particularly in China. There is growing uncertainty regarding plans by OPEC+ to keep prices propped up by limiting supply. Saudi Arabia has committed to a production increase and is no longer targeting a price of \$100 per barrel. Record-high U.S. production has also kept supply elevated. Geopolitical conflicts have continued around oil producing nations, although the impact on prices has diminished. The refiner acquisition price of crude oil in 2024 is expected to average \$76 per barrel, down from \$77 per barrel assumed in June. Going forward, supply restrictions are expected to be modest, and increased U.S. production will keep prices in check as demand increases. We expect prices to fall more quickly than expected in the June forecast (see Figure 1.5). The forecast calls for oil prices to decline throughout the forecast reaching \$64 per barrel in 2029. The June forecast expected oil prices to reach \$65 per barrel in 2029.

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



Source: U.S. Energy Information Administration, September 2024 ERFC forecast; historical data through 2024 Q2

Inflation (as measured by the price index for personal consumption expenditures) is expected to fall to 2.4% this year from 3.7% in 2023. The June forecast expected inflation to fall to 2.6% this year. Inflation has come down after the initial surge as demand recovered faster than could be accommodated by supplies of commodities and labor was disrupted by the pandemic. Income support helped fuel the surge in demand, contributing to the increase in prices. Inflation is expected to fall to 2.0% in 2025 due to falling energy prices, then pick up again

to 2.4% in 2026 as energy prices stabilize. The forecast calls for inflation to average 2.1% from 2025 through 2029, down from 2.2% in the June forecast. Core inflation (excluding food and energy) is expected to be higher than topline inflation this year at 2.7%. We expect core inflation to trend down and average 2.1% from 2025 through 2029.

*Consumer spending growth is expected to increase*

Real consumer spending growth is expected to increase this year to 2.4% from 2.2% in 2023. The June forecast expected real consumption growth to increase to 2.3% this year. The strong labor market has been offset by persistently high inflation. Consumers remain willing to fund current spending with savings as real incomes have not kept up. This has pushed the personal saving rate to 3.5% this year. In the decade prior to the pandemic, the saving rate averaged 6.2%. Real consumer spending is expected to slow to 1.9% next year. The forecast calls for growth to then increase slightly and average 2.0% from 2026 through 2029.

*Employment growth is expected to slow*

We expect employment growth of 1.6% this year, down from 2.3% in 2023 as the labor market cools. The previous forecast expected growth of 1.7% in 2024. Employment growth is expected slow further and average 0.3% in 2025 through 2029. We expect the labor market to remain tight throughout the forecast. The September forecast calls for the unemployment rate to increase to 4.1% this year from a historic low of 3.6% in 2022 and 2023. The forecast calls for the unemployment rate to increase to 4.6% in 2027 and then decline to 4.3% in 2029.

*Business investment is expected to slow*

Real nonresidential fixed investment growth is expected to slow to 4.1% this year after growing 4.5% in 2023. Lending standards for businesses remain tight and borrowing costs are elevated. Business spending on manufacturing structures is slowing. Office vacancy rates appear to have plateaued, but remain high as the shift to flexible work environments is likely permanent. Going forward, real nonresidential fixed investment growth is expected to continue to slow. We expect real nonresidential fixed investment to average 2.6% from 2025 through 2029. We expect real nonresidential construction to grow 4.3% this year after rebounding by 13.2% in 2023. The forecast calls for nonresidential construction to slow and average 1.3% in 2025 through 2029 as some excess surplus gets worked through. We expect real nonresidential construction to have fully recovered to its level before the pandemic by the beginning of 2026. Real equipment investment is expected to return to growth this year at 3.4% after declining 0.3% in 2023. We then expect growth to remain strong and average 3.6% in 2025 through 2029. Investment in intellectual property products is expected to increase from 4.5% growth in 2023 to 4.6% growth this year. We expect growth to trend down and average 2.3% from 2025 through 2029.

*The housing market outlook remains weak*

The housing market outlook remains weak. High mortgage rates have lowered affordability and weighed down housing demand. In response, buyers have switched to adjustable-rate mortgages which make up twice the share of all mortgages compared to four years ago. As rates have remained high, payments have reset at higher levels, further reducing affordability. High rates have also locked in homeowners holding fixed-rate mortgages financed at lower rates and lowered supply. Labor and material shortages remain, causing delays in finished construction. The September forecast calls for housing starts to decline 5.1% this year after declining in each of the prior two years. We expect multi-family housing to decline 26.2%, offsetting an 5.4% increase in single-family. We expect 2024 to be the trough in total housing starts at 1.35 million units. The forecast then calls for housing starts to slowly trend up throughout the remainder of the forecast and average 1.48 million units in 2029.

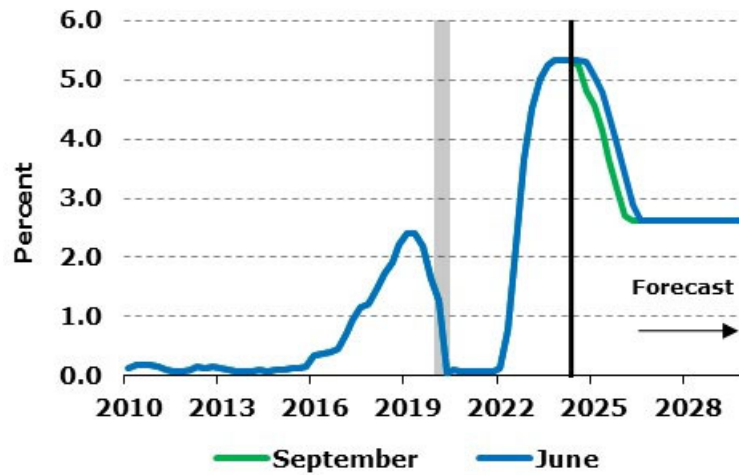
*Growth in major U.S. trading partners is expected to be weaker compared June*

Economic growth of U.S. major trading partners is expected to be weaker compared to the previous forecast. The September forecast calls for 1.9% growth this year compared to 2.3% growth in the previous forecast. Real GDP growth is expected to be lower this year in Mexico compared to June. Going forward, growth in both Canada and Mexico is expected to be lower. We expect growth in U.S. major trading partners to be 2.3% in 2025, down from 2.6% in the June forecast. The forecast then calls for growth in U.S. trading partners to average 2.5% from 2026 through 2029, essentially unchanged from June. Real U.S. export growth is forecasted to decline to 2.5% this year, down from 2.6% growth in 2023. We expect real export growth to increase to 4.5% in 2027 before trending down throughout the remainder of the forecast and reaching 3.5% growth in 2029.

*The Federal Reserve is now cutting rates*

The Federal Reserve cut the target for the federal funds in September by 50 basis points to 4.75% to 5.00%. This was the first cut to the federal funds rate since March 2020. As inflation declined, the Federal Reserve adopted an easing bias in January 2024. Recently, inflation has come down to the point the Federal Reserve is comfortable providing support to the labor market. Our expectation is for the Federal Reserve to hold the rate steady at 4.75% to 5.00% until their final meeting of the year in December when rates are cut by another 25 basis points. The June forecast assumed the December rate cut would be the first of the cycle (see Figure 1.6). The rate cuts are expected to end in the first quarter of 2026 and then hold steady through 2029 at 2.50% to 2.75%. The forecast also calls for the Federal Reserve to continue reducing assets from its balance sheet by about one third by 2026 and then hold steady through the end of the forecast in 2029.

**Figure 1.6: Fed Funds Target Rate**



Source: U.S. Federal Reserve, September 2024 ERFC forecast; historical data through 2024 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

- Israeli – Hamas conflict spreads throughout the region
- War in Ukraine escalates
- Inflation remains elevated
- COVID-19 infections reemerge
- Re-imposition of some social restrictions
- New travel restrictions
- 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
- Increased uncertainty in financial system due to banking collapse

### Upside Risks

- Inflation declines faster than expected
- Federal Reserve cuts rates sooner than expected

- War in Ukraine ends
- Israeli – Hamas conflict 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 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	21,694.4	22,044.7	22,713.4	23,164.7	23,609.3	24,076.0	24,551.2	25,015.3
% Ch	3.9	1.6	3.0	2.0	1.9	2.0	2.0	1.9
Real Consumption	14,977.2	15,238.8	15,611.6	15,944.4	16,255.5	16,590.7	16,921.5	17,263.1
% Ch	5.5	1.7	2.4	2.1	2.0	2.1	2.0	2.0
Real Nonresidential Fixed Investment	3,046.4	3,203.4	3,334.8	3,468.5	3,552.5	3,622.4	3,714.8	3,811.5
% Ch	5.3	5.2	4.1	4.0	2.4	2.0	2.5	2.6
Real Residential Fixed Investment	887.2	748.9	755.8	749.6	770.5	799.8	833.0	871.5
% Ch	-0.1	-15.6	0.9	-0.8	2.8	3.8	4.2	4.6
Real Personal Income	18,986.0	18,931.1	19,244.8	19,731.4	20,307.5	20,951.1	21,602.7	22,185.6
% Ch	-2.5	-0.3	1.7	2.5	2.9	3.2	3.1	2.7
Real Per Capita Income (\$/Person)	56,934	56,250	56,573	57,466	58,716	60,277	61,899	63,310
% Ch	-2.9	-1.2	0.6	1.6	2.2	2.7	2.7	2.3
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	112.6	118.6	121.9	124.4	127.2	130.0	132.5	135.4
% Ch	6.0	5.3	2.8	2.0	2.3	2.2	2.0	2.2
U.S. Consumer Price Index (1982-84=1.0)	2.820	2.997	3.096	3.173	3.245	3.319	3.396	3.475
% Ch	7.2	6.3	3.3	2.5	2.3	2.3	2.3	2.3
Employment Cost Index (Dec. 2005=1.0)	1.509	1.585	1.652	1.712	1.776	1.845	1.912	1.984
% Ch	5.0	5.0	4.3	3.6	3.8	3.8	3.6	3.8
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	24,764.2	26,569.9	28,122.2	29,322.6	30,633.5	31,935.4	33,290.0	34,728.2
% Ch	10.6	7.3	5.8	4.3	4.5	4.2	4.2	4.3
Personal Income	21,373.1	22,451.2	23,463.9	24,549.5	25,839.9	27,235.0	28,631.2	30,042.4
% Ch	3.3	5.0	4.5	4.6	5.3	5.4	5.1	4.9
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	162.9	165.6	167.7	169.0	170.0	170.8	171.4	171.9
Total U.S. Employment	156.1	159.7	161.3	161.7	162.4	163.0	163.6	164.3
Unemployment Rate (%)	4.19	3.55	3.80	4.29	4.44	4.54	4.54	4.43
Nonfarm Payroll Employment	149.78	154.54	157.43	159.39	159.96	160.38	160.83	161.55
% Ch	4.8	3.2	1.9	1.2	0.4	0.3	0.3	0.4
Manufacturing	12.59	12.92	12.95	12.86	12.49	12.28	12.08	11.99
% Ch	3.5	2.6	0.2	-0.7	-2.9	-1.6	-1.6	-0.8
Durable Manufacturing	7.83	8.06	8.13	8.06	7.81	7.67	7.50	7.41
% Ch	3.5	2.9	0.9	-0.9	-3.1	-1.8	-2.2	-1.2
Nondurable Manufacturing	4.76	4.87	4.82	4.80	4.68	4.61	4.58	4.58
% Ch	3.4	2.1	-0.9	-0.5	-2.4	-1.4	-0.7	-0.1
Construction	7.60	7.90	8.13	8.32	8.46	8.65	8.87	9.12
% Ch	3.7	3.9	3.0	2.3	1.7	2.1	2.6	2.8
Service-Providing	129.01	133.10	135.70	137.58	138.36	138.76	139.19	139.77
% Ch	5.0	3.2	2.0	1.4	0.6	0.3	0.3	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	87.8	81.5	79.9	70.0	66.2	65.1	64.5	64.2
Personal Saving/Disposable Income (%)	5.4	4.1	3.8	3.7	4.6	5.5	6.4	7.0
Auto Sales (Millions)	2.9	3.0	3.0	3.0	3.1	3.2	3.2	3.2
% Ch	-23.1	4.5	1.7	-0.4	3.5	1.7	0.6	-0.5
Housing Starts (Millions)	1.654	1.421	1.402	1.347	1.399	1.430	1.457	1.477
% Ch	6.9	-14.1	-1.3	-3.9	3.9	2.2	1.9	1.4
Federal Budget Surplus (Billions)	-1,393.9	-1,413.3	-1,624.3	-1,543.0	-1,516.5	-1,546.9	-1,569.1	-1,649.1
Net Exports (Billions)	-981.0	-850.3	-822.4	-882.9	-819.1	-765.3	-673.5	-616.7
3-Month Treasury Bill Rate (%)	0.37	4.10	5.26	4.51	2.82	2.39	2.35	2.36
10-Year Treasury Note Yield (%)	1.93	3.54	4.30	3.70	3.32	3.14	3.13	3.17
Bond Index of 20 G.O. Munis. (%)	2.48	3.59	3.75	3.72	3.59	3.49	3.47	3.45
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.00	5.24	4.96	4.94	4.89

Table 1.2

**Forecast Analysis**

Comparison of Forecasts for 2023-25

<b>U.S.</b>	Average Annual Rate of Growth (Percent) 2023:2-2025:2		Average Rate (Percent) 2023:3 to 2025:2	
	<b>Real GDP</b>	<b>PCE Price Index</b>	<b>3 Month T-Bill Rate</b>	<b>Mortgage Rate</b>
<b>2020</b>				
February	2.0	2.1	2.30	4.62
June	2.3	1.7	0.13	3.24
September	2.4	1.8	0.10	3.27
November	2.0	1.9	0.08	3.29
<b>2021</b>				
March	2.2	1.9	0.23	3.92
June	1.9	1.9	0.22	3.86
September	2.2	1.9	0.47	4.02
November	2.1	2.1	0.88	4.26
<b>2022</b>				
February	2.1	2.1	1.64	4.55
June	2.1	1.7	2.61	5.00
September	2.1	1.9	3.09	5.18
November	1.7	2.1	3.87	5.69
<b>2023</b>				
March	1.4	2.2	4.16	5.93
June	1.2	2.2	3.99	5.81
September	1.5	2.5	4.64	6.31
November	1.6	2.3	5.02	6.82
<b>2024</b>				
February	2.2	2.0	4.68	6.30
June	2.3	2.5	5.08	6.62
September	2.4	2.2	4.89	6.52



Table 1.3

**Forecast Analysis**

Comparison of Forecasts for 2025-27

<b>U.S.</b>	Average Annual Rate of Growth (Percent)		Average Rate (Percent)	
	2025:2-2027:2		2025:3 to 2027:2	
	<b>Real GDP</b>	<b>PCE Price Index</b>	<b>3 Month T-Bill Rate</b>	<b>Mortgage Rate</b>
<b>2022</b>				
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
<b>2023</b>				
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
<b>2024</b>				
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

Table 1.4

Fiscal Years

**Forecast Comparison**

Forecast 2024 to 2029

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>U.S.</b>							
<b>Real GDP</b>							
September	22,044.7	22,713.4	23,164.7	23,609.3	24,076.0	24,551.2	25,015.3
% Ch	1.6	3.0	2.0	1.9	2.0	2.0	1.9
June	22,044.7	22,695.0	23,095.7	23,552.1	24,015.1	24,489.1	24,952.2
% Ch	1.6	3.0	1.8	2.0	2.0	2.0	1.9
<b>PCE Price Index</b>							
September	118.6	121.9	124.4	127.2	130.0	132.5	135.4
% Ch	5.3	2.8	2.0	2.3	2.2	2.0	2.2
June	118.6	121.9	125.0	128.1	131.0	133.9	136.9
% Ch	5.3	2.8	2.5	2.5	2.3	2.2	2.2
<b>Unemployment Rate</b>							
September	3.55	3.80	4.29	4.44	4.54	4.54	4.43
June	3.55	3.81	4.00	4.14	4.36	4.42	4.33
<b>Mortgage Rate</b>							
September	6.31	7.03	6.00	5.24	4.96	4.94	4.89
June	6.31	7.04	6.20	5.47	5.02	5.07	4.93
<b>3 Month T-Bill Rate</b>							
September	4.10	5.26	4.51	2.82	2.39	2.35	2.36
June	4.10	5.30	4.87	3.42	2.42	2.31	2.41



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

- **The Washington economy continued to expand through the second quarter of 2024.**
- **Washington employment growth in June through August was more than expected in the June forecast.**
- **The Washington unemployment rate has remained steady since March, fluctuating between 4.8% and 4.9%.**
- **Washington housing permits ticked down in the second quarter of 2024.**
- **Seattle home prices increased in July and were up 6.0% compared with July 2023.**
- **Washington exports increased 1.6% from the second quarter of 2023 to the second quarter of 2024.**
- **Seattle consumer price inflation continued to outpace the national average in August.**
- **The Boeing machinists strike will temporarily reduce employment and wages.**

### Current Conditions

*The Washington economy continued to expand into 2024*

The Washington economy continued to expand in 2024. Unemployment increased earlier this year from 3.8% up to 4.8%, but has since leveled off. The unemployment rate has fluctuated between 4.8% and 4.9% since March. Washington housing permits fell in the second quarter of 2024. Washington exports increased 1.6% from the second quarter of 2023 to the second quarter of 2024. Seattle consumer price inflation continued to outpace the national average in August 2024.

*Washington nonfarm payroll employment increased 48,900 in the past year*

Washington employment continues to grow. Washington total nonfarm payroll expanded by 48,900 over the year from August 2023 to August 2024. This represents an increase of 1.4%. Government employment grew by 24,500, with growth spread across federal, state, and local governments. Private service providing employment increased 24,300 since August 2023, led

by a 17,500 job gain in education and health services. Construction employment grew by 800 and manufacturing adding 3,900 jobs. Aerospace product and equipment manufacturing employment growth made up the largest share of manufacturing growth, with 4,000 jobs added.

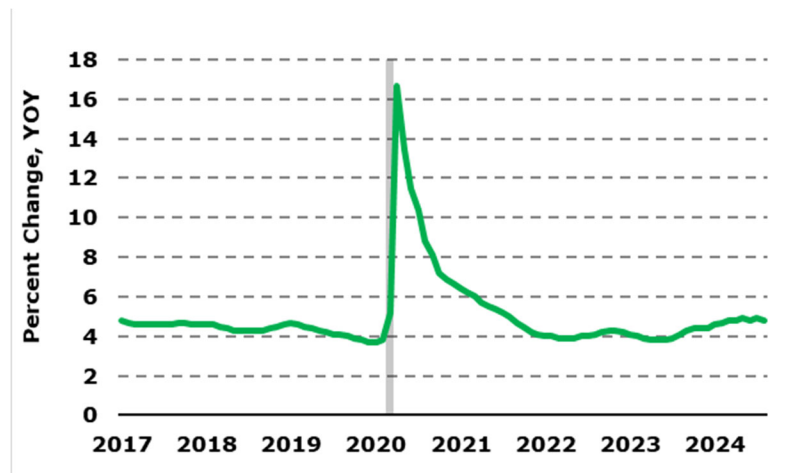
*Revisions reduced the level of employment*

Total seasonally adjusted nonfarm payroll employment increased 12,500 in June, July, and August which was 5,700 more than the increase of 6,800 expected in the June forecast. Revisions to employment data subtracted 7,100 (0.2%) to the estimated level of total employment in May 2024. The combined effect of the downward revision to historical data and the stronger growth in the last three months is that August employment is 1,400 (0.0%) lower than expected in the June forecast.

*Washington's unemployment rate is steady*

Washington's unemployment rate had been trending up since 2023 but has remained steady in recent months. The rate fluctuated between 4.8% and 4.9% since March of this year (see Figure 2.1). The unemployment rate decreased to 4.8% in August from 4.9% in July. The jobless rate was near a historic all-time low at 3.8% during the second quarter of 2023. Labor force participation dropped to 63.3% in August, which is down from 64.5% a year ago.

**Figure 2.1 Washington Unemployment Rate**



Source: Employment Security Department, data through August 2024

*Washington initial claims decreased in August*

Washington initial claims for unemployment insurance decreased in August by 600 to a seasonally adjusted number of 26,900, an increase of 2.2% compared to August 2023.

*Washington housing permits decreased in the second quarter of 2024*

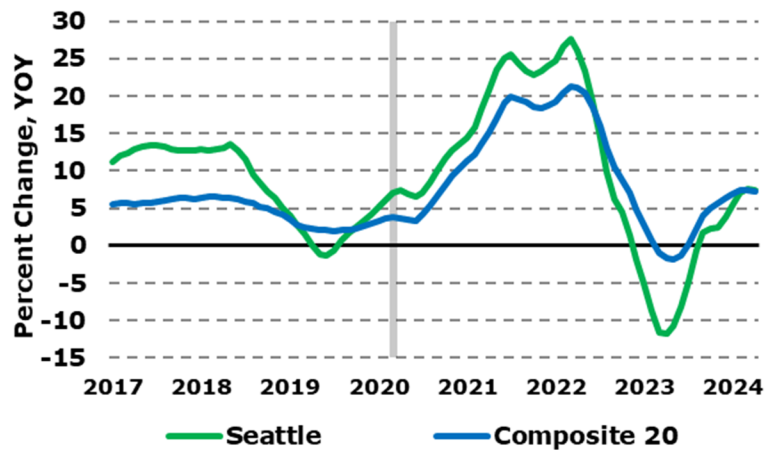
Washington housing permits fell in the second quarter of 2024. A total of 33,300 units (SAAR) were permitted in April, May, and June, down from 38,000 units (SAAR) in the first quarter. Permits in the second quarter consisted of 17,500 single-family units and 15,700 multi-family units. The June forecast assumed

35,500 units for the second quarter, consisting of 20,500 single-family units and 15,000 multi-family units. Permits increased by 2,100 units (SAAR) in July to 35,400. Permits consisted of 16,900 single-family units and 18,500 multi-family units. The June forecast expected 36,800 units (SAAR) for the third quarter as a whole consisting of 20,200 single-family units and 16,600 multi-family units.

*Seattle-area home prices slightly decreased in July*

According to the S&P/Case-Shiller Home Price Indices, Seattle-area home prices increased 1.1% in July which was higher than then the 0.3% composite-20 increase. Home prices in Seattle are up 6.0% compared with July 2023 (see Figure 2.2). In comparison, the composite-20 index was up 5.9% year-over-year in July.

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

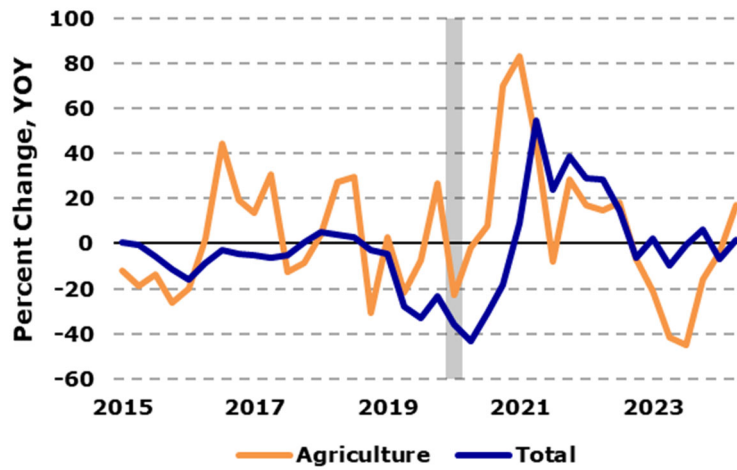


Source: S&P/Case-Shiller Home Price Indices; data through July 2024

*Washington exports increased 1.6% from the second quarter of 2023 to the second quarter of 2024*

According to the World Institute for Strategic Economic Research (WISER), Washington exports increased 1.6% from the second quarter of 2023 to the second quarter of 2024 (see Figure 2.3). Transportation equipment exports declined but agricultural exports increased from this period last year, falling 4.6% and increasing 17.2% respectively.

**Figure 2.3: Washington Exports**



Source: Wiser Trade; data through 2024 Q2

*Seasonally adjusted Washington car and truck sales increased for the third straight month*

Seasonally adjusted Washington car and truck sales increased in September. Seasonally adjusted sales have increased in three straight months. The seasonally adjusted number of new vehicle registrations increased 4.8% in September to 282,600 (SAAR). Passenger car registrations increased 5.7% while light truck registrations decreased 1.4%. The number of total registrations edged up 3.3% over the year in September.

*Washington personal income growth trailed the national average in the second quarter of 2024*

In September, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released the preliminary state personal income estimates for the second quarter of 2024. Washington personal income increased from \$657.3 billion (SAAR) in the first quarter of 2024 to \$665.4 billion in the second quarter of 2024. The 5.1% increase (SAAR) in Washington personal income was the 28th among the states and District of Columbia and trailed the 5.3% (SAAR) rate of increase for the U.S. as a whole. Growth in Washington net earnings slightly trailed the U.S. in the second quarter, with Washington earnings increasing 6.2% (SAAR) compared to 6.3% (SAAR) for the nation. Dividends, interest, and rent grew 1.5% (SAAR) in Washington compared to 1.5% (SAAR) for the nation. Transfer payments grew for both Washington and the nation, increasing 5.3% (SAAR) and 6.1% (SAAR) respectively. Net earnings increased in all 50 states and the District of Columbia. Earnings grew fastest in Idaho at 8.3%, and slowest in North Dakota at 2.1%.

*Seattle consumer price inflation outpaced the national average in August 2024*

Seattle-area consumer price inflation continues to outpace the national average. From August 2023 to August 2024, the Seattle CPI rose 3.1% compared to the 2.6% increase in the U.S. City average index. Inflation has come down sharply since reaching a peak in June of last year at 10.1% for Seattle and 9.1% for the U.S. Shelter costs in both Washington and the U.S. continue to outpace topline inflation, increasing 6.2% and 5.2% respectively. Core inflation (excluding food and energy) remains elevated.

Seattle core CPI rose 3.9% in August compared to 3.3% for the U.S. City average.

## Washington State Forecast

*The Washington forecast features slower nominal personal income growth from 2024 – 2026*

The Washington forecast features a slightly lower growth rate of nominal personal income in 2024, 2025, and 2026 compared to the June forecast. We expect a 5.2% increase in nominal Washington personal income this year, down from 5.3% in the June forecast. Compared to the June forecast, we expect stronger employment growth in 2025, but weaker growth thereafter. For 2025, we forecast 1.1% growth, up from 0.9%. Our unemployment rate forecast is a tick up from in June, up one tenth of a percentage point for each year. By 2029, we forecast 16,400 fewer jobs than the June forecast. We expect housing permits to total 35,600 units this year, down from the June forecast, and we expect permits to average 41,300 units in 2025 through 2029, down from the 43,000 units in the June forecast. We expect Seattle headline inflation to be 3.1% by the end of this year, down from 3.4% in the June forecast. We expect Seattle inflation to average 2.5% in 2025, down 0.1 percentage points from the June forecast. The Seattle CPI growth rate is predicted to gradually decline to 2.3% by 2029.

*The Boeing machinist strike is forecasted to temporarily reduce employment and wages*

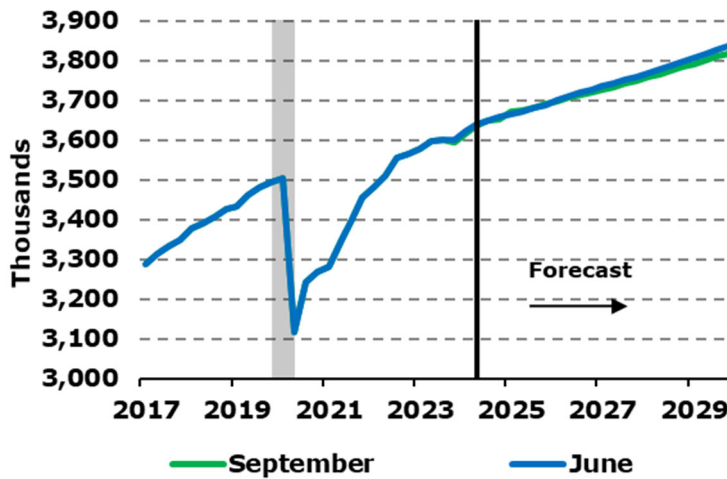
The September forecast incorporates the September 12<sup>th</sup> vote to go on strike by machinists at Boeing. We expect the impact to be transitory and not materially affect the forecast in the long term. Aerospace employment is reduced by approximately 30,000 in October 2024, but this reduction is temporary. We assume the strike duration is the average duration of Boeing labor strikes in recent years and Boeing workers are back on the payrolls in November. Wages associated with striking workers temporarily reduce our forecast of wages as well.

## Washington Payroll Employment

*Job growth is slightly lower than in June for 2024*

We expect the same job growth this year, but slightly stronger growth in 2025, and weaker growth from 2026 to 2029 than in the June forecast (see Figure 2.4). Washington employment is expected to increase 1.3% this year, which is the same growth rate expected in the June forecast. We forecast employment growth to average 0.8% from 2025 through 2029, which is slightly below the June forecast. Forecasted payroll employment is lower by the end of the forecast period (2029). We are projecting 16,400 fewer nonfarm payroll jobs for 2029 in the September forecast than we forecasted in the June forecast.

**Figure 2.4: Nonfarm Payroll Employment**



Source: Employment Security Department, ERFC; historical data through 2024 Q2

*Aerospace employment is increasing*

After the grounding of the 737 Max and then the pandemic, Washington’s aerospace employment declined from 89,600 at the end of 2019 to a low of 66,700 in August 2021, a loss of 22,800 jobs. Since August 2021, the industry added back 16,200 jobs, bringing the level to 83,000 in August 2024. The ongoing labor strike at Boeing is expected to be transitory and not materially affect the forecast in the long term. We expect aerospace employment to continue to expand in Washington, reaching a total of 90,700 jobs by the end of 2029. On an annual average basis, we expect aerospace employment to grow 2.8% this year, 5.3% in 2025, 4.9% in 2026, then slowing to 2.5% in 2027, 0.7% in 2028 and 0.0% in 2029.

*Software jobs are flat after a recent decline*

Software sector employment in Washington peaked in early 2023 at 88,500 jobs and proceeded to shed 4,500 that year. The decline in employment stopped in the first half of 2024. Year to date growth is flat, with the sector losing 300 so far in 2024. Employment sits at 83,300 in August 2024. We expect growth to continue during the remainder of the forecast with growth rates of 2.1% in 2025, 2.0% in 2026, 2.5% in 2027, 2.5% in 2028, and 2.4% in 2029.

*Construction employment is expected to increase through 2029*

Construction has recovered more than all the jobs lost in the recession because of a surge in residential construction which peaked in 2021. As of August 2024, construction employment was 4.0% higher than at its prior peak in February 2020. We expect construction employment to continue to expand throughout the forecast period, rising to 267,400 by 2029. On an annual basis, we expect construction employment to grow by 3.0% in 2025, 2.8% in 2026, 2.9% in 2027, 3.0% in 2028, and 2.9% in 2029.

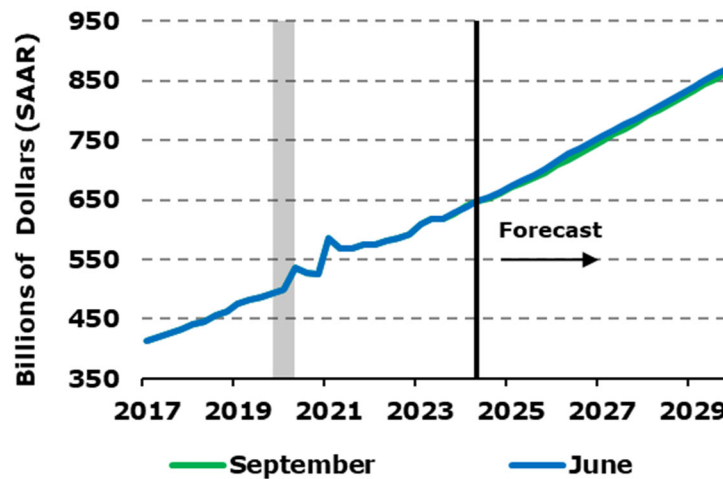


## Washington Personal Income

*Our forecast for nominal personal income growth this year is 5.3%*

There is a small decrease to the forecast of nominal personal income growth. For 2024, we forecasted 5.2% growth in the September forecast, down one tenth of a percentage point from the June forecast (see Figure 2.5). Our current forecast of nominal personal income growth is 5.0% in 2025, 5.9% in 2026, 5.7% in 2027, 5.6% in 2028, and 5.1% in 2029. These forecasted growth rates are generally lower than the June forecast. The expected 2029 nominal personal income is \$7.4 billion less than the 2029 forecasted amount from the June forecast.

**Figure 2.5: Washington Personal Income**



Source: Bureau of Economic Analysis, ERFC; historical data through 2024 Q2

## Washington Building Permits

*The Washington housing permit forecast is lower in 2024 than in June*

The Washington housing permit forecast for 2024 is lower than in June. The number of authorized housing units reached 56,900 in 2021 which was the highest annual total since 1978. Permits declined throughout 2022 and 2023 and averaged 49,000 and 37,100 respectively. We believe permits will begin to recover in 2025. In June, we forecasted strong growth in 2025 at 7.9%, but we now expect more modest growth of 5.9%. On a calendar year basis, we expect 37,700 units in 2025, 40,500 units in 2026, 42,100 units in 2027, 43,000 units in 2028 and 43,400 units in 2029.

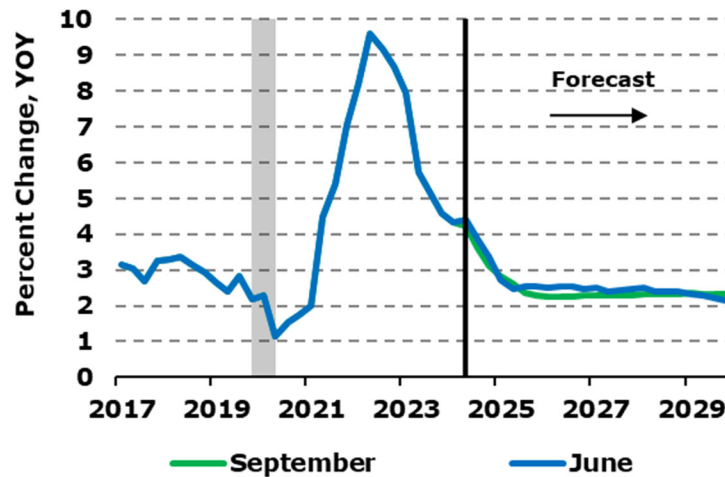
## Consumer Price Index

*Seattle consumer price index elevated in 2024, but continues to drop*

Year-over-year inflation is still high by historical standards but is continuing its descent. The near-term inflation outlook has decreased since the June forecast, and we expect price pressures to continue to diminish into 2025. The Seattle CPI peaked at 10.1% in June 2022 which was the highest rate since the 1980s but has generally trended down since that time. On an annual average basis, inflation is forecasted to grow 2.5% in 2025 and drop to 2.3% for the remainder of the forecast period (see Figure 2.6).

Table 2.1 provides a fiscal year summary of the state economic indicators. For calendar year tables, see the appendix.

**Figure 2.6 Seattle CPI**



Source: Bureau of Labor Statistics, ERFC; historical data through 2024 Q2

## Alternative Scenarios

*Alternative forecasts are required by law*

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

### Optimistic

*In the optimistic scenario, stronger consumer spending, stronger productivity and a faster resolution of the Russia- Ukraine conflict drive faster growth*

The optimistic scenario assumes stronger growth of consumer spending and stronger productivity relative to baseline. We assume that balance sheet issues in the banking sector continue to be successfully managed and that large deposit withdrawals do not repeat, allowing financial institutions to continue to support the economy through solid growth of credit. Moreover, a subsidence in the fighting in the Russia-Ukraine conflict and in the conflict in the Middle East allows for a lower path of energy

prices, while firms are able to effect large productivity gains, improving corporate profitability. The impact of the IIJA is greater than in the base forecast, constituting a source of modest upside risk over 2024-2028. GDP rises 0.7 percentage points faster than the baseline through 2025. The economy then grows below trend through 2028. GDP rises on average 2.7% over 2024 and 2025, versus 2.2% in the base.

*The optimistic scenario also assumes a stronger Washington economy*

In addition to reflecting the impact of the stronger U.S. forecast on the state economy, the optimistic scenario assumes that aerospace employment grows significantly faster than assumed in the baseline. Software employment also grows more rapidly than in the baseline forecast. In the optimistic scenario, the stronger regional economy drives Seattle consumer price inflation above the baseline. Washington average wage growth is also higher in the optimistic scenario than in the baseline. Construction employment also grows more rapidly in 2024-2029 than in the baseline forecast. Washington nonfarm payroll employment in 2029 is higher by 78,730 jobs (2.1%) than in the baseline forecast and Washington personal income is \$44.5 billion (5.2%) higher.

### **Pessimistic**

*Growth slows as consumer spending weakens*

The pessimistic scenario is characterized by a slight decline in both consumer spending and in GDP, compared to a growth slowdown in the baseline. Underlying this narrative is the assumption that balance sheet strains in the banking sector lead financial institutions to severely tighten lending standards and curtail credit expansion. As a result, credit-dependent consumer spending and small business activity suffer greatly. Moreover, higher energy prices due to a worsening in the conflicts currently underway in Ukraine and in the Middle East weigh heavily on businesses and households. GDP declines in late 2024 and through the first half of 2025, versus average growth of 1.6% in the baseline, and recovers weakly thereafter, remaining subdued relative to the baseline through 2025. On an annual basis, GDP growth averages an unimpressive 1.4% through 2025, versus growth averaging 2.2% in the base case.

*The pessimistic scenario also assumes a weaker local economy*

In addition to reflecting the impact of the weaker U.S. forecast on the state economy, aerospace employment peaks in the third quarter of 2024 and then declines. Software employment growth remains essentially flat over the forecast period. Construction employment peaks in the fourth quarter of 2024 and then reductions continue through 2027 when growth resumes. The relatively weak local economy also puts downward pressure on Washington wages and the Seattle CPI. Washington nonfarm payroll employment in 2029 is 198,400 (5.2%) lower than in the baseline forecast and Washington personal income is \$84.3 billion (9.8%) lower.

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

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

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

*The Governor’s Council of Economic Advisors’ (GCEA) national forecast has lower real growth and slightly higher inflation for 2024*

The Governor’s Council of Economic Advisors’ (GCEA) national forecast has lower real growth through 2026 and higher growth in the out years. The GCEA forecasts slightly higher inflation in 2024 and 2025 than our baseline forecast. The GCEA real GDP growth forecast averages 2.0% per year for 2024 through 2029, the same as our 2.0% per year rate. Their forecast of 2.0% average real consumer spending growth is slightly lower than our 2.1% average growth rate. The GCEA members’ personal consumption expenditures (PCE) inflation forecast averages 2.3% per year which is slightly higher than the 2.2% average rate in our forecast. The Council members’ mortgage rate forecast averages 5.3% over the six-year forecast horizon, which is the same as our average mortgage rate forecast. The GCEA Brent oil price forecast averages \$77 per barrel which is higher than our \$72 average Brent oil price.

*The Governor’s Council of Economic Advisors’ Washington forecast is similar to our baseline forecast*

The Governor’s Council of Economic Advisors’ Washington forecast is similar to our baseline forecast. The GCEA scenario for Washington real personal income growth averages 3.2% per year for 2024 through 2029, compared to our 3.2% average. The Council members’ forecast for total employment growth over the six-year period averages 1.1% per year, compared with our 1.0% average growth. The Council members’ forecast for manufacturing employment growth over the six-year period averages 0.4% per year compared to our 0.3% average growth rate. The Council members’ forecast for construction employment growth over the six-year period averages 2.7% per year compared to our 2.4% average growth rate. The GCEA housing permit forecast averages 41,100 units per year compared to our forecast of 40,400 units per year.

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

Table 2.1

Fiscal Years

**Washington Economic Forecast Summary**  
 Forecast 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	510.718	506.897	519.169	534.999	551.886	571.867	592.514	610.941
% Ch	-1.7	-0.7	2.4	3.0	3.2	3.6	3.6	3.1
Real Wage and Salary Disb.	269.531	271.999	281.605	291.291	296.978	305.914	316.887	326.919
% Ch	3.3	0.9	3.5	3.4	2.0	3.0	3.6	3.2
Real Nonwage Income	241.187	234.898	237.564	243.708	254.908	265.953	275.627	284.021
% Ch	-6.7	-2.6	1.1	2.6	4.6	4.3	3.6	3.0
Real Per Capita Income (\$/Person)	65,793	64,995	66,284	67,770	69,365	71,422	73,577	75,415
% Ch	-2.1	-1.2	2.0	2.2	2.4	3.0	3.0	2.5
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.126	1.186	1.219	1.244	1.272	1.300	1.325	1.354
% Ch	6.0	5.3	2.8	2.0	2.3	2.2	2.0	2.2
Seattle Cons. Price Index (1982-84=1.0)	3.089	3.332	3.484	3.590	3.672	3.756	3.842	3.932
% Ch	7.6	7.9	4.6	3.0	2.3	2.3	2.3	2.3
Average Nonfarm Annual Wage	85,404	87,981	92,721	96,545	99,763	104,181	109,169	114,055
% Ch	4.0	3.0	5.4	4.1	3.3	4.4	4.8	4.5
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.08	29.54	31.06	33.02	34.21	35.48	36.72	38.05
% Ch	4.4	1.6	5.2	6.3	3.6	3.7	3.5	3.6
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	574.810	601.178	633.001	665.640	702.240	743.393	785.295	827.304
% Ch	4.1	4.6	5.3	5.2	5.5	5.9	5.6	5.3
Disposable Personal Income	498.949	525.149	555.479	580.429	611.456	646.338	680.940	717.204
% Ch	1.8	5.3	5.8	4.5	5.3	5.7	5.4	5.3
Per Capita Income (\$/Person)	74,048	77,083	80,817	84,318	88,261	92,844	97,516	102,122
% Ch	3.7	4.1	4.8	4.3	4.7	5.2	5.0	4.7
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,922.6	4,001.5	4,028.1	4,027.8	4,060.4	4,091.9	4,119.6	4,145.9
Total Washington Employment	3,754.7	3,839.6	3,846.3	3,829.1	3,857.3	3,887.4	3,917.3	3,949.0
Unemployment Rate (%)	4.28	4.05	4.51	4.93	5.00	5.00	4.91	4.75
Nonfarm Payroll Employment	3,461.8	3,574.7	3,612.1	3,661.9	3,695.1	3,724.3	3,754.3	3,788.5
% Ch	5.4	3.3	1.0	1.4	0.9	0.8	0.8	0.9
Manufacturing	263.7	272.3	275.6	275.1	276.4	278.3	278.5	278.8
% Ch	1.2	3.2	1.2	-0.2	0.5	0.7	0.1	0.1
Durable Manufacturing	177.8	185.1	190.3	189.7	192.8	195.3	195.4	194.9
% Ch	-0.5	4.1	2.8	-0.3	1.6	1.3	0.1	-0.3
Aerospace	68.3	74.3	80.6	80.3	85.9	89.4	90.6	90.8
% Ch	-3.7	8.8	8.5	-0.5	7.0	4.0	1.3	0.3
Nondurable Manufacturing	85.9	87.2	85.3	85.4	83.6	83.0	83.1	83.9
% Ch	4.7	1.5	-2.2	0.1	-2.1	-0.7	0.2	1.0
Construction	227.8	234.4	229.7	235.3	241.6	248.7	256.0	263.6
% Ch	3.8	2.9	-2.0	2.4	2.7	3.0	2.9	2.9
Service-Providing	2,964.7	3,062.5	3,101.4	3,146.7	3,172.4	3,192.5	3,214.7	3,240.8
% Ch	6.0	3.3	1.3	1.5	0.8	0.6	0.7	0.8
Software Publishers	82.8	87.5	83.9	84.2	86.0	87.9	90.2	92.4
% Ch	6.4	5.7	-4.1	0.3	2.2	2.2	2.6	2.4
Mgmt. of Companies and Enterprises	97.5	103.4	100.9	103.4	106.9	109.9	112.7	115.4
% Ch	6.8	6.0	-2.4	2.5	3.3	2.8	2.5	2.4
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	58.001	40.521	35.236	36.244	39.136	41.452	42.628	43.161
% Ch	17.3	-30.1	-13.0	2.9	8.0	5.9	2.8	1.3
Single-Family	23.888	16.768	19.288	18.156	20.804	22.254	22.760	22.921
% Ch	-8.8	-29.8	15.0	-5.9	14.6	7.0	2.3	0.7
Multi-Family	34.113	23.753	15.948	18.089	18.333	19.198	19.868	20.240
% Ch	46.5	-30.4	-32.9	13.4	1.3	4.7	3.5	1.9
30-Year Fixed Mortgage Rate (%)	3.88	6.31	7.03	6.00	5.24	4.96	4.94	4.89

Table 2.2  
**Comparison of Alternative Forecasts**

Fiscal Years

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP, Percent Change</b>						
Optimistic	3.0	2.5	2.5	1.9	1.7	1.6
Baseline	3.0	2.0	1.9	2.0	2.0	2.0
Pessimistic	3.0	1.2	0.8	2.1	2.1	2.0
<b>PCE Price Index, Percent Change</b>						
Optimistic	2.8	2.1	2.6	2.3	2.2	2.1
Baseline	2.8	2.0	2.3	2.2	2.0	2.0
Pessimistic	2.8	2.4	2.2	1.7	1.5	1.4
<b>Mortgage Rate, Percent</b>						
Optimistic	7.03	6.18	5.45	5.13	5.09	5.06
Baseline	7.03	6.00	5.24	4.96	4.93	4.92
Pessimistic	7.03	6.17	5.05	4.44	4.35	4.27
<b>3 Month T-Bill Rate, Percent</b>						
Optimistic	5.26	5.07	3.75	2.77	2.70	2.67
Baseline	5.26	4.51	2.82	2.39	2.37	2.36
Pessimistic	5.26	4.47	1.69	0.59	0.58	0.58
<b>Washington</b>						
<b>Real Personal Income, Percent Change</b>						
Optimistic	2.7	5.1	4.5	3.8	3.7	3.7
Baseline	2.4	3.0	3.2	3.6	3.6	3.7
Pessimistic	2.1	0.7	0.9	2.7	3.0	3.1
<b>Personal Income, Percent Change</b>						
Optimistic	5.6	7.4	7.2	6.2	6.0	5.8
Baseline	5.3	5.2	5.5	5.9	5.8	5.7
Pessimistic	5.0	3.1	3.1	4.4	4.5	4.5
<b>Employment, Percent Change</b>						
Optimistic	1.1	1.8	1.3	1.1	1.1	1.1
Baseline	1.0	1.4	0.9	0.8	0.8	0.7
Pessimistic	1.0	0.0	-1.1	-0.1	0.0	0.1
<b>Housing Permits, Thousands of Authorized Units</b>						
Optimistic	35.3	36.9	40.9	43.9	44.4	44.9
Baseline	35.2	36.2	39.1	41.5	41.8	42.1
Pessimistic	35.2	34.1	33.8	34.7	34.9	35.1

Table 2.3

Calendar Years

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

	2024	2025	2026	2027	2028	2029
<b>U.S.</b>						
<b>Real GDP</b>						
<i>Growth</i>						
ERFC	2.6	1.8	2.0	2.0	1.9	1.9
GCEA Average	2.4	1.8	1.7	2.0	2.1	2.1
<b>Real Consumption</b>						
<i>Growth</i>						
ERFC	2.4	1.9	2.1	2.0	2.0	2.0
GCEA Average	2.2	1.9	1.8	1.9	2.0	2.1
<b>PCE Price Index</b>						
<i>Growth</i>						
ERFC	2.4	2.0	2.4	2.0	2.1	2.1
GCEA Average	2.5	2.2	2.2	2.2	2.3	2.2
<b>Mortgage Rate</b>						
<i>Percent</i>						
ERFC	6.6	5.5	5.1	4.9	4.9	4.9
GCEA Average	6.6	5.5	4.9	5.0	5.0	5.0
<b>Oil Price (Brent)</b>						
<i>Dollars per barrel</i>						
ERFC	79.9	71.1	70.1	69.5	69.2	69.1
GCEA Average	81.0	77.9	77.3	77.5	75.3	75.7
<b>Washington State</b>						
<b>Real Personal Income</b>						
<i>Growth</i>						
ERFC	2.7	3.0	3.5	3.7	3.4	2.9
GCEA Average	2.8	3.2	3.4	3.3	3.4	2.9
<b>Wage and Salary Employment</b>						
<i>Growth</i>						
ERFC	1.3	1.1	0.8	0.7	0.9	0.9
GCEA Average	1.4	1.1	1.0	1.0	1.1	1.1
<b>Manufacturing Employment</b>						
<i>Growth</i>						
ERFC	0.5	0.4	0.4	0.3	0.2	0.0
GCEA Average	1.1	-0.4	0.7	0.4	0.3	0.4
<b>Construction Employment</b>						
<i>Growth</i>						
ERFC	-0.2	3.0	2.8	2.9	3.0	2.9
GCEA Average	0.5	3.3	3.1	3.2	3.2	3.2
<b>Housing Permits</b>						
<i>Thousands of authorized units</i>						
ERFC	35.6	37.7	40.5	42.1	43.0	43.4
GCEA Average	36.0	38.9	41.1	42.8	43.7	44.2
<b>Washington Average Annual Wage</b>						
<i>Growth</i>						
ERFC	4.7	3.3	4.0	4.7	4.8	4.1
GCEA Average	4.7	4.2	4.5	4.2	4.5	3.9

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

<b>Washington</b>	Average Annual Rate of Growth (Percent) 2023:2-2025:2			Average Annual Rate (Thousands) 2023:3 to 2025:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
<b>2020</b>				
February	0.6	5.0	2.9	42.3
June	0.9	4.1	2.4	38.2
September	1.2	4.4	2.6	39.7
November	1.1	4.7	2.8	41.4
<b>2021</b>				
March	1.4	5.3	3.4	43.5
June	1.4	4.9	3.0	45.2
September	1.3	5.2	3.2	44.1
November	1.0	5.2	3.0	43.4
<b>2022</b>				
February	1.0	5.3	3.1	44.2
June	0.7	5.4	3.6	48.8
September	0.7	5.1	3.1	46.8
November	0.7	5.1	3.0	45.9
<b>2023</b>				
March	0.2	5.0	2.7	42.1
June	0.4	4.7	2.4	42.4
September	0.4	5.0	2.5	42.2
November	0.9	5.3	2.9	40.6
<b>2024</b>				
February	1.1	5.1	3.1	40.4
June	1.0	5.1	2.6	37.0
September	1.1	4.8	2.5	35.7



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

<b>Washington</b>	Average Annual Rate of Growth (Percent) 2025:2-2027:2			Average Annual Rate (Thousands) 2025:3 to 2027:2
	<b>Employment</b>	<b>Personal Income</b>	<b>Real Personal Income</b>	<b>Housing Units Authorized</b>
<b>2022</b>				
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
<b>2023</b>				
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
<b>2024</b>				
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

Table 2.6  
**Forecast Comparison**  
 Forecast 2024 to 2029

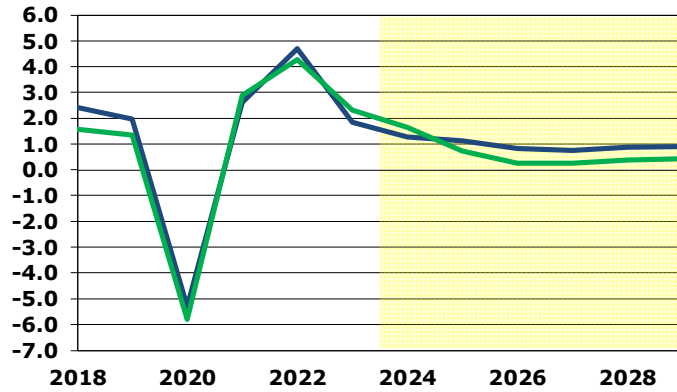
Fiscal Years

	2023	2024	2025	2026	2027	2028	2029
<b>Washington</b>							
<b>Real Personal Income</b>							
September	506.897	519.169	534.999	551.886	571.867	592.514	610.941
% Ch	-0.7	2.4	3.0	3.2	3.6	3.6	3.1
June	506.913	519.136	534.864	553.129	573.834	590.435	609.397
% Ch	-0.7	2.4	3.0	3.4	3.7	2.9	3.2
<b>Personal Income</b>							
September	601.178	633.001	665.640	702.240	743.393	785.295	827.304
% Ch	4.6	5.3	5.2	5.5	5.9	5.6	5.3
June	601.197	633.101	668.466	708.726	751.801	790.916	834.045
% Ch	4.6	5.3	5.6	6.0	6.1	5.2	5.5
<b>Employment</b>							
September	3574.7	3612.1	3661.9	3695.1	3724.3	3754.3	3788.5
% Ch	3.3	1.0	1.4	0.9	0.8	0.8	0.9
June	3574.7	3616.6	3662.6	3694.6	3731.5	3765.4	3803.6
% Ch	3.3	1.2	1.3	0.9	1.0	0.9	1.0
<b>Housing Permits</b>							
September	40.521	35.236	36.244	39.136	41.452	42.628	43.161
% Ch	-30.1	-13.0	2.9	8.0	5.9	2.8	1.3
June	40.521	35.790	38.309	40.995	42.905	44.150	44.840
% Ch	-30.1	-11.7	7.0	7.0	4.7	2.9	1.6

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

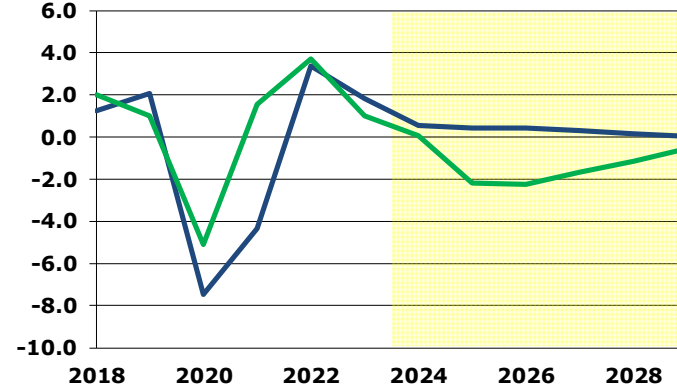
Forecast

Total Nonfarm Payroll Employment



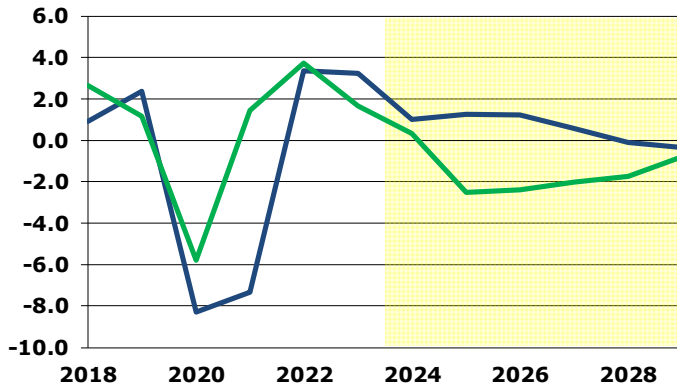
Source: WA State Employment Security Dept. 2023, ERFC 2029

Manufacturing Employment



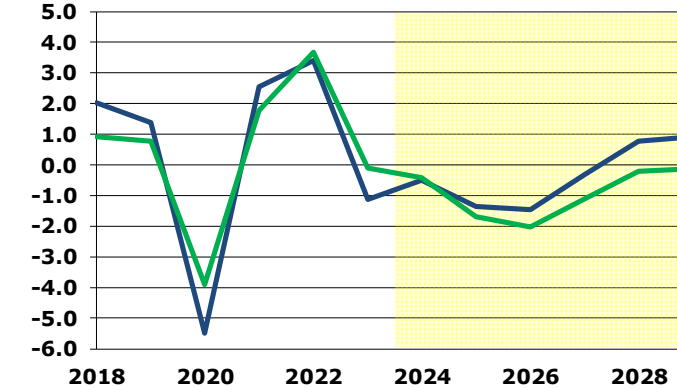
Source: WA State Employment Security Dept. 2023, ERFC 2029

Durable Manufacturing Employment



Source: WA State Employment Security Dept. 2023, ERFC 2029

Nondurable Manufacturing Employment



Source: WA State Employment Security Dept. 2023, ERFC 2029

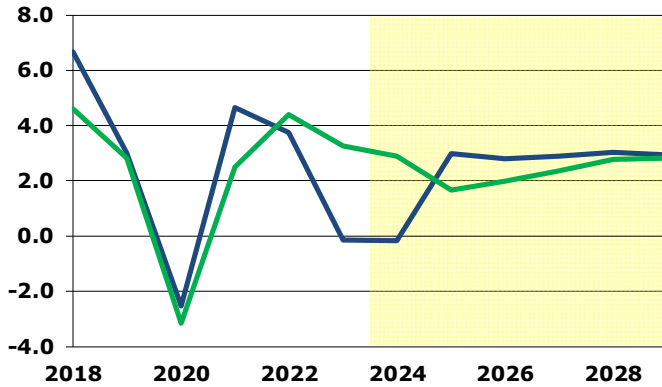
Washington

U.S.

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

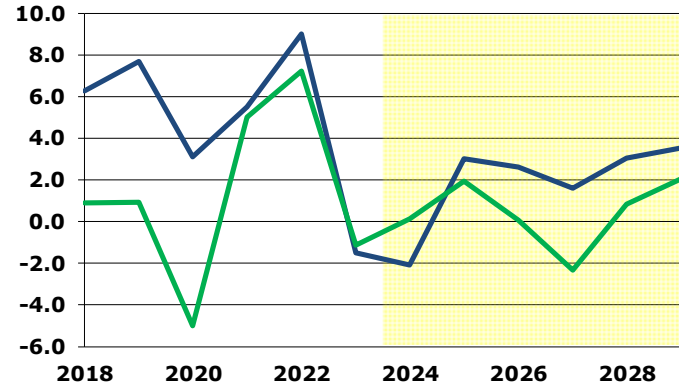
Forecast

Construction Employment



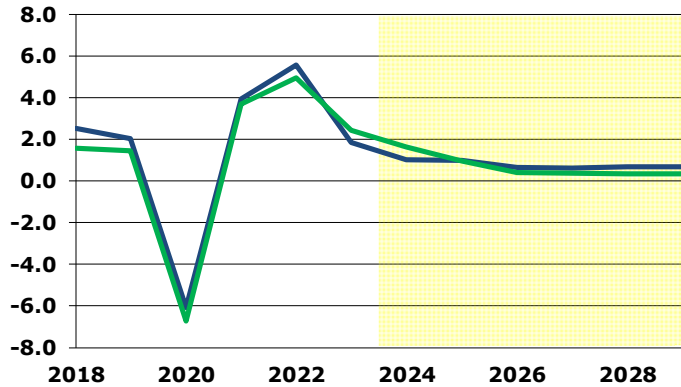
Source: WA State Employment Security Dept. 2023, ERFC 2029

Information Employment



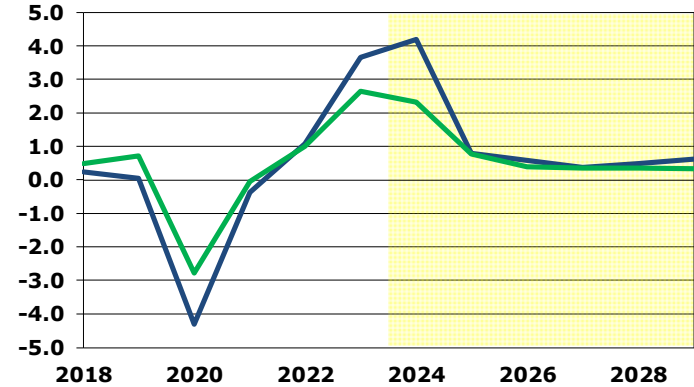
Source: WA State Employment Security Dept. 2023, ERFC 2029

Other Private Employment



Source: WA State Employment Security Dept. 2023, ERFC 2029

Government Employment



Source: WA State Employment Security Dept. 2023, ERFC 2029

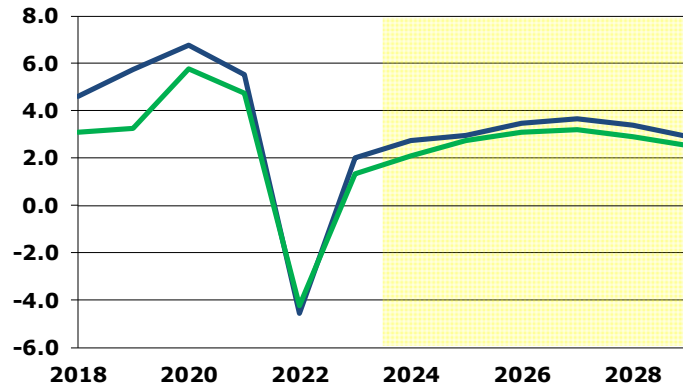
Washington

U.S.

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

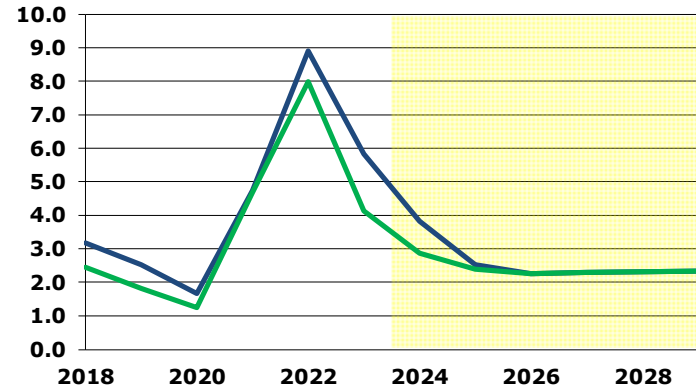
Forecast

Real Personal Income



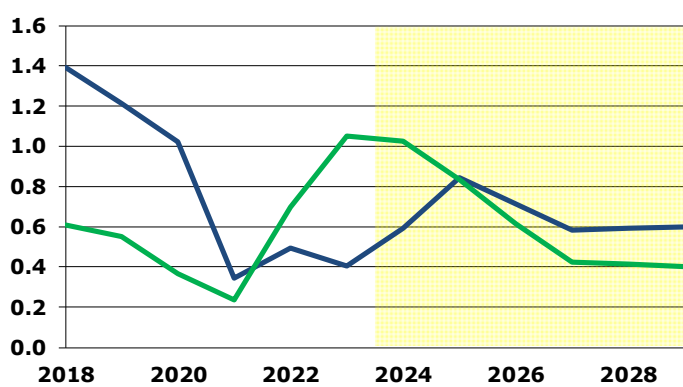
Source: Bureau of Economic Analysis 2023, ERFC 2029

Consumer Price Indices



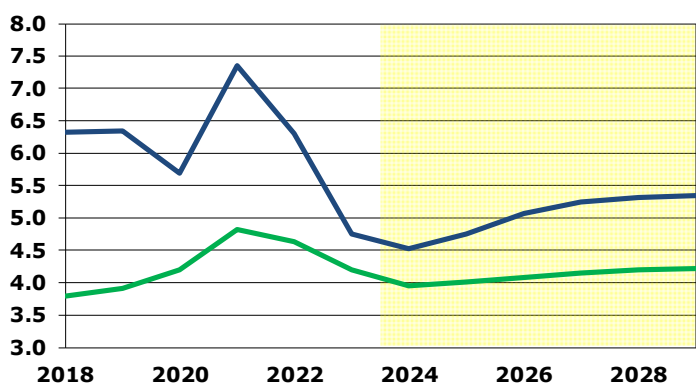
Source: Bureau of Labor Statistics 2023, ERFC 2029

Population



Source: Bureau of Economic Analysis 2023, ERFC 2029

New Housing Units Per 1,000 Population (Level)



Source: Census Bureau, Bureau of Economic Analysis 2023, ERFC 2029

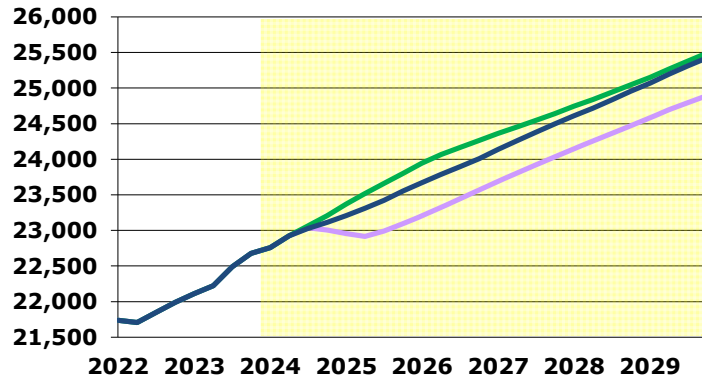
Washington

U.S.

Figure 2.8: Comparison of Alternative U.S. Economic Forecasts

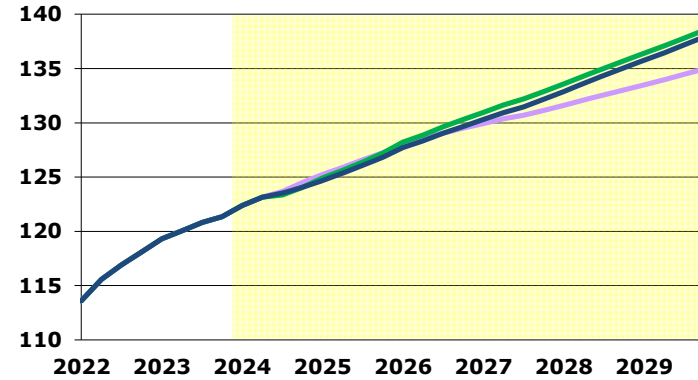
Forecast

Real GDP, Billions of 2017 Dollars



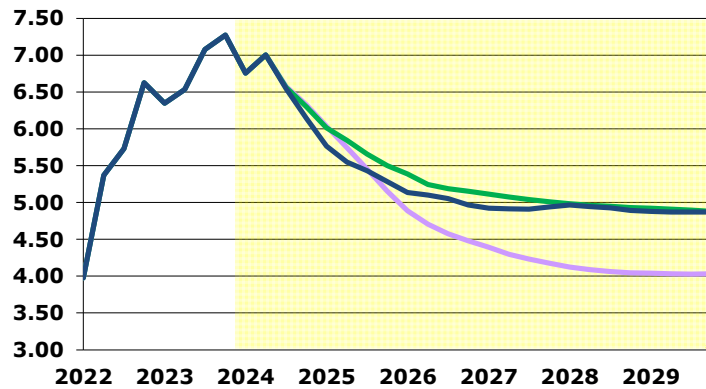
Source: Bureau of Economic Analysis 2024 Q1, ERFC 2029 Q4

PCE Price Index, 2017 = 100



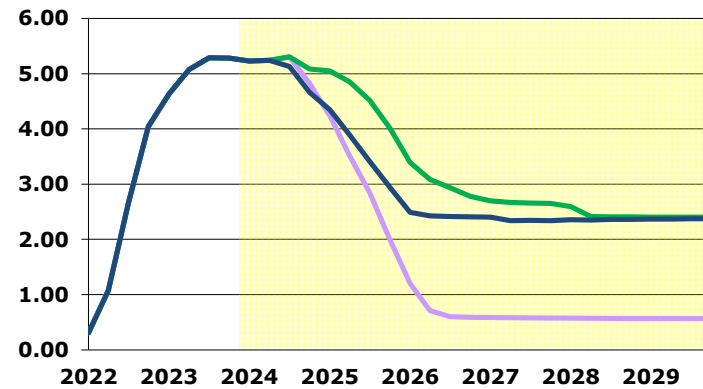
Source: Bureau of Economic Analysis 2024 Q1, ERFC 2029 Q4

Mortgage Rate, Percent



Source: Freddie Mac 2024 Q1, ERFC 2029 Q4

Three Month T-Bill Rate, Percent



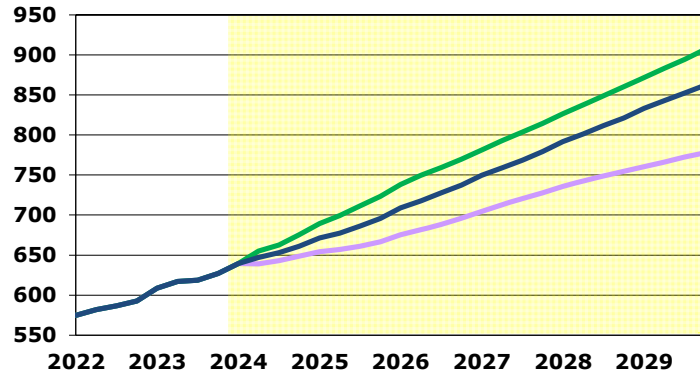
Source: Federal Reserve Board 2024 Q1, ERFC 2029 Q4

■ Baseline    ■ Optimistic    ■ Pessimistic

Figure 2.9: Comparison of Alternative Washington Economic Forecasts

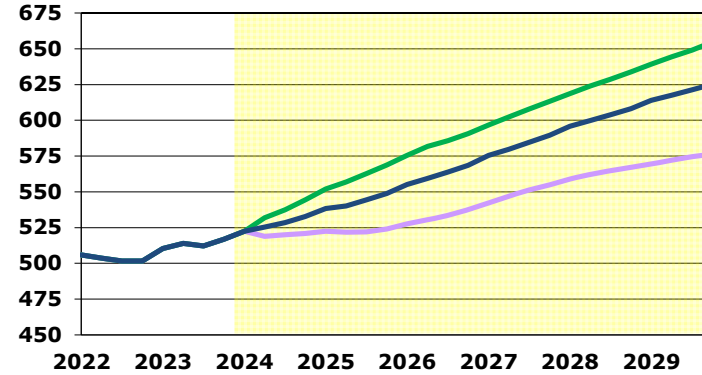
Forecast

Personal Income, Billions of Dollars



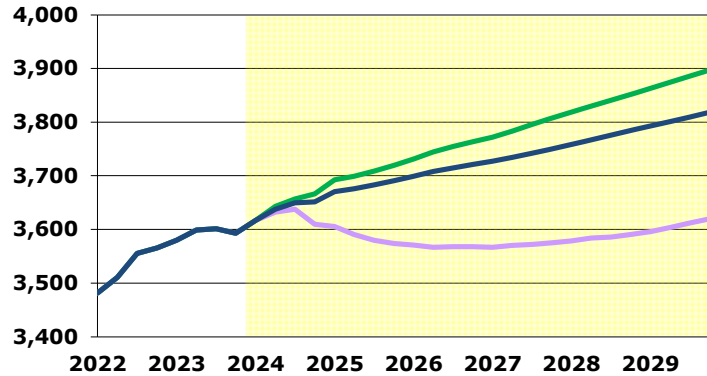
Source: Bureau of Economic Analysis 2024 Q1, ERFC 2029 Q4

Real Personal Income, Billions of 2017 Dollars



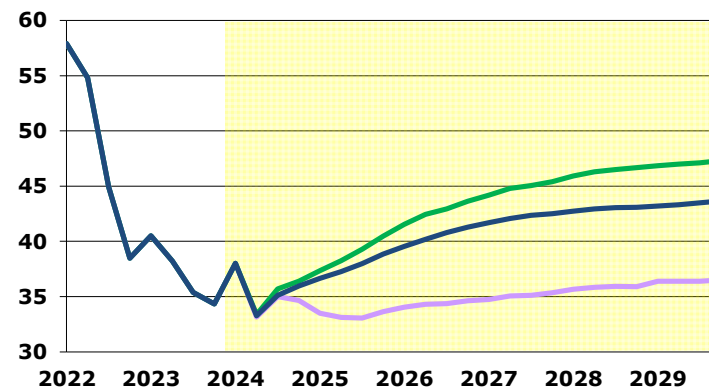
Source: Bureau of Economic Analysis 2024 Q1, ERFC 2029 Q4

Total Nonfarm Payroll Employment, Thousands



Source: WA State Employment Security 2024 Q1, ERFC 2029 Q4

Housing Permits, Thousands



Source: Census Bureau 2024 Q1, ERFC 2029 Q4

■ Baseline      ■ Optimistic      ■ Pessimistic



## Chapter 3: Washington State Revenue Forecast Summary

- **Tracked revenue collections since June have come in close to their forecasted amounts.**
- **The September economic forecast predicts lower state personal income and construction activity. This has resulted in slight decreases in forecasted Revenue Act taxes throughout the forecast period.**
- **Forecasted real estate excise taxes have increased due to higher-than-expected taxable activity since the last forecast.**
- **Much of the decrease in forecasted General Fund-State revenue was offset by increases in other non-General Fund forecasts.**
- **The forecast of funds subject to the budget outlook process was decreased by \$49 million in the 2023-25 biennium, increased by \$79 million in the 2025-27 biennium and decreased by \$69 million in the 2027-29 biennium.**

### Overview

*Revenue collections have come in close to the forecast, but the economic forecast is slightly weaker than the previous forecast*

Total tracked revenue collections since June have come in close to their forecasted amounts. The September economic forecast, however, projects slightly lower personal income and construction activity throughout the forecast period. This has resulted in decreases in forecasted Revenue Act taxes. Forecasted real estate excise taxes, have increased due to the higher-than-expected taxable activity. There were also non-economic increases to GF-S revenue in forecasts from the Office of Financial Management. Decreases in forecasted General Fund-State revenue were partially offset by increased revenue projections in other funds subject to the outlook process.

*Total forecast change by biennium (millions):*

23-25: *-\$49*  
25-27: *+\$79*  
27-29: *-\$69*

Table 3.1 summarizes the changes to forecasted revenue in funds subject to the budget outlook process for the 2023-25 and 2025-27 biennia. Forecasted revenue was decreased by \$49.2 million in the 2023-25 biennium, increased by \$79.1 million in the 2025-27 biennium and decreased by \$68.6 million in the 2027-29 biennium. A portion of the forecast revision was due to non-economic changes to the forecasts compiled by the OFM of revenue from various other agencies. These changes added \$15.0 million in expected revenue to the current biennium, \$63.2 million to the next biennium and \$52.6 million to revenue for the 2027-29 biennium. The September 2024 forecast for funds



subject to the budget outlook process total \$66,479.2 million in the 2023-25 biennium, \$71,611.3 million in the 2025-27 biennium and \$76,975.8 million in the 2027-29 biennium.

September  
forecast by  
biennium  
(\$billions):

2023-25:  
\$66.479

2025-27:  
\$71.611

2027-29:  
\$76.976

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

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

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

	<b>2023-25 Biennium</b>	<b>2025-27 Biennium</b>	<b>2027-29 Biennium</b>
Non-Economic Change	\$15.0	\$63.2	\$52.6
Forecast Change	(\$64.1)	\$15.9	(\$121.2)
<b>Total Change</b>	<b>(\$49.2)</b>	<b>\$79.1</b>	<b>(\$68.6)</b>

(\*cash basis, millions of dollars)

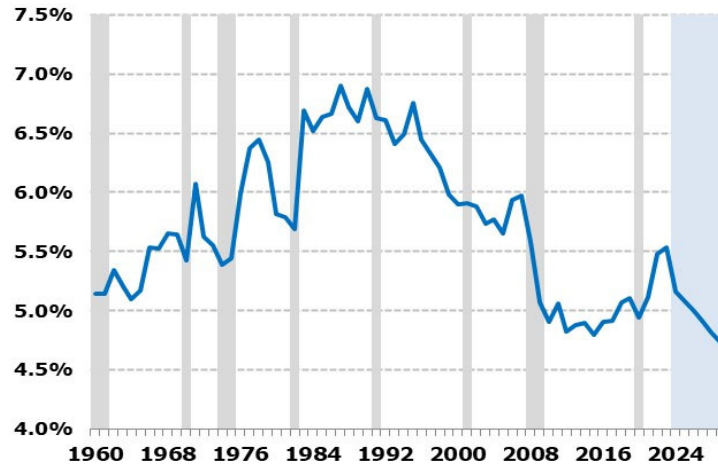
The budget outlook process ensures that the budget adopted for the current biennium will also be sustainable in the next biennium given forecasted revenue. The funds that are currently included when establishing the outlook are the General Fund-State, the Education Legacy Trust Account, the Washington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

Figure 3.1 shows the ratio of revenue collected for funds subject to the budget outlook relative to state personal income. Through FY 2005, the revenue represented in the chart is what is currently defined as GF-S revenue. From FY 2006 onward the revenue includes the Education Legacy Trust Account (ELTA), which in its early years was wholly funded by the estate tax and a portion of the cigarette tax. From FY 2011 onward, the total includes the Washington Opportunity Pathways account (OPA), which is funded by Lottery receipts. From FY 2020 onward the total includes the Workforce Education Investment Account (WEIA), funded by a surtax on large service providers and companies that involve advanced computing. As can be seen in the chart, the ratio of revenue to income followed a downward trend from FY 1995 to FY 2015, broken only by the housing boom that raised the ratio from 2005 to mid-2008, and by temporary taxes and transfers of funds from non-GF-S sources into the GF-S that again boosted the ratio in FY 2011. While the ratio grew slightly in FY 2016 and FY 2017, it increased rapidly in FY 2018 and FY 2019 when the state property tax levy increased to partially displace local levies and increased further in FY 2020 with the establishment of the graduated real estate excise tax. The pandemic-related booms in real estate and spending on goods, coupled with the new WEIA surtax, increased the ratio further in FY 2021 and FY 2022, and the new tax on certain capital gains increased the ratio further in FY 2023. From FY 2024 onward, however, total revenues are expected to grow at a

rate lower than the rate of income growth, causing the ratio to continue its pre-FY 2015 downward trend through FY 2029.

**Figure 3.1: Funds subject to the budget outlook as a Percentage of State Personal Income (Fiscal Years)**

*Total revenue relative to state personal income has generally been increasing since 2015 but is expected to decline after FY 2023*



Source: ERFC, data through fiscal year 2023. Gray shaded area indicates recession; blue shaded area indicates forecast.

### Track Record for 2023-25 and 2025-27 Biennial forecasts

*The forecast for the current biennium is \$738 million higher than was forecasted at the time of the initial 2023-25 budget*

Table 3.10 summarizes the historical changes to the forecast of funds subject to the budget outlook for the 2023-25 biennium and Table 3.11 tracks changes to the 2025-27 forecast. The February 2020 forecast was the initial forecast for the 2023-25 biennium. The current forecast of total revenue is \$6.36 billion (11.1%) higher than the initial forecast. Non-economic changes have increased the forecast by \$0.61 billion (1.0%). Excluding non-economic changes, the current forecast is \$6.03 billion (10.1%) higher than the initial forecast. The March 2023 forecast, coupled with a \$287 million revenue increase from legislative and budget-driven revenue changes passed in the 2023 legislative session after the March forecast, was the basis for the initial budget for the 2023-25 biennium. The current forecast of biennial revenue is \$738 million (1.1%) higher than that sum. The February 2022 forecast was the initial forecast for the 2025-27 biennium. The current forecast for the biennium is \$1.59 billion (2.3%) higher than the initial forecast.

### Recent Collection Experience

*Tracked collections were \$26 million (0.4%) 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 \$26.0 million (0.4%) higher than expected (see Table 3.2). Revenue Act collections reported by the DOR were \$0.7 million (0.0%) lower than forecasted and revenue from other DOR tax sources was \$24.8 million (2.8%) higher than forecasted.

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

<u>Agency/Source</u>	<u>Collection Variance</u>	<u>Percent of Estimate</u>
Department of Revenue		
Revenue Act	(\$0.7)	0.0%
Non-Revenue Act	\$24.8	2.8%
Subtotal	\$24.1	0.4%
Washington court system	\$1.8	15.2%
<b>Total*</b>	<b>\$26.0</b>	<b>0.4%</b>

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

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

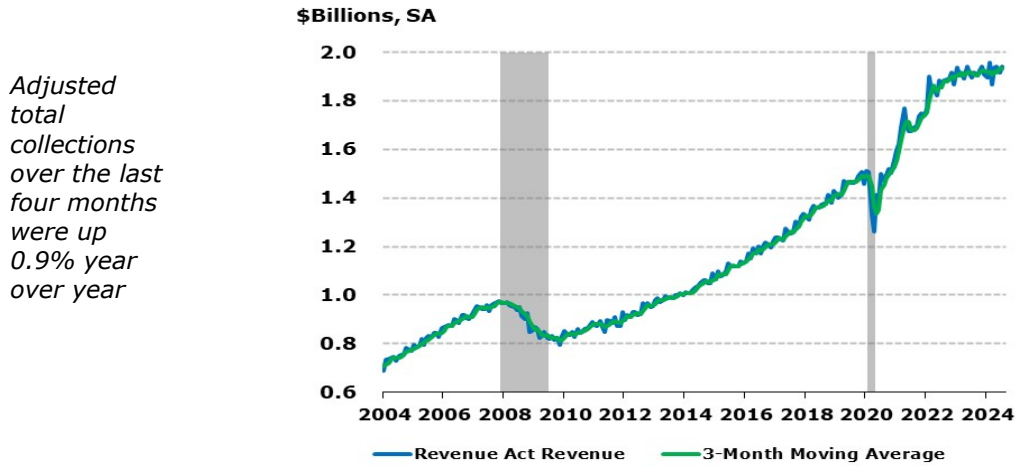
*Non-Revenue Act DOR tax collections were higher than forecasted due to real estate excise tax collections*

The surplus in non-Revenue Act collections was due to real estate excise tax (REET) collections, which came in \$50.3 million (17.3%) higher than forecasted. Property tax collections came in \$0.7 million (0.2%) lower than forecasted. Cigarette tax collections came in \$3.5 million (5.2%) lower than forecasted while liquor sales and liter tax receipts came in \$2.0 million (2.2%) higher than forecasted. Net refunds of unclaimed property from the GF-S were \$5.6 million higher than forecasted. Revenue from all other DOR revenue sources came in \$17.8 million (31.1%) lower than forecasted. Revenue from the Washington court system was \$1.8 million (15.2%) higher than forecasted.

*Adjusted Revenue Act collections were up 0.6% year over year for second quarter 2024 activity after 0.0% growth in the first quarter*

Figure 3.2 shows seasonally adjusted Revenue Act receipts excluding payments received under the tax amnesty program in early 2011 and other large payments. It is also adjusted for past changes in payment patterns and deferred payments in the first half of 2020. As shown in the figure, growth in collections began to slow in 2023. While seasonally adjusted collections have shown occasional month-to-month declines, year-over-year quarterly growth has remained low but positive. Adjusted collections for second quarter 2024 activity (May 11 – August 10, 2024 collections) were up 0.6% year over year. Adjusted collections for first quarter activity (February 11 – May 10 collections) were up 0.03% year over year. Adjusted collections for third quarter and fourth quarter 2023 activity were both up 1.0% year over. Adjusted collections for June 2024 activity were down 2.2% year over year while collections for July 2024 activity were up 3.4% year over year. Total adjusted collections in the three months since the last forecast were up 0.6% year over year.

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

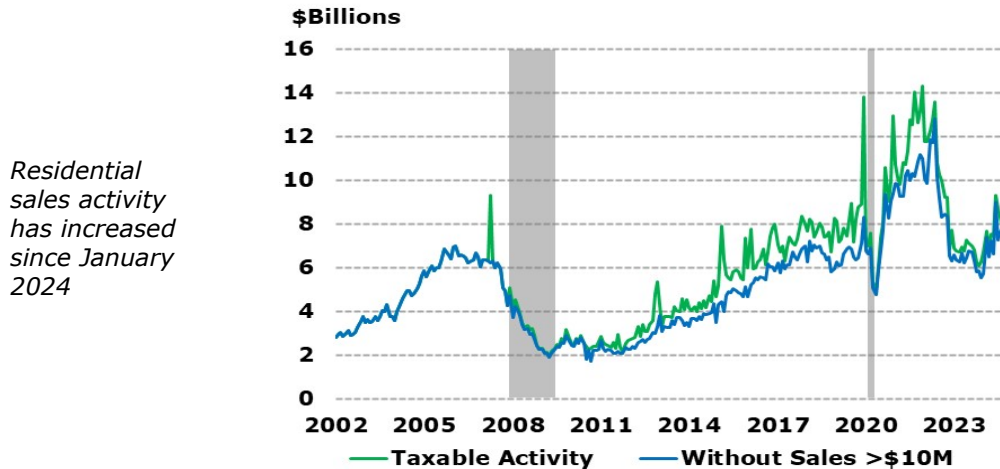


Source: ERFC; Data through September 10, 2024  
 \*Adjusted for large payments/refunds, payment pattern changes and deferred payments

*Real estate activity has been higher than forecasted in June*

Taxable real estate activity has been higher than the June forecast. Sales of property valued below \$10 million saw declines starting in the middle of 2023 but began to rebound in January and have since fluctuated around a higher level (see Figure 3.3). Large commercial sales (sales greater than \$10 million) have also increased recently, averaging a total of \$700 million per month over the last three months.

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



Source: ERFC estimates through August 2024

## General Fund-State Revenue Forecast by Source

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

The General Fund-State (GF-S) is the largest of the funds subject to the budget outlook, consisting of most of the commonly paid state taxes. The history and forecast of nominal and real GF-S revenue by biennium can be found in Table 3.3. GF-S forecast changes by agency and major revenue classification for the 2023-25 biennium can be found in Table 3.5 (cash) and Table 3.6 (GAAP). Forecast changes for the 2025-27 biennium can be found in Table 3.7 (cash) and Table 3.8 (GAAP). The GF-S forecast by fiscal year and major source category through FY 2025 can be found in Table 3.9.

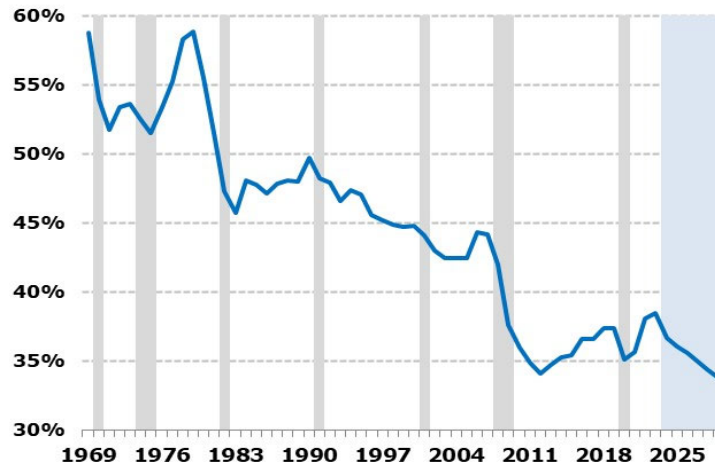
## Department of Revenue

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

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

**Figure 3.4: Taxable Sales\* as 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. Gray shaded area indicates recession, blue shaded area indicates forecast.  
Source: ERFC; Data through FY23, forecast through FY29

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

The retail sales tax is the largest source of GF-S revenue, accounting for 47.8% of GF-S revenue in FY 2023. 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. As can be seen in Figure 3.4, taxable sales as a share of personal income has long been on a declining trend. The share fell even more sharply than the previous trend from the 2008 recession through FY 2012. In that year, 34.1% of personal income was spent on taxable items and services, the lowest percentage on record. Increased spending on construction and autos, along with legislative

changes to services and companies deemed taxable, including online sales, caused the share to grow to 37.4% of personal income by FY 2019. The COVID-19-related collapse in late FY 2020, coupled with federal emergency income support, caused the ratio of sales to income to dip in FY 2020. In the last months of FY 2020 and continuing into FY 2021, however, the trend of increasing purchases of nontaxable services reversed due to pandemic-related shutdowns of services and stimulus payments to households. With the limited availability of services, consumers opted to buy goods. Car sales and construction activity also increased. These trends continued into FY 2022, which, coupled with a slowdown in FY 2022 income growth after the stimulus-boosted income levels of FY 2021, caused the ratio of sales to income to jump to 38.1%. While taxable sales growth slowed in FY 2023, they still grew slightly faster than personal income, causing the ratio to increase to 38.4%. After FY 2023, however, the ratio is forecasted to continue its historical downward trend through FY 2029 as income once again grows faster than taxable sales. Forecasted and historical taxable retail sales by fiscal year can be found in Table 3.4.

*Retail sales tax receipt growth forecast:*

- FY25: 3.6%*
- FY26: 4.5%*
- FY27: 4.2%*
- FY28: 3.8%*
- FY29: 3.8%*

Growth in FY 2019 taxable activity was relatively strong at 7.6%. Taxable activity growth slowed to 1.0% in FY 2020 due to pandemic-related shutdowns in the latter part of the year, but then rebounded by 11.1% in FY 2021 and 11.2% in FY 2022, supported by rising inflation. Growth slowed to 5.7% in FY 2023 and is estimated to have slowed to 0.4% in FY 2024. Growth is forecasted to increase to 3.4% in FY 2025, 4.1% in FY 2026, 4.0% in FY 2027, 3.8% in FY 2028 and 3.7% in FY 2029. (see Table 3.4). Due to the lag between taxable activity and collections and the presence of tax deferrals, credits, refunds, and payments of past due taxes, the growth in actual collections differs from the growth in taxable activity. Growth in collections for FY 2020 was 1.7% and growth in FY 2021 was 10.3%. Collections increased by 12.4% in FY 2022, boosted by several large payments of past-due taxes and one large early payment of deferred taxes, and increased by 5.7% in FY 2023. Collections decreased 0.2% in FY 2024 despite the slight increase in estimated taxable activity. Collections growth is forecasted at 3.6% in FY 2025, 4.5% in FY 2026, 4.2% in FY 2027 and 3.8% in FY 2028 and FY 2029.

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

The business and occupation (B&O) tax is the second largest source of GF-S revenue, accounting for 20.1% of GF-S revenue in FY 2023. 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 2023, the largest contributor to total state B&O tax was the services sector, which had a gross tax rate of 1.5% and represented an estimated 45% of B&O taxes due. The next largest sector was retailing, which is taxed at 0.471% and represented an estimated 23% of taxes due, followed by the wholesaling sector, which is taxed at 0.484% and represented an estimated 20% of taxes due.

*B&O tax growth forecast:*

*FY25: 2.7%  
FY26: 4.4%  
FY27: 4.9%  
FY28: 4.2%  
FY29: 4.3%*

In FY 2019, B&O tax receipts grew by 6.9%. Despite a second quarter collapse in activity, FY 2020 growth remained positive at 3.6% followed by growth of 7.9% in FY 2021. Collections grew 14.5% in FY 2022 due to both strong activity and the receipt of several large one-time payments of past-due taxes. Strong activity continued in FY 2023, bringing collections growth of 9.8%. Collections growth slowed to 2.9% in FY 2024. Growth is forecasted at 2.7% in FY 2025, 4.4% in FY 2026, 4.9% in FY 2027, 4.2% in FY 2028 and 4.3% in FY 2029.

*State property taxes are the third largest source of GF-S revenue*

The state property tax levy is the third largest source of GF-S revenue, accounting for 14.5% of total revenue in FY 2023. Although the tax goes into the GF-S, it is dedicated to the funding of basic education. As discussed in the [September 2017](#) forecast publication, the total amount of the state levy was increased by new legislation in June 2017, with the increases beginning in FY 2018.

*Property tax growth forecast:*

*FY25: 2.4%  
FY26: 2.4%  
FY27: 2.3%  
FY28: 2.3%  
FY29: 2.4%*

Constrained by prior law to a levy growth rate of one percent on existing property (or the rate of inflation if less than one percent), property tax collections grew by 1.9% in FY 2017. The first payments of the additional state levy began to arrive in the latter half of FY 2018, bringing total GF-S property tax growth of 31.4% for the fiscal year. Collections fell by 12.4% in FY 2019 due to a temporary reduction in the levy rate for calendar year 2019 and a \$936 million transfer of collections from the levy to the Education Legacy Trust Account (ELTA). Collections rebounded by 44.2% in FY 2020 due to a smaller \$83.8 million transfer to ELTA and the end of the temporary levy reduction in the second half of the year. FY 2021 collections grew by 27.3% due to a full year of collections at the unreduced levy rate along with the collection of some taxes that would have been collected in FY 2020 but were instead deferred due to the pandemic. Absent the extra payments from deferrals, growth slowed to 0.4% in FY 2022. Growth then increased to 1.5% in FY 2023, and 2.3% in FY 2024. Growth is forecasted at 2.4% in FY 2025 and FY 2026, 2.3% in FY 2027 and FY 2028, and 2.4% in FY 2029. Growth in property tax levies excluding new construction is once again restricted to the lesser of one percent per year or the rate of inflation beginning with the calendar year 2022 levy.

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

The real estate excise tax (REET) was the fourth largest DOR source of GF-S revenue in FY 2023, 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:*

*FY25: 21.8%  
FY26: 5.9%  
FY27: 6.8%  
FY28: 8.1%  
FY29: 4.7%*

From FY 2013 through 2019, the recovery in the residential real estate market after the Great Recession has been accompanied by a boom in commercial real estate. Sales of large commercial properties began to weaken in FY 2019 while residential sales increased, resulting in a 0.5% increase in collections in FY 2019. In the first half of FY 2020, residential sales remained strong, and commercial sales surged in December 2019 ahead of the January 1, 2020 change in tax rates. The COVID-induced real estate market downturn that began with April 2020 collections, however, brought a total decline of 0.7% in FY 2020. Sales then began to boom in July 2020, with strength in both the residential and commercial markets, bringing collections growth of 34.4% in FY 2021 and 35.9% in FY 2022. In FY 2023, higher mortgage rates and unaffordable high prices in many areas caused both the number of transactions and prices to decrease, bringing a decline in REET receipts of 43.8%. Receipts declined a further 13.6% in FY 2024 even though activity started to increase in February 2024. Because the increased activity has continued through August and is expected to continue, growth is forecasted at 21.8% in FY 2025. Growth is then forecasted to slow to 5.9% in FY 2026, 6.8% in FY 2027, 8.1% in FY 2028 and 4.7% in FY 2029.

*Use tax was the fifth largest DOR GF-S source in FY 2023*

The state use tax was the fifth largest DOR GF-S revenue source in FY 2023 at 3.3% of total receipts. The state portion of the tax is 6.5% of the purchase price for items used in the state that were not subject to the state retail sales tax. Examples of items subject to the state use tax are goods purchased out-of-state; online and mail-order purchases, where sales tax was not collected; or purchases of used vehicles from private individuals.

*Use tax growth forecast:*

*FY25: -4.7%  
FY26: 6.0%  
FY27: 4.3%  
FY28: 4.1%  
FY29: 4.1%*

Use tax collections grew 9.0% in FY 2019, boosted by several large one-time purchases. Despite strong collections in the first half of the fiscal year, FY 2020 collections declined by 4.9%. Collections increased by 16.1% in FY 2021 and 7.4% in FY 2022 due to record high used car sales. While used car sales moderated, large payments from other sectors increased growth to 12.6% in FY 2023. Due to FY 2023's elevated levels and weakness in spring used cars sales, collections decreased by 2.5% in FY 2024. Continued weakness in the used car market is expected to bring a decline of 4.7% in FY 2025. Growth then continues at 6.0% in FY 2026, 4.3% in FY 2027 and 4.1% in FY 2028 and FY 2029.



*Public utility taxes were the sixth largest DOR GF-S source in FY 2023*

Public utility taxes were the sixth largest DOR source of GF-S revenue in FY 2023, 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:*

*FY25: 2.9%*  
*FY26: 4.1%*  
*FY27: 8.7%*  
*FY28: 2.3%*  
*FY29: 3.4%*

Public utility tax receipts grew by 0.3% in FY 2020. The expiration of a large tax credit plus growth in natural gas and electricity use increased collections by 4.2% in FY 2021. The resumption of business activities plus increases in utility prices boosted growth to 16.3% in FY 2022. Further increases in utility prices brought growth of 12.4% in FY 2023. Utility price moderation and a slowdown in economic growth brought a decline in receipts of 2.2% in FY 2024. Growth is forecasted to resume at 2.9% in FY 2025, 4.1% in FY 2026, 8.7% in FY 2027 (due to electricity price increases in the national forecast), 2.3% in FY 2028 and 3.4% in FY 2029.

*Taxes on sales of spirits were the seventh largest DOR GF-S source in FY 2023*

State taxes on sales of spirits were the seventh largest DOR GF-S revenue source in FY 2023 at 1.1% of total receipts. Spirits sales are taxed by both volume and price. The total tax rate by volume is \$3.7708 per liter. Liter tax receipts are deposited wholly into the GF-S. The price-based spirits tax is split between the GF-S (65% of receipts) and the Liquor Excise Tax fund (35% of receipts). The overall tax rate on sales to consumers is 20.5% of the sales price and the overall rate on sales to restaurant licensees is 13.7%.

*Spirits tax growth forecast:*

*FY25: 0.8%*  
*FY26: 0.9%*  
*FY27: 1.0%*  
*FY28: 1.0%*  
*FY29: 1.0%*

Total tax collections on spirits sales grew 5.2% in FY 2019. During the pandemic, spirit sales increased, with total tax collections growing by 8.2% FY 2020 and 9.9% in FY 2021. Collections increased a further 1.8% in FY 2022 and 1.5% in FY 2023. Collections then decreased by 4.4% in FY 2024. Collections growth is forecasted at 0.8% in FY 2025, 0.9% in FY 2026 and 1.0% in FY 2027 through FY 2029.

*The cigarette tax was the eighth largest DOR GF-S source in FY 2023*

The state tax on cigarettes was the eighth largest DOR GF-S revenue source in FY 2023 at 0.9% of total receipts. Prior to FY 2010, the tax made up a much smaller portion of GF-S revenue because much of the tax was dedicated to non-GF-S accounts. In FY 2010, all of the tax except the portion dedicated to the Education Legacy Trust account was redirected to the GF-S, and in FY 2011 all of the cigarette tax was redirected to the GF-S. The current tax rate, which took effect May 1, 2010, is \$3.025 per pack of 20 cigarettes.

*Cigarette tax growth forecast:*

*FY25: -2.6%*  
*FY26: -3.1%*  
*FY27: -4.0%*  
*FY28: -4.4%*  
*FY29: -4.9%*

The total number of taxed cigarettes has been on a downward trend due to a continuing decline in the number of smokers. Recently, the rate of decline has increased. Collections decreased by 3.3% in FY 2019 after decreasing by 5.4% in FY 2018. The decrease in collections accelerated to 6.0% in FY 2020, partially due to a state increase in the legal age to

purchase cigarettes from 18 to 21 that took effect on January 1, 2020. Collections declined 2.4% in FY 2021 and 2.1% in FY 2022 before plunging by 12.0% in FY 2023 and 10.2% in FY 2024. Collections are forecasted to continue to decline by 2.6% in FY 2025, 3.1% in FY 2026 4.0% in FY 2027, 4.4% in FY 2028 and 4.9% in FY 2029.

## Forecasted Revenue from Cannabis-Related Sales

*Sales of cannabis products in state-licensed stores began in July 2014*

Initiative 502, approved by voters in the November 2012 election, legalized the sale and use of recreational cannabis and cannabis products in Washington. The first legal sales of cannabis products in state-licensed stores occurred in July 2014. During the 2015 regular and special sessions, legislation was passed that substantially altered the market rules set up by the initiative. 2SSB 5052, passed during the regular session, brought previously unregulated medical marijuana dispensaries into the same regulatory regime as licensed recreational cannabis outlets. This legislation was outlined in our [June 2015](#) forecast publication. After the June 2015 forecast, 2E2SHB 2136, passed in the second special session, changed the cannabis excise tax from a 25 percent tax collected from growers, processors and retailers to a 37 percent tax on retail sales only. The law also made changes to the distribution of tax and fee revenue. Cannabis taxes and license fees are collected by the Liquor and Cannabis Board (LCB) and are placed into a dedicated fund with annual appropriations to various other accounts including the GF-S.

*Change in GF-S forecast of total cannabis-related revenue by biennium (millions):*

23-25: *-\$1.8*  
25-27: *-\$11.2*  
27-29: *-\$9.9*

Distributions of cannabis excise taxes to the GF-S totaled \$15.3 million in the 2013-15 biennium and \$147.6 million in the 2015-17 biennium. GF-S distributions were \$248.9 million in the 2017-19 biennium, \$361.0 million in the 2019-21 biennium and \$318.9 million in the 2021-23 biennium. The forecast of transfers for the 2023-25 biennium has been decreased \$1.8 million to \$265.1 million. The net forecast of GF-S distributions for the 2025-27 biennium has been decreased \$11.2 million to \$293.8 million and the forecast for the 2027-29 biennium has been decreased \$9.9 million to \$317.6 million. Details of the forecasted distributions from the account can be found in Table 3.18.

## The Office of Financial Management (Other Agencies)

*Forecast change by biennium (millions):*

23-25: *\$31.8*  
25-27: *\$99.6*  
27-29: *\$91.4*

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. There were two non-economic changes to the OFM's forecast. One was a \$14.9 million transfer of funds out of the GF-S to the Clarke-McNary account in FY 2025 for firefighting expenses. The other was the inclusion of annual payments from the Washington State Convention Center that totaled \$29.8 million in the current

biennium and \$63.2 million and \$52.6 million in the next two biennia respectively. The other major forecast change was increased license and fee revenue from the Department of Financial Institutions. Summing all changes, the forecast of net GF-S revenue for the 2023-25 biennium was increased \$31.8 million to -\$6.3 million, the forecast for the 2025-27 biennium was increased \$99.6 million to -\$33.0 million and the forecast for the 2027-29 biennium was increased \$91.4 million to -\$62.7 million. The negative value of projected revenue indicates that more funds will be transferred out of the GF-S by the agencies overseen by the OFM than will be transferred into the GF-S from those agencies during that biennium.

## State Treasurer

*Forecast change by biennium (millions):*

23-25: *-\$56.4*

25-27: *-\$65.0*

27-29: *-\$13.5*

The Office of the State Treasurer generates GF-S revenue by investing state short-term cash reserves. The forecast of GF-S revenue for the 2023-25 biennium has been decreased \$56.4 million to \$588.5 million, the forecast of GF-S revenue for the 2025-27 biennium has been decreased \$65.0 million to \$433.7 million and the forecast for the 2027-29 biennium has been decreased \$13.5 million to \$342.8 million. The forecast decreases were mainly due to expected lower average fund balances though forecasted effective interest rates also decreased in some years.

## Insurance Commissioner

*Forecast change by biennium (millions):*

23-25: *\$31.0*

25-27: *\$23.3*

27-29: *\$24.1*

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. Forecasted GF-S distributions for the 2023-25 biennium have been increased \$31.0 million to \$1,734.7 million. The forecast for the 2025-27 biennium has been increased \$23.3 million to \$1,819.0 million and the forecast for the 2027-29 biennium has been increased \$24.1 million to \$1,890.3 million.

## Liquor and Cannabis Board

*Forecast change by biennium (millions):*

23-25: *-\$6.0*

25-27: *\$6.1*

27-29: *\$7.8*

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. Forecasted GF-S distributions for the 2023-25 biennium have been decreased \$6.0 million to \$567.4 million. The forecast for the 2025-27 biennium has been increased \$6.1 million to \$656.7 million and the forecast for the 2027-29 biennium has been increased \$7.8 million to \$704.7 million.

## Lottery Commission

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

23-25: \$0.2  
25-27: -\$3.2  
27-29: \$0.0

While most of the proceeds from sales of lottery games go to the Washington Opportunity Pathways Account (OPA), distributions are also made to the Problem Gambling and Economic Development accounts. Details of the forecast of the distribution of Lottery earnings can be found in Table 3.15 on a cash basis and Table 3.16 on a GAAP basis. When total profits from all Washington-only games plus the Powerball game exceed \$102 million per year, the amount above \$102 million is transferred to the GF-S. The forecast of GF-S transfers for the 2023-25 biennium has been increased \$0.2 million to \$95.1 million, while the forecast for the 2025-27 biennium is has been decreased \$3.2 million to \$70.7 million. The forecast for the 2027-29 biennium is unchanged at \$74.0 million.

## Washington Court System

*Forecast change by biennium (millions):*

23-25: \$4.2  
25-27: \$8.1  
27-29: \$11.7

The GF-S receives surcharges on certain filing fees, fines, and infraction penalties collected by the Washington court system. This revenue is transferred to the GF-S on a monthly basis. The forecast of GF-S transfers for the 2023-25 biennium has been increased \$4.2 million to \$107.3 million, the forecast for the 2025-27 biennium has been increased \$8.1 million to \$113.8 million and the forecast for the 2027-29 biennium has been increased \$11.7 million to \$118.3 million.

## The Relationship between the Cash and GAAP General Fund-State Revenue Forecasts

*GAAP forecasts are based on the period in which the revenue is earned rather than received*

Legislation enacted in 1987 requires that the state's biennial budget be in conformance with Generally Accepted Accounting Principles (GAAP). It also requires a GF-S revenue forecast on both a cash and GAAP basis. The GAAP forecasts of GF-S revenue for the 2023-25 and 2025-27 biennia are presented in Tables 3.6 and 3.8 and the GAAP forecast of Lottery revenue transfers for those biennia is in Table 3.15. The primary difference between the cash and GAAP forecasts is the timing of the receipt of revenue. On a GAAP basis, revenue is credited to the biennium in which it is earned even though it may not have been received. The cash forecast, on the other hand, reflects expected cash receipts during a fiscal period. The forecast on a GAAP, or accrual, basis is primarily used for financial reporting. The cash forecast is used for cash flow management and revenue tracking. The cash forecast is also the forecast used in the state's budgetary balance sheet, which is the principal tool for assessing the General Fund's current surplus or deficit position. References to the GF-S forecast in the text of this chapter refer to the cash forecast unless otherwise noted. Likewise, figures from revenue tables other than Tables 3.6, 3.8 and 3.16 are projected on a cash basis.

## Alternative Forecasts for the 2023-25 and 2025-27 Biennia

*Optimistic scenario (billions):*

23-25: +\$1.77  
25-27: +\$5.47

*Pessimistic scenario (billions):*

23-25: -\$1.96  
25-27: -\$6.04

Chapter 2 outlines optimistic and pessimistic economic scenarios relative to the baseline economic forecast. The forecast assigns a probability of 55% to the baseline forecast, 20% to the optimistic scenario and 25% to the pessimistic scenario. The revenue implications of these alternative scenarios for the 2023-25 biennium are shown in Table 3.13 and those of the 2025-27 biennium are shown in Table 3.14. For the 2023-25 biennium, the optimistic forecast generates \$68.254 billion in revenue subject to the budget outlook process, \$1.774 billion (2.7%) more than the baseline scenario, while the pessimistic forecast produces \$64.517 billion in revenue, \$1.962 billion (3.0%) less than the baseline. For the 2025-27 biennium, the optimistic forecast generates \$77.082 billion in GF-S revenue, \$5.471 billion (7.6%) more than the baseline scenario, while the pessimistic forecast produces \$65.575 billion in revenue, \$6.037 billion (8.4%) less than the baseline.

## Washington Opportunity Pathways Account

*OPA forecast change by biennium (millions):*

23-25: \$21.3  
25-27: \$26.8  
27-29: \$23.5

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. Since June, lottery receipts have been coming in higher than forecasted, which has increased the outlook going forward. The forecast of OPA revenue for the 2023-25 biennium has been increased \$21.3 million to \$388.7 million and the forecast for the 2025-27 biennium has been increased \$26.8 million to \$371.9 million. Forecasted revenue for the 2027-29 biennium has been increased \$23.5 million to \$388.1 million.

## Education Legacy Trust Account

*ELTA forecast change by biennium (millions):*

23-25: \$54.1  
25-27: \$96.9  
27-29: \$90.5

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 primarily funded by a tax on estates of over \$2.19 million. Legislation from the 2013 special session, however, added revenue from public utility (through FY 2023) and real estate excise taxes (REET), which had previously gone into non-GF-S accounts. Subsequent legislation also added revenue from solid waste taxes from FY 2016 – FY 2023 and a transfer of \$935 million from the additional property tax levy to the account in FY 2019. Forecasted revenue was further increased in the 2021 legislative session by ESSB 5096, which establishes a tax on certain transactions that produce capital gains above \$250,000. Forecasted ELTA revenue has been increased, with all three funding sources increasing. Forecasted capital gains tax increased due to there being many fewer refund requests than previously predicted. Forecasted estate taxes and REET

increased as well. The forecast increases were \$54.1 million in the 2023-25 biennium, \$96.9 million in the 2025-27 biennium and \$90.5 million in the 2027-29 biennium. Forecasted ELTA receipts are now \$2,039.2 million for the 2023-25 biennium, \$2,356.3 million for the 2025-27 biennium and \$2,639.6 million for the 2027-29 biennium.

## Workforce Education Investment Account

*WEIA forecast change by biennium (millions):*

23-25: \$6.0  
25-27: \$8.5  
27-29: \$8.6

The Workforce Education Investment Account (WEIA) was created in the 2019 legislative session. The account, the purpose of which is to help fund the state’s higher education system and student loans, was originally funded by a surcharge on specific industries that benefitted from an educated workforce. This tax was scheduled to take effect on January 1, 2020, and the Economic and Revenue Forecast Council was later tasked with forecasting revenue generated for the account. ESSB 6492, passed in early February of the 2020 legislative session, retroactively eliminated the existing surcharge and replaced it with a simplified version that is effective April 1, 2020. The simplified surcharge applies to businesses with gross taxable activity under the “services and other activities” category of \$1 million or more (with some nonprofit and other businesses exempt). In addition to this surcharge, which equals 0.25% of gross taxable income, another surcharge is applied to a group of “select advanced computing businesses,” and is paid quarterly. WEIA revenue totaled \$779.0 million in the 2021-23 biennium. Forecasted revenue has been increased by \$6.0 million in the 2023-25 biennium, \$8.5 million in the 2025-27 biennium and \$8.6 million in the 2027-29 biennium. WEIA revenue is now forecasted at \$885.8 million in the 2023-25 biennium, \$952.3 million in the 2025-27 biennium and \$1,028.6 million for the 2027-29 biennium. The WEIA forecast by fiscal year is presented in Table 3.19.

## Budgetary Balance Sheet for the 2023-25 Biennium

*Forecasted total reserves are \$3.200 billion at the end of the 2023-25 biennium.*

Table 3.12 shows the budgetary balance sheet for the 2023-25 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) and the Workforce Education Investment Account (WEIA). As shown in the table, the GF-S beginning fund balance for the 2023-25 biennium was \$4,184.7 million and the total beginning balance for GF-S, ELTA, OPA and WEIA combined was \$5,287.0 million. Based on the enacted biennial budget, the balance sheet projects total GF-S reserves of \$2,680.1 million at the end of the 2023-25 biennium and total reserves for the GF-S, ELTA, OPA and WEIA accounts of \$3,199.6 million.

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

<b>Biennium</b>	<b>Current Dollars</b>	<b>Percent Change</b>	<b>2017 Chained Dollars</b>	<b>Percent Change</b>
1961-63	\$817.1		\$4,300.0	
1963-65	866.2	6.0%	4,439.3	3.2%
1965-67	1,128.6	30.3%	5,565.5	25.4%
1967-69	1,440.5	27.6%	6,658.6	19.6%
1969-71	1,732.7	20.3%	8,767.4	31.7%
1971-73	1,922.1	10.9%	8,999.4	2.6%
1973-75	2,372.4	23.4%	9,597.2	6.6%
1975-77	3,395.0	43.1%	11,947.7	24.5%
1977-79	4,490.0	32.3%	13,876.7	16.1%
1979-81	5,356.4	19.3%	13,769.6	-0.8%
1981-83	6,801.4	27.0%	15,215.1	10.5%
1983-85	8,202.4	20.6%	16,933.2	11.3%
1985-87	9,574.6	16.7%	18,659.6	10.2%
1987-89	10,934.1	14.2%	19,899.6	6.6%
1989-91	13,309.0	21.7%	22,307.3	12.1%
1991-93	14,862.2	11.7%	23,436.5	5.1%
1993-95	16,564.6	11.5%	24,957.7	6.5%
1995-97	17,637.7	6.5%	25,500.0	2.2%
1997-99	19,620.1	11.2%	27,623.2	8.3%
1999-01	21,262.1	8.4%	28,808.1	4.3%
2001-03	21,140.7	-0.6%	27,679.1	-3.9%
2003-05	23,388.5	10.6%	29,300.7	5.9%
2005-07	27,772.0	18.7%	32,897.0	12.3%
2007-09	27,703.0	-0.2%	31,307.7	-4.8%
2009-11	28,218.1	1.9%	31,112.2	-0.6%
2011-13	30,657.0	8.6%	32,452.7	4.3%
2013-15	33,666.0	9.8%	34,762.6	7.1%
2015-17	38,317.4	13.8%	38,929.8	12.0%
2017-19	44,142.6	15.2%	43,318.5	11.3%
2019-21	50,803.4	15.1%	48,330.2	11.6%
2021-23	61,001.6	20.1%	52,777.9	9.2%
2023-25 <sup>F</sup>	63,165.6	3.5%	51,285.3	-2.8%
2025-27 <sup>F</sup>	67,930.8	7.5%	52,819.0	3.0%
2027-29 <sup>F</sup>	72,919.5	7.3%	54,430.4	3.1%

<sup>F</sup> September 2024 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 2024 forecast.

Table 3.4  
**Taxable retail sales\***  
(millions of dollars)

<b>Fiscal Year</b>	<b>Amount</b>	<b>Percent Change</b>
1981	25,197	4.7%
1982	26,097	3.6%
1983	29,368	12.5%
1984	29,156	-0.7%
1985	30,687	5.3%
1986	32,158	4.8%
1987	34,647	7.7%
1988	37,452	8.1%
1989	41,429	10.6%
1990	47,183	13.9%
1991	49,812	5.6%
1992	53,189	6.8%
1993	55,319	4.0%
1994	59,009	6.7%
1995	61,927	4.9%
1996	62,817	1.4%
1997	66,748	6.3%
1998	72,059	8.0%
1999	77,197	7.1%
2000	83,335	8.0%
2001	85,633	2.8%
2002	84,418	-1.4%
2003	86,165	2.1%
2004	90,139	4.6%
2005	97,253	7.9%
2006	107,071	10.1%
2007	115,527	7.9%
2008	118,676	2.7%
2009	106,379	-10.4%
2010	99,983	-6.0%
2011	101,825	1.8%
2012	106,036	4.1%
2013	113,173	6.7%
2014	120,453	6.4%
2015	130,168	8.1%
2016	141,103	8.4%
2017	149,992	6.3%
2018	162,958	8.6%
2019	175,266	7.6%
2020	176,961	1.0%
2021	196,651	11.1%
2022	218,633	11.2%
2023	231,095	5.7%
2024 <sup>F</sup>	231,912	0.4%
2025 <sup>F</sup>	239,712	3.4%
2026 <sup>F</sup>	249,456	4.1%
2027 <sup>F</sup>	259,453	4.0%
2028 <sup>F</sup>	269,285	3.8%
2029 <sup>F</sup>	279,220	3.7%

<sup>F</sup> September 2024 forecast  
Source: ERFCC

\* 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).



Table 3.5

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

2023-25 biennium; cash basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Jun 2024 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Sep 2024 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$30,325.4	\$0.0	(\$256.4)	\$30,069.0	(\$256.4)
Business & Occupation Use	12,924.4	0.0	67.2	12,991.6	67.2
Public Utility	1,955.0	0.0	(32.1)	1,922.9	(32.1)
Liquor Sales/Liter	1,091.1	0.0	(5.5)	1,085.6	(5.5)
Cigarette	682.3	0.0	(3.5)	678.8	(3.5)
Property (State Levy)	493.2	0.0	(8.9)	484.2	(8.9)
Real Estate Excise	9,309.9	0.0	(3.7)	9,306.2	(3.7)
Timber Excise	2,037.1	0.0	98.9	2,136.0	98.9
Other	3.9	0.0	(0.0)	3.9	(0.0)
Subtotal	1,391.8	0.0	8.8	1,400.7	8.8
	60,214.1	0.0	(135.3)	60,078.8	(135.3)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,703.8	0.0	31.0	1,734.7	31.0
<b>Liquor Control Board</b>					
Fees, Cannabis Excise Tax	516.4	0.0	(6.2)	510.2	(6.2)
Beer & Wine Surtax	57.1	0.0	0.1	57.2	0.1
<b>Lottery Commission</b>					
Lottery Revenue	94.9	0.0	0.2	95.1	0.2
<b>State Treasurer</b>					
Interest Earnings	644.9	0.0	(56.4)	588.5	(56.4)
<b>Office of Financial Management</b>					
Other Agencies	(38.1)	15.0	16.9	(6.3)	31.8
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	103.1	0.0	4.2	107.3	4.2
<b>Total General Fund-State *</b>	<b>\$63,296.1</b>	<b>\$15.0</b>	<b>(\$145.5)</b>	<b>\$63,165.6</b>	<b>(\$130.6)</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council June 26, 2024<sup>2</sup> Forecast for the 2023-25 biennium, adopted September 27, 2024

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

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

Table 3.6

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

2023-25 biennium; GAAP basis

(millions of dollars)

<b>Forecast by Agency</b>	<b>Jun 2024 Forecast<sup>1</sup></b>	<b>Non- Economic Changes</b>	<b>Forecast Revision</b>	<b>Sep 2024 Forecast<sup>2</sup></b>	<b>Total Change</b>
<b>Department of Revenue</b>					
Retail Sales	\$30,325.4	\$0.0	(\$209.8)	\$30,115.6	(\$209.8)
Business & Occupation Use	12,924.4	0.0	77.6	13,002.0	77.6
Public Utility	1,955.0	0.0	(29.2)	1,925.8	(29.2)
Liquor Sales/Liter	1,091.1	0.0	0.3	1,091.4	0.3
Cigarette	682.3	0.0	4.7	687.0	4.7
Property (State Levy)	493.2	0.0	(15.0)	478.2	(15.0)
Real Estate Excise	9,309.9	0.0	(1.4)	9,308.5	(1.4)
Timber Excise	2,037.1	0.0	115.1	2,152.3	115.1
Other	3.9	0.0	0.0	3.9	0.0
Subtotal	1,391.4	0.0	2.5	1,394.0	2.5
	60,213.7	0.0	(55.1)	60,158.6	(55.1)
<b>Insurance Commissioner</b>					
Insurance Premiums	1,703.8	0.0	31.0	1,734.7	31.0
<b>Liquor Control Board</b>					
Fees, Cannabis Excise Tax	516.4	0.0	(6.2)	510.2	(6.2)
Beer & Wine Surtax	57.1	0.0	0.1	57.2	0.1
<b>Lottery Commission</b>					
Lottery Revenue	94.9	0.0	(3.1)	91.8	(3.1)
<b>State Treasurer</b>					
Interest Earnings	642.9	0.0	(40.4)	602.5	(40.4)
<b>Office of Financial Management</b>					
Other Agencies	(38.1)	15.0	16.9	(6.3)	31.8
<b>Washington Court System</b>					
Court Fees, Fines & Forfeitures	103.1	0.0	4.2	107.3	4.2
<b>Total General Fund-State *</b>	<b>\$63,293.7</b>	<b>\$15.0</b>	<b>(\$52.5)</b>	<b>\$63,256.2</b>	<b>(\$37.6)</b>

<sup>1</sup> Forecast for the 2023-25 biennium adopted by the Economic and Revenue Forecast Council June 26, 2024<sup>2</sup> Forecast for the 2023-25 biennium, adopted September 27, 2024

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

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

Table 3.7

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

2025-27 biennium; cash basis

(millions of dollars)

<b><u>Forecast by Agency</u></b>	<b><u>Jun 2024 Forecast</u></b> <sup>1</sup>	<b><u>Non-Economic Changes</u></b>	<b><u>Forecast Revision</u></b>	<b><u>Sep 2024 Forecast</u></b> <sup>2</sup>	<b><u>Total Change</u></b>
<b><i>Department of Revenue</i></b>					
Retail Sales	\$32,834.3	\$0.0	(\$168.3)	\$32,666.0	(\$168.3)
Business & Occupation Use	14,093.6	0.0	(20.5)	14,073.1	(20.5)
Public Utility	2,047.2	0.0	(15.7)	2,031.5	(15.7)
Liquor Sales/Liter	1,189.9	0.0	7.2	1,197.2	7.2
Cigarette	678.3	0.0	13.3	691.6	13.3
Property (State Levy)	466.3	0.0	(12.5)	453.8	(12.5)
Real Estate Excise	9,765.1	0.0	(9.2)	9,755.9	(9.2)
Timber Excise	2,506.1	0.0	63.5	2,569.6	63.5
Other	3.9	0.0	(0.0)	3.9	(0.0)
Subtotal	1,407.4	0.0	20.2	1,427.6	20.2
	64,992.1	0.0	(122.1)	64,870.0	(122.1)
<b><i>Insurance Commissioner</i></b>					
Insurance Premiums	1,795.7	0.0	23.3	1,819.0	23.3
<b><i>Liquor Control Board</i></b>					
Fees, Cannabis Excise Tax	592.5	0.0	5.9	598.4	5.9
Beer & Wine Surtax	58.1	0.0	0.2	58.3	0.2
<b><i>Lottery Commission</i></b>					
Lottery Revenue	73.9	0.0	(3.2)	70.7	(3.2)
<b><i>State Treasurer</i></b>					
Interest Earnings	498.7	0.0	(65.0)	433.7	(65.0)
<b><i>Office of Financial Management</i></b>					
Other Agencies	(132.7)	63.2	36.4	(33.0)	99.6
<b><i>Washington Court System</i></b>					
Court Fees, Fines & Forfeitures	105.6	0.0	8.1	113.8	8.1
<b><u>Total General Fund-State *</u></b>	<b>\$67,983.9</b>	<b>\$63.2</b>	<b>(\$116.3)</b>	<b>\$67,930.8</b>	<b>(\$53.1)</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council June 26, 2024<sup>2</sup> Forecast for the 2025-27 biennium, adopted September 27, 2024

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

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

Table 3.8

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

2025-27 biennium; GAAP basis

(millions of dollars)

<b><u>Forecast by Agency</u></b>	<b><u>Jun 2024 Forecast</u></b> <sup>1</sup>	<b><u>Non-Economic Changes</u></b>	<b><u>Forecast Revision</u></b>	<b><u>Sep 2024 Forecast</u></b> <sup>2</sup>	<b><u>Total Change</u></b>
<b><i>Department of Revenue</i></b>					
Retail Sales	\$32,834.3	\$0.0	(\$168.3)	\$32,666.0	(\$168.3)
Business & Occupation Use	14,093.6	0.0	(20.5)	14,073.1	(20.5)
Public Utility	2,047.2	0.0	(15.7)	2,031.5	(15.7)
Liquor Sales/Liter	1,189.9	0.0	7.2	1,197.2	7.2
Cigarette	678.3	0.0	13.3	691.6	13.3
Property (State Levy)	466.3	0.0	(12.5)	453.8	(12.5)
Real Estate Excise	9,765.1	0.0	(9.2)	9,755.9	(9.2)
Timber Excise	2,506.1	0.0	63.5	2,569.6	63.5
Other	3.9	0.0	(0.0)	3.9	(0.0)
Subtotal	1,407.4	0.0	20.2	1,427.6	20.2
	64,992.1	0.0	(122.1)	64,870.0	(122.1)
<b><i>Insurance Commissioner</i></b>					
Insurance Premiums	1,795.7	0.0	23.3	1,819.0	23.3
<b><i>Liquor Control Board</i></b>					
Fees, Cannabis Excise Tax	592.5	0.0	5.9	598.4	5.9
Beer & Wine Surtax	58.1	0.0	0.2	58.3	0.2
<b><i>Lottery Commission</i></b>					
Lottery Revenue	74.0	0.0	0.2	74.2	0.2
<b><i>State Treasurer</i></b>					
Interest Earnings	490.5	0.0	(60.2)	430.3	(60.2)
<b><i>Office of Financial Management</i></b>					
Other Agencies	(132.7)	63.2	36.4	(33.0)	99.6
<b><i>Washington Court System</i></b>					
Court Fees, Fines & Forfeitures	105.6	0.0	8.1	113.8	8.1
<b><u>Total General Fund-State *</u></b>	<b>\$67,975.8</b>	<b>\$63.2</b>	<b>(\$108.1)</b>	<b>\$67,930.9</b>	<b>(\$44.9)</b>

<sup>1</sup> Forecast for the 2025-27 biennium adopted by the Economic and Revenue Forecast Council June 26, 2024<sup>2</sup> Forecast for the 2025-27 biennium, adopted September 27, 2024

\*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 2024 General Fund-State forecast detail**  
**2021-23 to 2027-29 Biennia; Cash Basis**  
(Millions of Dollars)

<b>Forecast by Source</b>	<b>Fiscal 2022</b>	<b>Fiscal 2023</b>	<b>2021-23 Biennium</b>	<b>Fiscal 2024</b>	<b>Fiscal 2025</b>	<b>2023-25 Biennium</b>	<b>Fiscal 2026</b>	<b>Fiscal 2027</b>	<b>2025-27 Biennium</b>	<b>Fiscal 2028</b>	<b>Fiscal 2029</b>	<b>2027-29 Biennium</b>
<b>State Taxes</b>												
Retail sales**	\$14,001.0	\$14,795.6	\$28,796.6	\$14,769.9	\$15,299.1	\$30,069.0	\$15,993.5	\$16,672.5	\$32,666.0	\$17,299.7	\$17,949.9	\$35,249.6
Business & occupation Use**	5,677.3	6,231.8	11,909.2	6,410.1	6,581.5	12,991.6	6,868.9	7,204.2	14,073.1	7,508.7	7,831.1	15,339.8
Public Utility	486.7	546.8	1,033.5	534.9	550.6	1,085.6	573.5	623.7	1,197.2	638.0	659.7	1,297.7
Liquor sales/liter	348.5	353.7	702.2	338.0	340.8	678.8	344.0	347.6	691.6	351.2	354.9	706.1
Beer & wine surtax	28.9	31.7	60.6	28.4	28.8	57.2	29.0	29.2	58.3	29.4	29.6	59.1
Cigarette	318.9	280.6	599.4	252.2	246.3	498.4	239.0	230.0	469.1	220.3	210.0	430.3
Tobacco products	45.9	46.6	92.5	45.5	44.6	90.1	43.6	43.5	87.1	43.4	43.2	86.6
Cannabis Excise Taxes	173.0	137.7	310.7	123.6	134.2	257.8	140.6	145.8	286.5	151.9	158.3	310.2
Property (state school levy)	4,426.9	4,492.7	8,919.6	4,596.9	4,709.2	9,306.2	4,822.1	4,933.8	9,755.9	5,049.4	5,168.1	10,217.5
Leasehold Excise Tax	40.7	45.6	86.4	48.9	49.8	98.7	50.7	51.3	102.0	51.8	52.4	104.2
Public utility district	59.6	63.2	122.8	62.0	63.4	125.4	64.8	66.3	131.0	67.9	69.4	137.3
Brokered Natural Gas	40.7	72.4	113.1	33.6	36.3	69.9	48.3	49.5	97.8	50.2	51.0	101.2
Real estate excise***	1,982.9	1,114.9	3,097.9	962.9	1,173.2	2,136.0	1,242.4	1,327.2	2,569.6	1,434.9	1,502.9	2,937.9
Timber excise	5.5	3.4	8.9	2.0	1.9	3.9	1.9	2.0	3.9	2.0	2.0	4.0
Estate/inheritance	0.1	0.0	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Boat excise	18.4	15.5	33.9	15.6	15.6	31.2	15.5	15.5	31.0	15.5	15.5	31.0
Insurance premiums	784.5	803.2	1,587.7	836.6	898.2	1,734.7	900.7	918.3	1,819.0	936.1	954.2	1,890.3
Penalties and interest on past due taxes	118.0	190.3	308.3	175.3	199.9	375.2	194.5	201.4	395.9	208.7	215.9	424.6
Other	62.2	52.4	114.6	60.3	55.8	116.1	56.5	57.4	113.9	58.1	58.9	117.0
<b>Total Taxes</b>	<b>29,516.8</b>	<b>30,288.4</b>	<b>59,805.2</b>	<b>30,281.1</b>	<b>31,367.7</b>	<b>61,648.8</b>	<b>32,624.2</b>	<b>33,956.0</b>	<b>66,580.2</b>	<b>35,196.9</b>	<b>36,451.3</b>	<b>71,648.2</b>
<b>State Non-Tax Sources</b>												
Licenses, permits, fees	180.9	190.0	371.0	180.6	199.2	379.8	202.6	207.2	409.8	211.7	216.5	428.2
Liquor & Cannabis fees	160.9	147.8	308.7	128.6	123.8	252.4	152.0	159.9	311.9	165.1	170.3	335.4
Earnings on investments	36.7	197.1	233.8	327.8	260.7	588.5	223.1	210.6	433.7	173.3	169.5	342.8
Washington Court System	42.7	42.5	85.2	52.3	55.0	107.3	56.2	57.6	113.8	58.7	59.7	118.3
Transfers of unclaimed property	154.3	181.6	336.0	222.0	195.4	417.4	187.5	197.7	385.2	194.3	195.5	389.8
Other revenue & transfers	(62.6)	(75.7)	(138.3)	(110.9)	(117.8)	(228.7)	(151.5)	(152.4)	(303.8)	(159.6)	(183.7)	(343.3)
<b>Total Non-Tax</b>	<b>512.9</b>	<b>683.5</b>	<b>1,196.4</b>	<b>800.4</b>	<b>716.4</b>	<b>1,516.8</b>	<b>670.0</b>	<b>680.6</b>	<b>1,350.6</b>	<b>643.5</b>	<b>627.8</b>	<b>1,271.3</b>
<b>Total General Fund-State *</b>	<b>\$30,029.7</b>	<b>\$30,971.9</b>	<b>\$61,001.6</b>	<b>\$31,081.5</b>	<b>\$32,084.1</b>	<b>\$63,165.6</b>	<b>\$33,294.3</b>	<b>\$34,636.5</b>	<b>\$67,930.8</b>	<b>\$35,840.4</b>	<b>\$37,079.1</b>	<b>\$72,919.5</b>

\* Detail may not add to totals due to rounding  
\*\*GFS portion after Initiative 900 transfer  
\*\*\*Includes penalties and interest

Table 3.10

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

February 2020 through September 2024

Cash Basis - Millions of Dollars

<b>Date of Forecast</b>	<b>General Fund-State</b>	<b>Education Legacy Trust Acct.</b>	<b>Washington Opportunity Pathways Acct.</b>	<b>Workforce Education Investment Acct.</b>	<b>Subtotal</b>	<b>Non-Economic Changes</b>	<b>Total Change</b>	<b>Total of Funds</b>
<b>February 2020*</b>	\$57,930	\$925	\$321	\$667				\$59,843
<b>Changes to Forecast</b>								
June 2020	(4,682)	(9)	8	(3)	(4,685)	209 #1	(4,476)	55,367
September 2020	2,460	125	(7)	35	2,612	0	2,612	57,979
November 2020	16	14	2	(4)	28	0	28	58,007
March 2021	1,846	17	10	25	1,899	0	1,899	59,906
June 2021	1,419	(6)	16	7	1,436	810 #2	2,246	62,151
September 2021	891	31	(1)	9	931	0	931	63,082
November 2021	828	(44)	5	11	800	165 #3	965	64,047
February 2022	1,311	2	2	5	1,320	0	1,320	65,368
June 2022	1,036	21	(1)	55	1,112	(480) #4	632	65,999
September 2022	(332)	(18)	(8)	(21)	(378)	(117) #5	(495)	65,504
November 2022	684	(2)	(6)	6	681	0	681	66,185
March 2023	(407)	(77)	10	(9)	(483)	0	(483)	65,702
June 2023	140	115	7	25	287	39 #6	327	66,028
September 2023	616	12	7	28	663	0	663	66,692
November 2023	172	6	9	5	191	0	191	66,883
February 2024	53	31	24	13	122	0	122	67,005
June 2024	(252)	(188)	(27)	24	(443)	(34) #7	(477)	66,528
September 2024	(146)	54	21	6	(64)	15 #8	(49)	66,479
<b>Total change:</b>								
From February 2020	5,653	87	71	218	6,029	607	6,636	
Percent change	9.8	9.4	22.1	32.7	10.1	1.0	11.1	
<b>Change in forecast since initial 2325 biennial budget**</b>								
	<b>583</b>	<b>31</b>	<b>41</b>	<b>102</b>	<b>757</b>	<b>(19)</b>	<b>738</b>	
Percent change	0.9	1.6	11.7	13.0	1.2	0.0	1.1	

Table 3.11

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

February 2022 through September 2024

Cash Basis - Millions of Dollars

<b>Date of Forecast</b>	<b>General Fund-State</b>	<b>Education Legacy Trust Acct.</b>	<b>Washington Opportunity Pathways Acct.</b>	<b>Workforce Education Investment Acct.</b>	<b>Subtotal</b>	<b>Non-Economic Changes</b>	<b>Total Change</b>	<b>Total of Funds</b>
<b>February 2022***</b>	\$66,533	\$2,305	\$357	\$831				\$70,025
<b>Changes to Forecast</b>								
June 2022	759	19	0	17	795	(619) #4	176	70,202
September 2022	4	8	(7)	(18)	(13)	(53) #5	(66)	70,136
November 2022	687	55	(4)	10	747	0	747	70,883
March 2023	(442)	(97)	9	(11)	(540)	0	(540)	70,342
June 2023	38	18	6	11	72	75 #6	147	70,489
September 2023	400	7	(1)	31	437	0	437	70,927
November 2023	507	59	8	4	579	0	579	71,506
February 2024	169	6	10	31	215	0	215	71,721
June 2024	-37	-119	(31)	35	-152	-37 #7	-189	71,532
September 2024	(116)	97	27	9	16	63 #8	79	71,611
<b>Total change:</b>								
From February 2022	1,968	52	18	119	2,157	-571	1,586	
Percent change	3.0	2.2	4.9	14.3	3.1	-0.8	2.3	

\*First official forecast for the 2023-25 biennium

\*\*Resources for the initial 2023-25 budget include forecasted March 2023 revenue plus legislative revenue changes from 2023 session subsequent to the March forecast

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

#1 Legislative and budget-driven revenue changes from the 2020 legislative session

#2 Legislative and budget-driven revenue changes from the 2021 legislative session

#3 Addition of financial services tax to forecast after court approval and expected refunds from DOR rule change on apportionment

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

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

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

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

#8 Payments from Washington State Convention Center Public Facilities District less FY 2025 transfer to the Clarke-McNary Account

Table 3.12

**2023-25 Enacted Budget Balance Sheet**  
**General Fund-State (GFS), Education Legacy Trust Account (ELTA),**  
**Washington Opportunity Pathways Account (OPA),**  
**Workforce Education Investment Account (WEIA), Fair Start for Kids Account (FSKA),**  
**Budget Stabilization Account (BSA) and Washington Rescue Plan Transition Account (WRPTA)**  
Dollars in Millions

	2023-25		
	GFS	ELTA , OPA, WEIA, FSKA (1)	TOTAL
<b>RESOURCES</b>			
<b>Beginning Fund Balance</b>	<b>4,184.7</b>	<b>1,102.4</b>	<b>5,287.0</b>
June 2024 Revenue Forecast	63,296.1	3,232.3	66,528.4
September 2024 Revenue Forecast Change	(130.6)	81.4	(49.2)
<b>Current Revenue Totals</b>	<b>63,165.6</b>	<b>3,313.6</b>	<b>66,479.2</b>
Transfers to Budget Stabilization Account (1% of GSR)	(637.1)	-	(637.1)
Transfers to Budget Stabilization Account (EGSR)	-	-	-
Enacted Fund Transfers	2,092.7		2,092.7
Actual/Assumed Prior Period Adjustments	40.8	-	40.8
Prior Period Adjustment - Gain Share <sup>(3)</sup>	71.5		71.5
<b>Total Resources (Including Beginning Fund Balance)</b>	<b>68,918.1</b>	<b>4,416.0</b>	<b>73,334.1</b>
<b>EXPENDITURES</b>			
<b>Enacted Budgets</b>			
2023-25 Biennium	66,255.5	3,548.9	69,804.4
2024 Supplemental Budget	1,793.2	347.6	2,140.8
Actual/Assumed Reversions <sup>(2)</sup>	(482.7)	-	(482.7)
<b>Total Expenditures</b>	<b>67,565.9</b>	<b>3,896.5</b>	<b>71,462.4</b>
<b>RESERVES</b>			
<b>Projected Ending Balance</b>	<b>1,352.2</b>	<b>519.5</b>	<b>1,871.6</b>
<b>Budget Stabilization Account</b>			
Beginning Balance	652.4		652.4
Transfers from General Fund (1% of GSR)	637.1		637.1
Transfers from General Fund (EGSR)	-		-
Appropriations	(21.1)		(21.1)
Actual/Assumed Biennium - Interest Earnings	59.6		59.6
<b>Projected BSA Ending Balance</b>	<b>1,328.0</b>		<b>1,328.0</b>
<b>Washington Rescue Plan Transition Account</b>			
Beginning Balance	2,100.0		2,100.0
Transfer to General Fund	(2,100.0)		(2,100.0)
<b>Projected WRPTA Ending Balance</b>	<b>-</b>		<b>-</b>
<b>Total Reserves Including BSA and WRPTA</b>	<b>2,680.1</b>	<b>519.5</b>	<b>3,199.6</b>

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

(2) Reversion amounts are consistent with the ERF's adopted enacted budget outlook.

(3) Gain Share amount reflects FY24 actuals.

Acronyms

BSA - Budget Stabilization Account

GSR - General State Revenues

EGSR - Extraordinary General State Revenues

WRPTA - Washington Rescue Plan Transition Account

Table 3.13

**Alternative forecasts compared to the baseline forecast**  
**Funds subject to the budget outlook process, 2023-25 biennium**  
(cash basis, millions of dollars)

	<b>Optimistic Forecast</b>	<b>Baseline Forecast</b>	<b>Pessimistic Forecast</b>
<b>General Fund - State</b>			
<b>Department of Revenue</b>			
Retail Sales	\$31,066.0	\$30,069.0	\$28,967.9
Business & Occupation	13,411.0	12,991.6	12,553.4
Use	1,987.5	1,922.9	1,852.8
Public Utility	1,124.9	1,085.6	1,043.3
Property (school levy)	9,335.0	9,306.2	9,283.4
Real Estate Excise	2,162.0	2,136.0	2,070.3
Other	2,600.1	2,567.5	2,531.6
Subtotal	61,686.3	60,078.8	58,302.7
<b>Insurance Commissioner<sup>1</sup></b>	1,795.0	1,734.7	1,749.1
<b>Lottery Commission</b>	96.3	95.1	93.9
<b>State Treasurer - Interest earnings</b>	614.1	588.5	539.7
<b>Liquor and Cannabis Surtaxes &amp; Fees<sup>2</sup></b>	556.1	567.4	517.2
<b>Office of Financial Management</b>	(6.2)	(6.3)	(6.2)
<b>Washington Court System</b>	108.7	107.3	105.8
<b>Total General Fund - State*</b>	<b>\$64,850.3</b>	<b>\$63,165.6</b>	<b>\$61,302.2</b>
<b>Education Legacy Trust Account</b>	<b>\$2,095.6</b>	<b>\$2,039.2</b>	<b>\$1,976.7</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$398.1</b>	<b>\$388.7</b>	<b>\$378.3</b>
<b>Workforce Education Investment Account</b>	<b>\$909.5</b>	<b>\$885.8</b>	<b>\$859.6</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$68,253.5</b>	<b>\$66,479.2</b>	<b>\$64,516.8</b>
<b>Difference from September 2024 Baseline</b>	<b>\$1,774.3</b>		<b>(\$1,962.4)</b>

1 Insurance premiums, General Fund-State portion.

2 Includes beer and wine surtax, cannabis excise tax, distributor fees, retailer fees, licensing fees.

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

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



Table 3.14

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

	<b><u>Optimistic Forecast</u></b>	<b><u>Baseline Forecast</u></b>	<b><u>Pessimistic Forecast</u></b>
<b>General Fund - State</b>			
<b><i>Department of Revenue</i></b>			
Retail Sales	\$35,749.3	\$32,666.0	\$29,419.6
Business & Occupation	15,347.8	14,073.1	12,814.9
Use	2,227.4	2,031.5	1,845.7
Public Utility	1,305.8	1,197.2	1,122.5
Property (school levy)	9,864.9	9,755.9	9,661.4
Real Estate Excise	2,700.4	2,569.6	2,073.8
Other	2,668.7	2,576.8	2,430.1
Subtotal	69,864.3	64,870.0	59,368.0
<b><i>Insurance Commissioner</i><sup>1</sup></b>	1,907.5	1,819.0	1,814.4
<b><i>Lottery Commission</i></b>	73.7	70.7	67.1
<b><i>State Treasurer - Interest earnings</i></b>	506.7	433.7	310.3
<b><i>Liquor and Cannabis Surtaxes &amp; Fees</i><sup>2</sup></b>	682.4	656.7	571.4
<b><i>Office of Financial Management</i></b>	(32.1)	(33.0)	(34.0)
<b><i>Washington Court System</i></b>	117.8	113.8	107.3
<b>Total General Fund - State*</b>	<b>\$73,120.3</b>	<b>\$67,930.8</b>	<b>\$62,204.5</b>
<b>Education Legacy Trust Account</b>	<b>\$2,536.4</b>	<b>\$2,356.3</b>	<b>\$2,157.5</b>
<b>Washington Opportunity Pathways Account</b>	<b>\$400.3</b>	<b>\$371.9</b>	<b>\$340.5</b>
<b>Workforce Education Investment Account</b>	<b>\$1,025.1</b>	<b>\$952.3</b>	<b>\$872.1</b>
<b>Total of Funds Subject to Budget Outlook*</b>	<b>\$77,082.1</b>	<b>\$71,611.3</b>	<b>\$65,574.5</b>
<b>Difference from September 2024 Baseline</b>	<b>\$5,470.8</b>		<b>(\$6,036.8)</b>

1 Insurance premiums, General Fund-State portion.

2 Includes beer and wine surtax, cannabis excise tax, distributor fees, retailer fees, licensing fees.

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

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

Table 3.15  
**Lottery transfers by fund**  
 September 2024 Forecast  
 (cash basis, millions of dollars)

<b>Fiscal Year</b>	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Problem Gambling Account</b>	<b>Economic Development Account</b>	<b>Opportunity Pathways Account</b>
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	266.1	50.4	0.0	0.8	5.8	209.1
2025	231.1	44.7	0.0	0.9	6.0	179.6
2023-25 Biennium	497.2	95.1	0.0	1.7	11.8	388.7
2026	221.8	33.6	0.0	0.9	5.9	181.3
2027	234.5	37.1	0.0	1.0	5.9	190.6
2025-27 Biennium	456.3	70.7	0.0	1.9	11.8	371.9
2028	236.8	37.1	0.0	1.0	5.9	192.9
2029	239.0	36.9	0.0	1.0	5.9	195.3
2027-29 Biennium	475.8	74.0	0.0	1.9	11.8	388.1

Table 3.16  
**Lottery transfers by fund**  
 September 2024 Forecast  
 (GAAP basis, millions of dollars)

<b>Fiscal Year</b>	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Problem Gambling Account</b>	<b>Economic Development Account</b>	<b>Opportunity Pathways Account</b>
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	255.5	58.2	0.0	0.8	6.7	189.9
2025	230.6	33.6	0.0	0.9	5.9	190.1
2023-25 Biennium	486.1	91.8	0.0	1.7	12.6	380.0
2026	232.8	37.1	0.0	0.9	5.9	188.9
2027	234.6	37.1	0.0	1.0	5.9	190.7
2025-27 Biennium	467.4	74.2	0.0	1.9	11.8	379.6
2028	237.0	36.9	0.0	1.0	5.9	193.2
2029	239.2	37.4	0.0	1.0	5.9	195.0
2027-29 Biennium	476.2	74.3	0.0	1.9	11.8	388.2

\* 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 2024 - Millions of Dollars

	General Fund-State (GF-S) (current definition)		Education Legacy Trust Account* (ELTA)		WA Opportunity Pathways Account (OPA)		Workforce Ed. Investment Acct. (WEIA)		Total GF-S, ELTA, OPA and WEIA	
	Level	% Chg.	Level	% Chg.	Level	% Chg.	Level	% Chg.	Level	% Chg.
History:										
FY 2005	\$13,036	5.5%							\$13,036	5.5%
FY 2006	\$14,318	9.8%	\$115						\$14,432	10.7%
FY 2007	\$15,467	8.0%	\$266	132.2%					\$15,734	9.0%
FY 2008	\$15,659	1.2%	\$213	-20.1%					\$15,872	0.9%
FY 2009	\$14,158	-9.6%	\$224	5.4%					\$14,382	-9.4%
FY 2010	\$13,571	-4.1%	\$157	-29.9%					\$13,728	-4.6%
FY 2011	\$14,648	7.9%	\$112	-29.0%	\$99				\$14,859	8.2%
FY 2012	\$14,874	1.5%	\$114	2.3%	\$118	19.1%			\$15,107	1.7%
FY 2013	\$15,783	6.1%	\$101	-11.5%	\$126	5.9%			\$16,009	6.0%
FY 2014	\$16,383	3.8%	\$197	95.3%	\$114	-9.4%			\$16,694	4.3%
FY 2015	\$17,283	5.5%	\$207	5.0%	\$120	5.7%			\$17,611	5.5%
FY 2016	\$18,579	7.5%	\$215	3.6%	\$139	15.7%			\$18,933	7.5%
FY 2017	\$19,739	6.2%	\$252	17.5%	\$127	-9.0%			\$20,118	6.3%
FY 2018	\$21,712	10.0%	\$302	19.6%	\$129	1.5%			\$22,143	10.1%
FY 2019	\$22,430	3.3%	\$1,352	348.1%	\$156	21.1%			\$23,938	8.1%
FY 2020	\$23,817	6.2%	\$913	-32.5%	\$153	-2.0%	\$32		\$24,915	4.1%
FY 2021	\$26,986	13.3%	\$726	-20.5%	\$184	20.9%	\$320	905.5%	\$28,217	13.3%
FY 2022	\$30,030	11.3%	\$890	22.6%	\$190	2.9%	\$369	15.1%	\$31,478	11.6%
FY 2023	\$30,972	3.1%	\$1,685	89.4%	\$188	-0.7%	\$410	11.3%	\$33,256	5.6%
Forecast:										
FY 2024	\$31,081	0.4%	\$963	-42.8%	\$209	11.0%	\$435	6.1%	\$32,689	-1.7%
FY 2025	\$32,084	3.2%	\$1,076	11.7%	\$180	-14.1%	\$450	3.5%	\$33,790	3.4%
FY 2026	\$33,294	3.8%	\$1,147	6.6%	\$181	1.0%	\$467	3.7%	\$35,089	3.8%
FY 2027	\$34,637	4.0%	\$1,210	5.5%	\$191	5.1%	\$485	3.9%	\$36,522	4.1%
FY 2028	\$35,840	3.5%	\$1,284	6.1%	\$193	1.2%	\$504	3.9%	\$37,822	3.6%
FY 2029	\$37,079	3.5%	\$1,356	5.6%	\$195	1.3%	\$524	3.9%	\$39,154	3.5%
<b>Biennial Totals</b>										
<b>09-11 Biennium</b>	<b>\$28,218</b>	<b>-5.4%</b>	<b>\$269</b>	<b>-38.5%</b>	<b>\$99</b>	<b>NA</b>	<b>\$0</b>	<b>NA</b>	<b>\$28,586</b>	<b>-5.5%</b>
<b>11-13 Biennium</b>	<b>\$30,657</b>	<b>8.6%</b>	<b>\$215</b>	<b>-19.9%</b>	<b>\$244</b>	<b>145.2%</b>	<b>\$0</b>	<b>NA</b>	<b>\$31,116</b>	<b>8.8%</b>
<b>13-15 Biennium</b>	<b>\$33,666</b>	<b>9.8%</b>	<b>\$405</b>	<b>88.0%</b>	<b>\$234</b>	<b>-4.1%</b>	<b>\$0</b>	<b>NA</b>	<b>\$34,305</b>	<b>10.2%</b>
<b>15-17 Biennium</b>	<b>\$38,317</b>	<b>13.8%</b>	<b>\$467</b>	<b>15.4%</b>	<b>\$266</b>	<b>13.6%</b>	<b>\$0</b>	<b>NA</b>	<b>\$39,050</b>	<b>13.8%</b>
<b>17-19 Biennium</b>	<b>\$44,143</b>	<b>15.2%</b>	<b>\$1,654</b>	<b>254.1%</b>	<b>\$284</b>	<b>6.9%</b>	<b>\$0</b>	<b>NA</b>	<b>\$46,081</b>	<b>18.0%</b>
<b>19-21 Biennium</b>	<b>\$50,803</b>	<b>15.1%</b>	<b>\$1,639</b>	<b>-0.9%</b>	<b>\$337</b>	<b>18.5%</b>	<b>\$352</b>	<b>NA</b>	<b>\$53,132</b>	<b>15.3%</b>
<b>21-23 Biennium</b>	<b>\$61,002</b>	<b>20.1%</b>	<b>\$2,575</b>	<b>57.1%</b>	<b>\$378</b>	<b>12.2%</b>	<b>\$779</b>	<b>121.2%</b>	<b>\$64,734</b>	<b>21.8%</b>
<b>23-25 Biennium</b>	<b>\$63,166</b>	<b>3.5%</b>	<b>\$2,039</b>	<b>-20.8%</b>	<b>\$389</b>	<b>2.8%</b>	<b>\$886</b>	<b>13.7%</b>	<b>\$66,479</b>	<b>2.7%</b>
<b>25-27 Biennium</b>	<b>\$67,931</b>	<b>7.5%</b>	<b>\$2,356</b>	<b>15.6%</b>	<b>\$372</b>	<b>-4.3%</b>	<b>\$952</b>	<b>7.5%</b>	<b>\$71,611</b>	<b>7.7%</b>
<b>27-29 Biennium</b>	<b>\$72,920</b>	<b>7.3%</b>	<b>\$2,640</b>	<b>12.0%</b>	<b>\$388</b>	<b>4.4%</b>	<b>\$1,029</b>	<b>8.0%</b>	<b>\$76,976</b>	<b>7.5%</b>

\*Education legacy trust fund excluding FY 14 and FY 15 lottery fund transfers. Includes pension stabilization fund interest in FY 08 and FY 09.

Table 3.18  
**Forecasted distribution of excise tax and license fees from cannabis sales**  
 September 2024  
 Cash forecast, thousands of dollars

Fiscal year	Total of cannabis excise taxes plus license fees	LCB administration and pre-distribution allotments*	Total to distribute	Distribution of remaining funds							
				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	\$462,166	\$17,907	\$444,259	\$0	\$12,368	\$535	\$223,984	\$47,381	\$618	\$21,537	\$137,836
2026	\$483,002	\$18,344	\$464,658	\$0	\$12,675	\$548	\$234,417	\$49,588	\$633	\$22,540	\$144,256
2027	\$500,096	\$18,750	\$481,346	\$0	\$12,955	\$560	\$242,935	\$51,390	\$647	\$23,359	\$149,499
2028	\$519,968	\$19,190	\$500,778	\$0	\$13,259	\$574	\$252,867	\$53,491	\$663	\$24,314	\$155,611
2029	\$540,642	\$19,631	\$521,011	\$0	\$13,564	\$587	\$263,215	\$55,680	\$678	\$25,309	\$161,978

**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	\$945,617	\$58,642	\$886,976	\$0	\$24,231	\$1,048	\$453,980	\$97,245	\$1,211	\$44,202	\$265,058
2025-27	\$983,099	\$37,094	\$946,004	\$0	\$25,630	\$1,109	\$477,352	\$100,978	\$1,281	\$45,899	\$293,755
2027-29	\$1,060,610	\$38,821	\$1,021,789	\$0	\$26,823	\$1,160	\$516,082	\$109,171	\$1,340	\$49,623	\$317,589

\*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 2024  
 Cash forecast, thousands of dollars

	FY22	FY23	2021-23 Biennium	FY24	FY25	2023-25 Biennium	FY26	FY27	2025-27 Biennium	FY28	FY29	2027-29 Biennium
June 2024 forecast	\$368,630	\$410,385	\$779,016	\$433,074	\$446,764	\$879,838	\$463,005	\$480,789	\$943,793	\$499,911	\$519,999	\$1,019,910
Forecast change	\$0	\$0	\$0	\$2,285	\$3,680	\$5,965	\$4,095	\$4,447	\$8,542	\$4,416	\$4,224	\$8,640
September 2024 forecast	\$368,630	\$410,385	\$779,016	\$435,360	\$450,443	\$885,803	\$467,099	\$485,236	\$952,335	\$504,327	\$524,224	\$1,028,551



## 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 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	21,822.0	22,376.9	22,956.3	23,373.9	23,841.4	24,318.2	24,780.3	25,251.1
% Ch	1.9	2.5	2.6	1.8	2.0	2.0	1.9	1.9
Real Consumption	15,090.8	15,426.1	15,788.8	16,088.8	16,426.6	16,755.2	17,090.3	17,432.1
% Ch	2.5	2.2	2.4	1.9	2.1	2.0	2.0	2.0
Real Nonresidential Fixed Investment	3,131.6	3,271.7	3,405.6	3,516.7	3,583.1	3,668.8	3,761.8	3,864.5
% Ch	5.2	4.5	4.1	3.3	1.9	2.4	2.5	2.7
Real Residential Fixed Investment	822.6	735.3	761.2	754.9	784.8	816.2	851.1	893.4
% Ch	-9.0	-10.6	3.5	-0.8	4.0	4.0	4.3	5.0
Real Personal Income	18,821.2	19,073.7	19,472.9	20,003.7	20,622.9	21,283.6	21,902.2	22,453.6
% Ch	-4.2	1.3	2.1	2.7	3.1	3.2	2.9	2.5
Real Per Capita Income (\$/Person)	56,207	56,368	56,963	58,033	59,465	61,110	62,627	63,948
% Ch	-4.9	0.3	1.1	1.9	2.5	2.8	2.5	2.1
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	116.0	120.4	123.3	125.7	128.7	131.2	134.0	136.8
% Ch	6.5	3.7	2.4	2.0	2.4	2.0	2.1	2.1
U.S. Consumer Price Index (1982-84=1.0)	2.926	3.047	3.135	3.209	3.282	3.357	3.435	3.515
% Ch	8.0	4.1	2.9	2.4	2.3	2.3	2.3	2.3
Employment Cost Index (Dec. 2005=1.0)	1.548	1.619	1.683	1.742	1.811	1.878	1.948	2.020
% Ch	5.3	4.6	4.0	3.5	4.0	3.7	3.7	3.7
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	25,744.1	27,360.9	28,749.8	29,945.4	31,291.0	32,602.5	34,006.3	35,464.3
% Ch	9.1	6.3	5.1	4.2	4.5	4.2	4.3	4.3
Personal Income	21,840.8	22,961.3	24,005.4	25,153.2	26,541.6	27,928.4	29,345.8	30,722.1
% Ch	2.0	5.1	4.5	4.8	5.5	5.2	5.1	4.7
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	164.3	167.1	168.2	169.5	170.4	171.1	171.7	172.2
Total U.S. Employment	158.3	161.0	161.4	162.1	162.7	163.3	163.9	164.7
Unemployment Rate (%)	3.65	3.64	4.05	4.38	4.49	4.56	4.50	4.35
Nonfarm Payroll Employment	152.53	156.07	158.61	159.76	160.17	160.59	161.18	161.87
% Ch	4.3	2.3	1.6	0.7	0.3	0.3	0.4	0.4
Manufacturing	12.81	12.94	12.95	12.66	12.38	12.17	12.03	11.96
% Ch	3.7	1.0	0.0	-2.2	-2.3	-1.7	-1.2	-0.5
Durable Manufacturing	7.97	8.10	8.13	7.92	7.73	7.58	7.45	7.39
% Ch	3.7	1.7	0.3	-2.5	-2.4	-2.0	-1.7	-0.8
Nondurable Manufacturing	4.85	4.84	4.82	4.74	4.64	4.59	4.58	4.57
% Ch	3.7	-0.1	-0.4	-1.7	-2.0	-1.1	-0.2	-0.1
Construction	7.76	8.02	8.25	8.39	8.55	8.75	8.99	9.25
% Ch	4.4	3.3	2.9	1.6	2.0	2.4	2.8	2.8
Service-Providing	131.35	134.47	136.78	138.08	138.57	138.97	139.48	139.99
% Ch	4.3	2.4	1.7	1.0	0.4	0.3	0.4	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	94.8	77.6	76.1	66.9	65.5	64.7	64.3	64.1
Personal Saving/Disposable Income (%)	3.3	4.5	3.5	4.2	5.0	6.0	6.7	7.3
Auto Sales (Millions)	2.9	3.1	3.0	3.1	3.2	3.2	3.2	3.2
% Ch	-14.7	9.2	-4.2	2.8	2.7	1.9	-0.4	-0.8
Housing Starts (Millions)	1.552	1.421	1.349	1.380	1.416	1.444	1.469	1.482
% Ch	-3.3	-8.4	-5.1	2.3	2.6	2.0	1.8	0.8
Federal Budget Surplus (Billions)	-1,062.2	-1,664.2	-1,569.7	-1,527.2	-1,527.7	-1,552.5	-1,602.4	-1,673.7
Net Exports (Billions)	-971.1	-798.7	-883.4	-844.8	-802.6	-713.3	-643.2	-585.7
3-Month Treasury Bill Rate (%)	2.02	5.07	5.07	3.65	2.43	2.36	2.36	2.37
10-Year Treasury Note Yield (%)	2.95	3.96	4.09	3.45	3.23	3.10	3.16	3.18
Bond Index of 20 G.O. Munis. (%)	3.21	3.69	3.75	3.62	3.55	3.46	3.46	3.47
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.61	5.51	5.06	4.92	4.93	4.87

Table A1.2  
**U.S. Economic Forecast Summary**  
Forecast 2024 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	22,758.8	22,924.9	23,029.6	23,112.1	23,206.5	23,310.7	23,424.5	23,554.0
% Ch , Annual Rate	1.4	3.0	1.8	1.4	1.6	1.8	2.0	2.2
Real Consumption	15,643.0	15,755.2	15,847.1	15,909.8	15,974.1	16,046.4	16,123.0	16,211.7
% Ch , Annual Rate	1.5	2.9	2.4	1.6	1.6	1.8	1.9	2.2
Real Nonresidential Fixed Investment	3,351.1	3,388.6	3,429.1	3,453.5	3,483.9	3,507.5	3,528.1	3,547.6
% Ch , Annual Rate	4.4	4.6	4.9	2.9	3.6	2.7	2.4	2.2
Real Residential Fixed Investment	772.2	768.2	755.4	749.2	744.7	748.9	757.7	768.1
% Ch , Annual Rate	16.0	-2.0	-6.5	-3.2	-2.4	2.3	4.8	5.6
Real Personal Income	19,321.8	19,391.8	19,531.3	19,646.6	19,820.9	19,927.0	20,062.1	20,204.9
% Ch , Annual Rate	3.5	1.5	2.9	2.4	3.6	2.2	2.7	2.9
Real Per Capita Income (\$/Person)	56,724	56,789	57,064	57,275	57,664	57,860	58,146	58,460
% Ch , Annual Rate	2.4	0.5	1.9	1.5	2.7	1.4	2.0	2.2
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	122.4	123.1	123.5	124.1	124.7	125.4	126.1	126.8
% Ch , Annual Rate	3.4	2.5	1.3	1.7	2.0	2.2	2.2	2.4
U.S. Consumer Price Index (1982-84=1.0)	3.110	3.132	3.139	3.158	3.186	3.207	3.213	3.231
% Ch , Annual Rate	3.8	2.8	1.0	2.4	3.6	2.7	0.7	2.2
Employment Cost Index (Dec. 2005=1.0)	1.662	1.676	1.691	1.703	1.719	1.734	1.749	1.766
% Ch , Annual Rate	4.5	3.4	3.7	2.9	3.7	3.5	3.7	4.0
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	28,269.2	28,652.3	28,920.8	29,156.7	29,447.4	29,765.5	30,101.8	30,466.8
% Ch , Annual Rate	4.5	5.5	3.8	3.3	4.0	4.4	4.6	4.9
Personal Income	23,644.3	23,877.9	24,126.8	24,372.8	24,714.1	24,984.4	25,290.9	25,623.4
% Ch , Annual Rate	7.0	4.0	4.2	4.1	5.7	4.4	5.0	5.4
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	167.5	167.9	168.5	168.9	169.2	169.4	169.6	169.8
Total U.S. Employment	161.2	161.3	161.4	161.7	161.9	162.0	162.1	162.3
Unemployment Rate (%)	3.78	3.96	4.22	4.26	4.31	4.36	4.40	4.43
Nonfarm Payroll Employment	157.82	158.40	158.87	159.36	159.61	159.72	159.81	159.91
% Ch , Annual Rate	2.0	1.5	1.2	1.3	0.6	0.3	0.2	0.3
Manufacturing	12.96	12.95	12.97	12.91	12.82	12.72	12.61	12.50
% Ch , Annual Rate	0.4	-0.1	0.5	-1.8	-2.8	-3.0	-3.6	-3.2
Durable Manufacturing	8.14	8.14	8.14	8.09	8.03	7.97	7.89	7.82
% Ch , Annual Rate	0.9	-0.2	0.3	-2.4	-3.2	-2.9	-4.0	-3.5
Nondurable Manufacturing	4.82	4.82	4.83	4.82	4.79	4.75	4.72	4.69
% Ch , Annual Rate	-0.4	0.1	0.8	-0.9	-2.0	-3.1	-2.9	-2.7
Construction	8.17	8.22	8.27	8.33	8.33	8.36	8.40	8.45
% Ch , Annual Rate	3.6	2.1	2.8	2.9	0.0	1.5	1.7	2.4
Service-Providing	136.05	136.59	136.99	137.49	137.83	138.01	138.17	138.32
% Ch , Annual Rate	2.0	1.6	1.2	1.5	1.0	0.5	0.5	0.4
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	77.6	81.4	76.2	69.1	67.6	67.1	66.7	66.3
Personal Saving/Disposable Income (%)	3.8	3.3	3.3	3.5	4.0	4.1	4.2	4.4
Auto Sales (Millions)	2.9	2.9	3.0	3.1	3.0	3.0	3.1	3.1
% Ch , Annual Rate	-21.6	-1.5	8.4	18.5	-14.0	3.9	14.4	1.3
Housing Starts (Millions)	1.407	1.340	1.308	1.339	1.363	1.377	1.387	1.395
% Ch , Annual Rate	-18.5	-17.6	-9.2	9.8	7.2	4.3	2.7	2.3
Federal Budget Surplus (Billions)	-1,579.5	-1,600.4	-1,566.0	-1,533.1	-1,536.0	-1,537.0	-1,530.2	-1,505.8
Net Exports (Billions)	-834.9	-891.8	-906.4	-900.4	-869.4	-855.7	-838.3	-815.9
3-Month Treasury Bill Rate (%)	5.23	5.24	5.13	4.66	4.35	3.89	3.41	2.94
10-Year Treasury Note Yield (%)	4.16	4.44	4.01	3.75	3.57	3.48	3.41	3.33
Bond Index of 20 G.O. Munis. (%)	3.47	3.93	3.91	3.69	3.64	3.64	3.63	3.59
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.54	6.15	5.77	5.55	5.43	5.28

Table A1.2 (continued)  
**U.S. Economic Forecast Summary**  
Forecast 2024 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	23,672.0	23,786.5	23,896.8	24,010.3	24,137.3	24,259.8	24,379.6	24,496.3
% Ch , Annual Rate	2.0	1.9	1.9	1.9	2.1	2.0	2.0	1.9
Real Consumption	16,300.2	16,387.2	16,470.0	16,549.2	16,629.8	16,713.7	16,797.2	16,880.1
% Ch , Annual Rate	2.2	2.2	2.0	1.9	2.0	2.0	2.0	2.0
Real Nonresidential Fixed Investment	3,560.6	3,573.7	3,589.2	3,608.7	3,634.5	3,657.4	3,680.1	3,703.1
% Ch , Annual Rate	1.5	1.5	1.7	2.2	2.9	2.5	2.5	2.5
Real Residential Fixed Investment	774.3	781.7	788.5	794.6	804.4	811.8	820.0	828.5
% Ch , Annual Rate	3.3	3.9	3.5	3.1	5.0	3.8	4.1	4.3
Real Personal Income	20,418.6	20,544.5	20,689.6	20,839.0	21,072.7	21,203.1	21,354.0	21,504.8
% Ch , Annual Rate	4.3	2.5	2.9	2.9	4.6	2.5	2.9	2.9
Real Per Capita Income (\$/Person)	58,988	59,269	59,617	59,984	60,595	60,911	61,283	61,652
% Ch , Annual Rate	3.7	1.9	2.4	2.5	4.1	2.1	2.5	2.4
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	127.7	128.3	129.0	129.7	130.3	130.9	131.5	132.2
% Ch , Annual Rate	2.9	1.9	2.2	2.0	1.9	2.0	1.7	2.1
U.S. Consumer Price Index (1982-84=1.0)	3.258	3.279	3.286	3.304	3.333	3.355	3.361	3.380
% Ch , Annual Rate	3.4	2.7	0.8	2.3	3.5	2.7	0.7	2.3
Employment Cost Index (Dec. 2005=1.0)	1.786	1.804	1.820	1.836	1.853	1.869	1.886	1.902
% Ch , Annual Rate	4.4	4.2	3.6	3.5	3.9	3.6	3.5	3.6
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	30,849.2	31,116.4	31,437.7	31,760.8	32,100.0	32,443.2	32,756.8	33,110.1
% Ch , Annual Rate	5.1	3.5	4.2	4.2	4.3	4.3	3.9	4.4
Personal Income	26,080.0	26,365.2	26,698.3	27,023.0	27,457.2	27,761.5	28,075.0	28,419.9
% Ch , Annual Rate	7.3	4.4	5.2	5.0	6.6	4.5	4.6	5.0
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	170.1	170.3	170.5	170.7	170.9	171.1	171.2	171.3
Total U.S. Employment	162.5	162.7	162.8	163.0	163.1	163.3	163.4	163.6
Unemployment Rate (%)	4.46	4.48	4.50	4.53	4.55	4.57	4.56	4.55
Nonfarm Payroll Employment	160.01	160.12	160.23	160.32	160.44	160.53	160.63	160.75
% Ch , Annual Rate	0.3	0.3	0.3	0.2	0.3	0.2	0.2	0.3
Manufacturing	12.44	12.40	12.36	12.31	12.27	12.19	12.13	12.08
% Ch , Annual Rate	-2.2	-1.0	-1.6	-1.4	-1.3	-2.5	-2.1	-1.5
Durable Manufacturing	7.77	7.75	7.72	7.69	7.66	7.60	7.55	7.51
% Ch , Annual Rate	-2.4	-0.8	-1.7	-1.5	-1.5	-3.2	-2.7	-2.1
Nondurable Manufacturing	4.67	4.65	4.63	4.62	4.61	4.59	4.58	4.58
% Ch , Annual Rate	-1.9	-1.3	-1.3	-1.4	-1.0	-1.2	-1.0	-0.5
Construction	8.48	8.53	8.57	8.62	8.67	8.72	8.78	8.84
% Ch , Annual Rate	1.7	2.2	2.1	2.0	2.5	2.3	2.8	2.8
Service-Providing	138.44	138.52	138.62	138.71	138.80	138.92	139.02	139.13
% Ch , Annual Rate	0.4	0.2	0.3	0.3	0.3	0.3	0.3	0.3
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	66.0	65.7	65.4	65.2	64.9	64.8	64.6	64.5
Personal Saving/Disposable Income (%)	4.8	4.9	5.1	5.3	5.8	5.9	6.0	6.2
Auto Sales (Millions)	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2
% Ch , Annual Rate	0.3	-1.2	3.7	3.2	1.9	1.3	1.4	0.0
Housing Starts (Millions)	1.401	1.414	1.420	1.427	1.434	1.440	1.448	1.453
% Ch , Annual Rate	1.8	3.9	1.8	1.9	2.0	1.7	2.2	1.5
Federal Budget Surplus (Billions)	-1,504.1	-1,526.1	-1,537.8	-1,543.0	-1,551.5	-1,555.4	-1,556.4	-1,546.8
Net Exports (Billions)	-806.0	-816.2	-805.9	-782.3	-750.1	-722.7	-700.9	-679.3
3-Month Treasury Bill Rate (%)	2.49	2.43	2.41	2.41	2.40	2.34	2.34	2.34
10-Year Treasury Note Yield (%)	3.24	3.31	3.22	3.15	3.14	3.07	3.09	3.12
Bond Index of 20 G.O. Munis. (%)	3.54	3.62	3.54	3.49	3.49	3.44	3.46	3.46
30-Year Fixed Mortgage Rate (%)	5.14	5.10	5.05	4.97	4.92	4.91	4.91	4.94



Table A1.2 (continued)  
**U.S. Economic Forecast Summary**  
Forecast 2024 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
<b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b>								
Real Gross Domestic Product	24,609.3	24,719.7	24,836.1	24,956.1	25,071.7	25,197.1	25,310.8	25,424.9
% Ch , Annual Rate	1.9	1.8	1.9	1.9	1.9	2.0	1.8	1.8
Real Consumption	16,962.7	17,046.0	17,132.3	17,220.1	17,307.4	17,392.7	17,474.3	17,553.9
% Ch , Annual Rate	2.0	2.0	2.0	2.1	2.0	2.0	1.9	1.8
Real Nonresidential Fixed Investment	3,726.6	3,749.4	3,772.9	3,798.2	3,823.4	3,851.3	3,878.2	3,905.1
% Ch , Annual Rate	2.6	2.5	2.5	2.7	2.7	3.0	2.8	2.8
Real Residential Fixed Investment	838.5	845.2	854.6	866.3	875.3	889.9	900.1	908.5
% Ch , Annual Rate	4.9	3.2	4.5	5.6	4.2	6.8	4.7	3.8
Real Personal Income	21,715.0	21,837.0	21,962.9	22,093.7	22,289.4	22,396.4	22,507.3	22,621.2
% Ch , Annual Rate	4.0	2.3	2.3	2.4	3.6	1.9	2.0	2.0
Real Per Capita Income (\$/Person)	62,189	62,474	62,769	63,078	63,575	63,816	64,069	64,330
% Ch , Annual Rate	3.5	1.8	1.9	2.0	3.2	1.5	1.6	1.6
<b>Price and Wage Indexes</b>								
PCE Price Index (2017=100)	132.9	133.6	134.4	135.1	135.7	136.5	137.2	137.9
% Ch , Annual Rate	2.2	2.2	2.3	2.1	2.0	2.1	2.2	2.1
U.S. Consumer Price Index (1982-84=1.0)	3.410	3.432	3.439	3.459	3.490	3.512	3.519	3.539
% Ch , Annual Rate	3.6	2.6	0.8	2.3	3.6	2.6	0.8	2.3
Employment Cost Index (Dec. 2005=1.0)	1.921	1.939	1.957	1.975	1.993	2.011	2.029	2.048
% Ch , Annual Rate	3.9	3.8	3.8	3.8	3.7	3.7	3.7	3.7
<b>Current Dollar National Income (Billions of Dollars)</b>								
Gross Domestic Product	33,473.1	33,820.1	34,185.5	34,546.5	34,899.0	35,282.0	35,653.5	36,023.0
% Ch , Annual Rate	4.5	4.2	4.4	4.3	4.1	4.5	4.3	4.2
Personal Income	28,854.1	29,175.9	29,510.5	29,842.8	30,255.0	30,561.2	30,877.0	31,195.3
% Ch , Annual Rate	6.3	4.5	4.7	4.6	5.6	4.1	4.2	4.2
<b>Employment (Millions)</b>								
U.S. Civilian Labor Force	171.5	171.6	171.7	171.8	172.0	172.1	172.2	172.3
Total U.S. Employment	163.7	163.8	164.0	164.2	164.4	164.6	164.8	164.9
Unemployment Rate (%)	4.54	4.52	4.49	4.45	4.41	4.36	4.33	4.30
Nonfarm Payroll Employment	160.88	161.07	161.28	161.48	161.64	161.80	161.94	162.09
% Ch, Annual Rate	0.3	0.5	0.5	0.5	0.4	0.4	0.3	0.4
Manufacturing	12.07	12.04	12.02	11.99	11.98	11.96	11.96	11.95
% Ch, Annual Rate	-0.6	-0.7	-0.8	-1.1	-0.2	-0.5	-0.1	-0.2
Durable Manufacturing	7.48	7.46	7.44	7.41	7.40	7.39	7.39	7.38
% Ch, Annual Rate	-1.2	-1.2	-1.3	-1.6	-0.3	-0.6	-0.2	-0.3
Nondurable Manufacturing	4.58	4.58	4.58	4.58	4.58	4.57	4.57	4.57
% Ch, Annual Rate	0.3	0.1	0.0	-0.2	-0.1	-0.4	0.0	0.1
Construction	8.90	8.96	9.03	9.09	9.15	9.22	9.28	9.34
% Ch, Annual Rate	2.9	2.5	3.0	2.9	2.6	3.1	2.7	2.7
Service-Providing	139.22	139.39	139.56	139.73	139.85	139.95	140.03	140.12
% Ch, Annual Rate	0.3	0.5	0.5	0.5	0.3	0.3	0.2	0.3
<b>Miscellaneous Indicators</b>								
Oil-WTI (\$ per barrel)	64.4	64.3	64.3	64.2	64.1	64.1	64.1	64.1
Personal Saving/Disposable Income (%)	6.6	6.7	6.7	6.8	7.2	7.3	7.4	7.5
Auto Sales (Millions)	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
% Ch, Annual Rate	-3.4	1.1	0.1	-0.1	-2.4	-0.3	-1.4	-0.1
Housing Starts (Millions)	1.460	1.467	1.472	1.478	1.480	1.480	1.482	1.485
% Ch, Annual Rate	1.9	2.0	1.5	1.5	0.5	0.2	0.4	0.9
Federal Budget Surplus (Billions)	-1,577.6	-1,595.4	-1,611.4	-1,625.3	-1,667.9	-1,691.9	-1,650.6	-1,684.4
Net Exports (Billions)	-663.2	-650.7	-635.3	-623.6	-612.1	-596.0	-577.7	-557.1
3-Month Treasury Bill Rate (%)	2.35	2.35	2.36	2.36	2.37	2.37	2.37	2.37
10-Year Treasury Note Yield (%)	3.15	3.17	3.17	3.16	3.16	3.17	3.18	3.19
Bond Index of 20 G.O. Munis. (%)	3.47	3.48	3.46	3.45	3.45	3.47	3.48	3.49
30-Year Fixed Mortgage Rate (%)	4.96	4.94	4.93	4.89	4.88	4.87	4.87	4.87

Table A1.3  
**Washington Economic Forecast Summary**  
Forecast 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	503.194	513.272	527.291	542.931	561.716	582.319	601.988	619.511
% Ch	-4.6	2.0	2.7	3.0	3.5	3.7	3.4	2.9
Real Wage and Salary Disb.	268.062	277.212	287.044	293.871	301.097	311.326	322.135	331.314
% Ch	0.1	3.4	3.5	2.4	2.5	3.4	3.5	2.8
Real Nonwage Income	235.132	236.059	240.247	249.060	260.619	270.992	279.853	288.197
% Ch	-9.4	0.4	1.8	3.7	4.6	4.0	3.3	3.0
Real Per Capita Income (\$/Person)	64,659	65,688	67,084	68,497	70,364	72,522	74,531	76,244
% Ch	-5.0	1.6	2.1	2.1	2.7	3.1	2.8	2.3
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.160	1.204	1.233	1.257	1.287	1.312	1.340	1.368
% Ch	6.5	3.7	2.4	2.0	2.4	2.0	2.1	2.1
Seattle Cons. Price Index (1982-84=1.0)	3.224	3.412	3.542	3.631	3.713	3.799	3.887	3.977
% Ch	8.9	5.8	3.8	2.5	2.3	2.3	2.3	2.3
Average Nonfarm Annual Wage	85,909	90,589	94,863	97,951	101,884	106,629	111,700	116,281
% Ch	1.8	5.4	4.7	3.3	4.0	4.7	4.8	4.1
Avg. Hourly Earnings-Mfg. (\$/Hour)	29.89	29.71	32.29	33.57	34.86	36.09	37.38	38.72
% Ch	6.6	-0.6	8.7	4.0	3.8	3.5	3.6	3.6
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	583.855	617.887	650.028	682.695	722.932	764.124	806.585	847.654
% Ch	1.7	5.8	5.2	5.0	5.9	5.7	5.6	5.1
Disposable Personal Income	504.086	544.622	567.479	594.942	629.054	663.362	699.164	735.369
% Ch	-0.3	8.0	4.2	4.8	5.7	5.5	5.4	5.2
Per Capita Income (\$/Person)	75,022	79,076	82,698	86,128	90,557	95,163	99,861	104,320
% Ch	1.2	5.4	4.6	4.1	5.1	5.1	4.9	4.5
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	3,969.5	4,025.7	4,020.7	4,043.8	4,077.1	4,106.0	4,132.7	4,159.5
Total Washington Employment	3,807.6	3,861.7	3,826.3	3,842.2	3,873.0	3,902.1	3,932.6	3,966.2
Unemployment Rate (%)	4.08	4.07	4.83	4.98	5.00	4.97	4.84	4.65
Nonfarm Payroll Employment	3,528.2	3,593.1	3,638.9	3,680.0	3,710.6	3,738.4	3,771.2	3,805.4
% Ch	4.7	1.8	1.3	1.1	0.8	0.7	0.9	0.9
Manufacturing	268.8	273.7	275.2	276.3	277.5	278.4	278.8	278.8
% Ch	3.4	1.8	0.5	0.4	0.4	0.3	0.2	0.0
Durable Manufacturing	181.8	187.7	189.6	191.9	194.3	195.4	195.2	194.5
% Ch	3.4	3.2	1.0	1.2	1.2	0.6	-0.1	-0.4
Aerospace	71.3	77.5	79.6	83.9	88.0	90.1	90.8	90.7
% Ch	5.5	8.6	2.8	5.3	4.9	2.5	0.7	0.0
Nondurable Manufacturing	87.0	86.0	85.6	84.4	83.2	82.9	83.6	84.3
% Ch	3.4	-1.1	-0.5	-1.4	-1.5	-0.3	0.8	0.9
Construction	232.3	232.0	231.6	238.5	245.1	252.2	259.8	267.4
% Ch	3.8	-0.1	-0.2	3.0	2.8	2.9	3.0	2.9
Service-Providing	3,021.6	3,081.9	3,127.1	3,160.5	3,183.3	3,202.9	3,227.4	3,253.6
% Ch	4.9	2.0	1.5	1.1	0.7	0.6	0.8	0.8
Software Publishers	86.0	86.0	83.4	85.2	86.9	89.0	91.3	93.5
% Ch	7.6	0.0	-3.0	2.1	2.0	2.5	2.5	2.4
Mgmt. of Companies and Enterprises	104.1	101.7	101.3	105.3	108.5	111.3	114.1	116.7
% Ch	15.4	-2.3	-0.4	3.9	3.0	2.7	2.5	2.3
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	49.030	37.097	35.577	37.681	40.454	42.143	42.952	43.412
% Ch	-13.9	-24.3	-4.1	5.9	7.4	4.2	1.9	1.1
Single-Family	20.400	18.056	18.171	19.660	21.654	22.593	22.845	23.049
% Ch	-18.6	-11.5	0.6	8.2	10.1	4.3	1.1	0.9
Multi-Family	28.630	19.041	17.406	18.021	18.800	19.550	20.107	20.362
% Ch	-10.2	-33.5	-8.6	3.5	4.3	4.0	2.9	1.3
30-Year Fixed Mortgage Rate (%)	5.43	6.81	6.61	5.51	5.06	4.92	4.93	4.87

Table A1.4  
**Washington Economic Forecast Summary**  
Forecast 2024 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	522.425	525.342	528.562	532.834	538.404	540.197	544.337	548.787
% Ch, Annual Rate	4.4	2.3	2.5	3.3	4.2	1.3	3.1	3.3
Real Wage and Salary Disb.	283.197	285.833	288.077	291.069	293.354	292.665	293.916	295.549
% Ch, Annual Rate	3.9	3.8	3.2	4.2	3.2	-0.9	1.7	2.2
Real Nonwage Income	239.229	239.509	240.485	241.765	245.050	247.532	250.421	253.238
% Ch, Annual Rate	5.0	0.5	1.6	2.1	5.5	4.1	4.8	4.6
Real Per Capita Income (\$/Person)	66,696	66,905	67,170	67,565	68,128	68,217	68,606	69,035
% Ch, Annual Rate	4.1	1.3	1.6	2.4	3.4	0.5	2.3	2.5
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.224	1.231	1.235	1.241	1.247	1.254	1.261	1.268
% Ch, Annual Rate	3.4	2.5	1.3	1.7	2.0	2.2	2.2	2.4
Seattle Cons. Price Index (1982-84=1.0)	3.506	3.537	3.552	3.573	3.605	3.629	3.635	3.655
% Ch, Annual Rate	4.8	3.5	1.7	2.4	3.6	2.7	0.7	2.2
Average Nonfarm Annual Wage	93,470	94,395	95,115	96,472	97,212	97,380	98,142	99,069
% Ch, Annual Rate	4.7	4.0	3.1	5.8	3.1	0.7	3.2	3.8
Avg. Hourly Earnings-Mfg. (\$/Hour)	31.57	32.10	32.64	32.86	33.15	33.42	33.71	34.02
% Ch, Annual Rate	13.0	6.8	7.0	2.7	3.5	3.3	3.5	3.8
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	639.297	646.872	652.928	661.015	671.320	677.295	686.206	695.958
% Ch, Annual Rate	8.0	4.8	3.8	5.0	6.4	3.6	5.4	5.8
Disposable Personal Income	558.883	564.946	569.666	576.420	585.147	590.484	598.002	606.135
% Ch, Annual Rate	4.7	4.4	3.4	4.8	6.2	3.7	5.2	5.6
Per Capita Income (\$/Person)	81,617	82,382	82,974	83,819	84,947	85,530	86,486	87,549
% Ch, Annual Rate	7.7	3.8	2.9	4.1	5.5	2.8	4.5	5.0
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,026.7	4,017.2	4,015.2	4,023.7	4,032.4	4,039.7	4,047.3	4,055.9
Total Washington Employment	3,837.7	3,822.2	3,819.6	3,825.8	3,832.8	3,838.2	3,845.1	3,852.9
Unemployment Rate (%)	4.69	4.85	4.87	4.92	4.95	4.99	5.00	5.01
Nonfarm Payroll Employment	3,617.0	3,637.5	3,649.7	3,651.4	3,670.7	3,675.8	3,682.8	3,690.8
% Ch, Annual Rate	2.7	2.3	1.4	0.2	2.1	0.6	0.8	0.9
Manufacturing	276.6	277.0	278.9	268.0	277.2	276.3	275.9	276.0
% Ch, Annual Rate	4.4	0.6	2.7	-14.7	14.4	-1.3	-0.5	0.0
Durable Manufacturing	191.3	191.7	193.2	182.2	191.9	191.7	191.9	192.3
% Ch, Annual Rate	4.2	0.8	3.3	-20.9	23.0	-0.5	0.4	1.0
Aerospace	81.4	82.0	83.0	72.2	82.7	83.2	84.2	85.4
% Ch, Annual Rate	6.2	3.1	4.9	-42.7	72.2	2.4	4.9	5.6
Nondurable Manufacturing	85.4	85.4	85.7	85.8	85.3	84.6	84.1	83.6
% Ch, Annual Rate	4.7	0.1	1.5	0.5	-2.2	-3.2	-2.7	-2.1
Construction	228.6	230.6	232.5	234.6	236.3	237.8	239.2	240.6
% Ch, Annual Rate	1.5	3.4	3.4	3.7	2.9	2.6	2.4	2.3
Service-Providing	3,106.3	3,124.7	3,133.5	3,143.9	3,152.4	3,157.0	3,163.0	3,169.6
% Ch, Annual Rate	2.7	2.4	1.1	1.3	1.1	0.6	0.8	0.8
Software Publishers	83.3	83.2	83.3	83.9	84.5	85.0	85.4	85.7
% Ch, Annual Rate	-6.1	-0.6	0.6	2.9	2.8	2.3	2.1	1.4
Mgmt. of Companies and Enterprises	100.2	100.1	102.0	103.0	103.9	104.8	105.7	106.5
% Ch, Annual Rate	-6.8	-0.5	7.9	3.9	3.7	3.5	3.3	3.2
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	37.997	33.254	35.116	35.942	36.652	37.268	37.972	38.834
% Ch, Annual Rate	50.0	-41.3	24.4	9.7	8.1	6.9	7.8	9.4
Single-Family	20.556	17.513	16.864	17.753	18.626	19.380	20.021	20.614
% Ch, Annual Rate	5.2	-47.3	-14.0	22.8	21.2	17.2	13.9	12.4
Multi-Family	17.441	15.741	18.253	18.189	18.026	17.888	17.951	18.219
% Ch, Annual Rate	138.2	-33.6	80.8	-1.4	-3.6	-3.0	1.4	6.1
30-Year Fixed Mortgage Rate (%)	6.76	7.00	6.54	6.15	5.77	5.55	5.43	5.28

Table A1.4 (continued)  
**Washington Economic Forecast Summary**  
Forecast 2024 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	555.084	559.333	563.891	568.555	575.362	579.661	584.659	589.593
% Ch, Annual Rate	4.7	3.1	3.3	3.4	4.9	3.0	3.5	3.4
Real Wage and Salary Disb.	298.592	299.854	301.854	304.089	307.906	309.808	312.380	315.211
% Ch, Annual Rate	4.2	1.7	2.7	3.0	5.1	2.5	3.4	3.7
Real Nonwage Income	256.493	259.480	262.036	264.466	267.456	269.853	272.278	274.382
% Ch, Annual Rate	5.2	4.7	4.0	3.8	4.6	3.6	3.6	3.1
Real Per Capita Income (\$/Person)	69,702	70,116	70,578	71,058	71,808	72,245	72,765	73,271
% Ch, Annual Rate	3.9	2.4	2.7	2.7	4.3	2.5	2.9	2.8
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.277	1.283	1.290	1.297	1.303	1.309	1.315	1.322
% Ch, Annual Rate	2.9	1.9	2.2	2.0	1.9	2.0	1.7	2.1
Seattle Cons. Price Index (1982-84=1.0)	3.686	3.710	3.718	3.739	3.771	3.796	3.803	3.825
% Ch, Annual Rate	3.4	2.7	0.8	2.3	3.5	2.7	0.7	2.3
Average Nonfarm Annual Wage	100,590	101,252	102,299	103,396	105,033	105,996	107,095	108,392
% Ch, Annual Rate	6.3	2.7	4.2	4.4	6.5	3.7	4.2	4.9
Avg. Hourly Earnings-Mfg. (\$/Hour)	34.39	34.73	35.03	35.31	35.64	35.94	36.23	36.54
% Ch, Annual Rate	4.3	4.0	3.5	3.3	3.8	3.4	3.3	3.5
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	708.991	717.805	727.657	737.273	749.683	758.957	768.673	779.184
% Ch, Annual Rate	7.7	5.1	5.6	5.4	6.9	5.0	5.2	5.6
Disposable Personal Income	617.066	624.620	633.158	641.373	651.523	659.300	667.044	675.580
% Ch, Annual Rate	7.4	5.0	5.6	5.3	6.5	4.9	4.8	5.2
Per Capita Income (\$/Person)	89,028	89,982	91,076	92,144	93,564	94,591	95,666	96,833
% Ch, Annual Rate	6.9	4.4	5.0	4.8	6.3	4.5	4.6	5.0
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,064.5	4,073.9	4,081.3	4,088.4	4,095.3	4,102.4	4,109.6	4,116.6
Total Washington Employment	3,861.0	3,870.0	3,877.1	3,883.9	3,890.6	3,898.0	3,906.0	3,913.9
Unemployment Rate (%)	5.01	5.00	5.00	5.00	5.00	4.98	4.96	4.92
Nonfarm Payroll Employment	3,698.9	3,707.7	3,714.8	3,721.1	3,727.0	3,734.1	3,742.1	3,750.5
% Ch, Annual Rate	0.9	1.0	0.8	0.7	0.6	0.8	0.9	0.9
Manufacturing	276.4	277.3	277.9	278.3	278.5	278.3	278.3	278.4
% Ch, Annual Rate	0.6	1.4	0.8	0.5	0.3	-0.3	-0.1	0.2
Durable Manufacturing	193.0	194.1	194.8	195.3	195.5	195.4	195.4	195.4
% Ch, Annual Rate	1.4	2.2	1.5	1.1	0.5	-0.2	-0.1	0.1
Aerospace	86.5	87.6	88.5	89.2	89.7	90.0	90.3	90.5
% Ch, Annual Rate	5.5	5.3	4.1	3.1	2.2	1.6	1.2	0.9
Nondurable Manufacturing	83.3	83.2	83.1	83.0	83.0	82.9	82.9	83.0
% Ch, Annual Rate	-1.3	-0.5	-0.6	-0.6	-0.1	-0.4	-0.2	0.4
Construction	242.2	244.2	246.1	247.9	249.6	251.2	253.0	255.1
% Ch, Annual Rate	2.8	3.3	3.1	2.9	2.8	2.6	3.0	3.3
Service-Providing	3,175.5	3,181.5	3,186.0	3,190.1	3,194.0	3,199.7	3,205.9	3,212.0
% Ch, Annual Rate	0.7	0.7	0.6	0.5	0.5	0.7	0.8	0.8
Software Publishers	86.2	86.6	87.1	87.6	88.2	88.7	89.3	89.9
% Ch, Annual Rate	2.2	2.0	2.2	2.3	2.5	2.7	2.7	2.6
Mgmt. of Companies and Enterprises	107.3	108.1	108.8	109.6	110.3	111.0	111.7	112.4
% Ch, Annual Rate	3.0	2.9	2.8	2.7	2.7	2.6	2.5	2.5
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	39.554	40.185	40.782	41.296	41.678	42.052	42.345	42.496
% Ch, Annual Rate	7.6	6.5	6.1	5.1	3.8	3.6	2.8	1.4
Single-Family	21.107	21.472	21.879	22.159	22.381	22.597	22.659	22.735
% Ch, Annual Rate	9.9	7.1	7.8	5.2	4.1	3.9	1.1	1.3
Multi-Family	18.447	18.713	18.903	19.137	19.298	19.454	19.686	19.762
% Ch, Annual Rate	5.1	5.9	4.1	5.0	3.4	3.3	4.9	1.5
30-Year Fixed Mortgage Rate (%)	5.14	5.10	5.05	4.97	4.92	4.91	4.91	4.94

Table A1.4 (continued)  
**Washington Economic Forecast Summary**  
Forecast 2024 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
<b>Real Income (Billions of Chained 2017 Dollars)</b>								
Real Personal Income	595.910	599.893	603.983	608.165	614.031	617.584	621.312	625.118
% Ch, Annual Rate	4.4	2.7	2.8	2.8	3.9	2.3	2.4	2.5
Real Wage and Salary Disb.	318.937	321.019	323.202	325.381	328.717	330.377	332.182	333.980
% Ch, Annual Rate	4.8	2.6	2.7	2.7	4.2	2.0	2.2	2.2
Real Nonwage Income	276.973	278.874	280.781	282.783	285.313	287.207	289.129	291.138
% Ch, Annual Rate	3.8	2.8	2.8	2.9	3.6	2.7	2.7	2.8
Real Per Capita Income (\$/Person)	73,945	74,328	74,724	75,128	75,742	76,065	76,408	76,760
% Ch, Annual Rate	3.7	2.1	2.1	2.2	3.3	1.7	1.8	1.9
<b>Price and Wage Indexes</b>								
U.S. Implicit Price Deflator, PCE (2012=1.0)	1.329	1.336	1.344	1.351	1.357	1.365	1.372	1.379
% Ch, Annual Rate	2.2	2.2	2.3	2.1	2.0	2.1	2.2	2.1
Seattle Cons. Price Index (1982-84=1.0)	3.858	3.884	3.891	3.914	3.949	3.974	3.982	4.005
% Ch, Annual Rate	3.6	2.6	0.8	2.3	3.6	2.6	0.8	2.3
Average Nonfarm Annual Wage	110,056	111,133	112,255	113,355	114,839	115,770	116,768	117,749
% Ch, Annual Rate	6.3	4.0	4.1	4.0	5.3	3.3	3.5	3.4
Avg. Hourly Earnings-Mfg. (\$/Hour)	36.88	37.21	37.55	37.89	38.22	38.55	38.89	39.22
% Ch, Annual Rate	3.8	3.6	3.7	3.7	3.5	3.5	3.6	3.5
<b>Current Dollar Income (Billions of Dollars)</b>								
Personal Income	791.822	801.502	811.543	821.474	833.469	842.730	852.358	862.058
% Ch, Annual Rate	6.6	5.0	5.1	5.0	6.0	4.5	4.6	4.6
Disposable Personal Income	686.388	694.748	703.473	712.048	722.520	730.775	739.631	748.552
% Ch, Annual Rate	6.6	5.0	5.1	5.0	6.0	4.6	4.9	4.9
Per Capita Income (\$/Person)	98,255	99,308	100,403	101,478	102,810	103,796	104,821	105,854
% Ch, Annual Rate	6.0	4.4	4.5	4.4	5.4	3.9	4.0	4.0
<b>Employment (Thousands)</b>								
Washington Civilian Labor Force	4,123.0	4,129.4	4,136.0	4,142.6	4,149.1	4,156.0	4,163.1	4,170.0
Total Washington Employment	3,921.0	3,928.3	3,936.5	3,944.8	3,953.0	3,961.8	3,970.7	3,979.1
Unemployment Rate (%)	4.90	4.87	4.82	4.78	4.73	4.67	4.62	4.58
Nonfarm Payroll Employment	3,758.0	3,766.6	3,775.8	3,784.5	3,792.5	3,801.1	3,809.6	3,818.4
% Ch, Annual Rate	0.8	0.9	1.0	0.9	0.8	0.9	0.9	0.9
Manufacturing	278.7	278.9	278.9	278.7	278.8	278.7	278.9	278.9
% Ch, Annual Rate	0.4	0.3	0.1	-0.3	0.1	-0.1	0.2	0.1
Durable Manufacturing	195.4	195.4	195.2	194.9	194.8	194.6	194.5	194.3
% Ch, Annual Rate	0.0	-0.1	-0.3	-0.7	-0.3	-0.4	-0.2	-0.3
Aerospace	90.7	90.8	90.8	90.8	90.8	90.8	90.7	90.6
% Ch, Annual Rate	0.6	0.4	0.3	0.1	0.0	-0.2	-0.3	-0.6
Nondurable Manufacturing	83.2	83.5	83.7	83.8	84.0	84.2	84.4	84.6
% Ch, Annual Rate	1.3	1.2	1.0	0.8	1.0	0.6	1.1	1.2
Construction	257.1	258.9	260.8	262.5	264.4	266.5	268.5	270.4
% Ch, Annual Rate	3.2	2.7	3.0	2.6	2.9	3.1	3.0	3.0
Service-Providing	3,217.1	3,223.8	3,230.9	3,238.0	3,243.9	3,250.4	3,256.8	3,263.4
% Ch, Annual Rate	0.6	0.8	0.9	0.9	0.7	0.8	0.8	0.8
Software Publishers	90.5	91.0	91.6	92.1	92.7	93.2	93.7	94.3
% Ch, Annual Rate	2.6	2.4	2.4	2.4	2.4	2.3	2.3	2.3
Mgmt. of Companies and Enterprises	113.1	113.7	114.4	115.1	115.8	116.4	117.1	117.7
% Ch, Annual Rate	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.3
<b>Housing Indicators (Thousands)</b>								
Housing Units Authorized by Bldg. Permit	42.732	42.939	43.047	43.092	43.196	43.310	43.472	43.669
% Ch, Annual Rate	2.2	2.0	1.0	0.4	1.0	1.1	1.5	1.8
Single-Family	22.792	22.853	22.864	22.872	22.943	23.006	23.081	23.167
% Ch, Annual Rate	1.0	1.1	0.2	0.1	1.3	1.1	1.3	1.5
Multi-Family	19.940	20.086	20.183	20.220	20.253	20.304	20.391	20.502
% Ch, Annual Rate	3.7	3.0	1.9	0.7	0.7	1.0	1.7	2.2
30-Year Fixed Mortgage Rate (%)	4.96	4.94	4.93	4.89	4.88	4.87	4.87	4.87

Table A2.1

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

Forecast 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Nonfarm Payroll Employment	152.53	156.07	158.61	159.76	160.17	160.59	161.18	161.87
% Ch	4.3	2.3	1.6	0.7	0.3	0.3	0.4	0.4
Manufacturing	12.81	12.94	12.95	12.66	12.38	12.17	12.03	11.96
% Ch	3.7	1.0	0.0	-2.2	-2.3	-1.7	-1.2	-0.5
Durable Manufacturing	7.97	8.10	8.13	7.92	7.73	7.58	7.45	7.39
% Ch	3.7	1.7	0.3	-2.5	-2.4	-2.0	-1.7	-0.8
Wood Products	0.43	0.42	0.42	0.42	0.44	0.45	0.46	0.49
% Ch	4.2	-2.2	-0.4	2.1	3.3	2.6	3.1	5.8
Primary and Fabricated Metals	1.80	1.83	1.83	1.79	1.75	1.72	1.70	1.68
% Ch	3.7	1.7	0.4	-2.2	-2.7	-1.3	-1.5	-1.2
Computer and Electronic Products	1.09	1.11	1.10	1.09	1.08	1.07	1.05	1.03
% Ch	2.9	1.7	-0.8	-1.3	-0.9	-0.8	-1.7	-1.7
Machinery and Electrical Equipment	1.51	1.55	1.54	1.46	1.39	1.36	1.33	1.31
% Ch	4.4	2.5	-0.6	-5.5	-4.8	-2.3	-2.0	-1.6
Transportation Equipment	1.72	1.79	1.85	1.83	1.81	1.73	1.68	1.67
% Ch	4.4	4.2	3.4	-1.0	-1.5	-4.0	-2.8	-1.1
Other Durables	1.42	1.41	1.38	1.33	1.28	1.25	1.22	1.21
% Ch	2.9	-1.3	-1.6	-3.9	-3.7	-2.4	-2.1	-0.8
Nondurable Manufacturing	4.85	4.84	4.82	4.74	4.64	4.59	4.58	4.57
% Ch	3.7	-0.1	-0.4	-1.7	-2.0	-1.1	-0.2	-0.1
Food Manufacturing	1.70	1.73	1.74	1.71	1.68	1.68	1.70	1.72
% Ch	3.6	1.6	0.7	-1.4	-1.7	-0.3	1.2	1.3
Paper and Paper Products	0.36	0.36	0.35	0.35	0.34	0.34	0.34	0.34
% Ch	3.8	-1.8	-2.1	-1.2	-1.5	-0.7	-0.1	-0.2
Other Nondurables	2.78	2.76	2.73	2.68	2.62	2.57	2.54	2.52
% Ch	3.7	-1.0	-0.9	-1.9	-2.3	-1.7	-1.2	-1.1
Natural Resources and Mining	0.61	0.64	0.63	0.63	0.67	0.69	0.68	0.67
% Ch	8.0	5.8	-0.9	-0.8	6.7	3.4	-2.4	-1.6
Construction	7.76	8.02	8.25	8.39	8.55	8.75	8.99	9.25
% Ch	4.4	3.3	2.9	1.6	2.0	2.4	2.8	2.8
Trade, Transportation, and Utilities	28.64	28.85	29.05	28.94	28.72	28.50	28.33	28.18
% Ch	3.6	0.7	0.7	-0.4	-0.8	-0.7	-0.6	-0.5
Wholesale Trade	5.98	6.12	6.17	6.23	6.22	6.25	6.24	6.19
% Ch	4.7	2.3	1.0	1.0	-0.2	0.5	-0.2	-0.7
Retail Trade	15.50	15.59	15.69	15.47	15.26	14.99	14.83	14.76
% Ch	1.5	0.6	0.7	-1.4	-1.4	-1.7	-1.1	-0.5
Trans., Warehousing, and Utilities	7.17	7.14	7.18	7.24	7.24	7.26	7.26	7.23
% Ch	7.2	-0.3	0.5	0.8	0.0	0.2	0.0	-0.4
Information	3.06	3.03	3.03	3.09	3.09	3.02	3.04	3.11
% Ch	7.2	-1.1	0.1	1.9	0.1	-2.3	0.8	2.0
Publishing Industries	0.95	0.95	0.92	0.90	0.88	0.86	0.86	0.84
% Ch	8.6	-0.1	-2.3	-2.0	-3.3	-1.4	-0.9	-1.4
Other Information	2.12	2.08	2.11	2.18	2.22	2.16	2.19	2.26
% Ch	6.6	-1.6	1.3	3.6	1.4	-2.7	1.5	3.4
Financial Activities	9.06	9.20	9.24	9.36	9.40	9.41	9.37	9.33
% Ch	2.9	1.5	0.4	1.3	0.4	0.2	-0.5	-0.4
Professional and Business Services	22.54	22.84	23.02	23.49	24.02	24.28	24.55	25.04
% Ch	5.4	1.4	0.8	2.0	2.3	1.1	1.1	2.0
Education and Health Services	24.34	25.34	26.28	26.58	26.61	26.76	26.96	27.05
% Ch	2.9	4.1	3.7	1.1	0.1	0.5	0.7	0.3
Leisure and Hospitality	15.82	16.60	16.95	17.22	17.20	17.26	17.26	17.16
% Ch	11.9	4.9	2.1	1.6	-0.1	0.3	0.0	-0.6
Other Services	5.69	5.83	5.90	5.91	5.96	6.08	6.22	6.30
% Ch	4.3	2.3	1.3	0.1	0.8	2.1	2.3	1.3
Federal Government	2.87	2.92	3.00	3.01	3.01	3.01	3.01	3.01
% Ch	-0.7	2.0	2.5	0.6	0.0	0.0	0.0	0.0
State and Local Government	19.33	19.86	20.31	20.47	20.56	20.65	20.73	20.81
% Ch	1.3	2.7	2.3	0.8	0.4	0.4	0.4	0.4

Table A2.2

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

Forecast 2024 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Nonfarm Payroll Employment	157.82	158.40	158.87	159.36	159.61	159.72	159.81	159.91
% Ch, Annual Rate	2.0	1.5	1.2	1.3	0.6	0.3	0.2	0.3
Manufacturing	12.96	12.95	12.97	12.91	12.82	12.72	12.61	12.50
% Ch, Annual Rate	0.4	-0.1	0.5	-1.8	-2.8	-3.0	-3.6	-3.2
Durable Manufacturing	8.14	8.14	8.14	8.09	8.03	7.97	7.89	7.82
% Ch, Annual Rate	0.9	-0.2	0.3	-2.4	-3.2	-2.9	-4.0	-3.5
Wood Products	0.41	0.42	0.42	0.42	0.42	0.43	0.42	0.43
% Ch, Annual Rate	-0.6	1.7	0.6	0.2	4.3	3.5	-0.1	2.7
Primary and Fabricated Metals	1.84	1.84	1.84	1.83	1.81	1.81	1.79	1.77
% Ch, Annual Rate	1.5	-0.7	-0.2	-2.1	-2.5	-2.1	-4.1	-4.0
Computer and Electronic Products	1.11	1.10	1.10	1.09	1.09	1.09	1.08	1.08
% Ch, Annual Rate	-0.1	-1.7	-1.0	-1.9	-0.6	-1.4	-1.7	-1.8
Machinery and Electrical Equipment	1.55	1.54	1.54	1.53	1.50	1.47	1.44	1.42
% Ch, Annual Rate	-1.3	-1.4	-1.5	-1.4	-8.8	-8.2	-6.6	-5.5
Transportation Equipment	1.84	1.85	1.87	1.85	1.85	1.84	1.83	1.82
% Ch, Annual Rate	5.4	3.1	4.3	-3.5	-1.1	-1.1	-2.8	-3.3
Other Durables	1.39	1.39	1.38	1.37	1.35	1.34	1.32	1.31
% Ch, Annual Rate	-1.6	-2.1	-1.3	-3.7	-5.2	-3.6	-5.8	-4.1
Nondurable Manufacturing	4.82	4.82	4.83	4.82	4.79	4.75	4.72	4.69
% Ch, Annual Rate	-0.4	0.1	0.8	-0.9	-2.0	-3.1	-2.9	-2.7
Food Manufacturing	1.73	1.74	1.74	1.74	1.73	1.72	1.70	1.69
% Ch, Annual Rate	0.6	1.1	1.5	-1.8	-1.0	-2.9	-3.3	-2.4
Paper and Paper Products	0.35	0.35	0.35	0.35	0.35	0.35	0.34	0.34
% Ch, Annual Rate	-3.6	-2.8	3.7	-2.5	-1.7	-1.4	-1.3	-2.4
Other Nondurables	2.73	2.73	2.73	2.73	2.71	2.69	2.67	2.65
% Ch, Annual Rate	-0.5	-0.1	0.0	0.0	-2.7	-3.4	-2.9	-3.0
Natural Resources and Mining	0.64	0.64	0.63	0.63	0.62	0.62	0.63	0.64
% Ch, Annual Rate	-0.4	-3.9	-0.8	-4.0	-2.6	0.6	4.5	5.7
Construction	8.17	8.22	8.27	8.33	8.33	8.36	8.40	8.45
% Ch, Annual Rate	3.6	2.1	2.8	2.9	0.0	1.5	1.7	2.4
Trade, Transportation, and Utilities	28.92	29.03	29.09	29.15	29.11	28.96	28.89	28.82
% Ch, Annual Rate	0.8	1.4	0.9	0.8	-0.6	-1.9	-1.0	-1.1
Wholesale Trade	6.15	6.17	6.17	6.21	6.24	6.24	6.24	6.23
% Ch, Annual Rate	0.1	0.8	0.3	2.5	1.7	0.0	0.0	-0.6
Retail Trade	15.64	15.68	15.72	15.73	15.63	15.49	15.42	15.36
% Ch, Annual Rate	1.2	0.9	1.1	0.4	-2.7	-3.6	-1.8	-1.5
Trans., Warehousing, and Utilities	7.13	7.18	7.20	7.21	7.24	7.24	7.24	7.23
% Ch, Annual Rate	0.5	3.3	1.0	0.2	2.0	0.0	0.0	-0.5
Information	3.02	3.02	3.02	3.08	3.10	3.08	3.07	3.10
% Ch, Annual Rate	2.8	-0.4	0.1	8.2	3.2	-2.2	-1.1	3.5
Publishing Industries	0.93	0.93	0.92	0.92	0.92	0.91	0.90	0.89
% Ch, Annual Rate	-2.4	0.4	-4.9	-0.3	-0.7	-2.2	-3.1	-5.4
Other Information	2.09	2.09	2.10	2.16	2.19	2.17	2.17	2.21
% Ch, Annual Rate	5.3	-0.8	2.3	12.1	4.9	-2.2	-0.2	7.3
Financial Activities	9.23	9.24	9.23	9.25	9.31	9.35	9.38	9.39
% Ch, Annual Rate	-0.1	0.4	-0.1	0.9	2.4	2.1	0.9	0.5
Professional and Business Services	22.94	22.97	23.07	23.11	23.27	23.42	23.56	23.70
% Ch, Annual Rate	1.2	0.5	1.8	0.7	2.9	2.5	2.4	2.3
Education and Health Services	26.01	26.26	26.36	26.51	26.57	26.59	26.59	26.59
% Ch, Annual Rate	4.3	3.9	1.6	2.2	1.0	0.2	0.0	-0.1
Leisure and Hospitality	16.85	16.90	16.99	17.07	17.10	17.22	17.27	17.30
% Ch, Annual Rate	1.5	1.2	2.1	2.0	0.7	2.8	1.3	0.5
Other Services	5.88	5.91	5.89	5.92	5.92	5.90	5.90	5.91
% Ch, Annual Rate	1.6	1.5	-1.0	1.7	0.0	-1.1	-0.1	0.5
Federal Government	2.98	2.99	3.00	3.01	3.01	3.01	3.01	3.01
% Ch, Annual Rate	3.8	1.6	0.6	2.2	0.0	0.0	0.0	0.0
State and Local Government	20.22	20.29	20.34	20.40	20.44	20.46	20.49	20.51
% Ch, Annual Rate	3.1	1.4	1.1	1.1	0.8	0.5	0.4	0.4

Table A2.2 (continued)

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

Forecast 2024 to 2029

	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4
Nonfarm Payroll Employment	160.01	160.12	160.23	160.32	160.44	160.53	160.63	160.75
% Ch, Annual Rate	0.3	0.3	0.3	0.2	0.3	0.2	0.2	0.3
Manufacturing	12.44	12.40	12.36	12.31	12.27	12.19	12.13	12.08
% Ch, Annual Rate	-2.2	-1.0	-1.6	-1.4	-1.3	-2.5	-2.1	-1.5
Durable Manufacturing	7.77	7.75	7.72	7.69	7.66	7.60	7.55	7.51
% Ch, Annual Rate	-2.4	-0.8	-1.7	-1.5	-1.5	-3.2	-2.7	-2.1
Wood Products	0.43	0.44	0.44	0.44	0.45	0.45	0.45	0.45
% Ch, Annual Rate	4.3	4.3	4.7	2.6	2.6	1.7	1.3	2.8
Primary and Fabricated Metals	1.76	1.75	1.74	1.74	1.73	1.73	1.72	1.71
% Ch, Annual Rate	-3.0	-1.3	-1.6	-1.0	-0.8	-1.9	-1.6	-1.5
Computer and Electronic Products	1.08	1.08	1.07	1.07	1.07	1.07	1.07	1.06
% Ch, Annual Rate	-0.8	-0.2	-0.3	-0.2	-1.0	-1.1	-1.2	-1.3
Machinery and Electrical Equipment	1.40	1.39	1.38	1.37	1.37	1.36	1.35	1.34
% Ch, Annual Rate	-5.1	-2.9	-3.3	-1.8	-1.4	-2.9	-2.7	-2.1
Transportation Equipment	1.81	1.82	1.81	1.79	1.78	1.74	1.72	1.70
% Ch, Annual Rate	-1.1	1.1	-2.1	-2.8	-3.8	-7.4	-5.8	-4.0
Other Durables	1.29	1.28	1.28	1.27	1.26	1.25	1.25	1.24
% Ch, Annual Rate	-3.6	-2.8	-3.0	-2.2	-1.3	-2.9	-2.8	-2.7
Nondurable Manufacturing	4.67	4.65	4.63	4.62	4.61	4.59	4.58	4.58
% Ch, Annual Rate	-1.9	-1.3	-1.3	-1.4	-1.0	-1.2	-1.0	-0.5
Food Manufacturing	1.69	1.68	1.68	1.68	1.68	1.68	1.68	1.68
% Ch, Annual Rate	-1.8	-0.3	-0.6	-0.6	-0.3	-0.4	0.0	0.8
Paper and Paper Products	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
% Ch, Annual Rate	-1.8	-1.0	-0.9	-1.0	-0.2	-0.8	-0.8	-0.5
Other Nondurables	2.64	2.62	2.61	2.60	2.59	2.58	2.57	2.56
% Ch, Annual Rate	-1.9	-2.0	-1.9	-1.9	-1.5	-1.7	-1.6	-1.4
Natural Resources and Mining	0.65	0.67	0.68	0.69	0.69	0.70	0.70	0.69
% Ch, Annual Rate	7.6	9.8	8.3	4.7	2.1	2.2	1.2	-2.5
Construction	8.48	8.53	8.57	8.62	8.67	8.72	8.78	8.84
% Ch, Annual Rate	1.7	2.2	2.1	2.0	2.5	2.3	2.8	2.8
Trade, Transportation, and Utilities	28.75	28.75	28.72	28.65	28.58	28.52	28.48	28.44
% Ch, Annual Rate	-0.9	0.0	-0.5	-0.9	-0.9	-1.0	-0.6	-0.5
Wholesale Trade	6.23	6.22	6.22	6.22	6.24	6.26	6.26	6.26
% Ch, Annual Rate	0.1	-0.5	0.0	0.2	0.8	1.4	0.1	-0.1
Retail Trade	15.28	15.30	15.26	15.18	15.10	15.00	14.95	14.91
% Ch, Annual Rate	-2.0	0.4	-1.0	-1.9	-2.1	-2.6	-1.4	-1.1
Trans., Warehousing, and Utilities	7.24	7.23	7.24	7.25	7.24	7.25	7.26	7.27
% Ch, Annual Rate	0.5	-0.2	0.3	0.3	-0.1	0.6	0.5	0.3
Information	3.12	3.11	3.08	3.06	3.04	3.02	3.01	3.01
% Ch, Annual Rate	2.6	-1.6	-3.7	-3.0	-2.0	-2.3	-2.2	-0.2
Publishing Industries	0.88	0.88	0.87	0.87	0.86	0.86	0.86	0.86
% Ch, Annual Rate	-2.6	-3.2	-2.6	-2.1	-1.2	-0.3	-0.3	-0.7
Other Information	2.24	2.23	2.21	2.19	2.18	2.16	2.14	2.14
% Ch, Annual Rate	4.8	-0.9	-4.1	-3.3	-2.3	-3.0	-3.0	0.0
Financial Activities	9.42	9.40	9.39	9.39	9.40	9.42	9.43	9.41
% Ch, Annual Rate	1.2	-0.8	-0.3	-0.2	0.6	0.9	0.2	-0.9
Professional and Business Services	23.86	23.98	24.08	24.16	24.29	24.27	24.26	24.29
% Ch, Annual Rate	2.7	2.0	1.7	1.3	2.1	-0.2	-0.2	0.5
Education and Health Services	26.62	26.60	26.61	26.62	26.66	26.73	26.79	26.85
% Ch, Annual Rate	0.5	-0.4	0.2	0.2	0.5	1.1	0.9	0.9
Leisure and Hospitality	17.20	17.17	17.19	17.23	17.19	17.25	17.29	17.30
% Ch, Annual Rate	-2.3	-0.6	0.5	0.9	-1.0	1.4	1.0	0.4
Other Services	5.93	5.94	5.96	5.99	6.02	6.06	6.10	6.14
% Ch, Annual Rate	1.8	0.7	1.2	1.6	2.1	2.9	2.8	2.7
Federal Government	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	20.53	20.55	20.57	20.60	20.62	20.64	20.66	20.68
% 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 2024 to 2029

	2028Q1	2028Q2	2028Q3	2028Q4	2029Q1	2029Q2	2029Q3	2029Q4
Nonfarm Payroll Employment	160.88	161.07	161.28	161.48	161.64	161.80	161.94	162.09
% Ch, Annual Rate	0.3	0.5	0.5	0.5	0.4	0.4	0.3	0.4
Manufacturing	12.07	12.04	12.02	11.99	11.98	11.96	11.96	11.95
% Ch, Annual Rate	-0.6	-0.7	-0.8	-1.1	-0.2	-0.5	-0.1	-0.2
Durable Manufacturing	7.48	7.46	7.44	7.41	7.40	7.39	7.39	7.38
% Ch, Annual Rate	-1.2	-1.2	-1.3	-1.6	-0.3	-0.6	-0.2	-0.3
Wood Products	0.46	0.46	0.47	0.47	0.48	0.49	0.50	0.51
% Ch, Annual Rate	4.1	3.2	3.6	4.1	6.1	7.4	7.8	7.9
Primary and Fabricated Metals	1.71	1.70	1.70	1.69	1.68	1.68	1.68	1.67
% Ch, Annual Rate	-1.2	-1.4	-1.6	-2.2	-0.8	-1.1	-0.6	-0.6
Computer and Electronic Products	1.06	1.05	1.05	1.04	1.04	1.03	1.03	1.03
% Ch, Annual Rate	-2.0	-1.9	-1.9	-1.7	-1.6	-1.6	-1.5	-1.4
Machinery and Electrical Equipment	1.34	1.33	1.33	1.32	1.31	1.31	1.31	1.30
% Ch, Annual Rate	-1.4	-1.5	-1.9	-2.6	-1.2	-1.4	-1.0	-1.2
Transportation Equipment	1.69	1.69	1.68	1.67	1.67	1.67	1.66	1.66
% Ch, Annual Rate	-1.4	-0.9	-1.5	-1.7	-0.2	-1.1	-1.1	-1.4
Other Durables	1.23	1.23	1.22	1.22	1.22	1.21	1.21	1.22
% Ch, Annual Rate	-1.8	-1.7	-1.2	-1.8	-0.3	-0.7	0.3	0.2
Nondurable Manufacturing	4.58	4.58	4.58	4.58	4.58	4.57	4.57	4.57
% Ch, Annual Rate	0.3	0.1	0.0	-0.2	-0.1	-0.4	0.0	0.1
Food Manufacturing	1.69	1.70	1.70	1.71	1.71	1.72	1.72	1.73
% Ch, Annual Rate	2.0	1.8	1.5	1.2	1.3	0.9	1.4	1.5
Paper and Paper Products	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
% Ch, Annual Rate	0.4	0.2	-0.1	-0.3	-0.2	-0.5	-0.3	-0.2
Other Nondurables	2.55	2.55	2.54	2.53	2.53	2.52	2.51	2.51
% Ch, Annual Rate	-0.8	-0.9	-1.1	-1.2	-1.0	-1.2	-1.0	-0.9
Natural Resources and Mining	0.69	0.68	0.68	0.67	0.67	0.67	0.67	0.66
% Ch, Annual Rate	-4.7	-3.5	-2.2	-1.6	-1.4	-1.3	-1.5	-0.9
Construction	8.90	8.96	9.03	9.09	9.15	9.22	9.28	9.34
% Ch, Annual Rate	2.9	2.5	3.0	2.9	2.6	3.1	2.7	2.7
Trade, Transportation, and Utilities	28.38	28.34	28.31	28.29	28.24	28.20	28.16	28.12
% Ch, Annual Rate	-0.9	-0.5	-0.4	-0.3	-0.6	-0.5	-0.6	-0.5
Wholesale Trade	6.26	6.24	6.23	6.22	6.22	6.20	6.19	6.17
% Ch, Annual Rate	-0.2	-0.7	-0.8	-0.6	-0.4	-1.0	-1.0	-1.0
Retail Trade	14.85	14.83	14.82	14.82	14.78	14.77	14.75	14.74
% Ch, Annual Rate	-1.6	-0.5	-0.2	-0.2	-1.0	-0.2	-0.5	-0.3
Trans., Warehousing, and Utilities	7.27	7.26	7.25	7.25	7.24	7.23	7.22	7.21
% Ch, Annual Rate	0.1	-0.4	-0.5	-0.4	-0.1	-0.7	-0.6	-0.6
Information	3.02	3.04	3.05	3.06	3.08	3.10	3.12	3.13
% Ch, Annual Rate	2.3	2.2	1.8	1.3	2.2	2.6	2.4	1.5
Publishing Industries	0.86	0.86	0.85	0.85	0.85	0.85	0.84	0.84
% Ch, Annual Rate	-0.8	-1.2	-1.4	-1.5	-1.1	-1.7	-1.6	-1.5
Other Information	2.16	2.18	2.20	2.21	2.23	2.25	2.28	2.29
% Ch, Annual Rate	3.6	3.6	3.1	2.4	3.5	4.2	4.0	2.7
Financial Activities	9.39	9.38	9.36	9.35	9.35	9.34	9.33	9.31
% Ch, Annual Rate	-0.5	-0.7	-0.6	-0.6	-0.1	-0.5	-0.3	-0.8
Professional and Business Services	24.38	24.49	24.61	24.73	24.84	24.97	25.10	25.24
% Ch, Annual Rate	1.5	1.8	2.0	1.9	1.9	2.0	2.1	2.3
Education and Health Services	26.91	26.94	26.97	27.01	27.05	27.06	27.04	27.05
% Ch, Annual Rate	0.8	0.5	0.5	0.5	0.7	0.1	-0.2	0.1
Leisure and Hospitality	17.24	17.26	17.26	17.27	17.20	17.18	17.15	17.11
% Ch, Annual Rate	-1.3	0.3	0.1	0.1	-1.5	-0.5	-0.8	-0.9
Other Services	6.18	6.21	6.23	6.26	6.29	6.30	6.31	6.32
% Ch, Annual Rate	2.5	1.9	1.5	1.6	1.7	0.8	0.5	0.6
Federal Government	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01
% Ch, Annual Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	20.70	20.72	20.74	20.76	20.78	20.80	20.82	20.84
% 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 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Nonfarm Payroll Employment	3,528.2	3,593.1	3,638.9	3,680.0	3,710.6	3,738.4	3,771.2	3,805.4
% Ch	4.7	1.8	1.3	1.1	0.8	0.7	0.9	0.9
Manufacturing	268.8	273.7	275.2	276.3	277.5	278.4	278.8	278.8
% Ch	3.4	1.8	0.5	0.4	0.4	0.3	0.2	0.0
Durable Manufacturing	181.8	187.7	189.6	191.9	194.3	195.4	195.2	194.5
% Ch	3.4	3.2	1.0	1.2	1.2	0.6	-0.1	-0.4
Wood Products	13.6	13.6	13.9	14.2	14.1	14.1	14.0	13.9
% Ch	3.1	-0.2	2.2	2.0	-0.2	-0.3	-0.8	-0.9
Primary and Fabricated Metals	23.7	23.7	24.3	24.1	23.5	23.1	22.8	22.4
% Ch	2.2	0.2	2.6	-0.8	-2.8	-1.4	-1.6	-1.4
Computer and Electronic Products	18.2	18.3	18.2	17.9	17.8	17.8	17.4	17.1
% Ch	1.1	0.8	-0.8	-1.6	-0.4	-0.1	-1.9	-2.0
Machinery and Electrical Equipment	19.9	20.3	19.9	18.7	17.9	17.8	17.8	18.0
% Ch	4.0	1.9	-1.9	-5.9	-4.6	-0.4	0.2	1.0
Aerospace	71.3	77.5	79.6	83.9	88.0	90.1	90.8	90.7
% Ch	5.5	8.6	2.8	5.3	4.9	2.5	0.7	0.0
Other Transportation Equip.	9.5	9.5	9.6	9.5	9.4	8.8	8.7	8.4
% Ch	4.0	0.0	0.3	-0.6	-0.7	-6.7	-1.6	-3.1
Other Durables	25.6	24.8	24.1	23.7	23.7	23.7	23.8	24.0
% Ch	-0.1	-3.1	-2.7	-1.8	-0.1	0.2	0.4	0.9
Nondurable Manufacturing	87.0	86.0	85.6	84.4	83.2	82.9	83.6	84.3
% Ch	3.4	-1.1	-0.5	-1.4	-1.5	-0.3	0.8	0.9
Food Manufacturing	40.1	40.7	40.5	39.4	38.3	37.8	37.9	38.0
% Ch	3.4	1.3	-0.5	-2.6	-2.7	-1.4	0.2	0.3
Paper and Paper Products	7.8	7.5	7.3	7.2	7.0	6.8	6.7	6.6
% Ch	3.5	-3.9	-2.5	-1.8	-2.8	-1.9	-1.2	-1.4
Other Nondurables	39.1	37.9	37.8	37.8	37.9	38.3	38.9	39.7
% Ch	3.4	-3.1	-0.1	0.0	0.1	1.0	1.7	1.9
Natural Resources and Mining	5.5	5.5	5.1	4.7	4.8	4.9	5.2	5.5
% Ch	-2.9	-0.6	-7.6	-7.3	0.9	3.5	5.0	6.2
Construction	232.3	232.0	231.6	238.5	245.1	252.2	259.8	267.4
% Ch	3.8	-0.1	-0.2	3.0	2.8	2.9	3.0	2.9
Trade, Transportation, and Utilities	612.3	615.0	613.9	610.7	606.9	603.1	600.5	598.9
% Ch	0.9	0.4	-0.2	-0.5	-0.6	-0.6	-0.4	-0.3
Wholesale Trade	137.1	140.2	140.2	141.6	141.7	142.5	142.4	141.8
% Ch	4.4	2.3	0.0	1.0	0.0	0.6	0.0	-0.4
Retail Trade	338.7	337.6	336.0	330.2	325.6	320.1	316.9	315.8
% Ch	-1.7	-0.3	-0.5	-1.7	-1.4	-1.7	-1.0	-0.4
Trans., Warehousing, and Utilities	136.5	137.2	137.8	138.9	139.6	140.5	141.1	141.2
% Ch	4.5	0.6	0.4	0.8	0.5	0.6	0.5	0.1
Information	171.4	168.8	165.3	170.3	174.7	177.5	182.8	189.3
% Ch	9.0	-1.5	-2.1	3.0	2.6	1.6	3.0	3.5
Software Publishers	86.0	86.0	83.4	85.2	86.9	89.0	91.3	93.5
% Ch	7.6	0.0	-3.0	2.1	2.0	2.5	2.5	2.4
Other Publishing Industries	7.9	7.5	6.5	6.3	5.8	5.5	5.2	4.9
% Ch	-3.0	-5.4	-13.0	-3.3	-7.6	-5.5	-5.1	-6.1
Other Information	77.4	75.2	75.3	78.8	82.0	82.9	86.3	90.9
% Ch	12.1	-2.8	0.1	4.6	4.0	1.1	4.1	5.3
Financial Activities	165.3	164.9	165.6	168.8	169.9	169.5	169.1	169.0
% Ch	2.6	-0.2	0.4	1.9	0.7	-0.2	-0.2	-0.1
Professional and Business Services	545.4	549.2	547.2	561.2	578.3	592.1	605.8	621.2
% Ch	9.9	0.7	-0.4	2.6	3.1	2.4	2.3	2.5
Mgmt. of Companies and Enterprises	104.1	101.7	101.3	105.3	108.5	111.3	114.1	116.7
% Ch	15.4	-2.3	-0.4	3.9	3.0	2.7	2.5	2.3
Other Prof. and Bus. Services	441.3	447.5	445.9	455.9	469.9	480.8	491.7	504.5
% Ch	8.7	1.4	-0.4	2.3	3.1	2.3	2.3	2.6
Education and Health Services	514.5	531.7	549.8	556.4	557.8	561.6	566.4	569.6
% Ch	2.4	3.3	3.4	1.2	0.3	0.7	0.9	0.6
Leisure and Hospitality	326.6	342.7	347.7	350.1	348.5	348.6	348.0	345.9
% Ch	15.4	4.9	1.5	0.7	-0.4	0.0	-0.2	-0.6
Other Services	120.0	122.8	126.2	126.9	127.5	128.5	129.7	130.7
% Ch	5.6	2.3	2.7	0.6	0.4	0.8	0.9	0.7
Federal Government	75.2	77.3	80.3	81.2	81.2	81.3	81.4	81.5
% Ch	-2.1	2.8	3.9	1.1	0.1	0.1	0.1	0.1
State and Local Government	490.9	509.4	531.1	535.1	538.5	540.8	543.7	547.4
% Ch	1.6	3.8	4.3	0.7	0.6	0.4	0.5	0.7

Table A2.4

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2024 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Nonfarm Payroll Employment	3,617.0	3,637.5	3,649.7	3,651.4	3,670.7	3,675.8	3,682.8	3,690.8
% Ch, Annual Rate	2.7	2.3	1.4	0.2	2.1	0.6	0.8	0.9
Manufacturing	276.6	277.0	278.9	268.0	277.2	276.3	275.9	276.0
% Ch, Annual Rate	4.4	0.6	2.7	-14.7	14.4	-1.3	-0.5	0.0
Durable Manufacturing	191.3	191.7	193.2	182.2	191.9	191.7	191.9	192.3
% Ch, Annual Rate	4.2	0.8	3.3	-20.9	23.0	-0.5	0.4	1.0
Wood Products	13.7	13.6	14.1	14.1	14.1	14.2	14.2	14.1
% Ch, Annual Rate	1.6	-1.3	13.7	1.8	0.5	0.4	-0.2	-0.3
Primary and Fabricated Metals	23.9	24.2	24.7	24.6	24.4	24.3	24.0	23.8
% Ch, Annual Rate	8.8	5.9	8.4	-2.2	-2.3	-2.1	-4.3	-4.3
Computer and Electronic Products	18.4	18.2	18.1	18.0	18.0	17.9	17.9	17.8
% Ch, Annual Rate	5.1	-3.0	-3.1	-2.3	0.1	-1.3	-2.0	-2.2
Machinery and Electrical Equipment	19.8	20.0	19.9	20.0	19.4	18.9	18.5	18.2
% Ch, Annual Rate	-8.9	4.0	-0.4	1.0	-11.4	-10.4	-7.7	-5.8
Aerospace	81.4	82.0	83.0	72.2	82.7	83.2	84.2	85.4
% Ch, Annual Rate	6.2	3.1	4.9	-42.7	72.2	2.4	4.9	5.6
Other Transportation Equip.	9.7	9.6	9.5	9.5	9.5	9.5	9.5	9.5
% Ch, Annual Rate	15.8	-2.6	-5.9	0.9	1.0	-0.4	-0.4	0.4
Other Durables	24.6	24.0	24.0	23.8	23.7	23.7	23.7	23.6
% Ch, Annual Rate	1.4	-8.2	-1.1	-1.9	-2.4	-0.2	-0.7	-0.8
Nondurable Manufacturing	85.4	85.4	85.7	85.8	85.3	84.6	84.1	83.6
% Ch, Annual Rate	4.7	0.1	1.5	0.5	-2.2	-3.2	-2.7	-2.1
Food Manufacturing	40.6	40.3	40.5	40.4	40.1	39.6	39.2	38.8
% Ch, Annual Rate	4.9	-2.6	1.4	-0.8	-3.5	-4.3	-4.3	-3.4
Paper and Paper Products	7.2	7.3	7.4	7.3	7.2	7.2	7.1	7.1
% Ch, Annual Rate	-1.0	1.4	5.1	-3.8	-2.9	-2.6	-2.5	-3.7
Other Nondurables	37.5	37.8	37.9	38.1	38.1	37.8	37.8	37.7
% Ch, Annual Rate	5.6	2.8	1.0	2.7	-0.7	-2.2	-0.9	-0.5
Natural Resources and Mining	5.4	5.2	4.9	4.9	4.8	4.7	4.7	4.7
% Ch, Annual Rate	0.7	-17.6	-20.6	-1.1	-5.4	-7.3	-2.7	-0.8
Construction	228.6	230.6	232.5	234.6	236.3	237.8	239.2	240.6
% Ch, Annual Rate	1.5	3.4	3.4	3.7	2.9	2.6	2.4	2.3
Trade, Transportation, and Utilities	612.9	613.6	613.9	615.3	614.1	610.9	609.6	608.2
% Ch, Annual Rate	1.0	0.5	0.1	0.9	-0.7	-2.1	-0.9	-0.9
Wholesale Trade	139.4	140.0	140.2	141.0	141.6	141.6	141.7	141.5
% Ch, Annual Rate	-3.8	1.9	0.6	2.2	1.7	0.0	0.1	-0.4
Retail Trade	335.6	336.6	335.6	336.1	333.7	330.4	328.9	327.7
% Ch, Annual Rate	2.4	1.2	-1.2	0.6	-2.8	-3.9	-1.8	-1.5
Trans., Warehousing, and Utilities	138.0	137.0	138.0	138.1	138.8	138.9	139.0	139.0
% Ch, Annual Rate	2.7	-2.8	3.1	0.3	1.9	0.2	0.5	0.1
Information	164.7	164.6	164.6	167.2	168.9	169.6	170.5	172.1
% Ch, Annual Rate	0.8	-0.2	0.0	6.4	4.2	1.6	2.1	4.0
Software Publishers	83.3	83.2	83.3	83.9	84.5	85.0	85.4	85.7
% Ch, Annual Rate	-6.1	-0.6	0.6	2.9	2.8	2.3	2.1	1.4
Other Publishing Industries	6.4	6.5	6.6	6.6	6.5	6.4	6.3	6.1
% Ch, Annual Rate	-46.0	6.4	5.3	-3.5	-4.0	-5.9	-7.2	-10.2
Other Information	74.9	74.9	74.6	76.7	77.9	78.2	78.7	80.3
% Ch, Annual Rate	16.1	-0.4	-1.2	11.4	6.5	1.5	2.9	8.1
Financial Activities	163.8	165.5	166.5	166.7	167.8	168.6	169.1	169.6
% Ch, Annual Rate	0.2	4.2	2.4	0.7	2.5	1.9	1.3	1.1
Professional and Business Services	546.1	545.1	547.4	550.2	554.7	558.9	563.3	567.8
% Ch, Annual Rate	-2.4	-0.7	1.7	2.1	3.3	3.1	3.2	3.2
Mgmt. of Companies and Enterprises	100.2	100.1	102.0	103.0	103.9	104.8	105.7	106.5
% Ch	-6.8	-0.5	7.9	3.9	3.7	3.5	3.3	3.2
Other Prof. and Bus. Services	445.9	445.0	445.3	447.2	450.7	454.1	457.6	461.3
% Ch	-1.4	-0.8	0.3	1.6	3.2	3.0	3.2	3.3
Education and Health Services	542.1	549.5	552.6	555.0	556.1	556.3	556.5	556.6
% Ch, Annual Rate	4.4	5.6	2.2	1.8	0.8	0.1	0.1	0.1
Leisure and Hospitality	345.4	348.3	348.2	349.1	349.0	350.1	350.6	350.6
% Ch, Annual Rate	2.0	3.4	-0.1	1.0	-0.1	1.3	0.5	0.0
Other Services	124.5	126.3	126.8	126.9	126.9	126.9	126.9	127.0
% Ch, Annual Rate	8.6	5.9	1.5	0.4	0.0	-0.2	0.1	0.3
Federal Government	79.2	80.1	80.8	81.1	81.1	81.2	81.2	81.2
% Ch, Annual Rate	3.6	4.6	3.6	1.9	0.0	0.0	0.0	0.1
State and Local Government	527.6	531.6	532.9	532.4	533.7	534.6	535.5	536.5
% Ch, Annual Rate	8.8	3.1	1.0	-0.3	1.0	0.7	0.6	0.8

Table A2.4 (continued)

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2024 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Nonfarm Payroll Employment	3,698.9	3,707.7	3,714.8	3,721.1	3,727.0	3,734.1	3,742.1	3,750.5
% Ch, Annual Rate	0.9	1.0	0.8	0.7	0.6	0.8	0.9	0.9
Manufacturing	276.4	277.3	277.9	278.3	278.5	278.3	278.3	278.4
% Ch, Annual Rate	0.6	1.4	0.8	0.5	0.3	-0.3	-0.1	0.2
Durable Manufacturing	193.0	194.1	194.8	195.3	195.5	195.4	195.4	195.4
% Ch, Annual Rate	1.4	2.2	1.5	1.1	0.5	-0.2	-0.1	0.1
Wood Products	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1
% Ch, Annual Rate	-0.4	-0.4	0.0	-0.4	-0.4	-0.3	-0.1	-0.2
Primary and Fabricated Metals	23.6	23.5	23.4	23.3	23.3	23.2	23.1	23.0
% Ch, Annual Rate	-3.1	-1.3	-1.7	-1.0	-0.9	-2.0	-1.7	-1.6
Computer and Electronic Products	17.7	17.8	17.8	17.9	17.8	17.8	17.8	17.7
% Ch, Annual Rate	-0.3	1.1	0.9	1.0	-0.6	-0.9	-0.9	-1.2
Machinery and Electrical Equipment	18.0	17.9	17.8	17.8	17.9	17.8	17.8	17.8
% Ch, Annual Rate	-5.2	-1.5	-2.2	0.4	1.2	-1.5	-1.1	0.0
Aerospace	86.5	87.6	88.5	89.2	89.7	90.0	90.3	90.5
% Ch, Annual Rate	5.5	5.3	4.1	3.1	2.2	1.6	1.2	0.9
Other Transportation Equip.	9.5	9.5	9.4	9.3	9.0	8.8	8.7	8.7
% Ch, Annual Rate	0.2	0.0	-2.2	-7.4	-10.3	-8.9	-5.1	-1.6
Other Durables	23.6	23.6	23.7	23.7	23.7	23.7	23.7	23.7
% Ch, Annual Rate	0.0	0.7	0.4	0.3	0.4	-0.2	0.0	0.3
Nondurable Manufacturing	83.3	83.2	83.1	83.0	83.0	82.9	82.9	83.0
% Ch, Annual Rate	-1.3	-0.5	-0.6	-0.6	-0.1	-0.4	-0.2	0.4
Food Manufacturing	38.6	38.4	38.3	38.1	38.0	37.8	37.7	37.7
% Ch, Annual Rate	-2.9	-1.3	-1.6	-1.6	-1.4	-1.5	-1.1	-0.2
Paper and Paper Products	7.0	7.0	6.9	6.9	6.9	6.8	6.8	6.8
% Ch, Annual Rate	-3.1	-2.2	-2.1	-2.2	-1.3	-2.0	-2.0	-1.7
Other Nondurables	37.8	37.9	37.9	38.0	38.1	38.2	38.3	38.5
% Ch, Annual Rate	0.8	0.7	0.8	0.7	1.4	1.0	1.1	1.4
Natural Resources and Mining	4.7	4.7	4.8	4.8	4.8	4.9	4.9	5.0
% Ch, Annual Rate	4.5	1.3	2.8	2.8	3.7	4.0	4.2	5.2
Construction	242.2	244.2	246.1	247.9	249.6	251.2	253.0	255.1
% Ch, Annual Rate	2.8	3.3	3.1	2.9	2.8	2.6	3.0	3.3
Trade, Transportation, and Utilities	607.0	607.6	607.1	605.9	604.5	603.1	602.5	602.0
% Ch, Annual Rate	-0.8	0.4	-0.3	-0.8	-0.9	-0.9	-0.4	-0.3
Wholesale Trade	141.6	141.6	141.7	141.8	142.1	142.5	142.6	142.6
% Ch, Annual Rate	0.3	-0.1	0.3	0.4	0.8	1.2	0.2	0.2
Retail Trade	326.0	326.5	325.7	324.1	322.4	320.3	319.3	318.4
% Ch, Annual Rate	-2.0	0.6	-1.0	-1.9	-2.1	-2.7	-1.3	-1.0
Trans., Warehousing, and Utilities	139.4	139.5	139.7	140.0	140.0	140.4	140.7	140.9
% Ch, Annual Rate	0.9	0.4	0.6	0.7	0.2	0.9	1.0	0.7
Information	173.8	174.6	175.0	175.5	176.3	177.0	177.7	178.9
% Ch, Annual Rate	3.8	1.9	0.9	1.3	1.8	1.7	1.7	2.6
Software Publishers	86.2	86.6	87.1	87.6	88.2	88.7	89.3	89.9
% Ch, Annual Rate	2.2	2.0	2.2	2.3	2.5	2.7	2.7	2.6
Other Publishing Industries	6.0	5.9	5.8	5.7	5.6	5.6	5.5	5.4
% Ch, Annual Rate	-6.8	-7.6	-6.9	-6.5	-5.3	-4.2	-4.2	-4.7
Other Information	81.5	82.0	82.1	82.2	82.5	82.7	82.9	83.5
% Ch, Annual Rate	6.4	2.4	0.1	0.7	1.5	0.9	0.9	3.1
Financial Activities	170.0	170.0	169.8	169.6	169.6	169.6	169.5	169.3
% Ch, Annual Rate	1.0	0.0	-0.5	-0.3	-0.1	-0.1	-0.2	-0.4
Professional and Business Services	572.6	576.8	580.4	583.4	587.2	590.5	593.8	597.1
% Ch, Annual Rate	3.4	3.0	2.5	2.1	2.6	2.2	2.3	2.2
Mgmt. of Companies and Enterprises	107.3	108.1	108.8	109.6	110.3	111.0	111.7	112.4
% Ch	3.0	2.9	2.8	2.7	2.7	2.6	2.5	2.5
Other Prof. and Bus. Services	465.3	468.7	471.5	473.9	476.9	479.5	482.1	484.7
% Ch	3.5	3.0	2.4	2.0	2.6	2.1	2.2	2.2
Education and Health Services	557.4	557.4	557.9	558.5	559.4	561.0	562.3	563.7
% Ch, Annual Rate	0.6	0.0	0.4	0.4	0.6	1.1	1.0	0.9
Leisure and Hospitality	348.8	348.2	348.3	348.7	347.8	348.5	348.9	349.0
% Ch, Annual Rate	-2.0	-0.7	0.1	0.4	-1.0	0.8	0.5	0.1
Other Services	127.2	127.4	127.5	127.8	128.0	128.4	128.7	129.0
% Ch, Annual Rate	0.6	0.5	0.6	0.7	0.8	1.0	1.0	1.0
Federal Government	81.2	81.2	81.2	81.3	81.3	81.3	81.3	81.4
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
State and Local Government	537.5	538.4	538.9	539.4	539.9	540.4	541.0	541.7
% Ch, Annual Rate	0.8	0.6	0.4	0.4	0.4	0.4	0.5	0.5

Table A2.4 (continued)

**Washington Nonagricultural Employment by Industry (Thousands)**

Forecast 2024 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Nonfarm Payroll Employment	3,758.0	3,766.6	3,775.8	3,784.5	3,792.5	3,801.1	3,809.6	3,818.4
% Ch, Annual Rate	0.8	0.9	1.0	0.9	0.8	0.9	0.9	0.9
Manufacturing	278.7	278.9	278.9	278.7	278.8	278.7	278.9	278.9
% Ch, Annual Rate	0.4	0.3	0.1	-0.3	0.1	-0.1	0.2	0.1
Durable Manufacturing	195.4	195.4	195.2	194.9	194.8	194.6	194.5	194.3
% Ch, Annual Rate	0.0	-0.1	-0.3	-0.7	-0.3	-0.4	-0.2	-0.3
Wood Products	14.0	14.0	13.9	13.9	13.9	13.9	13.8	13.8
% Ch, Annual Rate	-0.8	-1.6	-1.2	-0.8	-0.6	-1.0	-0.7	-0.6
Primary and Fabricated Metals	22.9	22.8	22.7	22.6	22.5	22.5	22.4	22.4
% Ch, Annual Rate	-1.3	-1.5	-1.8	-2.4	-0.9	-1.2	-0.7	-0.7
Computer and Electronic Products	17.6	17.5	17.4	17.3	17.2	17.1	17.0	17.0
% Ch, Annual Rate	-2.6	-2.5	-2.4	-2.1	-1.9	-1.9	-1.6	-1.4
Machinery and Electrical Equipment	17.8	17.9	17.9	17.8	17.9	18.0	18.1	18.1
% Ch, Annual Rate	1.2	1.0	0.3	-0.9	1.7	1.3	2.1	1.7
Aerospace	90.7	90.8	90.8	90.8	90.8	90.8	90.7	90.6
% Ch, Annual Rate	0.6	0.4	0.3	0.1	0.0	-0.2	-0.3	-0.6
Other Transportation Equip.	8.7	8.7	8.7	8.6	8.5	8.4	8.3	8.3
% Ch, Annual Rate	0.2	0.7	-0.1	-4.0	-4.4	-4.0	-3.1	-2.8
Other Durables	23.7	23.8	23.8	23.8	23.9	24.0	24.0	24.1
% Ch, Annual Rate	0.6	0.6	0.6	0.4	0.9	1.0	1.3	1.3
Nondurable Manufacturing	83.2	83.5	83.7	83.8	84.0	84.2	84.4	84.6
% Ch, Annual Rate	1.3	1.2	1.0	0.8	1.0	0.6	1.1	1.2
Food Manufacturing	37.8	37.9	37.9	37.9	38.0	37.9	38.0	38.0
% Ch, Annual Rate	0.9	0.8	0.5	0.1	0.3	-0.1	0.4	0.6
Paper and Paper Products	6.8	6.8	6.7	6.7	6.7	6.7	6.6	6.6
% Ch, Annual Rate	-0.6	-0.8	-1.2	-1.4	-1.3	-1.7	-1.4	-1.4
Other Nondurables	38.7	38.9	39.0	39.2	39.4	39.6	39.8	40.0
% Ch, Annual Rate	2.1	2.0	1.9	1.8	2.0	1.8	2.1	2.2
Natural Resources and Mining	5.1	5.1	5.2	5.3	5.3	5.4	5.5	5.6
% Ch, Annual Rate	5.6	4.0	5.6	6.5	5.7	7.6	5.5	7.3
Construction	257.1	258.9	260.8	262.5	264.4	266.5	268.5	270.4
% Ch, Annual Rate	3.2	2.7	3.0	2.6	2.9	3.1	3.0	3.0
Trade, Transportation, and Utilities	601.0	600.5	600.3	600.1	599.4	599.1	598.6	598.3
% Ch, Annual Rate	-0.7	-0.3	-0.2	-0.1	-0.5	-0.2	-0.3	-0.2
Wholesale Trade	142.6	142.5	142.3	142.2	142.2	141.9	141.7	141.5
% Ch, Annual Rate	0.0	-0.4	-0.4	-0.4	-0.1	-0.6	-0.6	-0.6
Retail Trade	317.2	316.9	316.8	316.8	316.0	316.0	315.7	315.6
% Ch, Annual Rate	-1.6	-0.4	-0.1	0.0	-1.0	-0.1	-0.3	-0.2
Trans., Warehousing, and Utilities	141.1	141.1	141.1	141.2	141.3	141.2	141.2	141.2
% Ch, Annual Rate	0.5	0.1	0.0	0.0	0.3	-0.1	0.0	0.0
Information	180.5	182.1	183.7	185.1	186.7	188.5	190.2	191.7
% Ch, Annual Rate	3.7	3.6	3.4	3.2	3.6	3.7	3.7	3.3
Software Publishers	90.5	91.0	91.6	92.1	92.7	93.2	93.7	94.3
% Ch, Annual Rate	2.6	2.4	2.4	2.4	2.4	2.3	2.3	2.3
Other Publishing Industries	5.4	5.3	5.2	5.1	5.0	5.0	4.9	4.8
% Ch, Annual Rate	-5.0	-5.6	-5.9	-6.1	-5.7	-6.7	-6.6	-6.5
Other Information	84.6	85.8	86.9	87.9	89.0	90.3	91.6	92.7
% Ch, Annual Rate	5.5	5.5	5.2	4.6	5.4	5.9	5.7	4.8
Financial Activities	169.3	169.1	169.1	169.1	169.2	169.1	169.0	168.9
% Ch, Annual Rate	-0.1	-0.3	0.0	0.0	0.2	-0.3	-0.1	-0.4
Professional and Business Services	600.4	603.9	607.7	611.4	615.1	619.0	623.2	627.6
% Ch, Annual Rate	2.2	2.4	2.5	2.5	2.4	2.6	2.7	2.8
Mgmt. of Companies and Enterprises	113.1	113.7	114.4	115.1	115.8	116.4	117.1	117.7
% Ch	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.3
Other Prof. and Bus. Services	487.3	490.1	493.2	496.3	499.3	502.6	506.1	509.9
% Ch	2.2	2.3	2.6	2.5	2.5	2.6	2.8	3.0
Education and Health Services	565.0	565.9	566.9	567.8	569.0	569.5	569.8	570.3
% Ch, Annual Rate	0.9	0.7	0.6	0.7	0.8	0.4	0.2	0.4
Leisure and Hospitality	348.0	348.0	348.0	347.9	346.8	346.3	345.7	345.0
% Ch, Annual Rate	-1.2	0.1	-0.1	-0.1	-1.3	-0.5	-0.7	-0.8
Other Services	129.3	129.6	129.8	130.1	130.4	130.6	130.8	131.0
% Ch, Annual Rate	1.0	0.8	0.8	0.8	0.8	0.7	0.6	0.6
Federal Government	81.4	81.4	81.4	81.5	81.5	81.5	81.6	81.6
% Ch, Annual Rate	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
State and Local Government	542.4	543.2	544.1	545.0	545.9	546.9	547.9	549.0
% Ch, Annual Rate	0.5	0.6	0.7	0.7	0.7	0.7	0.8	0.8

Table A3.1

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Personal Income	21,840.8	22,961.3	24,005.4	25,153.2	26,541.6	27,928.4	29,345.8	30,722.1
% Ch	2.0	5.1	4.5	4.8	5.5	5.2	5.1	4.7
Total Wage and Salary Disbursements	11,116.0	11,798.1	12,370.4	12,880.0	13,441.3	14,092.0	14,811.1	15,481.5
% Ch	7.8	6.1	4.9	4.1	4.4	4.8	5.1	4.5
Nonwage Personal Income	10,724.7	11,163.2	11,635.0	12,273.1	13,100.3	13,836.4	14,534.7	15,240.6
% Ch	-3.3	4.1	4.2	5.5	6.7	5.6	5.0	4.9
Supplements to Wages and Salaries	2,323.2	2,436.0	2,545.1	2,645.8	2,743.8	2,833.8	2,956.3	3,091.2
% Ch	4.0	4.9	4.5	4.0	3.7	3.3	4.3	4.6
Proprietor's Income	1,790.9	1,848.4	1,915.6	2,082.1	2,270.3	2,403.4	2,490.0	2,603.4
% Ch	2.4	3.2	3.6	8.7	9.0	5.9	3.6	4.6
Farm	81.7	54.3	29.8	41.8	84.1	99.1	86.0	82.4
% Ch	13.1	-33.5	-45.1	39.9	101.4	17.9	-13.3	-4.1
Nonfarm	1,709.1	1,794.1	1,885.7	2,040.4	2,186.2	2,304.2	2,404.0	2,520.9
% Ch	1.9	5.0	5.1	8.2	7.1	5.4	4.3	4.9
Less: Contribution For Govt. Soc. Ins.	1,701.7	1,802.6	1,892.1	1,958.0	2,034.1	2,108.2	2,209.8	2,309.5
% Ch	9.2	5.9	5.0	3.5	3.9	3.6	4.8	4.5
Dividends/Int./Rent	4,310.3	4,580.7	4,736.8	4,978.0	5,386.7	5,747.2	6,068.2	6,344.8
% Ch	7.0	6.3	3.4	5.1	8.2	6.7	5.6	4.6
Transfer Payments	4,002.1	4,100.7	4,329.7	4,525.2	4,733.7	4,960.2	5,230.0	5,510.8
% Ch	-13.8	2.5	5.6	4.5	4.6	4.8	5.4	5.4

Table A3.2

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Personal Income	23,644.3	23,877.9	24,126.8	24,372.8	24,714.1	24,984.4	25,290.9	25,623.4
% Ch, Annual Rate	7.0	4.0	4.2	4.1	5.7	4.4	5.0	5.4
Total Wage and Salary Disbursements	12,138.9	12,290.0	12,454.8	12,598.0	12,726.5	12,816.4	12,924.0	13,053.2
% Ch, Annual Rate	5.6	5.1	5.5	4.7	4.1	2.9	3.4	4.1
Nonwage Personal Income	11,505.4	11,587.9	11,671.9	11,774.9	11,987.6	12,167.9	12,366.9	12,570.1
% Ch, Annual Rate	8.6	2.9	2.9	3.6	7.4	6.2	6.7	6.7
Supplements to Wages and Salaries	2,506.0	2,530.7	2,558.2	2,585.6	2,613.7	2,634.6	2,655.7	2,679.1
% Ch, Annual Rate	5.6	4.0	4.4	4.4	4.4	3.2	3.2	3.6
Proprietor's Income	1,890.4	1,900.4	1,922.2	1,949.2	2,003.2	2,056.5	2,108.4	2,160.5
% Ch, Annual Rate	1.7	2.1	4.7	5.7	11.5	11.1	10.5	10.2
Farm	35.6	28.0	27.3	28.6	32.5	36.2	43.9	54.5
% Ch, Annual Rate	-23.1	-61.9	-9.1	19.8	67.9	53.2	116.7	137.8
Nonfarm	1,854.8	1,872.4	1,894.9	1,920.7	1,970.7	2,020.4	2,064.5	2,106.0
% Ch, Annual Rate	2.2	3.8	4.9	5.5	10.8	10.5	9.0	8.3
Less: Contribution For Govt. Soc. Ins.	1,863.2	1,884.0	1,902.6	1,918.7	1,941.5	1,950.4	1,962.3	1,977.6
% Ch, Annual Rate	8.5	4.5	4.0	3.4	4.8	1.9	2.5	3.2
Dividends/Int./Rent	4,723.4	4,723.2	4,735.3	4,765.0	4,847.4	4,923.2	5,020.0	5,121.4
% Ch, Annual Rate	6.0	0.0	1.0	2.5	7.1	6.4	8.1	8.3
Transfer Payments	4,248.8	4,317.6	4,358.8	4,393.7	4,464.9	4,504.0	4,545.0	4,586.8
% Ch, Annual Rate	16.8	6.6	3.9	3.2	6.6	3.6	3.7	3.7

Table A3.2 (continued)

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Personal Income	26,080.0	26,365.2	26,698.3	27,023.0	27,457.2	27,761.5	28,075.0	28,419.9
% Ch, Annual Rate	7.3	4.4	5.2	5.0	6.6	4.5	4.6	5.0
Total Wage and Salary Disbursements	13,267.6	13,355.2	13,497.4	13,645.1	13,874.4	14,004.8	14,154.4	14,334.3
% Ch, Annual Rate	6.7	2.7	4.3	4.4	6.9	3.8	4.3	5.2
Nonwage Personal Income	12,812.4	13,009.9	13,200.9	13,377.9	13,582.8	13,756.7	13,920.5	14,085.6
% Ch, Annual Rate	7.9	6.3	6.0	5.5	6.3	5.2	4.9	4.8
Supplements to Wages and Salaries	2,716.1	2,735.6	2,751.8	2,771.4	2,800.3	2,824.7	2,841.8	2,868.2
% Ch, Annual Rate	5.6	2.9	2.4	2.9	4.2	3.5	2.4	3.8
Proprietor's Income	2,206.7	2,239.9	2,296.7	2,337.9	2,369.0	2,394.8	2,410.9	2,438.8
% Ch, Annual Rate	8.8	6.1	10.5	7.4	5.4	4.4	2.7	4.7
Farm	67.6	79.9	90.7	98.2	101.8	101.5	98.6	94.6
% Ch, Annual Rate	136.6	95.4	66.0	37.3	15.8	-1.3	-11.0	-15.2
Nonfarm	2,139.2	2,160.0	2,206.0	2,239.8	2,267.2	2,293.3	2,312.4	2,344.2
% Ch, Annual Rate	6.5	4.0	8.8	6.3	5.0	4.7	3.4	5.6
Less: Contribution For Govt. Soc. Ins.	2,014.8	2,024.1	2,042.2	2,055.3	2,087.0	2,100.4	2,110.8	2,134.7
% Ch, Annual Rate	7.7	1.9	3.6	2.6	6.3	2.6	2.0	4.6
Dividends/Int./Rent	5,236.5	5,346.9	5,440.3	5,522.9	5,614.1	5,702.9	5,794.2	5,877.8
% Ch, Annual Rate	9.3	8.7	7.2	6.2	6.8	6.5	6.6	5.9
Transfer Payments	4,667.8	4,711.6	4,754.3	4,800.9	4,886.3	4,934.6	4,984.3	5,035.6
% Ch, Annual Rate	7.3	3.8	3.7	4.0	7.3	4.0	4.1	4.2



Table A3.2 (continued)

**U.S. Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Personal Income	28,854.1	29,175.9	29,510.5	29,842.8	30,255.0	30,561.2	30,877.0	31,195.3
% Ch, Annual Rate	6.3	4.5	4.7	4.6	5.6	4.1	4.2	4.2
Total Wage and Salary Disbursements	14,570.0	14,727.2	14,892.5	15,054.7	15,271.2	15,407.7	15,552.1	15,695.0
% Ch, Annual Rate	6.7	4.4	4.6	4.4	5.9	3.6	3.8	3.7
Nonwage Personal Income	14,284.1	14,448.7	14,618.0	14,788.2	14,983.8	15,153.5	15,324.9	15,500.4
% Ch, Annual Rate	5.8	4.7	4.8	4.7	5.4	4.6	4.6	4.7
Supplements to Wages and Salaries	2,908.8	2,941.5	2,971.9	3,003.0	3,042.5	3,076.5	3,107.7	3,138.0
% Ch, Annual Rate	5.8	4.6	4.2	4.2	5.4	4.5	4.1	4.0
Proprietor's Income	2,455.4	2,474.0	2,501.3	2,529.3	2,555.1	2,588.9	2,618.4	2,651.0
% Ch, Annual Rate	2.8	3.1	4.5	4.6	4.1	5.4	4.6	5.1
Farm	90.5	86.9	84.1	82.4	81.6	81.7	82.5	83.9
% Ch, Annual Rate	-16.2	-15.2	-12.1	-8.1	-3.9	0.5	4.3	6.9
Nonfarm	2,364.9	2,387.1	2,417.2	2,447.0	2,473.5	2,507.2	2,535.9	2,567.1
% Ch, Annual Rate	3.6	3.8	5.1	5.0	4.4	5.6	4.7	5.0
Less: Contribution For Govt. Soc. Ins.	2,178.0	2,198.7	2,220.6	2,242.0	2,282.0	2,299.9	2,318.8	2,337.5
% Ch, Annual Rate	8.4	3.9	4.0	3.9	7.3	3.2	3.3	3.3
Dividends/Int./Rent	5,959.2	6,031.9	6,104.8	6,177.1	6,246.2	6,306.2	6,377.3	6,449.6
% Ch, Annual Rate	5.7	5.0	4.9	4.8	4.5	3.9	4.6	4.6
Transfer Payments	5,138.7	5,199.9	5,260.6	5,320.8	5,422.1	5,481.7	5,540.3	5,599.2
% Ch, Annual Rate	8.4	4.8	4.7	4.7	7.8	4.5	4.3	4.3

Table A3.3

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2022	2023	2024	2025	2026	2027	2028	2029
Personal Income	583.855	617.887	650.028	682.695	722.932	764.124	806.585	847.654
% Ch	1.7	5.8	5.2	5.0	5.9	5.7	5.6	5.1
Total Wage and Salary Disbursements	311.049	333.722	353.864	369.511	387.509	408.525	431.618	453.323
% Ch	6.6	7.3	6.0	4.4	4.9	5.4	5.7	5.0
Manufacturing	23.828	25.676	26.986	28.292	29.635	31.183	32.657	33.834
% Ch	10.3	7.8	5.1	4.8	4.7	5.2	4.7	3.6
Durable Manufacturing	18.054	19.677	20.876	22.088	23.306	24.589	25.711	26.570
% Ch	11.2	9.0	6.1	5.8	5.5	5.5	4.6	3.3
Nondurable Manufacturing	5.774	5.999	6.110	6.204	6.329	6.594	6.945	7.264
% Ch	7.6	3.9	1.8	1.5	2.0	4.2	5.3	4.6
Nonmanufacturing	279.288	299.819	318.225	332.173	348.428	367.454	388.602	408.674
% Ch	6.3	7.4	6.1	4.4	4.9	5.5	5.8	5.2
Other Private Wages	1.460	1.537	1.622	1.695	1.775	1.869	1.972	2.066
% Ch	4.2	5.3	5.5	4.5	4.8	5.3	5.5	4.7
Farm Wages	2.211	2.350	2.536	2.672	2.822	2.995	3.185	3.363
% Ch	20.6	6.3	7.9	5.4	5.6	6.1	6.3	5.6
Military Wages	4.261	4.340	4.496	4.679	4.849	5.023	5.202	5.386
% Ch	-0.4	1.8	3.6	4.1	3.6	3.6	3.6	3.5
Nonwage Personal Income	272.806	284.165	296.164	313.184	335.422	355.600	374.967	394.331
% Ch	-3.4	4.2	4.2	5.7	7.1	6.0	5.4	5.2
Supplements to Wages and Salaries	64.228	68.489	72.260	75.243	78.347	81.327	85.243	89.452
% Ch	5.6	6.6	5.5	4.1	4.1	3.8	4.8	4.9
Proprietor's Income	42.174	43.567	45.458	49.586	53.960	57.143	59.391	62.163
% Ch	1.7	3.3	4.3	9.1	8.8	5.9	3.9	4.7
Farm	1.074	0.393	0.228	0.755	1.653	2.010	1.845	1.818
% Ch	...	...	...	...	...	...	...	...
Nonfarm	41.101	43.173	45.229	48.831	52.307	55.133	57.545	60.345
% Ch	2.1	5.0	4.8	8.0	7.1	5.4	4.4	4.9
Less: Contribution For Govt. Soc. Ins.	49.099	53.117	56.325	58.268	60.644	63.024	66.245	69.368
% Ch	10.0	8.2	6.0	3.4	4.1	3.9	5.1	4.7
Plus: Residence Adjustment	6.189	6.396	6.437	6.735	7.063	7.444	7.865	8.257
% Ch	11.9	3.3	0.6	4.6	4.9	5.4	5.7	5.0
Dividends/Int./Rent	122.407	129.574	133.757	140.584	152.289	162.763	172.188	180.423
% Ch	5.3	5.9	3.2	5.1	8.3	6.9	5.8	4.8
Transfer Payments	86.907	89.256	94.577	99.304	104.407	109.947	116.525	123.405
% Ch	-15.6	2.7	6.0	5.0	5.1	5.3	6.0	5.9
State U.I. Benefits	0.887	0.927	1.172	1.288	1.355	1.379	1.414	1.462
% Ch	-89.4	4.5	26.4	9.9	5.2	1.8	2.5	3.4
Other Transfers	86.020	88.329	93.405	98.016	103.052	108.568	115.111	121.944
% Ch	-9.1	2.7	5.7	4.9	5.1	5.4	6.0	5.9

Table A3.4

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2024:1	2024:2	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4
Personal Income	639.297	646.872	652.928	661.015	671.320	677.295	686.206	695.958
% Ch, Annual Rate	8.0	4.8	3.8	5.0	6.4	3.6	5.4	5.8
Total Wage and Salary Disbursements	346.550	351.957	355.859	361.090	365.775	366.942	370.519	374.808
% Ch, Annual Rate	7.5	6.4	4.5	6.0	5.3	1.3	4.0	4.7
Manufacturing	26.369	27.343	27.157	27.074	28.167	28.098	28.310	28.595
% Ch, Annual Rate	-8.6	15.6	-2.7	-1.2	17.2	-1.0	3.1	4.1
Durable Manufacturing	20.369	21.285	21.012	20.837	21.924	21.911	22.124	22.395
% Ch, Annual Rate	-11.2	19.2	-5.0	-3.3	22.5	-0.2	3.9	5.0
Nondurable Manufacturing	6.000	6.058	6.145	6.236	6.243	6.187	6.186	6.200
% Ch, Annual Rate	1.1	3.9	5.9	6.1	0.4	-3.5	-0.1	0.9
Nonmanufacturing	311.711	316.016	319.989	325.184	328.665	329.850	333.128	337.048
% Ch, Annual Rate	9.1	5.6	5.1	6.7	4.4	1.5	4.0	4.8
Other Private Wages	1.582	1.609	1.633	1.663	1.680	1.683	1.698	1.718
% Ch, Annual Rate	4.6	7.2	6.0	7.5	4.3	0.5	3.8	4.6
Farm Wages	2.467	2.514	2.556	2.608	2.641	2.650	2.681	2.717
% Ch, Annual Rate	11.0	8.0	6.8	8.3	5.2	1.5	4.7	5.5
Military Wages	4.422	4.475	4.524	4.562	4.622	4.660	4.702	4.730
% Ch, Annual Rate	2.7	4.8	4.5	3.4	5.4	3.3	3.6	2.4
Nonwage Personal Income	292.747	294.916	297.069	299.925	305.545	310.354	315.687	321.150
% Ch, Annual Rate	8.6	3.0	3.0	3.9	7.7	6.4	7.1	7.1
Supplements to Wages and Salaries	70.949	71.807	72.626	73.657	74.463	74.813	75.474	76.222
% Ch, Annual Rate	4.7	4.9	4.6	5.8	4.4	1.9	3.6	4.0
Proprietor's Income	44.659	45.073	45.699	46.399	47.705	48.986	50.218	51.434
% Ch, Annual Rate	4.9	3.8	5.7	6.3	11.7	11.2	10.5	10.0
Farm	0.158	0.151	0.246	0.358	0.504	0.635	0.825	1.055
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	44.501	44.921	45.454	46.040	47.201	48.351	49.394	50.379
% Ch, Annual Rate	3.3	3.8	4.8	5.3	10.5	10.1	8.9	8.2
Less: Contribution For Govt. Soc. Ins.	55.306	56.038	56.628	57.327	57.966	57.953	58.327	58.824
% Ch, Annual Rate	7.1	5.4	4.3	5.0	4.5	-0.1	2.6	3.4
Plus: Residence Adjustment	6.302	6.390	6.487	6.570	6.645	6.698	6.761	6.836
% Ch, Annual Rate	1.5	5.7	6.2	5.2	4.7	3.2	3.8	4.5
Dividends/Int./Rent	133.396	133.386	133.705	134.543	136.872	139.023	141.774	144.668
% Ch, Annual Rate	5.4	0.0	1.0	2.5	7.1	6.4	8.2	8.4
Transfer Payments	92.747	94.298	95.181	96.083	97.826	98.788	99.788	100.814
% Ch, Annual Rate	18.4	6.9	3.8	3.8	7.5	4.0	4.1	4.2
State U.I. Benefits	1.043	1.227	1.180	1.237	1.254	1.283	1.296	1.318
% Ch, Annual Rate	29.1	91.7	-14.3	20.6	5.7	9.3	4.2	7.0
Other Transfers	91.704	93.071	94.000	94.846	96.571	97.506	98.492	99.496
% Ch, Annual Rate	18.2	6.1	4.1	3.6	7.5	3.9	4.1	4.1

Table A3.4 (continued)

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2026:1	2026:2	2026:3	2026:4	2027:1	2027:2	2027:3	2027:4
Personal Income	708.991	717.805	727.657	737.273	749.683	758.957	768.673	779.184
% Ch, Annual Rate	7.7	5.1	5.6	5.4	6.9	5.0	5.2	5.6
Total Wage and Salary Disbursements	381.382	384.809	389.520	394.327	401.194	405.635	410.699	416.571
% Ch, Annual Rate	7.2	3.6	5.0	5.0	7.2	4.5	5.1	5.8
Manufacturing	29.125	29.415	29.810	30.190	30.735	30.991	31.308	31.699
% Ch, Annual Rate	7.6	4.0	5.5	5.2	7.4	3.4	4.1	5.1
Durable Manufacturing	22.853	23.120	23.463	23.788	24.229	24.438	24.691	24.997
% Ch, Annual Rate	8.4	4.8	6.1	5.7	7.6	3.5	4.2	5.1
Nondurable Manufacturing	6.272	6.294	6.347	6.402	6.506	6.554	6.616	6.701
% Ch, Annual Rate	4.8	1.4	3.4	3.5	6.6	3.0	3.9	5.2
Nonmanufacturing	342.943	346.001	350.215	354.553	360.723	364.812	369.453	374.828
% Ch, Annual Rate	7.2	3.6	5.0	5.0	7.1	4.6	5.2	5.9
Other Private Wages	1.750	1.763	1.784	1.805	1.838	1.856	1.878	1.905
% Ch, Annual Rate	7.7	3.1	4.8	4.8	7.5	4.1	4.8	5.7
Farm Wages	2.772	2.800	2.838	2.878	2.935	2.971	3.013	3.061
% Ch, Annual Rate	8.5	4.0	5.6	5.7	8.3	5.0	5.7	6.6
Military Wages	4.791	4.830	4.872	4.902	4.964	5.004	5.047	5.078
% Ch, Annual Rate	5.3	3.3	3.5	2.4	5.2	3.3	3.5	2.4
Nonwage Personal Income	327.610	332.996	338.138	342.946	348.488	353.322	357.975	362.613
% Ch, Annual Rate	8.3	6.7	6.3	5.8	6.6	5.7	5.4	5.3
Supplements to Wages and Salaries	77.388	78.057	78.648	79.295	80.219	81.001	81.602	82.484
% Ch, Annual Rate	6.3	3.5	3.1	3.3	4.7	4.0	3.0	4.4
Proprietor's Income	52.496	53.264	54.563	55.516	56.253	56.903	57.348	58.067
% Ch, Annual Rate	8.5	6.0	10.1	7.2	5.4	4.7	3.2	5.1
Farm	1.321	1.568	1.784	1.939	2.026	2.042	2.012	1.961
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	51.175	51.696	52.779	53.577	54.227	54.861	55.337	56.106
% Ch, Annual Rate	6.5	4.1	8.7	6.2	4.9	4.8	3.5	5.7
Less: Contribution For Govt. Soc. Ins.	59.982	60.332	60.918	61.345	62.313	62.759	63.124	63.902
% Ch, Annual Rate	8.1	2.4	3.9	2.8	6.5	2.9	2.3	5.0
Plus: Residence Adjustment	6.962	7.013	7.096	7.183	7.317	7.393	7.481	7.586
% Ch, Annual Rate	7.5	3.0	4.8	5.0	7.7	4.2	4.8	5.7
Dividends/Int./Rent	147.959	151.131	153.831	156.236	158.883	161.468	164.126	166.574
% Ch, Annual Rate	9.4	8.9	7.3	6.4	7.0	6.7	6.7	6.1
Transfer Payments	102.786	103.863	104.918	106.061	108.128	109.315	110.541	111.805
% Ch, Annual Rate	8.1	4.3	4.1	4.4	8.0	4.5	4.6	4.7
State U.I. Benefits	1.335	1.348	1.360	1.376	1.376	1.376	1.381	1.384
% Ch, Annual Rate	5.3	3.9	3.7	4.8	0.2	-0.2	1.4	1.1
Other Transfers	101.451	102.515	103.558	104.685	106.752	107.940	109.160	110.420
% Ch, Annual Rate	8.1	4.3	4.1	4.4	8.1	4.5	4.6	4.7

Table A3.4 (continued)

**Washington Personal Income by Component (Billions of Dollars)**

Forecast 2024 to 2029

	2028:1	2028:2	2028:3	2028:4	2029:1	2029:2	2029:3	2029:4
Personal Income	791.822	801.502	811.543	821.474	833.469	842.730	852.358	862.058
% Ch, Annual Rate	6.6	5.0	5.1	5.0	6.0	4.5	4.6	4.6
Total Wage and Salary Disbursements	423.791	428.905	434.271	439.506	446.192	450.818	455.710	460.570
% Ch, Annual Rate	7.1	4.9	5.1	4.9	6.2	4.2	4.4	4.3
Manufacturing	32.218	32.514	32.814	33.081	33.503	33.707	33.948	34.179
% Ch, Annual Rate	6.7	3.7	3.7	3.3	5.2	2.5	2.9	2.8
Durable Manufacturing	25.391	25.608	25.828	26.019	26.335	26.481	26.652	26.812
% Ch, Annual Rate	6.4	3.5	3.5	3.0	4.9	2.2	2.6	2.4
Nondurable Manufacturing	6.827	6.906	6.986	7.061	7.168	7.226	7.296	7.368
% Ch, Annual Rate	7.7	4.7	4.7	4.4	6.2	3.3	3.9	4.0
Nonmanufacturing	381.373	386.085	391.040	395.912	402.024	406.348	410.893	415.429
% Ch, Annual Rate	7.2	5.0	5.2	5.1	6.3	4.4	4.5	4.5
Other Private Wages	1.939	1.961	1.984	2.006	2.037	2.055	2.075	2.095
% Ch, Annual Rate	7.3	4.6	4.8	4.6	6.2	3.7	4.0	3.9
Farm Wages	3.121	3.163	3.207	3.250	3.305	3.343	3.383	3.422
% Ch, Annual Rate	8.1	5.4	5.7	5.4	7.1	4.6	4.9	4.8
Military Wages	5.141	5.182	5.227	5.259	5.323	5.366	5.411	5.444
% Ch, Annual Rate	5.1	3.3	3.5	2.5	5.0	3.2	3.4	2.4
Nonwage Personal Income	368.031	372.597	377.271	381.967	387.277	391.911	396.647	401.489
% Ch, Annual Rate	6.1	5.1	5.1	5.1	5.7	4.9	4.9	5.0
Supplements to Wages and Salaries	83.768	84.775	85.733	86.698	87.941	88.982	89.962	90.922
% Ch, Annual Rate	6.4	4.9	4.6	4.6	5.9	4.8	4.5	4.3
Proprietor's Income	58.515	58.999	59.681	60.368	60.998	61.813	62.529	63.313
% Ch, Annual Rate	3.1	3.3	4.7	4.7	4.2	5.5	4.7	5.1
Farm	1.906	1.856	1.820	1.800	1.794	1.803	1.823	1.852
% Ch, Annual Rate	...	...	...	...	...	...	...	...
Nonfarm	56.609	57.143	57.860	58.568	59.203	60.010	60.706	61.461
% Ch, Annual Rate	3.6	3.8	5.1	5.0	4.4	5.6	4.7	5.1
Less: Contribution For Govt. Soc. Ins.	65.244	65.895	66.587	67.257	68.488	69.057	69.664	70.264
% Ch, Annual Rate	8.7	4.0	4.3	4.1	7.5	3.4	3.6	3.5
Plus: Residence Adjustment	7.724	7.816	7.912	8.007	8.134	8.214	8.298	8.382
% Ch, Annual Rate	7.5	4.8	5.0	4.9	6.5	4.0	4.2	4.1
Dividends/Int./Rent	168.964	171.111	173.266	175.411	177.466	179.271	181.396	183.558
% Ch, Annual Rate	5.9	5.2	5.1	5.0	4.8	4.1	4.8	4.9
Transfer Payments	114.304	115.791	117.266	118.740	121.227	122.689	124.126	125.578
% Ch, Annual Rate	9.2	5.3	5.2	5.1	8.6	4.9	4.8	4.8
State U.I. Benefits	1.395	1.408	1.419	1.433	1.447	1.457	1.466	1.476
% Ch, Annual Rate	3.1	3.9	3.2	4.0	3.8	2.9	2.4	2.8
Other Transfers	112.909	114.382	115.847	117.307	119.781	121.232	122.660	124.102
% Ch, Annual Rate	9.3	5.3	5.2	5.1	8.7	4.9	4.8	4.8

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

	PCE Price Index*		U.S. CPI#		Seattle CPI+	
	Index	Percent Change	Index	Percent Change	Index	Percent Change
1971	20.6	4.2	0.405	4.2	0.382	2.1
1972	21.3	3.4	0.418	3.3	0.393	2.9
1973	22.5	5.4	0.444	6.3	0.418	6.4
1974	24.8	10.4	0.493	11.0	0.464	11.0
1975	26.9	8.3	0.538	9.1	0.511	10.2
1976	28.3	5.5	0.569	5.8	0.540	5.5
1977	30.2	6.5	0.606	6.5	0.583	8.0
1978	32.3	7.0	0.652	7.6	0.640	9.9
1979	35.1	8.9	0.726	11.3	0.709	10.8
1980	38.9	10.8	0.824	13.5	0.827	16.7
1981	42.4	9.0	0.909	10.4	0.916	10.8
1982	44.8	5.6	0.965	6.2	0.978	6.7
1983	46.7	4.3	0.996	3.2	0.993	1.5
1984	48.4	3.8	1.039	4.4	1.030	3.8
1985	50.1	3.5	1.076	3.5	1.056	2.5
1986	51.2	2.2	1.097	1.9	1.066	1.0
1987	52.8	3.1	1.136	3.6	1.092	2.4
1988	54.9	3.9	1.183	4.1	1.128	3.3
1989	57.3	4.4	1.239	4.8	1.181	4.7
1990	59.8	4.4	1.307	5.4	1.268	7.3
1991	61.8	3.3	1.362	4.2	1.341	5.8
1992	63.4	2.7	1.403	3.0	1.390	3.7
1993	65.0	2.5	1.445	3.0	1.429	2.8
1994	66.4	2.1	1.482	2.6	1.478	3.4
1995	67.8	2.1	1.524	2.8	1.522	3.0
1996	69.2	2.1	1.569	2.9	1.575	3.4
1997	70.4	1.7	1.605	2.3	1.630	3.5
1998	71.0	0.8	1.630	1.5	1.677	2.9
1999	72.0	1.5	1.666	2.2	1.728	3.0
2000	73.8	2.5	1.722	3.4	1.792	3.7
2001	75.3	2.0	1.770	2.8	1.857	3.6
2002	76.3	1.3	1.799	1.6	1.893	2.0
2003	77.9	2.1	1.840	2.3	1.924	1.6
2004	79.8	2.5	1.889	2.7	1.947	1.2
2005	82.1	2.9	1.953	3.4	2.002	2.8
2006	84.4	2.8	2.016	3.2	2.076	3.7
2007	86.6	2.6	2.073	2.9	2.157	3.9
2008	89.2	3.0	2.153	3.8	2.247	4.2
2009	88.9	-0.3	2.146	-0.3	2.260	0.6
2010	90.5	1.8	2.181	1.6	2.267	0.3
2011	92.8	2.5	2.249	3.1	2.328	2.7
2012	94.5	1.9	2.296	2.1	2.387	2.5
2013	95.8	1.3	2.330	1.5	2.416	1.2
2014	97.1	1.4	2.367	1.6	2.460	1.8
2015	97.3	0.2	2.370	0.1	2.494	1.4
2016	98.3	1.0	2.400	1.3	2.550	2.3
2017	100.0	1.7	2.451	2.1	2.627	3.0
2018	102.0	2.0	2.511	2.4	2.711	3.2
2019	103.5	1.4	2.557	1.8	2.779	2.5
2020	104.6	1.1	2.588	1.2	2.826	1.7
2021	109.0	4.2	2.710	4.7	2.960	4.7
2022	116.0	6.5	2.926	8.0	3.224	8.9
2023	120.4	3.7	3.047	4.1	3.412	5.8
Forecast						
2024	123.3	2.4	3.135	2.9	3.542	3.8
2025	125.7	2.0	3.209	2.4	3.631	2.5
2026	128.7	2.4	3.282	2.3	3.713	2.3
2027	131.2	2.0	3.357	2.3	3.799	2.3
2028	134.0	2.1	3.435	2.3	3.887	2.3
2029	136.8	2.1	3.515	2.3	3.977	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	109.3	-3.4
2020	107.1	2.0	104.9	3.3	90.8	-20.2	93.3	-14.6
2021	111.1	3.8	108.2	3.1	118.5	30.5	124.4	33.4
2022	117.1	5.4	119.3	10.3	185.2	56.2	162.7	30.8
2023	123.0	5.0	125.2	5.0	156.6	-15.4	147.2	-9.5
Forecast								
2024	127.7	3.9	126.6	1.1	145.1	-7.4	140.4	-4.7
2025	131.8	3.2	128.4	1.4	138.2	-4.7	131.5	-6.3
2026	136.0	3.2	131.3	2.2	141.1	2.1	134.4	2.2
2027	139.8	2.8	133.9	2.0	140.0	-0.7	133.8	-0.4
2028	143.8	2.9	137.0	2.3	140.2	0.1	135.4	1.2
2029	148.0	2.9	139.8	2.1	140.4	0.2	137.3	1.4

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

	<u>Population</u>	<u>Change</u>	<u>Percent Change</u>	<u>Births</u>	<u>Deaths</u>	<u>Net Migration</u>
1970	3413.2	16.2	0.5	59.9	30.0	-13.7
1971	3436.3	23.1	0.7	60.0	29.8	-7.2
1972	3430.3	-6.0	-0.2	53.1	30.4	-28.7
1973	3444.3	14.0	0.4	47.7	30.4	-3.3
1974	3508.7	64.4	1.9	48.2	29.9	46.2
1975	3567.9	59.2	1.7	50.1	30.3	39.4
1976	3634.9	67.0	1.9	51.4	30.2	45.8
1977	3715.4	80.5	2.2	54.2	29.1	55.4
1978	3836.2	120.8	3.3	57.3	30.4	94.0
1979	3979.2	143.0	3.7	60.2	30.2	113.0
1980	4132.2	153.0	3.8	65.4	31.3	118.9
1981	4229.3	97.1	2.4	68.2	31.8	60.8
1982	4276.5	47.3	1.1	70.3	31.7	8.7
1983	4307.2	30.7	0.7	69.6	32.6	-6.3
1984	4354.1	46.8	1.1	68.6	33.3	11.5
1985	4415.8	61.7	1.4	69.2	34.0	26.5
1986	4462.2	46.4	1.1	70.3	34.0	10.1
1987	4527.1	64.9	1.5	69.4	34.4	29.8
1988	4616.9	89.8	2.0	71.1	36.0	54.7
1989	4728.1	111.2	2.4	73.2	36.1	74.0
1990	4866.7	138.6	2.9	76.7	36.3	98.3
1991	5000.4	133.7	2.7	79.3	36.7	91.1
1992	5091.1	90.8	1.8	80.6	37.2	47.5
1993	5188.0	96.9	1.9	79.5	39.4	56.7
1994	5291.6	103.6	2.0	78.3	39.6	64.9
1995	5396.6	105.0	2.0	77.5	40.0	67.5
1996	5483.1	86.5	1.6	77.0	41.2	50.7
1997	5579.1	96.0	1.8	78.0	42.6	60.6
1998	5685.5	106.3	1.9	78.8	41.6	69.1
1999	5792.2	106.8	1.9	79.8	43.1	70.1
2000	5894.1	101.9	1.8	79.9	43.7	65.8
2001	5970.5	76.3	1.3	80.7	43.9	39.5
2002	6059.7	89.2	1.5	79.3	44.9	54.9
2003	6126.9	67.2	1.1	79.1	44.7	32.9
2004	6208.5	81.6	1.3	81.0	46.0	46.7
2005	6298.8	90.3	1.5	81.8	45.6	54.0
2006	6420.2	121.4	1.9	83.2	45.3	83.5
2007	6525.1	104.9	1.6	87.8	46.2	63.3
2008	6608.2	83.1	1.3	89.6	47.9	41.5
2009	6672.3	64.0	1.0	89.8	48.1	22.3
2010	6724.5	52.3	0.8	88.4	47.7	11.5
2011	6781.5	56.9	0.8	86.4	48.8	19.3
2012	6835.2	53.8	0.8	87.1	49.2	15.9
2013	6909.4	74.2	1.1	87.3	51.1	38.1
2014	7005.2	95.8	1.4	87.0	50.7	59.4
2015	7106.6	101.4	1.4	88.5	52.8	65.8
2016	7237.2	130.6	1.8	89.8	54.7	95.4
2017	7344.1	106.9	1.5	89.7	56.1	73.3
2018	7463.5	119.4	1.6	87.3	56.4	88.4
2019	7581.8	118.3	1.6	85.7	57.2	89.8
2020	7706.3	124.5	1.6	84.8	58.5	98.2
2021	7767.0	60.7	0.8	82.1	64.0	42.5
2022	7864.4	97.4	1.3	84.5	70.7	83.7
2023	7951.2	86.8	1.1	83.2	68.8	72.4
<b>Forecast</b>						
2024	8031.7	80.6	1.0	85.0	65.0	60.6
2025	8100.0	68.3	0.9	85.5	66.1	48.9
2026	8171.1	71.1	0.9	85.9	67.3	52.5
2027	8247.5	76.4	0.9	86.4	68.6	58.6
2028	8324.3	76.8	0.9	86.9	69.9	59.9
2029	8400.4	76.0	0.9	87.4	71.4	60.0

\* As of April 1 of Each Year

Source: Office of Financial Management, November 2023 Forecast



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

	<b>Actual</b>				<b>Forecast</b>					
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Total Population	7706.3	7767.0	7864.4	7951.2	8031.7	8100.0	8171.1	8247.5	8324.3	8400.4
Percent Change	1.6	0.8	1.3	1.1	1.0	0.9	0.9	0.9	0.9	0.9
Age 17 and Under	1680.2	1680.0	1691.0	1695.4	1696.3	1692.8	1689.5	1687.3	1685.4	1683.9
Percent of Total	21.8	21.6	21.5	21.3	21.1	20.9	20.7	20.5	20.2	20.0
Age 6-18	1246.2	1250.7	1263.2	1271.3	1275.3	1275.3	1274.7	1269.3	1265.2	1259.1
Percent of Total	16.2	16.1	16.1	16.0	15.9	15.7	15.6	15.4	15.2	15.0
Age 18 and Over	6026.1	6087.0	6173.4	6255.7	6335.5	6407.2	6481.7	6560.3	6639.0	6716.5
Percent of Total	78.2	78.4	78.5	78.7	78.9	79.1	79.3	79.5	79.8	80.0
Age 21 and Over	5733.3	5798.2	5885.3	5964.2	6038.0	6104.6	6174.3	6248.8	6324.7	6400.8
Percent of Total	74.4	74.7	74.8	75.0	75.2	75.4	75.6	75.8	76.0	76.2
Age 20-34	1629.0	1627.4	1637.8	1641.5	1641.0	1636.2	1633.7	1635.3	1639.6	1646.6
Percent of Total	21.1	21.0	20.8	20.6	20.4	20.2	20.0	19.8	19.7	19.6
Age 18-64	4773.8	4787.9	4829.0	4864.4	4895.0	4919.6	4948.5	4982.9	5019.0	5055.7
Percent of Total	61.9	61.6	61.4	61.2	60.9	60.7	60.6	60.4	60.3	60.2
Age 65 and Over	1252.3	1299.1	1344.5	1391.3	1440.5	1487.6	1533.2	1577.4	1619.9	1660.8
Percent of Total	16.2	16.7	17.1	17.5	17.9	18.4	18.8	19.1	19.5	19.8

Table A6.1

**Summary of National and State Indicators**

<b>Indicator</b>	<b>Latest Data</b>	<b>Indication*</b>
U.S. Leading Index	August 2024	-
U.S. Real GDP Growth	2nd quarter 2024	+
U.S. ISM Index	September 2024	=
U.S. Employment YOY%Δ	September 2024	=
U.S. Unemployment Rate	September 2024	+
U.S. Consumer Confidence	September 2024	-
U.S. Consumer Sentiment	September 2024	+
U.S. CPI YOY%Δ	August 2024	+
U.S. Home Prices YOY%Δ	July 2024	+
S&P 500 Index	October 2024	-
WA Leading Index	August 2024	-
WA Employment YOY%Δ	September 2024	-
WA Aerospace Empl. YOY%Δ	August 2024	-
WA Unemployment Rate	August 2024	+
WA Help Wanted Index	August 2024	-
WA Business Cycle Indicator	August 2024	+
WA Initial Unemploy. Claims	August 2024	-
WA Housing Permits	August 2024	+
WA Weekly Hours in Mfg.	August 2024	-
WA New Vehicle Registration	September 2024	+
WA In-Migration	August 2024	-
WA Exports-Total YOY%Δ	2nd quarter 2024	+
WA Exports- w/o Trans. Equip. YOY%Δ	2nd quarter 2024	+
Seattle CPI YOY%Δ	August 2024	+
Seattle Home Prices YOY%Δ	July 2024	+
WA Construction Activity Index	August 2024	+

\*Change from the previous reading

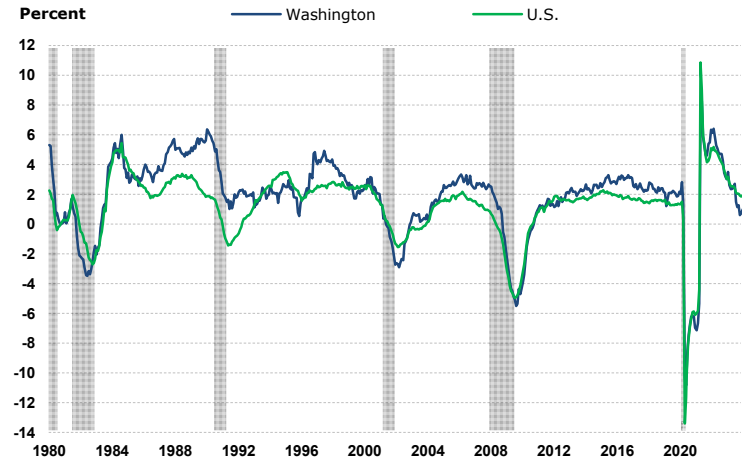
Table A6.2  
**Washington Business Indicators**  
 Historical Data

	WA Index of Leading Indicators	U.S. Index of Leading Indicators	WA State Business Cycle Indicator	WA State Construction Index	WA State Help Wanted Index	U.S. Purchasing Management Index
2016:01	118.4	99.3	63.5	107.0	128.7	48.3
2016:02	118.6	99.2	65.6	108.5	124.9	48.6
2016:03	119.0	99.2	62.8	108.0	128.9	49.9
2016:04	120.2	99.7	63.3	109.0	130.9	50.7
2016:05	121.0	99.5	65.4	109.7	148.2	51.1
2016:06	121.1	99.8	66.7	109.9	151.3	51.5
2016:07	121.7	100.2	67.8	109.5	156.3	52.0
2016:08	121.0	100.2	66.9	107.5	153.1	51.5
2016:09	121.5	100.4	67.4	112.1	143.4	51.1
2016:10	121.8	100.5	68.3	112.3	152.3	51.0
2016:11	121.2	100.7	69.3	112.7	148.8	52.4
2016:12	121.3	101.2	70.7	113.8	149.2	53.3
2017:01	121.8	101.8	69.2	111.5	152.5	54.7
2017:02	121.7	102.1	68.7	111.8	140.1	56.1
2017:03	122.4	102.6	70.5	112.2	143.4	57.0
2017:04	123.0	102.8	69.2	112.9	143.3	56.6
2017:05	123.6	103.2	70.8	113.6	149.2	55.6
2017:06	124.0	103.8	70.9	115.0	145.4	55.8
2017:07	124.4	104.1	71.0	115.5	139.5	56.3
2017:08	124.4	104.5	72.1	115.9	135.1	57.6
2017:09	124.8	104.5	73.3	115.3	140.4	58.6
2017:10	125.2	105.9	73.2	119.5	132.7	59.4
2017:11	125.1	106.3	75.2	118.0	134.7	59.2
2017:12	126.0	107.1	75.1	117.8	138.6	58.9
2018:01	126.4	107.8	74.5	117.1	136.8	59.0
2018:02	127.9	108.5	76.2	119.0	133.3	59.9
2018:03	128.5	108.8	77.2	120.6	137.4	59.7
2018:04	128.6	109.3	76.4	118.9	133.7	59.1
2018:05	127.8	109.4	77.5	116.9	128.2	58.4
2018:06	127.5	110.0	78.5	119.0	128.0	58.7
2018:07	127.3	110.4	77.8	117.4	129.3	59.0
2018:08	127.4	110.9	76.4	119.1	129.2	59.9
2018:09	127.9	111.5	76.9	118.5	132.4	59.7
2018:10	127.6	111.4	77.2	119.8	133.0	59.6
2018:11	127.7	111.5	77.2	120.3	133.3	58.9
2018:12	128.7	111.3	78.2	121.9	140.1	57.0
2019:01	130.1	111.3	78.8	121.1	154.6	56.7
2019:02	127.8	111.5	75.0	112.3	156.5	55.0
2019:03	130.9	111.7	77.8	121.4	150.1	55.4
2019:04	131.3	111.8	79.4	122.7	154.0	54.1
2019:05	131.3	111.8	79.2	121.9	150.2	53.4
2019:06	131.0	111.6	80.5	121.6	149.9	52.2
2019:07	131.4	112.0	80.4	123.7	152.0	51.7
2019:08	130.8	111.8	79.1	121.5	153.3	50.7
2019:09	130.7	111.6	80.6	123.1	154.8	49.4
2019:10	130.0	111.4	80.1	122.8	147.2	48.4
2019:11	130.6	111.6	80.1	125.5	146.6	48.1
2019:12	131.1	111.4	84.7	126.1	147.9	47.9
2020:01	130.6	112.0	81.4	119.0	149.1	48.7
2020:02	131.7	111.8	81.6	121.6	149.4	49.4
2020:03	121.1	103.5	74.4	121.6	127.9	50.0
2020:04	112.7	96.9	41.3	103.8	97.5	46.9
2020:05	119.1	99.8	46.3	114.9	119.8	44.6
2020:06	122.2	102.8	58.0	115.6	136.5	45.7
2020:07	124.5	104.9	64.9	118.5	139.8	50.0
2020:08	125.9	106.5	66.6	119.4	134.3	54.3
2020:09	125.7	107.5	71.8	121.8	133.8	55.2
2020:10	126.9	108.2	73.2	121.1	137.7	56.9
2020:11	128.1	109.2	74.7	122.2	135.6	57.4
2020:12	130.2	109.6	77.8	127.2	136.0	59.2
2021:01	130.8	110.1	78.2	125.5	141.6	59.0
2021:02	131.6	110.1	80.0	124.6	150.6	60.1
2021:03	132.9	111.5	82.5	126.5	160.4	61.4
2021:04	134.4	113.1	87.4	125.8	175.3	62.1
2021:05	135.2	114.6	87.9	125.4	176.0	62.2
2021:06	137.4	116.2	88.4	124.5	189.5	60.8
2021:07	139.7	116.6	91.9	126.7	206.7	60.4
2021:08	139.1	117.4	90.2	130.4	187.9	60.0
2021:09	138.7	117.6	92.3	124.7	193.3	60.2
2021:10	139.5	118.1	92.3	128.5	193.3	60.6
2021:11	140.8	118.8	94.9	129.6	198.7	61.0
2021:12	140.5	119.3	96.6	129.5	198.7	60.2
2022:01	140.4	118.5	96.8	126.1	198.4	59.1
2022:02	142.6	119.4	102.4	127.7	204.5	58.3
2022:03	143.3	119.3	104.2	130.0	215.1	57.7
2022:04	142.6	118.7	103.8	127.3	206.9	57.2
2022:05	142.5	117.9	103.7	128.8	204.3	56.3
2022:06	140.0	115.3	100.6	130.0	194.1	55.0
2022:07	139.3	114.4	100.3	128.4	203.9	54.0
2022:08	137.9	114.1	96.0	127.2	182.4	52.9
2022:09	138.0	113.5	94.6	126.2	194.5	52.2
2022:10	136.6	112.5	95.6	125.3	187.6	51.3
2022:11	136.2	111.5	93.1	122.9	189.8	50.0
2022:12	136.9	110.7	93.4	123.5	199.9	49.1
2023:01	138.4	110.2	91.0	121.4	197.4	48.3
2023:02	138.8	109.7	91.0	125.1	200.7	47.8
2023:03	138.0	108.4	92.0	123.2	201.9	47.2
2023:04	138.1	107.5	93.0	122.8	203.3	47.1
2023:05	138.7	106.9	94.9	124.9	206.9	46.7
2023:06	137.7	106.2	96.8	124.0	208.2	46.7
2023:07	137.0	105.9	96.8	121.2	208.2	46.5
2023:08	137.0	105.5	97.4	123.7	211.0	46.8
2023:09	136.3	104.7	96.4	121.7	212.8	47.6
2023:10	135.6	103.8	94.6	120.4	214.5	47.7
2023:11	135.9	103.3	94.6	118.1	214.5	47.4
2023:12	137.1	103.1	96.4	120.0	220.3	46.9
2024:01	136.8	102.5	94.6	119.9	211.5	47.6
2024:02	137.4	102.7	96.4	121.3	212.3	48.0
2024:03	138.5	102.4	96.9	124.8	219.4	49.1
2024:04	137.9	101.7	97.8	123.0	216.1	49.1
2024:05	137.7	101.3	96.7	122.5	210.4	49.4
2024:06	136.4	101.1	96.8	121.9	207.8	48.8
2024:07	136.3	101.1	97.9	121.7	209.2	48.0
2024:08	135.9	100.2	98.3	123.5	208.9	47.5

# Figure A7.1: Washington State Economic Indicators

## Year-over-Year Employment Growth

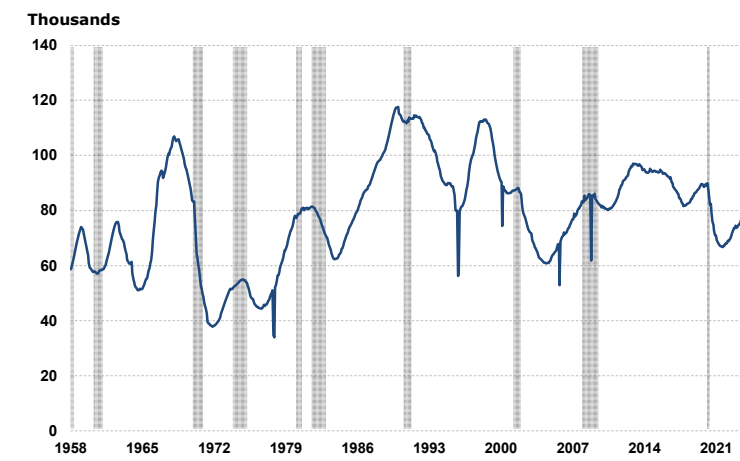
January 1980 to August 2024



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

## Washington Aircraft and Parts Employment

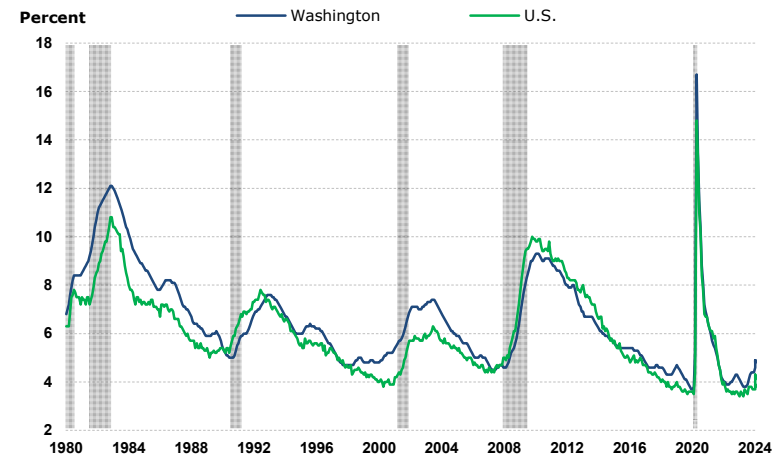
January 1958 to August 2024



\* Source: Bureau of Labor Statistics, ERFC

## Unemployment Rate, S.A.

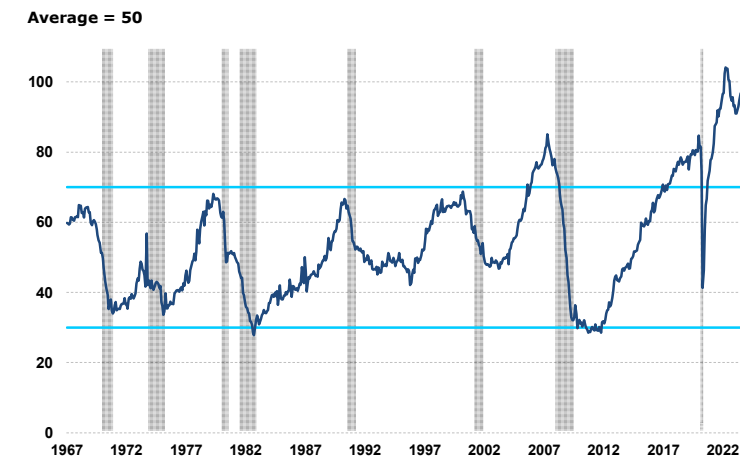
January 1980 to August 2024



\* Source: Bureau of Labor Statistics

## Washington Business Cycle Indicator

January 1968 to August 2024



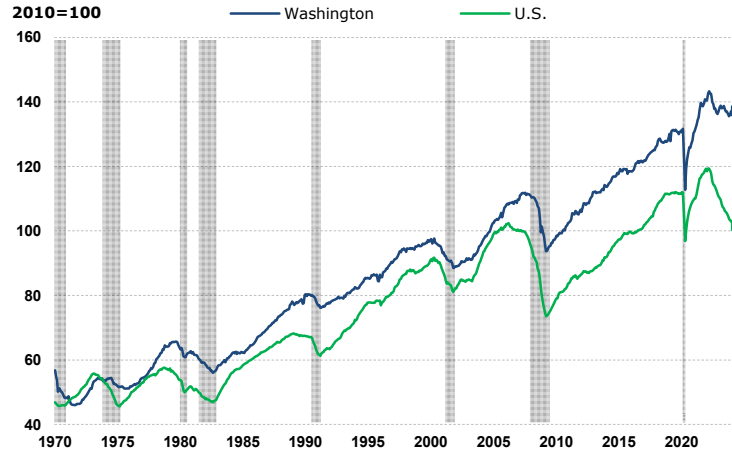
\* Source: ERFC

\* Shaded areas correspond with national recessions.  
Appendix

# Figure A7.2: Washington State Leading Indicators

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

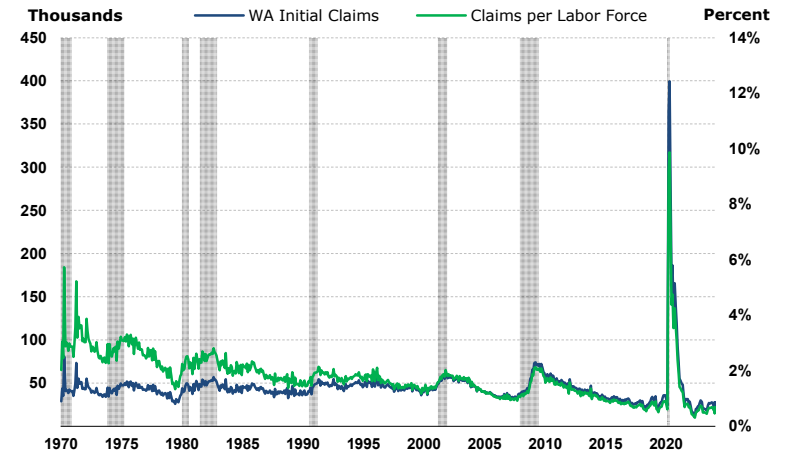
January 1970 to August 2024



\* The Conference Board, ERFC

## Washington Initial Claims for Unemployment Insurance

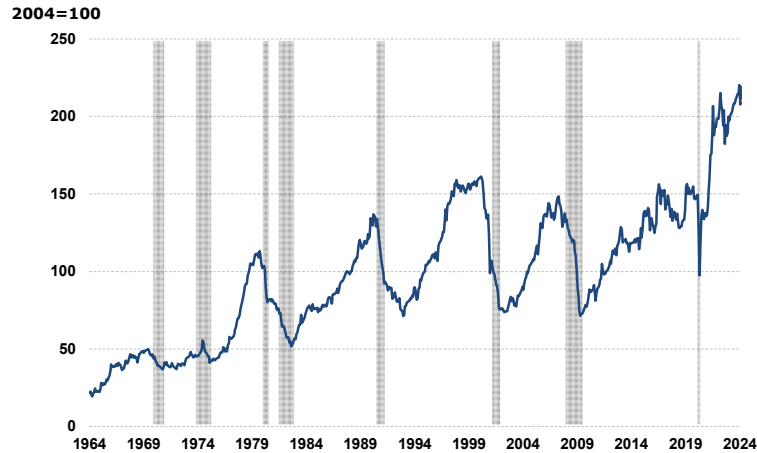
January 1970 to August 2024, S.A.



\* Source: WA State Employment Security, ERFC

## Washington State Help Wanted Index

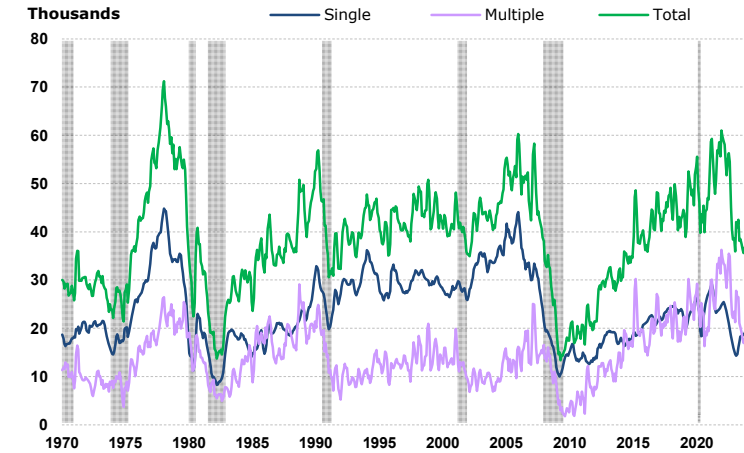
January 1964 to August 2024



\* Source: The Conference Board, ERFC

## Housing Units Authorized in Washington State

January 1970 to August 2024, 3mma, SAAR



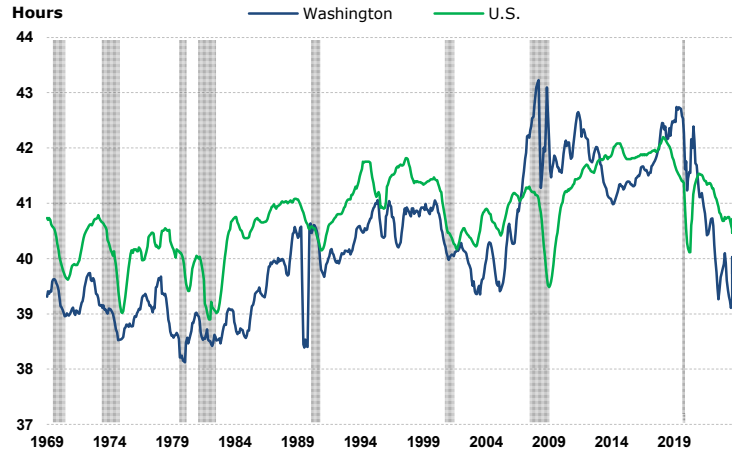
\* Source: Census Bureau, ERFC

\* Shaded areas correspond with national recessions.  
Appendix

# Figure A7.3: Other State Economic Indicators

## Average Weekly Hours in Manufacturing

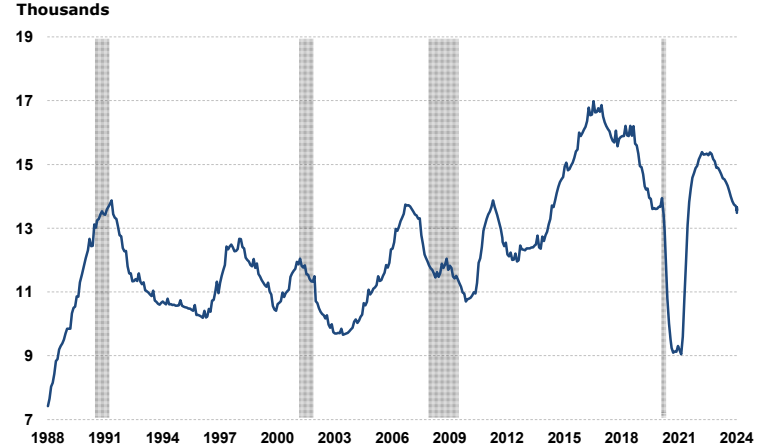
June 1969 to August 2024, 6-Month Moving Average, S.A.



\* Bureau of Labor Statistics, ERFC

## Washington Driver's License In-Migration

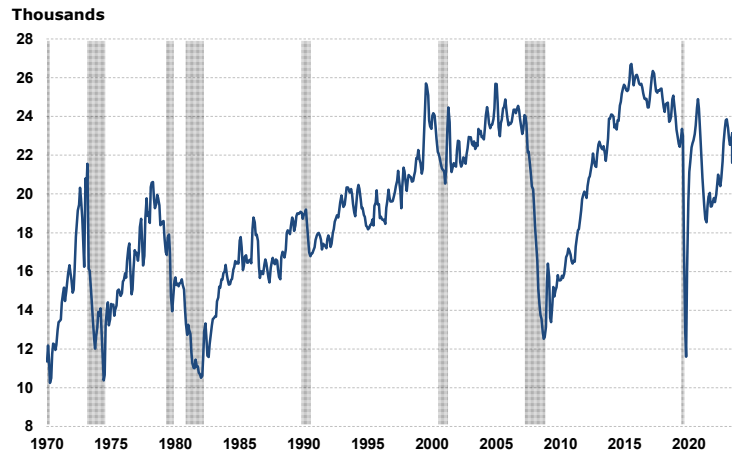
January 1988 to August 2024, 12-Month Moving Average



\* Source: WA State Department of Licensing, ERFC

## New Car and Truck Registrations in Washington

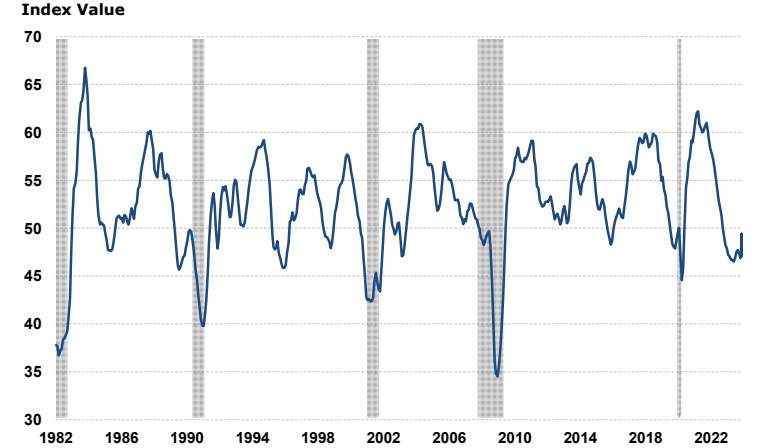
September 1970 to September 2024, 3-Month Moving Average, S.A.



\* Source: WA State Department of Licensing, ERFC

## U.S. Institute for Supply Management Index

March 1982 to September 2024, 3-Month Moving Average, S.A.



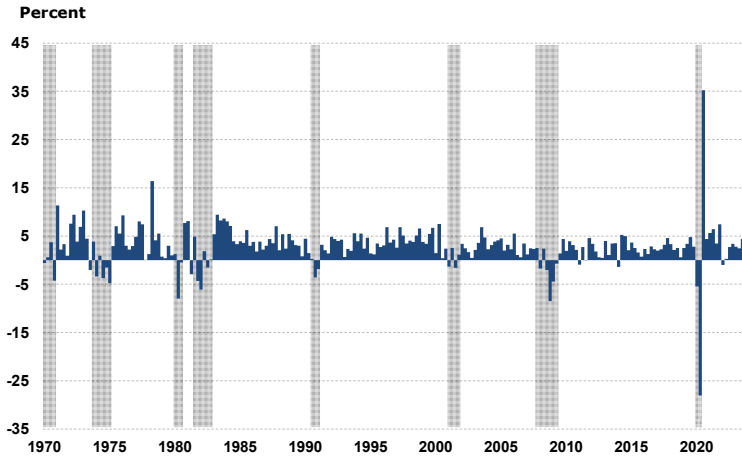
\* Source: Institute for Supply Management, ISM-WW, ERFC

\* Shaded areas correspond with national recessions.  
Appendix

# Figure A7.4: Other Economic Indicators

## Quarterly U.S. Real GDP Growth

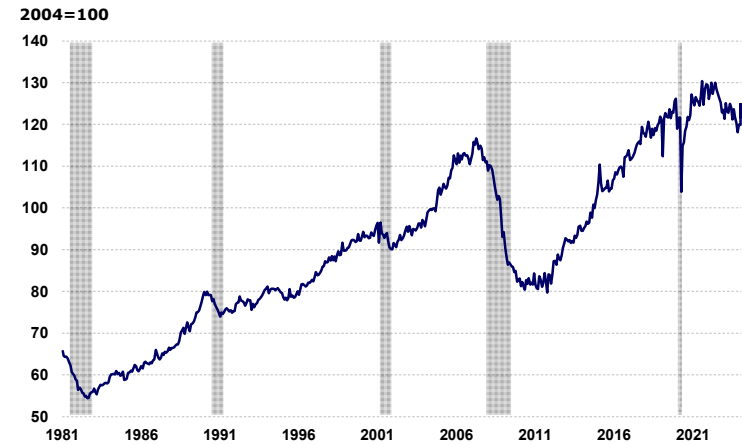
1970Q1 to 2024Q2, SAAR



\* Source: Bureau of Economic Analysis

## Washington State Construction Index

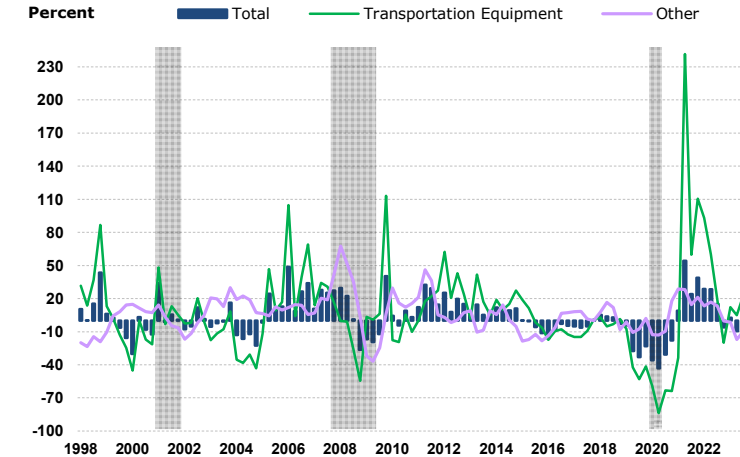
January 1981 to August 2024, 12mma



\* Source: ERFC

## Washington State Export Composition

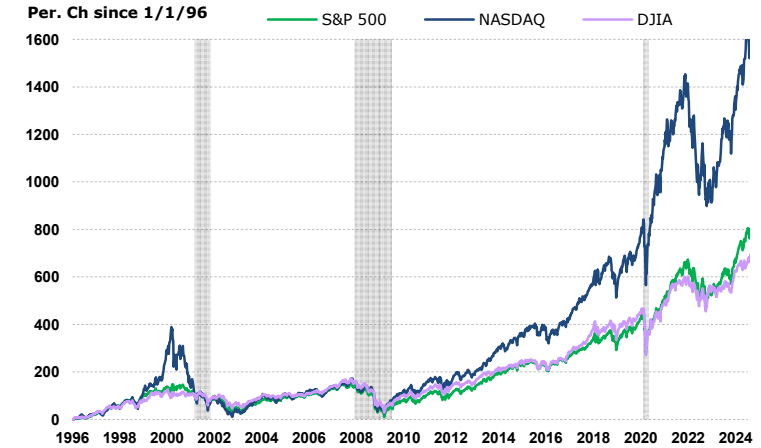
1998Q1 to 2024Q2, Year-over-year percent change



\* Source: WISER

## National Stock Indexes

January 1, 1996 to September 30, 2024



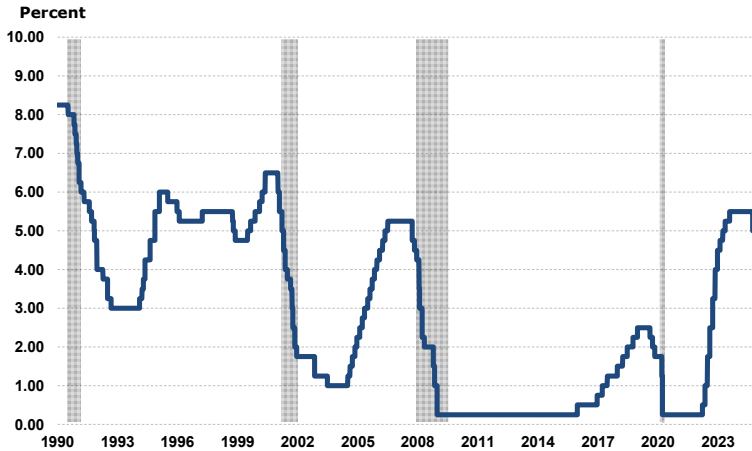
\* Source: ERFC

\* Shaded areas correspond with national recessions.  
Appendix

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

## Federal Funds Target Rate

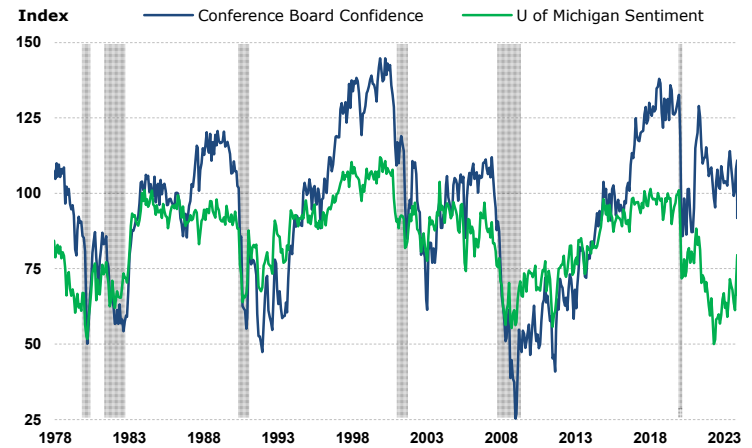
January 1, 1990 to October 8, 2024



\* Federal Reserve

## Consumer Confidence

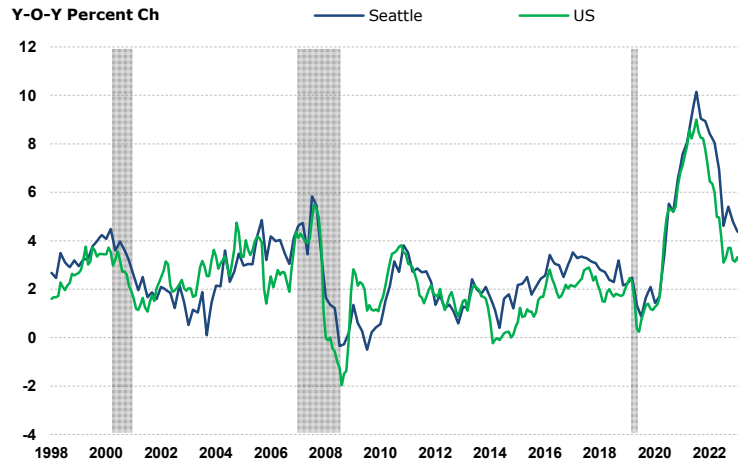
March 1978 to September 2024



\* Source: The Conference Board, University of Michigan

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

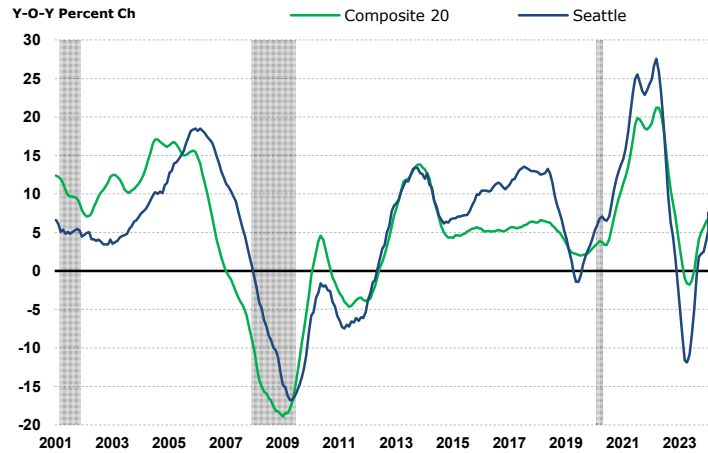
December 1998 to August 2024



\* Source: Bureau of Labor Statistics

## Case Shiller Home Price Index

January 2001 to July 2024, SA



\* Source: Case Shiller, ERFC

\* Shaded areas correspond with national recessions.  
Appendix



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## Glossary

**Biennium:** The state's two years budget cycle.

**Cash Basis:** Cash receipts received during a period. The Forecast Council forecasts revenues on a Cash and GAAP (Generally Accepted Accounting Principles) basis.

**CPI:** The Consumer Price Index for All Urban Consumers. The Bureau of Labor Statistics (BLS) updates the CPI monthly, surveying over 60,000 goods in 85 urban areas.

**Tax Elasticity:** A measure of how tax revenues respond to changes in personal income. If tax revenue elasticity is greater than one, a one percent change in personal income will be associated with more than a one percent increase in tax revenues. If elasticity is less than one, a one percent increase in personal income will be associated with less than a one percent increase in tax revenues.

**Fiscal Year:** The state's budget year. Washington State's fiscal year runs from July 1 through June 30. Fiscal year 2018, for example, ran from July 1, 2017 through June 30, 2018.

**GAAP Basis:** Generally Accepted Accounting Principles measure revenue in the period during which they accrue rather than the period in which they are received.

**General Fund:** Accounts for all financial resources and transactions not accounted for in another fund.

**General Fund-State (GF-S) Revenue:** Resources from state sources only, excludes federal monies. The general fund is the principal state fund supporting the operation of the state.

**Implicit Price Deflator, PCE (IPD):** The IPD for consumption is a by-product of the National Income and Product Accounts. It is derived by dividing current dollar (nominal) consumer expenditures by constant dollar (real) consumer expenditures.

**Mortgage Rate:** The average interest rate on 30-year conventional loan (as reported by Freddie Mac).

**Near General Fund:** All accounts included in the General Fund - State plus the Education Legacy Trust Account and the Washington Opportunity Pathways Account.

**Non-Wage Income:** Personal income other than from wages and salaries. The major components are: proprietor's income, transfer payments, and dividends, interest and rent.

**Real GDP:** Gross Domestic Production adjusted for the price level.

**Revenue Act:** Revenue Act taxes consist of the retail sales tax, use tax, business and occupation tax, public utility tax and tobacco products tax, plus penalty and interest payments associated with those taxes.

**Personal Income:** Income from wages and salaries; other labor income; proprietor's income; dividends, interest and rent; transfer payments; and a residence adjustment. It is reduced by employee contributions for social insurance.

**Seasonally Adjusted:** Adjusted for normal seasonal variations. Monthly statistics, such as the unemployment rate, are seasonally adjusted to make month-to-month comparisons possible.

**Seasonally Adjusted Annual Rate:** A rate for a given period that is typically less than one year, but that is computed as if the rate were for a full year and seasonally adjusted.

**Nonfarm Payroll Employment:** Civilian non-farm payroll employees. The self-employed, farm workers, members of the armed forces, private household employees, and workers on strike are excluded.