

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**

November 2024  
Volume LV, No. 4



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# Preface

## **ERFC forecasting structure and schedule**

The Economic and Revenue Forecast Council is required by Chapter 231, Section 34, Laws of 1992 (RCW 82.33.020) to prepare a quarterly state economic and revenue forecast and submit it to the Forecast Council. This report presents the state's economic and General Fund-State revenue forecast. It is issued four times a year. The Washington State GF-S revenue forecast is prepared quarterly in conjunction with the state economic forecast for the Economic and Revenue Forecast Council. The Council consists of eleven members, two appointed by the Governor, eight appointed by the Legislature – two from each caucus of the Senate and House of Representatives, and the State Treasurer. Current members of the Economic and Revenue Forecast Council are listed inside the front cover of this publication. The GF-S revenue forecast is updated four times per year: March (February in even-numbered years), June, September, and November. The staff of the Economic and Revenue Forecast Council is responsible for the preparation of the state's economic forecast and the forecast of the Department of Revenue's GF-S revenue sources as well as GF-S revenue from fines and forfeitures collected by the Administrative Office of the Courts with GF-S share of court fees, fines, and forfeitures. The staff is also responsible for review and coordination of the revenue forecasts of other agencies that collect relatively large amounts of GF-S revenue. These are the Department of Licensing, the Office of the Insurance Commissioner, the Lottery Commission, the State Treasurer, the Liquor and Cannabis Board, and the Office of Financial Management. The Office of Financial Management is responsible for summarizing the forecasts of all other state agencies that collect relatively smaller amounts of GF-S revenue.

## **Forecast Procedure**

For each quarterly update, the staff of the Economic and Revenue Forecast Council, under the direction of the Executive Director, reviews (and if warranted, modifies) a national economic forecast prepared by S&P Global Market Intelligence. A state economic forecast is then prepared using an econometric model that links Washington's economy to the national economy. After review by forecast workgroups; the Governor's Council of Economic Advisors; and the Economic and Revenue Forecast Council, this state economic forecast (updated for newly released data) is used to prepare a baseline revenue forecast for GF-S and the related funds. The forecasts are based on current law and administrative practices and do not reflect pending legal challenges to GF-S receipts until they are resolved. Additionally, at least two alternative forecasts are prepared for all GF-S and related fund sources and presented to the Forecast Council for approval. Once the Council approves the forecast, it becomes the official forecast of GF-S and related fund revenues.

Data in this publication are accurate through November 6, 2024.

# **Washington State Economic and Revenue Forecast**

Prepared by the  
Economic and Revenue Forecast Council

November 2024  
Volume LV, No. 4

# Table of Contents

|   |            |
|---|------------|
| <b>Preface</b> .....  | <b>iii</b> |
| <b>List of Tables</b> .....   | <b>vi</b>  |
| <b>List of Figures</b> .....  | <b>vii</b> |
| <b>Executive Summary</b> .....  | <b>1</b>   |
| U.S. Economic Forecast .....  | 2          |
| Washington Economic Forecast .....  | 2          |
| Revenue Forecast .....  | 3          |
| <b>Chapter 1: U.S. Economy – Current Conditions and Forecast</b> .....            | <b>4</b>   |
| Current Conditions .....  | 4          |
| Forecast .....  | 9          |
| Risks to the Forecast .....   | 14         |
| <b>Chapter 2: Washington Economy – Current Conditions and Forecast</b> .....      | <b>19</b>  |
| Current Conditions .....  | 19         |
| Washington State Forecast.....  | 22         |
| Washington Payroll Employment .....   | 23         |
| Washington Personal Income.....   | 24         |
| Washington Building Permits .....   | 25         |
| Consumer Price Index.....   | 25         |
| Alternative Scenarios.....  | 26         |
| <b>Chapter 3: Washington State Revenue Forecast Summary</b> .....                 | <b>40</b>  |
| Overview .....  | 40         |
| Track Record for the 2023-25 and 2025-27 Biennial forecasts .....                 | 42         |
| Recent Collection Experience .....  | 42         |
| General Fund-State Revenue Forecast by Source .....                               | 45         |
| Department of Revenue .....   | 45         |
| Forecasted Revenue from Cannabis-Related Sales .....                              | 50         |
| The Office of Financial Management (Other Agencies) .....                         | 50         |
| State Treasurer .....   | 51         |
| Insurance Commissioner.....   | 51         |
| Liquor and Cannabis Board.....  | 51         |
| Lottery Commission .....  | 51         |
| Washington Court System .....   | 52         |
| The Relationship between Cash and CAAP General Fund-State Revenue Forecasts ..... | 52         |
| Alternative Forecasts for the 2023-25 and 2025-27 Biennia .....                   | 52         |
| Washington Opportunity Pathways Account.....                                      | 53         |
| Education Legacy Trust Account .....  | 53         |
| Workforce Education Investment Account .....                                      | 53         |
| Budgetary Balance Sheet for the 2023-25 Biennia .....                             | 54         |
| <b>Appendix</b> .....   | <b>70</b>  |
| <b>Glossary</b> .....   | <b>106</b> |

# List of Tables

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

|           |  |    |
|-----------|--|----|
| Table 1.1 | U.S. Economic Forecast Summary .....                         | 15 |
| Table 1.2 | Forecast Analysis, Comparison of Forecasts for 2023-25 ..... | 16 |
| Table 1.3 | Forecast Analysis, Comparison of Forecasts for 2025-27 ..... | 17 |
| Table 1.4 | Forecast Comparison, 2024 to 2029.....                       | 18 |

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

|           |  |    |
|-----------|--|----|
| Table 2.1 | Washington Economic Forecast Summary .....                   | 29 |
| Table 2.2 | Comparison of Alternative Forecasts .....                    | 30 |
| Table 2.3 | Governor’s Council of Economic Advisor’s Forecast.....       | 31 |
| Table 2.4 | Forecast Analysis, Comparison of Forecasts for 2023-25 ..... | 32 |
| Table 2.5 | Forecast Analysis, Comparison of Forecasts for 2025-27 ..... | 33 |
| Table 2.6 | Forecast Comparison, Forecast 2024 to 2029 .....             | 34 |

**Chapter 3: Washington State Revenue Forecast Summary**

|            |  |    |
|------------|--|----|
| Table 3.1  | Revisions to the forecast of funds subject to the budget outlook.....              | 41 |
| Table 3.2  | Pre-Forecast Collection Variance of Major General Fund-State Taxes.....            | 43 |
| Table 3.3  | General Fund-State collections .....   | 55 |
| Table 3.4  | Taxable retail sales.....  | 56 |
| Table 3.5  | General Fund-State forecast by agency, 2023-25 biennium, Cash .....                | 57 |
| Table 3.6  | General Fund-State forecast by agency, 2023-25 biennium, GAAP.....                 | 58 |
| Table 3.7  | General Fund-State forecast by agency, 2025-27 biennium, Cash .....                | 59 |
| Table 3.8  | General Fund-State forecast by agency, 2025-27 biennium, GAAP.....                 | 60 |
| Table 3.9  | November 2024 General Fund-State Forecast Detail.....                              | 61 |
| Table 3.10 | Track Record for the 2023-25 Forecast of Funds Subject to the Budget outlook ..... | 62 |
| Table 3.11 | Track Record for the 2025-27 Forecast of Funds Subject to the Budget Outlook ..... | 62 |
| Table 3.12 | 2023-25 Enacted Budget Balance Sheet .....   | 63 |
| Table 3.13 | Alternative Forecasts Compared to the Baseline Forecast, 2023-25.....              | 64 |
| Table 3.14 | Alternative Forecasts Compared to the Baseline Forecast, 2025-27.....              | 65 |
| Table 3.15 | Lottery Transfers by Fund, Cash.....   | 66 |
| Table 3.16 | Lottery Transfers by Fund, GAAP .....  | 66 |
| Table 3.17 | GF-S, ELTA and OPA (Near General Fund-State) .....                                 | 67 |
| Table 3.18 | Forecasted Distribution of Excise Tax & License Fees from Cannabis Sales .         | 68 |
| Table 3.19 | Workforce Education Investment Account .....                                       | 68 |

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

|            |  |    |
|------------|--|----|
| Table A1.1 | U.S. Economic Forecast Summary, Annual .....                       | 70 |
| Table A1.2 | U.S. Economic Forecast Summary, Quarterly.....                     | 71 |
| Table A1.3 | Washington Economic Forecast Summary, Annual.....                  | 74 |
| Table A1.4 | Washington Economic Forecast Summary, Quarterly .....              | 75 |
| Table A2.1 | U.S. Nonagricultural Employment by Industry, Annual .....          | 78 |
| Table A2.2 | U.S. Nonagricultural Employment by Industry, Quarterly .....       | 79 |
| Table A2.3 | Washington Nonagricultural Employment by Industry, Annual.....     | 82 |
| Table A2.4 | Washington Nonagricultural Employment by Industry, Quarterly ..... | 83 |
| Table A3.1 | U.S. Personal Income by Component, Annual .....                    | 86 |
| Table A3.2 | U.S. Personal Income by Component, Quarterly.....                  | 87 |
| Table A3.3 | Washington Personal Income by Component, Annual.....               | 90 |
| Table A3.4 | Washington Personal Income by Component, Quarterly .....           | 91 |
| Table A4.1 | Selected Inflation Indicators .....                                | 94 |
| Table A4.2 | Price Indexes for Gross Domestic Product .....                     | 95 |
| Table A5.1 | Washington Resident Population and Components of Change.....       | 96 |
| Table A5.2 | Washington Population.....   | 97 |

|            |  |    |
|------------|--|----|
| Table A6.1 | Summary of National and State Indicators ..... | 98 |
| Table A6.2 | Washington Business Indicators .....           | 99 |

## List of Figures

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

|            |                                    |    |
|------------|------------------------------------|----|
| Figure 1.1 | U.S. Employment Growth .....       | 5  |
| Figure 1.2 | Consumer Price Index .....         | 7  |
| Figure 1.3 | NAHB/Wells Fargo Housing Mar ..... | 8  |
| Figure 1.4 | Real GDP Growth .....              | 10 |
| Figure 1.5 | Average Price of Crude Oil .....   | 10 |
| Figure 1.6 | Housing Starts .....               | 13 |

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

|            |   |    |
|------------|---|----|
| Figure 2.1 | Washington Unemployment Rate .....                                | 20 |
| Figure 2.2 | S&P/Case-Shiller Home Price Indices, SA .....                     | 21 |
| Figure 2.3 | Washington Exports.....   | 22 |
| Figure 2.4 | Nonfarm Payroll Employment.....                                   | 24 |
| Figure 2.5 | Washington Personal Income .....                                  | 25 |
| Figure 2.6 | Seattle Consumer Price Inflation.....                             | 26 |
| Figure 2.7 | Comparison of Alternative of WA and U.S. Economic Forecasts ..... | 35 |
| Figure 2.8 | Comparison of Alternative U.S. Economic Forecasts.....            | 38 |
| Figure 2.9 | Comparison of Alternative Washington Economic Forecasts .....     | 39 |

### Chapter 3: Washington State Revenue Forecast Summary

|            |  |    |
|------------|--|----|
| Figure 3.1 | Funds subject to the budget outlook as a Percentage of State Personal<br>Income (Fiscal Years) ..... | 42 |
| Figure 3.2 | Revenue Act Collections .....  | 44 |
| Figure 3.3 | Taxable Real Estate Excise Activity, SA.....   | 44 |
| Figure 3.4 | Taxable Sales as a Percentage of State Personal Income.....  | 45 |

### Appendix:

#### Detail Components of the Washington State Economic and Revenue Forecast

|             |  |     |
|-------------|--|-----|
| Figure A7.1 | Washington State Economic Indicators ..... | 100 |
| Figure A7.2 | Washington State Leading Indicators .....  | 101 |
| Figure A7.3 | Other State Economic Indicators .....      | 102 |
| Figure A7.4 | Other Economic Indicators.....             | 103 |

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## Executive Summary

- **The economy continues to expand and inflation is trending down.**
- **We expect real GDP to increase 2.7% in 2024 and 2.0% in 2025, up from the 2.6% and 1.8% growth rates assumed in the September 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 October 2024. We expect growth rates of 2.1%, 2.0%, 2.0%, 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 third quarter of 2024.**
- **Washington employment growth in September through November was less than expected in the September forecast.**
- **The Washington unemployment rate has remained steady since February, fluctuating between 4.7% and 4.9%.**
- **Washington housing permits ticked up in the third quarter of 2024.**
- **Seattle home prices increased in September and were up 5.2% compared with September 2023.**
- **Washington exports increased 6.9% from the third quarter of 2023 to the third quarter of 2024.**
- **Seattle consumer price inflation continued to outpace the national average in October.**
- **The Boeing machinists strike ended in November, but layoffs were announced for January.**
- **Tracked revenue collections since September have come in \$134 million above their forecasted amount but \$84 million of that amount is expected to be refunded.**
- **The November economic forecast projects lower housing permits and construction employment, and slightly slower average income growth. 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.**
- **Except for one fund in FY 2025, the revenue projections for all non-general fund-state funds subject to the budget outlook process decreased.**
- **The forecast of funds subject to the budget outlook process was decreased by \$89 million in the 2023-25 biennium, \$181 million in the 2025-27 biennium and \$131 million in the 2027-29 biennium.**

## U.S. Economic Forecast

*The economy continues to expand and inflation is trending down*

The economy continues to expand and inflation is trending down. 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 November S&P Global Market Intelligence forecast*

This forecast is based on a modified version of S&P Global Market Intelligence's November 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 2.7% in 2024 and 2.0% in 2025, up from the 2.6% and 1.8% growth rates assumed in the September 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 October 2024. We expect growth rates of 2.1%, 2.0%, 2.0%, and 1.9% in 2026 through 2029 slightly higher than the September forecast.

*The Federal Reserve is now cutting rates*

The Federal Reserve cut the target for the federal funds in November by another 25 basis points to 4.50% to 4.75%. 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 cut the federal funds rate another 25 basis points in their final meeting of the year in December. 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 in 2024*

The Washington economy continued to expand in 2024. The unemployment rate increased earlier this year from 3.8% to 4.9%, but has since leveled off. The unemployment rate has fluctuated between 4.7% and 4.9% since February. Washington housing permits increased in the third quarter of 2024. Washington exports increased 6.9% from the third quarter of 2023 to the third quarter of 2024. Seattle consumer price inflation continued to outpace the national average in October 2024.

The Washington forecast includes higher personal income due to data revisions, although growth through 2029 is lower. Our forecast for nominal personal income growth this year is 6.5%, which is up from the 5.2% rate in the September forecast. The

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

November forecast for nominal personal income growth in 2025 through 2029 averages 5.4% per year which is slightly less than the 5.6% average rate in the September forecast. Washington employment is projected to grow by 1.0% this year, slightly down from the 1.3% forecast in September. We anticipate an average annual growth rate of 0.9% from 2025 to 2029, just above the September forecast of 0.8%. The unemployment rate forecast was reduced by one-tenth of a percentage point in 2025 and 2027. We anticipate 36,000 housing permits this year, an upward revision from September’s forecast. From 2025 to 2029, we project an average of 40,900 permits, slightly below the 41,300 units previously expected. Seattle headline inflation is forecasted to grow by 2.5% in 2025, ease to 2.2% in 2026, and stabilize at 2.3% for the remainder of the forecast period.

## **Revenue Forecast**

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

Total tracked revenue collections since September have come in \$134.1 million above their forecasted total, but \$84 million of that amount was a deposit of unclaimed property that is expected to be refunded in the current fiscal year. The November economic forecast projects lower housing permits and construction employment, and slightly slower average income growth. This has resulted in slight decreases in forecasted Revenue Act taxes throughout the forecast period, offsetting the surplus collections since the prior forecast. Forecasted real estate excise taxes, however, have increased due to higher-than-expected taxable activity. With the exception of the Education Legacy Trust Account in FY 2025, the revenue projections for all funds subject to the budget outlook process decreased.

*Total forecast change by biennium (millions):*

23-25: *-\$89*  
25-27: *-\$181*  
27-29: *-\$131*

Forecasted revenue was decreased by \$88.8 million in the 2023-25 biennium, \$180.7 million in the 2025-27 biennium and \$130.7 million in the 2027-29 biennium. The November 2024 forecast for funds subject to the budget outlook process total \$66,390.4 million in the 2023-25 biennium, \$71,430.6 million in the 2025-27 biennium and \$76,845.1 million in the 2027-29 biennium.



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

- **The economy continues to expand and inflation is trending down.**
- **Real GDP increased 2.8% (SAAR) in the third quarter of 2024 after increasing 3.0% (SAAR) in the second 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 2.7% in 2024 and 2.0% in 2025, up from the 2.6% and 1.8% growth rates assumed in the September 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 October 2024. We expect growth rates of 2.1%, 2.0%, 2.0%, 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 trending down*

The economy continues to expand and inflation is trending down. 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 2.8% (SAAR) in the third quarter*

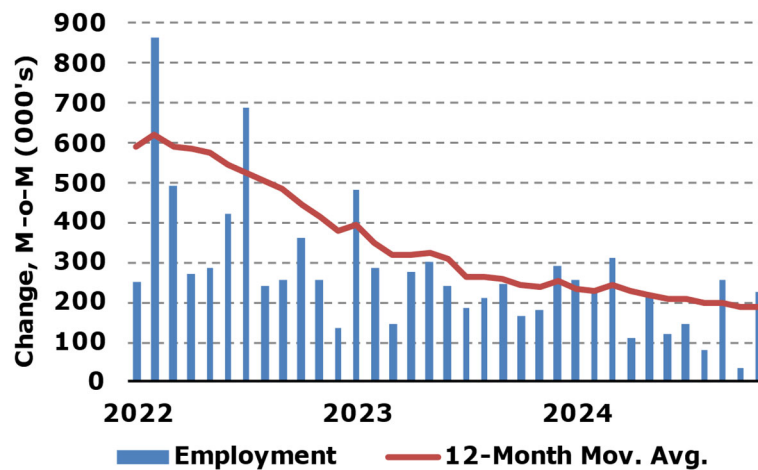
Real GDP increased 2.8% (SAAR) in the third quarter of 2024 after increasing 3.0% (SAAR) in the second quarter. Growth was led by consumer spending, particularly durable goods. Consumption grew 3.5% (SAAR) contributing 2.4 percentage points to overall GDP growth. Consumer spending on goods grew 5.6% (SAAR) adding 1.2 points to topline GDP. Spending on services increased by 2.6% (SAAR), also adding 1.2 points to growth. Fixed investment grew 1.7% (SAAR) from 2.3% (SAAR)

in the second quarter and added 0.3 points to topline growth. Nonresidential fixed investment increased 3.8% (SAAR), led by 11.0% (SAAR) growth in equipment investment which was partially offset by a 4.7% (SAAR) decline in structures. Residential investment fell in the third quarter by 5.0% (SAAR) after declining 3.0% (SAAR) in the second quarter and subtracted 0.2 points to overall GDP growth. Import growth outpaced exports, with the net impact of 0.6 points subtracted from GDP growth. Government spending increased 5.0% (SAAR), increasing GDP by 0.8 points. The change in inventories subtracted 0.1 points to GDP growth in the third quarter.

*The job market has been stronger than expected*

The job market continues to outpace consensus expectations even as growth has trended down. Over four years since the unprecedented 20.5 million job decline in April 2020 due to the pandemic, gains to employment remain solid. In November, total nonfarm employment increased by 227,000 jobs after increasing by 36,000 jobs the month before. October payrolls were weighted down by hurricanes and roughly 40,000 striking workers (who returned in November boosting job growth). Over the past twelve months, job growth has averaged 190,000 (see Figure 1.1). Construction employment has remained resilient and increased by another 10,000 jobs in November. The manufacturing sector is declining. Job growth in the sector was 22,000 in November but this was boosted by the return of the striking workers. Private service-providing employment increased by 160,000. Employment increases in the service sector were led by a 53,600 increase in health care and a 28,900 increase in food and drinking places. Retail trade was the weakest sector in November, declining by 28,000 jobs. Government payrolls increased by 33,000.

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



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

*The unemployment rate has stabilized*

The unemployment rate appears to have stabilized at just over 4.0%. The unemployment rate increased 0.1 percentage points to 4.2% in November. The rate has remained between 4.0% and 4.3% since May. The labor force participation rate fell 0.1 percentage points over the month to 62.5% in November and is down from 63.3% just prior to the pandemic. Average hourly earnings are up \$1.38 from a year ago to \$35.61 while the average workweek fell 0.1 hours from last year to 34.3 hours in November.

*Consumer confidence is improving*

Consumer confidence is improving after years of stagnation. Consumer confidence as measured by the Conference Board increased 2.1 points in November and is up 10.7 points since last year. Consumers' view of both their present situation and expectations improved in November. Expectations in November were at a three-year high and views of current conditions were the highest since March. The University of Michigan Consumer Sentiment index increased 2.2 points in December and is up 4.3 points since last year. Strong stock prices, a healthy labor market, and gradually falling gas prices were all positives to the index. Fewer job openings and high prices remain drags. Even with the recent improvement to consumer confidence, both measures remain well below pre-pandemic levels.

*Oil prices are declining*

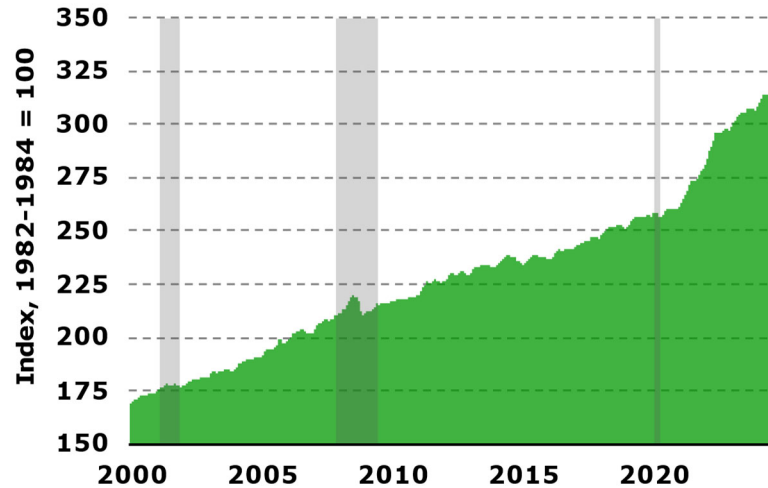
Oil prices are declining as softening global demand has overshadowed supply concerns. Middle East tensions have not had a significant impact on oil supply. The regime change in Syria has caused a spike in prices, although this is likely to be temporary as Syria is not a major oil producer. The Brent spot crude price is now \$74 per barrel in the last week of November, down \$7 from a year ago. The West Texas Intermediate (WTI) price has declined to \$69 per barrel from \$75 per barrel since last year. U.S. oil production fell to 13.204 million barrels-per-day (bpd) in September after reaching an all-time high in August of 13.361 million bpd. U.S. production has averaged 13.142 million bpd through the first nine months of 2024, which is on pace to surpass the previous high of 12.935 million bpd reached last year. The Baker Hughes rig count has been declining since reaching a peak in November 2022. As of December 6<sup>th</sup>, the rig count in the U.S. was 589, down 37 since last year.

*Inflation remains on a downward trend*

Inflation increased in October, although it remains on a downward trend. In October, the Consumer Price Index (CPI) increased from 2.4% to 2.6% on a year-over-year basis. This was down from a 3.2% year-over-year increase a year ago much lower than the peak of 9.1% in June 2022. Even with the recent decline in inflation, the price level remains much higher than prior to the pandemic (see Figure 1.1). Energy prices were unchanged in October but remain down 4.9% over the year. Shelter cost inflation remains high, increasing 0.4% in October and up 4.9% since last year. Food price inflation has moderated, up 0.2% in October and up 2.1% since last year. Core consumer

prices, which exclude food and energy, increased 0.3% since last month and were up 3.3% over the year.

**Figure 1.2: Consumer Price Index Level**

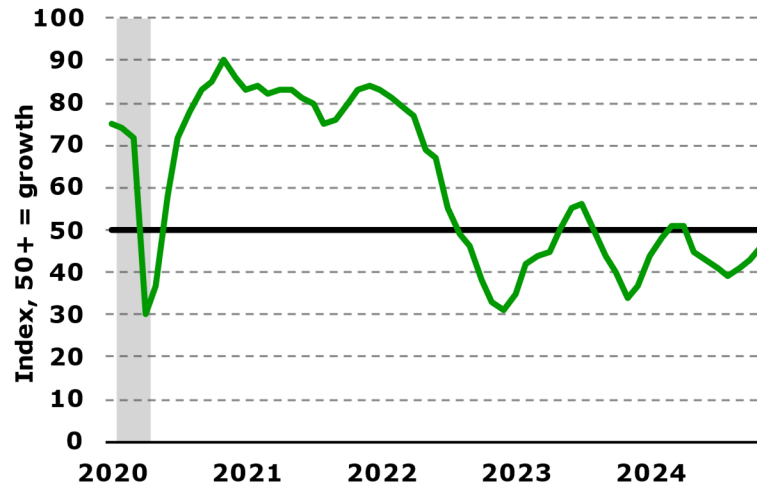


Source: U.S. Bureau of Labor Statistics; data through October 2024

*Home prices are increasing*

Home prices are increasing. The seasonally adjusted S&P CoreLogic Case-Shiller National Home Price Index increased 0.3% in September and is now up 3.9% since last year. The Federal Reserve raised interest rates substantially to combat inflation after the pandemic, leading to a rise in mortgage rates and a drop in affordability. Mortgage rates began to ease as monetary policy has softened, but are now increasing again. The rate on a 30-year mortgage rate increased to 6.81% as of November 27<sup>th</sup>, up from a recent trough of 6.08% in October, but still down from 7.22% a year ago. Despite the drop in affordability, home prices have remained resilient due to a limited supply of homes for sale. Lumber prices are increasing again and are now at \$595 per 1,000 board feet, up from \$525 a year ago. Homebuilder's remain pessimistic (see Figure 1.3). In November, homebuilder confidence increased from 43 to 46 (readings above 50 indicate optimism), but is down from a recent high of 51 in April.

**Figure 1.3: NAHB/Wells Fargo Housing Market Index**



Source: National Association of Home Builders, Wells Fargo; data through November 2024

*Housing activity remains weak*

Housing activity remains weak. High interest rates, low confidence, and low affordability have weighed down new construction. Housing starts declined in October by 3.1% and are down 4.0% since last year. Single-family starts are 0.5% lower than a year ago, and multi-family starts are down 12.6%. Builders are working through a large backlog of permitted but not started units. The inventory of new homes on the market has remained high as builders have struggled to sell new construction. In October there was 9.5 months' worth of supply, up from 7.7 in September and up from 7.9 a year ago. Housing permits declined 0.4% over the month in October and are down 7.5% since last year. Single-family permits are down 1.5% since last year while multi-family permits are down 18.2%. New home sales declined 17.3% in October to 716,000 (SAAR) and are down 9.4% since last year.

*The manufacturing sector is contracting*

The manufacturing sector continues to contract. The Institute for Supply Management (ISM) Report on Business index increased to 48.4 in November from 47.2 in September (index values below 50 indicate contraction). The index has indicated contraction in the manufacturing sector in 25 of the past 26 months. The new orders component improved 3.3 points to 50.4, indicating growth. Production improved 0.6 points but still remained in contractionary territory at 46.8 points. The employment component increased 3.7 points to 48.1, indicating net job losses but at a slower rate. Three manufacturing industries reported growth in November with 11 indicating contraction. The latest G-17 report measuring industrial production from the Federal Reserve indicates manufacturing output declined 0.5% in October and is down 0.3% from a year ago. Durable goods fell 1.2% while nondurable goods increased



0.1% from the prior month. Manufacturing output was weighed down by a 5.8% drop in aerospace and transportation equipment which was likely impacted by the Boeing strike. New orders for core capital goods (nondefense capital goods excluding aircraft) declined 0.2% in October but are up 0.4% from a year ago.

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

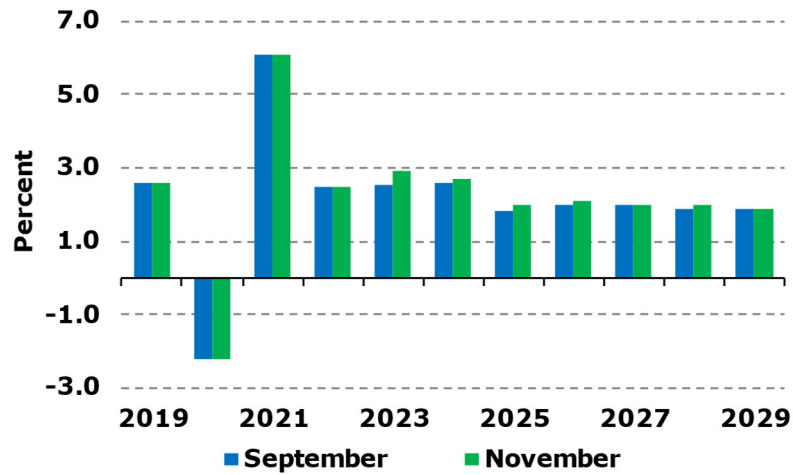
U.S. exports increased in the third quarter of 2024, growing by 3.4% year over year. U.S. exports to the rest of North America increased 0.7% year over year in the third quarter, the second consecutive increase. Strong growth to Mexico, which increased 5.1% annually, more than offset a 3.3% decline in exports to Canada. Exports to China are no longer declining, growing 1.8% year over year in the third quarter. Exports to the Netherlands, which has quickly become our fourth largest export market, were once again strong, increasing 10.8% over the year. Most of the increase in Netherland exports 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 21.8% over the year. Exports of transportation equipment fell 1.5% in the third quarter but remained the top export by value for the United States.

## **Forecast**

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

This forecast is based on a modified version of S&P Global Market Intelligence's November 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 2.7% in 2024 and 2.0% in 2025, up from the 2.6% and 1.8% growth rates assumed in the September 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 October 2024. We expect growth rates of 2.1%, 2.0%, 2.0%, and 1.9% in 2026 through 2029 slightly higher than the September forecast.

**Figure 1.4: Real GDP Growth**



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

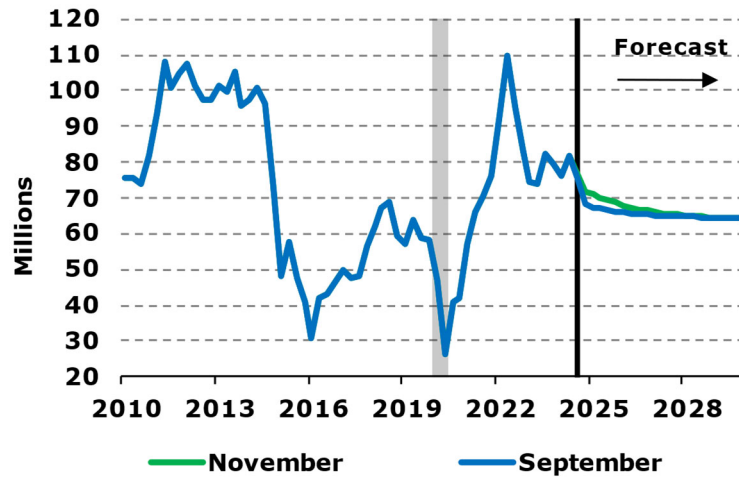
*The forecast doesn't include President-elect Trump's policy proposals*

The forecast was prepared prior to the U.S. presidential election and doesn't include most of President-elect Trump's policy proposals. The forecast does continue to include key assumptions related to fiscal policy. The debt ceiling is raised without incident prior to the end of the year. 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 assumes 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 higher compared to the previous forecast*

Oil prices are expected to decline throughout the forecast (see Figure 1.5). The outlook for oil demand continues to soften, particularly in China. OPEC+ has limited supply in response to keep prices up. OPEC+ had planned to roll back production cuts but has now delayed the lift in production. Record-high U.S. oil production has somewhat limited the effectiveness of supply cuts. The refiner acquisition price of crude oil in 2024 is expected to average \$77 per barrel, up from \$76 per barrel assumed in September. 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 gradually throughout the forecast period (see Figure 1.5). The forecast calls for oil prices to reach \$64 per barrel in 2029, equal to the 2029 price assumed in September.

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



Source: U.S. Energy Information Administration, November 2024 ERFC forecast; historical data through 2024 Q3

*Inflation is expected to fall*

Inflation (as measured by the price index for personal consumption expenditures) is expected to fall to 2.5% this year from 3.8% in 2023. The September forecast expected inflation to fall to 2.4% 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 2.1% in 2025 due to falling energy prices. The forecast calls for inflation to average 2.0% from 2026 through 2029, down from 2.1% in the September forecast. Core inflation (excluding food and energy) is expected to be higher than topline inflation this year at 2.8% and 2.2% in 2025. We expect core inflation to trend down and average 2.1% from 2026 through 2029.

*Consumer spending growth is expected to increase*

Real consumer spending growth is expected to increase this year to 2.7% from 2.5% in 2023. The September forecast expected real consumption growth to increase to 2.4% this year. Steady job growth and wage gains has been partially offset by persistently high inflation. Consumers have funded current spending with savings as real incomes have not kept up. As incomes have increased and inflation moderated, the savings rate has increased and is expected to reach 5.0% this year. In the decade prior to the pandemic, the saving rate averaged 6.2%. Real consumer spending is expected to slow to 2.1% next year. The forecast calls for growth to then decrease slightly and average 2.0% from 2026 through 2029, unchanged from the previous forecast.

*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, unchanged from the previous forecast. The labor market has remained resilient despite the Federal Reserve's tightening monetary policy. As inflation has cooled, monetary policy is loosening to help support the labor market. Employment growth is expected slow to 0.9% in 2025, up from 0.7% in the September forecast. Going forward, employment growth is expected to average 0.3% from 2026 through 2029, down from 0.4% assumed in the previous forecast. We expect the labor market to remain tight throughout the forecast. The November forecast calls for the unemployment rate to increase to 4.0% 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 4.4% in 2029.

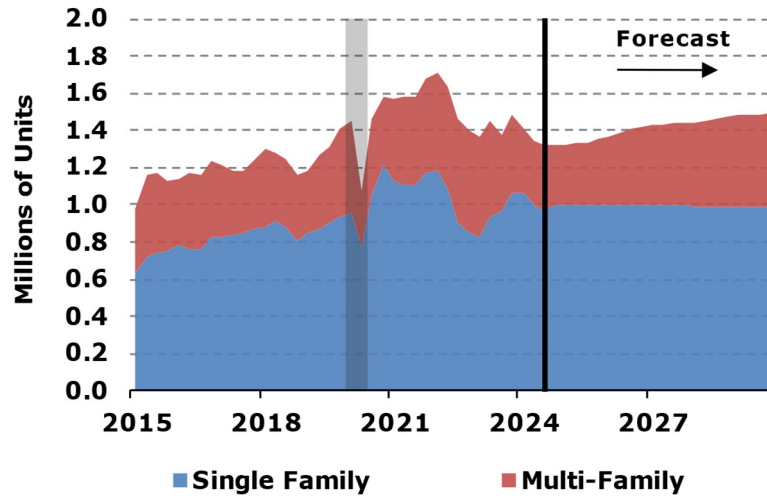
*Business investment is expected to slow*

Real nonresidential fixed investment growth is expected to slow to 3.7% this year after growing 6.0% in 2023. Lending standards for businesses remain tight and borrowing costs are elevated. Business spending on manufacturing structures is slowing. Office vacancy rates have increased from a year ago and 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 2.7% from 2025 through 2029. We expect real nonresidential construction to grow 3.4% this year after rebounding by 10.8% in 2023. The forecast calls for nonresidential construction to slow and average 2.1% in 2025 through 2029 as some excess surplus gets worked through. Real equipment investment growth is expected to slow this year to 3.8% after growing 5.6% in 2023. We then expect growth to remain strong and average 5.5% in 2025 through 2029. Investment in intellectual property products is expected to decrease from 5.8% growth in 2023 to 3.9% growth this year. We expect growth to trend down and average 2.2% 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. Sales have collapsed as homeowners holding fixed-rate mortgages financed at historically low rates during the pandemic have been locked into their homes. The cost of moving from one median-priced home to another, assuming 20% down payment, would be \$8,000 a year in higher mortgage payments due to the increase in mortgage rates alone. The November forecast calls for housing starts to decline 5.0% this year after declining in each of the prior two years (see Figure 1.6). We expect multi-family housing to decline 27.4%, offsetting an 6.1% increase in single-family. We expect 2025 to be the trough in total housing starts at 1.34 million units, down 0.9% from 2024. The forecast then calls for housing starts to slowly trend up throughout the remainder of the forecast and average 1.49 million units in 2029.

**Figure 1.6: Housing Starts**



Source: U.S. Census Bureau, November 2024 ERFC forecast; historical data through 2024 Q3

*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 slightly weaker compared to the previous forecast. The November forecast calls for 1.9% growth this year, unchanged from the previous forecast, but lower over the next two years. Real GDP growth is expected to be lower in Mexico over the next two years compared to September, while the outlook for Canada is unchanged. We expect growth in U.S. major trading partners to be 2.2% in 2025 and 2.4% in 2026, down from 2.3% and 2.5% in the September forecast. The forecast then calls for growth in U.S. trading partners to average 2.5% from 2027 through 2029, essentially unchanged from September. Real U.S. export growth is forecasted to increase to 3.5% this year, up from 2.8% 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 3.6% growth in 2029.

*The Federal Reserve is now cutting rates*

The Federal Reserve cut the target for the federal funds in November by another 25 basis points to 4.50% to 4.75%. 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 cut the federal funds rate another 25 basis points in their final meeting of the year in December. 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.

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
- Trade war results in higher inflation
- 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  
**U.S. Economic Forecast Summary**  
 Forecast 2024 to 2029

Fiscal Years

|   | 2022     | 2023     | 2024     | 2025     | 2026     | 2027     | 2028     | 2029     |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Real National Income Accounts (Billions of Chained 2017 Dollars)</b> |          |          |          |          |          |          |          |          |
| Real Gross Domestic Product   | 21,838.7 | 22,314.8 | 23,004.7 | 23,527.0 | 23,989.4 | 24,483.7 | 24,972.4 | 25,465.1 |
| % Ch  | 4.3      | 2.2      | 3.1      | 2.3      | 2.0      | 2.1      | 2.0      | 2.0      |
| Real Consumption  | 15,088.6 | 15,415.1 | 15,813.0 | 16,232.1 | 16,527.8 | 16,889.3 | 17,233.8 | 17,578.3 |
| % Ch  | 6.0      | 2.2      | 2.6      | 2.7      | 1.8      | 2.2      | 2.0      | 2.0      |
| Real Nonresidential Fixed Investment                                    | 3,069.5  | 3,299.9  | 3,452.2  | 3,560.5  | 3,673.2  | 3,747.2  | 3,859.7  | 3,983.4  |
| % Ch  | 5.8      | 7.5      | 4.6      | 3.1      | 3.2      | 2.0      | 3.0      | 3.2      |
| Real Residential Fixed Investment                                       | 892.6    | 767.0    | 785.5    | 784.2    | 801.7    | 829.2    | 865.0    | 912.9    |
| % Ch  | 0.0      | -14.1    | 2.4      | -0.2     | 2.2      | 3.4      | 4.3      | 5.5      |
| Real Personal Income  | 19,073.2 | 19,214.7 | 19,731.2 | 20,312.4 | 20,907.7 | 21,495.7 | 22,134.9 | 22,698.5 |
| % Ch  | -2.0     | 0.7      | 2.7      | 2.9      | 2.9      | 2.8      | 3.0      | 2.5      |
| Real Per Capita Income (\$/Person)                                      | 57,195   | 57,093   | 58,002   | 59,158   | 60,451   | 61,844   | 63,424   | 64,773   |
| % Ch  | -2.4     | -0.2     | 1.6      | 2.0      | 2.2      | 2.3      | 2.6      | 2.1      |
| <b>Price and Wage Indexes</b>   |          |          |          |          |          |          |          |          |
| PCE Price Index (2017=100)  | 112.6    | 118.7    | 122.1    | 124.7    | 127.4    | 130.2    | 132.6    | 135.4    |
| % Ch  | 6.0      | 5.4      | 2.9      | 2.1      | 2.2      | 2.2      | 1.8      | 2.1      |
| U.S. Consumer Price Index (1982-84=1.0)                                 | 2.820    | 2.997    | 3.096    | 3.173    | 3.243    | 3.315    | 3.393    | 3.471    |
| % Ch  | 7.2      | 6.3      | 3.3      | 2.5      | 2.2      | 2.2      | 2.4      | 2.3      |
| Employment Cost Index (Dec. 2005=1.0)                                   | 1.509    | 1.585    | 1.652    | 1.714    | 1.781    | 1.842    | 1.912    | 1.984    |
| % Ch  | 5.0      | 5.0      | 4.3      | 3.7      | 3.9      | 3.5      | 3.8      | 3.7      |
| <b>Current Dollar National Income (Billions of Dollars)</b>             |          |          |          |          |          |          |          |          |
| Gross Domestic Product  | 24,930.1 | 26,906.1 | 28,476.4 | 29,781.9 | 31,105.6 | 32,399.4 | 33,761.1 | 35,213.8 |
| % Ch  | 11.1     | 7.9      | 5.8      | 4.6      | 4.4      | 4.2      | 4.2      | 4.3      |
| Personal Income   | 21,474.5 | 22,803.8 | 24,086.1 | 25,324.0 | 26,634.0 | 27,990.9 | 29,355.7 | 30,733.7 |
| % Ch  | 3.9      | 6.2      | 5.6      | 5.1      | 5.2      | 5.1      | 4.9      | 4.7      |
| <b>Employment (Millions)</b>  |          |          |          |          |          |          |          |          |
| U.S. Civilian Labor Force   | 162.9    | 165.6    | 167.7    | 169.0    | 170.1    | 170.7    | 171.3    | 171.9    |
| Total U.S. Employment   | 156.1    | 159.7    | 161.3    | 161.8    | 162.5    | 162.9    | 163.5    | 164.2    |
| Unemployment Rate (%)   | 4.19     | 3.55     | 3.80     | 4.28     | 4.49     | 4.55     | 4.56     | 4.45     |
| Nonfarm Payroll Employment  | 149.78   | 154.54   | 157.43   | 159.33   | 160.20   | 160.60   | 161.03   | 161.61   |
| % Ch  | 4.8      | 3.2      | 1.9      | 1.2      | 0.5      | 0.3      | 0.3      | 0.4      |
| Manufacturing   | 12.59    | 12.92    | 12.95    | 12.93    | 12.84    | 12.68    | 12.49    | 12.31    |
| % Ch  | 3.5      | 2.6      | 0.2      | -0.1     | -0.7     | -1.2     | -1.5     | -1.5     |
| Durable Manufacturing   | 7.83     | 8.06     | 8.13     | 8.12     | 8.13     | 8.07     | 7.92     | 7.78     |
| % Ch  | 3.5      | 2.9      | 0.9      | -0.2     | 0.2      | -0.7     | -1.9     | -1.8     |
| Nondurable Manufacturing  | 4.76     | 4.87     | 4.82     | 4.82     | 4.71     | 4.61     | 4.57     | 4.53     |
| % Ch  | 3.4      | 2.1      | -0.9     | -0.1     | -2.2     | -2.1     | -1.0     | -0.8     |
| Construction  | 7.60     | 7.90     | 8.13     | 8.35     | 8.54     | 8.74     | 8.99     | 9.29     |
| % Ch  | 3.7      | 3.9      | 3.0      | 2.6      | 2.3      | 2.4      | 2.8      | 3.3      |
| Service-Providing   | 129.01   | 133.10   | 135.70   | 137.41   | 138.17   | 138.50   | 138.88   | 139.36   |
| % Ch  | 5.0      | 3.2      | 2.0      | 1.3      | 0.5      | 0.2      | 0.3      | 0.4      |
| <b>Miscellaneous Indicators</b>   |          |          |          |          |          |          |          |          |
| Oil-WTI (\$ per barrel)   | 87.8     | 81.5     | 79.9     | 72.4     | 68.4     | 66.2     | 64.8     | 64.1     |
| Personal Saving/Disposable Income (%)                                   | 5.0      | 4.1      | 4.9      | 5.0      | 6.0      | 6.6      | 7.5      | 8.0      |
| Auto Sales (Millions)   | 2.9      | 3.0      | 3.0      | 3.0      | 3.1      | 3.2      | 3.2      | 3.2      |
| % Ch  | -23.1    | 4.4      | 1.6      | -0.9     | 4.1      | 1.3      | 0.5      | -0.5     |
| Housing Starts (Millions)   | 1.654    | 1.421    | 1.402    | 1.328    | 1.361    | 1.421    | 1.444    | 1.476    |
| % Ch  | 6.9      | -14.1    | -1.3     | -5.3     | 2.5      | 4.4      | 1.6      | 2.3      |
| Federal Budget Surplus (Billions)                                       | -1,407.6 | -1,393.2 | -1,719.6 | -1,824.9 | -1,847.7 | -1,937.3 | -2,017.3 | -2,054.1 |
| Net Exports (Billions)  | -977.1   | -838.4   | -830.2   | -949.7   | -888.3   | -871.2   | -780.2   | -724.1   |
| 3-Month Treasury Bill Rate (%)  | 0.37     | 4.10     | 5.26     | 4.44     | 2.87     | 2.45     | 2.38     | 2.36     |
| 10-Year Treasury Note Yield (%)   | 1.93     | 3.54     | 4.30     | 3.99     | 3.62     | 3.31     | 3.22     | 3.26     |
| Bond Index of 20 G.O. Munis. (%)  | 2.48     | 3.59     | 3.75     | 3.89     | 3.78     | 3.61     | 3.59     | 3.61     |
| 30-Year Fixed Mortgage Rate (%)   | 3.88     | 6.31     | 7.03     | 6.24     | 5.50     | 5.09     | 4.96     | 5.00     |

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

| <b>U.S.</b> | Average Annual Rate of Growth (Percent)<br>2023:2-2025:2 |                        | Average Rate (Percent)<br>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                 |
| November    | 2.5  | 2.3                    | 4.85                                       | 6.63                 |



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

| <b>U.S.</b> | Average Annual Rate of Growth (Percent)<br>2025:2-2027:2 |                        | Average Rate (Percent)<br>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                 |
| November    | 2.1  | 2.1                    | 2.66                                       | 5.29                 |

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>            |             |             |             |             |             |             |             |
| November                   | 22,314.8    | 23,004.7    | 23,527.0    | 23,989.4    | 24,483.7    | 24,972.4    | 25,465.1    |
| % Ch                       | 2.2         | 3.1         | 2.3         | 2.0         | 2.1         | 2.0         | 2.0         |
| 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         |
| <b>PCE Price Index</b>     |             |             |             |             |             |             |             |
| November                   | 118.7       | 122.1       | 124.7       | 127.4       | 130.2       | 132.6       | 135.4       |
| % Ch                       | 5.4         | 2.9         | 2.1         | 2.2         | 2.2         | 1.8         | 2.1         |
| 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         |
| <b>Unemployment Rate</b>   |             |             |             |             |             |             |             |
| November                   | 3.55        | 3.80        | 4.28        | 4.49        | 4.55        | 4.56        | 4.45        |
| September                  | 3.55        | 3.80        | 4.29        | 4.44        | 4.54        | 4.54        | 4.43        |
| <b>Mortgage Rate</b>       |             |             |             |             |             |             |             |
| November                   | 6.31        | 7.03        | 6.24        | 5.50        | 5.09        | 4.96        | 5.00        |
| September                  | 6.31        | 7.03        | 6.00        | 5.24        | 4.96        | 4.94        | 4.89        |
| <b>3 Month T-Bill Rate</b> |             |             |             |             |             |             |             |
| November                   | 4.10        | 5.26        | 4.44        | 2.87        | 2.45        | 2.38        | 2.36        |
| September                  | 4.10        | 5.26        | 4.51        | 2.82        | 2.39        | 2.35        | 2.36        |



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

- **The Washington economy continued to expand through the third quarter of 2024.**
- **Washington employment growth in September through November was less than expected in the September forecast.**
- **The Washington unemployment rate has remained steady since February, fluctuating between 4.7% and 4.9%.**
- **Washington housing permits ticked up in the third quarter of 2024.**
- **Seattle home prices increased in September and were up 5.2% compared with September 2023.**
- **Washington exports increased 6.9% from the third quarter of 2023 to the third quarter of 2024.**
- **Seattle consumer price inflation continued to outpace the national average in October.**
- **The Boeing machinists strike ended in November, but layoffs were announced for January.**

### Current Conditions

*The Washington economy continued to expand in 2024*

The Washington economy continued to expand in 2024. The unemployment rate increased earlier this year from 3.8% to 4.9%, but has since leveled off. The unemployment rate has fluctuated between 4.7% and 4.9% since February. Washington housing permits increased in the third quarter of 2024. Washington exports increased 6.9% from the third quarter of 2023 to the third quarter of 2024. Seattle consumer price inflation continued to outpace the national average in October 2024.

*Washington nonfarm payroll employment increased 57,300 in the past year*

Washington employment continues to grow. Washington total nonfarm payroll expanded by 57,300 over the year from November 2023 to November 2024. This represents an increase of 1.6%. Government employment increased by 27,500, with most of this growth stemming from state and local government.

Private service providing employment increased 24,300 since November 2023, led by a 20,700 job gain in education and health services. Construction employment grew by 1,500 and manufacturing added 4,100 jobs. Aerospace product and equipment manufacturing employment growth made up the largest share of manufacturing growth, with 1,800 jobs added.

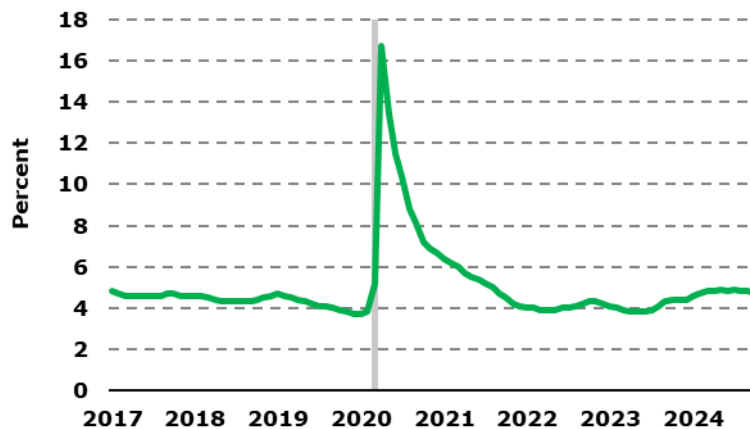
*Revisions reduced the level of employment*

Total seasonally adjusted nonfarm payroll employment increased 8,400 in September, October, and November which was 5,500 less than the increase of 13,900 expected in the September forecast. Revisions to employment data subtracted 7,300 (0.2%) from the estimated level of total employment in August 2024. The combined effect of the downward revision to historical data and slower growth observed over the past three months results in November employment being 12,800 (0.4%) below the levels projected in the September forecast.

*Washington's unemployment rate fell in October*

The unemployment rate fluctuated between 4.7% and 4.9% since February of this year (see Figure 2.1). The unemployment rate decreased to 4.7% in October from 4.8% in September. The jobless rate was near a historic all-time low at 3.8% during the second quarter of 2023. Labor force participation dropped to 63.1% in October, which is down from 64.5% a year ago.

**Figure 2.1 Washington Unemployment Rate**



Source: Employment Security Department, data through October 2024

*Washington initial claims decreased in November*

Washington initial claims for unemployment insurance decreased in November by 9,600 to 26,100 (SA), a decrease of 0.3% compared to November 2023. In October, claims increased to 35,700, marking the highest level since June 2021. This increase was likely driven by a strike among Boeing workers. However, with the resolution of the strike, the number of initial claims returned to normal levels in November.

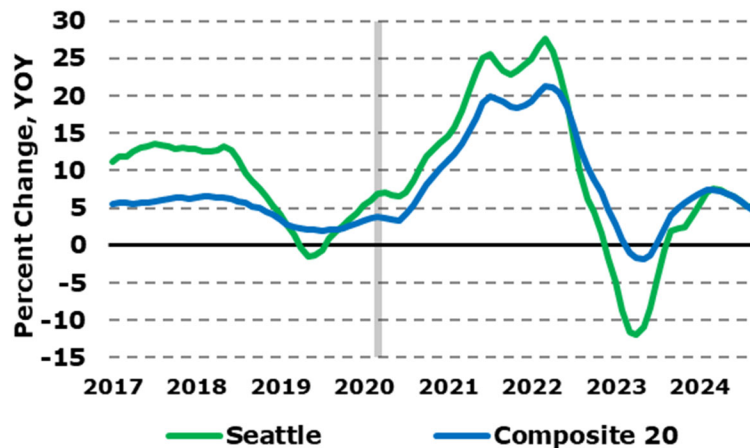
*Washington housing permits increased in the third quarter of 2024*

Washington housing permits saw a notable increase in the third quarter of 2024. A total of 36,000 units (SAAR) were permitted in July, August, and September, up from 33,300 units (SAAR) in the previous quarter. Of these permits, 18,600 were for single-family homes, while 17,400 were for multi-family units. The actual third-quarter numbers surpassed the September forecast, which had projected 35,100 units, comprising 16,900 single-family and 18,300 multi-family permits. Housing permits remain significantly below the recent peak of 62,000 units permitted in the first quarter of 2022.

*Seattle area home price growth continues to outpace national growth*

The S&P/Case-Shiller Home Price Indices show that Seattle area home prices rose by 0.8% in September, outpacing the 0.2% increase in the composite-20 index. Home prices in Seattle are up 5.2% compared with September 2023 (see Figure 2.2). In comparison, the composite-20 index was up 4.6% year-over-year in September.

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

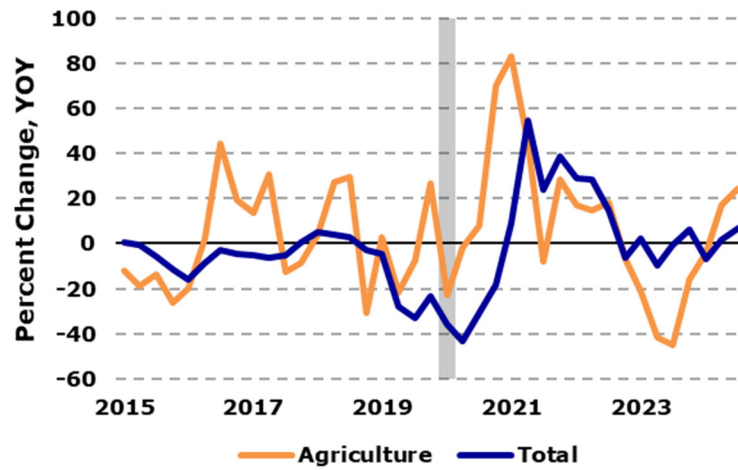


Source: S&P/Case-Shiller Home Price Indices; data through September 2024

*Washington exports grew 6.9%, driven by increases in transportation equipment and agriculture*

According to the World Institute for Strategic Economic Research (WISER), Washington's exports grew by 6.9% from the third quarter of 2023 to the third quarter of 2024 (see Figure 2.3). Notable increases were seen in transportation equipment exports, which rose by 24.6%, and agricultural exports, which saw a significant increase of 29.9% compared to the same period last year. The 29.9% growth of agricultural products is inflated by soybean and corn exports. Without these, agricultural exports grew by 2.0%. Soybean and corn receive only minimal processing in Washington.

**Figure 2.3: Washington Exports**



Source: Wiser Trade; data through 2024 Q3

*Seasonally adjusted Washington car and truck sales increased in November*

The seasonally adjusted number of new vehicle registrations increased 1.6% in November to 277,300 (SAAR). Passenger car registrations increased 4.9% while light truck registrations decreased 16.9%. The number of total registrations edged up 1.7% over the year in November.

*Shelter cost increases continue to outpace inflation*

Seattle-area consumer price inflation continues to outpace the national average. From October 2023 to October 2024, the Seattle CPI rose 3.0% 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 4.7% and 4.9% respectively. Core inflation (excluding food and energy) remains elevated. Seattle core CPI rose 3.8% in October 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 includes higher personal income due to data revisions, although growth through 2029 is lower. Our forecast for nominal personal income growth this year is 6.5%, which is up from the 5.2% rate in the September forecast. The November forecast for nominal personal income growth in 2025 through 2029 averages 5.4% per year which is slightly less than the 5.6% average rate in the September forecast. Washington employment is projected to grow by 1.0% this year, slightly down from the 1.3% forecast in September. We anticipate an average annual growth rate of 0.9% from 2025 to 2029, just above the September forecast of 0.8%. The unemployment rate forecast was reduced by one-tenth of a percentage point in 2025 and 2027. We anticipate 36,000 housing permits this year, an upward revision from September's forecast. From 2025 to 2029,

we project an average of 40,900 permits, slightly below the 41,300 units previously expected. Seattle headline inflation is forecasted to grow by 2.5% in 2025, ease to 2.2% in 2026, and stabilize at 2.3% for the remainder of the forecast period.

*The Boeing machinist strike ended in November and Boeing announced layoffs*

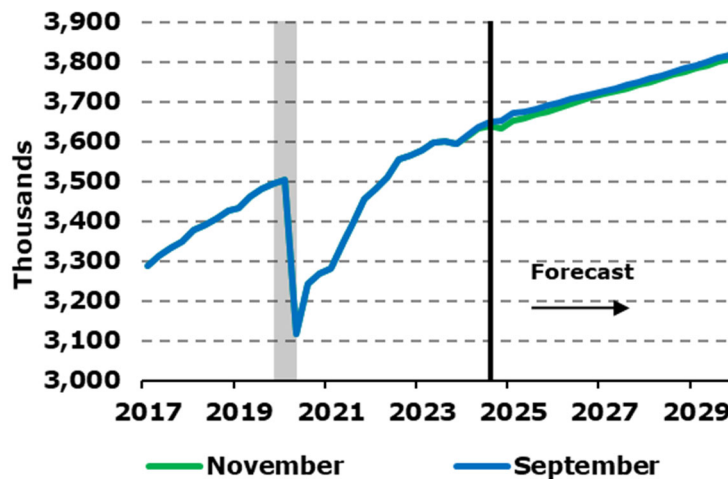
The November forecast incorporates the recently ended strike by machinists at Boeing. We expect the impact to be transitory and not materially affect the forecast in the long term. The Boeing machinists strike ended on November 4<sup>th</sup> when machinists voted in favor of the new labor contract. Beginning on September 12<sup>th</sup>, the strike lasted over 50 days. We expect aerospace employment to decline in the near term reflecting the announced layoffs at Boeing. We now forecast 3,200 fewer aerospace jobs in 2025 compared to the September forecast.

## Washington Payroll Employment

*Job growth for 2024 is modestly below our September forecast*

The Bureau of Labor Statistics revised employment down, which lowered Washington employment in our forecast. Compared to the September forecast, we now anticipate weaker job growth in 2024 and 2025, followed by modestly stronger growth in 2026 and 2027, and the same growth through 2028 and 2029 (see Figure 2.4). Washington employment is projected to grow by 1.0% this year, a slight downgrade from the 1.3% forecast in September. Looking ahead, we anticipate an average annual growth rate of 0.9% from 2025 to 2029, edging slightly above the previous September projection of 0.8%.

**Figure 2.4: Nonfarm Payroll Employment**



Source: Employment Security Department, ERFC; historical data through 2024 Q3

*Boeing announces layoffs*

The labor dispute between Boeing and the machinists was resolved on November 4<sup>th</sup>. We assumed that striking workers have returned to the payrolls. However, Boeing recently announced its intention to lay off part of its workforce, with layoffs expected in January 2025. We expect aerospace

employment to continue expanding in Washington, although at a slower pace in the near term due to the layoffs. On an annual average basis, we expect aerospace employment to grow 3.0% this year, 1.1% in 2025 and 5.6% in 2026, then slowing to 3.1% in 2027, 0.9% in 2028 and 0.4% in 2029. In September, the forecast showed aerospace employment of 5.3% in 2025, 4.9% in 2026, 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. Employment declined in the first half of 2024, but it reversed in the second half. However, the sector is still down for the year, with a loss of 400 jobs so far. Employment sits at 83,100 in October 2024. We expect growth to continue during the remainder of the forecast with growth rates of 1.9% in 2025, 2.2% in 2026, 2.2% in 2027, 2.5% in 2028, and 2.2% in 2029. In September, we forecasted software job growth of 1.1% in 2025, 0.7% in 2026, 0.6% in 2027, 0.8% in 2028, and 0.8% in 2029.

*Construction employment is expected to increase through 2029*

Over the past year construction employment has shown slow growth. From November 2023 to November 2024 the sector added 1,500 jobs, which is an increase of 0.6%. We expect construction employment to continue to expand throughout the forecast period, rising to 263,600 by 2029. On an annual basis, we expect construction employment to grow by 3.1% in 2025, 3.0% in 2026, 3.0% in 2027, 2.9% in 2028, and 2.4% in 2029. In September we forecasted construction employment to grow at 3.0% in 2025, 2.8% in 2026, 2.9% in 2027, 3.0% in 2028, and 2.9% in 2029.

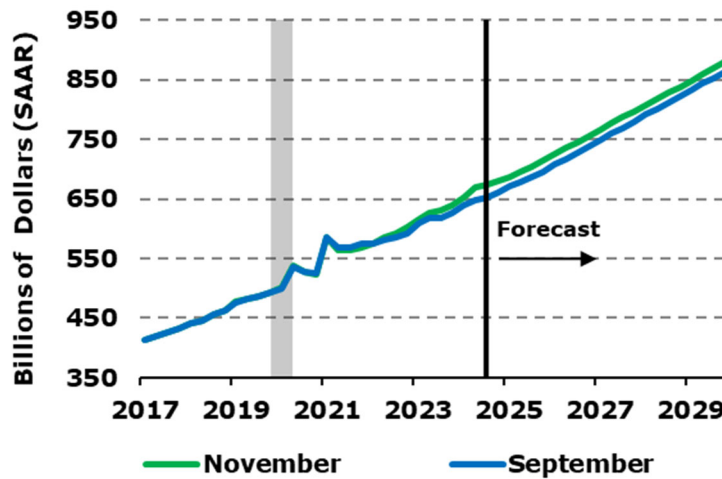
## **Washington Personal Income**

*Large federal revisions increased our forecast*

In September, after the forecast was complete, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released the annual update of state personal income which revised personal income estimates from 2019 through 2023. The annual revision added \$8.8 billion (1.4%) to the estimate for 2023 personal income. The November forecast assumes slightly lower growth compared to September, but the influence of the revision results in a higher level of personal income. Our current forecast of nominal personal income growth is 4.6% in 2025, 5.8% in 2026, 5.6% in 2027, 5.2% in 2028, and 5.0% in 2029. The average growth rate from 2025 to 2029 was 5.4%, slightly lower than the 5.6% forecasted in September. The 2029 nominal personal income is forecasted to exceed the September forecast by \$16.7 billion.



**Figure 2.5: Washington Personal Income**



Source: Bureau of Economic Analysis, ERFC; historical data through 2024 Q3

## Washington Building Permits

*The Washington housing permit forecast is higher in 2024 than in September*

The Washington housing permit forecast for 2024 is higher than in September. 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 September, we forecasted high growth in 2025 at 5.9%, but we now expect more modest growth of 2.4%. On a calendar year basis, we expect 36,900 units in 2025, 39,400 units in 2026, 41,700 units in 2027, 43,100 units in 2028 and 43,800 units in 2029. In September we forecasted 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.

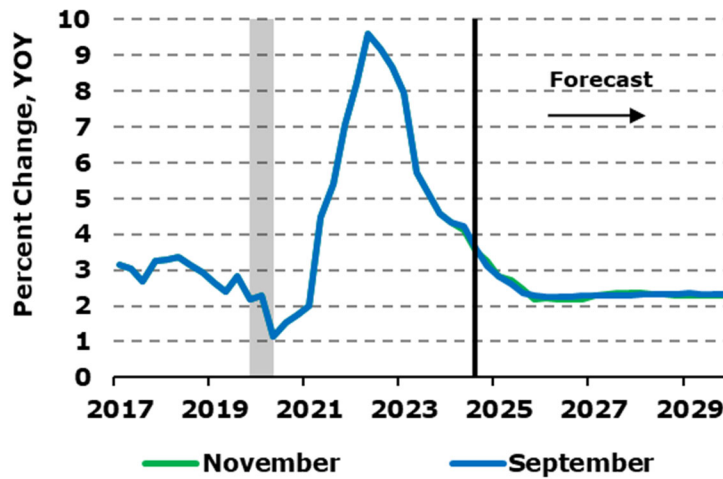
## Consumer Price Index

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

Inflation continues to drop and is approaching historical normal levels. The inflation outlook is nearly unchanged since the September forecast, with both forecasts showing 2.5% growth in 2025 of the Seattle CPI. 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. We forecast that descent to continue. On an annual average basis, the Seattle CPI is forecasted to grow 2.5% in 2025, drop to 2.2% in 2026 and remain steady at 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 Consumer Price Inflation**



Source: Bureau of Labor Statistics, ERFC; historical data through 2024 Q3

## 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 growth is 0.7 percentage point faster than the baseline through mid-2026, aided by reduced uncertainty over a government shutdown in the winter. The economy then grows below trend through 2028. GDP rises on average 2.7% over 2025 and 2026, versus 2.1% in the baseline.

*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 75,710 jobs (2.0%) than in the baseline forecast and Washington personal income is \$51.8 billion (5.9%) 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 reversion to trend growth in the baseline. Underlying this narrative is the assumption that the deterioration in the conflicts underway in the Middle East and in Ukraine weigh heavily on businesses and households. Energy prices rise well above baseline, and capital markets falter leading to weaker equity values, and tighter financial conditions. As a result, credit-dependent consumer spending and business activity suffer greatly.

Slumping consumer demand and tighter financial conditions lead businesses to scale back investment plans. GDP declines in early 2025 and through most of next year, versus average growth of 1.9% in the baseline, and recovers weakly thereafter, remaining subdued relative to the baseline through mid-2026. On an annual basis, GDP growth averages an unimpressive 0.7% over 2025 and 2026, versus growth averaging 2.1% 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 first quarter of 2025 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 152,920 (4.0%) lower than in the baseline forecast and Washington personal income is \$94.1 billion (10.7%) lower.

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

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

*The Governor's Council of Economic Advisors' (GCEA) national forecast has slightly higher inflation for 2025*

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

The GCEA real GDP growth forecast averages 2.1% per year for 2024 through 2029, the same as our 2.1% per year rate. Their forecast of 2.1% average real consumer spending growth is equal to 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 2.1% average rate in our forecast. The Council members' mortgage rate forecast averages 6.0% over the next six years, surpassing our own forecast of 5.4%. The GCEA Brent oil price forecast averages \$77.30 per barrel, higher than our forecast of \$73.10 per barrel.

*The Governor's Council of Economic Advisors' forecast for Washington closely mirrors 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 3.3% per year from 2024 to 2029, which is in line with our own 3.3% average.

The Council members' forecast for total employment growth over the six-year period averages 1.0% per year, matching our own 1.0% growth forecast. Their forecast for manufacturing employment growth averages 0.3% per year, slightly higher than our 0.2% growth rate. For construction employment, both forecasts are aligned, with an average growth of 2.3% per year. The GCEA housing permit forecast averages 40,100 units per year, lower than our forecast of 49,900 units per year.

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

Table 2.1  
**Washington Economic Forecast Summary**  
 Forecast 2024 to 2029

Fiscal Years

|   | 2022    | 2023    | 2024    | 2025    | 2026    | 2027    | 2028    | 2029    |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Real Income (Billions of Chained 2017 Dollars)</b> |         |         |         |         |         |         |         |         |
| Real Personal Income                                  | 508.887 | 513.468 | 530.676 | 548.425 | 565.117 | 584.647 | 604.945 | 623.057 |
| % Ch  | -1.7    | 0.9     | 3.4     | 3.3     | 3.0     | 3.5     | 3.5     | 3.0     |
| Real Wage and Salary Disb.                            | 269.111 | 272.468 | 284.140 | 295.599 | 303.211 | 312.853 | 322.698 | 331.422 |
| % Ch  | 2.9     | 1.2     | 4.3     | 4.0     | 2.6     | 3.2     | 3.1     | 2.7     |
| Real Nonwage Income                                   | 239.776 | 241.000 | 246.536 | 252.827 | 261.906 | 271.794 | 282.246 | 291.635 |
| % Ch  | -6.5    | 0.5     | 2.3     | 2.6     | 3.6     | 3.8     | 3.8     | 3.3     |
| Real Per Capita Income (\$/Person)                    | 65,557  | 65,837  | 67,781  | 69,605  | 71,227  | 73,282  | 75,407  | 77,196  |
| % Ch  | -2.1    | 0.4     | 3.0     | 2.7     | 2.3     | 2.9     | 2.9     | 2.4     |
| <b>Price and Wage Indexes</b>                         |         |         |         |         |         |         |         |         |
| U.S. Implicit Price Deflator, PCE (2012=1.0)          | 1.126   | 1.187   | 1.221   | 1.247   | 1.274   | 1.302   | 1.326   | 1.354   |
| % Ch  | 6.0     | 5.4     | 2.9     | 2.1     | 2.2     | 2.2     | 1.8     | 2.1     |
| Seattle Cons. Price Index (1982-84=1.0)               | 3.089   | 3.332   | 3.483   | 3.590   | 3.672   | 3.754   | 3.842   | 3.931   |
| % Ch  | 7.6     | 7.9     | 4.5     | 3.1     | 2.3     | 2.2     | 2.4     | 2.3     |
| Average Nonfarm Annual Wage                           | 85,193  | 87,982  | 93,484  | 98,398  | 102,162 | 106,772 | 111,289 | 115,698 |
| % Ch  | 3.5     | 3.3     | 6.3     | 5.3     | 3.8     | 4.5     | 4.2     | 4.0     |
| Avg. Hourly Earnings-Mfg. (\$/Hour)                   | 29.08   | 29.54   | 31.06   | 33.55   | 34.88   | 36.03   | 37.35   | 38.69   |
| % Ch  | 4.4     | 1.6     | 5.2     | 8.0     | 4.0     | 3.3     | 3.7     | 3.6     |
| <b>Current Dollar Income (Billions of Dollars)</b>    |         |         |         |         |         |         |         |         |
| Personal Income                                       | 572.856 | 609.391 | 647.790 | 683.718 | 719.902 | 761.309 | 802.292 | 843.622 |
| % Ch  | 4.1     | 6.4     | 6.3     | 5.5     | 5.3     | 5.8     | 5.4     | 5.2     |
| Disposable Personal Income                            | 495.335 | 529.879 | 569.400 | 599.440 | 630.415 | 665.974 | 701.212 | 736.595 |
| % Ch  | 1.4     | 7.0     | 7.5     | 5.3     | 5.2     | 5.6     | 5.3     | 5.0     |
| Per Capita Income (\$/Person)                         | 73,796  | 78,136  | 82,738  | 86,775  | 90,734  | 95,425  | 100,006 | 104,522 |
| % Ch  | 3.7     | 5.9     | 5.9     | 4.9     | 4.6     | 5.2     | 4.8     | 4.5     |
| <b>Employment (Thousands)</b>                         |         |         |         |         |         |         |         |         |
| Washington Civilian Labor Force                       | 3,922.6 | 4,001.5 | 4,028.1 | 4,016.1 | 4,045.1 | 4,072.8 | 4,100.2 | 4,128.3 |
| Total Washington Employment                           | 3,754.7 | 3,839.6 | 3,846.3 | 3,821.7 | 3,844.9 | 3,870.8 | 3,899.3 | 3,932.9 |
| Unemployment Rate (%)                                 | 4.28    | 4.05    | 4.51    | 4.84    | 4.95    | 4.96    | 4.90    | 4.73    |
| Nonfarm Payroll Employment                            | 3,461.8 | 3,574.7 | 3,610.1 | 3,646.3 | 3,681.5 | 3,716.3 | 3,746.4 | 3,779.4 |
| % Ch  | 5.4     | 3.3     | 1.0     | 1.0     | 1.0     | 0.9     | 0.8     | 0.9     |
| Manufacturing   | 263.7   | 272.3   | 275.7   | 274.6   | 277.5   | 280.1   | 280.5   | 279.8   |
| % Ch  | 1.2     | 3.2     | 1.2     | -0.4    | 1.1     | 0.9     | 0.1     | -0.2    |
| Durable Manufacturing                                 | 177.8   | 185.1   | 190.3   | 188.9   | 193.4   | 197.2   | 197.7   | 197.0   |
| % Ch  | -0.5    | 4.1     | 2.8     | -0.8    | 2.4     | 2.0     | 0.2     | -0.3    |
| Aerospace   | 68.3    | 74.3    | 80.7    | 78.8    | 82.7    | 86.8    | 88.3    | 88.8    |
| % Ch  | -3.7    | 8.8     | 8.6     | -2.4    | 5.0     | 4.9     | 1.7     | 0.6     |
| Nondurable Manufacturing                              | 85.9    | 87.2    | 85.4    | 85.8    | 84.2    | 82.9    | 82.8    | 82.8    |
| % Ch  | 4.7     | 1.5     | -2.1    | 0.5     | -1.9    | -1.5    | -0.1    | 0.0     |
| Construction  | 227.8   | 234.4   | 228.8   | 232.0   | 239.4   | 246.5   | 253.9   | 260.7   |
| % Ch  | 3.8     | 2.9     | -2.4    | 1.4     | 3.2     | 3.0     | 3.0     | 2.7     |
| Service-Providing                                     | 2,964.7 | 3,062.5 | 3,100.1 | 3,134.3 | 3,159.3 | 3,184.2 | 3,206.4 | 3,233.0 |
| % Ch  | 6.0     | 3.3     | 1.2     | 1.1     | 0.8     | 0.8     | 0.7     | 0.8     |
| Software Publishers                                   | 82.8    | 87.5    | 83.8    | 83.4    | 85.4    | 87.3    | 89.4    | 91.4    |
| % Ch  | 6.4     | 5.7     | -4.2    | -0.5    | 2.4     | 2.2     | 2.4     | 2.3     |
| Mgmt. of Companies and Enterprises                    | 97.5    | 103.4   | 101.0   | 102.1   | 105.6   | 109.0   | 111.8   | 114.4   |
| % Ch  | 6.8     | 6.0     | -2.3    | 1.1     | 3.5     | 3.1     | 2.6     | 2.3     |
| <b>Housing Indicators (Thousands)</b>                 |         |         |         |         |         |         |         |         |
| Housing Units Authorized by Bldg. Permit              | 58.001  | 40.521  | 35.236  | 36.479  | 37.929  | 40.654  | 42.409  | 43.562  |
| % Ch  | 17.3    | -30.1   | -13.0   | 3.5     | 4.0     | 7.2     | 4.3     | 2.7     |
| Single-Family   | 23.888  | 16.768  | 19.288  | 19.763  | 21.349  | 22.613  | 23.011  | 23.140  |
| % Ch  | -8.8    | -29.8   | 15.0    | 2.5     | 8.0     | 5.9     | 1.8     | 0.6     |
| Multi-Family  | 34.113  | 23.753  | 15.948  | 16.716  | 16.580  | 18.041  | 19.398  | 20.422  |
| % Ch  | 46.5    | -30.4   | -32.9   | 4.8     | -0.8    | 8.8     | 7.5     | 5.3     |
| 30-Year Fixed Mortgage Rate (%)                       | 3.88    | 6.31    | 7.03    | 6.24    | 5.50    | 5.09    | 4.96    | 5.00    |

Table 2.2  
**Comparison of Alternative Forecasts**

Fiscal Years

|   | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|------|------|------|------|------|------|
| <b>U.S.</b>   |      |      |      |      |      |      |
| <b>Real GDP, Percent Change</b>                       |      |      |      |      |      |      |
| Optimistic  | 3.1  | 2.7  | 2.7  | 2.3  | 2.1  | 2.0  |
| Baseline  | 3.1  | 2.3  | 2.0  | 2.1  | 2.0  | 2.0  |
| Pessimistic   | 3.1  | 1.7  | 0.1  | 1.7  | 1.8  | 1.9  |
| <b>PCE Price Index, Percent Change</b>                |      |      |      |      |      |      |
| Optimistic  | 2.9  | 2.1  | 2.1  | 2.4  | 2.4  | 2.2  |
| Baseline  | 2.9  | 2.1  | 2.2  | 2.2  | 2.1  | 2.0  |
| Pessimistic   | 2.9  | 2.5  | 1.9  | 1.4  | 1.4  | 1.4  |
| <b>Mortgage Rate, Percent</b>                         |      |      |      |      |      |      |
| Optimistic  | 7.03 | 6.36 | 5.64 | 5.26 | 5.20 | 5.15 |
| Baseline  | 7.03 | 6.24 | 5.50 | 5.09 | 5.01 | 4.96 |
| Pessimistic   | 7.03 | 6.14 | 4.84 | 4.30 | 4.25 | 4.22 |
| <b>3 Month T-Bill Rate, Percent</b>                   |      |      |      |      |      |      |
| Optimistic  | 5.26 | 4.70 | 3.54 | 2.77 | 2.70 | 2.67 |
| Baseline  | 5.26 | 4.44 | 2.87 | 2.45 | 2.45 | 2.44 |
| Pessimistic   | 5.26 | 4.21 | 1.60 | 0.63 | 0.62 | 0.61 |
| <b>Washington</b>                                     |      |      |      |      |      |      |
| <b>Real Personal Income, Percent Change</b>           |      |      |      |      |      |      |
| Optimistic  | 3.4  | 5.2  | 4.4  | 4.2  | 4.1  | 4.1  |
| Baseline  | 3.4  | 3.3  | 3.0  | 3.5  | 3.5  | 3.5  |
| Pessimistic   | 3.4  | 1.1  | 0.5  | 1.8  | 2.0  | 2.2  |
| <b>Personal Income, Percent Change</b>                |      |      |      |      |      |      |
| Optimistic  | 6.3  | 7.4  | 6.7  | 6.8  | 6.6  | 6.5  |
| Baseline  | 6.3  | 5.5  | 5.3  | 5.8  | 5.7  | 5.6  |
| Pessimistic   | 6.3  | 3.7  | 2.5  | 3.2  | 3.4  | 3.7  |
| <b>Employment, Percent Change</b>                     |      |      |      |      |      |      |
| Optimistic  | 1.0  | 1.4  | 1.3  | 1.3  | 1.2  | 1.1  |
| Baseline  | 1.0  | 1.0  | 1.0  | 0.9  | 0.9  | 0.8  |
| Pessimistic   | 1.0  | 0.3  | -1.0 | 0.5  | 0.6  | 0.6  |
| <b>Housing Permits, Thousands of Authorized Units</b> |      |      |      |      |      |      |
| Optimistic  | 35.2 | 37.2 | 39.8 | 43.3 | 43.9 | 44.5 |
| Baseline  | 35.2 | 36.5 | 37.9 | 40.7 | 41.2 | 41.7 |
| Pessimistic   | 35.2 | 35.7 | 34.9 | 35.7 | 36.0 | 36.3 |

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

Calendar Years

|                                       | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---------------------------------------|------|------|------|------|------|------|
| <b>U.S.</b>                           |      |      |      |      |      |      |
| <b>Real GDP</b>                       |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 2.7  | 2.0  | 2.1  | 2.0  | 2.0  | 1.9  |
| GCEA Average                          | 2.7  | 2.1  | 1.8  | 2.0  | 2.0  | 2.1  |
| <b>Real Consumption</b>               |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 2.5  | 2.1  | 2.1  | 2.1  | 2.0  | 2.0  |
| GCEA Average                          | 2.5  | 2.1  | 1.9  | 2.0  | 2.1  | 2.1  |
| <b>PCE Price Index</b>                |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 2.4  | 2.0  | 2.4  | 1.9  | 2.1  | 2.1  |
| GCEA Average                          | 2.5  | 2.2  | 2.3  | 2.1  | 2.2  | 2.2  |
| <b>Mortgage Rate</b>                  |      |      |      |      |      |      |
| <i>Percent</i>                        |      |      |      |      |      |      |
| ERFC                                  | 6.6  | 5.6  | 5.1  | 4.9  | 5.0  | 4.9  |
| GCEA Average                          | 6.8  | 6.4  | 5.7  | 5.7  | 5.6  | 5.5  |
| <b>Oil Price (Brent)</b>              |      |      |      |      |      |      |
| <i>Dollars per barrel</i>             |      |      |      |      |      |      |
| ERFC                                  | 80.5 | 72.8 | 71.3 | 70.7 | 70.5 | 70.3 |
| GCEA Average                          | 80.3 | 77.4 | 76.4 | 77.3 | 75.1 | 75.3 |
| <br>                                  |      |      |      |      |      |      |
| <b>Washington State</b>               |      |      |      |      |      |      |
| <b>Real Personal Income</b>           |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 3.8  | 2.6  | 3.6  | 3.6  | 3.3  | 3.0  |
| GCEA Average                          | 3.6  | 2.9  | 3.4  | 3.4  | 3.3  | 3.0  |
| <b>Wage and Salary Employment</b>     |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 1.3  | 1.0  | 0.9  | 0.8  | 0.9  | 0.9  |
| GCEA Average                          | 1.3  | 1.1  | 1.0  | 0.9  | 0.9  | 0.9  |
| <b>Manufacturing Employment</b>       |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 0.5  | -0.9 | 0.7  | 0.7  | 0.2  | 0.1  |
| GCEA Average                          | 0.6  | -0.5 | 0.0  | 0.6  | 0.4  | 0.5  |
| <b>Construction Employment</b>        |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | -0.3 | 2.8  | 2.9  | 2.9  | 3.0  | 2.6  |
| GCEA Average                          | -0.1 | 2.9  | 2.7  | 2.7  | 2.7  | 2.6  |
| <b>Housing Permits</b>                |      |      |      |      |      |      |
| <i>Thousands of authorized units</i>  |      |      |      |      |      |      |
| ERFC                                  | 35.4 | 37.0 | 39.8 | 41.7 | 42.6 | 43.2 |
| GCEA Average                          | 35.9 | 38.0 | 40.2 | 41.3 | 42.4 | 43.0 |
| <b>Washington Average Annual Wage</b> |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 6.2  | 3.0  | 4.9  | 4.8  | 4.9  | 4.4  |
| GCEA Average                          | 5.8  | 3.5  | 4.8  | 4.7  | 4.6  | 4.2  |

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

| <b>Washington</b> | Average Annual Rate of Growth (Percent)<br>2023:2-2025:2 |                        |                             | Average Annual Rate (Thousands)<br>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  |
| November          | 0.8  | 5.3                    | 3.0                         | 35.9  |



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

| <b>Washington</b> | Average Annual Rate of Growth (Percent)<br>2025:2-2027:2 |                        |                             | Average Annual Rate (Thousands)<br>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  |
| November          | 0.9  | 5.8                    | 3.5                         | 39.0  |

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

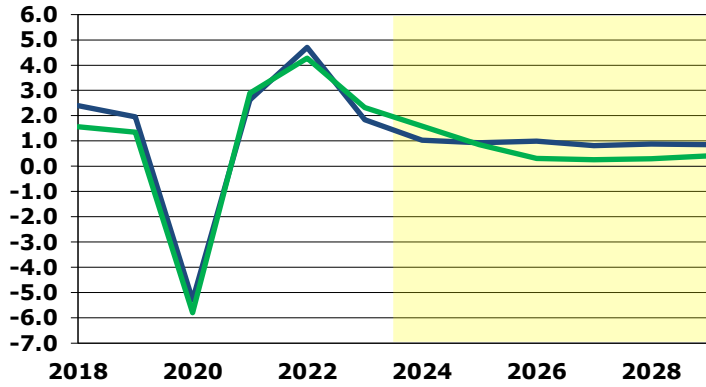
Fiscal Years

|                             | 2023    | 2024    | 2025    | 2026    | 2027    | 2028    | 2029    |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|
| <b>Washington</b>           |         |         |         |         |         |         |         |
| <b>Real Personal Income</b> |         |         |         |         |         |         |         |
| November                    | 513.468 | 530.676 | 548.425 | 565.117 | 584.647 | 604.945 | 623.057 |
| % Ch                        | 0.9     | 3.4     | 3.3     | 3.0     | 3.5     | 3.5     | 3.0     |
| 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     |
| <b>Personal Income</b>      |         |         |         |         |         |         |         |
| November                    | 609.391 | 647.790 | 683.718 | 719.902 | 761.309 | 802.292 | 843.622 |
| % Ch                        | 6.4     | 6.3     | 5.5     | 5.3     | 5.8     | 5.4     | 5.2     |
| 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     |
| <b>Employment</b>           |         |         |         |         |         |         |         |
| November                    | 3574.7  | 3610.1  | 3646.3  | 3681.5  | 3716.3  | 3746.4  | 3779.4  |
| % Ch                        | 3.3     | 1.0     | 1.0     | 1.0     | 0.9     | 0.8     | 0.9     |
| 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     |
| <b>Housing Permits</b>      |         |         |         |         |         |         |         |
| November                    | 40.521  | 35.236  | 36.479  | 37.929  | 40.654  | 42.409  | 43.562  |
| % Ch                        | -30.1   | -13.0   | 3.5     | 4.0     | 7.2     | 4.3     | 2.7     |
| 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     |

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

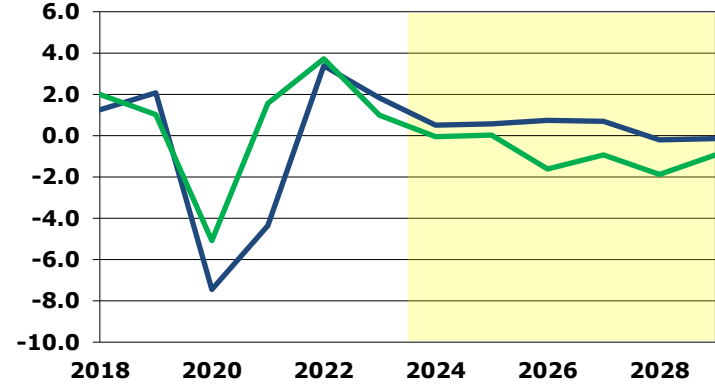
Forecast

Total Nonfarm Payroll Employment



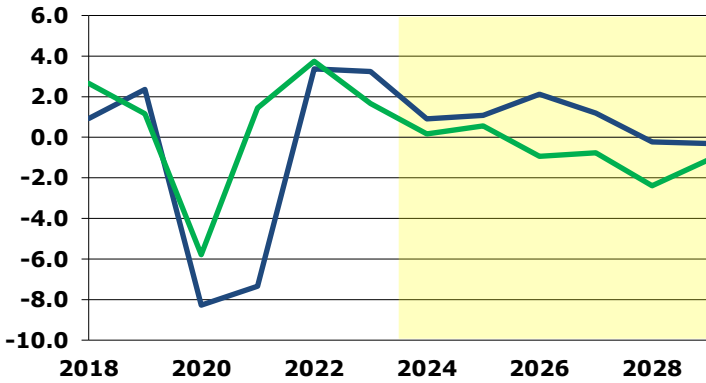
Source: WA State Employment Security Dept. 2023, ERFC 2029

Manufacturing Employment



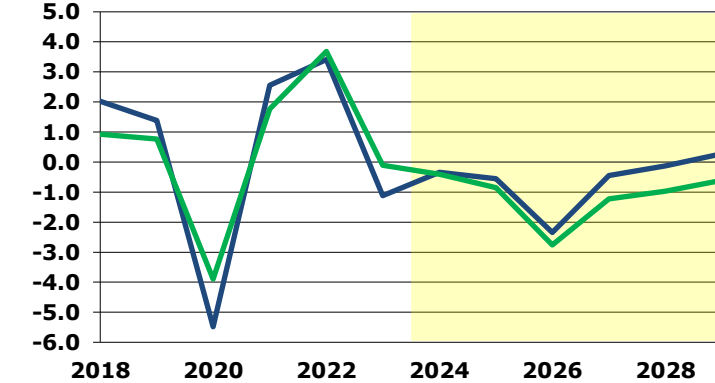
Source: WA State Employment Security Dept. 2023, ERFC 2029

Durable Manufacturing Employment



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

Nondurable Manufacturing Employment



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

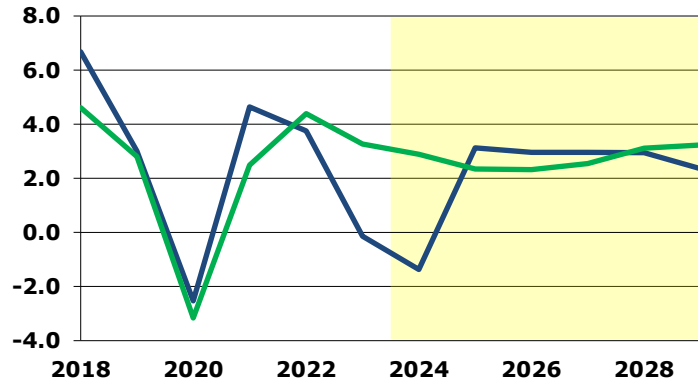
Washington

U.S.

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

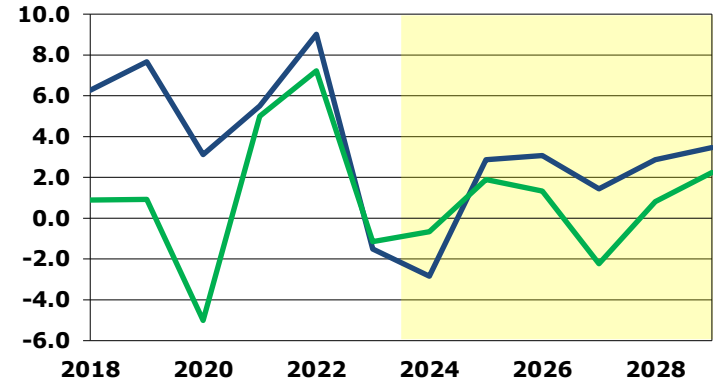
Forecast

Construction Employment



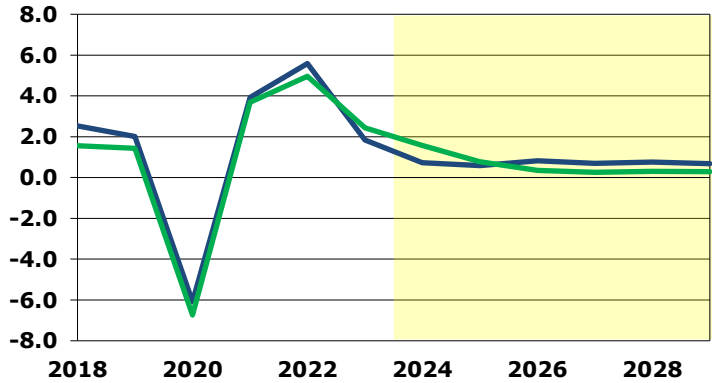
Source: WA State Employment Security Dept. 2023, ERFC 2029

Information Employment



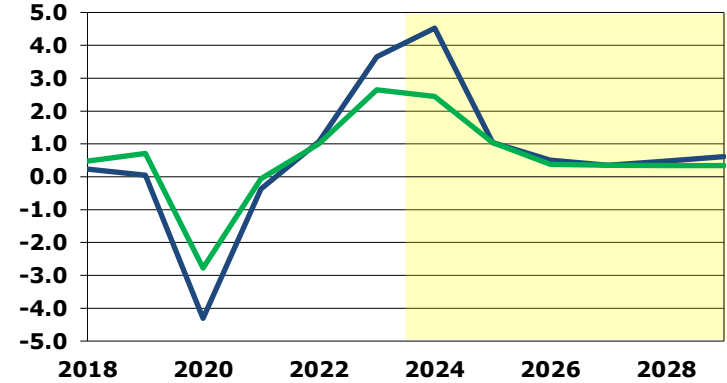
Source: WA State Employment Security Dept. 2023, ERFC 2029

Other Private Employment



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

Government Employment



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

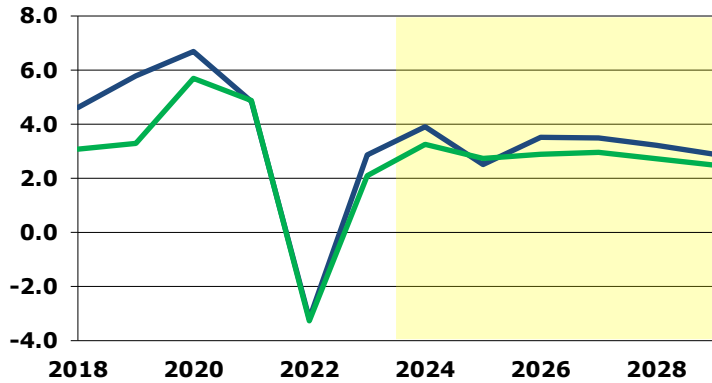
Washington

U.S.

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

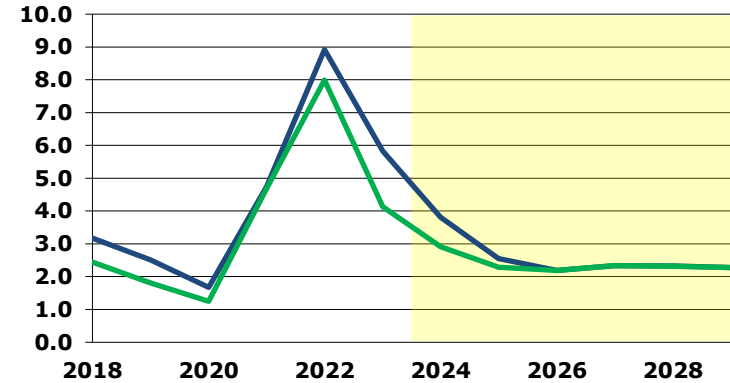
Forecast

Real Personal Income



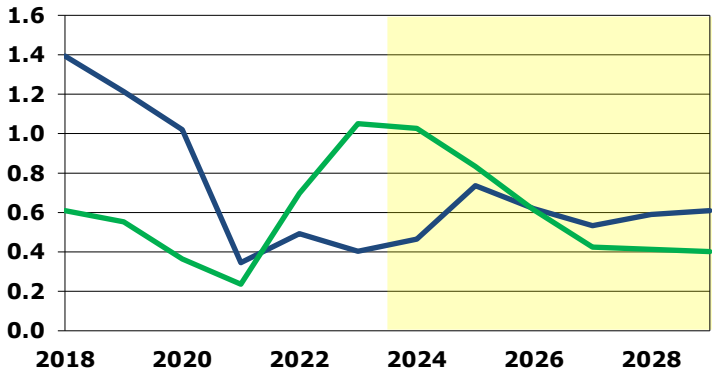
Source: Bureau of Economic Analysis 2023, ERFC 2029

Consumer Price Indices



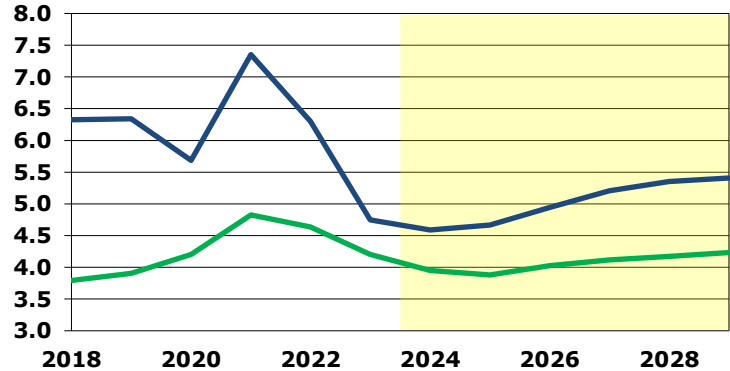
Source: Bureau of Labor Statistics 2023, ERFC 2029

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

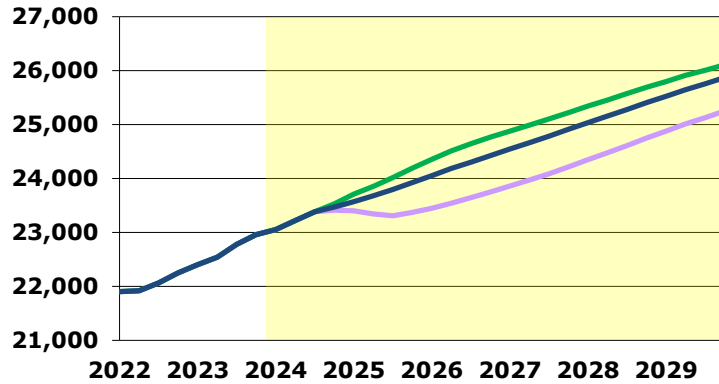
Washington

U.S.

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

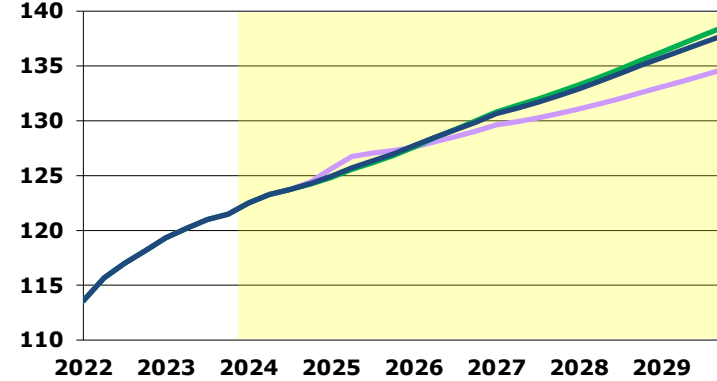
Forecast

Real GDP, Billions of 2017 Dollars



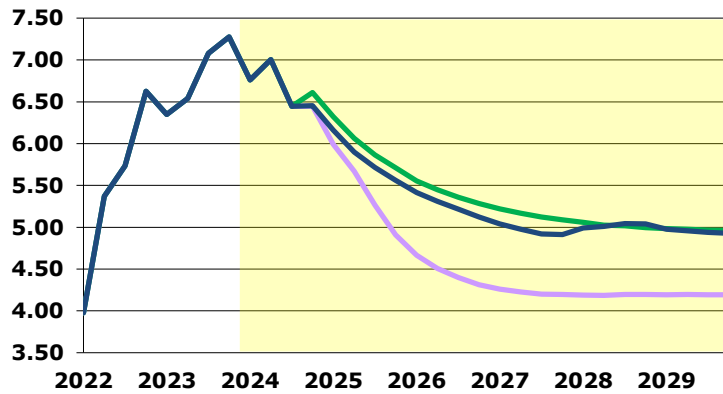
Source: Bureau of Economic Analysis 2024 Q3, ERFC 2029 Q4

PCE Price Index, 2017 = 100



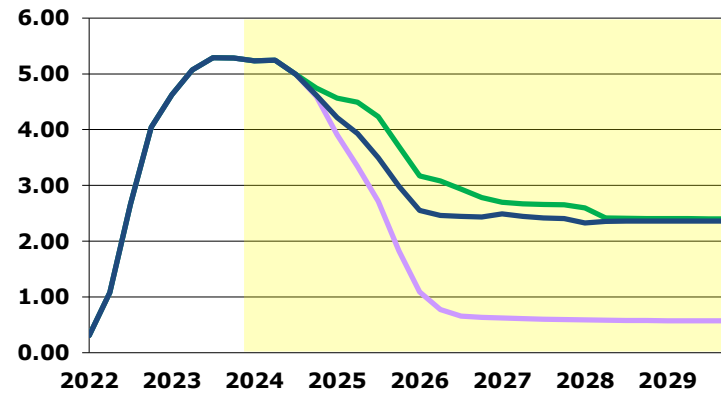
Source: Bureau of Economic Analysis 2024 Q3, ERFC 2029 Q4

Mortgage Rate, Percent



Source: Freddie Mac 2024 Q3, ERFC 2029 Q4

Three Month T-Bill Rate, Percent



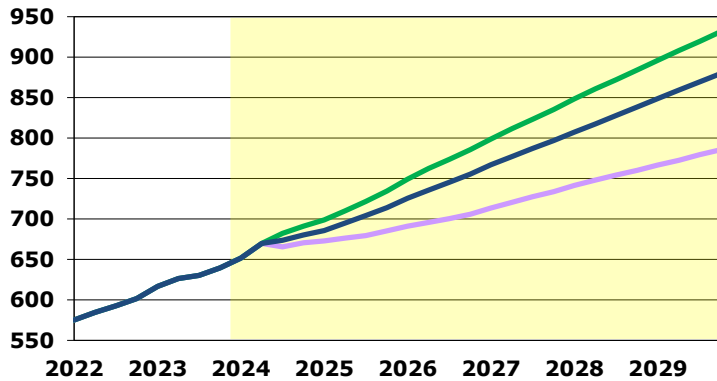
Source: Federal Reserve Board 2024 Q3, ERFC 2029 Q4

■ Baseline      ■ Optimistic      ■ Pessimistic

Figure 2.9: Comparison of Alternative Washington Economic Forecasts

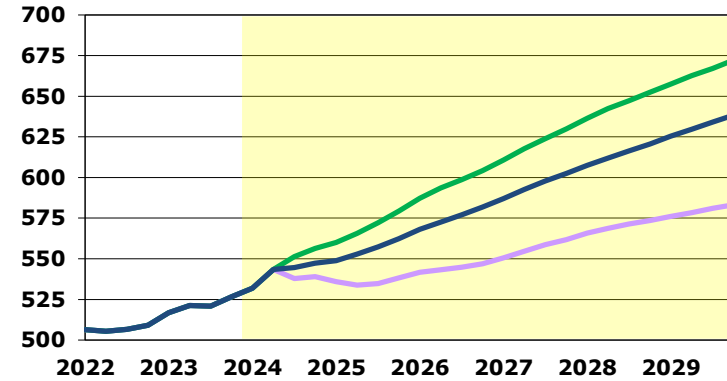
Forecast

Personal Income, Billions of Dollars



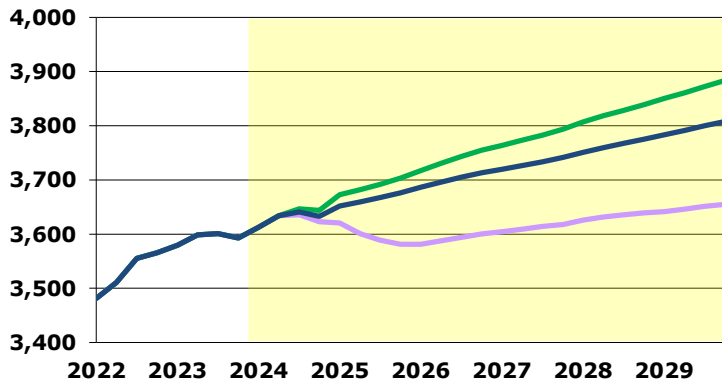
Source: Bureau of Economic Analysis 2024 Q2, ERFC 2029 Q4

Real Personal Income, Billions of 2017 Dollars



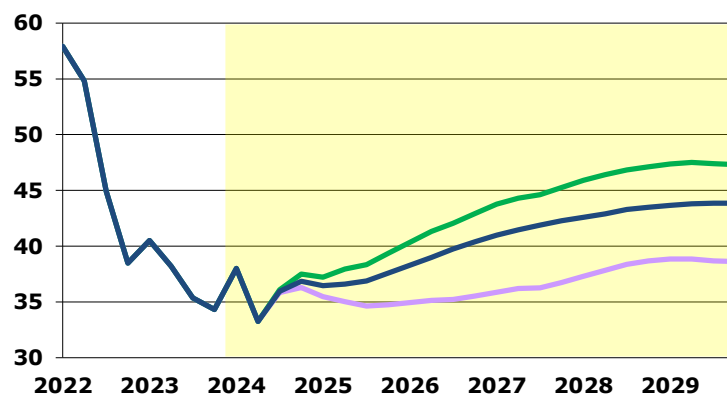
Source: Bureau of Economic Analysis 2024 Q2, ERFC 2029 Q4

Total Nonfarm Payroll Employment, Thousands



Source: WA State Employment Security 2024 Q3, ERFC 2029 Q4

Housing Permits, Thousands



Source: Census Bureau 2024 Q3, ERFC 2029 Q4

Baseline

Optimistic

Pessimistic



## Chapter 3: Washington State Revenue Forecast Summary

- **Tracked revenue collections since September have come in \$134 million above their forecasted amount but \$84 million of that amount is expected to be refunded.**
- **The November economic forecast projects lower housing permits and construction employment, and slightly slower average income growth. 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.**
- **Except for one fund in FY 2025, the revenue projections for all non-general fund-state funds subject to the budget outlook process decreased.**
- **The forecast of funds subject to the budget outlook process was decreased by \$89 million in the 2023-25 biennium, \$181 million in the 2025-27 biennium and \$131 million in the 2027-29 biennium.**

### Overview

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

Total tracked revenue collections since September have come in \$134.1 million above their forecasted total, but \$84 million of that amount was a deposit of unclaimed property that is expected to be refunded in the current fiscal year. The November economic forecast projects lower housing permits and construction employment, and slightly slower average income growth. This has resulted in slight decreases in forecasted Revenue Act taxes throughout the forecast period, offsetting the surplus collections since the prior forecast. Forecasted real estate excise taxes, however, have increased due to higher-than-expected taxable activity. With the exception of the Education Legacy Trust Account in FY 2025, the revenue projections for all funds subject to the budget outlook process decreased.

*Total forecast change by biennium (millions):*

23-25: *-\$89*  
25-27: *-\$181*  
27-29: *-\$131*

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 \$88.8 million in the 2023-25 biennium, \$180.7 million in the 2025-27 biennium and \$130.7 million in the 2027-29 biennium. The November 2024 forecast for funds subject to the budget outlook process total \$66,390.4 million in the 2023-25 biennium,



\$71,430.6 million in the 2025-27 biennium and \$76,845.1 million in the 2027-29 biennium.

November  
forecast by  
biennium  
(\$billions):

2023-25:  
\$66.390

2025-27:  
\$71.431

2027-29:  
\$76.845

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

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

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

|                     | <b>2023-25<br/>Biennium</b> | <b>2025-27<br/>Biennium</b> | <b>2027-29<br/>Biennium</b> |
|---------------------|-----------------------------|-----------------------------|-----------------------------|
| Non-Economic Change | \$0.0                       | \$0.0                       | \$0.0                       |
| Forecast Change     | (\$88.8)                    | (\$180.7)                   | (\$130.7)                   |
| <b>Total Change</b> | <b>(\$88.8)</b>             | <b>(\$180.7)</b>            | <b>(\$130.7)</b>            |

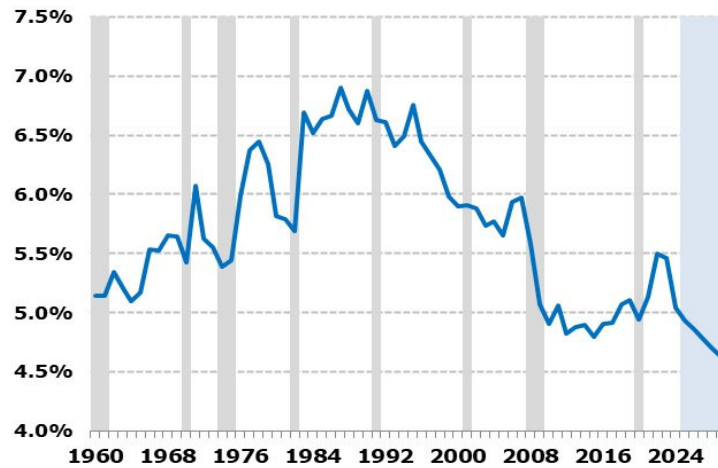
(\*cash basis, millions of dollars)

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 2024*



Source: ERFC, data through fiscal year 2024. Gray shaded area indicates recession; blue shaded area indicates forecast.

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

*The forecast for the current biennium is \$649 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 \$6.55 billion (10.9%) 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 \$5.94 billion (9.9%) 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 \$649 million (1.0%) higher than that sum. The February 2022 forecast was the initial forecast for the 2025-27 biennium. The current forecast for the biennium is \$1.41 billion (2.0%) higher than the initial forecast.

### Recent Collection Experience

*Tracked collections were \$134.1 million higher than forecasted in September*

GF-S revenue collections from the Department of Revenue (DOR) and the Washington court system are tracked monthly. In the period since the September forecast, total revenue from the above sources came in \$134.1 million (2.9%) higher than expected (see Table 3.2). Revenue Act collections reported by the DOR were \$29.0 million (0.7%) higher than forecasted and revenue from other DOR tax sources was \$105.1 million (17.1%) higher than forecasted.

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

| <u>Agency/Source</u>    | <u>Collection Variance</u> | <u>Percent of Estimate</u> |
|-------------------------|----------------------------|----------------------------|
| Department of Revenue   |                            |                            |
| Revenue Act             | \$29.0                     | 0.7%                       |
| Non-Revenue Act         | \$105.1                    | 17.1%                      |
| Subtotal                | \$134.1                    | 2.9%                       |
| Washington court system |                            |                            |
|                         | \$0.04                     | 0.4%                       |
| <b>Total*</b>           | <b>\$134.1</b>             | <b>2.9%</b>                |

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

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

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

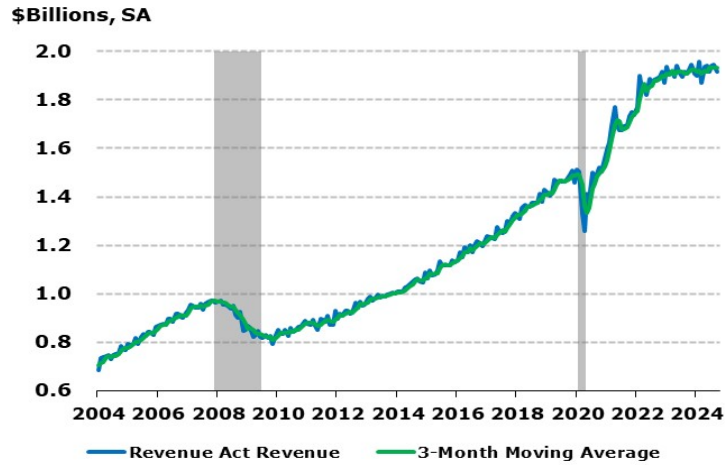
Much of the surplus in non-Revenue Act collections was due to transfers of unclaimed property into the GF-S, which were \$105.1 million (60.6%) higher than forecasted. Because \$84 million of the transfers were from a single account, however, the forecast assumes that those funds will be refunded before the end of the fiscal year. Real estate excise tax (REET) collections came in \$10.0 million (4.8%) higher than forecasted. Property tax collections came in \$4.0 million (4.4%) higher than forecasted. Cigarette tax collections came in \$2.6 million (6.5%) lower than forecasted and liquor sales and liter tax receipts also came in \$2.6 million (5.1%) higher than forecasted. Revenue from all other DOR revenue sources came in \$19.4 million (37.5%) lower than forecasted. Revenue from the Washington court system was \$39,000 (0.4%) higher than forecasted.

*Adjusted Revenue Act collections were up 1.3% year over year for third quarter 2024 activity after 0.6% growth in the second 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 third quarter activity (August 11 – November 10, 2024 collections) were up 1.3% year over year. Adjusted collections for second quarter 2024 activity (May 11 – August 10 collections) were up 0.6% year over year. Adjusted collections for first quarter activity were up 0.03% year over year and collections for fourth quarter 2023 activity were up 1.0% year over year. Adjusted collections for August 2024 activity were up 1.6% year over year while collections for September 2024 activity were down 0.9% year over year.

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

*Adjusted total collections over the last three months were up 1.3% year over year*



Source: ERFC; Data through November 10, 2024

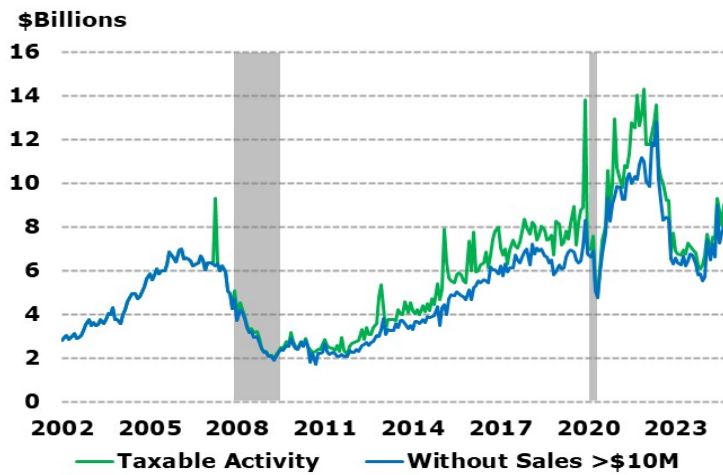
\*Adjusted for large payments/refunds, payment pattern changes and deferred payments

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

Taxable real estate activity has been slightly higher than forecasted in September. Sales of property valued below \$10 million saw declines starting in the middle of 2023 but began to rebound in January and have been on an upward trend (see Figure 3.3). Large commercial sales (sales greater than \$10 million) have fluctuated without a clear trend, averaging about \$700 million per month over the last twelve months.

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

*Residential sales activity has increased since January 2024*



Source: ERFC estimates through October 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.

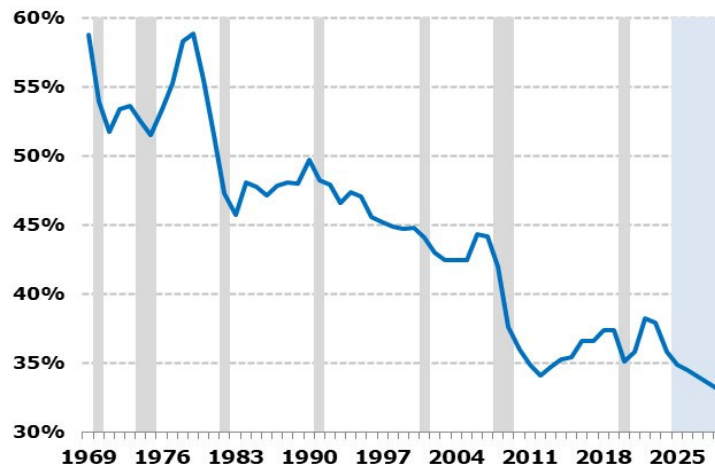
## Department of Revenue

*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 FY24, 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 47.5% of GF-S revenue in FY 2024. The state's share of the tax is 6.5% of the sales price. While construction labor, repair services, and some other services are taxed, the tax does not apply to most services. 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 38.2%. While in September it appeared that the ratio increased slightly in FY 2023, the recent revision of historical personal income indicates that it decreased to 37.9%. The ratio decreased further to 35.8% in FY 2024 and 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: 2.9%  
 FY26: 4.6%  
 FY27: 4.5%  
 FY28: 3.9%  
 FY29: 3.7%

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 0.3% in FY 2024. Growth is forecasted to increase to 2.8% in FY 2025, 4.1% in FY 2026, 4.2% in FY 2027, 3.9% in FY 2028 and 3.6% 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 2.9% in FY 2025, 4.6% in FY 2026, 4.5% in FY 2027, 3.9% in FY 2028 and 3.7% in FY 2029.

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

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



*B&O tax growth forecast:*

*FY25: 1.7%  
FY26: 5.5%  
FY27: 5.2%  
FY28: 4.3%  
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 1.7% in FY 2025, 5.5% in FY 2026, 5.2% in FY 2027 and 4.3% in FY 2028 and FY 2029.

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

The state property tax levy is the third largest source of GF-S revenue, accounting for 14.8% of total revenue in FY 2024. Although the tax goes into the GF-S, it is dedicated to the funding of basic education. As discussed in the [September 2017](#) forecast publication, the total amount of the state levy was increased by new legislation in June 2017, with the increases beginning in FY 2018.

*Property tax growth forecast:*

*FY25: 2.7%  
FY26: 2.3%  
FY27: 2.2%  
FY28: 2.2%  
FY29: 2.3%*

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 2.7% in FY 2025, 2.3% in FY 2026, 2.2% in FY 2027 and FY 2028, and 2.3% 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.

*Use tax was the fourth largest DOR GF-S source in FY 2024*

The state use tax was the fourth largest DOR GF-S revenue source in FY 2024 at 3.2% of total receipts. The state portion of the tax is 6.5% of the purchase price for items used in the state that were not subject to the state retail sales tax. Examples of items subject to the state use tax are goods purchased out-of-state; online and mail-order purchases, where sales tax was not collected; or purchases of used vehicles from private individuals.

*Use tax growth forecast:*

*FY25: -1.3%  
FY26: 1.6%  
FY27: 5.2%  
FY28: 4.6%  
FY29: 4.3%*

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 1.3% in FY 2025. Slow growth of 1.6% is forecasted in FY 2026, picking up to 5.2% in FY 2027, 4.6% in FY 2028 and 4.3% in FY 2029.

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

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

*GF-S REET growth forecast:*

*FY25: 22.4%  
FY26: 5.7%  
FY27: 6.9%  
FY28: 8.1%  
FY29: 4.8%*

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 October and is expected to continue, growth is forecasted at 22.4% in FY 2025. Growth is then forecasted to slow to 5.7% in FY 2026, 6.9% in FY 2027, 8.1% in FY 2028 and 4.8% in FY 2029.



*Public utility taxes were the sixth largest DOR GF-S source in FY 2024*

Public utility taxes were the sixth largest DOR source of GF-S revenue in FY 2024, bringing in 1.7% of total receipts. The tax applies to the gross income of sales to consumers by public and privately owned utilities and is in lieu of the B&O tax. The largest source of public utility taxes is the 3.873% tax on the distribution and generation of electrical power, followed by the 3.852% tax on the distribution of natural gas.

*Growth forecast:*

*FY25: 6.2%  
FY26: 1.3%  
FY27: 8.5%  
FY28: 2.5%  
FY29: 2.9%*

Public utility tax receipts grew by 0.3% in FY 2020. The expiration of a large tax credit plus growth in natural gas and electricity use increased collections by 4.2% in FY 2021. The resumption of business activities plus increases in utility prices boosted growth to 16.3% in FY 2022. Further increases in utility prices brought growth of 12.4% in FY 2023. Utility price moderation and a slowdown in economic growth brought a decline in receipts of 2.2% in FY 2024. Growth is forecasted to resume at 6.2% in FY 2025, 1.3% in FY 2026, 8.5% in FY 2027 (due to electricity price increases in the national forecast), 2.5% in FY 2028 and 2.9% in FY 2029.

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

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

*Spirits tax growth forecast:*

*FY25: 3.1%  
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 3.1% 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 2024*

The state tax on cigarettes was the eighth largest DOR GF-S revenue source in FY 2024 at 0.8% of total receipts. Prior to FY 2010, the tax made up a much smaller portion of GF-S revenue because much of the tax was dedicated to non-GF-S accounts. In FY 2010, all of the tax except the portion dedicated to the Education Legacy Trust account was redirected to the GF-S, and in FY 2011 all of the cigarette tax was redirected to the GF-S. The current tax rate, which took effect May 1, 2010, is \$3.025 per pack of 20 cigarettes.

*Cigarette tax growth forecast:*

*FY25: -3.4%  
FY26: -2.5%  
FY27: -4.1%  
FY28: -4.5%  
FY29: -5.0%*

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 3.4% in FY 2025, 2.5% in FY 2026, 4.1% in FY 2027, 4.5% in FY 2028 and 5.0% in FY 2029.

## Forecasted Revenue from Cannabis-Related Sales

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

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

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

23-25:  $-\$0.7$   
25-27:  $-\$1.1$   
27-29:  $-\$0.9$

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 \$0.7 million to \$264.3 million. The net forecast of GF-S distributions for the 2025-27 biennium has been decreased \$1.1 million to \$292.7 million and the forecast for the 2027-29 biennium has been decreased \$0.9 million to \$316.7 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:  $-\$7.9$   
25-27:  $-\$4.3$   
27-29:  $-\$0.4$

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. The Office's forecast of net GF-S revenue for the 2023-25 biennium was decreased \$7.9 million to  $-\$14.2$  million, the forecast for the 2025-27 biennium was decreased \$4.3 million to  $-\$37.4$  million and the forecast for the 2027-29 biennium was decreased \$0.4 million to  $-\$63.1$  million. The negative value of projected revenue indicates that more funds will be transferred out of the GF-S by the agencies overseen by the OFM than will be transferred into the GF-S from those agencies during that biennium.

## State Treasurer

*Forecast change by biennium (millions):*

23-25: *-\$0.9*  
25-27: *-\$10.1*  
27-29: *-\$0.3*

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 \$0.9 million to \$587.5 million, the forecast of GF-S revenue for the 2025-27 biennium has been decreased \$10.1 million to \$423.6 million and the forecast for the 2027-29 biennium has been decreased \$0.3 million to \$342.5 million. The forecast decreases were due to lower forecasted effective interest rates.

## Insurance Commissioner

*Forecast change by biennium (millions):*

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

The Office of the Insurance Commissioner collects premium taxes on most classes of insurance sold in Washington State. These taxes are distributed to the GF-S and various accounts in support of fire services. The forecast of GF-S distributions for the 2023-25 biennium is unchanged at \$1,734.7 million. The forecast for the 2025-27 biennium is unchanged at \$1,819.0 million and the forecast for the 2027-29 biennium is unchanged at \$1,890.3 million.

## Liquor and Cannabis Board

*Forecast change by biennium (millions):*

23-25: *-\$2.6*  
25-27: *\$13.5*  
27-29: *\$12.6*

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 \$2.6 million to \$564.9 million. The forecast for the 2025-27 biennium has been increased \$13.5 million to \$670.2 million and the forecast for the 2027-29 biennium has been increased \$12.6 million to \$717.3 million.

## Lottery Commission

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

23-25: *\$2.1*  
25-27: *-\$6.3*  
27-29: *-\$7.3*

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 \$2.1 million to \$97.2 million, while the forecast for the 2025-27 biennium is has been decreased \$6.3 million to \$64.4 million. The forecast for the 2027-29 biennium has been decreased \$7.3 million to \$66.7 million.

## Washington Court System

*Forecast change  
by biennium  
(millions):*

23-25: \$0.0  
25-27: \$1.4  
27-29: \$1.5

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 is unchanged at \$107.3 million. The forecast for the 2025-27 biennium has been increased \$1.4 million to \$115.2 million and the forecast for the 2027-29 biennium has been increased \$1.5 million to \$119.8 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: +\$1.43  
25-27: +\$5.03

*Pessimistic  
scenario  
(billions):*

23-25: -\$1.47  
25-27: -\$5.39

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 \$67.825 billion in revenue subject to the budget outlook process, \$1.434 billion (2.2%) more than the baseline scenario, while the pessimistic forecast produces \$64.919 billion in revenue, \$1.472 billion (2.2%) less than the baseline. For the 2025-27 biennium, the optimistic forecast generates \$76.462 billion in GF-S revenue, \$5.032 billion (7.0%) more than the baseline scenario, while the pessimistic forecast produces \$66.037 billion in revenue, \$5.394 billion (7.6%) less than the baseline.

## Washington Opportunity Pathways Account

*OPA forecast  
change by  
biennium  
(millions):*

23-25: *-\$40.1*  
25-27: *-\$12.4*  
27-29: *-\$9.9*

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. A correction to FY 2024 distributions and changes to forecasted receipts have reduced the forecast in all biennia. The forecast of OPA revenue for the 2023-25 biennium has been decreased \$40.1 million to \$348.6 million and the forecast for the 2025-27 biennium has been decreased \$12.4 million to \$359.4 million. Forecasted revenue for the 2027-29 biennium has been decreased \$9.9 million to \$378.3 million.

## Education Legacy Trust Account

*ELTA forecast  
change by  
biennium  
(millions):*

23-25: *\$48.5*  
25-27: *-\$54.2*  
27-29: *-\$99.1*

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 by \$48.5 million in the current biennium, mainly due to higher-than-expected receipts of estate tax since the last forecast. For the next two biennia, however, the forecast for estate tax receipts has decreased due to changes in the economic forecast. Forecasted capital gains tax receipts have also decreased due to changes in the economic forecast and the incorporation of additional information on past taxable gains into the forecasting model. Though there were slight increases in forecasted REET, the total forecast decreased by \$54.2 million in the 2025-27 biennium and \$99.1 million in the 2027-29 biennium. Forecasted ELTA receipts are now \$2,087.6 million for the 2023-25 biennium, \$2,302.1 million for the 2025-27 biennium and \$2,540.5 million for the 2027-29 biennium.

## Workforce Education Investment Account

*WEIA forecast  
change by  
biennium  
(millions):*

23-25: *-\$4.0*  
25-27: *-\$7.6*  
27-29: *-\$9.6*

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 decreased by \$4.0 million in the 2023-25 biennium, \$7.6 million in the 2025-27 biennium and \$9.6 million in the 2027-29 biennium. WEIA revenue is now forecasted at \$881.8 million in the 2023-25 biennium, \$944.7 million in the 2025-27 biennium and \$1,018.9 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 \$3.362 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 \$2,783.4 million at the end of the 2023-25 biennium and total reserves for the GF-S, ELTA, OPA and WEIA accounts of \$3,362.4 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%                 | 43,319.7                    | 11.3%                 |
| 2019-21              | 50,803.4               | 15.1%                 | 48,332.7                    | 11.6%                 |
| 2021-23              | 61,001.6               | 20.1%                 | 52,757.6                    | 9.2%                  |
| 2023-25 <sup>F</sup> | 63,072.4               | 3.4%                  | 51,128.7                    | -3.1%                 |
| 2025-27 <sup>F</sup> | 67,824.3               | 7.5%                  | 52,660.5                    | 3.0%                  |
| 2027-29 <sup>F</sup> | 72,907.4               | 7.5%                  | 54,406.4                    | 3.3%                  |

<sup>F</sup> November 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 November 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               | 231,736       | 0.3%                  |
| 2025 <sup>F</sup>  | 238,251       | 2.8%                  |
| 2026 <sup>F</sup>  | 248,109       | 4.1%                  |
| 2027 <sup>F</sup>  | 258,564       | 4.2%                  |
| 2028 <sup>F</sup>  | 268,682       | 3.9%                  |
| 2029 <sup>F</sup>  | 278,475       | 3.6%                  |

<sup>F</sup> November 2024 forecast  
Source: ERFRC

\* 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>Sep 2024 Forecast<sup>1</sup></b> | <b>Non-Economic Changes</b> | <b>Forecast Revision</b> | <b>Nov 2024 Forecast<sup>2</sup></b> | <b>Total Change</b> |
|---------------------------------------|--------------------------------------|-----------------------------|--------------------------|--------------------------------------|---------------------|
| <b>Department of Revenue</b>          |                                      |                             |                          |                                      |                     |
| Retail Sales                          | \$30,069.0                           | \$0.0                       | (\$97.6)                 | \$29,971.3                           | (\$97.6)            |
| Business & Occupation Use             | 12,991.6                             | 0.0                         | (65.3)                   | 12,926.3                             | (65.3)              |
| Public Utility                        | 1,922.9                              | 0.0                         | 33.0                     | 1,955.9                              | 33.0                |
| Liquor Sales/Liter                    | 1,085.6                              | 0.0                         | 17.6                     | 1,103.2                              | 17.6                |
| Cigarette                             | 678.8                                | 0.0                         | 7.6                      | 686.4                                | 7.6                 |
| Property (State Levy)                 | 484.2                                | 0.0                         | (1.9)                    | 482.4                                | (1.9)               |
| Real Estate Excise                    | 9,306.2                              | 0.0                         | 11.0                     | 9,317.2                              | 11.0                |
| Timber Excise                         | 2,136.0                              | 0.0                         | 5.2                      | 2,141.2                              | 5.2                 |
| Other                                 | 3.9                                  | 0.0                         | 0.0                      | 3.9                                  | 0.0                 |
| Subtotal                              | 1,400.7                              | 0.0                         | 6.5                      | 1,407.2                              | 6.5                 |
| <b>Insurance Commissioner</b>         | 60,078.8                             | 0.0                         | (83.9)                   | 59,994.9                             | (83.9)              |
| Insurance Premiums                    | 1,734.7                              | 0.0                         | 0.0                      | 1,734.7                              | 0.0                 |
| <b>Liquor Control Board</b>           |                                      |                             |                          |                                      |                     |
| Fees, Cannabis Excise Tax             | 510.2                                | 0.0                         | (2.3)                    | 507.9                                | (2.3)               |
| Beer & Wine Surtax                    | 57.2                                 | 0.0                         | (0.2)                    | 57.0                                 | (0.2)               |
| <b>Lottery Commission</b>             |                                      |                             |                          |                                      |                     |
| Lottery Revenue                       | 95.1                                 | 0.0                         | 2.1                      | 97.2                                 | 2.1                 |
| <b>State Treasurer</b>                |                                      |                             |                          |                                      |                     |
| Interest Earnings                     | 588.5                                | 0.0                         | (0.9)                    | 587.5                                | (0.9)               |
| <b>Office of Financial Management</b> |                                      |                             |                          |                                      |                     |
| Other Agencies                        | (6.3)                                | 0.0                         | (7.9)                    | (14.2)                               | (7.9)               |
| <b>Washington Court System</b>        |                                      |                             |                          |                                      |                     |
| Court Fees, Fines & Forfeitures       | 107.3                                | 0.0                         | 0.0                      | 107.3                                | 0.0                 |
| <b>Total General Fund-State *</b>     | <b>\$63,165.6</b>                    | <b>\$0.0</b>                | <b>(\$93.2)</b>          | <b>\$63,072.4</b>                    | <b>(\$93.2)</b>     |

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

<sup>2</sup> Forecast for the 2023-25 biennium, adopted November 20, 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 3.6  
**Comparison of the General Fund-State forecast by agency**  
 2023-25 biennium; GAAP basis  
 (millions of dollars)

| <b>Forecast by Agency</b>             | <b>Sep 2024 Forecast<sup>1</sup></b> | <b>Non-Economic Changes</b> | <b>Forecast Revision</b> | <b>Nov 2024 Forecast<sup>2</sup></b> | <b>Total Change</b> |
|---------------------------------------|--------------------------------------|-----------------------------|--------------------------|--------------------------------------|---------------------|
| <b>Department of Revenue</b>          |                                      |                             |                          |                                      |                     |
| Retail Sales                          | \$30,115.6                           | \$0.0                       | (\$97.6)                 | \$30,017.9                           | (\$97.6)            |
| Business & Occupation Use             | 13,002.0                             | 0.0                         | (65.3)                   | 12,936.8                             | (65.3)              |
| Public Utility                        | 1,925.8                              | 0.0                         | 33.0                     | 1,958.8                              | 33.0                |
| Liquor Sales/Liter                    | 1,091.4                              | 0.0                         | 17.6                     | 1,109.0                              | 17.6                |
| Cigarette                             | 687.0                                | 0.0                         | 7.6                      | 694.7                                | 7.6                 |
| Property (State Levy)                 | 478.2                                | 0.0                         | (1.9)                    | 476.3                                | (1.9)               |
| Real Estate Excise                    | 9,308.5                              | 0.0                         | 11.0                     | 9,319.6                              | 11.0                |
| Timber Excise                         | 2,152.3                              | 0.0                         | 5.2                      | 2,157.4                              | 5.2                 |
| Other                                 | 3.9                                  | 0.0                         | 0.0                      | 3.9                                  | 0.0                 |
| Subtotal                              | 1,394.0                              | 0.0                         | 3.7                      | 1,397.7                              | 3.7                 |
| <b>Insurance Commissioner</b>         | 60,158.6                             | 0.0                         | (86.7)                   | 60,072.0                             | (86.7)              |
| Insurance Premiums                    | 1,734.7                              | 0.0                         | 0.0                      | 1,734.7                              | 0.0                 |
| <b>Liquor Control Board</b>           |                                      |                             |                          |                                      |                     |
| Fees, Cannabis Excise Tax             | 510.2                                | 0.0                         | (2.3)                    | 507.9                                | (2.3)               |
| Beer & Wine Surtax                    | 57.2                                 | 0.0                         | (0.2)                    | 57.0                                 | (0.2)               |
| <b>Lottery Commission</b>             |                                      |                             |                          |                                      |                     |
| Lottery Revenue                       | 91.8                                 | 0.0                         | (2.5)                    | 89.3                                 | (2.5)               |
| <b>State Treasurer</b>                |                                      |                             |                          |                                      |                     |
| Interest Earnings                     | 602.5                                | 0.0                         | (0.9)                    | 601.6                                | (0.9)               |
| <b>Office of Financial Management</b> |                                      |                             |                          |                                      |                     |
| Other Agencies                        | (6.3)                                | 0.0                         | (7.9)                    | (14.2)                               | (7.9)               |
| <b>Washington Court System</b>        |                                      |                             |                          |                                      |                     |
| Court Fees, Fines & Forfeitures       | 107.3                                | 0.0                         | 0.0                      | 107.3                                | 0.0                 |
| <b>Total General Fund-State *</b>     | <b>\$63,256.2</b>                    | <b>\$0.0</b>                | <b>(\$100.5)</b>         | <b>\$63,155.6</b>                    | <b>(\$100.5)</b>    |

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

<sup>2</sup> Forecast for the 2023-25 biennium, adopted November 20, 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>Forecast by Agency</b>             | <b>Sep 2024 Forecast<sup>1</sup></b> | <b>Non-Economic Changes</b> | <b>Forecast Revision</b> | <b>Nov 2024 Forecast<sup>2</sup></b> | <b>Total Change</b> |
|---------------------------------------|--------------------------------------|-----------------------------|--------------------------|--------------------------------------|---------------------|
| <b>Department of Revenue</b>          |                                      |                             |                          |                                      |                     |
| Retail Sales                          | \$32,666.0                           | \$0.0                       | (\$160.0)                | \$32,506.0                           | (\$160.0)           |
| Business & Occupation Use             | 14,073.1                             | 0.0                         | 27.3                     | 14,100.3                             | 27.3                |
| Public Utility                        | 2,031.5                              | 0.0                         | (7.0)                    | 2,024.5                              | (7.0)               |
| Liquor Sales/Liter                    | 1,197.2                              | 0.0                         | 3.2                      | 1,200.3                              | 3.2                 |
| Cigarette                             | 691.6                                | 0.0                         | 15.0                     | 706.6                                | 15.0                |
| Property (State Levy)                 | 453.8                                | 0.0                         | (0.9)                    | 452.8                                | (0.9)               |
| Real Estate Excise                    | 9,755.9                              | 0.0                         | 7.8                      | 9,763.7                              | 7.8                 |
| Timber Excise                         | 2,569.6                              | 0.0                         | 7.0                      | 2,576.6                              | 7.0                 |
| Other                                 | 3.9                                  | 0.0                         | (0.0)                    | 3.8                                  | (0.0)               |
| Subtotal                              | 1,427.6                              | 0.0                         | 7.1                      | 1,434.7                              | 7.1                 |
|                                       | 64,870.0                             | 0.0                         | (100.6)                  | 64,769.4                             | (100.6)             |
| <b>Insurance Commissioner</b>         |                                      |                             |                          |                                      |                     |
| Insurance Premiums                    | 1,819.0                              | 0.0                         | 0.0                      | 1,819.0                              | 0.0                 |
| <b>Liquor Control Board</b>           |                                      |                             |                          |                                      |                     |
| Fees, Cannabis Excise Tax             | 598.4                                | 0.0                         | 14.0                     | 612.4                                | 14.0                |
| Beer & Wine Surtax                    | 58.3                                 | 0.0                         | (0.5)                    | 57.8                                 | (0.5)               |
| <b>Lottery Commission</b>             |                                      |                             |                          |                                      |                     |
| Lottery Revenue                       | 70.7                                 | 0.0                         | (6.3)                    | 64.4                                 | (6.3)               |
| <b>State Treasurer</b>                |                                      |                             |                          |                                      |                     |
| Interest Earnings                     | 433.7                                | 0.0                         | (10.1)                   | 423.6                                | (10.1)              |
| <b>Office of Financial Management</b> |                                      |                             |                          |                                      |                     |
| Other Agencies                        | (33.0)                               | 0.0                         | (4.3)                    | (37.4)                               | (4.3)               |
| <b>Washington Court System</b>        |                                      |                             |                          |                                      |                     |
| Court Fees, Fines & Forfeitures       | 113.8                                | 0.0                         | 1.4                      | 115.2                                | 1.4                 |
| <b>Total General Fund-State *</b>     | <b>\$67,930.8</b>                    | <b>\$0.0</b>                | <b>(\$106.5)</b>         | <b>\$67,824.3</b>                    | <b>(\$106.5)</b>    |

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

<sup>2</sup> Forecast for the 2025-27 biennium, adopted November 20, 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 3.8  
**Comparison of the General Fund-State forecast by agency**  
 2025-27 biennium; GAAP basis  
 (millions of dollars)

| <b>Forecast by Agency</b>             | <b>Sep 2024 Forecast<sup>1</sup></b> | <b>Non-Economic Changes</b> | <b>Forecast Revision</b> | <b>Nov 2024 Forecast<sup>2</sup></b> | <b>Total Change</b> |
|---------------------------------------|--------------------------------------|-----------------------------|--------------------------|--------------------------------------|---------------------|
| <b>Department of Revenue</b>          |                                      |                             |                          |                                      |                     |
| Retail Sales                          | \$32,666.0                           | \$0.0                       | (\$160.0)                | \$32,506.0                           | (\$160.0)           |
| Business & Occupation Use             | 14,073.1                             | 0.0                         | 27.3                     | 14,100.3                             | 27.3                |
| Public Utility                        | 2,031.5                              | 0.0                         | (7.0)                    | 2,024.5                              | (7.0)               |
| Liquor Sales/Liter                    | 1,197.2                              | 0.0                         | 3.2                      | 1,200.3                              | 3.2                 |
| Cigarette                             | 691.6                                | 0.0                         | 15.0                     | 706.6                                | 15.0                |
| Property (State Levy)                 | 453.8                                | 0.0                         | (0.9)                    | 452.8                                | (0.9)               |
| Real Estate Excise                    | 9,755.9                              | 0.0                         | 7.8                      | 9,763.7                              | 7.8                 |
| Timber Excise                         | 2,569.6                              | 0.0                         | 7.0                      | 2,576.6                              | 7.0                 |
| Other                                 | 3.9                                  | 0.0                         | (0.0)                    | 3.9                                  | (0.0)               |
| Subtotal                              | 1,427.6                              | 0.0                         | 7.1                      | 1,434.7                              | 7.1                 |
|                                       | 64,870.0                             | 0.0                         | (100.6)                  | 64,769.4                             | (100.6)             |
| <b>Insurance Commissioner</b>         |                                      |                             |                          |                                      |                     |
| Insurance Premiums                    | 1,819.0                              | 0.0                         | 0.0                      | 1,819.0                              | 0.0                 |
| <b>Liquor Control Board</b>           |                                      |                             |                          |                                      |                     |
| Fees, Cannabis Excise Tax             | 598.4                                | 0.0                         | 14.0                     | 612.4                                | 14.0                |
| Beer & Wine Surtax                    | 58.3                                 | 0.0                         | (0.5)                    | 57.8                                 | (0.5)               |
| <b>Lottery Commission</b>             |                                      |                             |                          |                                      |                     |
| Lottery Revenue                       | 74.2                                 | 0.0                         | (7.5)                    | 66.7                                 | (7.5)               |
| <b>State Treasurer</b>                |                                      |                             |                          |                                      |                     |
| Interest Earnings                     | 430.3                                | 0.0                         | (10.3)                   | 420.0                                | (10.3)              |
| <b>Office of Financial Management</b> |                                      |                             |                          |                                      |                     |
| Other Agencies                        | (33.0)                               | 0.0                         | (4.3)                    | (37.4)                               | (4.3)               |
| <b>Washington Court System</b>        |                                      |                             |                          |                                      |                     |
| Court Fees, Fines & Forfeitures       | 113.8                                | 0.0                         | 1.4                      | 115.2                                | 1.4                 |
| <b>Total General Fund-State *</b>     | <b>\$67,930.9</b>                    | <b>\$0.0</b>                | <b>(\$107.9)</b>         | <b>\$67,823.0</b>                    | <b>(\$107.9)</b>    |

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

<sup>2</sup> Forecast for the 2025-27 biennium, adopted November 20, 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  
**November 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         | \$15,201.5         | \$29,971.3              | \$15,899.0         | \$16,607.0         | \$32,506.0              | \$17,256.4         | \$17,898.0         | \$35,154.4              |
| Business & occupation Use**              | 5,677.3            | 6,231.8            | 11,909.2                | 6,410.1            | 6,516.3            | 12,926.3                | 6,872.3            | 7,228.0            | 14,100.3                | 7,537.0            | 7,861.0            | 15,398.0                |
| Public Utility                           | 486.7              | 546.8              | 1,033.5                 | 534.9              | 568.2              | 1,103.2                 | 575.7              | 624.6              | 1,200.3                 | 640.1              | 658.6              | 1,298.7                 |
| Liquor sales/liter                       | 348.5              | 353.7              | 702.2                   | 338.0              | 348.4              | 686.4                   | 351.5              | 355.1              | 706.6                   | 358.8              | 362.5              | 721.4                   |
| Beer & wine surtax                       | 28.9               | 31.7               | 60.6                    | 28.4               | 28.6               | 57.0                    | 28.8               | 29.0               | 57.8                    | 29.2               | 29.4               | 58.6                    |
| Cigarette                                | 318.9              | 280.6              | 599.4                   | 252.2              | 244.1              | 496.3                   | 238.5              | 229.2              | 467.8                   | 219.4              | 209.0              | 428.3                   |
| Tobacco products                         | 45.9               | 46.6               | 92.5                    | 45.5               | 44.3               | 89.8                    | 43.3               | 43.2               | 86.5                    | 43.1               | 43.0               | 86.1                    |
| Cannabis Excise Taxes                    | 173.0              | 137.7              | 310.7                   | 123.6              | 133.4              | 257.0                   | 140.0              | 145.4              | 285.4                   | 151.5              | 157.8              | 309.3                   |
| Property (state school levy)             | 4,426.9            | 4,492.7            | 8,919.6                 | 4,596.9            | 4,720.3            | 9,317.2                 | 4,828.6            | 4,935.0            | 9,763.7                 | 5,042.8            | 5,156.5            | 10,199.3                |
| Leasehold Excise Tax                     | 40.7               | 45.6               | 86.4                    | 48.9               | 48.4               | 97.3                    | 50.4               | 50.9               | 101.3                   | 51.3               | 51.8               | 103.1                   |
| Public utility district                  | 59.6               | 63.2               | 122.8                   | 62.0               | 63.1               | 125.0                   | 64.8               | 66.4               | 131.2                   | 68.0               | 69.6               | 137.6                   |
| Brokered Natural Gas                     | 40.7               | 72.4               | 113.1                   | 33.6               | 29.7               | 63.3                    | 45.4               | 46.5               | 91.8                    | 47.2               | 48.0               | 95.2                    |
| Real estate excise***                    | 1,982.9            | 1,114.9            | 3,097.9                 | 962.9              | 1,178.3            | 2,141.2                 | 1,245.5            | 1,331.1            | 2,576.6                 | 1,438.5            | 1,507.1            | 2,945.6                 |
| Timber excise                            | 5.5                | 3.4                | 8.9                     | 2.0                | 1.9                | 3.9                     | 1.9                | 2.0                | 3.8                     | 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              | 196.8              | 372.1                   | 194.9              | 201.9              | 396.8                   | 209.1              | 216.4              | 425.6                   |
| Other                                    | 62.2               | 52.4               | 114.6                   | 60.3               | 52.4               | 112.7                   | 56.3               | 57.2               | 113.5                   | 57.9               | 58.7               | 116.6                   |
| <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>31,260.9</b>    | <b>61,541.9</b>         | <b>32,539.9</b>    | <b>33,924.1</b>    | <b>66,464.1</b>         | <b>35,188.8</b>    | <b>36,430.8</b>    | <b>71,619.6</b>         |
| <b>State Non-Tax Sources</b>             |                    |                    |                         |                    |                    |                         |                    |                    |                         |                    |                    |                         |
| Licenses, permits, fees                  | 180.9              | 190.0              | 371.0                   | 180.6              | 196.7              | 377.3                   | 207.6              | 213.7              | 421.3                   | 218.9              | 225.3              | 444.3                   |
| Liquor & Cannabis fees                   | 160.9              | 147.8              | 308.7                   | 129.8              | 121.1              | 250.9                   | 159.4              | 167.6              | 327.0                   | 171.7              | 177.6              | 349.3                   |
| Earnings on investments                  | 36.7               | 197.1              | 233.8                   | 327.8              | 259.7              | 587.5                   | 216.7              | 206.9              | 423.6                   | 173.0              | 169.5              | 342.5                   |
| Washington Court System                  | 42.7               | 42.5               | 85.2                    | 52.3               | 55.0               | 107.3                   | 56.9               | 58.3               | 115.2                   | 59.4               | 60.4               | 119.8                   |
| Transfers of unclaimed property          | 154.3              | 181.6              | 336.0                   | 222.0              | 216.8              | 438.9                   | 196.9              | 201.7              | 398.6                   | 199.2              | 199.2              | 398.5                   |
| Other revenue & transfers                | (62.6)             | (75.7)             | (138.3)                 | (100.1)            | (131.4)            | (231.4)                 | (161.5)            | (163.9)            | (325.4)                 | (171.2)            | (195.4)            | (366.7)                 |
| <b>Total Non-Tax</b>                     | <b>512.9</b>       | <b>683.5</b>       | <b>1,196.4</b>          | <b>812.5</b>       | <b>718.0</b>       | <b>1,530.5</b>          | <b>676.0</b>       | <b>684.2</b>       | <b>1,360.3</b>          | <b>651.1</b>       | <b>636.7</b>       | <b>1,287.8</b>          |
| <b>Total General Fund-State *</b>        | <b>\$30,029.7</b>  | <b>\$30,971.9</b>  | <b>\$61,001.6</b>       | <b>\$31,093.5</b>  | <b>\$31,978.9</b>  | <b>\$63,072.4</b>       | <b>\$33,216.0</b>  | <b>\$34,608.3</b>  | <b>\$67,824.3</b>       | <b>\$35,839.9</b>  | <b>\$37,067.5</b>  | <b>\$72,907.4</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 November 2024

Cash Basis - Millions of Dollars

| <u>Date of Forecast</u>  | <u>General Fund-State</u> | <u>Education Legacy Trust Acct.</u> | <u>Washington Opportunity Pathways Acct.</u> | <u>Workforce Education Investment Acct.</u> | <u>Subtotal</u> | <u>Non-Economic Changes</u> | <u>Total Change</u> | <u>Total of Funds</u> |
|--|---------------------------|-------------------------------------|--|---|-----------------|-----------------------------|---------------------|-----------------------|
| <b>February 2020*</b>  | \$57,930                  | \$925                               | \$321  | \$667                                       |                 |                             |                     |                       |
| <b>Changes to Forecast</b>                                     |                           |                                     |  |   |                 |                             |                     |                       |
| June 2020  | (4,682)                   | (9)                                 | 8  | (3)   | (4,685)         | 209 #1                      | (4,476)             | 55,367                |
| September 2020   | 2,460                     | 125                                 | (7)  | 35  | 2,612           | 0                           | 2,612               | 57,979                |
| November 2020  | 16                        | 14                                  | 2  | (4)   | 28              | 0                           | 28                  | 58,007                |
| March 2021   | 1,846                     | 17                                  | 10   | 25  | 1,899           | 0                           | 1,899               | 59,906                |
| June 2021  | 1,419                     | (6)                                 | 16   | 7   | 1,436           | 810 #2                      | 2,246               | 62,151                |
| September 2021   | 891                       | 31                                  | (1)  | 9   | 931             | 0                           | 931                 | 63,082                |
| November 2021  | 828                       | (44)                                | 5  | 11  | 800             | 165 #3                      | 965                 | 64,047                |
| February 2022  | 1,311                     | 2                                   | 2  | 5   | 1,320           | 0                           | 1,320               | 65,368                |
| June 2022  | 1,036                     | 21                                  | (1)  | 55  | 1,112           | (480) #4                    | 632                 | 65,999                |
| September 2022   | (332)                     | (18)                                | (8)  | (21)  | (378)           | (117) #5                    | (495)               | 65,504                |
| November 2022  | 684                       | (2)                                 | (6)  | 6   | 681             | 0                           | 681                 | 66,185                |
| March 2023   | (407)                     | (77)                                | 10   | (9)   | (483)           | 0                           | (483)               | 65,702                |
| June 2023  | 140                       | 115                                 | 7  | 25  | 287             | 39 #6                       | 327                 | 66,028                |
| September 2023   | 616                       | 12                                  | 7  | 28  | 663             | 0                           | 663                 | 66,692                |
| November 2023  | 172                       | 6                                   | 9  | 5   | 191             | 0                           | 191                 | 66,883                |
| February 2024  | 53                        | 31                                  | 24   | 13  | 122             | 0                           | 122                 | 67,005                |
| June 2024  | (252)                     | (188)                               | (27)   | 24  | (443)           | (34) #7                     | (477)               | 66,528                |
| September 2024   | (146)                     | 54                                  | 21   | 6   | (64)            | 15 #8                       | (49)                | 66,479                |
| November 2024  | (93)                      | 48                                  | (40)   | (4)   | (89)            | 0                           | (89)                | 66,390                |
| <b>Total change:</b>   |                           |                                     |  |   |                 |                             |                     |                       |
| From February 2020   | 5,560                     | 135                                 | 31   | 214   | 5,940           | 607                         | 6,547               |                       |
| Percent change   | 9.6                       | 14.6                                | 9.6  | 32.1  | 9.9             | 1.0                         | 10.9                |                       |
| <b>Change in forecast since initial 2325 biennial budget**</b> |                           |                                     |  |   |                 |                             |                     |                       |
|  | 490                       | 80                                  | 1  | 98  | 668             | (19)                        | 649                 |                       |
| Percent change   | 0.8                       | 4.0                                 | 0.2  | 12.5  | 1.0             | 0.0                         | 1.0                 |                       |

Table 3.11

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

February 2022 through November 2024

Cash Basis - Millions of Dollars

| <u>Date of Forecast</u>    | <u>General Fund-State</u> | <u>Education Legacy Trust Acct.</u> | <u>Washington Opportunity Pathways Acct.</u> | <u>Workforce Education Investment Acct.</u> | <u>Subtotal</u> | <u>Non-Economic Changes</u> | <u>Total Change</u> | <u>Total of Funds</u> |
|----------------------------|---------------------------|-------------------------------------|--|---|-----------------|-----------------------------|---------------------|-----------------------|
| <b>February 2022***</b>    | \$66,533                  | \$2,305                             | \$357  | \$831                                       |                 |                             |                     |                       |
| <b>Changes to Forecast</b> |                           |                                     |  |   |                 |                             |                     |                       |
| June 2022                  | 759                       | 19                                  | 0  | 17  | 795             | (619) #4                    | 176                 | 70,202                |
| September 2022             | 4                         | 8                                   | (7)  | (18)  | (13)            | (53) #5                     | (66)                | 70,136                |
| November 2022              | 687                       | 55                                  | (4)  | 10  | 747             | 0                           | 747                 | 70,883                |
| March 2023                 | (442)                     | (97)                                | 9  | (11)  | (540)           | 0                           | (540)               | 70,342                |
| June 2023                  | 38                        | 18                                  | 6  | 11  | 72              | 75 #6                       | 147                 | 70,489                |
| September 2023             | 400                       | 7                                   | (1)  | 31  | 437             | 0                           | 437                 | 70,927                |
| November 2023              | 507                       | 59                                  | 8  | 4   | 579             | 0                           | 579                 | 71,506                |
| February 2024              | 169                       | 6                                   | 10   | 31  | 215             | 0                           | 215                 | 71,721                |
| June 2024                  | (37)                      | (119)                               | (31)   | 35  | (152)           | (37) #7                     | (189)               | 71,532                |
| September 2024             | (116)                     | 97                                  | 27   | 9   | 16              | 63 #8                       | 79                  | 71,611                |
| November 2024              | (107)                     | (54)                                | (12)   | (8)   | (181)           | 0                           | (181)               | 71,431                |
| <b>Total change:</b>       |                           |                                     |  |   |                 |                             |                     |                       |
| From February 2022         | 1,862                     | (2)                                 | 5  | 112   | 1,976           | (571)                       | 1,405               |                       |
| Percent change             | 2.8                       | (0.1)                               | 1.4  | 13.4  | 2.8             | (0.8)                       | 2.0                 |                       |

\*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

|   | <b>2023-25</b>  |  |                 |
|---|-----------------|--|-----------------|
|   | <b>GFS</b>      | <b>ELTA, OPA,<br/>WEIA, FSKA<br/>(1)</b> | <b>TOTAL</b>    |
| <b>RESOURCES</b>  |                 |  |                 |
| <b>Beginning Fund Balance</b>                             | <b>4,184.7</b>  | <b>1,102.4</b>                           | <b>5,287.0</b>  |
| September 2024 Revenue Forecast                           | 63,165.6        | 3,313.6                                  | 66,479.2        |
| November 2024 Revenue Forecast Change                     | (93.2)          | 4.3                                      | (88.8)          |
| <b>Current Revenue Totals</b>                             | <b>63,072.4</b> | <b>3,317.9</b>                           | <b>66,390.4</b> |
| Transfers to Budget Stabilization Account (1% of GSR)     | (636.8)         | -  | (636.8)         |
| Transfers to Budget Stabilization Account (EGSR)          | -               | -  | -               |
| Enacted Fund Transfers                                    | 2,092.7         |  | 2,092.7         |
| Actual/Assumed Prior Period Adjustments                   | 122.0           | 0.4                                      | 122.3           |
| ACFR Adjustments  | (3.4)           | 54.8                                     | 51.4            |
| Prior Period Adjustment - Gain Share <sup>(3)</sup>       | 71.5            |  | 71.5            |
| <b>Total Resources (Including Beginning Fund Balance)</b> | <b>68,902.9</b> | <b>4,475.5</b>                           | <b>73,378.4</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>                  | (600.7)         | -  | (600.7)         |
| <b>Total Expenditures</b>                                 | <b>67,448.0</b> | <b>3,896.5</b>                           | <b>71,344.5</b> |
| <b>RESERVES</b>   |                 |  |                 |
| <b>Projected Ending Balance</b>                           | <b>1,455.0</b>  | <b>579.0</b>                             | <b>2,033.9</b>  |
| <b>Budget Stabilization Account</b>                       |                 |  |                 |
| Beginning Balance   | 652.4           |  | 652.4           |
| Transfers from General Fund (1% of GSR)                   | 636.8           |  | 636.8           |
| Transfers from General Fund (EGSR)                        | -               |  | -               |
| Actual Prior Period Adjustments                           | 0.1             |  | 0.1             |
| Actual/Assumed Biennium - Interest Earnings               | 58.9            |  | 58.9            |
| Appropriations  | (21.1)          |  | (21.1)          |
| Actual Reversions   | 1.4             |  | 1.4             |
| <b>Projected BSA Ending Balance</b>                       | <b>1,328.5</b>  |  | <b>1,328.5</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>2,783.4</b>  | <b>579.0</b>                             | <b>3,362.4</b>  |

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

(2) Reversion amounts are consistent with the ERFC'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<br/>Forecast</b> | <b>Baseline<br/>Forecast</b> | <b>Pessimistic<br/>Forecast</b> |
|--|--------------------------------|------------------------------|---------------------------------|
| <b>General Fund - State</b>                                |                                |                              |                                 |
| <b>Department of Revenue</b>                               |                                |                              |                                 |
| Retail Sales   | \$30,766.2                     | \$29,971.3                   | \$29,093.3                      |
| Business & Occupation                                      | 13,245.6                       | 12,926.3                     | 12,581.7                        |
| Use  | 2,008.4                        | 1,955.9                      | 1,898.5                         |
| Public Utility   | 1,135.9                        | 1,103.2                      | 1,070.4                         |
| Property (school levy)                                     | 9,331.6                        | 9,317.2                      | 9,302.8                         |
| Real Estate Excise   | 2,151.6                        | 2,141.2                      | 2,116.3                         |
| Other  | 2,602.3                        | 2,579.8                      | 2,556.7                         |
| Subtotal   | 61,241.6                       | 59,994.9                     | 58,619.7                        |
| <b>Insurance Commissioner<sup>1</sup></b>                  | 1,795.0                        | 1,734.7                      | 1,749.1                         |
| <b>Lottery Commission</b>                                  | 97.8                           | 97.2                         | 96.6                            |
| <b>State Treasurer - Interest earnings</b>                 | 614.1                          | 587.5                        | 539.7                           |
| <b>Liquor and Cannabis Surtaxes &amp; Fees<sup>2</sup></b> | 551.6                          | 564.9                        | 541.7                           |
| <b>Office of Financial Management</b>                      | (14.0)                         | (14.2)                       | (14.2)                          |
| <b>Washington Court System</b>                             | 108.3                          | 107.3                        | 106.3                           |
| <b>Total General Fund - State*</b>                         | <b>\$64,394.3</b>              | <b>\$63,072.4</b>            | <b>\$61,638.8</b>               |
| <b>Education Legacy Trust Account</b>                      | <b>\$2,134.0</b>               | <b>\$2,087.6</b>             | <b>\$2,037.4</b>                |
| <b>Washington Opportunity Pathways Account</b>             | <b>\$396.1</b>                 | <b>\$348.6</b>               | <b>\$380.6</b>                  |
| <b>Workforce Education Investment Account</b>              | <b>\$900.2</b>                 | <b>\$881.8</b>               | <b>\$861.8</b>                  |
| <b>Total of Funds Subject to Budget Outlook*</b>           | <b>\$67,824.6</b>              | <b>\$66,390.4</b>            | <b>\$64,918.6</b>               |
| <b>Difference from November 2024 Baseline</b>              | <b>\$1,434.2</b>               |                              | <b>(\$1,471.8)</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 3.14

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

|  | <b>Optimistic<br/>Forecast</b> | <b>Baseline<br/>Forecast</b> | <b>Pessimistic<br/>Forecast</b> |
|--|--------------------------------|------------------------------|---------------------------------|
| <b>General Fund - State</b>                                |                                |                              |                                 |
| <b>Department of Revenue</b>                               |                                |                              |                                 |
| Retail Sales   | \$35,361.8                     | \$32,506.0                   | \$29,491.4                      |
| Business & Occupation                                      | 15,263.5                       | 14,100.3                     | 12,898.5                        |
| Use  | 2,206.1                        | 2,024.5                      | 1,832.2                         |
| Public Utility   | 1,296.9                        | 1,200.3                      | 1,140.0                         |
| Property (school levy)                                     | 9,820.4                        | 9,763.7                      | 9,715.3                         |
| Real Estate Excise   | 2,691.6                        | 2,576.6                      | 2,273.2                         |
| Other  | 2,691.1                        | 2,598.0                      | 2,453.0                         |
| Subtotal   | 69,331.4                       | 64,769.4                     | 59,803.5                        |
| <b>Insurance Commissioner<sup>1</sup></b>                  | 1,907.5                        | 1,819.0                      | 1,814.4                         |
| <b>Lottery Commission</b>                                  | 66.7                           | 64.4                         | 60.8                            |
| <b>State Treasurer - Interest earnings</b>                 | 506.7                          | 423.6                        | 310.3                           |
| <b>Liquor and Cannabis Surtaxes &amp; Fees<sup>2</sup></b> | 694.2                          | 670.2                        | 632.7                           |
| <b>Office of Financial Management</b>                      | (36.2)                         | (37.4)                       | (38.5)                          |
| <b>Washington Court System</b>                             | 119.3                          | 115.2                        | 108.7                           |
| <b>Total General Fund - State*</b>                         | <b>\$72,589.5</b>              | <b>\$67,824.3</b>            | <b>\$62,691.9</b>               |
| <b>Education Legacy Trust Account</b>                      | <b>\$2,463.8</b>               | <b>\$2,302.1</b>             | <b>\$2,127.9</b>                |
| <b>Washington Opportunity Pathways Account</b>             | <b>\$398.0</b>                 | <b>\$359.4</b>               | <b>\$343.7</b>                  |
| <b>Workforce Education Investment Account</b>              | <b>\$1,011.1</b>               | <b>\$944.7</b>               | <b>\$873.3</b>                  |
| <b>Total of Funds Subject to Budget Outlook*</b>           | <b>\$76,462.5</b>              | <b>\$71,430.6</b>            | <b>\$66,036.8</b>               |
| <b>Difference from November 2024 Baseline</b>              | <b>\$5,031.9</b>               |                              | <b>(\$5,393.8)</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**  
 November 2024 Forecast  
 (cash basis, millions of dollars)

| <u>Fiscal Year</u> | <u>Lottery:<br/>Total Transfers:*</u> | <u>General Fund</u> | <u>Exhibition<br/>Center &amp;<br/>Stadium</u> | <u>Problem<br/>Gambling<br/>Account</u> | <u>Economic<br/>Development<br/>Account</u> | <u>Opportunity<br/>Pathways<br/>Account</u> |
|--------------------|---------------------------------------|---------------------|--|---|---|---|
| 2018               | 183.6                                 | 38.5                | 12.6   | 0.3                                     | 3.5   | 128.5                                       |
| 2019               | 213.8                                 | 38.7                | 13.1   | 0.4                                     | 5.8   | 155.7                                       |
| 2017-19 Biennium   | 397.3                                 | 77.3                | 25.8   | 0.8                                     | 9.3   | 284.2                                       |
| 2020               | 186.4                                 | 16.7                | 13.7   | 0.4                                     | 3.1   | 152.5                                       |
| 2021               | 231.6                                 | 27.7                | 14.2   | 0.5                                     | 4.8   | 184.4                                       |
| 2019-21 Biennium   | 418.0                                 | 44.4                | 27.9   | 0.8                                     | 8.0   | 336.9                                       |
| 2022               | 228.9                                 | 32.8                | 0.0  | 0.4                                     | 6.0   | 189.7                                       |
| 2023               | 244.7                                 | 48.1                | 0.0  | 0.5                                     | 7.7   | 188.4                                       |
| 2021-23 Biennium   | 473.4                                 | 80.7                | 0.0  | 0.9                                     | 13.7  | 378.1                                       |
| 2024               | 245.0                                 | 61.2                | 0.0  | 0.8                                     | 6.4   | 176.7                                       |
| 2025               | 214.6                                 | 36.0                | 0.0  | 0.9                                     | 5.8   | 171.9                                       |
| 2023-25 Biennium   | 459.6                                 | 97.2                | 0.0  | 1.7                                     | 12.2  | 348.6                                       |
| 2026               | 212.0                                 | 31.2                | 0.0  | 1.0                                     | 5.9   | 174.0                                       |
| 2027               | 225.5                                 | 33.2                | 0.0  | 1.0                                     | 5.9   | 185.4                                       |
| 2025-27 Biennium   | 437.5                                 | 64.4                | 0.0  | 1.9                                     | 11.8  | 359.4                                       |
| 2028               | 228.2                                 | 33.4                | 0.0  | 1.0                                     | 5.9   | 187.9                                       |
| 2029               | 230.6                                 | 33.3                | 0.0  | 1.0                                     | 5.9   | 190.4                                       |
| 2027-29 Biennium   | 458.7                                 | 66.7                | 0.0  | 2.0                                     | 11.8  | 378.3                                       |

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

| <u>Fiscal Year</u> | <u>Lottery:<br/>Total Transfers:*</u> | <u>General Fund</u> | <u>Exhibition<br/>Center &amp;<br/>Stadium</u> | <u>Problem<br/>Gambling<br/>Account</u> | <u>Economic<br/>Development<br/>Account</u> | <u>Opportunity<br/>Pathways<br/>Account</u> |
|--------------------|---------------------------------------|---------------------|--|---|---|---|
| 2018               | 183.0                                 | 31.2                | 12.6   | 0.4                                     | 4.6   | 134.2                                       |
| 2019               | 215.8                                 | 30.9                | 13.1   | 0.4                                     | 4.6   | 166.7                                       |
| 2017-19 Biennium   | 398.8                                 | 62.1                | 25.8   | 0.8                                     | 9.2   | 300.9                                       |
| 2020               | 180.9                                 | 16.2                | 13.7   | 0.4                                     | 3.4   | 147.3                                       |
| 2021               | 229.0                                 | 23.9                | 14.2   | 0.5                                     | 4.7   | 185.7                                       |
| 2019-21 Biennium   | 410.0                                 | 40.1                | 27.9   | 0.8                                     | 8.1   | 333.1                                       |
| 2022               | 216.8                                 | 33.6                | 0.0  | 0.4                                     | 6.2   | 176.6                                       |
| 2023               | 253.1                                 | 45.5                | 0.0  | 0.5                                     | 7.3   | 199.9                                       |
| 2021-23 Biennium   | 470.0                                 | 79.1                | 0.0  | 0.9                                     | 13.5  | 376.4                                       |
| 2024               | 242.8                                 | 58.2                | 0.0  | 0.8                                     | 6.7   | 177.1                                       |
| 2025               | 208.4                                 | 31.2                | 0.0  | 0.9                                     | 5.9   | 170.4                                       |
| 2023-25 Biennium   | 451.2                                 | 89.3                | 0.0  | 1.7                                     | 12.6  | 347.6                                       |
| 2026               | 224.2                                 | 33.2                | 0.0  | 1.0                                     | 5.9   | 184.1                                       |
| 2027               | 225.6                                 | 33.4                | 0.0  | 1.0                                     | 5.9   | 185.3                                       |
| 2025-27 Biennium   | 449.8                                 | 66.7                | 0.0  | 1.9                                     | 11.8  | 369.4                                       |
| 2028               | 228.6                                 | 33.4                | 0.0  | 1.0                                     | 5.9   | 188.2                                       |
| 2029               | 230.7                                 | 33.3                | 0.0  | 1.0                                     | 5.9   | 190.5                                       |
| 2027-29 Biennium   | 459.3                                 | 66.8                | 0.0  | 2.0                                     | 11.8  | 378.8                                       |

\* 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)

November 2024 - Millions of Dollars

|                        | General Fund-State (GF-S)<br>(current definition) |              | Education Legacy<br>Trust Account*<br>(ELTA) |               | WA Opportunity<br>Pathways Account<br>(OPA) |               | Workforce Ed.<br>Investment Acct.<br>(WEIA) |               | Total GF-S, ELTA,<br>OPA and WEIA |              |
|------------------------|---|--------------|--|---------------|---|---------------|---|---------------|-----------------------------------|--------------|
|                        | Level   | % Chg.       | Level  | % Chg.        | Level                                       | % Chg.        | Level                                       | % Chg.        | Level                             | % Chg.       |
| History:               |   |              |  |               |   |               |   |               |                                   |              |
| FY 2005                | \$13,036  | 5.5%         |  |               |   |               |   |               | \$13,036                          | 5.5%         |
| FY 2006                | \$14,318  | 9.8%         | \$115  |               |   |               |   |               | \$14,432                          | 10.7%        |
| FY 2007                | \$15,467  | 8.0%         | \$266  | 132.2%        |   |               |   |               | \$15,734                          | 9.0%         |
| FY 2008                | \$15,659  | 1.2%         | \$213  | -20.1%        |   |               |   |               | \$15,872                          | 0.9%         |
| FY 2009                | \$14,158  | -9.6%        | \$224  | 5.4%          |   |               |   |               | \$14,382                          | -9.4%        |
| FY 2010                | \$13,571  | -4.1%        | \$157  | -29.9%        |   |               |   |               | \$13,728                          | -4.6%        |
| FY 2011                | \$14,648  | 7.9%         | \$112  | -29.0%        | \$99  |               |   |               | \$14,859                          | 8.2%         |
| FY 2012                | \$14,874  | 1.5%         | \$114  | 2.3%          | \$118                                       | 19.1%         |   |               | \$15,107                          | 1.7%         |
| FY 2013                | \$15,783  | 6.1%         | \$101  | -11.5%        | \$126                                       | 5.9%          |   |               | \$16,009                          | 6.0%         |
| FY 2014                | \$16,383  | 3.8%         | \$197  | 95.3%         | \$114                                       | -9.4%         |   |               | \$16,694                          | 4.3%         |
| FY 2015                | \$17,283  | 5.5%         | \$207  | 5.0%          | \$120                                       | 5.7%          |   |               | \$17,611                          | 5.5%         |
| FY 2016                | \$18,579  | 7.5%         | \$215  | 3.6%          | \$139                                       | 15.7%         |   |               | \$18,933                          | 7.5%         |
| FY 2017                | \$19,739  | 6.2%         | \$252  | 17.5%         | \$127                                       | -9.0%         |   |               | \$20,118                          | 6.3%         |
| FY 2018                | \$21,712  | 10.0%        | \$302  | 19.6%         | \$129                                       | 1.5%          |   |               | \$22,143                          | 10.1%        |
| FY 2019                | \$22,430  | 3.3%         | \$1,352                                      | 348.1%        | \$156                                       | 21.1%         |   |               | \$23,938                          | 8.1%         |
| FY 2020                | \$23,817  | 6.2%         | \$913  | -32.5%        | \$153                                       | -2.0%         | \$32  |               | \$24,915                          | 4.1%         |
| FY 2021                | \$26,986  | 13.3%        | \$726  | -20.5%        | \$184                                       | 20.9%         | \$320                                       | 905.5%        | \$28,217                          | 13.3%        |
| FY 2022                | \$30,030  | 11.3%        | \$890  | 22.6%         | \$190                                       | 2.9%          | \$369                                       | 15.1%         | \$31,478                          | 11.6%        |
| FY 2023                | \$30,972  | 3.1%         | \$1,685                                      | 89.4%         | \$188                                       | -0.7%         | \$410                                       | 11.3%         | \$33,256                          | 5.6%         |
| FY 2024                | \$31,094  | 0.4%         | \$966  | -42.7%        | \$177                                       | -6.2%         | \$435                                       | 6.1%          | \$32,672                          | -1.8%        |
| Forecast:              |   |              |  |               |   |               |   |               |                                   |              |
| FY 2025                | \$31,979  | 2.8%         | \$1,121                                      | 16.1%         | \$172                                       | -2.7%         | \$446                                       | 2.5%          | \$33,719                          | 3.2%         |
| FY 2026                | \$33,216  | 3.9%         | \$1,128                                      | 0.6%          | \$174                                       | 1.3%          | \$463                                       | 3.7%          | \$34,981                          | 3.7%         |
| FY 2027                | \$34,608  | 4.2%         | \$1,174                                      | 4.1%          | \$185                                       | 6.5%          | \$482                                       | 4.0%          | \$36,450                          | 4.2%         |
| FY 2028                | \$35,840  | 3.6%         | \$1,237                                      | 5.3%          | \$188                                       | 1.3%          | \$500                                       | 3.8%          | \$37,765                          | 3.6%         |
| FY 2029                | \$37,067  | 3.4%         | \$1,303                                      | 5.3%          | \$190                                       | 1.3%          | \$519                                       | 3.8%          | \$39,080                          | 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>\$63,072</b>                                   | <b>3.4%</b>  | <b>\$2,088</b>                               | <b>-18.9%</b> | <b>\$349</b>                                | <b>-7.8%</b>  | <b>\$882</b>                                | <b>13.2%</b>  | <b>\$66,390</b>                   | <b>2.6%</b>  |
| <b>25-27 Biennium</b>  | <b>\$67,824</b>                                   | <b>7.5%</b>  | <b>\$2,302</b>                               | <b>10.3%</b>  | <b>\$359</b>                                | <b>3.1%</b>   | <b>\$945</b>                                | <b>7.1%</b>   | <b>\$71,431</b>                   | <b>7.6%</b>  |
| <b>27-29 Biennium</b>  | <b>\$72,907</b>                                   | <b>7.5%</b>  | <b>\$2,541</b>                               | <b>10.4%</b>  | <b>\$378</b>                                | <b>5.2%</b>   | <b>\$1,019</b>                              | <b>7.9%</b>   | <b>\$76,845</b>                   | <b>7.6%</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**  
 November 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                   | \$459,830  | \$17,907  | \$441,923           | \$0                             | \$12,368                                   | \$535           | \$222,769                       | \$47,124                                       | \$618                   | \$21,420          | \$137,089            |
| 2026                   | \$481,162  | \$18,453  | \$462,709           | \$0                             | \$12,750                                   | \$552           | \$233,361                       | \$49,365                                       | \$637                   | \$22,439          | \$143,607            |
| 2027                   | \$499,014  | \$18,870  | \$480,144           | \$0                             | \$13,038                                   | \$564           | \$242,263                       | \$51,248                                       | \$651                   | \$23,295          | \$149,085            |
| 2028                   | \$518,842  | \$19,294  | \$499,548           | \$0                             | \$13,331                                   | \$577           | \$252,187                       | \$53,347                                       | \$666                   | \$24,249          | \$155,192            |
| 2029                   | \$539,471  | \$19,748  | \$519,723           | \$0                             | \$13,645                                   | \$590           | \$262,499                       | \$55,529                                       | \$682                   | \$25,240          | \$161,538            |
| <b>Biennial totals</b> |  |   |                     |                                 |  |                 |                                 |  |                         |                   |                      |
| 2015-17                | \$468,686  | \$38,522  | \$430,164           | \$40,600                        | \$15,000                                   | \$690           | \$225,467                       | \$0  | \$762                   | \$0               | \$147,645            |
| 2017-19                | \$751,799  | \$92,137  | \$659,662           | \$27,786                        | \$19,525                                   | \$730           | \$361,735                       | \$0  | \$1,028                 | \$0               | \$248,859            |
| 2019-21                | \$1,009,356                                      | \$137,478   | \$871,878           | \$0                             | \$21,401                                   | \$758           | \$487,617                       | \$0  | \$1,052                 | \$0               | \$361,050            |
| 2021-23                | \$1,002,325                                      | \$38,066  | \$964,259           | \$0                             | \$21,584                                   | \$876           | \$494,902                       | \$104,801                                      | \$1,070                 | \$22,157          | \$318,869            |
| 2023-25                | \$943,282  | \$58,642  | \$884,640           | \$0                             | \$24,231                                   | \$1,048         | \$452,766                       | \$96,988                                       | \$1,211                 | \$44,085          | \$264,311            |
| 2025-27                | \$980,175  | \$37,322  | \$942,853           | \$0                             | \$25,788                                   | \$1,116         | \$475,624                       | \$100,613                                      | \$1,289                 | \$45,733          | \$292,691            |
| 2027-29                | \$1,058,313                                      | \$39,041  | \$1,019,271         | \$0                             | \$26,976                                   | \$1,167         | \$514,686                       | \$108,876                                      | \$1,348                 | \$49,489          | \$316,730            |

\*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**  
 November 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 |
|-------------------------|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|------------------|
| 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      |
| Forecast change         | \$0       | \$0       | \$0              | \$0       | -\$4,038  | -\$4,038         | -\$3,999  | -\$3,590  | -\$7,590         | -\$4,416  | -\$5,226  | -\$9,642         |
| November 2024 forecast  | \$368,630 | \$410,385 | \$779,016        | \$435,360 | \$446,405 | \$881,765        | \$463,100 | \$481,645 | \$944,745        | \$499,911 | \$518,998 | \$1,018,909      |



## 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   | 22,034.8 | 22,671.1 | 23,283.8 | 23,742.6 | 24,241.2 | 24,726.0 | 25,220.5 | 25,699.7 |
| % Ch  | 2.5      | 2.9      | 2.7      | 2.0      | 2.1      | 2.0      | 2.0      | 1.9      |
| Real Consumption  | 15,236.2 | 15,621.7 | 16,038.2 | 16,368.0 | 16,711.7 | 17,062.7 | 17,403.9 | 17,752.0 |
| % Ch  | 3.0      | 2.5      | 2.7      | 2.1      | 2.1      | 2.1      | 2.0      | 2.0      |
| Real Nonresidential Fixed Investment                                    | 3,192.9  | 3,384.5  | 3,509.2  | 3,622.8  | 3,708.0  | 3,797.4  | 3,924.9  | 4,037.7  |
| % Ch  | 7.0      | 6.0      | 3.7      | 3.2      | 2.4      | 2.4      | 3.4      | 2.9      |
| Real Residential Fixed Investment                                       | 831.6    | 762.7    | 790.9    | 789.9    | 814.7    | 845.8    | 887.3    | 934.6    |
| % Ch  | -8.6     | -8.3     | 3.7      | -0.1     | 3.2      | 3.8      | 4.9      | 5.3      |
| Real Personal Income  | 19,023.0 | 19,421.8 | 20,054.4 | 20,602.5 | 21,196.8 | 21,823.8 | 22,419.1 | 22,976.7 |
| % Ch  | -3.3     | 2.1      | 3.3      | 2.7      | 2.9      | 3.0      | 2.7      | 2.5      |
| Real Per Capita Income (\$/Person)                                      | 56,809   | 57,397   | 58,664   | 59,769   | 61,119   | 62,661   | 64,105   | 65,438   |
| % Ch  | -3.9     | 1.0      | 2.2      | 1.9      | 2.3      | 2.5      | 2.3      | 2.1      |
| <b>Price and Wage Indexes</b>   |          |          |          |          |          |          |          |          |
| PCE Price Index (2017=100)  | 116.1    | 120.5    | 123.5    | 126.0    | 128.8    | 131.4    | 134.0    | 136.8    |
| % Ch  | 6.6      | 3.8      | 2.5      | 2.1      | 2.2      | 2.0      | 1.9      | 2.1      |
| U.S. Consumer Price Index (1982-84=1.0)                                 | 2.926    | 3.047    | 3.136    | 3.208    | 3.278    | 3.354    | 3.432    | 3.510    |
| % Ch  | 8.0      | 4.1      | 2.9      | 2.3      | 2.2      | 2.3      | 2.3      | 2.3      |
| Employment Cost Index (Dec. 2005=1.0)                                   | 1.548    | 1.619    | 1.683    | 1.747    | 1.812    | 1.876    | 1.948    | 2.019    |
| % Ch  | 5.3      | 4.6      | 4.0      | 3.8      | 3.8      | 3.5      | 3.8      | 3.6      |
| <b>Current Dollar National Income (Billions of Dollars)</b>             |          |          |          |          |          |          |          |          |
| Gross Domestic Product  | 26,006.9 | 27,720.7 | 29,151.2 | 30,419.4 | 31,757.8 | 33,069.2 | 34,486.3 | 35,931.3 |
| % Ch  | 9.8      | 6.6      | 5.2      | 4.4      | 4.4      | 4.1      | 4.3      | 4.2      |
| Personal Income   | 22,088.9 | 23,402.5 | 24,758.4 | 25,957.4 | 27,305.8 | 28,686.6 | 30,036.2 | 31,428.8 |
| % Ch  | 3.1      | 5.9      | 5.8      | 4.8      | 5.2      | 5.1      | 4.7      | 4.6      |
| <b>Employment (Millions)</b>  |          |          |          |          |          |          |          |          |
| U.S. Civilian Labor Force   | 164.3    | 167.1    | 168.2    | 169.6    | 170.4    | 171.0    | 171.6    | 172.2    |
| Total U.S. Employment   | 158.3    | 161.0    | 161.4    | 162.2    | 162.7    | 163.2    | 163.8    | 164.6    |
| Unemployment Rate (%)   | 3.65     | 3.64     | 4.03     | 4.42     | 4.53     | 4.56     | 4.52     | 4.37     |
| Nonfarm Payroll Employment  | 152.53   | 156.07   | 158.54   | 159.89   | 160.40   | 160.81   | 161.30   | 161.95   |
| % Ch  | 4.3      | 2.3      | 1.6      | 0.9      | 0.3      | 0.3      | 0.3      | 0.4      |
| Manufacturing   | 12.81    | 12.94    | 12.94    | 12.94    | 12.73    | 12.61    | 12.38    | 12.26    |
| % Ch  | 3.7      | 1.0      | 0.0      | 0.0      | -1.6     | -0.9     | -1.9     | -0.9     |
| Durable Manufacturing   | 7.97     | 8.10     | 8.12     | 8.16     | 8.08     | 8.02     | 7.83     | 7.74     |
| % Ch  | 3.7      | 1.7      | 0.2      | 0.6      | -0.9     | -0.8     | -2.4     | -1.1     |
| Nondurable Manufacturing  | 4.85     | 4.84     | 4.82     | 4.78     | 4.65     | 4.59     | 4.55     | 4.52     |
| % Ch  | 3.7      | -0.1     | -0.4     | -0.9     | -2.8     | -1.2     | -1.0     | -0.6     |
| Construction  | 7.76     | 8.02     | 8.25     | 8.44     | 8.64     | 8.86     | 9.13     | 9.43     |
| % Ch  | 4.4      | 3.3      | 2.9      | 2.3      | 2.3      | 2.5      | 3.1      | 3.2      |
| Service-Providing   | 131.35   | 134.47   | 136.72   | 137.87   | 138.36   | 138.66   | 139.12   | 139.62   |
| % Ch  | 4.3      | 2.4      | 1.7      | 0.8      | 0.4      | 0.2      | 0.3      | 0.4      |
| <b>Miscellaneous Indicators</b>   |          |          |          |          |          |          |          |          |
| Oil-WTI (\$ per barrel)   | 94.8     | 77.6     | 76.8     | 69.9     | 67.1     | 65.4     | 64.4     | 63.9     |
| Personal Saving/Disposable Income (%)                                   | 3.0      | 4.7      | 5.0      | 5.6      | 6.3      | 7.1      | 7.7      | 8.2      |
| Auto Sales (Millions)   | 2.9      | 3.1      | 3.0      | 3.1      | 3.1      | 3.2      | 3.2      | 3.2      |
| % Ch  | -14.7    | 9.0      | -4.6     | 3.6      | 2.2      | 1.5      | -0.4     | -0.8     |
| Housing Starts (Millions)   | 1.552    | 1.421    | 1.350    | 1.337    | 1.395    | 1.434    | 1.460    | 1.487    |
| % Ch  | -3.3     | -8.4     | -5.0     | -0.9     | 4.3      | 2.8      | 1.8      | 1.9      |
| Federal Budget Surplus (Billions)                                       | -1,020.3 | -1,666.4 | -1,795.0 | -1,823.2 | -1,885.5 | -1,986.3 | -2,024.2 | -2,108.6 |
| Net Exports (Billions)  | -958.9   | -797.3   | -915.4   | -919.6   | -886.8   | -824.9   | -746.4   | -699.5   |
| 3-Month Treasury Bill Rate (%)  | 2.02     | 5.07     | 5.02     | 3.66     | 2.47     | 2.44     | 2.35     | 2.36     |
| 10-Year Treasury Note Yield (%)   | 2.95     | 3.96     | 4.18     | 3.82     | 3.44     | 3.25     | 3.25     | 3.23     |
| Bond Index of 20 G.O. Munis. (%)  | 3.21     | 3.69     | 3.80     | 3.85     | 3.68     | 3.59     | 3.61     | 3.58     |
| 30-Year Fixed Mortgage Rate (%)   | 5.43     | 6.81     | 6.67     | 5.83     | 5.27     | 4.96     | 5.02     | 4.95     |

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   | 23,053.5 | 23,223.9 | 23,386.2 | 23,471.6 | 23,569.7 | 23,680.4 | 23,797.9 | 23,922.3 |
| % Ch , Annual Rate  | 1.6      | 3.0      | 2.8      | 1.5      | 1.7      | 1.9      | 2.0      | 2.1      |
| Real Consumption  | 15,856.9 | 15,967.3 | 16,111.7 | 16,216.9 | 16,271.3 | 16,328.6 | 16,396.6 | 16,475.5 |
| % Ch , Annual Rate  | 1.9      | 2.8      | 3.7      | 2.6      | 1.3      | 1.4      | 1.7      | 1.9      |
| Real Nonresidential Fixed Investment                                    | 3,471.0  | 3,504.1  | 3,532.8  | 3,528.9  | 3,565.9  | 3,614.4  | 3,644.0  | 3,666.7  |
| % Ch , Annual Rate  | 4.5      | 3.9      | 3.3      | -0.4     | 4.3      | 5.5      | 3.3      | 2.5      |
| Real Residential Fixed Investment                                       | 800.8    | 795.2    | 784.7    | 782.9    | 782.5    | 786.5    | 790.8    | 799.6    |
| % Ch , Annual Rate  | 13.7     | -2.8     | -5.1     | -0.9     | -0.2     | 2.1      | 2.2      | 4.5      |
| Real Personal Income  | 19,871.7 | 20,004.0 | 20,107.9 | 20,234.1 | 20,383.1 | 20,524.4 | 20,675.6 | 20,826.8 |
| % Ch , Annual Rate  | 5.7      | 2.7      | 2.1      | 2.5      | 3.0      | 2.8      | 3.0      | 3.0      |
| Real Per Capita Income (\$/Person)                                      | 58,338   | 58,582   | 58,749   | 58,988   | 59,300   | 59,595   | 59,924   | 60,259   |
| % Ch , Annual Rate  | 4.6      | 1.7      | 1.1      | 1.6      | 2.1      | 2.0      | 2.2      | 2.3      |
| <b>Price and Wage Indexes</b>   |          |          |          |          |          |          |          |          |
| PCE Price Index (2017=100)  | 122.5    | 123.3    | 123.7    | 124.3    | 124.9    | 125.7    | 126.3    | 127.0    |
| % Ch , Annual Rate  | 3.4      | 2.5      | 1.5      | 1.8      | 2.1      | 2.5      | 2.0      | 2.0      |
| U.S. Consumer Price Index (1982-84=1.0)                                 | 3.110    | 3.132    | 3.141    | 3.160    | 3.184    | 3.204    | 3.212    | 3.230    |
| % Ch , Annual Rate  | 3.8      | 2.8      | 1.2      | 2.5      | 3.1      | 2.5      | 1.0      | 2.2      |
| Employment Cost Index (Dec. 2005=1.0)                                   | 1.662    | 1.676    | 1.689    | 1.706    | 1.722    | 1.738    | 1.755    | 1.772    |
| % Ch , Annual Rate  | 4.5      | 3.4      | 3.1      | 4.0      | 3.8      | 3.9      | 3.8      | 4.0      |
| <b>Current Dollar National Income (Billions of Dollars)</b>             |          |          |          |          |          |          |          |          |
| Gross Domestic Product  | 28,624.1 | 29,016.7 | 29,349.9 | 29,614.1 | 29,916.0 | 30,247.7 | 30,580.9 | 30,933.0 |
| % Ch , Annual Rate  | 4.7      | 5.6      | 4.7      | 3.6      | 4.1      | 4.5      | 4.5      | 4.7      |
| Personal Income   | 24,344.2 | 24,659.9 | 24,881.1 | 25,148.2 | 25,466.2 | 25,800.2 | 26,120.1 | 26,443.1 |
| % Ch , Annual Rate  | 9.3      | 5.3      | 3.6      | 4.4      | 5.2      | 5.4      | 5.1      | 5.0      |
| <b>Employment (Millions)</b>  |          |          |          |          |          |          |          |          |
| U.S. Civilian Labor Force   | 167.5    | 167.9    | 168.6    | 168.7    | 169.2    | 169.6    | 169.8    | 170.0    |
| Total U.S. Employment   | 161.2    | 161.3    | 161.5    | 161.7    | 161.8    | 162.1    | 162.3    | 162.4    |
| Unemployment Rate (%)   | 3.78     | 3.96     | 4.18     | 4.19     | 4.35     | 4.40     | 4.44     | 4.47     |
| Nonfarm Payroll Employment  | 157.82   | 158.40   | 158.82   | 159.14   | 159.53   | 159.84   | 160.05   | 160.16   |
| % Ch , Annual Rate  | 2.0      | 1.5      | 1.1      | 0.8      | 1.0      | 0.8      | 0.5      | 0.3      |
| Manufacturing   | 12.96    | 12.95    | 12.93    | 12.90    | 12.92    | 12.99    | 12.98    | 12.87    |
| % Ch , Annual Rate  | 0.4      | -0.1     | -0.7     | -1.1     | 0.6      | 2.2      | -0.2     | -3.3     |
| Durable Manufacturing   | 8.14     | 8.14     | 8.11     | 8.07     | 8.09     | 8.19     | 8.21     | 8.15     |
| % Ch , Annual Rate  | 0.9      | -0.2     | -1.4     | -1.8     | 1.0      | 4.7      | 1.3      | -3.2     |
| Nondurable Manufacturing  | 4.82     | 4.82     | 4.82     | 4.82     | 4.82     | 4.80     | 4.77     | 4.73     |
| % Ch , Annual Rate  | -0.4     | 0.1      | 0.4      | 0.2      | -0.1     | -1.9     | -2.6     | -3.5     |
| Construction  | 8.17     | 8.22     | 8.27     | 8.33     | 8.37     | 8.42     | 8.46     | 8.52     |
| % Ch , Annual Rate  | 3.6      | 2.1      | 2.9      | 2.7      | 2.1      | 2.0      | 2.3      | 2.7      |
| Service-Providing   | 136.05   | 136.59   | 136.98   | 137.27   | 137.60   | 137.81   | 137.96   | 138.12   |
| % Ch , Annual Rate  | 2.0      | 1.6      | 1.1      | 0.9      | 1.0      | 0.6      | 0.5      | 0.4      |
| <b>Miscellaneous Indicators</b>   |          |          |          |          |          |          |          |          |
| Oil-WTI (\$ per barrel)   | 77.6     | 81.4     | 76.2     | 71.9     | 71.2     | 70.3     | 69.5     | 68.7     |
| Personal Saving/Disposable Income (%)                                   | 5.4      | 5.2      | 4.8      | 4.7      | 5.1      | 5.4      | 5.7      | 5.9      |
| Auto Sales (Millions)   | 3.0      | 2.9      | 3.0      | 3.0      | 3.0      | 3.0      | 3.1      | 3.1      |
| % Ch , Annual Rate  | -15.2    | -8.6     | 5.7      | 13.5     | -4.5     | 2.9      | 13.9     | 0.6      |
| Housing Starts (Millions)   | 1.407    | 1.340    | 1.326    | 1.326    | 1.327    | 1.333    | 1.339    | 1.351    |
| % Ch , Annual Rate  | -18.5    | -17.6    | -4.3     | 0.1      | 0.4      | 1.6      | 1.8      | 3.7      |
| Federal Budget Surplus (Billions)                                       | -1,746.1 | -1,763.6 | -1,876.9 | -1,793.3 | -1,808.4 | -1,821.0 | -1,833.6 | -1,830.0 |
| Net Exports (Billions)  | -841.6   | -906.9   | -950.5   | -962.6   | -956.6   | -928.9   | -907.8   | -885.1   |
| 3-Month Treasury Bill Rate (%)  | 5.23     | 5.24     | 4.99     | 4.62     | 4.22     | 3.93     | 3.50     | 2.98     |
| 10-Year Treasury Note Yield (%)   | 4.16     | 4.44     | 3.95     | 4.15     | 4.01     | 3.85     | 3.75     | 3.67     |
| Bond Index of 20 G.O. Munis. (%)  | 3.47     | 3.93     | 3.88     | 3.92     | 3.91     | 3.86     | 3.83     | 3.81     |
| 30-Year Fixed Mortgage Rate (%)   | 6.76     | 7.00     | 6.45     | 6.45     | 6.16     | 5.90     | 5.71     | 5.56     |



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   | 24,053.2 | 24,184.0 | 24,303.1 | 24,424.3 | 24,544.4 | 24,663.0 | 24,784.8 | 24,911.8 |
| % Ch , Annual Rate  | 2.2      | 2.2      | 2.0      | 2.0      | 2.0      | 1.9      | 2.0      | 2.1      |
| Real Consumption  | 16,570.3 | 16,668.7 | 16,760.8 | 16,847.1 | 16,930.9 | 17,018.3 | 17,107.7 | 17,193.9 |
| % Ch , Annual Rate  | 2.3      | 2.4      | 2.2      | 2.1      | 2.0      | 2.1      | 2.1      | 2.0      |
| Real Nonresidential Fixed Investment                                    | 3,682.9  | 3,699.3  | 3,715.1  | 3,734.7  | 3,757.6  | 3,781.5  | 3,809.1  | 3,841.4  |
| % Ch , Annual Rate  | 1.8      | 1.8      | 1.7      | 2.1      | 2.5      | 2.6      | 3.0      | 3.4      |
| Real Residential Fixed Investment                                       | 804.9    | 811.4    | 817.7    | 824.9    | 833.9    | 840.5    | 848.9    | 860.0    |
| % Ch , Annual Rate  | 2.7      | 3.3      | 3.1      | 3.6      | 4.4      | 3.2      | 4.1      | 5.3      |
| Real Personal Income  | 21,002.8 | 21,125.7 | 21,254.4 | 21,404.1 | 21,569.9 | 21,754.6 | 21,914.5 | 22,056.4 |
| % Ch , Annual Rate  | 3.4      | 2.4      | 2.5      | 2.8      | 3.1      | 3.5      | 3.0      | 2.6      |
| Real Per Capita Income (\$/Person)                                      | 60,675   | 60,946   | 61,245   | 61,611   | 62,025   | 62,495   | 62,891   | 63,233   |
| % Ch , Annual Rate  | 2.8      | 1.8      | 2.0      | 2.4      | 2.7      | 3.1      | 2.6      | 2.2      |
| <b>Price and Wage Indexes</b>   |          |          |          |          |          |          |          |          |
| PCE Price Index (2017=100)  | 127.7    | 128.5    | 129.2    | 129.9    | 130.7    | 131.1    | 131.7    | 132.3    |
| % Ch , Annual Rate  | 2.4      | 2.4      | 2.1      | 2.2      | 2.5      | 1.5      | 1.6      | 1.8      |
| U.S. Consumer Price Index (1982-84=1.0)                                 | 3.254    | 3.274    | 3.282    | 3.300    | 3.328    | 3.351    | 3.359    | 3.378    |
| % Ch , Annual Rate  | 3.1      | 2.5      | 0.9      | 2.3      | 3.4      | 2.7      | 1.0      | 2.3      |
| Employment Cost Index (Dec. 2005=1.0)                                   | 1.789    | 1.807    | 1.820    | 1.832    | 1.850    | 1.866    | 1.885    | 1.903    |
| % Ch , Annual Rate  | 4.0      | 4.0      | 2.9      | 2.7      | 3.8      | 3.7      | 4.0      | 3.9      |
| <b>Current Dollar National Income (Billions of Dollars)</b>             |          |          |          |          |          |          |          |          |
| Gross Domestic Product  | 31,313.0 | 31,595.7 | 31,896.9 | 32,225.8 | 32,578.5 | 32,896.4 | 33,223.9 | 33,578.1 |
| % Ch , Annual Rate  | 5.0      | 3.7      | 3.9      | 4.2      | 4.5      | 4.0      | 4.0      | 4.3      |
| Personal Income   | 26,827.6 | 27,145.2 | 27,454.4 | 27,796.1 | 28,182.9 | 28,530.1 | 28,856.6 | 29,176.7 |
| % Ch , Annual Rate  | 5.9      | 4.8      | 4.6      | 5.1      | 5.7      | 5.0      | 4.7      | 4.5      |
| <b>Employment (Millions)</b>  |          |          |          |          |          |          |          |          |
| U.S. Civilian Labor Force   | 170.2    | 170.4    | 170.5    | 170.6    | 170.8    | 170.9    | 171.1    | 171.2    |
| Total U.S. Employment   | 162.5    | 162.6    | 162.7    | 162.8    | 163.0    | 163.1    | 163.3    | 163.4    |
| Unemployment Rate (%)   | 4.51     | 4.53     | 4.54     | 4.55     | 4.55     | 4.56     | 4.57     | 4.57     |
| Nonfarm Payroll Employment  | 160.25   | 160.35   | 160.45   | 160.55   | 160.65   | 160.76   | 160.86   | 160.97   |
| % Ch , Annual Rate  | 0.2      | 0.2      | 0.3      | 0.3      | 0.3      | 0.3      | 0.3      | 0.3      |
| Manufacturing   | 12.78    | 12.74    | 12.73    | 12.67    | 12.68    | 12.66    | 12.59    | 12.53    |
| % Ch , Annual Rate  | -3.0     | -1.0     | -0.4     | -1.7     | 0.1      | -0.6     | -2.1     | -2.0     |
| Durable Manufacturing   | 8.09     | 8.09     | 8.10     | 8.06     | 8.07     | 8.06     | 8.01     | 7.95     |
| % Ch , Annual Rate  | -2.9     | -0.1     | 0.6      | -1.7     | 0.3      | -0.6     | -2.6     | -2.6     |
| Nondurable Manufacturing  | 4.69     | 4.66     | 4.63     | 4.61     | 4.61     | 4.60     | 4.58     | 4.57     |
| % Ch , Annual Rate  | -3.1     | -2.7     | -2.2     | -1.9     | -0.4     | -0.6     | -1.2     | -1.1     |
| Construction  | 8.56     | 8.61     | 8.66     | 8.71     | 8.77     | 8.82     | 8.89     | 8.95     |
| % Ch , Annual Rate  | 2.0      | 2.4      | 2.3      | 2.4      | 2.6      | 2.4      | 2.9      | 3.1      |
| Service-Providing   | 138.26   | 138.32   | 138.38   | 138.48   | 138.53   | 138.60   | 138.70   | 138.81   |
| % Ch , Annual Rate  | 0.4      | 0.2      | 0.2      | 0.3      | 0.1      | 0.2      | 0.3      | 0.3      |
| <b>Miscellaneous Indicators</b>   |          |          |          |          |          |          |          |          |
| Oil-WTI (\$ per barrel)   | 68.0     | 67.4     | 66.8     | 66.4     | 65.9     | 65.6     | 65.2     | 65.0     |
| Personal Saving/Disposable Income (%)                                   | 6.2      | 6.2      | 6.3      | 6.4      | 6.7      | 7.1      | 7.2      | 7.4      |
| Auto Sales (Millions)   | 3.1      | 3.1      | 3.2      | 3.2      | 3.2      | 3.2      | 3.2      | 3.2      |
| % Ch , Annual Rate  | 0.1      | -1.5     | 3.3      | 2.7      | 1.4      | 0.9      | 1.2      | 0.0      |
| Housing Starts (Millions)   | 1.367    | 1.389    | 1.408    | 1.418    | 1.428    | 1.432    | 1.436    | 1.440    |
| % Ch , Annual Rate  | 5.0      | 6.4      | 5.6      | 3.0      | 2.8      | 1.2      | 1.1      | 1.1      |
| Federal Budget Surplus (Billions)                                       | -1,851.9 | -1,875.2 | -1,901.7 | -1,913.3 | -1,954.9 | -1,979.2 | -2,000.6 | -2,010.6 |
| Net Exports (Billions)  | -870.0   | -890.5   | -898.0   | -888.6   | -861.8   | -836.2   | -813.0   | -788.5   |
| 3-Month Treasury Bill Rate (%)  | 2.55     | 2.46     | 2.44     | 2.43     | 2.49     | 2.44     | 2.42     | 2.40     |
| 10-Year Treasury Note Yield (%)   | 3.57     | 3.49     | 3.39     | 3.30     | 3.33     | 3.24     | 3.22     | 3.23     |
| Bond Index of 20 G.O. Munis. (%)  | 3.76     | 3.72     | 3.66     | 3.60     | 3.63     | 3.57     | 3.57     | 3.59     |
| 30-Year Fixed Mortgage Rate (%)   | 5.41     | 5.31     | 5.22     | 5.12     | 5.04     | 4.98     | 4.92     | 4.91     |



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   | 25,036.8 | 25,156.1 | 25,280.8 | 25,408.3 | 25,523.9 | 25,647.5 | 25,755.2 | 25,872.2 |
| % Ch , Annual Rate  | 2.0      | 1.9      | 2.0      | 2.0      | 1.8      | 2.0      | 1.7      | 1.8      |
| Real Consumption  | 17,274.7 | 17,358.9 | 17,446.9 | 17,535.2 | 17,622.6 | 17,708.5 | 17,794.3 | 17,882.6 |
| % Ch , Annual Rate  | 1.9      | 2.0      | 2.0      | 2.0      | 2.0      | 2.0      | 2.0      | 2.0      |
| Real Nonresidential Fixed Investment                                    | 3,878.3  | 3,910.2  | 3,940.6  | 3,970.5  | 3,997.0  | 4,025.4  | 4,051.1  | 4,077.4  |
| % Ch , Annual Rate  | 3.9      | 3.3      | 3.2      | 3.1      | 2.7      | 2.9      | 2.6      | 2.6      |
| Real Residential Fixed Investment                                       | 871.9    | 879.0    | 890.4    | 907.8    | 919.0    | 934.2    | 939.1    | 946.0    |
| % Ch , Annual Rate  | 5.7      | 3.3      | 5.3      | 8.0      | 5.0      | 6.8      | 2.1      | 3.0      |
| Real Personal Income  | 22,217.0 | 22,351.8 | 22,486.1 | 22,621.6 | 22,774.8 | 22,911.5 | 23,043.0 | 23,177.6 |
| % Ch , Annual Rate  | 2.9      | 2.5      | 2.4      | 2.4      | 2.7      | 2.4      | 2.3      | 2.4      |
| Real Per Capita Income (\$/Person)                                      | 63,626   | 63,946   | 64,264   | 64,585   | 64,960   | 65,284   | 65,593   | 65,913   |
| % Ch , Annual Rate  | 2.5      | 2.0      | 2.0      | 2.0      | 2.3      | 2.0      | 1.9      | 2.0      |
| <b>Price and Wage Indexes</b>   |          |          |          |          |          |          |          |          |
| PCE Price Index (2017=100)  | 132.9    | 133.6    | 134.3    | 135.1    | 135.8    | 136.4    | 137.1    | 137.8    |
| % Ch , Annual Rate  | 1.9      | 2.1      | 2.2      | 2.2      | 2.1      | 2.0      | 2.0      | 1.9      |
| U.S. Consumer Price Index (1982-84=1.0)                                 | 3.407    | 3.429    | 3.437    | 3.456    | 3.484    | 3.507    | 3.515    | 3.534    |
| % Ch , Annual Rate  | 3.4      | 2.6      | 1.0      | 2.2      | 3.4      | 2.6      | 1.0      | 2.1      |
| Employment Cost Index (Dec. 2005=1.0)                                   | 1.921    | 1.939    | 1.957    | 1.975    | 1.993    | 2.010    | 2.027    | 2.045    |
| % Ch , Annual Rate  | 3.8      | 3.9      | 3.7      | 3.8      | 3.6      | 3.5      | 3.5      | 3.4      |
| <b>Current Dollar National Income (Billions of Dollars)</b>             |          |          |          |          |          |          |          |          |
| Gross Domestic Product  | 33,945.0 | 34,297.6 | 34,666.2 | 35,036.6 | 35,392.5 | 35,759.8 | 36,108.8 | 36,464.2 |
| % Ch , Annual Rate  | 4.4      | 4.2      | 4.4      | 4.3      | 4.1      | 4.2      | 4.0      | 4.0      |
| Personal Income   | 29,528.7 | 29,860.6 | 30,204.6 | 30,551.1 | 30,919.2 | 31,259.8 | 31,599.1 | 31,937.0 |
| % Ch , Annual Rate  | 4.9      | 4.6      | 4.7      | 4.7      | 4.9      | 4.5      | 4.4      | 4.3      |
| <b>Employment (Millions)</b>  |          |          |          |          |          |          |          |          |
| U.S. Civilian Labor Force   | 171.4    | 171.5    | 171.6    | 171.8    | 171.9    | 172.1    | 172.2    | 172.4    |
| Total U.S. Employment   | 163.6    | 163.7    | 163.9    | 164.1    | 164.3    | 164.6    | 164.8    | 164.9    |
| Unemployment Rate (%)   | 4.56     | 4.54     | 4.51     | 4.47     | 4.43     | 4.38     | 4.35     | 4.32     |
| Nonfarm Payroll Employment  | 161.08   | 161.22   | 161.36   | 161.52   | 161.69   | 161.86   | 162.04   | 162.22   |
| % Ch, Annual Rate   | 0.3      | 0.3      | 0.4      | 0.4      | 0.4      | 0.4      | 0.4      | 0.4      |
| Manufacturing   | 12.45    | 12.39    | 12.35    | 12.31    | 12.29    | 12.27    | 12.26    | 12.23    |
| % Ch, Annual Rate   | -2.5     | -1.7     | -1.2     | -1.4     | -0.7     | -0.8     | -0.3     | -0.7     |
| Durable Manufacturing   | 7.89     | 7.84     | 7.81     | 7.78     | 7.76     | 7.75     | 7.74     | 7.72     |
| % Ch, Annual Rate   | -3.4     | -2.2     | -1.5     | -1.7     | -0.7     | -0.9     | -0.4     | -0.9     |
| Nondurable Manufacturing  | 4.56     | 4.55     | 4.54     | 4.53     | 4.53     | 4.52     | 4.52     | 4.51     |
| % Ch, Annual Rate   | -1.1     | -0.9     | -0.7     | -0.9     | -0.5     | -0.7     | -0.2     | -0.2     |
| Construction  | 9.03     | 9.09     | 9.17     | 9.25     | 9.32     | 9.40     | 9.46     | 9.53     |
| % Ch, Annual Rate   | 3.3      | 2.9      | 3.4      | 3.6      | 3.1      | 3.6      | 2.6      | 2.9      |
| Service-Providing   | 138.94   | 139.07   | 139.18   | 139.30   | 139.43   | 139.55   | 139.68   | 139.81   |
| % Ch, Annual Rate   | 0.4      | 0.4      | 0.3      | 0.4      | 0.4      | 0.4      | 0.4      | 0.4      |
| <b>Miscellaneous Indicators</b>   |          |          |          |          |          |          |          |          |
| Oil-WTI (\$ per barrel)   | 64.7     | 64.5     | 64.3     | 64.2     | 64.0     | 63.9     | 63.8     | 63.7     |
| Personal Saving/Disposable Income (%)                                   | 7.6      | 7.7      | 7.8      | 7.9      | 8.0      | 8.2      | 8.2      | 8.3      |
| Auto Sales (Millions)   | 3.2      | 3.2      | 3.2      | 3.2      | 3.2      | 3.2      | 3.2      | 3.2      |
| % Ch, Annual Rate   | -3.1     | 1.2      | 0.1      | -0.2     | -2.5     | -0.3     | -1.5     | -0.2     |
| Housing Starts (Millions)   | 1.446    | 1.453    | 1.465    | 1.475    | 1.481    | 1.485    | 1.489    | 1.492    |
| % Ch, Annual Rate   | 1.5      | 2.1      | 3.2      | 2.8      | 1.6      | 1.2      | 1.1      | 0.8      |
| Federal Budget Surplus (Billions)                                       | -2,060.2 | -1,998.0 | -2,012.6 | -2,026.1 | -2,078.4 | -2,099.1 | -2,116.9 | -2,139.9 |
| Net Exports (Billions)  | -767.2   | -752.1   | -737.5   | -728.6   | -721.5   | -708.7   | -692.3   | -675.5   |
| 3-Month Treasury Bill Rate (%)  | 2.33     | 2.35     | 2.36     | 2.36     | 2.36     | 2.36     | 2.36     | 2.36     |
| 10-Year Treasury Note Yield (%)   | 3.19     | 3.26     | 3.27     | 3.27     | 3.25     | 3.23     | 3.22     | 3.22     |
| Bond Index of 20 G.O. Munis. (%)  | 3.57     | 3.63     | 3.64     | 3.62     | 3.60     | 3.58     | 3.57     | 3.57     |
| 30-Year Fixed Mortgage Rate (%)   | 4.99     | 5.01     | 5.04     | 5.04     | 4.97     | 4.96     | 4.94     | 4.93     |

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                                  | 506.913 | 521.411 | 541.772 | 555.387 | 574.900 | 594.974 | 614.149 | 631.904 |
| % Ch  | -3.2    | 2.9     | 3.9     | 2.5     | 3.5     | 3.5     | 3.2     | 2.9     |
| Real Wage and Salary Disb.                            | 268.410 | 277.793 | 292.075 | 298.222 | 308.153 | 317.842 | 327.177 | 335.747 |
| % Ch  | 0.2     | 3.5     | 5.1     | 2.1     | 3.3     | 3.1     | 2.9     | 2.6     |
| Real Nonwage Income                                   | 238.504 | 243.617 | 249.697 | 257.166 | 266.747 | 277.132 | 286.972 | 296.157 |
| % Ch  | -6.7    | 2.1     | 2.5     | 3.0     | 3.7     | 3.9     | 3.6     | 3.2     |
| Real Per Capita Income (\$/Person)                    | 65,136  | 66,729  | 69,014  | 70,231  | 72,251  | 74,377  | 76,324  | 78,054  |
| % Ch  | -3.7    | 2.4     | 3.4     | 1.8     | 2.9     | 2.9     | 2.6     | 2.3     |
| <b>Price and Wage Indexes</b>                         |         |         |         |         |         |         |         |         |
| U.S. Implicit Price Deflator, PCE (2012=1.0)          | 1.161   | 1.205   | 1.234   | 1.260   | 1.288   | 1.314   | 1.340   | 1.368   |
| % Ch  | 6.6     | 3.8     | 2.5     | 2.1     | 2.2     | 2.0     | 1.9     | 2.1     |
| Seattle Cons. Price Index (1982-84=1.0)               | 3.224   | 3.412   | 3.542   | 3.632   | 3.712   | 3.798   | 3.886   | 3.975   |
| % Ch  | 8.9     | 5.8     | 3.8     | 2.5     | 2.2     | 2.3     | 2.3     | 2.3     |
| Average Nonfarm Annual Wage                           | 85,915  | 90,602  | 96,702  | 99,849  | 104,478 | 109,098 | 113,487 | 117,912 |
| % Ch  | 1.8     | 5.5     | 6.7     | 3.3     | 4.6     | 4.4     | 4.0     | 3.9     |
| Avg. Hourly Earnings-Mfg. (\$/Hour)                   | 29.89   | 29.71   | 32.51   | 34.24   | 35.47   | 36.67   | 38.02   | 39.34   |
| % Ch  | 6.6     | -0.6    | 9.4     | 5.3     | 3.6     | 3.4     | 3.7     | 3.5     |
| <b>Current Dollar Income (Billions of Dollars)</b>    |         |         |         |         |         |         |         |         |
| Personal Income                                       | 588.553 | 628.253 | 668.837 | 699.746 | 740.599 | 782.075 | 822.818 | 864.356 |
| % Ch  | 3.2     | 6.7     | 6.5     | 4.6     | 5.8     | 5.6     | 5.2     | 5.0     |
| Disposable Personal Income                            | 504.681 | 552.430 | 586.827 | 613.319 | 648.077 | 683.882 | 718.737 | 754.599 |
| % Ch  | 0.6     | 9.5     | 6.2     | 4.5     | 5.7     | 5.5     | 5.1     | 5.0     |
| Per Capita Income (\$/Person)                         | 75,625  | 80,402  | 85,199  | 88,485  | 93,074  | 97,766  | 102,255 | 106,766 |
| % Ch  | 2.7     | 6.3     | 6.0     | 3.9     | 5.2     | 5.0     | 4.6     | 4.4     |
| <b>Employment (Thousands)</b>                         |         |         |         |         |         |         |         |         |
| Washington Civilian Labor Force                       | 3,969.5 | 4,025.7 | 4,015.9 | 4,029.8 | 4,059.6 | 4,086.1 | 4,114.4 | 4,142.4 |
| Total Washington Employment                           | 3,807.6 | 3,861.7 | 3,823.3 | 3,832.4 | 3,858.0 | 3,884.1 | 3,915.8 | 3,950.2 |
| Unemployment Rate (%)                                 | 4.08    | 4.07    | 4.79    | 4.90    | 4.97    | 4.94    | 4.83    | 4.64    |
| Nonfarm Payroll Employment                            | 3,528.2 | 3,593.1 | 3,630.0 | 3,663.7 | 3,700.3 | 3,730.4 | 3,763.3 | 3,795.7 |
| % Ch  | 4.7     | 1.8     | 1.0     | 0.9     | 1.0     | 0.8     | 0.9     | 0.9     |
| Manufacturing   | 268.8   | 273.7   | 275.1   | 276.7   | 278.7   | 280.7   | 280.1   | 279.7   |
| % Ch  | 3.4     | 1.8     | 0.5     | 0.6     | 0.7     | 0.7     | -0.2    | -0.1    |
| Durable Manufacturing                                 | 181.8   | 187.7   | 189.4   | 191.4   | 195.5   | 197.8   | 197.3   | 196.7   |
| % Ch  | 3.4     | 3.2     | 0.9     | 1.1     | 2.1     | 1.2     | -0.2    | -0.3    |
| Aerospace   | 71.3    | 77.5    | 79.8    | 80.7    | 85.2    | 87.8    | 88.6    | 88.9    |
| % Ch  | 5.5     | 8.6     | 3.0     | 1.1     | 5.6     | 3.1     | 0.9     | 0.4     |
| Nondurable Manufacturing                              | 87.0    | 86.0    | 85.7    | 85.2    | 83.2    | 82.9    | 82.8    | 83.0    |
| % Ch  | 3.4     | -1.1    | -0.3    | -0.6    | -2.3    | -0.4    | -0.1    | 0.3     |
| Construction  | 232.3   | 232.0   | 228.8   | 236.0   | 242.9   | 250.1   | 257.5   | 263.6   |
| % Ch  | 3.8     | -0.1    | -1.4    | 3.1     | 3.0     | 3.0     | 2.9     | 2.4     |
| Service-Providing                                     | 3,021.6 | 3,081.9 | 3,120.8 | 3,145.8 | 3,173.2 | 3,194.1 | 3,220.0 | 3,246.3 |
| % Ch  | 4.9     | 2.0     | 1.3     | 0.8     | 0.9     | 0.7     | 0.8     | 0.8     |
| Software Publishers                                   | 86.0    | 86.0    | 82.9    | 84.5    | 86.4    | 88.3    | 90.4    | 92.4    |
| % Ch  | 7.6     | 0.0     | -3.6    | 1.9     | 2.2     | 2.2     | 2.5     | 2.2     |
| Mgmt. of Companies and Enterprises                    | 104.1   | 101.7   | 100.9   | 103.7   | 107.4   | 110.4   | 113.2   | 115.7   |
| % Ch  | 15.4    | -2.3    | -0.8    | 2.8     | 3.5     | 2.8     | 2.5     | 2.3     |
| <b>Housing Indicators (Thousands)</b>                 |         |         |         |         |         |         |         |         |
| Housing Units Authorized by Bldg. Permit              | 49.030  | 37.097  | 36.021  | 36.883  | 39.353  | 41.653  | 43.065  | 43.794  |
| % Ch  | -13.9   | -24.3   | -2.9    | 2.4     | 6.7     | 5.8     | 3.4     | 1.7     |
| Single-Family   | 20.400  | 18.056  | 19.101  | 20.630  | 22.116  | 22.873  | 23.101  | 23.146  |
| % Ch  | -18.6   | -11.5   | 5.8     | 8.0     | 7.2     | 3.4     | 1.0     | 0.2     |
| Multi-Family  | 28.630  | 19.041  | 16.920  | 16.254  | 17.237  | 18.780  | 19.964  | 20.648  |
| % Ch  | -10.2   | -33.5   | -11.1   | -3.9    | 6.1     | 9.0     | 6.3     | 3.4     |
| 30-Year Fixed Mortgage Rate (%)                       | 5.43    | 6.81    | 6.67    | 5.83    | 5.27    | 4.96    | 5.02    | 4.95    |

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                                  | 531.804 | 543.356 | 544.548 | 547.381 | 548.921 | 552.853 | 557.423 | 562.353 |
| % Ch, Annual Rate                                     | 3.9     | 9.0     | 0.9     | 2.1     | 1.1     | 2.9     | 3.3     | 3.6     |
| Real Wage and Salary Disb.                            | 283.571 | 294.176 | 294.609 | 295.943 | 295.056 | 296.786 | 299.137 | 301.907 |
| % Ch, Annual Rate                                     | 3.3     | 15.8    | 0.6     | 1.8     | -1.2    | 2.4     | 3.2     | 3.8     |
| Real Nonwage Income                                   | 248.233 | 249.180 | 249.938 | 251.438 | 253.865 | 256.066 | 258.286 | 260.446 |
| % Ch, Annual Rate                                     | 4.7     | 1.5     | 1.2     | 2.4     | 3.9     | 3.5     | 3.5     | 3.4     |
| Real Per Capita Income (\$/Person)                    | 67,893  | 69,309  | 69,313  | 69,539  | 69,599  | 69,969  | 70,425  | 70,930  |
| % Ch, Annual Rate                                     | 3.6     | 8.6     | 0.0     | 1.3     | 0.3     | 2.1     | 2.6     | 2.9     |
| <b>Price and Wage Indexes</b>                         |         |         |         |         |         |         |         |         |
| U.S. Implicit Price Deflator, PCE (2012=1.0)          | 1.225   | 1.233   | 1.237   | 1.243   | 1.249   | 1.257   | 1.263   | 1.270   |
| % Ch, Annual Rate                                     | 3.4     | 2.5     | 1.5     | 1.8     | 2.1     | 2.5     | 2.0     | 2.0     |
| Seattle Cons. Price Index (1982-84=1.0)               | 3.506   | 3.532   | 3.550   | 3.578   | 3.606   | 3.628   | 3.637   | 3.657   |
| % Ch, Annual Rate                                     | 4.8     | 3.0     | 2.0     | 3.3     | 3.1     | 2.5     | 1.0     | 2.2     |
| Average Nonfarm Annual Wage                           | 93,566  | 97,179  | 97,478  | 98,584  | 98,273  | 99,257  | 100,331 | 101,534 |
| % Ch, Annual Rate                                     | 4.6     | 16.4    | 1.2     | 4.6     | -1.3    | 4.1     | 4.4     | 4.9     |
| Avg. Hourly Earnings-Mfg. (\$/Hour)                   | 31.57   | 32.10   | 32.88   | 33.47   | 33.77   | 34.08   | 34.39   | 34.72   |
| % Ch, Annual Rate                                     | 13.0    | 6.8     | 10.1    | 7.3     | 3.7     | 3.8     | 3.6     | 3.9     |
| <b>Current Dollar Income (Billions of Dollars)</b>    |         |         |         |         |         |         |         |         |
| Personal Income                                       | 651.463 | 669.790 | 673.776 | 680.320 | 685.810 | 694.966 | 704.208 | 714.001 |
| % Ch, Annual Rate                                     | 7.5     | 11.7    | 2.4     | 3.9     | 3.3     | 5.4     | 5.4     | 5.7     |
| Disposable Personal Income                            | 572.878 | 587.427 | 590.715 | 596.289 | 601.478 | 609.276 | 617.100 | 625.420 |
| % Ch, Annual Rate                                     | 7.3     | 10.6    | 2.3     | 3.8     | 3.5     | 5.3     | 5.2     | 5.5     |
| Per Capita Income (\$/Person)                         | 83,170  | 85,437  | 85,763  | 86,428  | 86,956  | 87,955  | 88,971  | 90,057  |
| % Ch, Annual Rate                                     | 7.1     | 11.4    | 1.5     | 3.1     | 2.5     | 4.7     | 4.7     | 5.0     |
| <b>Employment (Thousands)</b>                         |         |         |         |         |         |         |         |         |
| Washington Civilian Labor Force                       | 4,026.7 | 4,017.2 | 4,010.8 | 4,008.7 | 4,018.4 | 4,026.4 | 4,033.5 | 4,041.1 |
| Total Washington Employment                           | 3,837.7 | 3,822.2 | 3,817.1 | 3,816.3 | 3,823.7 | 3,829.8 | 3,835.1 | 3,841.2 |
| Unemployment Rate (%)                                 | 4.69    | 4.85    | 4.83    | 4.80    | 4.84    | 4.88    | 4.92    | 4.95    |
| Nonfarm Payroll Employment                            | 3,612.5 | 3,633.8 | 3,641.1 | 3,632.8 | 3,651.9 | 3,659.4 | 3,667.3 | 3,676.2 |
| % Ch, Annual Rate                                     | 2.2     | 2.4     | 0.8     | -0.9    | 2.1     | 0.8     | 0.9     | 1.0     |
| Manufacturing   | 276.5   | 277.6   | 279.3   | 266.9   | 276.1   | 276.1   | 277.2   | 277.2   |
| % Ch, Annual Rate                                     | 4.1     | 1.6     | 2.6     | -16.6   | 14.4    | 0.1     | 1.5     | 0.0     |
| Durable Manufacturing                                 | 191.1   | 191.7   | 193.7   | 181.0   | 190.1   | 190.6   | 192.1   | 192.8   |
| % Ch, Annual Rate                                     | 3.9     | 1.1     | 4.4     | -23.9   | 21.9    | 0.9     | 3.3     | 1.5     |
| Aerospace   | 81.4    | 82.4    | 83.7    | 71.6    | 80.3    | 79.6    | 80.7    | 82.1    |
| % Ch, Annual Rate                                     | 6.2     | 5.2     | 6.4     | -46.5   | 57.9    | -3.2    | 5.7     | 6.9     |
| Nondurable Manufacturing                              | 85.4    | 85.9    | 85.6    | 86.0    | 85.9    | 85.6    | 85.1    | 84.4    |
| % Ch, Annual Rate                                     | 4.6     | 2.6     | -1.4    | 1.7     | -0.2    | -1.6    | -2.4    | -3.2    |
| Construction  | 227.8   | 227.9   | 229.0   | 230.5   | 233.3   | 235.3   | 236.9   | 238.4   |
| % Ch, Annual Rate                                     | 0.0     | 0.1     | 1.9     | 2.7     | 4.8     | 3.6     | 2.7     | 2.5     |
| Service-Providing                                     | 3,102.8 | 3,122.9 | 3,127.5 | 3,130.0 | 3,137.2 | 3,142.6 | 3,147.9 | 3,155.4 |
| % Ch, Annual Rate                                     | 2.2     | 2.6     | 0.6     | 0.3     | 0.9     | 0.7     | 0.7     | 1.0     |
| Software Publishers                                   | 83.3    | 82.9    | 82.3    | 83.3    | 83.8    | 84.3    | 84.8    | 85.2    |
| % Ch, Annual Rate                                     | -6.3    | -1.7    | -3.2    | 5.1     | 2.4     | 2.3     | 2.3     | 2.0     |
| Mgmt. of Companies and Enterprises                    | 100.0   | 100.4   | 102.1   | 101.0   | 102.1   | 103.2   | 104.3   | 105.2   |
| % Ch, Annual Rate                                     | -7.6    | 1.7     | 6.7     | -4.3    | 4.7     | 4.4     | 4.0     | 3.7     |
| <b>Housing Indicators (Thousands)</b>                 |         |         |         |         |         |         |         |         |
| Housing Units Authorized by Bldg. Permit              | 37.997  | 33.254  | 35.967  | 36.866  | 36.473  | 36.609  | 36.873  | 37.578  |
| % Ch, Annual Rate                                     | 50.0    | -41.3   | 36.8    | 10.4    | -4.2    | 1.5     | 2.9     | 7.9     |
| Single-Family   | 20.556  | 17.513  | 18.556  | 19.780  | 20.285  | 20.431  | 20.669  | 21.134  |
| % Ch, Annual Rate                                     | 5.2     | -47.3   | 26.0    | 29.1    | 10.6    | 2.9     | 4.7     | 9.3     |
| Multi-Family  | 17.441  | 15.741  | 17.411  | 17.086  | 16.189  | 16.178  | 16.203  | 16.445  |
| % Ch, Annual Rate                                     | 138.2   | -33.6   | 49.7    | -7.3    | -19.4   | -0.3    | 0.6     | 6.1     |
| 30-Year Fixed Mortgage Rate (%)                       | 6.76    | 7.00    | 6.45    | 6.45    | 6.16    | 5.90    | 5.71    | 5.56    |

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                                  | 568.115 | 572.577 | 577.019 | 581.889 | 586.969 | 592.711 | 597.797 | 602.420 |
| % Ch, Annual Rate                                     | 4.2     | 3.2     | 3.1     | 3.4     | 3.5     | 4.0     | 3.5     | 3.1     |
| Real Wage and Salary Disb.                            | 304.833 | 306.967 | 309.075 | 311.737 | 313.854 | 316.745 | 319.205 | 321.565 |
| % Ch, Annual Rate                                     | 3.9     | 2.8     | 2.8     | 3.5     | 2.7     | 3.7     | 3.1     | 3.0     |
| Real Nonwage Income                                   | 263.282 | 265.610 | 267.944 | 270.152 | 273.114 | 275.966 | 278.592 | 280.855 |
| % Ch, Annual Rate                                     | 4.4     | 3.6     | 3.6     | 3.3     | 4.5     | 4.2     | 3.9     | 3.3     |
| Real Per Capita Income (\$/Person)                    | 71,547  | 72,004  | 72,467  | 72,986  | 73,527  | 74,149  | 74,682  | 75,151  |
| % Ch, Annual Rate                                     | 3.5     | 2.6     | 2.6     | 2.9     | 3.0     | 3.4     | 2.9     | 2.5     |
| <b>Price and Wage Indexes</b>                         |         |         |         |         |         |         |         |         |
| U.S. Implicit Price Deflator, PCE (2012=1.0)          | 1.277   | 1.285   | 1.292   | 1.299   | 1.307   | 1.311   | 1.317   | 1.323   |
| % Ch, Annual Rate                                     | 2.4     | 2.4     | 2.1     | 2.2     | 2.5     | 1.5     | 1.6     | 1.8     |
| Seattle Cons. Price Index (1982-84=1.0)               | 3.685   | 3.708   | 3.716   | 3.737   | 3.769   | 3.794   | 3.804   | 3.826   |
| % Ch, Annual Rate                                     | 3.1     | 2.5     | 0.9     | 2.3     | 3.4     | 2.7     | 1.0     | 2.3     |
| Average Nonfarm Annual Wage                           | 102,855 | 103,927 | 104,940 | 106,191 | 107,377 | 108,581 | 109,669 | 110,763 |
| % Ch, Annual Rate                                     | 5.3     | 4.2     | 4.0     | 4.9     | 4.5     | 4.6     | 4.1     | 4.1     |
| Avg. Hourly Earnings-Mfg. (\$/Hour)                   | 35.05   | 35.38   | 35.62   | 35.84   | 36.17   | 36.48   | 36.83   | 37.18   |
| % Ch, Annual Rate                                     | 3.9     | 3.9     | 2.7     | 2.5     | 3.7     | 3.5     | 3.9     | 3.8     |
| <b>Current Dollar Income (Billions of Dollars)</b>    |         |         |         |         |         |         |         |         |
| Personal Income                                       | 725.673 | 735.724 | 745.339 | 755.660 | 766.926 | 777.311 | 787.169 | 796.893 |
| % Ch, Annual Rate                                     | 6.7     | 5.7     | 5.3     | 5.7     | 6.1     | 5.5     | 5.2     | 5.0     |
| Disposable Personal Income                            | 635.310 | 643.830 | 652.178 | 660.990 | 670.842 | 679.887 | 688.274 | 696.524 |
| % Ch, Annual Rate                                     | 6.5     | 5.5     | 5.3     | 5.5     | 6.1     | 5.5     | 5.0     | 4.9     |
| Per Capita Income (\$/Person)                         | 91,389  | 92,521  | 93,606  | 94,782  | 96,070  | 97,243  | 98,341  | 99,411  |
| % Ch, Annual Rate                                     | 6.0     | 5.0     | 4.8     | 5.1     | 5.5     | 5.0     | 4.6     | 4.4     |
| <b>Employment (Thousands)</b>                         |         |         |         |         |         |         |         |         |
| Washington Civilian Labor Force                       | 4,049.0 | 4,056.8 | 4,063.3 | 4,069.4 | 4,076.0 | 4,082.6 | 4,089.3 | 4,096.5 |
| Total Washington Employment                           | 3,848.0 | 3,855.2 | 3,861.5 | 3,867.4 | 3,873.8 | 3,880.3 | 3,887.1 | 3,895.0 |
| Unemployment Rate (%)                                 | 4.96    | 4.97    | 4.97    | 4.96    | 4.96    | 4.95    | 4.94    | 4.92    |
| Nonfarm Payroll Employment                            | 3,686.5 | 3,696.1 | 3,705.2 | 3,713.3 | 3,719.9 | 3,726.6 | 3,733.7 | 3,741.5 |
| % Ch, Annual Rate                                     | 1.1     | 1.0     | 1.0     | 0.9     | 0.7     | 0.7     | 0.8     | 0.8     |
| Manufacturing   | 277.4   | 278.4   | 279.4   | 279.7   | 280.4   | 280.9   | 280.8   | 280.6   |
| % Ch, Annual Rate                                     | 0.3     | 1.4     | 1.5     | 0.5     | 1.0     | 0.6     | -0.1    | -0.2    |
| Durable Manufacturing                                 | 193.6   | 195.0   | 196.4   | 197.0   | 197.5   | 197.9   | 197.9   | 197.8   |
| % Ch, Annual Rate                                     | 1.6     | 3.0     | 2.8     | 1.3     | 1.2     | 0.8     | -0.1    | -0.2    |
| Aerospace   | 83.5    | 84.7    | 85.8    | 86.6    | 87.3    | 87.7    | 88.0    | 88.2    |
| % Ch, Annual Rate                                     | 6.9     | 6.3     | 5.1     | 3.9     | 3.0     | 2.0     | 1.4     | 1.0     |
| Nondurable Manufacturing                              | 83.8    | 83.4    | 83.0    | 82.8    | 82.9    | 82.9    | 82.9    | 82.8    |
| % Ch, Annual Rate                                     | -2.7    | -2.1    | -1.6    | -1.3    | 0.5     | 0.3     | -0.2    | -0.1    |
| Construction  | 240.1   | 242.0   | 243.9   | 245.8   | 247.4   | 249.1   | 250.9   | 253.1   |
| % Ch, Annual Rate                                     | 3.0     | 3.2     | 3.1     | 3.1     | 2.7     | 2.8     | 2.9     | 3.5     |
| Service-Providing                                     | 3,163.7 | 3,170.4 | 3,176.6 | 3,182.4 | 3,186.6 | 3,191.1 | 3,196.4 | 3,202.2 |
| % Ch, Annual Rate                                     | 1.1     | 0.9     | 0.8     | 0.7     | 0.5     | 0.6     | 0.7     | 0.7     |
| Software Publishers                                   | 85.7    | 86.1    | 86.6    | 87.1    | 87.5    | 88.0    | 88.5    | 89.1    |
| % Ch, Annual Rate                                     | 2.5     | 2.0     | 2.1     | 2.2     | 2.1     | 2.3     | 2.5     | 2.3     |
| Mgmt. of Companies and Enterprises                    | 106.1   | 107.0   | 107.8   | 108.6   | 109.4   | 110.1   | 110.8   | 111.5   |
| % Ch, Annual Rate                                     | 3.5     | 3.3     | 3.1     | 3.0     | 2.8     | 2.7     | 2.6     | 2.5     |
| <b>Housing Indicators (Thousands)</b>                 |         |         |         |         |         |         |         |         |
| Housing Units Authorized by Bldg. Permit              | 38.278  | 38.987  | 39.748  | 40.401  | 40.994  | 41.473  | 41.877  | 42.269  |
| % Ch, Annual Rate                                     | 7.7     | 7.6     | 8.0     | 6.7     | 6.0     | 4.8     | 4.0     | 3.8     |
| Single-Family   | 21.583  | 22.011  | 22.307  | 22.563  | 22.737  | 22.843  | 22.925  | 22.986  |
| % Ch, Annual Rate                                     | 8.8     | 8.2     | 5.5     | 4.7     | 3.1     | 1.9     | 1.4     | 1.1     |
| Multi-Family  | 16.694  | 16.976  | 17.441  | 17.838  | 18.256  | 18.629  | 18.952  | 19.283  |
| % Ch, Annual Rate                                     | 6.2     | 6.9     | 11.4    | 9.4     | 9.7     | 8.4     | 7.1     | 7.2     |
| 30-Year Fixed Mortgage Rate (%)                       | 5.41    | 5.31    | 5.22    | 5.12    | 5.04    | 4.98    | 4.92    | 4.91    |

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                                  | 607.559 | 612.003 | 616.349 | 620.684 | 625.417 | 629.779 | 634.043 | 638.376 |
| % Ch, Annual Rate                                     | 3.5     | 3.0     | 2.9     | 2.8     | 3.1     | 2.8     | 2.7     | 2.8     |
| Real Wage and Salary Disb.                            | 323.884 | 326.140 | 328.293 | 330.392 | 332.389 | 334.615 | 336.862 | 339.121 |
| % Ch, Annual Rate                                     | 2.9     | 2.8     | 2.7     | 2.6     | 2.4     | 2.7     | 2.7     | 2.7     |
| Real Nonwage Income                                   | 283.675 | 285.864 | 288.056 | 290.292 | 293.028 | 295.165 | 297.181 | 299.254 |
| % Ch, Annual Rate                                     | 4.1     | 3.1     | 3.1     | 3.1     | 3.8     | 2.9     | 2.8     | 2.8     |
| Real Per Capita Income (\$/Person)                    | 75,678  | 76,117  | 76,541  | 76,960  | 77,430  | 77,851  | 78,259  | 78,677  |
| % Ch, Annual Rate                                     | 2.8     | 2.3     | 2.2     | 2.2     | 2.5     | 2.2     | 2.1     | 2.2     |
| <b>Price and Wage Indexes</b>                         |         |         |         |         |         |         |         |         |
| U.S. Implicit Price Deflator, PCE (2012=1.0)          | 1.329   | 1.336   | 1.343   | 1.351   | 1.358   | 1.364   | 1.371   | 1.378   |
| % Ch, Annual Rate                                     | 1.9     | 2.1     | 2.2     | 2.2     | 2.1     | 2.0     | 2.0     | 1.9     |
| Seattle Cons. Price Index (1982-84=1.0)               | 3.858   | 3.883   | 3.892   | 3.913   | 3.946   | 3.971   | 3.981   | 4.002   |
| % Ch, Annual Rate                                     | 3.4     | 2.6     | 1.0     | 2.2     | 3.4     | 2.6     | 1.0     | 2.1     |
| Average Nonfarm Annual Wage                           | 111,806 | 112,918 | 114,051 | 115,174 | 116,226 | 117,342 | 118,477 | 119,601 |
| % Ch, Annual Rate                                     | 3.8     | 4.0     | 4.1     | 4.0     | 3.7     | 3.9     | 3.9     | 3.9     |
| Avg. Hourly Earnings-Mfg. (\$/Hour)                   | 37.51   | 37.86   | 38.19   | 38.53   | 38.86   | 39.18   | 39.50   | 39.82   |
| % Ch, Annual Rate                                     | 3.7     | 3.7     | 3.5     | 3.6     | 3.4     | 3.4     | 3.3     | 3.2     |
| <b>Current Dollar Income (Billions of Dollars)</b>    |         |         |         |         |         |         |         |         |
| Personal Income                                       | 807.509 | 817.597 | 827.915 | 838.251 | 849.070 | 859.253 | 869.469 | 879.633 |
| % Ch, Annual Rate                                     | 5.4     | 5.1     | 5.1     | 5.1     | 5.3     | 4.9     | 4.8     | 4.8     |
| Disposable Personal Income                            | 705.866 | 714.185 | 723.016 | 731.881 | 741.302 | 750.181 | 759.048 | 767.867 |
| % Ch, Annual Rate                                     | 5.5     | 4.8     | 5.0     | 5.0     | 5.2     | 4.9     | 4.8     | 4.7     |
| Per Capita Income (\$/Person)                         | 100,584 | 101,687 | 102,814 | 103,937 | 105,120 | 106,218 | 107,317 | 108,410 |
| % Ch, Annual Rate                                     | 4.8     | 4.5     | 4.5     | 4.4     | 4.6     | 4.2     | 4.2     | 4.1     |
| <b>Employment (Thousands)</b>                         |         |         |         |         |         |         |         |         |
| Washington Civilian Labor Force                       | 4,104.0 | 4,111.0 | 4,117.8 | 4,124.7 | 4,131.8 | 4,138.9 | 4,146.0 | 4,152.7 |
| Total Washington Employment                           | 3,903.5 | 3,911.5 | 3,919.8 | 3,928.3 | 3,937.3 | 3,946.1 | 3,954.6 | 3,962.6 |
| Unemployment Rate (%)                                 | 4.89    | 4.85    | 4.81    | 4.76    | 4.71    | 4.66    | 4.62    | 4.58    |
| Nonfarm Payroll Employment                            | 3,751.1 | 3,759.5 | 3,767.5 | 3,775.2 | 3,783.4 | 3,791.5 | 3,799.8 | 3,807.9 |
| % Ch, Annual Rate                                     | 1.0     | 0.9     | 0.9     | 0.8     | 0.9     | 0.9     | 0.9     | 0.9     |
| Manufacturing   | 280.3   | 280.1   | 280.1   | 279.8   | 279.7   | 279.6   | 279.7   | 279.8   |
| % Ch, Annual Rate                                     | -0.4    | -0.3    | -0.1    | -0.4    | -0.1    | -0.2    | 0.2     | 0.0     |
| Durable Manufacturing                                 | 197.6   | 197.4   | 197.3   | 197.0   | 196.9   | 196.7   | 196.7   | 196.5   |
| % Ch, Annual Rate                                     | -0.5    | -0.3    | -0.2    | -0.6    | -0.3    | -0.3    | -0.1    | -0.3    |
| Aerospace   | 88.4    | 88.5    | 88.7    | 88.8    | 88.9    | 88.9    | 89.0    | 88.9    |
| % Ch, Annual Rate                                     | 0.8     | 0.7     | 0.6     | 0.5     | 0.4     | 0.3     | 0.1     | -0.1    |
| Nondurable Manufacturing                              | 82.8    | 82.7    | 82.8    | 82.8    | 82.8    | 82.9    | 83.0    | 83.2    |
| % Ch, Annual Rate                                     | -0.3    | -0.2    | 0.2     | -0.1    | 0.4     | 0.2     | 0.8     | 0.8     |
| Construction  | 255.0   | 256.7   | 258.4   | 260.0   | 261.5   | 262.8   | 264.2   | 265.8   |
| % Ch, Annual Rate                                     | 3.0     | 2.7     | 2.7     | 2.5     | 2.3     | 2.1     | 2.1     | 2.5     |
| Service-Providing                                     | 3,210.1 | 3,217.0 | 3,223.2 | 3,229.5 | 3,236.2 | 3,243.0 | 3,249.8 | 3,256.2 |
| % Ch, Annual Rate                                     | 1.0     | 0.9     | 0.8     | 0.8     | 0.8     | 0.8     | 0.8     | 0.8     |
| Software Publishers                                   | 89.7    | 90.2    | 90.7    | 91.2    | 91.7    | 92.2    | 92.7    | 93.2    |
| % Ch, Annual Rate                                     | 2.8     | 2.4     | 2.2     | 2.2     | 2.3     | 2.1     | 2.2     | 2.2     |
| Mgmt. of Companies and Enterprises                    | 112.2   | 112.8   | 113.5   | 114.1   | 114.8   | 115.4   | 116.0   | 116.6   |
| % Ch, Annual Rate                                     | 2.5     | 2.4     | 2.3     | 2.3     | 2.2     | 2.2     | 2.2     | 2.2     |
| <b>Housing Indicators (Thousands)</b>                 |         |         |         |         |         |         |         |         |
| Housing Units Authorized by Bldg. Permit              | 42.590  | 42.902  | 43.278  | 43.489  | 43.671  | 43.809  | 43.849  | 43.845  |
| % Ch, Annual Rate                                     | 3.1     | 3.0     | 3.6     | 2.0     | 1.7     | 1.3     | 0.4     | 0.0     |
| Single-Family   | 23.066  | 23.068  | 23.132  | 23.137  | 23.144  | 23.146  | 23.151  | 23.141  |
| % Ch, Annual Rate                                     | 1.4     | 0.0     | 1.1     | 0.1     | 0.1     | 0.0     | 0.1     | -0.2    |
| Multi-Family  | 19.524  | 19.833  | 20.146  | 20.352  | 20.527  | 20.663  | 20.698  | 20.705  |
| % Ch, Annual Rate                                     | 5.1     | 6.5     | 6.5     | 4.2     | 3.5     | 2.7     | 0.7     | 0.1     |
| 30-Year Fixed Mortgage Rate (%)                       | 4.99    | 5.01    | 5.04    | 5.04    | 4.97    | 4.96    | 4.94    | 4.93    |

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 | 158.54 | 159.89 | 160.40 | 160.81 | 161.30 | 161.95 |
| % Ch                                 | 4.3    | 2.3    | 1.6    | 0.9    | 0.3    | 0.3    | 0.3    | 0.4    |
| Manufacturing                        | 12.81  | 12.94  | 12.94  | 12.94  | 12.73  | 12.61  | 12.38  | 12.26  |
| % Ch                                 | 3.7    | 1.0    | 0.0    | 0.0    | -1.6   | -0.9   | -1.9   | -0.9   |
| Durable Manufacturing                | 7.97   | 8.10   | 8.12   | 8.16   | 8.08   | 8.02   | 7.83   | 7.74   |
| % Ch                                 | 3.7    | 1.7    | 0.2    | 0.6    | -0.9   | -0.8   | -2.4   | -1.1   |
| Wood Products                        | 0.43   | 0.42   | 0.41   | 0.44   | 0.47   | 0.49   | 0.49   | 0.52   |
| % Ch                                 | 4.2    | -2.2   | -0.8   | 5.9    | 6.4    | 3.8    | 1.9    | 5.9    |
| Primary and Fabricated Metals        | 1.80   | 1.83   | 1.83   | 1.85   | 1.83   | 1.81   | 1.77   | 1.75   |
| % Ch                                 | 3.7    | 1.7    | 0.3    | 0.8    | -1.1   | -0.7   | -2.3   | -1.6   |
| 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    | -0.7   | -1.1   | -0.8   | -0.9   | -1.8   | -1.7   |
| Machinery and Electrical Equipment   | 1.51   | 1.55   | 1.54   | 1.54   | 1.50   | 1.48   | 1.44   | 1.41   |
| % Ch                                 | 4.4    | 2.5    | -0.6   | 0.1    | -2.9   | -1.2   | -2.5   | -2.1   |
| Transportation Equipment             | 1.72   | 1.79   | 1.84   | 1.87   | 1.88   | 1.86   | 1.79   | 1.77   |
| % Ch                                 | 4.4    | 4.2    | 2.7    | 1.7    | 0.6    | -1.2   | -3.4   | -1.2   |
| Other Durables                       | 1.42   | 1.41   | 1.39   | 1.37   | 1.33   | 1.31   | 1.27   | 1.26   |
| % Ch                                 | 2.9    | -1.3   | -1.3   | -1.2   | -3.0   | -1.3   | -3.1   | -1.4   |
| Nondurable Manufacturing             | 4.85   | 4.84   | 4.82   | 4.78   | 4.65   | 4.59   | 4.55   | 4.52   |
| % Ch                                 | 3.7    | -0.1   | -0.4   | -0.9   | -2.8   | -1.2   | -1.0   | -0.6   |
| Food Manufacturing                   | 1.70   | 1.73   | 1.74   | 1.73   | 1.69   | 1.68   | 1.68   | 1.69   |
| % Ch                                 | 3.6    | 1.6    | 0.9    | -0.6   | -2.6   | -0.5   | 0.1    | 0.6    |
| Paper and Paper Products             | 0.36   | 0.36   | 0.35   | 0.35   | 0.34   | 0.34   | 0.34   | 0.33   |
| % Ch                                 | 3.8    | -1.8   | -2.0   | 0.0    | -2.3   | -0.7   | -0.9   | -0.7   |
| Other Nondurables                    | 2.78   | 2.76   | 2.73   | 2.70   | 2.62   | 2.57   | 2.53   | 2.50   |
| % Ch                                 | 3.7    | -1.0   | -1.0   | -1.1   | -2.9   | -1.8   | -1.7   | -1.4   |
| Natural Resources and Mining         | 0.61   | 0.64   | 0.64   | 0.64   | 0.67   | 0.68   | 0.67   | 0.65   |
| % Ch                                 | 8.0    | 5.8    | -0.5   | 0.4    | 4.4    | 2.1    | -2.4   | -3.1   |
| Construction                         | 7.76   | 8.02   | 8.25   | 8.44   | 8.64   | 8.86   | 9.13   | 9.43   |
| % Ch                                 | 4.4    | 3.3    | 2.9    | 2.3    | 2.3    | 2.5    | 3.1    | 3.2    |
| Trade, Transportation, and Utilities | 28.64  | 28.85  | 29.01  | 28.92  | 28.76  | 28.69  | 28.50  | 28.35  |
| % Ch                                 | 3.6    | 0.7    | 0.6    | -0.3   | -0.5   | -0.2   | -0.7   | -0.5   |
| Wholesale Trade                      | 5.98   | 6.12   | 6.17   | 6.22   | 6.25   | 6.25   | 6.25   | 6.21   |
| % Ch                                 | 4.7    | 2.3    | 1.0    | 0.8    | 0.4    | 0.1    | 0.0    | -0.7   |
| Retail Trade                         | 15.50  | 15.59  | 15.65  | 15.48  | 15.26  | 15.20  | 14.99  | 14.92  |
| % Ch                                 | 1.5    | 0.6    | 0.4    | -1.1   | -1.4   | -0.4   | -1.4   | -0.5   |
| Trans., Warehousing, and Utilities   | 7.17   | 7.14   | 7.18   | 7.22   | 7.25   | 7.24   | 7.26   | 7.23   |
| % Ch                                 | 7.2    | -0.3   | 0.5    | 0.5    | 0.5    | -0.2   | 0.3    | -0.4   |
| Information                          | 3.06   | 3.03   | 3.01   | 3.06   | 3.11   | 3.04   | 3.06   | 3.13   |
| % Ch                                 | 7.2    | -1.1   | -0.7   | 1.9    | 1.3    | -2.2   | 0.8    | 2.2    |
| Publishing Industries                | 0.95   | 0.95   | 0.93   | 0.91   | 0.90   | 0.88   | 0.87   | 0.86   |
| % Ch                                 | 8.6    | -0.1   | -2.0   | -1.2   | -2.1   | -2.0   | -0.9   | -1.6   |
| Other Information                    | 2.12   | 2.08   | 2.08   | 2.15   | 2.21   | 2.16   | 2.19   | 2.27   |
| % Ch                                 | 6.6    | -1.6   | 0.0    | 3.3    | 2.8    | -2.3   | 1.5    | 3.8    |
| Financial Activities                 | 9.06   | 9.20   | 9.24   | 9.28   | 9.40   | 9.39   | 9.36   | 9.30   |
| % Ch                                 | 2.9    | 1.5    | 0.5    | 0.4    | 1.3    | -0.1   | -0.3   | -0.6   |
| Professional and Business Services   | 22.54  | 22.84  | 22.93  | 23.08  | 23.28  | 23.43  | 23.63  | 24.19  |
| % Ch                                 | 5.4    | 1.4    | 0.4    | 0.7    | 0.9    | 0.6    | 0.9    | 2.4    |
| Education and Health Services        | 24.34  | 25.34  | 26.35  | 26.79  | 26.88  | 26.88  | 27.05  | 27.08  |
| % Ch                                 | 2.9    | 4.1    | 4.0    | 1.7    | 0.3    | 0.0    | 0.6    | 0.1    |
| Leisure and Hospitality              | 15.82  | 16.60  | 16.94  | 17.25  | 17.31  | 17.44  | 17.48  | 17.36  |
| % Ch                                 | 11.9   | 4.9    | 2.0    | 1.8    | 0.4    | 0.7    | 0.3    | -0.7   |
| Other Services                       | 5.69   | 5.83   | 5.91   | 5.91   | 5.95   | 6.04   | 6.20   | 6.28   |
| % Ch                                 | 4.3    | 2.3    | 1.4    | 0.1    | 0.7    | 1.5    | 2.6    | 1.2    |
| Federal Government                   | 2.87   | 2.92   | 3.00   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   |
| % Ch                                 | -0.7   | 2.0    | 2.4    | 1.0    | 0.0    | 0.0    | 0.0    | 0.0    |
| State and Local Government           | 19.33  | 19.86  | 20.34  | 20.55  | 20.64  | 20.73  | 20.81  | 20.89  |
| % Ch                                 | 1.3    | 2.7    | 2.4    | 1.1    | 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 | 158.82 | 159.14 | 159.53 | 159.84 | 160.05 | 160.16 |
| % Ch, Annual Rate                    | 2.0    | 1.5    | 1.1    | 0.8    | 1.0    | 0.8    | 0.5    | 0.3    |
| Manufacturing                        | 12.96  | 12.95  | 12.93  | 12.90  | 12.92  | 12.99  | 12.98  | 12.87  |
| % Ch, Annual Rate                    | 0.4    | -0.1   | -0.7   | -1.1   | 0.6    | 2.2    | -0.2   | -3.3   |
| Durable Manufacturing                | 8.14   | 8.14   | 8.11   | 8.07   | 8.09   | 8.19   | 8.21   | 8.15   |
| % Ch, Annual Rate                    | 0.9    | -0.2   | -1.4   | -1.8   | 1.0    | 4.7    | 1.3    | -3.2   |
| Wood Products                        | 0.41   | 0.42   | 0.41   | 0.41   | 0.42   | 0.44   | 0.45   | 0.45   |
| % Ch, Annual Rate                    | -0.6   | 1.7    | -1.5   | -1.7   | 5.0    | 18.2   | 11.8   | 5.3    |
| Primary and Fabricated Metals        | 1.84   | 1.84   | 1.83   | 1.82   | 1.83   | 1.86   | 1.86   | 1.85   |
| % Ch, Annual Rate                    | 1.5    | -0.7   | -1.2   | -1.7   | 0.9    | 6.3    | 1.8    | -3.9   |
| Computer and Electronic Products     | 1.11   | 1.10   | 1.10   | 1.10   | 1.09   | 1.09   | 1.09   | 1.08   |
| % Ch, Annual Rate                    | -0.1   | -1.7   | -1.1   | -0.6   | -1.9   | -0.4   | -0.8   | -1.7   |
| Machinery and Electrical Equipment   | 1.55   | 1.54   | 1.53   | 1.54   | 1.55   | 1.55   | 1.55   | 1.53   |
| % Ch, Annual Rate                    | -1.3   | -1.4   | -2.5   | 0.2    | 2.8    | 1.7    | -1.3   | -5.3   |
| Transportation Equipment             | 1.84   | 1.85   | 1.85   | 1.82   | 1.84   | 1.87   | 1.89   | 1.88   |
| % Ch, Annual Rate                    | 5.4    | 3.1    | -0.6   | -6.1   | 4.7    | 6.6    | 4.2    | -1.4   |
| Other Durables                       | 1.39   | 1.39   | 1.38   | 1.39   | 1.37   | 1.38   | 1.38   | 1.36   |
| % Ch, Annual Rate                    | -1.6   | -2.1   | -1.4   | 1.0    | -4.4   | 3.7    | -1.9   | -5.8   |
| Nondurable Manufacturing             | 4.82   | 4.82   | 4.82   | 4.82   | 4.82   | 4.80   | 4.77   | 4.73   |
| % Ch, Annual Rate                    | -0.4   | 0.1    | 0.4    | 0.2    | -0.1   | -1.9   | -2.6   | -3.5   |
| Food Manufacturing                   | 1.73   | 1.74   | 1.74   | 1.75   | 1.75   | 1.74   | 1.73   | 1.71   |
| % Ch, Annual Rate                    | 0.6    | 1.1    | 1.8    | 1.2    | -0.8   | -1.5   | -3.0   | -3.4   |
| Paper and Paper Products             | 0.35   | 0.35   | 0.35   | 0.35   | 0.35   | 0.35   | 0.35   | 0.35   |
| % Ch, Annual Rate                    | -3.6   | -2.8   | 2.3    | 1.0    | -0.9   | 1.1    | -0.6   | -3.2   |
| Other Nondurables                    | 2.73   | 2.73   | 2.73   | 2.72   | 2.73   | 2.71   | 2.69   | 2.67   |
| % Ch, Annual Rate                    | -0.5   | -0.1   | -0.7   | -0.6   | 0.4    | -2.6   | -2.6   | -3.6   |
| Natural Resources and Mining         | 0.64   | 0.64   | 0.64   | 0.64   | 0.63   | 0.64   | 0.64   | 0.65   |
| % Ch, Annual Rate                    | -0.4   | -3.9   | 0.2    | 0.2    | -0.7   | 0.4    | 3.8    | 4.0    |
| Construction                         | 8.17   | 8.22   | 8.27   | 8.33   | 8.37   | 8.42   | 8.46   | 8.52   |
| % Ch, Annual Rate                    | 3.6    | 2.1    | 2.9    | 2.7    | 2.1    | 2.0    | 2.3    | 2.7    |
| Trade, Transportation, and Utilities | 28.92  | 29.03  | 29.05  | 29.04  | 29.07  | 28.91  | 28.85  | 28.84  |
| % Ch, Annual Rate                    | 0.8    | 1.4    | 0.3    | 0.0    | 0.4    | -2.2   | -0.8   | -0.2   |
| Wholesale Trade                      | 6.15   | 6.17   | 6.18   | 6.20   | 6.22   | 6.22   | 6.23   | 6.23   |
| % Ch, Annual Rate                    | 0.1    | 0.8    | 1.0    | 1.0    | 1.5    | 0.3    | 0.1    | 0.0    |
| Retail Trade                         | 15.64  | 15.68  | 15.66  | 15.64  | 15.64  | 15.47  | 15.41  | 15.39  |
| % Ch, Annual Rate                    | 1.2    | 0.9    | -0.5   | -0.4   | 0.0    | -4.3   | -1.5   | -0.5   |
| Trans., Warehousing, and Utilities   | 7.13   | 7.18   | 7.21   | 7.21   | 7.21   | 7.21   | 7.22   | 7.22   |
| % Ch, Annual Rate                    | 0.5    | 3.3    | 1.4    | -0.1   | 0.3    | 0.1    | 0.1    | 0.2    |
| Information                          | 3.02   | 3.02   | 2.99   | 3.00   | 3.05   | 3.05   | 3.06   | 3.09   |
| % Ch, Annual Rate                    | 2.8    | -0.4   | -2.7   | 0.9    | 6.7    | 0.2    | 1.0    | 4.7    |
| Publishing Industries                | 0.93   | 0.93   | 0.92   | 0.93   | 0.92   | 0.92   | 0.91   | 0.91   |
| % Ch, Annual Rate                    | -2.4   | 0.4    | -3.5   | 2.1    | -1.8   | -1.8   | -1.9   | -2.9   |
| Other Information                    | 2.09   | 2.09   | 2.07   | 2.08   | 2.13   | 2.13   | 2.15   | 2.19   |
| % Ch, Annual Rate                    | 5.3    | -0.8   | -2.3   | 0.4    | 10.7   | 1.0    | 2.3    | 8.0    |
| Financial Activities                 | 9.23   | 9.24   | 9.25   | 9.25   | 9.24   | 9.26   | 9.29   | 9.32   |
| % Ch, Annual Rate                    | -0.1   | 0.4    | 0.6    | 0.1    | -0.3   | 0.5    | 1.5    | 1.1    |
| Professional and Business Services   | 22.94  | 22.97  | 22.94  | 22.87  | 22.84  | 23.06  | 23.20  | 23.24  |
| % Ch, Annual Rate                    | 1.2    | 0.5    | -0.5   | -1.3   | -0.5   | 4.0    | 2.3    | 0.7    |
| Education and Health Services        | 26.01  | 26.26  | 26.48  | 26.67  | 26.78  | 26.79  | 26.80  | 26.79  |
| % Ch, Annual Rate                    | 4.3    | 3.9    | 3.4    | 2.9    | 1.7    | 0.2    | 0.1    | -0.1   |
| Leisure and Hospitality              | 16.85  | 16.90  | 16.96  | 17.04  | 17.13  | 17.25  | 17.28  | 17.33  |
| % Ch, Annual Rate                    | 1.5    | 1.2    | 1.6    | 1.7    | 2.3    | 2.8    | 0.7    | 1.1    |
| Other Services                       | 5.88   | 5.91   | 5.92   | 5.92   | 5.94   | 5.91   | 5.90   | 5.90   |
| % Ch, Annual Rate                    | 1.6    | 1.5    | 0.7    | 0.5    | 0.8    | -1.5   | -1.1   | 0.3    |
| Federal Government                   | 2.98   | 2.99   | 3.00   | 3.01   | 3.03   | 3.03   | 3.03   | 3.03   |
| % Ch, Annual Rate                    | 3.8    | 1.6    | 0.5    | 1.3    | 2.4    | -0.1   | 0.0    | 0.0    |
| State and Local Government           | 20.22  | 20.29  | 20.38  | 20.47  | 20.52  | 20.54  | 20.56  | 20.59  |
| % Ch, Annual Rate                    | 3.1    | 1.4    | 1.9    | 1.7    | 1.0    | 0.4    | 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           | 160.25 | 160.35 | 160.45 | 160.55 | 160.65 | 160.76 | 160.86 | 160.97 |
| % Ch, Annual Rate                    | 0.2    | 0.2    | 0.3    | 0.3    | 0.3    | 0.3    | 0.3    | 0.3    |
| Manufacturing                        | 12.78  | 12.74  | 12.73  | 12.67  | 12.68  | 12.66  | 12.59  | 12.53  |
| % Ch, Annual Rate                    | -3.0   | -1.0   | -0.4   | -1.7   | 0.1    | -0.6   | -2.1   | -2.0   |
| Durable Manufacturing                | 8.09   | 8.09   | 8.10   | 8.06   | 8.07   | 8.06   | 8.01   | 7.95   |
| % Ch, Annual Rate                    | -2.9   | -0.1   | 0.6    | -1.7   | 0.3    | -0.6   | -2.6   | -2.6   |
| Wood Products                        | 0.46   | 0.46   | 0.47   | 0.48   | 0.48   | 0.49   | 0.49   | 0.49   |
| % Ch, Annual Rate                    | 2.7    | 5.6    | 8.6    | 2.3    | 4.0    | 4.3    | 0.6    | 1.4    |
| Primary and Fabricated Metals        | 1.83   | 1.83   | 1.83   | 1.82   | 1.82   | 1.82   | 1.81   | 1.80   |
| % Ch, Annual Rate                    | -3.8   | 0.0    | 1.0    | -2.0   | -0.3   | 0.1    | -2.0   | -2.6   |
| Computer and Electronic Products     | 1.08   | 1.08   | 1.08   | 1.08   | 1.08   | 1.07   | 1.07   | 1.06   |
| % Ch, Annual Rate                    | -1.0   | -0.2   | -0.2   | -0.4   | -1.1   | -1.2   | -1.5   | -1.6   |
| Machinery and Electrical Equipment   | 1.50   | 1.50   | 1.50   | 1.49   | 1.49   | 1.49   | 1.48   | 1.47   |
| % Ch, Annual Rate                    | -5.6   | -1.6   | 0.0    | -1.6   | -0.5   | -0.7   | -2.9   | -2.8   |
| Transportation Equipment             | 1.88   | 1.89   | 1.88   | 1.87   | 1.88   | 1.87   | 1.85   | 1.83   |
| % Ch, Annual Rate                    | -0.2   | 0.9    | -0.2   | -2.7   | 2.0    | -2.4   | -4.1   | -3.3   |
| Other Durables                       | 1.34   | 1.33   | 1.33   | 1.32   | 1.32   | 1.32   | 1.31   | 1.30   |
| % Ch, Annual Rate                    | -5.6   | -1.7   | -0.3   | -2.3   | -0.3   | -0.3   | -2.9   | -3.5   |
| Nondurable Manufacturing             | 4.69   | 4.66   | 4.63   | 4.61   | 4.61   | 4.60   | 4.58   | 4.57   |
| % Ch, Annual Rate                    | -3.1   | -2.7   | -2.2   | -1.9   | -0.4   | -0.6   | -1.2   | -1.1   |
| Food Manufacturing                   | 1.70   | 1.69   | 1.68   | 1.68   | 1.68   | 1.68   | 1.68   | 1.68   |
| % Ch, Annual Rate                    | -3.3   | -2.2   | -1.7   | -1.2   | 0.4    | 0.3    | -0.4   | -0.1   |
| Paper and Paper Products             | 0.34   | 0.34   | 0.34   | 0.34   | 0.34   | 0.34   | 0.34   | 0.34   |
| % Ch, Annual Rate                    | -3.4   | -2.6   | -1.8   | -1.5   | 0.6    | 0.1    | -0.9   | -1.0   |
| Other Nondurables                    | 2.65   | 2.63   | 2.61   | 2.60   | 2.59   | 2.58   | 2.57   | 2.56   |
| % Ch, Annual Rate                    | -2.9   | -3.0   | -2.5   | -2.4   | -1.1   | -1.2   | -1.7   | -1.7   |
| Natural Resources and Mining         | 0.66   | 0.66   | 0.67   | 0.68   | 0.68   | 0.68   | 0.68   | 0.68   |
| % Ch, Annual Rate                    | 4.8    | 5.9    | 5.6    | 2.6    | 0.1    | 1.6    | 2.3    | -1.1   |
| Construction                         | 8.56   | 8.61   | 8.66   | 8.71   | 8.77   | 8.82   | 8.89   | 8.95   |
| % Ch, Annual Rate                    | 2.0    | 2.4    | 2.3    | 2.4    | 2.6    | 2.4    | 2.9    | 3.1    |
| Trade, Transportation, and Utilities | 28.79  | 28.78  | 28.76  | 28.72  | 28.72  | 28.71  | 28.69  | 28.65  |
| % Ch, Annual Rate                    | -0.6   | -0.2   | -0.2   | -0.6   | -0.1   | 0.0    | -0.3   | -0.6   |
| Wholesale Trade                      | 6.24   | 6.24   | 6.25   | 6.26   | 6.25   | 6.26   | 6.25   | 6.25   |
| % Ch, Annual Rate                    | 0.7    | 0.4    | 0.5    | 0.6    | -0.4   | 0.3    | -0.3   | -0.5   |
| Retail Trade                         | 15.32  | 15.29  | 15.25  | 15.19  | 15.21  | 15.21  | 15.20  | 15.17  |
| % Ch, Annual Rate                    | -1.9   | -0.7   | -1.0   | -1.7   | 0.6    | 0.1    | -0.5   | -0.8   |
| Trans., Warehousing, and Utilities   | 7.24   | 7.25   | 7.26   | 7.27   | 7.25   | 7.24   | 7.24   | 7.24   |
| % Ch, Annual Rate                    | 0.9    | 0.5    | 0.7    | 0.8    | -1.3   | -0.5   | 0.0    | -0.2   |
| Information                          | 3.12   | 3.12   | 3.10   | 3.08   | 3.06   | 3.04   | 3.02   | 3.02   |
| % Ch, Annual Rate                    | 3.3    | -0.3   | -2.2   | -1.9   | -2.9   | -2.7   | -2.4   | -0.5   |
| Publishing Industries                | 0.90   | 0.90   | 0.89   | 0.89   | 0.88   | 0.88   | 0.88   | 0.87   |
| % Ch, Annual Rate                    | -1.0   | -3.1   | -2.4   | -1.9   | -2.6   | -1.5   | -1.0   | -1.4   |
| Other Information                    | 2.22   | 2.22   | 2.21   | 2.20   | 2.18   | 2.16   | 2.15   | 2.15   |
| % Ch, Annual Rate                    | 5.1    | 0.8    | -2.1   | -1.9   | -3.0   | -3.2   | -2.9   | -0.2   |
| Financial Activities                 | 9.38   | 9.40   | 9.41   | 9.41   | 9.39   | 9.39   | 9.39   | 9.37   |
| % Ch, Annual Rate                    | 2.6    | 0.9    | 0.3    | 0.2    | -0.8   | -0.1   | 0.1    | -0.8   |
| Professional and Business Services   | 23.28  | 23.29  | 23.29  | 23.27  | 23.42  | 23.41  | 23.41  | 23.47  |
| % Ch, Annual Rate                    | 0.7    | 0.2    | 0.0    | -0.3   | 2.6    | -0.1   | -0.1   | 1.1    |
| Education and Health Services        | 26.86  | 26.87  | 26.88  | 26.91  | 26.86  | 26.87  | 26.89  | 26.91  |
| % Ch, Annual Rate                    | 1.0    | 0.2    | 0.1    | 0.4    | -0.7   | 0.2    | 0.4    | 0.3    |
| Leisure and Hospitality              | 17.27  | 17.27  | 17.31  | 17.40  | 17.37  | 17.41  | 17.47  | 17.51  |
| % Ch, Annual Rate                    | -1.3   | 0.0    | 0.8    | 2.2    | -0.9   | 1.0    | 1.5    | 0.8    |
| Other Services                       | 5.93   | 5.94   | 5.96   | 5.99   | 6.00   | 6.02   | 6.05   | 6.09   |
| % Ch, Annual Rate                    | 1.6    | 1.0    | 1.2    | 2.1    | 0.6    | 1.5    | 2.4    | 2.4    |
| Federal Government                   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   |
| % Ch, Annual Rate                    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    |
| State and Local Government           | 20.61  | 20.63  | 20.65  | 20.67  | 20.70  | 20.72  | 20.74  | 20.76  |
| % 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           | 161.08 | 161.22 | 161.36 | 161.52 | 161.69 | 161.86 | 162.04 | 162.22 |
| % Ch, Annual Rate                    | 0.3    | 0.3    | 0.4    | 0.4    | 0.4    | 0.4    | 0.4    | 0.4    |
| Manufacturing                        | 12.45  | 12.39  | 12.35  | 12.31  | 12.29  | 12.27  | 12.26  | 12.23  |
| % Ch, Annual Rate                    | -2.5   | -1.7   | -1.2   | -1.4   | -0.7   | -0.8   | -0.3   | -0.7   |
| Durable Manufacturing                | 7.89   | 7.84   | 7.81   | 7.78   | 7.76   | 7.75   | 7.74   | 7.72   |
| % Ch, Annual Rate                    | -3.4   | -2.2   | -1.5   | -1.7   | -0.7   | -0.9   | -0.4   | -0.9   |
| Wood Products                        | 0.49   | 0.49   | 0.50   | 0.50   | 0.51   | 0.52   | 0.53   | 0.53   |
| % Ch, Annual Rate                    | 1.4    | 1.2    | 3.3    | 5.8    | 7.4    | 7.9    | 5.5    | 4.4    |
| Primary and Fabricated Metals        | 1.79   | 1.78   | 1.77   | 1.76   | 1.75   | 1.75   | 1.74   | 1.74   |
| % Ch, Annual Rate                    | -3.1   | -2.3   | -1.6   | -2.1   | -1.4   | -1.6   | -0.8   | -1.4   |
| Computer and Electronic Products     | 1.06   | 1.05   | 1.05   | 1.04   | 1.04   | 1.03   | 1.03   | 1.03   |
| % Ch, Annual Rate                    | -2.2   | -1.9   | -1.9   | -1.8   | -1.8   | -1.8   | -1.5   | -1.4   |
| Machinery and Electrical Equipment   | 1.46   | 1.45   | 1.44   | 1.43   | 1.42   | 1.42   | 1.41   | 1.41   |
| % Ch, Annual Rate                    | -2.5   | -2.5   | -2.2   | -3.0   | -2.1   | -1.9   | -1.0   | -1.7   |
| Transportation Equipment             | 1.81   | 1.80   | 1.79   | 1.78   | 1.78   | 1.77   | 1.77   | 1.76   |
| % Ch, Annual Rate                    | -5.9   | -1.9   | -1.8   | -1.7   | -0.4   | -1.2   | -0.9   | -1.6   |
| Other Durables                       | 1.29   | 1.27   | 1.27   | 1.26   | 1.26   | 1.26   | 1.25   | 1.25   |
| % Ch, Annual Rate                    | -3.9   | -3.6   | -1.8   | -2.3   | -1.0   | -1.0   | -0.1   | -0.4   |
| Nondurable Manufacturing             | 4.56   | 4.55   | 4.54   | 4.53   | 4.53   | 4.52   | 4.52   | 4.51   |
| % Ch, Annual Rate                    | -1.1   | -0.9   | -0.7   | -0.9   | -0.5   | -0.7   | -0.2   | -0.2   |
| Food Manufacturing                   | 1.68   | 1.68   | 1.68   | 1.68   | 1.68   | 1.69   | 1.69   | 1.70   |
| % Ch, Annual Rate                    | 0.1    | 0.2    | 0.7    | 0.2    | 0.7    | 0.4    | 1.2    | 1.1    |
| Paper and Paper Products             | 0.34   | 0.34   | 0.34   | 0.33   | 0.33   | 0.33   | 0.33   | 0.33   |
| % Ch, Annual Rate                    | -0.9   | -1.0   | -0.8   | -1.1   | -0.7   | -0.8   | -0.3   | -0.3   |
| Other Nondurables                    | 2.55   | 2.54   | 2.53   | 2.52   | 2.51   | 2.50   | 2.49   | 2.49   |
| % Ch, Annual Rate                    | -1.8   | -1.7   | -1.5   | -1.6   | -1.3   | -1.4   | -1.0   | -1.1   |
| Natural Resources and Mining         | 0.68   | 0.67   | 0.66   | 0.66   | 0.65   | 0.65   | 0.64   | 0.64   |
| % Ch, Annual Rate                    | -4.2   | -4.2   | -3.5   | -3.6   | -3.7   | -2.7   | -2.0   | -0.8   |
| Construction                         | 9.03   | 9.09   | 9.17   | 9.25   | 9.32   | 9.40   | 9.46   | 9.53   |
| % Ch, Annual Rate                    | 3.3    | 2.9    | 3.4    | 3.6    | 3.1    | 3.6    | 2.6    | 2.9    |
| Trade, Transportation, and Utilities | 28.56  | 28.53  | 28.48  | 28.44  | 28.40  | 28.37  | 28.34  | 28.31  |
| % Ch, Annual Rate                    | -1.2   | -0.5   | -0.6   | -0.5   | -0.6   | -0.5   | -0.5   | -0.4   |
| Wholesale Trade                      | 6.27   | 6.26   | 6.25   | 6.24   | 6.23   | 6.21   | 6.20   | 6.19   |
| % Ch, Annual Rate                    | 1.4    | -0.5   | -0.8   | -0.7   | -0.4   | -1.1   | -0.9   | -0.8   |
| Retail Trade                         | 15.03  | 15.00  | 14.97  | 14.96  | 14.93  | 14.92  | 14.91  | 14.91  |
| % Ch, Annual Rate                    | -3.6   | -0.8   | -0.6   | -0.4   | -0.9   | -0.1   | -0.3   | -0.1   |
| Trans., Warehousing, and Utilities   | 7.27   | 7.27   | 7.26   | 7.25   | 7.25   | 7.24   | 7.23   | 7.22   |
| % Ch, Annual Rate                    | 1.8    | -0.1   | -0.5   | -0.5   | -0.1   | -0.7   | -0.5   | -0.6   |
| Information                          | 3.04   | 3.05   | 3.07   | 3.08   | 3.10   | 3.12   | 3.14   | 3.15   |
| % Ch, Annual Rate                    | 2.9    | 1.6    | 2.1    | 1.6    | 2.7    | 2.8    | 2.5    | 1.1    |
| Publishing Industries                | 0.87   | 0.87   | 0.87   | 0.86   | 0.86   | 0.86   | 0.85   | 0.85   |
| % Ch, Annual Rate                    | 0.6    | -1.2   | -1.7   | -1.8   | -1.3   | -1.9   | -1.6   | -1.5   |
| Other Information                    | 2.17   | 2.18   | 2.20   | 2.22   | 2.24   | 2.27   | 2.29   | 2.30   |
| % Ch, Annual Rate                    | 3.9    | 2.8    | 3.6    | 3.0    | 4.3    | 4.7    | 4.0    | 2.0    |
| Financial Activities                 | 9.41   | 9.38   | 9.34   | 9.32   | 9.31   | 9.30   | 9.31   | 9.29   |
| % Ch, Annual Rate                    | 1.5    | -1.2   | -1.6   | -1.0   | -0.3   | -0.4   | 0.1    | -0.5   |
| Professional and Business Services   | 23.46  | 23.55  | 23.68  | 23.82  | 23.97  | 24.12  | 24.27  | 24.42  |
| % Ch, Annual Rate                    | -0.2   | 1.6    | 2.2    | 2.3    | 2.5    | 2.6    | 2.6    | 2.4    |
| Education and Health Services        | 27.03  | 27.05  | 27.06  | 27.06  | 27.09  | 27.08  | 27.07  | 27.08  |
| % Ch, Annual Rate                    | 1.8    | 0.2    | 0.1    | 0.1    | 0.4    | -0.1   | -0.2   | 0.2    |
| Leisure and Hospitality              | 17.47  | 17.49  | 17.49  | 17.48  | 17.41  | 17.38  | 17.35  | 17.32  |
| % Ch, Annual Rate                    | -0.8   | 0.5    | 0.0    | -0.3   | -1.6   | -0.7   | -0.6   | -0.6   |
| Other Services                       | 6.16   | 6.19   | 6.21   | 6.24   | 6.26   | 6.27   | 6.28   | 6.29   |
| % Ch, Annual Rate                    | 4.4    | 2.3    | 1.4    | 1.5    | 1.6    | 0.7    | 0.5    | 0.6    |
| Federal Government                   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   | 3.03   |
| % Ch, Annual Rate                    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    | 0.0    |
| State and Local Government           | 20.78  | 20.80  | 20.82  | 20.84  | 20.86  | 20.88  | 20.90  | 20.92  |
| % 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 | 3,630.0 | 3,663.7 | 3,700.3 | 3,730.4 | 3,763.3 | 3,795.7 |
| % Ch                                 | 4.7     | 1.8     | 1.0     | 0.9     | 1.0     | 0.8     | 0.9     | 0.9     |
| Manufacturing                        | 268.8   | 273.7   | 275.1   | 276.7   | 278.7   | 280.7   | 280.1   | 279.7   |
| % Ch                                 | 3.4     | 1.8     | 0.5     | 0.6     | 0.7     | 0.7     | -0.2    | -0.1    |
| Durable Manufacturing                | 181.8   | 187.7   | 189.4   | 191.4   | 195.5   | 197.8   | 197.3   | 196.7   |
| % Ch                                 | 3.4     | 3.2     | 0.9     | 1.1     | 2.1     | 1.2     | -0.2    | -0.3    |
| Wood Products                        | 13.6    | 13.6    | 13.5    | 13.9    | 14.2    | 14.2    | 14.1    | 14.1    |
| % Ch                                 | 3.1     | -0.2    | -0.3    | 2.9     | 1.7     | -0.1    | -0.3    | -0.3    |
| Primary and Fabricated Metals        | 23.7    | 23.7    | 23.6    | 23.6    | 23.4    | 23.2    | 22.6    | 22.2    |
| % Ch                                 | 2.2     | 0.2     | -0.3    | 0.0     | -1.1    | -0.7    | -2.4    | -1.8    |
| Computer and Electronic Products     | 18.2    | 18.3    | 18.3    | 18.2    | 18.2    | 18.1    | 17.7    | 17.3    |
| % Ch                                 | 1.1     | 0.8     | -0.1    | -0.6    | -0.2    | -0.4    | -2.2    | -2.1    |
| Machinery and Electrical Equipment   | 19.9    | 20.3    | 19.8    | 20.5    | 20.3    | 20.6    | 20.4    | 20.4    |
| % Ch                                 | 4.0     | 1.9     | -2.6    | 3.9     | -1.4    | 1.5     | -0.7    | 0.0     |
| Aerospace                            | 71.3    | 77.5    | 79.8    | 80.7    | 85.2    | 87.8    | 88.6    | 88.9    |
| % Ch                                 | 5.5     | 8.6     | 3.0     | 1.1     | 5.6     | 3.1     | 0.9     | 0.4     |
| Other Transportation Equip.          | 9.5     | 9.5     | 9.5     | 9.3     | 9.1     | 8.6     | 8.5     | 8.3     |
| % Ch                                 | 4.0     | 0.0     | 0.0     | -2.5    | -1.5    | -5.9    | -1.1    | -3.0    |
| Other Durables                       | 25.6    | 24.8    | 24.8    | 25.2    | 25.2    | 25.4    | 25.4    | 25.5    |
| % Ch                                 | -0.1    | -3.1    | 0.3     | 1.4     | 0.2     | 0.6     | -0.1    | 0.5     |
| Nondurable Manufacturing             | 87.0    | 86.0    | 85.7    | 85.2    | 83.2    | 82.9    | 82.8    | 83.0    |
| % Ch                                 | 3.4     | -1.1    | -0.3    | -0.6    | -2.3    | -0.4    | -0.1    | 0.3     |
| Food Manufacturing                   | 40.1    | 40.7    | 40.7    | 40.3    | 38.8    | 38.3    | 37.9    | 37.8    |
| % Ch                                 | 3.4     | 1.3     | 0.1     | -1.1    | -3.6    | -1.5    | -0.8    | -0.5    |
| Paper and Paper Products             | 7.8     | 7.5     | 7.3     | 7.4     | 7.1     | 7.0     | 6.8     | 6.7     |
| % Ch                                 | 3.5     | -3.9    | -2.0    | 0.7     | -3.6    | -1.8    | -2.1    | -1.9    |
| Other Nondurables                    | 39.1    | 37.9    | 37.7    | 37.6    | 37.3    | 37.6    | 38.0    | 38.5    |
| % Ch                                 | 3.4     | -3.1    | -0.5    | -0.2    | -0.7    | 0.9     | 0.9     | 1.4     |
| Natural Resources and Mining         | 5.5     | 5.5     | 5.4     | 5.3     | 5.4     | 5.5     | 5.8     | 6.1     |
| % Ch                                 | -2.9    | -0.6    | -2.2    | -1.6    | 1.3     | 3.4     | 4.1     | 5.5     |
| Construction                         | 232.3   | 232.0   | 228.8   | 236.0   | 242.9   | 250.1   | 257.5   | 263.6   |
| % Ch                                 | 3.8     | -0.1    | -1.4    | 3.1     | 3.0     | 3.0     | 2.9     | 2.4     |
| Trade, Transportation, and Utilities | 612.3   | 615.0   | 614.4   | 611.2   | 608.5   | 606.6   | 604.9   | 603.1   |
| % Ch                                 | 0.9     | 0.4     | -0.1    | -0.5    | -0.4    | -0.3    | -0.3    | -0.3    |
| Wholesale Trade                      | 137.1   | 140.2   | 139.2   | 140.6   | 141.2   | 141.2   | 141.6   | 140.8   |
| % Ch                                 | 4.4     | 2.3     | -0.7    | 1.0     | 0.4     | 0.0     | 0.3     | -0.5    |
| Retail Trade                         | 338.7   | 337.6   | 335.2   | 330.8   | 326.5   | 323.6   | 321.1   | 320.0   |
| % Ch                                 | -1.7    | -0.3    | -0.7    | -1.3    | -1.3    | -0.9    | -0.8    | -0.3    |
| Trans., Warehousing, and Utilities   | 136.5   | 137.2   | 140.0   | 139.8   | 140.9   | 141.7   | 142.2   | 142.3   |
| % Ch                                 | 4.5     | 0.6     | 2.0     | -0.1    | 0.7     | 0.6     | 0.3     | 0.0     |
| Information                          | 171.4   | 168.8   | 164.0   | 168.7   | 173.9   | 176.4   | 181.4   | 187.7   |
| % Ch                                 | 9.0     | -1.5    | -2.8    | 2.9     | 3.1     | 1.4     | 2.9     | 3.5     |
| Software Publishers                  | 86.0    | 86.0    | 82.9    | 84.5    | 86.4    | 88.3    | 90.4    | 92.4    |
| % Ch                                 | 7.6     | 0.0     | -3.6    | 1.9     | 2.2     | 2.2     | 2.5     | 2.2     |
| Other Publishing Industries          | 7.9     | 7.5     | 6.3     | 6.0     | 5.6     | 5.2     | 5.0     | 4.6     |
| % Ch                                 | -3.0    | -5.4    | -16.2   | -4.7    | -6.5    | -6.7    | -5.4    | -6.8    |
| Other Information                    | 77.4    | 75.2    | 74.7    | 78.2    | 81.9    | 82.9    | 86.0    | 90.7    |
| % Ch                                 | 12.1    | -2.8    | -0.7    | 4.6     | 4.7     | 1.2     | 3.8     | 5.4     |
| Financial Activities                 | 165.3   | 164.9   | 164.1   | 165.6   | 168.6   | 169.3   | 169.4   | 169.2   |
| % Ch                                 | 2.6     | -0.2    | -0.5    | 0.9     | 1.8     | 0.4     | 0.1     | -0.1    |
| Professional and Business Services   | 545.4   | 549.2   | 546.7   | 555.7   | 571.3   | 584.9   | 598.4   | 614.3   |
| % Ch                                 | 9.9     | 0.7     | -0.5    | 1.7     | 2.8     | 2.4     | 2.3     | 2.7     |
| Mgmt. of Companies and Enterprises   | 104.1   | 101.7   | 100.9   | 103.7   | 107.4   | 110.4   | 113.2   | 115.7   |
| % Ch                                 | 15.4    | -2.3    | -0.8    | 2.8     | 3.5     | 2.8     | 2.5     | 2.3     |
| Other Prof. and Bus. Services        | 441.3   | 447.5   | 445.8   | 452.0   | 463.9   | 474.5   | 485.3   | 498.6   |
| % Ch                                 | 8.7     | 1.4     | -0.4    | 1.4     | 2.6     | 2.3     | 2.3     | 2.7     |
| Education and Health Services        | 514.5   | 531.7   | 549.5   | 557.7   | 559.7   | 562.7   | 567.7   | 570.9   |
| % Ch                                 | 2.4     | 3.3     | 3.3     | 1.5     | 0.4     | 0.5     | 0.9     | 0.6     |
| Leisure and Hospitality              | 326.6   | 342.7   | 344.2   | 342.6   | 342.9   | 342.8   | 342.5   | 340.6   |
| % Ch                                 | 15.4    | 4.9     | 0.4     | -0.5    | 0.1     | 0.0     | -0.1    | -0.5    |
| Other Services                       | 120.0   | 122.8   | 124.6   | 124.6   | 125.6   | 126.5   | 127.7   | 128.7   |
| % Ch                                 | 5.6     | 2.3     | 1.5     | 0.0     | 0.8     | 0.7     | 1.0     | 0.8     |
| Federal Government                   | 75.2    | 77.3    | 79.7    | 80.4    | 80.4    | 80.5    | 80.6    | 80.7    |
| % Ch                                 | -2.1    | 2.8     | 3.2     | 0.9     | 0.0     | 0.1     | 0.1     | 0.2     |
| State and Local Government           | 490.9   | 509.4   | 533.5   | 539.2   | 542.3   | 544.4   | 547.2   | 551.0   |
| % Ch                                 | 1.6     | 3.8     | 4.7     | 1.1     | 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           | 3,612.5 | 3,633.8 | 3,641.1 | 3,632.8 | 3,651.9 | 3,659.4 | 3,667.3 | 3,676.2 |
| % Ch, Annual Rate                    | 2.2     | 2.4     | 0.8     | -0.9    | 2.1     | 0.8     | 0.9     | 1.0     |
| Manufacturing                        | 276.5   | 277.6   | 279.3   | 266.9   | 276.1   | 276.1   | 277.2   | 277.2   |
| % Ch, Annual Rate                    | 4.1     | 1.6     | 2.6     | -16.6   | 14.4    | 0.1     | 1.5     | 0.0     |
| Durable Manufacturing                | 191.1   | 191.7   | 193.7   | 181.0   | 190.1   | 190.6   | 192.1   | 192.8   |
| % Ch, Annual Rate                    | 3.9     | 1.1     | 4.4     | -23.9   | 21.9    | 0.9     | 3.3     | 1.5     |
| Wood Products                        | 13.7    | 13.4    | 13.7    | 13.4    | 13.6    | 13.8    | 14.1    | 14.2    |
| % Ch, Annual Rate                    | 1.3     | -8.3    | 8.8     | -5.9    | 5.0     | 6.6     | 7.7     | 2.2     |
| Primary and Fabricated Metals        | 23.8    | 23.6    | 23.9    | 23.3    | 23.3    | 23.7    | 23.9    | 23.6    |
| % Ch, Annual Rate                    | 8.2     | -3.8    | 4.6     | -9.6    | 1.2     | 6.9     | 2.0     | -4.1    |
| Computer and Electronic Products     | 18.4    | 18.3    | 18.2    | 18.3    | 18.2    | 18.2    | 18.2    | 18.1    |
| % Ch, Annual Rate                    | 4.9     | -1.0    | -2.8    | 2.6     | -2.3    | 0.6     | -0.2    | -2.0    |
| Machinery and Electrical Equipment   | 19.7    | 19.7    | 19.7    | 19.9    | 20.3    | 20.6    | 20.7    | 20.4    |
| % Ch, Annual Rate                    | -9.4    | 0.0     | -1.2    | 4.5     | 9.0     | 6.4     | 1.3     | -5.4    |
| Aerospace                            | 81.4    | 82.4    | 83.7    | 71.6    | 80.3    | 79.6    | 80.7    | 82.1    |
| % Ch, Annual Rate                    | 6.2     | 5.2     | 6.4     | -46.5   | 57.9    | -3.2    | 5.7     | 6.9     |
| Other Transportation Equip.          | 9.6     | 9.6     | 9.5     | 9.3     | 9.3     | 9.3     | 9.3     | 9.3     |
| % Ch, Annual Rate                    | 14.0    | -0.3    | -4.1    | -8.0    | -0.3    | -1.1    | -0.6    | -0.6    |
| Other Durables                       | 24.5    | 24.6    | 25.1    | 25.1    | 25.1    | 25.2    | 25.3    | 25.2    |
| % Ch, Annual Rate                    | 1.1     | 1.1     | 8.8     | -0.3    | -0.4    | 2.4     | 0.4     | -1.3    |
| Nondurable Manufacturing             | 85.4    | 85.9    | 85.6    | 86.0    | 85.9    | 85.6    | 85.1    | 84.4    |
| % Ch, Annual Rate                    | 4.6     | 2.6     | -1.4    | 1.7     | -0.2    | -1.6    | -2.4    | -3.2    |
| Food Manufacturing                   | 40.5    | 40.8    | 40.7    | 41.0    | 40.8    | 40.5    | 40.1    | 39.7    |
| % Ch, Annual Rate                    | 3.3     | 3.2     | -1.3    | 3.2     | -1.8    | -2.4    | -4.0    | -4.4    |
| Paper and Paper Products             | 7.2     | 7.2     | 7.4     | 7.4     | 7.4     | 7.4     | 7.4     | 7.3     |
| % Ch, Annual Rate                    | -1.0    | 0.4     | 6.4     | 4.8     | -2.0    | 0.2     | -1.7    | -4.6    |
| Other Nondurables                    | 37.7    | 37.9    | 37.6    | 37.6    | 37.7    | 37.6    | 37.6    | 37.4    |
| % Ch, Annual Rate                    | 7.1     | 2.5     | -3.1    | -0.4    | 2.0     | -1.1    | -0.8    | -1.6    |
| Natural Resources and Mining         | 5.4     | 5.5     | 5.3     | 5.4     | 5.3     | 5.3     | 5.3     | 5.2     |
| % Ch, Annual Rate                    | -1.1    | 5.1     | -12.3   | 5.3     | -1.4    | -2.3    | -1.6    | -4.6    |
| Construction                         | 227.8   | 227.9   | 229.0   | 230.5   | 233.3   | 235.3   | 236.9   | 238.4   |
| % Ch, Annual Rate                    | 0.0     | 0.1     | 1.9     | 2.7     | 4.8     | 3.6     | 2.7     | 2.5     |
| Trade, Transportation, and Utilities | 611.9   | 615.4   | 616.0   | 614.4   | 613.5   | 611.8   | 610.3   | 609.2   |
| % Ch, Annual Rate                    | 0.3     | 2.3     | 0.4     | -1.0    | -0.6    | -1.1    | -1.0    | -0.7    |
| Wholesale Trade                      | 138.7   | 139.2   | 139.1   | 140.0   | 140.4   | 140.7   | 140.7   | 140.6   |
| % Ch, Annual Rate                    | -5.6    | 1.3     | -0.1    | 2.6     | 1.0     | 1.0     | -0.1    | -0.4    |
| Retail Trade                         | 335.2   | 335.8   | 335.0   | 334.8   | 333.5   | 331.4   | 329.8   | 328.5   |
| % Ch, Annual Rate                    | 1.8     | 0.7     | -0.9    | -0.2    | -1.6    | -2.5    | -2.0    | -1.5    |
| Trans., Warehousing, and Utilities   | 138.0   | 140.5   | 141.8   | 139.6   | 139.6   | 139.7   | 139.8   | 140.2   |
| % Ch, Annual Rate                    | 2.9     | 7.3     | 3.9     | -6.2    | 0.2     | 0.1     | 0.4     | 1.0     |
| Information                          | 164.6   | 164.0   | 162.8   | 164.6   | 166.8   | 167.9   | 169.1   | 171.0   |
| % Ch, Annual Rate                    | 0.5     | -1.4    | -2.9    | 4.5     | 5.5     | 2.6     | 2.9     | 4.5     |
| Software Publishers                  | 83.3    | 82.9    | 82.3    | 83.3    | 83.8    | 84.3    | 84.8    | 85.2    |
| % Ch, Annual Rate                    | -6.3    | -1.7    | -3.2    | 5.1     | 2.4     | 2.3     | 2.3     | 2.0     |
| Other Publishing Industries          | 6.3     | 6.3     | 6.3     | 6.2     | 6.1     | 6.1     | 6.0     | 5.9     |
| % Ch, Annual Rate                    | -48.9   | -0.5    | -3.9    | -2.7    | -5.7    | -5.7    | -5.9    | -7.4    |
| Other Information                    | 74.9    | 74.7    | 74.2    | 75.1    | 76.9    | 77.6    | 78.4    | 80.0    |
| % Ch, Annual Rate                    | 16.0    | -1.2    | -2.5    | 4.5     | 10.1    | 3.5     | 4.4     | 8.3     |
| Financial Activities                 | 163.4   | 163.5   | 164.6   | 164.7   | 164.7   | 165.1   | 165.8   | 166.7   |
| % Ch, Annual Rate                    | -0.7    | 0.3     | 2.7     | 0.0     | 0.1     | 0.9     | 1.8     | 2.2     |
| Professional and Business Services   | 545.0   | 547.0   | 548.6   | 546.1   | 549.7   | 553.7   | 557.8   | 561.8   |
| % Ch, Annual Rate                    | -3.2    | 1.5     | 1.2     | -1.8    | 2.6     | 3.0     | 3.0     | 2.9     |
| Mgmt. of Companies and Enterprises   | 100.0   | 100.4   | 102.1   | 101.0   | 102.1   | 103.2   | 104.3   | 105.2   |
| % Ch                                 | -7.6    | 1.7     | 6.7     | -4.3    | 4.7     | 4.4     | 4.0     | 3.7     |
| Other Prof. and Bus. Services        | 445.0   | 446.6   | 446.6   | 445.2   | 447.5   | 450.5   | 453.5   | 456.6   |
| % Ch                                 | -2.2    | 1.5     | 0.0     | -1.3    | 2.2     | 2.7     | 2.8     | 2.7     |
| Education and Health Services        | 542.5   | 549.3   | 550.8   | 555.4   | 556.9   | 557.6   | 557.8   | 558.2   |
| % Ch, Annual Rate                    | 4.7     | 5.1     | 1.1     | 3.4     | 1.1     | 0.5     | 0.2     | 0.3     |
| Leisure and Hospitality              | 344.0   | 347.3   | 344.8   | 340.9   | 342.6   | 342.8   | 342.5   | 342.7   |
| % Ch, Annual Rate                    | 0.3     | 3.8     | -2.8    | -4.5    | 2.0     | 0.2     | -0.4    | 0.3     |
| Other Services                       | 124.4   | 125.0   | 124.7   | 124.3   | 124.5   | 124.6   | 124.7   | 124.9   |
| % Ch, Annual Rate                    | 8.3     | 1.9     | -1.1    | -1.3    | 0.7     | 0.2     | 0.3     | 0.7     |
| Federal Government                   | 79.2    | 79.6    | 80.1    | 80.0    | 80.5    | 80.4    | 80.4    | 80.4    |
| % Ch, Annual Rate                    | 3.6     | 2.4     | 2.4     | -0.3    | 2.1     | -0.1    | 0.0     | 0.0     |
| State and Local Government           | 527.8   | 531.7   | 535.0   | 539.6   | 538.0   | 538.8   | 539.5   | 540.4   |
| % Ch, Annual Rate                    | 9.0     | 3.0     | 2.5     | 3.5     | -1.2    | 0.6     | 0.6     | 0.7     |

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           | 3,686.5 | 3,696.1 | 3,705.2 | 3,713.3 | 3,719.9 | 3,726.6 | 3,733.7 | 3,741.5 |
| % Ch, Annual Rate                    | 1.1     | 1.0     | 1.0     | 0.9     | 0.7     | 0.7     | 0.8     | 0.8     |
| Manufacturing                        | 277.4   | 278.4   | 279.4   | 279.7   | 280.4   | 280.9   | 280.8   | 280.6   |
| % Ch, Annual Rate                    | 0.3     | 1.4     | 1.5     | 0.5     | 1.0     | 0.6     | -0.1    | -0.2    |
| Durable Manufacturing                | 193.6   | 195.0   | 196.4   | 197.0   | 197.5   | 197.9   | 197.9   | 197.8   |
| % Ch, Annual Rate                    | 1.6     | 3.0     | 2.8     | 1.3     | 1.2     | 0.8     | -0.1    | -0.2    |
| Wood Products                        | 14.2    | 14.2    | 14.2    | 14.2    | 14.2    | 14.2    | 14.2    | 14.1    |
| % Ch, Annual Rate                    | 0.1     | -0.1    | 0.1     | -0.3    | 0.0     | 0.1     | -0.2    | -0.2    |
| Primary and Fabricated Metals        | 23.4    | 23.4    | 23.4    | 23.3    | 23.3    | 23.3    | 23.2    | 23.0    |
| % Ch, Annual Rate                    | -3.9    | 0.1     | 1.1     | -2.0    | -0.3    | 0.2     | -2.2    | -2.7    |
| Computer and Electronic Products     | 18.1    | 18.1    | 18.2    | 18.2    | 18.2    | 18.1    | 18.1    | 18.0    |
| % Ch, Annual Rate                    | -0.6    | 1.0     | 1.0     | 0.6     | -0.8    | -1.0    | -1.5    | -1.7    |
| Machinery and Electrical Equipment   | 20.1    | 20.2    | 20.3    | 20.4    | 20.5    | 20.6    | 20.6    | 20.5    |
| % Ch, Annual Rate                    | -6.0    | 0.8     | 3.6     | 0.9     | 2.6     | 2.4     | -1.3    | -1.2    |
| Aerospace                            | 83.5    | 84.7    | 85.8    | 86.6    | 87.3    | 87.7    | 88.0    | 88.2    |
| % Ch, Annual Rate                    | 6.9     | 6.3     | 5.1     | 3.9     | 3.0     | 2.0     | 1.4     | 1.0     |
| Other Transportation Equip.          | 9.2     | 9.2     | 9.1     | 9.0     | 8.8     | 8.6     | 8.5     | 8.5     |
| % Ch, Annual Rate                    | -0.8    | -1.3    | -3.2    | -6.6    | -9.0    | -7.4    | -3.4    | -1.4    |
| Other Durables                       | 25.1    | 25.2    | 25.3    | 25.3    | 25.3    | 25.4    | 25.4    | 25.4    |
| % Ch, Annual Rate                    | -0.8    | 1.2     | 1.4     | 0.2     | 0.9     | 0.8     | 0.0     | -0.1    |
| Nondurable Manufacturing             | 83.8    | 83.4    | 83.0    | 82.8    | 82.9    | 82.9    | 82.9    | 82.8    |
| % Ch, Annual Rate                    | -2.7    | -2.1    | -1.6    | -1.3    | 0.5     | 0.3     | -0.2    | -0.1    |
| Food Manufacturing                   | 39.2    | 38.9    | 38.7    | 38.4    | 38.4    | 38.3    | 38.2    | 38.1    |
| % Ch, Annual Rate                    | -4.3    | -3.2    | -2.8    | -2.2    | -0.7    | -0.8    | -1.0    | -0.7    |
| Paper and Paper Products             | 7.2     | 7.1     | 7.1     | 7.0     | 7.0     | 7.0     | 7.0     | 6.9     |
| % Ch, Annual Rate                    | -4.8    | -4.0    | -3.1    | -2.7    | -0.4    | -1.0    | -2.1    | -2.2    |
| Other Nondurables                    | 37.4    | 37.3    | 37.3    | 37.3    | 37.5    | 37.6    | 37.7    | 37.8    |
| % Ch, Annual Rate                    | -0.5    | -0.5    | -0.1    | 0.0     | 1.8     | 1.6     | 0.8     | 0.8     |
| Natural Resources and Mining         | 5.3     | 5.3     | 5.4     | 5.4     | 5.5     | 5.5     | 5.6     | 5.6     |
| % Ch, Annual Rate                    | 4.8     | 2.7     | 4.4     | 4.9     | 2.8     | 2.8     | 2.9     | 3.7     |
| Construction                         | 240.1   | 242.0   | 243.9   | 245.8   | 247.4   | 249.1   | 250.9   | 253.1   |
| % Ch, Annual Rate                    | 3.0     | 3.2     | 3.1     | 3.1     | 2.7     | 2.8     | 2.9     | 3.5     |
| Trade, Transportation, and Utilities | 608.8   | 608.6   | 608.5   | 608.2   | 607.2   | 606.7   | 606.4   | 605.9   |
| % Ch, Annual Rate                    | -0.3    | -0.1    | -0.1    | -0.2    | -0.6    | -0.3    | -0.2    | -0.3    |
| Wholesale Trade                      | 140.9   | 141.0   | 141.2   | 141.5   | 141.2   | 141.3   | 141.2   | 141.2   |
| % Ch, Annual Rate                    | 0.9     | 0.4     | 0.6     | 0.8     | -0.8    | 0.1     | -0.2    | -0.2    |
| Retail Trade                         | 327.5   | 326.9   | 326.3   | 325.3   | 324.5   | 323.9   | 323.4   | 322.8   |
| % Ch, Annual Rate                    | -1.2    | -0.7    | -0.8    | -1.2    | -1.0    | -0.8    | -0.6    | -0.7    |
| Trans., Warehousing, and Utilities   | 140.4   | 140.7   | 141.0   | 141.3   | 141.5   | 141.6   | 141.7   | 142.0   |
| % Ch, Annual Rate                    | 0.7     | 0.8     | 0.9     | 0.9     | 0.5     | 0.3     | 0.5     | 0.6     |
| Information                          | 172.7   | 173.6   | 174.3   | 175.0   | 175.4   | 176.0   | 176.6   | 177.6   |
| % Ch, Annual Rate                    | 4.0     | 2.3     | 1.4     | 1.6     | 1.1     | 1.2     | 1.4     | 2.2     |
| Software Publishers                  | 85.7    | 86.1    | 86.6    | 87.1    | 87.5    | 88.0    | 88.5    | 89.1    |
| % Ch, Annual Rate                    | 2.5     | 2.0     | 2.1     | 2.2     | 2.1     | 2.3     | 2.5     | 2.3     |
| Other Publishing Industries          | 5.8     | 5.7     | 5.6     | 5.5     | 5.4     | 5.3     | 5.2     | 5.1     |
| % Ch, Annual Rate                    | -5.0    | -7.8    | -7.1    | -6.5    | -7.5    | -6.1    | -5.4    | -6.0    |
| Other Information                    | 81.2    | 81.9    | 82.1    | 82.4    | 82.6    | 82.7    | 82.8    | 83.4    |
| % Ch, Annual Rate                    | 6.3     | 3.3     | 1.3     | 1.4     | 0.7     | 0.6     | 0.8     | 2.7     |
| Financial Activities                 | 168.1   | 168.5   | 168.8   | 169.0   | 169.1   | 169.3   | 169.4   | 169.4   |
| % Ch, Annual Rate                    | 3.2     | 1.2     | 0.6     | 0.5     | 0.3     | 0.4     | 0.3     | 0.1     |
| Professional and Business Services   | 565.7   | 569.5   | 573.2   | 576.8   | 580.4   | 583.5   | 586.5   | 589.4   |
| % Ch, Annual Rate                    | 2.8     | 2.7     | 2.6     | 2.5     | 2.5     | 2.2     | 2.0     | 2.0     |
| Mgmt. of Companies and Enterprises   | 106.1   | 107.0   | 107.8   | 108.6   | 109.4   | 110.1   | 110.8   | 111.5   |
| % Ch                                 | 3.5     | 3.3     | 3.1     | 3.0     | 2.8     | 2.7     | 2.6     | 2.5     |
| Other Prof. and Bus. Services        | 459.6   | 462.5   | 465.4   | 468.2   | 471.0   | 473.4   | 475.7   | 477.9   |
| % Ch                                 | 2.7     | 2.6     | 2.5     | 2.4     | 2.5     | 2.0     | 1.9     | 1.8     |
| Education and Health Services        | 558.8   | 559.3   | 560.1   | 560.6   | 561.3   | 562.1   | 563.1   | 564.4   |
| % Ch, Annual Rate                    | 0.4     | 0.4     | 0.6     | 0.4     | 0.4     | 0.6     | 0.8     | 0.9     |
| Leisure and Hospitality              | 342.8   | 342.7   | 342.8   | 343.3   | 343.1   | 342.7   | 342.7   | 342.8   |
| % Ch, Annual Rate                    | 0.1     | -0.1    | 0.1     | 0.6     | -0.2    | -0.5    | 0.1     | 0.0     |
| Other Services                       | 125.2   | 125.4   | 125.8   | 126.0   | 126.1   | 126.3   | 126.6   | 126.9   |
| % Ch, Annual Rate                    | 1.0     | 0.9     | 1.0     | 0.6     | 0.4     | 0.6     | 0.9     | 0.9     |
| Federal Government                   | 80.4    | 80.4    | 80.4    | 80.5    | 80.5    | 80.5    | 80.5    | 80.5    |
| % Ch, Annual Rate                    | 0.0     | 0.0     | 0.0     | 0.1     | 0.1     | 0.1     | 0.1     | 0.1     |
| State and Local Government           | 541.3   | 542.1   | 542.7   | 543.1   | 543.5   | 544.0   | 544.6   | 545.3   |
| % Ch, Annual Rate                    | 0.7     | 0.6     | 0.4     | 0.3     | 0.3     | 0.4     | 0.4     | 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           | 3,751.1 | 3,759.5 | 3,767.5 | 3,775.2 | 3,783.4 | 3,791.5 | 3,799.8 | 3,807.9 |
| % Ch, Annual Rate                    | 1.0     | 0.9     | 0.9     | 0.8     | 0.9     | 0.9     | 0.9     | 0.9     |
| Manufacturing                        | 280.3   | 280.1   | 280.1   | 279.8   | 279.7   | 279.6   | 279.7   | 279.8   |
| % Ch, Annual Rate                    | -0.4    | -0.3    | -0.1    | -0.4    | -0.1    | -0.2    | 0.2     | 0.0     |
| Durable Manufacturing                | 197.6   | 197.4   | 197.3   | 197.0   | 196.9   | 196.7   | 196.7   | 196.5   |
| % Ch, Annual Rate                    | -0.5    | -0.3    | -0.2    | -0.6    | -0.3    | -0.3    | -0.1    | -0.3    |
| Wood Products                        | 14.1    | 14.1    | 14.1    | 14.1    | 14.1    | 14.1    | 14.1    | 14.1    |
| % Ch, Annual Rate                    | -0.5    | -0.5    | -0.3    | -0.2    | -0.3    | -0.2    | -0.5    | -0.3    |
| Primary and Fabricated Metals        | 22.8    | 22.7    | 22.6    | 22.5    | 22.4    | 22.3    | 22.2    | 22.1    |
| % Ch, Annual Rate                    | -3.3    | -2.4    | -1.8    | -2.4    | -1.6    | -1.9    | -1.0    | -1.6    |
| Computer and Electronic Products     | 17.9    | 17.7    | 17.6    | 17.5    | 17.4    | 17.4    | 17.3    | 17.2    |
| % Ch, Annual Rate                    | -2.9    | -2.5    | -2.4    | -2.2    | -2.2    | -2.2    | -1.7    | -1.5    |
| Machinery and Electrical Equipment   | 20.5    | 20.4    | 20.4    | 20.4    | 20.4    | 20.4    | 20.5    | 20.5    |
| % Ch, Annual Rate                    | -0.6    | -0.7    | -0.1    | -1.4    | 0.0     | 0.3     | 2.0     | 0.8     |
| Aerospace                            | 88.4    | 88.5    | 88.7    | 88.8    | 88.9    | 88.9    | 89.0    | 88.9    |
| % Ch, Annual Rate                    | 0.8     | 0.7     | 0.6     | 0.5     | 0.4     | 0.3     | 0.1     | -0.1    |
| Other Transportation Equip.          | 8.5     | 8.5     | 8.5     | 8.5     | 8.4     | 8.3     | 8.2     | 8.2     |
| % Ch, Annual Rate                    | 0.3     | 1.0     | 0.2     | -3.7    | -4.2    | -4.0    | -3.0    | -2.6    |
| Other Durables                       | 25.4    | 25.3    | 25.4    | 25.4    | 25.4    | 25.5    | 25.5    | 25.6    |
| % Ch, Annual Rate                    | -0.4    | -0.3    | 0.3     | 0.1     | 0.6     | 0.7     | 0.9     | 0.8     |
| Nondurable Manufacturing             | 82.8    | 82.7    | 82.8    | 82.8    | 82.8    | 82.9    | 83.0    | 83.2    |
| % Ch, Annual Rate                    | -0.3    | -0.2    | 0.2     | -0.1    | 0.4     | 0.2     | 0.8     | 0.8     |
| Food Manufacturing                   | 38.0    | 38.0    | 37.9    | 37.8    | 37.8    | 37.7    | 37.8    | 37.8    |
| % Ch, Annual Rate                    | -1.0    | -0.8    | -0.4    | -0.8    | -0.3    | -0.7    | 0.1     | 0.1     |
| Paper and Paper Products             | 6.9     | 6.9     | 6.8     | 6.8     | 6.7     | 6.7     | 6.7     | 6.7     |
| % Ch, Annual Rate                    | -2.2    | -2.2    | -2.0    | -2.3    | -1.8    | -2.0    | -1.4    | -1.5    |
| Other Nondurables                    | 37.8    | 37.9    | 38.0    | 38.1    | 38.3    | 38.4    | 38.6    | 38.8    |
| % Ch, Annual Rate                    | 0.7     | 0.9     | 1.2     | 1.1     | 1.5     | 1.4     | 1.9     | 1.9     |
| Natural Resources and Mining         | 5.7     | 5.7     | 5.8     | 5.9     | 6.0     | 6.1     | 6.1     | 6.2     |
| % Ch, Annual Rate                    | 4.9     | 2.8     | 5.0     | 7.1     | 5.4     | 6.5     | 3.3     | 6.6     |
| Construction                         | 255.0   | 256.7   | 258.4   | 260.0   | 261.5   | 262.8   | 264.2   | 265.8   |
| % Ch, Annual Rate                    | 3.0     | 2.7     | 2.7     | 2.5     | 2.3     | 2.1     | 2.1     | 2.5     |
| Trade, Transportation, and Utilities | 605.7   | 605.2   | 604.7   | 604.1   | 603.6   | 603.2   | 602.9   | 602.7   |
| % Ch, Annual Rate                    | -0.1    | -0.4    | -0.3    | -0.4    | -0.3    | -0.3    | -0.2    | -0.1    |
| Wholesale Trade                      | 141.9   | 141.7   | 141.5   | 141.3   | 141.2   | 140.9   | 140.7   | 140.5   |
| % Ch, Annual Rate                    | 2.0     | -0.3    | -0.6    | -0.6    | -0.2    | -0.9    | -0.6    | -0.6    |
| Retail Trade                         | 321.8   | 321.3   | 320.9   | 320.6   | 320.1   | 320.0   | 320.0   | 320.0   |
| % Ch, Annual Rate                    | -1.3    | -0.6    | -0.5    | -0.4    | -0.6    | -0.1    | -0.1    | 0.1     |
| Trans., Warehousing, and Utilities   | 142.1   | 142.2   | 142.2   | 142.2   | 142.3   | 142.3   | 142.3   | 142.2   |
| % Ch, Annual Rate                    | 0.4     | 0.3     | 0.2     | 0.0     | 0.1     | 0.1     | -0.1    | -0.1    |
| Information                          | 179.3   | 180.7   | 182.2   | 183.6   | 185.3   | 187.0   | 188.6   | 190.0   |
| % Ch, Annual Rate                    | 3.9     | 3.2     | 3.4     | 3.2     | 3.7     | 3.7     | 3.5     | 2.9     |
| Software Publishers                  | 89.7    | 90.2    | 90.7    | 91.2    | 91.7    | 92.2    | 92.7    | 93.2    |
| % Ch, Annual Rate                    | 2.8     | 2.4     | 2.2     | 2.2     | 2.3     | 2.1     | 2.2     | 2.2     |
| Other Publishing Industries          | 5.1     | 5.0     | 4.9     | 4.8     | 4.8     | 4.7     | 4.6     | 4.5     |
| % Ch, Annual Rate                    | -3.1    | -5.9    | -6.7    | -7.0    | -6.4    | -7.3    | -7.0    | -6.9    |
| Other Information                    | 84.5    | 85.5    | 86.6    | 87.6    | 88.8    | 90.1    | 91.4    | 92.3    |
| % Ch, Annual Rate                    | 5.5     | 4.7     | 5.2     | 4.9     | 5.7     | 6.0     | 5.5     | 4.1     |
| Financial Activities                 | 169.5   | 169.4   | 169.4   | 169.4   | 169.3   | 169.3   | 169.2   | 169.1   |
| % Ch, Annual Rate                    | 0.1     | -0.1    | 0.0     | -0.1    | -0.2    | -0.1    | -0.2    | -0.3    |
| Professional and Business Services   | 592.8   | 596.7   | 600.2   | 604.1   | 608.1   | 612.3   | 616.4   | 620.5   |
| % Ch, Annual Rate                    | 2.4     | 2.6     | 2.3     | 2.6     | 2.7     | 2.8     | 2.7     | 2.6     |
| Mgmt. of Companies and Enterprises   | 112.2   | 112.8   | 113.5   | 114.1   | 114.8   | 115.4   | 116.0   | 116.6   |
| % Ch                                 | 2.5     | 2.4     | 2.3     | 2.3     | 2.2     | 2.2     | 2.2     | 2.2     |
| Other Prof. and Bus. Services        | 480.7   | 483.9   | 486.7   | 489.9   | 493.4   | 496.9   | 500.4   | 503.8   |
| % Ch                                 | 2.4     | 2.7     | 2.3     | 2.7     | 2.8     | 2.9     | 2.9     | 2.7     |
| Education and Health Services        | 566.0   | 567.3   | 568.3   | 569.0   | 569.9   | 570.6   | 571.3   | 571.8   |
| % Ch, Annual Rate                    | 1.2     | 0.9     | 0.7     | 0.5     | 0.6     | 0.5     | 0.5     | 0.4     |
| Leisure and Hospitality              | 342.9   | 342.7   | 342.4   | 342.1   | 341.4   | 340.9   | 340.4   | 339.9   |
| % Ch, Annual Rate                    | 0.1     | -0.3    | -0.3    | -0.4    | -0.8    | -0.6    | -0.6    | -0.6    |
| Other Services                       | 127.3   | 127.6   | 127.9   | 128.1   | 128.4   | 128.6   | 128.8   | 129.0   |
| % Ch, Annual Rate                    | 1.4     | 0.9     | 0.8     | 0.8     | 0.9     | 0.7     | 0.6     | 0.6     |
| Federal Government                   | 80.6    | 80.6    | 80.6    | 80.7    | 80.7    | 80.7    | 80.8    | 80.8    |
| % Ch, Annual Rate                    | 0.1     | 0.1     | 0.1     | 0.2     | 0.2     | 0.2     | 0.2     | 0.2     |
| State and Local Government           | 546.0   | 546.8   | 547.6   | 548.5   | 549.4   | 550.4   | 551.5   | 552.5   |
| % Ch, Annual Rate                    | 0.5     | 0.6     | 0.6     | 0.7     | 0.7     | 0.7     | 0.8     | 0.7     |

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                        | 22,088.9 | 23,402.5 | 24,758.4 | 25,957.4 | 27,305.8 | 28,686.6 | 30,036.2 | 31,428.8 |
| % Ch                                   | 3.1      | 5.9      | 5.8      | 4.8      | 5.2      | 5.1      | 4.7      | 4.6      |
| Total Wage and Salary Disbursements    | 11,123.1 | 11,725.2 | 12,503.4 | 13,131.3 | 13,767.2 | 14,388.1 | 14,994.7 | 15,629.6 |
| % Ch                                   | 7.8      | 5.4      | 6.6      | 5.0      | 4.8      | 4.5      | 4.2      | 4.2      |
| Nonwage Personal Income                | 10,965.8 | 11,677.3 | 12,255.0 | 12,826.1 | 13,538.6 | 14,298.4 | 15,041.5 | 15,799.2 |
| % Ch                                   | -1.2     | 6.5      | 4.9      | 4.7      | 5.6      | 5.6      | 5.2      | 5.0      |
| Supplements to Wages and Salaries      | 2,313.6  | 2,464.9  | 2,627.3  | 2,771.5  | 2,889.9  | 2,997.6  | 3,120.4  | 3,243.6  |
| % Ch                                   | 3.2      | 6.5      | 6.6      | 5.5      | 4.3      | 3.7      | 4.1      | 3.9      |
| Proprietor's Income                    | 1,873.6  | 1,949.0  | 2,006.1  | 2,101.6  | 2,234.2  | 2,413.4  | 2,566.4  | 2,722.5  |
| % Ch                                   | 3.2      | 4.0      | 2.9      | 4.8      | 6.3      | 8.0      | 6.3      | 6.1      |
| Farm                                   | 95.9     | 71.3     | 40.9     | 53.9     | 74.5     | 83.9     | 82.2     | 80.1     |
| % Ch                                   | 27.0     | -25.7    | -42.6    | 31.6     | 38.4     | 12.6     | -2.1     | -2.5     |
| Nonfarm                                | 1,777.6  | 1,877.7  | 1,965.1  | 2,047.7  | 2,159.7  | 2,329.5  | 2,484.3  | 2,642.4  |
| % Ch                                   | 2.2      | 5.6      | 4.7      | 4.2      | 5.5      | 7.9      | 6.6      | 6.4      |
| Less: Contribution For Govt. Soc. Ins. | 1,704.8  | 1,816.6  | 1,910.6  | 1,986.0  | 2,068.9  | 2,137.4  | 2,221.5  | 2,316.1  |
| % Ch                                   | 9.3      | 6.6      | 5.2      | 3.9      | 4.2      | 3.3      | 3.9      | 4.3      |
| Dividends/Int./Rent                    | 4,344.3  | 4,812.0  | 4,993.4  | 5,164.0  | 5,487.5  | 5,791.2  | 6,063.3  | 6,340.3  |
| % Ch                                   | 9.9      | 10.8     | 3.8      | 3.4      | 6.3      | 5.5      | 4.7      | 4.6      |
| Transfer Payments                      | 4,139.2  | 4,268.0  | 4,538.8  | 4,775.0  | 4,995.9  | 5,233.6  | 5,512.8  | 5,808.9  |
| % Ch                                   | -11.1    | 3.1      | 6.3      | 5.2      | 4.6      | 4.8      | 5.3      | 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                        | 24,344.2 | 24,659.9 | 24,881.1 | 25,148.2 | 25,466.2 | 25,800.2 | 26,120.1 | 26,443.1 |
| % Ch, Annual Rate                      | 9.3      | 5.3      | 3.6      | 4.4      | 5.2      | 5.4      | 5.1      | 5.0      |
| Total Wage and Salary Disbursements    | 12,251.0 | 12,434.8 | 12,585.3 | 12,742.4 | 12,884.7 | 13,050.8 | 13,212.2 | 13,377.4 |
| % Ch, Annual Rate                      | 10.3     | 6.1      | 4.9      | 5.1      | 4.5      | 5.3      | 5.0      | 5.1      |
| Nonwage Personal Income                | 12,093.2 | 12,225.0 | 12,295.9 | 12,405.8 | 12,581.5 | 12,749.4 | 12,907.9 | 13,065.8 |
| % Ch, Annual Rate                      | 8.4      | 4.4      | 2.3      | 3.6      | 5.8      | 5.4      | 5.1      | 5.0      |
| Supplements to Wages and Salaries      | 2,572.8  | 2,609.0  | 2,645.4  | 2,682.2  | 2,726.0  | 2,755.7  | 2,786.5  | 2,817.8  |
| % Ch, Annual Rate                      | 7.6      | 5.8      | 5.7      | 5.7      | 6.7      | 4.4      | 4.5      | 4.6      |
| Proprietor's Income                    | 1,972.1  | 2,002.3  | 2,014.7  | 2,035.1  | 2,061.2  | 2,087.0  | 2,113.7  | 2,144.4  |
| % Ch, Annual Rate                      | 0.4      | 6.3      | 2.5      | 4.1      | 5.2      | 5.1      | 5.2      | 5.9      |
| Farm                                   | 38.5     | 41.1     | 40.6     | 43.5     | 46.6     | 50.6     | 56.0     | 62.2     |
| % Ch, Annual Rate                      | -65.3    | 29.2     | -3.9     | 31.0     | 32.2     | 38.1     | 50.5     | 52.6     |
| Nonfarm                                | 1,933.6  | 1,961.2  | 1,974.1  | 1,991.6  | 2,014.6  | 2,036.5  | 2,057.8  | 2,082.1  |
| % Ch, Annual Rate                      | 2.9      | 5.8      | 2.6      | 3.6      | 4.7      | 4.4      | 4.2      | 4.8      |
| Less: Contribution For Govt. Soc. Ins. | 1,882.9  | 1,902.2  | 1,921.9  | 1,935.5  | 1,958.4  | 1,976.8  | 1,994.9  | 2,013.8  |
| % Ch, Annual Rate                      | 6.6      | 4.2      | 4.2      | 2.9      | 4.8      | 3.8      | 3.7      | 3.9      |
| Dividends/Int./Rent                    | 4,985.1  | 5,003.6  | 4,984.1  | 5,000.8  | 5,043.5  | 5,131.6  | 5,205.7  | 5,275.5  |
| % Ch, Annual Rate                      | 4.3      | 1.5      | -1.6     | 1.4      | 3.5      | 7.2      | 5.9      | 5.5      |
| Transfer Payments                      | 4,446.1  | 4,512.3  | 4,573.6  | 4,623.3  | 4,709.3  | 4,751.9  | 4,796.8  | 4,842.0  |
| % Ch, Annual Rate                      | 16.8     | 6.1      | 5.5      | 4.4      | 7.6      | 3.7      | 3.8      | 3.8      |

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                        | 26,827.6 | 27,145.2 | 27,454.4 | 27,796.1 | 28,182.9 | 28,530.1 | 28,856.6 | 29,176.7 |
| % Ch, Annual Rate                      | 5.9      | 4.8      | 4.6      | 5.1      | 5.7      | 5.0      | 4.7      | 4.5      |
| Total Wage and Salary Disbursements    | 13,555.0 | 13,694.2 | 13,826.2 | 13,993.6 | 14,154.5 | 14,318.3 | 14,465.4 | 14,614.3 |
| % Ch, Annual Rate                      | 5.4      | 4.2      | 3.9      | 4.9      | 4.7      | 4.7      | 4.2      | 4.2      |
| Nonwage Personal Income                | 13,272.5 | 13,451.0 | 13,628.3 | 13,802.5 | 14,028.4 | 14,211.7 | 14,391.2 | 14,562.4 |
| % Ch, Annual Rate                      | 6.5      | 5.5      | 5.4      | 5.2      | 6.7      | 5.3      | 5.1      | 4.8      |
| Supplements to Wages and Salaries      | 2,855.6  | 2,881.2  | 2,899.0  | 2,924.0  | 2,955.0  | 2,984.9  | 3,010.7  | 3,039.9  |
| % Ch, Annual Rate                      | 5.5      | 3.6      | 2.5      | 3.5      | 4.3      | 4.1      | 3.5      | 3.9      |
| Proprietor's Income                    | 2,173.7  | 2,197.4  | 2,257.1  | 2,308.6  | 2,355.7  | 2,391.6  | 2,430.4  | 2,476.1  |
| % Ch, Annual Rate                      | 5.6      | 4.4      | 11.3     | 9.5      | 8.4      | 6.2      | 6.7      | 7.7      |
| Farm                                   | 67.7     | 72.3     | 77.1     | 81.0     | 82.7     | 84.2     | 84.5     | 84.3     |
| % Ch, Annual Rate                      | 40.1     | 30.1     | 29.1     | 22.1     | 8.6      | 7.4      | 1.4      | -1.0     |
| Nonfarm                                | 2,106.0  | 2,125.1  | 2,180.0  | 2,227.6  | 2,273.0  | 2,307.4  | 2,345.9  | 2,391.8  |
| % Ch, Annual Rate                      | 4.7      | 3.7      | 10.8     | 9.0      | 8.4      | 6.2      | 6.9      | 8.1      |
| Less: Contribution For Govt. Soc. Ins. | 2,044.2  | 2,060.7  | 2,077.6  | 2,093.3  | 2,114.4  | 2,132.4  | 2,141.8  | 2,161.0  |
| % Ch, Annual Rate                      | 6.2      | 3.3      | 3.3      | 3.1      | 4.1      | 3.4      | 1.8      | 3.6      |
| Dividends/Int./Rent                    | 5,363.0  | 5,460.1  | 5,531.5  | 5,595.3  | 5,674.8  | 5,760.3  | 5,833.2  | 5,896.4  |
| % Ch, Annual Rate                      | 6.8      | 7.4      | 5.3      | 4.7      | 5.8      | 6.2      | 5.2      | 4.4      |
| Transfer Payments                      | 4,924.4  | 4,973.0  | 5,018.3  | 5,067.9  | 5,157.3  | 5,207.3  | 5,258.7  | 5,310.9  |
| % Ch, Annual Rate                      | 7.0      | 4.0      | 3.7      | 4.0      | 7.2      | 3.9      | 4.0      | 4.0      |



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                        | 29,528.7 | 29,860.6 | 30,204.6 | 30,551.1 | 30,919.2 | 31,259.8 | 31,599.1 | 31,937.0 |
| % Ch, Annual Rate                      | 4.9      | 4.6      | 4.7      | 4.7      | 4.9      | 4.5      | 4.4      | 4.3      |
| Total Wage and Salary Disbursements    | 14,759.6 | 14,914.4 | 15,073.1 | 15,231.9 | 15,384.6 | 15,546.5 | 15,711.9 | 15,875.3 |
| % Ch, Annual Rate                      | 4.0      | 4.3      | 4.3      | 4.3      | 4.1      | 4.3      | 4.3      | 4.2      |
| Nonwage Personal Income                | 14,769.0 | 14,946.3 | 15,131.5 | 15,319.2 | 15,534.6 | 15,713.3 | 15,887.1 | 16,061.7 |
| % Ch, Annual Rate                      | 5.8      | 4.9      | 5.0      | 5.1      | 5.7      | 4.7      | 4.5      | 4.5      |
| Supplements to Wages and Salaries      | 3,075.7  | 3,106.1  | 3,135.1  | 3,164.7  | 3,197.9  | 3,228.0  | 3,258.9  | 3,289.6  |
| % Ch, Annual Rate                      | 4.8      | 4.0      | 3.8      | 3.8      | 4.3      | 3.8      | 3.9      | 3.8      |
| Proprietor's Income                    | 2,510.7  | 2,540.9  | 2,585.2  | 2,628.8  | 2,669.1  | 2,708.3  | 2,739.5  | 2,773.1  |
| % Ch, Annual Rate                      | 5.7      | 4.9      | 7.2      | 6.9      | 6.3      | 6.0      | 4.7      | 5.0      |
| Farm                                   | 83.3     | 82.4     | 81.8     | 81.2     | 80.5     | 80.1     | 79.9     | 79.8     |
| % Ch, Annual Rate                      | -4.6     | -4.4     | -2.9     | -2.8     | -3.1     | -2.0     | -1.3     | -0.4     |
| Nonfarm                                | 2,427.4  | 2,458.5  | 2,503.5  | 2,547.7  | 2,588.6  | 2,628.2  | 2,659.7  | 2,693.3  |
| % Ch, Annual Rate                      | 6.1      | 5.2      | 7.5      | 7.2      | 6.6      | 6.3      | 4.9      | 5.1      |
| Less: Contribution For Govt. Soc. Ins. | 2,190.8  | 2,210.7  | 2,231.6  | 2,252.7  | 2,283.5  | 2,305.1  | 2,327.1  | 2,348.8  |
| % Ch, Annual Rate                      | 5.6      | 3.7      | 3.8      | 3.8      | 5.6      | 3.8      | 3.9      | 3.8      |
| Dividends/Int./Rent                    | 5,958.0  | 6,029.0  | 6,097.7  | 6,168.6  | 6,235.7  | 6,303.9  | 6,375.8  | 6,445.8  |
| % Ch, Annual Rate                      | 4.2      | 4.9      | 4.6      | 4.7      | 4.4      | 4.4      | 4.6      | 4.5      |
| Transfer Payments                      | 5,415.4  | 5,481.0  | 5,545.1  | 5,609.7  | 5,715.4  | 5,778.2  | 5,840.0  | 5,902.0  |
| % Ch, Annual Rate                      | 8.1      | 4.9      | 4.8      | 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                        | 588.553 | 628.253 | 668.837 | 699.746 | 740.599 | 782.075 | 822.818 | 864.356 |
| % Ch                                   | 3.2     | 6.7     | 6.5     | 4.6     | 5.8     | 5.6     | 5.2     | 5.0     |
| Total Wage and Salary Disbursements    | 311.633 | 334.719 | 360.586 | 375.736 | 396.968 | 417.792 | 438.341 | 459.254 |
| % Ch                                   | 6.8     | 7.4     | 7.7     | 4.2     | 5.7     | 5.2     | 4.9     | 4.8     |
| Manufacturing                          | 23.826  | 25.674  | 26.624  | 27.341  | 28.943  | 30.496  | 31.591  | 32.631  |
| % Ch                                   | 10.3    | 7.8     | 3.7     | 2.7     | 5.9     | 5.4     | 3.6     | 3.3     |
| Durable Manufacturing                  | 18.053  | 19.675  | 20.538  | 21.148  | 22.640  | 23.955  | 24.819  | 25.611  |
| % Ch                                   | 11.2    | 9.0     | 4.4     | 3.0     | 7.1     | 5.8     | 3.6     | 3.2     |
| Nondurable Manufacturing               | 5.774   | 5.999   | 6.086   | 6.193   | 6.304   | 6.542   | 6.771   | 7.020   |
| % Ch                                   | 7.6     | 3.9     | 1.5     | 1.8     | 1.8     | 3.8     | 3.5     | 3.7     |
| Nonmanufacturing                       | 279.314 | 299.871 | 324.424 | 338.484 | 357.665 | 376.494 | 395.508 | 414.933 |
| % Ch                                   | 6.3     | 7.4     | 8.2     | 4.3     | 5.7     | 5.3     | 5.1     | 4.9     |
| Other Private Wages                    | 1.461   | 1.538   | 1.592   | 1.649   | 1.748   | 1.841   | 1.931   | 2.020   |
| % Ch                                   | 4.2     | 5.3     | 3.5     | 3.6     | 6.0     | 5.3     | 4.8     | 4.6     |
| Farm Wages                             | 2.753   | 3.211   | 3.409   | 3.535   | 3.713   | 3.886   | 4.055   | 4.227   |
| % Ch                                   | 50.7    | 16.6    | 6.2     | 3.7     | 5.0     | 4.6     | 4.4     | 4.2     |
| Military Wages                         | 4.278   | 4.426   | 4.537   | 4.726   | 4.898   | 5.075   | 5.257   | 5.443   |
| % Ch                                   | 0.0     | 3.5     | 2.5     | 4.2     | 3.6     | 3.6     | 3.6     | 3.5     |
| Nonwage Personal Income                | 276.920 | 293.533 | 308.251 | 324.011 | 343.631 | 364.282 | 384.477 | 405.102 |
| % Ch                                   | -0.5    | 6.0     | 5.0     | 5.1     | 6.1     | 6.0     | 5.5     | 5.4     |
| Supplements to Wages and Salaries      | 63.872  | 67.992  | 72.181  | 75.455  | 79.151  | 82.525  | 86.330  | 90.123  |
| % Ch                                   | 4.9     | 6.5     | 6.2     | 4.5     | 4.9     | 4.3     | 4.6     | 4.4     |
| Proprietor's Income                    | 41.266  | 41.838  | 43.585  | 46.677  | 50.351  | 54.874  | 58.738  | 62.559  |
| % Ch                                   | -2.4    | 1.4     | 4.2     | 7.1     | 7.9     | 9.0     | 7.0     | 6.5     |
| Farm                                   | 0.708   | -0.939  | -1.151  | 0.048   | 0.979   | 1.465   | 1.619   | 1.688   |
| % Ch                                   | ...     | ...     | ...     | ...     | ...     | ...     | ...     | ...     |
| Nonfarm                                | 40.558  | 42.777  | 44.736  | 46.629  | 49.372  | 53.409  | 57.119  | 60.871  |
| % Ch                                   | -1.1    | 5.5     | 4.6     | 4.2     | 5.9     | 8.2     | 6.9     | 6.6     |
| Less: Contribution For Govt. Soc. Ins. | 49.014  | 53.189  | 55.626  | 57.149  | 59.831  | 62.051  | 64.715  | 67.610  |
| % Ch                                   | 9.6     | 8.5     | 4.6     | 2.7     | 4.7     | 3.7     | 4.3     | 4.5     |
| Plus: Residence Adjustment             | 6.078   | 6.527   | 6.785   | 7.155   | 7.526   | 7.889   | 8.244   | 8.615   |
| % Ch                                   | 9.0     | 7.4     | 3.9     | 5.5     | 5.2     | 4.8     | 4.5     | 4.5     |
| Dividends/Int./Rent                    | 123.557 | 137.237 | 142.276 | 147.060 | 156.298 | 165.154 | 173.248 | 181.566 |
| % Ch                                   | 11.3    | 11.1    | 3.7     | 3.4     | 6.3     | 5.7     | 4.9     | 4.8     |
| Transfer Payments                      | 91.162  | 93.129  | 99.050  | 104.814 | 110.136 | 115.891 | 122.633 | 129.849 |
| % Ch                                   | -11.8   | 2.2     | 6.4     | 5.8     | 5.1     | 5.2     | 5.8     | 5.9     |
| State U.I. Benefits                    | 0.965   | 1.515   | 1.667   | 1.510   | 1.632   | 1.721   | 1.738   | 1.782   |
| % Ch                                   | -88.2   | 57.0    | 10.0    | -9.4    | 8.1     | 5.5     | 1.0     | 2.5     |
| Other Transfers                        | 90.197  | 91.613  | 97.383  | 103.304 | 108.504 | 114.170 | 120.894 | 128.067 |
| % Ch                                   | -5.2    | 1.6     | 6.3     | 6.1     | 5.0     | 5.2     | 5.9     | 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                        | 651.463 | 669.790 | 673.776 | 680.320 | 685.810 | 694.966 | 704.208 | 714.001 |
| % Ch, Annual Rate                      | 7.5     | 11.7    | 2.4     | 3.9     | 3.3     | 5.4     | 5.4     | 5.7     |
| Total Wage and Salary Disbursements    | 347.376 | 362.628 | 364.524 | 367.816 | 368.636 | 373.077 | 377.908 | 383.321 |
| % Ch, Annual Rate                      | 6.8     | 18.8    | 2.1     | 3.7     | 0.9     | 4.9     | 5.3     | 5.9     |
| Manufacturing                          | 26.327  | 26.869  | 26.576  | 26.725  | 26.838  | 27.097  | 27.530  | 27.900  |
| % Ch, Annual Rate                      | -9.0    | 8.5     | -4.3    | 2.3     | 1.7     | 3.9     | 6.5     | 5.5     |
| Durable Manufacturing                  | 20.322  | 20.804  | 20.480  | 20.547  | 20.689  | 20.911  | 21.318  | 21.673  |
| % Ch, Annual Rate                      | -11.7   | 9.8     | -6.1    | 1.3     | 2.8     | 4.4     | 8.0     | 6.8     |
| Nondurable Manufacturing               | 6.005   | 6.065   | 6.097   | 6.178   | 6.149   | 6.186   | 6.212   | 6.227   |
| % Ch, Annual Rate                      | 1.1     | 4.1     | 2.1     | 5.4     | -1.9    | 2.4     | 1.7     | 1.0     |
| Nonmanufacturing                       | 311.679 | 326.263 | 328.346 | 331.410 | 332.041 | 336.123 | 340.414 | 345.356 |
| % Ch, Annual Rate                      | 8.4     | 20.1    | 2.6     | 3.8     | 0.8     | 5.0     | 5.2     | 5.9     |
| Other Private Wages                    | 1.571   | 1.580   | 1.600   | 1.616   | 1.615   | 1.637   | 1.660   | 1.686   |
| % Ch, Annual Rate                      | 2.4     | 2.3     | 5.3     | 4.0     | -0.3    | 5.7     | 5.9     | 6.3     |
| Farm Wages                             | 3.328   | 3.400   | 3.438   | 3.468   | 3.472   | 3.513   | 3.555   | 3.601   |
| % Ch, Annual Rate                      | 7.6     | 9.0     | 4.5     | 3.5     | 0.5     | 4.7     | 4.9     | 5.3     |
| Military Wages                         | 4.471   | 4.516   | 4.564   | 4.598   | 4.670   | 4.707   | 4.749   | 4.778   |
| % Ch, Annual Rate                      | -1.2    | 4.1     | 4.3     | 3.1     | 6.4     | 3.2     | 3.6     | 2.5     |
| Nonwage Personal Income                | 304.087 | 307.161 | 309.252 | 312.503 | 317.173 | 321.890 | 326.300 | 330.679 |
| % Ch, Annual Rate                      | 8.3     | 4.1     | 2.8     | 4.3     | 6.1     | 6.1     | 5.6     | 5.5     |
| Supplements to Wages and Salaries      | 70.762  | 71.727  | 72.661  | 73.573  | 74.215  | 74.977  | 75.840  | 76.789  |
| % Ch, Annual Rate                      | 4.2     | 5.6     | 5.3     | 5.1     | 3.5     | 4.2     | 4.7     | 5.1     |
| Proprietor's Income                    | 42.527  | 43.288  | 43.900  | 44.625  | 45.472  | 46.261  | 47.051  | 47.923  |
| % Ch, Annual Rate                      | 3.5     | 7.4     | 5.8     | 6.8     | 7.8     | 7.1     | 7.0     | 7.6     |
| Farm                                   | -1.563  | -1.346  | -1.017  | -0.678  | -0.373  | -0.089  | 0.192   | 0.461   |
| % Ch, Annual Rate                      | ...     | ...     | ...     | ...     | ...     | ...     | ...     | ...     |
| Nonfarm                                | 44.090  | 44.634  | 44.917  | 45.303  | 45.845  | 46.350  | 46.859  | 47.461  |
| % Ch, Annual Rate                      | 4.6     | 5.0     | 2.6     | 3.5     | 4.9     | 4.5     | 4.5     | 5.2     |
| Less: Contribution For Govt. Soc. Ins. | 54.856  | 55.405  | 55.944  | 56.298  | 56.396  | 56.849  | 57.369  | 57.982  |
| % Ch, Annual Rate                      | 2.8     | 4.1     | 4.0     | 2.5     | 0.7     | 3.3     | 3.7     | 4.3     |
| Plus: Residence Adjustment             | 6.633   | 6.746   | 6.834   | 6.926   | 7.010   | 7.108   | 7.202   | 7.298   |
| % Ch, Annual Rate                      | 7.7     | 7.0     | 5.3     | 5.5     | 5.0     | 5.7     | 5.4     | 5.5     |
| Dividends/Int./Rent                    | 142.066 | 142.591 | 142.004 | 142.445 | 143.643 | 146.137 | 148.237 | 150.221 |
| % Ch, Annual Rate                      | 4.3     | 1.5     | -1.6    | 1.2     | 3.4     | 7.1     | 5.9     | 5.5     |
| Transfer Payments                      | 96.956  | 98.215  | 99.798  | 101.232 | 103.229 | 104.256 | 105.340 | 106.430 |
| % Ch, Annual Rate                      | 16.8    | 5.3     | 6.6     | 5.9     | 8.1     | 4.0     | 4.2     | 4.2     |
| State U.I. Benefits                    | 1.767   | 1.806   | 1.563   | 1.531   | 1.454   | 1.483   | 1.531   | 1.571   |
| % Ch, Annual Rate                      | 23.1    | 9.2     | -43.9   | -8.1    | -18.7   | 8.4     | 13.6    | 10.8    |
| Other Transfers                        | 95.189  | 96.408  | 98.235  | 99.701  | 101.776 | 102.772 | 103.809 | 104.859 |
| % Ch, Annual Rate                      | 16.7    | 5.2     | 7.8     | 6.1     | 8.6     | 4.0     | 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                        | 725.673 | 735.724 | 745.339 | 755.660 | 766.926 | 777.311 | 787.169 | 796.893 |
| % Ch, Annual Rate                      | 6.7     | 5.7     | 5.3     | 5.7     | 6.1     | 5.5     | 5.2     | 5.0     |
| Total Wage and Salary Disbursements    | 389.374 | 394.433 | 399.234 | 404.832 | 410.078 | 415.395 | 420.324 | 425.373 |
| % Ch, Annual Rate                      | 6.5     | 5.3     | 5.0     | 5.7     | 5.3     | 5.3     | 4.8     | 4.9     |
| Manufacturing                          | 28.326  | 28.742  | 29.145  | 29.561  | 29.979  | 30.375  | 30.675  | 30.956  |
| % Ch, Annual Rate                      | 6.2     | 6.0     | 5.7     | 5.8     | 5.8     | 5.4     | 4.0     | 3.7     |
| Durable Manufacturing                  | 22.067  | 22.460  | 22.834  | 23.197  | 23.538  | 23.859  | 24.100  | 24.322  |
| % Ch, Annual Rate                      | 7.5     | 7.3     | 6.8     | 6.5     | 6.0     | 5.6     | 4.1     | 3.7     |
| Nondurable Manufacturing               | 6.259   | 6.282   | 6.311   | 6.364   | 6.441   | 6.517   | 6.575   | 6.634   |
| % Ch, Annual Rate                      | 2.1     | 1.5     | 1.8     | 3.4     | 4.9     | 4.8     | 3.7     | 3.6     |
| Nonmanufacturing                       | 350.843 | 355.382 | 359.678 | 364.758 | 369.456 | 374.267 | 378.790 | 383.463 |
| % Ch, Annual Rate                      | 6.5     | 5.3     | 4.9     | 5.8     | 5.3     | 5.3     | 4.9     | 5.0     |
| Other Private Wages                    | 1.715   | 1.737   | 1.758   | 1.783   | 1.807   | 1.831   | 1.853   | 1.875   |
| % Ch, Annual Rate                      | 6.9     | 5.3     | 4.9     | 6.0     | 5.4     | 5.4     | 4.8     | 4.8     |
| Farm Wages                             | 3.651   | 3.693   | 3.732   | 3.778   | 3.822   | 3.866   | 3.907   | 3.949   |
| % Ch, Annual Rate                      | 5.7     | 4.6     | 4.3     | 5.1     | 4.7     | 4.7     | 4.3     | 4.3     |
| Military Wages                         | 4.839   | 4.879   | 4.922   | 4.951   | 5.014   | 5.055   | 5.099   | 5.130   |
| % Ch, Annual Rate                      | 5.3     | 3.3     | 3.5     | 2.4     | 5.2     | 3.3     | 3.5     | 2.5     |
| Nonwage Personal Income                | 336.299 | 341.291 | 346.105 | 350.828 | 356.848 | 361.916 | 366.846 | 371.520 |
| % Ch, Annual Rate                      | 7.0     | 6.1     | 5.8     | 5.6     | 7.0     | 5.8     | 5.6     | 5.2     |
| Supplements to Wages and Salaries      | 77.981  | 78.834  | 79.494  | 80.295  | 81.236  | 82.135  | 82.912  | 83.818  |
| % Ch, Annual Rate                      | 6.4     | 4.5     | 3.4     | 4.1     | 4.8     | 4.5     | 3.8     | 4.4     |
| Proprietor's Income                    | 48.764  | 49.454  | 50.948  | 52.238  | 53.414  | 54.326  | 55.307  | 56.449  |
| % Ch, Annual Rate                      | 7.2     | 5.8     | 12.6    | 10.5    | 9.3     | 7.0     | 7.4     | 8.5     |
| Farm                                   | 0.696   | 0.896   | 1.083   | 1.242   | 1.350   | 1.444   | 1.509   | 1.557   |
| % Ch, Annual Rate                      | ...     | ...     | ...     | ...     | ...     | ...     | ...     | ...     |
| Nonfarm                                | 48.068  | 48.558  | 49.865  | 50.997  | 52.064  | 52.882  | 53.798  | 54.892  |
| % Ch, Annual Rate                      | 5.2     | 4.1     | 11.2    | 9.4     | 8.6     | 6.4     | 7.1     | 8.4     |
| Less: Contribution For Govt. Soc. Ins. | 58.970  | 59.555  | 60.137  | 60.662  | 61.319  | 61.880  | 62.197  | 62.806  |
| % Ch, Annual Rate                      | 7.0     | 4.0     | 4.0     | 3.5     | 4.4     | 3.7     | 2.1     | 4.0     |
| Plus: Residence Adjustment             | 7.402   | 7.484   | 7.561   | 7.658   | 7.753   | 7.848   | 7.934   | 8.021   |
| % Ch, Annual Rate                      | 5.8     | 4.5     | 4.2     | 5.3     | 5.0     | 5.0     | 4.5     | 4.5     |
| Dividends/Int./Rent                    | 152.718 | 155.499 | 157.559 | 159.415 | 161.735 | 164.235 | 166.384 | 168.262 |
| % Ch, Annual Rate                      | 6.8     | 7.5     | 5.4     | 4.8     | 5.9     | 6.3     | 5.3     | 4.6     |
| Transfer Payments                      | 108.405 | 109.575 | 110.682 | 111.883 | 114.029 | 115.253 | 116.506 | 117.776 |
| % Ch, Annual Rate                      | 7.6     | 4.4     | 4.1     | 4.4     | 7.9     | 4.4     | 4.4     | 4.4     |
| State U.I. Benefits                    | 1.595   | 1.618   | 1.646   | 1.669   | 1.696   | 1.721   | 1.735   | 1.734   |
| % Ch, Annual Rate                      | 6.2     | 6.0     | 7.0     | 5.7     | 6.6     | 6.0     | 3.3     | -0.2    |
| Other Transfers                        | 106.810 | 107.956 | 109.036 | 110.215 | 112.334 | 113.532 | 114.771 | 116.043 |
| % Ch, Annual Rate                      | 7.7     | 4.4     | 4.1     | 4.4     | 7.9     | 4.3     | 4.4     | 4.5     |

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                        | 807.509 | 817.597 | 827.915 | 838.251 | 849.070 | 859.253 | 869.469 | 879.633 |
| % Ch, Annual Rate                      | 5.4     | 5.1     | 5.1     | 5.1     | 5.3     | 4.9     | 4.8     | 4.8     |
| Total Wage and Salary Disbursements    | 430.476 | 435.702 | 440.982 | 446.204 | 451.254 | 456.539 | 461.941 | 467.284 |
| % Ch, Annual Rate                      | 4.9     | 4.9     | 4.9     | 4.8     | 4.6     | 4.8     | 4.8     | 4.7     |
| Manufacturing                          | 31.189  | 31.453  | 31.735  | 31.985  | 32.226  | 32.482  | 32.770  | 33.046  |
| % Ch, Annual Rate                      | 3.0     | 3.4     | 3.6     | 3.2     | 3.1     | 3.2     | 3.6     | 3.4     |
| Durable Manufacturing                  | 24.507  | 24.714  | 24.932  | 25.124  | 25.306  | 25.502  | 25.716  | 25.918  |
| % Ch, Annual Rate                      | 3.1     | 3.4     | 3.6     | 3.1     | 2.9     | 3.1     | 3.4     | 3.2     |
| Nondurable Manufacturing               | 6.683   | 6.739   | 6.803   | 6.860   | 6.920   | 6.980   | 7.054   | 7.128   |
| % Ch, Annual Rate                      | 3.0     | 3.4     | 3.8     | 3.4     | 3.5     | 3.5     | 4.3     | 4.3     |
| Nonmanufacturing                       | 388.204 | 393.059 | 397.946 | 402.820 | 407.501 | 412.421 | 417.422 | 422.388 |
| % Ch, Annual Rate                      | 5.0     | 5.1     | 5.1     | 5.0     | 4.7     | 4.9     | 4.9     | 4.8     |
| Other Private Wages                    | 1.897   | 1.919   | 1.942   | 1.964   | 1.986   | 2.008   | 2.031   | 2.054   |
| % Ch, Annual Rate                      | 4.8     | 4.8     | 4.8     | 4.7     | 4.4     | 4.6     | 4.7     | 4.5     |
| Farm Wages                             | 3.991   | 4.033   | 4.077   | 4.120   | 4.161   | 4.205   | 4.250   | 4.294   |
| % Ch, Annual Rate                      | 4.3     | 4.4     | 4.4     | 4.3     | 4.1     | 4.3     | 4.3     | 4.2     |
| Military Wages                         | 5.195   | 5.237   | 5.282   | 5.314   | 5.380   | 5.423   | 5.469   | 5.502   |
| % Ch, Annual Rate                      | 5.1     | 3.3     | 3.5     | 2.5     | 5.0     | 3.2     | 3.4     | 2.5     |
| Nonwage Personal Income                | 377.034 | 381.896 | 386.933 | 392.047 | 397.816 | 402.714 | 407.528 | 412.350 |
| % Ch, Annual Rate                      | 6.1     | 5.3     | 5.4     | 5.4     | 6.0     | 5.0     | 4.9     | 4.8     |
| Supplements to Wages and Salaries      | 84.947  | 85.887  | 86.789  | 87.697  | 88.729  | 89.648  | 90.590  | 91.525  |
| % Ch, Annual Rate                      | 5.5     | 4.5     | 4.3     | 4.3     | 4.8     | 4.2     | 4.3     | 4.2     |
| Proprietor's Income                    | 57.346  | 58.122  | 59.211  | 60.273  | 61.257  | 62.210  | 62.977  | 63.792  |
| % Ch, Annual Rate                      | 6.5     | 5.5     | 7.7     | 7.4     | 6.7     | 6.4     | 5.0     | 5.3     |
| Farm                                   | 1.585   | 1.608   | 1.632   | 1.651   | 1.665   | 1.680   | 1.695   | 1.710   |
| % Ch, Annual Rate                      | ...     | ...     | ...     | ...     | ...     | ...     | ...     | ...     |
| Nonfarm                                | 55.761  | 56.514  | 57.580  | 58.622  | 59.592  | 60.530  | 61.282  | 62.082  |
| % Ch, Annual Rate                      | 6.5     | 5.5     | 7.8     | 7.4     | 6.8     | 6.4     | 5.1     | 5.3     |
| Less: Contribution For Govt. Soc. Ins. | 63.752  | 64.386  | 65.039  | 65.685  | 66.619  | 67.275  | 67.944  | 68.601  |
| % Ch, Annual Rate                      | 6.2     | 4.0     | 4.1     | 4.0     | 5.8     | 4.0     | 4.0     | 3.9     |
| Plus: Residence Adjustment             | 8.106   | 8.197   | 8.290   | 8.382   | 8.472   | 8.566   | 8.663   | 8.759   |
| % Ch, Annual Rate                      | 4.3     | 4.5     | 4.6     | 4.6     | 4.3     | 4.5     | 4.6     | 4.5     |
| Dividends/Int./Rent                    | 170.104 | 172.218 | 174.272 | 176.397 | 178.419 | 180.472 | 182.634 | 184.739 |
| % Ch, Annual Rate                      | 4.5     | 5.1     | 4.9     | 5.0     | 4.7     | 4.7     | 4.9     | 4.7     |
| Transfer Payments                      | 120.282 | 121.857 | 123.409 | 124.982 | 127.559 | 129.093 | 130.608 | 132.135 |
| % Ch, Annual Rate                      | 8.8     | 5.3     | 5.2     | 5.2     | 8.5     | 4.9     | 4.8     | 4.8     |
| State U.I. Benefits                    | 1.726   | 1.732   | 1.741   | 1.754   | 1.765   | 1.776   | 1.787   | 1.802   |
| % Ch, Annual Rate                      | -1.7    | 1.3     | 2.2     | 2.8     | 2.5     | 2.5     | 2.6     | 3.4     |
| Other Transfers                        | 118.555 | 120.125 | 121.668 | 123.228 | 125.794 | 127.318 | 128.821 | 130.333 |
| % Ch, Annual Rate                      | 8.9     | 5.4     | 5.2     | 5.2     | 8.6     | 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            | 4.1            | 2.710     | 4.7            | 2.960        | 4.7            |
| 2022     | 116.1            | 6.6            | 2.926     | 8.0            | 3.224        | 8.9            |
| 2023     | 120.5            | 3.8            | 3.047     | 4.1            | 3.412        | 5.8            |
| Forecast |                  |                |           |                |              |                |
| 2024     | 123.5            | 2.5            | 3.136     | 2.9            | 3.542        | 3.8            |
| 2025     | 126.0            | 2.1            | 3.208     | 2.3            | 3.632        | 2.5            |
| 2026     | 128.8            | 2.2            | 3.278     | 2.2            | 3.712        | 2.2            |
| 2027     | 131.4            | 2.0            | 3.354     | 2.3            | 3.798        | 2.3            |
| 2028     | 134.0            | 1.9            | 3.432     | 2.3            | 3.886        | 2.3            |
| 2029     | 136.8            | 2.1            | 3.510     | 2.3            | 3.975        | 2.3            |

\* GDP Price Index for Personal Consumption Expenditures

# Consumer Price Index for all Urban Consumers

+ Consumer Price Index for the Seattle-Tacoma-Bremerton, WA CMSA

Consumer Price Index and PCE Price Index values shown here are annual averages of seasonally adjusted quarterly data and may differ slightly from the annual values published by the Bureau of Labor Statistics and Bureau of Economic Analysis.

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

|          | Services |                | Food  |                | Fuels |                | Gasoline |                |
|----------|----------|----------------|-------|----------------|-------|----------------|----------|----------------|
|          | Index    | Percent Change | Index | Percent Change | Index | Percent Change | Index    | Percent Change |
| 1971     | 15.0     | 5.5            | 20.8  | 2.3            | 7.2   | 6.3            | 13.2     | 0.7            |
| 1972     | 15.6     | 4.2            | 21.7  | 4.8            | 7.3   | 0.6            | 13.4     | 1.3            |
| 1973     | 16.4     | 4.8            | 24.5  | 12.7           | 8.3   | 14.6           | 14.6     | 9.6            |
| 1974     | 17.8     | 8.5            | 28.2  | 15.2           | 13.2  | 58.9           | 19.8     | 35.1           |
| 1975     | 19.3     | 8.6            | 30.3  | 7.5            | 14.3  | 8.5            | 21.1     | 6.7            |
| 1976     | 20.6     | 6.9            | 30.9  | 1.9            | 15.4  | 7.3            | 22.0     | 4.2            |
| 1977     | 22.2     | 7.6            | 32.7  | 5.9            | 17.4  | 13.2           | 23.3     | 5.8            |
| 1978     | 23.9     | 7.7            | 35.9  | 9.6            | 18.4  | 5.7            | 24.3     | 4.3            |
| 1979     | 25.9     | 8.4            | 39.4  | 9.8            | 25.4  | 37.9           | 32.5     | 34.0           |
| 1980     | 28.6     | 10.4           | 42.7  | 8.4            | 35.6  | 40.4           | 45.2     | 38.8           |
| 1981     | 31.5     | 10.2           | 45.7  | 7.1            | 43.6  | 22.3           | 50.2     | 11.3           |
| 1982     | 34.0     | 7.8            | 46.9  | 2.6            | 42.8  | -1.9           | 47.7     | -5.1           |
| 1983     | 36.1     | 6.1            | 47.5  | 1.1            | 39.4  | -7.8           | 46.1     | -3.3           |
| 1984     | 38.0     | 5.2            | 48.9  | 3.0            | 40.3  | 2.2            | 45.4     | -1.5           |
| 1985     | 39.8     | 4.9            | 49.4  | 1.1            | 38.7  | -3.9           | 45.8     | 0.8            |
| 1986     | 41.5     | 4.1            | 50.6  | 2.4            | 30.3  | -21.7          | 36.0     | -21.5          |
| 1987     | 42.7     | 3.0            | 52.2  | 3.2            | 31.1  | 2.6            | 37.4     | 3.8            |
| 1988     | 44.8     | 4.8            | 53.7  | 3.0            | 31.1  | 0.0            | 37.7     | 0.8            |
| 1989     | 46.9     | 4.7            | 56.6  | 5.3            | 32.9  | 6.0            | 41.2     | 9.2            |
| 1990     | 49.0     | 4.6            | 59.3  | 4.9            | 39.7  | 20.4           | 46.9     | 13.8           |
| 1991     | 50.9     | 3.9            | 61.2  | 3.1            | 37.8  | -4.8           | 46.2     | -1.3           |
| 1992     | 52.8     | 3.6            | 61.7  | 0.8            | 36.2  | -4.1           | 46.1     | -0.4           |
| 1993     | 54.6     | 3.5            | 62.5  | 1.4            | 36.0  | -0.7           | 45.6     | -1.0           |
| 1994     | 56.1     | 2.7            | 63.6  | 1.7            | 35.3  | -1.8           | 45.8     | 0.5            |
| 1995     | 57.6     | 2.8            | 65.0  | 2.2            | 35.0  | -0.9           | 46.5     | 1.6            |
| 1996     | 59.2     | 2.7            | 66.9  | 3.1            | 39.7  | 13.3           | 49.4     | 6.1            |
| 1997     | 60.9     | 2.8            | 68.2  | 1.9            | 39.7  | 0.2            | 49.4     | 0.0            |
| 1998     | 62.2     | 2.1            | 69.1  | 1.3            | 35.2  | -11.4          | 43.0     | -12.9          |
| 1999     | 63.4     | 2.0            | 70.2  | 1.6            | 35.8  | 1.7            | 46.8     | 8.9            |
| 2000     | 65.2     | 2.8            | 71.9  | 2.3            | 52.5  | 46.6           | 59.8     | 27.8           |
| 2001     | 67.3     | 3.2            | 73.9  | 2.9            | 51.5  | -2.0           | 57.7     | -3.6           |
| 2002     | 69.0     | 2.6            | 75.1  | 1.5            | 45.9  | -10.8          | 54.2     | -6.0           |
| 2003     | 71.3     | 3.3            | 76.5  | 1.9            | 55.5  | 20.9           | 63.1     | 16.5           |
| 2004     | 73.5     | 3.1            | 78.9  | 3.1            | 64.6  | 16.4           | 74.2     | 17.6           |
| 2005     | 76.0     | 3.4            | 80.2  | 1.7            | 86.0  | 33.0           | 90.3     | 21.6           |
| 2006     | 78.8     | 3.6            | 81.6  | 1.7            | 97.7  | 13.7           | 101.9    | 12.9           |
| 2007     | 81.4     | 3.3            | 84.8  | 3.9            | 104.5 | 6.9            | 110.5    | 8.4            |
| 2008     | 83.8     | 2.9            | 89.9  | 6.1            | 141.8 | 35.7           | 128.6    | 16.5           |
| 2009     | 84.4     | 0.8            | 91.0  | 1.2            | 97.1  | -31.6          | 94.4     | -26.6          |
| 2010     | 86.1     | 1.9            | 91.3  | 0.3            | 113.5 | 16.9           | 111.3    | 18.0           |
| 2011     | 87.7     | 1.9            | 94.9  | 4.0            | 144.5 | 27.3           | 139.9    | 25.7           |
| 2012     | 89.6     | 2.2            | 97.2  | 2.4            | 146.5 | 1.4            | 144.8    | 3.5            |
| 2013     | 91.7     | 2.2            | 98.1  | 1.0            | 144.9 | -1.1           | 140.8    | -2.8           |
| 2014     | 93.8     | 2.3            | 100.0 | 1.9            | 144.5 | -0.3           | 135.5    | -3.8           |
| 2015     | 95.5     | 1.8            | 101.1 | 1.1            | 104.0 | -28.0          | 99.7     | -26.4          |
| 2016     | 97.6     | 2.3            | 100.1 | -1.0           | 87.4  | -15.9          | 88.7     | -11.0          |
| 2017     | 100.0    | 2.4            | 100.0 | -0.1           | 100.0 | 14.4           | 100.0    | 12.7           |
| 2018     | 102.6    | 2.6            | 100.5 | 0.5            | 119.1 | 19.1           | 113.1    | 13.1           |
| 2019     | 105.0    | 2.3            | 101.5 | 1.0            | 113.8 | -4.4           | 109.2    | -3.4           |
| 2020     | 107.1    | 2.0            | 104.9 | 3.3            | 91.0  | -20.1          | 93.2     | -14.7          |
| 2021     | 111.0    | 3.7            | 108.2 | 3.1            | 118.5 | 30.2           | 124.4    | 33.5           |
| 2022     | 117.1    | 5.5            | 119.3 | 10.3           | 185.1 | 56.2           | 162.7    | 30.8           |
| 2023     | 123.1    | 5.1            | 125.3 | 5.0            | 158.7 | -14.2          | 146.5    | -9.9           |
| Forecast |          |                |       |                |       |                |          |                |
| 2024     | 127.8    | 3.9            | 126.8 | 1.2            | 149.7 | -5.7           | 138.6    | -5.4           |
| 2025     | 131.9    | 3.2            | 128.1 | 1.0            | 149.7 | 0.0            | 132.6    | -4.3           |
| 2026     | 135.9    | 3.0            | 130.9 | 2.2            | 150.1 | 0.2            | 132.6    | 0.0            |
| 2027     | 139.9    | 2.9            | 133.3 | 1.8            | 147.5 | -1.7           | 130.1    | -1.9           |
| 2028     | 143.6    | 2.7            | 136.1 | 2.1            | 147.3 | -0.1           | 130.9    | 0.6            |
| 2029     | 147.7    | 2.9            | 138.8 | 2.0            | 148.0 | 0.4            | 132.8    | 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 2024 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        |

\* As of April 1 of Each Year

Source: Office of Financial Management, November 2024 Forecast

Table A6.1

**Summary of National and State Indicators**

| <b>Indicator</b>                    | <b>Latest Data</b> | <b>Indication*</b> |
|-------------------------------------|--------------------|--------------------|
| U.S. Leading Index                  | October 2024       | -                  |
| U.S. Real GDP Growth                | 3rd quarter 2024   | -                  |
| U.S. ISM Index                      | November 2024      | +                  |
| U.S. Employment YOY%Δ               | November 2024      | +                  |
| U.S. Unemployment Rate              | November 2024      | -                  |
| U.S. Consumer Confidence            | November 2024      | +                  |
| U.S. Consumer Sentiment             | November 2024      | +                  |
| U.S. CPI YOY%Δ                      | October 2024       | -                  |
| U.S. Home Prices YOY%Δ              | September 2024     | -                  |
| S&P 500 Index                       | December 2024      | +                  |
| WA Leading Index                    | October 2024       | -                  |
| WA Employment YOY%Δ                 | November 2024      | -                  |
| WA Aerospace Empl. YOY%Δ            | November 2024      | -                  |
| WA Unemployment Rate                | October 2024       | +                  |
| WA Help Wanted Index                | October 2024       | -                  |
| WA Business Cycle Indicator         | October 2024       | -                  |
| WA Initial Unemploy. Claims         | November 2024      | +                  |
| WA Housing Permits                  | October 2024       | +                  |
| WA Weekly Hours in Mfg.             | October 2024       | -                  |
| WA New Vehicle Registration         | November 2024      | +                  |
| WA In-Migration                     | October 2024       | +                  |
| WA Exports-Total YOY%Δ              | 3rd quarter 2024   | +                  |
| WA Exports- w/o Trans. Equip. YOY%Δ | 3rd quarter 2024   | +                  |
| Seattle CPI YOY%Δ                   | October 2024       | +                  |
| Seattle Home Prices YOY%Δ           | September 2024     | -                  |
| WA Construction Activity Index      | October 2024       | +                  |

\*Change from the previous reading

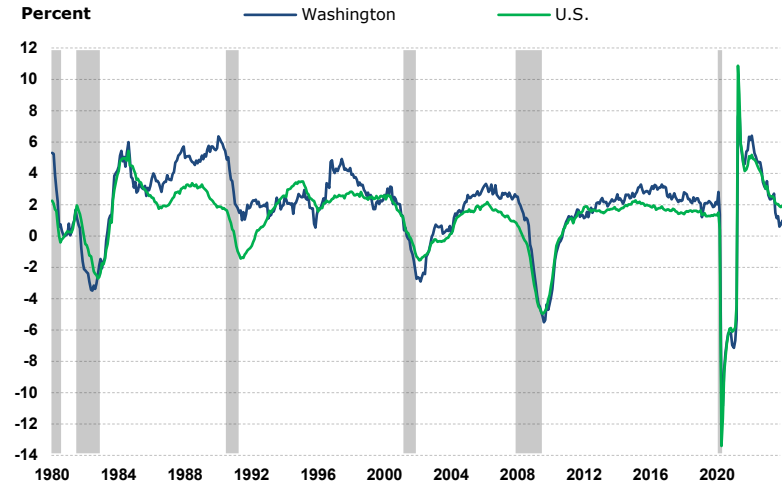
Table A6.2  
**Washington Business Indicators**  
 Historical Data

|         | WA Index of Leading Indicators | U.S. Index of Leading Indicators | WA State Business Cycle Indicator | WA State Construction Index | WA State Housing Index | U.S. Purchasing Management Index |
|---------|--------------------------------|----------------------------------|-----------------------------------|-----------------------------|------------------------|----------------------------------|
| 2016:01 | 119.2                          | 99.3                             | 63.5                              | 107.0                       | 128.7                  | 48.3                             |
| 2016:02 | 119.1                          | 99.2                             | 65.6                              | 108.5                       | 124.9                  | 48.6                             |
| 2016:03 | 119.3                          | 99.2                             | 62.8                              | 108.0                       | 128.9                  | 49.9                             |
| 2016:04 | 119.8                          | 99.7                             | 63.3                              | 109.0                       | 130.9                  | 50.7                             |
| 2016:05 | 120.9                          | 99.5                             | 65.4                              | 109.7                       | 148.2                  | 51.1                             |
| 2016:06 | 121.7                          | 99.8                             | 66.7                              | 109.9                       | 151.3                  | 51.5                             |
| 2016:07 | 121.8                          | 100.2                            | 67.8                              | 109.5                       | 156.3                  | 52.0                             |
| 2016:08 | 122.4                          | 100.2                            | 66.9                              | 107.5                       | 153.1                  | 51.5                             |
| 2016:09 | 121.7                          | 100.4                            | 67.4                              | 112.1                       | 143.4                  | 51.1                             |
| 2016:10 | 122.2                          | 100.5                            | 68.3                              | 112.3                       | 152.3                  | 51.0                             |
| 2016:11 | 122.4                          | 100.7                            | 69.3                              | 112.7                       | 148.8                  | 52.4                             |
| 2016:12 | 121.9                          | 101.2                            | 70.7                              | 113.8                       | 149.2                  | 53.3                             |
| 2017:01 | 122.0                          | 101.8                            | 69.2                              | 111.5                       | 152.5                  | 54.7                             |
| 2017:02 | 122.5                          | 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 | 123.1                          | 102.8                            | 69.2                              | 112.9                       | 143.3                  | 56.6                             |
| 2017:05 | 123.7                          | 103.2                            | 70.8                              | 113.6                       | 149.2                  | 55.6                             |
| 2017:06 | 124.3                          | 103.8                            | 70.9                              | 115.0                       | 145.4                  | 55.8                             |
| 2017:07 | 124.8                          | 104.1                            | 71.0                              | 115.5                       | 139.5                  | 56.3                             |
| 2017:08 | 125.2                          | 104.5                            | 72.1                              | 115.9                       | 135.1                  | 57.6                             |
| 2017:09 | 125.2                          | 104.5                            | 73.3                              | 115.3                       | 140.4                  | 58.6                             |
| 2017:10 | 125.5                          | 105.9                            | 73.2                              | 119.5                       | 132.7                  | 59.4                             |
| 2017:11 | 125.9                          | 106.3                            | 75.2                              | 118.0                       | 134.7                  | 59.2                             |
| 2017:12 | 125.8                          | 107.1                            | 75.1                              | 117.8                       | 138.6                  | 58.9                             |
| 2018:01 | 126.8                          | 107.8                            | 74.5                              | 117.1                       | 136.8                  | 59.0                             |
| 2018:02 | 127.1                          | 108.5                            | 76.2                              | 119.0                       | 133.3                  | 59.9                             |
| 2018:03 | 128.6                          | 108.8                            | 77.2                              | 125.5                       | 137.4                  | 59.7                             |
| 2018:04 | 129.2                          | 109.3                            | 76.4                              | 118.9                       | 133.7                  | 59.1                             |
| 2018:05 | 129.3                          | 109.4                            | 77.5                              | 116.9                       | 128.2                  | 58.4                             |
| 2018:06 | 128.4                          | 110.0                            | 78.5                              | 119.0                       | 128.0                  | 58.7                             |
| 2018:07 | 128.2                          | 110.4                            | 77.8                              | 117.4                       | 129.3                  | 59.0                             |
| 2018:08 | 128.0                          | 110.9                            | 76.4                              | 119.1                       | 129.2                  | 59.9                             |
| 2018:09 | 128.2                          | 111.5                            | 76.9                              | 118.5                       | 132.4                  | 59.7                             |
| 2018:10 | 128.7                          | 111.4                            | 77.2                              | 119.8                       | 133.0                  | 59.6                             |
| 2018:11 | 128.3                          | 111.5                            | 77.2                              | 120.3                       | 133.3                  | 58.9                             |
| 2018:12 | 128.5                          | 111.3                            | 78.2                              | 121.9                       | 140.1                  | 57.0                             |
| 2019:01 | 129.5                          | 111.3                            | 78.8                              | 121.1                       | 154.6                  | 56.7                             |
| 2019:02 | 130.9                          | 111.5                            | 75.0                              | 112.3                       | 156.5                  | 55.0                             |
| 2019:03 | 128.5                          | 111.7                            | 77.8                              | 121.4                       | 150.1                  | 55.4                             |
| 2019:04 | 131.7                          | 111.8                            | 79.4                              | 122.7                       | 154.0                  | 54.1                             |
| 2019:05 | 132.1                          | 111.8                            | 80.0                              | 121.9                       | 150.2                  | 53.4                             |
| 2019:06 | 132.1                          | 111.6                            | 80.5                              | 121.6                       | 149.9                  | 52.2                             |
| 2019:07 | 131.8                          | 112.0                            | 80.4                              | 123.7                       | 152.0                  | 51.7                             |
| 2019:08 | 132.2                          | 111.8                            | 79.1                              | 121.5                       | 153.3                  | 50.7                             |
| 2019:09 | 131.6                          | 111.6                            | 80.6                              | 123.0                       | 154.8                  | 49.4                             |
| 2019:10 | 131.5                          | 111.4                            | 80.1                              | 122.8                       | 147.2                  | 48.4                             |
| 2019:11 | 130.8                          | 111.6                            | 80.1                              | 125.5                       | 146.6                  | 48.1                             |
| 2019:12 | 131.4                          | 111.4                            | 84.7                              | 126.1                       | 147.9                  | 47.9                             |
| 2020:01 | 131.9                          | 112.0                            | 81.4                              | 119.0                       | 149.1                  | 48.7                             |
| 2020:02 | 131.4                          | 111.8                            | 81.6                              | 121.6                       | 149.4                  | 49.4                             |
| 2020:03 | 132.5                          | 103.5                            | 74.4                              | 121.6                       | 127.9                  | 50.0                             |
| 2020:04 | 121.9                          | 96.9                             | 41.3                              | 103.8                       | 97.5                   | 46.9                             |
| 2020:05 | 113.5                          | 99.8                             | 46.3                              | 114.9                       | 119.8                  | 44.6                             |
| 2020:06 | 119.9                          | 102.8                            | 58.0                              | 115.6                       | 136.5                  | 45.7                             |
| 2020:07 | 123.0                          | 104.9                            | 64.9                              | 118.5                       | 150.0                  | 50.0                             |
| 2020:08 | 125.3                          | 106.5                            | 66.6                              | 119.4                       | 134.3                  | 54.3                             |
| 2020:09 | 126.7                          | 107.5                            | 71.8                              | 121.8                       | 133.8                  | 55.2                             |
| 2020:10 | 126.4                          | 108.2                            | 73.2                              | 121.1                       | 137.7                  | 56.9                             |
| 2020:11 | 127.7                          | 109.2                            | 74.7                              | 122.2                       | 135.6                  | 57.4                             |
| 2020:12 | 128.8                          | 109.6                            | 77.8                              | 127.2                       | 136.0                  | 59.2                             |
| 2021:01 | 130.9                          | 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 | 132.4                          | 111.5                            | 82.5                              | 126.5                       | 160.4                  | 61.4                             |
| 2021:04 | 133.6                          | 113.1                            | 87.4                              | 125.8                       | 175.3                  | 62.1                             |
| 2021:05 | 135.0                          | 114.6                            | 87.9                              | 125.4                       | 176.0                  | 62.2                             |
| 2021:06 | 135.7                          | 116.2                            | 88.4                              | 124.5                       | 189.5                  | 60.8                             |
| 2021:07 | 137.8                          | 116.6                            | 91.9                              | 126.7                       | 206.7                  | 60.4                             |
| 2021:08 | 140.1                          | 117.4                            | 90.2                              | 130.4                       | 187.9                  | 60.0                             |
| 2021:09 | 139.5                          | 117.6                            | 92.3                              | 124.7                       | 193.3                  | 60.2                             |
| 2021:10 | 139.0                          | 118.1                            | 92.3                              | 128.5                       | 193.3                  | 60.6                             |
| 2021:11 | 139.8                          | 118.8                            | 94.9                              | 129.6                       | 198.7                  | 61.0                             |
| 2021:12 | 141.0                          | 119.3                            | 96.6                              | 129.5                       | 198.7                  | 60.2                             |
| 2022:01 | 140.6                          | 118.5                            | 96.8                              | 126.1                       | 198.4                  | 59.1                             |
| 2022:02 | 140.6                          | 119.4                            | 102.4                             | 127.6                       | 204.5                  | 58.3                             |
| 2022:03 | 142.7                          | 119.3                            | 104.2                             | 130.0                       | 215.1                  | 57.7                             |
| 2022:04 | 143.4                          | 118.7                            | 103.8                             | 127.3                       | 206.9                  | 57.2                             |
| 2022:05 | 142.8                          | 117.9                            | 103.7                             | 128.8                       | 204.3                  | 56.3                             |
| 2022:06 | 142.6                          | 115.3                            | 100.6                             | 130.0                       | 194.1                  | 55.0                             |
| 2022:07 | 139.9                          | 114.4                            | 100.3                             | 128.4                       | 203.9                  | 54.0                             |
| 2022:08 | 139.4                          | 114.1                            | 96.0                              | 127.2                       | 182.4                  | 52.9                             |
| 2022:09 | 138.0                          | 113.5                            | 94.6                              | 126.0                       | 194.5                  | 52.2                             |
| 2022:10 | 138.1                          | 112.5                            | 95.6                              | 125.3                       | 187.6                  | 51.3                             |
| 2022:11 | 136.8                          | 111.5                            | 93.1                              | 122.9                       | 189.8                  | 50.0                             |
| 2022:12 | 136.4                          | 110.7                            | 93.4                              | 123.5                       | 199.9                  | 49.1                             |
| 2023:01 | 137.1                          | 110.2                            | 91.0                              | 121.4                       | 197.4                  | 48.3                             |
| 2023:02 | 138.5                          | 109.7                            | 91.0                              | 125.1                       | 200.7                  | 47.8                             |
| 2023:03 | 138.9                          | 108.4                            | 92.0                              | 123.2                       | 201.9                  | 47.2                             |
| 2023:04 | 138.2                          | 107.5                            | 93.0                              | 122.7                       | 203.3                  | 47.1                             |
| 2023:05 | 138.3                          | 106.9                            | 94.9                              | 124.9                       | 206.9                  | 46.7                             |
| 2023:06 | 138.9                          | 106.2                            | 96.8                              | 124.1                       | 208.2                  | 46.7                             |
| 2023:07 | 137.8                          | 105.9                            | 96.8                              | 121.2                       | 208.2                  | 46.5                             |
| 2023:08 | 137.2                          | 105.5                            | 97.4                              | 123.7                       | 211.0                  | 46.8                             |
| 2023:09 | 137.2                          | 104.7                            | 96.4                              | 121.4                       | 212.8                  | 47.6                             |
| 2023:10 | 136.4                          | 103.8                            | 94.6                              | 120.4                       | 214.5                  | 47.7                             |
| 2023:11 | 135.8                          | 103.3                            | 94.6                              | 118.2                       | 214.5                  | 47.4                             |
| 2023:12 | 136.1                          | 103.1                            | 96.4                              | 120.0                       | 220.3                  | 46.9                             |
| 2024:01 | 137.3                          | 102.5                            | 94.5                              | 119.7                       | 211.5                  | 47.6                             |
| 2024:02 | 137.0                          | 102.7                            | 96.3                              | 121.1                       | 212.3                  | 48.0                             |
| 2024:03 | 137.5                          | 102.4                            | 96.8                              | 124.6                       | 219.4                  | 49.1                             |
| 2024:04 | 138.6                          | 101.7                            | 97.6                              | 122.3                       | 217.5                  | 49.1                             |
| 2024:05 | 138.0                          | 101.3                            | 96.7                              | 122.0                       | 212.5                  | 49.4                             |
| 2024:06 | 138.0                          | 101.1                            | 96.3                              | 121.1                       | 207.6                  | 48.8                             |
| 2024:07 | 136.3                          | 101.1                            | 97.2                              | 120.8                       | 206.5                  | 48.0                             |
| 2024:08 | 135.9                          | 100.2                            | 97.6                              | 122.7                       | 207.2                  | 47.5                             |
| 2024:09 | 136.4                          | 99.7                             | 99.6                              | 123.4                       | 205.7                  | 47.1                             |
| 2024:10 | 136.0                          | 99.5                             | 93.6                              | 123.9                       | 201.8                  | 47.0                             |
| 2024:11 |                                |                                  |                                   |                             |                        | 47.4                             |

# Figure A7.1: Washington State Economic Indicators

## Year-over-Year Employment Growth

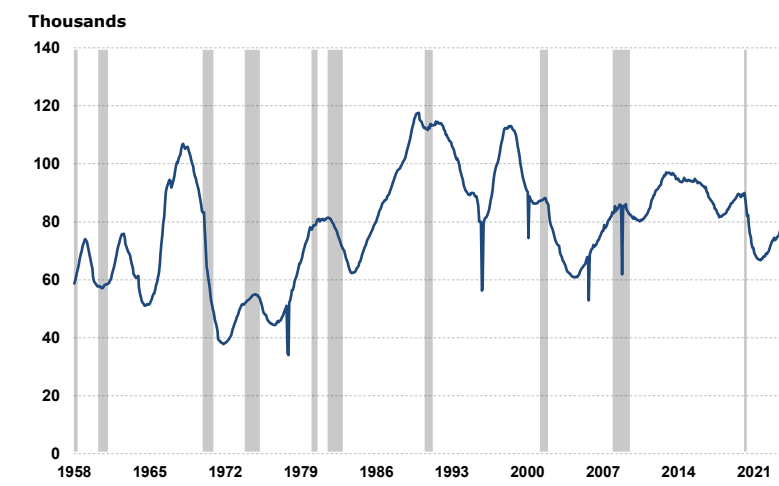
January 1980 to November 2024



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

## Washington Aircraft and Parts Employment

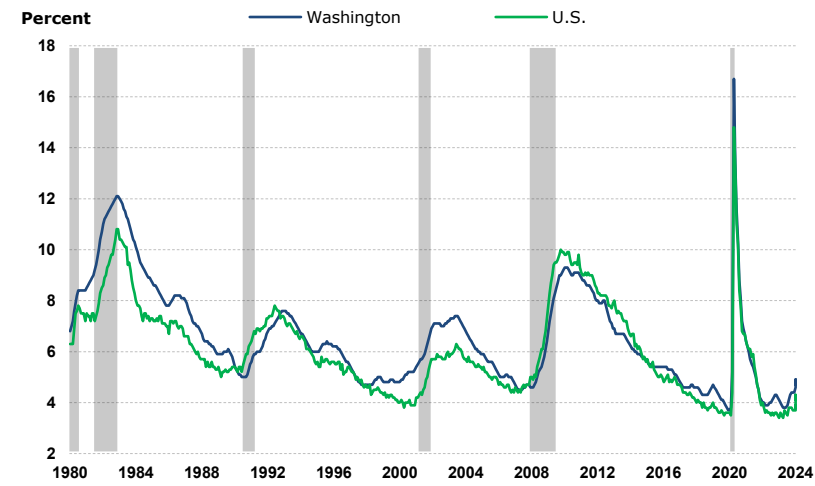
January 1958 to November 2024



\* Source: Bureau of Labor Statistics, ERFC

## Unemployment Rate, S.A.

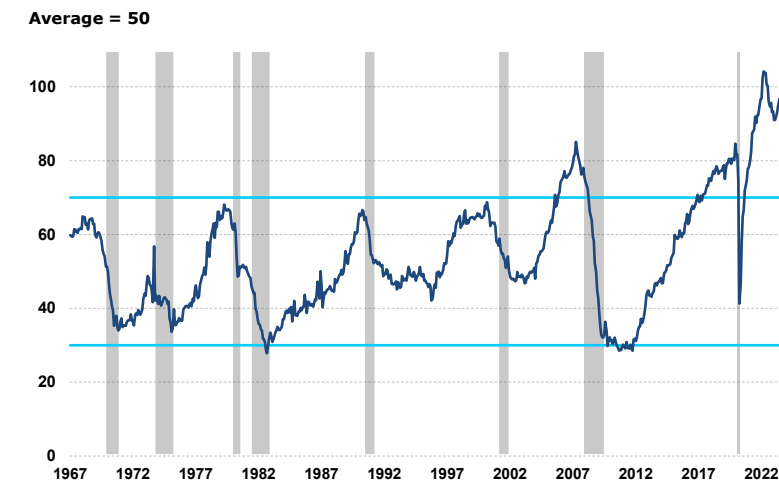
January 1980 to November 2024



\* Source: Bureau of Labor Statistics

## Washington Business Cycle Indicator

January 1968 to October 2024



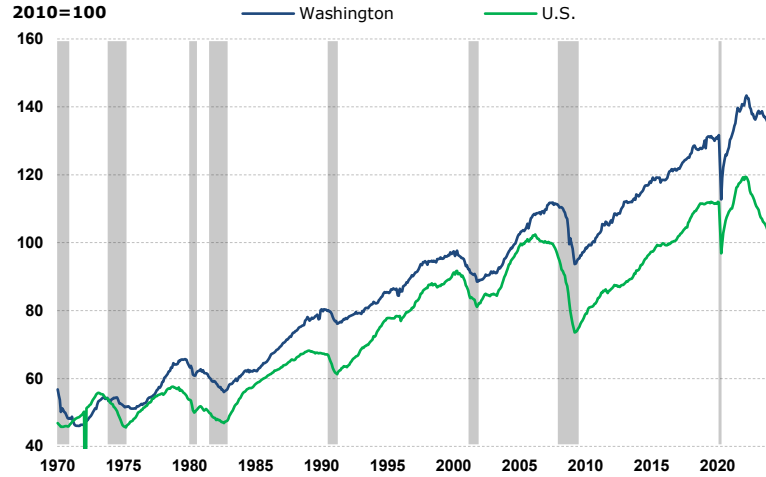
\* Source: ERFC

\* Shaded areas correspond with national recessions.

# Figure A7.2: Washington State Leading Indicators

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

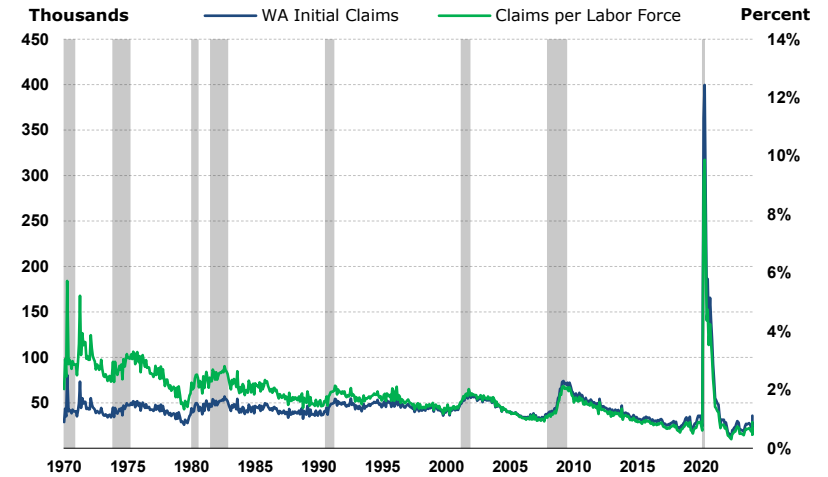
January 1970 to October 2024



\* The Conference Board, ERFC

## Washington Initial Claims for Unemployment Insurance

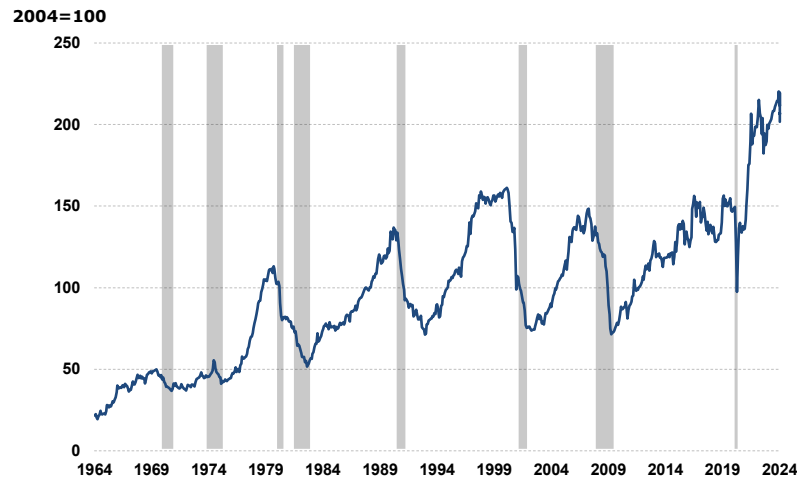
January 1970 to October 2024, S.A.



\* Source: WA State Employment Security, ERFC

## Washington State Help Wanted Index

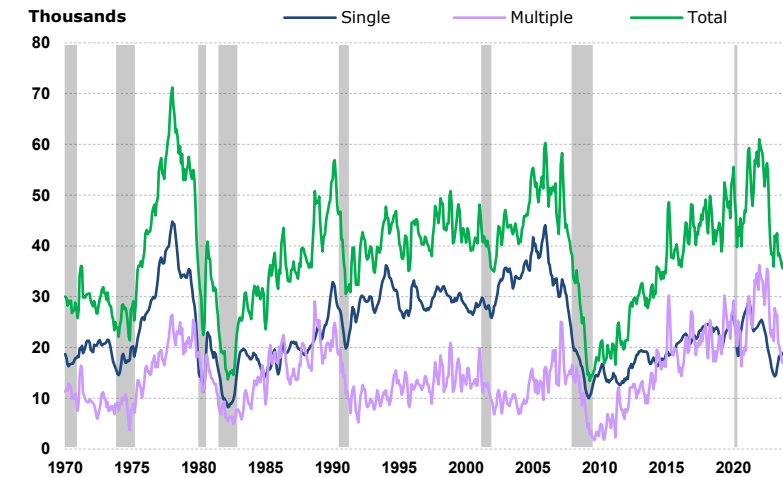
January 1964 to October 2024



\* Source: The Conference Board, ERFC

## Housing Units Authorized in Washington State

January 1970 to October 2024, 3mma, SAAR



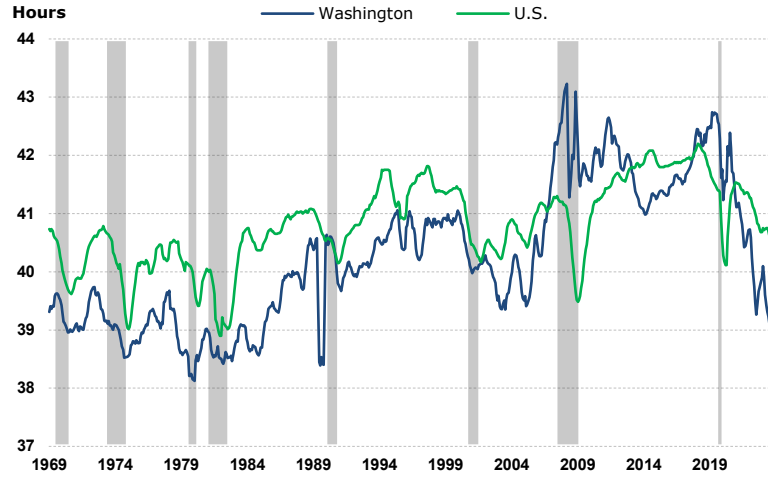
\* Source: Census Bureau, ERFC

\* Shaded areas correspond with national recessions.

# Figure A7.3: Other State Economic Indicators

## Average Weekly Hours in Manufacturing

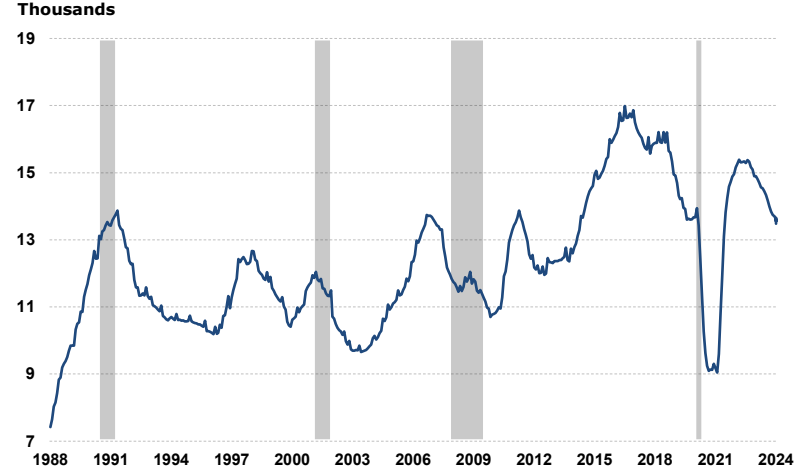
June 1969 to November 2024, 6-Month Moving Average, S.A.



\* Bureau of Labor Statistics, ERFC

## Washington Driver's License In-Migration

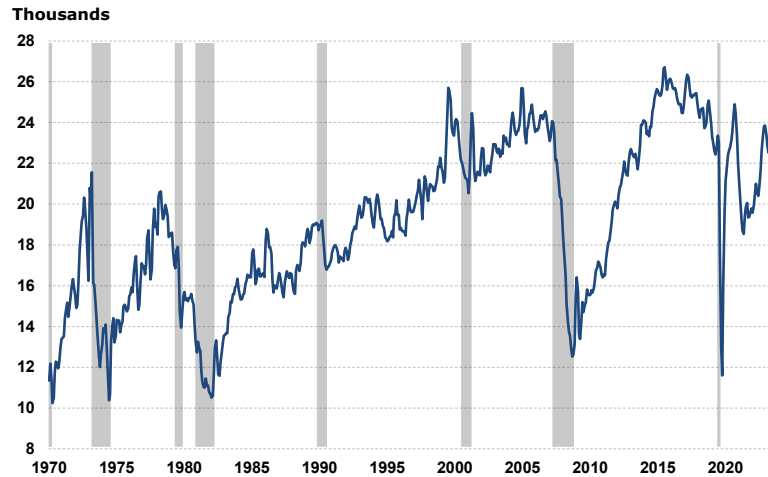
January 1988 to October 2024, 12-Month Moving Average



\* Source: WA State Department of Licensing, ERFC

## New Car and Truck Registrations in Washington

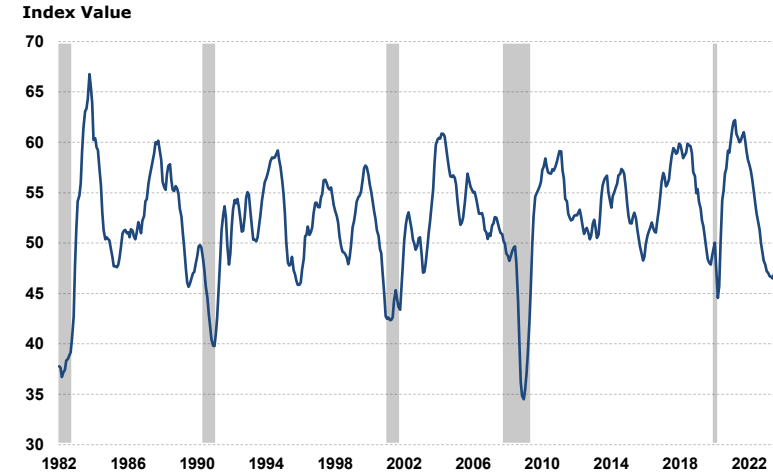
September 1970 to November 2024, 3-Month Moving Average, S.A.



\* Source: WA State Department of Licensing, ERFC

## U.S. Institute for Supply Management Index

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



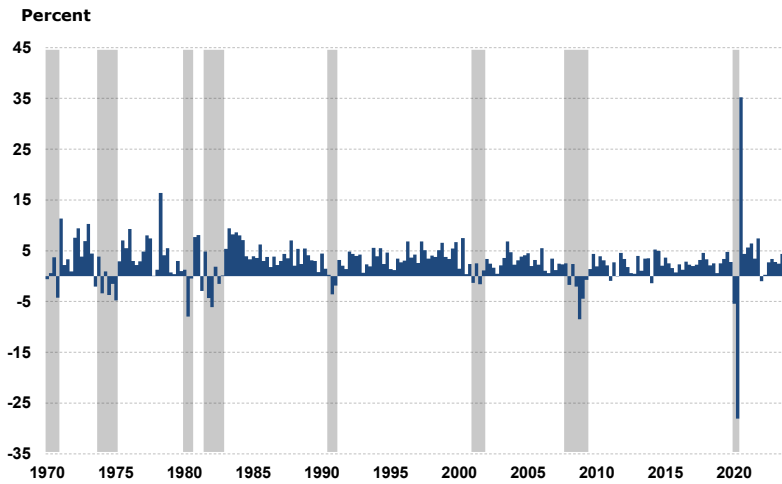
\* Source: Institute for Supply Management, ISM-WW, ERFC

\* Shaded areas correspond with national recessions.

# Figure A7.4: Other Economic Indicators

## Quarterly U.S. Real GDP Growth

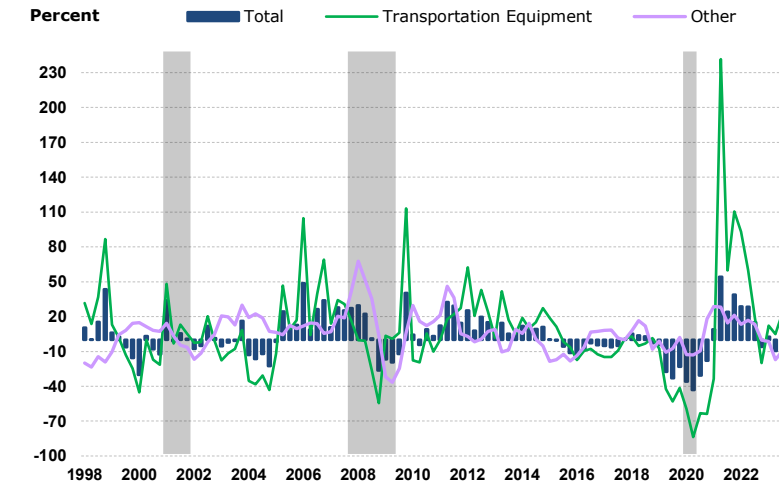
1970Q1 to 2024Q3, SAAR



\* Source: Bureau of Economic Analysis

## Washington State Export Composition

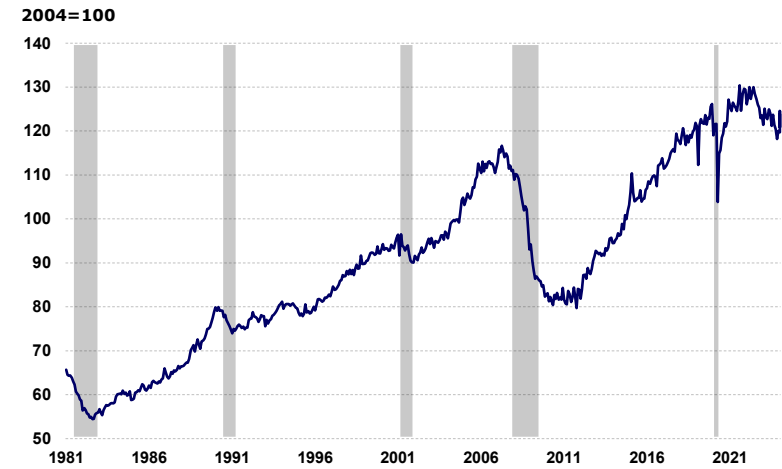
1998Q1 to 2024Q3, Year-over-year percent change



\* Source: WISER

## Washington State Construction Index

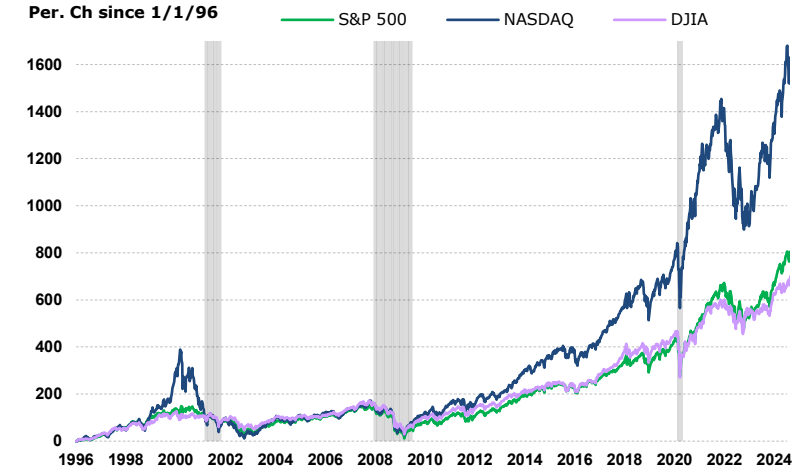
January 1981 to October 2024, 12mma



\* Source: ERFC

## National Stock Indexes

January 1, 1996 to December 6, 2024



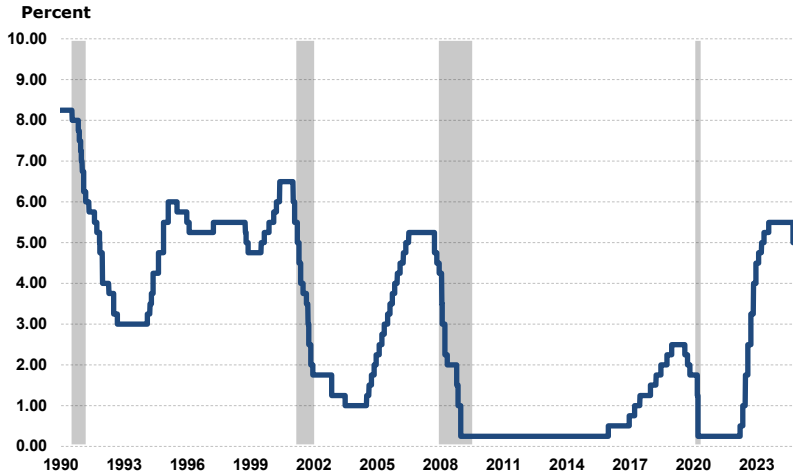
\* Source: ERFC

\* Shaded areas correspond with national recessions.

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

## Federal Funds Target Rate

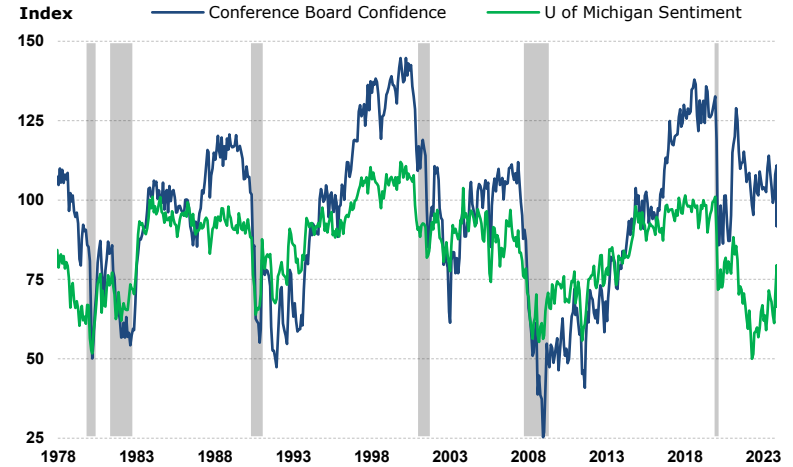
January 1, 1990 to December 6, 2024



\* Federal Reserve

## Consumer Confidence

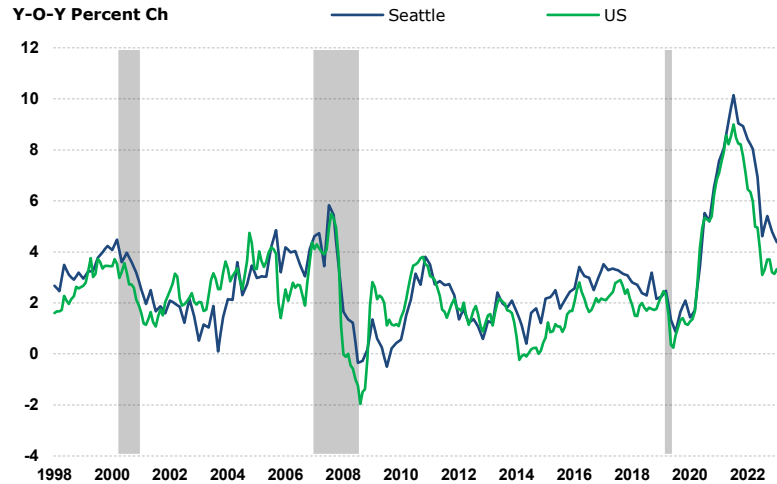
March 1978 to November 2024



\* Source: The Conference Board, University of Michigan

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

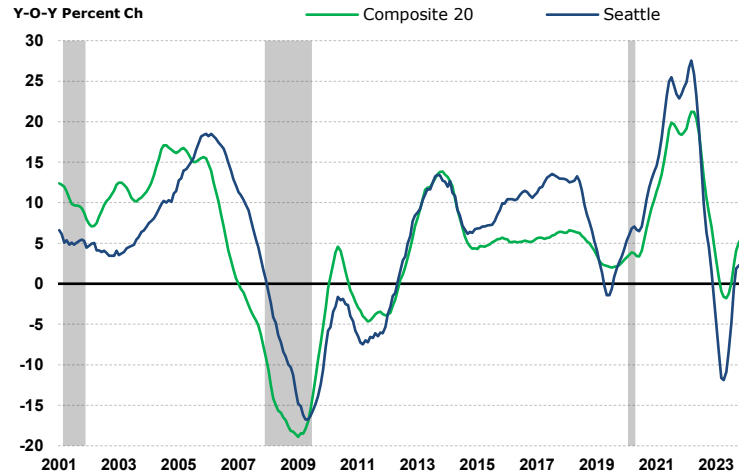
December 1998 to October 2024



\* Source: Bureau of Labor Statistics

## Case Shiller Home Price Index

January 2001 to August 2024, SA



\* Source: Case Shiller, ERFC

\* Shaded areas correspond with national recessions.



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## Glossary

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

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

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

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

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

**GAAP Basis:** Generally Accepted Accounting Principles measure revenue in the period during which they accrue rather than the period in which they are received.  
**General Fund:** Accounts for all financial resources and transactions not accounted for in another fund.

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

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

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

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

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

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

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

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

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

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

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