Economic and Revenue Forecast Council

EMBARGOED *until November 20, 2018, 10:00 am PST when it will be released at* *www.erfc.wa.gov*

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Quarterly fine-tuning of the revenue forecast

OLYMPIA, November 20, 2018 –The Near General Fund-State (Near GF-S) revenue forecast for the 2017-19 biennium has increased by $163.4 million, and revenue for the 2019-21 biennium has increased by $195.5 million. The Near GF-S includes the General Fund-State, Education Legacy Trust Account and Washington Opportunity Pathways Account and provides the fullest picture of resources available for budget purposes.

Nationally, while the economy continued to add new jobs in October, U.S. residential construction activity and sales slowed. Major threats to the U.S. and Washington economies remain, including international trade concerns, geopolitical risks, and a maturing economic expansion.

Washington's unemployment rate hit another all-time low, declining to 4.3% in October. Historical estimates of Washington personal income were revised higher but income growth is slightly less than in the September forecast. The forecast for Washington housing construction is also slightly lower than in September.

Forecast of GF-S Revenue (probabilities in parenthesis): 2017-19

Baseline (70%): $43.926 billion; $118 million higher than the previous forecast.

Optimistic (15%): $44.377 billion; $451 million more than the baseline forecast.

Pessimistic (15%): $43.451 billion; $475 million less than the baseline forecast.

Governor's Council of Economic Advisors: $43.922 billion; $4 million more than the baseline forecast.

The economic and revenue forecasts are updated quarterly. The next update to the revenue forecast will be on Wednesday, March 20, 2018.

Please see our full report for more information. You can access this report at
http://erfc.wa.gov/sites/default/files/public/documents/forecasts/rev20181120.pdf

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About the ERFC:
The ERFC was established under RCW 82.33 to provide the Governor and the Legislature with official independent and professional forecasts of the state economy and revenues.