

**EMBARGOED**

*until November 20, 2023, 10:00 am PDT when it will be published  
at [www.erfc.wa.gov](http://www.erfc.wa.gov)*

Revenue Review

November 20, 2023



WASHINGTON STATE  
ECONOMIC AND REVENUE FORECAST COUNCIL

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WASHINGTON STATE  
**ECONOMIC AND REVENUE FORECAST COUNCIL**

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## AGENDA

### **REVENUE REVIEW**

November 20, 2023  
10:00 a.m.

- Call to order
- Approval of meeting minutes from November 6, 2023
- Economic & Revenue Forecast
  - Adoption of official state economic and revenue forecast and unofficial optimistic and pessimistic alternative forecasts
- Fiscal Growth Factor adoption
- Adjournment

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

**Meeting Minutes**  
**Economic Review**  
November 6, 2023  
Conference Call

**Economic and Revenue Forecast Council**

Lynda Wilson, Senate, Chair  
April Berg, House of Representatives  
Timm Ormsby, House of Representatives  
Ed Orcutt, House of Representatives  
Mike Pellicciotti, Treasurer  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director  
Dave Reich, Incoming Executive  
Director

**Call to Order**

Senator Wilson called the meeting to order at 10:01 a.m.

**Approval of the Minutes**

Representative Orcutt moved, seconded by Senator Wilson, to adopt the meeting minutes from October 11, 2023. Motion passed at 10:03 a.m.

**Economic Forecast Presentation**

Dr. Lerch presented information on the economic and revenue forecast. Dr. Lerch summarized the forecast changes.

**Administrative**

Incoming Executive Director, Dave Reich, spoke to the council about the transition to date and to thank the council for the opportunity to serve as the ERFC executive director.

**Adjournment**

With no further business, the meeting adjourned at 10:10 a.m.

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**Economic & Revenue Forecast Council  
State of Washington**



**Economic & Revenue Review: November 20, 2023**

**Executive Summary**

**United States**

- This forecast is based on a modified version of of S&P Global Market Intelligence's (formally IHS Markit) November 2023 Control forecast for the U.S. economy. We have adjusted real gross domestic product (GDP) to match the November 2023 Blue Chip "Consensus" GDP forecast for 2023 and 2024. The forecast for GDP growth in 2023 is now 2.4%, up from 2.1% in the September forecast. For 2024, real GDP growth is 1.2%, up from 1.0% in the September forecast. For 2025 through 2027, the forecast incorporates the most recent (October) Blue Chip long-term forecast. We now expect growth rates of 1.7%, 2.1% and 1.9% for 2025 through 2027; these compare to growth rates of 2.0%, 2.0%, and 1.9% in the September forecast.
- Our oil price forecast reflects the futures markets, primarily the Brent (North Sea) oil price but also the West Texas Intermediate (WTI) benchmark. This forecast was based on the November 9<sup>th</sup> closing prices for Brent and WTI futures. Oil prices are lower than the September forecast and are expected to decline gradually over the forecast period. The latest futures prices indicate that the refiner acquisition price of crude will average \$77 per barrel in 2023, declining to \$66 in 2027. The September forecast expected an average price of \$80 per barrel in 2023, declining to \$68 in 2027.
- National employment in October increased by 150,000 net jobs. Employment in August and September was revised down by a combined 101,000 jobs. Average monthly employment this year through October has increased by 239,000; this compares to an average monthly gain of 399,000 jobs in 2022. Sectors with the largest job gains in October included health care (+58,000), local government education (+26,000), construction (+23,000), arts, entertainment and recreation (+20,000), social assistance (+19,000) and professional, scientific and technical services (+17,000). Sectors with declining employment in October included motor vehicles and parts manufacturing (-33,000), warehousing and storage (-11,000), motion picture and sound recording industries (-5,000), electronics and appliance retailers (-5,000) and truck transportation (-5,000).
- Two key measures of consumer confidence decreased for a third consecutive month. The University of Michigan (UM) consumer sentiment survey decreased 4.1 points to 63.8 in October. Survey results indicated consumer concerns about inflation and uncertainty over the implications of negative news both domestically and abroad. The Conference Board index of consumer confidence decreased 1.7 points to 102.6 in September. Consumers expressed concerns about rising prices, rising interest rates and armed conflicts.
- Residential building permits and existing home sales declined this month. September housing starts increased by 7.0% (SA) compared to August but

were 7.2% below their September 2022 level. Housing units authorized by building permits in September were 4.4% (SA) below their August level and 7.2% below their year-ago level. New home sales in September increased by 12.3% (SA) compared to August and were 33.9% above their September 2022 level. Existing home sales in September decreased by 2.0% (SA) compared to August and were down 15.4% compared to September 2022. The seasonally adjusted Case-Shiller national home price index for August was 0.9% above its July level. The home price index was 2.6% (SA) above its year-ago level.

- Threats to the U.S. and Washington economies include higher interest rates, Ukraine – Russia and Middle East armed conflicts and slowing consumer demand.

## Washington

- Washington job growth is trending down. We have two months of Washington employment data since the September forecast was released. Total seasonally adjusted nonfarm payroll employment increased 3,500 in September and October which was 1,700 more than the increase of 1,800 expected in the forecast. The construction sector increased by 700 jobs while manufacturing employment declined by 800 in the two-month period. Education services had the largest increase with a gain of 4,500 jobs. The largest decline was in social assistance with a loss of 2,500 jobs. Government employment increased by 3,200, with a decline of 400 jobs in federal government partially offsetting a 3,600 job gain in local government.
- Revisions to employment data added 4,100 (0.1%) to the estimated level of total employment in August 2023. The combined effect of the upward revision to historical data and stronger than expected employment growth in September and October is that October employment is 5,800 (0.2%) higher than expected in the September forecast.
- Washington's unemployment rate increased for the first time since January this month. The unemployment rate increased to 3.8% in October from 3.6% in September. The September jobless rate was at a historic all-time low with data going back to 1958. Labor force participation declined in October, reaching 64.3%, the lowest since January.
- After the grounding of the 737 Max and then the pandemic, Washington's aerospace employment declined from 89,600 at end of 2019 to a low of 66,700 in August 2021, a loss of 22,800 jobs. Since August 2021, the industry added back 11,900 jobs, bringing the level to 78,600 in October 2023. We expect aerospace employment to continue to expand in Washington, adding 6,100 jobs from October of 2023 through December of 2027.
- In September, after the forecast was complete, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the second quarter of 2023. Washington personal income increased from \$611.2 billion (SAAR) in the first quarter to \$618.9

- billion in the second quarter of 2023. The 5.2% increase (SAAR) in Washington personal income was the 6th highest among the states and led the 4.3% rate of increase for the U.S. as a whole. Growth in wages and salaries led the increase at 7.1% (SAAR) compared to 6.6% growth for the U.S.
- The BEA also released revised annual personal income estimates in September for 1979 through 2022 as part of its annual revision of the National Income and Product Accounts (NIPAs). The annual revision subtracted \$1.3 billion (0.2%) to the estimate for 2022 personal income. The revision reduced the estimate of earnings by place of residence by \$1.2 billion (0.3%) and reduced transfer payments by \$1.4 billion (1.6%). Property income (dividends, interest, and rent) was increased by 1.1% in 2022, adding \$1.3 billion to the estimated level of personal income.
  - Washington housing construction continued to slow in the third quarter of 2023. A total of 35,700 units (SAAR) were permitted in July, August, and September, down from 39,500 units (SAAR) in the second quarter. Third quarter permits consisted of 18,800 single-family units and 16,900 multi-family units. The September forecast expected 38,300 units (SAAR) for the third quarter as a whole consisting of 19,900 single-family units and 18,400 multi-family units.
  - Seattle-area home prices have stopped declining. Home prices increased 1.5% in August, the fifth straight increase. Prior to this, Seattle home prices had declined for eleven consecutive months. In comparison, the composite-20 index has increased in each of the past six months following eight months of decline. Seattle home prices in August remain down 1.4% over the year while the composite-20 index was up 2.2% over the year.
  - Seattle-area consumer price inflation continues to outpace the national average. From October 2022 to October 2023, the Seattle CPI rose 4.8% compared to the 3.2% 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. are rising, contributing to the increase in topline inflation. Core inflation (excluding food and energy) remains elevated. Seattle core CPI rose 5.5% in October compared to 4.0% for the U.S. City average.
  - Washington exports declined 0.8% from the third quarter of 2022 to the third quarter of 2023. The decline was primarily due to a 44.6% drop in passthrough exports of agricultural products which are not produced in the state. Excluding agricultural products, Washington exports increased 11.0% year over year in the third quarter of 2023. Exports of transportation equipment (mostly Boeing planes) increased for a third consecutive quarter, rising 22.1%.
  - Washington car and truck sales have declined in each of the past four months. The seasonally adjusted number of new vehicle registrations fell 3.1% in October to 258,700 (SAAR). Passenger car registrations fell 3.3%

and light truck registrations fell 1.5%. The number of total registrations remained up 3.6% over the year in October.

- The November forecast calls for a 2.4% increase in Washington employment this year, up from the 2.3% growth rate expected in the September forecast. We expect slower growth during the remainder of the forecast as the U.S. economy slows. We expect employment growth to average 0.9% per year in 2024 through 2027, up from the 0.7% average growth expected in September. Our forecast has the unemployment rate reach a trough of 4.0% this year and then average 4.6% from 2024 through 2027, unchanged from the September forecast.
- The forecast for nominal personal income growth this year is 6.1%, down from 6.5% in the September forecast. We expect nominal personal income growth in 2024 through 2027 to average 5.4% per year, up from the 5.1% rate in the September forecast.
- Housing permits are expected to reach a trough this year of 38,300 units. We expect housing permits to grow throughout the forecast and reach 44,800 units in 2027. The previous forecast called for total housing permits of 40,400 units this year, growing to 45,300 units in 2027.

## Revenue

- Cumulative major General Fund-State revenue (GF-S) since the September 2023 forecast came in \$41.7 million (0.9%) lower than forecasted. Collections of Revenue Act taxes (the main category of GF-S taxes including retail sales and use, business and occupation (B&O), public utility and non-cigarette tobacco products) came in only \$12.3 million (0.3%) lower than forecasted. Real estate excise tax (REET) collections, however, were \$13.5 million (8.0%) lower than forecasted. Property taxes came in \$15.1 million (14.6%) lower than forecasted and several other sources such as liquor and cigarette taxes also came in below the forecast.
- Despite Revenue Act taxes coming in slightly lower than forecasted, the November economic forecast projects higher personal income and employment, including construction employment. This has resulted in slight increases in forecasted Revenue Act taxes, with most of the increases occurring after FY24. Some of the increases in Revenue Act taxes have been offset by slight decreases in forecasted REET and property taxes, along with decreases in some smaller revenue sources and GF-S revenue from non-DOR agencies.
- The final tally of GF-S revenue for the 2021-23 biennium is \$61.002 billion, \$7 million lower than September's initial tally. Forecasted GF-S revenue is now \$63.529 billion for the 2023-25 biennium, an increase of \$172 million from the September forecast. Forecasted GF-S revenue is \$67.889 billion for the 2025-27 biennium, an increase of \$507 million.
- The final tally of Education Legacy Trust Account (ELTA) revenue was \$2.575 billion, \$4 million higher than September's initial tally. Expected revenue has

- increased by \$6 million in the 2023-25 biennium and \$59 million in the 2025-27 biennium due to increases in forecasted estate taxes outweighing decreases in forecasted REET and capital gains taxes. Forecasted ELTA revenue is now \$2.142 billion for the 2023-25 biennium and \$2.372 billion for the 2025-27 biennium.
- The final tally of revenue dedicated to the Opportunity Pathways Account (OPA) was \$378 million, \$15 million lower than September's initial tally. The forecast was increased by \$9 million in both the 2023-25 and 2025-27 biennia. Estimated OPA revenue is now \$370 million for the 2023-25 biennium and \$366 million for the 2025-27 biennium.
  - The final tally of revenue dedicated to the Workforce Education Investment Account (WEIA) in the 2021-23 biennium was unchanged from September's initial tally of \$779 million. The forecast was increased by \$5 million in both the 2023-25 and 2025-27 biennia. Estimated WEIA revenue is now \$843 million for the 2023-25 biennium and \$879 million for the 2025-27 biennium.
  - Summing the changes to the GF-S, ELTA, OPA and WEIA forecasts, total state revenue subject to the budget outlook process is expected to increase by \$191 million in the 2023-25 biennium and \$579 million in the 2025-27 biennium.
  - The final tally of GF-S, ELTA, OPA and WEIA revenue for the 2021-23 biennium is \$64.734 billion, \$18 million less than September's initial tally and an increase of 21.8% over 2019-21 biennial revenue. Forecasted total revenue for the 2023-25 biennium is \$66.883 billion, an increase of 3.3% over expected 2021-23 biennial revenue. Forecasted total revenue for the 2025-27 biennium is \$71.506 billion, an increase of 6.9% over expected 2023-25 biennial revenue.

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# Revenue Review

Presented to  
Economic and Revenue Forecast Council

Steve Lerch  
Executive Director

November 20, 2023



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## Summary

- WA personal income and employment slightly higher, residential construction lower compared to September forecast
- U.S. GDP growth is slightly stronger in 2023 and 2024 compared to September forecast
- The Federal Reserve is expected to raise the federal funds interest rate to a range of 5.5% – 5.75% in December but decrease rates more slowly than in September forecast
- Forecast of funds subject to the budget outlook: -\$18 million for 2021-23 biennium, +\$191 million for the 2023-25 biennium, +\$579 million for the 2025-27 biennium

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## Since the September forecast...

### Positives:

- U.S. employment has increased by 150,000 jobs
- WA employment has increased by 5,700 jobs
- WA unemployment rate remains low at 3.8%

### Negatives:

- WA revenue collections growth has slowed
- Inflation continues to trend down but remains above desired levels

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## Forecast risks

### Upside

- Consumer spending, labor productivity are stronger than expected
- Federal Reserve does not raise interest rates in December

### Downside

- Rising interest rates and tighter credit threaten commercial real estate market, business investment, consumer demand
- Ukraine – Russia, Israel – Hamas conflicts expand

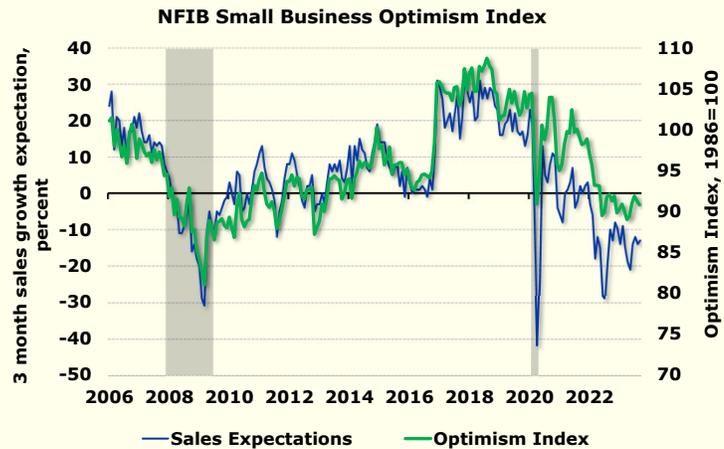
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## Inflation remains top concern for small businesses



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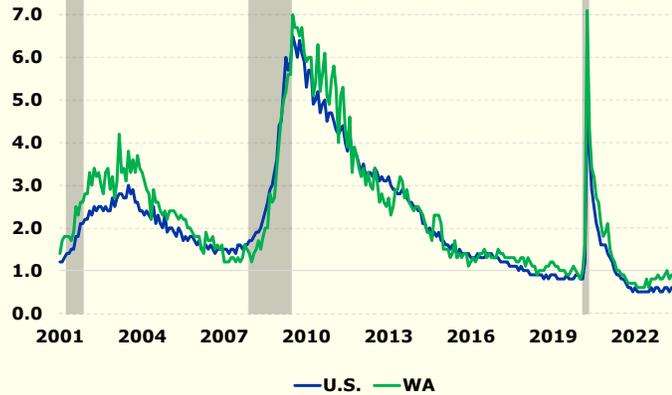
Source: National Federation of Independent Business; data through September 2023

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## Number of unemployed persons per job opening remains below 1

Number of Unemployed Persons per Job Opening (SA)



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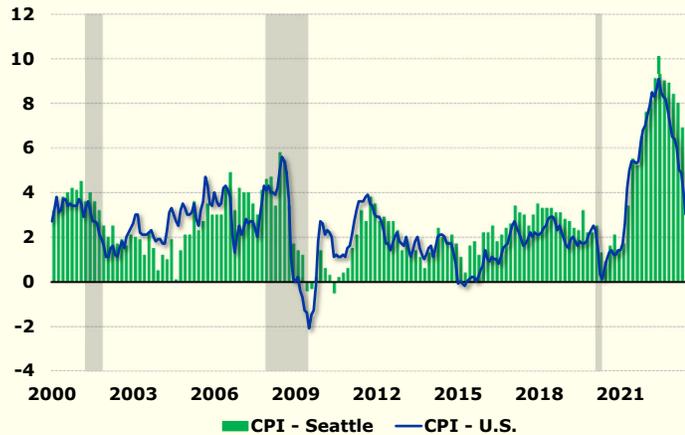
Source: U.S. Bureau of Labor Statistics; U.S. data through Sept. 2023, WA data through August 2023

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## After rising to 3.7% in August and September, inflation dropped to 3.2% in October

Inflation, % Change over the Year



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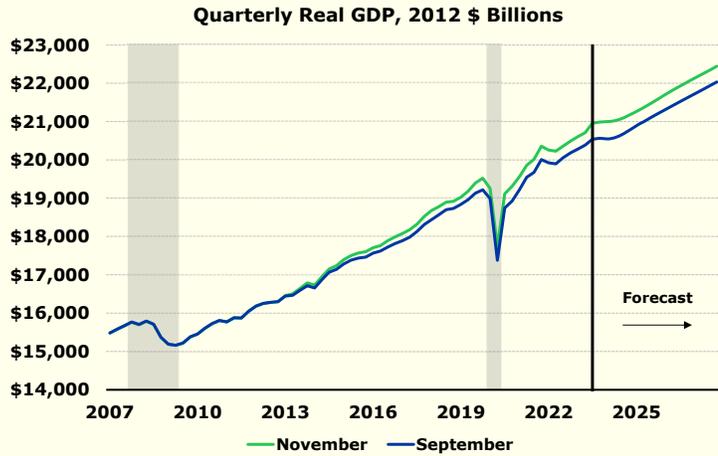
Source: U.S. Bureau of Labor Statistics, U.S. data through October 2023

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## U.S. GDP forecast is higher than September reflecting historic revisions, strong 2023 Q3 growth

After the September forecast, historic GDP data were revised back to 2013 Q1



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Source: IHS Markit, ERF Nov. 2023 forecast; historical data through 2023 Q3

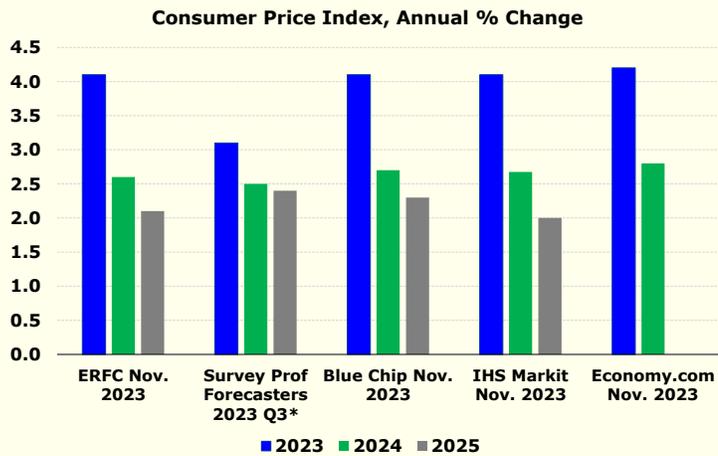
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## The 2023 and 2024 inflation forecasts are slightly lower compared to September

The September forecast expected CPI increases of 4.2% in 2023, 2.9% in 2024 and 2.0% in 2025



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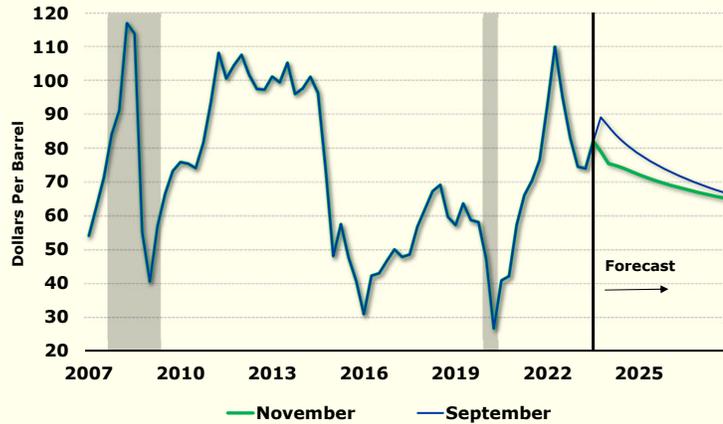
Survey of Professional Forecasters reflects change in price level in 4<sup>th</sup> quarter compared to 4<sup>th</sup> quarter of prior year; all others reflect average change over the year compared to prior year.

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## Oil prices are lower throughout the forecast compared to September



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Source: Energy Information Administration, IHS Markit, ERF; data through 2023 Q3  
Note: Vertical black line indicates last actual

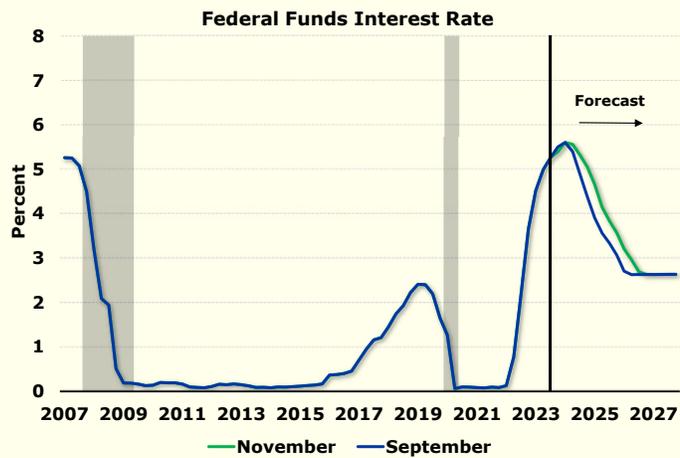
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## Federal Reserve is assumed to raise interest rates in Dec.; rates to decline more slowly than in Sept. forecast

The Federal Reserve left interest rates unchanged at its September and November 2023 meetings.



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Source: ERF November 2023 forecast; historical data through 2023 Q3

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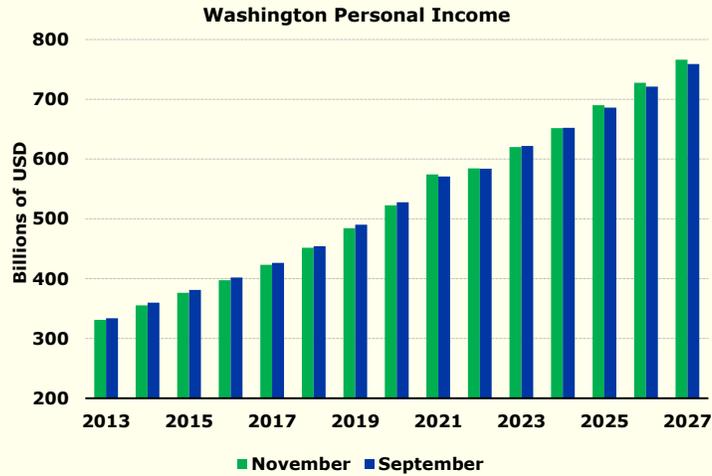
## WA personal income is slightly higher in 2025 - 2027 compared to Sept. forecast

Annual personal income growth averages 5.4% for 2024-27 compared to 5.1% in the Sept. forecast

After the September forecast, historic WA personal income data were revised back to 1979

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Source: ERFC November 2023 forecast; historical data through 2022

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## WA employment slightly higher than the September forecast

Average annual employment growth, 2024 to 2027:

U.S. = 0.3%

WA = 0.9%

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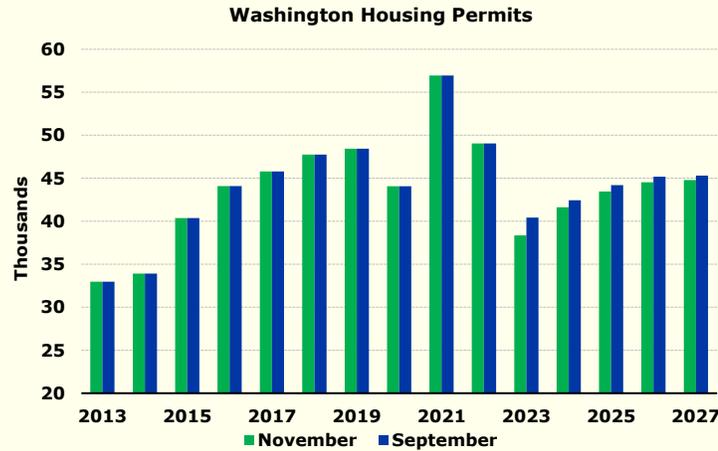


Source: ERFC November 2023 forecast; historical data through 2023 Q3

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## WA housing permits average 700 units fewer per year for 2024 - 2027 compared to the September forecast



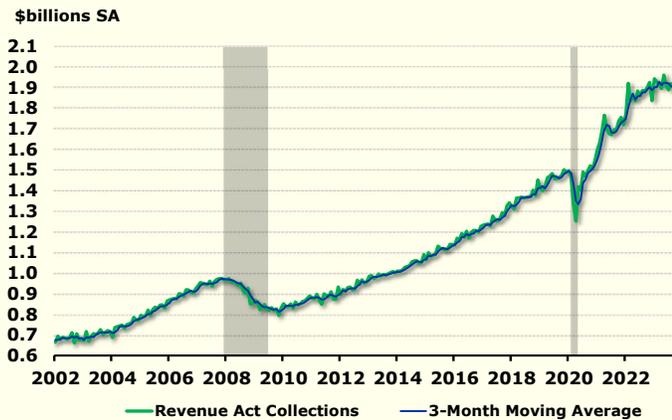
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Source: ERFC November 2023 forecast; historical data through 2022

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## After a 2.7% annual growth rate last month, Revenue Act collections decreased 0.1% over the year for September activity



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\* Adjusted for large one-time transactions, amnesty payments, reporting frequency change and deferred 2020 payments, current definition of Revenue Act  
Source: DOR and ERFC; monthly data through September 2023 activity

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## Seasonally adjusted taxable real estate sales fell to \$6 billion in October, 34% below October 2022



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Source: ERFC; Monthly data through October 2023 estimate

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## Cannabis excise tax and license fee estimates

Total change since September forecast:

• 2023-25  
-\$12.0 M

• 2025-27  
-\$8.5 M

\$Millions	Cannabis Forecast		
	2021-23	2023-25	2025-27
GF-S share of excise tax and license fees	\$319	\$305	\$334
Non-GF	\$683	\$709	\$775
<b>Total</b>	<b>\$1,002</b>	<b>\$1,014</b>	<b>\$1,110</b>

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Detail may not add to total due to rounding  
Source: ERFC November 2023 forecast; historical data through August 2023

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## Forecast changes, all funds: 2023-25 biennium, cash basis

<b>\$Millions</b>	<u>Sept. 2023 Forecast</u>	<u>Non-economic Change</u>	<u>Forecast Change</u>	<u>Nov. 2023 Forecast</u>	<u>Total Change<sup>#</sup></u>
General Fund-State	\$63,357	n/a	\$172	\$63,529	\$172
Education Legacy Trust Account	\$2,136	n/a	\$6	\$2,142	\$6
WA Opportunity Pathways Account	\$361	n/a	\$9	\$370	\$9
Workforce Education Investment Account	\$838	n/a	\$5	\$843	\$5
<b>Total</b>	<b>\$66,692</b>	<b>n/a</b>	<b>\$191</b>	<b>\$66,883</b>	<b>\$191</b>

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<sup>#</sup> Detail may not add to total due to rounding

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

<b>\$Millions</b>	<u>Sept. 2023 Forecast</u>	<u>Non-economic Change</u>	<u>Forecast Change</u>	<u>Nov. 2023 Forecast</u>	<u>Total Change<sup>#</sup></u>
General Fund-State	\$67,382	n/a	\$507	\$67,889	\$507
Education Legacy Trust Account	\$2,314	n/a	\$59	\$2,372	\$59
WA Opportunity Pathways Account	\$358	n/a	\$9	\$366	\$9
Workforce Education Investment Account	\$874	n/a	\$5	\$879	\$5
<b>Total</b>	<b>\$70,927</b>	<b>n/a</b>	<b>\$579</b>	<b>\$71,506</b>	<b>\$579</b>

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<sup>#</sup> Detail may not add to total due to rounding

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## What are the major factors that drove the revenue forecast change?

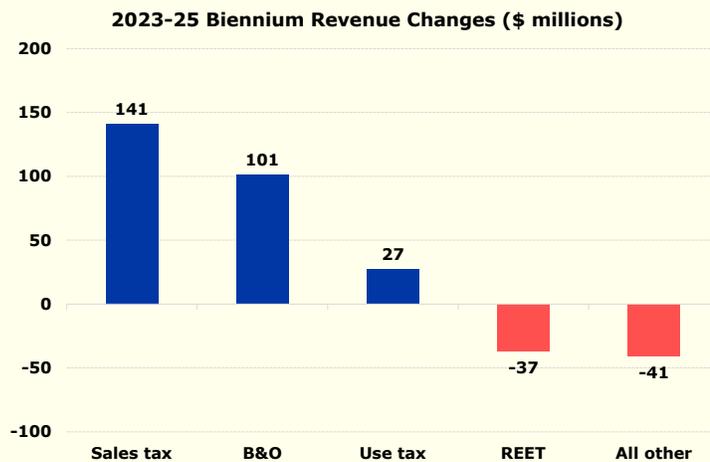
- WA personal income stronger than in September forecast
- WA total employment and construction employment stronger than in September forecast
- Forecast adjustments are modest: +0.3% for 2023-25 biennium and +0.8% for 2025-27 biennium

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## Majority of 2023-25 revenue change due to sales and B&O taxes



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## 2023-25 Biennium alternative General Fund-State forecasts

\$Millions (cash basis)	2023-25 Biennium	Difference From the baseline*
<b>Nov. 2023 Baseline (55%)</b>	<b>\$63,529</b>	
<b><u>Nov. 2023 Alternative Forecasts</u></b>		
<b>Optimistic (15%)</b>	<b>\$66,514</b>	<b>\$2,986</b>
<b>Pessimistic (30%)</b>	<b>\$59,884</b>	<b>(\$3,645)</b>
<b>Probability Weighted Average</b>	<b>\$62,883</b>	<b>(\$646)</b>
<b>GCEA*</b>	<b>\$63,352</b>	<b>(\$177)</b>

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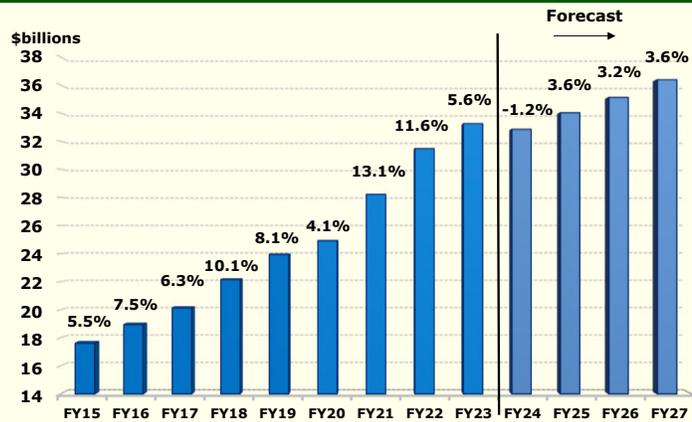
\*Based on the Governor's Council of Economic Advisors' economic assumptions  
#May not add to total due to rounding

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



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\*Funds subject to the budget outlook process are General Fund-State plus Education Legacy Trust, Washington Opportunities Pathway and Workforce Education Investment Accounts  
Source: ERFC forecast, November 2023

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## Conclusion

- Economic forecast compared to September:
  - WA: personal income slightly higher; employment slightly higher; residential construction lower
  - U.S. in 2023, 2024: GDP slightly stronger; employment slightly higher, inflation slightly lower
- Higher interest rates, Ukraine – Russia and Middle East armed conflicts, slowing consumer demand pose forecast risks
- Total state revenues are expected to grow 3.3% between the 2021-23 and 2023-25 biennia and 6.9% between the 2023-25 and 2025-75 biennia

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## Fiscal growth factor

- The fiscal growth factor equals the average growth in personal income for the prior ten fiscal years
- Responsibility for calculating the fiscal growth factor was moved to the ERFC in 2020 (SSB 6660)
- The fiscal growth factor is used for:
  - Determining amounts that specific fees may or must be raised
  - Determining increases to be made for specific transfers and local distributions

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## Fiscal growth factor

Fiscal Year	Fiscal Growth Factor	Status
FY 2023	5.86%	Adopted Nov. 2021
FY 2024	6.22%	Adopted Nov. 2022
FY 2025	6.40%	Proposed Nov. 2023
FY 2026	6.20%	Preliminary Nov. 2023
FY 2027	6.27%	Preliminary Nov. 2023

Revenue Review  
November 20, 2023  
Slide 25

Source: ERFC November 2023 forecast

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



## Questions

Revenue Review  
November 20, 2023

Slide 26



**Economic & Revenue Forecast Council**  
**PO BOX 40912**  
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**360-534-1560**

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**Total Changes to General Fund-State, Education Legacy Trust Account,  
Washington Opportunity Pathways Account and Workforce Education Investment Account Forecasts**

Comparison of the November 2023 to the September 2023 Forecast

2021-23 Biennium

Cash Forecast; Millions of Dollars

	<u>September 2023 Forecast</u>	<u>Non-economic Changes</u>	<u>Forecast Change</u>	<u>November 2023 Forecast</u>	<u>Total Change*</u>
General Fund-State	\$61,008.2	\$0.0	(\$6.6)	\$61,001.6	(\$6.6)
Education Legacy Trust Account	\$2,571.2	\$0.0	\$3.9	\$2,575.1	\$3.9
WA Opportunity Pathways Account	\$393.3	\$0.0	(\$15.3)	\$378.1	(\$15.3)
Workforce Education Investment Account	\$779.0	\$0.0	\$0.0	\$779.0	\$0.0
<b>Total</b>	<b>\$64,751.7</b>	<b>\$0.0</b>	<b>(\$17.9)</b>	<b>\$64,733.8</b>	<b>(\$17.9)</b>

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\*Details may not add due to rounding

**Total Changes to General Fund-State, Education Legacy Trust Account,  
Washington Opportunity Pathways Account and Workforce Education Investment Account Forecasts**

Comparison of the November 2023 to the September 2023 Forecast

2023-25 Biennium

Cash Forecast; Millions of Dollars

	<u>September 2023 Forecast</u>	<u>Non-economic Changes</u>	<u>Forecast Change</u>	<u>November 2023 Forecast</u>	<u>Total Change*</u>
General Fund-State	\$63,357.0	\$0.0	\$171.8	\$63,528.8	\$171.8
Education Legacy Trust Account	\$2,135.9	\$0.0	\$5.7	\$2,141.6	\$5.7
WA Opportunity Pathways Account	\$361.3	\$0.0	\$8.8	\$370.2	\$8.8
Workforce Education Investment Account	\$837.6	\$0.00	\$5.1	\$842.7	\$5.1
<b>Total</b>	<b>\$66,691.9</b>	<b>\$0.0</b>	<b>\$191.4</b>	<b>\$66,883.3</b>	<b>\$191.4</b>

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\*Details may not add due to rounding

**Total Changes to General Fund-State, Education Legacy Trust Account,  
Washington Opportunity Pathways Account and Workforce Education Investment Account Forecasts**

Comparison of the November 2023 to the September 2023 Forecast

2025-27 Biennium

Cash Forecast; Millions of Dollars

	<u>September 2023 Forecast</u>	<u>Non-economic Changes</u>	<u>Forecast Change</u>	<u>November 2023 Forecast</u>	<u>Total Change*</u>
General Fund-State	\$67,381.5	\$0.0	\$507.1	\$67,888.6	\$507.1
Education Legacy Trust Account	\$2,313.5	\$0.0	\$58.8	\$2,372.3	\$58.8
WA Opportunity Pathways Account	\$357.5	\$0.0	\$8.5	\$366.0	\$8.5
Workforce Education Investment Account	\$874.4	\$0.0	\$4.5	\$878.9	\$4.5
<b>Total</b>	<b>\$70,926.8</b>	<b>\$0.0</b>	<b>\$578.9</b>	<b>\$71,505.8</b>	<b>\$578.9</b>

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\*Details may not add due to rounding

**Track record for the 2021-23 biennial forecast of funds subject to the budget outlook**

February 2018 through November 2023

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 2018*</b>	\$51,932	\$593	\$266	NA				\$52,790
<b>Changes to Forecast</b>								
June 2018	357	26	4	NA	387	-7 #1	380	53,170
September 2018	249	94	27	NA	369	46 #2	415	53,585
November 2018	201	2	7	NA	209	0	209	53,795
March 2019	369	0	5	NA	374	190 #3	564	54,358
June 2019	64	5	3	NA	73	605 #4	678	55,036
September 2019	-79	21	-5	NA	-63	0	-63	54,973
November 2019	175	-2	8	NA	181	0	181	55,154
February 2020	512	25	-1	NA	536	627 #5	1,163	56,317
June 2020	-4,570	6	8	-56	-4,612	213 #6	-4,399	51,919
September 2020	2,246	149	-5	30	2,419	0	2,419	54,338
November 2020	297	22	6	4	328	0	328	54,666
March 2021	1,894	24	10	21	1,949	0	1,949	56,615
June 2021	1,340	6	18	35	1,399	399 #7	1,798	58,413
September 2021	845	73	1	8	927	0	927	59,341
November 2021	994	-179	5	10	829	69 #8	898	60,238
February 2022	1,400	56	-10	6	1,453	0	1,453	61,691
June 2022	1,392	80	-2	83	1,552	-95 #9	1,457	63,147
September 2022	46	27	18	-19	72	-29 #10	43	63,191
November 2022	545	196	16	5	761	0	761	63,952
March 2023	100	74	22	-3	194	0	194	64,146
June 2023	10	311	-4	17	335	6 #11	341	64,487
September 2023	111	141	0	13	265	0	265	64,752
November 2023	-7	4	-15	0	-18	0	-18	64,734
<b>Total change:</b>								
From February 2018**	8,492	1,160	114	153	9,919	2,024	11,944	
Percent change	16.4	195.8	42.9	24.4	18.8	3.8	22.6	
<b>Change in forecast since initial 2123 biennial budget***</b>	<b>6,777</b>	<b>789</b>	<b>49</b>	<b>154</b>	<b>7,769</b>	<b>-49</b>	<b>7,720</b>	
Percent change	12.5	44.2	14.8	24.6	13.6	-0.1	13.5	

\*First official forecast for the 2021-23 biennium

\*\*Change in Workforce Education Investment Account forecast represents change from the initial fiscal note estimate of \$627 million first recorded in February 2020 forecast

\*\*\*Resources for the initial 2021-23 budget include forecasted March 2021 revenue plus legislative revenue changes from 2021 session subsequent to the March forecast

#1 Sum of legislative and budget driven revenue changes from the 2018 legislative session

#2 Estimated increase in sales tax collections due US Supreme Court ruling of June 21, 2018

#3 Effects of SSB 5581, passed in March of 2019 legislative session

#4 Sum of legislative and budget driven revenue changes from the 2018 legislative session subsequent to the March 2019 forecast

#5 Establishment of Workforce Education Investment Account

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

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

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

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

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

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

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

February 2020 through November 2023

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				\$59,843
<b>Changes to Forecast</b>								
June 2020	-4,682	-9	8	-3	-4,685	209 #1	-4,476	55,367
September 2020	2,460	125	-7	35	2,612	0	2,612	57,979
November 2020	16	14	2	-4	28	0	28	58,007
March 2021	1,846	17	10	25	1,899	0	1,899	59,906
June 2021	1,419	-6	16	7	1,436	810 #2	2,246	62,151
September 2021	891	31	-1	9	931	0	931	63,082
November 2021	828	-44	5	11	800	165 #3	965	64,047
February 2022	1,311	2	2	5	1,320	0	1,320	65,368
June 2022	1,036	21	-1	55	1,112	-480 #4	632	65,999
September 2022	-332	-18	-8	-21	-378	-117 #5	-495	65,504
November 2022	684	-2	-6	6	681	0	681	66,185
March 2023	-407	-77	10	-9	-483	0	-483	65,702
June 2023	140	115	7	25	287	39 #6	327	66,028
September 2023	616	12	7	28	663	0	663	66,692
November 2023	172	6	9	5	191	0	191	66,883
<b>Total change:</b>								
From February 2020	5,998	189	53	175	6,414	626	7,040	
Percent change	10.4	20.4	16.4	26.2	10.7	1.0	11.8	
<b>Change in forecast since initial 23-25 biennial budget**</b>								
	<b>928</b>	<b>134</b>	<b>22</b>	<b>58</b>	<b>1,142</b>	<b>0</b>	<b>1,142</b>	
Percent change	1.5	6.7	6.4	7.5	1.7	0.0	1.7	

\* 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

#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

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**November 2023**Alternative General Fund-State Forecasts  
Millions of Dollars

Cash Basis

**2023-25 Biennium**

	<u>2023-25 Biennium</u>	<u>Difference From the November 2023 Baseline</u>
November 2023 GF-S Baseline (55%)	\$63,529	
November 2023 Alternative GF-S Forecasts		
Optimistic (15%)	\$66,514	\$2,986
Pessimistic (30%)	\$59,884	(\$3,645)
Probability Weighted Average	\$62,883	(\$646)
GCEA*	\$63,352	(\$177)

**2025-27 Biennium**

	<u>2025-27 Biennium</u>	<u>Difference From the November 2023 Baseline</u>
November 2023 GF-S Baseline (55%)	\$67,889	
November 2023 Alternative GF-S Forecasts		
Optimistic (15%)	\$74,125	\$6,236
Pessimistic (30%)	\$60,952	(\$6,937)
Probability Weighted Average	\$66,743	(\$1,146)
GCEA*	\$67,486	(\$403)

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\* Based on the Governor's Council of Economic Advisors Assumptions.

**General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account and Workforce Education Investment Account**

History and Forecast by Fiscal Year (Cash basis)

November 2023 - Millions of Dollars

	General Fund-State (GF-S) (current definition)		Education Legacy Trust Fund* (ELTA)		WA Opportunity Pathways Account (OPA)		Workforce Ed. Investment Acct. (WEIA)		Total GF-S, ELTA, OPA and WEIA		
	Level	% Chg.	Level	% Chg.	Level	% Chg.	Level	% Chg.	Level	% Chg.	
History:											
FY 2005	\$13,036	5.5%								\$13,036	5.5%
FY 2006	\$14,318	9.8%	\$115							\$14,432	10.7%
FY 2007	\$15,467	8.0%	\$266	132.2%						\$15,734	9.0%
FY 2008	\$15,659	1.2%	\$213	-20.1%						\$15,872	0.9%
FY 2009	\$14,158	-9.6%	\$224	5.4%						\$14,382	-9.4%
FY 2010	\$13,571	-4.1%	\$157	-29.9%						\$13,728	-4.6%
FY 2011	\$14,648	7.9%	\$112	-29.0%	\$99					\$14,859	8.2%
FY 2012	\$14,874	1.5%	\$114	2.3%	\$118	19.1%				\$15,107	1.7%
FY 2013	\$15,783	6.1%	\$101	-11.5%	\$126	5.9%				\$16,009	6.0%
FY 2014	\$16,383	3.8%	\$197	95.3%	\$114	-9.4%				\$16,694	4.3%
FY 2015	\$17,283	5.5%	\$207	5.0%	\$120	5.7%				\$17,611	5.5%
FY 2016	\$18,579	7.5%	\$215	3.6%	\$139	15.7%				\$18,933	7.5%
FY 2017	\$19,739	6.2%	\$252	17.5%	\$127	-9.0%				\$20,118	6.3%
FY 2018	\$21,712	10.0%	\$302	19.6%	\$129	1.5%				\$22,143	10.1%
FY 2019	\$22,430	3.3%	\$1,352	348.1%	\$156	21.1%				\$23,938	8.1%
FY 2020	\$23,817	6.2%	\$913	-32.5%	\$153	-2.0%	\$32			\$24,915	4.1%
FY 2021	\$26,986	13.3%	\$726	-20.5%	\$184	20.9%	\$320	905.5%		\$28,217	13.3%
FY 2022	\$30,030	11.3%	\$890	22.6%	\$190	2.9%	\$369	15.1%		\$31,478	11.6%
FY 2023	\$30,972	3.1%	\$1,685	89.4%	\$188	-0.7%	\$410	11.3%		\$33,256	5.6%
Forecast:											
FY 2024	\$31,217	0.8%	\$1,029	-39.0%	\$189	0.3%	\$417	1.6%		\$32,852	-1.2%
FY 2025	\$32,311	3.5%	\$1,113	8.2%	\$181	-4.1%	\$426	2.1%		\$34,031	3.6%
FY 2026	\$33,348	3.2%	\$1,158	4.1%	\$182	0.7%	\$433	1.8%		\$35,122	3.2%
FY 2027	\$34,540	3.6%	\$1,214	4.8%	\$184	0.6%	\$445	2.8%		\$36,383	3.6%
<b>Biennial Totals</b>											
<b>07-09 Biennium</b>	<b>\$29,817</b>	<b>0.1%</b>	<b>\$437</b>	<b>14.8%</b>	<b>\$0</b>	<b>NA</b>	<b>\$0</b>	<b>NA</b>		<b>\$30,254</b>	<b>0.3%</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>\$63,529</b>	<b>4.1%</b>	<b>\$2,142</b>	<b>-16.8%</b>	<b>\$370</b>	<b>-2.1%</b>	<b>\$843</b>	<b>8.2%</b>		<b>\$66,883</b>	<b>3.3%</b>
<b>25-27 Biennium</b>	<b>\$67,889</b>	<b>6.9%</b>	<b>\$2,372</b>	<b>10.8%</b>	<b>\$366</b>	<b>-1.1%</b>	<b>\$879</b>	<b>4.3%</b>		<b>\$71,506</b>	<b>6.9%</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.

## Lottery Transfers by Fund

(cash basis, millions of dollars)

	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Mariners Stadium</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Student Achievement Account</b>	<b>School Construction Account</b>	<b>Problem Gambling Account</b>	<b>Economic Development Account</b>	<b>Opportunity Pathways Account</b>	<b>Veteran's VIP Account</b>	<b>Education Legacy Trust Account</b>	<b>Gambling Revolving Account</b>
2004	113.3	0.0	4.0	7.3	76.5	25.5			0.0	0.0	0.0	0.0
2005	112.2	4.3	4.2	7.6	0.0	96.2			0.0	0.0	0.0	0.0
2003-05 Biennium	225.6	4.3	8.2	14.9	76.5	121.7			0.0	0.0	0.0	0.0
2006	125.1	1.9	4.4	7.9	0.0	107.8	0.2	3.0	0.0	0.0	0.0	0.0
2007	120.6	7.6	4.5	8.2	0.0	97.0	0.3	3.0	0.0	0.0	0.0	0.0
2005-07 Biennium	245.7	9.5	8.9	16.1	0.0	204.8	0.4	6.0	0.0	0.0	0.0	0.0
2008	124.1	0.0	4.7	8.5	0.0	106.9	0.3	3.7	0.0	0.0	0.0	0.0
2009	122.2	11.1	4.9	8.9	0.0	94.4	0.2	2.7	0.0	0.0	0.0	0.0
2007-09 Biennium	246.4	11.1	9.6	17.4	0.0	201.3	0.5	6.4	0.0	0.0	0.0	0.0
2010	126.4	12.9	5.1	9.2	0.0	95.6	0.3	3.3	0.0	0.0	0.0	0.0
2011	137.2	8.6	5.3	9.6	0.0	9.4	0.3	4.5	99.5	0.0	0.0	0.0
2009-11 Biennium	263.6	21.5	10.4	18.8	0.0	105.0	0.5	7.9	99.5	0.0	0.0	0.0
2012	135.1	0.0	2.7	10.0	0.0	0.0	0.3	3.3	118.5	0.2	0.0	0.0
2013	139.7	0.0	0.0	10.4	0.0	0.0	0.3	3.5	125.5	0.0	0.0	0.0
2011-13 Biennium	274.8	0.0	2.7	20.4	0.0	0.0	0.6	6.9	244.0	0.2	0.0	0.0
2014	147.9	9.3	0.0	10.8	0.0	0.0	0.3	3.7	113.7	0.0	10.1	0.0
2015	143.1	0.6	0.0	11.2	0.0	0.0	0.3	4.7	120.2	0.0	6.1	0.0
2013-15 Biennium	291.0	9.9	0.0	22.0	0.0	0.0	0.6	8.4	233.9	0.0	16.1	0.0
2016	171.6	17.1	0.0	11.7	0.0	0.0	0.3	3.3	139.1	0.0	0.0	0.0
2017	159.7	14.8	0.0	12.2	0.0	0.0	0.3	4.8	126.6	0.0	0.0	1.0
2015-17 Biennium	331.2	31.9	0.0	23.8	0.0	0.0	0.7	8.0	265.7	0.0	0.0	1.0
2018	183.6	38.5	0.0	12.6	0.0	0.0	0.3	3.5	128.5	0.0	0.0	0.0
2019	213.8	38.7	0.0	13.1	0.0	0.0	0.4	5.8	155.7	0.0	0.0	0.0
2017-19 Biennium	397.3	77.3	0.0	25.8	0.0	0.0	0.8	9.3	284.2	0.0	0.0	0.0
2020	186.4	16.7	0.0	13.7	0.0	0.0	0.4	3.1	152.5	0.0	0.0	0.0
2021	231.6	27.7	0.0	14.2	0.0	0.0	0.5	4.8	184.4	0.0	0.0	0.0
2019-21 Biennium	418.0	44.4	0.0	27.9	0.0	0.0	0.8	8.0	336.9	0.0	0.0	0.0
2022	228.7	32.6	0.0	0.0	0.0	0.0	0.4	6.0	189.7	0.0	0.0	0.0
2023	244.7	48.1	0.0	0.0	0.0	0.0	0.5	7.7	188.4	0.0	0.0	0.0
2021-23 Biennium	473.4	80.7	0.0	0.0	0.0	0.0	0.9	13.7	378.1	0.0	0.0	0.0
2024	240.6	46.5	0.0	0.0	0.0	0.0	0.7	4.5	189.0	0.0	0.0	0.0
2025	224.6	37.3	0.0	0.0	0.0	0.0	0.9	5.2	181.2	0.0	0.0	0.0
2023-25 Biennium	465.2	83.7	0.0	0.0	0.0	0.0	1.6	9.7	370.2	0.0	0.0	0.0
2026	224.6	36.1	0.0	0.0	0.0	0.0	0.9	5.2	182.4	0.0	0.0	0.0
2027	226.3	36.6	0.0	0.0	0.0	0.0	0.9	5.2	183.6	0.0	0.0	0.0
2025-27 Biennium	451.0	72.6	0.0	0.0	0.0	0.0	1.8	10.5	366.0	0.0	0.0	0.0

\* Total Transfers are equal to total sales less total expenses (prizes, cost of sales, administration etc.)

Source: Lottery Commission, ERFC

## Lottery Transfers by Fund

(GAAP basis, millions of dollars)

	<b>Lottery: Total Transfers:*</b>	<b>General Fund</b>	<b>Mariners Stadium</b>	<b>Exhibition Center &amp; Stadium</b>	<b>Student Achievement Account</b>	<b>School Construction Account</b>	<b>Problem Gambling Account</b>	<b>Economic Development Account</b>	<b>Opportunity Pathways Account</b>	<b>Veteran's VIP Account</b>	<b>Education Legacy Trust Account</b>	<b>Gambling Revolving Account</b>
2004	113.3	0.0	4.0	7.3	76.5	25.5			0.0	0.0	0.0	0.0
2005	112.2	4.3	4.2	7.6	0.0	96.2			0.0	0.0	0.0	0.0
2003-05 Biennium	225.6	4.3	8.2	14.9	76.5	121.7			0.0	0.0	0.0	0.0
2006	125.1	1.9	4.4	7.9	0.0	107.8	0.2	3.0	0.0	0.0	0.0	0.0
2007	120.6	7.6	4.5	8.2	0.0	97.0	0.3	3.0	0.0	0.0	0.0	0.0
2005-07 Biennium	245.7	9.5	8.9	16.1	0.0	204.8	0.4	6.0	0.0	0.0	0.0	0.0
2008	124.1	0.0	4.7	8.5	0.0	106.9	0.3	3.7	0.0	0.0	0.0	0.0
2009	122.2	11.1	4.9	8.9	0.0	94.4	0.2	2.7	0.0	0.0	0.0	0.0
2007-09 Biennium	246.4	11.1	9.6	17.4	0.0	201.3	0.5	6.4	0.0	0.0	0.0	0.0
2010	129.4	12.9	5.1	9.2	0.0	97.4	0.3	4.6	0.0	0.0	0.0	0.0
2011	138.2	7.0	5.3	9.6	0.0	0.0	0.3	3.7	112.3	0.0	0.0	0.0
2009-11 Biennium	267.6	19.9	10.4	18.8	0.0	97.4	0.5	8.3	112.3	0.0	0.0	0.0
2012	138.0	0.0	2.7	10.0	0.0	0.0	0.3	3.0	121.8	0.2	0.0	0.0
2013	139.2	9.3	0.0	10.4	0.0	0.0	0.3	3.6	115.5	0.0	0.0	0.0
2011-13 Biennium	277.2	9.3	2.7	20.4	0.0	0.0	0.6	6.6	237.4	0.2	0.0	0.0
2014	147.7	0.6	0.0	10.8	0.0	0.0	0.3	4.0	121.9	0.0	10.1	0.0
2015	141.3	0.0	0.0	11.2	0.0	0.0	0.3	4.7	119.0	0.0	6.1	0.0
2013-15 Biennium	288.9	0.6	0.0	22.0	0.0	0.0	0.6	8.7	240.9	0.0	16.1	0.0
2016	175.5	31.9	0.0	11.7	0.0	0.0	0.3	2.8	128.7	0.0	0.0	0.0
2017	161.9	16.8	0.0	12.2	0.0	0.0	0.3	4.9	126.8	0.0	0.0	1.0
2015-17 Biennium	337.4	48.7	0.0	23.8	0.0	0.0	0.7	7.7	255.5	0.0	0.0	1.0
2018	183.0	31.2	0.0	12.6	0.0	0.0	0.4	4.6	134.2	0.0	0.0	0.0
2019	215.8	30.9	0.0	13.1	0.0	0.0	0.4	4.6	166.7	0.0	0.0	0.0
2017-19 Biennium	398.8	62.1	0.0	25.8	0.0	0.0	0.8	9.2	300.9	0.0	0.0	0.0
2020	180.9	16.2	0.0	13.7	0.0	0.0	0.4	3.4	147.3	0.0	0.0	0.0
2021	229.0	23.9	0.0	14.2	0.0	0.0	0.5	4.7	185.7	0.0	0.0	0.0
2019-21 Biennium	410.0	40.1	0.0	27.9	0.0	0.0	0.8	8.1	333.1	0.0	0.0	0.0
2022	216.8	33.6	0.0	0.0	0.0	0.0	0.4	6.2	176.6	0.0	0.0	0.0
2023	253.1	45.5	0.0	0.0	0.0	0.0	0.5	7.3	199.9	0.0	0.0	0.0
2021-23 Biennium	470.0	79.1	0.0	0.0	0.0	0.0	0.9	13.5	376.4	0.0	0.0	0.0
2024	244.5	50.6	0.0	0.0	0.0	0.0	0.8	5.2	187.9	0.0	0.0	0.0
2025	222.8	36.1	0.0	0.0	0.0	0.0	0.9	5.2	180.6	0.0	0.0	0.0
2023-25 Biennium	467.3	86.7	0.0	0.0	0.0	0.0	1.7	10.5	368.5	0.0	0.0	0.0
2026	224.8	36.1	0.0	0.0	0.0	0.0	0.9	5.2	182.6	0.0	0.0	0.0
2027	226.5	36.1	0.0	0.0	0.0	0.0	0.9	5.2	184.2	0.0	0.0	0.0
2025-27 Biennium	451.3	72.2	0.0	0.0	0.0	0.0	1.8	10.5	366.8	0.0	0.0	0.0

\* Total Transfers are equal to total sales less total expenses (prizes, cost of sales, administration etc.)

Source: Lottery Commission, ERFC

**General Fund-State Cash Estimates - Other Agencies**

Comparison of the November 2023 and September 2023 forecasts  
2021-23 Biennium  
(Amounts in Millions)

Source/Agency	September 2023 Baseline	Non-Economic Changes	Economic Changes	November 2023 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,601.1	\$0.0	(\$13.4)	\$1,587.7	(\$13.4)
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$674.6	\$0.0	\$5.4	\$680.0	\$5.4
Lottery Commission Lottery Revenue	\$77.8	\$0.0	\$2.9	\$80.7	\$2.9
State Treasurer Interest Earnings	\$233.8	\$0.0	\$0.0	\$233.8	\$0.0
Office of Financial Management Other Agencies	\$104.0	\$0.0	(\$1.7)	\$102.4	(\$1.7)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$85.2	\$0.0	\$0.0	\$85.2	\$0.0
<b>Total General Fund-State</b>	<b>\$2,776.6</b>	<b>\$0.0</b>	<b>(\$6.8)</b>	<b>\$2,769.8</b>	<b>(\$6.8)</b>

**General Fund-State GAAP Estimates - Other Agencies**

Comparison of the November 2023 and September 2023 forecasts  
2021-23 Biennium  
(Amounts in Millions)

Source/Agency	September 2023 Baseline	Non-Economic Changes	Economic Changes	November 2023 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,601.1	\$0.0	(\$13.4)	\$1,587.7	(\$13.4)
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$674.6	\$0.0	\$5.4	\$680.0	\$5.4
Lottery Commission Lottery Revenue	\$79.1	\$0.0	\$0.0	\$79.1	\$0.0
State Treasurer Interest Earnings	\$259.5	\$0.0	\$0.0	\$259.5	\$0.0
Office of Financial Management Other Agencies	\$104.1	\$0.0	(\$1.7)	\$102.4	(\$1.7)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$85.2	\$0.0	\$0.0	\$85.2	\$0.0
<b>Total General Fund-State</b>	<b>\$2,803.6</b>	<b>\$0.0</b>	<b>(\$9.7)</b>	<b>\$2,793.9</b>	<b>(\$9.7)</b>

\* Detail may not total due to rounding.

### General Fund-State Cash Estimates - Other Agencies

Comparison of the November 2023 and September 2023 forecasts  
2023-25 Biennium  
(Amounts in Millions)

Source/Agency	September 2023 Baseline	Non-Economic Changes	Economic Changes	November 2023 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,729.8	\$0.0	(\$24.8)	\$1,704.9	(\$24.8)
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$639.2	\$0.0	(\$17.5)	\$621.7	(\$17.5)
Lottery Commission Lottery Revenue	\$71.3	\$0.0	\$12.5	\$83.7	\$12.5
State Treasurer Interest Earnings	\$598.7	\$0.0	(\$11.5)	\$587.2	(\$11.5)
Office of Financial Management Other Agencies	\$12.2	\$0.0	(\$11.8)	\$0.4	(\$11.8)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$78.0	\$0.0	\$3.9	\$81.9	\$3.9
<b>Total General Fund-State</b>	<b>\$3,129.1</b>	<b>\$0.0</b>	<b>(\$49.2)</b>	<b>\$3,079.9</b>	<b>(\$49.2)</b>

### General Fund-State GAAP Estimates - Other Agencies

Comparison of the November 2023 and September 2023 forecasts  
2023-25 Biennium  
(Amounts in Millions)

Source/Agency	September 2023 Baseline	Non-Economic Changes	Economic Changes	November 2023 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,729.8	\$0.0	(\$24.8)	\$1,704.9	(\$24.8)
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$639.2	\$0.0	(\$17.5)	\$621.7	(\$17.5)
Lottery Commission Lottery Revenue	\$71.0	\$0.0	\$15.7	\$86.7	\$15.7
State Treasurer Interest Earnings	\$592.5	\$0.0	(\$12.3)	\$580.2	(\$12.3)
Office of Financial Management Other Agencies	\$12.2	\$0.0	(\$11.8)	\$0.4	(\$11.8)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$78.0	\$0.0	\$3.9	\$81.9	\$3.9
<b>Total General Fund-State</b>	<b>\$3,122.7</b>	<b>\$0.0</b>	<b>(\$46.8)</b>	<b>\$3,075.9</b>	<b>(\$46.8)</b>

\* Detail may not total due to rounding.

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the November 2023 and September 2023 forecasts  
2025-27 Biennium  
(Amounts in Millions)

Source/Agency	September 2023 Baseline	Non-Economic Changes	Economic Changes	November 2023 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,817.5	\$0.0	(\$23.7)	\$1,793.8	(\$23.7)
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$688.8	\$0.0	(\$9.3)	\$679.5	(\$9.3)
Lottery Commission Lottery Revenue	\$64.7	\$0.0	\$8.0	\$72.6	\$8.0
State Treasurer Interest Earnings	\$402.3	\$0.0	(\$5.7)	\$396.6	(\$5.7)
Office of Financial Management Other Agencies	(\$92.8)	\$0.0	(\$29.8)	(\$122.6)	(\$29.8)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$78.1	\$0.0	\$1.6	\$79.7	\$1.6
<b>Total General Fund-State</b>	<b>\$2,958.7</b>	<b>\$0.0</b>	<b>(\$58.9)</b>	<b>\$2,899.8</b>	<b>(\$58.9)</b>

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the November 2023 and September 2023 forecasts  
2025-27 Biennium  
(Amounts in Millions)

Source/Agency	September 2023 Baseline	Non-Economic Changes	Economic Changes	November 2023 Baseline	Total Changes
Insurance Commissioner Insurance Premiums	\$1,817.5	\$0.0	(\$23.7)	\$1,793.8	(\$23.7)
Liquor & Cannabis Board Taxes, Licenses, and Fees	\$688.8	\$0.0	(\$9.3)	\$679.5	(\$9.3)
Lottery Commission Lottery Revenue	\$64.3	\$0.0	\$7.8	\$72.2	\$7.8
State Treasurer Interest Earnings	\$394.6	\$0.0	(\$4.8)	\$389.8	(\$4.8)
Office of Financial Management Other Agencies	(\$92.8)	\$0.0	(\$29.8)	(\$122.6)	(\$29.8)
Washington Court System GF-S Share of Fines, Fees, and Forfeiture	\$78.1	\$0.0	\$1.6	\$79.7	\$1.6
<b>Total General Fund-State</b>	<b>\$2,950.7</b>	<b>\$0.0</b>	<b>(\$58.2)</b>	<b>\$2,892.5</b>	<b>(\$58.2)</b>

\* Detail may not total due to rounding.

## U.S. Forecast Comparison

	2023Q1	2023Q2	2023Q3	2023Q4
<b>Real GDP (Billions of 2012 Dollars)</b>				
November Forecast, Final	20,603	20,709	20,957	20,985
Percent Change	2.2%	2.1%	4.9%	0.5%
November Forecast, Preliminary	20,603	20,709	20,957	20,989
Percent Change	2.2%	2.1%	4.9%	0.6%
<b>Real Consumption (Billions of 2012 Dollars)</b>				
November Forecast, Final	14,476	14,505	14,647	14,700
Percent Change	3.8%	0.8%	4.0%	1.5%
November Forecast, Preliminary	14,476	14,505	14,647	14,681
Percent Change	3.8%	0.8%	4.0%	0.9%
<b>PCE Price Index (2012=100)</b>				
November Forecast, Final	126.2	127.0	127.9	128.6
Percent Change	4.2%	2.5%	2.9%	2.3%
November Forecast, Preliminary	126.2	127.0	127.9	128.7
Percent Change	4.2%	2.5%	3.0%	2.4%
<b>Real Personal Income (Billions of 2012 Dollars)</b>				
November Forecast, Final	17,942	18,021	18,047	18,100
Percent Change	2.5%	1.8%	0.6%	1.2%
November Forecast, Preliminary	17,942	18,021	18,046	18,120
Percent Change	2.5%	1.8%	0.6%	1.6%
<b>Nonfarm Payroll Employment (Millions)</b>				
November Forecast, Final	155.2	155.9	156.5	157.0
Percent Change	2.5%	1.7%	1.6%	1.3%
November Forecast, Preliminary	155.2	155.9	156.8	157.0
Percent Change	2.5%	1.7%	2.2%	0.7%
<b>Unemployment Rate (Percent of Labor Force)</b>				
November Forecast, Final	3.5	3.5	3.7	3.9
November Forecast, Preliminary	3.5	3.5	3.7	3.8
<b>Oil Price, Refiner's Acquisition</b>				
November Forecast, Final	74.5	74.1	82.1	79.0
November Forecast, Preliminary	74.5	74.0	82.0	85.5
<b>30 Year Fixed Mortgage Rate (Percent, average)</b>				
November Forecast, Final	6.4	6.5	7.0	7.6
November Forecast, Preliminary	6.4	6.5	7.0	7.5
<b>3 Month T-Bill Rate (Percent, average)</b>				
November Forecast, Final	4.6	5.1	5.3	5.5
November Forecast, Preliminary	4.6	5.1	5.3	5.5

	2021	2022	2023	2024	2025	2026	2027
19,947	20,333	20,814	21,065	21,423	21,873	22,289	
5.8%	1.9%	2.4%	1.2%	1.7%	2.1%	1.9%	
19,947	20,333	20,814	21,036	21,394	21,843	22,258	
5.8%	1.9%	2.4%	1.1%	1.7%	2.1%	1.9%	
13,910	14,265	14,582	14,765	15,016	15,332	15,638	
8.4%	2.6%	2.2%	1.3%	1.7%	2.1%	2.0%	
13,910	14,265	14,577	14,725	14,976	15,290	15,596	
8.4%	2.6%	2.2%	1.0%	1.7%	2.1%	2.0%	
115.3	122.8	127.4	130.6	133.4	136.3	139.2	
4.2%	6.5%	3.8%	2.4%	2.2%	2.2%	2.1%	
115.3	122.8	127.4	130.5	133.2	135.9	138.7	
4.2%	6.5%	3.8%	2.4%	2.0%	2.1%	2.0%	
18,576	17,792	18,027	18,448	19,021	19,524	20,043	
4.7%	-4.2%	1.3%	2.3%	3.1%	2.6%	2.7%	
18,576	17,792	18,032	18,445	18,976	19,492	20,030	
4.7%	-4.2%	1.3%	2.3%	2.9%	2.7%	2.8%	
146.3	152.6	156.2	157.1	157.1	157.5	158.1	
2.9%	4.3%	2.3%	0.6%	0.0%	0.3%	0.4%	
146.3	152.6	156.2	156.9	156.7	157.1	157.6	
2.9%	4.3%	2.4%	0.4%	-0.1%	0.2%	0.3%	
5.4	3.6	3.7	4.3	4.3	4.2	4.2	
5.4	3.6	3.6	4.1	4.3	4.2	4.1	
67.5	95.2	77.4	74.3	70.9	68.2	66.0	
67.5	95.2	79.0	81.0	75.6	71.8	68.8	
3.0	5.4	6.9	7.0	5.7	5.1	4.9	
3.0	5.4	6.9	6.7	5.6	5.1	4.9	
0.0	2.0	5.1	5.3	3.8	2.6	2.4	
0.0	2.0	5.1	5.2	3.8	2.6	2.4	

**U.S. Forecast Comparison**

	2023Q1	2023Q2	2023Q3	2023Q4
<b>Real GDP (Billions of 2012 Dollars)</b>				
November Forecast	20,603	20,709	20,957	20,985
Percent Change	2.2%	2.1%	4.9%	0.5%
September Forecast	20,283	20,386	20,538	20,561
Percent Change	2.0%	2.1%	3.0%	0.5%
<b>Real Consumption (Billions of 2012 Dollars)</b>				
November Forecast	14,476	14,505	14,647	14,700
Percent Change	3.8%	0.8%	4.0%	1.5%
September Forecast	14,360	14,420	14,515	14,538
Percent Change	4.2%	1.7%	2.7%	0.6%
<b>PCE Price Index (2012=100)</b>				
November Forecast	126.2	127.0	127.9	128.6
Percent Change	4.2%	2.5%	2.9%	2.3%
September Forecast	126.2	127.0	128.0	128.9
Percent Change	4.1%	2.5%	3.4%	3.0%
<b>Real Personal Income (Billions of 2012 Dollars)</b>				
November Forecast	17,942	18,021	18,047	18,100
Percent Change	2.5%	1.8%	0.6%	1.2%
September Forecast	17,849	17,921	17,926	17,959
Percent Change	0.9%	1.6%	0.1%	0.7%
<b>Nonfarm Payroll Employment (Millions)</b>				
November Forecast	155.2	155.9	156.5	157.0
Percent Change	2.5%	1.7%	1.6%	1.3%
September Forecast	155.2	155.9	156.4	156.4
Percent Change	2.5%	1.7%	1.2%	0.1%
<b>Unemployment Rate (Percent of Labor Force)</b>				
November Forecast	3.5	3.5	3.7	3.9
September Forecast	3.5	3.5	3.7	3.8
<b>Oil Price, Refiner's Acquisition</b>				
November Forecast	74.5	74.1	82.1	79.0
September Forecast	74.5	73.9	81.9	89.1
<b>30 Year Fixed Mortgage Rate (Percent, average)</b>				
November Forecast	6.4	6.5	7.0	7.6
September Forecast	6.4	6.5	7.1	7.0
<b>3 Month T-Bill Rate (Percent, average)</b>				
November Forecast	4.6	5.1	5.3	5.5
September Forecast	4.6	5.1	5.3	5.5

	2021	2022	2023	2024	2025	2026	2027
November Forecast	19,947	20,333	20,814	21,065	21,423	21,873	22,289
Percent Change	5.8%	1.9%	2.4%	1.2%	1.7%	2.1%	1.9%
September Forecast	19,610	20,014	20,442	20,637	21,049	21,470	21,878
Percent Change	5.9%	2.1%	2.1%	1.0%	2.0%	2.0%	1.9%
November Forecast	13,910	14,265	14,582	14,765	15,016	15,332	15,638
Percent Change	8.4%	2.6%	2.2%	1.3%	1.7%	2.1%	2.0%
September Forecast	13,754	14,130	14,458	14,606	14,913	15,226	15,531
Percent Change	8.3%	2.7%	2.3%	1.0%	2.1%	2.1%	2.0%
November Forecast	115.3	122.8	127.4	130.6	133.4	136.3	139.2
Percent Change	4.2%	6.5%	3.8%	2.4%	2.2%	2.2%	2.1%
September Forecast	115.6	122.9	127.5	130.9	133.6	136.2	138.9
Percent Change	4.0%	6.3%	3.8%	2.7%	2.0%	2.0%	1.9%
November Forecast	18,576	17,792	18,027	18,448	19,021	19,524	20,043
Percent Change	4.7%	-4.2%	1.3%	2.3%	3.1%	2.6%	2.7%
September Forecast	18,427	17,725	17,914	18,219	18,685	19,156	19,671
Percent Change	3.3%	-3.8%	1.1%	1.7%	2.6%	2.5%	2.7%
November Forecast	146.3	152.6	156.2	157.1	157.1	157.5	158.1
Percent Change	2.9%	4.3%	2.3%	0.6%	0.0%	0.3%	0.4%
September Forecast	146.3	152.6	156.0	155.9	156.0	156.6	157.3
Percent Change	2.9%	4.3%	2.2%	-0.1%	0.1%	0.4%	0.4%
November Forecast	5.4	3.6	3.7	4.3	4.3	4.2	4.2
September Forecast	5.4	3.6	3.6	4.2	4.3	4.2	4.1
November Forecast	67.5	95.2	77.4	74.3	70.9	68.2	66.0
September Forecast	67.5	95.2	79.8	82.9	76.2	71.6	68.1
November Forecast	3.0	5.4	6.9	7.0	5.7	5.1	4.9
September Forecast	3.0	5.4	6.7	6.3	5.4	5.1	4.9
November Forecast	0.0	2.0	5.1	5.3	3.8	2.6	2.4
September Forecast	0.0	2.0	5.1	4.8	3.2	2.4	2.4

**Washington Forecast Comparison**

	2023Q1	2023Q2	2023Q3	2023Q4
<b>Real Personal Income (Billions of 2012 Dollars)</b>				
November Forecast, Final	483.3	486.9	487.6	488.6
Percent Change	8.0%	3.0%	0.5%	0.8%
November Forecast, Preliminary	483.3	487.5	487.7	488.6
Percent Change	8.0%	3.5%	0.2%	0.7%
<b>Personal Income (Billions of Dollars)</b>				
November Forecast, Final	610.0	618.3	623.7	628.5
Percent Change	12.5%	5.6%	3.5%	3.1%
November Forecast, Preliminary	610.0	619.0	623.9	628.6
Percent Change	12.5%	6.1%	3.2%	3.1%
<b>Disposable Personal Income (Billions of Dollars)</b>				
November Forecast, Final	539.0	546.3	550.8	554.2
Percent Change	20.9%	5.6%	3.3%	2.5%
November Forecast, Preliminary	538.5	546.8	549.0	553.9
Percent Change	21.6%	6.4%	1.6%	3.6%
<b>Nonfarm Payroll Employment (Thousands)</b>				
November Forecast, Final	3583	3606	3624	3635
Percent Change	2.4%	2.6%	2.0%	1.2%
November Forecast, Preliminary	3591	3607	3623	3637
Percent Change	3.4%	1.8%	1.8%	1.5%
<b>Unemployment Rate (Percent of Labor Force)</b>				
November Forecast, Final	4.5	4.1	3.6	3.8
November Forecast, Preliminary	4.5	4.1	3.6	3.7
<b>Manufacturing Employment (Thousands)</b>				
November Forecast, Final	272.2	274.1	277.9	278.6
Percent Change	0.3%	2.8%	5.6%	1.0%
November Forecast, Preliminary	272.5	273.6	276.5	278.8
Percent Change	0.7%	1.6%	4.4%	3.3%
<b>Construction Employment (Thousands)</b>				
November Forecast, Final	235.9	235.5	236.7	237.3
Percent Change	2.8%	-0.8%	2.1%	1.1%
November Forecast, Preliminary	237.4	239.9	242.3	241.2
Percent Change	5.4%	4.3%	4.0%	-1.8%
<b>Housing Permits (Thousands)</b>				
November Forecast, Final	41.9	39.5	35.7	36.3
Percent Change	48.5%	-21.3%	-33.0%	6.6%
November Forecast, Preliminary	41.9	39.5	35.7	36.5
Percent Change	48.5%	-21.3%	-33.0%	9.0%

	2021	2022	2023	2024	2025	2026	2027
November Forecast, Final	498.2	476.1	486.6	499.1	517.3	533.9	550.7
Percent Change	5.5%	-4.4%	2.2%	2.6%	3.6%	3.2%	3.1%
November Forecast, Preliminary	498.2	476.1	486.8	497.8	515.0	532.1	549.8
Percent Change	5.5%	-4.4%	2.2%	2.3%	3.5%	3.3%	3.3%
November Forecast, Final	574.3	584.4	620.1	651.7	690.1	727.6	766.3
Percent Change	9.9%	1.8%	6.1%	5.1%	5.9%	5.4%	5.3%
November Forecast, Preliminary	574.3	584.4	620.4	649.7	685.9	723.2	762.6
Percent Change	9.9%	1.8%	6.2%	4.7%	5.6%	5.4%	5.4%
November Forecast, Final	505.6	504.7	547.6	576.1	610.2	641.7	673.7
Percent Change	8.3%	-0.2%	8.5%	5.2%	5.9%	5.2%	5.0%
November Forecast, Preliminary	505.6	503.3	547.1	575.0	607.8	638.6	671.0
Percent Change	8.3%	-0.4%	8.7%	5.1%	5.7%	5.1%	5.1%
November Forecast, Final	3370	3528	3612	3651	3674	3707	3741
Percent Change	2.6%	4.7%	2.4%	1.1%	0.6%	0.9%	0.9%
November Forecast, Preliminary	3370	3528	3615	3641	3660	3694	3730
Percent Change	2.6%	4.7%	2.5%	0.7%	0.5%	0.9%	1.0%
November Forecast, Final	5.2	4.2	4.0	4.5	4.7	4.6	4.5
November Forecast, Preliminary	5.2	4.2	4.0	4.4	4.6	4.5	4.4
November Forecast, Final	260.0	268.9	275.7	280.0	276.6	275.7	275.3
Percent Change	-4.4%	3.4%	2.5%	1.5%	-1.2%	-0.3%	-0.1%
November Forecast, Preliminary	260.0	268.9	275.3	277.3	272.8	274.3	275.5
Percent Change	-4.4%	3.4%	2.4%	0.7%	-1.6%	0.5%	0.4%
November Forecast, Final	223.9	232.5	236.3	239.2	243.0	250.8	257.0
Percent Change	4.7%	3.8%	1.7%	1.2%	1.6%	3.2%	2.5%
November Forecast, Preliminary	223.9	232.5	240.2	239.9	242.8	250.9	258.3
Percent Change	4.7%	3.8%	3.3%	-0.1%	1.2%	3.3%	3.0%
November Forecast, Final	56.9	49.0	38.3	41.6	43.4	44.5	44.8
Percent Change	29.8%	-13.9%	-21.8%	8.5%	4.4%	2.5%	0.6%
November Forecast, Preliminary	56.9	49.0	38.4	42.0	43.7	45.0	45.0
Percent Change	29.8%	-13.9%	-21.7%	9.5%	3.9%	3.1%	0.0%

**Washington Forecast Comparison**

	2023Q1	2023Q2	2023Q3	2023Q4
<b>Real Personal Income (Billions of 2012 Dollars)</b>				
November Forecast	483.3	486.9	487.6	488.6
Percent Change	8.0%	3.0%	0.5%	0.8%
September Forecast	485.5	487.7	488.2	489.8
Percent Change	8.8%	1.9%	0.4%	1.3%
<b>Personal Income (Billions of Dollars)</b>				
November Forecast	610.0	618.3	623.7	628.5
Percent Change	12.5%	5.6%	3.5%	3.1%
September Forecast	612.3	619.0	624.9	631.2
Percent Change	13.3%	4.5%	3.8%	4.1%
<b>Disposable Personal Income (Billions of Dollars)</b>				
November Forecast	539.0	546.3	550.8	554.2
Percent Change	20.9%	5.6%	3.3%	2.5%
September Forecast	532.7	539.2	545.1	552.9
Percent Change	20.2%	5.0%	4.4%	5.9%
<b>Nonfarm Payroll Employment (Thousands)</b>				
November Forecast	3583	3606	3624	3635
Percent Change	2.4%	2.6%	2.0%	1.2%
September Forecast	3591	3608	3621	3623
Percent Change	3.4%	1.9%	1.5%	0.2%
<b>Unemployment Rate (Percent of Labor Force)</b>				
November Forecast	4.5	4.1	3.6	3.8
September Forecast	4.5	4.1	3.6	4.0
<b>Manufacturing Employment (Thousands)</b>				
November Forecast	272.2	274.1	277.9	278.6
Percent Change	0.3%	2.8%	5.6%	1.0%
September Forecast	272.5	273.6	276.1	277.6
Percent Change	0.7%	1.6%	3.8%	2.0%
<b>Construction Employment (Thousands)</b>				
November Forecast	235.9	235.5	236.7	237.3
Percent Change	2.8%	-0.8%	2.1%	1.1%
September Forecast	237.4	239.9	242.4	240.3
Percent Change	5.4%	4.3%	4.2%	-3.5%
<b>Housing Permits (Thousands)</b>				
November Forecast	41.9	39.5	35.7	36.3
Percent Change	48.5%	-21.3%	-33.0%	6.6%
September Forecast	41.9	39.5	38.3	42.0
Percent Change	48.5%	-21.3%	-11.7%	45.7%

	2021	2022	2023	2024	2025	2026	2027
November Forecast	498.2	476.1	486.6	499.1	517.3	533.9	550.7
Percent Change	5.5%	-4.4%	2.2%	2.6%	3.6%	3.2%	3.1%
September Forecast	494.1	475.4	487.8	498.3	513.7	529.5	546.5
Percent Change	4.1%	-3.8%	2.6%	2.1%	3.1%	3.1%	3.2%
November Forecast	574.3	584.4	620.1	651.7	690.1	727.6	766.3
Percent Change	9.9%	1.8%	6.1%	5.1%	5.9%	5.4%	5.3%
September Forecast	570.9	583.9	621.9	652.2	686.1	721.1	758.9
Percent Change	8.2%	2.3%	6.5%	4.9%	5.2%	5.1%	5.2%
November Forecast	505.6	504.7	547.6	576.1	610.2	641.7	673.7
Percent Change	8.3%	-0.2%	8.5%	5.2%	5.9%	5.2%	5.0%
September Forecast	504.4	499.2	542.5	576.4	607.5	636.0	666.8
Percent Change	6.5%	-1.0%	8.7%	6.2%	5.4%	4.7%	4.8%
November Forecast	3370	3528	3612	3651	3674	3707	3741
Percent Change	2.6%	4.7%	2.4%	1.1%	0.6%	0.9%	0.9%
September Forecast	3370	3528	3611	3620	3643	3679	3716
Percent Change	2.6%	4.7%	2.3%	0.3%	0.6%	1.0%	1.0%
November Forecast	5.2	4.2	4.0	4.5	4.7	4.6	4.5
September Forecast	5.2	4.2	4.0	4.5	4.7	4.6	4.5
November Forecast	260.0	268.9	275.7	280.0	276.6	275.7	275.3
Percent Change	-4.4%	3.4%	2.5%	1.5%	-1.2%	-0.3%	-0.1%
September Forecast	260.0	268.9	274.9	274.3	270.3	272.1	273.6
Percent Change	-4.4%	3.4%	2.3%	-0.2%	-1.5%	0.7%	0.6%
November Forecast	223.9	232.5	236.3	239.2	243.0	250.8	257.0
Percent Change	4.7%	3.8%	1.7%	1.2%	1.6%	3.2%	2.5%
September Forecast	223.9	232.5	240.0	237.7	238.1	243.1	248.6
Percent Change	4.7%	3.8%	3.2%	-1.0%	0.1%	2.1%	2.3%
November Forecast	56.9	49.0	38.3	41.6	43.4	44.5	44.8
Percent Change	29.8%	-13.9%	-21.8%	8.5%	4.4%	2.5%	0.6%
September Forecast	56.9	49.0	40.4	42.4	44.2	45.2	45.3
Percent Change	29.8%	-13.9%	-17.6%	5.0%	4.1%	2.2%	0.3%

## U.S. Forecast Comparison Fiscal Years

**2022      2023      2024      2025      2026      2027**

### Real GDP

Billions of 2012 dollars

November Forecast	20,214	20,540	20,991	21,216	21,649	22,083
<i>Growth</i>	3.9%	1.6%	2.2%	1.1%	2.0%	2.0%
September Forecast	19,875	20,227	20,555	20,826	21,263	21,673
<i>Growth</i>	4.0%	1.8%	1.6%	1.3%	2.1%	1.9%
Difference in level	339	314	436	390	386	410
<b><i>Difference in growth forecast</i></b>	<b>-0.1%</b>	<b>-0.2%</b>	<b>0.6%</b>	<b>-0.2%</b>	<b>-0.1%</b>	<b>0.1%</b>

### Real Consumption

Billions of 2012 dollars

November Forecast	14,156	14,406	14,700	14,872	15,173	15,486
<i>Growth</i>	5.5%	1.8%	2.0%	1.2%	2.0%	2.1%
September Forecast	13,996	14,293	14,538	14,747	15,073	15,377
<i>Growth</i>	5.4%	2.1%	1.7%	1.4%	2.2%	2.0%
Difference in level	160	112	162	124	100	109
<b><i>Difference in growth forecast</i></b>	<b>0.1%</b>	<b>-0.4%</b>	<b>0.3%</b>	<b>-0.3%</b>	<b>-0.2%</b>	<b>0.0%</b>

### PCE Price Index

2012 = 100

November Forecast	119.1	125.4	129.0	132.0	134.8	137.7
<i>Growth</i>	6.0%	5.3%	2.8%	2.3%	2.1%	2.1%
September Forecast	119.3	125.4	129.3	132.4	134.9	137.6
<i>Growth</i>	5.8%	5.1%	3.1%	2.4%	1.9%	2.0%
Difference in level	-0.2	0.0	-0.3	-0.3	-0.1	0.1
<b><i>Difference in growth forecast</i></b>	<b>0.2%</b>	<b>0.2%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>0.2%</b>

### Unemployment Rate

Percent of Labor Force

November Forecast	4.2%	3.5%	4.0%	4.4%	4.3%	4.2%
September Forecast	4.2%	3.5%	3.9%	4.4%	4.3%	4.2%
<b><i>Difference in forecast</i></b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

### 30 Year Fixed Mortgage Rate

Annual Average

November Forecast	3.8%	6.3%	7.4%	6.3%	5.4%	5.0%
September Forecast	3.8%	6.3%	6.8%	5.8%	5.2%	5.0%
<b><i>Difference in forecast</i></b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.2%</b>	<b>0.0%</b>

### 3 Month T-Bill Rate

Annual Average

November Forecast	0.4%	4.1%	5.5%	4.6%	3.1%	2.4%
September Forecast	0.4%	4.1%	5.3%	3.9%	2.7%	2.4%
<b><i>Difference in forecast</i></b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.6%</b>	<b>0.4%</b>	<b>0.0%</b>

## Washington Forecast Comparison

Fiscal Years

	2022	2023	2024	2025	2026	2027
<b>Real Personal Income</b>						
Billions of 2012 dollars						
November Forecast	483.0	479.9	491.7	507.9	525.9	542.0
<i>Growth</i>	-1.6%	-0.7%	2.5%	3.3%	3.5%	3.1%
September Forecast	479.8	480.9	492.1	505.6	521.6	537.7
<i>Growth</i>	-2.0%	0.2%	2.3%	2.7%	3.1%	3.1%
Difference in level	3.2	-1.1	-0.4	2.3	4.3	4.3
<b><i>Difference in growth forecast</i></b>	<b>0.3%</b>	<b>-0.9%</b>	<b>0.1%</b>	<b>0.6%</b>	<b>0.4%</b>	<b>0.0%</b>
<b>Nominal Personal Income</b>						
Billions of dollars						
November Forecast	575.2	602.0	634.4	670.7	709.1	746.5
<i>Growth</i>	4.2%	4.7%	5.4%	5.7%	5.7%	5.3%
September Forecast	572.3	603.2	636.1	669.0	703.4	739.5
<i>Growth</i>	3.7%	5.4%	5.5%	5.2%	5.1%	5.1%
Difference in level	2.8	-1.2	-1.7	1.7	5.7	7.0
<b><i>Difference in growth forecast</i></b>	<b>0.5%</b>	<b>-0.7%</b>	<b>-0.1%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.1%</b>
<b>Nonfarm Payroll Employment</b>						
Thousands						
November Forecast	3,461.8	3,575.7	3,638.9	3,659.3	3,690.5	3,723.9
<i>Growth</i>	5.4%	3.3%	1.8%	0.6%	0.9%	0.9%
September Forecast	3,461.8	3,578.1	3,621.1	3,627.0	3,661.0	3,697.3
<i>Growth</i>	5.4%	3.4%	1.2%	0.2%	0.9%	1.0%
Difference in level	0.0	-2.4	17.7	32.3	29.5	26.6
<b><i>Difference in growth forecast</i></b>	<b>0.0%</b>	<b>-0.1%</b>	<b>0.6%</b>	<b>0.4%</b>	<b>-0.1%</b>	<b>-0.1%</b>
<b>Housing Permits</b>						
Units Authorized, Thousands						
November Forecast	58.0	41.0	38.7	42.5	44.2	44.6
<i>Growth</i>	17.1%	-29.3%	-5.7%	9.8%	4.0%	1.1%
September Forecast	58.0	41.0	41.2	43.2	44.9	45.2
<i>Growth</i>	17.1%	-29.3%	0.6%	4.6%	4.1%	0.7%
Difference in level	0.0	0.0	-2.6	-0.7	-0.7	-0.6
<b><i>Difference in growth forecast</i></b>	<b>0.0%</b>	<b>0.0%</b>	<b>-6.3%</b>	<b>5.2%</b>	<b>0.0%</b>	<b>0.3%</b>

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

**Calendar Years**

	2023	2024	2025	2026	2027
<b>U.S.</b>					
<b>Real GDP</b>					
<i>Growth</i>					
ERFC	2.4	1.2	1.7	2.1	1.9
GCEA Average	2.4	1.1	2.1	2.0	2.1
<b>Real Consumption</b>					
<i>Growth</i>					
ERFC	2.2	1.3	1.7	2.1	2.0
GCEA Average	2.3	0.7	1.6	2.3	2.1
<b>PCE Price Index</b>					
<i>Growth</i>					
ERFC	3.8	2.4	2.2	2.2	2.1
GCEA Average	3.8	2.6	2.4	2.3	2.4
<b>Mortgage Rate</b>					
<i>Percent</i>					
ERFC	6.9	7.0	5.7	5.1	4.9
GCEA Average	6.9	6.7	5.9	5.4	5.1
<b>Oil Price (Brent)</b>					
<i>Dollars per barrel</i>					
ERFC	82.5	78.7	75.4	72.7	70.6
GCEA Average	83.3	83.4	81.7	79.1	78.2

**Washington State**

**Real Personal Income**

<i>Growth</i>					
ERFC	2.2	2.6	3.6	3.2	3.1
GCEA Average	2.4	2.0	3.3	3.3	3.3

**Wage and Salary Employment**

<i>Growth</i>					
ERFC	2.4	1.1	0.6	0.9	0.9
GCEA Average	2.3	0.8	0.9	1.0	1.1

**Manufacturing Employment**

<i>Growth</i>					
ERFC	2.5	1.5	-1.2	-0.3	-0.1
GCEA Average	2.3	0.0	0.2	0.8	0.7

**Construction Employment**

<i>Growth</i>					
ERFC	1.7	1.2	1.6	3.2	2.5
GCEA Average	2.3	0.4	0.8	2.3	2.5

**Housing Permits**

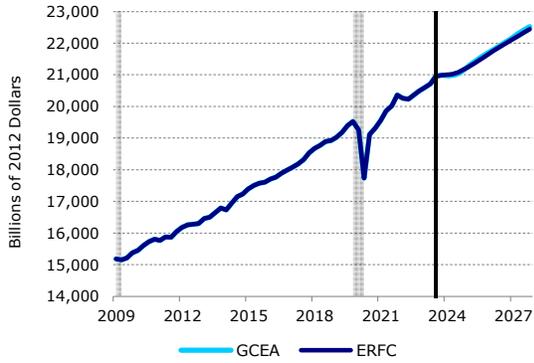
<i>Thousands of authorized units</i>					
ERFC	38.3	41.6	43.4	44.5	44.8
GCEA Average	39.1	43.0	44.5	45.4	46.1

**Washington Average Annual Wage**

<i>Growth</i>					
ERFC	5.1	3.2	4.2	4.2	4.5
GCEA Average	4.9	3.6	4.4	4.2	4.3

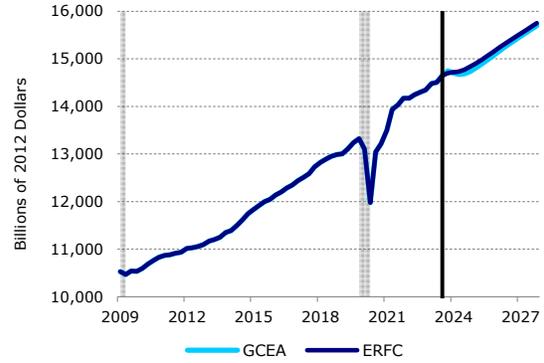
# U.S. Forecast Comparison

### Real GDP



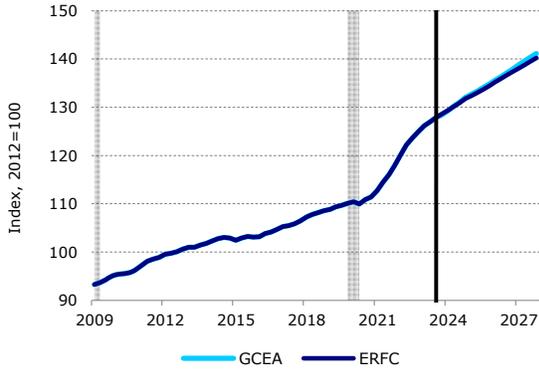
Source: BEA, ERFC, GCEA; data through 2023 Q3

### Real Consumption



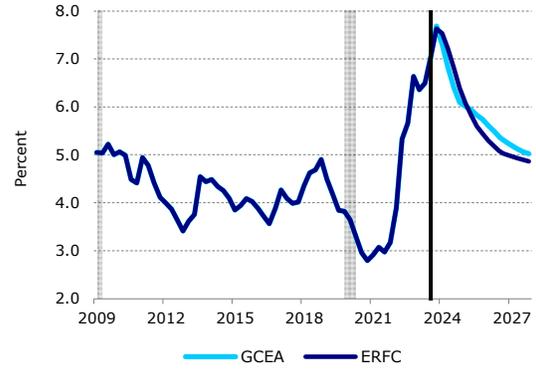
Source: BEA, ERFC, GCEA; data through 2023 Q3

### PCE Price Index



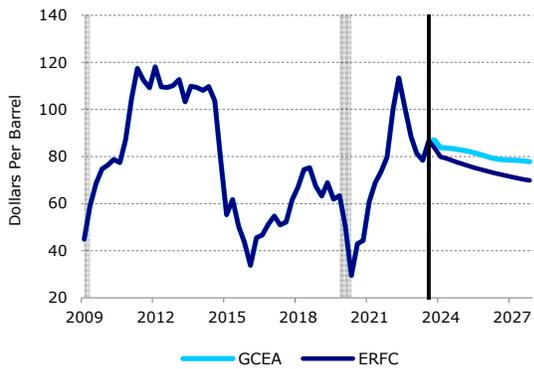
Source: BEA, ERFC, GCEA; data through 2023 Q3

### Mortgage Rate



Source: Freddie Mac, ERFC, GCEA; data through 2023 Q3

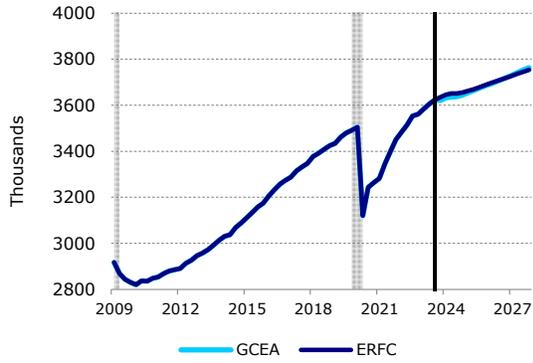
### Brent Oil Price



Source: EIA, ERFC, GCEA; data through 2023 Q3

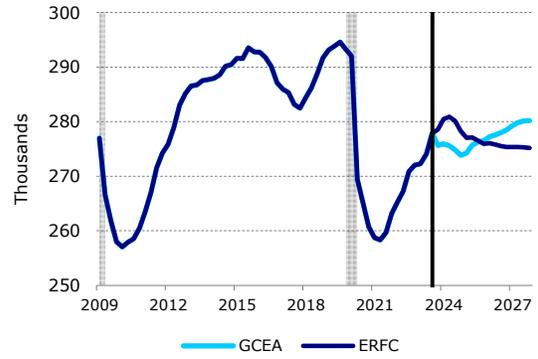
# Washington Forecast Comparison

### Nonfarm Payroll Employment



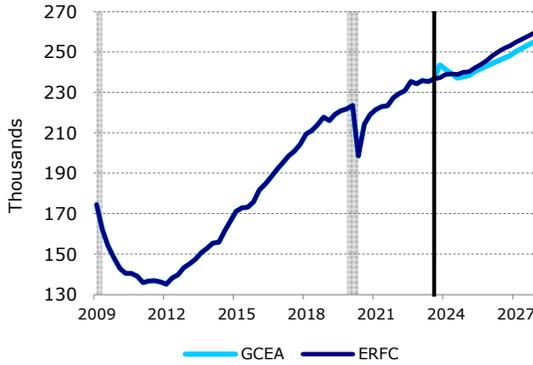
Source: ESD, ERFC, GCEA; data through 2023 Q3

### Manufacturing Employment



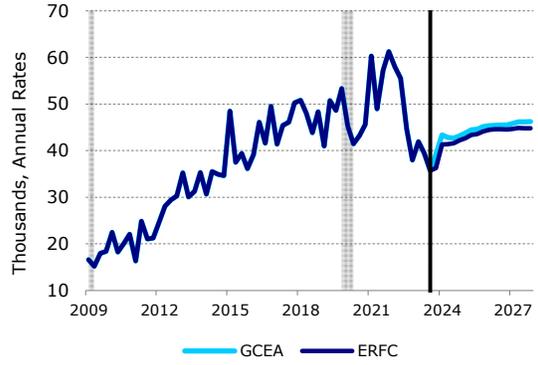
Source: ESD, ERFC, GCEA; data through 2023 Q3

### Construction Employment



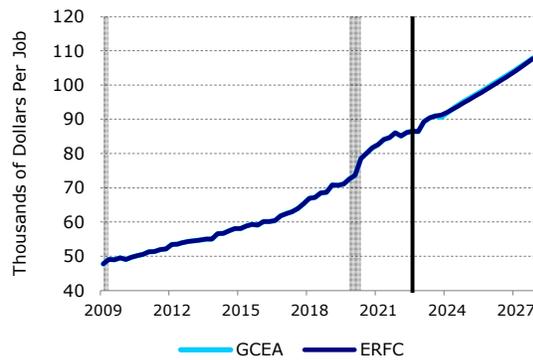
Source: ESD, ERFC, GCEA; data through 2023 Q3

### Housing Units Authorized



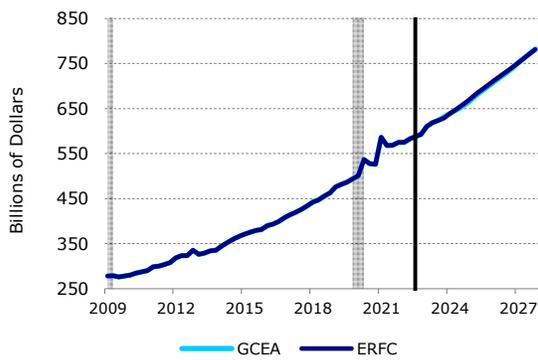
Source: Census, ERFC, GCEA; data through 2023 Q3

### Average Annual Wage



Source: BEA, ERFC, GCEA; data through 2023 Q3

### Personal Income



Source: BEA, ERFC, GCEA; data through 2023 Q3

## 2021-23 and 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

	2021-23			2023-25		
	GFS	ELTA, OPA, WEIA, FSKA <sup>(1)</sup>	TOTAL	GFS	ELTA, OPA, WEIA, FSKA <sup>(1)</sup>	TOTAL
<b>RESOURCES</b>						
<b>Beginning Fund Balance</b>	3,673.7	487.0	4,160.7	4,184.7	1,102.4	5,287.0
September 2023 Revenue Forecast	61,008.2	3,743.6	64,751.7	63,357.0	3,334.9	66,691.9
November 2023 Revenue Forecast Change <sup>(2)</sup>	(6.6)	(11.3)	(17.9)	171.8	19.6	191.4
<b>Current Revenue Totals</b>	<b>61,001.6</b>	<b>3,732.2</b>	<b>64,733.8</b>	<b>63,528.8</b>	<b>3,354.5</b>	<b>66,883.3</b>
Transfer to Budget Stabilization Account (1% of GSR)	(610.3)		(610.3)	(637.9)	-	(637.9)
Transfer to Budget Stabilization Account (EGSR) <sup>(3)</sup>	-		-	-	-	-
Enacted Fund Transfers	(1,275.6)	-	(1,275.6)	50.7		50.7
WRPTA Fund Transfer				1,302.0	-	1,302.0
ACFR Adjustments	(61.5)	45.4	(16.2)			-
ACFR Beginning Balance Adjustments	220.1	(36.3)	183.8			-
Actual/Assumed Prior Period Adjustments	222.2	0.2	222.4	40.8	-	40.8
<b>Total Resources (Including Beginning Fund Balance)</b>	<b>63,170.3</b>	<b>4,228.4</b>	<b>67,398.7</b>	<b>68,469.0</b>	<b>4,456.9</b>	<b>72,925.9</b>
<b>EXPENDITURES</b>						
<b>Enacted Budgets</b>						
2021-23 Biennium	60,187.7	3,158.7	63,346.5			
2023-25 Biennium				66,255.5	3,548.9	69,804.4
Actual/Assumed Reversions <sup>(3)</sup>	(1,202.1)	(32.7)	(1,234.8)	(493.3)	-	(493.3)
<b>Total Expenditures</b>	<b>58,985.6</b>	<b>3,126.1</b>	<b>62,111.7</b>	<b>65,762.2</b>	<b>3,548.9</b>	<b>69,311.0</b>
<b>RESERVES</b>						
<b>Projected Ending Balance</b>	<b>4,184.7</b>	<b>1,102.4</b>	<b>5,287.0</b>	<b>2,706.9</b>	<b>908.0</b>	<b>3,614.9</b>
<b>Budget Stabilization Account</b>						
BSA Beginning Balance	19.2		19.2	652.4		652.4
Transfers from General Fund (1% of GSR)	610.3		610.3	637.9		637.9
Transfers from General Fund (EGSR) <sup>(4)</sup>	-		-	-		-
Transfers from Disaster Response Acct (05H) - FY 22	4.8		4.8			-
Prior Period Adjustments - Actual FY 22	10.3		10.3			-
Actual/Assumed Biennium - Interest Earnings	7.8		7.8	58.4		58.4
<b>Projected BSA Ending Balance</b>	<b>652.4</b>		<b>652.4</b>	<b>1,348.7</b>		<b>1,348.7</b>
<b>Washington Rescue Plan Transition Account</b>						
Beginning Balance	1,000.0		1,000.0	2,100.0		2,100.0
Transfer from General Fund	1,100.0		1,100.0			
Transfer to General Fund				(1,302.0)		(1,302.0)
<b>Projected WRPTA Ending Balance</b>	<b>2,100.0</b>		<b>2,100.0</b>	<b>798.0</b>		<b>798.0</b>
<b>Total Reserves Including BSA and WRPTA</b>	<b>6,937.0</b>	<b>1,102.4</b>	<b>8,039.4</b>	<b>4,853.6</b>	<b>908.0</b>	<b>5,761.5</b>

(1) No revenue or expenditures for 25H-Fair Start for Kids Account (FSKA).

(2) The conditional transfer to bring account 28E-1 to a \$3 million balance, activated by Department of Ecology issuing drought emergency order per SHB 1138(2023), has been incorporated into the revenue forecast

(3) Reversion amounts are consistent with the ERFC's adopted budget outlook.

(4) Based on the state constitution, no transfer of extraordinary revenue will occur in 2021-23 because annual average state employment growth averaged less than 1% per fiscal year in the 2019-21 biennium.

Acronyms

ACFR - Annual Comprehensive Financial Report  
BSA - Budget Stabilization Account  
GSR - General State Revenues  
EGSR - Extraordinary General State Revenues  
WRPTA - Washington Rescue Plan Transition Account