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*until September 21, 2022, 2:00 pm PDT when it will be published  
at [www.erfc.wa.gov](http://www.erfc.wa.gov)*

Revenue Review

September 21, 2022



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 MEETING**

September 21, 2022  
2:00 p.m.

- Call to order
- Approval of meeting minutes from September 8, 2022
- Economic & Revenue Forecast
  - Adoption of official state economic and revenue forecast and unofficial optimistic and pessimistic alternative forecasts
- 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**  
September 8, 2022  
Conference Call

**Economic and Revenue Forecast Council**

Tim Ormsby, House of Representatives, Chair  
Christine Rolfes, Senate  
Lynda Wilson, Senate  
Ed Orcutt, House of Representatives  
Mike Pellicciotti, Treasurer  
John Ryser, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Ormsby called the meeting to order at 10:01 a.m.

**Approval of the Minutes**

Representative Orcutt moved, seconded by Representative Ormsby, to adopt the meeting minutes from June 22, 2022. Motion passed at 10:02 a.m.

**Economic Forecast Presentation**

Dr. Lerch presented information on the preliminary economic.

**Adjournment**

With no further business, the meeting adjourned at 10:23 a.m.

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



**Economic & Revenue Review: September 21, 2022**

**Executive Summary**

**United States**

- This forecast is based on a modified version of IHS Markit's September 2022 Control forecast for the U.S. economy. The forecast for GDP growth in 2022 is now 1.6%, down from 2.5% in the June forecast. For 2023, real GDP growth is 0.6%, down from 1.9% in the June forecast. For 2024, real GDP growth is 2.1%, unchanged from the June forecast. We do not have a new long term forecast from Blue Chip since the March 2022 forecast. For 2025-27, we assume the same growth rates as in the March Blue Chip long term forecast. We expect growth rates of 2.0%, 2.0%, and 1.9% in 2025 through 2027, unchanged from the June 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 September 15<sup>th</sup> closing prices for Brent and WTI futures. Oil prices are lower and peak sooner than expected in the June 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 \$95 per barrel in the third quarter of 2022 compared to \$112 in the June forecast. The refiner acquisition price of crude in 2023 is expected to average \$82 per barrel, declining to \$66 in 2027. The June forecast expected a 2023 average price of \$95 per barrel, declining to \$69 in 2027.
- National employment in August increased by 315,000 net jobs. Employment in June and July were revised down by a combined 107,000 jobs. Sectors with the largest job gains in August included health care (+48,000), retail trade (+44,000), professional and technical services (+41,000), manufacturing (+22,000), local government excluding education (+21,000), food services and drinking places (+18,000), employment services (+17,000) and construction (+16,000). Sectors with declining employment in August included local government education (-14,000), warehousing and storage (-6,000), business support services (-5,000), state government education (-5,000), U.S. Postal Service (-3,000) and performing arts and spectator sports (-3,000).
- Two key measures of consumer confidence improved this month. The University of Michigan (UM) consumer sentiment survey increased by 6.7 points to 58.2 in August. Most of the increase was due to improved expectations for the economy over the next year. The Conference Board index of consumer confidence increased by 7.9 points to 103.2 in August. Survey results indicated that consumers were more positive about both current and future economic conditions but that inflation concerns remained elevated.
- Residential construction activity and home sales continued to slow in July. July housing starts decreased by 9.6% (SA) compared to June and were 8.1%

below their July 2021 level. Housing units authorized by building permits in July were 1.3% (SA) below their June level but 1.1% above their year-ago level. New home sales in July decreased by 12.6% (SA) compared to June and were 29.6% below their year-ago level. Existing home sales declined for a sixth straight month in July, falling by 5.9% (SA) compared to June and were down 20.2% compared to July 2021. The seasonally adjusted Case-Shiller national home price index for June was 0.3% above its May level and 18.0% above its year-ago level.

- Threats to the U.S. and Washington economies include the potential for inflation to remain elevated, the impacts of the Russia-Ukraine conflict and the risk of recession.

## Washington

- We have three months of new Washington employment data since the June forecast was released. Total seasonally adjusted nonfarm payroll employment increased 38,600 in June, July, and August which was 17,700 more than the increase of 21,000 expected in the forecast. Washington employment is now 38,200 (1.1%) higher than at its February 2020 peak. Private services-providing sectors added 19,400 jobs in the three-month period. The manufacturing sector added 5,000 jobs, including 2,400 jobs in aerospace manufacturing, and construction employment increased by 2,300 jobs. State and local government employment increased by 13,100 jobs in June, July, and August but the federal government lost 1,200 jobs.
- Revisions to employment data subtracted 1,300 (0.0%) from the estimated level of total employment in May 2022. The combined effect of the small downward revision to historical data and the much stronger growth in the last three months is that August employment is 16,400 (0.5%) higher than expected in the June forecast.
- Washington's unemployment rate was 3.7% in August which was unchanged since July. The August rate was a record low in the series that dates to 1976. The unemployment rate is down significantly from the 16.8% rate reached in April 2020 which was an all-time high.
- 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 66,800 in August 2021, a loss of 22,800 jobs. Since August 2021, the industry added back 4,900 jobs, bringing the level to 71,600 in August 2022. We expect aerospace employment to continue to expand in Washington, adding 3,200 jobs from the third quarter of 2022 to the fourth quarter of 2024 and another 1,300 jobs by the end of 2027.
- In June, after the forecast was complete, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the first quarter of 2022. Washington personal income increased from \$557.2 billion (SAAR) in the fourth quarter of 2021 to \$559.8 billion in the first quarter of 2022. The 1.9% increase (SAAR) in Washington personal income was the 2nd lowest among the states and District of Columbia and trailed the 4.8% rate of increase for the U.S. as a whole. A rare and large decline in information earnings more than explained the below average Washington income growth in the first quarter. Once again, changes to personal income from Covid-19 relief programs affected overall personal



income growth. A reduction in the child tax credit subtracted \$2.1 billion from income growth and changes from other Covid-related programs netted another \$0.9 billion reduction for a total decline of \$3.0 billion in personal income growth from Covid-related programs in the first quarter. Washington personal income excluding these programs increased at an 4.2% annual rate which was lowest in the nation and trailed the national average growth rate of 8.2%.

- Washington housing construction slowed in the second quarter of 2022 but remained very strong, particularly in the multi-family segment. The number of housing units authorized by building permits declined to 56,300 (SAAR) in the second quarter from 60,500 in the first quarter. Second quarter permits consisted of 23,300 single-family permits and 32,900 multi-family permits. The June forecast expected 51,800 units (SAAR) in the second quarter, consisting of 24,300 single-family units and 27,500 multi-family units. Permits declined in July but remained strong. A total of 54,900 units were permitted in July (SAAR) consisting of 18,500 single-family units and 36,400 multi-family units. The June forecast expected 48,700 units (SAAR) for the third quarter as a whole consisting of 26,500 single-family units and 22,200 multi-family units.
- Seattle-area home prices appreciation appears to be slowing. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle home prices fell 1.5% in June compared to a 0.4% increase in the composite-20 index. June Seattle home prices were still up 19.2% over the year, however. In comparison, the composite-20 index was up 18.7% over the year in June. June Seattle home prices were up 201% since the December 2011 trough and exceeded the May 2007 peak by 109%.
- Seattle-area consumer price inflation outpaced the national average in the year ending in August 2022. From August 2021 to August 2022, the seasonally adjusted Seattle CPI rose 9.0% compared to the 8.2% increase in the U.S. City Average index. These relatively high rates were partially due to much higher food and energy prices this year compared to last year. However, core prices, which exclude food and energy, still increased 8.1% in Seattle and 6.3% in the national index. Seattle shelter cost inflation exceeded the national average at 8.5% compared to 6.3%. Seattle inflation excluding shelter slightly exceeded the national average at 9.3% compared to 9.2%.
- According to the World Institute for Strategic Economic Research (WISER), Washington exports increased 28% from the second quarter of 2021 to the second quarter of 2022. After more than two years of year-over-year declines, Washington exports of transportation equipment (mostly Boeing planes) increased over the year for a fifth consecutive quarter, rising 60%. Agricultural exports increased 15% over the year but this could be misleading as the data include soybean and corn exports which receive only minimal processing in Washington. Exports from all other sectors (mostly manufacturing) increased 18% over the year.
- Washington car and truck sales declined in August. The seasonally adjusted number of new vehicle registrations decreased 4.4% in August following a 7.4% increase in July. Monthly sales have been uneven, but the trend has been generally negative in recent years. The number of registrations was

down 5.9% over the year in August. This was the 12<sup>th</sup> consecutive over-the-year decline in Washington car and truck sales.

- We expect a 5.0% increase in Washington employment this year up from the 4.8% growth rate expected in the June forecast. The increase in growth this year is due to stronger than previously expected employment growth through August. 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 2023 through 2027 which is the same average rate as in the June forecast. Our forecast for nominal personal income growth this year is 3.0%, which is the same rate as in the June forecast. Real personal income is expected to decline 3.0% this year, which is also the same rate as in the June forecast. Real personal income growth this year will be undermined by the surge in inflation and the withdrawal of the extraordinary stimulus of the previous two years. Our new forecast for nominal personal income growth in 2023 through 2027 averages 5.0% per year which is slightly less than the 5.3% average rate in the June forecast.

## Revenue

- Cumulative major General Fund-State (GF-S) since the June forecast have come in \$113.4 million (1.7%) higher than forecasted. The surplus was due to 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), which were \$163 million (2.9%) higher than forecasted. Non-Revenue Act taxes were \$49.3 million (4.5%) lower than forecasted.
- Much of the non-Revenue Act shortfall was from real estate excise tax (REET) collections, which came in \$18.7 million (4.1%) lower than forecasted. While a decrease in taxable activity was forecasted in June, the decline was sharper than expected. Given the current level of activity and expected continued relative weakness, REET collections in the 2021-23 biennium are now expected to be \$94 million lower than previously forecasted. The REET forecast was decreased by \$135 million in the 2023-25 biennium.
- The September economic forecast featured decreases in personal income, construction employment and housing permits, all of which will have a negative impact on revenue growth. Despite forecasted lower activity for the rest of the current biennium, Revenue Act receipts are expected to be \$113 million higher than expected in June due to the excess revenue already collected. Forecasted Revenue Act collections have been decreased by \$362 million in the 2023-25 biennium. The above changes included the effects of a July 2022 ruling by the Board of Tax Appeals that allows the machinery and equipment sales tax exemption to be applied to certain research and development expenditures. The increase in future exemptions and expected refunds stemming from the ruling decreased expected collections by \$29 million in the current biennium and \$117 million in the 2023-25 biennium.
- Including the changes in Revenue Act taxes, REET and other sources, the GF-S forecast has been increased by \$17 million in the 2021-23 biennium and decreased by \$449 million in the 2023-25 biennium.

- Forecasted GF-S revenue is now \$60.235 billion for the 2021-23 biennium and \$62.283 billion for the 2023-25 biennium. Forecasted GF-S revenue is \$66.621 billion for the 2025-27 biennium.
- The forecast of Education Legacy Trust Account (ELTA) revenue was increased by \$27 million in the 2021-23 biennium due to increased estate tax collections but decreased by \$18 million in the 2023-25 biennium due to lower expected REET collections. Forecasted ELTA revenue is now \$1.849 billion for the 2021-23 biennium, \$2.087 billion for the 2023-25 biennium and \$2.331 billion for the 2025-27 biennium.
- The forecast of revenue dedicated to the Opportunity Pathways Account (OPA) was increased by \$18 million in the 2021-23 biennium but decreased by \$8 million in the 2023-25 biennium. Forecasted OPA revenue is now \$360 million for the 2021-23 biennium, \$347 million for the 2023-25 biennium and \$349 million for the 2025-27 biennium.
- Forecasted revenue dedicated to the Workforce Education Investment Account (WEIA) has been decreased by \$19 million in the 2021-23 biennium and \$21 million in the 2023-25 biennium due to weaker than expected collections since the June forecast and lower economic activity going forward. Forecasted WEIA revenue is now \$747 million for the 2021-23 biennium, \$787 million for the 2023-25 biennium and \$834 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 \$43 million in the 2021-23 biennium but decrease by \$495 million in the 2023-25 biennium.
- The forecasted total of GF-S, ELTA, OPA and WEIA revenue for the 2021-23 biennium is \$63.191 billion, an increase of 18.9% over 2019-21 biennial revenue, and forecasted total revenue for the 2023-25 biennium is \$65.504 billion, an increase of 3.7% over expected 2021-23 biennial revenue. Forecasted total revenue for the 2025-27 biennium is \$70.136 billion, an increase of 7.1% over expected 2023-25 biennial revenue.

# Revenue Review

Presented to  
Economic and Revenue Forecast Council

Steve Lerch  
Executive Director

September 21, 2022



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ECONOMIC AND REVENUE FORECAST COUNCIL



## Summary

- U.S. GDP is lower than in the June forecast, interest rates are higher
- WA personal income and building permits are lower than in the June forecast
- The forecast assumes the Federal Reserve will increase interest rates by 0.75% at its meeting today (September 21<sup>st</sup>)
- The forecast of funds subject to the budget outlook is increased by \$43 million for 2021-23 biennium and decreased by \$495 million for the 2023-25 biennium

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## Since the June forecast...

### Positives:

- U.S. employment has increased by 841,000 jobs
- WA employment has increased by 38,600 jobs
- WA revenue collections remain strong overall but REET collections have been slowing

### Negatives:

- Inflation remains high
- Interest rates are higher
- Supply chain and logistics bottlenecks continue to hamper production and sales

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## Data updates since preliminary forecast

### U.S.

- August employment: +315,000 jobs
- August unemployment rate: increased from 3.5% to 3.7%
- August Consumer Price Index rose by 8.2% over the last 12 months
- GDP growth: 2022 Q2 was revised up to -0.6% from -0.9%

### Washington

- August employment: +9,000 jobs

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## Forecast risks

### Upside

- Supply chains recover more quickly than expected, leading to increased supply of goods and services, slower inflation
- Quicker resolution of Russia – Ukraine conflict
- Consumer spending is stronger than expected

### Downside

- Rising interest rates push economy into recession
- Inflation remains elevated
- Russia – Ukraine conflict intensifies

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## Recent commentary and headlines

GCEA members were asked the likelihood of the Federal Reserve successfully slowing inflation without causing a recession. Their average response: a 38% probability.

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### Brookings Institution (August 2022)

- New data show long Covid keeping up to 4 million people out of work

### Evercore ISI consultancy (Sept. 9, 2022)

- State tax survey shows overall receipts pulling back for 4<sup>th</sup> straight month but remain solid

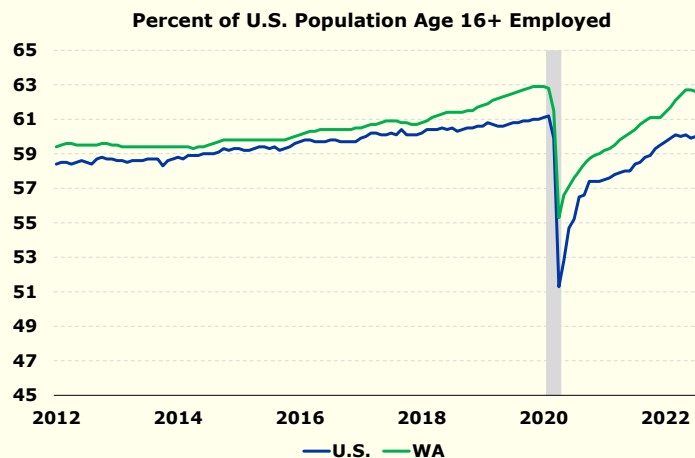
### Blue Chip Economic Indicators (Sept. 2022)

- U.S. recession probability in:
  - 2022: 42%
  - 2023: 54%

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## U.S. employment-population ratio is 1.0 percentage points lower than in January 2020; WA is 0.3% lower



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Source: U.S. Bureau of Labor Statistics, data through August 2022

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## Wages are growing for all educational groups but generally not keeping up with inflation

Weekly median wage growth, 2019 Q2 to 2022 Q2:

Less than HS: 17.1%

HS: 11.6%

Some college/AA degree: 13.3%

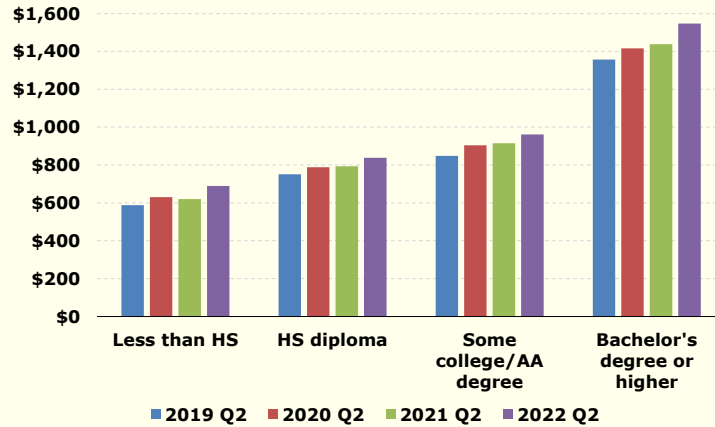
Bachelor's degree or more: 14.0%

CPI change, 2019 Q2 to 2022 Q2: 14.3%

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Median Weekly Earnings, Full-time Workers



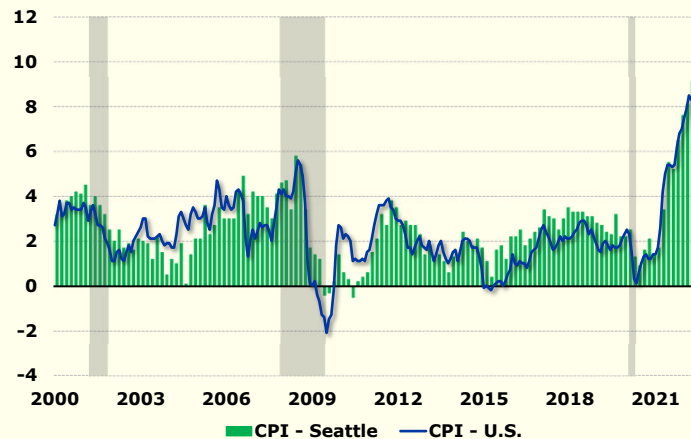
Source: U.S. Bureau of Labor Statistics, data through 2022 Q2

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## In August, inflation over the year decreased slightly but remains at historically high levels

Inflation, % Change over the Year



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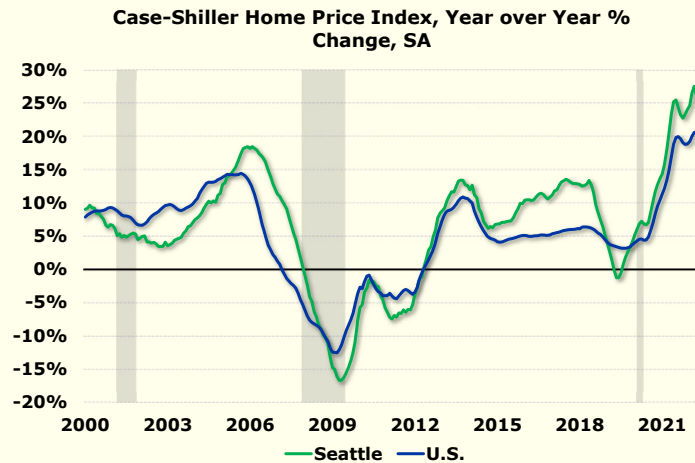
Source: U.S. Bureau of Labor Statistics, data through August 2022

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## Home price growth remains very strong but has started to slow



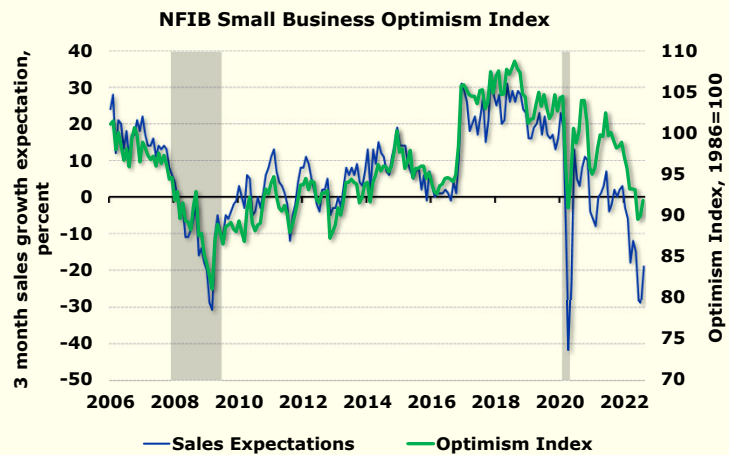
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Source: Case-Shiller, data through June 2022

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## Small business optimism, sales expectations improved in August but remain at low levels



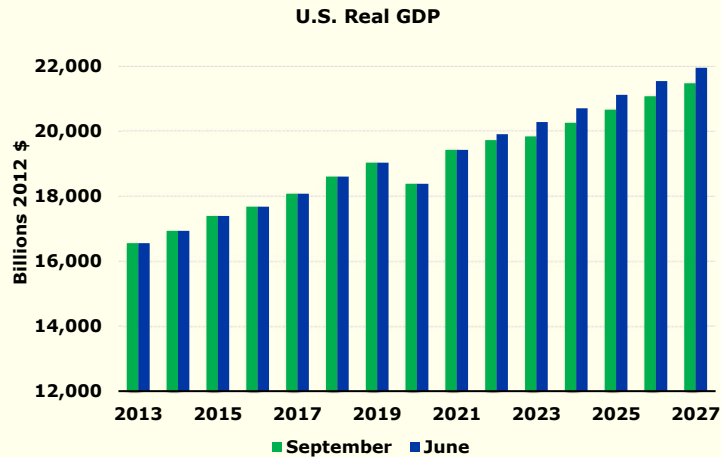
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Source: National Federation of Independent Business; data through August 2022

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## GDP is lower than in the June forecast



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Source: ERFC September 2022 forecast; historical data through 2021

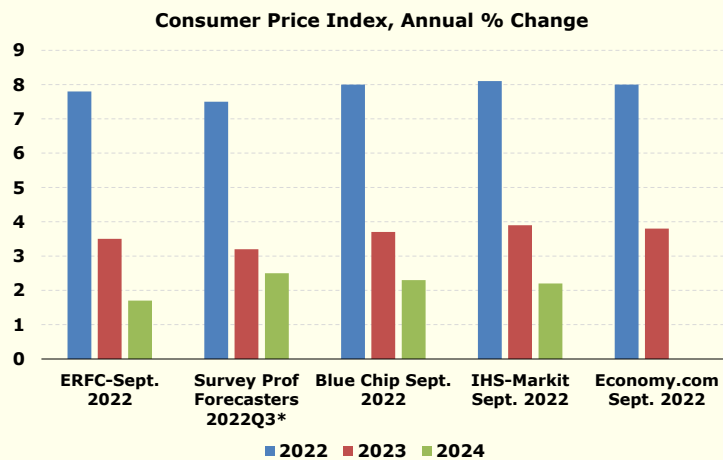
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## Inflation forecasts very similar to June, still expected to decrease after this year

The Consumer Price Index increased by 4.7% in 2021



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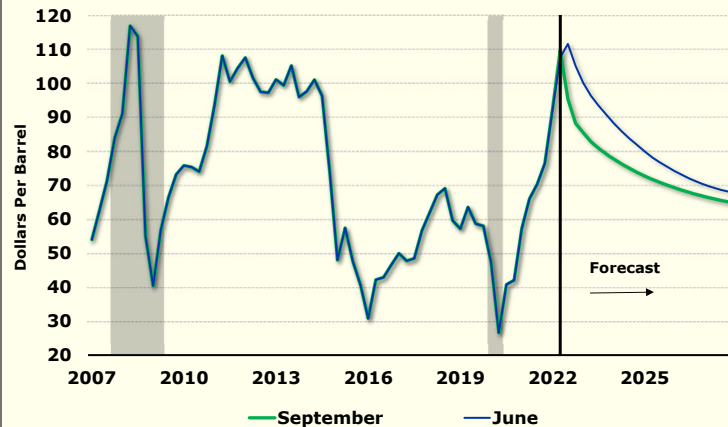
Survey of Professional Forecasters reflects change in price level in 4<sup>th</sup> quarter compared to 4<sup>th</sup> quarter of prior year; all others reflect average change over the year compared to prior year.

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## Oil prices are lower than in June forecast, 2<sup>nd</sup> quarter 2022 expected to be peak



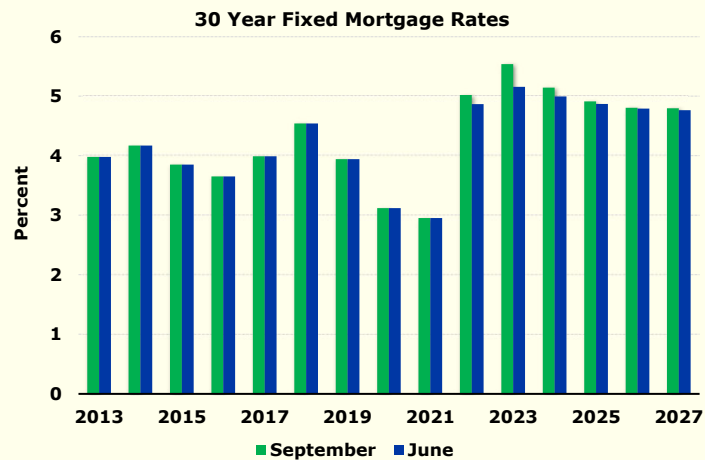
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Source: Energy Information Administration, IHS Markit, ERF; data through Q2 2022  
Note: Vertical black line indicates last actual

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## Interest rates are higher in 2022 through 2024 compared to the June forecast



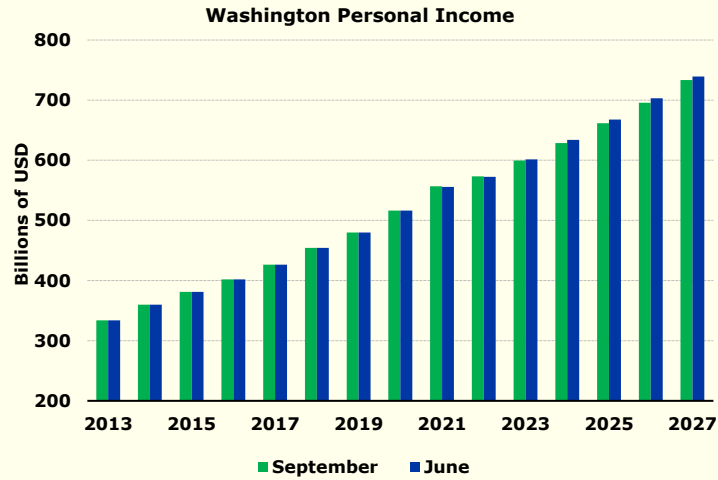
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Source: ERF September 2022 forecast; historical data through 2021

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## WA personal income is lower in 2023 through 2027 compared to the June forecast



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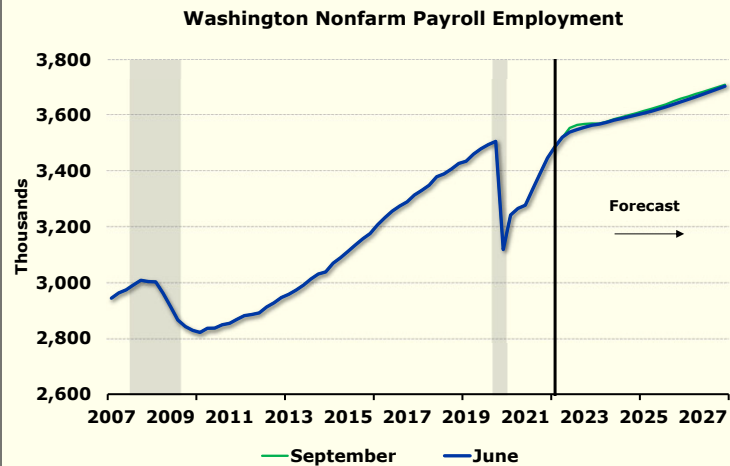
Source: ERFC September 2022 forecast; historical data through 2021

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## WA employment forecast is very similar to the June forecast

Average  
annual  
employment  
growth, 2023  
to 2027:  
U.S. = 0.2%  
WA = 0.9%



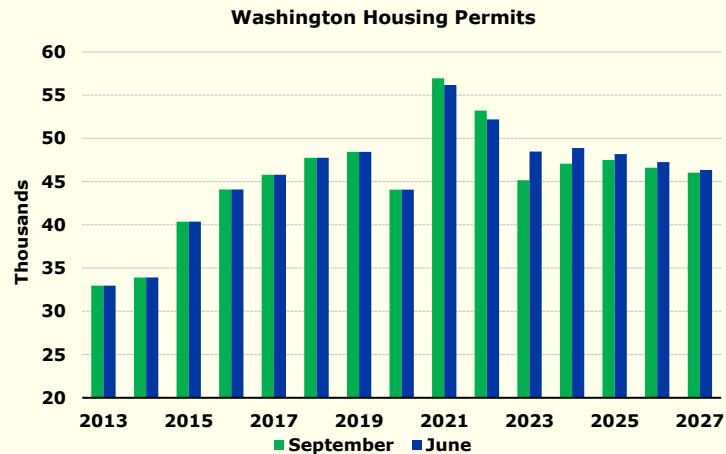
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Source: ERFC September 2022 forecast; historical data through Q1 2022

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## WA housing permits for 2022 – 2027 average 1,000 units per year less than the June forecast



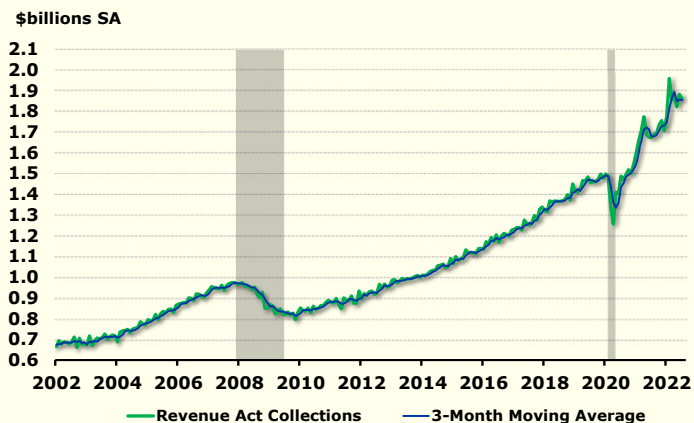
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Source: ERFC September 2022 forecast; historical data through 2021

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## Revenue Act collections growth was a strong 10.0% for July activity



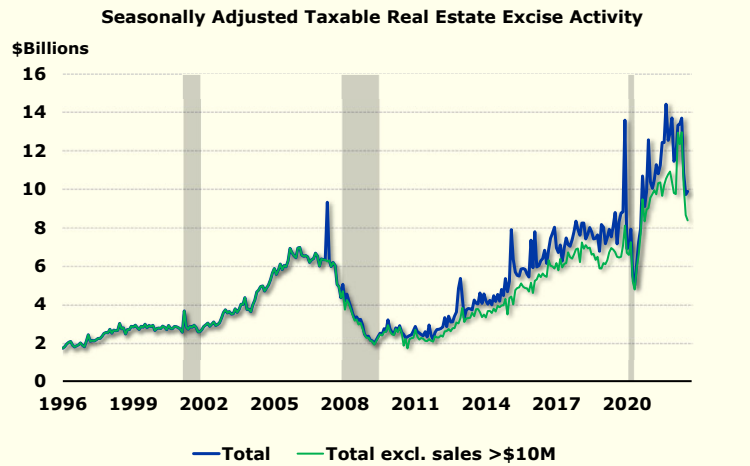
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\* Adjusted for large one-time transactions, amnesty payments, reporting frequency change and deferred 2020 payments, current definition of Revenue Act  
Source: DOR and ERFC; monthly data through July 2022 activity

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## Seasonally adjusted taxable REET activity was below \$10 billion in July and August



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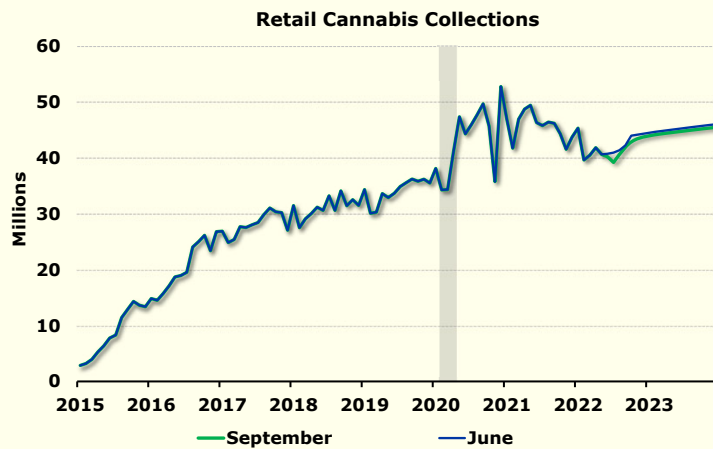
Source: ERFC; Monthly data through August 2022 estimate

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## Cannabis revenues appear to be moderating

Collections have come in 2.5% below the June forecast



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Source: ERFC September 2022 forecast; historical data through August 2022

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## Cannabis excise tax and license fee estimates

Total change since June forecast:

- 2021-23  
-\$8.6 M
- 2023-25  
-\$13.1 M
- 2025-27  
-\$13.9 M

\$Millions

### Cannabis Forecast

|   | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
|---|----------------|----------------|----------------|
| GF-S share of excise tax and license fees | \$333          | \$337          | \$358          |
| Non-GF                                    | \$713          | \$777          | \$825          |
| <b>Total</b>                              | <b>\$1,046</b> | <b>\$1,114</b> | <b>\$1,183</b> |

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Detail may not add to total due to rounding  
Source: ERFC September 2022 forecast; historical data through August 2022

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## Forecast changes: all funds, 2021-23 biennium, cash basis

| \$Millions                             | <u>June 2022 Forecast</u> | <u>Non-economic Change</u> | <u>Forecast Change</u> | <u>Sept 2022 Forecast</u> | <u>Total Change</u> <sup>#</sup> |
|--|---------------------------|----------------------------|------------------------|---------------------------|----------------------------------|
| General Fund-State                     | \$60,218                  | (\$29)                     | \$46                   | \$60,235                  | \$17                             |
| Education Legacy Trust Account         | \$1,822                   | n/a                        | \$27                   | \$1,849                   | \$27                             |
| WA Opportunity Pathways Account        | \$342                     | n/a                        | \$18                   | \$360                     | \$18                             |
| Workforce Education Investment Account | \$766                     | n/a                        | (\$19)                 | \$747                     | (\$19)                           |
| <b>Total</b>                           | <b>\$63,147</b>           | <b>(\$29)</b>              | <b>\$72</b>            | <b>\$63,191</b>           | <b>\$43</b>                      |

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

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## Forecast changes, all funds: 2023-2025 biennium, cash basis

| <b>\$Millions</b>                      | <u>June 2022<br/>Forecast</u> | <u>Non-<br/>economic<br/>Change</u> | <u>Forecast<br/>Change</u> | <u>Sept 2022<br/>Forecast</u> | <u>Total<br/>Change<sup>#</sup></u> |
|--|-------------------------------|-------------------------------------|----------------------------|-------------------------------|-------------------------------------|
| General Fund-State                     | \$62,731                      | (\$117)                             | (\$332)                    | \$62,283                      | (\$449)                             |
| Education Legacy Trust Account         | \$2,105                       | n/a                                 | (\$18)                     | \$2,087                       | (\$18)                              |
| WA Opportunity Pathways Account        | \$355                         | n/a                                 | (\$8)                      | \$347                         | (\$8)                               |
| Workforce Education Investment Account | \$809                         | n/a                                 | (\$22)                     | \$787                         | (\$22)                              |
| <b>Total</b>                           | <b>\$65,999</b>               | <b>(\$117)</b>                      | <b>(\$378)</b>             | <b>\$65,504</b>               | <b>(\$495)</b>                      |

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September 21, 2022  
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<sup>#</sup> Detail may not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



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

- Lower WA personal income results in slower growth of retail sales
- Lower WA residential construction and construction employment reduce collections from the construction sector
- Higher interest rates slow real estate activity and REET collections

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WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL





## 2021-23 Biennium alternative General Fund-State forecasts

| \$Millions (cash basis)                        | 2021-23<br>Biennium | Difference<br>From the<br>baseline* |
|--|---------------------|-------------------------------------|
| <b>Sept. 2022 Baseline (50%)</b>               | <b>\$60,235</b>     |                                     |
| <b><u>Sept. 2022 Alternative Forecasts</u></b> |                     |                                     |
| <b>Optimistic (15%)</b>                        | <b>\$61,689</b>     | <b>\$1,455</b>                      |
| <b>Pessimistic (35%)</b>                       | <b>\$58,567</b>     | <b>(\$1,668)</b>                    |
| <b>Probability Weighted Average</b>            | <b>\$59,869</b>     | <b>(\$366)</b>                      |
| <b>GCEA*</b>                                   | <b>\$60,294</b>     | <b>\$59</b>                         |

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

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



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

| \$Millions (cash basis)                        | 2023-25<br>Biennium | Difference<br>From the<br>baseline* |
|--|---------------------|-------------------------------------|
| <b>Sept. 2022 Baseline (50%)</b>               | <b>\$62,283</b>     |                                     |
| <b><u>Sept. 2022 Alternative Forecasts</u></b> |                     |                                     |
| <b>Optimistic (15%)</b>                        | <b>\$66,845</b>     | <b>\$4,562</b>                      |
| <b>Pessimistic (35%)</b>                       | <b>\$56,712</b>     | <b>(\$5,571)</b>                    |
| <b>Probability Weighted Average</b>            | <b>\$61,017</b>     | <b>(\$1,266)</b>                    |
| <b>GCEA*</b>                                   | <b>\$63,026</b>     | <b>\$743</b>                        |

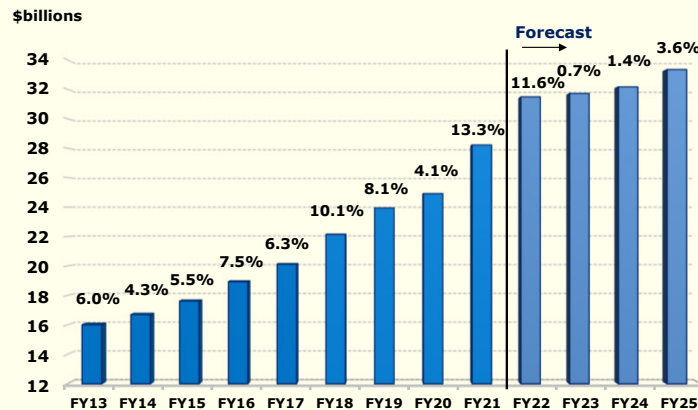
Revenue Review  
September 21, 2022  
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\*Based on the Governor's Council of Economic Advisors' economic assumptions  
#May not add to total due to rounding

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



## 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, September 2022

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL



## Conclusion

- U.S. forecast: GDP lower, interest rates higher than June
- WA forecast: personal income, building permits lower than June
- Inflation, Ukraine – Russia conflict, recession continue to pose forecast risks
- Total state revenues are expected to grow 18.9% between the 2019-21 and 2021-23 biennia and 3.7% between the 2021-23 and 2023-25 biennia

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## Questions

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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 September 2022 to the June 2022 Forecast

2021-23 Biennium

Cash Forecast; Millions of Dollars

|  | <u>June 2022<br/>Forecast</u> | <u>Non-economic<br/>Changes*</u> | <u>Forecast<br/>Change</u> | <u>September 2022<br/>Forecast</u> | <u>Total<br/>Change**</u> |
|--|-------------------------------|----------------------------------|----------------------------|------------------------------------|---------------------------|
| General Fund-State                     | \$60,217.5                    | (\$28.8)                         | \$46.0                     | \$60,234.7                         | \$17.2                    |
| Education Legacy Trust Account         | \$1,822.4                     | \$0.0                            | \$26.8                     | \$1,849.1                          | \$26.8                    |
| WA Opportunity Pathways Account        | \$341.9                       | \$0.0                            | \$18.2                     | \$360.1                            | \$18.2                    |
| Workforce Education Investment Account | \$765.6                       | \$0.0                            | (\$18.8)                   | \$746.8                            | (\$18.8)                  |
| <b>Total</b>                           | <b>\$63,147.4</b>             | <b>(\$28.8)</b>                  | <b>\$72.2</b>              | <b>\$63,190.8</b>                  | <b>\$43.4</b>             |

\*July 2022 decision by the Board of Tax Appeals that allows the machinery and equipment sales tax exemption to be applied to certain research and development expenditures

\*\*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 September 2022 to the June 2022 Forecast

2023-25 Biennium

Cash Forecast; Millions of Dollars

|  | <u>June 2022<br/>Forecast</u> | <u>Non-economic<br/>Changes*</u> | <u>Forecast<br/>Change</u> | <u>September 2022<br/>Forecast</u> | <u>Total<br/>Change**</u> |
|--|-------------------------------|----------------------------------|----------------------------|------------------------------------|---------------------------|
| General Fund-State                     | \$62,731.2                    | (\$117.0)                        | (\$331.5)                  | \$62,282.6                         | (\$448.5)                 |
| Education Legacy Trust Account         | \$2,104.7                     | \$0.0                            | (\$17.8)                   | \$2,087.0                          | (\$17.8)                  |
| WA Opportunity Pathways Account        | \$354.5                       | \$0.0                            | (\$7.7)                    | \$346.9                            | (\$7.7)                   |
| Workforce Education Investment Account | \$808.7                       | \$0.0                            | (\$21.5)                   | \$787.3                            | (\$21.5)                  |
| <b>Total</b>                           | <b>\$65,999.2</b>             | <b>(\$117.0)</b>                 | <b>(\$378.4)</b>           | <b>\$65,503.7</b>                  | <b>(\$495.4)</b>          |

\*July 2022 decision by the Board of Tax Appeals that allows the machinery and equipment sales tax exemption to be applied to certain research and development expenditures

\*\*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 September 2022

Cash Basis - Millions of Dollars

| <u>Date of Forecast</u>   | <u>General<br/>Fund-State</u> | <u>Education<br/>Legacy<br/>Trust Acct.</u> | <u>Washington<br/>Opportunity<br/>Pathways Acct.</u> | <u>Workforce<br/>Education<br/>Investment Acct.</u> | <u>Subtotal</u> | <u>Non-<br/>economic<br/>changes</u> | <u>Total<br/>change</u> | <u>Total of<br/>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                                  | 43                      | 63,191                    |
| <b>Total change:</b>  |                               |   |  |   |                 |                                      |                         |                           |
| From February 2018**  | 7,732                         | 434   | 95   | 121   | 8,382           | 2,018                                | 10,401                  |                           |
| Percent change  | 14.9                          | 73.3  | 35.8   | 19.2  | 15.9            | 3.8                                  | 19.7                    |                           |
| <b>Change in forecast since initial 2123 biennial budget***</b> |                               |   |  |   |                 |                                      |                         |                           |
|   | <b>6,017</b>                  | <b>63</b>                                   | <b>30</b>  | <b>122</b>  | <b>6,232</b>    | <b>344</b>                           | <b>6,177</b>            |                           |
| Percent change  | 11.1                          | 3.5   | 9.0  | 19.5  | 10.9            | 0.6                                  | 10.8                    |                           |

\*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

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**September 2022**Alternative General Fund-State Forecasts  
Millions of Dollars

Cash Basis

**2021-23 Biennium**

|   | 2021-23<br><u>Biennium</u> | Difference From the<br><u>September 2022 Baseline</u> |
|---|----------------------------|---|
| September 2022 GF-S Baseline (50%)        | \$60,235                   |   |
| September 2022 Alternative GF-S Forecasts |                            |   |
| Optimistic (15%)                          | \$61,689                   | \$1,455   |
| Pessimistic (35%)                         | \$58,567                   | (\$1,668)   |
| Probability Weighted Average              | \$59,869                   | (\$366)   |
| GCEA*                                     | \$60,294                   | \$59  |

**2023-25 Biennium**

|   | 2021-23<br><u>Biennium</u> | Difference From the<br><u>September 2022 Baseline</u> |
|---|----------------------------|---|
| September 2022 GF-S Baseline (50%)        | \$62,283                   |   |
| September 2022 Alternative GF-S Forecasts |                            |   |
| Optimistic (15%)                          | \$66,845                   | \$4,562   |
| Pessimistic (35%)                         | \$56,712                   | (\$5,571)   |
| Probability Weighted Average              | \$61,017                   | (\$1,266)   |
| GCEA*                                     | \$63,026                   | \$743   |

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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)

September 2022 - Millions of Dollars

|                        | General Fund-State (GF-S)<br>(current definition) |              | Education Legacy<br>Trust Fund* (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%        |
| Forecast:              |   |              |  |               |   |               |   |               |                                   |              |
| FY 2022                | \$30,030  | 11.3%        | \$890                                  | 22.6%         | \$190                                       | 2.9%          | \$369                                       | 15.1%         | \$31,478                          | 11.6%        |
| FY 2023                | \$30,205  | 0.6%         | \$959                                  | 7.8%          | \$170                                       | -10.1%        | \$378                                       | 2.6%          | \$31,713                          | 0.7%         |
| FY 2024                | \$30,621  | 1.4%         | \$982                                  | 2.4%          | \$174                                       | 2.0%          | \$388                                       | 2.6%          | \$32,165                          | 1.4%         |
| FY 2025                | \$31,662  | 3.4%         | \$1,105                                | 12.4%         | \$173                                       | -0.6%         | \$399                                       | 2.9%          | \$33,339                          | 3.6%         |
| FY 2026                | \$32,726  | 3.4%         | \$1,141                                | 3.3%          | \$174                                       | 0.9%          | \$411                                       | 2.9%          | \$34,453                          | 3.3%         |
| FY 2027                | \$33,895  | 3.6%         | \$1,190                                | 4.3%          | \$175                                       | 0.2%          | \$423                                       | 2.8%          | \$35,683                          | 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>\$60,235</b>                                   | <b>18.6%</b> | <b>\$1,849</b>                         | <b>12.8%</b>  | <b>\$360</b>                                | <b>6.9%</b>   | <b>\$747</b>                                | <b>112.0%</b> | <b>\$63,191</b>                   | <b>18.9%</b> |
| <b>23-25 Biennium</b>  | <b>\$62,283</b>                                   | <b>3.4%</b>  | <b>\$2,087</b>                         | <b>12.9%</b>  | <b>\$347</b>                                | <b>-3.7%</b>  | <b>\$787</b>                                | <b>5.4%</b>   | <b>\$65,504</b>                   | <b>3.7%</b>  |
| <b>25-27 Biennium</b>  | <b>\$66,621</b>                                   | <b>7.0%</b>  | <b>\$2,331</b>                         | <b>11.7%</b>  | <b>\$349</b>                                | <b>0.7%</b>   | <b>\$834</b>                                | <b>5.9%</b>   | <b>\$70,136</b>                   | <b>7.1%</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:<br/>Total Transfers:*</b> | <b>General Fund</b> | <b>Mariners<br/>Stadium</b> | <b>Exhibition<br/>Center &amp; Stadium</b> | <b>Student<br/>Achievement<br/>Account</b> | <b>School<br/>Construction<br/>Account</b> | <b>Problem<br/>Gambling<br/>Account</b> | <b>Economic<br/>Development<br/>Account</b> | <b>Opportunity<br/>Pathways<br/>Account</b> | <b>Veteran's<br/>VIP<br/>Account</b> | <b>Education<br/>Legacy Trust<br/>Account</b> | <b>Gambling<br/>Revolving<br/>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             | 228.9                                 | 32.8                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 6.0   | 189.7                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2023             | 205.0                                 | 29.3                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.8   | 170.5                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2021-23 Biennium | 433.9                                 | 62.1                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.9                                     | 10.8  | 360.1                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2024             | 208.0                                 | 28.9                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 173.9                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2025             | 207.3                                 | 29.2                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 172.9                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2023-25 Biennium | 415.2                                 | 58.1                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.9                                     | 9.4   | 346.9                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2026             | 208.9                                 | 29.3                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 174.5                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2027             | 210.4                                 | 30.3                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 174.9                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2025-27 Biennium | 419.3                                 | 59.7                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.9                                     | 9.4   | 349.4                                       | 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, ERF

## Lottery Transfers by Fund

(GAAP basis, millions of dollars)

|                  | <b>Lottery:<br/>Total Transfers:*</b> | <b>General Fund</b> | <b>Mariners<br/>Stadium</b> | <b>Exhibition<br/>Center &amp; Stadium</b> | <b>Student<br/>Achievement<br/>Account</b> | <b>School<br/>Construction<br/>Account</b> | <b>Problem<br/>Gambling<br/>Account</b> | <b>Economic<br/>Development<br/>Account</b> | <b>Opportunity<br/>Pathways<br/>Account</b> | <b>Veteran's<br/>VIP<br/>Account</b> | <b>Education<br/>Legacy Trust<br/>Account</b> | <b>Gambling<br/>Revolving<br/>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             | 203.8                                 | 29.1                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 169.7                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2021-23 Biennium | 420.7                                 | 62.7                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.9                                     | 10.9  | 346.2                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2024             | 205.8                                 | 29.1                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 171.6                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2025             | 207.4                                 | 29.2                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 173.1                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2023-25 Biennium | 413.2                                 | 58.3                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.9                                     | 9.4   | 344.6                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2026             | 209.1                                 | 29.3                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 174.6                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2027             | 210.5                                 | 29.5                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.4                                     | 4.7   | 175.8                                       | 0.0                                  | 0.0   | 0.0                                       |
| 2025-27 Biennium | 419.6                                 | 58.9                | 0.0                         | 0.0  | 0.0  | 0.0  | 0.9                                     | 9.4   | 350.4                                       | 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, ERF

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the September 2022 and June 2022 forecasts  
2021-23 Biennium  
(Amounts in Millions)

| Source/Agency  | June 2022<br>Baseline | Non-Economic<br>Changes | Economic<br>Changes | September 2022<br>Baseline | Total<br>Changes |
|--|-----------------------|-------------------------|---------------------|----------------------------|------------------|
| Insurance Commissioner<br>Insurance Premiums                         | \$1,565.3             | \$0.0                   | \$0.8               | \$1,566.1                  | \$0.8            |
| Liquor & Cannabis Board<br>Taxes, Licenses, and Fees                 | \$658.5               | \$0.0                   | \$12.2              | \$670.7                    | \$12.2           |
| Lottery Commission<br>Lottery Revenue                                | \$62.0                | \$0.0                   | \$0.1               | \$62.1                     | \$0.1            |
| State Treasurer<br>Interest Earnings                                 | \$138.0               | \$0.0                   | \$39.3              | \$177.3                    | \$39.3           |
| Office of Financial Management<br>Other Agencies                     | \$116.7               | \$0.0                   | (\$17.8)            | \$98.9                     | (\$17.8)         |
| Washington Court System<br>GF-S Share of Fines, Fees, and Forfeiture | \$80.9                | \$0.0                   | (\$1.6)             | \$79.3                     | (\$1.6)          |
| <b>Total General Fund-State</b>                                      | <b>\$2,621.4</b>      | <b>\$0.0</b>            | <b>\$32.9</b>       | <b>\$2,654.3</b>           | <b>\$32.9</b>    |

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the September 2022 and June 2022 forecasts  
2021-23 Biennium  
(Amounts in Millions)

| Source/Agency  | June 2022<br>Baseline | Non-Economic<br>Changes | Economic<br>Changes | September 2022<br>Baseline | Total<br>Changes |
|--|-----------------------|-------------------------|---------------------|----------------------------|------------------|
| Insurance Commissioner<br>Insurance Premiums                         | \$1,565.3             | \$0.0                   | \$0.8               | \$1,566.1                  | \$0.8            |
| Liquor & Cannabis Board<br>Taxes, Licenses, and Fees                 | \$658.5               | \$0.0                   | \$12.2              | \$670.7                    | \$12.2           |
| Lottery Commission<br>Lottery Revenue                                | \$62.4                | \$0.0                   | \$0.3               | \$62.7                     | \$0.3            |
| State Treasurer<br>Interest Earnings                                 | \$131.9               | \$0.0                   | \$55.3              | \$187.3                    | \$55.3           |
| Office of Financial Management<br>Other Agencies                     | \$116.7               | \$0.0                   | (\$17.8)            | \$98.9                     | (\$17.8)         |
| Washington Court System<br>GF-S Share of Fines, Fees, and Forfeiture | \$80.9                | \$0.0                   | (\$1.6)             | \$79.3                     | (\$1.6)          |
| <b>Total General Fund-State</b>                                      | <b>\$2,615.7</b>      | <b>\$0.0</b>            | <b>\$49.3</b>       | <b>\$2,665.0</b>           | <b>\$49.3</b>    |

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the September 2022 and June 2022 forecasts  
2023-25 Biennium  
(Amounts in Millions)

| Source/Agency  | June 2022<br>Baseline | Non-Economic<br>Changes | Economic<br>Changes | September 2022<br>Baseline | Total<br>Changes |
|--|-----------------------|-------------------------|---------------------|----------------------------|------------------|
| Insurance Commissioner<br>Insurance Premiums                         | \$1,612.5             | \$0.0                   | (\$19.0)            | \$1,593.5                  | (\$19.0)         |
| Liquor & Cannabis Board<br>Taxes, Licenses, and Fees                 | \$676.7               | \$0.0                   | (\$0.3)             | \$676.4                    | (\$0.3)          |
| Lottery Commission<br>Lottery Revenue                                | \$57.2                | \$0.0                   | \$0.9               | \$58.1                     | \$0.9            |
| State Treasurer<br>Interest Earnings                                 | \$201.1               | \$0.0                   | \$73.5              | \$274.6                    | \$73.5           |
| Office of Financial Management<br>Other Agencies                     | (\$12.8)              | \$0.0                   | \$15.5              | \$2.7                      | \$15.5           |
| Washington Court System<br>GF-S Share of Fines, Fees, and Forfeiture | \$72.0                | \$0.0                   | (\$3.3)             | \$68.8                     | (\$3.3)          |
| <b>Total General Fund-State</b>                                      | <b>\$2,606.9</b>      | <b>\$0.0</b>            | <b>\$67.3</b>       | <b>\$2,674.2</b>           | <b>\$67.3</b>    |

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the September 2022 and June 2022 forecasts  
2023-25 Biennium  
(Amounts in Millions)

| Source/Agency  | June 2022<br>Baseline | Non-Economic<br>Changes | Economic<br>Changes | September 2022<br>Baseline | Total<br>Changes |
|--|-----------------------|-------------------------|---------------------|----------------------------|------------------|
| Insurance Commissioner<br>Insurance Premiums                         | \$1,612.5             | \$0.0                   | (\$19.0)            | \$1,593.5                  | (\$19.0)         |
| Liquor & Cannabis Board<br>Taxes, Licenses, and Fees                 | \$676.7               | \$0.0                   | (\$0.3)             | \$676.4                    | (\$0.3)          |
| Lottery Commission<br>Lottery Revenue                                | \$57.6                | \$0.0                   | \$0.7               | \$58.3                     | \$0.7            |
| State Treasurer<br>Interest Earnings                                 | \$200.9               | \$0.0                   | \$72.4              | \$273.3                    | \$72.4           |
| Office of Financial Management<br>Other Agencies                     | (\$12.8)              | \$0.0                   | \$15.5              | \$2.7                      | \$15.5           |
| Washington Court System<br>GF-S Share of Fines, Fees, and Forfeiture | \$72.0                | \$0.0                   | (\$3.3)             | \$68.8                     | (\$3.3)          |
| <b>Total General Fund-State</b>                                      | <b>\$2,607.0</b>      | <b>\$0.0</b>            | <b>\$66.0</b>       | <b>\$2,673.1</b>           | <b>\$66.0</b>    |

**General Fund-State Cash Estimates - Other Agencies**  
Comparison of the September 2022 and June 2022 forecasts  
2023-25 Biennium  
(Amounts in Millions)

| Source/Agency  | June 2022<br>Baseline | Non-Economic<br>Changes | Economic<br>Changes | September 2022<br>Baseline | Total<br>Changes |
|--|-----------------------|-------------------------|---------------------|----------------------------|------------------|
| Insurance Commissioner<br>Insurance Premiums                         | \$1,688.4             | \$0.0                   | (\$28.6)            | \$1,659.8                  | (\$28.6)         |
| Liquor & Cannabis Board<br>Taxes, Licenses, and Fees                 | \$707.0               | \$0.0                   | (\$2.7)             | \$704.3                    | (\$2.7)          |
| Lottery Commission<br>Lottery Revenue                                | \$58.7                | \$0.0                   | \$1.0               | \$59.7                     | \$1.0            |
| State Treasurer<br>Interest Earnings                                 | \$175.9               | \$0.0                   | \$45.4              | \$221.4                    | \$45.4           |
| Office of Financial Management<br>Other Agencies                     | (\$110.2)             | \$0.0                   | \$12.6              | (\$97.6)                   | \$12.6           |
| Washington Court System<br>GF-S Share of Fines, Fees, and Forfeiture | \$67.9                | \$0.0                   | (\$3.2)             | \$64.8                     | (\$3.2)          |
| <b>Total General Fund-State</b>                                      | <b>\$2,587.8</b>      | <b>\$0.0</b>            | <b>\$24.5</b>       | <b>\$2,612.3</b>           | <b>\$24.5</b>    |

**General Fund-State GAAP Estimates - Other Agencies**  
Comparison of the September 2022 and June 2022 forecasts  
2023-25 Biennium  
(Amounts in Millions)

| Source/Agency  | June 2022<br>Baseline | Non-Economic<br>Changes | Economic<br>Changes | September 2022<br>Baseline | Total<br>Changes |
|--|-----------------------|-------------------------|---------------------|----------------------------|------------------|
| Insurance Commissioner<br>Insurance Premiums                         | \$1,688.4             | \$0.0                   | (\$28.6)            | \$1,659.8                  | (\$28.6)         |
| Liquor & Cannabis Board<br>Taxes, Licenses, and Fees                 | \$707.0               | \$0.0                   | (\$2.7)             | \$704.3                    | (\$2.7)          |
| Lottery Commission<br>Lottery Revenue                                | \$58.2                | \$0.0                   | \$0.7               | \$58.9                     | \$0.7            |
| State Treasurer<br>Interest Earnings                                 | \$175.8               | \$0.0                   | \$43.6              | \$219.4                    | \$43.6           |
| Office of Financial Management<br>Other Agencies                     | (\$110.2)             | \$0.0                   | \$12.6              | (\$97.6)                   | \$12.6           |
| Washington Court System<br>GF-S Share of Fines, Fees, and Forfeiture | \$67.9                | \$0.0                   | (\$3.2)             | \$64.8                     | (\$3.2)          |
| <b>Total General Fund-State</b>                                      | <b>\$2,587.2</b>      | <b>\$0.0</b>            | <b>\$22.4</b>       | <b>\$2,609.6</b>           | <b>\$22.4</b>    |

**U.S. Forecast Comparison**

|  | 2022Q2 | 2022Q3 | 2022Q4 | 2023Q1 |
|--|--------|--------|--------|--------|
| <b>Real GDP (Billions of 2012 Dollars)</b>             |        |        |        |        |
| September Forecast                                     | 19,699 | 19,737 | 19,751 | 19,758 |
| Percent Change   | -0.6%  | 0.8%   | 0.3%   | 0.1%   |
| June Forecast  | 19,871 | 19,976 | 20,067 | 20,148 |
| Percent Change   | 2.9%   | 2.1%   | 1.8%   | 1.6%   |
| <b>Real Consumption (Billions of 2012 Dollars)</b>     |        |        |        |        |
| September Forecast                                     | 13,931 | 13,980 | 14,008 | 14,015 |
| Percent Change   | 1.5%   | 1.4%   | 0.8%   | 0.2%   |
| June Forecast  | 14,035 | 14,106 | 14,169 | 14,226 |
| Percent Change   | 3.2%   | 2.0%   | 1.8%   | 1.6%   |
| <b>PCE Price Index (2012=100)</b>                      |        |        |        |        |
| September Forecast                                     | 122.2  | 123.5  | 124.7  | 125.7  |
| Percent Change   | 7.1%   | 4.4%   | 4.0%   | 3.1%   |
| June Forecast  | 122.3  | 123.5  | 124.6  | 125.5  |
| Percent Change   | 7.4%   | 4.3%   | 3.5%   | 3.0%   |
| <b>Real Personal Income (Billions of 2012 Dollars)</b> |        |        |        |        |
| September Forecast                                     | 17,687 | 17,678 | 17,754 | 17,839 |
| Percent Change   | -0.2%  | -0.2%  | 1.7%   | 1.9%   |
| June Forecast  | 17,635 | 17,683 | 17,743 | 17,783 |
| Percent Change   | -1.5%  | 1.1%   | 1.4%   | 0.9%   |
| <b>Nonfarm Payroll Employment (Millions)</b>           |        |        |        |        |
| September Forecast                                     | 151.6  | 152.7  | 153.3  | 153.3  |
| Percent Change   | 3.3%   | 3.1%   | 1.5%   | 0.0%   |
| June Forecast  | 151.7  | 152.5  | 152.9  | 153.1  |
| Percent Change   | 3.6%   | 2.1%   | 1.1%   | 0.5%   |
| <b>Unemployment Rate (Percent of Labor Force)</b>      |        |        |        |        |
| September Forecast                                     | 3.6    | 3.6    | 3.7    | 3.8    |
| June Forecast  | 3.6    | 3.5    | 3.6    | 3.8    |
| <b>Oil Price, Refiner's Acquisition</b>                |        |        |        |        |
| September Forecast                                     | 109.8  | 95.4   | 88.3   | 85.5   |
| June Forecast  | 107.7  | 111.6  | 105.2  | 100.1  |
| <b>30 Year Fixed Mortgage Rate (Percent, average)</b>  |        |        |        |        |
| September Forecast                                     | 5.2    | 5.5    | 5.7    | 5.7    |
| June Forecast  | 5.1    | 5.3    | 5.3    | 5.2    |
| <b>3 Month T-Bill Rate (Percent, average)</b>          |        |        |        |        |
| September Forecast                                     | 1.1    | 2.6    | 3.5    | 3.8    |
| June Forecast  | 1.0    | 1.7    | 2.1    | 2.5    |

| 2021   | 2022   | 2023   | 2024   | 2025   | 2026   | 2027   |
|--------|--------|--------|--------|--------|--------|--------|
| 19,427 | 19,729 | 19,843 | 20,260 | 20,665 | 21,078 | 21,479 |
| 5.7%   | 1.6%   | 0.6%   | 2.1%   | 2.0%   | 2.0%   | 1.9%   |
| 19,427 | 19,911 | 20,283 | 20,709 | 21,123 | 21,545 | 21,955 |
| 5.7%   | 2.5%   | 1.9%   | 2.1%   | 2.0%   | 2.0%   | 1.9%   |
| 13,625 | 13,950 | 14,089 | 14,413 | 14,730 | 15,039 | 15,355 |
| 7.9%   | 2.4%   | 1.0%   | 2.3%   | 2.2%   | 2.1%   | 2.1%   |
| 13,625 | 14,059 | 14,328 | 14,657 | 14,980 | 15,295 | 15,616 |
| 7.9%   | 3.2%   | 1.9%   | 2.3%   | 2.2%   | 2.1%   | 2.1%   |
| 115.5  | 122.6  | 126.6  | 128.9  | 131.3  | 133.8  | 136.4  |
| 3.9%   | 6.1%   | 3.2%   | 1.8%   | 1.9%   | 1.9%   | 2.0%   |
| 115.5  | 122.6  | 126.5  | 128.6  | 130.8  | 133.2  | 135.8  |
| 3.9%   | 6.1%   | 3.1%   | 1.6%   | 1.7%   | 1.9%   | 1.9%   |
| 18,266 | 17,704 | 17,868 | 18,277 | 18,780 | 19,268 | 19,841 |
| 3.5%   | -3.1%  | 0.9%   | 2.3%   | 2.8%   | 2.6%   | 3.0%   |
| 18,266 | 17,691 | 17,947 | 18,497 | 19,040 | 19,572 | 20,099 |
| 3.5%   | -3.2%  | 1.4%   | 3.1%   | 2.9%   | 2.8%   | 2.7%   |
| 146.1  | 152.0  | 153.0  | 153.2  | 153.5  | 154.0  | 154.6  |
| 2.8%   | 4.0%   | 0.7%   | 0.1%   | 0.2%   | 0.3%   | 0.4%   |
| 146.1  | 151.9  | 153.1  | 153.3  | 153.4  | 154.0  | 154.9  |
| 2.8%   | 4.0%   | 0.8%   | 0.1%   | 0.1%   | 0.4%   | 0.6%   |
| 5.4    | 3.7    | 4.0    | 4.5    | 4.6    | 4.4    | 4.2    |
| 5.4    | 3.6    | 4.0    | 4.4    | 4.6    | 4.5    | 4.3    |
| 67.5   | 96.5   | 82.1   | 75.7   | 71.3   | 68.1   | 65.8   |
| 67.5   | 104.2  | 95.2   | 85.0   | 77.5   | 72.4   | 69.0   |
| 3.0    | 5.0    | 5.5    | 5.1    | 4.9    | 4.8    | 4.8    |
| 3.0    | 4.9    | 5.2    | 5.0    | 4.9    | 4.8    | 4.8    |
| 0.0    | 1.9    | 3.7    | 3.1    | 2.5    | 2.4    | 2.4    |
| 0.0    | 1.3    | 2.7    | 2.6    | 2.4    | 2.4    | 2.4    |

**Washington Forecast Comparison**

|   | 2022Q2 | 2022Q3 | 2022Q4 | 2023Q1 |
|---|--------|--------|--------|--------|
| <b>Real Personal Income (Billions of 2012 Dollars)</b>  |        |        |        |        |
| September Forecast                                      | 466.9  | 468.0  | 469.1  | 471.3  |
| Percent Change  | 0.6%   | 0.9%   | 0.9%   | 1.9%   |
| June Forecast   | 465.9  | 466.2  | 467.9  | 469.6  |
| Percent Change  | -1.0%  | 0.3%   | 1.5%   | 1.5%   |
| <b>Personal Income (Billions of Dollars)</b>            |        |        |        |        |
| September Forecast                                      | 570.4  | 578.0  | 585.1  | 592.3  |
| Percent Change  | 7.8%   | 5.4%   | 5.0%   | 5.0%   |
| June Forecast   | 569.6  | 576.0  | 583.1  | 589.5  |
| Percent Change  | 6.4%   | 4.6%   | 5.0%   | 4.5%   |
| <b>Disposable Personal Income (Billions of Dollars)</b> |        |        |        |        |
| September Forecast                                      | 493.4  | 499.9  | 507.5  | 524.3  |
| Percent Change  | 7.4%   | 5.4%   | 6.2%   | 14.0%  |
| June Forecast   | 493.5  | 499.8  | 506.5  | 513.4  |
| Percent Change  | 5.0%   | 5.2%   | 5.5%   | 5.6%   |
| <b>Nonfarm Payroll Employment (Thousands)</b>           |        |        |        |        |
| September Forecast                                      | 3520   | 3555   | 3565   | 3569   |
| Percent Change  | 3.8%   | 4.1%   | 1.2%   | 0.4%   |
| June Forecast   | 3521   | 3540   | 3549   | 3557   |
| Percent Change  | 4.0%   | 2.1%   | 1.1%   | 0.9%   |
| <b>Unemployment Rate (Percent of Labor Force)</b>       |        |        |        |        |
| September Forecast                                      | 3.9    | 3.7    | 3.9    | 4.0    |
| June Forecast   | 4.0    | 4.0    | 4.1    | 4.3    |
| <b>Manufacturing Employment (Thousands)</b>             |        |        |        |        |
| September Forecast                                      | 270.1  | 274.6  | 276.3  | 273.4  |
| Percent Change  | 5.7%   | 6.9%   | 2.4%   | -4.1%  |
| June Forecast   | 270.1  | 275.3  | 277.4  | 278.1  |
| Percent Change  | 5.8%   | 7.8%   | 3.2%   | 0.9%   |
| <b>Construction Employment (Thousands)</b>              |        |        |        |        |
| September Forecast                                      | 234.8  | 237.0  | 234.8  | 229.4  |
| Percent Change  | 4.0%   | 3.7%   | -3.5%  | -9.0%  |
| June Forecast   | 234.9  | 232.9  | 232.1  | 231.4  |
| Percent Change  | 4.1%   | -3.4%  | -1.4%  | -1.2%  |
| <b>Housing Permits (Thousands)</b>                      |        |        |        |        |
| September Forecast                                      | 56.3   | 50.5   | 45.5   | 45.0   |
| Percent Change  | -25.2% | -35.2% | -34.1% | -4.3%  |
| June Forecast   | 51.8   | 48.7   | 47.8   | 47.9   |
| Percent Change  | -46.4% | -21.9% | -7.1%  | 1.0%   |

|  | 2021  | 2022  | 2023   | 2024  | 2025  | 2026  | 2027  |
|--|-------|-------|--------|-------|-------|-------|-------|
|  |       |       |        |       |       |       |       |
|  | 482.1 | 467.6 | 473.9  | 487.8 | 503.9 | 519.9 | 537.7 |
|  | 3.8%  | -3.0% | 1.3%   | 2.9%  | 3.3%  | 3.2%  | 3.4%  |
|  | 481.2 | 466.8 | 475.5  | 493.2 | 510.6 | 527.7 | 544.4 |
|  | 3.6%  | -3.0% | 1.9%   | 3.7%  | 3.5%  | 3.3%  | 3.2%  |
|  |       |       |        |       |       |       |       |
|  | 556.7 | 573.3 | 599.7  | 628.6 | 661.7 | 695.6 | 733.5 |
|  | 7.8%  | 3.0%  | 4.6%   | 4.8%  | 5.3%  | 5.1%  | 5.4%  |
|  | 555.6 | 572.4 | 601.4  | 634.0 | 667.8 | 703.1 | 739.3 |
|  | 7.6%  | 3.0%  | 5.1%   | 5.4%  | 5.3%  | 5.3%  | 5.1%  |
|  |       |       |        |       |       |       |       |
|  | 494.3 | 496.4 | 533.9  | 566.6 | 594.8 | 622.1 | 653.3 |
|  | 6.2%  | 0.4%  | 7.6%   | 6.1%  | 5.0%  | 4.6%  | 5.0%  |
|  | 493.5 | 496.8 | 529.9  | 566.4 | 596.2 | 626.4 | 658.0 |
|  | 6.1%  | 0.7%  | 6.7%   | 6.9%  | 5.3%  | 5.1%  | 5.0%  |
|  |       |       |        |       |       |       |       |
|  | 3363  | 3532  | 3572   | 3597  | 3627  | 3663  | 3697  |
|  | 2.4%  | 5.0%  | 1.1%   | 0.7%  | 0.8%  | 1.0%  | 0.9%  |
|  | 3363  | 3524  | 3566   | 3592  | 3618  | 3653  | 3690  |
|  | 2.4%  | 4.8%  | 1.2%   | 0.7%  | 0.7%  | 0.9%  | 1.0%  |
|  |       |       |        |       |       |       |       |
|  | 5.3   | 4.0   | 4.3    | 4.8   | 4.9   | 4.7   | 4.5   |
|  | 5.3   | 4.1   | 4.5    | 4.8   | 5.0   | 4.9   | 4.7   |
|  |       |       |        |       |       |       |       |
|  | 259.2 | 271.8 | 270.8  | 266.7 | 267.5 | 268.7 | 270.0 |
|  | -4.6% | 4.9%  | -0.4%  | -1.5% | 0.3%  | 0.5%  | 0.5%  |
|  | 259.2 | 272.3 | 279.4  | 281.0 | 280.1 | 279.7 | 280.7 |
|  | -4.6% | 5.1%  | 2.6%   | 0.6%  | -0.3% | -0.1% | 0.4%  |
|  |       |       |        |       |       |       |       |
|  | 223.4 | 234.8 | 226.6  | 224.6 | 225.7 | 229.4 | 233.1 |
|  | 4.5%  | 5.1%  | -3.5%  | -0.9% | 0.5%  | 1.7%  | 1.6%  |
|  | 223.4 | 233.1 | 231.4  | 233.8 | 235.7 | 238.3 | 240.2 |
|  | 4.5%  | 4.4%  | -0.7%  | 1.0%  | 0.8%  | 1.1%  | 0.8%  |
|  |       |       |        |       |       |       |       |
|  | 56.9  | 53.2  | 45.2   | 47.1  | 47.5  | 46.6  | 46.0  |
|  | 29.2% | -6.6% | -15.1% | 4.2%  | 0.9%  | -1.9% | -1.2% |
|  | 56.2  | 52.2  | 48.5   | 48.9  | 48.2  | 47.3  | 46.3  |
|  | 27.5% | -7.1% | -7.1%  | 0.9%  | -1.5% | -1.9% | -1.9% |



| U.S. Forecast Comparison           |        |        |        |        | Fiscal Years |        |
|------------------------------------|--------|--------|--------|--------|--------------|--------|
|                                    | 2022   | 2023   | 2024   | 2025   | 2026         | 2027   |
| <b>Real GDP</b>                    |        |        |        |        |              |        |
| Billions of 2012 dollars           |        |        |        |        |              |        |
| September Forecast                 | 19,678 | 19,758 | 20,031 | 20,467 | 20,872       | 21,277 |
| Growth                             | 3.9%   | 0.4%   | 1.4%   | 2.2%   | 2.0%         | 1.9%   |
| June Forecast                      | 19,722 | 20,105 | 20,488 | 20,922 | 21,331       | 21,750 |
| Growth                             | 4.1%   | 1.9%   | 1.9%   | 2.1%   | 2.0%         | 2.0%   |
| Difference in level                | -44    | -347   | -456   | -454   | -459         | -473   |
| Difference in growth forecast      | -0.2%  | -1.5%  | -0.5%  | 0.1%   | 0.0%         | 0.0%   |
| <b>Real Consumption</b>            |        |        |        |        |              |        |
| Billions of 2012 dollars           |        |        |        |        |              |        |
| September Forecast                 | 13,841 | 14,012 | 14,235 | 14,577 | 14,884       | 15,197 |
| Growth                             | 5.1%   | 1.2%   | 1.6%   | 2.4%   | 2.1%         | 2.1%   |
| June Forecast                      | 13,878 | 14,198 | 14,483 | 14,826 | 15,134       | 15,456 |
| Growth                             | 5.3%   | 2.3%   | 2.0%   | 2.4%   | 2.1%         | 2.1%   |
| Difference in level                | -37    | -186   | -247   | -249   | -250         | -260   |
| Difference in growth forecast      | -0.3%  | -1.1%  | -0.4%  | 0.0%   | 0.0%         | 0.0%   |
| <b>PCE Price Index</b>             |        |        |        |        |              |        |
| 2012 = 100                         |        |        |        |        |              |        |
| September Forecast                 | 119.2  | 125.0  | 127.7  | 130.1  | 132.5        | 135.1  |
| Growth                             | 5.6%   | 4.9%   | 2.1%   | 1.8%   | 1.9%         | 1.9%   |
| June Forecast                      | 119.2  | 125.0  | 127.6  | 129.6  | 132.0        | 134.5  |
| Growth                             | 5.7%   | 4.9%   | 2.1%   | 1.6%   | 1.8%         | 1.9%   |
| Difference in level                | 0.0    | 0.1    | 0.1    | 0.5    | 0.5          | 0.6    |
| Difference in growth forecast      | 0.0%   | 0.1%   | 0.1%   | 0.2%   | 0.1%         | 0.0%   |
| <b>Unemployment Rate</b>           |        |        |        |        |              |        |
| Percent of Labor Force             |        |        |        |        |              |        |
| September Forecast                 | 4.2%   | 3.7%   | 4.3%   | 4.6%   | 4.5%         | 4.3%   |
| June Forecast                      | 4.2%   | 3.7%   | 4.3%   | 4.5%   | 4.6%         | 4.4%   |
| Difference in forecast             | 0.0%   | 0.0%   | 0.1%   | 0.1%   | -0.1%        | -0.1%  |
| <b>30 Year Fixed Mortgage Rate</b> |        |        |        |        |              |        |
| Annual Average                     |        |        |        |        |              |        |
| September Forecast                 | 3.7%   | 5.6%   | 5.3%   | 5.0%   | 4.8%         | 4.8%   |
| June Forecast                      | 3.7%   | 5.2%   | 5.1%   | 4.9%   | 4.8%         | 4.8%   |
| Difference in forecast             | 0.0%   | 0.3%   | 0.3%   | 0.1%   | 0.0%         | 0.0%   |
| <b>3 Month T-Bill Rate</b>         |        |        |        |        |              |        |
| Annual Average                     |        |        |        |        |              |        |
| September Forecast                 | 0.4%   | 3.4%   | 3.4%   | 2.8%   | 2.4%         | 2.4%   |
| June Forecast                      | 0.3%   | 2.3%   | 2.8%   | 2.4%   | 2.4%         | 2.4%   |
| Difference in forecast             | 0.0%   | 1.1%   | 0.6%   | 0.4%   | 0.0%         | 0.0%   |

| Washington Forecast Comparison       |             |              |              |              | Fiscal Years |             |
|--------------------------------------|-------------|--------------|--------------|--------------|--------------|-------------|
|                                      | 2022        | 2023         | 2024         | 2025         | 2026         | 2027        |
| <b>Real Personal Income</b>          |             |              |              |              |              |             |
| Billions of 2012 dollars             |             |              |              |              |              |             |
| September Forecast                   | 469.6       | 470.1        | 480.0        | 495.8        | 511.8        | 528.8       |
| Growth                               | -1.7%       | 0.1%         | 2.1%         | 3.3%         | 3.2%         | 3.3%        |
| June Forecast                        | 469.1       | 469.3        | 484.1        | 502.0        | 519.1        | 536.1       |
| Growth                               | -1.7%       | 0.0%         | 3.1%         | 3.7%         | 3.4%         | 3.3%        |
| Difference in level                  | 0.5         | 0.7          | -4.1         | -6.2         | -7.4         | -7.3        |
| <i>Difference in growth forecast</i> | <i>0.0%</i> | <i>0.1%</i>  | <i>-1.0%</i> | <i>-0.4%</i> | <i>-0.2%</i> | <i>0.1%</i> |
| <b>Nominal Personal Income</b>       |             |              |              |              |              |             |
| Billions of dollars                  |             |              |              |              |              |             |
| September Forecast                   | 559.4       | 587.8        | 613.1        | 645.0        | 678.4        | 714.3       |
| Growth                               | 3.8%        | 5.1%         | 4.3%         | 5.2%         | 5.2%         | 5.3%        |
| June Forecast                        | 558.9       | 586.5        | 617.6        | 650.7        | 685.3        | 721.1       |
| Growth                               | 3.9%        | 4.9%         | 5.3%         | 5.4%         | 5.3%         | 5.2%        |
| Difference in level                  | 0.5         | 1.2          | -4.5         | -5.7         | -6.9         | -6.8        |
| <i>Difference in growth forecast</i> | <i>0.0%</i> | <i>0.1%</i>  | <i>-1.0%</i> | <i>-0.2%</i> | <i>-0.1%</i> | <i>0.1%</i> |
| <b>Nonfarm Payroll Employment</b>    |             |              |              |              |              |             |
| Thousands                            |             |              |              |              |              |             |
| September Forecast                   | 3,461.7     | 3,565.1      | 3,581.7      | 3,611.7      | 3,644.9      | 3,680.0     |
| Growth                               | 5.5%        | 3.0%         | 0.5%         | 0.8%         | 0.9%         | 1.0%        |
| June Forecast                        | 3,462.1     | 3,552.6      | 3,578.6      | 3,604.5      | 3,634.9      | 3,670.8     |
| Growth                               | 5.5%        | 2.6%         | 0.7%         | 0.7%         | 0.8%         | 1.0%        |
| Difference in level                  | -0.4        | 12.5         | 3.1          | 7.2          | 10.0         | 9.1         |
| <i>Difference in growth forecast</i> | <i>0.0%</i> | <i>0.4%</i>  | <i>-0.3%</i> | <i>0.1%</i>  | <i>0.1%</i>  | <i>0.0%</i> |
| <b>Housing Permits</b>               |             |              |              |              |              |             |
| Units Authorized, Thousands          |             |              |              |              |              |             |
| September Forecast                   | 58.3        | 46.5         | 46.0         | 47.7         | 47.0         | 46.2        |
| Growth                               | 17.1%       | -20.2%       | -1.1%        | 3.8%         | -1.4%        | -1.7%       |
| June Forecast                        | 56.8        | 48.1         | 48.8         | 48.8         | 47.8         | 46.7        |
| Growth                               | 14.9%       | -15.2%       | 1.4%         | -0.1%        | -2.0%        | -2.3%       |
| Difference in level                  | 1.5         | -1.7         | -2.8         | -1.1         | -0.8         | -0.5        |
| <i>Difference in growth forecast</i> | <i>2.2%</i> | <i>-5.1%</i> | <i>-2.5%</i> | <i>3.8%</i>  | <i>0.6%</i>  | <i>0.5%</i> |

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

**Calendar Years**

|                           | 2022  | 2023 | 2024 | 2025 | 2026 | 2027 |
|---------------------------|-------|------|------|------|------|------|
| <b>U.S.</b>               |       |      |      |      |      |      |
| <b>Real GDP</b>           |       |      |      |      |      |      |
| <i>Growth</i>             |       |      |      |      |      |      |
| ERFC                      | 1.6   | 0.6  | 2.1  | 2.0  | 2.0  | 1.9  |
| GCEA Average              | 1.2   | 1.0  | 2.2  | 2.0  | 2.0  | 2.0  |
| <b>Real Consumption</b>   |       |      |      |      |      |      |
| <i>Growth</i>             |       |      |      |      |      |      |
| ERFC                      | 2.4   | 1.0  | 2.3  | 2.2  | 2.1  | 2.1  |
| GCEA Average              | 2.4   | 1.0  | 2.7  | 2.2  | 2.2  | 2.2  |
| <b>PCE Price Index</b>    |       |      |      |      |      |      |
| <i>Growth</i>             |       |      |      |      |      |      |
| ERFC                      | 6.1   | 3.2  | 1.8  | 1.9  | 1.9  | 2.0  |
| GCEA Average              | 6.1   | 3.5  | 2.4  | 2.4  | 2.3  | 2.4  |
| <b>Mortgage Rate</b>      |       |      |      |      |      |      |
| <i>Percent</i>            |       |      |      |      |      |      |
| ERFC                      | 5.0   | 5.5  | 5.1  | 4.9  | 4.8  | 4.8  |
| GCEA Average              | 5.1   | 5.5  | 5.2  | 5.1  | 4.8  | 4.6  |
| <b>Oil Price (Brent)</b>  |       |      |      |      |      |      |
| <i>Dollars per barrel</i> |       |      |      |      |      |      |
| ERFC                      | 102.3 | 86.9 | 80.6 | 76.3 | 73.3 | 71.2 |
| GCEA Average              | 104.1 | 93.3 | 86.7 | 84.1 | 82.1 | 80.6 |

**What is the probability the Fed will engineer a soft landing?**

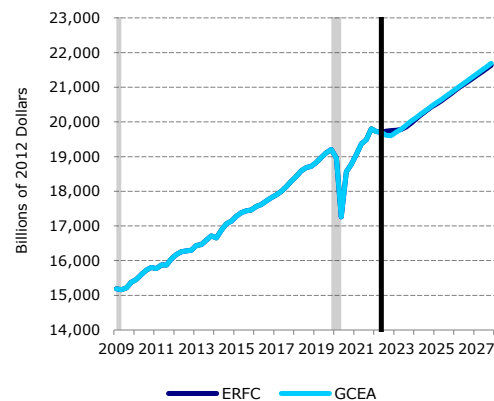
38%

**Washington State**  
**Real Personal Income**

|                                       |      |      |      |      |      |      |
|---------------------------------------|------|------|------|------|------|------|
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | -3.0 | 1.3  | 2.9  | 3.3  | 3.2  | 3.4  |
| GCEA Average                          | -2.3 | 1.8  | 3.2  | 3.2  | 3.0  | 3.1  |
| <b>Wage and Salary Employment</b>     |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 5.0  | 1.1  | 0.7  | 0.8  | 1.0  | 0.9  |
| GCEA Average                          | 4.7  | 1.5  | 0.9  | 0.9  | 0.9  | 0.9  |
| <b>Manufacturing Employment</b>       |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 4.9  | -0.4 | -1.5 | 0.3  | 0.5  | 0.5  |
| GCEA Average                          | 5.0  | 0.9  | -0.5 | -0.4 | -0.3 | 0.0  |
| <b>Construction Employment</b>        |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 5.1  | -3.5 | -0.9 | 0.5  | 1.7  | 1.6  |
| GCEA Average                          | 4.2  | -2.6 | 0.3  | 0.6  | 0.6  | 0.6  |
| <b>Housing Permits</b>                |      |      |      |      |      |      |
| <i>Thousands of authorized units</i>  |      |      |      |      |      |      |
| ERFC                                  | 53.2 | 45.2 | 47.1 | 47.5 | 46.6 | 46.0 |
| GCEA Average                          | 53.2 | 45.3 | 48.3 | 47.1 | 46.4 | 46.1 |
| <b>Washington Average Annual Wage</b> |      |      |      |      |      |      |
| <i>Growth</i>                         |      |      |      |      |      |      |
| ERFC                                  | 3.1  | 3.9  | 3.4  | 3.6  | 4.0  | 4.1  |
| GCEA Average                          | 4.4  | 4.4  | 4.3  | 4.2  | 3.9  | 4.0  |

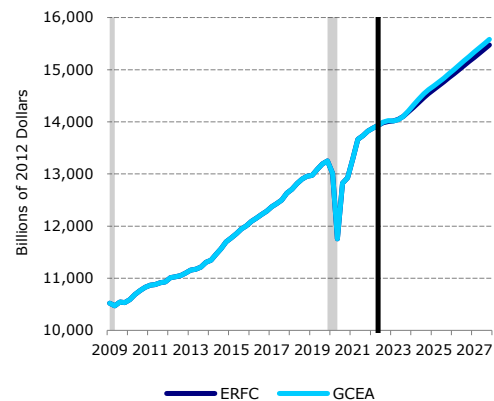
# U.S. Forecast Comparison

Real GDP



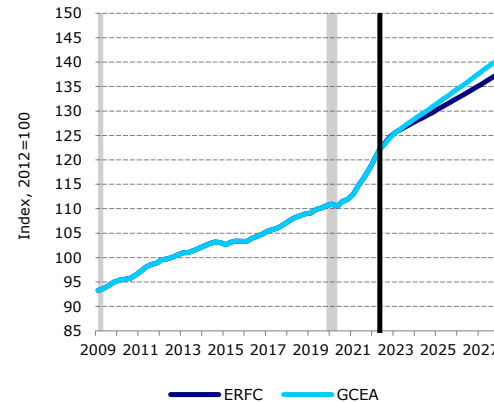
Source: BEA, ERFC, GCEA; data through 2022 Q2

Real Consumption



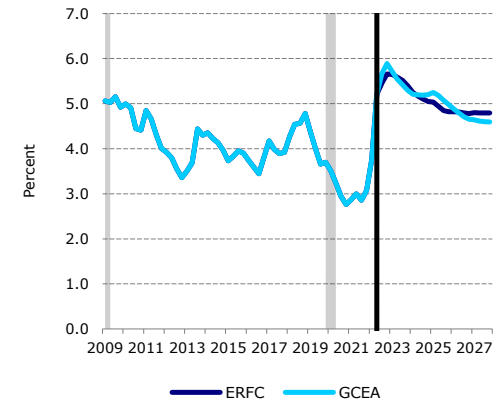
Source: BEA, ERFC, GCEA; data through 2022 Q2

PCE Price Index



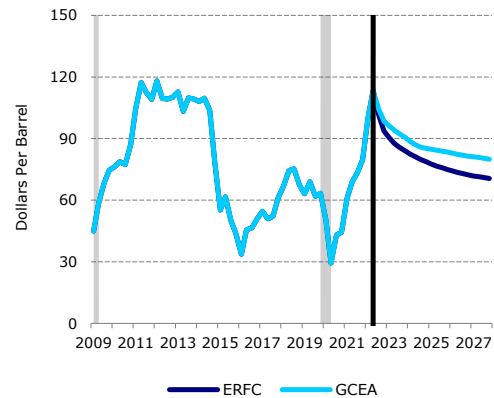
Source: BEA, ERFC, GCEA; data through 2022 Q2

Mortgage Rate



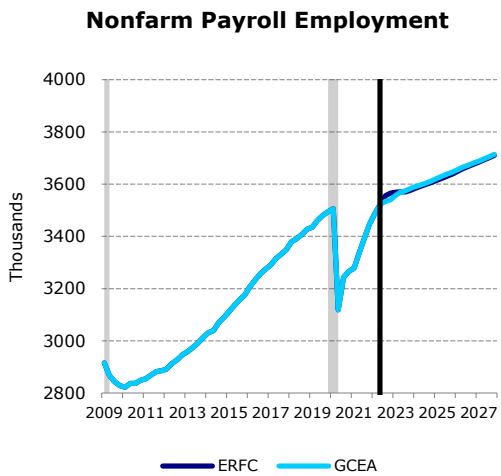
Source: Freddie Mac, ERFC, GCEA; data through 2022 Q2

Brent Oil Price

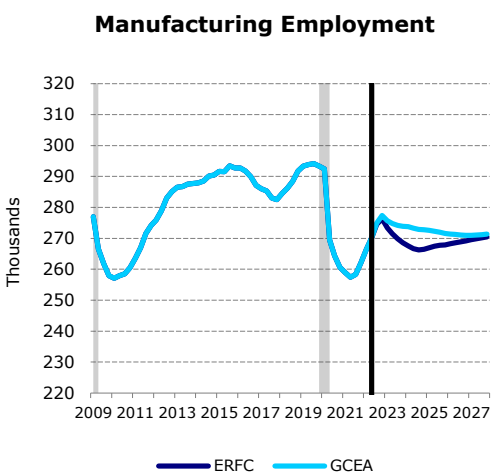


Source: EIA, ERFC, GCEA; data through 2022 Q2

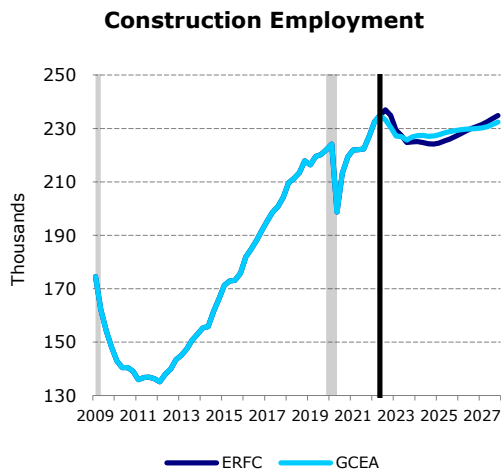
# Washington Forecast Comparison



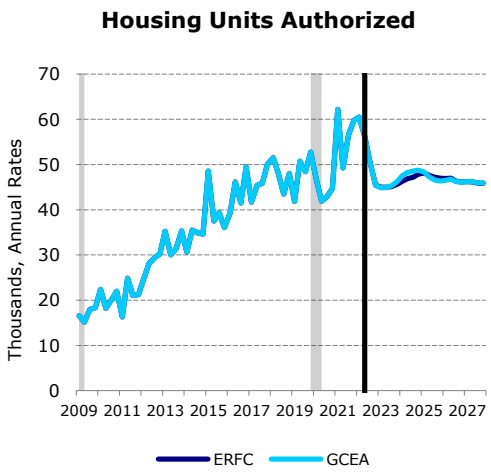
Source: ESD, ERFC, GCEA; data through 2022 Q2



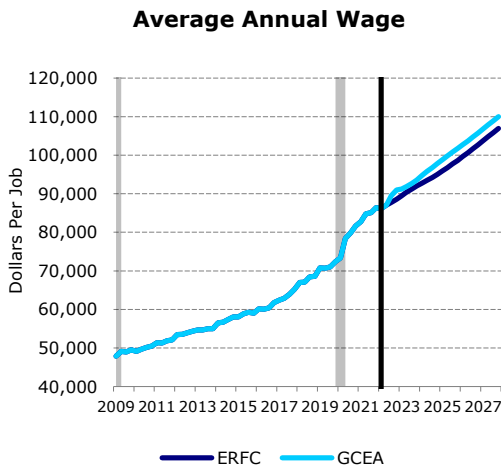
Source: ESD, ERFC, GCEA; data through 2022 Q2



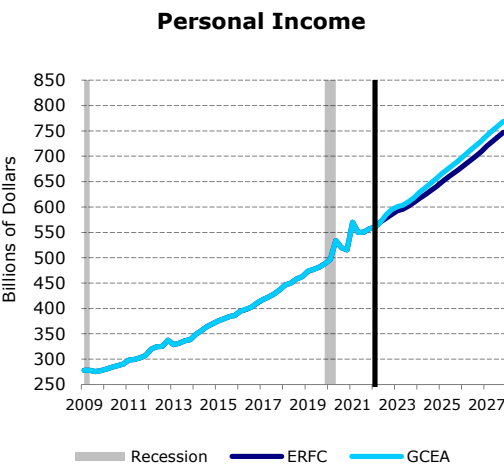
Source: ESD, ERFC, GCEA; data through 2022 Q2



Source: Census, ERFC, GCEA; data through 2022 Q2



Source: BEA, ERFC, GCEA; data through 2022 Q1



Source: BEA, ERFC, GCEA; data through 2022 Q1

## 2021-23 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  
Dollars in Millions

|   | 2021-23         |                               |                 |
|---|-----------------|-------------------------------|-----------------|
|   | GFS             | ELTA ,<br>OPA, WEIA,<br>FSKA* | TOTAL           |
| <b>RESOURCES</b>  |                 |                               |                 |
| <b>Beginning Fund Balance</b>   | <b>3,673.7</b>  | <b>487.0</b>                  | <b>4,160.7</b>  |
| June 2022 Revenue Forecast  | 60,217.5        | 2,929.9                       | 63,147.4        |
| September 2022 Revenue Forecast Change                                  | 17.2            | 26.2                          | 43.4            |
| <b>Current Revenue Totals</b>   | <b>60,234.7</b> | <b>2,956.0</b>                | <b>63,190.8</b> |
| Transfer to Budget Stabilization Account (1% of GSR)                    | (603.1)         |                               | (603.1)         |
| Transfer to Budget Stabilization Account (EGSR)**                       | -               |                               | -               |
| Enacted Fund Transfers  | (1,181.6)       | -                             | (1,181.6)       |
| Assumed Prior Period Adjustments  | 40.8            |                               | 40.8            |
| <b>Total Resources (Including Beginning Fund Balance)</b>               | <b>62,164.5</b> | <b>3,443.0</b>                | <b>65,607.5</b> |
| <b>EXPENDITURES</b>   |                 |                               |                 |
| <b>Enacted Budgets</b>  |                 |                               |                 |
| 2021-23 Biennium  | 56,187.8        | 2,878.8                       | 59,066.6        |
| 2022 Supplemental Budget  | 4,738.0         | 320.1                         | 5,058.0         |
| Assumed Reversions  | (321.7)         | -                             | (321.7)         |
| <b>Total Expenditures</b>   | <b>60,604.0</b> | <b>3,198.9</b>                | <b>63,802.9</b> |
| <b>RESERVES</b>   |                 |                               |                 |
| <b>Projected Ending Balance</b>   | <b>1,560.5</b>  | <b>244.1</b>                  | <b>1,804.6</b>  |
| <b>Budget Stabilization Account</b>                                     |                 |                               |                 |
| Budget Stabilization Account Beginning Balance                          | 19.2            |                               | 19.2            |
| Transfers from General Fund (1% of GSR)                                 | 603.1           |                               | 603.1           |
| Transfers from GFS (EGSR)**   | -               |                               | -               |
| Assumed 21-23 Biennium-Interest Earnings                                | 5.9             |                               | 5.9             |
| <b>Projected Budget Stabilization Account Ending Balance</b>            | <b>628.3</b>    |                               | <b>628.3</b>    |
| <b>Washington Rescue Plan Transition Account</b>                        |                 |                               |                 |
| Beginning Balance   | 1,000.0         |                               | 1,000.0         |
| Transfers   | 1,100.0         |                               | 1,100.0         |
| <b>Projected Wash Rescue Plan Transition Account Ending Balance</b>     | <b>2,100.0</b>  |                               | <b>2,100.0</b>  |
| <b>Total Reserves Including Budget Stabilization and Wa Rescue Plan</b> | <b>4,288.8</b>  | <b>244.1</b>                  | <b>4,532.9</b>  |

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

\*\* Based on the state constitution, no transfer of extraordinary revenue will occur in the 21-23 biennium because annual average state employment growth averaged less than one percent per fiscal year in the 19-21 biennium.

### Acronyms

GSR- General State Revenues

EGSR- Extraordinary General State Revenues

ACFR- Annual Comprehensive Financial Report