



# Economic and Revenue Forecast Council

**EMBARGOED** until February 20, 2015 10:00 am PDT when it will be released at [www.ercf.wa.gov](http://www.ercf.wa.gov)

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## Revenue forecast continues a modest upward trend

OLYMPIA, February 20, 2015 –The General Fund-State revenue forecast has been increased \$107 million for the 2013-15 biennium and by \$129 million for the 2015-17 biennium.

The economic forecast is quite similar to the November forecast, with the exception of lower oil prices. Washington personal income is relatively unchanged from November, while Washington employment is 1.4% higher by 2019 than in the previous forecast. The resulting revenue forecast has relatively small changes in most revenue sources. While lower oil prices can increase consumer spending, they also have a negative impact on petroleum-related business and occupations tax collections. There is also a small reduction to the property tax forecast.

Overall changes for each biennium amounted to less than half of one percent. The net forecast change for the 2015-17 biennium was an increase of \$129.4 million. Forecasted GF-S revenue for the biennium is now \$36.449 billion, which is 8.7% higher than forecasted revenue in the current biennium. Forecasted revenue for the 2017-19 biennium is \$39.757 billion, an increase of \$154 million.

### **Forecast of GF-S Revenue (probabilities in parenthesis): 2013-15**

**Baseline (60%):** \$33.547 billion; \$107 million higher than the previous forecast.

**Optimistic (20%):** \$33.965 billion; \$418 million more than the baseline forecast.

**Pessimistic (20%):** \$33.531 billion; \$497 million less than the baseline forecast.

**Governor's Council of Economic Advisors' assumptions:** \$33.517 billion; \$30 million lower than the baseline forecast.

### **Forecast of GF-S Revenue (probabilities in parenthesis): 2015-17**

**Baseline (60%):** \$36.449 billion; \$129 million higher than the previous forecast.

**Optimistic (20%):** \$39.215 billion; \$2766 million more than the baseline forecast.

**Pessimistic (20%):** \$33.392 billion; \$3057 million less than the baseline forecast.

**Governor's Council of Economic Advisors' assumptions:** \$36.223 billion; \$226 million lower than the baseline forecast.

Please see our full report for more information. You can access this report at:  
[http://www.ercf.wa.gov/forecast/documents/rev20150220\\_color.pdf](http://www.ercf.wa.gov/forecast/documents/rev20150220_color.pdf)

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#### **About the ERFC:**

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