



# Oregon Economic and Revenue Forecast

**September 2023**

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## **Foreword**

This document contains the Oregon economic and revenue forecasts. The Oregon economic forecast is published to provide information to planners and policy makers in state agencies and private organizations for use in their decision making processes. The Oregon revenue forecast is published to open the revenue forecasting process to public review. It is the basis for much of the budgeting in state government.

The report is issued four times a year; in March, June, September, and December.

The economic model assumptions and results are reviewed by the Department of Administrative Services Economic Advisory Committee and by the Governor's Council of Economic Advisors. The Department of Administrative Services Economic Advisory Committee consists of 15 economists employed by state agencies, while the Governor's Council of Economic Advisors is a group of 12 economists from academia, finance, utilities, and industry.

Members of the Economic Advisory Committee and the Governor's Council of Economic Advisors provide a two-way flow of information. The Department of Administrative Services makes preliminary forecasts and receives feedback on the reasonableness of such forecasts and assumptions employed. After the discussion of the preliminary forecast, the Department of Administrative Services makes a final forecast using the suggestions and comments made by the two reviewing committees.

The results from the economic model are in turn used to provide a preliminary forecast for state tax revenues. The preliminary results are reviewed by the Council of Revenue Forecast Advisors. The Council of Revenue Forecast Advisors consists of 15 specialists with backgrounds in accounting, financial planning, and economics. Members bring specific specialties in tax issues and represent private practices, accounting firms, corporations, government (Oregon Department of Revenue and Legislative Revenue Office), and the Governor's Council of Economic Advisors. After discussion of the preliminary revenue forecast, the Department of Administrative Services makes the final revenue forecast using the suggestions and comments made by the reviewing committee.

Readers who have questions or wish to submit suggestions may contact the Office of Economic Analysis by telephone at 503-378-3405.



Berri Leslie  
DAS Director  
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### September 2023

The economy continues to be in an inflationary boom. Growth is outpacing expectations. The good news is inflation has slowed considerably in the past year. The consensus of economic forecasters is now that the economic soft landing is the most likely scenario. The challenge today is twofold. First, there are emerging signs that the economy is reaccelerating which means inflation could re-heat at some point in the quarters ahead. Second, this leaves the Federal Reserve in a tough position of trying to thread the needle of raising interest rates just enough to cool the economy and bring inflation down, but not too much that chokes off growth. The initial descent appears to have gone as good as can be expected. However, navigating the crosswinds of waiting for the full impact of past interest rate increases to slow growth even as inflation remains above target is challenging.

Oregon's economic outlook remains effectively unchanged from last quarter. The labor market is tight, albeit less so than during the reopening phase of the cycle. And as inflation slows, income gains are once again outpacing price increases, leading to rising living standards. With the economy at full employment, future growth will come from labor force gains driven by a return of positive net migration in the years ahead, along with productivity gains driven by capital investment. The combination of the post-pandemic rise in start-up activity, large increase in federal investment, including in semiconductors, and the potential of generative AI should all help to boost productivity in the years ahead. Oregon is well-positioned to benefit.

After several quarters of unexpectedly rapid growth in tax collections, Oregon's state revenue outlook appears to have stabilized. Collections in recent months have tracked closely with the May forecast. Even so, Oregon has yet to go through its first personal income tax filing season of the biennium, and as such, everything remains at risk.

This revenue forecast represents the last look at the 2021-23 biennium and reveals the Close of Session (COS) forecast for the current 2023-25 biennium. The Close of Session forecast sets the bar for Oregon's constitutionally required balanced budget, as well as its unique kicker law. The COS incorporates any legislative changes enacted during the legislative session that impact General Fund revenues and folds them into the mid-session (May) revenue forecast that covers the next two years, and forms the basis of the legislatively adopted budget. This session's legislative changes were relatively modest in scope, totaling a reduction of \$48.6 million in expected General Fund revenues relative to the May forecast.

Total General Fund resources in 2023-25 are increased \$437 million compared to the Close of Session forecast. Most of the increase can be attributed to collections of corporate income taxes, which continue to outstrip underlying profit earnings. Additionally, a larger beginning balance increases resources, a direct result of a larger ending balance last biennium as the accountants closed the books this summer. That increase in revenues at the end of 2021-23 does result in a larger personal income kicker than previously estimated. Our office will certify the kicker in the coming weeks, but currently \$5.6 billion will be returned to Oregon taxpayers next filing season. The median, or typical Oregonian is expected to receive a \$980 credit.

### Macroeconomic Setting

Stepping back and examining the pandemic business cycle to date shows that the U.S. economy is on a much different trajectory than expected. At nearly every point since the shutdowns, the economy has outpaced expectations. So much so that when comparing the actual size of the U.S. economy today, not only is it above what economists thought the potential would be, it is starting to make up a lot of the lost ground from last decade when the slow, steady, and subpar recovery from the Great Financial Crisis was thought to have permanently scared the economy. This is a reminder that the potential size, and growth of the economy is not fixed. The combination, and contributions from labor and capital can, and do change, in part driven by public policy. As an example, the strong pandemic recovery has largely been driven by the very large, federal fiscal response, both initially and in subsequent legislation.

Now, of course this cycle has been an inflationary economic boom. On a real, or inflation-adjusted basis the gains are more in line with pre-pandemic expectations. Ultimately it is those real gains that matter when measuring growth and living standards. However, we live our lives in the nominal world. In that sense, incomes, consumer spending, business revenue, and tax collections all outpace expectations in recent years.

### Inflation is Slowing, Now the Hard Part

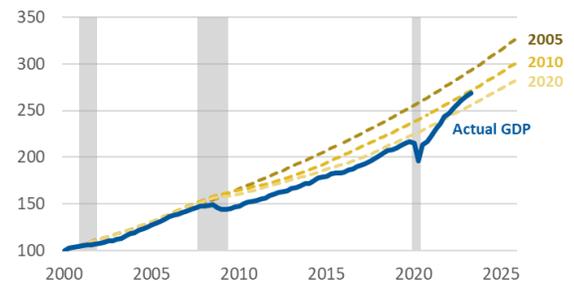
#### *Inflation Outlook*

The good news is inflation has slowed considerably in the past year. On a year-over-year basis, the Consumer Price Index (CPI) last summer was running at a nine percent pace. This summer, CPI is running between three and four percent. Much of this slowdown in inflation is tied to supply side healing in the global economy, meaning supply chain struggles have eased, and food and energy prices have come off the boil. Expectations are inflation will remain relatively low in the months ahead as both autos and shelter inflation weigh on the overall index.

The bad news is even with all of the good news, inflation remains above the Federal Reserve's two percent target. And with the underlying growth in the economy reaccelerating today, inflation may re-heat as well in the not-too-distant future. To be clear, the baseline outlook remains for inflation to continue to broadly slow, with a multiyear period required to fully get back to the Fed's target on a sustainable basis. But risks remain that inflation may pick back up later this year or next.

### Nominal U.S. GDP Potential

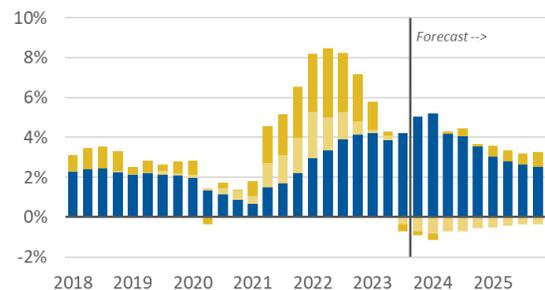
Index 2000q1=100, CBO vintages by year and actual NGDP



Latest Actual: 2023q2 | Source: BEA, CBO, Oregon Office of Economic Analysis

### West Region Consumer Price Index

Decomposing year-over-year inflation: Food and Energy, Goods, and Services



Goods and services are excluding food and energy | Latest: 2023q2 | Source: BLS, IHS Markit, OR Office of Econ Analysis

## *Federal Reserve Policy*

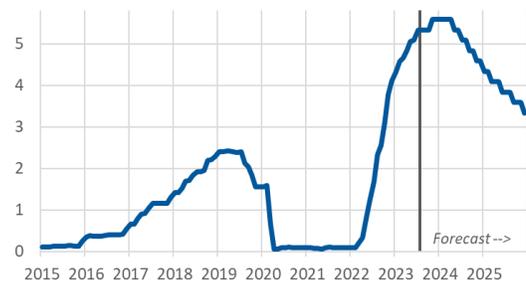
The current state of the economy leaves the Federal Reserve in a tough position. The reacceleration in growth appears to have caught the Fed, and many economists, a bit off-guard. Expectations were for the economy to continue to slow, alleviating pressure that results in inflation continuing to subside. This may very well be the case, and remains the theoretical lynchpin to the soft landing scenario. The renewed strength in the economy today may prove temporary. In fact the Fed is counting on that.

Historically the impact of past interest rate increases takes anywhere from 6 to 18 months to be felt in the real economy, even as financial markets react immediately. As Milton Friedman famously said the impacts of monetary policy are long and variable. There is some indication that in today's world of increased access to information in real time, the lags are shorter. Even so, the Fed has raised interest rates more than five percentage points in the past 18 months. Some additional slowdown in the economy should still be expected as the higher rates work their way into everyday business and household decisions. The question is how much slowing will there actually be?

Moving forward the Federal Reserve believes its policy is restrictive. Based on their latest forecast, the Fed expects to raise interest rates one more time and hold them at a relatively high level until inflation slows further. Once that occurs, the Fed expects to cut interest rates so that the real, or inflation-adjusted rate remains relatively constant. While most private forecasters follow the general contours of the Fed's own outlook, expectations are starting to increase for even more interest rate increases, and/or the Fed holding rates steady for an even longer period of time. Such an outcome would keep with the "higher for longer" view of the economy given the strength and elevated inflation. There is a possibility that the economy is simply stronger than many believed, and therefore higher interest rates are needed to truly cool inflation.

### **The Federal Reserve and Interest Rates**

The Fed's own forecast of the Fed Funds Rate



Latest Actual: July 2023 | Source: Federal Reserve, IHS Markit, Oregon Office of Economic Analysis

## *Impacts of Higher Interest Rates*

Traditionally, higher interest rates slow economic growth through credit-sensitive sectors in the economy. With higher financing costs, businesses will expand and invest at a slower rate, and households will take on less debt, slowing consumer spending in the process. Today, a broad slowdown in the economy is not seen in the data, or at least not yet. The latest tracking estimates for real GDP growth this quarter are running at more than five percent according to the Federal Reserve Bank of Atlanta. Growth appears to be above trend, even with interest rates the highest they have been in decades.

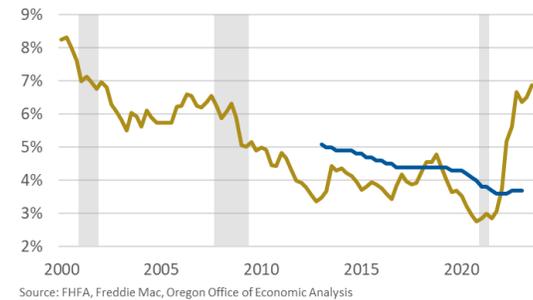
Clearly higher rates are slowing some sectors in the economy. In addition to higher interest rates, banks are also tightening lending standards according to the Federal Reserve's Senior Loan Officer Opinion Survey (SLOOS). As such, it is more difficult for, generally smaller, businesses to get new loans. Large companies are better able to access deeper capital markets and rely less on traditional banking

relationships. And many types of construction are taking more of a wait and see approach, with the expectations that rates will be lower in the years ahead. These actions do, or will slow overall growth.

All of that said, higher interest rates today do not appear to be packing the same punch, certainly compared to last decade. First, household balance sheets are strong. Income and wage growth is faster, household savings is higher, and the dominant type of debt households have – mortgages – is locked in at low, fixed rates. Two-thirds of Oregon households with a mortgage, have an interest rate below four percent. Moody’s Analytics estimates that just 10-20 percent of all household debt is at adjustable interest rates, meaning today’s higher rates will only slowly be repriced into household balance sheets over a period of years. There is unlikely to be a big slowdown in consumer spending due to rates alone.

### Mortgage Rates

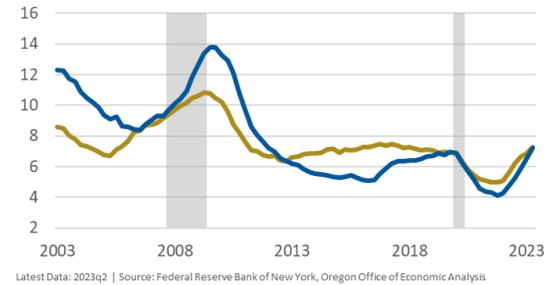
Freddie Mac Market Survey | Oregon Effective Rate Outstanding



Of course this masks the differences between the macro and micro impacts. Households with more credit card debt, or those needing to buy an automobile today and the like are much more impacted, and likely struggling financially as a result, even if the economywide statistics are very strong. In recent quarters, national delinquency rates on both credit cards and automobile loans have increased off their record lows and are now back to pre-pandemic numbers. It is likely these delinquencies will rise higher in the quarters ahead, even as it is yet to be seen just how high they go this cycle.

### Newly Delinquent Loans

Percent of Credit Card and Auto loans 30 days past due



Second, business balance sheets are strong as well. Revenues are up, driven by strong consumer spending, and according to Goldman Sachs, about half of all debt held by S&P 500 companies is set to mature in 2030 or later. As such, firms – at least the large, publicly traded ones – are less sensitive to today’s higher rates as much of their debt is likewise locked in at lower rates for an extended period of time. Another consideration is that manufacturing, and goods-producing industries more broadly are capital intensive. Therefore, they are likely more sensitive to higher interest rates. But as the U.S. economy continues to evolve and become more service-oriented, the impact of higher rates on goods producers represents a smaller share of the economy than in the past.

Third, in terms of sectors of the economy most likely to be impacted, it may be the Federal Government. According to the Wall Street Journal, approximately three-quarters of federal debt is set to mature (come due) in the next five years. As that debt will need to be rolled over at higher rates, the impact will be to slow federal spending on public services, increase taxes to pay for it, or to increase the annual deficits, and overall debt. Given the commitments of increased federal investment in the years ahead (more on that later in the forecast), a reduction in overall federal spending appears unlikely. According to the Congressional Budget Office’s latest long-term outlook, federal interest payments measured as a share of GDP is set to rise from 2.5 percent last year to 3.2 percent in 2030,

which was the previous historic high reached in 1991. The CBO expects further interest payment increases over the long-term.

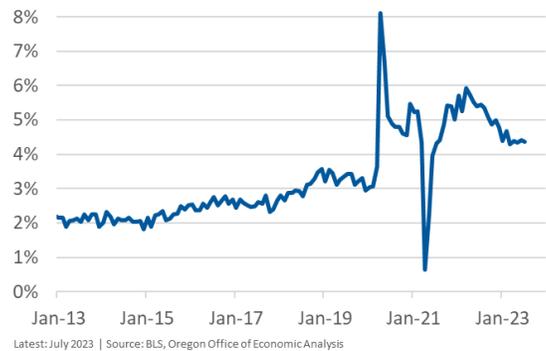
Now, this does not mean the federal debt is big threat to the economy. It is just an acknowledgement that the federal budget will be more impacted by the higher rates than the private sector in the short-term. Keep in mind that countries with their own currency, and independent monetary policy do not default on their debt (although the political brinkmanship around the U.S.' artificial debt ceiling may prove otherwise at some point). But sometime in the (distant) future, higher interest payments are likely to impact either direct federal spending, or the ability for fiscal policy to help during recessions.

## Labor Market Crosscurrents

When it comes to the labor market, it remains very strong. Many indicators show the labor market has cooled some from the reopening highs, but remains tighter than last decade. In fact if we focus on job openings, and average hourly earnings, the U.S. labor market is roughly halfway back to pre-pandemic patterns. Job openings have declined some as employers have staffed back up and are less desperate to hire today. And wage growth has slowed as well. To date this combination of a declining job openings, slowing inflation, but unemployment remaining at or near record lows is being referred to as the immaculate cooling. As such, the likelihood of the economic soft landing is rising and is now the consensus outlook for forecasters. However, with average hourly earnings currently increasing at a 4-5 percent annual rate, it is unlikely to be consistent with the Fed's two percent inflation target over time.

### U.S. Average Hourly Earnings

Year-over-year percent change



### *Labor Market is Still Tight, but Less So*

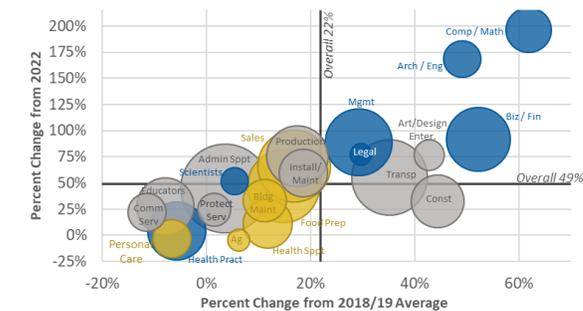
Here in Oregon the labor market data reveals more pronounced trends than in the national data. Job growth and personal income tax withholdings slowed noticeably early in 2023. And as of June 2023, job openings in the state are now back to pre-pandemic levels. Additionally, the number of Oregonians filing for and receiving unemployment insurance increased as well. And while UI claims have not spiraled upward like they do heading into a recession, they remain at higher levels than in the years leading up to the pandemic. Oregon's labor market looks to be a little less tight than it was, but still somewhere at or near full employment.

The largest increases in unemployment insurance claims have been among workers coming from high-wage occupations. In particular, increases among Computer and Math, and Architecture and Engineering occupations, followed by other high-wage occupations including Management, Legal, Business and Finance has seen the largest percentage changes. Some of these increases are likely tied to the large number of high-tech layoffs announced in the past year – particularly the Computer and Math, and Architecture and Engineering jobs. At the time of the announcements, and even in the ensuing months, it was difficult to see an impact on the overall economy. However, by looking at the characteristics of the unemployed, it shows there was a clear impact for some workers.

Additionally, more interest rate sensitive occupations like Construction, and Transportation have seen larger increases in unemployment as well. These changes are likely tied to the goods and freight cycle the U.S. economy has gone through in the past year. Overall, consumer spending on goods has held strong after the big pandemic era increases. However, as supply caught up to demand, inventories did accumulate for retailers and home improvement stores, among others. As those businesses have worked through their inventory, new orders and the associated production and logistics needed to get the new products to retailers did slow down, resulting in some layoffs. Now those cyclical swings are turning up. With inventories now leaner, production is increasing, and the freight recession is over and starting to improve. That is part of the reacceleration story in the short-term.

## Oregon's Insured Unemployed

May-June average for High-Wage, Middle-Wage, and Low-Wage occupations



Source: US Dept of Labor, Oregon Office of Economic Analysis

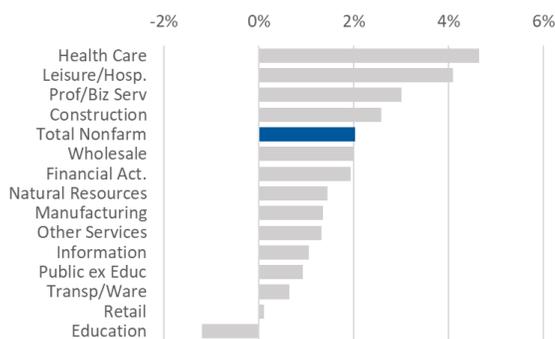
## Oregon Industry Forecast

Labor is still hard to come by. The economy remains cyclical strong as evidenced by a low unemployment rate, and high employment rates among working-age cohorts. Most Oregonians who want a job, have a job, or at least there are plentiful job opportunities. But the labor market is also structurally tight for demographic reasons. The large Baby Boomer generation is retiring in recent years and will continue to do so in the decade ahead. Annual retirements nationwide are expected to be at least one million per year, and here in Oregon around 15,000 per year. To keep total employment stable, all of those soon-to-be retirees with a lifetime of experience and skills will need to be replaced by new hires.

Looking forward, job growth will slow noticeably from the pandemic reopening highs. In fact given high employment rates today, combined with the demographics, job gains may come in below expectations even as total labor income continues to grow quickly. Even so, the composition of job growth in the state is expected to shift as well. During the pandemic and initial recovery, many goods-producing industries and associated supply chain segments outpaced the overall economy, while in-person services lagged. With the relative slowdown in goods spending, sectors like transportation and warehousing, retail, even manufacturing and construction were expected to take a backseat in terms of overall gains. And with continued strong growth from households for things like going out to eat, and on vacations, and the like, service sectors are expected to add jobs at a faster rate during the 2023-25 biennium.

## Oregon's Industry Outlook

Percent change 2023q2 to 2025q2



Some of these gains are more about the industries playing catchup to the overall economy. For example, leisure and hospitality has yet to fully regain the total number of jobs it had pre-pandemic. Clearly there have been some structural changes in the industry, be it the lack of daily cleanings for hotel rooms, or more kiosk ordering at restaurants and the like. On a per capita basis, or an inflation-adjusted revenue per employee basis, the industry is likely to never return to where it was in 2019. However, with a growing economy, and increased consumer demand, job gains should continue. The demand for workers is there. The risks to the industry employment forecast are that these structural changes are larger than are built into the forecast. Plus it is hard to find workers, especially for low-paying industries. As a result, more job growth may occur in the higher-paying, higher-productivity industries in the years ahead. Such an outcome would be a boon for the overall economy, albeit partially at the expense of the lower-paying industries looking for staff today.

Additionally, recent developments in financial markets may dampen future construction activity more than anticipated. The residential construction industry appeared to have found a bottom and was adjusting to mortgage rates in the 6-7 percent range. Recent weeks have now pushed mortgage rates closer to 7.5 percent. Should these higher rates persist more than a few days or weeks, they will slow future sales, and building activity. These developments are too new to build into this forecast but are substantial enough to warrant a mention as a potential risk. Similarly, commercial real estate is likely to slow as well given higher construction costs, including financing costs make new projects challenging to pencil out. On the other hand, should private sector activity slow more than anticipated, the increase in federal investment, see the next section, will make up for some of the slack, and compete less, or crowd out other types of activities.

## **Capital Investment Drives Productivity Gains**

Economic growth is driven by the combination of labor and capital. Investment in the various forms of capital – financial, human, natural, physical, and social – drive productivity gains, meaning workers are able to produce more for every hour of work. Higher productivity raises the overall speed limit of the economy. Better productivity also helps alleviate inflationary pressures, the key macroeconomic issue facing the economy today.

So far during the pandemic, Oregon's overall economic growth compared to other states has been strongest in terms of productivity, above average in terms of income, and slightly below average when it comes to jobs and population gains. This pattern, and contributions to growth differs from Oregon's modern experience, as discussed in greater detail last quarter.

More broadly, productivity growth in the U.S. economy in recent decades has been slow. The exact reasons why is not fully understood by economists, but aging demographics, the slowdown in federal investment, and dearth of start-ups are all thought to be key factors.

Moving forward there are a few reasons to be more optimistic about productivity gains, including the Millennials aging into their prime working years, which also so happen to be peak entrepreneurship years as well, in addition to big increases in federal investment, and the more speculative potential of generative AI. Oregon stands to benefit as much, if not more than the typical state as a result.

## Start-Ups

As discussed in greater detail in the May 2023 forecast<sup>1</sup>, there has been a substantial increase in new business formation during and after the pandemic. New firms typically bring new ideas and products, and improve efficiencies compared to existing firms. This process, sometimes referred to as creative destruction, raises economywide productivity.

While there were some initial caveats or qualms that the increase in start-ups may have been just to access pandemic aid programs, or due to IRS changes and the like, the fact that business formation remains strong for the past three years is encouraging.

While tighter financial conditions in the economy may dampen start-up activity in the near future as it is harder to get loans, and for entrepreneurs to tap into their home equity at higher interest rates, there are also upside risks in the form of demographics. Research from the Census Bureau<sup>2</sup> shows that entrepreneurship rates peak in ones late 30s through early 40s. In the decade ahead the large Millennial generation will age into their peak entrepreneurship years, likely providing a long-lasting demographic tailwind to start-up activity in the years ahead. Now, simply having more businesses does not necessarily lead to increased business investment and productivity gains, but it is an encouraging signal about the possibilities in the years ahead.

### Oregon Business Applications: New & Renewal

Seasonally-Adjusted 3 Month Moving Average



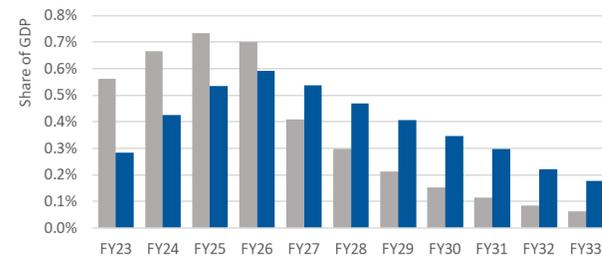
Latest Data: June 2023 | Source: Oregon Secretary of State, Oregon Office of Economic Analysis

## Federal Investment

In recent years the federal government has passed major legislation that will increase federal investment in the economy. The combination of the Infrastructure Investment and Jobs Act (2021), Inflation Reduction Act (2022), and Chips and Science Act (2022) is a big boost to federal spending. Some of these increases in direct investment were offset by increases in revenue, or cost savings elsewhere in the budget, but the direct investment increases amount to more than half a percent of GDP per year over the next few years.

### U.S. Federal Investment

Author's calculation of increases in federal spending from the Infrastructure Investment and Jobs Act, Inflation Reduction Act, and CHIPS Act based on CBO estimates  
Federal Budget Impact | Delayed Effect of Spending in Real Economy



Source: CBO, S&P Global, Oregon Office of Economic Analysis

In terms of the economic impact, timing matters. It is one thing for the money to be approved to be spent, but when it comes to many of these projects, it takes time to design them, go through the RFP process, and ultimately build them. As such, much of the initial spending in the federal budget has gone

<sup>1</sup> See page 6: <https://digital.osl.state.or.us/islandora/object/osl%3A1010830/datastream/OBJ/view>

<sup>2</sup> <https://www.census.gov/content/dam/Census/library/working-papers/2018/adrm/carra-wp-2018-03.pdf>

to seed loan and grant programs, and to other agencies to fund projects in the years ahead. Using a 2021 Congressional Budget Office analysis on the timing of actual infrastructure spending as a guide, the increase in federal investment will ramp up over the next few years, with the peak economic impact occurring during fiscal year 2026.

In the short-run it is possible that the increase in federal investment could be inflationary. The economy only has so much construction and production capacity, so the increases could compete with other potential projects for labor and materials and the like. This competition could lead to higher construction costs. However in the long-run these investments should be disinflationary overall, and a boost to productivity once completed.

### *Oregon and the Chips and Science Act*

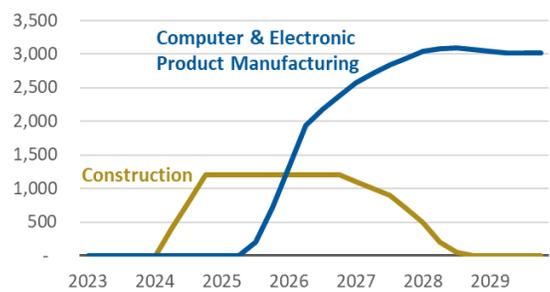
Included in the recent federal legislation was a big incentive program to increase domestic semiconductor manufacturing. In recent years there have been a handful of large, semiconductor announcements in states like Arizona, New York, Ohio, Texas and the like. To date none of the big announcements have been in Oregon, although that is set to change in the near future by all accounts. Our office is now building in some realistic placeholder assumptions about the growth in Oregon’s high-tech sector in the years ahead.

To date, the State of Oregon has received more than a dozen applications for newly passed state incentives that should result in tens of billions of dollars of investment, and associated construction activity. There will also be local semiconductor job gains as well. The details of these projects are not public. However the combination of the federal and state programs, and momentum behind onshoring given the chip shortages during the pandemic, the increasing likelihood of sizable projects in the state is too big to ignore from a forecasting perspective.

Specifically the forecast now includes an increase of about 3,000 additional Computer and Electronic Product manufacturing jobs over the next five years, in addition to just over 1,000 construction jobs that phase in and out over the same time period. The actual construction impact is expected to be larger than that, but some of the labor will likely shift from other projects in the region, resulting in a smaller net increase in total construction jobs. For now these forecast changes are more of placeholder values. As our office learns more about the potential projects, and ultimately which ones do or do not get built, we will adjust the forecast accordingly.

### **Oregon Chips Act Forecast Impact**

*Employment change due to expected semiconductor investment:*



Source: Oregon Office of Economic Analysis

Our March 2022 forecast discusses the high-tech manufacturing outlook in more detail, but a few aspects are worth noting. First, the industry is a pillar of Oregon’s economy. Its importance is hard to overstate. Second, industry employment held relatively steady (or down) for much of recent decades. Third, given the chip shortage and increased demand during the pandemic, local job gains increased by

more than 3,000 jobs even without any of the major announcements seen elsewhere in the nation. This increase is the equivalent of adding one or one and a half new fabs. Fourth, the Oregon semiconductor workforce is significantly different than elsewhere in the country.

Oregon is 1.2 percent of all jobs nationwide. Oregon is 9 percent of the nation’s semiconductor jobs (NAICS 3344). Oregon is 17 percent of the nation’s engineering type jobs within the semiconductor industry. This means 55 percent of the workers in Oregon’s semiconductor industry today work in Computer and Math, and Architecture and Engineering occupations. The national figure is 29 percent, as is it among the Top 10 states with the largest semiconductor workforces. Those states from largest to tenth largest are California, Texas, Oregon, Arizona, New York, Florida, Massachusetts, Michigan, Illinois, and Minnesota. Only Arizona at 43 percent engineering jobs is somewhat similar to Oregon’s occupational structure.

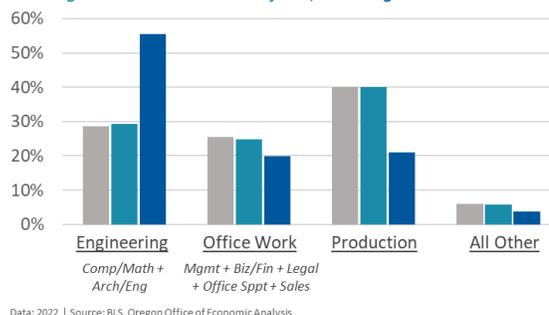
### Oregon Computer and Electronic Product Manufacturing Employment



What this means is Oregon is a key location within the nation for the research and design of semiconductors. Now, Oregon is still an integral location for the actual manufacturing of semiconductors as well, with about 7,000 production jobs which ranks 4<sup>th</sup> highest nationally, but as a share of the overall industry, Oregon’s production jobs account for 21 percent compared to 40 percent nationally, and among the other large states. It is our high concentration of engineering jobs, and what that means for the overall industry, that makes Oregon stand out compared to other states.

### Semiconductor Workforce

Share of all jobs by occupation in the United States, the 10 States with the Largest Semiconductor Workforce, and Oregon



Growth in semiconductors is likely to increase overall productivity in the economy because the sector is, well, highly productive. Looking at the average value-added per employee from state GDP data, Computer and Electronic Products are three times as productive as the average worker in the economy. And Oregon Computer and Electronic Product workers are 20-30 percent more productive than the average such worker nationwide. As such, local growth in the industry is expected to help boost economywide statistics in the years ahead.

### Generative AI and Your State

Generative AI is a type of artificial intelligence that can create new content such as text, images, audio, and video without human intervention. It works by learning from a large dataset of existing examples and identifying patterns that it can use to generate new content that is similar to the examples it has learned from. Generative AI models are incredibly diverse and can take in various types of content, including images, longer text formats, emails, social media content, voice recordings, program code, and structured data. They can output new content, translations, answers to questions, sentiment

analysis, summaries, and even videos. Generative AI has applications in art, design, music, business, marketing, and more, and it primarily helps automate the create process.

That paragraph was written by Perplexity AI, a ChatGPT like program trained on OpenAI's API. The prompt given was to write one paragraph on what generative AI is. Recent reports from McKinsey<sup>3</sup>, Goldman Sachs, and OpenAI<sup>4</sup> all highlight the potential impacts of generative AI on the economy.

At a base level, the expectations are that generative AI will automate some tasks for workers, allowing them to spend more time on more productive tasks. In some ways, the impacts are similar to past trends in automation in the economy but differ in important ways.

First, the reports highlight that generative AI should be a net positive for the economy. It is unlikely to automate away many jobs, but rather make existing jobs more productive. This differs some from the trends in recent decades with the outright decline in manufacturing jobs due to automation, technological change, and offshoring.

Second, the types of workers most likely to be impacted is different than past automation trends. With generative AI, it will be jobs in industries and occupations largely held by college graduates where more of the routine research and writing tasks, among other, will be impacted. This means white-collar, and office-based jobs, as opposed to manufacturing and clerical jobs should see the biggest changes.

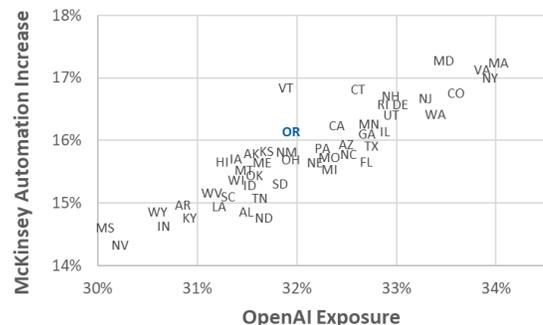
Among occupational groups, McKinsey estimates that educators, business, legal, and scientific, technical, engineering, and math are expected to see the largest increases in automation. Conversely agriculture, construction, installation and repair, food services, and production jobs will see the smallest increases. At the industry level, OpenAI estimates that high-tech, financial activities, professional and technical services will be the most impacted, while social assistance, food services, and most types of manufacturing the least impacted.

Taking both of these reports and mapping the potential changes to each state's occupational and industrial structure reveals the nearby scatterplot. A few things stand out. First, the relatively tight linear fit indicates that the two reports have similar impacts, or at least similar distributional impacts on workers in different types of jobs.

Second, the absolute variation across states is fairly minimal. The range of exposure is a few percentage points. This is an indication that generative AI can best be thought of as a macro or economywide impact, given

## Generative AI and Your State

Mapping AI reports from McKinsey on occupations, and OpenAI on industries to state employment in 2022



Source: BLS, McKinsey Global Institute, OpenAI, Oregon Office of Economic Analysis

<sup>3</sup> <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier-key-insights>

<sup>4</sup> <https://arxiv.org/pdf/2303.10130.pdf>

these types of jobs are everywhere. It is an open question whether the *development* of AI programs and tools will have a localized impact in existing tech hubs or similar locations, but in terms of the *impact* it will be broad based.

Third, that said, there are some relative patterns across states with tech-heavy states, financial centers, and Maryland and Virginia, both near Washington D.C. likely more exposed to AI, and resource states less exposed. Oregon falls in the middle of the pack, ranking 17<sup>th</sup> most exposed based on an occupational basis, and 26<sup>th</sup> most exposed based on an industrial structure basis. Keep in mind that exposure, in this context, means the potential to raise productivity among these types of workers, and the economy overall.

## **Update on Population Growth and Upcoming Data Releases**

### *Data Release Schedule*

Unfortunately demographic and population data lags considerably. However in the months ahead new, important data will be released. On September 14<sup>th</sup>, Census is set to release the published tables for the 2022 American Community Survey (ACS). The ACS is the best source for things like household income, poverty, employment by race and ethnicity, homeownership, working from home, and the socio-economic characteristics of migrants, among others. This will be the first look at any details regarding Oregon's population loss last year. As of today all that is available are total estimates, but none of the details. Our office will post summaries of the most important topics on our website in the weeks ahead, and include a summary in our next quarterly forecast.

Additionally, 2023 population estimates will be released this winter. In November, Portland State University's estimates should be available, followed by Census' estimates in December. This will provide the first look at 2023 data, although analysts will have to wait until Fall 2024 before the details of those estimates are known.

### *Update on Population Growth*

While we wait for the official estimates to be released, there are three data points worth mentioning.

First, Oregon's population is in natural decline. Deaths outnumber births. Oregon's future population gains will come entirely from net migration, should it return as expected. When it comes to the underlying changes in Oregon's population, the preliminary data for the number of deaths and births appears to be slightly less negative than our office's forecast. Deaths have slowed noticeably from their pandemic highs, and are reverting toward the expected long-run trend of a growing, aging population. Births continue to decline further. So far the number of Oregonians aged 0 to 4 years old have fallen 10 percent in recent years. Looking forward, the state's K-12 education population (ages 5 to 17 years old) is expected to decline by 10 percent as well. Should the state's total fertility rate, which ranks 5<sup>th</sup> lowest nationwide in recent years, not stabilize or rebound some, further declines in young Oregonians should be expected.

Second, the number of surrendered drive licenses at Oregon DMVs continues to be in line with pre-pandemic figures, albeit slightly above. This is one indication that in-migration to Oregon continues, and has not shifted noticeably lower. However the data does miss out-migration, which could be the primary cause of Oregon’s slower population gains, or losses.

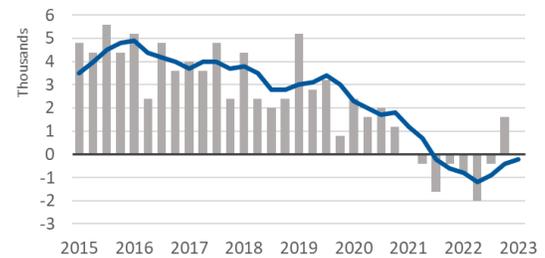
Third, new data from the Federal Reserve Bank of Cleveland based on consumer credit reports shows that many large metro areas nationwide continue to lose population. Portland is the only Oregon metro included in the analysis, but some of the recent trends in the data are encouraging, or at least have a silver lining. At the metro level, Portland continues to see net out-migration. However, it is getting less negative, and trending toward the positive direction.

Importantly, the data the Cleveland Fed publishes is a four quarter average. This is very helpful to know what has happened over the past twelve months. But what our office really wants to know is what is happening today, and whether the pandemic era patterns are continuing or if things are starting to change. Given the data is a four quarter average, one can back out estimates of what the individual quarters that add up to the four quarters are.

These calculations are somewhat sensitive to assumptions made. But the upshot is it is mathematically impossible for net migration to the Portland metro area to be entirely negative in recent quarters. The improvements in the twelve month change, as reported by the Cleveland Fed, mean that at least one of, and possibly all three of the three most recent quarters saw positive migration for the region.

### Portland Metro Net Migration

4 quarter average as published by the Cleveland Fed  
1 quarter change estimate from the Oregon Office of Economic Analysis



Latest: 2023q1 | Source: Federal Reserve Bank of Cleveland, Oregon Office of Economic Analysis

Overall, our office does expect Oregon’s population to grow in the years ahead. A modest rebound in migration will drive the gains, given deaths are expected to outnumber births for decades to come. With surrendered driver licenses at Oregon DMVs holding steady, and the possibility that the Portland regions’ population has bottomed out, stronger statewide numbers appear likely in the year(s) ahead. To the extent population growth does not rebound as expected, our office is continuing to develop a zero migration alternative scenario. The previous May 2023 forecast included some exploratory findings of this scenario and our office will publish a more complete report in the coming months.

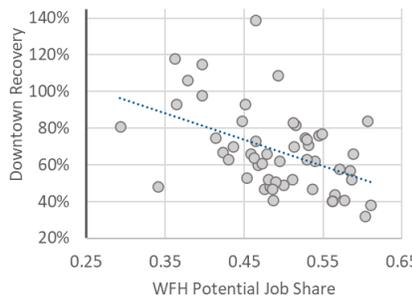
### Downtown Recoveries

Included in the Federal Reserve Bank of Cleveland migration update was the fact that many urban cores nationwide continue to lose population. While the Portland metro population may be stabilizing, there are ongoing declines in the urban core neighborhoods based on the same credit report data.

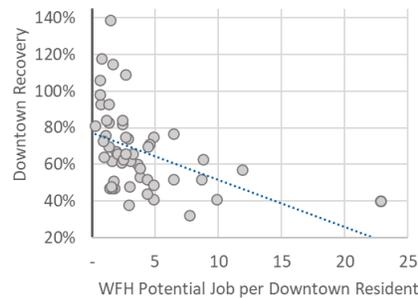
When it comes to big cities and downtown areas there are a few important things to keep in mind. First, downtowns are distinct. There is no relationship between changes in jobs, income, or population at the metro level and the strength of the downtown recoveries. Second, the demand to be downtown has to come from somewhere. As seen in the charts below, it is the combination of commuters, local residents, and visitors all factor into the strength of any downtown.

## Downtowns' economic structure does matter

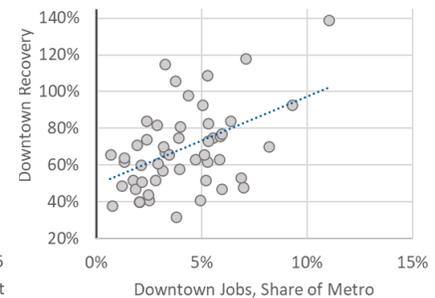
*Working from Home*



*Jobs-Resident Balance*



*Retail + Leisure & Hospitality Jobs*



Source: BLS, Census, DowntownRecovery.com, Oregon Office of Economic Analysis

On the left, the larger the share of downtown jobs that can be done remotely (working from home, or WFH), the weaker the downtown recovery. In post-pandemic world where working from home a couple days a week is more common, that downtown demand must be replaced. The middle chart looks at the relative balance between the number of WFH downtown jobs and the number of local residents who live downtown. Areas with comparatively larger downtown populations, have seen stronger recoveries. Finally the chart on the right looks at the importance of downtowns in attracting visitors. These may be city and metro residents coming downtown to go out to eat or take in a show, or out of town tourists and business travelers. But regions where downtowns matter more, by having a larger concentration of shopping and eating places, have seen stronger recoveries. In other words, downtowns need to continue to evolve and be an attractive place for people to work, live, and play.

Lastly, downtown definitions matter considerably. The most commonly cited data, and the data used in the charts above, comes from researchers at the University of Toronto<sup>5</sup>. It tracks cell phone data at the zip code level. The challenge is not all zip codes are created equal, and therefore the definition of "downtown" varies considerably when trying to compare cities. For some cities, like Portland and San Francisco, the zip codes used provide tight geographic definitions focused on the office building areas. For other cities, like San Diego, the downtown zip code includes both the airport and the zoo in addition to the office buildings.

Given the geographic variations, it is problematic to simply rank cities based on this data. The comparisons are apples to oranges based on how each city's physical layout and zip codes interact. As a result, our office is no longer using it to refer to Portland's relative ranking nationwide. However, on the other hand, these somewhat different definitions of downtowns do provide more variation in the composition of downtowns and the changes seen during the pandemic. As such, the broad findings of the economic structure of downtowns likely hold up, even if the specifics of one city versus another city are problematic.

<sup>5</sup> <https://downtownrecovery.com/>

## Scenic Areas, Wealth, and Industrial Structure

Scenic areas around the country have local economies with a larger travel and tourism component. If people from outside the area come to visit, they are going to need places to stay, food to eat, activities to do and so on. However, many scenic areas are also highly desirable places to live. As such they have significantly worse housing affordability, and also things like higher rates of working from home even before the pandemic. There is clearly a wealth effect in many scenic areas where not only are there households with very high incomes, but also housing values relative to local incomes or the size of the local economy are materially higher than elsewhere in the country.

Back in 2019, Brookings released a report on so-called wealth work<sup>6</sup>, which focused on a dozen occupations that, generally speaking, provide services to those who can afford to have their lawns taken care of, go out to eat, get their taxes done, and so on. One reason this research caught the attention of our office is that the Bend metro area (Deschutes County) stood out as having a much larger share of local jobs in the wealth work occupations. While Bend, and Central Oregon more broadly do have a larger travel and tourism industry, that is not the whole story of the regional economy.

Our office recently updated the Brookings work with the latest available data. All Oregon metros have more housing wealth than the typical metro nationwide – the flipside of bad housing affordability, is a lot of housing wealth. But once again, Bend stood out. Among all metros nationwide, Bend ranks 17<sup>th</sup> highest for the share of all jobs in the wealth work occupations, and 15<sup>th</sup> highest for housing wealth. In trying to find similar metros to Bend, a handful of generally smaller, generally fast-growing areas in the intermountain west stood out.

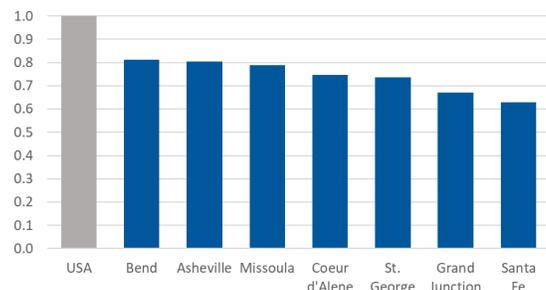
Compared to the nation as a whole, Bend, and these other popular scenic areas do have a lot more jobs in leisure and hospitality, construction, and retail. This is typical given the increase in demand from tourism, and desire to live in these places. However, compared to the other scenic areas, Bend's underlying industrial structure stands out for having relatively more professional and business service jobs, in addition to a larger manufacturing basis. Furthermore, Bend does have a larger share of jobs in financial activities, which is mostly banks, insurance and real estate agents, but also does include the last Blockbuster on earth.

Using a more formal calculation to examine a region's industrial structure finds that among these scenic areas, Bend is the most similar to the nation overall. Bend's economy is more diverse than these other scenic areas.

Now, industry specialization is not necessarily bad. If a local economy relies more on one industry and that industry is booming – think timber in Oregon in the 1960s and 1970s, or high-tech in the Bay Area in the 1990s, or oil in North Dakota in recent decades – than the overall

### Scenic Areas' Industrial Structure

Comparing local industry composition to the U.S., 2022



Source: BLS, Oregon Office of Economic Analysis

<sup>6</sup> <https://www.brookings.edu/articles/whos-employed-by-the-lifestyles-of-the-rich-and-famous/>

economy booms alongside it. Issues arise when that industry faces challenges. As such, a more diversified regional economy can generally be better able to withstand different types of cycles as the economic base is more evenly distributed and less vulnerable to any particular shock.

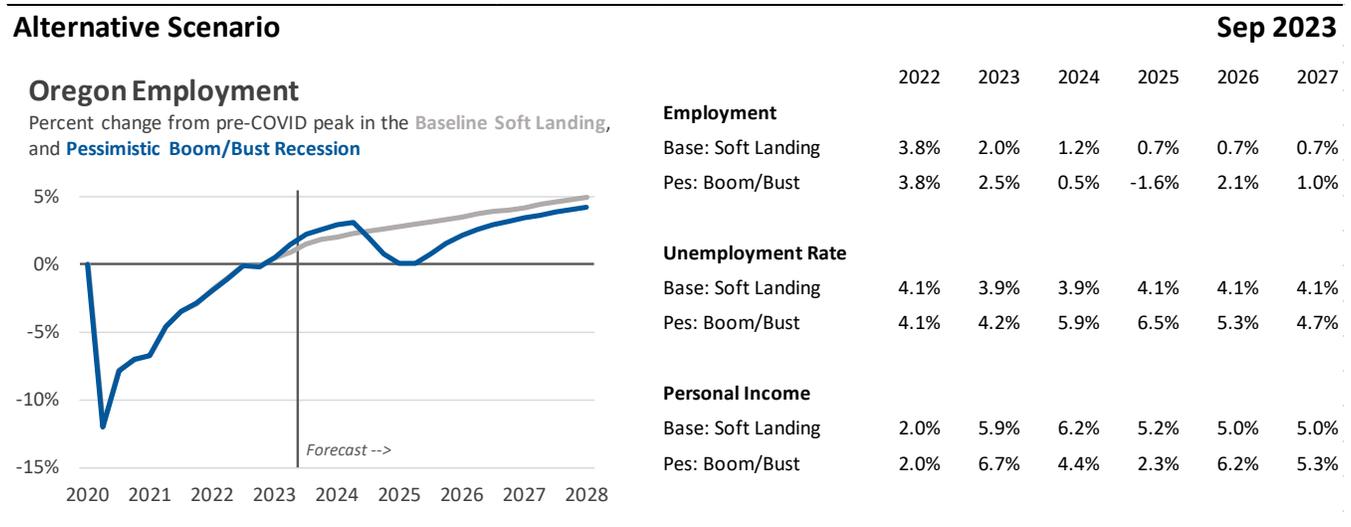
*For more on Scenic Areas, Wealth, and Industrial Structure, including a complete set of slides, please see our office's website<sup>7</sup>.*

## Alternative Scenario

The baseline outlook is our forecast for the most likely path for the Oregon economy. As with any forecast, however, many other scenarios are possible. Inflation is likely to remain above the Federal Reserve's target for the foreseeable future. As such, the Fed likely will need to raise interest rates further to cool the economy. The combination of high inflation, rising interest rates, and slowing economic growth is problematic. The risk of a recession in the future remains very real. The alternative scenario below is not the lower bound of all outcomes, but rather one plausible scenario modeled on realistic assumptions. For the revenue implications, see page 30.

### Boom/Bust Scenario: Moderate Recession

Given the recession concerns and risks in the past year or so, the thinking was that if a recession did come, it would be mild. Inflation expectations remain well anchored, businesses are likely to hoard labor given how hard it is to find workers, and households continue to have strong balance sheets.



All of those dynamics are still true today, however the longer the cycle lasts, the more things can change. And today, the ongoing strength in the economy, and slower inflation likely push any potential recession further into the future. One possibility is that today's strong household savings could be spent down in the quarters ahead, leaving somewhat weaker consumers when a recession does come,

<sup>7</sup> <https://oregoneconomicanalysis.com/2023/08/03/scenic-areas-wealth-and-industrial-structure/>

which would lead to larger layoffs and the so on. As such, the boom/bust alternative scenario this forecast is for a moderate sized recession beginning in the second half of 2024.

The nature of the moderate recession is based on the impacts of higher interest rates, which will impact goods-producing industries to a greater degree than service-providing industries. And the severity of the cycle is close to the average recession Oregon has experienced since World War II, excluding the severe cycles in the early 1980s, the Great Recession, and the COVID recession. Looking specifically at the recessions beginning in 1957, 1960, 1969, 1973, 1990, and 2001, Oregon's average employment change has been a decline lasting three quarters and totaling 2.7 percent, followed by a four quarter recovery period to regain the lost jobs.

The 2024 moderate recession scenario is for a three quarter decline in employment totaling 3.0 percent, followed by a six quarter recovery period, more inline with the so-called jobless recoveries following the 1990 and 2001 cycles, compared to the faster recoveries in the 1950s, 1960s, and 1970s. The three percent decline in employment is a loss of 60,000 jobs. No industry is spared, but goods-producing ones see relatively larger losses at 4.5 percent, while services see slightly fewer losses at 2.8 percent, and the somewhat more stable public sectors experiences job losses of 2.3 percent. The unemployment rate increases to nearly 7 percent by early 2025. Nominal income does not fall outright but growth slows considerably. Income in Oregon is 2.5 percent below the baseline.

## **Oregon's Agricultural Economy**

Last year, the Oregon Legislature passed HB 4002 (2022) which establishes maximum hour and overtime compensation requirements for agricultural workers. The law goes into effect starting this year, in 2023. Moving forward, our office will analyze and monitor the economic and labor market data to assess any impacts from the law. Our office will work to incorporate these changes, if any, in the broader context of the state's agricultural economy. It will take some time before data is available to assess any impacts.

Even so, our office has been highlighting the importance of agriculture to the state's economy in recent quarters. We have dug into farm employment, income, and sales at the state and county level, in addition to international exports. Additionally we discussed how ag fits in with the broader food economy in the state and nation, and also the outlook for consumer spending on food and price forecasts related to revenues and costs.

Last quarter we highlighted QCEW data, the nearly real-time data coming from businesses submitting records for unemployment insurance purposes. Of note was the fact that agricultural data was very seasonal given harvest, and that crop production had been on a slight downward trend in 2021 and 2022, possibly in part due to lower global commodity prices.

This quarter we have our first glimpse at the 2023 first quarter QCEW data. At a high level, when comparing the first quarter of this year to last year, employment for both crop production and animal production have declined, compared to job gains for the state's private sector overall. Average wages per worker have increased more for agricultural workers than for all private sector workers. At first

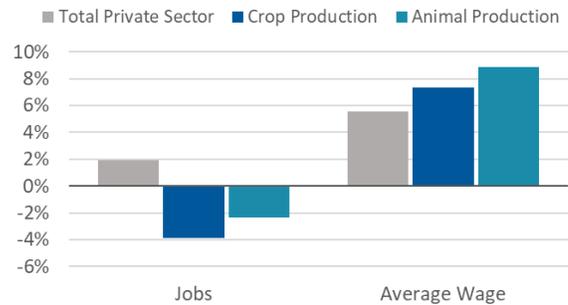
blush, this pattern of weaker employment and strong wage gains likely fits the expected patterns of what the impact of the new law would be.

Keep in mind that this is preliminary data, and is just one quarter. It is far from enough information to make any real assessments of how the law is impacting the state economy. It is also at a high level, using a simple year-over-year comparison. Further analysis looking at the number of hours worked per employee is needed to better gauge the impacts.

Moving forward, our office will work with other state agencies to gather and analyze the available data. Future quarterly forecasts will include updates to the underlying ag economy, when available, and any such analysis of the impacts of the new law.

### Oregon Labor Market Changes

2022q1 - 2023q1 percent change



Data: QCEW | Source: Oregon Employment Department, Oregon Office of Economic Analysis

### Longer-Term Forecast Risks

The economic and revenue forecast is never certain. Our office will continue to monitor and recognize the potential impacts of risk factors on the Oregon economy. Although far from comprehensive, we have identified several major risks now facing the Oregon economy in the list below:

- U.S. Economy. While Oregon is usually more volatile than the nation overall, the state has never missed a U.S. recession or a U.S. expansion. In fact, Oregon’s business cycle is perfectly aligned with the nation’s when measuring peak and trough dates for total nonfarm employment.
- Housing Affordability. New housing supply has not kept pace with demand in either the ownership or rental markets. Oregon has underbuilt housing by 140,000 units in recent decades<sup>8</sup>. To the extent home prices and rents rise significantly faster than incomes, it is a clear risk to the outlook. Worse housing affordability hurts Oregonians as they need to devote a larger share of their household budget to the basic necessities. Furthermore, while not the baseline outlook, worse affordability may dampen future growth as fewer people can afford to live here, lowering net in-migration, and the size of the labor force in the years ahead.
- Global Spillovers. The international list of risks seems to change by the day. Right now there is an ongoing war in Europe, and the risk of war in Southeast Asia has been uncomfortably high in recent years. Longer-term concerns regarding commodity price spikes in Emerging Markets, or the strength of the Chinese economy – the top destination for Oregon exports – are top of mind.
- Federal Fiscal Policy. Changes in national spending impact regional economies. In terms of federal revenues, spending, and employment Oregon is generally in the middle of the pack across states. Oregon does see larger impacts related to land management and forest policies, including direct federal employment. Oregon ranks below average in terms of military-dependent industries and lacks a substantial military presence within the state.

<sup>8</sup> <https://www.oregon.gov/ohcs/about-us/Documents/RHNA/RHNA-Technical-Report.pdf>

- Climate and Natural Disasters. While the severity, duration, and timing of catastrophic events like earthquakes, wildfires, and droughts are difficult to predict, we know they impact regional economies. Fires damage forests with long-term impacts, and short-term disrupt tourism. Droughts impact our agricultural sector and rural economies to a greater degree. Whenever Cascadia, the big earthquake, hits, we know our economy and infrastructure will be crippled. Some economic modeling suggests that Cascadia's impact on Oregon will be similar to Hurricane Katrina's on New Orleans. Longer-term issues like the potential impact of climate change on migration patterns are hard to predict and generally thought to be outside our office's forecast horizon. Even so, it is a reasonable expectation that migration flows remain strong as the rest of the country becomes less habitable over time.
- Initiatives, Referendums, and Referrals. Generally, the ballot box and legislative changes bring a number of unknowns that could have sweeping impacts on the Oregon economic and revenue picture.

## Extended Outlook

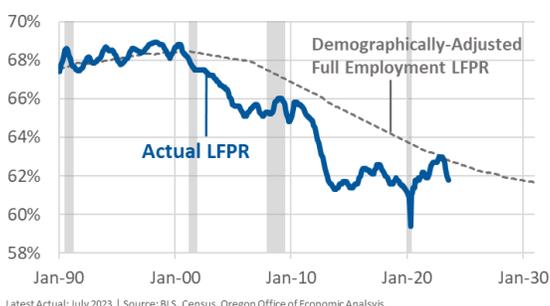
Oregon typically outperforms most states over the entire economic cycle. This time is no different, however the expectations are that the relative growth advantage may be a bit smaller than it has been historically. The primary reason being slower population, and labor force growth than in decades past. Our office is a bit more bullish on Oregon's economic and population growth than IHS Markit is, but our office overall agrees with the relative patterns nationwide. From 2023 to 2028, IHS expects Oregon's real GDP growth to rank 14<sup>th</sup> fastest among all states, while employment growth ranks 25<sup>th</sup> fastest, and population gains are the 16<sup>th</sup> fastest.

Over the extended forecast horizon our office has identified four main avenues of growth that are important to continue to monitor: the state's dynamic labor supply, the state's industrial structure, productivity, and the current number of start-ups, or new businesses formed.

Labor Supply. Oregon has typically benefited from an influx of households from other states, including an ample supply of skilled workers. Households at least used to continue to move to Oregon even when local jobs are scarce, as long as the economy is equally bad elsewhere, particularly in California. Relative housing prices also contribute to migration flows in and out of the state. For Oregon's recent history – data available from 1976 – the labor force in the state has both grown faster than the nation overall and the labor force participation rate has typically been higher.

### Oregon's Labor Force Participation

Share of all Oregonians 16 years and older with a job or looking for work



The good news today is that Oregon's labor force has never been larger, and the labor force participation rate has been higher than it was before the pandemic began, at least until the last couple months of data. Even in this sometimes noisy, and unrevised data, the strength of Oregon's labor market is clear.

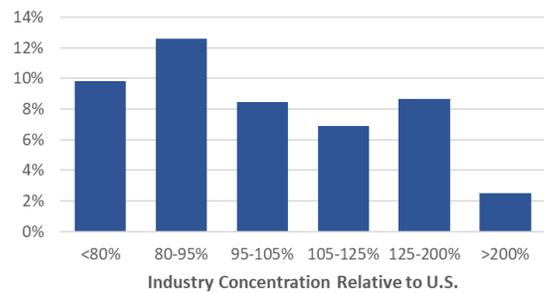
Moving forward, overall labor force participation rates will decline, simply due to the aging of the population. As more Baby Boomers enter into their retirement years, the share of all adults working or looking for work will fall as a result. As such, comparing Oregon’s participation rates against a demographically-adjusted measure is important. Here, too, the current strength of the Oregon’s labor market is evident, and encouraging.

The challenge moving forward is twofold. First, is overall population growth and whether that rebounds as expected in the years ahead. Second, whenever the next recession (or two) does come, maintaining a high participation rate and not seeing larger numbers of discouraged workers drop out of the labor force like they did following both the dotcom and housing busts. It was only once the economy became strong again in the late 2010s and early 2020s have some of those losses begun to be regained.

**Industrial Structure.** Oregon’s industrial structure is very similar to the U.S. overall. However, Oregon’s manufacturing industry is relatively larger, and weighted more toward semiconductors and wood products, compared to the nation which is more concentrated in transportation equipment (aerospace, and automobiles). However, industries like timber and high-tech, which have been Oregon’s strength in both the recent past and historically, are now expected to grow the slowest moving forward. Productivity and output from the state’s technology producers is expected to continue growing quickly, however employment is not likely to follow suit. Similarly, the timber industry remains under pressure from both market based conditions and federal regulations. Barring major changes to either, the slow growth to downward trajectory of the industry in Oregon is likely to continue.

### Oregon's Industrial Structure and Outlook

Employment Growth by Industry Concentration, 2022-2032



Concentration based on 2019 location quotients | Source: BLS, Oregon Office of Economic Analysis

With that being said, certainly not all hope is lost. Those top industries in which Oregon has a local concentration at least twice the national average comprise approximately 4 percent of all statewide employment. Slower growth moving forward is not a weight, but rather more of a lack of a boost.

Many industries in which Oregon has a larger concentration than typical state are expected to perform quite well over the coming decade. These industries include management of companies, food and beverage manufacturing, published software along with some health care related firms.

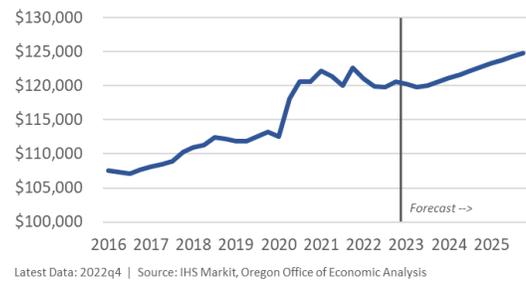
The state’s real challenges and opportunities will come in industries in which Oregon does not have a relatively large concentration. These industries, like consulting, computer system design, financial investment, and scientific R&D, are expected to grow quickly in the decade ahead. To the extent that Oregon is behind the curve, then the state may not fully realize these gains if they rely more on clusters and concentrations of similar firms that may already exist elsewhere around the country.

**Capital and Productivity.** Ultimately, the economy’s industrial structure combined with capital will result in increasing productivity. Higher productivity allows firms to produce and sell more products, and pay higher wages to its workers. Capital can come in many different forms including financial, natural, physical, human, and social. All can help raise firm productivity, benefiting the economy more broadly.

Today, the economy desperately needs better productivity, which has been sluggish this century. Early in the pandemic, productivity perked up as firms had to make due with reduced workforces at the same time consumer demand remained strong. However, as employment has rebounded, these productivity increases not only have not held, but have eroded. The current outlook for productivity is more or less back to the pre-pandemic trend, if slightly above it. Increasing the stock and use of Oregon's capital would boost the economy overall.

### Oregon Real GDP per Worker

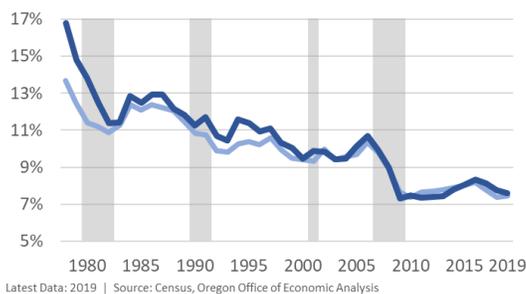
*Inflation-adjusted value-added per employee*



**New Business Formation.** New businesses are generally considered the primary source of innovation. New ideas, products, and services help propel future economic growth. Unfortunately in the decades leading up to the pandemic, start-up activity was declining. New businesses as a share of all businesses were at or near record lows in 2019. Employment at start-ups follow a similar pattern.

### Entrepreneurship Declining Pre-Pandemic

*New Establishments as Share of Total in U.S. and Oregon*



To the extent the low levels of entrepreneurship continue, and R&D more broadly is not being undertaken, slower productivity gains and overall economic growth is to be expected. However, to the extent that larger firms that have won out in today's marketplace are investing in R&D and making those investments themselves, then the worries about the number of start-ups today is overstated. It can be hard to say which is the correct view. That said, actual, realized productivity in the economy has been sluggish in recent decades.

Encouragingly, new business applications during the pandemic actually accelerated, stopping the long-run decline. Applications from what Census calls high-propensity business with planned wages, which are the most likely to eventually turn into real firms that employ workers, have been higher in 2021 and so far in 2022 than back in 2019. New business applications of all other types, including self-employment, are up even further.

### Oregon Business Applications

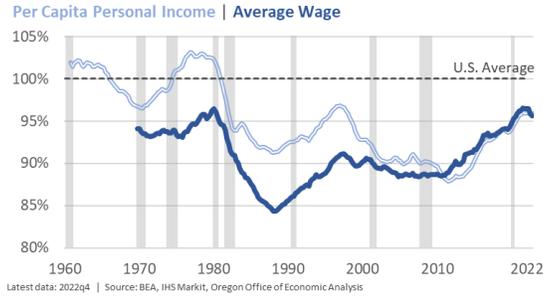
*Percent change from the same week in 2019 for High Propensity applications with Planned Wages and All Other*



These gains provide some hope for future economic growth should some of these new firms bring new ideas, products, and efficiencies to market. Even if the per firm probability of success remains the same, having more ping pong balls in the lottery increases the overall probability that a few will survive and succeed tremendously.

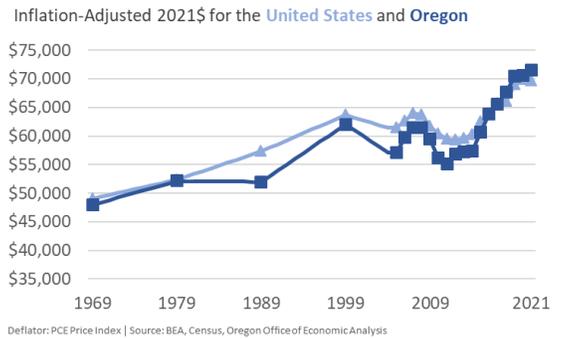
Oregon Income Relative to U.S. One long-standing concern for some policymakers and analysts had been Oregon's relatively low income and wage compared to the rest of the nation. Encouragingly, the strong economic growth last decade did translate into meaningful increases in Oregon's per capita income and average wage. Today Oregon's per capita income relative to the U.S. is at its highest point since the dotcom bust two decades ago, and the state's average wage is at its highest relative point since the timber industry restructured and the mills started closing in the early 1980s.

### Oregon Income, Share of U.S. Average



Oregon's median household income in recent years has reach historic highs, even after adjusting for inflation. More importantly, it now stands 2.6 percent higher than the U.S. overall as of 2021. In recent years, this marks the first time in more than 50 years that Oregonian incomes for the typical household or family are higher than the nation. The fact that the strong regional growth translated into more money in the pockets of Oregonians, and regained the ground lost decades ago is one of the most important economic trends in recent generations. 2022 data will be released by the Census Bureau on September 14<sup>th</sup>. Our office will update on our website at that time, and in the next quarterly forecast.

### Median Household Income



## Revenue Outlook

### Revenue Summary

After several quarters of unexpectedly rapid growth in tax collections, Oregon’s state revenue outlook appears to have stabilized. A consensus of economic forecasters has converged on a baseline scenario in which monetary policymakers are able to navigate a soft landing, cooling inflation without large job and income losses. Although this economic outlook remains highly uncertain, it appears on track for now. The same can be said for the state revenue outlook. Collections in recent months have tracked closely with the May forecast. Even so, Oregon has yet to go through its first personal income tax filing season of the biennium, and as such, everything remains at risk.

This revenue forecast represents the last look at the 2021-23 biennium and reveals the Close of Session (COS) forecast. The Close of Session forecast sets the bar for Oregon’s constitutionally required balanced budget, as well as its unique kicker law. The COS incorporates any legislative changes enacted during the legislative session that impact General Fund revenues and folds them into the mid-session (May) revenue forecast that covers the next two years, and forms the basis of the legislatively adopted budget.

This session’s legislative changes were relatively modest in scope when compared to the changes that have been made in recent years. After recent transformational changes to Oregon’s revenue system, which have shifted the state toward a more consumption-focused revenue base, the legislative changes made during the 2023 session were relatively minor. All told, law changes during the 2023 session resulted in a reduction of \$48.6 million in expected General Fund revenue during the current biennium.

### 2023-25 General Fund Revenues

Gross General Fund revenues for the 2023-25 biennium are expected to reach \$25,663 million. This represents an increase of \$354 million from the May 2023 forecast, and an increase of \$403 million relative to the Close of Session forecast. Most of the increase can be attributed to collections of corporate income taxes, which continue to outstrip underlying profit earnings. Total available resources in the current 2023-25 biennium are increased \$437 million after accounting for a bigger beginning balance which was the result of a larger ending balance in the previous 2021-23 biennium after it closed this summer.

(Millions)	2023 COS Forecast	May 2023 Forecast	September 2023 Forecast	Change from Prior Forecast	Change from COS Forecast
<b>Structural Revenues</b>					
Personal Income Tax	\$21,019.7	\$21,088.3	\$21,063.6	-\$24.7	\$43.9
Corporate Income Tax	\$2,228.9	\$2,245.0	\$2,549.9	\$304.8	\$320.9
All Other Revenues	\$2,011.3	\$1,975.3	\$2,049.5	\$74.2	\$38.2
<b>Gross GF Revenues</b>	<b>\$25,259.9</b>	<b>\$25,308.6</b>	<b>\$25,663.0</b>	<b>\$354.4</b>	<b>\$403.1</b>
Offsets, Transfers, and Actions <sup>1</sup>	-\$437.0	-\$439.4	-\$545.6	-\$106.2	-\$108.6
Beginning Balance	\$7,493.5	\$7,002.1	\$7,636.2	\$634.1	\$142.8
<b>Net Available Resources</b>	<b>\$32,316.4</b>	<b>\$31,871.4</b>	<b>\$32,753.7</b>	<b>\$882.3</b>	<b>\$437.3</b>
Appropriations	\$31,873.6	NA	\$31,873.6	NA	\$0.0
<b>Ending Balance</b>	<b>\$442.8</b>	<b>NA</b>	<b>\$880.1</b>	<b>NA</b>	<b>\$437.3</b>
<b>Confidence Intervals</b>					
67% Confidence	+/- 9.0%		\$2,302.0	\$23.36B to \$27.97B	
95% Confidence	+/- 17.9%		\$4,604.0	\$21.06B to \$30.27B	

<sup>1</sup> Reflects personal and corporate tax transfers, cost of cashflow management actions (TANS), and Rainy Day Fund transfer

## Personal Income Tax

Growth in withholdings has picked back up in recent weeks, and are not growing at an annual rate of around 5%, in range with what is typically seen when Oregon's economy is expanding. Although there are other factors involved (e.g. retirement income, bonuses, and stock options), withholdings are mostly driven by wages and salaries. While usually wage acceleration would be welcome news, today's labor market needs to cool down. If the labor market continues to heat up at the national level, monetary policymakers may need to clamp down harder going forward.

As always, the most difficult components of personal income taxes to predict are nonwage forms of income such as capital gains. Unlike labor income, taxpayers have flexibility over when they realize capital gains for tax purposes. After setting records during 2022, realized capital gains declined by nearly 50% this year matching expectations. These declines have an outsized impact on tax collections given that most are claimed by high-income households. The drag on revenues will persist in going forward due to losses carried forward into future tax years.

## Calculation of Oregon's Personal Income Kicker Credit

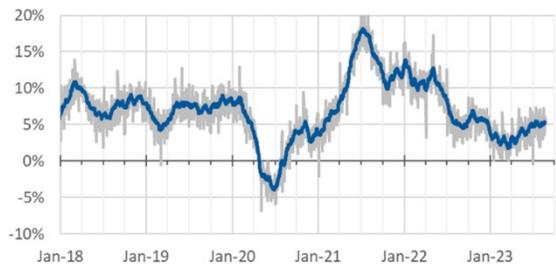
Article IX, Section 14 of the Oregon Constitution establishes personal and corporate "kicker" tax rebates. The law is codified in Oregon Revised Statute 291.249, which governs the calculation and certification of the rebates.

The personal tax rebate is a tax credit refunding a surplus of all General Fund revenues excluding corporate income and excise taxes. The surplus is calculated as the difference between actual revenues for the biennium in question less the forecast issued two years prior that formed the basis of the legislatively adopted budget. The refunding is triggered if actual revenues are more than two percent larger than forecasted revenues.

The Department of Administrative Services is required to tabulate General Fund revenues for the preceding biennium, determine whether they have exceeded the two-percent threshold, and certify the surplus and income tax credit percentage to the Department of Revenue by October 1.

## Oregon Withholding

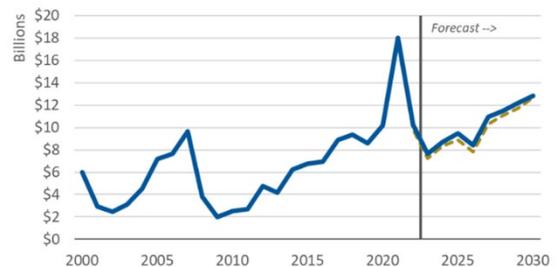
90 Day Rolling Sum of Collections: Year-over-Year Change | [Moving Average](#)



Latest Data: August 25, 2023 | Source: Oregon Dept. of Revenue, Oregon Office of Economic Analysis

## Oregon Realizations of Capital Gains

May 2023 Forecast | [September 2023 Forecast](#)



2022 estimate based on returns through May 4 | Full-year filers Source: Oregon DOR, Oregon Office of Economic Analysis

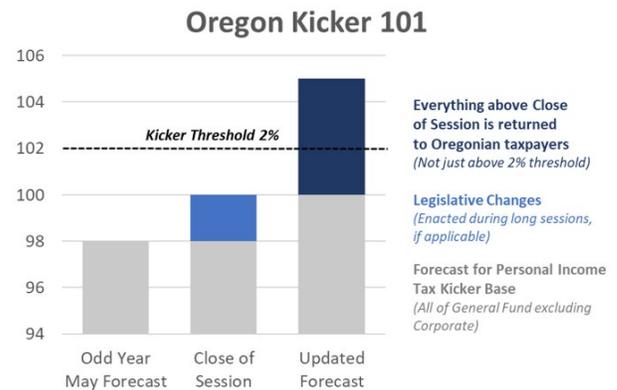
## Determining the Kicker Threshold

The personal kicker threshold is set two percent higher than General Fund revenues (excluding corporate income and excise taxes) were expected to be when the budget was drafted.

According to ORS 291 349:

*“The Oregon Department of Administrative Services shall base its estimate on the last forecast given to the Legislative Assembly before adjournment sine die of the odd-numbered year regular session on which the printed, adopted budget prepared in the Oregon Department of Administrative Services is based, adjusted only insofar as necessary to reflect changes in laws adopted at that session.”*

In practice, the last forecast presented to the Legislature is typically delivered around May 15 during odd-numbered years. Any statutory changes made during the session that impact revenues are folded into the May outlook using revenue impact estimates developed by the Legislative Revenue Office. This forecast is commonly referred to as the Close of Session forecast and is first reported in the September quarterly economic and revenue outlook report (Table B.1). The Close of Session forecast and resulting kicker threshold remain unchanged over the remainder of the biennium, unless the Legislature chooses to revise the estimate with a 2/3rds vote.<sup>9</sup>



## Determining General Fund Revenues

Unlike most state accounts, General Fund resources used in the kicker calculation are accounted for on a cash basis. According to Article IX, Section 14: *“As soon as is practicable after the end of the biennium, the Governor shall cause actual collections of revenues received by the General Fund for that biennium to be determined.”* With few exceptions<sup>10</sup>, revenues are counted at the time they are deposited into the General Fund, not when they are remitted by taxpayers or generated in the

<sup>9</sup> Article IX, Section 14: (6)(a) Prior to the close of a biennium for which an estimate described in subsection (1) of this section has been made, the Legislative Assembly, by a two-thirds majority vote of all members elected to each House, may enact legislation declaring an emergency and increasing the amount of the estimate prepared pursuant to subsection (1) of this section.

<sup>10</sup> According to LC opinion, any revenue that was understood to be part of the General Fund when the kicker rebate was written into the Constitution (fiscal year 2000) must be included in the kicker calculation even if that revenue is no longer deposited into the General Fund. For the 2021-23 biennium, this included income tax carve-outs for the Greenlight film and video credit, the Gain Share transfer to counties, and reimbursements for investment in Regionally Significant Industrial sites. These, along with a transfer to the PERS UAL out of estate tax collections, are added back into General Fund revenues for the purposes of the kicker calculation.

<sup>11</sup> Some withholdings of personal income taxes that are collected in July are accrued to June due to a rule known as the 30-day number. This accrual is explained in an addendum.

marketplace. As such, all deposits into the General Fund occurring between July 1 of the first year of the biennium, and June 30 of the last year of the biennium are included in revenues. For the 2021-23 biennium the personal income tax surplus has been estimated to be \$5.6 billion.

Given the strict cash basis, agency financial statements cannot be used for kicker certification. Instead, the several thousand individual deposits into the General Fund over the course of the biennium must be summed together to reach a total revenue figure. A query of the Statewide Financial Management System identifies all such deposits. Any unusual transactions are reviewed with the DAS Statewide Accounting and Reporting Section and agency financial personnel for verification and potential correction.

### *Determining the Personal Income Tax Credit Percentage*

The kicker rebate is distributed as a refundable income tax credit in the first tax year of the biennium. This size of this credit is based on the taxpayer’s personal income tax liability in the previous year.

The Department of Administrative Services is required to calculate the total kicker rebate (actual General Fund revenues less the Close of Session forecast) as a percentage of personal income tax liability for the previous tax year (less credits for taxes paid to other states).

The October 1 certification deadline arrives before liability data for the previous tax year is complete. The extension filing deadline arrives two weeks later, when many of the most complicated and highest-income returns are filed. As a result, the liability figure used in the tax credit percentage represents an estimate based on all collections and returns filed to date, together with historical arrival rates for reported income. After the Department of Administrative Services certifies the income tax credit percentage, the Department of Revenue is allowed to adjust the percentage to account for administrative costs.

Income Group	Adjusted Gross Income*	Rough Estimate of Kicker Size**
Bottom 20%	< \$11,400	\$60
Second 20%	\$11,400 - \$28,900	\$440
Middle 20%	\$28,900 - \$52,400	\$1,000
Fourth 20%	\$52,400 - \$96,200	\$1,900
Next 15%	\$96,200 - \$201,300	\$3,800
Next 4%	\$201,300 - \$466,700	\$9,200
Top 1%	> \$466,700	\$44,600
Average	\$69,400	\$2,100
Median	\$35-40,000	\$980

\* Based on 2020 actual tax returns

\*\* Based on 2020 actual tax returns, PIT kicker amount (\$5.6 billion) and the Oregon Office of Economic Analysis’ forecast tax liability

### *Addendum: The 30-day Number*

Oregon’s General Fund revenues are counted on a pure cash basis with few exceptions. The primary exception is the 30-day accrual of July withholding receipts:

In 1981, Budget and Management recommended instituting a 10 working-day accrual for July 1981. This moved personal income tax withholdings that were related to June activity back into the 1979-81 biennium even though they were received after the biennium ended. Prior to that time, everything was on a cash basis. The motive was to help balance the 1979-81 budget as well as build the 1981-83 budget.

In 1995, the Department of Administrative Services went to a 30-day accrual. This was in response to a Governmental Accounting Standards Board (GASB) recommended change for all states. Most all were making the change because of the one-time revenue gain.

OAM 20.50.00, section 106, describes the 30-day number: *For each biennium ending June 30, the Department of Revenue will record in the biennium then ended net personal income tax withholding receipts received in July related to June (and prior), less any withholding related refunds (errors or adjustments) that occur in July that relate to June (and prior). This is an exception to the cash basis budgetary accounting used for other types of General Fund revenue. For purposes of the General Fund “kicker” calculation, this amount is the “30-day number.”*

### *Corporate Excise Tax*

Oregon’s traditional corporate income and excise tax collections have continued to outstrip expectations, as well as underlying corporate profits. The current inflationary environment is one factor supporting recent corporate tax collections. With underlying demand so strong, businesses have largely been able to pass cost increases along to their customers. Profits and earnings have skyrocketed. Even so, growth in corporate tax payments has been far faster than has growth in underlying business income.

The surge in tax collections relative to underlying profits began around the same time as the federal tax reforms included in the Tax Cuts and Jobs Act. Among many other things, the reforms encouraged corporations to realize more of their income domestically, potentially increasing the tax base for states. With more than four years of post-reform data now available, the federal reforms are now incorporated in the corporate tax model. This has led to a stronger outlook for collections throughout the forecast horizon.

**Oregon Corporate Excise Taxes & U.S. Profits**

*Level relative to 2005, SAAR*



Latest Data: 2023q1 | Source: OR Dept of Revenue, Oregon Office of Economic Analysis

### *Other Sources of Revenue*

Non-personal and non-corporate revenues in the General Fund usually account for approximately six or seven percent of the total. In the newly started 2023-25 biennium they account for nearly eight percent (largely driven by the record personal income tax kicker being paid out which reduces overall General Fund revenues.) The largest such source are estate taxes, followed by interest earnings, liquor revenues, and judicial revenues.

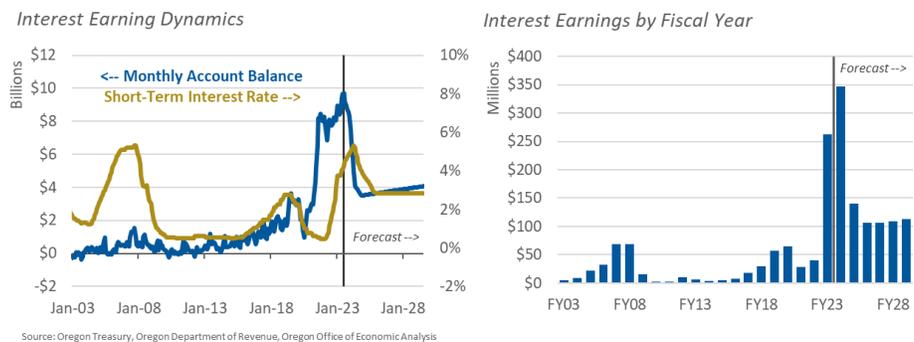
The 2023-25 Close of Session forecast is increased nearly two percent from the May forecast due to legislative actions. The largest change comes from SB 1049 which transfers \$40.6 million from Other Funds to the General Fund. Additionally, liquor revenues transferred to the General Fund were increased \$5.2 million due to the combination of increased revenues (HB 3308) from home delivery sales, and other cost savings in the agency budget. These gains were partially offset by SB 498 which reduces

Estate Taxes by \$8.0 million this biennium, as a new natural resource property exemption is implemented. Additionally, Criminal Fine Account revenues transferred to the General Fund are lowered after account for increased revenues from photo radar expansion and increased expenditures in other programs that receive CFA revenues.

Relative to the new Close of Session forecast, these other revenue sources are raised \$38.2 million (+1.9%). Insurance Taxes are increased \$20.1 million, Interest Earnings are raised \$13.9 million, Estate Taxes are increased \$5.4 million, while Securities Fees are lowered \$1.1 million. Looking forward, these revenues are raised \$20.0 million (+1.2%) in the next biennium 2025-27, by \$14.0 million in 2027-29 (+0.8%), by \$9.8 million (+0.5%) in 2029-31, and by \$4.2 million (+0.2%) in 2031-33.

One key revenue sources that continues to stand out relative to history is General Fund interest earnings. The combination of high fund balances today – the result of the inflationary economic boom outpacing forecast expectations – and high interest rates, means

### Oregon General Fund Interest Earnings



public sector interest earnings are now substantial. In the just completed Fiscal Year 2023, Oregon saw \$262.5 million in interest earnings, which is more than the state received in the previous 10 years combined. The forecast for interest earnings in the current Fiscal Year 2024 are expected to total \$346.7 million.

The outlook for interest earnings is somewhat uncertain given potential timing issues. Today, fund balances are more than \$6 billion higher than back in 2019. Next spring the record kicker will be returned to taxpayers, which is expected to reduce the balances from today’s high-water mark. To the extent the timing of the kicker credits being paid out differ from expectations, or that short-term interest rates shift with broader changes in the financial markets, then the state’s interest earnings will differ from this forecast.

### Extended General Fund Outlook

Table R.2 exhibits the long-run forecast for General Fund revenues through the 2029-31 biennium. Users should note that the potential for error in the forecast increases substantially the further ahead we look.

Revenue growth in Oregon and other states will face considerable downward pressure over the 10-year extended forecast horizon. As the baby boom population cohort works less and spends less, traditional state tax instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen in the past.

## Table R.2

### General Fund Revenue Forecast Summary (Millions of Dollars, Current Law)

Revenue Source	Forecast									
	2023-25 Biennium	% Chg	2025-27 Biennium	% Chg	2027-29 Biennium	% Chg	2029-31 Biennium	% Chg	2031-33 Biennium	% Chg
Personal Income Taxes	21,063.6	-18.0%	30,171.1	43.2%	35,122.7	16.4%	39,838.6	13.4%	44,702.9	12.2%
Corporate Income Taxes	2,549.9	-19.2%	2,898.8	13.7%	3,208.3	10.7%	3,481.5	8.5%	3,840.5	10.3%
All Others	2,049.5	5.7%	1,744.6	-14.9%	1,842.3	5.6%	1,960.6	6.4%	2,096.6	6.9%
Gross General Fund	25,663.0	-16.6%	34,814.5	35.7%	40,173.4	15.4%	45,280.6	12.7%	50,640.0	11.8%
<i>Offsets and Transfers</i>	<i>(274.3)</i>		<i>(191.1)</i>		<i>(210.3)</i>		<i>(191.0)</i>		<i>(10.1)</i>	
Net Revenue	25,388.7	-17.0%	34,623.4	36.4%	39,963.1	15.4%	45,089.6	12.8%	50,629.9	12.3%

## Tax Law Assumptions

The revenue forecast is based on existing law, including measures and actions signed into law during the 2023 Oregon Legislative Session. OEA makes routine adjustments to the forecast to account for legislative and other actions not factored into the personal and corporate income tax models. These adjustments can include expected kicker refunds, when applicable, as well as any tax law changes not yet present in the historical data. A summary of actions taken during the 2023 Legislative Session can be found in Appendix B Table B.3. For a detailed treatment of the components of the 2023 Legislatively Enacted Budget, see:

Legislative Fiscal Office's [2023-25 Budget Summary](https://www.oregonlegislature.gov/lfo/Documents/2023-25%20Legislatively%20Adopted%20Budget%20-%20General%20Fund%20and%20Lottery%20Funds%20Summary.pdf)<sup>12</sup>

Although based on current law, many of the tax policies that impact the revenue forecast are not set in stone. In particular, sunset dates for many large tax credits have been scheduled. As credits are allowed to disappear, considerable support is lent to the revenue outlook in the outer years of the forecast. To the extent that tax credits are extended and not allowed to expire when their sunset dates arrive, the outlook for revenue growth will be reduced. The current forecast relies on estimates taken from the Oregon Department of Revenue's 2023-25 Tax Expenditure Report<sup>13</sup> together with more timely updates produced by the Legislative Revenue Office.

<sup>12</sup> <https://www.oregonlegislature.gov/lfo/Documents/2023-25%20Legislatively%20Adopted%20Budget%20-%20General%20Fund%20and%20Lottery%20Funds%20Summary.pdf>

<sup>13</sup> <https://www.oregon.gov/DOR/programs/gov-research/Pages/research-tax-expenditure.aspx>

## General Fund Alternative Scenarios

The latest revenue forecast for the current biennium represents the most probable outcome given available information. Our office feels that it is important that anyone using this forecast for decision-making purposes recognize the potential for actual revenues to depart significantly from this projection.

The near-term outlook is particularly uncertain right now. The probability of the soft landing, no recession is rising but the odds of a recession in coming years remains uncomfortably high. Our office’s economic alternative scenario (see page 15) is a Boom/Bust cycle with a recession beginning in the second half of 2024. This does mean the revenue impact will be felt in both the current 2023-25 biennium and the next 2025-27 biennium.

Looking at the current 2023-25 biennium, in the pessimistic scenario, General Fund revenues in Oregon would be \$1.6 billion lower than in the baseline. Revenues in 2025-27 would be recovering but still \$1.1 billion below the current baseline outlook.

Changes would also be seen outside of the General Fund among Oregon’s consumption-based revenues as well. Such taxes are generally less volatile than income taxes and help to stabilize Oregon’s overall revenue base.

Boom/Bust Alternative Scenario					
	\$ Millions from Baseline				
	23-25	25-27	27-29	29-31	31-33
<b>General Fund Total</b>	<b>-1,648</b>	<b>-1,122</b>	<b>-223</b>	<b>-125</b>	<b>-102</b>
Other Revenues					
	\$ Millions from Baseline				
	23-25	25-27	27-29	29-31	31-33
Lottery	-24	-59	-47	-41	-24
Corporate Activity Tax	-258	-192	-49	-20	-18
Marijuana Tax	-4	-11	-9	-9	-5
<b>Total</b>	<b>-286</b>	<b>-262</b>	<b>-105</b>	<b>-69</b>	<b>-47</b>
Total Sum					
	\$ Millions from Baseline				
	23-25	25-27	27-29	29-31	31-33
<b>Total Sum</b>	<b>-1,934</b>	<b>-1,384</b>	<b>-328</b>	<b>-194</b>	<b>-149</b>

Specifically in 2023-25, the Corporate Activity Tax would be \$258 million lower than the baseline, while Lottery is expected to be \$24 million lower, and Marijuana revenues \$4 million lower.

In 2025-27, the Corporate Activity Tax would be \$192 million lower than the baseline, while Lottery would be \$59 million, and Marijuana \$11 million. Over time the economy and state revenues would make up the recessionary lost ground and nearly converge with the baseline outlook. However, recessions tend to leave scars, and the Boom/Bust scenario never fully regains all of the lost ground economically or in terms of state revenues.

## Corporate Activity Tax

The 2019 Legislature enacted the corporate activity tax (CAT)<sup>14</sup>, a new tax on gross receipts that went into effect January 2020. While taxpayers were required to file on a calendar year basis for tax year 2020, a law change allowed taxpayers to switch to a fiscal year basis beginning with tax year 2021. While a full snapshot of 2021 tax returns won’t be available for a few months, an estimate of tax liability is well known. The estimate for 2022 liability will continue to evolve during the extension filing season in the Fall. Given lower-than-expected refund activity in recent months, this estimate has been lowered

<sup>14</sup> [0122 \(oregonlegislature.gov\)](https://www.oregonlegislature.gov/bills_laws/2019/0122.html)

modestly since the May forecast. Otherwise, the forecast remains little changed in line with the economic outlook presented earlier in this publication. Available resources for the 2023-25 biennium have been revised upward by \$29.9 million, primarily buoyed by a larger beginning balance, while legislatively adopted allocations were reduced well below the levels anticipated in the prior forecast. This results in a projected ending balance of \$220.7 million in the Fund for Student Success.

These revenues are dedicated to spending on education. The legislation also included personal income tax rate reductions, reducing General Fund revenues. The net impact of HB 3427 was designed to generate approximately \$1 billion per year in new state resources, or \$2 billion per biennium.

In terms the macroeconomic effects of a major new tax, the Office of Economic Analysis starts with the Legislative Revenue Office's (LRO) impact statement and any Oregon Tax Incidence Model (OTIM) results LRO found. At the top line, OTIM results find minimal macroeconomic impacts across Oregon due to the new tax. Personal income, employment, population, investment and the like are less than one-tenth of a percent different under the new tax relative to the baseline. The model results also show that price levels (inflation) will increase above the baseline as some of the CAT is pushed forward onto consumers. Of course these top line, statewide numbers mask the varying experiences that individual firms and different industries will experience. There are likely to be some businesses or sectors that experience large impacts from the CAT, or where pyramiding increases prices to a larger degree, while other businesses or sectors see relatively few impacts.

Table B.12 in Appendix B summarizes the 10-year forecast and the allocation of resources, while Table B.13 presents a more detailed quarterly breakdown of the forecast. The personal income tax reductions are built into the General Fund forecasts shown in Tables B.1 and B.2.

## **Lottery Forecast**

In keeping with a stable economic outlook in terms of income, jobs, population, and spending, the overall lottery forecast is relatively unchanged as well. Resources in the current 2023-25 biennium are raised \$9.5 million (+0.5%), while resources in 2025-27 and beyond are all lowered by approximately one half of one percent, or \$11 to \$15 million per biennium.

The primary change made to the outlook is slight reduction in the sales outlook for video lottery. Sales have tracked low in recent months. This is carried forward into the forecast, when combined with stable income and spending forecasts. It remains an open question to what extent the sharper slowdown in video sales recently is temporary, or a sign of something more permanent. On one hand, sales slowed in other states, but less so than in Oregon. On the other hand, households may be struggling with continued high inflation which could crimp their spending on discretionary items to a greater degree. Or conversely, with increased travel and the high cost of vacations today, consumers may be choosing to spend their money on other entertainment options to a greater degree.

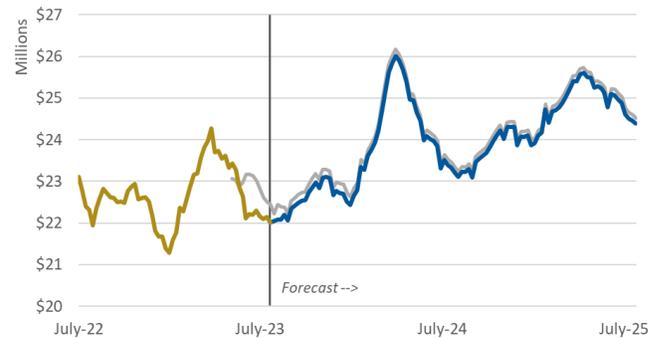
But overall, sales remain much stronger than pre-pandemic, and are tracking closer to the previous forecast in recent weeks than they were a couple of months ago. And comparing the entire cycle to

date, Oregon video sales are right in the middle of the pack for sales growth in slots or video seen in other states.

One additional factor impacting sales next year is the record \$5.6 billion personal income tax kicker that will be return to taxpayers. While video lottery sales are only approximately 0.45 percent of Oregon personal income, such a large increase in disposable income is likely to result in higher consumer spending statewide, including on discretionary items like video lottery. The result is expectations are sales next spring to regain the pandemic reopening highs, followed by slightly lower sales the following year when there will be no kicker paid out.

### Oregon Video Lottery Sales

4 week average of **Actuals**, **May '23 Forecast**, **Sep '23 Forecast**



Besides the changes made to the video lottery forecast, there are two other impacts to revenues in the current 2023-25 biennium. High jackpots continue to drive traditional Lottery sales above forecast. Additionally, following the close out of the previous biennium, Oregon Lottery was able to transfer \$9.2 million in administrative savings this past quarter, raising available resources in the current biennium.

### *Risks to the Outlook*

Risks to the outlook abound and vary depending upon the timeframe. In the very near-term, risks lie primarily to the upside. Consumer spending remains robust and sales could outstrip the expectations of an economic soft landing. Conversely, should inflation begin to take a toll on households, discretionary purchases may be cut back, similar to what appears to have happened in recent weeks.

Over the medium term, risks are balanced. Sales may outpace expectations, or the economy may fall into a recession. Looking back historically, Lottery held up well in both the 1990 and 2001 recessions. However Oregon also did not have line games back then, which makes comparing historical periods more challenging to today. To the extent that player behavior for line games differs than overall consumer spending, discretionary spending, or even gaming in a broad sense, sales could under- or overperform as a result.

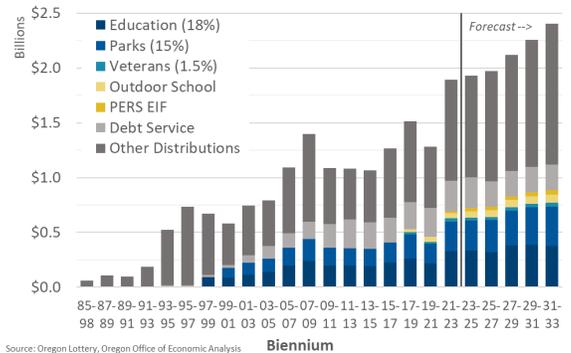
Over the long term a few sets of risks stand out. Our office expects increased competition for household entertainment dollars, increased competition within the gaming industry, and potentially shifts in generational preferences and tastes when it comes to gaming.

As discussed in depth in the March 2023 forecast, the structural impact of aging has been fully absorbed and has minimal impact moving forward as the Millennials are now entering their peak lottery years. As such, our outlook for video lottery sales is continued growth, however at a rate that is slightly slower than overall personal income growth. Lottery sales will continue to increase as Oregon's population and economy grows, however video lottery sales will likely be a slightly smaller slice of the

overall pie. This outlook has been revised up some, so the relative decline is smaller than in previous forecasts due to the updated player demographic work.

However, longer run upside risks remain as well. While it is true that spending on video lottery grew slightly slower than income and spending last decade, that had reversed in the past couple of years. Some of the strong sales since reopening are due to pent-up demand, strong household finances, and the fact that other entertainment options were either not available initially (concerts, spectator sports) or possibly less desirable due to the virus (long distance travel, movie theaters). Even so, the relative strength in video sales could point toward some more permanent and not just pandemic or temporary changes in player behavior.

**Lottery Resources and Distributions**



*The full extended outlook for lottery earnings can be found in Table B.9 in Appendix B.*

## Budgetary Reserves

The state currently administers two general reserve accounts, the Oregon Rainy Day Fund<sup>15</sup> (ORDF) and the Education Stability Fund<sup>16</sup> (ESF). This section updates balances and recalculates the outlook for these funds based on the December revenue forecast.

As of this forecast the two reserve funds currently total a combined \$2.1 billion. At the end of the current 2023-25 biennium, they will total \$2.9 billion, which is equal to 11.3 percent of current revenues. Including the currently projected \$880 million ending balance in the General Fund, the total effective reserves at the end of the current 2023-25 biennium are projected to be \$3.8 billion, or 14.8 percent of current revenues.

The forecast for the ORDF includes two deposits for this biennium relating to the General Fund ending balance from the previous biennium (2021-23). A deposit of \$271.3 million will be made in early 2024 after the accountants closed the books on last biennium. Additionally, a \$91.6 million deposit relating to the increased corporate taxes from Measure 67 is expected at the end of the biennium in June 2025. This exact transfer amount is subject to some revision as corporate filings are processed, however the transfer itself will occur. At the end of 2023-25 the ORDF will total \$1.9 billion.

<sup>15</sup> The ORDF is funded from ending balances each biennium, up to one percent of appropriations. The Legislature can deposit additional funds, as it did in first populating the ORDF with surplus corporate income tax revenues from the 2005-07 biennium. The ORDF also retains interest earnings. Withdrawals from the ORDF require one of three triggers, including a decline in employment, a projected budgetary shortfall, or declaration of a state of emergency, plus a three-fifths vote. Withdrawals are capped at two-thirds of the balance as of the beginning of the biennium in question. Fund balances are capped at 7.5 percent of General Fund revenues in the prior biennium.

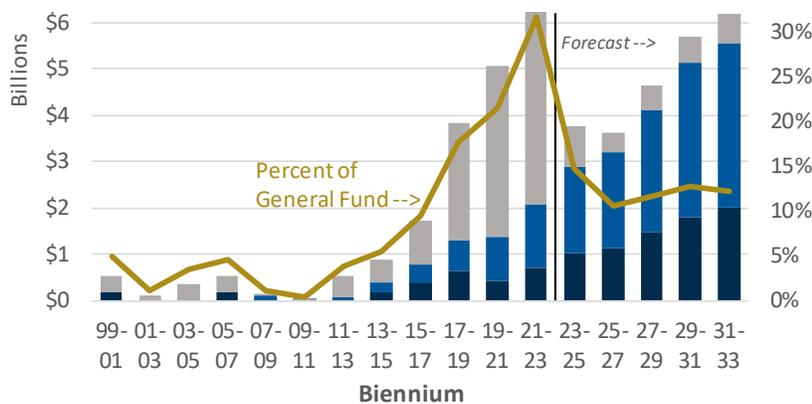
<sup>16</sup> The ESF gained its current reserve structure and mechanics via constitutional amendment in 2002. The ESF receives 18 percent of lottery earnings, deposited on a quarterly basis – 10% of which are deposited in the Oregon Growth sub-account. The ESF does not retain interest earnings. The ESF has similar triggers as the ORDF, but does not have the two-thirds cap on withdrawals. The ESF balance is capped at five percent of General Fund revenues collected in the prior biennium.

Looking ahead to the 2025-27 biennium, the ORDF is projected to hit its cap of 7.5 percent of revenues early in calendar year 2026. At that time, should the forecast prove accurate, the ending balance transfer related to 2023-25 would not be made, and those revenues would be retained in the General Fund. The ORDF would once again hit its cap in fiscal year 2031 based on the current outlook. The ESF will receive an expected \$298.5 million in deposits in the current 2023-25 biennium based on the current lottery forecast. At the end of current 2023-25 biennium the ESF will stand at \$1.0 billion. The ESF is projected to hit its cap of 5 percent of revenues early in calendar year 2026, when the deposits will then accrue to the Capital Matching Account.

Together, the ORDF and ESF are projected to have a combined balance of \$2.9 billion at the close of the 2023-25 biennium, or 11.3 percent of current revenues. At the close of 2025-27 the combined balance will be \$3.2 billion, or 9.2 percent of revenues. Such levels of reserve balances are larger than Oregon has been able to accumulate in past cycles, and should help stabilize the budget when the next recession hits.

### Oregon Budgetary Reserves

Education Stability Fund | Rainy Day Fund | General Fund Ending Balance



Source: Oregon Office of Economic Analysis

### Effective Reserves (\$ millions)

	Current Jul-23	End of 2023-25
ESF	\$713	\$1,009
RDF	\$1,358	\$1,863
Reserves	\$2,071	\$2,872
Ending Balance	\$880	\$880
<b>Total</b>	<b>\$2,952</b>	<b>\$3,752</b>
% of GF	11.6%	14.8%

With a potential recession in year ahead, the state is expected to meet the trigger for withdrawals should the recession come and should policymakers choose to. In particular the reserve fund trigger of two consecutive quarters of employment declines would be expected to be met based on our office's alternative scenario of a moderate recession. The other triggers may or may not be met. If revenues come in below forecast this biennium, that could trigger a potential withdrawal. And for the ESF only, not the ORDF, a Governor's declaration of emergency could also trigger a potential withdrawal. Finally, these are the technical considerations for using the reserve funds in the upcoming 2023-25 biennium. Ultimately policymakers will decide whether to use the funds or not. Regardless of the trigger(s) met, the Legislature would need a three-fifths vote in each chamber to approve an ESF reserve fund withdrawal and a simple majority vote in each chamber to approve an ORDF withdrawal.

*B.10 in Appendix B provides more details for Oregon's budgetary reserves.*

## Recreational Marijuana Forecast

The underlying recreational marijuana forecast remains effectively unchanged. Revenues in the current 2023-25 biennium are lowered \$2.8 million (-0.9%) compared to the Close of Session forecast. Revenues remain unchanged in both 2025-27 and 2027-29, while being lowered \$1.3 million in 2029-31.

The primary reason for the stable outlook is largely tracking as expected following the large downward forecast adjustment made back in the March 2023 forecast.

Encouragingly, the underlying market dynamics appear to be stabilizing. Harvest levels are down, sales are stable to rising, and average prices are firming. Given the market saturation, low prices that make it difficult for businesses to be profitable, and the fact that the large, outdoor harvest is about to begin, it remains an open question to whether today's stabilizing market dynamics are temporary or represent a true bottom.

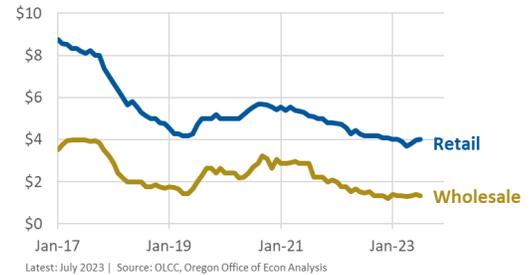
Moving forward the crux of the issue remains the low prices, not only for firms but for tax collections given Oregon levies its recreational marijuana tax based on the price of the product. The forecast calls for better market balance, meaning lower levels of harvest and supply, combined with rising demand.

That said the low-hanging fruit for demand growth is behind us. Marijuana usage rates are steady in recent years, after increase considerably in the past decade. Many former black market consumers have converted to the legal market, and those that remain may be harder to switch. And underlying population growth has slowed during the pandemic, with only a modest rebound expected in the outlook.

Overall, expectations are the market will stabilize in the not too distant future. Sales and tax collections will remain relatively steady this year and next. Overall revenue and resources will be unchanged from last biennium (2021-23) to the current 2023-25 biennium. As supply and demand are expected to get into better balance, some pricing power and profitability will return to the market. Overall sales and taxes will increase with a growing population and economy in the decade ahead. Usage rates and consumption as share of income are expected to hold steady in the longer-run. Both upside and downside risks abound to this outlook.

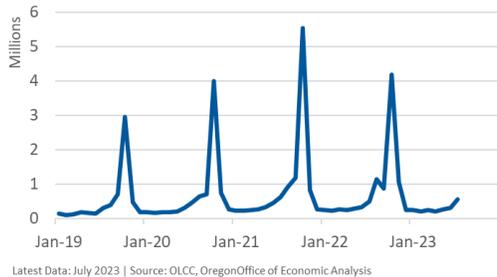
### Oregon Marijuana Prices

Usable Marijuana, Price per Gram

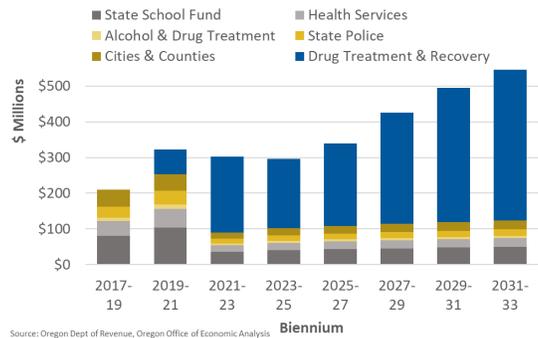


### Oregon Marijuana Harvest

Total wet weight (pounds)



### Marijuana Resources and Distributions



*See Table B.11 in Appendix B for a full breakdown of revenues and associated distributions to recipient programs.*

## **Psilocybin Forecast**

Ballot Measure 109 which voters passed in 2020 and legalized psilocybin, tasked our office with the revenue forecasting responsibilities. The current forecast remains unchanged from last quarter. The first quarterly tax returns were recently due. As more returns and data become available in the quarters ahead, our office will adjust the outlook accordingly.

After speaking with other state agencies and private businesses entering the psilocybin industry there are a few important items to note up front.

First, the overall cost of a session to a customer is expected to be in the hundreds, and even thousands of dollar range. Second, the state's 15 percent retail sales tax which was part of BM109 only applies to the product itself and not the overall cost of the session. Third, by all accounts the cost of the product is relatively small compared to the overall cost of a session, where the vast majority of the revenue will go to cover the operational costs of the service center and facilitator.

This newly legal industry is just getting started. The Oregon Health Authority has recently issued some of the first licenses in the state. Once the industry is up and running, OHA will gather data, including the number of sessions, product prices and the like. Unfortunately for now there is no data and our office's initial forecasts are based entirely on assumptions. Those assumptions are as follows.

OHA estimates they will license 28 service centers in the first year. Assuming 20 customers per day, the equivalent of one large class, all year long results in 204,000 individual customers or session over the course of the first year. Some service center centers will accommodate many more customers while others may focus on smaller, more in-depth sessions. Anecdotal information to date indicates the first couple of service centers are serving just a handful of customers per week currently.

As uncertain as those projections are, the average product price assumption is even more so. Service centers may charge customers whatever price they want to for the actual product. There are two main ways to think through these possibilities, and for now our office is taking a middle ground approach.

On one hand, service centers may charge customers the traditional retail price that includes a markup over wholesale cost which largely relates to production, testing, and distribution costs. Whether the sales tax piece would be an additional charge on top of the session costs overall, or already factored that price is unknown. Tax revenues are estimated to be \$1-2 million per year under these scenarios.

On the other hand, service center may charge customers a minimal product cost of \$1 or \$10, even if that is below their wholesale or acquisition costs. The benefit to doing so would be to increase revenues and profits for service centers and facilitators as less of the overall session price would be sent to pay taxes. This is more likely to be the case if the sales tax is folded into the total session price initially and not an add-on fee when the customer pays. Tax revenues are estimated to be tens of thousands or hundreds of thousands of dollars a year under these scenarios.

For now, given the uncertainty of a newly legal industry our office is taking a middle ground approach and assuming a \$10 average product price per session. The state is likely to receive a bit more than \$600,000 in the current 2023-25 biennium based on the assumptions discussed above. We know that business practices will vary and time will tell what ultimately becomes the industry standard. Our office will continue to update these estimates as we learn more. Expectations are by this fall there will be useful data to help guide these estimates and they will not be made entirely upon assumptions.

### Oregon Psilocybin Retail Sales Tax Revenue

Average Product Price	Biennial Revenue (millions)			
	2023-25	2025-27	2027-29	2029-31
\$1	\$0.062	\$0.064	\$0.067	\$0.068
\$10	\$0.618	\$0.643	\$0.666	\$0.679
\$25	\$1.545	\$1.608	\$1.664	\$1.698
\$50	\$3.091	\$3.215	\$3.329	\$3.396

### Population and Demographic Summary

Oregon's resident population count on April 1, 2020 was 4,237,256. This is from the newly released decennial census data administered by the U.S. Census Bureau. During the past decade, Oregon gained 406,182 residents or 10.6 percent. The gain was substantial enough that yielded one additional congressional seat for the state. Oregon now has a total of six members in the House of Representatives. We have been predicting this rare gain for a long time. This is rare because it took 40 years for Oregon to gain this seat and only five states gained one additional seat each and Texas gained two seats following the 2020 Census.

In Historical context, Oregon's population growth rate between the 2010 and 2020 censuses was the second lowest since the first census count in Oregon in 1860 after gaining statehood. The lowest growth rate was recorded between the 1980 and 1990 censuses, a decade characterized by a major recession. Oregon's population increased by 441 percent in the last century spanning 1920-2020. The gain of 406,182 persons in the last decade alone was nearly the same as the total population count of Oregon in the year 1900 when state's population was 413,536. Oregon's population growth of 10.6 percent in the last decade was 11<sup>th</sup> highest in the nation, excluding Washington D.C. Still, our growth rate for the decade lagged all our neighboring states, except California. During the prior decade between 2000 and 2010, Oregon's population growth rate ranked 18<sup>th</sup> highest in the nation when Oregon was hit hard by the double recessions during the decade. As a result of such economic downturn during the Great Recession and sluggish recovery that followed, Oregon's population increased at a slow pace between 2000 and 2010 decade. However, Oregon's population was showing moderately strong growth since then because of state's strong economic recovery. The recent COVID-19 pandemic has caused dire economic and employment situations and has caused slow population growth. The population growth is expected to rebound after the year 2023. However, current economic turmoil is likely to slow the pace of expected growth. The average population growth between 2021 and 2023 was lowest since 1985-86. Oregon's population is expected to reach 4.575 million in the year 2032 with an annual rate of growth of 0.66 percent between 2022 and 2032. The projected population of 2030 is 141,500 less than our March 2020 forecast released just before the COVID hit. The lower projection is due to the lingering COVID-19 effect resulting in higher deaths, lower births, and fewer net-migration, and 2020 Census count coming lower than expected.

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain existing work force as well as attract job seekers from national and international labor market. As Oregon's total fertility rate remains well below the replacement level and number of deaths continue to rise due to aging population, long-term growth comes from net in-migration. The COVID-19 pandemic has left noticeable impact on demographic processes. Due to the declining births and rising deaths, past forecasts projected natural increase (births minus deaths) to turn negative after the year 2025. However, Oregon's natural increase has already turned negative because of the COVID

effect. Even during this pandemic, Oregon has gained people through net-migration as the workers are able to work from home in many sectors. Working-age adults come to Oregon as long as we have favorable economic conditions and offers better quality of life. During the 1980s, which included a major recession and a net loss of population during the early years, net migration contributed to 22 percent of the population change. On the other extreme of the economic cycle, net migration accounted for 73 percent of the population change during the booming economy of early 1990s. This share of migration to population change declined to 25 percent in 2010-11 as a result of the economic recession, lowest since early 1980s when we had negative net migration for several years. As a sign of slow to modest economic gain and declining natural increase (excess of deaths over births), the ratio of net migration-to-population change has registered at 90 percent in 2020. As a result of sudden rise in the number of deaths and drop in the number of births coinciding with the COVID-19 pandemic, the natural increase turned negative starting in the year 2020 and will continue through 2032 and beyond. So, in the future, all of Oregon's population growth and more will come from the net migration due to the combination of continued positive net migration, well below replacement level fertility, and the rise in the number of deaths associated with the increase in the elderly population. Thus, migration will be solely responsible for Oregon's future population growth. Without the gain due to migration, Oregon's population will start to decline. Oregon's negative natural increase caused by excess of deaths over births is expected to continue. However, under a few scenarios this trend may reverse itself. Such reversal can happen if the women start to have more children due to behavioral or motivational factors, or mortality and life expectancy improve suddenly resulting in fewer deaths or large number of women in childbearing age move into Oregon. Since all the states in the country are already experiencing below replacement level fertility (2.1 children per woman), the natural increase will eventually turn negative nationwide even if the trend is mitigated for the short term because of the large number of women in childbearing age.

Age structure and its change affect employment, state revenue, and expenditure as the demand for services varies by age groups. Demographics are the major budget drivers, which are modified by policy choices on service coverage and delivery. Births, deaths, and migration history of decades past do impact the current age-sex structure. Growth in many age groups will show the effects of the baby-boom and their echo generations during the forecast period of 2022-2032. It will also reflect demographics impacted by the depression era smaller birth cohort combined with changing migration of working age population and elderly retirees through history. After a period of relatively slow growth during the 1990s and early 2000s, the elderly population (65+) has picked up a faster pace of growth since 2005. This population group will maintain the high growth as the tail end of the baby-boom generation continue to enter this age group combined with the attrition of small depression era birth cohort due to death. This age cohort, however, has hit the plateau of high growth rates exceeding 4 percent annually between 2011 and 2019. The group will experience continued high but diminishing rate of growth. The average annual growth of the elderly population will be 1.8 percent during the 2022-2032 forecast period. Different age groups among the elderly population show quite varied and fascinating growth trends. The youngest elderly (aged 65-74), which was growing at an extremely fast

pace in the recent past averaging 5.1 percent annually between 2010 and 2020 due to the direct impact of the baby-boom generation entering and smaller pre-baby boom cohort exiting this 65-74 age group. This fast-paced growth rate will taper off to negative growth by the end of the forecast period of 2022-2032 as a sign of the end of the baby-boom generation transitioning to elderly age group. This high growth transitioning into a net loss of this youngest elderly population resulting in -0.3 percent annual average loss in the coming ten years. The next older generation of population aged 75-84 has seen several years of slow growth and a period of shrinking until a decade ago. The elderly aged 75-84 started to show growth as the effect of depression era birth-cohort matured out of this age group. An unprecedented fast pace of growth of population in this age group has already started as the baby-boom generation is maturing from the youngest elderly into this 75-84 age group. Annual growth rate during the forecast period of 2022-2032 is expected to be unusually high 4.4 percent. However, for most of the forecast period, the annual growth rate will exceed 4 percent per year. After a period of slow growth, the oldest elderly (aged 85+) will resume growth at a strong rate steadily gaining momentum due to the combination of cohort change, continued positive net migration, and improving longevity. The average annual rate of growth for this oldest elderly over the forecast horizon will be 4.2 percent. An unprecedented growth in oldest elderly will commence near the end of the forecast horizon as the fast growing 75-84 age group population transition into this oldest elderly age cohort. As a sign of massive demographic structural change of Oregon's population, starting in 2023 the number of elderly will exceed the number of children under the age of 18. To illustrate the contrast, in 2000 elderly population numbered a little over half of the number of children in Oregon, now the elderly outnumber the children.

The oldest working age population aged 45-64 also has seen the dramatic demographic impact as the baby-boom generation matures out of the oldest working-age cohort which is replaced by smaller baby-bust cohort or Gen X. As the effect of this demographic transition combined with slowing net migration, the once fast-paced growth of population aged 45-64 has gradually tapered off to below zero percent rate of growth by 2012 and has remained and will remain at slow or below zero growth phase for a few more years. The size of this older working-age population will see about 0.8 percent annualized rate of change over the forecast horizon of next ten years. The younger working-age population of 25-44 age group has recovered from several years of declining and slow growing trend. The decline in the past was mainly due to the exiting baby-boom cohort. This age group has seen positive but slow growth starting in the year 2004 and has gained steam since 2013. This group will increase by 0.5 percent annual average rate during the forecast horizon mainly because of the exiting smaller birth (baby-bust) cohort being replaced by larger baby-boom-echo cohort. The young adult population (aged 18-24) will see only a small change over the forecast period due to the combination of negative and slow growth years. Although the slow growth of college-age population (age 18-24), in general, tend to ease the pressure on public spending on higher education, but college enrollment typically goes up during the time of very competitive job market, high unemployment, and scarcity of well-paying jobs when even the older people flock back to colleges to better position themselves in a tough job market. The growth in K-12 population (aged 5-17) has been very slow or negative in the

past and is expected to decline through the forecast years. This will translate into slow growth or decline in the school enrollments. On average for the forecast period, this school-age population will decline by -1.0 percent annually. The growth rate for children under the age of five has remained near or below zero percent in the recent past and will continue to decline in the near future due to the sharp decline in the number of births. We expect a rebound in the number of births in the forecast period due to a small increase in fertility rate and increase in the women in the child-bearing ages. During the forecast horizon, the children under the age of five will increase at the rate of 0.6 percent annually. Although the number of children under the age of five declined in the recent years, the demand for childcare services and pre-Kindergarten program will be additionally determined by the labor force participation and poverty rates of the parents.

Overall, elderly population over age 65 will increase rapidly whereas the number of children will decline over the forecast horizon. The number of working-age adults in general will show slow growth during the forecast horizon. Hence, based solely on demographics of Oregon, demand for public services geared towards children and young adults will likely decline or increase only at a slower pace, whereas demand for elderly care and services will increase rapidly.

### ***Procedure and Assumptions***

Population forecasts by age and sex are developed using the cohort-component projection procedure. The population by single year of age and sex is projected based on the specific assumptions of vital events and migrations. Oregon's estimated population of July 1, 2020 based on the most recent decennial census is the base for the forecast. To explain the cohort-component projection procedure very briefly, the forecasting model "survives" the initial population distribution by age and sex to the next age-sex category in the following year, and then applies age-sex-specific birth and migration rates to the mid-period population. Further iterations subject the in-and-out migrants to the same mortality and fertility rates. Hence, the age-sex group we start with become one year older the next year accounting for the deaths during the year, births to the women in childbearing ages, and add/subtract net migration for that age during the year.

The U.S. Census Bureau just released the age-sex details of the resident population count of April 1, 2020 for the states. This is the crucial information as the base for all future postcensal population estimates and projections. The 2020 census population total and age-sex detail are used to determine the error of closure, which is the difference between the actual census enumeration and the estimate based on the previous census of 2010. Again, the error of closure is used to correct and adjust all previous annual postcensal estimates for the time between 2011 and 2019. OEA has estimated the total intercensal population for Oregon based on 2010 and 2020 census counts and postcensal estimates of Population Research Center, Portland State University. Therefore, Oregon's *intercensal* population estimates for the years 2011 through 2029 in this forecast shown in Appendix C are different from prior *postcensal* numbers and PSU's original estimates. The Bureau released age-sex detail of the census population in June of this year. OEA has produce preliminary readjusted intercensal estimates by age and sex for each of the years from 2011 through 2019. The numbers of

births and deaths through 2022 are from Oregon's Center for Health Statistics. All other numbers and age-sex detail are generated by OEA.

Annual numbers of births are determined from the age-specific fertility rates projected based on Oregon's past trends and past and projected national trends. Oregon's total fertility rate is assumed to be 1.4 per woman in 2020 and this rate is projected to 1.5 children per woman by 2032 which is well below the replacement level fertility of 2.1 children per woman. Oregon's fertility level is tracking below the national level.

Life Table survival rates are developed for the year 2020. Male and female life expectancies for the 2020-2032 period are projected based on the past three decades of trends and national projected life expectancies. After a sudden decline during the COVID pandemic, gradual improvements in life expectancies are expected over the forecast period. At the same time, the difference between the male and female life expectancies will continue to shrink. The male life expectancy at births of 77.3 and the female life expectancy of 81.8 in 2010. Due to the effect of the COVID-19 pandemic, number of deaths suddenly increased and the actual life expectancies declined. The life expectancy at birth in 2020 was 76.9 and 81.7 years respectively for males and females. This is expected to improve to 79.5 years for women and 83.5 years for men by 2032.

Estimates and forecasts of the number of net migrations are based on the residuals from the difference between population change and natural increase (births minus deaths) in a forecast period. The migration forecasting take into account Oregon's employment, unemployment rates, income/wage data from Oregon and neighboring states, past trends and migration to population ratio. Distribution of migrants by age and sex is based on detailed data from the American Community Survey. In the recent past, slowdown in Oregon's economy resulted in smaller net migration and slow population growth. Estimated population growth and net migration rates in 2010-2011 were the lowest in over two decades. Migration is intrinsically related to economy and employment situation of the state. Still, high unemployment and job loss in the recent past have impacted net migration and population growth, but not to the extent in the early 1980s. Main reason for this is the fact that other states of potential destination for Oregon out-migrants were not faring any better either, limiting the potential destination choices. The role of net migration in Oregon's population growth will get more prominence as the natural increase has begun to turn negative. The increasing excess of deaths over births will continue due to the rapid increase in the number of deaths associated with the aging population and relatively fewer number of births largely due to the decline in fertility rate associated with life-style choices. Such a trend was expected, but the COVID-19 has hastened the process. The annual net migration is expected to be low due to the after-effect of COVID-19 and economic slowdown. However, the migration is expected to recover after 2024. Between 2022 and 2033 net migration is expected to be in the range of 19,280 to 40,740, averaging 33,860 persons annually with net migration rate ranging between 4.5 to 8.9 per thousand population.

## Appendix A: Economic Forecast Detail

<b>Table A.1</b>	<b>Employment Forecast Tracking</b>	44
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Table A.1 – Employment Forecast Tracking

<b>Total Nonfarm Employment, 2nd quarter 2023</b>							
(Employment in thousands, Annualized Percent Change)							
	<b>Preliminary Estimate</b>		<b>Forecast</b>		<b>Forecast Error</b>		<b>Y/Y Change</b>
	<b>level</b>	<b>% ch</b>	<b>level</b>	<b>% ch</b>	<b>level</b>	<b>%</b>	<b>% ch</b>
<b>Total Nonfarm</b>	1,980.3	1.7	1,989.0	1.3	(8.7)	(0.4)	1.9
<b>Total Private</b>	1,676.4	1.6	1,685.6	1.1	(9.2)	(0.5)	1.6
<b>Mining and Logging</b>	6.3	9.0	6.3	(1.4)	(0.0)	(0.7)	(1.1)
<b>Construction</b>	120.0	2.6	120.3	(0.6)	(0.3)	(0.2)	4.2
<b>Manufacturing</b>	192.8	(0.4)	194.5	(0.0)	(1.7)	(0.9)	(0.5)
<b>Durable Goods</b>	135.9	(0.3)	136.3	(0.9)	(0.4)	(0.3)	0.2
<b>Wood Product</b>	22.8	(0.3)	23.3	0.7	(0.5)	(2.2)	(3.0)
<b>Metals and Machinery</b>	38.4	0.6	38.5	(0.9)	(0.1)	(0.3)	0.7
<b>Computer and Electronic Product</b>	42.1	(1.9)	40.5	(5.2)	1.5	3.8	2.1
<b>Transportation Equipment</b>	10.7	1.2	11.2	8.9	(0.5)	(4.2)	(1.6)
<b>Other Durable Goods</b>	22.0	0.4	22.8	0.7	(0.8)	(3.6)	(0.3)
<b>Nondurable Goods</b>	56.9	(0.6)	58.2	2.1	(1.3)	(2.3)	(1.9)
<b>Food</b>	27.8	(5.5)	29.2	3.8	(1.3)	(4.6)	(3.3)
<b>Other Nondurable Goods</b>	29.0	4.4	29.0	0.4	0.0	0.0	(0.6)
<b>Trade, Transportation &amp; Utilities</b>	364.5	(1.7)	368.3	0.3	(3.7)	(1.0)	(0.9)
<b>Retail Trade</b>	209.5	(2.3)	210.4	0.2	(0.9)	(0.4)	(0.6)
<b>Wholesale Trade</b>	76.2	(4.9)	78.7	0.7	(2.5)	(3.2)	(1.3)
<b>Transportation, Warehousing &amp; Utilities</b>	78.9	3.0	79.1	0.5	(0.2)	(0.3)	(1.3)
<b>Information</b>	36.5	7.9	37.0	0.3	(0.4)	(1.2)	(1.1)
<b>Financial Activities</b>	104.6	3.6	106.9	0.7	(2.3)	(2.2)	(1.0)
<b>Professional &amp; Business Services</b>	267.3	2.4	269.9	0.8	(2.6)	(1.0)	1.2
<b>Educational &amp; Health Services</b>	314.1	3.4	312.4	3.6	1.8	0.6	3.8
<b>Educational Services</b>	35.0	7.3	35.4	4.3	(0.4)	(1.1)	0.7
<b>Health Services</b>	279.2	2.9	277.0	3.5	2.1	0.8	4.2
<b>Leisure and Hospitality</b>	204.7	1.2	206.2	2.2	(1.5)	(0.7)	4.0
<b>Other Services</b>	65.4	6.1	63.7	0.5	1.6	2.5	6.9
<b>Government</b>	303.9	2.3	303.4	2.1	0.5	0.2	3.9
<b>Federal</b>	28.0	(2.3)	28.4	2.8	(0.4)	(1.3)	0.3
<b>State</b>	44.7	3.1	44.4	9.6	0.3	0.7	4.5
<b>State Education</b>	1.3	12.2	1.3	(4.8)	0.1	3.9	20.9
<b>Local</b>	231.2	2.7	230.7	0.7	0.5	0.2	4.3
<b>Local Education</b>	133.6	5.3	131.9	0.2	1.7	1.3	5.1

Table A.2 – Short-Term Oregon Economic Summary

<b>Oregon Forecast Summary</b>											
	<b>Quarterly</b>					<b>Annual</b>					
	<b>2023:2</b>	<b>2023:3</b>	<b>2023:4</b>	<b>2024:1</b>	<b>2024:2</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>Personal Income (\$ billions)</b>											
<b>Nominal Personal Income</b>	279.9	284.9	289.0	294.0	298.0	266.6	282.5	299.8	315.3	331.1	347.7
% change	5.8	7.4	5.8	7.1	5.6	2.0	5.9	6.2	5.2	5.0	5.0
<b>Real Personal Income (base year=2012)</b>	220.3	222.7	224.1	226.7	228.3	217.0	221.5	229.1	235.6	242.4	249.5
% change	2.8	4.4	2.5	4.7	2.9	(4.1)	2.0	3.4	2.8	2.9	2.9
<b>Nominal Wages and Salaries</b>	142.2	145.2	147.1	148.9	150.9	136.5	143.7	151.8	159.1	166.8	174.8
% change	5.7	8.6	5.4	5.0	5.3	8.1	5.3	5.6	4.9	4.8	4.8
<b>Other Indicators</b>											
<b>Per Capita Income (\$1,000)</b>	65.2	66.3	67.2	68.2	69.1	62.3	65.7	69.5	72.6	75.7	79.0
% change	5.4	7.0	5.4	6.6	5.1	1.5	5.6	5.7	4.5	4.3	4.3
<b>Average Wage rate (\$1,000)</b>	71.4	72.3	73.0	73.7	74.5	69.5	71.8	74.9	78.1	81.3	84.6
% change	4.7	5.2	4.0	4.2	4.4	4.1	3.3	4.3	4.2	4.1	4.1
<b>Population (Millions)</b>	4.3	4.3	4.3	4.3	4.3	4.28	4.30	4.32	4.34	4.37	4.40
% change	0.4	0.4	0.4	0.4	0.5	0.4	0.3	0.5	0.6	0.7	0.7
<b>Housing Starts (Thousands)</b>	19.3	19.4	19.5	19.8	19.9	19.9	19.3	20.1	21.0	21.1	21.2
% change	6.0	3.2	2.9	4.7	3.5	(1.4)	(3.3)	4.2	4.3	0.5	0.6
<b>Unemployment Rate</b>	3.8	3.5	3.6	3.7	3.8	4.1	3.9	3.9	4.1	4.1	4.1
Point Change	(0.9)	(0.3)	0.1	0.1	0.1	(1.1)	(0.3)	(0.0)	0.2	0.0	0.0
<b>Employment (Thousands)</b>											
<b>Total Nonfarm</b>	1,980.3	1,992.1	1,999.4	2,003.2	2,007.7	1,947.2	1,985.9	2,009.2	2,022.3	2,037.2	2,051.3
% change	1.7	2.4	1.5	0.8	0.9	3.8	2.0	1.2	0.7	0.7	0.7
<b>Private Nonfarm</b>	1,676.4	1,687.2	1,694.8	1,699.0	1,703.9	1,652.4	1,682.1	1,705.4	1,719.2	1,733.4	1,746.6
% change	1.6	2.6	1.8	1.0	1.2	3.9	1.8	1.4	0.8	0.8	0.8
<b>Construction</b>	120.0	120.4	120.1	120.2	121.0	115.8	119.9	121.4	123.2	123.7	123.8
% change	2.6	1.1	(0.7)	0.3	2.5	4.0	3.6	1.2	1.5	0.4	0.0
<b>Manufacturing</b>	192.8	193.9	194.7	195.3	195.6	193.3	193.6	195.7	195.6	196.4	196.3
% change	(0.4)	2.4	1.7	1.1	0.7	3.5	0.2	1.1	(0.0)	0.4	(0.1)
<b>Durable Manufacturing</b>	135.9	136.2	136.3	136.7	136.8	135.5	136.1	136.9	136.6	137.6	137.3
% change	(0.3)	0.7	0.3	1.3	0.3	4.9	0.5	0.6	(0.2)	0.7	(0.2)
Wood Product Manufacturing	22.8	22.7	22.7	22.7	22.7	23.3	22.8	22.7	22.9	23.2	23.1
% change	(0.3)	(0.3)	(0.3)	(0.5)	(0.2)	2.5	(2.4)	(0.3)	0.9	1.4	(0.5)
High Tech Manufacturing	42.1	42.0	42.0	42.0	42.0	41.3	42.1	42.0	42.0	43.3	44.0
% change	(1.9)	(0.3)	(0.8)	0.6	(0.0)	8.9	1.9	(0.3)	0.1	3.1	1.7
Transportation Equipment	10.7	11.0	11.0	11.1	11.2	10.8	10.8	11.3	11.7	11.8	11.6
% change	1.2	10.0	1.1	5.0	3.8	1.1	0.1	4.2	3.7	1.2	(1.9)
<b>Nondurable Manufacturing</b>	56.9	57.8	58.5	58.5	58.8	57.8	57.5	58.8	59.0	58.8	59.0
% change	(0.6)	6.3	5.0	0.6	1.5	0.4	(0.5)	2.3	0.3	(0.2)	0.3
<b>Private nonmanufacturing</b>	1,483.6	1,493.3	1,500.1	1,503.7	1,508.3	1,459.1	1,488.4	1,509.8	1,523.6	1,536.9	1,550.3
% change	1.8	2.6	1.8	1.0	1.2	4.0	2.0	1.4	0.9	0.9	0.9
Retail Trade	209.5	209.8	209.7	209.7	209.7	210.7	209.9	209.7	209.7	209.7	209.7
% change	(2.3)	0.5	(0.1)	(0.0)	(0.0)	0.7	(0.4)	(0.1)	0.0	0.0	(0.0)
Wholesale Trade	76.2	77.5	77.6	77.6	77.7	77.1	77.1	77.7	77.8	78.0	78.2
% change	(4.9)	7.2	0.3	0.3	0.3	2.8	0.0	0.8	0.0	0.3	0.4
<b>Information</b>	36.5	36.2	36.9	36.9	36.7	36.7	36.4	36.6	36.9	37.0	37.1
% change	7.9	(4.0)	7.8	0.5	(2.2)	4.6	(0.9)	0.8	0.7	0.2	0.2
<b>Professional and Business Services</b>	267.3	269.9	272.4	273.1	273.8	264.1	268.8	273.9	275.9	280.4	286.2
% change	2.4	4.0	3.8	1.0	1.1	5.0	1.8	1.9	0.7	1.6	2.0
<b>Health Services</b>	279.2	281.6	283.3	284.6	286.6	269.5	280.3	287.0	292.7	297.4	302.1
% change	2.9	3.6	2.4	1.8	2.8	0.9	4.0	2.4	2.0	1.6	1.6
<b>Leisure and Hospitality</b>	204.7	206.6	207.8	209.1	210.4	198.3	205.8	210.6	213.3	215.0	216.5
% change	1.2	3.6	2.4	2.5	2.5	13.3	3.8	2.3	1.3	0.8	0.7
<b>Government</b>	303.9	304.9	304.6	304.3	303.8	294.8	303.9	303.8	303.2	303.9	304.7
% change	2.3	1.4	(0.5)	(0.4)	(0.6)	3.2	3.1	(0.0)	(0.2)	0.2	0.3

Table A.3 – Oregon Economic Forecast Change

<b>Oregon Forecast Change (Current vs. Last)</b>											
	<b>Quarterly</b>					<b>Annual</b>					
	<b>2023:1</b>	<b>2023:2</b>	<b>2023:3</b>	<b>2023:4</b>	<b>2024:1</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>Personal Income (\$ billions)</b>											
<b>Nominal Personal Income</b>	279.9	284.9	289.0	294.0	298.0	266.6	282.5	299.8	315.3	331.1	347.7
% change	(0.5)	0.0	0.1	0.2	0.3	0.2	(0.2)	0.3	0.3	0.2	0.0
<b>Real Personal Income (base year=2012)</b>	220.3	222.7	224.1	226.7	228.3	217.0	221.5	229.1	235.6	242.4	249.5
% change	(0.4)	0.3	0.2	0.4	0.4	0.2	(0.1)	0.5	0.3	0.1	(0.1)
<b>Nominal Wages and Salaries</b>	142.2	145.2	147.1	148.9	150.9	136.5	143.7	151.8	159.1	166.8	174.8
% change	(1.3)	(0.6)	(0.8)	(0.8)	(0.8)	0.3	(1.0)	(0.8)	(0.9)	(0.9)	(0.9)
<b>Other Indicators</b>											
<b>Per Capita Income (\$1,000)</b>	65.2	66.3	67.2	68.2	69.1	62.3	65.7	69.5	72.6	75.7	79.0
% change	(0.5)	(0.0)	0.0	0.1	0.3	0.1	(0.3)	0.3	0.3	0.1	(0.0)
<b>Average Wage rate (\$1,000)</b>	71.4	72.3	73.0	73.7	74.5	69.5	71.8	74.9	78.1	81.3	84.6
% change	(0.6)	(0.5)	(0.7)	(0.7)	(0.7)	0.4	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)
<b>Population (Millions)</b>	4.29	4.30	4.30	4.3	4.3	4.28	4.30	4.32	4.34	4.37	4.40
% change	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
<b>Housing Starts (Thousands)</b>	19.3	19.4	19.5	19.8	19.9	19.9	19.3	20.1	21.0	21.1	21.2
% change	(2.2)	(0.9)	(0.8)	(0.8)	(2.2)	(0.1)	(2.1)	(1.5)	(0.5)	0.1	0.1
<b>Unemployment Rate</b>	3.8	3.5	3.6	3.7	3.8	4.1	3.9	3.9	4.1	4.1	4.1
Point Change	(0.3)	(0.5)	(0.4)	(0.4)	(0.4)	0.0	(0.3)	(0.3)	(0.1)	(0.1)	(0.1)
<b>Employment (Thousands)</b>											
<b>Total Nonfarm</b>	1,980.3	1,992.1	1,999.4	2,003.2	2,007.7	1,947.2	1,985.9	2,009.2	2,022.3	2,037.2	2,051.3
% change	(0.4)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)	(0.2)
<b>Private Nonfarm</b>	1,676.4	1,687.2	1,694.8	1,699.0	1,703.9	1,652.4	1,682.1	1,705.4	1,719.2	1,733.4	1,746.6
% change	(0.5)	(0.2)	(0.2)	(0.3)	(0.2)	(0.2)	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)
<b>Construction</b>	120.0	120.4	120.1	120.2	121.0	115.8	119.9	121.4	123.2	123.7	123.8
% change	(0.2)	0.1	0.0	0.0	0.3	(0.1)	(0.3)	0.5	1.0	1.0	0.8
<b>Manufacturing</b>	192.8	193.9	194.7	195.3	195.6	193.3	193.6	195.7	195.6	196.4	196.3
% change	(0.9)	(0.7)	(0.6)	(0.4)	(0.1)	(0.3)	(0.8)	(0.0)	0.3	0.9	1.1
<b>Durable Manufacturing</b>	135.9	136.2	136.3	136.7	136.8	135.5	136.1	136.9	136.6	137.6	137.3
% change	(0.3)	(0.2)	(0.1)	0.1	0.2	(0.1)	(0.3)	0.3	0.6	1.6	2.0
Wood Product Manufacturing	22.8	22.7	22.7	22.7	22.7	23.3	22.8	22.7	22.9	23.2	23.1
% change	(2.2)	(2.4)	(2.6)	(2.8)	(3.0)	(0.3)	(2.3)	(3.1)	(3.3)	(2.7)	(2.9)
High Tech Manufacturing	42.1	42.0	42.0	42.0	42.0	41.3	42.1	42.0	42.0	43.3	44.0
% change	3.8	3.6	3.6	3.7	3.7	0.4	3.5	3.8	4.5	8.2	10.4
Transportation Equipment	10.7	11.0	11.0	11.1	11.2	10.8	10.8	11.3	11.7	11.8	11.6
% change	(4.2)	(1.7)	(1.6)	(1.4)	(1.3)	(0.5)	(2.5)	(1.3)	(1.1)	(0.8)	(0.8)
<b>Nondurable Manufacturing</b>	56.9	57.8	58.5	58.5	58.8	57.8	57.5	58.8	59.0	58.8	59.0
% change	(2.3)	(2.1)	(1.7)	(1.4)	(0.9)	(0.8)	(1.9)	(0.9)	(0.4)	(0.7)	(0.8)
<b>Private nonmanufacturing</b>	1,483.6	1,493.3	1,500.1	1,503.7	1,508.3	1,459.1	1,488.4	1,509.8	1,523.6	1,536.9	1,550.3
% change	(0.5)	(0.2)	(0.1)	(0.2)	(0.2)	(0.1)	(0.4)	(0.2)	(0.3)	(0.3)	(0.4)
Retail Trade	209.5	209.8	209.7	209.7	209.7	210.7	209.9	209.7	209.7	209.7	209.7
% change	(0.4)	(0.3)	(0.4)	(0.4)	(0.4)	(0.0)	(0.2)	(0.4)	(0.3)	(0.3)	(0.2)
Wholesale Trade	76.2	77.5	77.6	77.6	77.7	77.1	77.1	77.7	77.8	78.0	78.2
% change	(3.2)	(1.1)	(0.9)	(0.9)	(0.7)	(0.4)	(1.8)	(0.6)	(0.5)	(0.4)	(0.4)
<b>Information</b>	36.5	36.2	36.9	36.9	36.7	36.7	36.4	36.6	36.9	37.0	37.1
% change	(1.2)	(2.3)	(1.3)	(1.5)	(1.7)	(0.5)	(1.9)	(1.7)	(1.6)	(1.4)	(1.2)
<b>Professional and Business Services</b>	267.3	269.9	272.4	273.1	273.8	264.1	268.8	273.9	275.9	280.4	286.2
% change	(1.0)	(0.3)	(0.1)	(0.2)	(0.1)	(0.2)	(0.7)	(0.1)	(0.2)	(0.2)	(0.2)
<b>Health Services</b>	279.2	281.6	283.3	284.6	286.6	269.5	280.3	287.0	292.7	297.4	302.1
% change	0.8	0.8	0.5	0.1	0.0	0.2	0.8	(0.0)	(0.2)	(0.3)	(0.4)
<b>Leisure and Hospitality</b>	204.7	206.6	207.8	209.1	210.4	198.3	205.8	210.6	213.3	215.0	216.5
% change	(0.7)	(0.4)	(0.4)	(0.4)	(0.4)	(0.2)	(0.5)	(0.4)	(0.6)	(0.8)	(1.1)
<b>Government</b>	303.9	304.9	304.6	304.3	303.8	294.8	303.9	303.8	303.2	303.9	304.7
% change	0.2	0.8	0.8	0.7	0.6	0.1	0.5	0.6	0.4	0.2	0.0

Table A.4 – Annual Economic Forecast

<b>Sept 2023 - Personal Income</b>												
<b>(Billions of Current Dollars)</b>												
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>Total Personal Income*</b>												
Oregon	222.3	241.8	261.5	266.6	282.5	299.8	315.3	331.1	347.7	365.2	383.6	402.6
% Ch	5.1	8.8	8.2	2.0	5.9	6.2	5.2	5.0	5.0	5.0	5.0	5.0
U.S.	18,587.0	19,832.3	21,294.8	21,777.2	22,892.3	24,001.9	25,106.7	26,238.8	27,459.9	28,694.2	29,928.2	31,202.1
% Ch	5.1	6.7	7.4	2.3	5.1	4.8	4.6	4.5	4.7	4.5	4.3	4.3
<b>Wage and Salary</b>												
Oregon	112.9	115.8	126.3	136.5	143.7	151.8	159.1	166.8	174.8	183.1	191.7	200.7
% Ch	5.3	2.5	9.1	8.1	5.3	5.6	4.9	4.8	4.8	4.8	4.7	4.7
U.S.	9,324.6	9,457.4	10,290.1	11,189.6	11,777.1	12,323.3	12,842.5	13,398.8	14,009.9	14,628.9	15,239.4	15,873.4
% Ch	4.8	1.4	8.8	8.7	5.3	4.6	4.2	4.3	4.6	4.4	4.2	4.2
<b>Other Labor Income</b>												
Oregon	27.6	28.6	30.5	32.2	34.1	36.3	38.2	40.1	42.1	44.1	46.3	48.5
% Ch	5.3	3.5	6.6	5.5	6.0	6.4	5.3	5.1	4.9	4.8	4.8	4.8
U.S.	1,472.9	1,476.2	1,550.3	1,612.5	1,676.7	1,748.3	1,822.0	1,900.9	1,987.6	2,075.4	2,162.0	2,252.0
% Ch	2.8	0.2	5.0	4.0	4.0	4.3	4.2	4.3	4.6	4.4	4.2	4.2
<b>Nonfarm Proprietor's Income</b>												
Oregon	18.9	20.7	21.8	22.9	24.1	25.9	27.2	28.7	30.6	32.5	34.5	36.5
% Ch	1.4	9.8	5.3	5.1	5.2	7.5	5.0	5.7	6.3	6.2	6.4	5.7
U.S.	1,572.3	1,597.9	1,702.2	1,756.6	1,824.2	1,858.9	1,907.5	1,988.7	2,082.3	2,179.5	2,288.2	2,406.8
% Ch	2.1	1.6	6.5	3.2	3.9	1.9	2.6	4.3	4.7	4.7	5.0	5.2
<b>Dividend, Interest and Rent</b>												
Oregon	44.9	45.4	46.8	49.4	53.0	57.6	61.2	63.8	66.6	69.4	72.4	75.5
% Ch	5.2	1.2	3.1	5.6	7.3	8.6	6.2	4.4	4.3	4.3	4.3	4.3
U.S.	3,817.2	3,815.3	3,926.2	4,125.8	4,393.6	4,753.8	5,052.3	5,267.7	5,484.3	5,690.7	5,892.4	6,100.8
% Ch	7.8	(0.1)	2.9	5.1	6.5	8.2	6.3	4.3	4.1	3.8	3.5	3.5
<b>Transfer Payments</b>												
Oregon	42.7	56.8	63.4	54.9	58.6	61.4	64.3	67.9	71.7	75.9	80.5	85.1
% Ch	6.0	33.1	11.6	(13.5)	6.8	4.8	4.7	5.5	5.7	5.9	6.0	5.8
U.S.	3,089.7	4,187.1	4,546.4	3,839.6	4,024.9	4,168.2	4,361.0	4,602.0	4,855.2	5,124.3	5,395.2	5,664.0
% Ch	5.6	35.5	8.6	(15.5)	4.8	3.6	4.6	5.5	5.5	5.5	5.3	5.0
<b>Contributions for Social Security</b>												
Oregon	19.6	20.1	21.5	23.2	24.7	26.3	27.6	28.9	30.2	31.7	33.2	34.8
% Ch	5.3	2.7	6.8	8.1	6.4	6.4	4.8	4.8	4.7	4.8	4.8	4.8
U.S.	773.9	790.9	842.7	909.8	963.0	1,010.7	1,053.5	1,098.3	1,137.3	1,185.5	1,235.5	1,287.4
% Ch	5.0	2.2	6.6	8.0	5.9	5.0	4.2	4.3	3.5	4.2	4.2	4.2
<b>Residence Adjustment</b>												
Oregon	(5.5)	(5.7)	(6.0)	(6.4)	(6.8)	(7.2)	(7.6)	(7.9)	(8.2)	(8.6)	(9.0)	(9.4)
% Ch	6.8	4.4	4.7	7.5	5.8	6.0	4.6	4.5	4.4	4.4	4.4	4.4
<b>Farm Proprietor's Income</b>												
Oregon	0.3	0.3	0.2	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5
% Ch	26.9	(15.0)	(36.1)	120.7	(7.3)	(5.3)	18.0	4.4	(0.4)	1.7	3.1	2.3
<b>Per Capita Income (Thousands of \$)</b>												
Oregon	52.7	57.0	61.3	62.3	65.7	69.5	72.6	75.7	79.0	82.3	85.8	89.4
% Ch	4.1	8.0	7.7	1.5	5.6	5.7	4.5	4.3	4.3	4.3	4.2	4.1
U.S.	56.2	59.8	64.1	65.2	68.2	71.2	74.1	77.0	80.2	83.4	86.5	89.7
% Ch	4.5	6.3	7.2	1.9	4.6	4.3	4.1	4.0	4.1	4.0	3.8	3.7

\* Personal Income includes all classes of income minus Contributions for Social Security

## Sept 2023 - Employment By Industry

(Oregon - Thousands, U.S. - Millions)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Total Nonfarm</b>												
Oregon	1,954.3	1,830.8	1,875.9	1,947.2	1,985.9	2,009.2	2,022.3	2,037.2	2,051.3	2,065.4	2,077.8	2,091.0
% Ch	1.6	(6.3)	2.5	3.8	2.0	1.2	0.7	0.7	0.7	0.7	0.6	0.6
U.S.	150.9	142.2	146.3	152.6	156.1	156.6	156.3	156.5	157.1	157.9	158.7	159.4
% Ch	1.3	(5.8)	2.9	4.3	2.3	0.3	(0.2)	0.1	0.4	0.5	0.5	0.5
<b>Private Nonfarm</b>												
Oregon	1,655.9	1,546.2	1,590.2	1,652.4	1,682.1	1,705.4	1,719.2	1,733.4	1,746.6	1,759.8	1,771.3	1,782.9
% Ch	1.7	(6.6)	2.8	3.9	1.8	1.4	0.8	0.8	0.8	0.8	0.7	0.7
U.S.	128.3	120.2	124.3	130.4	133.4	133.7	133.2	133.3	133.8	134.5	135.1	135.7
% Ch	1.5	(6.3)	3.4	4.9	2.3	0.2	(0.3)	0.1	0.4	0.5	0.5	0.4
<b>Mining and Logging</b>												
Oregon	6.9	6.6	6.6	6.3	6.2	6.2	6.4	6.5	6.6	6.6	6.6	6.7
% Ch	(4.4)	(4.8)	(0.1)	(4.5)	(0.9)	0.5	2.0	2.0	1.4	0.4	0.2	0.5
U.S.	0.7	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7
% Ch	(0.0)	(17.5)	(6.5)	8.0	5.3	0.5	2.9	5.3	3.7	1.3	(0.2)	(1.4)
<b>Construction</b>												
Oregon	109.6	108.4	111.3	115.8	119.9	121.4	123.2	123.7	123.8	123.0	122.6	122.7
% Ch	3.9	(1.1)	2.6	4.0	3.6	1.2	1.5	0.4	0.0	(0.6)	(0.3)	0.0
U.S.	7.5	7.3	7.4	7.7	7.9	7.9	7.9	7.9	8.0	8.1	8.2	8.2
% Ch	2.8	(3.2)	2.5	4.2	2.2	(0.2)	(0.3)	0.6	0.6	1.1	1.1	1.1
<b>Manufacturing</b>												
Oregon	198.1	185.5	186.7	193.3	193.6	195.7	195.6	196.4	196.3	196.3	196.4	196.3
% Ch	1.5	(6.4)	0.6	3.5	0.2	1.1	(0.0)	0.4	(0.1)	0.0	0.0	(0.1)
U.S.	12.8	12.2	12.4	12.8	13.0	12.7	12.4	12.2	12.1	11.9	11.8	11.8
% Ch	1.0	(5.1)	1.6	3.8	1.1	(2.3)	(2.4)	(1.5)	(1.0)	(1.0)	(0.8)	(0.5)
<b>Durable Manufacturing</b>												
Oregon	137.1	128.4	129.1	135.5	136.1	136.9	136.6	137.6	137.3	136.7	136.3	135.8
% Ch	1.1	(6.3)	0.5	4.9	0.5	0.6	(0.2)	0.7	(0.2)	(0.4)	(0.3)	(0.3)
U.S.	8.0	7.6	7.7	8.0	8.1	7.9	7.7	7.5	7.4	7.3	7.3	7.2
% Ch	1.2	(5.8)	1.4	3.8	1.5	(2.4)	(3.0)	(1.6)	(1.2)	(1.4)	(1.1)	(0.6)
<b>Wood Products</b>												
Oregon	23.2	22.0	22.7	23.3	22.8	22.7	22.9	23.2	23.1	22.9	22.9	23.1
% Ch	(1.4)	(5.3)	3.5	2.5	(2.4)	(0.3)	0.9	1.4	(0.5)	(0.7)	0.0	0.6
U.S.	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5
% Ch	0.7	(3.1)	3.5	4.6	(1.3)	(6.8)	4.1	8.3	3.5	1.0	0.8	1.7
<b>Metal and Machinery</b>												
Oregon	40.2	36.6	36.3	38.1	38.4	38.6	38.2	37.5	36.9	36.6	36.5	36.2
% Ch	2.2	(8.9)	(0.8)	4.9	0.8	0.6	(1.0)	(1.9)	(1.7)	(0.6)	(0.4)	(0.7)
U.S.	3.0	2.8	2.8	2.9	2.9	2.9	2.8	2.8	2.7	2.7	2.7	2.6
% Ch	1.1	(6.8)	(0.2)	4.0	1.5	(2.1)	(3.0)	(0.8)	(1.0)	(1.6)	(1.1)	(0.7)
<b>Computer and Electronic Products</b>												
Oregon	38.6	38.0	37.9	41.3	42.1	42.0	42.0	43.3	44.0	44.4	44.3	44.3
% Ch	1.8	(1.7)	(0.1)	8.9	1.9	(0.3)	0.1	3.1	1.7	0.8	(0.1)	(0.1)
U.S.	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.0
% Ch	2.0	(1.2)	(0.3)	2.7	1.2	(0.1)	(0.1)	(0.6)	(1.0)	(1.4)	(1.4)	(1.2)
<b>Transportation Equipment</b>												
Oregon	12.6	11.0	10.7	10.8	10.8	11.3	11.7	11.8	11.6	11.3	11.2	11.1
% Ch	3.8	(13.0)	(2.4)	1.1	0.1	4.2	3.7	1.2	(1.9)	(2.2)	(1.2)	(1.3)
U.S.	1.7	1.6	1.6	1.7	1.8	1.8	1.7	1.6	1.5	1.5	1.5	1.4
% Ch	1.6	(8.0)	3.4	4.9	4.7	(2.3)	(5.5)	(5.8)	(3.3)	(2.1)	(2.0)	(1.7)
<b>Other Durables</b>												
Oregon	22.4	20.9	21.4	22.0	22.0	22.3	21.8	21.7	21.7	21.5	21.3	21.2
% Ch	(0.7)	(6.6)	2.2	2.6	0.3	1.3	(2.4)	(0.3)	(0.3)	(0.9)	(0.6)	(0.5)
U.S.	2.2	2.1	2.2	2.3	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1
% Ch	0.6	(4.9)	2.9	3.5	(0.6)	(4.1)	(2.4)	0.2	(0.2)	(0.6)	(0.2)	0.5
<b>Nondurable Manufacturing</b>												
Oregon	61.1	57.1	57.6	57.8	57.5	58.8	59.0	58.8	59.0	59.5	60.1	60.4
% Ch	2.4	(6.5)	0.9	0.4	(0.5)	2.3	0.3	(0.2)	0.3	0.9	0.9	0.5
U.S.	4.8	4.6	4.7	4.9	4.9	4.8	4.7	4.6	4.6	4.6	4.6	4.6
% Ch	0.8	(3.9)	1.8	3.8	0.3	(2.0)	(1.5)	(1.3)	(0.6)	(0.4)	(0.3)	(0.2)
<b>Food Manufacturing</b>												
Oregon	29.9	28.0	28.5	28.7	28.3	29.1	29.3	29.4	29.5	29.7	30.0	30.2
% Ch	0.1	(6.2)	1.7	0.7	(1.4)	2.9	0.7	0.1	0.3	0.7	1.1	0.8
U.S.	1.6	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.8
% Ch	1.5	(1.8)	1.4	3.6	1.6	(0.6)	(0.2)	0.0	0.8	1.0	1.1	1.1
<b>Other Nondurable</b>												
Oregon	31.2	29.1	29.1	29.1	29.2	29.7	29.7	29.5	29.6	29.9	30.1	30.2
% Ch	4.7	(6.8)	0.1	0.0	0.3	1.7	(0.1)	(0.6)	0.3	1.1	0.7	0.3
U.S.	3.1	3.0	3.0	3.2	3.1	3.1	3.0	2.9	2.9	2.9	2.8	2.8
% Ch	0.4	(5.0)	1.9	3.9	(0.5)	(2.7)	(2.2)	(2.0)	(1.5)	(1.2)	(1.1)	(1.1)
<b>Trade, Transportation, and Utilities</b>												
Oregon	357.2	349.6	361.5	367.0	365.9	366.5	366.9	367.6	368.3	368.8	368.8	368.7
% Ch	1.3	(2.1)	3.4	1.5	(0.3)	0.1	0.1	0.2	0.2	0.1	(0.0)	(0.0)
U.S.	27.7	26.6	27.7	28.7	28.9	28.5	27.9	27.7	27.6	27.5	27.3	27.1
% Ch	0.4	(3.7)	3.9	3.6	0.8	(1.2)	(2.1)	(0.8)	(0.3)	(0.6)	(0.7)	(0.5)

## Sept 2023 - Employment By Industry

(Oregon - Thousands, U.S. - Millions)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Retail Trade</b>												
Oregon	210.1	200.9	209.2	210.7	209.9	209.7	209.7	209.7	209.7	209.8	209.6	209.5
% Ch	(0.7)	(4.4)	4.1	0.7	(0.4)	(0.1)	0.0	0.0	(0.0)	0.0	(0.1)	(0.0)
U.S.	15.6	14.8	15.3	15.5	15.6	15.1	14.4	14.1	14.0	13.9	13.9	13.9
% Ch	(1.1)	(4.7)	3.0	1.5	0.4	(3.0)	(4.5)	(2.0)	(0.7)	(0.7)	(0.5)	0.1
<b>Wholesale Trade</b>												
Oregon	76.6	74.3	75.0	77.1	77.1	77.7	77.8	78.0	78.2	78.5	78.6	78.7
% Ch	1.2	(3.0)	1.0	2.8	0.0	0.8	0.0	0.3	0.4	0.3	0.2	0.1
U.S.	5.9	5.6	5.7	6.0	6.1	6.1	6.2	6.2	6.2	6.2	6.1	6.0
% Ch	0.8	(4.3)	1.4	4.5	1.5	1.2	0.6	0.3	0.2	(0.7)	(1.1)	(1.2)
<b>Transportation and Warehousing, and Utilities</b>												
Oregon	70.6	74.5	77.3	79.2	78.9	79.1	79.4	79.9	80.3	80.6	80.6	80.5
% Ch	7.5	5.5	3.8	2.5	(0.3)	0.2	0.5	0.5	0.5	0.3	0.1	(0.1)
U.S.	6.2	6.2	6.7	7.2	7.3	7.3	7.4	7.4	7.4	7.4	7.3	7.3
% Ch	3.9	(0.6)	8.3	7.8	1.1	0.5	0.6	0.6	(0.0)	(0.5)	(0.7)	(0.9)
<b>Information</b>												
Oregon	35.1	33.3	35.1	36.7	36.4	36.6	36.9	37.0	37.1	37.3	37.5	37.6
% Ch	2.2	(5.1)	5.4	4.6	(0.9)	0.8	0.7	0.2	0.2	0.8	0.6	0.2
U.S.	2.9	2.7	2.9	3.1	3.1	3.1	3.2	3.1	3.1	3.1	3.1	3.1
% Ch	0.9	(5.0)	5.0	7.6	0.6	0.5	2.4	(1.0)	(1.5)	(0.3)	0.1	(0.3)
<b>Financial Activities</b>												
Oregon	103.5	102.5	104.2	105.1	104.9	106.4	106.7	107.3	107.4	107.2	106.8	106.2
% Ch	1.3	(1.0)	1.6	0.9	(0.2)	1.4	0.3	0.5	0.1	(0.1)	(0.4)	(0.6)
U.S.	8.8	8.7	8.8	9.0	9.1	9.2	9.3	9.4	9.5	9.5	9.4	9.3
% Ch	1.9	(0.6)	1.2	2.7	1.0	1.0	0.9	1.0	0.7	(0.1)	(0.4)	(0.9)
<b>Professional and Business Services</b>												
Oregon	254.7	243.6	251.6	264.1	268.8	273.9	275.9	280.4	286.2	293.0	299.4	305.9
% Ch	2.0	(4.3)	3.3	5.0	1.8	1.9	0.7	1.6	2.0	2.4	2.2	2.2
U.S.	21.3	20.4	21.4	22.6	23.1	23.2	23.1	23.1	23.3	24.0	24.6	25.1
% Ch	1.6	(4.5)	5.0	5.6	2.2	0.5	(0.5)	(0.0)	1.2	2.7	2.5	2.4
<b>Education and Health Services</b>												
Oregon	312.1	296.7	299.1	304.0	315.3	322.4	328.0	332.7	337.2	340.7	343.8	347.3
% Ch	2.1	(4.9)	0.8	1.6	3.7	2.3	1.7	1.4	1.4	1.0	0.9	1.0
U.S.	24.2	23.3	23.6	24.4	25.3	25.8	25.9	26.0	26.1	26.3	26.4	26.6
% Ch	2.2	(3.7)	1.6	3.0	3.9	2.1	0.5	0.2	0.6	0.6	0.4	0.5
<b>Educational Services</b>												
Oregon	36.6	31.5	32.1	34.5	35.0	35.4	35.3	35.2	35.1	35.0	35.0	34.9
% Ch	0.3	(13.9)	1.7	7.6	1.4	1.2	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
U.S.	3.7	3.5	3.6	3.8	3.9	4.0	4.0	4.0	4.1	4.1	4.1	4.1
% Ch	0.7	(7.1)	3.1	5.9	3.9	1.8	0.0	0.2	0.7	0.8	0.2	(0.2)
<b>Health Care and Social Assistance</b>												
Oregon	275.5	265.2	267.1	269.5	280.3	287.0	292.7	297.4	302.1	305.6	308.9	312.4
% Ch	2.3	(3.7)	0.7	0.9	4.0	2.4	2.0	1.6	1.6	1.2	1.1	1.1
U.S.	20.4	19.8	20.1	20.6	21.3	21.8	21.9	22.0	22.1	22.2	22.3	22.5
% Ch	2.5	(3.1)	1.4	2.4	3.9	2.1	0.6	0.2	0.6	0.6	0.5	0.6
<b>Leisure and Hospitality</b>												
Oregon	213.9	162.1	175.0	198.3	205.8	210.6	213.3	215.0	216.5	218.8	220.9	222.8
% Ch	1.2	(24.2)	7.9	13.3	3.8	2.3	1.3	0.8	0.7	1.1	0.9	0.9
U.S.	16.6	13.1	14.1	15.9	16.6	16.6	16.8	17.0	17.1	17.1	17.1	17.2
% Ch	1.8	(20.8)	7.7	12.0	4.5	0.2	1.0	1.2	0.5	0.0	0.4	0.2
<b>Other Services</b>												
Oregon	64.8	57.8	59.2	61.9	65.1	65.7	66.3	66.8	67.4	68.0	68.4	68.9
% Ch	0.6	(10.8)	2.5	4.4	5.2	0.9	0.9	0.8	0.9	0.8	0.6	0.7
U.S.	5.9	5.3	5.5	5.7	5.9	6.0	6.1	6.2	6.3	6.4	6.5	6.5
% Ch	1.0	(9.6)	2.4	4.6	3.1	2.2	1.6	1.6	1.4	1.4	1.0	0.6
<b>Government</b>												
Oregon	298.4	284.7	285.7	294.8	303.9	303.8	303.2	303.9	304.7	305.6	306.5	308.2
% Ch	1.2	(4.6)	0.4	3.2	3.1	(0.0)	(0.2)	0.2	0.3	0.3	0.3	0.5
U.S.	22.6	22.0	22.0	22.2	22.7	22.9	23.1	23.2	23.3	23.5	23.6	23.8
% Ch	0.7	(2.8)	(0.1)	0.9	2.3	1.0	0.7	0.6	0.5	0.5	0.5	0.7
<b>Federal Government</b>												
Oregon	28.5	29.2	28.5	27.8	28.1	28.0	27.9	27.8	27.8	27.7	27.6	28.3
% Ch	1.4	2.5	(2.3)	(2.3)	0.9	(0.2)	(0.4)	(0.3)	(0.3)	(0.3)	(0.2)	2.4
U.S.	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0
% Ch	1.1	3.6	(1.6)	(0.6)	1.4	0.2	0.0	0.0	0.0	0.0	0.0	2.3
<b>State Government, Oregon</b>												
State Total	40.9	41.4	42.6	43.0	45.0	45.2	44.9	45.2	45.6	46.2	46.6	47.0
% Ch	3.6	1.1	2.8	1.0	4.8	0.3	(0.5)	0.5	1.0	1.3	0.9	0.8
State Education	0.9	0.9	1.0	1.2	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.2
% Ch	7.2	4.1	11.3	18.6	13.8	(0.5)	(1.8)	(2.2)	(2.0)	(1.9)	(1.7)	(1.8)
<b>Local Government, Oregon</b>												
Local Total	228.9	214.1	214.6	223.9	230.8	230.6	230.3	230.9	231.3	231.8	232.3	232.9
% Ch	0.8	(6.5)	0.2	4.3	3.0	(0.1)	(0.1)	0.2	0.2	0.2	0.2	0.2
Local Education	133.0	121.9	122.2	128.6	133.0	132.1	131.2	130.5	129.6	128.6	128.1	127.7
% Ch	0.3	(8.3)	0.2	5.2	3.4	(0.6)	(0.7)	(0.5)	(0.8)	(0.7)	(0.4)	(0.3)

## Sept 2023 - Other Economic Indicators

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
GDP (Bil of 2012 \$), Chain Weight (in billions of \$)	19,036.1	18,509.1	19,609.8	20,014.1	20,384.2	20,623.3	20,933.8	21,293.6	21,680.9	22,070.2	22,453.5	22,850.0
% Ch	2.3	(2.8)	5.9	2.1	1.8	1.2	1.5	1.7	1.8	1.8	1.7	1.8
<b>Price and Wage Indicators</b>												
GDP Implicit Price Deflator, Chain Weight U.S., 2012=100	112.3	113.8	118.9	127.2	132.2	135.8	139.0	142.0	145.2	148.4	151.7	155.1
% Ch	1.8	1.3	4.5	7.0	3.9	2.7	2.3	2.2	2.2	2.2	2.2	2.2
Personal Consumption Deflator, Chain Weight U.S., 2012=100	109.9	111.1	115.6	122.9	127.5	130.9	133.8	136.6	139.4	142.1	144.8	147.6
% Ch	1.5	1.1	4.0	6.3	3.8	2.6	2.3	2.1	2.0	2.0	1.9	1.9
CPI, Urban Consumers, 1982-84=100												
West Region	270.3	275.1	287.5	310.5	324.2	335.9	345.7	354.2	362.7	370.9	379.1	387.7
% Ch	2.7	1.7	4.5	8.0	4.4	3.6	2.9	2.5	2.4	2.3	2.2	2.3
U.S.	255.7	258.9	271.0	292.6	304.7	312.8	320.8	328.1	335.6	342.9	349.9	357.2
% Ch	1.8	1.3	4.7	8.0	4.1	2.7	2.6	2.3	2.3	2.2	2.1	2.1
Oregon Average Wage Rate (Thous \$)	57.4	62.9	66.8	69.5	71.8	74.9	78.1	81.3	84.6	88.0	91.6	95.3
% Ch	3.9	9.5	6.1	4.1	3.3	4.3	4.2	4.1	4.1	4.1	4.1	4.1
U.S. Average Wage Wage Rate (Thous \$)	61.8	66.5	70.3	73.3	75.4	78.7	82.2	85.6	89.2	92.6	96.1	99.6
% Ch	3.4	7.7	5.7	4.2	2.9	4.3	4.4	4.2	4.1	3.9	3.7	3.7
<b>Housing Indicators</b>												
FHFA Oregon Housing Price Index 1991 Q1=100	434.9	470.8	556.6	615.6	613.2	624.2	649.5	680.5	707.8	734.3	762.1	791.6
% Ch	4.8	8.2	18.2	10.6	(0.4)	1.8	4.1	4.8	4.0	3.7	3.8	3.9
FHFA National Housing Price Index 1991 Q1=100	268.8	289.9	338.5	386.2	396.8	396.2	400.7	405.6	409.9	414.8	421.2	429.4
% Ch	5.1	7.9	16.8	14.1	2.8	(0.1)	1.1	1.2	1.1	1.2	1.5	1.9
Housing Starts Oregon (Thous)	20.7	18.1	20.2	19.9	19.3	20.1	21.0	21.1	21.2	21.4	21.5	21.6
% Ch	5.7	(12.7)	11.9	(1.4)	(3.3)	4.2	4.3	0.5	0.6	1.1	0.1	0.9
U.S. (Millions)	1.3	1.4	1.6	1.6	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
% Ch	3.6	8.2	14.9	(3.4)	(9.2)	(3.9)	3.7	(0.5)	(1.0)	(0.2)	(0.1)	(0.6)
<b>Other Indicators</b>												
Unemployment Rate (%) Oregon	3.7	7.6	5.2	4.1	3.9	3.9	4.1	4.1	4.1	4.1	4.1	4.1
Point Change	(0.3)	3.9	(2.4)	(1.1)	(0.3)	(0.0)	0.2	0.0	0.0	0.0	0.0	0.0
U.S.	3.7	8.1	5.4	3.6	3.6	4.0	4.6	4.8	4.7	4.6	4.5	4.4
Point Change	(0.2)	4.4	(2.7)	(1.7)	(0.1)	0.5	0.5	0.2	(0.1)	(0.1)	(0.1)	(0.1)
Industrial Production Index U.S. 2012 = 100	102.4	95.1	99.2	102.6	102.7	102.4	103.0	104.1	105.3	106.7	108.0	109.2
% Ch	(0.7)	(7.2)	4.4	3.4	0.1	(0.3)	0.6	1.1	1.1	1.4	1.2	1.1
Prime Rate (Percent)	5.3	3.5	3.3	4.9	8.2	8.2	6.6	5.8	5.8	5.8	5.8	5.8
% Ch	7.7	(32.9)	(8.3)	49.3	69.3	(0.3)	(19.5)	(12.5)	(0.3)	(0.0)	(0.0)	(0.0)
Population (Millions) Oregon	4.21	4.24	4.26	4.28	4.30	4.32	4.34	4.37	4.40	4.43	4.47	4.50
% Ch	0.9	0.7	0.5	0.4	0.3	0.5	0.6	0.7	0.7	0.7	0.8	0.8
U.S.	330.5	331.9	332.5	333.8	335.5	337.3	339.0	340.7	342.5	344.2	346.0	347.7
% Ch	0.6	0.4	0.2	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Timber Harvest (Mil Bd Ft) Oregon	3,541.3	3,624.7	3,880.5	3,652.0	3,637.2	3,599.1	3,633.6	3,682.8	3,734.6	3,734.5	3,723.2	3,715.5
% Ch	(12.9)	2.4	7.1	(5.9)	(0.4)	(1.0)	1.0	1.4	1.4	(0.0)	(0.3)	(0.2)

## Appendix B: Revenue Forecast Detail

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Table B.1a – General Fund Revenues – 2021-23

Table B.1a  
General Fund Revenue Statement – 2021-23

	Estimate at COS 2021	Forecasts Dated: 5/17/2023			Forecasts Dated: 9/1/2023			Difference	
		2021-22	2022-23	Total 2021-23	2021-22	2022-23	Total 2021-23	09/1/2023 Less 5/15/2023	09/1/2023 Less COS
<b>Taxes</b>									
Personal Income Taxes	20,628,060,000	12,482,887,000	13,176,596,000	25,659,483,000	12,462,886,000	13,274,254,000	25,737,140,000	77,657,000	5,109,080,000
Transfers & Offsets	(40,583,000)	(16,409,000)	(10,814,000)	(27,223,000)	(26,237,000)	(27,398,000)	(53,635,000)	(26,412,000)	(13,052,000)
Corporate Income Taxes	1,343,966,000	1,539,051,000	1,622,101,000	3,161,152,000	1,538,497,000	1,618,518,000	3,157,015,000	(4,137,000)	1,813,049,000
Transfer to Rainy Day Fund (Minimum Tax)	(56,001,000)	0	(128,983,000)	(128,983,000)	0	(128,600,000)	(128,600,000)	383,000	(72,599,000)
Insurance Taxes	135,086,000	86,214,000	61,457,000	147,671,000	86,214,000	96,048,000	182,262,000	34,591,000	47,176,000
Estate Taxes	443,848,000	325,468,000	264,175,000	589,643,000	325,468,000	297,572,000	623,040,000	33,397,000	179,192,000
Transfer to PERS UAL	(74,916,000)	0	(89,003,000)	(89,003,000)	0	0	0	89,003,000	74,916,000
Cigarette Taxes	44,903,000	24,396,000	21,976,000	46,372,000	24,396,000	21,361,000	45,757,000	(615,000)	854,000
Other Tobacco Products Taxes	65,129,000	30,320,000	30,234,000	60,554,000	30,320,000	29,440,000	59,760,000	(794,000)	(5,369,000)
Other Taxes	1,786,000	1,007,000	898,000	1,905,000	1,007,000	845,000	1,852,000	(53,000)	66,000
<b>Fines and Fees</b>									
State Court Fees	136,147,000	52,488,000	54,566,000	107,054,000	52,488,000	52,526,000	105,014,000	(2,040,000)	(31,133,000)
Secretary of State Fees	82,185,000	42,949,000	44,099,000	87,048,000	42,949,000	46,684,000	89,633,000	2,585,000	7,448,000
Criminal Fines & Assessments	27,202,000	792,000	6,068,000	6,860,000	792,000	66,000	858,000	(6,002,000)	(26,344,000)
Securities Fees	26,538,000	15,575,000	14,365,000	29,940,000	15,575,000	13,997,000	29,572,000	(368,000)	3,034,000
Central Service Charges	12,746,000	6,373,000	6,373,000	12,746,000	6,373,000	6,373,000	12,746,000	0	0
Liquor Apportionment	347,137,000	160,020,000	197,552,000	357,572,000	160,020,000	172,335,000	332,355,000	(25,217,000)	(14,782,000)
Interest Earnings	35,000,000	39,984,000	277,683,000	317,667,000	39,984,000	262,484,000	302,468,000	(15,199,000)	267,468,000
Miscellaneous Revenues	12,000,000	8,490,000	7,600,000	16,090,000	8,490,000	9,240,000	17,730,000	1,640,000	5,730,000
One-time Transfers	58,677,000	94,681,000	58,677,000	153,358,000	94,681,000	40,851,476	135,532,476	(17,825,524)	76,855,476
<b>Gross General Fund Revenues</b>	<b>23,400,410,000</b>	<b>14,910,695,000</b>	<b>15,844,420,000</b>	<b>30,755,115,000</b>	<b>14,890,140,000</b>	<b>15,942,594,476</b>	<b>30,832,734,476</b>	<b>77,619,476</b>	<b>7,432,324,476</b>
Total Transfers	(171,500,000)	(16,409,000)	(228,800,000)	(245,209,000)	(26,237,000)	(155,998,000)	(182,235,000)	62,974,000	(85,651,000)
<b>Net General Fund Revenues</b>	<b>23,228,910,000</b>	<b>14,894,286,000</b>	<b>15,615,620,000</b>	<b>30,509,906,000</b>	<b>14,863,903,000</b>	<b>15,786,596,476</b>	<b>30,650,499,476</b>	<b>140,593,476</b>	<b>7,346,673,476</b>
Plus Beginning Balance	3,025,585,699			4,082,489,264			4,082,489,264	0	1,056,903,565
Less Anticipated Administrative Actions*	(21,472,000)			0			0	0	21,472,000
Less Statutory Transfers**	(224,612,788)			(222,880,647)			(220,722,881)	2,157,766	3,889,907
<b>Available Resources</b>	<b>26,008,410,911</b>			<b>34,369,514,617</b>			<b>34,512,265,859</b>	<b>142,751,242</b>	<b>8,503,854,948</b>
Appropriations	25,445,991,039			27,367,410,483			27,130,627,861	(236,782,622)	1,684,636,822
Less Estimated Reversions***				0			(254,596,034)	(254,596,034)	(254,596,034)
<b>Projected Expenditures</b>	<b>25,445,991,039</b>			<b>27,367,410,483</b>			<b>26,876,031,827</b>	<b>(491,378,656)</b>	<b>1,430,040,788</b>
<b>Estimated Ending Balance</b>	<b>562,419,872</b>			<b>7,002,104,134</b>			<b>7,636,234,032</b>	<b>634,129,898</b>	<b>7,073,814,160</b>

Notes: Corporate income tax figure includes Corporate Multistate taxes. Other taxes include General Fund portions of the Eastern Oregon Severance Tax, Western Oregon Severance Tax and Amusement Device Tax. Cigarette, Other Tobacco, and Liquor are the General Fund portions only, see Table B.6 and B.7 for more.

\* The "Anticipated Administrative Actions" line includes items like Tax Anticipation Note borrowing costs. None of these costs occurred for the 2021-23 biennium.

\*\* "Statutory Transfers" include the Rainy Day Fund transfer for 2021-23 only.

\*\*\* "Estimated Reversions" equals the amount assumed by the Legislative Fiscal Office at LAB.

Table B.1b – General Fund Revenues – 2023-25 Close of Session

	Forecasts Dated: 5/17/2023			Forecasts Dated: Close of Session (COS)			Difference
			Total			Total	COS Less
	2023-24	2024-25	2023-25	2023-24	2024-25	2023-25	5/15/2021
<b>Taxes</b>							
Personal Income Taxes	8,712,640,000	12,375,653,000	21,088,293,000	8,681,640,000	12,338,053,000	21,019,693,000	(68,600,000)
Transfers & Offsets	(17,520,000)	(19,510,000)	(37,030,000)	(17,520,000)	(19,510,000)	(37,030,000)	0
Corporate Income Taxes	1,136,036,000	1,109,009,000	2,245,045,000	1,144,336,000	1,084,609,000	2,228,945,000	(16,100,000)
Transfer to Rainy Day Fund (Minimum Tax)	0	(91,604,000)	(91,604,000)	0	(91,604,000)	(91,604,000)	0
Insurance Taxes	71,825,000	73,186,000	145,011,000	71,825,000	73,186,000	145,011,000	0
Estate Taxes	270,366,000	277,366,000	547,732,000	268,366,000	271,366,000	539,732,000	(8,000,000)
Transfer to PERS UAL	0	0	0	0	0	0	0
Cigarette Taxes	21,847,000	21,297,000	43,144,000	21,847,000	21,297,000	43,144,000	0
Other Tobacco Products Taxes	30,684,000	30,619,000	61,303,000	30,684,000	30,619,000	61,303,000	0
Other Taxes	898,000	898,000	1,796,000	898,000	898,000	1,796,000	0
<b>Fines and Fees</b>							
State Court Fees	60,398,000	62,919,000	123,317,000	60,398,000	62,919,000	123,317,000	0
Secretary of State Fees	50,642,000	49,358,000	100,000,000	51,641,600	50,162,400	101,804,000	1,804,000
Criminal Fines & Assessments	9,695,000	9,695,000	19,390,000	7,757,000	7,757,000	15,514,000	(3,876,000)
Securities Fees	15,442,000	16,153,000	31,595,000	15,442,000	16,153,000	31,595,000	0
<b>Central Service Charges</b>	8,050,000	8,050,000	16,100,000	8,050,000	8,050,000	16,100,000	0
<b>Liquor Apportionment</b>	191,943,000	204,634,000	396,577,000	194,482,000	207,340,000	401,822,000	5,245,000
<b>Interest Earnings</b>	348,920,000	124,405,000	473,325,000	348,920,000	124,405,000	473,325,000	0
<b>Miscellaneous Revenues</b>	8,000,000	8,000,000	16,000,000	8,000,000	8,000,000	16,000,000	0
<b>One-time Transfers</b>	0	0	0	220,000	40,614,635	40,834,635	40,834,635
<b>Gross General Fund Revenues</b>	10,937,386,000	14,371,242,000	25,308,628,000	10,914,506,600	14,345,429,035	25,259,935,635	(48,692,365)
Total Transfers	(17,520,000)	(111,114,000)	(128,634,000)	(17,520,000)	(111,114,000)	(128,634,000)	0
<b>Net General Fund Revenues</b>	10,919,866,000	14,260,128,000	25,179,994,000	10,896,986,600	14,234,315,035	25,131,301,635	(48,692,365)
<b>Plus Beginning Balance</b>			7,002,104,134			7,493,482,790	491,378,656
Less Anticipated Administrative Actions*			0			0	0
Less Legislatively Adopted Actions**			(310,743,560)			(308,375,734)	2,367,826
<b>Available Resources</b>			31,871,354,575			32,316,408,692	445,054,117
Appropriations			N/A			31,873,575,550	N/A
<b>Estimated Ending Balance</b>			N/A			442,833,142	N/A

Table B.1c – General Fund Revenues – 2023-25

Table B.1c General Fund Revenue Statement – 2023-25									
	Estimate at COS 2023	Forecasts Dated: 5/17/2023			Forecasts Dated: 9/1/2023			Difference	
		2023-24	2024-25	Total 2023-25	2023-24	2024-25	Total 2023-25	09/1/2023 Less 5/15/2023	09/1/2023 Less COS
<b>Taxes</b>									
Personal Income Taxes	21,019,693,000	8,712,640,000	12,375,653,000	21,088,293,000	8,558,736,000	12,504,858,000	21,063,594,000	(24,699,000)	43,901,000
Transfers & Offsets	(37,030,000)	(17,520,000)	(19,510,000)	(37,030,000)	(33,251,000)	(70,340,000)	(103,591,000)	(66,561,000)	(66,561,000)
Corporate Income Taxes	2,228,945,000	1,136,036,000	1,109,009,000	2,245,045,000	1,204,234,000	1,345,657,000	2,549,891,000	304,846,000	320,946,000
Transfer to Rainy Day Fund (Minimum Tax)	(91,604,000)	0	(91,604,000)	(91,604,000)	0	(110,175,000)	(110,175,000)	(18,571,000)	(18,571,000)
Insurance Taxes	145,011,000	71,825,000	73,186,000	145,011,000	81,440,000	83,666,000	165,106,000	20,095,000	20,095,000
Estate Taxes	539,732,000	270,366,000	277,366,000	547,732,000	271,050,000	274,080,000	545,130,000	(2,602,000)	5,398,000
Transfer to PERS UAL	0	0	0	0	(60,503,000)	0	(60,503,000)	(60,503,000)	(60,503,000)
Cigarette Taxes	43,144,000	21,847,000	21,297,000	43,144,000	21,847,000	21,297,000	43,144,000	0	0
Other Tobacco Products Taxes	61,303,000	30,684,000	30,619,000	61,303,000	30,684,000	30,619,000	61,303,000	0	0
Other Taxes	1,796,000	898,000	898,000	1,796,000	898,000	898,000	1,796,000	0	0
<b>Fines and Fees</b>									
State Court Fees	123,317,000	60,398,000	62,919,000	123,317,000	60,398,000	62,919,000	123,317,000	0	0
Secretary of State Fees	101,804,000	50,642,000	49,358,000	100,000,000	51,642,000	50,162,000	101,804,000	1,804,000	0
Criminal Fines & Assessments	15,514,000	9,695,000	9,695,000	19,390,000	7,757,000	7,757,000	15,514,000	(3,876,000)	0
Securities Fees	31,595,000	15,442,000	16,153,000	31,595,000	14,930,000	15,536,000	30,466,000	(1,129,000)	(1,129,000)
<b>Central Service Charges</b>	16,100,000	8,050,000	8,050,000	16,100,000	8,050,000	8,050,000	16,100,000	0	0
<b>Liquor Apportionment</b>	401,822,000	191,943,000	204,634,000	396,577,000	194,482,000	207,340,000	401,822,000	5,245,000	0
<b>Interest Earnings</b>	473,325,000	348,920,000	124,405,000	473,325,000	346,668,000	140,513,000	487,181,000	13,856,000	13,856,000
<b>Miscellaneous Revenues</b>	16,000,000	8,000,000	8,000,000	16,000,000	8,000,000	8,000,000	16,000,000	0	0
<b>One-time Transfers</b>	40,834,635	0	0	0	220,000	40,615,000	40,835,000	40,835,000	365
<b>Gross General Fund Revenues</b>	25,259,935,635	10,937,386,000	14,371,242,000	25,308,628,000	10,861,036,000	14,801,967,000	25,663,003,000	354,375,000	403,067,365
Total Transfers	(128,634,000)	(17,520,000)	(111,114,000)	(128,634,000)	(93,754,000)	(180,515,000)	(274,269,000)	(145,635,000)	(145,635,000)
<b>Net General Fund Revenues</b>	25,131,301,635	10,919,866,000	14,260,128,000	25,179,994,000	10,767,282,000	14,621,452,000	25,388,734,000	208,740,000	257,432,365
Plus Beginning Balance	7,493,482,790			7,002,104,134			7,636,234,032	634,129,898	142,751,242
Less Anticipated Administrative Actions*	0			0			0	0	0
Less Statutory Transfers**	(308,375,734)			(310,743,560)			(271,306,279)	39,437,281	37,069,455
<b>Available Resources</b>	32,316,408,692			31,871,354,575			32,753,661,754	882,307,179	437,253,062
Appropriations	31,873,575,550			N/A			31,873,575,550	N/A	0
<b>Estimated Ending Balance</b>	442,833,142			N/A			880,086,204	N/A	437,253,062

Notes: Corporate income tax figure includes Corporate Multistate taxes. Other taxes include General Fund portions of the Eastern Oregon Severance Tax, Western Oregon Severance Tax and Amusement Device Tax. Cigarette, Other Tobacco, and Liquor are the General Fund portions only, see Table B.6 and B.7 for more.

\* The "Anticipated Administrative Actions" line includes items like Tax Anticipation Note borrowing costs. None of these costs are anticipated for the 2023-25 biennium.

\*\* "Statutory Transfers" amounts to the RDF transfer for the COS and September forecasts. The BM 110 Transfer that was included for the May forecast is now included in the PIT "Transfers and Offsets" line. The amount of the BM 110 transfer is \$2,157,766 in FY 2024 and \$37,069,455 in FY 2025.

Table B.2 – General Fund Revenues by Fiscal Year

TABLE B.2

General Fund Revenue Forecast														September 2023
(\$Millions)														
Fiscal Years	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
	Fiscal Year													
<b>Taxes</b>														
Personal Income	7,212.5	12,794.0	12,436.6	13,246.9	8,558.7	12,504.9	14,637.4	15,533.7	16,914.1	18,208.7	19,351.9	20,486.7	21,695.9	23,007.0
Film & Video, Gain Share, Industrial Lands	(20.5)	(21.4)	(26.2)	(27.4)	(33.3)	(70.3)	(32.8)	(33.0)	(35.6)	(36.1)	(30.6)	(10.0)	(8.2)	(2.0)
Corporate Excise & Income	488.3	1,478.6	1,538.5	1,618.5	1,204.2	1,345.7	1,406.1	1,492.8	1,573.0	1,635.3	1,701.0	1,780.4	1,870.9	1,969.6
Transfer to RDF & PERSUAL	0.0	(74.5)	0.0	(128.6)	0.0	(110.2)	0.0	(125.3)	0.0	(138.6)	0.0	(150.4)	0.0	0.0
Insurance	75.3	83.9	86.2	96.0	81.4	83.7	84.7	85.4	92.9	94.7	96.5	98.3	100.2	102.2
Estate	113.8	410.3	325.5	297.6	271.0	274.1	278.4	285.3	288.1	295.6	305.6	314.0	326.5	339.6
Transfer to PERSUAL	0.0	0.0	0.0	0.0	(60.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cigarette	30.5	24.6	24.4	21.4	21.8	21.3	20.7	20.3	19.9	19.6	19.3	19.0	18.7	18.4
Other Tobacco Products	30.9	30.4	30.3	29.4	30.7	30.6	30.6	30.8	30.7	30.9	31.0	30.9	30.8	30.8
Other Taxes	0.4	0.6	1.0	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
<b>Other Revenues</b>														
Licenses and Fees	135.3	114.1	111.8	113.3	134.7	136.4	138.3	137.6	139.7	138.9	140.8	140.0	142.4	141.5
Charges for Services	5.7	5.7	6.4	6.4	8.1	8.1	8.7	8.7	9.4	9.4	10.0	10.0	10.7	10.7
Liquor Apportionment	162.1	178.8	160.0	172.3	194.5	207.3	187.2	197.6	209.7	223.2	238.5	253.7	269.9	287.2
Interest Earnings	64.5	28.5	40.0	262.5	346.7	140.5	106.3	106.2	109.3	112.5	115.9	119.3	122.7	126.5
Others	20.4	165.4	103.2	50.1	8.2	48.6	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
<b>Gross General Fund</b>	<b>8,339.8</b>	<b>15,314.8</b>	<b>14,863.9</b>	<b>15,915.2</b>	<b>10,861.0</b>	<b>14,802.0</b>	<b>16,907.3</b>	<b>17,907.1</b>	<b>19,395.7</b>	<b>20,777.7</b>	<b>22,019.4</b>	<b>23,261.3</b>	<b>24,597.7</b>	<b>26,042.4</b>
<b>Net General Fund</b>	<b>8,319.3</b>	<b>15,218.9</b>	<b>14,837.7</b>	<b>15,759.2</b>	<b>10,767.3</b>	<b>14,621.4</b>	<b>16,874.6</b>	<b>17,748.8</b>	<b>19,360.1</b>	<b>20,602.9</b>	<b>21,988.8</b>	<b>23,100.8</b>	<b>24,589.5</b>	<b>26,040.4</b>
<b>Biennial Totals</b>														
	<b>2019-21 BN</b>	<b>Change (%)</b>	<b>2021-23 BN</b>	<b>Change (%)</b>	<b>2023-25 BN</b>	<b>Change (%)</b>	<b>2025-27 BN</b>	<b>Change (%)</b>	<b>2027-29 BN</b>	<b>Change (%)</b>	<b>2029-31 BN</b>	<b>Change (%)</b>	<b>2031-33 BN</b>	<b>Change (%)</b>
<b>Taxes</b>														
Personal Income	20,006.5	6.3%	25,683.5	28.4%	21,063.6	-18.0%	30,171.1	43.2%	35,122.7	16.4%	39,838.6	13.4%	44,702.9	12.2%
Corporate Excise & Income	1,966.9	11.2%	3,157.0	60.5%	2,549.9	-19.2%	2,898.8	13.7%	3,208.3	10.7%	3,481.5	8.5%	3,840.5	10.3%
Insurance	159.2	-0.7%	182.3	14.5%	165.1	-9.4%	170.1	3.0%	187.6	10.3%	194.8	3.8%	202.4	3.9%
Estate Taxes	524.1	37.5%	623.0	18.9%	545.1	-12.5%	563.6	3.4%	583.8	3.6%	619.6	6.1%	666.1	7.5%
Cigarette	55.1	-16.0%	45.8	-17.0%	43.1	-5.7%	41.0	-5.0%	39.6	-3.4%	38.4	-3.1%	37.2	-3.1%
Other Tobacco Products	61.3	-3.6%	59.8	-2.5%	61.3	2.6%	61.4	0.2%	61.7	0.4%	61.8	0.3%	61.6	-0.4%
Other Taxes	1.0	-49.4%	1.9	85.4%	1.8	-3.0%	1.8	0.0%	1.8	0.0%	1.8	0.0%	1.8	0.0%
<b>Other Revenues</b>														
Licenses and Fees	249.4	-3.7%	225.1	-9.7%	271.1	20.4%	275.9	1.8%	278.5	0.9%	280.9	0.8%	283.9	1.1%
Charges for Services	11.5	5.5%	12.7	11.1%	16.1	26.3%	17.4	8.1%	18.7	7.5%	20.0	7.0%	21.3	6.5%
Liquor Apportionment	340.9	15.8%	332.4	-2.5%	401.8	20.9%	384.8	-4.2%	432.9	12.5%	492.2	13.7%	557.2	13.2%
Interest Earnings	92.9	6.6%	302.5	225.5%	487.2	61.1%	212.5	-56.4%	221.8	4.4%	235.1	6.0%	249.1	6.0%
Others	185.8	1121.7%	153.3	-17.5%	56.8	-62.9%	16.0	-71.8%	16.0	0.0%	16.0	0.0%	16.0	0.0%
<b>Gross General Fund</b>	<b>23,654.6</b>	<b>7.9%</b>	<b>30,779.1</b>	<b>30.1%</b>	<b>25,663.0</b>	<b>-16.6%</b>	<b>34,814.5</b>	<b>35.7%</b>	<b>40,173.4</b>	<b>15.4%</b>	<b>45,280.6</b>	<b>12.7%</b>	<b>50,640.0</b>	<b>11.8%</b>
<b>Net General Fund</b>	<b>23,538.2</b>	<b>8.0%</b>	<b>30,596.9</b>	<b>30.0%</b>	<b>25,388.7</b>	<b>-17.0%</b>	<b>34,623.4</b>	<b>36.4%</b>	<b>39,963.1</b>	<b>15.4%</b>	<b>45,089.6</b>	<b>12.8%</b>	<b>50,629.9</b>	<b>12.3%</b>

Table B.3 – Summary of 2023 Legislative Session Adjustments

	23-25	25-27	27-29	Revenue Impact Statement
<b>Personal Income Tax Impacts (millions)</b>				
R&D Tax Credit – HB 2009	-\$0.9	-\$2.0	-\$2.2	<a href="#">HB 2009</a>
Gain Share (5 year extension)	\$0.0	-\$18.1	-\$36.8	
Omnibus & Tax Credits – HB 2071	-\$0.30	-\$30.2	-\$60.4	<a href="#">HB 2071</a>
Child Tax Credit – HB 3235	-\$71.5	-\$74.1	-\$77.5	<a href="#">HB 3235</a>
Opportunity Grant Tax Credit – SB 129	\$5.0	\$0.1	\$0.0	<a href="#">SB 129</a>
Wildfire Deduction – HB 2812	-\$0.6	-\$0.2	\$0.0	<a href="#">HB 2812</a>
Film Tax Credit – HB 2093	Minimal			<a href="#">HB 2093</a>
Reconnect – SB 141	Minimal			<a href="#">SB 141</a>
SALT Workaround – HB 2083	Minimal			<a href="#">HB 2083</a>
<b>Personal Income Tax Total</b>	<b>-\$68.3</b>	<b>-\$124.4</b>	<b>-\$177.0</b>	
<b>Corporate Income Tax Impacts (millions)</b>				
R&D Tax Credit – HB 2009	-\$24.0	-\$53.6	-\$61.3	<a href="#">HB 2009</a>
Omnibus & Tax Credits – HB 2071	-\$0.4	-\$3.1	-\$9.0	<a href="#">HB 2071</a>
Opportunity Grant Tax Credit – SB 129	\$8.7	\$0.2	\$0.0	<a href="#">SB 129</a>
Film Tax Credit – HB 2093	Minimal			<a href="#">HB 2093</a>
Reconnect – SB 141	Minimal			<a href="#">SB 141</a>
<b>Corporate Income Tax Total</b>	<b>-\$15.7</b>	<b>-\$56.5</b>	<b>-\$70.3</b>	
<b>Other Tax/Revenue Impacts (millions)</b>				
Estate Tax – SB 498	-\$8.0	-\$15.5	-\$16.4	<a href="#">SB 498</a>
Criminal Fine Account, Photo Radar – HB 2095	\$5.2	\$8.9	\$8.5	<a href="#">HB 2095</a>
OLCC, Alcohol Delivery – HB 3308	\$3.9	\$5.7	\$6.0	<a href="#">HB 3308</a>
Close Wildfire Account – HB 3215	\$0.2	\$0.0	\$0.0	<a href="#">HB 3215</a>
Program Change – SB 1049	\$40.6	\$0.0	\$0.0	<a href="#">SB 1049</a>
Forestland Tax Credit – HB 2161	Minimal			<a href="#">HB 2161</a>
<b>Other Tax Total</b>	<b>\$42.0</b>	<b>-\$0.9</b>	<b>-\$1.9</b>	

**Table B.4 – Personal Income Tax Forecast**

<b>TABLE B.4 OREGON PERSONAL INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS</b>										
<b>Thousands of Dollars - Not Seasonally Adjusted</b>										
	<b>September 2023</b>									
	<b>2017:3</b>	<b>2017:4</b>	<b>2018:1</b>	<b>2018:2</b>	<b>FY 2018</b>	<b>2018:3</b>	<b>2018:4</b>	<b>2019:1</b>	<b>2019:2</b>	<b>FY 2019</b>
WITHHOLDING	1,748,844	1,836,249	2,011,564	1,851,177	7,447,834	1,925,880	2,039,120	2,079,900	1,999,015	8,043,914
%CHYA	4.4%	7.7%	9.6%	4.6%	6.6%	10.1%	11.0%	3.4%	8.0%	8.0%
EST. PAYMENTS	321,032	451,037	464,534	512,671	1,749,274	367,772	284,002	321,858	532,273	1,505,905
%CHYA	6.7%	41.3%	21.5%	13.9%	20.4%	14.6%	-37.0%	-30.7%	3.8%	-13.9%
FINAL PAYMENTS	92,364	169,785	174,096	878,587	1,314,832	104,644	156,592	225,515	1,385,562	1,872,312
%CHYA	-10.9%	17.7%	-0.6%	-4.4%	-2.0%	13.3%	-7.8%	29.5%	57.7%	42.4%
REFUNDS	133,143	266,467	686,100	610,486	1,696,196	140,701	335,635	546,225	445,573	1,468,133
%CHYA	-4.1%	4.6%	19.4%	34.2%	19.2%	5.7%	26.0%	-20.4%	-27.0%	-13.4%
OTHER	(192,251)	-	-	237,300	45,049	(237,300)	-	-	222,477	(14,823)
TOTAL	1,836,845	2,190,604	1,964,094	2,869,249	8,860,793	2,020,295	2,144,078	2,081,049	3,693,754	9,939,176
%CHYA	7.7%	14.5%	8.0%	-0.2%	6.6%	10.0%	-2.1%	6.0%	28.7%	12.2%
	<b>2019:3</b>	<b>2019:4</b>	<b>2020:1</b>	<b>2020:2</b>	<b>FY 2020</b>	<b>2020:3</b>	<b>2020:4</b>	<b>2021:1</b>	<b>2021:2</b>	<b>FY 2021</b>
WITHHOLDING	2,059,715	2,223,410	2,183,444	1,997,661	8,464,230	2,127,124	2,291,161	2,321,603	2,266,779	9,006,667
%CHYA	6.9%	9.0%	5.0%	-0.1%	5.2%	3.3%	3.0%	6.3%	13.5%	6.4%
EST. PAYMENTS	413,316	296,072	376,127	428,769	1,514,284	497,544	292,601	432,742	701,877	1,924,764
%CHYA	12.4%	4.3%	16.9%	-19.4%	0.6%	20.4%	-1.2%	15.1%	63.7%	27.1%
FINAL PAYMENTS	131,560	195,074	159,708	330,328	816,671	758,710	142,228	220,765	1,500,229	2,621,931
%CHYA	25.7%	24.6%	-29.2%	-76.2%	-56.4%	476.7%	-27.1%	38.2%	354.2%	221.1%
REFUNDS	144,251	289,464	1,120,326	735,922	2,289,962	432,836	360,529	558,588	672,421	2,024,375
%CHYA	2.5%	-13.8%	105.1%	65.2%	56.0%	200.1%	24.6%	-50.1%	-8.6%	-11.6%
OTHER	(222,477)	-	-	175,167	(47,310)	(175,167)	-	-	194,880	19,713
TOTAL	2,237,864	2,425,092	1,598,954	2,196,004	8,457,914	2,775,375	2,365,460	2,416,522	3,991,345	11,548,702
%CHYA	10.8%	13.1%	-23.2%	-40.5%	-14.9%	24.0%	-2.5%	51.1%	81.8%	36.5%
	<b>2021:3</b>	<b>2021:4</b>	<b>2022:1</b>	<b>2022:2</b>	<b>FY 2022</b>	<b>2022:3</b>	<b>2022:4</b>	<b>2023:1</b>	<b>2023:2</b>	<b>FY 2023</b>
WITHHOLDING	2,393,995	2,525,865	2,611,195	2,467,726	9,998,782	2,509,729	2,641,474	2,680,227	2,569,226	10,400,656
%CHYA	12.5%	10.2%	12.5%	8.9%	11.0%	4.8%	4.6%	2.6%	4.1%	4.0%
EST. PAYMENTS	495,468	340,639	508,064	904,746	2,248,917	659,287	713,409	575,127	789,444	2,737,267
%CHYA	-0.4%	16.4%	17.4%	28.9%	16.8%	33.1%	109.4%	13.2%	-12.7%	21.7%
FINAL PAYMENTS	153,160	208,665	255,615	2,115,965	2,733,405	162,621	255,669	349,752	1,658,281	2,426,323
%CHYA	-79.8%	46.7%	15.8%	41.0%	4.3%	6.2%	22.5%	36.8%	-21.6%	-11.2%
REFUNDS	162,428	300,852	1,062,458	960,617	2,486,355	293,038	559,280	822,472	720,282	2,395,072
%CHYA	-62.5%	-16.6%	90.2%	42.9%	22.8%	80.4%	85.9%	-22.6%	-25.0%	-3.7%
OTHER	(194,880)	-	-	183,017	(11,863)	(183,017)	-	-	284,139	101,122
TOTAL	2,685,315	2,774,318	2,312,417	4,710,837	12,482,887	2,855,581	3,051,273	2,782,635	4,580,808	13,270,296
%CHYA	-3.2%	17.3%	-4.3%	18.0%	8.1%	6.3%	10.0%	20.3%	-2.8%	6.3%
	<b>2023:3</b>	<b>2023:4</b>	<b>2024:1</b>	<b>2024:2</b>	<b>FY 2024</b>	<b>2024:3</b>	<b>2024:4</b>	<b>2025:1</b>	<b>2025:2</b>	<b>FY 2025</b>
WITHHOLDING	2,620,742	2,717,988	2,836,667	2,670,067	10,845,464	2,656,138	2,811,262	2,993,014	2,796,631	11,257,044
%CHYA	4.4%	2.9%	5.8%	3.9%	4.3%	1.4%	3.4%	5.5%	4.7%	3.8%
EST. PAYMENTS	498,682	240,875	288,002	668,711	1,696,270	483,653	425,653	520,287	765,563	2,195,155
%CHYA	-24.4%	-66.2%	-49.9%	-15.3%	-38.0%	-3.0%	76.7%	80.7%	14.5%	29.4%
FINAL PAYMENTS <sup>1</sup>	170,298	286,802	172,119	470,484	1,099,702	105,500	149,468	244,804	1,563,996	2,063,768
%CHYA	4.7%	12.2%	-50.8%	-71.6%	-54.7%	-38.0%	-47.9%	42.2%	232.4%	87.7%
REFUNDS	359,217	347,069	2,446,104	1,933,794	5,086,184	389,133	902,145	1,001,102	734,637	3,027,016
%CHYA	22.6%	-37.9%	197.4%	168.5%	112.4%	8.3%	159.9%	-59.1%	-62.0%	-40.5%
OTHER	(284,139)	-	-	287,622	3,483	(287,622)	-	-	303,529	15,907
TOTAL	2,646,365	2,898,596	850,684	2,163,090	8,558,736	2,568,537	2,484,238	2,757,002	4,695,081	12,504,858
%CHYA	-7.3%	-5.0%	-69.4%	-52.8%	-35.5%	-2.9%	-14.3%	224.1%	117.1%	46.1%

Note: "Other" includes July withholding accrued to June.

Tax law impacts are reflected in the collections numbers to produce more meaningful projections.

TABLE B.4

## OREGON PERSONAL INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS

Thousands of Dollars - Not Seasonally Adjusted

September 2023

	2025:3	2025:4	2026:1	2026:2	FY 2026	2026:3	2026:4	2027:1	2027:2	FY 2027
WITHHOLDING	2,803,031	2,966,731	3,146,152	2,938,089	11,854,003	2,944,834	3,116,821	3,340,453	3,124,188	12,526,297
%CHYA	5.5%	5.5%	5.1%	5.1%	5.3%	5.1%	5.1%	6.2%	6.3%	5.7%
EST. PAYMENTS	553,703	487,302	593,484	842,840	2,477,328	609,595	536,491	652,690	916,986	2,715,761
%CHYA	14.5%	14.5%	14.1%	10.1%	12.9%	10.1%	10.1%	10.0%	8.8%	9.6%
FINAL PAYMENTS <sup>1</sup>	162,673	259,099	285,251	1,784,630	2,491,653	173,206	280,554	294,213	1,883,834	2,631,807
%CHYA	54.2%	73.3%	16.5%	14.1%	20.7%	6.5%	8.3%	3.1%	5.6%	5.6%
REFUNDS	164,090	354,529	940,236	742,083	2,200,938	172,626	373,027	1,013,957	800,772	2,360,382
%CHYA	-57.8%	-60.7%	-6.1%	1.0%	-27.3%	5.2%	5.2%	7.8%	7.9%	7.2%
OTHER	(303,529)	-	-	318,882	15,353	(318,882)	-	-	339,081	20,199
TOTAL	3,051,787	3,358,603	3,084,651	5,142,359	14,637,399	3,236,127	3,560,839	3,273,399	5,463,317	15,533,682
%CHYA	18.8%	35.2%	11.9%	9.5%	17.1%	6.0%	6.0%	6.1%	6.2%	6.1%
	2027:3	2027:4	2028:1	2028:2	FY 2028	2028:3	2028:4	2029:1	2029:2	FY 2029
WITHHOLDING	3,131,301	3,314,165	3,545,004	3,314,575	13,305,046	3,322,133	3,516,144	3,754,791	3,509,908	14,102,975
%CHYA	6.3%	6.3%	6.1%	6.1%	6.2%	6.1%	6.1%	5.9%	5.9%	6.0%
EST. PAYMENTS	663,221	583,687	711,873	1,025,147	2,983,928	741,450	652,534	792,145	1,088,510	3,274,639
%CHYA	8.8%	8.8%	9.1%	11.8%	9.9%	11.8%	11.8%	11.3%	6.2%	9.7%
FINAL PAYMENTS <sup>1</sup>	179,471	296,602	354,109	2,174,656	3,004,838	217,477	351,663	394,921	2,408,385	3,372,447
%CHYA	3.6%	5.7%	20.4%	15.4%	14.2%	21.2%	18.6%	11.5%	10.7%	12.2%
REFUNDS	185,364	401,878	1,014,140	799,017	2,400,399	185,802	401,385	1,103,595	871,829	2,562,611
%CHYA	7.4%	7.7%	0.0%	-0.2%	1.7%	0.2%	-0.1%	8.8%	9.1%	6.8%
OTHER	(339,081)	-	-	359,744	20,663	(359,744)	-	-	380,944	21,200
TOTAL	3,449,548	3,792,575	3,596,846	6,075,106	16,914,076	3,735,515	4,118,956	3,838,262	6,515,918	18,208,650
%CHYA	6.6%	6.5%	9.9%	11.2%	8.9%	8.3%	8.6%	6.7%	7.3%	7.7%
	2029:3	2029:4	2030:1	2030:2	FY 2030	2030:3	2030:4	2031:1	2031:2	FY 2031
WITHHOLDING	3,517,921	3,723,368	3,973,495	3,714,011	14,928,796	3,722,495	3,939,890	4,203,118	3,928,450	15,793,953
%CHYA	5.9%	5.9%	5.8%	5.8%	5.9%	5.8%	5.8%	5.8%	5.8%	5.8%
EST. PAYMENTS	787,278	692,866	840,654	1,148,763	3,469,562	830,857	731,219	887,397	1,215,608	3,665,080
%CHYA	6.2%	6.2%	6.1%	5.5%	6.0%	5.5%	5.5%	5.6%	5.8%	5.6%
FINAL PAYMENTS <sup>1</sup>	241,662	389,432	426,145	2,569,801	3,627,041	260,327	417,865	456,940	2,721,690	3,856,823
%CHYA	11.1%	10.7%	7.9%	6.7%	7.5%	7.7%	7.3%	7.2%	5.9%	6.3%
REFUNDS	201,657	437,477	1,149,632	906,886	2,695,652	210,267	455,244	1,222,196	964,741	2,852,447
%CHYA	8.5%	9.0%	4.2%	4.0%	5.2%	4.3%	4.1%	6.3%	6.4%	5.8%
OTHER	(380,944)	-	-	403,096	22,152	(403,096)	-	-	426,370	23,274
TOTAL	3,964,260	4,368,189	4,090,663	6,928,786	19,351,898	4,200,316	4,633,731	4,325,259	7,327,378	20,486,684
%CHYA	6.1%	6.1%	6.6%	6.3%	6.3%	6.0%	6.1%	5.7%	5.8%	5.9%
	2031:3	2031:4	2032:1	2032:2	FY 2032	2032:3	2032:4	2033:1	2033:2	FY 2033
WITHHOLDING	3,937,426	4,167,374	4,441,517	4,150,708	16,697,026	4,160,199	4,403,159	4,695,146	4,388,039	17,646,543
%CHYA	5.8%	5.8%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
EST. PAYMENTS	879,203	773,768	939,075	1,286,992	3,879,038	930,833	819,206	994,197	1,362,204	4,106,440
%CHYA	5.8%	5.8%	5.8%	5.9%	5.8%	5.9%	5.9%	5.9%	5.8%	5.9%
FINAL PAYMENTS <sup>1</sup>	279,733	446,109	485,528	2,875,874	4,087,243	297,632	473,201	514,334	3,047,576	4,332,742
%CHYA	7.5%	6.8%	6.3%	5.7%	6.0%	6.4%	6.1%	5.9%	6.0%	6.0%
REFUNDS	223,121	483,961	1,276,981	1,007,456	2,991,518	233,511	505,697	1,322,293	1,042,981	3,104,482
%CHYA	6.1%	6.3%	4.5%	4.4%	4.9%	4.7%	4.5%	3.5%	3.5%	3.8%
OTHER	(426,370)	-	-	450,493	24,122	(450,493)	-	-	476,251	25,758
TOTAL	4,446,871	4,903,290	4,589,139	7,756,611	21,695,911	4,704,661	5,189,868	4,881,384	8,231,090	23,007,003
%CHYA	5.9%	5.8%	6.1%	5.9%	5.9%	5.8%	5.8%	6.4%	6.1%	6.0%

Note: "Other" includes July withholding accrued to June. Tax law impacts are reflected in the collections numbers to produce more meaningful projections.

**Table B.5 – Corporate Income Tax Forecast**

<b>TABLE B.5 OREGON CORPORATE INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS</b>										
<b>Thousands of Dollars - Not Seasonally Adjusted</b>										
										<b>September 2023</b>
										<b>FY</b>
	2017:3	2017:4	2018:1	2018:2	2018	2018:3	2018:4	2019:1	2019:2	2019
ADVANCE PAYMENTS	179,603	185,787	182,395	303,835	851,620	222,891	249,768	158,748	264,445	895,852
%CHYA	31.4%	-13.9%	77.7%	55.5%	30.9%	24.1%	34.4%	-13.0%	-13.0%	5.2%
FINAL PAYMENTS	42,600	66,460	46,270	108,539	263,869	74,735	102,942	68,818	174,861	421,356
%CHYA	-4.8%	-28.9%	-11.3%	32.6%	-3.1%	75.4%	54.9%	48.7%	61.1%	59.7%
REFUNDS	72,225	129,963	122,291	54,224	378,703	43,428	167,871	128,586	50,616	390,501
%CHYA	82.0%	-22.0%	67.4%	-6.1%	12.4%	-39.9%	29.2%	5.1%	-6.7%	3.1%
TOTAL	149,978	122,284	106,374	358,150	736,786	254,198	184,839	98,980	388,690	926,707
%CHYA	5.8%	-14.2%	30.1%	63.2%	25.8%	69.5%	51.2%	-7.0%	8.5%	25.8%
										<b>FY</b>
	2019:3	2019:4	2020:1	2020:2	2020	2020:3	2020:4	2021:1	2021:2	2021
ADVANCE PAYMENTS	236,341	346,651	137,782	263,138	983,912	260,668	378,192	249,855	381,413	1,270,128
%CHYA	6.0%	38.8%	-13.2%	-0.5%	9.8%	10.3%	9.1%	81.3%	44.9%	29.1%
FINAL PAYMENTS	67,657	105,446	66,346	111,149	350,598	114,684	98,371	78,356	263,524	554,935
%CHYA	-9.5%	2.4%	-3.6%	-36.4%	-16.8%	69.5%	-6.7%	18.1%	137.1%	58.3%
REFUNDS	73,866	247,403	91,312	86,858	499,439	62,538	254,020	154,026	153,392	623,976
%CHYA	70.1%	47.4%	-29.0%	71.6%	27.9%	-15.3%	2.7%	68.7%	76.6%	24.9%
TOTAL	230,132	204,694	112,816	287,429	835,071	312,814	222,543	174,185	491,545	1,201,087
%CHYA	-9.5%	10.7%	14.0%	-26.1%	-9.9%	35.9%	8.7%	54.4%	71.0%	43.8%
										<b>FY</b>
	2021:3	2021:4	2022:1	2022:2	2022	2022:3	2022:4	2023:1	2023:2	2023
ADVANCE PAYMENTS	356,491	494,937	288,546	416,777	1,556,751	428,034	568,160	406,675	466,218	1,869,087
%CHYA	36.8%	30.9%	15.5%	9.3%	22.6%	20.1%	14.8%	40.9%	11.9%	20.1%
FINAL PAYMENTS	56,491	96,179	115,111	261,579	529,360	72,368	50,907	83,324	260,902	467,501
%CHYA	-50.7%	-2.2%	46.9%	-0.7%	-4.6%	28.1%	-47.1%	-27.6%	-0.3%	-11.7%
REFUNDS	49,631	255,602	197,775	44,052	547,060	116,377	247,875	320,324	205,888	890,464
%CHYA	-20.6%	0.6%	28.4%	-71.3%	-12.3%	134.5%	-3.0%	62.0%	367.4%	62.8%
TOTAL	363,352	335,513	205,882	634,304	1,539,051	384,025	371,192	169,675	521,232	1,446,124
%CHYA	16.2%	50.8%	18.2%	29.0%	28.1%	5.7%	10.6%	-17.6%	-17.8%	-6.0%
										<b>FY</b>
	2023:3	2023:4	2024:1	2024:2	2024	2024:3	2024:4	2025:1	2025:2	2025
ADVANCE PAYMENTS	389,931	472,931	279,762	383,409	1,526,032	356,407	459,882	287,153	406,180	1,509,621
%CHYA	-8.9%	-16.8%	-31.2%	-17.8%	-18.4%	-8.6%	-2.8%	2.6%	5.9%	-1.1%
FINAL PAYMENTS	99,551	81,876	98,204	287,500	567,131	101,524	229,474	183,341	318,255	832,593
%CHYA	37.6%	60.8%	17.9%	10.2%	21.3%	2.0%	180.3%	86.7%	10.7%	46.8%
REFUNDS	74,362	373,113	266,500	174,955	888,930	122,471	391,660	288,817	193,609	996,558
%CHYA	-36.1%	50.5%	-16.8%	-15.0%	-0.2%	64.7%	5.0%	8.4%	10.7%	12.1%
TOTAL	415,120	181,694	111,465	495,954	1,204,234	335,460	297,695	181,676	530,826	1,345,657
%CHYA	8.1%	-51.1%	-34.3%	-4.8%	-16.7%	-19.2%	63.8%	63.0%	7.0%	11.7%

TABLE B.5

## OREGON CORPORATE INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS

	Thousands of Dollars - Not Seasonally Adjusted									September 2023
	FY								FY	
	2025:3	2025:4	2026:1	2026:2	2026	2026:3	2026:4	2027:1	2027:2	2027
ADVANCE PAYMENTS	381,894	492,218	307,860	435,103	1,617,075	409,568	528,569	330,062	466,824	1,735,023
%CHYA	7.2%	7.0%	7.2%	7.1%	7.1%	7.2%	7.4%	7.2%	7.3%	7.3%
FINAL PAYMENTS	104,752	262,082	185,228	324,806	876,868	102,954	265,927	189,099	338,382	896,362
%CHYA	3.2%	14.2%	1.0%	2.1%	5.3%	-1.7%	1.5%	2.1%	4.2%	2.2%
REFUNDS	137,432	444,439	302,885	203,103	1,087,859	144,095	464,937	316,913	212,690	1,138,634
%CHYA	12.2%	13.5%	4.9%	4.9%	9.2%	4.8%	4.6%	4.6%	4.7%	4.7%
TOTAL	349,214	309,861	190,203	556,806	1,406,084	368,427	329,560	202,248	592,516	1,492,751
%CHYA	4.1%	4.1%	4.7%	4.9%	4.5%	5.5%	6.4%	6.3%	6.4%	6.2%
					FY					FY
	2027:3	2027:4	2028:1	2028:2	2028	2028:3	2028:4	2029:1	2029:2	2029
ADVANCE PAYMENTS	439,777	567,410	349,042	494,205	1,850,433	466,081	602,188	365,461	518,497	1,952,227
%CHYA	7.4%	7.3%	5.8%	5.9%	6.7%	6.0%	6.1%	4.7%	4.9%	5.5%
FINAL PAYMENTS	103,474	270,380	189,963	344,971	908,787	100,309	269,668	191,585	350,429	911,992
%CHYA	0.5%	1.7%	0.5%	1.9%	1.4%	-3.1%	-0.3%	0.9%	1.6%	0.4%
REFUNDS	151,006	487,221	327,789	220,187	1,186,203	156,496	505,722	338,713	227,963	1,228,894
%CHYA	4.8%	4.8%	3.4%	3.5%	4.2%	3.6%	3.8%	3.3%	3.5%	3.6%
TOTAL	392,245	350,569	211,215	618,988	1,573,018	409,894	366,135	218,334	640,963	1,635,325
%CHYA	6.5%	6.4%	4.4%	4.5%	5.4%	4.5%	4.4%	3.4%	3.6%	4.0%
					FY					FY
	2029:3	2029:4	2030:1	2030:2	2030	2030:3	2030:4	2031:1	2031:2	2031
ADVANCE PAYMENTS	489,630	633,822	385,462	547,744	2,056,658	517,928	671,476	408,628	581,406	2,179,438
%CHYA	5.1%	5.3%	5.5%	5.6%	5.3%	5.8%	5.9%	6.0%	6.1%	6.0%
FINAL PAYMENTS	97,527	271,861	194,106	357,974	921,469	95,005	274,416	197,035	367,174	933,630
%CHYA	-2.8%	0.8%	1.3%	2.2%	1.0%	-2.6%	0.9%	1.5%	2.6%	1.3%
REFUNDS	162,221	525,242	352,298	237,349	1,277,109	169,082	547,877	367,679	247,995	1,332,633
%CHYA	3.7%	3.9%	4.0%	4.1%	3.9%	4.2%	4.3%	4.4%	4.5%	4.3%
TOTAL	424,936	380,441	227,271	668,370	1,701,018	443,851	398,015	237,984	700,585	1,780,436
%CHYA	3.7%	3.9%	4.1%	4.3%	4.0%	4.5%	4.6%	4.7%	4.8%	4.7%
					FY					FY
	2031:3	2031:4	2032:1	2032:2	2032	2032:3	2032:4	2033:1	2033:2	2033
ADVANCE PAYMENTS	544,974	699,814	320,792	452,732	2,018,313	425,191	547,041	330,624	466,774	1,769,630
%CHYA	5.2%	4.2%	-21.5%	-22.1%	-7.4%	-22.0%	-21.8%	3.1%	3.1%	-12.3%
FINAL PAYMENTS	96,164	282,070	75,743	382,762	836,738	134,851	118,871	84,195	411,544	749,461
%CHYA	1.2%	2.8%	-61.6%	4.2%	-10.4%	40.2%	-57.9%	11.2%	7.5%	-10.4%
REFUNDS	175,390	563,969	146,356	98,436	984,150	69,980	226,153	151,434	101,889	549,455
%CHYA	3.7%	2.9%	-60.2%	-60.3%	-26.1%	-60.1%	-59.9%	3.5%	3.5%	-44.2%
TOTAL	465,748	417,915	250,179	737,058	1,870,901	490,062	439,759	263,386	776,429	1,969,636
%CHYA	4.9%	5.0%	5.1%	5.2%	5.1%	5.2%	5.2%	5.3%	5.3%	5.3%

Table B.6 – Cigarette and Tobacco Tax Distribution

TABLE B.6													September 2023		
Cigarette & Tobacco Tax Distribution (Millions of \$)															
	Cigarette Tax Distribution*								Other Tobacco Tax Distribution				Inhalent Delivery Distribution		
	Total	General Fund	Health Plan	Mental Health	Health Authority <sup>1</sup>	Tobacco Use Reduction <sup>2</sup>		Cities, Counties & Public Transit	Total	General Fund	Health Plan	Tobacco Use Reduction	Total	Health Authority	Tobacco Use Reduction
					Old	New									
<b>Distribution Forecast</b>															
2021-22	363.6	24.4	93.0	16.3	197.1	3.7	21.7	7.4	56.5	30.3	23.5	2.6	35.9	32.3	3.6
2022-23	328.0	21.4	84.5	14.8	177.5	3.4	19.7	6.7	55.0	29.4	23.0	2.6	31.9	28.7	3.2
2021-23 Biennium	691.6	45.8	177.5	31.1	374.6	7.1	41.4	14.2	111.5	59.8	46.6	5.2	67.8	61.0	6.8
2023-24	330.7	21.8	85.1	14.9	178.7	3.4	19.9	6.8	57.0	30.7	23.7	2.6	29.9	26.9	3.0
2024-25	322.4	21.3	83.0	14.5	174.2	3.3	19.4	6.6	56.9	30.6	23.6	2.6	30.2	27.1	3.0
2023-25 Biennium	653.0	43.1	168.1	29.4	353.0	6.7	39.2	13.4	113.9	61.3	47.3	5.3	60.1	54.1	6.0
2025-26	313.0	20.7	80.6	14.1	169.2	3.2	18.8	6.4	56.9	30.6	23.6	2.6	30.4	27.4	3.0
2026-27	307.0	20.3	79.1	13.8	166.0	3.2	18.4	6.3	57.2	30.8	23.7	2.6	30.7	27.6	3.1
2025-27 Biennium	620.1	41.0	159.7	27.9	335.2	6.4	37.2	12.7	114.1	61.4	47.4	5.3	61.1	55.0	6.1
2027-28	301.8	19.9	77.7	13.6	163.1	3.1	18.1	6.2	57.1	30.7	23.7	2.6	30.9	27.8	3.1
2028-29	297.1	19.6	76.5	13.4	160.6	3.1	17.8	6.1	57.4	30.9	23.9	2.7	31.2	28.0	3.1
2027-29 Biennium	598.9	39.6	154.2	27.0	323.7	6.2	36.0	12.3	114.5	61.7	47.6	5.3	62.1	55.9	6.2
2029-30	292.5	19.3	75.3	13.2	158.1	3.0	17.6	6.0	57.5	31.0	23.9	2.7	31.4	28.3	3.1
2030-31	288.0	19.0	74.2	13.0	155.7	3.0	17.3	5.9	57.4	30.9	23.8	2.7	31.6	28.5	3.2
2029-31 Biennium	580.5	38.4	149.5	26.2	313.8	6.0	34.9	11.9	114.9	61.8	47.7	5.3	63.0	56.7	6.3
2031-32	283.6	18.7	73.0	12.8	153.3	2.9	17.0	5.8	57.3	30.8	23.8	2.6	31.9	28.7	3.2
2032-33	279.2	18.4	71.9	12.6	150.9	2.9	16.8	5.7	57.1	30.8	23.7	2.6	32.1	28.9	3.2
2031-33 Biennium	562.8	37.2	144.9	25.3	304.2	5.8	33.8	11.6	114.4	61.6	47.5	5.3	64.0	57.6	6.4

<sup>1</sup> Includes the cigarette floor tax in FY21 of \$27.7 million and FY22 of \$1.6 million

<sup>2</sup> Old and New refer to pre- and post-Measure 108 (2020) taxes and programs

Table B.7 – Liquor Apportionment and Revenue Distribution to Local Government

<b>TABLE B.7</b>									<b>September 2023</b>
<b>Liquor Apportionment and Revenue Distribution to Local Governments (Millions of \$)</b>									
	<b>Liquor Apportionment Distribution</b>								
	<b>Total Liquor</b>					<b>City Revenue</b>			<b>Cigarette Tax Distribution<sup>2</sup></b>
	<b>Revenue</b>	<b>General</b>	<b>Mental</b>	<b>Oregon</b>	<b>Revenue</b>	<b>Regular</b>	<b>Total</b>	<b>Counties</b>	
<b>Available</b>	<b>Fund (56%)</b>	<b>Health<sup>1</sup></b>	<b>Wine Board</b>	<b>Sharing</b>	<b>Counties</b>	<b>Counties</b>	<b>Counties</b>		
<b>2021-22</b>	311.292	176.701	10.675	0.359	56.163	39.314	95.476	28.081	7.419
<b>2022-23</b>	325.841	186.102	8.430	0.307	59.546	41.682	101.229	29.773	6.742
<b>2021-23 Biennium</b>	637.133	362.804	19.104	0.666	115.709	80.996	196.705	57.854	14.161
<b>2023-24</b>	341.572	194.482	10.019	0.376	62.134	43.494	105.628	31.067	6.792
<b>2024-25</b>	364.155	207.340	10.681	0.401	66.242	46.369	112.611	33.121	6.621
<b>2023-25 Biennium</b>	705.726	401.822	20.700	0.777	128.376	89.863	218.239	64.188	13.414
<b>2025-26</b>	342.792	187.199	11.516	0.429	65.295	45.706	111.001	32.647	6.430
<b>2026-27</b>	361.105	197.622	11.826	0.443	68.733	48.114	116.847	34.366	6.307
<b>2025-27 Biennium</b>	703.897	384.821	23.342	0.872	134.028	93.820	227.848	67.014	12.736
<b>2027-28</b>	382.134	209.662	12.168	0.458	72.657	50.860	123.517	36.328	6.199
<b>2028-29</b>	405.481	223.216	12.518	0.474	76.942	53.860	130.802	38.471	6.103
<b>2027-29 Biennium</b>	787.615	432.878	24.687	0.933	149.599	104.720	254.319	74.799	12.301
<b>2029-30</b>	431.759	238.477	12.930	0.493	81.754	57.228	138.983	40.877	6.009
<b>2030-31</b>	457.982	253.725	13.330	0.511	86.553	60.587	147.140	43.276	5.916
<b>2029-31 Biennium</b>	889.741	492.202	26.260	1.003	168.307	117.815	286.123	84.153	11.924

<sup>1</sup> Mental Health Alcoholism and Drug Services Account, per ORS 471.810

<sup>2</sup> For details on cigarette revenues see TABLE B.6 on previous page

Table B.8 – Track Record for the May 2023 Forecast

**Table B.8 Track Record for the May 2023 Forecast**

(Quarter ending June 30, 2023)

<b>Personal Income Tax</b>				<b>Forecast Comparison</b>		<b>Year/Year Change</b>	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change		
Withholding	\$2,569.2	\$2,532.7	1.4%	\$2,467.7	4.1%		
Dollar difference		\$36.5					
Estimated Payments*	\$789.4	\$845.8	-6.7%	\$904.7	-12.7%		
Dollar difference		-\$56.4					
Final Payments*	\$1,658.3	\$1,612.3	2.8%	\$2,116.0	-21.6%		
Dollar difference		\$45.9					
Refunds	-\$720.3	-\$674.1	6.9%	-\$960.6	-25.0%		
Dollar difference		-\$46.2					
<b>Total Personal Income Tax</b>	<b>\$4,296.7</b>	<b>\$4,316.8</b>	<b>-0.5%</b>	<b>\$4,527.8</b>	<b>-5.1%</b>		
Dollar difference		-\$20.1					
<b>Corporate Income Tax</b>				<b>Forecast Comparison</b>		<b>Year/Year Change</b>	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change		
Advanced Payments	\$466.2	\$447.4	4.2%	\$416.8	11.9%		
Dollar difference		\$18.8					
Final Payments	\$260.9	\$297.1	-12.2%	\$261.6	-0.3%		
Dollar difference		-\$36.2					
Refunds	-\$205.9	-\$47.4	334.8%	-\$44.1	367.4%		
Dollar difference		-\$158.5					
<b>Total Corporate Income Tax</b>	<b>\$521.2</b>	<b>\$697.2</b>	<b>-25.2%</b>	<b>\$634.3</b>	<b>-17.8%</b>		
Dollar difference		-\$176.0					
<b>Total Income Tax</b>				<b>Forecast Comparison</b>		<b>Year/Year Change</b>	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change		
<b>Corporate and Personal Tax</b>	<b>\$4,817.9</b>	<b>\$5,014.0</b>	<b>-3.9%</b>	<b>\$5,162.1</b>	<b>-6.7%</b>		
Dollar difference		-\$196.1		-\$344.2			

\* Data separating estimated and other personal income tax payments is no longer available. Tracking represents estimates based on banking data.

Table B.9 – Lottery Forecast

TABLE B.9											Sep 2023 Forecast	
Summary of Lottery Resources												
(in millions of dollars)	2023-25			2025-2027		2027-29		2029-31		2031-33		
	Current Forecast	Change from May-23	Change from COS 2023	Current Forecast	Change from May-23							
<b>LOTTERY EARNINGS</b>												
Traditional Lottery	175.423	11.728	11.728	161.007	(0.364)	160.728	(0.880)	160.719	(0.898)	160.759	(0.916)	
Video Lottery	1,612.728	(12.256)	(12.256)	1,758.521	(10.698)	1,906.694	(12.353)	2,041.688	(13.227)	2,186.685	(14.167)	
Sports Betting <sup>1</sup>	45.221	0.906	0.906	47.643	0.000	50.146	0.000	52.594	0.000	55.162	0.000	
Administrative Actions	9.152	9.152	9.152	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Total Available to Transfer</b>	<b>1,842.525</b>	<b>9.530</b>	<b>9.530</b>	<b>1,967.171</b>	<b>(11.062)</b>	<b>2,117.568</b>	<b>(13.232)</b>	<b>2,255.002</b>	<b>(14.125)</b>	<b>2,402.606</b>	<b>(15.083)</b>	
<b>ECONOMIC DEVELOPMENT FUND</b>												
Beginning Balance	84.396	(0.000)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Transfers from Lottery	1,842.525	9.530	9.530	1,967.171	(11.062)	2,117.568	(13.232)	2,255.002	(14.125)	2,402.606	(15.083)	
Other Resources <sup>2</sup>	2.000	0.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000	
<b>Total Available Resources</b>	<b>1,928.921</b>	<b>9.530</b>	<b>9.530</b>	<b>1,969.171</b>	<b>(11.062)</b>	<b>2,119.568</b>	<b>(13.232)</b>	<b>2,257.002</b>	<b>(14.125)</b>	<b>2,404.606</b>	<b>(15.083)</b>	
<b>ALLOCATION OF RESOURCES</b>												
Constitutional Distributions												
Education Stability Fund <sup>3</sup>	331.654	1.715	1.715	130.809	(0.664)	381.130	(2.382)	353.683	51.467	376.674	74.458	
Oregon Capital Matching Fund <sup>3</sup>	0.000	0.000	0.000	186.068	(1.106)	0.000	0.000	43.365	(44.684)	0.000	(88.049)	
Parks and Natural Resources Fund <sup>4</sup>	276.379	1.430	1.430	295.076	(1.659)	317.635	(1.985)	338.250	(2.119)	360.391	20.022	
Veterans' Services Fund <sup>5</sup>	27.638	0.143	0.143	29.508	(0.166)	31.764	(0.198)	33.825	(0.212)	36.039	2.002	
Other Distributions												
Outdoor School Education Fund <sup>6</sup>	56.406	(0.000)	0.000	60.534	0.174	65.006	0.414	69.807	0.687	74.963	0.997	
County Economic Development	59.982	(2.320)	0.000	67.422	(0.410)	73.103	(0.474)	78.278	(0.507)	83.838	5.052	
HECC Collegiate Athletic & Scholarships <sup>7</sup>	18.330	(0.000)	0.000	19.672	(0.111)	21.176	(0.132)	22.550	(0.141)	24.026	1.335	
Gambling Addiction <sup>7</sup>	18.330	(0.000)	0.000	19.672	(0.111)	21.176	(0.132)	22.550	(0.141)	24.026	1.335	
County Fairs	3.828	0.000	0.000	3.828	0.000	3.828	0.000	3.828	0.000	3.828	0.000	
Other Legislatively Adopted Allocations <sup>8</sup>	1,061.945	827.645	0.000	234.300	0.000	234.300	0.000	234.300	0.000	234.300	0.000	
Employer Incentive Fund (PERS) <sup>1</sup>	29.620	0.594	1.433	32.107	(0.000)	32.847	0.000	34.656	(0.215)	37.412	2.541	
<b>Total Distributions</b>	<b>1,884.112</b>	<b>829.207</b>	<b>4.721</b>	<b>1,078.995</b>	<b>(4.053)</b>	<b>1,181.963</b>	<b>(4.890)</b>	<b>1,235.093</b>	<b>4.135</b>	<b>1,255.496</b>	<b>19.693</b>	
<b>Ending Balance/Discretionary Resources</b>	<b>44.809</b>	<b>(819.677)</b>	<b>4.809</b>	<b>890.176</b>	<b>(7.009)</b>	<b>937.605</b>	<b>(8.343)</b>	<b>1,021.909</b>	<b>(18.260)</b>	<b>1,149.110</b>	<b>113.786</b>	

Note: Some totals may not foot due to rounding.

1. Sports Betting revenues are transferred to Economic Development Fund making them subject to the constitutional distributions, after which the remainder is transferred to the Employer Incentive Fund
2. Includes reversions (unspent allocations from previous biennium) and interest earnings on Economic Development Fund.
3. Eighteen percent of proceeds accrue to the Ed. Stability Fund, until the balance equals 5% of GF Revenues. Thereafter, 15% of proceeds accrue to the School Capital Matching Fund.
4. The Parks and Natural Resources Fund Constitutional amendment requires 15% of net proceeds be transferred to this fund.
5. Per Ballot Measure 96 (2016), 1.5% of net lottery proceeds are dedicated to the Veterans' Services Fund
6. Per Ballot Measure 99 (2016), the lesser of 4% of Lottery transfers or \$22 million per year is transferred to the Outdoor Education Account. Adjusted annually for inflation.
7. Approximately one percent of net lottery proceeds are dedicated to each program. Certain limits are imposed by the Legislature.
8. Includes Debt Service Allocations, Allocations to State School Fund and Other Agency Allocations

Table B.10 – Budgetary Reserve Summary

Table B.10: Budgetary Reserve Summary and Outlook

Sep 2023

**Rainy Day Fund**

(Millions)	2021-23	2023-25	2025-27	2027-29	2029-31	2031-33
Beginning Balance	\$962.2	\$1,353.5	\$1,862.7	\$2,072.7	\$2,658.0	\$3,337.2
Interest Earnings	\$44.1	\$146.4	\$112.8	\$128.2	\$162.8	\$190.7
Deposits <sup>1</sup>	\$347.2	\$362.9	\$97.1	\$457.1	\$516.4	\$0.0
Triggered Withdrawals	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Ending Balance<sup>2</sup></b>	<b>\$1,353.4</b>	<b>\$1,862.8</b>	<b>\$2,072.7</b>	<b>\$2,658.0</b>	<b>\$3,337.2</b>	<b>\$3,527.9</b>

**Education Stability Fund<sup>3</sup>**

(Millions)	2021-23	2023-25	2025-27	2027-29	2029-31	2031-33
Beginning Balance	\$414.6	\$710.8	\$1,009.3	\$1,127.0	\$1,470.0	\$1,788.3
Interest Earnings <sup>4</sup>	\$21.9	\$82.9	\$66.0	\$73.2	\$93.0	\$108.2
Deposits <sup>5</sup>	\$294.0	\$298.5	\$117.7	\$343.0	\$318.3	\$339.0
Distributions	\$19.8	\$85.3	\$66.0	\$73.2	\$93.0	\$215.9
Oregon Education Fund	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Oregon Opportunity Grant	\$19.8	\$85.3	\$66.0	\$73.2	\$93.0	\$215.9
Withdrawals	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Ending Balance</b>	<b>\$710.8</b>	<b>\$1,009.3</b>	<b>\$1,127.0</b>	<b>\$1,470.0</b>	<b>\$1,788.3</b>	<b>\$2,019.7</b>

**Total Reserves**

(Millions)	2021-23	2023-25	2025-27	2027-29	2029-31	2031-33
<b>Ending Balances</b>	<b>\$2,064.2</b>	<b>\$2,872.0</b>	<b>\$3,199.6</b>	<b>\$4,128.0</b>	<b>\$5,125.5</b>	<b>\$5,547.6</b>
Percent of General Fund Revenues	6.7%	11.3%	9.2%	10.3%	11.4%	11.0%

## Footnotes:

1. Includes transfer of ending General Fund balances up to 1% of budgeted appropriations as well as private donations. Assumes future appropriations equal to 98.75 percent of available resources. Includes forecast for corporate income taxes above rate of 6.6% for the biennium are deposited on or before Jun 30 of each odd-numbered year.
2. Available funds in a given biennium equal 2/3rds of the beginning balance under current law.
3. Excludes funds in the Oregon Growth and the Oregon Resource and Technology Development subaccounts.
4. Interest earnings are distributed to the Oregon Education Funds (75%) and the State Scholarship Fund (25%), provided there remains debt outstanding. In the event that debt is paid off, all interest earnings distributed to the State Scholarship Fund.
5. Contributions to the ESF are capped at 5% of the prior biennium's General Fund revenue total. Quarterly contributions are made until the balance exceeds the cap.

Table B.11 – Recreational Marijuana Forecast

TABLE B.11											Sep 2023
Summary of Marijuana Resources											
(in millions of dollars)	2023-25			2025-27		2027-29		2029-31		20231-33	
	Current Forecast	Change from May-23	Change from COS 2023	Current Forecast	Change from May-23						
<b>MARIJUANA EARNINGS</b>											
+ Tax Revenue <sup>1</sup>	314.083	(2.777)	(2.777)	357.522	0.000	412.880	0.000	470.206	(0.858)	520.176	NA
+ Medical Marijuana Tax Revenue <sup>2</sup>	0.000	0.000	0.000	0.000	0.000	31.817	(0.080)	43.625	(0.416)	45.041	NA
- Administrative Costs <sup>3</sup>	18.374	0.000	0.000	18.746	0.000	19.144	0.000	19.571	0.000	20.027	NA
<b>Net Available to Transfer</b>	<b>295.709</b>	<b>(2.777)</b>	<b>(2.777)</b>	<b>338.776</b>	<b>0.000</b>	<b>393.736</b>	<b>(0.080)</b>	<b>494.260</b>	<b>(1.273)</b>	<b>545.190</b>	<b>NA</b>
<b>OREGON MARIJUANA ACCOUNT</b>											
Beginning Balance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	NA
Revenue Transfers	295.709	(2.777)	(2.777)	338.776	0.000	425.553	(0.080)	494.260	(1.273)	545.190	NA
Other Resources	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	NA
<b>Total Available Resources</b>	<b>295.709</b>	<b>(2.777)</b>	<b>(2.777)</b>	<b>338.776</b>	<b>0.000</b>	<b>425.553</b>	<b>(0.080)</b>	<b>494.260</b>	<b>(1.273)</b>	<b>545.190</b>	<b>NA</b>
<b>ALLOCATION OF RESOURCES <sup>4</sup></b>											
Drug Treatment & Recovery	193.833	(2.777)	(2.777)	230.228	(0.025)	311.773	(0.445)	375.441	(1.672)	421.386	NA
State School Fund	40.751	0.000	0.000	43.419	0.010	45.512	0.146	47.528	0.159	49.522	NA
Mental Health, Alcoholism, & Drug Services	20.375	(0.000)	0.000	21.710	0.005	22.756	0.073	23.764	0.080	24.761	NA
State Police	15.281	(0.000)	0.000	16.282	0.004	17.067	0.055	17.823	0.060	18.571	NA
Cities	10.188	0.000	0.000	10.855	0.002	11.378	0.037	11.882	0.040	12.380	NA
Counties	10.188	0.000	0.000	10.855	0.002	11.378	0.037	11.882	0.040	12.380	NA
Alcohol & Drug Abuse Prevention, Intervention & Treatment	5.094	(0.000)	0.000	5.427	0.001	5.689	0.018	5.941	0.020	6.190	NA
<b>Total Distributions</b>	<b>295.709</b>	<b>(2.777)</b>	<b>(2.777)</b>	<b>338.776</b>	<b>(0.000)</b>	<b>425.553</b>	<b>(0.080)</b>	<b>494.260</b>	<b>(1.273)</b>	<b>545.190</b>	<b>NA</b>
<b>Ending Balance</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>NA</b>

Note: Some totals may not foot due to rounding.

1. Retailers pay taxes monthly, however taxes are not available for distribution to recipient programs until the Department of Revenue receives and processes retailers' quarterly tax returns. As such, there is a one to two quarter lag between when the initial monthly payments are made and when monies become available to distribute.

2. Medical marijuana being exempt from tax is an explicit tax expenditure per HB 2433 (2021). Tax expenditures sunset after 6 years, although they may be renewed at that time. Current law is that medical marijuana sales will be taxed beginning January 1, 2028.

3. Administrative Costs reflect monthly collection costs for the Department of Revenue in addition to distributions to the Criminal Justice Commission and OLCC per SB 1544 (2018)

4. The first \$11.25 million per quarter (\$45m per year) is distributed via formula to the initial recipient programs. These distributions are adjusted for inflation. All additional revenues go to the Drug Treatment & Recovery Fund.

Table B.12 – Fund for Student Success (Corporate Activity Tax)

September 2023												
TABLE B.12												
Summary of Corporate Activity Tax Resources												
	2021-23			2023-25			2025-27		2027-29		2029-31	
	Actuals	Change from May-23	Change from COS 2021	Current Forecast	Change from May-23	Change from COS 2023	Current Forecast	Change from May-23	Current Forecast	Change from May-23	Current Forecast	Change from May-23
(in millions of dollars)												
<b>Corporate Activity Tax</b>												
+ Tax Revenue	2,555.067	13.690	186.770	2,782.494	3.396	3.396	3,135.094	24.228	3,488.941	14.587	3,884.772	(3.312)
- Administrative Costs	15.894	(3.306)	(3.306)	21.312	0.000	0.000	23.656	0.000	26.259	0.000	28.689	0.000
<b>Net Available to Transfer</b>	<b>2,539.173</b>	<b>16.996</b>	<b>190.076</b>	<b>2,761.182</b>	<b>3.396</b>	<b>3.396</b>	<b>3,111.438</b>	<b>24.228</b>	<b>3,462.682</b>	<b>14.587</b>	<b>3,856.083</b>	<b>(3.312)</b>
<b>Fund for Student Success</b>												
Beginning Balance	200.557	0.000	0.000	345.006	26.478	26.478	220.718	220.718	0.000	0.000	0.000	0.000
Revenue Transfers	2,539.173	16.996	190.076	2,761.182	3.396	3.396	3,111.438	24.228	3,462.682	14.587	3,856.083	(3.312)
Other Resources	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Available Resources</b>	<b>2,739.730</b>	<b>16.996</b>	<b>190.076</b>	<b>3,106.187</b>	<b>29.875</b>	<b>29.875</b>	<b>3,332.156</b>	<b>244.945</b>	<b>3,462.682</b>	<b>14.587</b>	<b>3,856.083</b>	<b>(3.312)</b>
<b>ALLOCATION OF RESOURCES</b>												
State School Fund	722.288	(9.483)	36.610	711.112	9.157	9.157	796.084	4.190	915.028	6.371	1,025.784	9.774
Student Investment Account	891.938	0.000	(0.339)	1,087.179	(100.000)	0.000	1,268.036	120.378	1,273.827	4.108	1,415.149	(6.543)
Statewide Education Initiative Account	382.930	0.000	10.028	557.396	(154.911)	0.000	760.822	72.227	764.296	2.465	849.090	(3.926)
Early Learning Account	397.568	0.000	(38.539)	529.783	54.911	0.000	507.214	48.151	509.531	1.643	566.060	(2.617)
<b>Total Distributions</b>	<b>2,394.724</b>	<b>(9.483)</b>	<b>7.761</b>	<b>2,885.470</b>	<b>(190.843)</b>	<b>9.157</b>	<b>3,332.156</b>	<b>244.945</b>	<b>3,462.682</b>	<b>14.587</b>	<b>3,856.083</b>	<b>(3.312)</b>
<b>Ending Balance</b>	<b>345.006</b>	<b>26.478</b>	<b>182.315</b>	<b>220.718</b>	<b>220.718</b>	<b>20.718</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

Note: The State School Fund distribution equals an estimate of the lost General Fund due to the Personal and Corporate Income Tax changes enacted in HB 3427. In addition, each biennium includes an additional \$40 million dedicated to the High Cost Disabilities Account. The 2021-23 distribution equals the Legislatively Adopted Budget Other Fund limitation. The 2023-25 distribution includes a \$8.82 million reconciling adjustment for the prior biennium. Some totals may not foot due to rounding.

Table B.13 – Fund for Student Success Quarterly Revenues

Table B.13

Corporate Activity Tax Collections By Quarter

Sep-23

(thousands)	2019:3	2019:4	2020:1	2020:2	FY 2020	2020:3	2020:4	2021:1	2021:2	FY 2021
Estimated Payments	0	0	4,023	222,495	226,518	224,973	254,387	223,550	270,784	973,693
Final Payments	0	0	0	0	0	0	0	26,911	163,436	190,348
Refunds	0	0	0	0	0	0	0	-997	-14,657	-15,654
Total	0	0	4,023	222,495	226,518	224,973	254,387	249,464	419,563	1,148,387

	2021:3	2021:4	2022:1	2022:2	FY 2022	2022:3	2022:4	2023:1	2023:2	FY 2023
Estimated Payments	271,858	389,810	230,942	279,349	1,171,959	292,325	391,140	251,283	285,645	1,220,391
Final Payments	15,153	41,892	41,950	168,644	267,640	59,490	75,201	65,187	173,094	372,971
Refunds	-16,356	-141,389	-15,151	-50,166	-223,062	-41,565	-170,978	-21,976	-20,314	-254,833
Total	270,656	290,314	257,741	397,828	1,216,538	310,249	295,362	294,493	438,425	1,338,529

	2023:3	2023:4	2024:1	2024:2	FY 2024	2024:3	2024:4	2025:1	2025:2	FY 2025
Estimated Payments	292,440	392,881	257,324	303,438	1,246,082	304,593	411,036	270,387	321,702	1,307,719
Final Payments	50,519	66,479	63,882	179,929	360,809	52,948	70,791	66,035	181,106	370,879
Refunds	-31,059	-180,059	-20,815	-22,257	-254,191	-29,919	-176,587	-20,425	-21,873	-248,804
Total	311,899	279,300	300,391	461,110	1,352,700	327,622	305,240	315,997	480,935	1,429,794

	2025:3	2025:4	2026:1	2026:2	FY 2026	2026:3	2026:4	2027:1	2027:2	FY 2027
Estimated Payments	323,241	436,630	287,195	339,987	1,387,053	341,720	461,209	303,317	358,777	1,465,024
Final Payments	53,463	70,930	68,091	191,617	384,102	56,393	75,378	72,108	202,299	406,178
Refunds	-29,427	-173,763	-20,355	-22,589	-246,134	-30,964	-184,662	-21,605	-23,897	-261,128
Total	347,277	333,796	334,932	509,016	1,525,020	367,149	351,926	353,820	537,178	1,610,074

	2027:3	2027:4	2028:1	2028:2	FY 2028	2028:3	2028:4	2029:1	2029:2	FY 2029
Estimated Payments	360,275	486,216	319,783	378,510	1,544,783	380,117	513,036	337,429	399,320	1,629,902
Final Payments	59,558	79,539	76,052	213,276	428,425	62,793	83,849	80,211	225,034	451,888
Refunds	-32,702	-194,854	-22,794	-25,201	-275,551	-34,478	-205,413	-24,033	-26,583	-290,507
Total	387,131	370,901	373,041	566,585	1,697,657	408,432	391,472	393,607	597,772	1,791,284

	2029:3	2029:4	2030:1	2030:2	FY 2030	2030:3	2030:4	2031:1	2031:2	FY 2031
Estimated Payments	401,012	541,223	355,983	421,399	1,719,617	423,253	571,238	375,780	444,984	1,815,256
Final Payments	66,252	88,478	84,628	237,398	476,756	69,893	93,337	89,295	250,532	503,057
Refunds	-36,377	-216,753	-25,359	-28,045	-306,534	-38,376	-228,657	-26,753	-29,594	-323,380
Total	430,887	412,949	415,253	630,751	1,889,839	454,770	435,918	438,321	665,923	1,994,933

	2031:3	2031:4	2032:1	2032:2	FY 2032	2032:3	2032:4	2033:1	2033:2	FY 2033
Estimated Payments	446,886	603,160	396,751	469,561	1,916,358	471,553	636,411	418,462	494,312	2,020,738
Final Payments	73,758	98,504	94,262	264,530	531,054	77,877	104,012	99,494	279,117	560,500
Refunds	-40,499	-241,315	-28,237	-31,242	-341,293	-42,760	-254,807	-29,812	-32,973	-360,352
Total	480,145	460,349	462,776	702,848	2,106,119	506,670	485,615	488,144	740,456	2,220,886

## Appendix C: Population Forecast Detail

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Table C.1 – Oregon’s Population Forecast and Components of Change

Year (July 1)	Population	Population Change		Births		Deaths		Natural Increase	Net Migration	
		Number	Percent	Number	Rate/1000	Number	Rate/1000		Number	Rate/1000
1989-1990	2,860,400	69,800	2.50	42,008	14.87	24,763	8.76	17,245	52,555	18.60
<b>1985-1990</b>		<b>187,800</b>		<b>199,810</b>		<b>121,318</b>		<b>78,492</b>	<b>109,308</b>	
1990-1991	2,928,500	68,100	2.38	42,682	14.75	24,944	8.62	17,738	50,362	17.40
1991-1992	2,991,800	63,300	2.16	42,427	14.33	25,166	8.50	17,261	46,039	15.55
1992-1993	3,060,400	68,600	2.29	41,442	13.69	26,543	8.77	14,899	53,701	17.75
1993-1994	3,121,300	60,900	1.99	41,487	13.42	27,564	8.92	13,923	46,977	15.20
1994-1995	3,184,400	63,100	2.02	42,426	13.46	27,552	8.74	14,874	48,226	15.30
<b>1990-1995</b>		<b>324,000</b>		<b>210,464</b>		<b>131,769</b>		<b>78,695</b>	<b>245,305</b>	
1995-1996	3,247,100	62,700	1.97	43,196	13.43	28,768	8.95	14,428	48,272	15.01
1996-1997	3,304,300	57,200	1.76	43,625	13.32	29,201	8.91	14,424	42,776	13.06
1997-1998	3,352,400	48,100	1.46	44,696	13.43	28,705	8.62	15,991	32,109	9.65
1998-1999	3,393,900	41,500	1.24	45,188	13.40	29,848	8.85	15,340	26,160	7.76
1999-2000	3,431,100	37,200	1.10	45,534	13.34	28,909	8.47	16,625	20,575	6.03
<b>1995-2000</b>		<b>246,700</b>		<b>222,239</b>		<b>145,431</b>		<b>76,808</b>	<b>169,892</b>	
2000-2001	3,470,400	39,300	1.15	45,536	13.20	29,934	8.67	15,602	23,698	6.87
2001-2002	3,502,600	32,200	0.93	44,995	12.91	30,828	8.84	14,167	18,033	5.17
2002-2003	3,538,600	36,000	1.03	45,686	12.98	30,604	8.69	15,082	20,918	5.94
2003-2004	3,578,900	40,300	1.14	45,599	12.81	30,721	8.63	14,878	25,422	7.14
2004-2005	3,626,900	48,000	1.34	45,892	12.74	30,717	8.53	15,175	32,825	9.11
<b>1995-2000</b>		<b>195,800</b>		<b>227,708</b>		<b>152,804</b>		<b>74,904</b>	<b>120,896</b>	
2005-2006	3,685,200	58,300	1.61	46,946	12.84	30,771	8.42	16,175	42,125	11.52
2006-2007	3,739,400	54,200	1.47	49,404	13.31	31,396	8.46	18,008	36,192	9.75
2007-2008	3,784,200	44,800	1.20	49,659	13.20	32,008	8.51	17,651	27,149	7.22
2008-2009	3,815,800	31,600	0.84	47,960	12.62	31,382	8.26	16,578	15,022	3.95
2009-2010	3,837,300	21,500	0.56	46,256	12.09	31,689	8.28	14,567	6,933	1.81
<b>2005-2010</b>		<b>210,400</b>		<b>240,225</b>		<b>157,246</b>		<b>82,979</b>	<b>127,421</b>	
2010-2011	3,854,500	17,200	0.45	45,381	11.80	32,437	8.43	12,944	4,256	1.11
2011-2012	3,878,200	23,700	0.61	44,897	11.61	32,804	8.48	12,093	11,607	3.00
2012-2013	3,910,900	32,700	0.84	44,969	11.55	33,168	8.52	11,801	20,899	5.37
2013-2014	3,952,000	41,100	1.05	45,447	11.56	33,731	8.58	11,716	29,384	7.47
2014-2015	4,000,400	48,400	1.22	45,660	11.48	35,318	8.88	10,342	38,058	9.57
<b>2010-2015</b>		<b>163,100</b>		<b>226,354</b>		<b>167,458</b>		<b>58,896</b>	<b>104,204</b>	
2015-2016	4,060,100	59,700	1.49	45,647	11.33	35,339	8.77	10,308	49,392	12.26
2016-2017	4,122,000	61,900	1.52	44,602	10.90	36,773	8.99	7,829	54,071	13.22
2017-2018	4,173,200	51,200	1.24	42,906	10.34	36,268	8.74	6,638	44,562	10.74
2018-2019	4,211,400	38,200	0.92	42,220	10.07	36,622	8.74	5,598	32,602	7.78
2019-2020	4,243,959	32,559	0.77	40,920	9.68	37,821	8.95	3,099	29,460	6.97
<b>2015-2020</b>		<b>243,559</b>		<b>216,295</b>		<b>182,823</b>		<b>33,472</b>	<b>210,087</b>	
2020-2021	4,263,581	19,622	0.46	39,654	9.32	41,893	9.85	-2,239	21,861	5.14
2021-2022	4,281,851	18,270	0.43	40,446	9.47	46,304	10.84	-5,858	24,128	5.65
2022-2023	4,296,800	14,949	0.35	40,510	9.44	44,841	10.45	-4,331	19,280	4.49
2023-2024	4,316,700	19,900	0.46	40,962	9.51	45,124	10.48	-4,162	24,062	5.59
2024-2025	4,342,800	26,100	0.60	41,325	9.54	45,534	10.52	-4,209	30,309	7.00
<b>2020-2025</b>		<b>98,841</b>		<b>202,897</b>		<b>223,696</b>		<b>-20,799</b>	<b>119,640</b>	
2025-2026	4,371,800	29,000	0.67	41,786	9.59	46,059	10.57	-4,273	33,273	7.64
2026-2027	4,402,700	30,900	0.71	42,262	9.63	46,697	10.64	-4,434	35,334	8.05
2027-2028	4,434,800	32,100	0.73	42,786	9.68	47,423	10.73	-4,638	36,738	8.31
2028-2029	4,468,800	34,000	0.77	43,335	9.73	48,114	10.81	-4,779	38,778	8.71
2029-2030	4,503,900	35,100	0.79	43,947	9.80	48,672	10.85	-4,725	39,825	8.88
<b>2025-2030</b>		<b>161,100</b>		<b>214,116</b>		<b>236,965</b>		<b>-22,849</b>	<b>183,948</b>	
2030-2031	4,539,200	35,300	0.78	44,274	9.79	49,248	10.89	-4,974	40,274	8.91
2031-2032	4,574,600	35,400	0.78	44,637	9.80	49,976	10.97	-5,339	40,739	8.94
<b>2030-2032</b>		<b>70,700</b>		<b>88,911</b>		<b>99,224</b>		<b>-10,312</b>	<b>81,012</b>	
<b>1990-2000</b>		<b>570,700</b>		<b>432,703</b>		<b>277,200</b>		<b>155,503</b>	<b>415,197</b>	13.10
<b>2000-2010</b>		<b>406,200</b>		<b>467,933</b>		<b>310,050</b>		<b>157,883</b>	<b>248,317</b>	6.83
<b>2010-2020</b>		<b>406,659</b>		<b>442,649</b>		<b>350,281</b>		<b>92,368</b>	<b>314,291</b>	7.81
<b>2020-2030</b>		<b>259,941</b>		<b>417,013</b>		<b>460,661</b>		<b>-43,648</b>	<b>303,589</b>	6.97
<b>2030-2032</b>		<b>70,700</b>		<b>88,911</b>		<b>99,224</b>		<b>-10,312</b>	<b>81,012</b>	1.78

Sources: 1990-1999 population - U.S. Census Bureau; 2000-2019 intercensal population estimates by Office of Economic Analysis based on postcensal estimates by Population Research Center, PSU; 2020-2022 population by PRC/PSU; births and deaths 1990-2022: Oregon Center for Health Statistics. Forecasts of population, births, deaths, and net migration are by the Oregon Office of Economic Analysis.

Table C.2 – Population Forecast by Age and Sex

Age	2010			2020			2021			2022			2023		
	Male	Female	Total												
0-4	122,302	116,141	238,443	112,011	106,985	218,996	108,666	103,520	212,186	106,579	101,393	207,973	104,997	99,903	204,900
5-9	121,563	116,455	238,018	124,747	118,498	243,245	123,837	117,750	241,587	122,364	116,360	238,724	120,326	114,362	234,688
10-14	124,611	118,821	243,432	132,309	125,225	257,534	132,412	125,104	257,515	131,719	124,013	255,733	130,372	122,407	252,779
15-19	131,215	124,664	255,879	130,658	125,672	256,330	130,753	124,261	255,015	132,444	125,261	257,704	134,302	126,950	261,253
20-24	128,737	124,919	253,656	135,238	132,221	267,459	135,835	133,971	269,806	136,171	134,637	270,808	135,981	133,963	269,945
25-29	133,819	131,522	265,341	145,729	142,132	287,860	142,728	139,065	281,793	140,395	136,457	276,852	138,956	134,908	273,864
30-34	131,483	128,253	259,736	152,805	149,031	301,836	155,224	150,855	306,079	157,324	152,299	309,623	157,761	152,269	310,030
35-39	128,103	123,715	251,818	150,399	148,210	298,609	151,617	148,909	300,526	152,625	149,506	302,131	153,770	150,205	303,975
40-44	125,961	122,930	248,891	138,274	136,608	274,883	141,917	140,797	282,714	144,994	144,474	289,468	147,255	147,443	294,698
45-49	130,755	132,549	263,304	130,153	127,426	257,579	128,938	126,672	255,610	129,368	127,773	257,142	131,519	130,311	261,830
50-54	135,069	141,566	276,635	125,650	125,882	251,533	128,315	127,999	256,314	130,101	129,398	259,499	130,564	129,667	260,231
55-59	132,995	140,775	273,769	128,444	134,806	263,250	125,645	131,315	256,960	122,890	127,880	250,770	120,887	125,154	246,042
60-64	115,186	122,930	238,116	130,455	143,111	273,566	129,404	142,001	271,406	127,989	140,487	268,476	126,501	138,490	264,991
65-69	81,837	87,957	169,794	125,244	139,324	264,568	126,016	141,153	267,169	125,867	141,776	267,643	124,898	141,296	266,194
70-74	56,945	63,006	119,950	103,012	114,579	217,592	107,556	120,135	227,690	109,758	123,446	233,204	111,183	126,097	237,280
75-79	40,954	50,138	91,091	65,368	75,617	140,985	68,876	79,838	148,713	73,719	85,459	159,178	78,787	91,449	170,236
80-84	30,391	42,761	73,152	38,064	46,702	84,766	39,844	48,938	88,782	41,928	51,719	93,647	44,690	55,211	99,901
85+	26,767	51,389	78,156	31,812	51,557	83,370	32,310	51,405	83,715	32,388	50,887	83,275	32,889	51,074	83,962
Total	1,898,693	1,938,607	3,837,300	2,100,373	2,143,586	4,243,959	2,109,892	2,153,689	4,263,581	2,118,623	2,163,228	4,281,851	2,125,639	2,171,161	4,296,800
Mdn. Age	37.2	39.4	38.3	38.9	40.8	39.8	39.1	41.1	40.1	39.3	41.4	40.4	39.6	41.7	40.6
Age	2024			2025			2026			2027			2028		
	Male	Female	Total												
0-4	104,290	99,102	203,392	104,569	99,418	203,987	105,820	100,579	206,399	106,910	101,584	208,494	108,209	102,794	211,002
5-9	117,977	112,034	230,010	115,089	108,859	223,948	111,968	105,508	217,476	110,115	103,514	213,629	108,876	102,255	211,131
10-14	129,259	121,229	250,487	128,666	120,659	249,325	128,093	120,114	248,207	126,930	118,899	245,829	125,385	117,155	242,540
15-19	135,762	128,160	263,922	136,982	129,113	266,095	137,608	129,430	267,038	137,383	128,719	266,102	136,644	127,566	264,209
20-24	135,643	132,801	268,444	135,225	130,973	266,198	135,810	130,031	265,842	138,074	131,620	269,695	140,857	134,229	275,087
25-29	139,011	135,235	274,247	139,942	137,157	277,099	141,170	139,484	280,654	142,124	140,671	282,795	142,727	140,747	283,474
30-34	156,938	151,129	308,068	155,041	149,050	304,091	152,915	146,550	299,464	151,512	144,532	296,044	151,439	143,933	295,371
35-39	155,582	151,537	307,119	158,215	153,511	311,726	161,251	155,845	317,096	163,933	157,765	321,697	165,555	158,570	324,125
40-44	149,274	149,770	299,043	151,174	151,388	302,562	152,664	152,518	305,182	153,938	153,555	307,493	155,501	154,911	310,412
45-49	134,673	133,872	268,545	138,434	138,329	276,763	142,325	142,843	285,168	145,698	146,862	292,561	148,411	150,399	298,810
50-54	129,971	129,046	259,017	128,779	127,925	256,703	127,789	127,420	255,209	128,466	128,797	257,263	130,934	131,726	262,660
55-59	120,716	124,430	245,146	122,782	126,044	248,827	125,637	128,503	254,140	127,696	130,290	257,987	128,528	131,064	259,592
60-64	125,109	136,306	261,415	123,215	133,662	256,877	120,777	130,556	251,332	118,485	127,556	246,041	116,977	125,403	242,380
65-69	123,586	140,341	263,928	122,645	139,545	262,190	121,949	138,817	260,765	121,064	137,798	258,862	120,146	136,443	256,589
70-74	112,867	129,092	241,959	114,375	131,827	246,202	115,335	133,788	249,122	115,670	134,765	250,435	115,312	134,820	250,132
75-79	83,324	96,989	180,313	88,060	102,825	190,885	92,066	107,941	200,007	94,393	111,314	205,707	96,094	114,147	210,241
80-84	47,438	58,827	106,265	49,749	62,024	111,773	52,558	65,625	118,183	56,732	70,715	127,447	61,088	76,142	137,231
85+	33,757	51,623	85,380	34,944	52,605	87,549	36,355	54,160	90,516	38,169	56,452	94,621	40,455	59,361	99,816
Total	2,135,176	2,181,524	4,316,700	2,147,885	2,194,916	4,342,800	2,162,090	2,209,711	4,371,800	2,177,292	2,225,408	4,402,700	2,193,137	2,241,663	4,434,800
Mdn. Age	39.8	42.0	40.9	40.0	42.3	41.1	40.2	42.5	41.4	40.4	42.8	41.6	40.5	43.0	41.8
Age	2029			2030			2031			2032					
	Male	Female	Total												
0-4	109,537	104,036	213,573	110,970	105,382	216,352	112,312	106,646	218,958	113,583	107,845	221,428			
5-9	108,463	101,650	210,113	108,957	102,109	211,066	110,407	103,396	213,803	111,647	104,498	216,145			
10-14	123,400	115,013	238,414	120,659	111,902	232,560	117,576	108,554	226,130	115,768	106,568	222,336			
15-19	136,024	126,753	262,777	135,743	126,420	262,163	135,379	126,031	261,410	134,325	124,896	259,221			
20-24	143,094	136,202	279,296	144,812	137,651	282,463	145,778	138,293	284,070	145,766	137,753	283,519			
25-29	143,031	140,180	283,211	142,987	138,643	281,630	143,869	137,905	281,774	146,467	139,783	286,250			
30-34	152,699	145,133	297,832	154,493	147,744	302,238	156,423	150,655	307,078	157,916	152,238	310,154			
35-39	165,680	158,086	323,766	164,325	156,345	320,671	162,556	154,029	316,585	161,416	152,136	313,552			
40-44	157,693	156,822	314,515	160,596	159,211	319,807	163,844	161,882	325,726	166,697	164,064	330,761			
45-49	150,823	153,219	304,042	153,007	155,168	308,175	154,715	156,538	311,253	156,156	157,761	313,917			
50-54	134,368	135,649	270,017	138,335	140,385	278,721	142,391	145,135	287,525	145,902	149,354	295,256			
55-59	128,277	130,859	259,136	127,355	130,007	257,363	126,586	129,709	256,295	127,432	131,281	258,713			
60-64	117,195	125,166	242,361	119,501	127,136	246,637	122,522	129,879	252,402	124,725	131,886	256,610			
65-69	119,251	134,801	254,053	117,770	132,538	250,308	115,711	129,732	245,442	113,752	126,977	240,729			
70-74	114,576	134,366	248,942	114,086	133,953	248,039	113,774	133,545	247,320	113,247	132,817	246,064			
75-79	97,987	117,259	215,246	99,667	120,072	219,739	100,839	122,148	222,987	101,457	123,321	224,778			
80-84	64,986	81,140	146,126	68,963	86,292	155,255	72,376	90,841	163,217	74,575	94,038	168,613			
85+	42,907	62,474	105,380	45,232	65,482	110,715	48,047	69,177	117,225	52,068	74,487	126,555			
Total	2,209,991	2,258,809	4,468,800	2,227,460	2,276,440	4,503,900	2,245,105	2,294,095	4,539,200	2,262,898	2,311,702	4,574,600			
Mdn. Age	40.7	43.3	42.0	40.9	43.5	42.2	41.1	43.7	42.4	41.3	43.9	42.6			

Table C.3 Population of Oregon

Year (July 1)	Total Population	Change from previous year	
		Number	Percent
1990	2,860,400	-	-
1991	2,928,500	68,100	2.38%
1992	2,991,800	63,300	2.16%
1993	3,060,400	68,600	2.29%
1994	3,121,300	60,900	1.99%
1995	3,184,400	63,100	2.02%
1996	3,247,100	62,700	1.97%
1997	3,304,300	57,200	1.76%
1998	3,352,400	48,100	1.46%
1999	3,393,900	41,500	1.24%
2000	3,431,100	37,200	1.10%
2001	3,470,400	39,300	1.15%
2002	3,502,600	32,200	0.93%
2003	3,538,600	36,000	1.03%
2004	3,578,900	40,300	1.14%
2005	3,626,900	48,000	1.34%
2006	3,685,200	58,300	1.61%
2007	3,739,400	54,200	1.47%
2008	3,784,200	44,800	1.20%
2009	3,815,800	31,600	0.84%
2010	3,837,300	21,500	0.56%
2011	3,854,500	17,200	0.45%
2012	3,878,200	23,700	0.61%
2013	3,910,900	32,700	0.84%
2014	3,952,000	41,100	1.05%
2015	4,000,400	48,400	1.22%
2016	4,060,100	59,700	1.49%
2017	4,122,000	61,900	1.52%
2018	4,173,200	51,200	1.24%
2019	4,211,400	38,200	0.92%
2020	4,243,959	32,559	0.77%
2021	4,263,581	19,622	0.46%
2022	4,281,851	18,270	0.43%
2023	4,296,800	14,949	0.35%
2024	4,316,700	19,900	0.46%
2025	4,342,800	26,100	0.60%
2026	4,371,800	29,000	0.67%
2027	4,402,700	30,900	0.71%
2028	4,434,800	32,100	0.73%
2029	4,468,800	34,000	0.77%
2030	4,503,900	35,100	0.79%
2031	4,539,200	35,300	0.78%
2032	4,574,600	35,400	0.78%

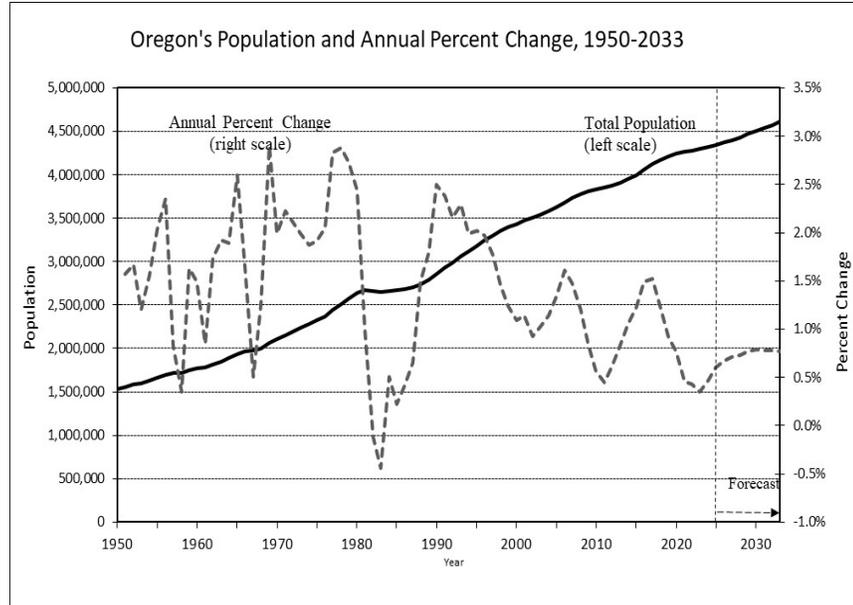


Table C.4 Children: Ages 0-4

Table C.5 School Age  
Population: Ages 5-17

Table C.6 Young Adult  
Population: Ages 18-24

Year (July 1)	% Change from previous decade/yr.			% Change from previous decade/yr.			% Change from previous decade/yr.		
	Population	Number	Percent	Population	Number	Percent	Population	Number	Percent
1980	199,525	---	---	524,446	---	---	329,407	---	---
1990	209,638	10,113	5.07%	532,727	8,281	1.58%	268,134	-61,273	-18.60%
2000	223,207	13,569	6.47%	624,316	91,589	17.19%	330,328	62,194	23.20%
2010	238,443	15,236	6.83%	631,132	6,815	1.09%	359,854	29,526	8.94%
2011	235,911	-2,532	-1.06%	629,794	-1,337	-0.21%	360,835	982	0.27%
2012	232,406	-3,506	-1.49%	631,284	1,489	0.24%	362,832	1,997	0.55%
2013	229,470	-2,936	-1.26%	633,903	2,619	0.41%	366,162	3,330	0.92%
2014	228,491	-979	-0.43%	636,663	2,760	0.44%	368,698	2,535	0.69%
2015	228,530	38	0.02%	639,405	2,741	0.43%	370,335	1,638	0.44%
2016	229,939	1,409	0.62%	642,777	3,373	0.53%	371,121	786	0.21%
2017	230,713	774	0.34%	646,608	3,831	0.60%	373,452	2,331	0.63%
2018	228,576	-2,137	-0.93%	647,996	1,387	0.21%	375,357	1,905	0.51%
2019	224,371	-4,206	-1.84%	649,539	1,543	0.24%	374,840	-517	-0.14%
2020	218,996	-5,374	-2.40%	651,951	2,412	0.37%	372,617	-2,222	-0.59%
2021	212,186	-6,810	-3.11%	652,057	106	0.02%	371,866	-751	-0.20%
2022	207,973	-4,214	-1.99%	649,895	-2,162	-0.33%	373,075	1,209	0.33%
2023	204,900	-3,073	-1.48%	645,416	-4,478	-0.69%	373,248	173	0.05%
2024	203,392	-1,508	-0.74%	640,050	-5,367	-0.83%	372,813	-435	-0.12%
2025	203,987	595	0.29%	632,545	-7,505	-1.17%	373,021	208	0.06%
2026	206,399	2,412	1.18%	623,414	-9,131	-1.44%	375,148	2,127	0.57%
2027	208,494	2,095	1.02%	615,695	-7,719	-1.24%	379,560	4,412	1.18%
2028	211,002	2,508	1.20%	608,826	-6,869	-1.12%	384,140	4,580	1.21%
2029	213,573	2,571	1.22%	603,315	-5,511	-0.91%	387,284	3,144	0.82%
2030	216,352	2,779	1.30%	598,619	-4,697	-0.78%	389,634	2,350	0.61%
2031	218,958	2,607	1.20%	594,584	-4,035	-0.67%	390,829	1,196	0.31%
2032	221,428	2,469	1.13%	590,977	-3,607	-0.61%	390,243	-586	-0.15%

Table C.7 Criminally At Risk  
Population (males): Ages 15-39

Table C.8 Prime Wage  
Earners: Ages 25-44

Table C.9 Older Wage  
Earners: Ages 45-64

Year (July 1)	% Change from previous decade/yr.			% Change from previous decade/yr.			% Change from previous decade/yr.		
	Population	Number	Percent	Population	Number	Percent	Population	Number	Percent
1980	561,931	---	---	790,750	---	---	491,249	---	---
1990	544,738	-17,193	-3.06%	926,326	135,576	17.15%	531,181	39,932	8.13%
2000	616,988	72,250	13.26%	996,500	70,174	7.58%	817,510	286,329	53.90%
2010	653,357	36,370	5.89%	1,025,787	29,287	2.94%	1,049,941	232,431	28.43%
2011	651,180	-2,178	-0.33%	1,027,906	2,120	0.21%	1,055,385	5,444	0.52%
2012	652,390	1,211	0.19%	1,032,603	4,697	0.46%	1,049,595	-5,790	-0.55%
2013	657,293	4,903	0.75%	1,040,709	8,106	0.78%	1,045,648	-3,947	-0.38%
2014	664,759	7,466	1.14%	1,051,331	10,622	1.02%	1,047,081	1,433	0.14%
2015	673,701	8,941	1.35%	1,063,996	12,664	1.20%	1,051,826	4,745	0.45%
2016	685,321	11,621	1.72%	1,083,602	19,607	1.84%	1,058,830	7,003	0.67%
2017	697,303	11,981	1.75%	1,107,682	24,080	2.22%	1,060,299	1,469	0.14%
2018	705,507	8,204	1.18%	1,129,825	22,143	2.00%	1,056,891	-3,407	-0.32%
2019	711,574	6,068	0.86%	1,147,437	17,612	1.56%	1,050,482	-6,409	-0.61%
2020	714,828	3,253	0.46%	1,163,188	15,750	1.37%	1,045,927	-4,555	-0.43%
2021	716,157	1,330	0.19%	1,171,112	7,924	0.68%	1,040,290	-5,637	-0.54%
2022	718,958	2,800	0.39%	1,178,073	6,961	0.59%	1,035,887	-4,402	-0.42%
2023	720,771	1,813	0.25%	1,182,567	4,494	0.38%	1,033,094	-2,793	-0.27%
2024	722,937	2,166	0.30%	1,188,477	5,909	0.50%	1,034,123	1,029	0.10%
2025	725,404	2,467	0.34%	1,195,479	7,002	0.59%	1,039,169	5,047	0.49%
2026	728,755	3,351	0.46%	1,202,397	6,918	0.58%	1,045,849	6,680	0.64%
2027	733,025	4,270	0.59%	1,208,029	5,632	0.47%	1,053,851	8,002	0.77%
2028	737,222	4,197	0.57%	1,213,382	5,354	0.44%	1,063,441	9,590	0.91%
2029	740,528	3,306	0.45%	1,219,324	5,942	0.49%	1,075,556	12,115	1.14%
2030	742,361	1,833	0.25%	1,224,345	5,021	0.41%	1,090,895	15,339	1.43%
2031	744,005	1,644	0.22%	1,231,163	6,818	0.56%	1,107,476	16,580	1.52%
2032	745,890	1,885	0.25%	1,240,717	9,554	0.78%	1,124,496	17,020	1.54%

Table C.10 Elderly Population by Age Group

Year (July 1)	%Change from previous decade/yr.		%Change from previous decade/yr.		%Change from previous decade/yr.		%Change from previous decade/yr.	
	Ages 65+	Ages 65-74	Ages 75-84	Ages 85+	Ages 65+	Ages 65-74	Ages 75-84	Ages 85+
1980	305,841	---	185,863	---	91,137	---	28,841	---
1990	392,369	28.29%	224,772	20.93%	128,813	41.34%	38,784	34.48%
2000	439,239	11.95%	218,997	-2.57%	162,187	25.91%	58,055	49.69%
2010	532,145	21.15%	289,744	32.31%	164,244	1.27%	78,156	34.62%
2011	544,668	2.35%	300,679	3.77%	164,699	0.28%	79,290	1.45%
2012	569,480	4.56%	323,020	7.43%	166,250	0.94%	80,210	1.16%
2013	595,007	4.48%	344,941	6.79%	169,092	1.71%	80,974	0.95%
2014	619,735	4.16%	364,915	5.79%	173,464	2.59%	81,356	0.47%
2015	646,309	4.29%	386,254	5.85%	178,545	2.93%	81,510	0.19%
2016	673,830	4.26%	406,961	5.36%	184,772	3.49%	82,098	0.72%
2017	703,246	4.37%	428,081	5.19%	192,909	4.40%	82,256	0.19%
2018	734,554	4.45%	447,292	4.49%	204,711	6.12%	82,552	0.36%
2019	764,731	4.11%	465,467	4.06%	216,593	5.80%	82,671	0.14%
2020	791,279	3.47%	482,160	3.59%	225,750	4.23%	83,370	0.84%
2021	816,070	3.13%	494,859	2.63%	237,495	5.20%	83,715	0.41%
2022	836,947	2.56%	500,847	1.21%	252,825	6.45%	83,275	-0.53%
2023	857,574	2.46%	503,474	0.52%	270,137	6.85%	83,962	0.83%
2024	877,845	2.36%	505,887	0.48%	286,578	6.09%	85,380	1.69%
2025	898,599	2.36%	508,392	0.50%	302,658	5.61%	87,549	2.54%
2026	918,593	2.23%	509,888	0.29%	318,190	5.13%	90,516	3.39%
2027	937,072	2.01%	509,297	-0.12%	333,154	4.70%	94,621	4.54%
2028	954,009	1.81%	506,721	-0.51%	347,471	4.30%	99,816	5.49%
2029	969,747	1.65%	502,995	-0.74%	361,372	4.00%	105,380	5.57%
2030	984,056	1.48%	498,347	-0.92%	374,994	3.77%	110,715	5.06%
2031	996,190	1.23%	492,762	-1.12%	386,204	2.99%	117,225	5.88%
2032	1,006,739	1.06%	486,793	-1.21%	393,391	1.86%	126,555	7.96%