Washington State Economic Climate Study

State Gem: Petrified Wood

Economic and Revenue Forecast Council
October 2008
Volume XIII

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Prepared by the
Economic and Revenue Forecast Council

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Editor's Note

The 1996 Legislature passed Substitute House Bill 2758 creating the Economic Climate Council (ECC). The ECC is responsible for selecting a series of benchmarks that characterize the competitive environment of the state. The benchmarks are indicators of the quality of life, education and skills of the work force, infrastructure, and the costs of doing business.

To ensure public participation, the ECC established an advisory committee of six members to assist in the selection of the benchmarks. The advisory committee, along with staff of the House of Representatives, Senate, Office of Financial Management and other state agencies, including the staff of the Office of the Forecast Council, assisted in the preparation of the first report. The Economic and Revenue Forecast Council continues to function as the ECC. Each year the Office of the Economic and Revenue Forecast Council updates and publishes the Climate Study. This is the twelfth annual Economic Climate Study.

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Executive Summary

This report updates the State of Washington's Economic Climate Study, last published October 2007. The study provides information about Washington's competitive standing in relation to the other U.S. states. It is based on the premise that, while improving productivity is primarily the domain of Washington's business sector, appropriate state and local policies, particularly those relating to education, public safety, infrastructure, cost of doing business, and the environment, are essential to promote higher standards of living.

The benchmarks considered in this study focus on the four themes specified in the Substitute House Bill 2758, RCW 82.33A: quality of life, education and skills of the workforce, infrastructure, and the cost of doing business. In addition, this study also presents economic performance indicators related to income, employment, population, research and development expenditures, and foreign trade. Overall, forty-one indicators are presented.

Recent Performance

In this year's climate study, thirty-two of the forty-one benchmarks and indicators were updated. Overall, the state's performance was positive. Of the twenty-nine updated benchmarks and indicators that include ranks relative to the other states, Washington's rank improved in fifteen cases, regressed in ten, and stayed the same in four. Of the thirty updated benchmarks and indicators that indicate year-to-year performance, the state improved in sixteen cases, worsened in thirteen and stayed the same in one. Nine indicators were not updated due to the unavailability of updated data at the time of publication.

As in the 2006 and 2007 study, the area in which the state showed the most improvement was "Economic Performance." Out of the thirteen indicators that were updated in that area, the state improved its performance in eight and its ranking in ten, with one ranking unchanged. The state's performance was mixed in "Quality of Life" and "Cost of Doing Business", while the state's performance was negative in "Infrastructure". The state's performance also appeared to be mixed in "Education and Skills of the Workforce", although only two of the eight indicators were updated and a clear picture couldn't be obtained.

The following report is a snapshot of Washington's performance and ranking both compared to other states and itself historically. This analysis begins on page six with a description of each indicator and is then followed by an associated table and chart. Each table ranks the states based on its performance and each chart shows how Washington has fared over history. In each case, the ranking is from best to worst with a rank of one being the best.

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Indicator/Benchmark	Performance	Rank
Economic Performance		
Total Employment Growth Rate	Worsened	Improved
Median Household Income	Improved	Improved
Per Capita Personal Income	Improved	Improved
Per Capita Personal Income Growth Rate	Worsened	Improved
Growth in High Wage Industries' Share of Total Employment	Worsened	Improved
Annual Earnings Per Job	Improved	Improved
Annual Earnings Per Job Growth Rate	Worsened	Worsened
Migration Rate	Worsened	Worsened
Foreign Exports	Improved	No Change
Foreign Exports Excluding Transportation Equipment	Improved	Improved
Per Capita University Research and Development Spending	Improved	Improved
Per Capita Industry Research and Development Spending	Improved	Improved
Per Capita Total Research and Development Spending	Not Updated	Not Updated
Unemployment Rate	Improved	Improved
Quality of Life		
Homicide	Improved	Improved
Violent Crime	Improved	No Change
Arrest Rates for Violent Crime	Worsened	Worsened
Air Quality	No Change	No Change
Drinking Water	Worsened	Worsened
Toxins Released	Improved	Improved
State Health Index	Improved	Improved
State Parks and Recreation Areas	Worsened	Worsened
State Arts	Worsened	Worsened
Public Library Service	Improved	No Change
Housing Opportunity Index	N/A	N/A
Education and Skills of the Workforce		
Fourth Grade Reading	Not Updated	Not Updated
Fourth Grade Math	Not Updated	Not Updated
Tenth Grade WASL Scores	Improved	N/A
Student to Teacher Ratio	Not Updated	Not Updated
Education Attainment: Completed Four Years of High School or More	Not Updated	Not Updated
Education Attainment: Completed Bachelor's Degree or More	Not Updated	Not Updated
Total Public Two and Four Year Combined Participation Rate	Not Updated	Not Updated
Value Added per Hour of Labor in Manufacturing	Improved	Worsened
Infrastructure		
Interstate Miles in Poor Condition	Worsened	Worsened
FAA Air Traffic	Worsened	Worsened
Urban Roadway Travel Time Index	Not Updated	Not Updated
Cost of Doing Business		
State and Local Tax Collections Per $1,000 Personal Income	Worsened	Worsened
Unemployment Insurance Costs	Improved	Improved
Workers' Compensation Premium Costs	Not Updated	Not Updated
Electricity Costs	Worsened	Improved
Average Wage by Occupation	N/A	N/A

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Economic Performance

Total Employment Growth Rate

While Washington suffered a greater percent decline in employment than the nation as a whole during the 2001 recession and subsequent "jobless recovery," it has also snapped back from the recovery at a faster rate than that of the nation. The state showed positive annual growth in 2003 while the U.S. showed negative growth, and continued to outpace the national growth rate through 2007. Due to its faster growth, the state regained its pre-recession employment peak in December 2004, two months sooner than the U.S., despite having suffered sharper recessionary losses.

Most of the state's 2007 employment growth was accounted for by construction, durable manufacturing, trade, professional and business services, education and health services, and leisure and hospitality. Although Washington's employment growth rate dropped slightly in from 3.0 to 2.5 percent in 2007, its ranking improved from 9th to 7th in the nation. The nation's growth rate over the same period went from 1.7 to 1.1 percent. While the state was near the bottom of the state rankings during the recession, subsequent growth has brought the state's five-year average rank to 9th, with a growth rate of 2.0 percent versus 1.1 percent for the nation as a whole.

Total Washington Payroll Employment

2003	2004	2005	2006	2007
2,657,500	2,701,000	2,777,100	2,859,200	2,932,000

Chart 1
Total Employment Growth Rate

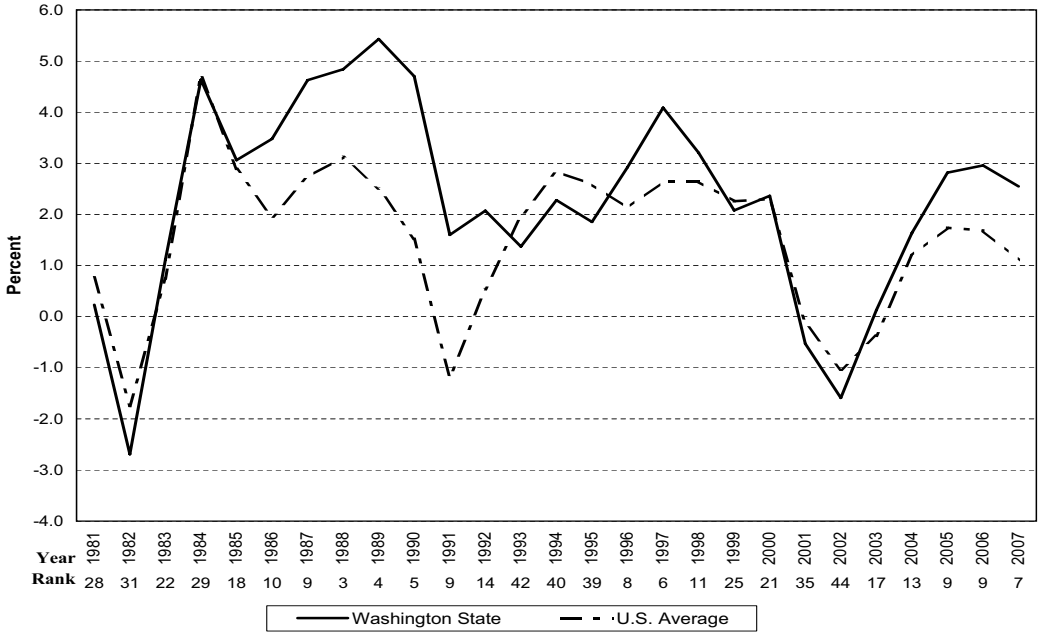


Table 1
Economic Performance
Total Employment Growth Rate
(Percent)

	2003	2004	2005	2006	2007	2003-07
Alabama	-0.4	1.4	2.3	1.8	1.4	1.3
Alaska	1.5	1.6	1.8	1.7	0.8	1.5
Arizona	1.4	3.7	5.4	5.0	1.2	3.3
Arkansas	-0.1	1.1	1.7	1.8	0.5	1.0
California	-0.4	1.0	1.8	1.7	0.7	1.0
Colorado	-1.4	1.2	2.1	2.4	2.2	1.3
Connecticut	-1.2	0.3	0.7	1.1	1.0	0.4
Delaware	0.0	2.2	1.7	1.1	0.2	1.1
Florida	1.1	3.4	4.0	2.6	0.5	2.3
Georgia	-0.6	1.4	2.6	2.2	1.4	1.4
Hawaii	1.9	2.8	3.1	2.6	1.1	2.3
Idaho	0.7	2.8	4.0	4.4	2.7	2.9
Illinois	-1.2	0.1	0.8	1.2	0.8	0.3
Indiana	-0.2	1.2	0.9	0.6	0.5	0.6
Iowa	-0.5	1.2	1.6	1.6	0.9	0.9
Kansas	-1.7	0.9	0.6	1.6	1.9	0.6
Kentucky	-0.3	0.9	1.4	1.2	1.2	0.9
Louisiana	0.5	0.6	-1.3	-2.0	3.6	0.3
Maine	0.0	0.8	0.0	0.5	0.4	0.4
Maryland	0.3	1.2	1.5	1.3	0.8	1.0
Massachusetts	-1.9	-0.1	0.5	1.1	1.0	0.1
Michigan	-1.6	-0.4	-0.2	-1.4	-1.5	-1.0
Minnesotta	-0.2	0.8	1.6	1.3	0.5	0.8
Mississippi	-0.8	0.9	0.5	1.0	1.0	0.5
Missouri	-0.7	0.5	1.5	1.4	0.8	0.7
Montana	1.2	2.6	2.3	2.8	2.4	2.3
Nebraska	0.3	0.9	1.4	1.2	1.7	1.1
Nevada	3.5	5.9	6.1	4.6	1.0	4.2
New Hampshire	-0.1	1.5	1.4	0.9	1.1	1.0
New Jersey	-0.1	0.5	1.0	0.8	0.1	0.4
New Mexico	1.2	1.9	2.3	2.9	1.3	1.9
New York	-0.6	0.7	0.9	1.0	1.4	0.6
North Carolina	-1.2	1.3	2.1	3.2	2.6	1.6
North Dakota	0.8	1.6	2.0	2.2	1.6	1.6
Ohio	-0.9	0.2	0.3	0.2	-0.2	-0.1
Oklahoma	-1.9	1.1	2.6	2.7	1.7	1.2
Oregon	-0.7	2.1	3.0	3.0	1.6	1.8
Pennsylvania	-0.5	0.6	1.0	0.9	0.7	0.5
Rhode Island	1.0	0.9	0.5	0.5	-0.1	0.6
South Carolina	0.2	1.4	1.8	2.2	2.3	1.6
South Dakota	0.2	1.4	1.7	2.2	2.0	1.5
Tennessee	-0.1	1.6	1.4	1.4	0.5	1.0
Texas	-0.5	1.4	2.6	3.3	2.9	1.9
Utah	0.1	2.8	4.0	4.9	4.0	3.1
Vermont	-0.0	1.3	0.8	0.7	0.0	0.6
Virginia	0.1	2.5	2.3	1.7	0.9	1.5
Washington	**0.1**	**1.6**	**2.8**	**3.0**	**2.5**	**2.0**
West Virginia	-0.8	1.3	1.3	1.3	0.1	0.6
Wisconsin	-0.3	1.1	1.2	0.9	0.5	0.7
Wyoming	0.8	2.2	3.3	5.1	3.9	3.1
U.S. Average	-0.4	1.2	1.7	1.7	1.1	1.1
Washington's Rank	**17**	**13**	**9**	**9**	**7**	**9**

U.S. Bureau of Labor Statistics, September 2008. (www.bls.gov).

Median Household Income

A state's median household income is the level of income (before taxes) at which exactly half of that state's households earn more than that amount and half earn less. While it is related to average or per capita household income, an increase in average household income does not necessarily mean that median household income will increase and vice versa. Median income measures offer the advantage over average measures that they are not upwardly biased by the income levels of the highest-income households. Typically, the average or per capita household income of a state is higher than the median.

Median household income estimates for the states are produced annually by the U.S. Census Bureau. These estimates are derived from the Annual Social and Economic Supplements to the annual Current Population Survey. As this survey's primary purpose is to arrive at national income and demographic numbers, estimates for individual states have substantial margins of error. To minimize these errors, the Census Bureau reports and recommends the use of two or three year moving averages for state median household income estimates. The resulting margins of error are reported by the Census Bureau and should be taken into account when making year-to-year or state-to-state comparisons. The 90 percent confidence interval for Washington's 2005-2007 median household income estimate is $1,592.

Washington's 2005-07 median household income of $56,049 was 12.8 percent greater than that of the nation as a whole. The state's median household income increased at a faster rate than the U.S. median, improving the state's rank to 11th. Washington's 5-year average of $55,301 remains well above the national average of $49,301, ranking 13th. Washington's median household income has been higher than that of the nation for all of the years that the Current Population Survey has reported state estimates.

Chart 2
Median Household Income

Table 2
Economic Performance
Median Household Income
(Current Dollars at End of Period)

	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2003-07*
Alabama	37,419	38,111	38,180	38,473	40,232	40,581
Alaska	55,143	54,627	55,935	57,639	60,124	59,851
Arizona	42,062	42,590	44,748	46,729	47,750	47,558
Arkansas	33,259	33,948	35,591	37,420	39,279	38,463
California	48,979	49,894	51,647	53,770	55,864	55,440
Colorado	50,224	51,022	52,011	54,039	57,333	56,831
Connecticut	55,004	55,970	57,369	59,972	62,893	62,225
Delaware	50,451	50,152	50,970	52,214	54,310	54,187
Florida	38,572	40,171	42,079	44,448	46,142	45,371
Georgia	43,535	43,217	44,439	46,841	49,387	48,199
Hawaii	49,839	53,123	57,572	60,681	63,164	61,933
Idaho	40,230	42,519	44,994	46,395	47,876	48,017
Illinois	45,607	45,787	47,978	49,280	51,320	51,089
Indiana	42,124	43,003	43,735	44,806	46,407	46,702
Iowa	41,985	43,042	45,086	47,489	49,262	48,414
Kansas	43,622	43,725	43,802	44,264	46,659	46,984
Kentucky	38,161	37,396	37,566	38,466	39,678	39,953
Louisiana	34,307	35,523	36,814	37,943	39,461	39,229
Maine	37,619	39,395	42,006	45,040	47,160	45,738
Maryland	55,213	56,763	58,347	62,372	65,124	63,406
Massachusetts	52,084	52,354	54,617	56,236	58,286	57,881
Michigan	45,176	44,476	45,793	47,064	49,394	49,064
Minnesota	54,480	55,914	56,084	57,363	57,815	58,916
Mississippi	31,887	33,659	34,508	35,261	35,971	36,592
Missouri	43,492	43,988	44,324	44,651	45,834	46,619
Montana	34,375	35,201	36,200	38,629	41,852	40,256
Nebraska	44,357	44,623	46,613	48,126	49,861	49,444
Nevada	46,118	46,984	48,314	50,819	53,008	52,356
New Hampshire	55,166	57,352	58,223	60,489	63,942	63,367
New Jersey	55,221	56,772	59,989	64,169	65,933	64,332
New Mexico	35,265	37,587	39,029	40,827	42,295	41,978
New York	43,160	44,228	46,242	48,201	49,546	49,177
North Carolina	38,096	39,000	41,067	42,061	43,035	43,060
North Dakota	38,212	39,594	41,869	42,162	44,743	44,567
Ohio	43,535	44,160	44,961	45,837	47,750	47,914
Oklahoma	36,733	38,281	38,895	40,001	41,046	41,419
Oregon	42,429	42,617	43,570	45,485	48,521	47,501
Pennsylvania	43,869	44,286	45,814	47,791	49,155	48,856
Rhode Island	45,205	46,199	48,823	52,003	54,009	53,010
South Carolina	38,791	39,326	40,350	40,822	42,561	42,707
South Dakota	39,829	40,518	42,525	44,624	46,321	45,729
Tennessee	37,529	38,550	39,524	40,676	41,632	41,798
Texas	40,934	41,275	41,959	43,425	44,861	44,859
Utah	49,143	50,614	53,226	55,179	55,974	55,863
Vermont	43,212	45,692	48,508	51,622	51,566	51,084
Virginia	52,587	53,275	54,301	55,108	57,679	58,187
Washington	**45,960**	**48,688**	**50,885**	**53,439**	**56,049**	**55,301**
West Virginia	31,210	32,589	35,234	37,227	40,103	38,775
Wisconsin	46,782	47,220	47,004	48,874	50,619	50,844
Wyoming	41,501	43,641	45,598	47,227	48,205	48,484
U.S. Average**	43,527	44,473	46,037	48,200	49,668	49,301
Washington's Rank	**16**	**14**	**14**	**13**	**11**	**13**

Source: U.S. Department of Commerce, Bureau of the Census.
*Average of yearly estimates in 2007 dollars.
**U.S. average includes the District of Columbia.

Per Capita Personal Income

The Bureau of Economic Analysis defines personal income as the sum of earnings, dividends, interest, rent, and transfer payments. Per capita personal income is derived by dividing the total personal income of a region by its population. In 2006, Washington had a total personal income of $265.6 billion and a population of 6.5 million, for a per capita personal income of $41,062. This improved Washington's ranking from 14th to 10th among the states and was above the national average of $36,845. Washington has performed well in this measure for the last five years, ranking 14th during that period.

Most of Washington's personal income derives from earnings, which consists mainly of wages and salaries but also includes proprietor's income and other labor income. In 2007, net earnings by place of residence for Washington residents totaled $180.4 billion, which accounted for 67.9 percent of total personal income. Income from transfer payments was $33.7 billion, and income from dividends, interest, and rent was $51.4 billion; representing 12.7 and 19.4 percent of total personal income respectively.

Chart 3
Per Capita Personal Income

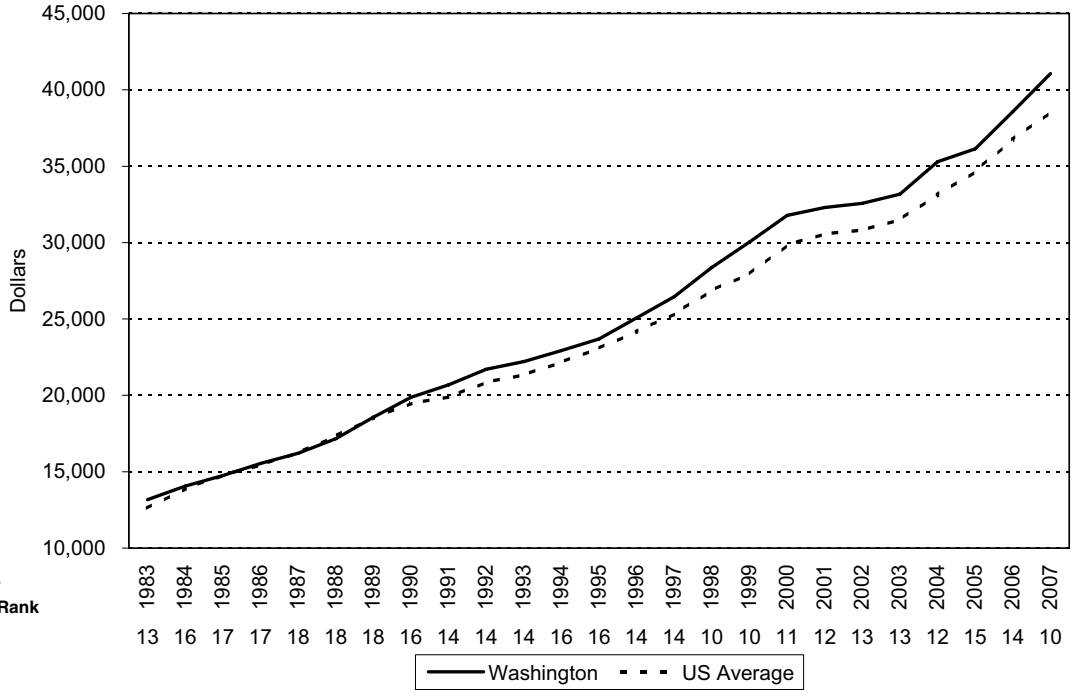


Table 3
Economic Performance
Per Capita Personal Income
(Dollars)

	2003	2004	2005	2006	2007	2003-07
Alabama	26,371	28,007	29,460	30,857	32,401	29,419
Alaska	32,543	33,906	36,036	38,268	39,934	36,137
Arizona	26,989	28,710	30,672	32,353	32,900	30,325
Arkansas	24,440	25,776	27,004	28,418	30,100	27,148
California	33,554	35,440	37,311	39,871	41,580	37,551
Colorado	33,989	35,523	37,522	39,489	41,019	37,508
Connecticut	42,839	45,762	47,922	51,468	54,984	48,595
Delaware	33,581	35,438	36,683	38,919	40,058	36,936
Florida	30,330	32,618	34,642	37,021	38,316	34,585
Georgia	28,696	29,688	31,206	32,208	33,416	31,043
Hawaii	30,506	32,713	34,800	37,022	39,060	34,820
Idaho	25,524	27,361	28,650	30,323	31,703	28,712
Illinois	33,811	35,106	36,410	38,385	40,919	36,926
Indiana	28,891	29,943	30,547	31,983	33,152	30,903
Iowa	28,583	30,698	31,537	32,683	34,796	31,659
Kansas	29,802	30,995	32,136	34,558	36,483	32,795
Kentucky	25,843	27,017	28,029	29,510	30,787	28,237
Louisiana	25,861	27,261	24,649	32,867	35,770	29,282
Maine	28,795	30,169	30,772	32,254	33,962	31,190
Maryland	37,447	39,751	41,795	44,010	46,646	41,930
Massachusetts	39,449	41,444	43,355	46,363	49,142	43,951
Michigan	31,116	31,550	32,182	32,928	34,342	32,424
Minnesota	34,339	36,145	37,212	38,849	40,969	37,503
Mississippi	23,116	24,144	25,267	27,059	28,527	25,623
Missouri	29,115	30,272	31,188	32,475	33,984	31,407
Montana	26,353	27,854	29,410	31,004	33,145	29,553
Nebraska	30,778	31,781	32,802	33,947	36,189	33,099
Nevada	31,802	34,442	37,370	38,705	39,649	36,394
New Hampshire	34,554	36,460	37,352	39,718	41,444	37,906
New Jersey	39,844	41,872	43,526	46,703	49,238	44,237
New Mexico	24,945	26,326	27,854	29,275	30,604	27,801
New York	36,107	38,423	40,942	43,898	46,664	41,207
North Carolina	27,904	29,387	30,941	32,186	33,663	30,816
North Dakota	28,712	29,279	31,535	32,203	35,955	31,537
Ohio	29,831	30,744	31,650	32,979	34,509	31,943
Oklahoma	26,457	28,444	30,189	32,664	34,910	30,533
Oregon	29,565	30,621	31,513	33,514	35,027	32,048
Pennsylvania	31,954	33,514	34,729	36,727	38,740	35,133
Rhode Island	32,697	34,318	35,507	37,594	39,712	35,966
South Carolina	25,852	27,039	28,254	29,992	31,048	28,437
South Dakota	29,191	30,813	32,172	32,241	35,664	32,016
Tennessee	28,257	29,539	30,679	32,134	33,373	30,796
Texas	29,404	30,948	33,201	35,101	37,006	33,132
Utah	25,034	26,149	27,842	29,300	30,090	27,683
Vermont	30,321	31,959	32,716	35,142	37,446	33,517
Virginia	34,001	35,841	37,901	40,124	41,561	37,886
Washington	**33,166**	**35,289**	**36,132**	**38,578**	**41,062**	**36,845**
West Virginia	24,313	25,316	26,330	27,895	29,293	26,629
Wisconsin	30,705	31,697	32,698	34,460	36,241	33,160
Wyoming	32,882	35,283	38,713	43,360	47,038	39,455
U.S. Average*	31,504	33,123	34,650	36,744	38,564	34,917
Washington's Rank	**13**	**12**	**15**	**14**	**10**	**14**

*The U.S. Average includes Washington D.C., which makes it higher than the 50 State Average.
Source: Bureau of Economic Analysis, U.S. Department of Commerce, September 29, 2008.

Per Capita Personal Income Growth Rate

The growth rate of per capita personal income is affected by the growth rate of the components of total personal income as well as the growth rate of population. From 2006 to 2007, Washington total personal income grew by 8.0 percent while population grew at 1.5 percent. As a result, per capita personal income grew by 6.4 percent, which ranked 12th among the states. During the same period, U.S. total personal income grew by 6.0 percent while population grew at 1.0 percent, for a per capita personal income growth rate of 5.0 percent.

It should be noted that the growth rate of Washington's per capita personal income in 2005 was reduced by Microsoft's December 2004 special dividend. Of the approximately $32 billion distributed in the one-time dividend, the U.S. Bureau of Economic Analysis (BEA) estimated that $24.9 billion was distributed to individuals in the U.S. as personal income. Due to the presence of several large shareholders in the state, the BEA attributed $5.6 billion of the dividend to Washington residents. This raised the 2004 growth rate and lowered the 2005 rate. Without the special dividend, Washington's per capita personal income growth rate for 2004 would have been 3.6 percent, ranking 44th, and its 2005 rate would have been 4.2 percent, ranking 32nd. U.S. per capita personal income growth would have been 4.8 percent in 2004 and 5.1 percent in 2005 without the dividend.

While Washington's per capita personal income is considerably higher than that of the U.S., its growth rate slowed during the recovery from the 2001 recession. The state's 2003-07 average rate of growth was 4.8 percent, slightly above the national average of 4.6 percent and ranking 20th among the states.

Chart 4
Per Capita Personal Income Growth Rate

Table 4
Economic Performance
Per Capita Personal Income Growth Rate
(Percent)

	2003	2004	2005	2006	2007	2003-07
Alabama	3.6	6.2	5.2	4.7	5.0	4.9
Alaska	0.9	4.2	6.3	6.2	4.4	4.4
Arizona	1.9	6.4	6.8	5.5	1.7	4.5
Arkansas	4.5	5.5	4.8	5.2	5.9	5.2
California	2.2	5.6	5.3	6.9	4.3	4.9
Colorado	0.1	4.5	5.6	5.2	3.9	3.9
Connecticut	0.6	6.8	4.7	7.4	6.8	5.3
Delaware	1.9	5.5	3.5	6.1	2.9	4.0
Florida	2.0	7.5	6.2	6.9	3.5	5.2
Georgia	0.6	3.5	5.1	3.2	3.8	3.2
Hawaii	3.1	7.2	6.4	6.4	5.5	5.7
Idaho	1.2	7.2	4.7	5.8	4.6	4.7
Illinois	2.8	3.8	3.7	5.4	6.6	4.5
Indiana	3.0	3.6	2.0	4.7	3.7	3.4
Iowa	1.7	7.4	2.7	3.6	6.5	4.4
Kansas	2.8	4.0	3.7	7.5	5.6	4.7
Kentucky	1.7	4.5	3.7	5.3	4.3	3.9
Louisiana	2.4	5.4	-9.6	33.3	8.8	8.1
Maine	3.5	4.8	2.0	4.8	5.3	4.1
Maryland	2.3	6.2	5.1	5.3	6.0	5.0
Massachusetts	1.5	5.1	4.6	6.9	6.0	4.8
Michigan	3.0	1.4	2.0	2.3	4.3	2.6
Minnesota	3.3	5.3	3.0	4.4	5.5	4.3
Mississippi	3.3	4.4	4.7	7.1	5.4	5.0
Missouri	2.6	4.0	3.0	4.1	4.6	3.7
Montana	5.1	5.7	5.6	5.4	6.9	5.7
Nebraska	5.4	3.3	3.2	3.5	6.6	4.4
Nevada	3.5	8.3	8.5	3.6	2.4	5.3
New Hampshire	1.3	5.5	2.4	6.3	4.3	4.0
New Jersey	1.2	5.1	4.0	7.3	5.4	4.6
New Mexico	2.6	5.5	5.8	5.1	4.5	4.7
New York	2.0	6.4	6.6	7.2	6.3	5.7
North Carolina	1.5	5.3	5.3	4.0	4.6	4.1
North Dakota	8.7	2.0	7.7	2.1	11.7	6.4
Ohio	2.2	3.1	2.9	4.2	4.6	3.4
Oklahoma	2.3	7.5	6.1	8.2	6.9	6.2
Oregon	2.2	3.6	2.9	6.3	4.5	3.9
Pennsylvania	2.9	4.9	3.6	5.8	5.5	4.5
Rhode Island	3.7	5.0	3.5	5.9	5.6	4.7
South Carolina	2.0	4.6	4.5	6.2	3.5	4.1
South Dakota	8.0	5.6	4.4	0.2	10.6	5.8
Tennessee	3.0	4.5	3.9	4.7	3.9	4.0
Texas	2.0	5.3	7.3	5.7	5.4	5.1
Utah	0.6	4.5	6.5	5.2	2.7	3.9
Vermont	3.3	5.4	2.4	7.4	6.6	5.0
Virginia	2.9	5.4	5.7	5.9	3.6	4.7
Washington	**1.8**	**6.4**	**2.4**	**6.8**	**6.4**	**4.8**
West Virginia	1.0	4.1	4.0	5.9	5.0	4.0
Wisconsin	2.4	3.2	3.2	5.4	5.2	3.9
Wyoming	5.7	7.3	9.7	12.0	8.5	8.6
U.S. Average*	2.2	5.1	4.6	6.0	5.0	4.6
Washington's Rank	**37**	**10**	**45**	**13**	**12**	**20**

*The U.S. Average includes Washington D.C.
Source: Bureau of Economic Analysis, U.S. Department of Commerce, September 29, 2008.

Growth in High Wage Industries' Share of Total Employment

As part of its annual release of personal income data, the U.S. Bureau of Economic Analysis (BEA) publishes annual earnings and employment statistics by industry for each state and the nation as a whole. Total employment and earnings data is broken down into 94 different industry categories corresponding to various combinations of two-to-four digit North American Industry Classification System (NAICS) categories. By dividing earnings by employment, average earnings per job can be computed for each industry.

This measure defines "high wage jobs" as those in industries that have higher average earnings per job than the national average, which is calculated by dividing total earnings by the total number of jobs. The number of jobs in each state that are in the industries categorized nationally as high wage are divided by the total to determine their share of total jobs. Annual growth in high wage industries share of total employment is calculated as the percent share of jobs that are high wage in a given year minus the percent share of the previous year. It should be noted that the BEA employment statistics that this measure uses are slightly different from the U.S. Bureau of Labor Statistics (BLS) employment statistics reported elsewhere in this publication.

As measured here, the ratio of high wage jobs to total jobs has been declining since 1998 in both Washington and the U.S. as a whole. The negative values may be due to the use of the U.S. average wage to define high-wage jobs. As the average wage may be skewed higher by the presence of a relatively small number of exceptionally high-paid workers, the presence of such workers will cause the average wage to grow faster than the median wage, resulting in more "low wage" workers for those years. There are, however, no BEA data on median wages to make this comparison.

The percentage of jobs in "high wage" industries in Washington decreased from 50.5 percent in 2006 to 50.2 percent in 2007. This drop was slightly less than the decline in the U.S. average of -0.4 percentage points and ranked 25th among the states. While the state's share of high-wage jobs fell in 2007, it still ranked 19th among the states. It should also be noted that the state's 2007 rate was heavily affected by strong growth in non-high-wage industries connected to the state's above-average performance in housing and agriculture during that year, which lowered the relative share of high-wage jobs.

Chart 5
Economic Performance
Change in High Wage Industries' Share of Total Employment

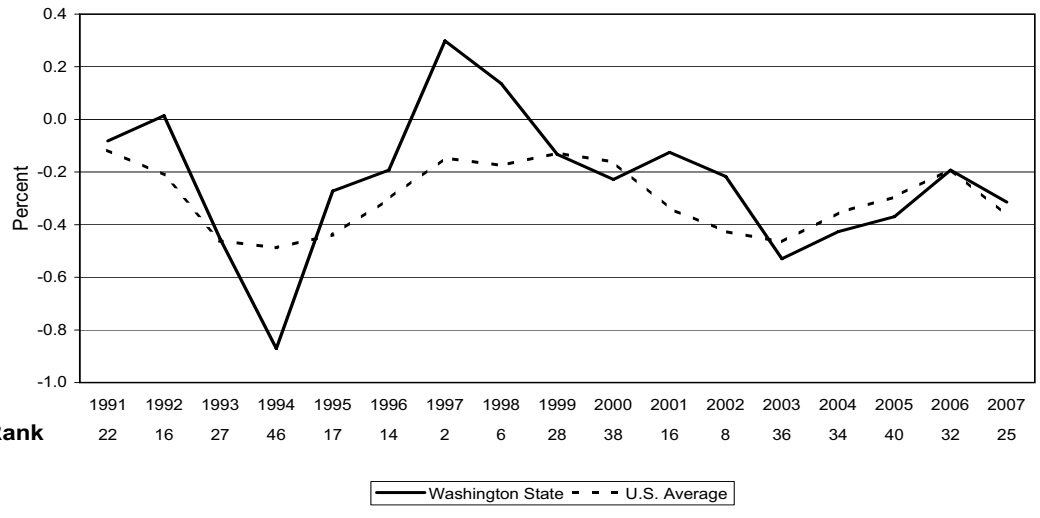


Table 5
Economic Performance
Change in High Wage Industries' Share of Total Employment
(Percent)

	2003	2004	2005	2006	2007	2003-07
Alabama	-0.3	-0.3	-0.2	0.1	-0.1	-0.2
Alaska	0.4	-0.6	-0.1	0.3	-0.1	-0.0
Arizona	-0.6	-0.3	-0.9	-0.5	-0.4	-0.6
Arkansas	-0.3	-0.3	0.0	-0.1	-0.2	-0.2
California	-0.7	0.0	-0.4	-0.4	-0.5	-0.4
Colorado	-0.4	-0.3	-0.2	-0.2	-0.3	-0.3
Connecticut	-0.6	-0.5	-0.5	-0.4	-0.6	-0.5
Delaware	-0.4	-0.8	-0.7	-0.4	-0.4	-0.5
Florida	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3
Georgia	-0.6	-0.4	-0.8	-0.5	-0.6	-0.6
Hawaii	-0.5	-0.2	-0.4	-0.1	-0.4	-0.3
Idaho	-0.5	-0.2	-0.3	-0.3	-0.2	-0.3
Illinois	-0.7	-0.6	-0.3	-0.2	-0.4	-0.4
Indiana	-0.2	-0.4	-0.3	-0.1	-0.2	-0.2
Iowa	-0.2	-0.2	-0.0	0.0	-0.2	-0.1
Kansas	-0.4	-0.5	-0.2	0.4	0.0	-0.1
Kentucky	-0.2	-0.4	-0.2	0.2	-0.1	-0.1
Louisiana	-0.2	-0.5	0.0	-0.2	-0.1	-0.2
Maine	-0.2	-0.5	-0.2	0.0	-0.0	-0.2
Maryland	-0.4	-0.4	-0.4	-0.2	-0.4	-0.3
Massachusetts	-0.9	-0.6	-0.3	-0.0	-0.2	-0.4
Michigan	-0.6	-0.6	-0.4	-0.3	-0.4	-0.4
Minnesota	-0.6	-0.2	-0.1	0.0	-0.1	-0.2
Mississippi	-0.0	-0.4	-0.1	-0.2	-0.4	-0.2
Missouri	-0.4	-0.4	-0.3	-0.1	-0.2	-0.3
Montana	0.1	-0.3	-0.3	-0.1	-0.7	-0.3
Nebraska	-0.2	-0.1	0.0	0.4	-0.1	-0.0
Nevada	-0.7	-0.3	-0.4	-0.2	0.1	-0.3
New Hampshire	-0.6	-0.4	-0.1	0.1	-0.0	-0.2
New Jersey	-0.7	-0.4	-0.2	-0.1	-0.5	-0.4
New Mexico	-0.4	-0.1	0.2	-0.4	-0.6	-0.2
New York	-0.6	-0.4	-0.2	-0.1	-0.4	-0.3
North Carolina	-0.4	-0.3	-0.2	-0.3	-0.5	-0.3
North Dakota	0.5	-0.2	0.1	0.3	0.1	0.1
Ohio	-0.3	-0.5	-0.1	-0.1	-0.4	-0.3
Oklahoma	-0.1	-0.4	0.1	0.3	-0.0	-0.0
Oregon	-0.7	-0.4	-0.1	-0.0	-0.1	-0.3
Pennsylvania	-0.3	-0.5	-0.4	-0.0	-0.3	-0.3
Rhode Island	-0.1	-0.6	-0.1	-0.3	-0.4	-0.3
South Carolina	-0.6	-0.7	-0.4	-0.4	-0.7	-0.6
South Dakota	-0.0	-0.2	-0.1	0.1	-0.0	-0.1
Tennessee	-0.3	-0.4	-0.3	-0.2	-0.4	-0.3
Texas	-0.2	-0.1	-0.3	-0.1	-0.4	-0.2
Utah	-0.3	-0.4	-0.3	-0.4	-0.4	-0.4
Vermont	-0.1	-0.3	-0.4	-0.1	-0.2	-0.2
Virginia	-0.5	-0.4	-0.1	-0.3	-0.5	-0.4
Washington	**-0.5**	**-0.4**	**-0.4**	**-0.2**	**-0.3**	**-0.4**
West Virginia	-0.2	-0.4	-0.2	0.0	-0.3	-0.2
Wisconsin	-0.4	-0.4	-0.2	0.1	-0.2	-0.2
Wyoming	0.3	-0.0	0.2	0.5	-0.3	0.1
U.S. Average	-0.5	-0.4	-0.3	-0.2	-0.4	-0.3
Washington's Rank	**36**	**34**	**40**	**32**	**25**	**40**

Source: Washington State Office of the Forecast Council based on employment and personal income data provided by the U.S. Department of Commerce, Bureau of Economic Analysis, September 2008.

Annual Earnings Per Job

The Bureau of Economic Analysis defines earnings as salary income, other labor income, and proprietors' income. Historically, Washington has ranked high in annual earnings per job due to the presence in its economy of large firms in both manufacturing and technology sectors. Washington's national rank in this measure has been 12th or higher for the last thirteen years. The state's rank for 2007 improved to 10th after last year's revised rank of 12th.

Washington's average annual earnings per job increased to $51,124 in 2007, up $2,086 from 2006 and $2,238 above the national average of $48,886. The state's five-year average of $47,407 again ranked 10th in the nation.

2007 Annual Earnings Per Job
Top 10 States

	2007	Rank
New York	$65,824	1
Connecticut	$63,104	2
Massachusetts	$59,368	3
New Jersey	$59,208	4
California	$54,873	5
Illinois	$53,098	6
Maryland	$52,852	7
Delaware	$52,399	8
Texas	$51,277	9
Washington	$51,124	10

Chart 6
Annual Earnings Per Job

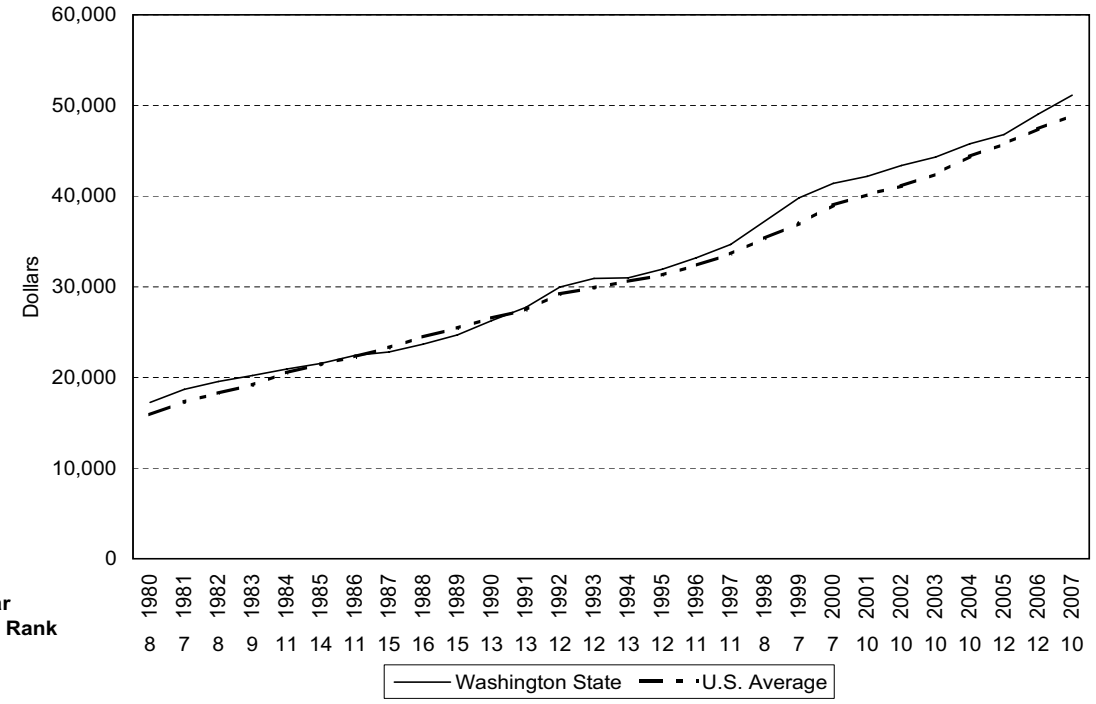


Table 6
Economic Performance
Annual Earnings Per Job
(Dollars)

	2003	2004	2005	2006	2007	2003-07
Alabama	36,349	37,718	38,883	40,245	41,136	38,866
Alaska	43,093	45,210	47,220	49,195	50,822	47,108
Arizona	38,508	40,792	42,452	43,823	43,923	41,900
Arkansas	32,800	34,219	35,000	35,852	37,455	35,065
California	47,550	50,857	52,710	54,110	54,873	52,020
Colorado	43,069	44,902	46,664	48,498	49,583	46,543
Connecticut	54,383	56,923	58,514	60,687	63,104	58,722
Delaware	46,512	48,277	50,249	51,732	52,399	49,834
Florida	36,797	38,397	40,253	41,475	41,882	39,761
Georgia	41,038	42,489	43,663	44,341	45,329	43,372
Hawaii	38,646	40,660	42,388	44,044	45,246	42,197
Idaho	31,579	33,183	33,957	35,392	36,095	34,041
Illinois	46,668	48,471	49,280	51,149	53,098	49,733
Indiana	38,370	39,524	39,941	41,240	42,507	40,316
Iowa	33,029	35,386	36,443	37,084	38,857	36,160
Kansas	35,361	36,863	38,023	39,900	41,605	38,350
Kentucky	35,201	36,579	37,782	39,109	40,359	37,806
Louisiana	35,466	37,014	36,605	41,611	43,161	38,771
Maine	33,268	34,365	34,909	36,228	37,557	35,265
Maryland	45,139	47,555	49,339	50,992	52,852	49,175
Massachusetts	50,527	53,229	54,581	56,929	59,368	54,927
Michigan	45,253	45,474	45,907	46,767	48,099	46,300
Minnesota	41,020	42,945	43,731	44,801	46,955	43,890
Mississippi	31,734	33,053	34,159	34,938	35,670	33,911
Missouri	36,953	38,320	39,210	40,405	41,802	39,338
Montana	29,281	30,706	32,073	32,982	34,444	31,897
Nebraska	35,035	36,311	37,334	38,167	40,009	37,371
Nevada	40,111	42,099	43,912	44,718	45,846	43,337
New Hampshire	40,433	42,204	43,364	45,492	46,808	43,660
New Jersey	52,114	54,017	55,215	57,423	59,208	55,595
New Mexico	34,290	35,773	37,635	38,631	39,514	37,169
New York	53,657	56,509	58,803	62,428	65,824	59,444
North Carolina	37,214	38,521	39,937	41,247	42,266	39,837
North Dakota	32,107	32,129	34,234	34,230	38,406	34,221
Ohio	39,354	40,504	41,192	42,486	43,904	41,488
Oklahoma	34,466	36,816	38,073	40,475	42,684	38,503
Oregon	38,355	38,939	39,589	41,172	42,522	40,115
Pennsylvania	42,119	44,060	45,121	46,850	48,683	45,367
Rhode Island	41,460	42,868	44,161	45,886	47,201	44,315
South Carolina	34,984	36,106	37,175	38,361	38,993	37,124
South Dakota	31,580	33,118	33,947	32,949	35,999	33,519
Tennessee	37,974	39,435	40,466	42,041	42,989	40,581
Texas	42,886	45,663	47,530	49,593	51,277	47,390
Utah	34,544	35,991	37,181	38,590	39,664	37,194
Vermont	33,540	34,849	35,663	37,023	38,460	35,907
Virginia	43,708	46,110	48,575	49,936	51,093	47,884
Washington	**44,312**	**45,777**	**46,782**	**49,038**	**51,124**	**47,407**
West Virginia	33,809	35,451	36,541	37,868	39,345	36,603
Wisconsin	37,330	38,327	39,016	40,449	41,837	39,392
Wyoming	33,755	35,665	37,452	40,463	42,477	37,962
U.S. Average	42,428	44,381	45,746	47,420	48,886	45,772
Washington's Rank	**10**	**10**	**12**	**12**	**10**	**10**

Source: US Department of Commerce, Bureau of Economic Analysis (www.bea.gov), September 2008.

Annual Earnings Per Job Growth Rate

The growth rate of Washington earnings per job slowed slightly in 2007, growing at a rate of 4.3 percent after a strong 4.8 percent growth in 2006. This rate, still above the national average of 3.1 percent, ranked the state at 13th highest in the nation. While high rates of growth in the past, especially in the late 1990s, have left the level of Washington's annual earnings per job comfortably higher than the U.S. measure, the state's growth rate slowed in the aftermath of the 2001 recession. This is reflected in the 29th-place ranking of Washington's five-year-average growth rate of 3.3 percent.

Chart 7
Annual Earnings Per Job Growth Rate

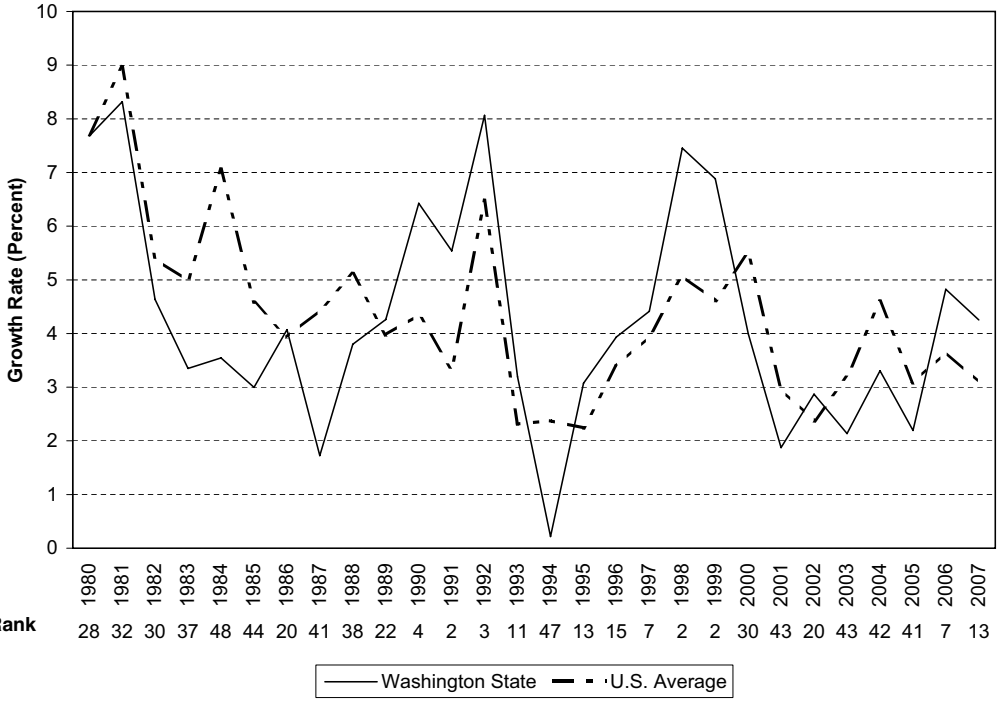


Table 7
Economic Performance
Annual Earnings Per Job Growth Rate
(Dollars)

	2003	2004	2005	2006	2007	2003-07
Alabama	4.1	3.8	3.1	3.5	2.2	3.3
Alaska	3.9	4.9	4.4	4.2	3.3	4.2
Arizona	1.8	5.9	4.1	3.2	0.2	3.0
Arkansas	6.4	4.3	2.3	2.4	4.5	4.0
California	3.3	7.0	3.6	2.7	1.4	3.6
Colorado	1.6	4.3	3.9	3.9	2.2	3.2
Connecticut	2.4	4.7	2.8	3.7	4.0	3.5
Delaware	3.6	3.8	4.1	3.0	1.3	3.2
Florida	3.0	4.3	4.8	3.0	1.0	3.2
Georgia	1.9	3.5	2.8	1.6	2.2	2.4
Hawaii	4.1	5.2	4.2	3.9	2.7	4.0
Idaho	1.0	5.1	2.3	4.2	2.0	2.9
Illinois	4.8	3.9	1.7	3.8	3.8	3.6
Indiana	5.3	3.0	1.1	3.3	3.1	3.1
Iowa	4.6	7.1	3.0	1.8	4.8	4.3
Kansas	5.9	4.2	3.1	4.9	4.3	4.5
Kentucky	3.8	3.9	3.3	3.5	3.2	3.5
Louisiana	3.4	4.4	-1.1	13.7	3.7	4.8
Maine	4.0	3.3	1.6	3.8	3.7	3.3
Maryland	2.9	5.4	3.8	3.4	3.6	3.8
Massachusetts	2.3	5.3	2.5	4.3	4.3	3.7
Michigan	4.0	0.5	1.0	1.9	2.8	2.0
Minnesota	3.4	4.7	1.8	2.4	4.8	3.4
Mississippi	5.8	4.2	3.3	2.3	2.1	3.5
Missouri	2.9	3.7	2.3	3.0	3.5	3.1
Montana	4.9	4.9	4.5	2.8	4.4	4.3
Nebraska	7.3	3.6	2.8	2.2	4.8	4.2
Nevada	2.5	5.0	4.3	1.8	2.5	3.2
New Hampshire	3.0	4.4	2.7	4.9	2.9	3.6
New Jersey	2.0	3.7	2.2	4.0	3.1	3.0
New Mexico	2.2	4.3	5.2	2.6	2.3	3.3
New York	1.7	5.3	4.1	6.2	5.4	4.5
North Carolina	3.0	3.5	3.7	3.3	2.5	3.2
North Dakota	12.3	0.1	6.6	-0.0	12.2	6.2
Ohio	3.7	2.9	1.7	3.1	3.3	3.0
Oklahoma	4.6	6.8	3.4	6.3	5.5	5.3
Oregon	3.0	1.5	1.7	4.0	3.3	2.7
Pennsylvania	4.0	4.6	2.4	3.8	3.9	3.7
Rhode Island	5.0	3.4	3.0	3.9	2.9	3.6
South Carolina	3.6	3.2	3.0	3.2	1.6	2.9
South Dakota	11.4	4.9	2.5	-2.9	9.3	5.0
Tennessee	3.6	3.8	2.6	3.9	2.3	3.3
Texas	2.5	6.5	4.1	4.3	3.4	4.2
Utah	1.3	4.2	3.3	3.8	2.8	3.1
Vermont	4.3	3.9	2.3	3.8	3.9	3.7
Virginia	3.2	5.5	5.3	2.8	2.3	3.8
Washington	**2.1**	**3.3**	**2.2**	**4.8**	**4.3**	**3.3**
West Virginia	3.5	4.9	3.1	3.6	3.9	3.8
Wisconsin	3.6	2.7	1.8	3.7	3.4	3.0
Wyoming	4.5	5.7	5.0	8.0	5.0	5.6
U.S. Average	3.2	4.6	3.1	3.7	3.1	3.5
Washington's rank	**43**	**42**	**41**	**7**	**13**	**29**

Source: US Department of Commerce, Bureau of Economic Analysis (www.bea.gov), September 2008.

Migration Rate

Washington continues to be a popular destination for international and domestic migration, ranking 8th in terms of total migration in 2007. On a per capita basis, the state ranked 14th, with a migration rate of 0.8 percent as compared to the national rate of 0.3 percent.

2007's total population growth for Washington was 1.5 percent, while the national average was 1.0 percent. Natural increase accounted for 43.8 percent of the state's growth while 56.2 percent came from migration. Of the state's immigrants, 40.7 percent were international and 59.0 percent were domestic. In the U.S. as a whole, 63.8 percent of population growth came from natural increase while 36.2 percent from international migration.

The U.S. Census Bureau did not release migration data for the year 2000.

Chart 8
Migration Rate

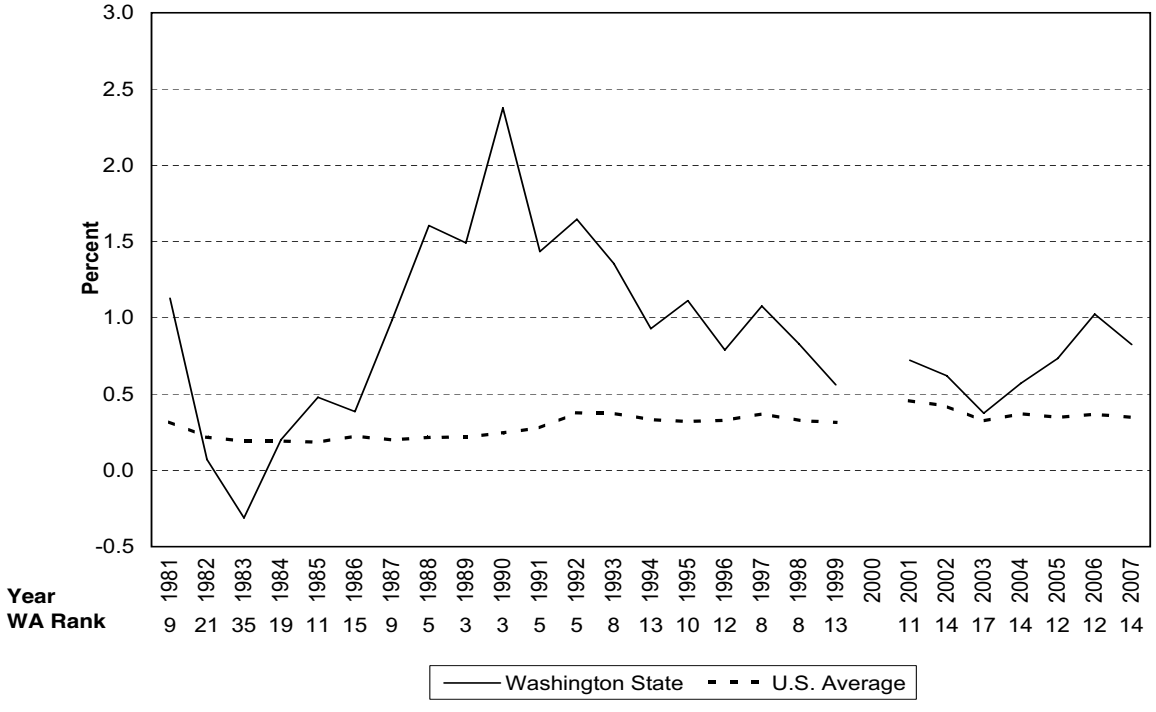


Table 8
Economic Performance
Migration Rate
(Percent)*

	2003	2004	2005	2006	2007	2003-07
Alabama	0.1	0.2	0.4	0.8	0.5	0.4
Alaska	0.2	0.5	0.1	0.0	-0.3	0.1
Arizona	1.6	2.1	2.7	2.7	1.9	2.2
Arkansas	0.3	0.5	0.7	0.9	0.4	0.5
California	0.3	0.1	-0.1	-0.2	-0.1	0.0
Colorado	0.2	0.3	0.5	1.1	1.1	0.6
Connecticut	0.2	-0.1	-0.2	-0.1	-0.2	-0.1
Delaware	0.8	0.9	1.1	0.9	0.8	0.9
Florida	1.5	2.0	2.0	1.4	0.7	1.5
Georgia	0.9	1.3	1.3	1.7	1.3	1.3
Hawaii	0.2	0.4	0.3	0.1	-0.4	0.1
Idaho	0.8	1.2	1.6	1.7	1.5	1.3
Illinois	-0.2	-0.2	-0.3	-0.2	-0.0	-0.2
Indiana	0.0	0.0	0.1	0.2	0.1	0.1
Iowa	-0.2	-0.0	-0.0	0.1	0.1	-0.0
Kansas	-0.2	-0.2	-0.1	-0.1	0.1	-0.1
Kentucky	0.3	0.3	0.4	0.4	0.5	0.4
Louisiana	-0.3	-0.2	-0.3	-6.0	0.7	-1.2
Maine	0.6	0.3	0.2	0.0	0.0	0.2
Maryland	0.6	0.2	0.1	-0.1	-0.3	0.1
Massachusetts	-0.3	-0.4	-0.4	-0.3	-0.1	-0.3
Michigan	-0.1	-0.2	-0.4	-0.5	-0.7	-0.4
Minnesota	0.0	-0.0	-0.1	0.1	0.1	0.0
Mississippi	-0.1	0.1	-0.0	-0.6	0.1	-0.1
Missouri	0.2	0.3	0.3	0.4	0.2	0.3
Montana	0.5	0.7	0.6	0.7	0.7	0.6
Nebraska	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Nevada	2.5	3.4	2.6	2.7	2.1	2.7
New Hampshire	0.5	0.5	0.3	0.3	-0.0	0.3
New Jersey	0.0	-0.1	-0.3	-0.3	-0.2	-0.2
New Mexico	0.3	0.5	0.5	0.6	0.7	0.5
New York	-0.1	-0.2	-0.5	-0.4	-0.4	-0.3
North Carolina	0.7	0.9	1.1	1.6	1.5	1.1
North Dakota	-0.4	0.2	-0.5	-0.3	-0.1	-0.2
Ohio	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3
Oklahoma	-0.0	0.0	0.1	0.6	0.5	0.3
Oregon	0.6	0.3	0.9	1.2	1.0	0.8
Pennsylvania	0.1	0.0	0.0	0.1	0.1	0.1
Rhode Island	0.3	-0.3	-0.8	-0.8	-0.6	-0.4
South Carolina	0.6	0.9	0.8	1.3	1.4	1.0
South Dakota	0.1	0.4	0.2	0.4	0.3	0.3
Tennessee	0.5	0.6	0.9	1.0	0.9	0.8
Texas	0.6	0.6	0.7	1.4	1.1	0.9
Utah	-0.0	0.9	1.5	1.4	1.0	0.9
Vermont	0.1	0.0	-0.1	-0.1	-0.2	-0.0
Virginia	0.6	0.7	0.6	0.5	0.3	0.5
Washington	**0.4**	**0.6**	**0.7**	**1.0**	**0.8**	**0.7**
West Virginia	0.2	0.1	0.1	0.2	0.2	0.1
Wisconsin	0.1	0.2	0.1	0.1	0.0	0.1
Wyoming	-0.1	0.3	0.0	0.6	1.3	0.4
U.S. Average*	0.3	0.4	0.3	0.4	0.3	0.4
Washington's Rank	**17**	**14**	**12**	**12**	**14**	**13**

* The District of Columbia is included in the U.S. average.
Source: Population Division, U.S. Census Bureau, December 2007.

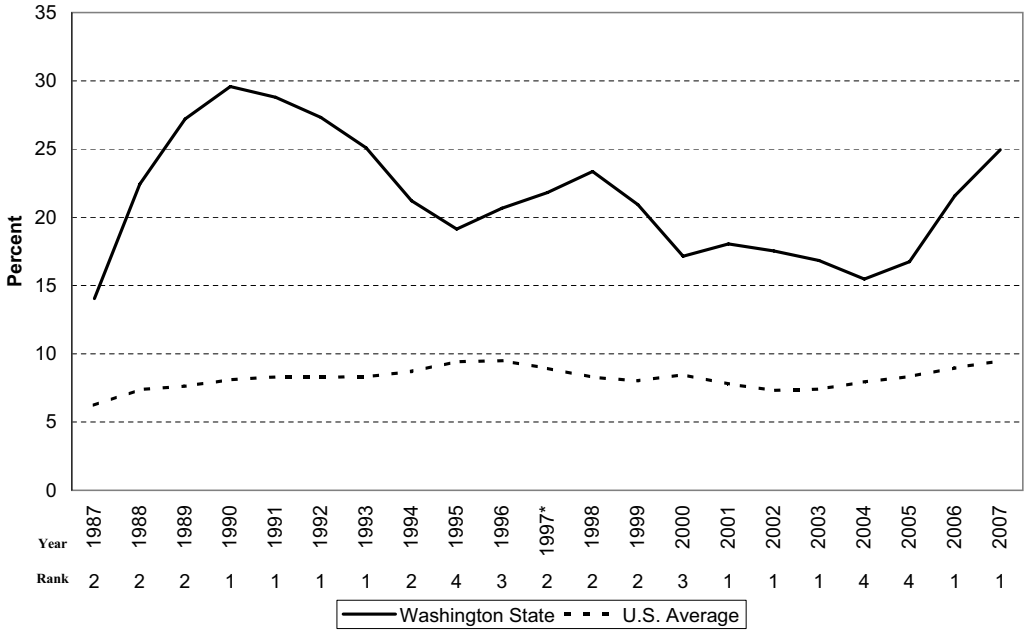
Foreign Exports Inclusive and Exclusive of Transportation Equipment

Washington ranked 1st in exports as a percent of total personal income for the second consecutive year in 2007 with an export value of 24.95 percent, well above the national average of 9.48 percent. The state also ranked first in the five-year average of this measure with a value of 19.12 percent.

Washington's perennially strong performance in this category is due mainly to the presence of Boeing and PACCAR, two of the world's leading manufacturers of commercial aircraft and trucks respectively. Exports of transportation equipment from these and other Washington manufacturers regularly account for over half of Washington's exports. Excluding exports of these products, Washington's exports were equivalent to 8.88 percent of personal income, still above the national average of 7.66 percent and ranking 10th among the states. After transportation, agricultural products were 2007's highest value export, followed by computer and electronic products, machinery, and food and kindred products.

It must be noted that the trade data used for this indicator, obtained from the U.S. Bureau of the Census, only includes trade in goods, ignoring trades in service exports which are difficult to track and credit to specific states. Software, one of Washington's main exports, is classified as a service when it is not exported on physical media and is therefore not included in the Census measure. As software giant Microsoft contributes greatly to state personal income while the majority of its exports are not included in the trade data, the measure of Washington exports as a percent of personal income understates the contribution of trade to Washington's economy. This growing understatement is part of the reason that exports excluding transportation products as a percentage of personal income, as shown in Chart 10, begins to decline in 1997, as this year coincides with the period where Microsoft's contribution to personal income began its greatest growth.

Chart 9
Foreign Exports



*Trade data from 1997 to 2006 is coded under the North American Industry Classification System(NAICS).
Prior data is coded under Standard Industrial Classification (SIC)

Table 9
Economic Performance
Foreign Exports
(Percent of State Personal Income)

	2003	2004	2005	2006	2007	2003-07
Alabama	7.05	7.16	8.07	9.80	9.62	8.34
Alaska	12.93	14.07	14.89	15.60	14.27	14.35
Arizona	8.85	8.14	8.19	9.17	9.20	8.71
Arkansas	4.46	4.94	5.16	5.34	5.72	5.12
California	7.92	8.69	8.70	8.84	8.83	8.59
Colorado	3.95	4.06	3.87	4.23	3.69	3.96
Connecticut	5.47	5.37	5.80	6.80	7.12	6.11
Delaware	6.88	7.00	8.19	11.72	11.51	9.06
Florida	4.85	5.12	5.43	5.77	6.41	5.52
Georgia	6.49	7.41	7.24	6.67	7.32	7.03
Hawaii	0.97	0.99	2.33	1.49	1.12	1.38
Idaho	6.02	7.65	7.98	8.38	9.90	7.99
Illinois	6.20	6.79	7.75	8.58	9.27	7.72
Indiana	9.18	10.26	11.24	11.22	12.30	10.84
Iowa	6.24	7.07	7.88	8.66	9.25	7.82
Kansas	5.61	5.83	7.63	9.06	10.12	7.65
Kentucky	10.10	11.62	12.74	13.89	15.02	12.67
Louisiana	15.90	16.28	17.36	16.85	19.78	17.23
Maine	5.83	6.16	5.72	6.19	6.13	6.01
Maryland	2.40	2.61	3.06	3.08	3.41	2.91
Massachusetts	7.35	8.19	7.91	8.06	7.98	7.90
Michigan	10.51	11.18	11.55	12.15	12.83	11.64
Minnesota	6.49	6.90	7.73	8.14	8.45	7.54
Mississippi	3.86	4.56	5.47	5.96	6.21	5.21
Missouri	4.35	5.17	5.80	6.74	6.72	5.76
Montana	1.49	2.19	2.58	3.02	3.56	2.57
Nebraska	5.10	4.18	5.22	6.05	6.63	5.44
Nevada	2.86	3.62	4.37	5.69	5.62	4.43
New Hampshire	4.36	4.84	5.23	5.39	5.34	5.03
New Jersey	4.91	5.30	5.59	6.67	7.12	5.92
New Mexico	4.99	4.11	4.76	5.09	4.28	4.64
New York	5.65	6.00	6.40	6.78	7.70	6.51
North Carolina	6.89	7.22	7.25	7.43	7.65	7.29
North Dakota	4.70	5.41	5.91	7.35	8.84	6.44
Ohio	8.72	8.86	9.59	10.01	10.71	9.58
Oklahoma	2.87	3.18	4.04	3.74	3.59	3.49
Oregon	9.85	10.18	10.82	12.36	12.58	11.16
Pennsylvania	4.14	4.47	5.19	5.78	6.05	5.12
Rhode Island	3.36	3.49	3.35	3.84	3.92	3.59
South Carolina	10.98	11.77	11.60	10.48	12.10	11.39
South Dakota	3.00	3.46	3.75	4.66	5.31	4.04
Tennessee	7.62	9.23	10.38	11.28	10.62	9.83
Texas	15.22	16.87	16.98	18.36	19.01	17.29
Utah	6.93	7.42	8.68	8.99	9.81	8.37
Vermont	14.04	16.60	20.91	17.50	14.76	16.76
Virginia	4.33	4.35	4.26	4.60	5.27	4.56
Washington	**16.84**	**15.47**	**16.75**	**21.58**	**24.95**	**19.12**
West Virginia	5.43	7.14	6.62	6.39	7.48	6.61
Wisconsin	6.85	7.28	8.24	8.94	9.45	8.15
Wyoming	3.54	3.83	3.41	3.73	3.26	3.56
U.S. Average	7.41	7.93	8.34	8.97	9.48	8.43
Washington's Rank	**1**	**4**	**4**	**1**	**1**	**1**

Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division, Bureau of Economic Analysis
Trade data prepared by World Institute for Strategic Economic Research, August 2008.

Chart 10
Foreign Exports (Excluding Transportation Equipment)

*Trade data from 1997 to 2006 is coded under the North American Industry Classification System(NAICS).
Prior data is coded under Standard Industrial Classification (SIC)

Table 10
Economic Performance
Foreign Exports (Excluding Transportation Equipment)
(Percent of State Personal Income)

	2003	2004	2005	2006	2007	2003-07
Alabama	4.91	5.28	5.74	5.97	5.67	5.51
Alaska	12.81	13.99	14.22	15.22	14.12	14.07
Arizona	7.43	6.61	6.82	7.75	7.70	7.26
Arkansas	3.66	3.97	3.81	3.83	4.16	3.89
California	7.19	7.76	7.71	7.90	7.92	7.70
Colorado	3.76	3.89	3.72	4.09	3.56	3.80
Connecticut	3.25	3.38	3.44	3.83	4.15	3.61
Delaware	6.21	5.86	7.12	10.30	9.85	7.87
Florida	4.13	4.28	4.51	4.79	5.39	4.62
Georgia	5.24	5.71	5.50	5.38	5.98	5.56
Hawaii	0.73	0.85	0.78	0.87	0.94	0.83
Idaho	5.97	7.55	7.77	8.18	9.66	7.82
Illinois	5.51	6.08	7.02	7.62	7.84	6.81
Indiana	6.23	6.93	7.66	7.77	8.61	7.44
Iowa	5.92	6.70	7.49	8.16	8.78	7.41
Kansas	4.05	3.90	4.87	5.58	6.44	4.97
Kentucky	6.61	7.28	7.91	8.48	9.12	7.88
Louisiana	15.63	15.88	16.88	16.34	19.24	16.79
Maine	5.39	5.33	5.47	5.90	5.72	5.56
Maryland	1.91	2.18	2.52	2.53	2.67	2.36
Massachusetts	7.20	8.02	7.74	7.88	7.70	7.71
Michigan	4.74	5.37	5.76	5.79	6.12	5.56
Minnesota	5.84	6.25	6.99	7.25	7.43	6.75
Mississippi	3.63	4.20	4.37	4.95	5.65	4.56
Missouri	3.04	3.48	3.83	4.11	4.38	3.77
Montana	1.45	2.15	2.50	2.81	3.18	2.42
Nebraska	4.66	3.79	4.62	5.34	5.85	4.85
Nevada	2.78	3.53	4.27	5.55	5.40	4.31
New Hampshire	4.17	4.65	5.09	5.20	5.09	4.84
New Jersey	4.50	4.92	5.02	6.12	6.34	5.38
New Mexico	4.80	3.94	4.54	4.75	3.96	4.40
New York	5.00	5.36	5.71	6.13	7.03	5.84
North Carolina	6.40	6.68	6.67	6.79	7.00	6.71
North Dakota	4.40	4.98	5.56	6.78	8.14	5.97
Ohio	5.06	5.66	5.96	6.58	6.82	6.01
Oklahoma	2.37	2.66	2.94	3.13	3.16	2.85
Oregon	8.79	8.95	9.38	10.84	11.25	9.84
Pennsylvania	3.69	4.04	4.62	5.14	5.38	4.57
Rhode Island	3.31	3.41	3.23	3.71	3.77	3.49
South Carolina	6.94	7.93	8.20	7.84	7.98	7.78
South Dakota	2.89	3.31	3.45	4.16	4.88	3.74
Tennessee	6.18	7.32	8.05	8.81	8.62	7.80
Texas	13.70	15.06	15.14	16.52	17.17	15.52
Utah	6.14	6.68	7.91	8.18	9.01	7.58
Vermont	13.62	16.09	20.36	16.92	14.23	16.25
Virginia	3.75	3.66	3.64	3.93	4.61	3.92
Washington	**6.77**	**7.37**	**7.70**	**7.89**	**8.88**	**7.72**
West Virginia	4.88	6.14	5.66	5.72	6.58	5.80
Wisconsin	6.03	6.41	7.31	7.73	8.30	7.16
Wyoming	3.51	3.78	3.36	3.70	3.18	3.51
U.S. Average	6.03	6.52	6.80	7.27	7.66	6.85
Washington's Rank	**10**	**10**	**13**	**13**	**10**	**11**

Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division, Bureau of Economic Analysis.
Trade data prepared by World Institute for Strategic Economic Research, August 2008.

Per Capita Spending in Research and Development

- **Industrial R&D**
- **University R&D**
- **Total Per Capita R&D**

The amount of research and development activity occurring within a state relative to the size of its population provides a good indication of that state's capacity for innovation. Industrial research and development brings new products and processes for continued growth. University and government research and development can provide basic research to support local technology hubs and can also attract funding from outside of the state.

The Division of Science Resources Studies (SRS) of the National Science Foundation annually compiles surveys of industries, universities, and other agencies into a report titled *National Patterns of Research and Development Resources*. This report indicates the state in which the research and development activity took place regardless of the state of the sponsoring party. The state spending figures for industrial, university, and total research and development spending can be divided by the state populations to derive per capita spending. The most recent year of state spending available is 2004.

In 2006, Washington ranked 22nd in per capita university research and development with a spending level of $155 per capita, slightly less than the U.S. average of $160. For the period 2002-06 its average rank was also 22nd. In industry per capita research and development spending, however, the state ranked much higher in 2006. Washington's 2006 per capita industrial research and development spending of $1,776 was over twice as high as the national average of $831, ranking 3rd among the states. The state's total per capita research and development spending for 2004 (the latest data available) of $1,767 was also much higher than the national average of $969, ranking 5th.

Chart 11
University Research and Development

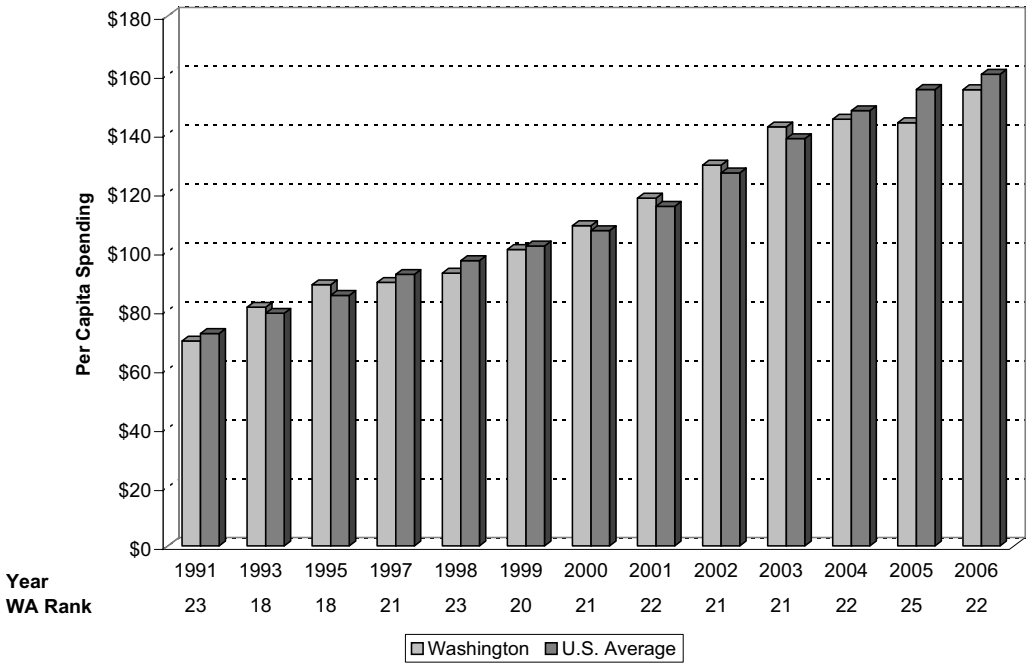


Table 11
University Research and Development
(Dollars Per Capita)

	2002	2003	2004	2005	2006	2002-06
Alabama	113	123	127	130	131	125
Alaska	201	219	221	230	241	222
Arizona	98	111	113	121	124	113
Arkansas	52	68	67	76	84	69
California	140	151	168	174	179	163
Colorado	143	153	167	177	172	162
Connecticut	156	171	186	192	198	181
Delaware	110	128	139	138	143	131
Florida	65	71	75	82	85	76
Georgia	125	135	137	140	139	135
Hawaii	141	149	192	190	201	175
Idaho	70	77	84	84	76	78
Illinois	115	128	135	139	143	132
Indiana	106	117	135	121	131	122
Iowa	166	170	181	186	193	179
Kansas	111	114	122	127	129	120
Kentucky	82	92	102	108	114	100
Louisiana	107	115	125	129	127	120
Maine	58	64	76	74	91	73
Maryland	349	371	410	423	452	401
Massachusetts	264	283	311	323	336	303
Michigan	123	138	138	144	146	138
Minnesota	100	103	105	109	117	107
Mississippi	101	113	120	122	127	117
Missouri	124	141	147	154	154	144
Montana	134	154	167	183	182	164
Nebraska	155	173	186	205	203	185
Nevada	58	69	70	74	78	70
New Hampshire	173	197	214	221	240	209
New Jersey	81	88	93	100	99	92
New Mexico	158	164	161	189	219	178
New York	144	160	174	187	197	172
North Carolina	154	166	169	191	193	175
North Dakota	167	211	238	236	251	221
Ohio	98	111	115	134	143	120
Oklahoma	81	84	80	82	83	82
Oregon	110	123	141	148	151	134
Pennsylvania	155	163	179	191	196	177
Rhode Island	153	174	179	187	217	182
South Carolina	97	105	109	115	121	109
South Dakota	50	65	76	86	92	74
Tennessee	85	103	111	121	122	108
Texas	117	125	128	135	140	129
Utah	154	162	168	160	160	161
Vermont	147	173	187	190	196	178
Virginia	95	105	114	120	124	112
Washington	**129**	**142**	**145**	**144**	**155**	**143**
West Virginia	54	67	72	80	82	71
Wisconsin	148	160	174	180	187	170
Wyoming	84	120	119	165	174	132
U.S. average	127	138	148	155	160	146
Washington's Rank	**21**	**21**	**22**	**25**	**22**	**22**

Source: The National Science Foundation (www.nsf.gov).

Chart 12
Industry Research and Development

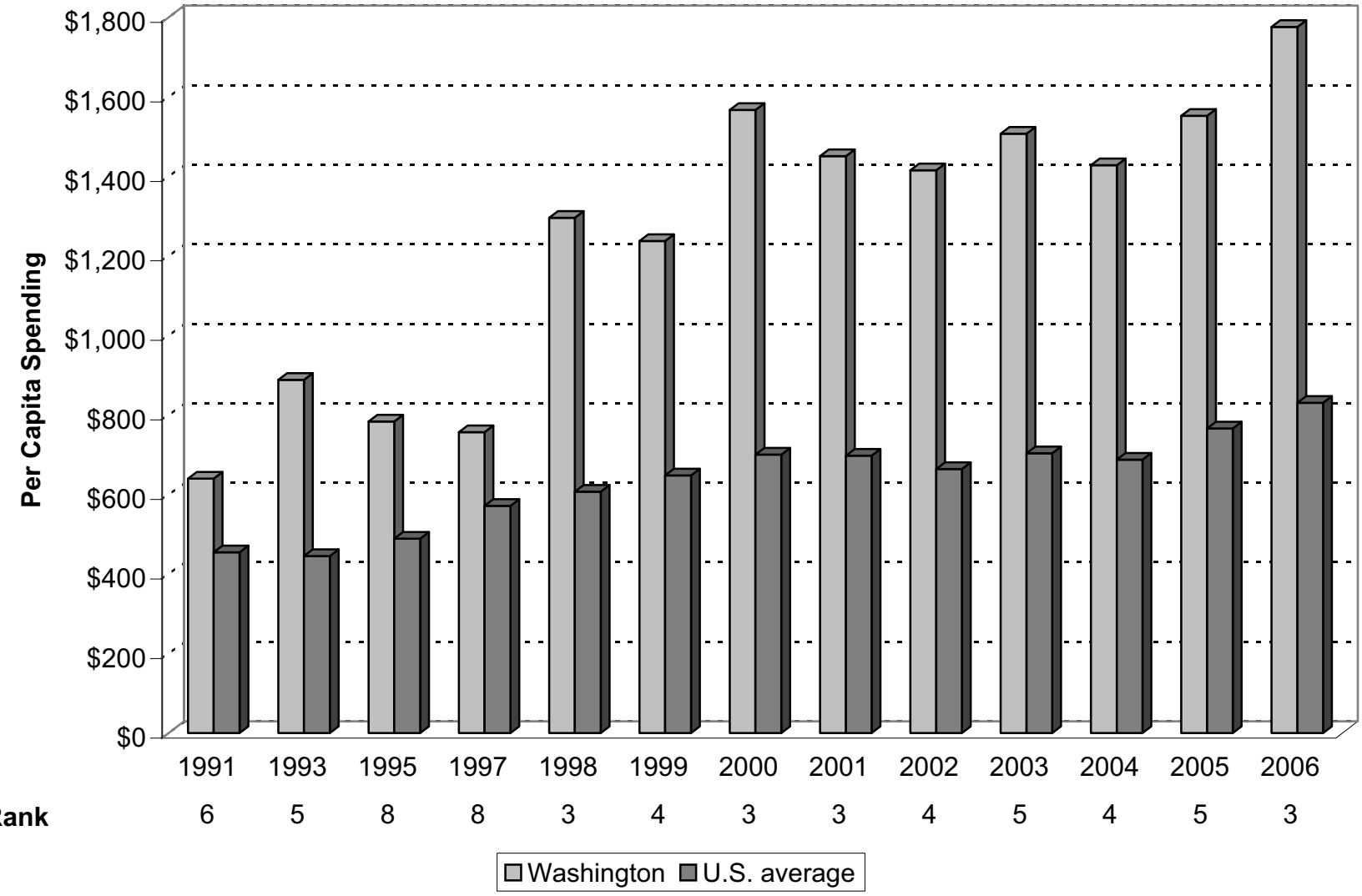


Table 12
Industry Research and Development
(Dollars Per Capita)

	2002	2003	2004	2005	2006	2002-06
Alabama	189	223	272	312	400	279
Alaska	79	55	53	48	72	61
Arizona	588	467	447	501	582	517
Arkansas	83	99	105	98	101	97
California	1,134	1,333	1,305	1,408	1,612	1,358
Colorado	626	778	870	920	977	834
Connecticut	1,761	1,680	2,061	2,262	2,367	2,026
Delaware	1,514	1,591	1,279	1,798	1,696	1,576
Florida	222	188	201	235	229	215
Georgia	245	241	242	251	298	255
Hawaii	84	107	104	133	121	110
Idaho	740	546	489	450	427	530
Illinois	605	659	675	764	843	709
Indiana	581	591	677	737	771	671
Iowa	257	284	327	352	355	315
Kansas	526	615	661	727	749	656
Kentucky	161	146	136	158	200	160
Louisiana	55	66	69	67	86	69
Maine	193	153	163	267	192	194
Maryland	699	728	691	665	611	679
Massachusetts	1,598	1,723	1,837	2,075	2,419	1,930
Michigan	1,351	1,513	1,502	1,657	1,631	1,531
Minnesota	888	990	1,022	1,240	1,221	1,072
Mississippi	78	356	55	67	80	127
Missouri	281	305	374	450	458	374
Montana	73	71	76	82	109	82
Nebraska	198	209	220	232	253	223
Nevada	157	171	179	159	215	176
New Hampshire	906	1,052	1,028	1,101	1,352	1,088
New Jersey	1,351	1,325	1,272	1,526	1,685	1,432
New Mexico	179	187	238	211	348	233
New York	483	445	457	492	494	474
North Carolina	414	525	535	594	619	537
North Dakota	242	341	595	164	188	306
Ohio	546	547	482	515	598	537
Oklahoma	118	165	117	119	132	130
Oregon	659	836	853	896	926	834
Pennsylvania	574	575	648	715	792	661
Rhode Island	1,050	1,122	1,230	1,300	1,253	1,191
South Carolina	257	235	229	329	322	275
South Dakota	69	98	93	87	120	94
Tennessee	222	257	276	208	235	240
Texas	494	501	490	544	570	520
Utah	477	420	448	493	494	466
Vermont	465	583	684	581	580	579
Virginia	401	563	537	579	630	542
Washington	**1,415**	**1,507**	**1,428**	**1,553**	**1,776**	**1,536**
West Virginia	147	121	112	134	122	127
Wisconsin	487	479	480	493	542	496
Wyoming	42	74	46	59	53	55
U.S. average	664	704	687	766	831	730
Washington's Rank	**4**	**5**	**4**	**5**	**3**	**4**

Source: The National Science Foundation (www.nsf.gov).

Chart 13
Per Capita Research and Development

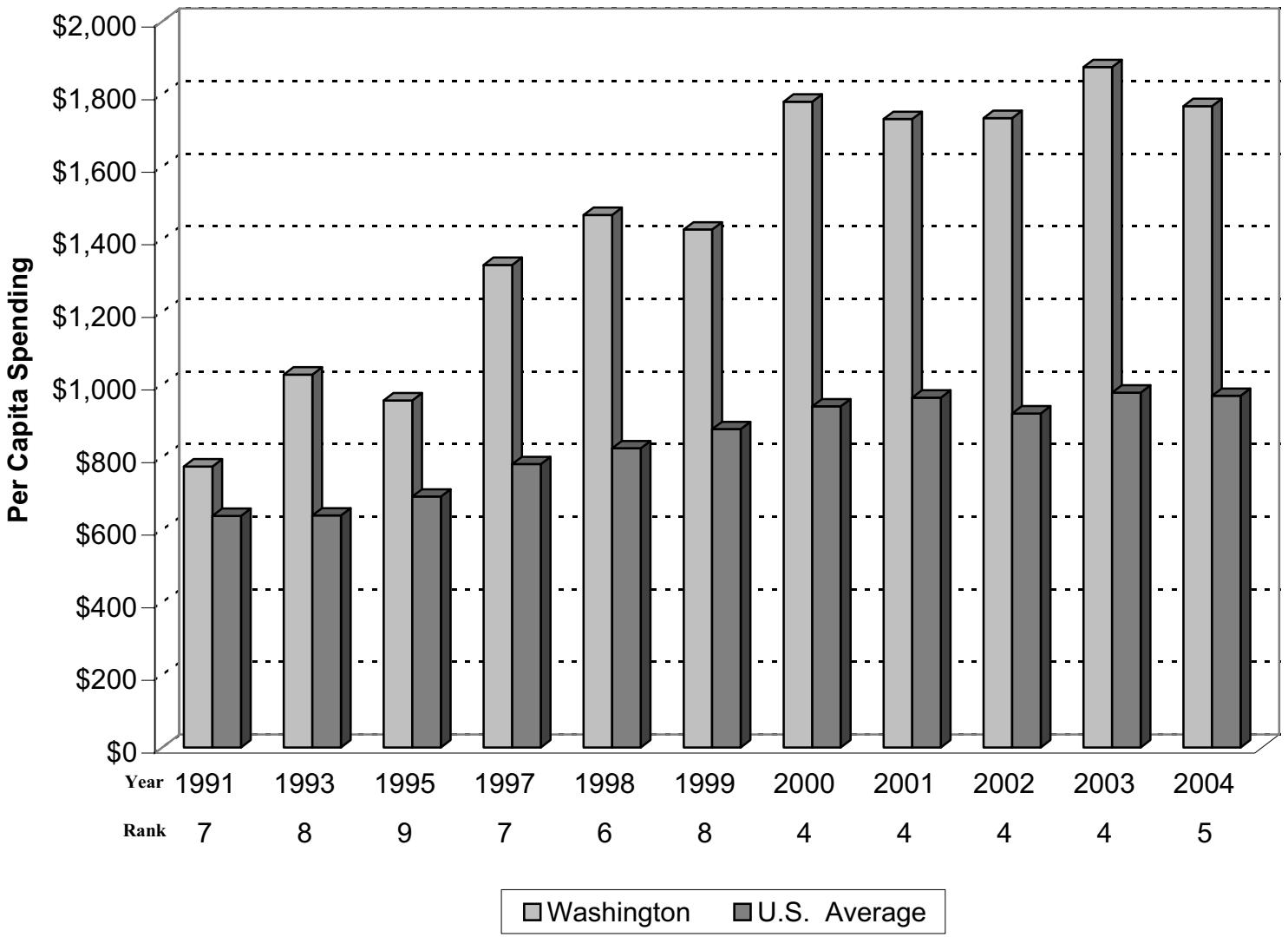


Table 13
Total Research and Development
(Dollars Per Capita)

	2000	2001	2002	2003	2004	2000-04
Alabama	389	504	520	567	612	518
Alaska	313	468	479	493	410	433
Arizona	601	575	752	641	617	637
Arkansas	170	168	158	187	188	174
California	1,620	1,476	1,470	1,687	1,669	1,584
Colorado	977	973	936	1,100	1,193	1,036
Connecticut	1,433	1,548	1,962	1,885	2,263	1,818
Delaware	1,948	1,656	1,638	1,733	1,428	1,681
Florida	291	345	330	305	312	316
Georgia	340	384	458	449	410	408
Hawaii	241	294	371	353	391	330
Idaho	1,103	953	1,021	886	723	937
Illinois	1,026	837	810	875	891	888
Indiana	534	691	703	726	825	696
Iowa	347	452	459	494	551	461
Kansas	527	591	688	744	794	669
Kentucky	214	234	276	246	243	243
Louisiana	140	185	192	213	216	189
Maine	250	303	331	285	294	292
Maryland	1,626	2,117	1,662	1,850	2,590	1,969
Massachusetts	2,044	2,289	2,226	2,429	2,485	2,294
Michigan	1,898	1,552	1,502	1,676	1,655	1,657
Minnesota	871	1,005	1,045	1,156	1,178	1,051
Mississippi	180	228	242	530	226	281
Missouri	461	452	437	479	529	471
Montana	188	264	259	269	318	260
Nebraska	256	337	384	409	424	362
Nevada	187	212	242	259	267	233
New Hampshire	625	1,262	1,128	1,297	1,287	1,120
New Jersey	1,558	1,341	1,521	1,487	1,442	1,470
New Mexico	1,694	2,158	2,534	2,661	2,703	2,350
New York	714	756	698	678	681	705
North Carolina	624	710	617	753	760	693
North Dakota	227	725	465	603	877	579
Ohio	674	772	728	751	682	721
Oklahoma	191	252	228	277	232	236
Oregon	617	1,569	821	1,004	1,022	1,007
Pennsylvania	801	908	793	807	876	837
Rhode Island	1,428	1,492	1,536	1,638	1,715	1,562
South Carolina	280	356	406	390	381	363
South Dakota	112	185	145	194	192	166
Tennessee	361	461	443	512	538	463
Texas	551	596	655	669	635	621
Utah	606	652	673	635	659	645
Vermont	763	690	647	797	882	756
Virginia	714	771	810	1,029	984	861
Washington	**1,779**	**1,731**	**1,734**	**1,874**	**1,767**	**1,777**
West Virginia	253	259	301	298	290	280
Wisconsin	501	601	658	665	667	618
Wyoming	123	167	161	226	194	174
U.S. average	940	964	920	977	969	954
Washington's rank	**4**	**4**	**4**	**4**	**5**	**5**

Source: The National Science Foundation (www.nsf.gov)

Unemployment Rate

After peaking in 2003, the unemployment rates of both Washington and the U.S. decreased through 2007. Since the peak, however, the state's rate has been decreasing faster than the U.S. as a whole, as reflected in its steady improvement of rank from 48th in 2003 to 27th in 2007. Washington's 2007 annual average unemployment rate of 4.5 percent was lower than U.S. as a whole for the first time since 1992. The state's five-year average unemployment rate of 5.7 percent, inflated by the state's sharp downturn caused by the 2001 recession, ranked 42nd over the period.

Chart 14
Unemployment Rate

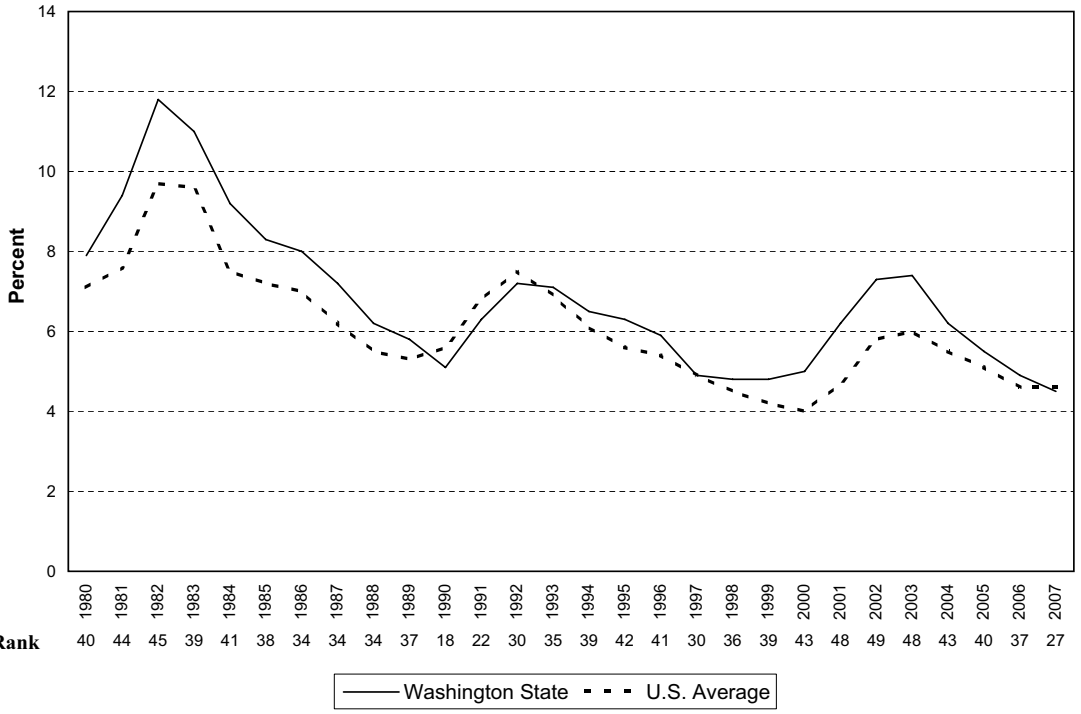


Table 14
Economic Performance
Unemployment Rate

	2003	2004	2005	2006	2007	2003-07
Alabama	5.4	5.1	3.9	3.5	3.5	4.3
Alaska	7.7	7.4	6.9	6.5	6.2	6.9
Arizona	5.7	4.9	4.6	4.1	3.8	4.6
Arkansas	5.8	5.6	5.1	5.3	5.4	5.4
California	6.8	6.2	5.4	4.9	5.4	5.7
Colorado	6.1	5.6	5.1	4.3	3.8	5.0
Connecticut	5.5	4.9	4.9	4.4	4.6	4.9
Delaware	4.2	3.9	4.0	3.5	3.4	3.8
Florida	5.3	4.7	3.9	3.4	4.0	4.3
Georgia	4.8	4.7	5.2	4.6	4.4	4.7
Hawaii	3.9	3.2	2.7	2.5	2.6	3.0
Idaho	5.2	4.6	3.9	3.2	2.7	3.9
Illinois	6.7	6.2	5.8	4.6	5.0	5.7
Indiana	5.3	5.3	5.4	4.9	4.5	5.1
Iowa	4.4	4.7	4.3	3.8	3.8	4.2
Kansas	5.6	5.5	5.1	4.3	4.1	4.9
Kentucky	6.3	5.6	6.0	5.8	5.5	5.8
Louisiana	6.2	5.5	6.7	3.9	3.8	5.2
Maine	5.0	4.6	4.8	4.6	4.7	4.7
Maryland	4.5	4.3	4.1	3.8	3.6	4.1
Massachusetts	5.8	5.2	4.9	4.8	4.5	5.0
Michigan	7.1	7.1	6.9	6.9	7.2	7.0
Minnesota	4.9	4.6	4.2	4.0	4.6	4.5
Mississippi	6.4	6.4	7.8	6.7	6.3	6.7
Missouri	5.6	5.8	5.4	4.8	5.0	5.3
Montana	4.3	4.1	3.8	3.3	3.1	3.7
Nebraska	4.0	3.9	3.9	3.0	3.0	3.6
Nevada	5.2	4.5	4.2	4.2	4.8	4.6
New Hampshire	4.5	3.9	3.6	3.5	3.6	3.8
New Jersey	5.9	4.9	4.5	4.7	4.2	4.8
New Mexico	5.9	5.7	5.2	4.3	3.5	4.9
New York	6.4	5.8	5.0	4.6	4.5	5.3
North Carolina	6.5	5.5	5.3	4.7	4.7	5.3
North Dakota	3.6	3.5	3.4	3.2	3.2	3.4
Ohio	6.2	6.1	5.9	5.4	5.6	5.8
Oklahoma	5.6	5.0	4.5	4.1	4.3	4.7
Oregon	8.1	7.3	6.2	5.4	5.2	6.4
Pennsylvania	5.7	5.4	5.0	4.6	4.4	5.0
Rhode Island	5.4	5.2	5.1	5.1	5.0	5.2
South Carolina	6.7	6.8	6.7	6.4	5.9	6.5
South Dakota	3.5	3.7	3.6	3.1	3.0	3.4
Tennessee	5.7	5.4	5.6	5.1	4.7	5.3
Texas	6.7	6.0	5.4	4.9	4.3	5.5
Utah	5.7	5.0	4.2	3.0	2.7	4.1
Vermont	4.5	3.7	3.5	3.7	3.9	3.9
Virginia	4.1	3.7	3.5	3.0	3.0	3.5
Washington	**7.4**	**6.2**	**5.5**	**4.9**	**4.5**	**5.7**
West Virginia	6.0	5.3	5.0	4.7	4.6	5.1
Wisconsin	5.6	5.0	4.8	4.7	4.9	5.0
Wyoming	4.5	3.9	3.7	3.3	3.0	3.7
U.S. Average	6.0	5.5	5.1	4.6	4.6	5.2
Washington's Rank	**48**	**43**	**40**	**37**	**27**	**42**

Source: U.S. Department of Labor, Bureau of Labor Statistics. August 2008 (www.bls.gov).

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Quality of Life

Homicide Rate, Violent Crime Rate, Arrest Rate for Violent Crimes

Because of former discrepancies including variable reporting methods, crime definitions, multiple reports for different arrests, charges and convictions for a crime, International Association of Chiefs of Police established the Uniform Crime Reporting (UCR) program. Reported by the U.S. Federal Bureau of Investigation (FBI), the program's primary objective is to generate a reliable set of criminal statistics by mandating specific reporting requirements and criterion for gathering data that ensures consistency among states. The UCR program is a nationwide, statistical effort of over 17,000 city, county, and state law enforcement agencies.

In 2007, Washington's homicide rate, as measured per 100,000 people, decreased from 3.0 to 2.7, improving its rank among the reporting states to 13th. The violent crime rate (violent crime includes the offenses of murder, non-negligent manslaughter, forcible rape, robbery, and aggravated assault), also measured per 100,000 people, dropped to 333 while the state's rank remained at 23rd. Washington's arrest rate for violent crime increased from 146 to 156, lowering the state's rank from 19th to 25th. As in all years since UCR statistics began being reported, Washington continues to rank well below the national average in incidences of all of these categories of crime.

Chart 15
Homicide Rate

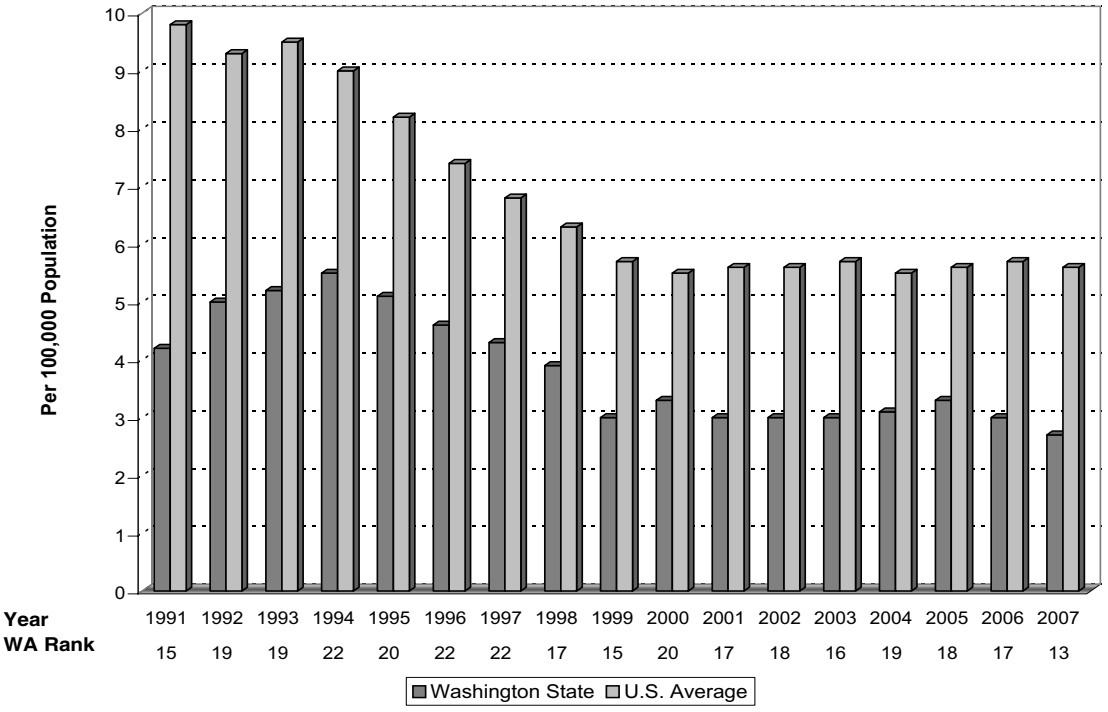

Table 15
Quality of Life
Homicide Rate
(Per 100,000 Population)

	2003	2004	2005	2006	2007	2003-07
Alabama	6.6	5.6	8.2	8.3	8.9	7.5
Alaska	6.0	5.6	4.8	5.4	6.4	5.6
Arizona	7.9	7.2	7.5	7.5	7.4	7.5
Arkansas	6.4	6.4	6.7	7.3	6.7	6.7
California	6.8	6.7	6.9	6.8	6.2	6.7
Colorado	3.9	4.4	3.7	3.3	3.1	3.7
Connecticut	3.0	2.6	2.9	3.1	3.0	2.9
Delaware	2.9	2.0	4.4	4.9	4.3	3.7
Florida	5.4	5.4	5.0	6.2	6.6	5.7
Georgia	7.6	6.9	6.2	6.4	7.5	6.9
Hawaii	1.7	2.6	1.9	1.6	1.7	1.9
Idaho	1.8	2.2	2.4	2.5	3.3	2.4
Illinois*	7.1	6.1	6.0	6.1	5.9	6.2
Indiana	5.5	5.1	5.7	5.8	5.6	5.5
Iowa	1.6	1.6	1.3	1.8	1.2	1.5
Kansas	4.5	4.5	3.7	4.6	3.9	4.2
Kentucky	4.6	5.7	4.6	4.0	4.8	4.7
Louisiana	13.0	12.7	9.9	12.4	14.2	12.4
Maine	1.2	1.4	1.4	1.7	1.6	1.5
Maryland	9.5	9.4	9.9	9.7	9.8	9.7
Massachusetts	2.2	2.6	2.7	2.9	2.9	2.7
Michigan	6.1	6.4	6.1	7.1	6.7	6.5
Minnesota	2.5	2.2	2.2	2.4	2.2	2.3
Mississippi	9.3	7.8	7.3	7.7	7.1	7.8
Missouri	5.0	6.2	6.9	6.3	6.5	6.2
Montana	3.3	3.2	1.9	1.8	1.5	2.3
Nebraska	3.2	2.3	2.5	2.8	3.8	2.9
Nevada	8.8	7.4	8.5	9.0	7.5	8.2
New Hampshire	1.4	1.4	1.4	1.0	1.1	1.3
New Jersey	4.7	4.5	4.8	4.9	4.4	4.7
New Mexico	6.0	8.9	7.4	6.8	8.2	7.5
New York	4.9	4.6	4.5	4.8	4.2	4.6
North Carolina	6.1	6.2	6.7	6.1	6.5	6.3
North Dakota	1.9	1.4	1.1	1.3	1.9	1.5
Ohio	4.6	4.5	5.1	4.7	4.5	4.7
Oklahoma	5.9	5.3	5.3	5.8	6.1	5.7
Oregon	1.9	2.5	2.2	2.3	1.9	2.2
Pennsylvania	5.3	5.2	6.1	5.9	5.8	5.7
Rhode Island	2.3	2.4	3.2	2.6	1.8	2.5
South Carolina	7.2	6.9	7.4	8.3	8.0	7.6
South Dakota	1.3	2.3	2.3	1.2	2.1	1.8
Tennessee	6.8	5.9	7.2	6.8	6.4	6.6
Texas	6.4	6.1	6.2	5.9	5.9	6.1
Utah	2.5	1.9	2.3	1.8	2.2	2.1
Vermont	2.3	2.6	1.3	1.9	1.9	2.0
Virginia	5.6	5.2	6.1	5.2	5.3	5.5
Washington	**3.0**	**3.1**	**3.3**	**3.0**	**2.7**	**3.0**
West Virginia	3.5	3.7	4.4	4.1	3.5	3.8
Wisconsin	3.3	2.8	3.5	3.0	3.3	3.2
Wyoming	2.8	2.2	2.7	1.7	3.1	2.5
U.S. Average	5.6	5.7	5.5	5.6	5.7	5.6
Washington's Rank	**16**	**19**	**18**	**17**	**13**	**18**

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-2007. (www.fbi.gov)
*Limited data for 2000-2007 were available for Illinois.

Chart 16
Violent Crime Rate

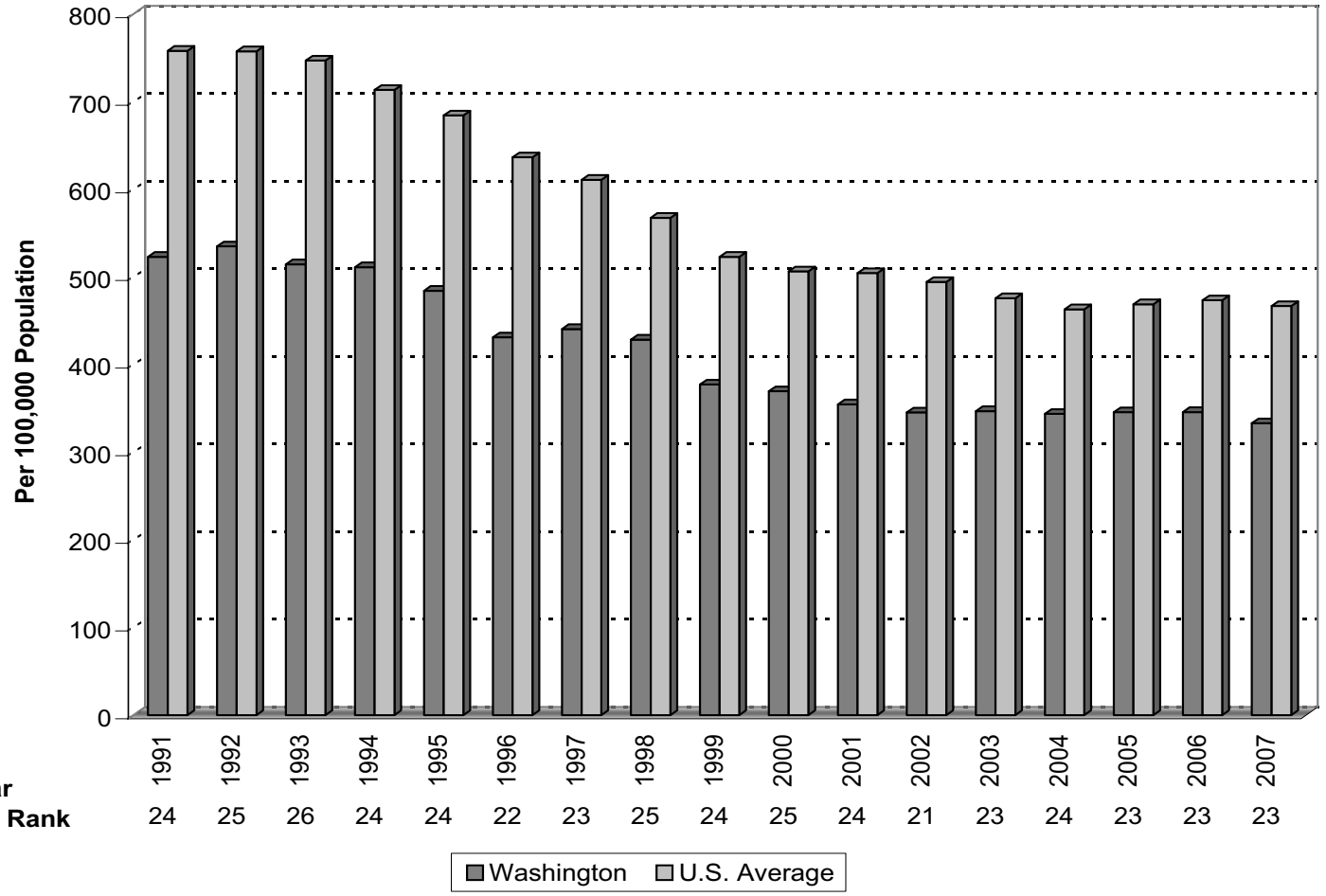

Table 16
Quality of Life
Violent Crime Rate
(Per 100,000 Population)

	2003	2004	2005	2006	2007	2003-07
Alabama	430	427	432	425	448	432
Alaska	593	635	632	688	661	642
Arizona	513	504	513	501	483	503
Arkansas	456	499	528	552	529	513
California	579	552	526	533	523	542
Colorado	345	374	397	392	348	371
Connecticut	308	286	275	281	256	281
Delaware	658	568	632	682	689	646
Florida	730	711	708	712	723	717
Georgia	454	456	449	471	493	465
Hawaii	270	254	255	281	273	267
Idaho	243	245	257	247	239	246
Illinois*	557	543	552	542	533	545
Indiana	353	325	324	315	334	330
Iowa	272	271	291	284	295	283
Kansas	396	375	387	425	453	407
Kentucky	262	245	267	263	295	266
Louisiana	646	639	594	698	730	661
Maine	109	104	112	116	118	112
Maryland	704	701	703	679	642	686
Massachusetts	469	459	457	447	432	453
Michigan	511	490	552	562	536	530
Minnesota	263	270	297	312	289	286
Mississippi	326	295	278	299	291	298
Missouri	473	491	525	546	505	508
Montana	365	294	282	254	288	296
Nebraska	289	309	287	282	302	294
Nevada	614	616	607	742	751	666
New Hampshire	149	167	132	139	137	145
New Jersey	366	356	355	352	329	351
New Mexico	665	687	702	643	664	672
New York	465	442	446	435	414	440
North Carolina	455	448	468	476	466	463
North Dakota	78	79	98	128	142	105
Ohio	333	342	351	350	343	344
Oklahoma	506	501	509	497	500	502
Oregon	296	298	287	280	288	290
Pennsylvania	398	411	425	439	417	418
Rhode Island	286	247	251	228	227	248
South Carolina	794	784	761	766	788	779
South Dakota	173	172	176	171	169	172
Tennessee	688	695	753	760	753	730
Texas	553	541	530	516	511	530
Utah	249	236	227	224	235	234
Vermont	110	112	120	137	124	121
Virginia	276	276	283	282	270	277
Washington	**347**	**344**	**346**	**346**	**333**	**343**
West Virginia	258	271	273	280	275	271
Wisconsin	221	210	242	284	291	249
Wyoming	262	230	230	240	239	240
United States	476	463	469	474	467	470
Washington's Rank	**23**	**24**	**23**	**23**	**23**	**23**

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States- Uniform Crime Reports: 1991-2007. (www.fbi.gov)
*Limited data for 2000-2007 were available for Illinois.

Chart 17
Arrests Rates for Violent Crime

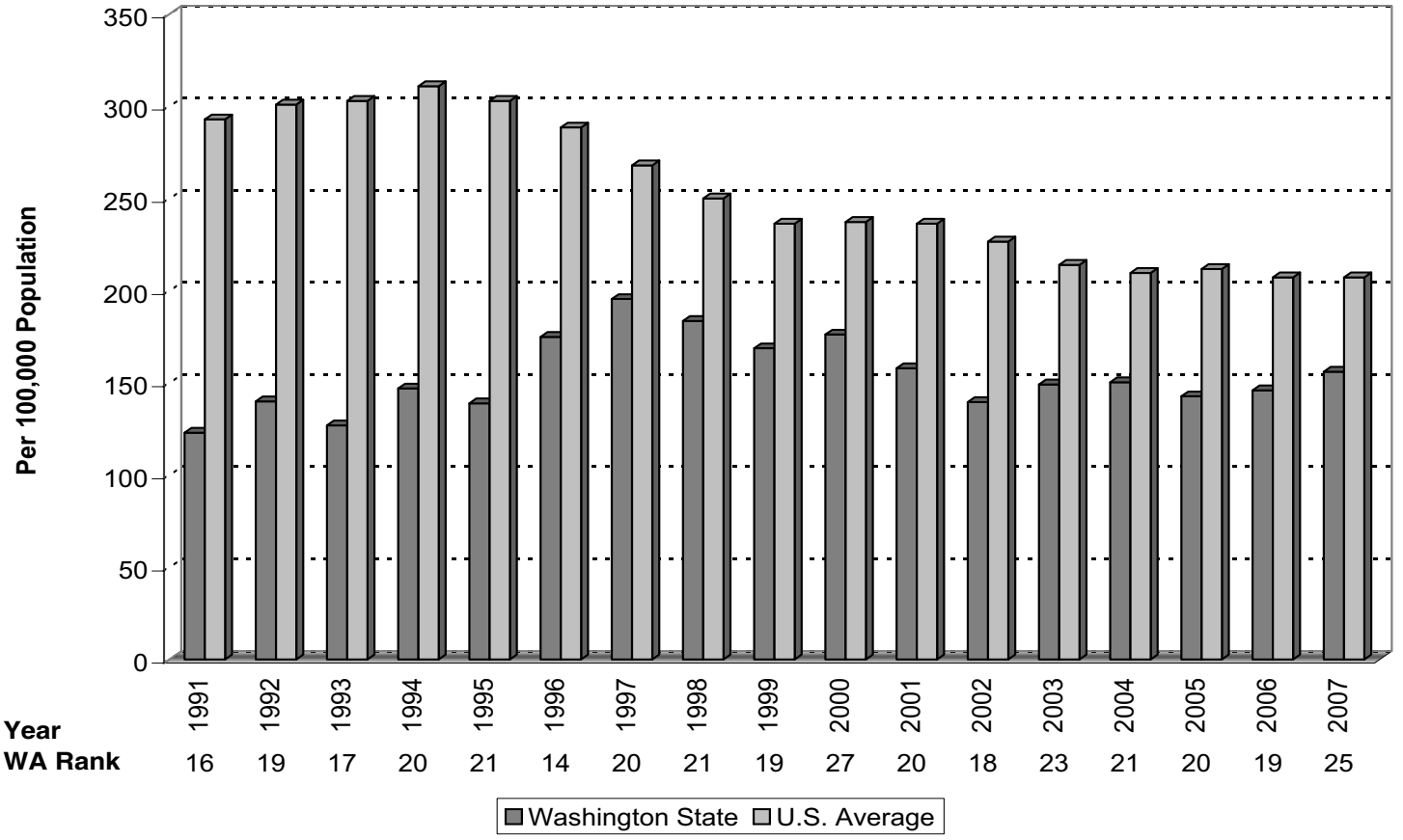

Table 17
Quality of Life
Arrest Rates for Violent Crime
(Per 100,000 Population)

	2003	2004	2005	2006	2007	2003-07
Alabama	159	152	166	161	179	163
Alaska	225	233	268	255	264	249
Arizona	161	161	158	146	143	154
Arkansas	184**	202**	218	243	157	201
California	366	351	342	341	348	350
Colorado	164	156	147**	157**	132**	151
Connecticut	163	170	172	211	169	177
Delaware	304	252	287	300	335	295
Florida	310	292	287	282	287	292
Georgia	250	299	284	323	215	274
Hawaii	108	107	95	106	NA	104
Idaho	101	103	102	108	105	103
Illinois	330	330	337	13**	295	261
Indiana	232	237	244	149	163	205
Iowa	150	149	166	155	156	155
Kansas	88	106	83	122	131	106
Kentucky	203	175	168	207	212	193
Louisiana	303	305	299	352	306	313
Maine	63	66**	56	56	55	59
Maryland	222	219	214	223	225	220
Massachusetts	154	153	144	211	201	173
Michigan	172	151	151**	148	152	155
Minnesota	80	84	128	NA	117	102
Mississippi	147	151	144	140	165	149
Missouri	265	263	302	276	216	264
Montana	141	NA	100**	NA	108	116
Nebraska	86	96	110	102	113	102
Nevada	NA	235	175	197	227	208
New Hampshire	41**	52	48	57	40	48
New Jersey	179	176	170	169	162	171
New Mexico	218	235	232	221	244	230
New York	150	146	164	170	153	157
North Carolina	293	271	295	276	280	283
North Dakota	33	38	41	48	57	43
Ohio	93	96	108	115	101	103
Oklahoma	172	165	166	163	157	165
Oregon	96	141	127	134	140	127
Pennsylvania	210	220	225	230	216	220
Rhode Island	127	116	85**	73	53	91
South Carolina	55	232	281	266	256	218
South Dakota	77	76	94	42	68	71
Tennessee	243	256	301	273	281	271
Texas	146	150	147	147	153	149
Utah	97	94	84	80	78	86
Vermont	53	56	60	74	72	63
Virginia	88	97	112	117	99	102
Washington	**149**	**150**	**143**	**146**	**156**	**149**
West Virginia	96	96	110	100	84	97
Wisconsin	111	198	112	153	146	144
Wyoming	114	111	116	114	124	116
Ave. of Reporting States	214	210	212	207	207	210
Washington's Rank	**23**	**21**	**20**	**19**	**25**	**21**

*Violent crimes are offenses of murder, forcible rape, robbery, and aggravated assault.
**Data for these years not comparable to prior years due to change in reporting practices.
NA: Complete arrest data were not available.
Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States- Uniform Crime Reports: 1991-2007.

Air Quality

The air quality index measures the percentage of a state's population living in areas which are deemed to be in "nonattainment" of the National Ambient Air Quality Standards (NAAQS). These standards as defined by the Environmental Protection Agency (EPA) cover carbon monoxide, lead, nitrogen dioxide, ozone, particulate matter, and sulfur dioxide as "criteria pollutants", all of which have been shown to have adverse effects on the environment and human health. For an area to be reclassified as an "attainment" area, its air must meet the NAAQS standards for three consecutive years. The measure reported is the nonattainment status of metropolitan areas as of September 1st of each year.

Nonattainment areas are defined by metropolitan zones which may cover several states. The population for these areas is based upon 2000 census data and the nonattainment area is wholly designated to the primary state (i.e. the New York metropolitan area nonattainment population is put into New York State, although the city enters parts of New Jersey and Connecticut as well). In some cases where the metropolitan area includes large out-of-state populations this unfortunately results in nonattainment percentages greater than 100 percent. It should also be noted that the large increase in the total nonattainment population in 2004 through 2006 was the result of more stringent ozone standards being phased in 2004.

In 2007, none of Washington's residents lived in nonattainment areas. While the state shared this distinction with nineteen other states, four of those states, Delaware, New Jersey, South Carolina, and Virginia, had populations living in metropolitan non-attainment areas that were attributed to bordering states. The state's five-year average value of 3.0 percent ranked 16th among the states. The percent of Washington residents living in nonattainment areas has been well below the national average since 2000.

Chart 18
Air Quality Index

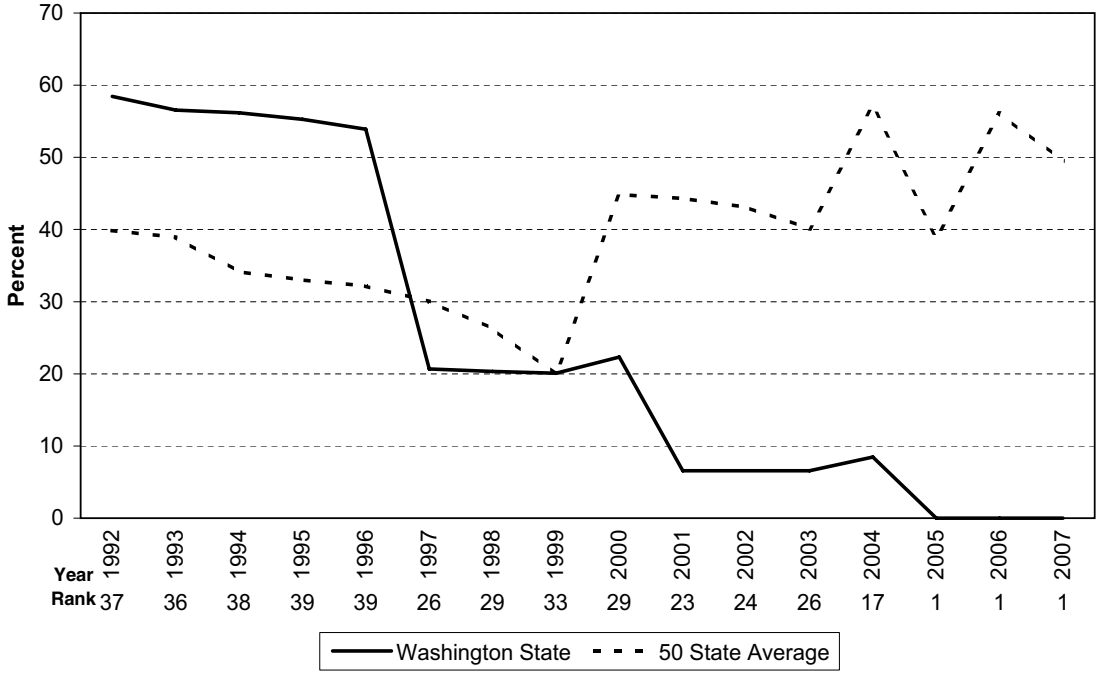

Table 18
Quality of Life
Air Quality
(Percent of State Population)

	2003	2004	2005	2006	2007	2003-07
Alabama*	18.1	18.1	18.2	18.2	17.5	18.0
Alaska	49.2	39.6	33.4	33.4	30.6	37.2
Arizona	63.6	63.5	63.5	63.5	51.4	61.1
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0
California	83.5	93.1	93.1	93.1	86.3	89.8
Colorado	3.8	65.8	65.6	65.4	57.8	51.7
Connecticut*	74.4	74.4	45.3	45.3	44.1	56.7
Delaware*	20.0	20.0	0.0	0.0	0.0	8.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0
Georgia*	45.2	53.5	54.7	54.7	46.0	50.8
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	23.2	9.0	9.0	3.8	3.2	9.6
Illinois*	70.5	70.5	70.5	70.5	68.1	70.0
Indiana*	0.0	49.7	50.6	45.6	25.3	34.2
Iowa	0.0	0.0	0.0	0.0	0.0	0.0
Kansas	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky*	0.0	24.0	24.0	24.0	22.1	18.8
Louisiana	14.2	14.2	14.2	14.2	14.8	14.4
Maine	61.3	62.8	43.1	43.1	0.0	42.1
Maryland*	48.6	53.3	53.3	53.3	48.4	51.4
Massachusetts*	105.5	111.3	111.0	111.0	98.4	107.4
Michigan	0.0	77.9	77.9	77.9	50.0	56.7
Minnesota	0.0	0.0	0.0	0.0	0.0	0.0
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0
Missouri*	0.2	44.9	44.8	44.8	42.6	35.4
Montana	14.4	14.4	14.4	14.4	13.7	14.3
Nebraska	0.0	0.0	0.0	0.0	0.0	0.0
Nevada	85.8	85.8	85.8	85.8	66.9	82.0
New Hampshire*	45.1	15.6	0.0	0.0	53.2	22.8
New Jersey*	4.2	4.2	0.0	0.0	0.0	1.7
New Mexico	2.4	0.7	0.1	0.1	0.0	0.7
New York*	115.6	125.4	126.3	126.3	124.2	123.6
North Carolina*	0.0	59.2	59.2	59.2	24.1	40.3
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio*	28.1	81.4	0.0	81.4	60.1	50.2
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	9.3	8.1	0.0	9.3	8.5	7.0
Pennsylvania*	85.2	117.1	0.0	115.2	97.0	82.9
Rhode Island	100.0	100.0	0.0	100.0	99.1	79.8
South Carolina*	0.0	32.2	0.0	32.2	0.0	12.9
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee*	0.0	62.3	0.0	59.6	33.9	31.2
Texas	49.5	59.1	0.0	58.6	44.6	42.3
Utah	62.0	62.0	0.0	62.0	52.4	47.7
Vermont	0.0	0.0	0.0	0.0	0.0	0.0
Virginia*	0.0	39.3	0.0	39.3	0.0	15.7
Washington	**6.6**	**8.5**	**0.0**	**0.0**	**0.0**	**3.0**
West Virginia*	4.4	41.2	0.0	49.7	49.6	29.0
Wisconsin	36.4	36.7	0.0	38.8	36.8	29.7
Wyoming	3.2	3.2	0.0	3.2	3.1	2.5
50 State Average	40.1	57.1	38.9	56.1	49.5	48.3
Washington's Rank	**26**	**17**	**1**	**1**	**1**	**16**

*Due to areas that span more than one state, these states may have more or less non-attainment areas than specified but are not documented to avoid double counting.
Source: U.S. Environmental Protection Agency. National Air Quality and Emissions Trends Report, 1996-2006 data: effective September 1st of each year from the Office of Air Quality Planning and Standards.
Population data relies on information from 2000 Census.

Drinking Water

Public water systems must abide by the standards established by the Environmental Protection Agency (EPA) under the federal Safe Drinking Water Act (SDWA). These standards are designed to prevent microbial, chemical and radiological contaminants in drinking water and to assure the protection of public health if contamination does occur. The number of contaminants regulated by the EPA has risen from 23 in 1986 to 103 in 2007.

The EPA annually reports the number of systems whose water has exceeded the Maximum Contaminant Level (MCL) for any contaminant and the number of people those systems serve. A MCL, according to the EPA, is the highest permissible level for a contaminant to still be safe. In addition, the EPA also calculates the number of systems that have violated a treatment technique, the requirement to have properly operating treatment facilities in order to remove contaminants. The attached table indicates the percentage of each state's population served by a water system subject to the SDWA that violated either a coliform MCL or a surface water treatment technique.

In 2007, 5.6 percent of Washington residents were served by water systems that exceeded the MCL at some point during the year, compared to the U.S. average of 8.9 percent. This dropped Washington's rank to 18th in the country, down from 9th in 2006 when the percentage was 3.7. The state's average from 2003-07 was 5.3 percent, beating the U.S. average of 8.8 percent and ranking 16th in the country.

Chart 19
Drinking Water

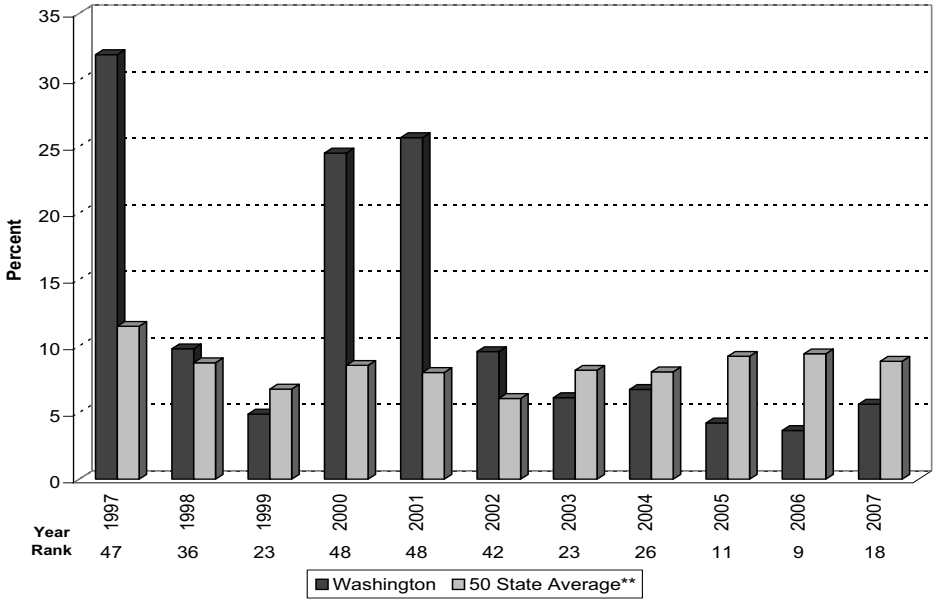

Table 19
Quality of Life
Drinking Water Index
(Percent)*

	2003	2004	2005	2006	2007	2003-07
Alabama	5.7	0.8	1.4	1.6	1.8	2.3
Alaska	8.5	10.5	9.1	12.5	6.0	9.3
Arizona	10.9	31.2	10.6	4.5	9.3	13.3
Arkansas	9.9	9.0	12.4	9.8	11.7	10.6
California	0.5	13.0	5.0	1.0	3.9	4.7
Colorado	10.5	12.0	3.1	2.1	1.6	5.9
Connecticut	1.7	1.7	3.8	4.3	1.9	2.7
Delaware	0.8	20.1	0.4	18.9	24.9	13.0
Florida	9.2	10.0	5.0	4.5	7.4	7.2
Georgia	7.0	1.7	4.9	5.2	5.9	4.9
Hawaii	4.3	1.4	1.9	7.0	6.7	4.2
Idaho	10.9	13.0	6.8	12.2	13.3	11.2
Illinois	6.6	7.8	8.1	7.5	6.7	7.3
Indiana	3.3	4.8	2.7	2.8	3.9	3.5
Iowa	4.8	6.3	9.9	8.1	8.2	7.5
Kansas	11.1	7.1	8.9	13.5	8.2	9.7
Kentucky	5.2	11.1	12.9	9.2	10.6	9.8
Louisiana	9.5	9.0	19.8	15.2	11.6	13.0
Maine	14.4	7.7	7.2	6.5	4.8	8.1
Maryland	1.8	0.4	5.8	1.3	1.3	2.1
Massachusetts	15.6	20.3	17.8	15.2	14.9	16.8
Michigan	1.5	1.6	1.0	1.8	3.2	1.8
Minnesota	1.7	0.9	5.2	5.5	4.1	3.5
Mississippi	5.3	2.2	5.6	3.5	7.0	4.7
Missouri	3.5	4.9	5.9	6.1	4.7	5.0
Montana	6.8	5.7	16.3	7.2	7.6	8.7
Nebraska	18.7	27.4	17.1	10.4	11.1	17.0
Nevada	1.1	2.6	1.3	5.0	2.6	2.5
New Hampshire	9.1	7.8	6.8	14.8	18.2	11.3
New Jersey	11.8	2.2	10.1	5.1	7.0	7.3
New Mexico	5.9	8.5	11.0	12.2	14.8	10.5
New York	52.4	9.4	47.3	47.1	18.5	35.0
North Carolina	5.4	9.3	18.8	7.2	9.2	10.0
North Dakota	9.8	5.0	7.1	8.7	1.8	6.5
Ohio	6.2	2.3	4.9	13.1	13.1	7.9
Oklahoma	30.1	29.4	39.6	25.5	22.5	29.4
Oregon	6.2	3.8	5.8	3.6	10.3	5.9
Pennsylvania	3.2	21.4	2.7	4.3	6.8	7.7
Rhode Island	9.2	2.3	14.1	16.5	37.7	15.9
South Carolina	8.2	5.9	5.6	22.5	11.4	10.7
South Dakota	4.8	1.6	3.6	7.3	6.3	4.7
Tennessee	8.3	3.7	4.8	13.7	4.1	6.9
Texas	2.7	3.8	7.2	10.2	4.9	5.8
Utah	4.4	4.8	5.2	5.6	4.0	4.8
Vermont	6.8	6.8	10.1	15.2	17.4	11.3
Virginia	11.0	10.8	5.4	5.0	3.3	7.1
Washington	**6.1**	**6.7**	**4.2**	**3.7**	**5.6**	**5.3**
West Virginia	5.2	4.9	11.4	8.8	9.6	8.0
Wisconsin	9.3	7.6	15.6	14.8	9.0	11.3
Wyoming	2.1	1.2	10.4	4.0	3.2	4.2
50 State Average**	8.2	8.1	9.2	9.4	8.9	8.8
Washington's Rank	**23**	**26**	**11**	**9**	**18**	**16**

*Percent of population served by water supply in violation of EPA standards.
**The 50 state average is an average of indicators listed. It may differ from the U.S. average.
Source: U.S. Environmental Protection Agency, Community Public Water Systems Compliance Statistics Safe Drinking Water Information System. FY 1996-2007. (www.epa.gov)

Toxins Released

The Toxics Release Inventory (TRI), reported by the U.S. Environmental Protection Agency (EPA), provides the public with information concerning the amounts of toxic chemical releases from industrial facilities. Each year, facilities that meet certain thresholds must report their releases and other waste management activities for listed toxic chemicals to the EPA and to the state or tribal entity in whose jurisdiction the facility is located.

Before 1998, only facilities in the manufacturing sector were required to report to TRI. Starting in 1994, federal facilities began to report to TRI and in 1998 seven additional industries were added to the required report list. This is the basis for the dramatic increases in the national average for toxins released in 1998 and beyond. States that housed the newly added reporting industries saw a large jump in toxins released beginning in 1998. Washington never saw a noticeable increase in its TRI reports however because many of these added industries, such as metal and coal mining, are not widespread in the state.

In 2006, U.S. industries reported a 1.4 percent decrease in their total releases of toxics, from 4.35 to 4.29 billion pounds. This figure includes effluent releases directly into the air, water or land, whether it is on-site or off-site landfills, surface impoundments, land treatment facilities or underground injection wells.

Washington industries reported 29.5 million pounds of toxic releases in 2006, a decrease of 17.2 percent from 2005. This decreased the state's toxin release to 418 pounds per square mile, improving its national ranking from 17th to 14th. The state's 2006 releases were again well below the national average of 1,153 pounds per square mile. Washington's five-year average release of 406 pounds per square mile was also well below the national average of 1,187 pounds and ranked 13th among the states.

Chart 20
Toxins Released

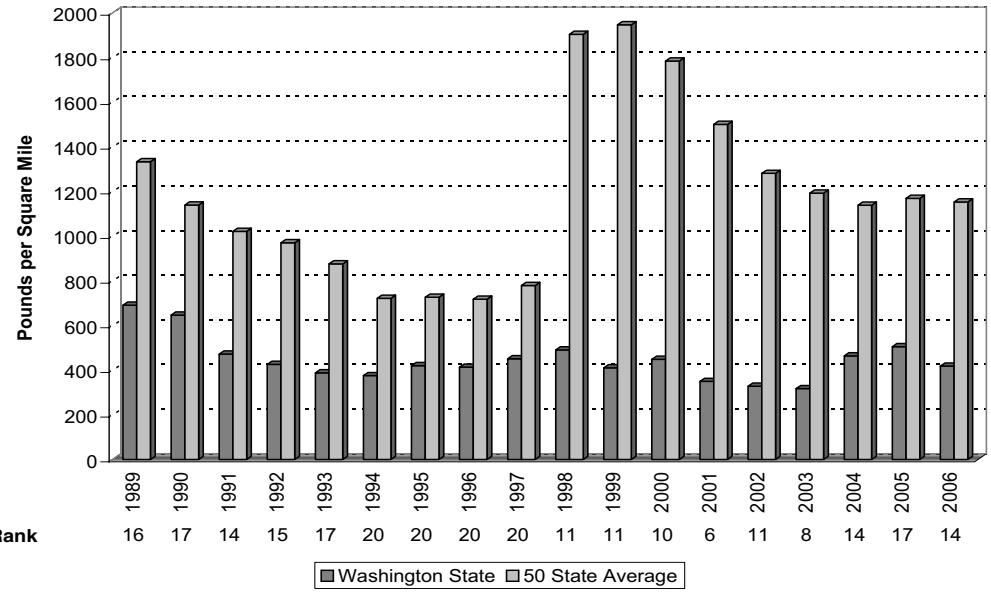

Table 20
Quality of Life
Toxins Released
Pounds per square miles

	2002	2003	2004	2005	2006	2002-06
Alabama	2,370	2,191	2,351	2,335	2,262	2,302
Alaska	893	877	831	892	1,085	916
Arizona	2,892	421	497	569	857	1,047
Arkansas	696	754	911	930	950	848
California	317	368	291	277	269	304
Colorado	252	218	235	246	237	238
Connecticut	2,140	976	921	874	888	1,160
Delaware	5,067	5,656	5,885	5,327	6,593	5,706
Florida	2,320	2,112	2,067	2,183	1,989	2,134
Georgia	2,216	2,224	2,066	2,251	2,198	2,191
Hawaii	572	490	491	481	468	500
Idaho	762	749	774	801	805	778
Illinois	2,319	2,278	2,322	2,117	1,956	2,198
Indiana	5,731	6,274	6,155	6,843	6,507	6,302
Iowa	644	667	799	749	841	740
Kansas	327	309	310	360	335	328
Kentucky	2,409	2,259	2,409	2,565	2,429	2,414
Louisiana	2,566	2,528	2,661	2,529	2,660	2,589
Maine	285	337	314	341	313	318
Maryland	3,680	3,702	3,559	3,490	3,247	3,535
Massachusetts	990	965	904	830	746	887
Michigan	1,398	1,077	1,020	1,056	907	1,092
Minnesota	360	362	304	315	303	329
Mississippi	1,278	1,380	1,432	1,214	1,258	1,313
Missouri	1,633	1,470	1,755	1,731	1,578	1,633
Montana	229	311	416	402	295	330
Nebraska	416	536	502	485	450	478
Nevada	4,209	3,640	2,435	2,941	1,963	3,038
New Hampshire	489	623	574	566	450	540
New Jersey	2,883	2,868	2,667	2,886	2,651	2,791
New Mexico	132	159	92	128	195	141
New York	826	800	778	786	657	769
North Carolina	2,452	2,482	2,550	2,645	2,548	2,535
North Dakota	361	331	326	326	316	332
Ohio	6,288	6,201	5,762	6,179	6,493	6,185
Oklahoma	419	426	419	391	425	416
Oregon	269	420	409	238	247	317
Pennsylvania	3,707	3,639	3,531	3,442	3,368	3,537
Rhode Island	858	652	538	491	401	588
South Carolina	2,336	2,195	2,530	2,439	2,413	2,382
South Dakota	155	135	114	103	93	120
Tennessee	3,699	3,364	3,745	3,401	3,115	3,465
Texas	1,015	983	1,015	988	893	979
Utah	2,094	2,826	1,977	2,033	2,279	2,242
Vermont	39	36	39	44	42	40
Virginia	2,137	1,963	1,927	1,907	1,687	1,924
Washington	**328**	**317**	**463**	**505**	**418**	**406**
West Virginia	3,963	4,377	3,973	4,007	4,192	4,102
Wisconsin	690	764	653	699	703	702
Wyoming	191	199	166	160	158	175
U.S. Average	1,281	1,192	1,138	1,169	1,153	1,187
Washington's Rank	**11**	**8**	**14**	**17**	**14**	**13**

Source: U.S. Environmental Protection Agency. Office of Pollution Prevention and Toxics.
Toxics Release Inventory Public Data Release Reports: 1989-2006. (www.epa.gov)
U.S. Department of Commerce, Economics and Statistics Administration, Statistical Abstract of the United States, 1995.

State Health Index

The UnitedHealth Group State Health Rankings provide a composite indicator, by state, that measures the relative healthiness of each state and the general health of the population in the United States. Rankings are based on states' performance in four components: personal behavior, community environment, health policies and outcomes. These components are in turn divided into a total of eighteen subcomponents, each contributing to the overall score according to different component weights. To prevent an extreme value from excessively influencing the overall score, the maximum value any state can receive for a component is limited to the national average (which becomes a benchmark of zero) plus or minus two standard deviations. These components are then calculated into the state health index, which is simply the percentage a state is above or below the national average.

Washington's 2007 index value increased to 12 from 2006's value of 10, moving its ranking among the states from 15th to 12th. The state ranked among the top ten states in six of the eighteen individual measures: low prevalence of smoking, low percentage of children in poverty, low infant mortality rate, low occupational fatalities, low rate of preventable hospitalizations, and low premature death rate. Washington's five-year average index value of 11 ranked 14th among the states.

Chart 21
State Health Index

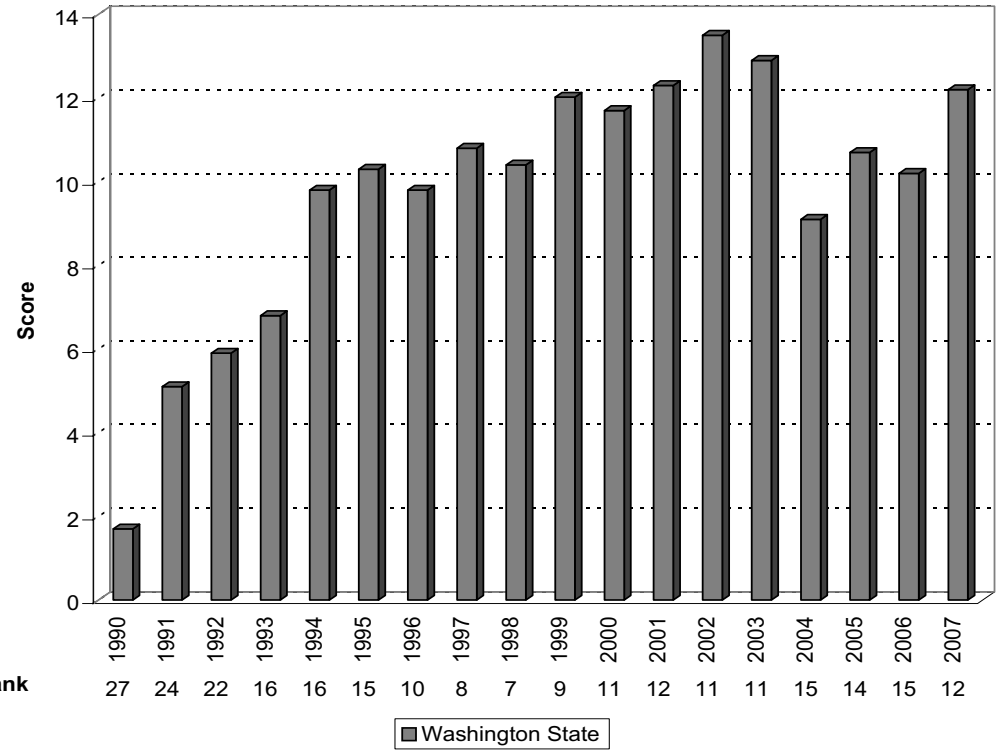

Table 21
Quality of Life
State Health Index
*Score

	2003	2004	2005	2006	2007	2003-07
Alabama	-11	-10	-13	-15	-12	-12
Alaska	-6	3	-1	-1	0	-1
Arizona	-2	3	-2	-4	-2	-1
Arkansas	-14	-12	-16	-16	-16	-15
California	6	4	6	5	4	5
Colorado	14	12	10	9	10	11
Connecticut	15	15	16	17	17	16
Delaware	-3	-0	-3	-1	-3	-2
Florida	-11	-8	-9	-11	-9	-9
Georgia	-8	-11	-10	-12	-9	-10
Hawaii	13	18	17	18	20	17
Idaho	9	6	10	7	10	9
Illinois	0	0	1	4	3	2
Indiana	2	-0	-2	-4	-1	-1
Iowa	15	13	15	13	11	13
Kansas	8	7	6	8	4	7
Kentucky	-7	-7	-10	-10	-11	-9
Louisiana	-20	-21	-18	-20	-19	-20
Maine	14	14	16	14	15	14
Maryland	1	-2	-4	-3	2	-1
Massachusetts	16	17	15	15	14	16
Michigan	2	0	0	2	-1	1
Minnesota	24	25	22	21	21	23
Mississippi	-22	-20	-19	-20	-20	-20
Missouri	-3	-4	-4	-4	-3	-4
Montana	3	2	7	5	10	5
Nebraska	10	12	12	12	13	12
Nevada	-5	-6	-6	-8	-7	-6
New Hampshire	24	24	18	19	18	21
New Jersey	9	7	11	11	8	9
New Mexico	-8	-7	-6	-10	-6	-7
New York	-1	0	1	1	3	1
North Carolina	-5	-8	-6	-4	-5	-5
North Dakota	13	16	17	15	14	15
Ohio	2	2	1	4	1	2
Oklahoma	-12	-7	-11	-13	-15	-12
Oregon	9	5	8	7	8	7
Pennsylvania	4	3	2	2	4	3
Rhode Island	12	11	12	11	13	12
South Carolina	-16	-13	-16	-16	-10	-14
South Dakota	12	6	7	8	10	8
Tennessee	-13	-13	-17	-16	-14	-15
Texas	-4	-3	-7	-5	-6	-5
Utah	20	18	18	16	15	17
Vermont	19	23	21	21	22	21
Virginia	7	6	6	6	6	6
Washington	**13**	**9**	**11**	**10**	**12**	**11**
West Virginia	-11	-10	-9	-13	-12	-11
Wisconsin	12	14	11	13	12	13
Wyoming	6	2	7	5	9	6
U.S. Average	0	0	0	0	0	0
Washington's Rank	**11**	**15**	**14**	**15**	**12**	**14**

*Scores reflect the percentage above or below the national average.
Source: UnitedHealth Group, America's Health Rankings: 1990-2007, (www.unitedhealthfoundation.org)

Parks and Recreation Areas

Washington lays claim to one of the most abundant and busiest state park systems in the United States. With over 250 parks and recreation areas covering more than 120,000 acres, Washington ranks 7th among all 50 states in the number of areas operating and 27th in the amount of acreage managed, but is ranked 5th in terms of total number of visitors, with almost 40 million entering last year.

Washington's park and recreation area visits per capita decreased slightly from 6.3 in 2006 to 6.1 in 2007, causing the state's rank to drop from 4th to 5th in the nation. The national average number of visits per capita remained at 2.4. The state's five-year average visits per capita of 6.5 ranked 4th among the states and was well above the national average of 2.5 for that period. Since state park visits per capita began being recorded in 1987, Washington has always placed 6th or higher in the state rankings.

Chart 22
State Parks and Recreation Areas

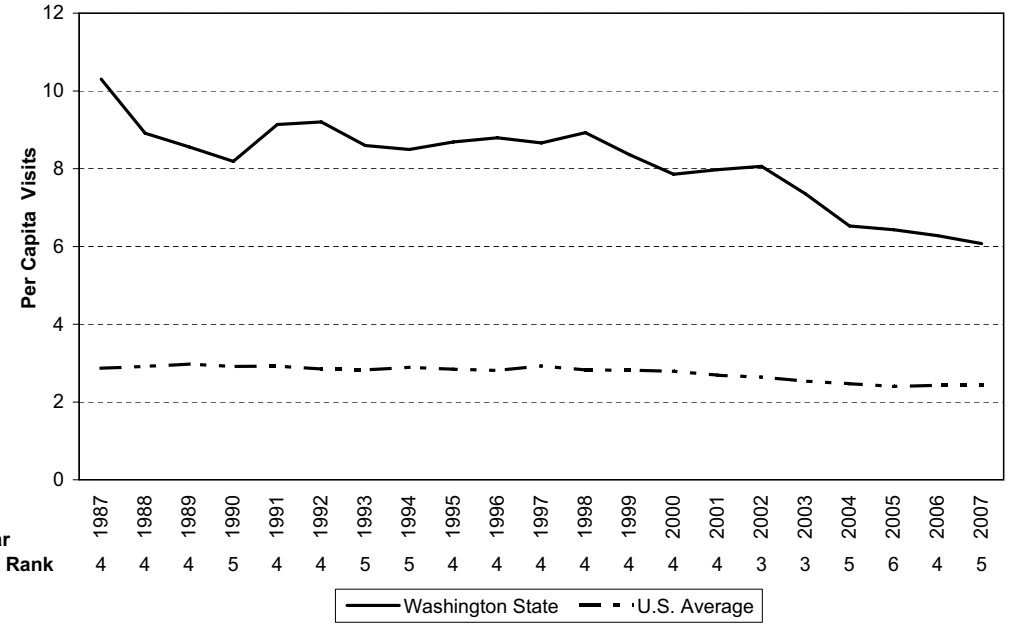

Table 22
Quality of Life
State Parks and Recreational Areas
(Per Capita Park Visits)

	2003	2004	2005	2006	2007	2003-07
Alabama	1.1	1.0	0.6	0.6	1.1	0.9
Alaska	6.6	6.0	6.5	6.9	7.1	6.6
Arizona	0.4	0.4	0.4	0.4	0.4	0.4
Arkansas	3.7	3.6	3.8	3.5	3.1	3.5
California	2.4	2.3	2.1	2.1	2.2	2.2
Colorado	2.5	2.6	2.4	2.4	2.3	2.4
Connecticut	2.0	1.9	2.0	1.8	1.8	1.9
Delaware	6.8	4.7	4.1	5.3	5.1	5.2
Florida	1.1	1.1	1.0	1.0	1.1	1.0
Georgia	1.4	1.4	1.3	1.1	1.2	1.3
Hawaii	3.6	7.4	7.3	NA	0.8	4.8
Idaho	1.8	2.0	2.0	NA	NA	1.9
Illinois	2.9	3.4	3.5	3.5	3.6	3.4
Indiana	2.4	2.9	2.7	3.1	2.9	2.8
Iowa	5.0	5.0	4.8	4.6	4.7	4.8
Kansas	3.0	2.7	2.8	2.7	2.3	2.7
Kentucky	1.9	1.8	1.7	1.7	1.7	1.7
Louisiana	0.5	0.5	0.5	0.4	0.4	0.4
Maine	2.0	1.7	1.6	1.5	1.6	1.7
Maryland	1.9	1.9	2.1	2.0	1.9	1.9
Massachusetts	1.6	1.6	1.5	5.2	5.2	3.0
Michigan	2.2	2.0	2.0	2.3	2.2	2.2
Minnesota	1.5	1.5	1.6	1.6	1.6	1.6
Mississippi	1.1	1.1	1.0	0.8	0.8	1.0
Missouri	3.0	3.0	3.0	2.9	2.6	2.9
Montana	1.7	1.6	5.6	6.0	6.0	4.2
Nebraska	5.6	5.7	5.8	5.7	5.5	5.6
Nevada	1.5	1.8	1.7	1.3	1.3	1.5
New Hampshire	4.3	2.2	0.0	NA	2.9	2.3
New Jersey	1.7	1.6	1.8	1.8	1.8	1.8
New Mexico	2.1	2.0	2.0	2.1	2.1	2.1
New York	3.0	2.8	2.8	2.9	2.9	2.9
North Carolina	1.6	1.3	1.4	1.4	1.5	1.4
North Dakota	1.8	1.6	1.5	1.5	1.4	1.6
Ohio	5.0	4.7	4.5	4.4	4.3	4.6
Oklahoma	4.1	4.0	3.6	3.7	3.4	3.8
Oregon	11.0	12.6	12.2	11.5	11.7	11.8
Pennsylvania	2.9	2.8	2.8	2.9	2.9	2.9
Rhode Island	6.1	7.0	5.1	5.5	6.1	6.0
South Carolina	1.8	1.8	1.5	1.5	1.6	1.6
South Dakota	11.8	11.9	9.2	9.4	9.2	10.3
Tennessee	4.6	4.8	4.9	4.8	5.1	4.8
Texas	0.8	0.4	0.4	0.4	0.4	0.5
Utah	2.4	2.4	1.7	1.8	0.3	1.7
Vermont	1.1	1.1	1.1	1.1	1.7	1.2
Virginia	0.8	0.8	0.9	1.0	0.9	0.9
Washington	**7.4**	**6.5**	**6.4**	**6.3**	**6.1**	**6.5**
West Virginia	4.6	4.3	4.4	4.1	3.8	4.3
Wisconsin	2.9	2.7	2.6	2.7	2.6	2.7
Wyoming	4.4	4.5	6.5	4.1	4.4	4.8
U.S. Average	2.5	2.5	2.4	2.4	2.4	2.5
Washington's Rank	**3**	**5**	**6**	**4**	**5**	**4**

Source: National Association of State Parks Directors. Washington State Parks and Recreation Commission. Annual Information Exchange 1981-2008.

State Arts

The National Assembly of State Arts Agencies compiles annual fiscal year summaries of state art agency revenue. Total state art agency revenue for this study is calculated by using state legislative appropriations, other state funds, federal funds such as the National Endowment for the Arts (NEA), and other non-federal funds received. Though arts agencies are the primary source of funding, some states also fund the arts through other agencies, such as arts education through the Department of Education, and this funding is not included.

Washington's per capita arts funding for fiscal 2008 decreased to $0.37 from 2007's value of $0.84. This spending level ranked 45th in the nation, down from 38th in 2007, and was below the national average of $1.04. The state's five-year average funding was $0.71, ranking 40th in the nation, while the national average was $1.14 for that period.

Chart 23
State Arts

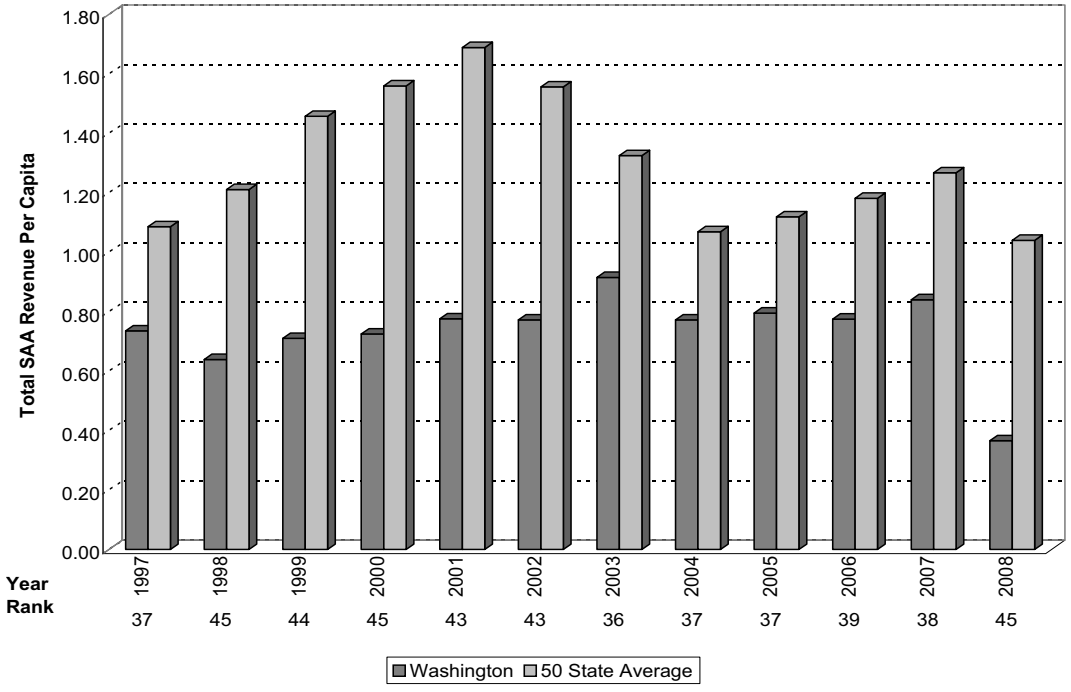

Table 23
Quality of Life
State Arts
Total Per Capita State Arts Agency Revenue*

(Fiscal Years)	2004	2005	2006	2007	2008	2004-08
Alabama	1.16	0.85	1.01	1.20	1.05	1.05
Alaska	1.60	1.62	1.75	1.75	0.88	1.52
Arizona	0.77	0.76	0.73	0.82	0.30	0.68
Arkansas	0.75	0.76	0.79	0.78	0.54	0.72
California	0.09	0.09	0.09	0.14	0.11	0.10
Colorado	0.19	0.25	0.28	0.83	0.31	0.37
Connecticut	4.95	4.52	4.36	4.49	2.10	4.09
Delaware	2.78	3.07	2.91	3.27	2.39	2.88
Florida	0.43	0.91	1.69	2.30	2.24	1.52
Georgia	0.59	0.49	0.50	0.51	0.43	0.50
Hawaii	5.29	5.65	6.30	6.47	5.52	5.85
Idaho	1.07	1.10	1.07	1.08	0.60	0.98
Illinois	1.52	1.54	1.61	1.63	1.54	1.57
Indiana	0.68	0.68	0.63	0.68	0.57	0.65
Iowa	0.66	0.59	0.62	0.61	0.41	0.57
Kansas	0.78	0.76	0.75	0.78	0.56	0.73
Kentucky	1.22	1.17	1.14	1.27	0.99	1.16
Louisiana	1.25	1.24	1.28	1.34	1.16	1.25
Maine	1.10	1.22	1.30	1.34	0.58	1.11
Maryland	2.16	2.15	2.17	2.72	2.55	2.35
Massachusetts	1.34	1.54	1.75	2.10	1.88	1.72
Michigan	1.23	1.23	1.10	0.71	0.65	0.98
Minnesota	2.08	1.90	1.87	1.85	1.65	1.87
Mississippi	2.52	1.88	1.73	1.46	0.63	1.64
Missouri	0.70	0.57	0.70	0.94	0.82	0.75
Montana	1.84	1.75	1.88	1.64	0.41	1.50
Nebraska	1.35	1.21	1.27	1.14	0.76	1.15
Nevada	0.96	1.04	0.97	0.98	0.60	0.91
New Hampshire	1.04	1.11	1.12	1.08	0.56	0.98
New Jersey	2.30	3.44	3.53	2.89	2.80	2.99
New Mexico	1.29	1.09	1.31	1.26	0.94	1.18
New York	2.37	2.35	2.39	2.73	2.34	2.44
North Carolina	0.80	0.80	1.00	1.06	0.94	0.92
North Dakota	1.69	1.76	1.71	1.74	0.78	1.54
Ohio	1.20	1.09	1.07	1.07	0.98	1.08
Oklahoma	1.33	1.34	1.41	1.46	1.23	1.35
Oregon	0.38	0.41	0.44	0.41	0.19	0.37
Pennsylvania	1.19	1.23	1.23	1.29	1.22	1.23
Rhode Island	2.70	3.07	3.59	3.49	2.54	3.08
South Carolina	1.05	1.02	1.08	1.46	1.23	1.17
South Dakota	1.49	1.58	1.58	1.59	0.77	1.40
Tennessee	1.02	1.11	1.21	1.25	1.09	1.13
Texas	0.27	0.26	0.22	0.22	0.16	0.22
Utah	1.37	1.39	1.38	1.48	1.14	1.35
Vermont	2.23	2.39	2.43	2.59	0.92	2.11
Virginia	0.48	0.49	0.55	0.72	0.63	0.57
Washington	**0.77**	**0.80**	**0.78**	**0.84**	**0.37**	**0.71**
West Virginia	2.57	3.31	2.04	2.05	1.34	2.26
Wisconsin	0.51	0.78	0.94	0.85	0.43	0.70
Wyoming	2.68	2.46	2.55	2.90	1.54	2.43
U.S. Average	1.07	1.12	1.18	1.27	1.04	1.14
Washington's Rank	**37**	**37**	**39**	**38**	**45**	**40**

*Though state arts agencies are the primary source for state funding, some states also fund the arts through other agencies, such as arts education funding through the Department of Education.
Source: National Assembly of State Arts Agencies, August 2008.

Public Library Service

This indicator ranks public library service by measuring the amount of circulation (the checking out of any media such as books, videos, or musical recordings) per capita. These statistics are collected annually by the National Center for Educational Statistics (NCES).

Washington has had excellent performance in this arena, with an average state ranking of 5th from the federal fiscal years 2001 to 2005. During that period, the state had an average per capita circulation of 10.4 compared to the national average of 6.9. Washington's fiscal 2005 state ranking was 5th, with per capita circulation of 11.1 compared to the national average of 7.2.

Chart 24
Public Library Service

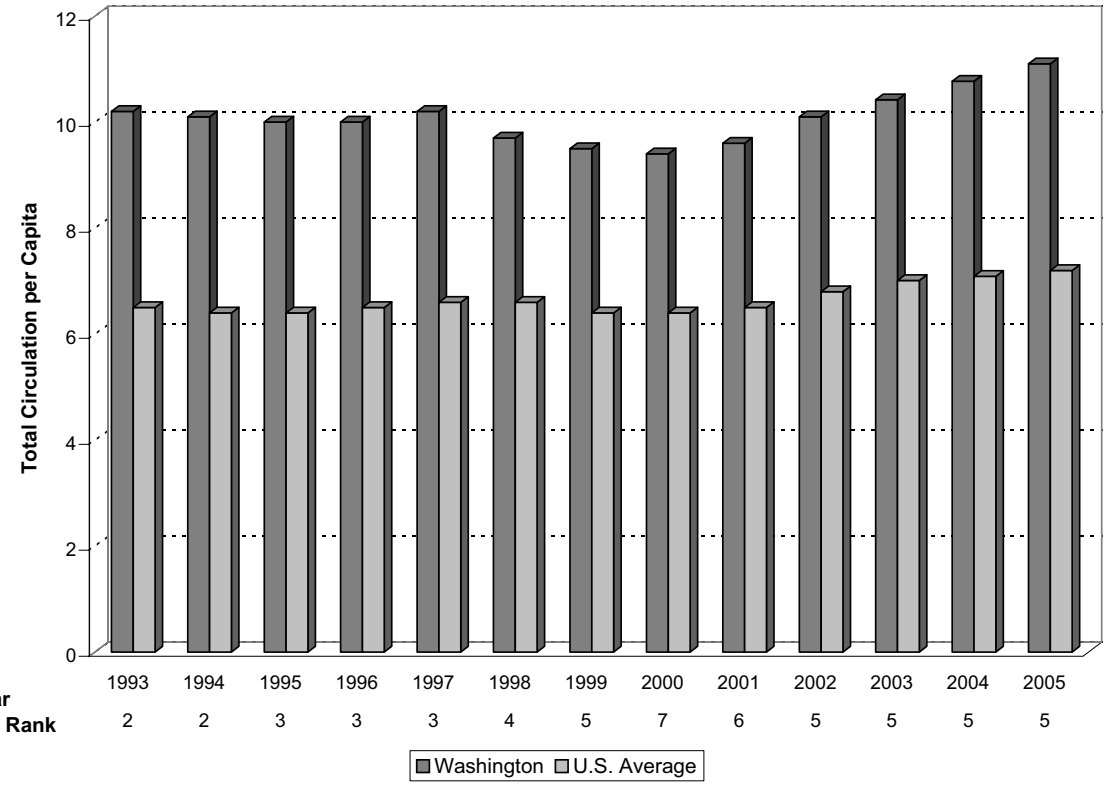

Table 24
Quality of Life
Public Library Service
(Circulation per Capita)

	2001	2002	2003	2004	2005	2001-2005
Alabama	3.6	3.8	3.9	4.1	4.1	3.9
Alaska	5.8	5.8	6.1	6.3	6.1	6.0
Arizona	6.5	7.0	7.5	7.5	7.3	7.2
Arkansas	4.1	4.3	4.3	4.4	4.4	4.3
California	5.0	5.3	5.6	5.5	5.4	5.4
Colorado	10.4	9.9	10.1	10.6	11.0	10.4
Connecticut	8.4	8.9	9.3	9.2	9.0	9.0
Delaware	5.8	6.2	6.1	6.4	6.9	6.3
Florida	5.0	5.3	5.6	5.4	5.5	5.4
Georgia	4.6	4.8	4.8	4.7	4.8	4.8
Hawaii	5.6	5.8	5.4	5.0	5.1	5.4
Idaho	7.7	7.9	8.3	8.2	8.3	8.1
Illinois	7.4	7.9	8.2	8.3	8.6	8.1
Indiana	11.1	11.7	12.0	11.9	12.2	11.8
Iowa	8.7	9.1	9.2	9.1	9.4	9.1
Kansas	9.6	10.1	10.1	10.7	10.9	10.3
Kentucky	5.2	5.4	5.6	5.7	6.0	5.6
Louisiana	4.1	4.0	4.0	4.3	3.9	4.0
Maine	6.9	7.1	7.2	7.3	7.5	7.2
Maryland	9.0	9.4	9.5	9.4	9.4	9.3
Massachusetts	7.2	7.6	7.7	7.7	7.8	7.6
Michigan	5.2	5.8	6.1	6.3	6.6	6.0
Minnesota	8.9	9.7	9.8	9.9	9.9	9.6
Mississippi	3.2	3.3	3.3	3.3	3.2	3.2
Missouri	7.6	7.7	8.2	8.7	8.9	8.2
Montana	5.3	5.7	5.8	6.0	6.2	5.8
Nebraska	8.6	8.7	8.8	8.8	10.1	9.0
Nevada	5.1	5.5	5.9	6.2	6.2	5.8
New Hampshire	7.1	7.3	7.5	7.6	7.7	7.4
New Jersey	5.9	6.3	6.3	6.4	6.4	6.3
New Mexico	4.9	4.9	4.8	5.3	6.5	5.3
New York	7.2	6.9	6.9	7.2	7.5	7.1
North Carolina	5.4	5.4	5.4	5.3	5.5	5.4
North Dakota	7.1	7.4	7.6	7.5	7.4	7.4
Ohio	13.8	14.6	14.7	14.8	15.0	14.6
Oklahoma	5.4	5.9	6.1	6.4	6.9	6.1
Oregon	12.2	13.4	14.3	14.5	14.9	13.9
Pennsylvania	4.7	5.1	5.2	5.2	5.3	5.1
Rhode Island	6.3	6.8	6.9	6.7	6.8	6.7
South Carolina	4.5	4.6	4.9	4.9	5.0	4.8
South Dakota	8.0	8.4	8.9	9.0	9.1	8.7
Tennessee	3.9	4.0	4.1	4.1	4.1	4.0
Texas	4.2	4.5	4.5	4.8	4.8	4.6
Utah	11.0	11.7	12.1	12.5	12.9	12.0
Vermont	6.7	6.7	7.1	7.3	7.3	7.0
Virginia	7.9	8.5	8.5	8.4	8.5	8.4
Washington	**9.6**	**10.1**	**10.4**	**10.8**	**11.1**	**10.4**
West Virginia	4.4	4.2	4.2	4.3	4.3	4.3
Wisconsin	9.2	9.7	9.9	10.2	10.3	9.9
Wyoming	7.6	7.8	8.2	8.3	9.1	8.2
U.S. Average*	6.5	6.8	7.0	7.1	7.2	6.9
Washington's Rank	**6**	**5**	**5**	**5**	**5**	**5**

Source: U.S. Department of Education. National Center for Education Statistics, Public Libraries in the United States: FY 1996-2005.
*U.S. Average includes Washinton D.C.

Housing Opportunity Index

The Housing Opportunity Index (HOI), created by the National Association of Home Builders, is a measure of the percentage of new and existing homes sold in an area that a family earning the median income in that area can afford to buy. The index for the second quarter of 2008 was based on an analysis of completed home sales in 222 metropolitan area markets nationwide. The average HOI for this period was 55.0, indicating that 55.0 percent of the homes sold in these metropolitan areas would be affordable to someone earning the median income for each of the areas. The NAHB uses the annual median family income estimates for metropolitan areas published by the Department of Housing and Urban Development.

Seven Washington metropolitan areas are included in the index: Bellingham, Bremerton-Silverdale, Mount Vernon-Anacortes, Olympia, Spokane, Tacoma and the Seattle-Bellevue-Everett area. Vancouver was also included but only as part of the Portland-Vancouver-Beaverton metropolitan area. Of the Washington areas included only Spokane had an HOI above the national average in the second quarter of 2008. Spokane's HOI of 56.1 ranked 123rd among the 222 metropolitan areas included in the index, while Seattle-Bellevue-Everett, with the lowest HOI in the state, ranked 207th with an HOI of 30.7.

Table 25
Quality of Life
Housing Opportunity Index
(Second Quarter 2008)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Abilene, TX	75.4	50.9	113	52
Akron, OH	84.5	61.7	100	24
Albany-Schenectady-Troy, NY	64.6	70.6	180	96
Albuquerque, NM MSA	62.8	58.0	186	103
Allentown-Bethlehem-Easton, PA-NJ	51.8	65.8	212	140
Amarillo, TX	74.2	53.9	114	55
Anchorage, AK	55.7	77.7	245	125
Ann Arbor, MI	82.7	80.2	169	30
Asheville, NC	46.9	52.5	200	167
Atlanta-Sandy Springs-Marietta, GA	72.7	69.2	168	61
Atlantic City-Hammonton, NJ	30.8	65.2	278	205
Austin-Round Rock, TX	63.4	69.1	186	100
Bakersfield, CA	43.1	50.0	187	172
Baltimore-Towson, MD	55.5	78.2	255	128
Barnstable Town, MA	39.1	73.5	306	187
Battle Creek, MI	89.6	54.6	83	9
Bay City, MI	91.4	53.7	85	4
Beaumont-Port Arthur, TX	68.7	51.4	115	80
Bellingham, WA	**41.0**	**63.0**	**249**	**180**
Bend, OR	27.6	58.2	262	209
Bethesda-Frederick-Gaithersburg,MD ^^^	52.7	104.4	365	137
Binghamton, NY	83.6	58.1	105	29
Boise City-Nampa, ID	53.6	60.9	211	133
Boston-Quincy, MA ^^^	45.2	79.5	310	169
Boulder, CO	52.6	85.0	310	138
Bradenton-Sarasota-Venice, FL	49.7	59.6	208	151
Bremerton-Silverdale, WA	**42.7**	**69.9**	**270**	**174**
Bridgeport-Stamford-Norwalk, CT	34.4	97.5	430	195
Brownsville-Harlingen, TX	51.0	31.0	94	144
Buffalo-Niagara Falls, NY	81.6	60.9	102	36
Burlington-South Burlington, VT	50.1	70.1	227	148
Cambridge-Newton-Framingham, MA ^^^	50.1	93.0	339	148
Camden, NJ ^^^	63.4	78.3	200	100
Canton-Massillon, OH	96.7	54.6	51	1
Cape Coral-Fort Myers, FL	54.1	59.9	190	131
Carson City, NV	52.6	63.1	235	138
Champaign-Urbana, IL	75.6	61.6	137	51
Charleston-North Charleston-Summerville, SC	53.8	58.4	205	132
Charlotte-Gastonia-Concord, NC-SC	66.4	64.3	170	90
Chattanooga, TN-GA	74.7	53.1	130	54

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2008.

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Chicago-Naperville-Joliet, IL ^^^	47.6	71.1	255	163
Chico, CA	38.1	54.5	229	189
Cincinnati-Middletown, OH-KY-IN	81.2	66.2	129	39
Cleveland-Elyria-Mentor, OH	82.4	62.1	113	33
College Station-Bryan, TX	69.2	55.8	148	77
Colorado Springs, CO	68.5	68.0	205	81
Columbia, SC	71.7	59.2	148	66
Columbus, OH	77.9	65.3	138	45
Corpus Christi, TX	50.8	47.8	140	145
Corvallis, OR	41.8	68.0	256	179
Cumberland, MD-WV	89.3	50.1	86	11
Dallas-Plano-Irving, TX ^^^	66.1	65.0	162	91
Davenport-Moline-Rock Island, IA-IL	89.7	58.8	93	8
Dayton, OH	85.4	59.8	102	21
Deltona-Daytona Beach-Ormond Beach, FL	51.2	52.3	175	143
Denver-Aurora, CO	64.7	71.8	215	95
Detroit-Livonia-Dearborn, MI ^^^	88.4	54.4	92	14
Dover, DE	51.7	55.3	205	141
Duluth, MN-WI	82.2	58.9	127	35
Durham, NC	63.6	62.1	181	99
Edison-New Brunswick, NJ ^^^	42.7	90.0	320	174
El Centro, CA	36.6	45.1	183	193
El Paso, TX	32.5	37.2	138	197
Elkhart-Goshen, IN	86.4	56.9	115	16
Elmira, NY	88.6	52.7	80	13
Erie, PA	81.5	54.1	110	37
Eugene-Springfield, OR	40.2	55.5	215	183
Fairbanks, AK	59.9	71.3	217	112
Fayetteville, NC	71.0	49.3	128	69
Flagstaff, AZ	31.4	56.7	265	201
Flint, MI	85.5	55.2	95	19
Fort Collins-Loveland, CO	73.1	75.0	210	59
Fort Lauderdale-Pompano Beach-Deerfield Bea	50.3	64.0	210	147
Fort Walton Beach, FL	57.0	63.2	200	120
Fort Worth-Arlington, TX ^^^	76.1	64.5	138	50
Fresno, CA	37.3	49.9	207	190
Gainesville, FL	59.0	56.6	170	115
Gainesville, GA	58.9	57.1	178	116
Glens Falls, NY	69.8	58.6	140	76
Grand Rapids-Wyoming, MI	86.3	59.2	112	17
Great Falls, MT	68.1	51.9	147	83
Greeley, CO	70.3	64.0	176	73
Greensboro-High Point, NC	74.1	56.1	138	56
Greenville-Mauldin-Easley, SC	69.1	55.1	154	78
Hagerstown-Martinsburg, MD-WV	62.3	62.6	200	104

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: National Association of Home Builders (www.nahb.org), August 2008.

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Hanford-Corcoran, CA	32.1	50.1	215	199
Harrisburg-Carlisle, PA	80.4	67.5	148	42
Hartford-West Hartford-East Hartford, CT	64.3	81.1	220	97
Honolulu, HI	33.3	77.3	425	196
Houston-Sugar Land-Baytown, TX	63.0	61.1	155	102
Indianapolis-Carmel, IN	91.6	65.1	108	3
Ithaca, NY	67.3	71.8	179	85
Jacksonville, FL	65.8	63.9	175	92
Kalamazoo-Portage, MI	82.7	60.6	115	30
Killeen-Temple-Fort Hood, TX	71.7	52.0	131	66
Kingston, NY	44.4	66.7	225	170
Knoxville, TN	73.3	58.5	144	57
Lake County-Kenosha County, IL-WI ^^^	56.0	85.6	255	124
Lake Havasu City-Kingman, AZ	49.3	45.0	158	153
Lakeland-Winter Haven, FL	62.1	50.7	150	105
Lancaster, PA	72.0	64.2	172	64
Lansing-East Lansing, MI	91.4	62.7	98	4
Laredo, TX	40.2	36.0	127	183
Las Vegas-Paradise, NV	54.7	63.9	223	129
Lima, OH	90.3	56.9	88	6
Los Angeles-Long Beach-Glendale, CA ^^^	14.8	59.8	378	219
Madera, CA	31.6	47.9	213	200
Madison, WI	67.1	77.6	208	87
Manchester-Nashua, NH	64.8	82.5	217	94
Mansfield, OH	84.4	52.5	85	25
Mc Allen-Edinburg-Mission, TX	47.3	31.6	101	165
Medford, OR	30.8	50.5	221	205
Memphis, TN-MS-AR	73.1	54.4	124	59
Merced, CA	48.6	47.4	174	156
Miami-Miami Beach-Kendall, FL ^^^	17.7	49.2	295	218
Midland, TX	50.4	56.4	166	146
Milwaukee-Waukesha-West Allis, WI	67.3	67.7	170	85
Minneapolis-St. Paul-Bloomington, MN-WI	73.2	80.9	206	58
Modesto, CA	49.3	56.5	205	153
Monroe, MI	89.4	66.2	125	10
Mount Vernon-Anacortes, WA	**32.5**	**59.5**	**250**	**197**
Napa, CA	19.9	79.6	440	216
Naples-Marco Island, FL	36.4	69.2	335	194
Nassau-Suffolk, NY ^^^	22.1	97.1	415	214
New Haven-Milford, CT	56.7	74.9	225	121
New York-White Plains-Wayne, NY-NJ ^^^	11.4	63.0	481	222
Newark-Union, NJ-PA ^^^	26.5	84.3	370	211
Norwich-New London, CT	61.0	77.4	232	108
Oakland-Fremont-Hayward, CA ^^^	39.6	86.1	360	186
Ocala, FL	64.3	48.8	140	97

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: National Association of Home Builders (www.nahb.org), August 2008

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Ocean City, NJ	19.6	65.5	454	217
Odessa, TX	61.8	47.0	114	107
Ogden-Clearfield, UT	68.0	65.0	200	84
Oklahoma City, OK	76.6	55.3	125	46
Olympia, WA	**43.1**	**66.3**	**243**	**172**
Orlando-Kissimmee, FL	48.1	59.2	208	161
Oxnard-Thousand Oaks-Ventura, CA	30.2	83.9	390	208
Palm Bay-Melbourne-Titusville, FL	69.9	61.3	153	75
Palm Coast, FL	56.5	55.6	176	122
Panama City-Lynn Haven, FL	47.0	53.8	203	166
Peabody, MA ^^^	55.6	78.8	268	127
Pensacola-Ferry Pass-Brent, FL	71.8	55.9	150	65
Peoria, IL	68.4	63.4	146	82
Philadelphia, PA ^^^	42.4	72.4	265	177
Phoenix-Mesa-Scottsdale, AZ	65.3	64.2	195	93
Pittsburgh, PA	76.3	60.0	122	47
Pittsfield, MA	58.7	64.8	190	118
Pocatello, ID	76.3	53.5	135	47
Port St. Lucie, FL	62.0	59.8	170	106
Portland-South Portland-Biddeford, ME	53.2	67.6	224	135
Portland-Vancouver-Beaverton, OR-WA	**40.0**	**67.5**	**265**	**185**
Poughkeepsie-Newburgh-Middletown, NY	43.6	78.9	268	171
Prescott, AZ	40.4	50.5	215	182
Providence-New Bedford-Fall River, RI-MA	48.3	68.3	230	159
Provo-Orem, UT	48.5	60.0	234	157
Pueblo, CO	80.1	48.7	119	44
Punta Gorda, FL	59.3	52.6	154	114
Raleigh-Cary, NC	66.8	74.9	208	89
Redding, CA	36.7	53.3	221	192
Reno-Sparks, NV	49.8	69.5	255	150
Richmond, VA	60.6	69.3	224	111
Riverside-San Bernardino-Ontario, CA	38.7	62.0	250	188
Rochester, NY	81.5	63.5	117	37
Rockford, IL	83.9	60.5	115	28
Rockingham County-Strafford County, NH ^^^	61.0	82.3	244	108
Sacramento—Arden-Arcade—Roseville, CA	55.7	71.0	240	125
Saginaw-Saginaw Township North, MI	89.3	51.6	83	11
Salem, OR	48.3	56.2	200	159
Salinas, CA	25.8	64.8	327	212
Salisbury, MD	71.1	60.7	170	68
Salt Lake City, UT	54.6	65.3	232	130
San Angelo, TX	82.4	49.1	109	33
San Antonio, TX	58.5	54.7	153	119
San Diego-Carlsbad-San Marcos, CA	31.1	72.1	342	203
San Francisco-San mateo-Redwood City, CA ^^	13.8	94.3	685	221

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: National Association of Home Builders (www.nahb.org), August 2008

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
San Jose-Sunnyvale-Santa Clara, CA	26.8	97.8	515	210
San Luis Obispo-Paso Robles, CA	14.7	67.0	420	220
Sandusky, OH	85.4	62.3	112	21
Santa Ana-Anaheim-Irvine, CA ^^^	23.0	84.1	435	213
Santa Barbara-Santa Maria-Goleta, CA	31.2	65.2	315	202
Santa Cruz-Watsonville, CA	20.2	79.9	474	215
Santa Fe, NM	40.5	64.3	280	181
Santa Rosa-Petaluma, CA	30.9	77.8	356	204
Scranton—Wilkes-Barre, PA	82.5	54.7	91	32
Seattle-Bellevue-Everett, WA ^^^	**30.7**	**81.4**	**370**	**207**
Sebastian-Vero Beach, FL MSA	53.4	57.0	185	134
Sherman-Denison, TX	85.6	55.9	96	18
Spokane, WA	**56.1**	**56.7**	**183**	**123**
Springfield, IL	84.1	64.5	114	27
Springfield, MA	70.4	64.8	166	72
Springfield, OH	93.9	54.5	80	2
St. George, UT	36.8	51.5	229	191
St. Louis, MO-IL	81.1	65.0	126	40
Stockton, CA	48.4	61.3	225	158
Syracuse, NY	84.2	61.0	98	26
Tacoma, WA ^^^	**42.5**	**66.2**	**250**	**176**
Tallahassee, FL	70.7	62.1	161	71
Tampa-St. Petersburg-Clearwater, FL	60.7	56.5	164	110
Toledo, OH	85.5	60.1	104	19
Trenton-Ewing, NJ	49.0	83.1	259	155
Tucson, AZ	53.1	55.0	190	136
Tulsa, OK	70.0	54.7	138	74
Tyler, TX	69.1	53.0	138	78
Utica-Rome, NY	80.5	52.7	90	41
Vallejo-Fairfield, CA	46.4	74.3	285	168
Victoria, TX	70.9	50.8	125	70
Vineland-Millville-Bridgeton, NJ	59.4	58.7	157	113
Virginia Beach-Norfolk-Newport News, VA-NC	51.7	65.1	225	141
Visalia-Porterville, CA	42.2	46.9	182	178
Waco, TX	72.1	48.2	114	63
Warren-Troy-Farmington Hills, MI ^^^	86.8	78.8	140	15
Washington-Arlington-Alexandria, DC-VA-MD-	58.9	97.2	323	116
West Palm Beach-Boca Raton-Boynton Beach,	48.0	66.0	235	162
Wheeling, WV-OH	85.4	45.8	75	21
Wichita Falls, TX	74.8	50.3	100	53
National	**55.0**	**61.5**	**215**	**NA**

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: National Association of Home Builders (www.nahb.org), August 2008

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Education and Skills of the Workforce

Fourth Grade Reading and Mathematics

(Not updated due to unavailability of data)

The National Assessment of Education Progress (NAEP) program, sponsored by the U.S. Department of Education, is the only testing program that provides valid uniform educational achievement indicators allowing for state comparisons. The NAEP assesses students in grades 4, 8, and 12 in various academic subjects. These subjects include the arts, geography, reading, science, civics, mathematics, U.S. History, and writing. The Washington State Economic Climate Study tracks the average scale score of fourth grade reading and mathematics by state.

Prior to the 2002-03 school year, participation in the NAEP tests was voluntary, with single-subject tests held every two years, alternating subjects every two years. As such, states that either declined to participate or had an insufficient number of participating schools to create a valid average state score are excluded from the state rankings. Washington did not participate in the inaugural 1992 mathematics and reading tests, and had insufficient voluntary participation in the 2000 mathematics test. As of the 2002-03 school year, however, participation in the NAEP test is mandatory due to the provisions of the "No Child Left Behind Act", which was passed by the Federal Government in 2001. Under the act, the NAEP tests in both reading and mathematics will be given to students in the 4th and 8th grades every two years, starting in the 2002-03 school year.

NAEP scores can be interpreted using the achievement level thresholds and their corresponding definitions outlined below. Reading achievement is measured with exercises that require students to read material for two different purposes, literary experience and knowledge retention. In 2007, Washington's rank among the states declined from 12th to 18th even though its average reading score rose one point to 224. Washington's average since the 1998 test is 222 points, ranking 16th, while the average national score was 217 over the same period.

In the mathematics exam, the skills and content covered include spatial sense, data analysis, statistics, probability, algebra and functions. While Washington's 2007 score increased to 243 from 2005's score of 242, the state slipped in rank, moving from 12th to 18th. Washington's average score for the years 1996-2007 is 237, ranking 13th among the states, while the average national score was 231 over the same period.

Chart 26
Grade 4 Public School Students:
Average Reading Scale Scores

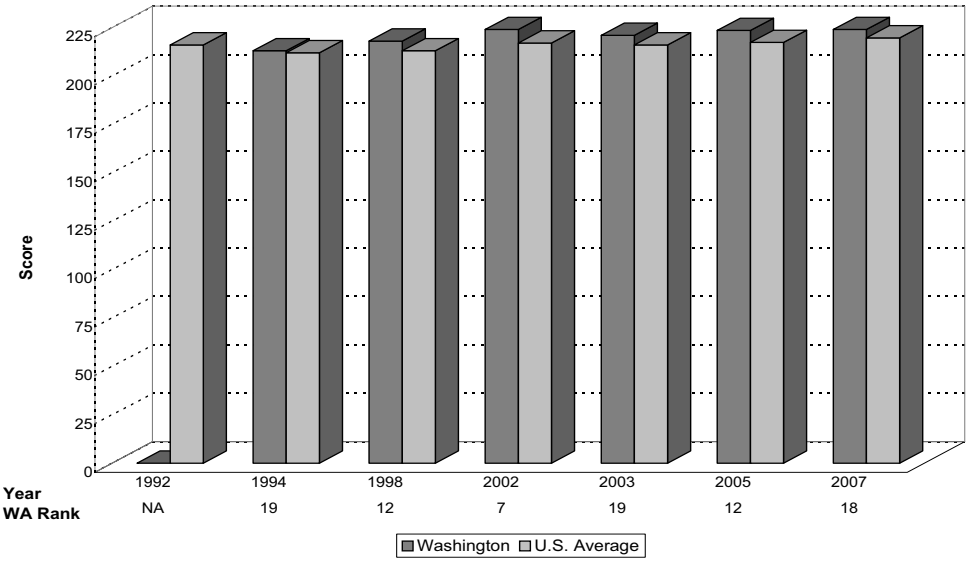


Table 26
Education and Skills of the Workforce
Grade 4 Public School Students:
Average Reading Scale Scores

	1998	2002	2003	2005	2007	1998-2007
Alabama	211	207	207	208	216	210
Alaska	NA	NA	212	211	214	213
Arizona	206	205	209	207	210	207
Arkansas	209	213	214	217	217	214
California	202	206	206	207	209	206
Colorado	220	NA	224	224	224	223
Connecticut	230	229	228	226	227	228
Delaware	207	224	224	226	225	221
Florida	206	214	218	219	224	216
Georgia	209	215	214	214	219	214
Hawaii	200	208	208	210	213	208
Idaho	NA	220	218	222	223	221
Illinois	NA	NA	216	216	219	217
Indiana	NA	222	220	218	222	220
Iowa	220	223	223	221	225	222
Kansas	221	222	220	220	225	222
Kentucky	218	219	219	220	222	220
Louisiana	200	207	205	209	207	206
Maine	225	225	224	225	226	225
Maryland	212	217	219	220	225	219
Massachusetts	223	234	228	231	236	230
Michigan	216	219	219	218	220	218
Minnesota	219	225	223	225	225	223
Mississippi	203	203	205	204	208	205
Missouri	216	220	222	221	221	220
Montana	225	224	223	225	227	225
Nebraska	NA	222	221	221	223	222
Nevada	206	209	207	207	211	208
New Hampshire	226	NA	228	227	229	228
New Jersey	NA	NA	225	223	231	226
New Mexico	205	208	203	207	212	207
New York	215	222	222	223	224	221
North Carolina	213	222	221	217	218	218
North Dakota	NA	224	222	225	226	224
Ohio	NA	222	222	223	226	223
Oklahoma	219	213	214	214	217	215
Oregon	212	220	218	217	215	216
Pennsylvania	NA	221	219	223	226	222
Rhode Island	218	220	216	216	219	218
South Carolina	209	214	215	213	214	213
South Dakota	NA	NA	222	222	223	223
Tennessee	212	214	212	214	216	214
Texas	214	217	215	219	220	217
Utah	216	222	219	221	221	220
Vermont	NA	227	226	227	228	227
Virginia	217	225	223	226	227	224
Washington	**218**	**224**	**221**	**223**	**224**	**222**
West Virginia	216	219	219	215	215	217
Wisconsin	222	NA	221	221	223	222
Wyoming	218	221	222	223	225	222
U.S. Average	213	217	216	217	220	217
Washington's Rank	**12**	**7**	**19**	**12**	**18**	**16**

NA: State did not participate in the NAEP assessment during this year.
Source: National Center for Education Statistics National Assessment of Educational Progress (NAEP) 1992, 1994, 1998, 2002, 2003, 2005, 2007 Reading Assessments.

Grade 4 Reading Achievement Levels

Basic 208

Fourth-grade students performing at the Basic level should demonstrate an understanding of the overall meaning of what they read. When reading text appropriate for fourth graders, they should be able to make relatively obvious connections between the text and their own experiences and extend the ideas in the text by making simple inferences.

Proficient 238

Fourth-grade students performing at the Proficient level should be able to demonstrate an overall understanding of the text, providing inferential as well as literal information. When reading text appropriate to fourth grade, they should be able to extend the ideas in the text by making inferences, drawing conclusions, and making connections to their own experiences. The connection between the text and what the student infers should be clear.

Advanced 268

Fourth-grade students performing at the Advanced level should be able to generalize about topics in the reading selection and demonstrate an awareness of how authors compose and use literary devices. When reading text appropriate to fourth grade, they should be able to judge text critically and, in general, give thorough answers that indicate careful thought.

Grade 4 Mathematics Achievement Levels*

Basic 214

Fourth graders performing at the basic level should be able to estimate and use basic facts to perform simple computations with whole numbers; show some understanding of fractions and decimals; and solve some simple real-world problems in all NAEP content areas. Students at this level should be able to use--though not always accurately--four-function calculators, rulers, and geometric shapes. Their written responses are often minimal and presented without supporting information.

Proficient 249

Fourth graders performing at the proficient level should be able to use whole numbers to estimate, compute, and determine whether results are reasonable. They should have a conceptual understanding of fractions and decimals; be able to solve real-world problems in all NAEP content areas; and use four-function calculators, rulers, and geometric shapes appropriately. Students performing at the proficient level should employ problem-solving strategies such as identifying and using appropriate information. Their written solutions should be organized and presented both with supporting information and explanations of how they were achieved.

Advanced 282

Fourth graders performing at the advanced level should be able to solve complex and nonroutine real-world problems in all NAEP content areas. They should display mastery in the use of four-function calculators, rulers, and geometric shapes. They students are expected to draw logical conclusions and justify answers and solution processes by explaining why, as well as how, they were achieved. They should go beyond the obvious in their interpretations and be able to communicate their thoughts clearly and concisely.

Chart 27
Grade 4 Public School Students:
Average Mathematics Scale Scores

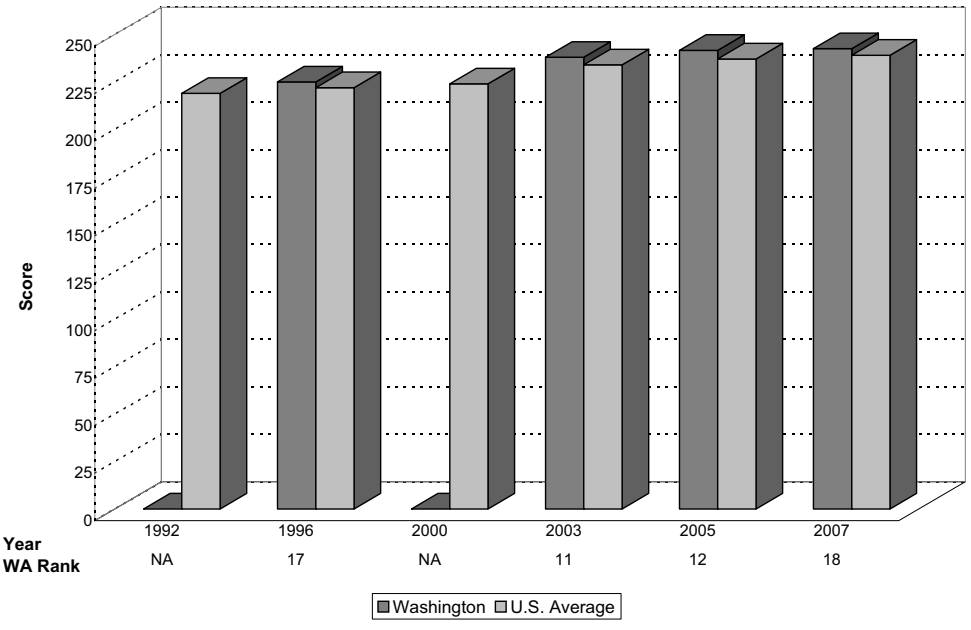


Table 27
Education and Skills of the Workforce
Grade 4 Public School Students:
Average Mathematics Scale Scores

	1996	2000	2003	2005	2007	1996-2007
Alabama	212	217	223	225	229	221
Alaska	224	NA	233	236	237	232
Arizona	218	219	229	230	232	226
Arkansas	216	216	229	236	238	227
California	209	213	227	230	230	222
Colorado	226	NA	235	239	240	235
Connecticut	232	234	241	242	243	238
Delaware	215	NA	236	240	242	233
Florida	216	NA	234	239	242	233
Georgia	215	219	230	234	235	227
Hawaii	215	216	227	230	234	224
Idaho	NA	224	235	242	241	235
Illinois	NA	223	233	233	237	232
Indiana	229	233	238	240	245	237
Iowa	229	231	238	240	243	236
Kansas	NA	232	242	246	248	242
Kentucky	220	219	229	231	235	227
Louisiana	209	218	226	230	230	223
Maine	232	230	238	241	242	237
Maryland	221	222	233	238	240	231
Massachusetts	229	233	242	247	252	241
Michigan	226	229	236	238	238	233
Minnesota	232	234	242	246	247	240
Mississippi	208	211	223	227	228	219
Missouri	225	228	235	235	239	232
Montana	228	228	236	241	244	235
Nebraska	228	225	236	238	238	233
Nevada	218	220	228	230	232	226
New Hampshire	NA	NA	243	246	249	246
New Jersey	227	NA	239	244	249	240
New Mexico	214	213	223	224	228	220
New York	223	225	236	238	243	233
North Carolina	224	230	242	241	242	236
North Dakota	231	230	238	243	245	237
Ohio	NA	230	238	242	245	239
Oklahoma	NA	224	229	234	237	231
Oregon	223	224	236	238	236	231
Pennsylvania	226	NA	236	241	244	237
Rhode Island	220	224	230	233	236	229
South Carolina	213	220	236	238	237	229
South Dakota	NA	NA	237	242	241	240
Tennessee	219	220	228	232	233	226
Texas	229	231	237	242	242	236
Utah	227	227	235	239	239	233
Vermont	225	232	242	244	246	238
Virginia	223	230	239	240	244	235
Washington	**225**	**NA**	**238**	**242**	**243**	**237**
West Virginia	223	223	231	231	236	229
Wisconsin	231	NA	237	241	244	238
Wyoming	223	229	241	243	244	236
U.S. Average	222	224	234	237	239	231
Washington's Rank	**17**	**NA**	**11**	**12**	**18**	**13**

NA: State did not participate in the NAEP assessment during this year.
Source: National Center for Education Statistics. National Assessment of Education Progress (NAEP) 1992, 1996, 2000, 2003, 2005, 2007 Mathematics Assessments.

Tenth Grade WASL Scores

The Washington Assessment of Student Learning (WASL) is a statewide assessment designed to measure critical thinking skills and how well students can apply knowledge. Unlike traditional standardized tests, takers are required to answer a variety of types of questions including multiple choice, short answer and essay.

The test is designed to measure achievement in meeting the state's Essential Academic Learning Requirements in reading and mathematics in grades 3 through 10, writing in grades 4, 7 and 10, and science in grades 5, 8 and 10. The WASL is administered each spring. Beginning in 2008, high school students will be required to meet the standards it sets in reading and writing order to graduate. Beginning in 2013, high school students will also be required to meet the WASL mathematics standards in order to graduate.

As the WASL is unique to Washington, test results cannot be compared to those in other states. The results are included here, however, as they provide an indication of Washington's progress in maximizing the number of students who are able to pass the WASL by the tenth grade.

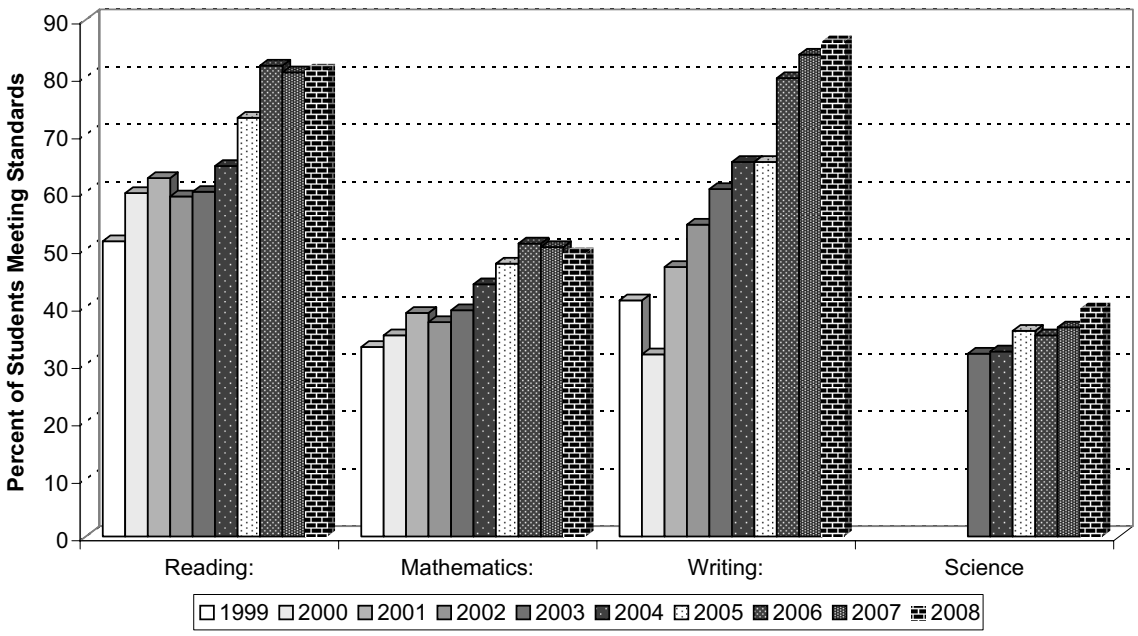
As can be seen in Table 28, tenth-grade WASL scores for 2008 showed an improvement in three of the four categories: reading, writing and science. Of the tenth-graders that took the test, 81.3 percent met the standards in reading, 49.3 percent met the standards in mathematics, 86.2 percent met the standards in writing and 39.7 percent met the standards in science.

Table 28
Education and Skills of the Workforce
Tenth Grade WASL Test Scores

	2002	2003	2004	2005	2006	2007	2008
Reading:	59.2	60.0	64.5	72.9	82.0	80.8	81.3
Mathematics:	37.3	39.4	43.9	47.5	51.0	50.4	49.3
Writing:	54.3	60.5	65.2	65.2	79.8	83.9	86.2
Science	NA	31.8	32.2	35.8	35.0	36.4	39.7

Source: Office of Superintendent of Public Instruction, September 2008 (http://www.k12.wa.us).

Chart 28
Tenth Grade WASL Scores



Student to Teacher Ratios

(Not updated due to unavailability of data)

Since the early 1990s there has been a nationwide movement to lower the student to teacher ratios in public schools. The success of this movement to date is evident in the steady decline of the national ratio from 17.4 students per teacher in the 1992-93 school year to 15.8 in 2004-05. While Washington has shared in this movement, its progress has been somewhat slower, with a decline from 20.2 to 19.2 over the same period.

Washington's student-teacher ratio decreased slightly from 19.3 in the 2003-04 school year back down to 19.2 in the 2004-05 school year, while its rank remained 46th. The state's five-year value of 19.3 students per teacher also ranked 46th among the states.

Chart 29
Student toTeacher Ratios in Elementary and Secondary Public Schools

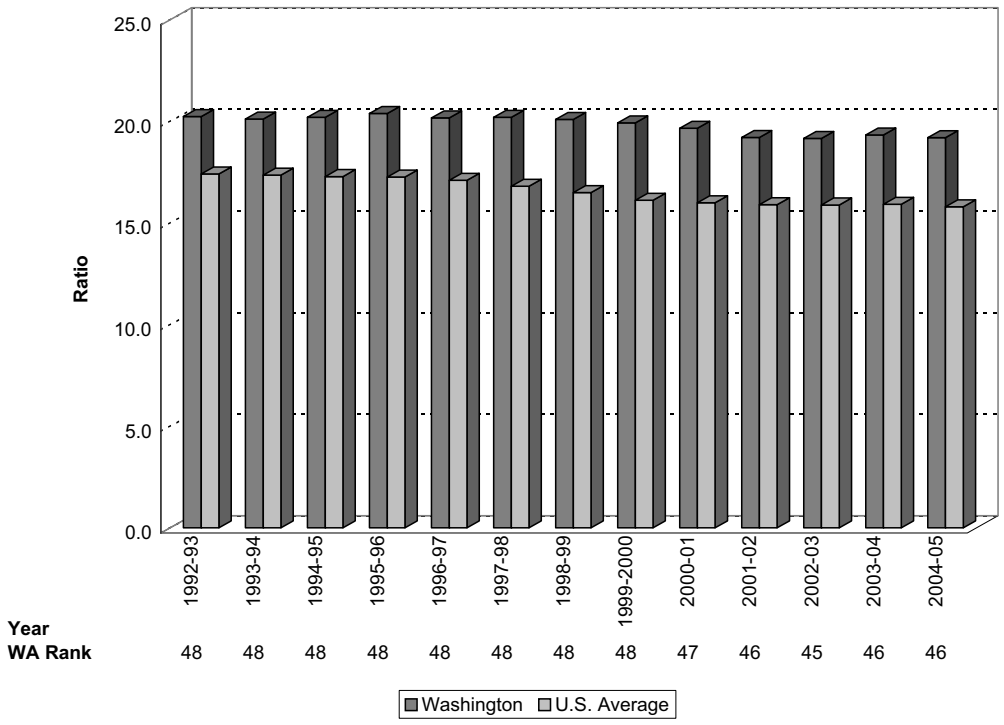


Table 29
Education and Skills of the Workforce
Student to Teacher Ratios in Elementary and Secondary Public Schools

	School Year					
	2000-01	**2001-02**	**2002-03**	**2003-04**	**2004-05**	**2000-2005**
Alabama	15.4	15.8	15.7	12.6	14.2	14.7
Alaska	16.9	16.7	16.6	17.2	17.1	16.9
Arizona	19.8	20.0	19.9	21.3	21.3	20.5
Arkansas	14.1	13.6	14.9	14.7	14.8	14.4
California	20.6	20.5	20.6	21.1	21.1	20.8
Colorado	17.3	16.8	16.6	16.9	17.0	16.9
Connecticut	13.7	13.7	13.5	13.6	14.9	13.9
Delaware	15.4	15.3	15.1	15.2	15.2	15.2
Florida	18.4	18.6	18.4	17.9	17.0	18.0
Georgia	15.9	15.9	15.6	15.7	14.8	15.6
Hawaii	16.9	16.8	16.8	16.5	16.4	16.7
Idaho	17.9	17.8	17.9	17.9	17.9	17.9
Illinois	16.1	16.0	15.9	16.5	16.0	16.1
Indiana	16.7	16.7	16.7	16.9	16.9	16.8
Iowa	14.3	13.9	13.9	13.8	13.8	14.0
Kansas	14.4	14.2	14.4	14.4	14.2	14.3
Kentucky	16.8	16.2	16.3	16.1	16.3	16.3
Louisiana	16.6	16.6	16.6	16.6	16.6	16.6
Maine	12.5	12.3	12.1	11.5	11.9	12.1
Maryland	16.3	16.0	15.7	15.8	15.7	15.9
Massachusetts	14.5	14.1	13.2	13.6	13.3	13.7
Michigan	17.7	17.5	19.9	18.1	17.4	18.1
Minnesota	16.0	16.0	16.0	16.3	16.1	16.1
Mississippi	16.1	15.8	15.6	15.1	15.8	15.7
Missouri	14.1	13.9	13.6	13.9	13.8	13.9
Montana	14.9	14.6	14.5	14.4	14.3	14.5
Nebraska	13.6	13.5	13.6	13.6	13.6	13.6
Nevada	18.6	18.5	18.4	19.0	19.1	18.7
New Hampshire	14.5	14.1	13.9	13.7	13.5	13.9
New Jersey	13.3	12.9	12.8	12.7	12.1	12.7
New Mexico	15.2	14.7	15.1	15.0	15.0	15.0
New York	13.9	13.7	13.7	13.3	13.0	13.5
North Carolina	15.5	15.4	15.2	15.1	15.0	15.2
North Dakota	13.4	13.2	12.9	12.7	12.5	12.9
Ohio	15.5	15.0	14.7	15.2	15.6	15.2
Oklahoma	15.1	14.9	15.4	16.0	15.6	15.4
Oregon	19.4	19.5	20.4	20.6	20.1	20.0
Pennsylvania	15.5	15.4	15.4	15.2	15.1	15.3
Rhode Island	14.8	14.2	14.2	13.4	13.2	14.0
South Carolina	14.9	14.5	14.9	15.3	15.0	14.9
South Dakota	13.7	13.6	14.0	13.6	13.5	13.7
Tennessee	15.9	15.8	15.8	15.7	15.7	15.8
Texas	14.8	14.7	14.8	15.0	15.0	14.8
Utah	21.9	21.8	21.8	22.4	22.6	22.1
Vermont	12.1	11.8	11.7	11.3	11.3	11.7
Virginia	13.2	13.0	11.8	13.2	12.9	12.8
Washington	**19.7**	**19.2**	**19.2**	**19.3**	**19.2**	**19.3**
West Virginia	13.7	14.0	14.0	14.0	14.0	14.0
Wisconsin	14.6	13.9	14.6	15.1	14.3	14.5
Wyoming	13.3	13.2	13.0	13.3	12.7	13.1
U.S. Average	16.0	15.9	15.9	15.9	15.8	15.9
Washington's Rank	**47**	**46**	**45**	**46**	**46**	**46**

Source: U.S. Department of Education, National Center for Education Statistics. Digest of Educational Statistics, 2006 (www.nces.ed.gov).

Education Attainment: Completed Four Years of High School or More

(Not updated due to unavailability of data)

As part of its annual Current Population Survey, the U.S. Bureau of the Census tabulates the percent of the population aged 25 years or older that has completed four years of high school or more. As one indication of the economic relevance of this measure, the 2006 survey found that the average annual wage for a person 18 years of age or older who did not graduate from high school was only $17,299 in 2005 while that of a person with a high school diploma or GED was $26,933.

The 2006 survey reported that 91.1 percent of Washington's population aged 25 years or older completed four or more years of high school, a slight decrease from 2005's value of 91.5 percent. The state's 2006 rank, however, remained constant at 6th. The state's five-year average value of 90.4 percent ranked 8th among the states. Washington has consistently ranked well above the U.S. average in this measure.

Chart 30
Completed Four Years of High School or More

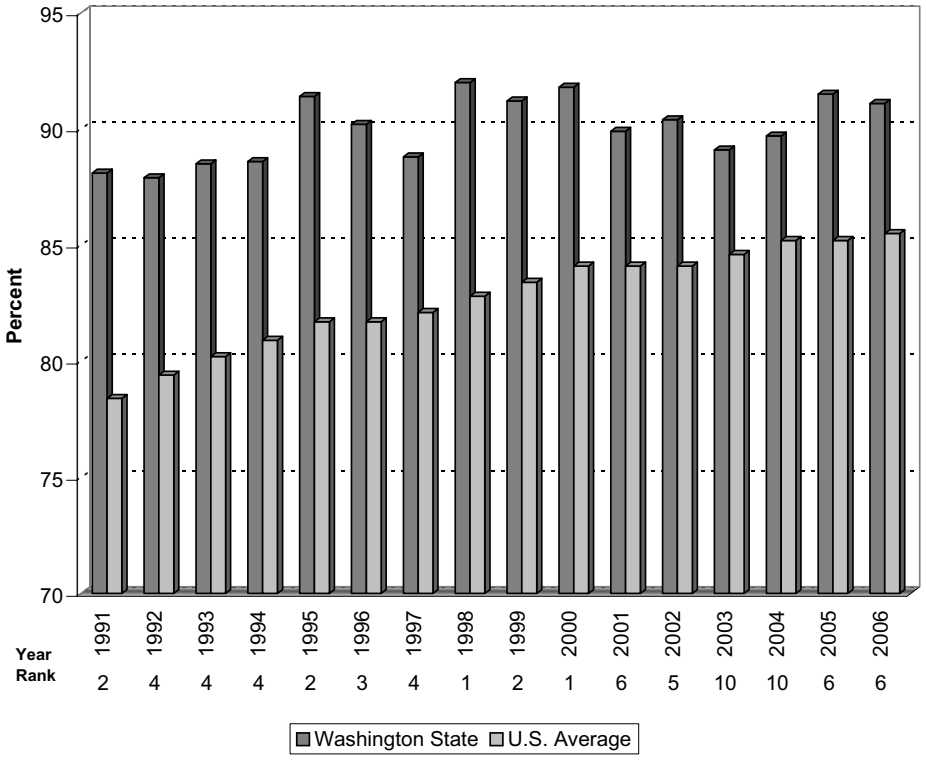


Table 30
Education and Skills of the Workforce
Educational Attainment:
Completed Four Years of High School or More
(Percent)*

	2002	2003	2004	2005	2006	2002-06
Alabama	78.9	79.9	82.4	80.9	82.1	80.8
Alaska	92.2	90.6	90.2	91.7	92.0	91.3
Arizona	84.6	83.8	84.4	85.8	83.1	84.3
Arkansas	81.0	80.9	79.2	81.4	82.5	81.0
California	80.2	81.1	81.3	80.4	80.8	80.8
Colorado	87.6	88.7	88.3	89.3	90.0	88.8
Connecticut	88.0	87.5	88.8	90.0	88.4	88.5
Delaware	88.5	88.7	86.5	86.9	86.0	87.3
Florida	83.3	84.7	85.9	86.8	86.7	85.5
Georgia	82.9	85.1	85.2	85.7	84.2	84.6
Hawaii	87.9	88.5	88.0	87.2	88.7	88.1
Idaho	86.8	88.2	87.9	89.1	88.9	88.2
Illinois	85.9	85.9	86.8	87.2	87.6	86.7
Indiana	85.3	86.4	87.2	87.2	88.2	86.9
Iowa	88.3	89.7	89.8	89.8	90.4	89.6
Kansas	87.5	88.6	89.6	91.4	90.2	89.5
Kentucky	80.8	82.8	81.8	78.9	79.9	80.8
Louisiana	78.8	79.8	78.7	80.2	79.7	79.4
Maine	87.4	86.6	87.1	87.2	89.3	87.5
Maryland	87.5	87.6	87.4	86.9	87.2	87.3
Massachusetts	86.5	87.1	86.9	87.5	89.9	87.6
Michigan	86.5	87.6	87.9	88.6	89.7	88.1
Minnesota	92.2	91.6	92.3	92.7	93.0	92.4
Mississippi	79.1	81.2	83.0	79.8	81.1	80.8
Missouri	88.1	88.3	87.9	85.5	87.1	87.4
Montana	89.7	90.1	91.9	92.1	91.4	91.0
Nebraska	89.8	90.8	91.3	89.8	91.0	90.5
Nevada	85.8	85.6	86.3	86.6	85.6	86.0
New Hampshire	90.2	92.1	90.8	91.9	91.6	91.3
New Jersey	85.9	86.2	87.6	86.9	86.7	86.7
New Mexico	81.6	81.7	82.9	81.2	81.8	81.8
New York	83.7	84.2	85.4	85.7	85.1	84.8
North Carolina	80.1	81.4	80.9	84.0	84.2	82.1
North Dakota	89.0	89.7	89.5	90.0	88.7	89.4
Ohio	87.3	87.2	88.1	87.9	88.1	87.7
Oklahoma	85.1	85.7	85.2	85.2	87.5	85.7
Oregon	87.7	86.9	87.4	88.6	89.7	88.1
Pennsylvania	86.1	86.0	86.5	86.3	87.5	86.5
Rhode Island	80.1	81.0	81.1	83.9	84.0	82.0
South Carolina	80.2	80.8	83.6	83.0	83.1	82.1
South Dakota	89.2	88.7	87.5	88.4	89.9	88.7
Tennessee	80.1	81.0	82.9	81.8	80.7	81.3
Texas	78.1	77.2	78.3	78.2	78.7	78.1
Utah	91.0	89.4	91.0	92.5	91.2	91.0
Vermont	87.4	88.9	90.8	90.0	91.0	89.6
Virginia	86.7	87.8	88.4	86.0	86.5	87.1
Washington	**90.4**	**89.1**	**89.7**	**91.5**	**91.1**	**90.4**
West Virginia	78.5	78.7	80.9	82.5	81.5	80.4
Wisconsin	86.8	88.6	88.8	90.4	91.1	89.1
Wyoming	91.6	90.9	91.9	90.9	91.1	91.3
U.S. Average	84.1	84.6	85.2	85.2	85.5	84.9
Washington's Rank	**5**	**10**	**10**	**6**	**6**	**8**

*Percent of persons 25 years or older who have completed 4 years of high school or more.
Source: U.S. Department of Commerce, Bureau of the Census, Educational Attainment in the United States: March 1998-2006. (www.census.gov)

Education Attainment: Completed Bachelors Degree or More

(Not updated due to unavailability of data)

As part of its annual Current Population Survey, the U.S. Bureau of the Census tabulates the percent of the population aged 25 years or older that has obtained a bachelor's degree or higher. As one indication of the economic relevance of this measure, the 2006 survey found that the average annual wage for a person 18 years of age or older with only a high school diploma or GED was $26,933 in 2005 while that of a person with a bachelor's degree or higher was $61,098.

In 2006, the percentage of Washington residents of age 25 or older who had achieved a bachelor's degree or more increased from 30.9 percent to 31.4 percent, well above the U.S. average of 28.0 percent. The state's 2006 ranking, however, declined from 9th to 13th. The state's five-year average of 29.9 percent ranked 13th among the states.

Chart 31
Completed Bachelor's Degree or More

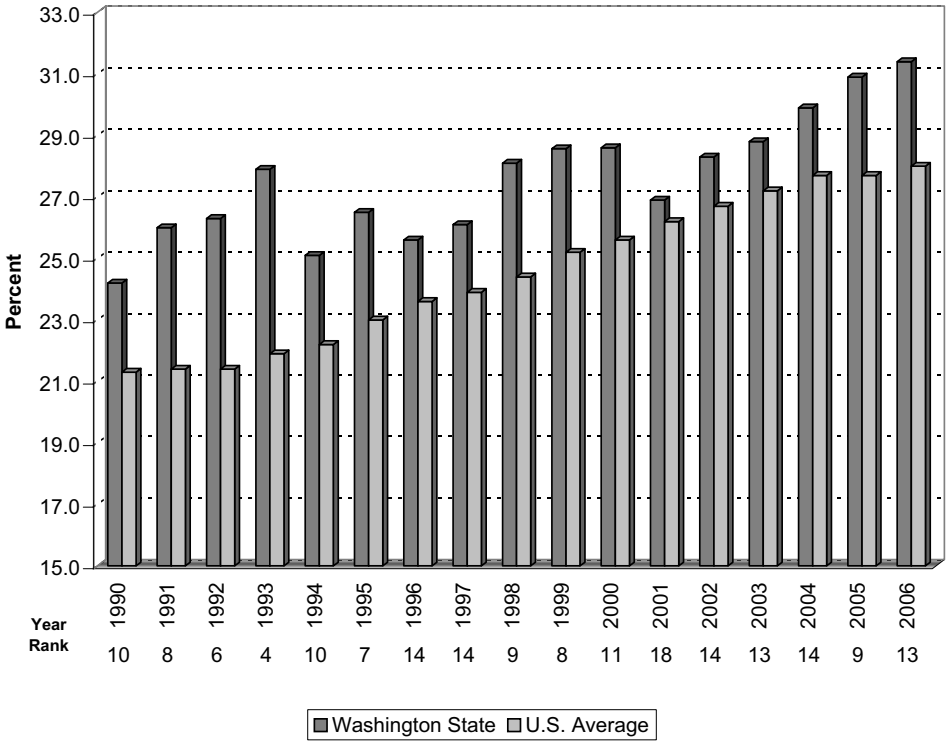


Table 31
Education and Skills of the Workforce
Educational Attainment: Completed Bachelor's Degree or More
(Percent)*

	2002	2003	2004	2005	2006	2002-06
Alabama	22.7	22.7	22.3	19.8	20.8	21.7
Alaska	25.6	24.0	25.5	28.6	27.7	26.3
Arizona	26.3	26.0	28.0	28.0	24.5	26.6
Arkansas	18.3	17.4	18.8	17.5	19.0	18.2
California	27.9	29.8	31.7	30.6	29.8	30.0
Colorado	35.7	36.0	35.5	35.5	36.4	35.8
Connecticut	32.6	33.5	34.5	36.8	36.0	34.7
Delaware	29.5	28.1	26.9	25.6	26.2	27.3
Florida	25.7	25.8	26.0	25.4	27.2	26.0
Georgia	25.0	25.0	27.6	27.1	28.1	26.6
Hawaii	26.8	27.0	26.6	30.4	32.3	28.6
Idaho	20.9	22.5	23.8	25.9	25.1	23.6
Illinois	27.3	28.1	27.4	29.6	31.2	28.7
Indiana	23.7	22.2	21.1	22.6	21.9	22.3
Iowa	23.1	24.6	24.3	24.5	24.7	24.2
Kansas	29.1	31.0	30.0	30.4	31.6	30.4
Kentucky	21.6	21.3	21.0	18.9	20.2	20.6
Louisiana	22.1	22.3	22.4	19.6	21.2	21.5
Maine	23.8	23.7	24.2	24.3	26.9	24.6
Maryland	37.6	37.2	35.2	36.3	35.7	36.4
Massachusetts	34.3	37.6	36.7	36.6	40.4	37.1
Michigan	22.5	23.3	24.4	24.6	26.1	24.2
Minnesota	30.5	32.7	32.5	34.2	33.5	32.7
Mississippi	20.9	19.3	20.1	21.8	21.1	20.6
Missouri	26.7	26.6	28.1	25.0	24.3	26.1
Montana	23.6	24.9	25.5	25.4	25.1	24.9
Nebraska	27.1	26.8	24.8	25.4	27.2	26.3
Nevada	22.1	21.2	24.5	23.4	20.8	22.4
New Hampshire	30.1	34.0	35.4	32.8	32.1	32.9
New Jersey	31.4	33.4	34.6	36.3	35.6	34.3
New Mexico	25.4	23.7	25.1	27.4	26.7	25.7
New York	28.8	29.6	30.6	30.4	32.2	30.3
North Carolina	22.4	23.8	23.4	25.3	25.6	24.1
North Dakota	25.3	25.2	25.2	27.2	28.7	26.3
Ohio	24.5	25.0	24.6	23.0	23.3	24.1
Oklahoma	20.4	24.3	22.9	24.0	22.9	22.9
Oregon	27.1	26.4	25.9	29.0	28.3	27.3
Pennsylvania	26.1	24.8	25.3	26.0	26.6	25.8
Rhode Island	30.1	27.6	27.2	29.2	30.9	29.0
South Carolina	23.3	22.3	24.9	24.2	22.6	23.5
South Dakota	23.6	23.9	25.5	25.0	25.3	24.7
Tennessee	21.5	23.5	24.3	21.5	22.0	22.6
Texas	26.2	24.7	24.5	25.5	25.5	25.3
Utah	26.8	28.4	30.8	29.8	27.0	28.6
Vermont	30.8	31.3	34.2	34.4	34.0	32.9
Virginia	34.6	34.2	33.1	30.6	32.1	32.9
Washington	**28.3**	**28.8**	**29.9**	**30.9**	**31.4**	**29.9**
West Virginia	15.9	15.3	15.3	15.1	15.9	15.5
Wisconsin	24.7	24.1	25.6	25.0	24.6	24.8
Wyoming	19.6	20.7	22.5	21.9	20.8	21.1
U.S. Average	26.7	27.2	27.7	27.7	28.0	27.5
Washington's Rank	**14**	**13**	**14**	**9**	**13**	**13**

Source: U.S. Department of Commerce, Bureau of the Census. Educational Attainment in the United States: March 1998-2006. (www.census.gov)
* Percent of persons 25 years old and over who have obtained a Bachelor's degree or higher.

Public Two and Four Year College Combined Participation Rate

(Not updated due to unavailability of data)

Washington, more than most states, relies heavily on the community college system to provide the first two years of a college education. As a result of this, Washington and states with a similar policy have higher than average two-year participation rates and lower than average four-year participation rates. Since two- and four-year participation rates presented separately give a skewed view of Washington's overall participation rate, this report combines the two statistics to produce a participation rate inclusive of two and four-year participants. With this adjustment, states that are more reliant on the community college system can be better compared to other states.

In the fall of 2005, Washington had a public two and four year college participation rate of 6.1 percent, the same as fall 2004. Washington's rank, however, improved from 21st to 19th as the U.S. average participation rate declined from 5.8 to 5.7 percent during the same period. Washington's rate for the years 2001 through 2005 was 6.2 percent, ranking Washington 17th among the states, while the national average rate was 5.8 percent for that period.

Chart 32
Total Public Two and Four Year Combined Participation Rate

Table 32
Education and Skills of the Workforce
Total Public Two and Four Year College Combined Participation Rate
(Percent)*

	2001	2002	2003	2004	2005	2001-05
Alabama	6.1	6.3	6.5	6.5	6.5	6.4
Alaska	5.9	6.1	6.3	6.1	5.9	6.1
Arizona	7.5	7.6	7.5	7.4	7.2	7.5
Arkansas	5.3	5.5	5.7	5.9	6.0	5.7
California	8.0	8.1	7.5	7.4	7.5	7.7
Colorado	6.6	6.8	6.9	6.9	6.6	6.8
Connecticut	3.9	4.1	4.0	4.1	4.1	4.0
Delaware	5.9	6.0	5.9	5.9	5.9	5.9
Florida	4.6	4.7	4.8	4.8	4.7	4.7
Georgia	4.7	4.9	5.0	5.0	5.0	4.9
Hawaii	4.9	5.0	5.2	5.2	5.1	5.1
Idaho	5.8	5.8	5.9	5.8	5.6	5.8
Illinois	5.7	5.8	5.9	5.8	5.7	5.8
Indiana	5.6	5.6	5.6	5.7	5.6	5.6
Iowa	6.2	6.4	6.5	6.5	6.4	6.4
Kansas	8.0	8.2	8.2	8.1	8.1	8.1
Kentucky	5.7	6.0	6.2	6.2	6.2	6.0
Louisiana	5.8	5.9	6.1	6.1	5.3	5.8
Maine	4.2	4.4	4.5	4.5	4.5	4.4
Maryland	5.8	6.0	6.0	6.0	6.0	6.0
Massachusetts	3.7	3.7	3.8	3.7	3.7	3.7
Michigan	6.4	6.5	6.5	6.5	6.5	6.5
Minnesota	6.0	6.1	6.2	6.1	6.1	6.1
Mississippi	5.9	6.2	6.2	6.3	6.1	6.1
Missouri	4.8	4.9	4.9	4.8	4.8	4.9
Montana	5.6	5.8	5.9	5.8	5.8	5.8
Nebraska	6.9	7.0	7.0	7.0	6.9	7.0
Nevada	5.5	5.5	5.6	5.5	5.5	5.5
New Hampshire	3.8	4.2	4.1	4.0	4.0	4.0
New Jersey	4.2	4.4	4.5	4.6	4.6	4.5
New Mexico	7.6	8.1	8.3	8.4	8.2	8.1
New York	4.0	4.1	4.1	4.2	4.2	4.1
North Carolina	5.6	5.8	6.0	6.0	6.0	5.8
North Dakota	7.8	8.3	8.7	8.6	8.4	8.4
Ohio	4.9	5.1	5.1	5.1	5.1	5.1
Oklahoma	6.2	6.4	6.6	6.6	6.5	6.5
Oregon	6.1	6.4	6.0	5.9	5.8	6.0
Pennsylvania	3.7	3.8	3.9	4.0	3.9	3.9
Rhode Island	4.7	4.6	4.7	4.7	4.7	4.7
South Carolina	5.1	5.3	5.4	5.3	5.3	5.3
South Dakota	6.5	6.6	6.5	6.4	6.3	6.4
Tennessee	4.4	4.3	4.3	4.4	4.3	4.3
Texas	6.0	6.3	6.4	6.5	6.4	6.3
Utah	8.4	8.3	8.4	8.5	8.4	8.4
Vermont	4.3	4.4	4.6	4.6	4.8	4.5
Virginia	5.9	6.0	6.0	5.9	6.0	6.0
Washington	**6.1**	**6.3**	**6.3**	**6.1**	**6.1**	**6.2**
West Virginia	5.5	5.6	5.7	5.7	5.8	5.7
Wisconsin	6.2	6.4	6.3	6.2	6.2	6.3
Wyoming	7.8	8.0	8.1	8.0	8.1	8.0
50 State Average	5.7	5.8	5.8	5.8	5.7	5.8
Washington's Rank	**17**	**18**	**17**	**21**	**19**	**17**

*Percent participation: Fall headcount compared to population aged 17 & above.
Source: National Center for Education Statistics, U.S. Department of Education; Population Division, U.S. Census Bureau.

Value Added Per Hour of Labor in Manufacturing

"Value added" in manufacturing is a measure of the difference between the value of a finished object and the value of the raw materials that went into its production. The total value added of an industry represents the amount of revenue available for payment of wages, rent, taxes, interest, profit, and all other business costs aside from raw materials.

The Annual Survey of Manufactures (ASM), published by the U.S. Census Bureau, provides estimates of worker hours and value added for all manufacturing establishments with one or more paid employee. As it is a sample survey, its estimates possess varying margins of error. To minimize the effects of these errors, the ASM estimates are presented in Table 33 as three-year moving averages. Due to ASM reclassification from the Standard Industrial Code (SIC) to the North American Industry Classification System (NAICS) in 1997, survey estimates prior to that date are not included due to non-comparability.

The amount of value added per hour of labor varies greatly among different industries. Highly automated industries such as semiconductors have very high value added per hour since one person can operate a machine that puts out a large volume of high-value product, while less automated industries such as furniture manufacturing require more labor per dollar of added value. (Highly automated industries, however, also have much higher equipment costs, so high value added does not necessarily imply high profit.) Within a specific industry, interstate differences in value added per worker hour may be interpreted as differences in worker productivity between states.

The differences in value-added across industries makes a state's average value added per worker hour highly dependent upon its particular industry mix. States with a large percentage of high value added industries (such as semiconductors in New Mexico and Arizona) perform very well in this measure, reported as "Non-Weighted" in Table 33. Washington also performs well in this measure, indicating an industry mix of higher-than-average labor productivity, ranking 7th in the most recent period.

To minimize the effects of industry mix on estimates of state productivity, the "Weighted" values in Table 33 represent value added per worker hour as if each state had an identical mix of industries. In this case, state worker hours in each of the 21 major NAICS manufacturing groups were adjusted to be identical in proportion to the national average. When measured in this way, Washington's average value added per worker hour is lower due to the neutralization of its industry-mix advantage, but the state still ranked well (8th) in the most recent period. This weighting method, however, is still susceptible to error for two main reasons. The first reason is that most states are either totally lacking in several industries or have only one representative of an industry, which makes the data unreportable by the Census due to disclosure laws (though the data is included in the totals). These omissions are treated as an undifferentiated "remainder" industry that can skew a state's average greatly depending upon what the productivity of the hidden industry is and the proportion of total hours the remainder represents. Alaska is a prime example, with all industries except food products hidden by disclosure laws. The second reason is that there is still a large degree of productivity variation within major NAICS categories. For example, NAICS group 334 includes semiconductor manufacturing along with computer, electronic instrument, and other electronics manufacturing industries with much lower labor productivity than semiconductors. When each state is given the same number of hours in group 334, therefore, those states who have a large percentage of semiconductor worker hours in that group will still record higher-than-average productivity in that group. For this reason, both Arizona and New Mexico still perform above average in the weighted results. Nevertheless, by accounting for most of the industry mix variation, the weighted results can still provide a general idea of where each state lies in the labor productivity spectrum.

Chart 33
Value Added Per Hour of Labor in Manufacturing

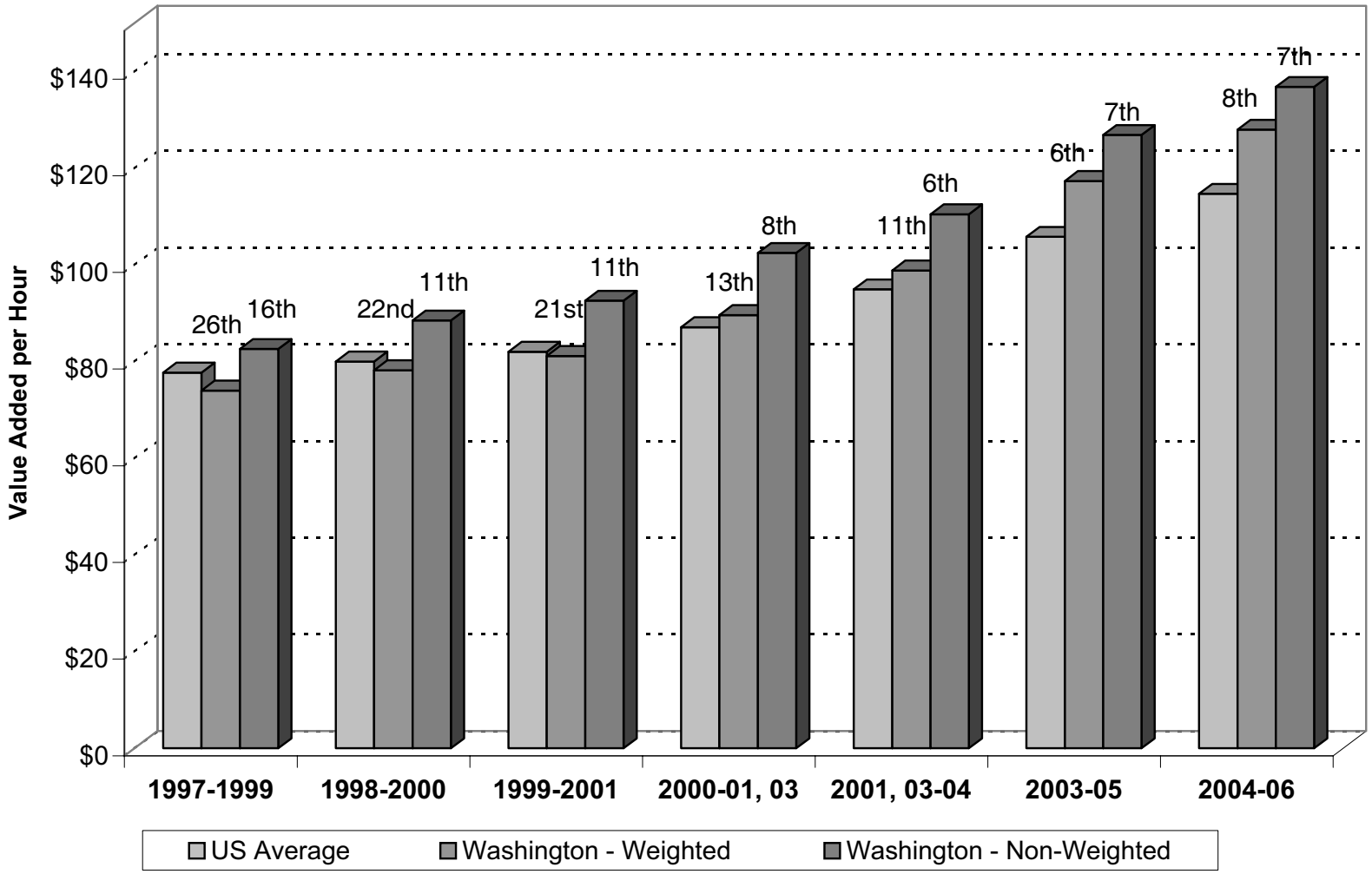


Table 33
Education and Skills of the Workforce
Value Added per Hour of Labor in Manufacturing
(Three Year Average, Dollars)

	Weighted 2001, 03-04*	Weighted 2003-05	Weighted 2004-06	Non-Weighted 2001, 03-04*	Non-Weighted 2003-05	Non-Weighted 2004-06
Alabama	73.11	83.58	91.10	70.94	82.03	89.68
Alaska	153.28	187.58	193.29	70.99	82.53	88.15
Arizona	106.76	108.61	114.36	129.72	125.19	121.91
Arkansas	77.20	88.84	93.38	69.13	80.45	85.78
California	96.19	105.49	115.42	102.77	110.69	121.23
Colorado	82.89	90.16	99.96	90.90	98.91	106.95
Connecticut	111.13	123.23	140.55	109.21	118.37	132.06
Delaware	101.58	199.81	231.62	114.11	161.31	191.74
Florida	80.94	89.41	95.99	86.81	95.14	102.25
Georgia	87.92	93.76	97.00	84.87	91.19	94.04
Hawaii	78.30	102.34	123.47	67.75	84.08	98.59
Idaho	80.51	115.92	121.47	84.67	118.01	120.93
Illinois	93.41	102.41	109.52	93.69	102.37	109.73
Indiana	98.07	108.43	116.27	92.78	102.07	106.50
Iowa	110.46	121.57	127.18	99.97	110.61	117.35
Kansas	86.93	86.41	92.73	82.09	88.89	93.62
Kentucky	95.18	104.65	115.02	86.49	95.53	103.11
Louisiana	84.00	103.19	123.41	143.91	220.27	293.89
Maine	82.47	92.81	99.30	78.37	86.88	93.40
Maryland	96.78	106.07	113.57	102.49	112.53	123.49
Massachusetts	102.31	111.78	120.08	110.29	120.69	129.55
Michigan	86.13	93.55	100.13	87.01	94.46	97.17
Minnesota	91.03	100.25	106.72	89.59	98.48	104.41
Mississippi	67.86	74.17	81.82	61.54	65.99	70.58
Missouri	96.63	101.37	103.68	92.79	101.62	103.90
Montana	102.62	113.20	139.10	82.86	94.52	115.51
Nebraska	78.12	85.49	91.86	74.12	81.25	88.68
Nevada	88.88	105.32	114.27	88.02	105.54	117.34
New Hampshire	82.89	89.12	91.30	79.24	88.69	94.04
New Jersey	91.48	97.80	100.23	110.16	119.16	125.59
New Mexico	108.95	235.38	246.23	183.62	293.70	315.69
New York	89.97	100.35	109.04	97.52	110.22	121.40
North Carolina	93.55	104.43	115.41	98.98	110.75	123.03
North Dakota	75.34	84.67	94.00	82.82	89.28	99.93
Ohio	92.17	101.51	109.43	88.88	98.13	105.06
Oklahoma	99.77	97.28	102.50	85.58	93.30	102.89
Oregon	96.25	110.60	124.48	108.81	127.55	145.28
Pennsylvania	97.38	107.00	114.94	94.05	104.04	112.14
Rhode Island	71.98	80.95	89.34	75.75	86.80	100.00
South Carolina	86.62	94.29	96.91	84.39	91.55	93.80
South Dakota	71.01	79.17	87.04	75.54	78.95	87.25
Tennessee	96.91	112.48	121.34	86.09	98.34	106.02
Texas	99.23	114.00	128.32	113.59	134.33	154.61
Utah	86.85	98.16	103.69	85.00	95.60	101.57
Vermont	89.10	95.51	104.06	91.30	100.62	109.93
Virginia	98.48	105.38	112.42	109.60	111.86	117.97
Washington	**98.85**	**117.37**	**127.99**	**110.49**	**126.91**	**136.84**
West Virginia	76.54	89.40	95.51	81.92	92.82	102.92
Wisconsin	97.19	105.93	111.00	88.53	94.84	98.30
Wyoming	78.19	113.95	153.25	101.39	134.85	174.24
U.S.	94.96	105.83	114.72	94.96	105.83	114.72
WA Rank	**11**	**6**	**8**	**6**	**7**	**7**

Source: U.S. Department of Commerce, Census Bureau, *Annual Survey of Manufactures* (data), Economic and Revenue Forecast Council (calculations).
*Data not available for 2002.

Infrastructure

Interstate Miles in Poor Condition

Since 1990, the Federal Highway Administration (FHWA) has required states to report road roughness according to the International Roughness Index (IRI), a set of standard codes dictated by the Highway Performance Monitoring System Field Manual for the Continuing Analytical and Statistical Database. This information is then collected and published in a consistent format in the FHWA's Highway Statistics. This measure reports the percentage of interstate miles that have an IRI of 171 or greater.

In 2006, Washington's percentage of interstate miles in poor condition increased from 4.2 percent to 8.5 percent, lowering its rank from 39th to 45th. Washington's five-year average value of 5.3 percent, compared to the national average of 3.4 percent, ranked 38th in the nation.

Chart 34
Interstate Miles in Poor Condition

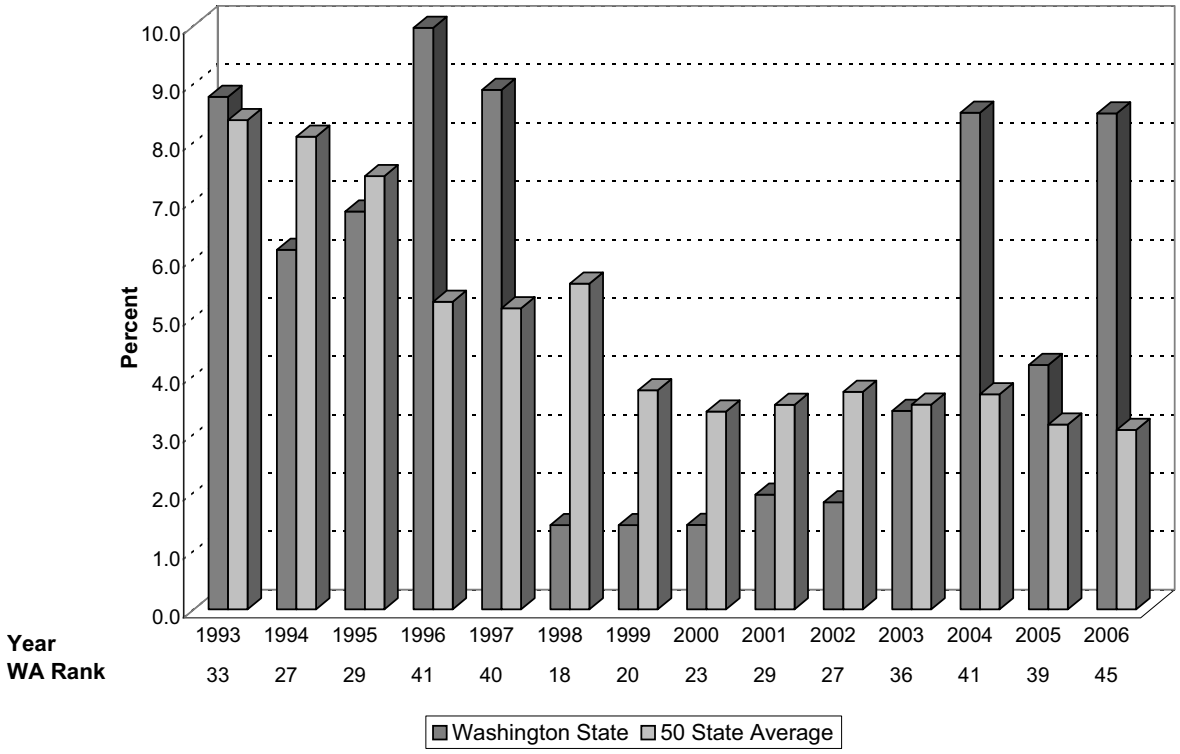


Table 34
Infrastructure
Interstate Miles in Poor Condition
(Percent)

	2002	2003	2004	2005	2006	2002-06
Alabama	0.3	0.9	14.6	14.8	5.4	7.2
Alaska	0.1	0.1	2.0	4.0	8.4	2.9
Arizona	0.2	0.0	0.0	0.0	0.0	0.0
Arkansas	15.9	10.2	7.4	3.5	3.8	8.2
California	14.1	18.2	13.3	8.1	8.1	12.4
Colorado	8.7	6.8	3.1	2.8	3.3	4.9
Connecticut	4.9	3.2	4.6	3.5	3.2	3.9
Delaware	5.0	5.0	5.0	5.0	5.0	5.0
Florida	0.1	0.1	0.1	0.1	0.1	0.1
Georgia	0.0	0.0	0.0	0.0	0.0	0.0
Hawaii*	34.5	18.2	20.4	25.0	23.6	24.3
Idaho	2.8	1.8	1.8	1.8	1.8	2.0
Illinois	2.4	2.4	2.0	2.0	1.8	2.1
Indiana	0.9	0.5	NA	0.5	0.5	0.6
Iowa	4.1	4.6	4.4	5.0	4.0	4.4
Kansas	0.7	0.1	0.0	0.0	0.0	0.2
Kentucky	1.1	0.3	0.4	0.4	0.4	0.5
Louisiana	6.4	8.3	5.5	3.9	8.4	6.5
Maine	0.0	0.0	0.5	0.3	0.8	0.3
Maryland	4.3	5.3	7.6	4.9	4.5	5.3
Massachusetts	1.9	1.1	1.1	0.7	0.5	1.1
Michigan	14.0	10.2	10.4	10.3	10.0	11.0
Minnesota	0.8	0.8	1.3	0.7	1.9	1.1
Mississippi	5.7	6.1	1.9	2.6	6.1	4.5
Missouri	2.4	2.4	5.8	2.2	0.9	2.7
Montana	1.6	1.2	1.5	1.1	0.8	1.2
Nebraska	0.8	2.3	2.3	3.5	1.2	2.0
Nevada	0.4	0.5	NA	0.4	0.4	0.4
New Hampshire	0.0	1.7	NA	0.0	19.6	5.3
New Jersey	16.5	16.5	16.5	12.3	16.2	15.6
New Mexico	0.7	0.1	0.3	0.4	0.4	0.4
New York	10.3	10.3	14.7	14.7	10.0	12.0
North Carolina	8.7	8.9	5.7	6.5	3.3	6.6
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.5	0.3	1.1	0.8	0.6	0.6
Oklahoma	5.7	6.0	4.3	4.5	3.7	4.8
Oregon	0.7	0.7	0.1	0.0	0.0	0.3
Pennsylvania	2.6	2.3	2.4	1.8	1.7	2.2
Rhode Island	1.4	1.4	0.0	0.0	0.0	0.6
South Carolina	5.8	0.1	0.1	0.1	1.7	1.6
South Dakota	0.4	0.3	0.7	0.1	0.1	0.4
Tennessee	0.7	0.7	0.4	0.6	0.7	0.6
Texas	1.2	0.7	0.7	0.9	0.7	0.8
Utah	6.7	2.9	2.9	3.2	1.8	3.5
Vermont	1.6	0.0	0.0	1.2	1.2	0.8
Virginia	1.3	1.5	1.1	1.6	1.6	1.4
Washington	**1.8**	**3.4**	**8.5**	**4.2**	**8.5**	**5.3**
West Virginia	2.4	0.5	0.5	2.9	2.9	1.8
Wisconsin	0.4	2.2	2.8	2.8	3.4	2.3
Wyoming	0.5	0.5	3.5	2.4	1.8	1.8
U.S. Average	3.7	3.5	3.7	3.2	3.1	3.4
Washington's Rank	**27**	**36**	**41**	**39**	**45**	**38**

Source: Highway Statistics, 2007. Table HM-64, Federal Highway Administration.

FAA Air Traffic Delays

The Federal Aviation Administration's (FAA) annual Air Traffic Activity and Delay Report provides air traffic information for the 55 largest airports. Air traffic delays can occur at any phase of the flight and are characterized as delays that exceed 15 minutes. For comparison purposes, the report states the number of delays per 1000 operations.

In 2007, the Seattle-Tacoma airport ranked 37th among the 55 largest airports with 6.8 delays per 1000 operations, an increase from 2006's value of 4.1 delays, but still well below the largest airports' average of 14.1 delays. The airport's five-year average value of 5.0 delays per 1000 operations was also well below the multiple-airport average value of 12.9 delays and ranked 31st among the 55 largest airports.

Chart 35
FAA Air Traffic Delays

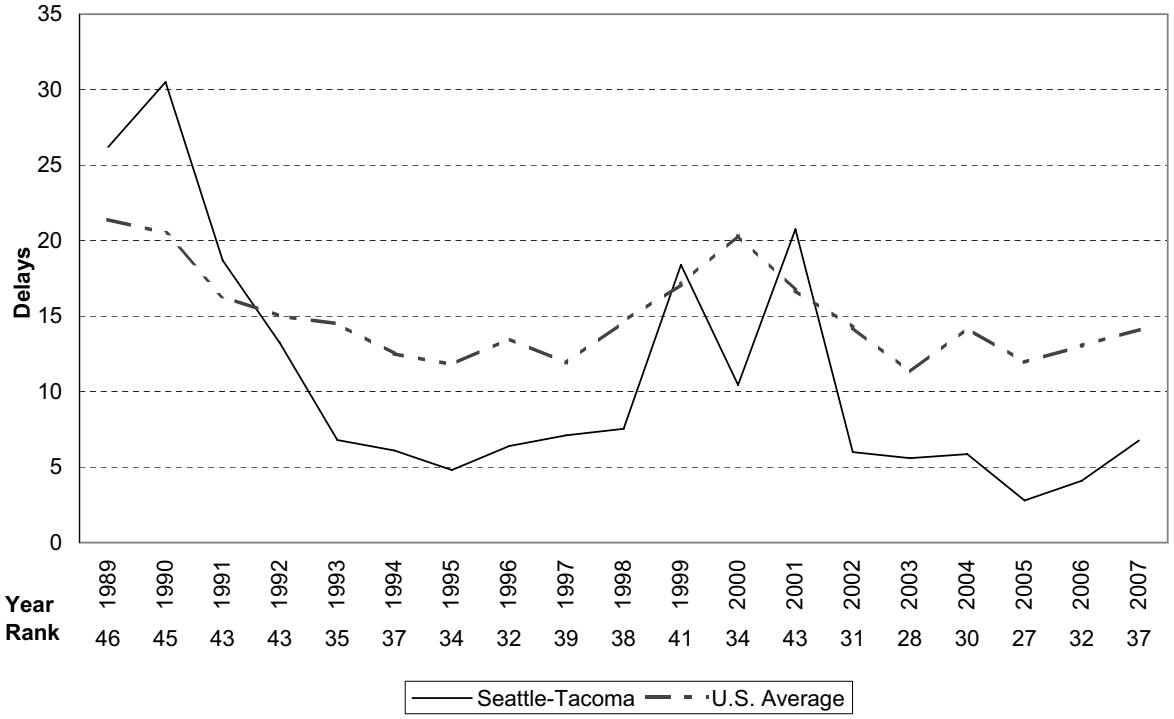


Table 35
Infrastructure
FAA Air Traffic Delays
Delays Per 1000 Operations

	2003	2004	2005	2006	2007	2003-07
Albuquerque	0.2	0.7	0.2	0.2	0.2	0.3
Anchorage	0.7	0.6	1.9	2.4	1.6	1.4
Andrews AFB	2.4	2.0	1.0	0.8	0.3	1.3
Atlanta Hartsfield	41.1	72.2	68.0	51.4	28.9	52.3
Baltimore-Washington	5.8	6.4	3.5	2.1	2.0	4.0
Boston Logan	10.2	17.9	27.7	28.9	22.6	21.4
Bradley International	1.9	1.2	0.9	0.8	0.5	1.0
Charlotte Douglas	7.5	7.2	8.8	13.4	14.0	10.2
Chicago Midway	15.2	19.5	5.9	8.5	9.1	11.6
Chicago O'Hare	74.3	97.1	57.7	68.6	65.5	72.6
Cincinnati Tower	13.8	13.3	5.9	3.0	3.4	7.9
Cleveland Hopkins	5.7	5.1	4.6	5.3	3.3	4.8
Dallas/Ft. Worth	12.1	21.9	6.1	8.8	15.2	12.8
Dayton Cox	2.4	3.4	0.1	0.2	0.2	1.3
Denver Stapleton	2.6	2.7	2.6	2.8	4.9	3.1
Detroit Metro	9.8	12.5	7.7	8.6	6.3	9.0
Fairbanks	0.1	0.0	0.0	0.0	0.0	0.0
Ft. Lauderdale	13.5	19.3	26.6	7.0	8.1	14.9
Honolulu	0.0	0.1	0.0	0.1	0.1	0.1
Houston Hobby	2.3	2.8	3.5	2.1	4.5	3.0
Houston Intercontinental	33.4	36.1	19.5	24.7	20.4	26.8
Indianapolis	0.4	0.3	0.4	0.4	0.2	0.3
Kahului/Maui	0.0	0.0	0.0	0.0	0.0	0.0
Kansas City	0.2	0.5	0.2	0.3	0.2	0.3
Las Vegas McCarran	13.1	20.6	14.6	23.9	22.7	19.0
Los Angeles	3.5	3.3	2.5	4.3	5.1	3.7
Memphis	3.9	5.2	3.4	4.1	2.3	3.8
Miami	11.8	5.5	4.0	4.1	3.9	5.9
Minneapolis-St. Paul	14.4	11.9	7.2	3.1	18.8	11.1
Nashville	0.5	0.3	0.3	0.3	0.4	0.4
New Orleans Moisant	1.5	0.8	0.8	0.3	0.3	0.7
New York Kennedy	20.9	27.5	39.5	60.5	75.2	44.7
New York La Guardia	47.2	55.9	67.0	91.4	123.5	77.0
Newark	60.0	70.2	87.9	119.8	126.5	92.9
Ontario	1.4	0.6	0.4	1.6	1.4	1.1
Orlando	4.1	4.2	2.5	2.0	2.1	3.0
Palm Beach	9.4	12.4	7.4	5.6	5.9	8.1
Philadelphia	30.6	57.7	50.3	55.6	47.9	48.4
Phoenix Sky Harbor	20.0	18.3	23.7	11.1	13.6	17.3
Pittsburgh	2.0	1.4	0.8	0.7	0.3	1.0
Portland	0.7	0.5	0.3	1.0	0.6	0.6
Raleigh-Durham	1.1	1.1	0.6	0.7	0.4	0.8
Salt Lake City	1.9	6.4	2.1	4.4	4.2	3.8
San Antonio	0.3	0.9	0.0	0.2	0.3	0.3
San Diego Lindbergh	3.8	2.3	3.7	2.5	2.3	2.9
San Francisco	27.8	31.9	25.5	28.7	34.2	29.6
San Jose	1.1	1.2	0.4	0.8	0.3	0.8
San Juan	0.4	0.3	0.1	3.2	1.5	1.1
Seattle-Tacoma	**5.6**	**5.9**	**2.8**	**4.1**	**6.8**	**5.0**
St. Louis Lambert	12.1	1.6	1.1	0.4	0.5	3.2
Tampa	4.8	3.4	1.6	1.4	2.5	2.7
Teterboro	27.6	35.7	26.2	27.3	38.2	31.0
Washington Dulles	16.0	36.0	18.9	5.6	6.3	16.6
Washington National	6.9	6.7	6.2	5.6	4.7	6.0
Westchester Co.	10.4	9.4	2.4	2.7	11.8	7.4
U.S. Major Airport Avg.	11.3	14.2	11.9	13.0	14.1	12.9
Seattle-Tacoma Rank*	**28**	**30**	**27**	**32**	**37**	**31**

* Out of the 55 largest airports
Source: FAA Air Traffic System Management, Air Traffic Activity and Delay Report (http://www.apo.data.faa.gov).

Urban Roadway Congestion

(Not updated due to unavailability of data)

The Travel Time Index (TTI), calculated by the Texas Transportation Institute, is the ratio of travel time during periods of peak commuting activity to travel time in periods with no traffic congestion. For example, a TTI of 1.2 indicates that a trip that takes 20 minutes when there is no congestion takes an average of 24 minutes during peak commuting periods. While the institute reports composite statistics on all 437 urban areas in the United States, it publishes individual indexes for only 85 urban areas selected to represent the major metropolitan areas within each state. The 2007 study reported statistics from 2005.

In 2005, the Seattle-Everett-Tacoma region had a TTI of 1.30, up from a value of 1.28 in 2004. Though this was equal to the 85-area average, it still ranked 70th among the areas. Its five-year average of 1.28 was also identical to the 85-area average, ranking 68th for that period. Spokane, the only other Washington urban area in the survey, fared better with a TTI of 1.04 and a five-year average of 1.05. This ranked the area as the 2nd least congested of the 85 areas both in 2005 and in its five-year average value.

Chart 36
Urban Roadway Travel Time Index

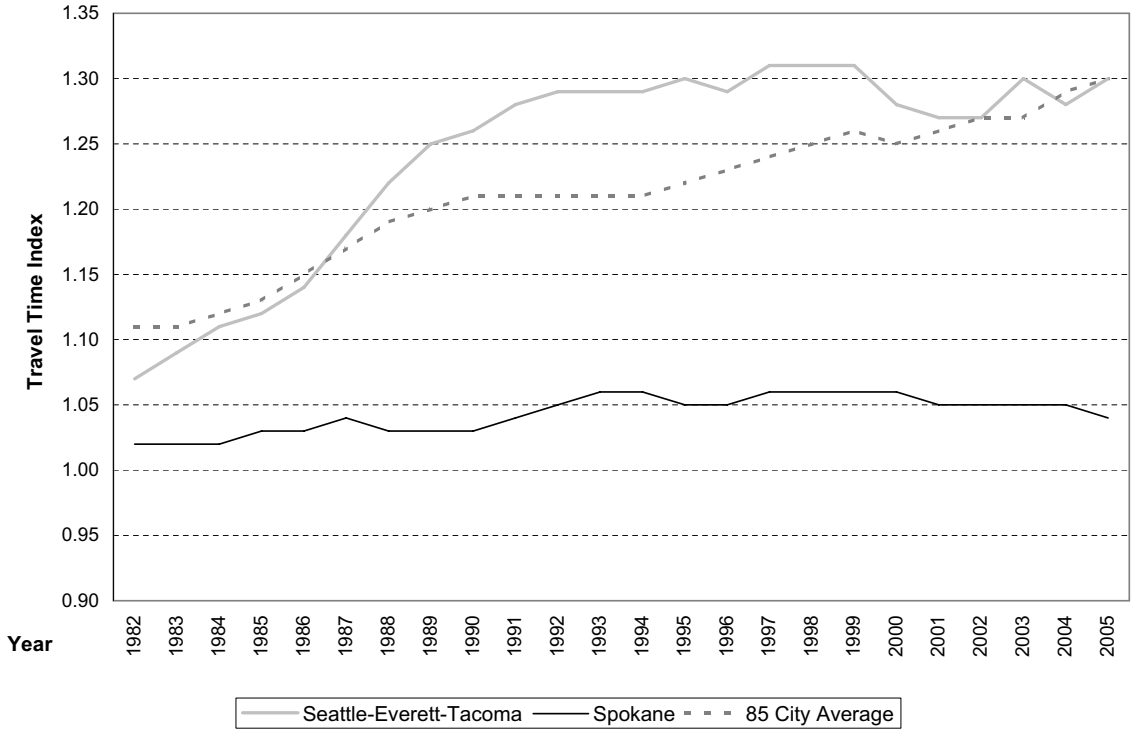


Table 36
Infrastructure
Urban Roadway Travel Time Index
(Values greater than 1 indicate congestion)

	2001	2002	2003	2004	2005	2001-2005
Akron OH	1.08	1.08	1.07	1.08	1.07	1.08
Albany-Schenectady NY	1.06	1.06	1.07	1.08	1.08	1.07
Albuquerque NM	1.16	1.14	1.14	1.16	1.17	1.15
Allentown-Bethlehem PA-NJ	1.15	1.15	1.14	1.14	1.14	1.14
Anchorage AK	1.07	1.07	1.07	1.07	1.07	1.07
Atlanta GA	1.31	1.32	1.32	1.32	1.34	1.32
Austin TX	1.27	1.27	1.28	1.29	1.31	1.28
Bakersfield CA	1.05	1.06	1.07	1.08	1.09	1.07
Baltimore MD	1.24	1.28	1.29	1.29	1.30	1.28
Beaumont TX	1.04	1.05	1.04	1.05	1.05	1.05
Birmingham AL	1.13	1.13	1.14	1.15	1.15	1.14
Boston MA-NH-RI	1.23	1.25	1.24	1.27	1.27	1.25
Boulder CO	1.10	1.09	1.09	1.09	1.10	1.09
Bridgeport-Stamford CT-NY	1.21	1.22	1.22	1.21	1.22	1.22
Brownsville TX	1.07	1.07	1.06	1.07	1.06	1.07
Buffalo NY	1.07	1.07	1.08	1.08	1.08	1.08
Cape Coral FL	1.12	1.12	1.13	1.12	1.12	1.12
Charleston-North Charleston SC	1.16	1.16	1.17	1.18	1.17	1.17
Charlotte NC-SC	1.22	1.24	1.24	1.25	1.23	1.24
Chicago IL-IN	1.35	1.41	1.43	1.44	1.47	1.42
Cincinnati OH-KY-IN	1.18	1.19	1.19	1.18	1.18	1.18
Cleveland OH	1.10	1.09	1.09	1.10	1.09	1.09
Colorado Springs CO	1.15	1.14	1.13	1.12	1.14	1.14
Columbia SC	1.06	1.06	1.07	1.07	1.07	1.07
Columbus OH	1.17	1.17	1.18	1.20	1.19	1.18
Corpus Christi TX	1.05	1.05	1.05	1.05	1.06	1.05
Dallas-Fort Worth-Arlington TX	1.23	1.25	1.27	1.31	1.35	1.28
Dayton OH	1.11	1.10	1.10	1.11	1.10	1.10
Denver-Aurora CO	1.32	1.30	1.30	1.30	1.33	1.31
Detroit MI	1.29	1.30	1.31	1.30	1.29	1.30
El Paso TX-NM	1.14	1.14	1.14	1.16	1.17	1.15
Eugene OR	1.08	1.08	1.09	1.08	1.10	1.09
Fresno CA	1.13	1.13	1.12	1.12	1.12	1.12
Grand Rapids MI	1.11	1.11	1.11	1.11	1.10	1.11
Hartford CT	1.10	1.10	1.10	1.11	1.11	1.10
Honolulu HI	1.18	1.18	1.19	1.20	1.22	1.19
Houston TX	1.28	1.30	1.30	1.32	1.36	1.31
Indianapolis IN	1.22	1.22	1.23	1.23	1.22	1.22
Jacksonville FL	1.17	1.19	1.21	1.22	1.21	1.20
Kansas City MO-KS	1.09	1.09	1.09	1.08	1.08	1.09
Laredo TX	1.08	1.08	1.10	1.09	1.09	1.09
Las Vegas NV	1.27	1.28	1.30	1.31	1.30	1.29
Little Rock AR	1.07	1.05	1.06	1.07	1.07	1.06
Los Angeles-Long Beach-Santa Ana CA	1.48	1.47	1.47	1.48	1.50	1.48
Louisville KY-IN	1.19	1.21	1.22	1.23	1.23	1.22
Memphis TN-MS-AR	1.13	1.14	1.14	1.14	1.13	1.14
Miami FL	1.36	1.37	1.38	1.37	1.38	1.37
Milwaukee WI	1.15	1.15	1.14	1.13	1.13	1.14
Minneapolis-St. Paul MN	1.26	1.24	1.24	1.24	1.26	1.25
Nashville-Davidson TN	1.15	1.17	1.17	1.17	1.17	1.17
New Haven CT	1.12	1.11	1.11	1.10	1.11	1.11

Table 35
Infrastructure
Urban Roadway Travel Time Index
(Values greater than 1 indicate congestion)

	2001	2002	2003	2004	2005	2001-2005
New Orleans LA	1.15	1.15	1.15	1.15	1.15	1.15
New York-Newark NY-NJ-CT	1.28	1.30	1.32	1.36	1.39	1.33
Oklahoma City OK	1.10	1.10	1.09	1.09	1.09	1.09
Omaha NE-IA	1.15	1.16	1.16	1.16	1.16	1.16
Orlando FL	1.33	1.32	1.31	1.30	1.30	1.31
Oxnard-Ventura CA	1.18	1.19	1.20	1.22	1.24	1.21
Pensacola FL-AL	1.10	1.10	1.11	1.11	1.11	1.11
Philadelphia PA-NJ-DE-MD	1.26	1.27	1.26	1.27	1.28	1.27
Phoenix AZ	1.28	1.25	1.26	1.27	1.31	1.27
Pittsburgh PA	1.10	1.10	1.09	1.10	1.09	1.10
Portland OR-WA	1.28	1.26	1.27	1.27	1.29	1.27
Providence RI-MA	1.14	1.15	1.16	1.17	1.16	1.16
Raleigh-Durham NC	1.14	1.16	1.16	1.17	1.18	1.16
Richmond VA	1.08	1.08	1.08	1.09	1.09	1.08
Riverside-San Bernardino CA	1.24	1.26	1.29	1.35	1.35	1.30
Rochester NY	1.06	1.06	1.07	1.07	1.07	1.07
Sacramento CA	1.27	1.28	1.31	1.32	1.32	1.30
Salem OR	1.11	1.11	1.09	1.09	1.09	1.10
Salt Lake City UT	1.22	1.24	1.24	1.21	1.19	1.22
San Antonio TX	1.20	1.20	1.20	1.23	1.23	1.21
San Diego CA	1.33	1.36	1.36	1.41	1.40	1.37
San Francisco-Oakland CA	1.35	1.36	1.37	1.38	1.41	1.37
San Jose CA	1.34	1.33	1.33	1.32	1.34	1.33
Sarasota-Bradenton FL	1.18	1.18	1.18	1.19	1.19	1.18
Seattle WA	**1.27**	**1.27**	**1.30**	**1.28**	**1.30**	**1.28**
Spokane WA	**1.05**	**1.05**	**1.05**	**1.05**	**1.04**	**1.05**
Springfield MA-CT	1.06	1.06	1.06	1.06	1.06	1.06
St. Louis MO-IL	1.18	1.18	1.17	1.16	1.16	1.17
Tampa-St. Petersburg FL	1.26	1.27	1.28	1.29	1.28	1.28
Toledo OH-MI	1.10	1.10	1.09	1.10	1.09	1.10
Tucson AZ	1.19	1.20	1.23	1.22	1.23	1.21
Tulsa OK	1.10	1.10	1.10	1.09	1.09	1.10
Virginia Beach VA	1.18	1.18	1.18	1.18	1.18	1.18
Washington DC-VA-MD	1.35	1.36	1.37	1.37	1.37	1.36
85 City Average	1.26	1.27	1.27	1.29	1.30	1.28
Rank: Spokane	**5**	**5**	**2**	**1**	**2**	**2**
Rank: Seattle-Everett-Tacoma	**76**	**73**	**67**	**66**	**70**	**68**

David Shrank and Tim Lomax, 2007 Urban Mobility Study, Texas Transportation Institute. (http:mobility.tamu.edu)

Cost of Doing Business

State and Local Tax Collections Per $1000 Personal Income

The relative tax position of Washington is of considerable interest to taxpayers and government officials alike. The Census Bureau of the U.S. Department of Commerce annually collects data in order to compare tax burdens across states. Using this figure, tax burdens are then calculated using several different methods; this report compares tax collections per $1000 personal income. This measure is computed by dividing the total state and local taxes by total state personal income.

As the Census Bureau did not compile state and local tax data for fiscal years 2001 and 2003, data for those years are unavailable for this report. For fiscal year 2006, Washington collected over $25 billion in state and local tax revenues; which corresponds to a state and local tax burden of $111.99 for each $1,000 of personal income. Although this is the highest amount in Washington since 1999, it is still the 23rd lowest in the nation and is $4.23 below the national average. The five year average for this figure was $106.52, ranking 16th in the nation and $4.61 below the national average.

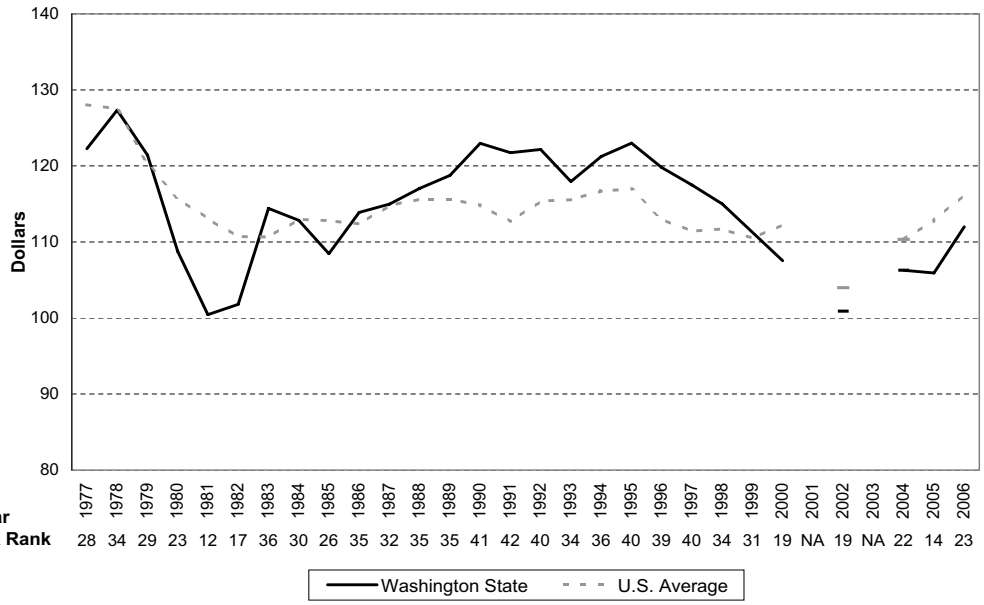
In comparison to the previous year, the tax burden for fiscal 2006 appears to have increased substantially, but the value in 2005 was artificially low due to a special dividend causing a jump in personal income. Without this dividend, the increase would have been more gradual with the tax burden for 2005 coming in at $108.17 for each $1,000 of personal income. Fiscal 2006 also saw the introduction of new taxes on cigarettes and liquor as well as the reinstatement of the estate tax which was temporarily suspended in fiscal 2005.

Initial Incidence of State and local Taxes

The "initial incidence" of a tax refers to the party from whom the tax is collected. Initial incidence does not always indicate who actually bears the tax burden, because taxes initially paid by business may sometimes be recovered in the form of higher prices or lower wages, shifting the tax burden to consumers or workers.

The Washington Department of Revenue estimates that in fiscal year 2006, businesses directly paid 45.0* percent of major state and local taxes, government paid 4.3*percent and households paid 50.7* percent.

Chart 37
State and Local Tax Collections Per $1,000 Personal Income



Does not include local Business and Occupation and local Public Utility Tax

Table 37
Cost of Doing Business
State and Local Tax Collections Per $1,000 Personal Income
(Dollars)

(Fiscal Years)	2000	2002	2004	2005	2006	2000-2006
Alabama	93.65	87.58	88.89	92.27	95.97	91.67
Alaska	132.18	102.76	110.93	132.40	150.98	125.85
Arizona	111.73	104.47	108.64	111.69	110.25	109.36
Arkansas	106.50	104.00	105.14	113.67	116.91	109.24
California	120.39	106.01	113.06	115.62	121.45	115.31
Colorado	103.53	92.30	92.86	95.22	98.01	96.38
Connecticut	120.23	103.56	115.71	119.17	118.89	115.51
Delaware	115.69	107.24	108.41	111.85	116.09	111.86
Florida	100.06	93.74	105.06	105.95	108.06	102.57
Georgia	109.07	100.36	102.32	103.83	109.21	104.96
Hawaii	126.45	120.62	126.25	134.30	140.00	129.52
Idaho	115.43	99.84	109.82	109.41	111.58	109.22
Illinois	107.50	101.31	105.83	111.09	112.35	107.62
Indiana	105.64	100.39	104.37	113.78	118.70	108.58
Iowa	111.09	103.85	107.30	106.38	110.04	107.73
Kansas	108.72	103.66	114.23	109.75	116.55	110.58
Kentucky	111.62	106.22	107.27	109.60	114.51	109.84
Louisiana	109.57	111.26	112.44	117.44	140.46	118.23
Maine	138.64	130.16	133.65	133.04	142.94	135.69
Maryland	110.01	104.42	108.25	108.34	111.08	108.42
Massachusetts	110.36	95.87	105.77	107.31	109.26	105.71
Michigan	114.17	103.83	105.18	110.21	108.99	108.48
Minnesota	123.87	113.14	112.02	113.76	118.05	116.17
Mississippi	110.75	103.92	105.74	107.86	110.65	107.78
Missouri	99.45	96.06	97.31	100.40	100.68	98.78
Montana	110.53	98.05	101.19	105.57	110.58	105.18
Nebraska	109.44	107.71	118.04	117.97	119.19	114.47
Nevada	104.59	101.20	111.33	113.97	108.23	107.86
New Hampshire	88.18	84.65	91.61	91.43	92.30	89.63
New Jersey	113.46	104.20	115.55	117.19	125.34	115.15
New Mexico	126.74	111.45	116.38	119.69	129.17	120.69
New York	141.18	130.79	146.76	149.70	156.52	144.99
North Carolina	106.60	100.17	106.60	108.25	112.59	106.84
North Dakota	119.48	105.19	104.17	114.62	116.82	112.06
Ohio	112.90	110.96	114.34	118.31	118.16	114.93
Oklahoma	106.67	99.53	101.35	100.70	105.74	102.80
Oregon	105.60	90.93	100.82	99.77	108.13	101.05
Pennsylvania	106.56	100.91	108.75	111.27	113.58	108.21
Rhode Island	118.11	113.63	120.35	122.68	121.91	119.34
South Carolina	104.82	95.82	103.77	103.85	102.76	102.20
South Dakota	94.56	90.37	90.60	87.46	91.03	90.80
Tennessee	89.17	83.89	89.97	91.68	93.38	89.62
Texas	96.87	95.49	99.46	100.12	99.70	98.33
Utah	119.50	108.39	109.81	115.06	118.13	114.18
Vermont	121.53	110.60	122.50	131.91	135.30	124.37
Virginia	102.80	95.18	99.56	103.69	104.75	101.20
Washington	**107.53**	**100.90**	**106.27**	**105.91**	**111.99**	**106.52**
West Virginia	116.33	111.68	111.93	121.14	122.83	116.78
Wisconsin	129.44	117.26	121.83	121.28	122.60	122.48
Wyoming	117.74	121.97	138.58	150.76	165.92	138.99
U.S. Average	112.28	103.98	110.33	112.84	116.22	111.13
Washington's Rank	**19**	**19**	**22**	**14**	**23**	**16**

Source: Washington State Department of Revenue. Comparative State and Local Taxes, 2006. (www.dor.wa.gov)

Unemployment Insurance Costs

Unemployment insurance programs are designed to provide economic security against the effects of unemployment by providing temporary compensation to workers who are out of work at no fault of their own.

Unemployment insurance is provided by a combined Federal-State system, primarily financed through a payroll tax on employers. Under this system, the Federal Government sets minimum standards of eligibility and benefits that the states are free to exceed. As a result, there is a wide degree of variation in the eligibility for and benefits paid under the unemployment insurance programs of different states, as well as variation in the number of employers that pay into the programs. This measure indicates the amount that each state collects for unemployment insurance benefits as a percent of the total wages of employees covered by the plans.

In 2007, Washington had the fourth highest unemployment insurance cost as a percent of total wages of employees covered by unemployment insurance in the country with an average rate of 1.12 percent, down over 18 percent from the previous year. The national average rate for 2007 was much lower at 0.66 percent, a 12 percent decrease from 2006. The state cost decrease in 2007 brought the value back to pre-2001 recession levels, although the costs in Washington remains about twice as high as the nation. Washington's five-year average of 1.45 percent ranked second highest in the nation due to the state having one of the most generous unemployment insurance programs in the country in terms of benefits, eligibility and duration.

Chart 38
Unemployment Insurance Costs

Table 38
Cost of Doing Business
Unemployment Insurance Costs
(Contributions collected as percent of total wages of covered employees)

	2003	2004	2005	2006	2007	2003-07
Alabama	0.50	0.52	0.58	0.41	0.36	0.47
Alaska	1.37	1.51	1.89	1.83	1.53	1.63
Arizona	0.21	0.26	0.33	0.34	0.34	0.30
Arkansas	0.87	0.93	0.91	0.86	0.76	0.87
California	0.60	0.83	0.86	0.81	0.73	0.77
Colorado	0.30	0.52	0.70	0.59	0.47	0.52
Connecticut	0.85	0.90	0.85	0.71	0.67	0.80
Delaware	0.41	0.47	0.49	0.52	0.46	0.47
Florida	0.34	0.45	0.51	0.45	0.34	0.42
Georgia	0.12	0.58	0.55	0.46	0.37	0.42
Hawaii	1.11	0.87	0.86	0.86	0.57	0.85
Idaho	0.81	0.82	0.94	0.99	0.76	0.86
Illinois	0.71	1.00	1.31	1.14	0.96	1.02
Indiana	0.43	0.54	0.72	0.66	0.61	0.59
Iowa	0.79	0.69	0.85	0.85	0.84	0.80
Kansas	0.63	0.79	0.88	0.78	0.48	0.71
Kentucky	0.68	0.71	0.76	0.72	0.68	0.71
Louisiana	0.33	0.34	0.38	0.36	0.33	0.35
Maine	0.63	0.59	0.68	0.68	0.67	0.65
Maryland	0.38	0.64	0.62	0.51	0.40	0.51
Massachusetts	0.71	1.16	1.30	1.18	1.04	1.08
Michigan	0.81	0.95	1.04	1.09	1.10	1.00
Minnesota	0.63	0.85	0.90	0.87	0.77	0.80
Mississippi	0.50	0.64	0.51	0.48	0.36	0.50
Missouri	0.46	0.53	0.66	0.68	0.67	0.60
Montana	0.75	0.80	0.76	0.76	0.78	0.77
Nebraska	0.54	0.47	0.61	0.68	0.47	0.55
Nevada	0.75	0.74	0.81	0.82	0.78	0.78
New Hampshire	0.21	0.42	0.40	0.31	0.26	0.32
New Jersey	0.81	0.89	0.85	0.71	0.88	0.83
New Mexico	0.50	0.42	0.46	0.49	0.47	0.47
New York	0.83	0.82	0.74	0.67	0.55	0.72
North Carolina	0.75	0.99	0.91	0.85	0.81	0.86
North Dakota	0.85	0.87	0.80	0.72	0.63	0.77
Ohio	0.48	0.58	0.61	0.68	0.64	0.60
Oklahoma	0.47	0.80	0.77	0.58	0.44	0.61
Oregon	1.29	1.62	1.53	1.35	1.16	1.39
Pennsylvania	1.01	1.43	1.22	1.19	1.06	1.18
Rhode Island	1.09	1.23	1.39	1.37	1.22	1.26
South Carolina	0.52	0.57	0.56	0.55	0.52	0.54
South Dakota	0.20	0.21	0.22	0.22	0.28	0.23
Tennessee	0.61	0.66	0.55	0.43	0.40	0.53
Texas	1.08	0.52	0.64	0.55	0.45	0.65
Utah	0.36	0.57	0.79	0.75	0.52	0.60
Vermont	0.57	0.57	0.66	0.67	0.74	0.64
Virginia	0.23	0.39	0.45	0.40	0.29	0.35
Washington	**1.40**	**1.67**	**1.66**	**1.38**	**1.12**	**1.45**
West Virginia	0.86	0.87	0.85	0.82	0.77	0.83
Wisconsin	0.71	0.81	0.91	0.86	0.79	0.82
Wyoming	0.30	0.46	0.65	0.77	0.66	0.57
U.S. Average	0.67	0.78	0.82	0.75	0.66	0.74
Washington's Rank	**50**	**50**	**49**	**49**	**47**	**49**

Source: U.S. Department of Labor, Employment, and Training Administration.

Workers' Compensation Premium Costs

(Not updated due to unavailability of data)

The Oregon Department of Consumer & Business Services produces the workers' compensation premium index every two years in order to make a state-by-state comparison of workers' compensation premiums. The premium index is calculated by selecting Oregon's fifty largest business classes as defined by the workers' compensation costs and computing what those compensation claims would cost in other states.

In 2006, Washington's premium costs for the industries examined by the study were $2.17 per $100 of payroll, ranking 15th among the states. Washington's average rate of $2.00 per $100 of payroll for the period from 1998 through 2006 ranked 13th among the states and was well below that national average of $2.54.

Washington's compensation system is atypical of other states' systems as employees pay a portion of their industrial premiums into a state fund and the Department of Labor and Industries acts as both the insurer and administrator of the workers' compensation system.

Chart 39
Workers' Compensation Premium Cost Index

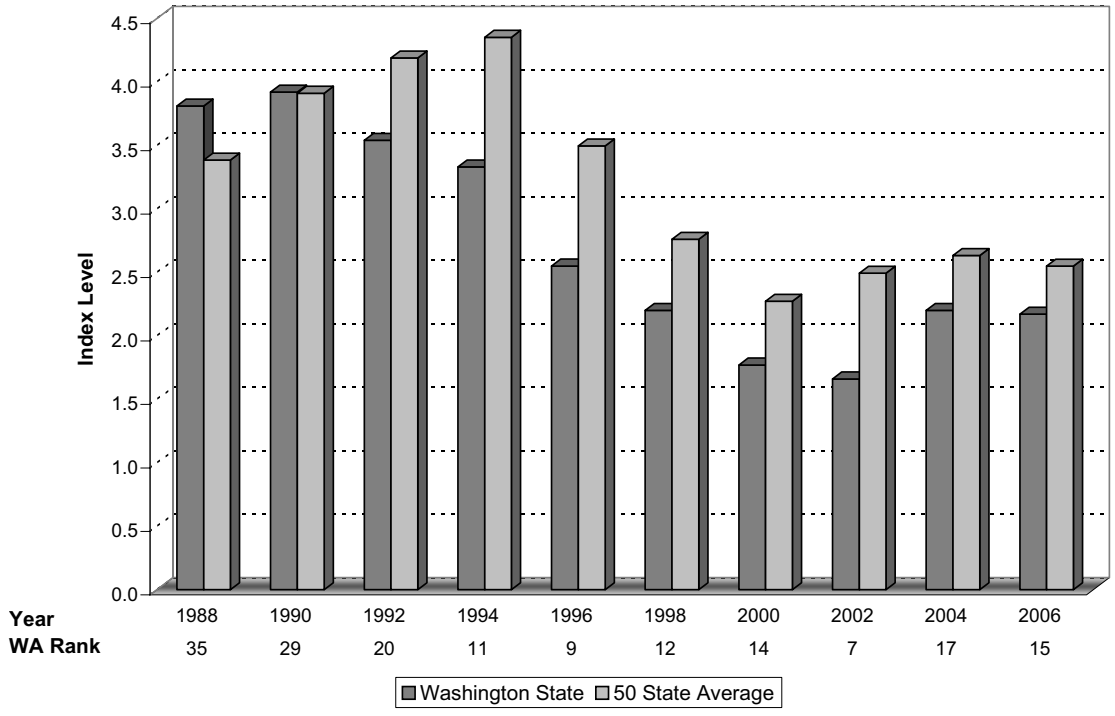


Table 39
Cost of Doing Business
Workers' Compensation Premium Costs
(Dollar amount per $100 of payroll)

	1998	2000	2002	2004	2006	1998-2006
Alabama	3.70	2.56	2.96	2.88	3.17	3.05
Alaska	2.70	2.18	2.87	4.39	5.00	3.43
Arizona	2.60	1.77	1.63	1.49	1.73	1.84
Arkansas	2.29	1.68	1.62	1.57	1.59	1.75
California	4.86	3.34	5.23	6.08	4.13	4.73
Colorado	2.87	2.64	2.73	2.33	2.40	2.59
Connecticut	3.67	2.58	2.90	3.23	2.90	3.06
Delaware	3.20	2.58	3.38	3.44	3.91	3.30
Florida	4.28	4.08	4.47	4.20	3.32	4.07
Georgia	2.95	2.42	2.32	2.14	2.02	2.37
Hawaii	3.24	2.99	3.51	3.73	2.89	3.27
Idaho	2.48	2.11	2.37	2.25	2.29	2.30
Illinois	2.96	2.62	2.74	2.65	2.69	2.73
Indiana	1.55	1.32	1.37	1.24	1.24	1.34
Iowa	1.87	1.66	1.74	1.91	1.75	1.79
Kansas	1.82	1.56	1.84	1.81	1.84	1.77
Kentucky	2.58	2.32	2.87	3.48	3.78	3.01
Louisiana	4.06	3.36	3.19	3.37	3.10	3.42
Maine	2.69	2.52	3.19	3.08	3.21	2.94
Maryland	2.03	1.58	1.84	2.06	2.03	1.91
Massachusetts	3.10	1.77	1.98	1.70	1.70	2.05
Michigan	2.86	2.40	2.25	2.34	2.05	2.38
Minnesota	2.94	2.40	2.60	2.74	2.69	2.67
Mississippi	2.62	2.10	2.21	2.19	2.29	2.28
Missouri	2.65	2.26	2.42	2.67	2.50	2.50
Montana	3.50	2.75	3.05	3.41	3.69	3.28
Nebraska	1.62	1.62	1.93	2.10	2.25	1.90
Nevada	3.86	3.10	3.03	2.58	2.36	2.99
New Hampshire	3.32	2.47	2.85	3.19	2.75	2.92
New Jersey	2.49	2.19	2.25	2.38	2.52	2.37
New Mexico	2.43	1.66	2.01	2.56	2.41	2.21
New York	3.53	3.05	3.14	2.97	3.15	3.17
North Carolina	2.02	1.64	2.24	2.32	2.17	2.08
North Dakota	2.19	1.79	1.24	1.06	1.10	1.48
Ohio	3.12	2.89	2.89	3.59	3.00	3.10
Oklahoma	3.10	2.85	2.82	3.07	2.96	2.96
Oregon	2.27	1.93	2.06	2.05	1.97	2.06
Pennsylvania	2.69	2.31	2.57	2.82	2.80	2.64
Rhode Island	3.74	3.18	3.29	3.01	2.68	3.18
South Carolina	1.47	1.51	1.82	2.08	2.50	1.88
South Dakota	2.31	1.63	1.61	2.05	1.83	1.89
Tennessee	2.79	2.10	2.30	2.62	2.48	2.46
Texas	4.11	3.05	3.30	3.08	2.84	3.28
Utah	1.88	1.58	1.67	1.63	2.06	1.76
Vermont	2.41	1.98	2.45	2.99	3.24	2.61
Virginia	1.74	1.27	1.50	1.57	1.52	1.52
Washington	**2.20**	**1.77**	**1.66**	**2.20**	**2.17**	**2.00**
West Virginia	2.26	2.72	2.54	2.64	2.20	2.47
Wisconsin	2.36	2.01	2.22	2.27	2.18	2.21
Wyoming	2.05	1.75	1.97	2.43	2.40	2.12
50 State Average*	2.76	2.27	2.49	2.63	2.55	2.54
Washington's Rank	**12**	**14**	**7**	**17**	**15**	**13**

Source: Oregon Workers' Compensation Premium Rate Rankings, Calendar Years 1986 - 2006.
Research and Analysis Section of the Oregon Department of Consumer and Business Services.
*Unweighted average of state values.

Electricity Prices

While many large industrial and commercial operations make extensive use of other energy sources such as oil and natural gas, electrical power represents the main energy cost for most businesses. This indicator presents the average price of the commercial and industrial electricity purchases made annually in each state, expressed in cents per kilowatt-hour (kW-hr). To facilitate comparisons between states, each state is assumed to have had the same ratio of commercial to industrial sales as the U.S. in each year.

Due to the state's abundant hydrological resources, Washington long enjoyed some of the lowest electricity prices in the country, ranking either 1st or 2nd in lowest electricity prices among the states in the years 1990 though 1999. Drought and problems related to California's energy market, however, caused electricity prices to soar from late 2000 through 2002. Though prices across the nation increased by 10.9 percent on average over that time span, prices on the West Coast increased dramatically more than that, 62.9 percent in California, 34.5 percent in Oregon and 26.5 percent in Washington. As the effects of the disruptions diminished around 2003, however, Washington's costs began to moderate compared to the rest of the nation. After sinking to a ranking of 22nd in 2001, the state's ranking has steadily improved, reaching a ranking of 8th in 2007 with a cost of 5.76 cents per kilowatt-hour. The state's 5-year average price of 5.53 cents per kilowatt-hour, well below the national average of 7.43 cents, ranked 10th overall.

Chart 40
Electricity Costs

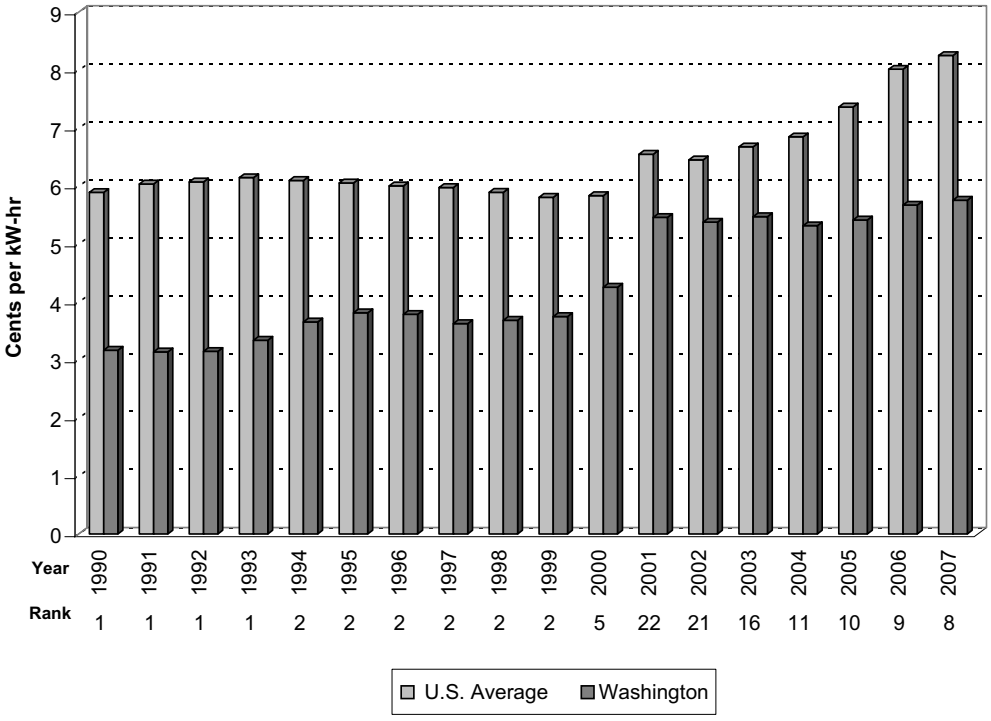


Table 40
Cost of Doing Business
Electricity Prices
(Weighted Average of Industrial and Commercial Rates, Cents per Kilowatt Hour)

	2003	2004	2005	2006	2007	2003-07
Alabama	5.54	5.77	6.18	6.74	7.23	6.29
Alaska	9.35	9.79	10.55	11.76	12.22	10.73
Arizona	6.31	6.41	6.71	7.00	7.31	6.75
Arkansas	4.85	4.97	5.54	6.21	6.16	5.55
California	11.12	10.62	10.87	11.67	11.56	11.17
Colorado	5.92	6.08	6.78	6.79	6.87	6.49
Connecticut	9.04	8.99	10.58	13.01	14.16	11.16
Delaware	6.32	6.82	6.98	9.10	10.22	7.89
Florida	6.35	6.81	7.40	8.95	8.87	7.68
Georgia	5.45	5.77	6.61	6.75	6.94	6.30
Hawaii	13.73	14.90	17.60	19.91	20.40	17.31
Idaho	4.92	4.67	4.75	4.48	4.59	4.68
Illinois	6.16	6.23	6.36	6.52	7.80	6.61
Indiana	5.12	5.32	5.61	6.22	6.24	5.70
Iowa	5.29	5.65	5.89	6.25	6.07	5.83
Kansas	5.59	5.66	5.82	6.19	6.17	5.89
Kentucky	4.38	4.58	4.94	5.39	5.72	5.00
Louisiana	6.57	6.78	7.74	8.08	8.14	7.46
Maine	8.52	8.38	9.14	10.85	12.14	9.81
Maryland	6.01	6.85	8.10	10.36	10.60	8.38
Massachusetts	9.86	9.85	11.00	14.45	14.46	11.92
Michigan	6.37	6.37	6.72	7.43	7.87	6.95
Minnesota	5.31	5.55	5.89	6.26	6.67	5.94
Mississippi	5.98	6.56	7.10	7.87	7.63	7.03
Missouri	5.19	5.27	5.31	5.42	5.60	5.36
Montana	5.68	5.94	6.28	6.42	6.99	6.26
Nebraska	5.06	5.14	5.29	5.48	5.62	5.32
Nevada	8.11	8.25	8.69	9.21	9.32	8.72
New Hampshire	9.96	10.55	11.80	13.00	13.26	11.71
New Jersey	8.43	9.54	10.23	11.09	12.34	10.33
New Mexico	6.25	6.41	6.83	6.72	6.75	6.59
New York	10.28	10.29	11.64	12.83	13.01	11.61
North Carolina	5.80	5.87	6.05	6.32	6.57	6.12
North Dakota	4.87	5.08	5.31	5.73	5.98	5.39
Ohio	6.31	6.45	6.67	7.20	7.41	6.81
Oklahoma	5.56	5.74	6.16	6.52	6.48	6.09
Oregon	5.58	5.53	5.76	5.93	6.27	5.81
Pennsylvania	7.18	7.32	7.52	7.93	8.19	7.63
Rhode Island	9.57	10.01	10.95	13.07	12.56	11.23
South Carolina**	5.52	5.65	6.13	6.34	6.50	6.03
South Dakota	5.34	5.46	5.64	5.76	5.91	5.62
Tennessee	5.58	5.88	6.09	6.76	6.88	6.24
Texas	6.66	6.98	8.09	8.96	9.05	7.95
Utah	4.76	5.05	5.26	5.30	5.67	5.21
Vermont	9.81	9.85	9.75	10.21	10.77	10.08
Virginia	5.05	5.15	5.34	5.54	5.79	5.38
Washington*	**5.47**	**5.32**	**5.41**	**5.67**	**5.76**	**5.53**
West Virginia	4.70	4.72	4.78	4.77	4.98	4.79
Wisconsin	5.94	6.20	6.66	7.27	7.56	6.72
Wyoming	4.79	5.04	5.20	5.30	5.30	5.13
U.S. Average	6.68	6.85	7.36	8.02	8.25	7.43
Washington's Rank	**16**	**11**	**10**	**9**	**8**	**10**

Source:U.S. Energy Information Administration (http://www.eia.doe.gov), March 2008.
*2007 year-to-date industrial price for Washington only includes data through October due to unavailability of data.
**2007 year-to-date industrial price for South Carolina only includes data through November due to unavailability of data.

Average Wage by Occupation

The **Occupational Employment Statistics** (OES) program, produced by the U.S. Department of Labor, Bureau of Labor Statistics, conducts a yearly mail survey designed to produce estimates of employment and wages for specific occupations in states and metropolitan areas. The OES program collects data on wage and salary workers in nonfarm establishments in order to produce employment and wage estimates for over 800 occupations. Data from self-employed persons are not collected and are not included in the estimates.

Under the OES program, occupations are classified under the Standard Occupational Classification (SOC) system. This system includes twenty-two major occupational groups, which can be broken down into 821 specific occupations. State wages for the major groups are presented in Table 41, while wages for the 821 specific occupations can be found at the BLS web site (www.bls.gov).

In seventeen of the twenty-two categories, Washington is ranked within the top ten of national wages, reaching a high ranking of 3rd in four sectors: "Management", "Protective Service", "Food Preparation and Serving", and "Transportation & Material Moving."

While information on average state wage levels alone can be useful in some business decisions, care must be taken in using them to analyze actual business costs. This is because the OES survey does not attempt to account for differences in productivity or industry mix between the states. A higher-than-average wage level may simply indicate a larger concentration of high-productivity jobs within an occupational group, or higher productivity levels in the same occupation due to differences in average state levels of capital or training. For example, Washington's relatively high average wage in Healthcare Practitioners and Technical may be due to a higher-than-average number of higher-paid workers in biotechnology labs rather than having higher paid doctors and nurses. There are also considerable differences in wage levels between different parts of the state, with the highly populated areas affecting the average wage more than more sparsely populated areas that may have lower wages. The specific occupational and metropolitan area data available from the BLS can present a clearer picture of the range of labor costs in the states.

Table 41
Cost of Doing Business
Average Wages, 2007
(Dollars)

	Management SOC 11-0000	Business and Financial Operations SOC 13-0000	Computer and Mathematical SOC 15-0000	Architecture and Engineering SOC 17-0000	Life, Physical and Social Science SOC 19-0000	Community and Social Services SOC 21-0000
Alabama	40.71	28.32	31.30	32.48	25.74	17.97
Alaska	36.02	29.36	30.91	34.85	26.99	20.72
Arizona	40.45	26.47	31.08	31.00	26.02	18.64
Arkansas	36.05	23.46	26.14	28.19	24.58	15.58
California	51.33	32.34	38.74	38.40	32.74	22.79
Colorado	45.76	31.56	37.04	35.70	30.94	19.19
Connecticut	50.51	34.01	36.95	33.27	33.08	23.27
Delaware	50.45	29.56	36.21	33.64	33.20	20.17
Florida	47.43	27.68	29.80	29.34	26.30	18.77
Georgia	43.77	30.15	32.37	30.23	28.36	18.48
Hawaii	40.37	26.72	30.11	32.23	28.86	20.83
Idaho	32.64	25.02	28.20	30.55	22.17	16.84
Illinois	46.23	31.27	35.46	32.85	29.39	21.09
Indiana	40.77	26.50	29.39	28.92	24.47	17.29
Iowa	38.33	24.77	29.80	28.17	24.61	16.31
Kansas	39.77	26.82	29.99	30.86	26.21	16.84
Kentucky	38.67	24.68	28.57	28.58	23.88	17.60
Louisiana	36.54	23.22	26.15	28.59	26.46	17.98
Maine	36.83	25.71	28.39	28.19	25.51	16.85
Maryland	49.34	31.80	38.66	36.06	34.57	21.57
Massachusetts	52.42	34.36	40.22	36.80	34.14	20.32
Michigan	45.73	31.03	32.20	34.37	28.76	20.78
Minnesota	47.60	27.99	34.48	30.99	30.08	18.64
Mississippi	35.70	23.20	25.51	26.72	25.75	17.11
Missouri	43.94	26.80	30.48	31.40	25.65	17.62
Montana	31.50	23.76	26.49	24.64	21.66	16.30
Nebraska	39.39	26.03	30.09	27.89	24.94	16.12
Nevada	42.04	28.50	30.39	31.41	28.77	22.26
New Hampshir	45.80	27.93	34.36	32.33	26.66	18.07
New Jersey	55.61	33.45	39.09	35.96	34.33	22.97
New Mexico	37.68	27.15	32.67	32.94	35.53	17.24
New York	56.35	35.97	37.29	33.98	31.02	19.91
North Carolina	44.95	27.56	33.81	29.23	27.15	17.54
North Dakota	37.60	24.79	21.85	27.12	24.01	17.51
Ohio	44.93	27.61	31.58	30.91	28.30	19.49
Oklahoma	34.01	24.02	25.48	30.36	25.08	16.20
Oregon	42.21	26.76	32.70	30.26	26.53	18.95
Pennsylvania	43.34	29.04	32.33	31.09	28.81	17.67
Rhode Island	48.53	30.06	35.24	34.07	30.37	19.90
South Carolina	39.96	25.62	28.56	30.16	24.89	16.51
South Dakota	36.48	24.08	24.98	24.93	22.92	16.26
Tennessee	37.20	26.91	28.87	30.33	26.15	16.61
Texas	44.87	29.14	34.06	33.98	29.57	19.06
Utah	40.73	27.19	31.51	30.36	24.43	17.09
Vermont	41.86	27.03	29.53	32.93	28.45	19.11
Virginia	50.78	32.64	39.46	34.58	34.06	20.76
Washington	**53.29**	**30.74**	**37.78**	**35.50**	**31.10**	**19.78**
West Virginia	33.25	23.11	26.37	26.89	22.21	13.99
Wisconsin	42.23	26.89	29.90	28.79	26.87	19.80
Wyoming	33.47	25.00	24.53	28.51	23.47	16.53
U.S. Average	46.22	30.01	34.71	33.11	29.82	19.49
Washington's	**3**	**11**	**6**	**6**	**9**	**16**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), August 2008.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2007
(Dollars)

	Legal SOC 23-0000	Education, Training, and Library SOC 25-0000	Arts, Design, Entertainment, Sports, and Media SOC 27-0000	Healthcare Practitioners and Technical SOC 29-0000	Healthcare Support SOC 31-0000	Protective Service SOC 33-0000
Alabama	38.91	19.23	17.87	26.73	10.25	14.68
Alaska	37.99	23.19	21.04	36.34	16.49	20.05
Arizona	38.17	18.45	19.78	30.37	12.15	18.00
Arkansas	30.10	18.43	17.07	26.45	10.17	14.45
California	50.28	25.66	27.78	36.29	14.00	22.58
Colorado	40.49	21.69	21.55	31.70	13.64	19.40
Connecticut	44.01	26.05	23.43	34.23	14.65	20.22
Delaware	45.69	23.18	21.52	33.46	13.55	18.59
Florida	38.04	22.27	21.02	30.06	12.01	17.23
Georgia	45.43	19.67	23.43	29.72	11.39	15.44
Hawaii	35.59	22.04	21.32	35.43	13.87	17.77
Idaho	35.55	20.32	17.27	28.57	11.44	16.88
Illinois	49.43	24.62	22.20	29.87	12.58	20.54
Indiana	32.25	20.25	18.49	28.51	12.14	15.93
Iowa	31.89	18.99	15.84	26.46	11.64	16.53
Kansas	32.28	17.99	16.80	28.09	11.22	16.89
Kentucky	30.30	19.86	16.82	28.26	11.49	15.03
Louisiana	34.79	18.49	17.79	26.23	9.54	14.23
Maine	34.77	19.15	16.90	31.36	11.85	16.06
Maryland	36.07	25.21	24.26	35.76	13.59	20.30
Massachusetts	46.80	25.28	25.74	35.27	14.31	20.75
Michigan	43.49	24.27	22.90	31.37	12.71	19.10
Minnesota	41.69	21.33	23.54	33.69	13.11	18.32
Mississippi	29.56	18.23	18.07	26.56	9.70	12.75
Missouri	36.62	20.50	20.99	27.37	11.07	16.08
Montana	25.02	16.13	14.71	26.23	10.82	16.32
Nebraska	34.02	19.14	17.78	27.58	11.54	17.02
Nevada	41.86	20.13	22.97	34.66	13.82	17.65
New Hampshir	34.68	20.60	20.09	32.01	13.72	18.00
New Jersey	45.96	24.41	24.54	36.63	13.48	23.36
New Mexico	29.08	20.77	19.67	30.41	11.30	15.63
New York	51.42	26.01	30.07	34.82	12.90	21.09
North Carolina	34.02	18.45	20.28	30.25	11.03	15.74
North Dakota	31.77	19.38	15.19	26.21	11.18	16.72
Ohio	34.83	23.73	20.07	30.22	11.75	17.73
Oklahoma	34.42	17.12	17.18	25.97	10.53	15.62
Oregon	34.92	21.32	21.67	34.96	13.17	19.65
Pennsylvania	38.96	22.97	20.53	29.35	11.98	18.58
Rhode Island	39.77	25.70	22.01	33.18	13.61	19.79
South Carolina	32.44	19.51	18.35	28.59	11.04	14.91
South Dakota	27.19	16.97	14.84	26.69	11.11	15.28
Tennessee	37.45	18.99	19.51	27.68	11.49	14.56
Texas	39.99	20.50	20.45	29.70	10.97	16.94
Utah	40.56	19.67	20.29	29.62	11.21	16.59
Vermont	37.41	19.55	20.32	30.34	12.37	17.35
Virginia	41.18	22.88	23.99	30.88	11.98	18.72
Washington	**35.91**	**22.22**	**23.95**	**34.22**	**14.13**	**21.83**
West Virginia	28.79	18.50	15.76	26.22	9.76	13.45
Wisconsin	35.64	21.27	19.42	31.29	12.50	17.96
Wyoming	27.38	19.27	14.86	29.22	11.69	17.11
U.S. Average	42.53	22.41	23.27	31.26	12.31	18.63
Washington's	**26**	**16**	**7**	**11**	**4**	**3**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), August 2008.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2007
(Dollars)

	Food Preparation and Serving Related SOC 35-0000	Building and Grounds Cleaning and Maintenance SOC 37-0000	Personal Care and Service SOC 39-0000	Sales and Related SOC 41-0000	Office and Administrative Support SOC 43-0000	Farming, Fishing, and Forestry SOC 45-0000
Alabama	7.84	9.55	9.76	13.99	13.26	13.57
Alaska	11.45	13.76	13.41	14.83	17.02	18.10
Arizona	9.37	10.43	12.88	16.14	14.20	9.25
Arkansas	8.10	9.61	8.77	13.33	12.66	13.13
California	9.82	12.23	12.78	18.71	16.61	9.37
Colorado	9.66	11.72	12.38	18.15	15.85	11.00
Connecticut	10.99	13.69	12.87	20.23	17.40	13.95
Delaware	9.95	11.55	11.93	16.45	15.53	15.04
Florida	9.65	10.50	11.53	17.11	13.87	10.01
Georgia	8.61	10.37	12.13	15.85	14.45	11.69
Hawaii	11.63	13.15	13.24	15.13	15.34	13.16
Idaho	8.39	10.72	10.18	14.13	13.29	11.90
Illinois	9.33	12.13	12.53	18.41	15.64	13.56
Indiana	8.48	10.80	10.62	15.48	13.97	13.00
Iowa	8.53	10.78	9.98	14.77	13.54	14.04
Kansas	8.24	10.48	9.75	15.88	13.59	13.98
Kentucky	8.14	10.17	10.50	14.32	13.57	11.58
Louisiana	8.08	9.05	9.44	13.56	12.65	13.36
Maine	9.85	11.72	10.51	15.11	13.95	14.44
Maryland	9.70	11.48	12.19	16.83	16.18	12.04
Massachusetts	11.17	13.60	13.94	19.50	17.25	12.01
Michigan	9.35	12.20	11.92	16.56	15.38	12.43
Minnesota	9.80	12.13	12.12	17.96	15.70	13.60
Mississippi	7.93	9.21	9.43	12.49	12.89	13.25
Missouri	8.82	10.78	10.19	15.78	14.28	11.64
Montana	8.55	10.18	9.47	12.89	13.08	13.86
Nebraska	8.29	10.28	9.81	14.58	13.33	12.51
Nevada	10.22	12.06	11.17	15.42	14.96	12.65
New Hampshir	9.98	12.11	10.87	16.73	14.94	14.39
New Jersey	10.81	12.75	13.83	20.26	16.53	11.22
New Mexico	8.07	9.61	9.37	13.14	13.09	7.94
New York	10.90	13.30	12.95	20.57	16.38	13.01
North Carolina	8.66	10.31	10.52	15.46	14.24	11.85
North Dakota	8.51	10.30	9.52	13.37	12.87	11.92
Ohio	8.91	11.43	10.76	16.28	14.53	12.24
Oklahoma	7.82	9.44	8.84	13.49	12.93	10.87
Oregon	10.09	11.48	12.15	17.46	15.03	14.19
Pennsylvania	9.28	11.57	10.90	16.91	14.51	13.35
Rhode Island	10.10	12.97	11.61	16.39	15.65	10.71
South Carolina	8.37	9.84	9.91	13.92	13.62	12.47
South Dakota	8.08	9.74	9.65	14.32	12.19	11.68
Tennessee	8.35	10.05	10.68	14.87	13.92	12.06
Texas	8.30	9.36	9.17	15.92	14.13	9.70
Utah	8.90	10.25	11.02	16.04	13.31	11.65
Vermont	10.73	11.99	11.19	15.24	14.83	12.95
Virginia	9.22	10.70	11.79	16.61	15.36	13.27
Washington	**11.41**	**12.74**	**13.15**	**18.73**	**16.23**	**13.97**
West Virginia	8.02	9.41	8.93	12.56	12.20	11.14
Wisconsin	9.14	11.55	10.94	16.52	14.53	13.17
Wyoming	8.60	10.87	10.45	12.98	13.14	14.44
U.S. Average	9.35	11.33	11.53	16.94	15.00	10.89
Washington's	**3**	**8**	**5**	**5**	**7**	**9**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), August 2008.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2007
(Dollars)

	Construction and Extraction SOC 47-0000	Installation, Maintenance, and Repair SOC 49-0000	Production SOC 51-0000	Transportation and Material Moving SOC 53-0000
Alabama	15.26	17.53	13.96	13.04
Alaska	27.09	24.86	19.17	21.92
Arizona	16.87	18.58	14.22	15.10
Arkansas	15.28	16.49	13.09	13.87
California	22.55	21.13	14.81	14.93
Colorado	18.82	19.69	15.33	15.93
Connecticut	22.97	21.50	16.92	15.07
Delaware	19.99	19.37	15.89	14.53
Florida	16.50	17.39	13.84	13.93
Georgia	16.17	18.29	13.48	14.68
Hawaii	25.60	20.80	15.43	16.04
Idaho	16.52	17.39	14.00	13.38
Illinois	26.15	20.94	14.99	15.86
Indiana	20.12	19.26	15.91	14.57
Iowa	18.16	17.52	14.53	14.28
Kansas	18.09	18.71	15.03	14.38
Kentucky	17.18	17.77	14.41	14.58
Louisiana	16.94	17.20	16.59	13.92
Maine	16.96	17.56	15.29	13.55
Maryland	19.70	20.12	16.15	15.38
Massachusetts	24.37	21.83	16.43	15.91
Michigan	22.04	21.20	17.77	16.01
Minnesota	23.44	20.30	15.99	15.47
Mississippi	14.72	16.23	13.09	12.96
Missouri	21.08	18.40	14.66	14.92
Montana	17.84	18.01	14.83	14.32
Nebraska	17.10	18.09	13.90	16.13
Nevada	21.43	20.35	14.83	14.31
New Hampshir	18.49	19.46	15.39	14.82
New Jersey	25.16	21.51	15.78	15.19
New Mexico	15.96	17.18	15.10	13.89
New York	24.82	20.72	15.45	16.68
North Carolina	15.59	18.36	13.99	13.29
North Dakota	17.48	18.49	14.96	14.63
Ohio	20.37	19.08	15.69	14.54
Oklahoma	16.04	17.70	13.94	13.54
Oregon	20.46	19.69	15.33	14.56
Pennsylvania	20.28	18.78	15.65	14.54
Rhode Island	21.37	19.61	14.63	14.36
South Carolina	15.52	17.47	14.62	12.93
South Dakota	14.70	17.14	12.84	12.75
Tennessee	15.68	17.62	14.08	13.89
Texas	15.18	17.28	14.11	13.91
Utah	16.91	18.84	14.06	15.00
Vermont	17.61	18.39	15.21	14.69
Virginia	17.87	19.64	15.07	14.83
Washington	**22.62**	**21.49**	**17.46**	**16.65**
West Virginia	18.20	16.84	15.09	13.19
Wisconsin	21.52	19.35	15.62	14.48
Wyoming	19.47	20.04	18.02	16.61
U.S. Average	19.53	19.20	15.05	14.75
Washington's	**9**	**5**	**4**	**3**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), August 2008.

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Office of the Economic and Revenue Forecast Council

Lance Carey
Bret Bertolin
Eric Swenson
desiree Carson

Climate Study Work Group Members

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Randy Hodgins, Senate Ways & Means Committee
Irv Lefberg, Office of Financial Management
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