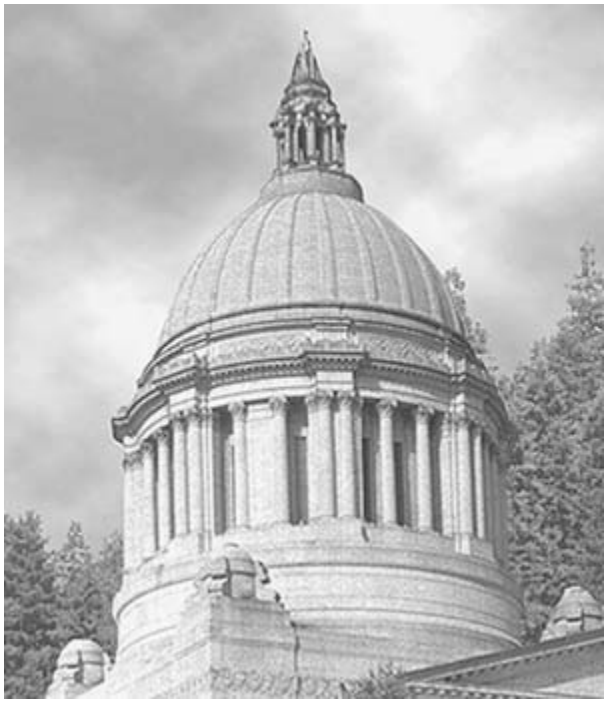
Washington State Economic Climate Study



Legislative Dome in Olympia

Economic and Revenue Forecast Council
October 2009
Volume XIV

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Washington State Economic Climate Study

Prepared by the
Economic and Revenue Forecast Council

October 2009
Volume XIV

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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 workforce, infrastructure, and the costs of doing business.

Table of Contents

Executive Summary

This report updates the State of Washington's Economic Climate Study, last published October 2008. 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-eight of the forty-one benchmarks and indicators were updated. Overall, the state's performance was mixed. Of the thirty-six* updated benchmarks and indicators that include ranks relative to the other states, Washington's rank improved in thirteen cases, regressed in sixteen, and stayed the same in seven. Of the thirty-seven* updated benchmarks and indicators that indicate year-to-year performance, the state improved in twenty-four cases, and worsened in twelve. Three indicators were not updated due to the unavailability of updated data at the time of publication.

Unlike the studies from 2006 through 2008 where the state showed the most improvement in "Economic Performance", Washington had the greatest improvement in "Quality of Life". Out of the nine indicators that were updated in that area, the state improved its performance in seven and its ranking in four, with three rankings unchanged. The state's performance was mixed in "Economic Performance" in the latest study. Of the fourteen indicators that were updated, performance improved in eight and worsened in six, while the state's rank improved in just four while falling in nine, with one remaining unchanged. Washington's performance was also mixed in "Cost of Doing Business" with an improvement in performance in three of the four categories and an improvement in rank in two of the four. "Education and Skills of the Workforce" was mostly negative as none of the indicators improved relative to other states. The state did do well in "Infrastructure" with both its performance and rank improving in three* of the four measures.

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.

*The "Urban Roadway Travel Time Index" was broken out to include performance and ranking of both Seattle-Bellevue-Everett and Spokane

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Indicator / Benchmark	Rank
Economic Performance	**15**
Total Employment Growth Rate	8
Median Household Income	11
Per Capita Personal Income	14
Per Capita Personal Income Growth Rate	35
Growth in High Wage Industries' Share of Total Employment	20
Annual Earnings Per Job	10
Annual Earnings Per Job Growth Rate	32
Migration Rate	8
Foreign Exports	2
Foreign Exports Excluding Transportation Equipment	6
Per Capita University Research and Development Spending	25
Per Capita Industry Research and Development Spending	4
Per Capita Total Research and Development Spending	6
Unemployment Rate	25
Quality of Life	**15**
Homicide	16
Violent Crime	23
Arrest Rates for Violent Crime	24
Air Quality	1
Drinking Water	8
Toxins Released	13
State Health Index	10
State Parks and Recreation Areas	5
State Arts	46
Public Library Service	5
Housing Opportunity Index	NA
Education and Skills of the Workforce	**20**
Fourth Grade Reading	18
Fourth Grade Math	20
Tenth Grade WASL Scores	NA
Student to Teacher Ratio	46
Education Attainment: Completed Four Years of High School or More	13
Education Attainment: Completed Bachelor's Degree or More	11
Total Public Two and Four Year Combined Participation Rate	23
Value Added per Hour of Labor in Manufacturing	7
Infrastructure	**30**
Interstate Miles in Poor Condition	30
FAA Air Traffic	30
Urban Roadway Travel Time Index	NA
Cost of Doing Business	**20**
State and Local Tax Collections Per $1,000 Personal Income	25
Unemployment Insurance Costs	47
Workers' Compensation Premium Costs	14
Electricity Costs	7
Average Wage by Occupation	8

Indicator / Benchmark	Performance	Rank
Economic Performance		
Total Employment Growth Rate	Worsened	Worsened
Median Household Income	Improved	Unchanged
Per Capita Personal Income	Improved	Worsened
Per Capita Personal Income Growth Rate	Worsened	Worsened
Growth in High Wage Industries' Share of Total Employment	Improved	Worsened
Annual Earnings Per Job	Improved	Improved
Annual Earnings Per Job Growth Rate	Worsened	Worsened
Migration Rate	Improved	Improved
Foreign Exports	Worsened	Worsened
Foreign Exports Excluding Transportation Equipment	Improved	Improved
Per Capita University Research and Development Spending	Worsened	Worsened
Per Capita Industry Research and Development Spending	Improved	Worsened
Per Capita Total Research and Development Spending	Improved	Worsened
Unemployment Rate	Worsened	Improved
Quality of Life		
Homicide	Worsened	Worsened
Violent Crime	Improved	Unchanged
Arrest Rates for Violent Crime	Improved	Improved
Air Quality	Unchanged	Unchanged
Drinking Water	Improved	Improved
Toxins Released	Improved	Improved
State Health Index	Improved	Improved
State Parks and Recreation Areas	Improved	Unchanged
State Arts	Improved	Worsened
Public Library Service	Not Updated	Not Updated
Housing Opportunity Index	N/A	N/A
Education and Skills of the Workforce		
Fourth Grade Reading	Not Updated	Not Updated
Fourth Grade Math	Worsened	Worsened
Tenth Grade WASL Scores	Worsened	N/A
Student to Teacher Ratio	Improved	Unchanged
Education Attainment: Completed Four Years of High School or More	Improved	Worsened
Education Attainment: Completed Bachelor's Degree or More	Improved	Unchanged
Total Public Two and Four Year Combined Participation Rate	Worsened	Worsened
Value Added per Hour of Labor in Manufacturing	Not Updated	Not Updated
Infrastructure		
Interstate Miles in Poor Condition	Improved	Improved
FAA Air Traffic	Improved	Improved
Urban Roadway Travel Time Index	N/A	N/A
Seattle-Everett-Tacoma	Improved	Improved
Spokane	Worsened	Unchanged
Cost of Doing Business		
State and Local Tax Collections Per $1,000 Personal Income	Improved	Worsened
Unemployment Insurance Costs	Improved	Improved
Workers' Compensation Premium Costs	Improved	Improved
Electricity Costs	Worsened	Worsened
Average Wage by Occupation	N/A	N/A

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. 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. 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. While the nation experienced a decrease in employment in 2008, Washington was one of twenty states to have positive growth over the year.

Most of the state's 2008 employment growth occurred in education and health services, government, and professional, scientific and technical services. Employment in construction, employment services, financial activities, and manufacturing outside of aerospace were particularly weak causing the state's growth rate to be much weaker than the previous year. Overall, employment growth decreased from 2.6 percent in 2007 to 0.9 percent in 2008, while during the same period the national rate went from a positive 1.1 percent to a negative 0.4 percent. Washington's rank amongst the fifty states declined as well from 6th best to 8th. Employment growth in the state has been in the top ten in the nation for each of the past four years, and the average growth over the past five is the 8th highest. The state's five-year average employment growth rate was 2.2 percent compared to just 1.1 percent for the U.S. average.

Total Washington Payroll Employment				
2004	2005	2006	2007	2008
2,701,000	2,777,100	2,859,200	2,933,600	2,959,400

Chart 1
Total Employment Growth Rate

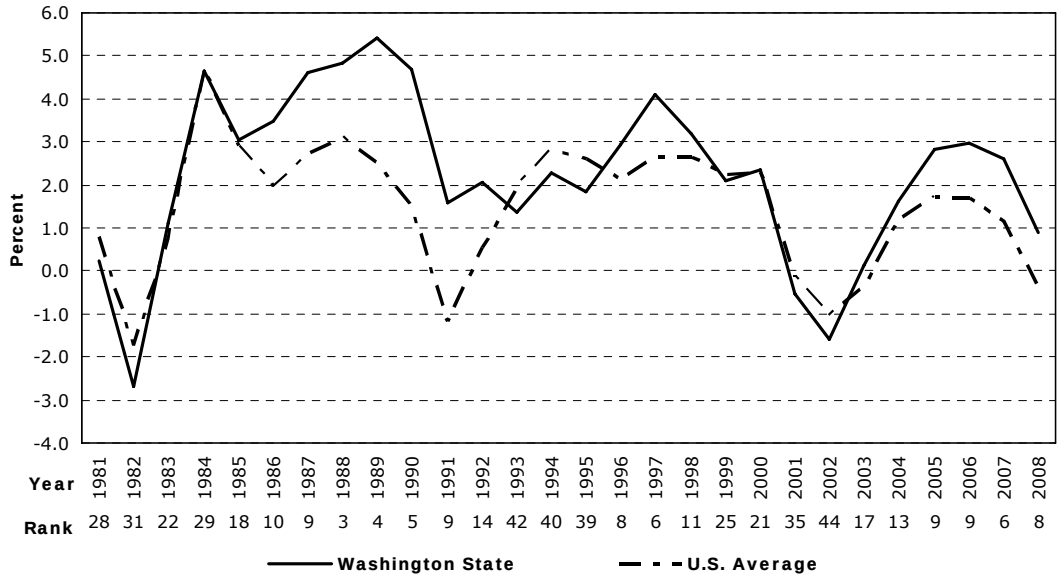


Table 1
Economic Performance
Total Employment Growth Rate
(Percent)

	2004	2005	2006	2007	2008	2004-08
Alabama	1.4	2.3	1.8	1.3	-0.6	1.2
Alaska	1.6	1.8	1.7	0.9	1.4	1.5
Arizona	3.7	5.4	5.0	1.5	-2.1	2.7
Arkansas	1.1	1.7	1.8	0.5	0.0	1.0
California	1.0	1.8	1.7	0.8	-1.2	0.8
Colorado	1.2	2.1	2.4	2.3	0.8	1.8
Connecticut	0.3	0.7	1.1	1.0	0.1	0.7
Delaware	2.2	1.7	1.1	0.1	-0.9	0.9
Florida	3.4	4.0	2.6	0.2	-3.2	1.4
Georgia	1.4	2.6	2.2	1.4	-1.0	1.3
Hawaii	2.8	3.1	2.6	1.3	-0.9	1.8
Idaho	2.8	4.0	4.4	2.6	-1.0	2.6
Illinois	0.1	0.8	1.2	0.8	-0.5	0.5
Indiana	1.2	0.9	0.6	0.4	-0.9	0.4
Iowa	1.2	1.6	1.6	1.0	0.3	1.1
Kansas	0.9	0.6	1.6	1.9	0.8	1.2
Kentucky	0.9	1.4	1.2	1.1	-0.7	0.8
Louisiana	0.6	-1.3	-2.0	3.4	1.3	0.4
Maine	0.8	0.0	0.5	0.5	-0.3	0.3
Maryland	1.2	1.5	1.3	0.7	-0.4	0.9
Massachusetts	-0.1	0.5	1.1	1.1	0.1	0.5
Michigan	-0.4	-0.2	-1.4	-1.4	-2.6	-1.2
Minnesotta	0.8	1.6	1.3	0.5	-0.5	0.7
Mississippi	0.9	0.5	1.0	1.0	-0.5	0.6
Missouri	0.5	1.5	1.4	0.7	-0.1	0.8
Montana	2.6	2.3	2.8	2.9	0.4	2.2
Nebraska	0.8	1.4	1.2	1.7	0.8	1.2
Nevada	5.9	6.1	4.6	1.0	-2.0	3.1
New Hampshire	1.5	1.4	0.9	0.6	0.0	0.9
New Jersey	0.5	1.0	0.8	0.2	-0.5	0.4
New Mexico	1.9	2.3	2.9	1.4	0.4	1.8
New York	0.7	0.9	1.0	1.3	0.7	0.9
North Carolina	1.3	2.1	3.2	2.6	-0.4	1.7
North Dakota	1.6	2.0	2.2	1.8	2.4	2.0
Ohio	0.2	0.3	0.2	-0.1	-1.1	-0.1
Oklahoma	1.1	2.6	2.7	1.8	1.7	2.0
Oregon	2.1	3.0	3.0	1.6	-0.6	1.8
Pennsylvania	0.6	1.0	0.9	0.7	0.1	0.7
Rhode Island	0.9	0.5	0.5	-0.1	-2.2	-0.1
South Carolina	1.4	1.8	2.2	2.0	-0.9	1.3
South Dakota	1.4	1.7	2.2	2.0	1.2	1.7
Tennessee	1.6	1.4	1.4	0.5	-0.8	0.8
Texas	1.4	2.6	3.3	3.3	2.1	2.5
Utah	2.8	4.0	4.9	4.1	0.2	3.2
Vermont	1.3	0.8	0.7	0.2	-0.7	0.5
Virginia	2.5	2.3	1.7	0.9	-0.1	1.4
Washington	**1.6**	**2.8**	**3.0**	**2.6**	**0.9**	**2.2**
West Virginia	1.3	1.3	1.3	0.3	0.4	0.9
Wisconsin	1.1	1.2	0.9	0.6	-0.5	0.7
Wyoming	2.2	3.3	5.1	4.2	3.3	3.6
U.S. Average	1.2	1.7	1.7	1.1	-0.4	1.1
Washington's Rank	**13**	**9**	**9**	**6**	**8**	**8**

U.S. Bureau of Labor Statistics, August 2009. (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 2006-2008 median household income estimate is $1,217.

Washington's 2006-08 median household income of $58,460 was 11.4 percent greater than that of the nation as a whole. The state's median household income increased 0.4 percent over 2007 compared to a 0.5 percent decline in the U.S. Washington was one of 21 states to have an increase in median income in 2008, while its rank remained unchanged at 11th. The state's 5-year average of $57,628 remains well above the national average of $51,113, ranking 12th. 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

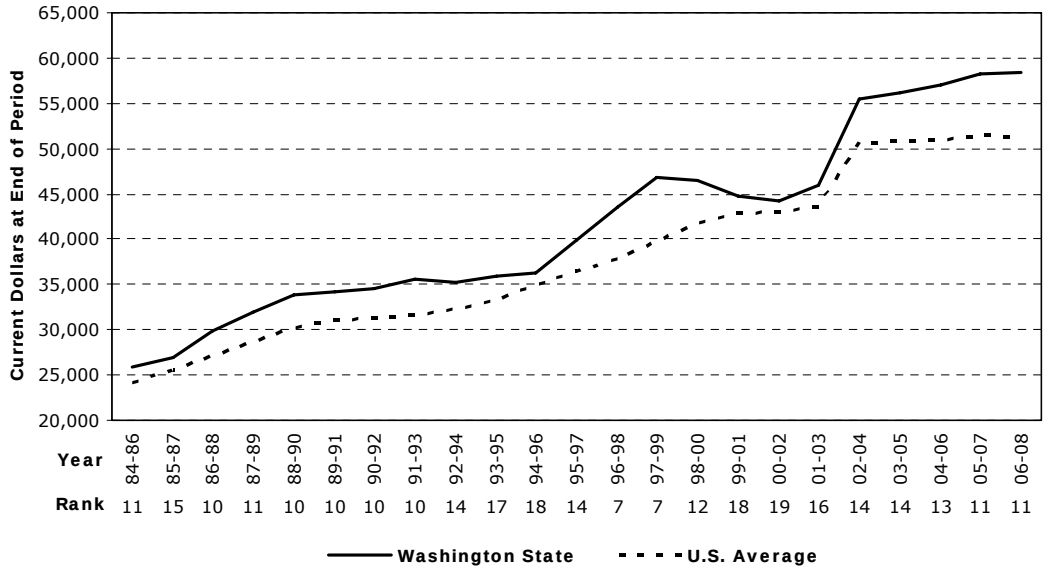


Table 2
Economic Performance
Median Household Income
(Current Dollars at End of Period)

	2002-04	2003-05	2004-06	2005-07	2006-08	2004-08*
Alabama	43,457	42,113	41,084	41,778	42,946	42,313
Alaska	62,203	61,697	61,551	62,434	63,217	62,811
Arizona	48,575	49,357	49,901	49,585	48,589	49,129
Arkansas	38,701	39,257	39,960	40,788	40,507	40,366
California	56,865	56,967	57,420	58,010	57,988	57,430
Colorado	58,089	57,369	57,707	59,536	61,304	59,511
Connecticut	63,683	63,279	64,043	65,310	65,976	64,684
Delaware	57,192	56,221	55,758	56,397	54,462	54,933
Florida	45,779	46,414	47,465	47,915	47,062	46,961
Georgia	49,263	49,016	50,021	51,285	49,810	49,360
Hawaii	60,468	63,502	64,800	65,591	64,193	64,481
Idaho	48,435	49,629	49,545	49,715	49,281	49,426
Illinois	52,166	52,920	52,625	53,292	53,251	53,130
Indiana	49,014	48,240	47,847	48,190	48,095	47,868
Iowa	49,012	49,731	50,713	51,155	50,774	50,613
Kansas	49,866	48,314	47,268	48,452	48,961	48,009
Kentucky	42,609	41,435	41,077	41,203	41,427	41,069
Louisiana	40,484	40,606	40,519	40,978	40,476	40,804
Maine	44,888	46,333	48,097	48,972	48,568	48,251
Maryland	64,614	64,357	66,606	67,627	66,618	66,336
Massachusetts	59,538	60,243	60,054	60,525	60,038	60,238
Michigan	50,665	50,511	50,258	51,292	51,001	50,366
Minnesota	63,721	61,861	61,257	60,036	58,414	59,797
Mississippi	38,297	38,063	37,655	37,353	37,416	37,624
Missouri	50,152	48,890	47,682	47,596	47,139	47,371
Montana	40,109	39,929	41,251	43,460	44,043	42,397
Nebraska	50,870	51,415	51,393	51,777	51,068	51,194
Nevada	53,503	53,291	54,269	55,045	55,570	54,737
New Hampshire	65,341	64,220	64,595	66,399	67,503	66,027
New Jersey	64,642	66,168	68,525	68,467	66,939	66,743
New Mexico	42,876	43,049	43,598	43,920	43,636	43,792
New York	50,404	51,005	51,473	51,450	50,927	51,141
North Carolina	44,403	45,297	44,916	44,689	43,538	44,573
North Dakota	45,113	46,182	45,024	46,462	47,494	46,744
Ohio	50,370	49,592	48,948	49,584	48,978	48,953
Oklahoma	43,606	42,901	42,716	42,623	44,154	43,827
Oregon	48,501	48,058	48,573	50,386	51,394	49,922
Pennsylvania	50,466	50,533	51,036	51,043	51,156	50,961
Rhode Island	52,582	53,852	55,533	56,084	55,639	55,227
South Carolina	44,801	44,506	43,593	44,196	43,458	43,769
South Dakota	46,150	46,905	47,653	48,101	49,437	48,552
Tennessee	43,881	43,595	43,438	43,231	41,978	42,559
Texas	47,071	46,282	46,373	46,584	46,853	46,686
Utah	57,651	58,708	58,925	58,125	58,820	58,980
Vermont	52,019	53,505	55,127	53,547	51,809	53,059
Virginia	60,609	59,894	58,849	59,895	61,472	59,993
Washington	**55,532**	**56,126**	**57,067**	**58,202**	**58,460**	**57,628**
West Virginia	37,178	38,864	39,754	41,643	40,910	40,193
Wisconsin	53,744	51,846	52,191	52,564	53,216	52,204
Wyoming	49,718	50,295	50,433	50,057	51,396	51,051
U.S. Average**	50,667	50,780	51,034	51,576	51,313	51,113
Washington's Rank	**14**	**14**	**13**	**11**	**11**	**12**

Source: U.S. Department of Commerce, Bureau of the Census
*Average of yearly estimates in 2008 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 2008, Washington had a total personal income of $277.4 billion and a population of 6.5 million, for a per capita personal income of $42,356. This was a $1,153 increase from 2007 and represented a growth rate of 2.8 percent. The state's growth was slightly less than the U.S. average, however, dropping Washington's rank from 10th back to 14th. Median income in the state was still higher than the national average of $39,751 in 2008 and ranks 12th amongst the states over the last five years.

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 2008, net earnings by place of residence for Washington residents totaled $187.1 billion, which accounted for 67.4 percent of total personal income. Income from transfer payments was $36.6 billion, and income from dividends, interest, and rent was $53.7 billion; representing 13.2 and 19.4 percent of total personal income respectively.

Chart 3
Per Capita Personal Income

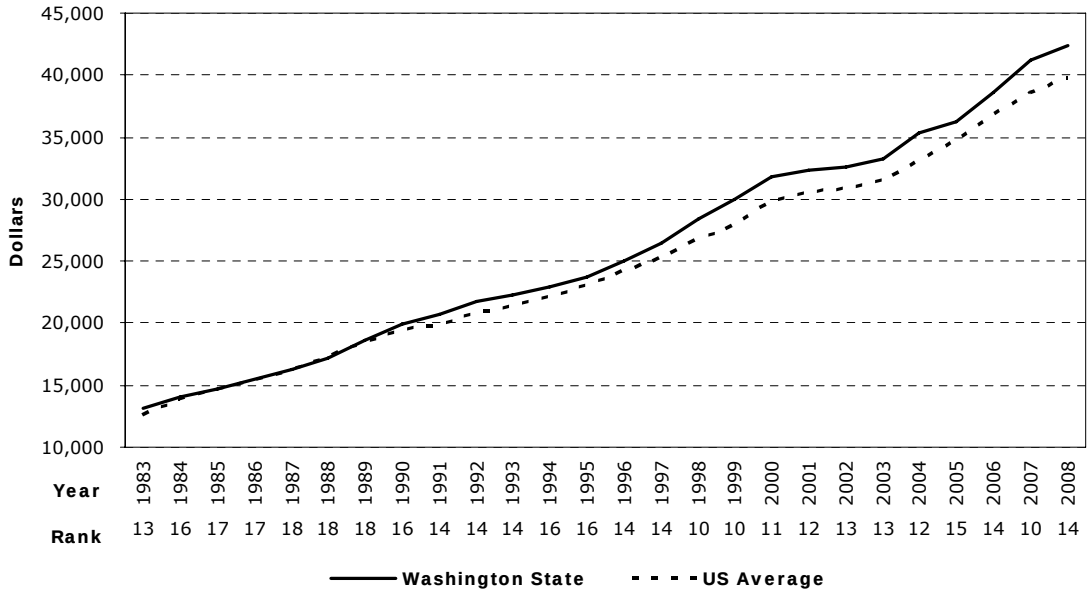


Table 3
Economic Performance
Per Capita Personal Income
(Dollars)

	2004	2005	2006	2007	2008	2004-08
Alabama	28,019	29,468	30,873	32,419	33,643	30,884
Alaska	33,941	36,084	38,344	40,042	43,321	38,346
Arizona	28,680	30,620	32,285	32,833	32,953	31,474
Arkansas	25,801	27,035	28,473	30,177	31,266	28,550
California	35,531	37,418	40,020	41,805	42,696	39,494
Colorado	35,594	37,611	39,612	41,192	42,377	39,277
Connecticut	45,848	48,032	51,600	54,981	56,248	51,342
Delaware	35,523	36,793	38,745	40,112	40,852	38,405
Florida	32,672	34,709	37,099	38,417	39,070	36,393
Georgia	29,723	31,260	32,299	33,499	33,975	32,151
Hawaii	32,782	34,885	37,117	39,242	40,490	36,903
Idaho	27,389	28,681	30,374	31,804	32,133	30,076
Illinois	35,146	36,452	38,456	41,012	42,397	38,693
Indiana	29,982	30,593	32,006	33,215	34,103	31,980
Iowa	30,732	31,575	32,741	34,916	36,680	33,329
Kansas	30,992	32,130	34,525	36,525	37,978	34,430
Kentucky	27,045	28,071	29,542	30,824	31,826	29,462
Louisiana	27,262	24,651	32,832	35,100	36,271	31,223
Maine	30,191	30,798	32,287	33,991	35,381	32,530
Maryland	39,741	41,781	43,889	46,471	48,091	43,995
Massachusetts	41,420	43,315	46,305	48,995	50,735	46,154
Michigan	31,588	32,229	32,985	34,423	35,299	33,305
Minnesota	36,199	37,275	38,944	41,105	42,772	39,259
Mississippi	24,163	25,289	27,072	28,541	29,569	26,927
Missouri	30,283	31,202	32,514	33,964	35,228	32,638
Montana	27,877	29,436	31,061	33,225	34,256	31,171
Nebraska	31,827	32,847	34,053	36,372	37,730	34,566
Nevada	34,533	37,481	38,850	39,853	40,353	38,214
New Hampshire	36,523	37,432	39,703	41,639	42,830	39,625
New Jersey	41,971	43,651	46,813	49,511	50,919	46,573
New Mexico	26,366	27,907	29,346	30,706	32,091	29,283
New York	38,338	40,781	43,724	46,364	48,076	43,457
North Carolina	29,440	31,002	32,271	33,735	34,439	32,177
North Dakota	29,307	31,571	32,233	36,082	39,321	33,703
Ohio	30,765	31,672	33,000	34,468	35,511	33,083
Oklahoma	28,481	30,237	32,755	34,997	36,899	32,674
Oregon	30,679	31,580	33,648	35,143	35,956	33,401
Pennsylvania	33,550	34,774	36,800	38,793	40,265	36,836
Rhode Island	34,375	35,575	37,669	39,829	41,008	37,691
South Carolina	27,069	28,292	30,041	31,103	31,884	29,678
South Dakota	30,837	32,193	32,293	35,760	37,375	33,692
Tennessee	29,565	30,705	32,167	33,395	34,330	32,032
Texas	30,989	33,249	35,162	37,083	38,575	35,012
Utah	26,053	27,885	29,243	29,831	30,291	28,661
Vermont	31,977	32,736	35,166	37,483	38,880	35,248
Virginia	35,886	37,988	40,234	41,727	42,876	39,742
Washington	**35,347**	**36,227**	**38,639**	**41,203**	**42,356**	**38,754**
West Virginia	25,334	26,366	27,935	29,385	30,831	27,970
Wisconsin	31,705	32,706	34,461	36,272	37,314	34,492
Wyoming	35,314	38,755	43,381	47,047	49,719	42,843
U.S. Average*	33,157	34,690	36,794	38,615	39,751	36,601
Washington's Rank	**12**	**15**	**14**	**10**	**14**	**12**

*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, August 2009

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 2007 to 2008, Washington total personal income grew by 4.4 percent while population grew at 1.5 percent. As a result, per capita personal income grew by 2.8 percent, which ranked 35th among the states. During the same period, U.S. total personal income grew by 3.9 percent while population grew at 0.9 percent, for a per capita personal income growth rate of 4.7 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 past year. The state went from having the tenth highest growth in 2007 with a 6.6 percent rate to the 2.8 percent rate mentioned above. The state's 2004-08 average rate of growth was 5.0 percent, slightly below the national average of 5.1 percent and ranking 20th among the states.

Chart 4
Per Capita Personal Income Growth Rate

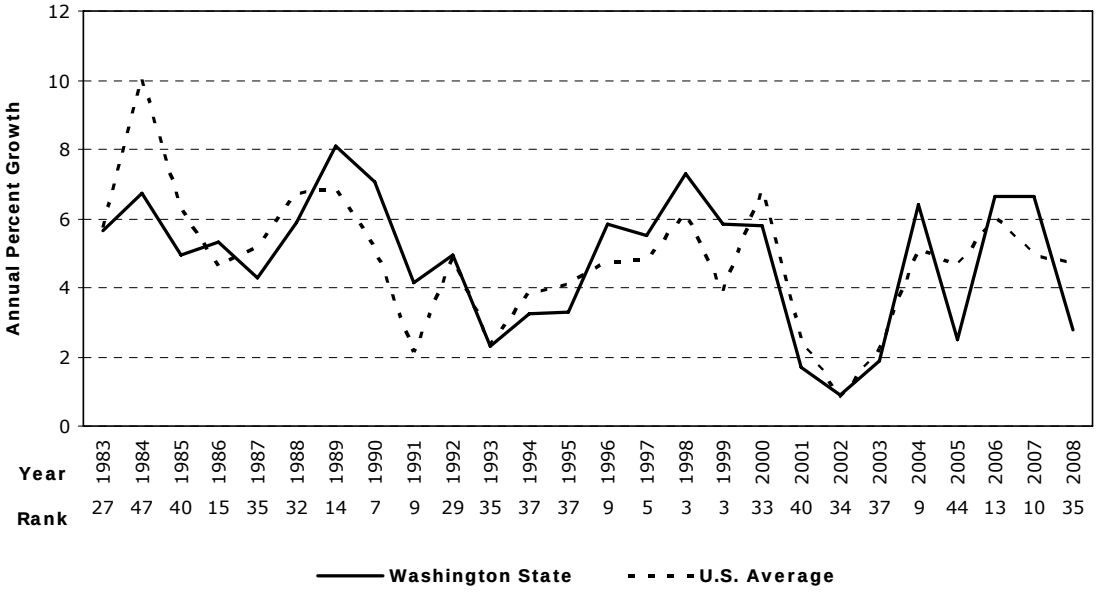


Table 4
Economic Performance
Per Capita Personal Income Growth Rate
(Percent)

	2004	2005	2006	2007	2008	2004-08
Alabama	6.2	5.2	4.8	5.0	3.8	5.0
Alaska	4.2	6.3	6.3	4.4	8.2	5.9
Arizona	6.4	6.8	5.4	1.7	0.4	4.1
Arkansas	5.5	4.8	5.3	6.0	3.6	5.0
California	5.7	5.3	7.0	4.5	2.1	4.9
Colorado	4.6	5.7	5.3	4.0	2.9	4.5
Connecticut	6.9	4.8	7.4	6.6	2.3	5.6
Delaware	5.6	3.6	5.3	3.5	1.8	4.0
Florida	7.6	6.2	6.9	3.6	1.7	5.2
Georgia	3.5	5.2	3.3	3.7	1.4	3.4
Hawaii	7.3	6.4	6.4	5.7	3.2	5.8
Idaho	7.2	4.7	5.9	4.7	1.0	4.7
Illinois	3.8	3.7	5.5	6.6	3.4	4.6
Indiana	3.7	2.0	4.6	3.8	2.7	3.4
Iowa	7.4	2.7	3.7	6.6	5.1	5.1
Kansas	4.0	3.7	7.5	5.8	4.0	5.0
Kentucky	4.6	3.8	5.2	4.3	3.3	4.2
Louisiana	5.4	-9.6	33.2	6.9	3.3	7.9
Maine	4.8	2.0	4.8	5.3	4.1	4.2
Maryland	6.1	5.1	5.0	5.9	3.5	5.1
Massachusetts	5.0	4.6	6.9	5.8	3.6	5.2
Michigan	1.4	2.0	2.3	4.4	2.5	2.5
Minnesota	5.3	3.0	4.5	5.5	4.1	4.5
Mississippi	4.5	4.7	7.1	5.4	3.6	5.0
Missouri	4.0	3.0	4.2	4.5	3.7	3.9
Montana	5.7	5.6	5.5	7.0	3.1	5.4
Nebraska	3.3	3.2	3.7	6.8	3.7	4.1
Nevada	8.4	8.5	3.7	2.6	1.3	4.9
New Hampshire	5.6	2.5	6.1	4.9	2.9	4.4
New Jersey	5.1	4.0	7.2	5.8	2.8	5.0
New Mexico	5.6	5.8	5.2	4.6	4.5	5.1
New York	6.3	6.4	7.2	6.0	3.7	5.9
North Carolina	5.4	5.3	4.1	4.5	2.1	4.3
North Dakota	2.0	7.7	2.1	11.9	9.0	6.5
Ohio	3.1	2.9	4.2	4.4	3.0	3.5
Oklahoma	7.5	6.2	8.3	6.8	5.4	6.9
Oregon	3.6	2.9	6.5	4.4	2.3	4.0
Pennsylvania	4.9	3.6	5.8	5.4	3.8	4.7
Rhode Island	5.0	3.5	5.9	5.7	3.0	4.6
South Carolina	4.6	4.5	6.2	3.5	2.5	4.3
South Dakota	5.6	4.4	0.3	10.7	4.5	5.1
Tennessee	4.6	3.9	4.8	3.8	2.8	4.0
Texas	5.3	7.3	5.8	5.5	4.0	5.6
Utah	4.4	7.0	4.9	2.0	1.5	4.0
Vermont	5.4	2.4	7.4	6.6	3.7	5.1
Virginia	5.4	5.9	5.9	3.7	2.8	4.7
Washington	**6.4**	**2.5**	**6.7**	**6.6**	**2.8**	**5.0**
West Virginia	4.1	4.1	6.0	5.2	4.9	4.9
Wisconsin	3.2	3.2	5.4	5.3	2.9	4.0
Wyoming	7.3	9.7	11.9	8.5	5.7	8.6
U.S. Average*	5.1	4.6	6.0	5.0	4.7	5.1
Washington's Rank	**9**	**44**	**13**	**10**	**35**	**20**

*The U.S. Average includes Washington D.C.
Source: Bureau of Economic Analysis, U.S. Department of Commerce, August 2009

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 predominately in decline 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.

Since 2003, the percentage of jobs in "high wage" industries has been declining at a slowing pace and finally increased this past year. The percentage of jobs in "high wage" industries in Washington increased from 51.3 percent in 2007 to 51.4 percent in 2008. This increase of 0.1 percentage points was the same as the U.S. average and ranked 20th among the states. This was the first time since 1997-98 that the share of jobs in "high wage" industries in Washington didn't drop for two years in a row. The state's five-year average change in the measure was -0.2 percent which ranked 31st in the nation.

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

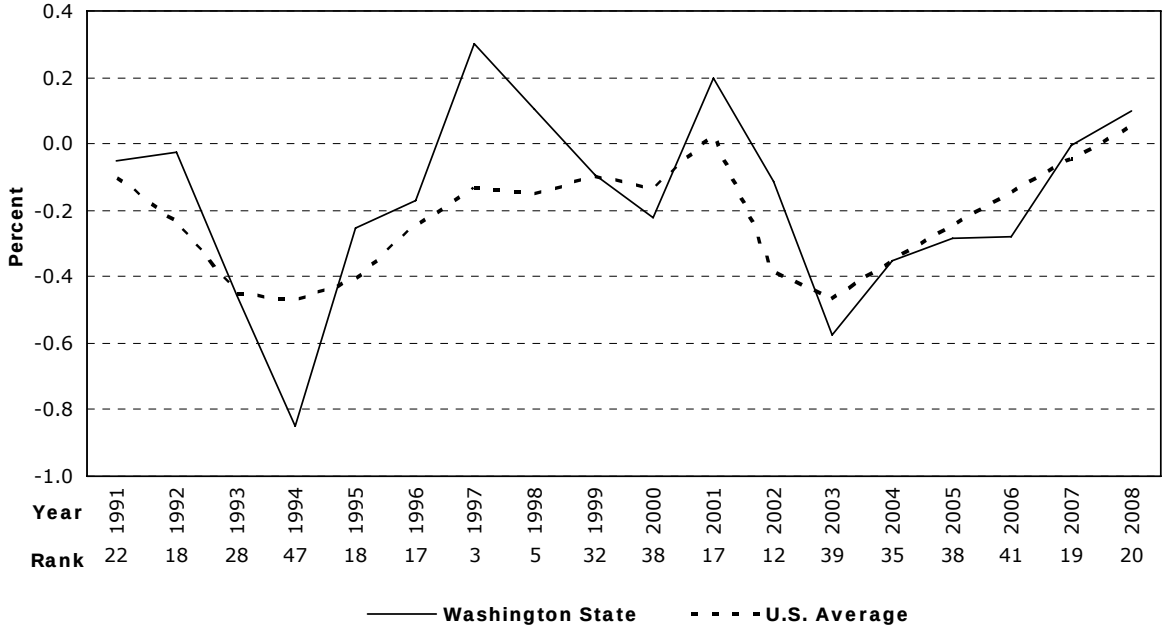


Table 5
Economic Performance
Change in High Wage Industries' Share of Total Employment
(Percent)

	2004	2005	2006	2007	2008	2004-08
Alabama	-0.1	-0.3	0.1	-0.2	-0.1	-0.1
Alaska	-0.5	0.1	0.3	0.0	0.2	0.0
Arizona	-0.6	-0.7	-0.4	0.2	0.5	-0.2
Arkansas	-0.2	0.1	-0.2	-0.1	-0.1	-0.1
California	-0.4	-0.2	-0.2	0.0	0.0	-0.2
Colorado	-0.2	-0.2	-0.2	0.1	0.2	-0.1
Connecticut	-0.6	-0.4	-0.4	-0.1	0.0	-0.3
Delaware	-0.7	-0.7	-0.4	-0.1	0.1	-0.3
Florida	-0.3	-0.3	0.1	0.2	0.4	0.0
Georgia	-0.5	-0.7	-0.4	-0.1	0.1	-0.3
Hawaii	-0.1	-0.4	-0.1	-0.4	0.1	-0.2
Idaho	-0.2	-0.3	-0.3	0.3	0.1	-0.1
Illinois	-0.5	-0.2	-0.3	-0.3	0.0	-0.3
Indiana	-0.3	-0.3	-0.2	-0.1	-0.2	-0.2
Iowa	0.1	-0.1	-0.1	0.1	0.0	0.0
Kansas	-0.3	-0.2	0.3	0.1	0.3	0.0
Kentucky	-0.2	0.0	0.1	0.0	-0.1	0.0
Louisiana	-0.4	0.1	-0.4	-0.3	0.1	-0.2
Maine	-0.2	-0.2	-0.1	0.0	-0.2	-0.1
Maryland	-0.3	-0.4	-0.2	-0.1	0.1	-0.2
Massachusetts	-0.5	-0.1	-0.1	0.2	-0.1	-0.1
Michigan	-0.5	-0.5	-0.4	-0.1	-0.4	-0.4
Minnesota	-0.1	-0.1	-0.1	0.0	0.1	0.0
Mississippi	-0.2	-0.3	-0.3	-0.2	0.1	-0.2
Missouri	-0.2	-0.2	-0.2	0.0	0.0	-0.1
Montana	-0.1	-0.3	-0.2	-0.2	-0.2	-0.2
Nebraska	0.0	0.1	0.3	0.2	0.1	0.1
Nevada	-0.3	-0.5	-0.1	0.6	0.5	0.0
New Hampshire	-0.2	0.0	0.0	0.2	-0.2	-0.1
New Jersey	-0.3	-0.2	-0.2	-0.1	-0.2	-0.2
New Mexico	0.0	0.0	-0.1	-0.4	0.0	-0.1
New York	-0.4	-0.2	-0.1	-0.2	-0.3	-0.2
North Carolina	-0.1	0.0	-0.2	-0.2	0.3	0.0
North Dakota	0.0	0.0	0.2	-0.1	0.2	0.1
Ohio	-0.3	-0.2	-0.1	-0.2	-0.1	-0.2
Oklahoma	-0.1	0.2	0.3	0.2	0.1	0.1
Oregon	-0.3	-0.2	-0.2	0.0	0.1	-0.1
Pennsylvania	-0.4	-0.4	-0.1	-0.2	0.0	-0.2
Rhode Island	-0.5	0.1	-0.2	0.0	-0.4	-0.2
South Carolina	-0.8	0.0	-0.2	-0.2	0.3	-0.2
South Dakota	-0.2	-0.1	0.2	0.4	0.1	0.1
Tennessee	-0.3	-0.2	0.0	-0.3	0.0	-0.2
Texas	-0.3	-0.2	0.1	0.0	0.2	-0.1
Utah	-0.4	-0.3	-0.4	-0.2	0.3	-0.2
Vermont	-0.1	-0.2	-0.1	0.0	-0.4	-0.2
Virginia	-0.2	-0.2	-0.2	-0.1	0.0	-0.1
Washington	**-0.4**	**-0.3**	**-0.3**	**0.0**	**0.1**	**-0.2**
West Virginia	-0.2	-0.2	0.0	-0.2	0.3	-0.1
Wisconsin	-0.3	-0.2	0.0	-0.1	0.1	-0.1
Wyoming	0.2	0.4	0.5	-0.2	0.3	0.2
U.S. Average	-0.4	-0.2	-0.1	0.0	0.1	-0.1
Washington's Rank	**35**	**38**	**41**	**19**	**20**	**31**

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, October 2009.

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 13th or higher for the last nineteen years. The state's rank for 2008 improved to 10th after last year's revised rank of 11th.

Washington's average annual earnings per job increased to $52,365 in 2008, up $495 from 2007 and $2,106 above the national average of $50,259. The state's five-year average of $49,965 ranked 11th in the nation.

2008 Annual Earnings Per Job
Top 10 States

	2007	Rank
New York	$65,258	1
Connecticut	$62,529	2
Massachusetts	$60,552	3
New Jersey	$59,910	4
California	$57,204	5
Illinois	$54,540	6
Maryland	$54,058	7
Alaska	$53,903	8
Virginia	$53,585	9
Washington	$52,365	10

Chart 6
Annual Earnings Per Job

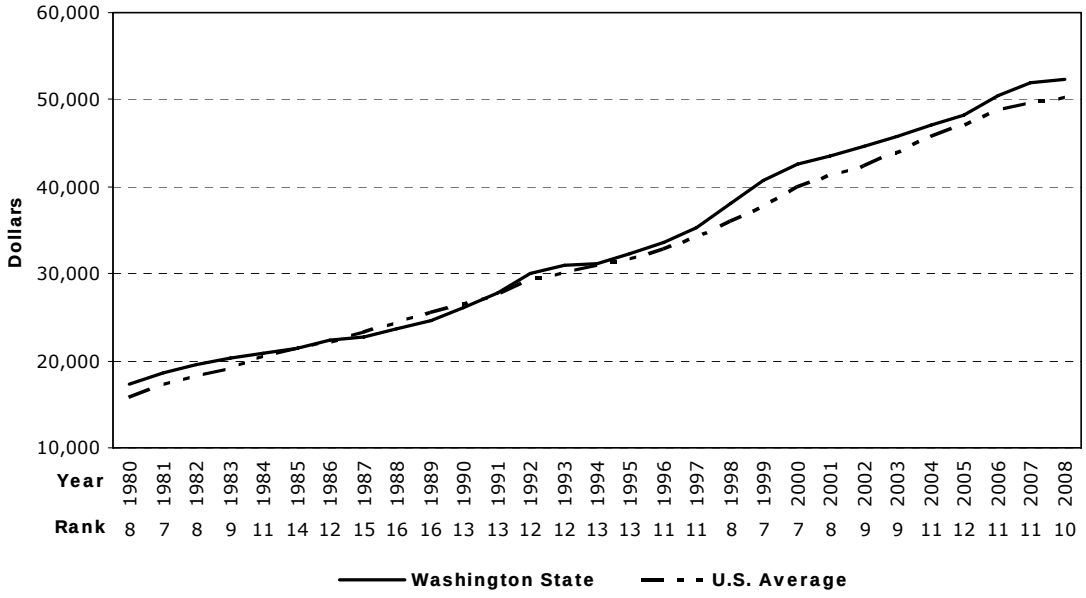


Table 6
Economic Performance
Annual Earnings Per Job
(Dollars)

	2004	2005	2006	2007	2008	2004-08
Alabama	38,587	39,713	40,908	41,307	42,128	40,529
Alaska	47,393	49,576	51,735	52,791	53,903	51,080
Arizona	42,231	43,845	45,716	46,325	46,496	44,923
Arkansas	36,861	37,336	38,386	39,735	40,305	38,525
California	52,611	54,228	56,310	57,171	57,204	55,505
Colorado	46,787	48,313	50,272	50,504	50,837	49,343
Connecticut	57,698	59,454	61,745	63,246	62,529	60,934
Delaware	48,288	50,326	51,852	52,033	51,960	50,892
Florida	40,314	41,964	43,465	43,626	43,666	42,607
Georgia	43,944	44,950	45,857	46,604	46,760	45,623
Hawaii	42,398	43,993	45,747	46,443	47,249	45,166
Idaho	35,494	36,055	37,537	38,255	38,099	37,088
Illinois	50,084	50,875	52,878	53,900	54,540	52,455
Indiana	41,091	41,673	42,802	43,317	44,134	42,603
Iowa	37,587	38,030	38,751	40,226	41,850	39,289
Kansas	39,083	40,448	41,939	42,701	44,162	41,667
Kentucky	37,691	38,999	40,081	40,603	41,479	39,771
Louisiana	38,888	40,858	43,123	43,857	45,427	42,431
Maine	36,977	37,579	38,915	39,612	40,039	38,624
Maryland	49,063	50,729	52,569	53,469	54,058	51,978
Massachusetts	54,565	56,004	58,162	59,994	60,552	57,855
Michigan	45,768	46,358	46,804	47,296	47,579	46,761
Minnesota	44,620	45,217	46,340	47,708	49,004	46,578
Mississippi	35,479	36,631	37,265	37,869	38,697	37,188
Missouri	40,790	41,694	42,973	43,826	45,230	42,903
Montana	32,320	33,696	34,467	35,383	35,778	34,329
Nebraska	38,967	39,999	40,491	42,294	43,385	41,027
Nevada	43,313	44,890	46,136	47,406	47,478	45,845
New Hampshire	44,241	45,356	47,308	47,700	47,722	46,465
New Jersey	54,585	55,798	58,018	59,421	59,910	57,546
New Mexico	37,919	39,361	40,795	41,555	42,513	40,429
New York	56,620	58,923	62,681	65,006	65,258	61,698
North Carolina	40,636	41,934	43,325	43,974	44,357	42,845
North Dakota	34,369	35,978	36,321	38,700	41,686	37,411
Ohio	42,273	42,987	44,195	44,899	45,297	43,930
Oklahoma	37,991	39,211	41,619	41,638	42,930	40,678
Oregon	40,897	41,476	43,041	43,594	43,913	42,584
Pennsylvania	44,967	45,980	47,587	48,574	49,119	47,245
Rhode Island	44,823	46,091	47,815	48,458	49,300	47,297
South Carolina	36,612	37,829	39,141	39,544	40,001	38,625
South Dakota	35,896	36,122	35,278	37,840	40,196	37,066
Tennessee	40,845	41,771	43,286	43,841	44,261	42,801
Texas	45,641	47,356	49,459	50,030	50,737	48,645
Utah	37,228	38,372	39,919	40,853	41,077	39,490
Vermont	36,247	37,114	38,251	39,066	39,459	38,027
Virginia	47,924	49,886	51,693	52,887	53,585	51,195
Washington	**47,106**	**48,120**	**50,364**	**51,870**	**52,365**	**49,965**
West Virginia	36,625	37,738	39,667	40,321	41,900	39,250
Wisconsin	40,309	41,130	42,435	43,252	43,852	42,196
Wyoming	37,492	39,205	42,830	43,480	45,106	41,623
U.S. Average	45,747	47,057	48,808	49,727	50,259	48,320
Washington's Rank	**11**	**12**	**11**	**11**	**10**	**11**

Source: US Department of Commerce, Bureau of Economic Analysis (www.bea.gov), October 2009

Annual Earnings Per Job Growth Rate

The growth rate of Washington earnings per job slowed in 2008, growing at a rate of 1.0 percent after a strong 3.0 percent growth in 2007. This rate, was slightly below the national average of 1.1 percent, ranked the state at 32nd in the nation. Washington typically experiences more pronounced swings in the growth rate than the nation as displayed in the graph below. This is also reflected in the state's ranking in this category throughout the years, especially is the past two business cycles where the rank has fluctuated from 2nd highest to 3rd lowest. Washington's five-year-average growth rate of 2.7 percent is equal to the national average and ranks 23rd among the states.

Chart 7
Annual Earnings Per Job Growth Rate

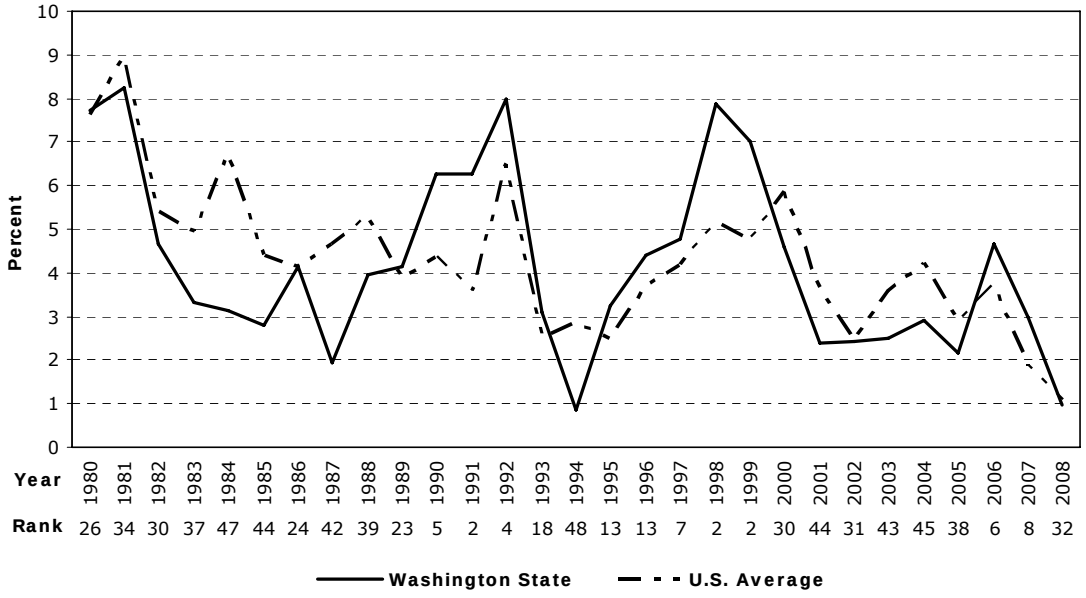


Table 7
Economic Performance
Annual Earnings Per Job Growth Rate
(Dollars)

	2004	2005	2006	2007	2008	2004-08
Alabama	3.6	2.9	3.0	1.0	2.0	2.5
Alaska	4.8	4.6	4.4	2.0	2.1	3.6
Arizona	4.3	3.8	4.3	1.3	0.4	2.8
Arkansas	4.9	1.3	2.8	3.5	1.4	2.8
California	5.1	3.1	3.8	1.5	0.1	2.7
Colorado	4.2	3.3	4.1	0.5	0.7	2.5
Connecticut	4.4	3.0	3.9	2.4	-1.1	2.5
Delaware	4.0	4.2	3.0	0.3	-0.1	2.3
Florida	3.7	4.1	3.6	0.4	0.1	2.4
Georgia	2.8	2.3	2.0	1.6	0.3	1.8
Hawaii	5.0	3.8	4.0	1.5	1.7	3.2
Idaho	5.8	1.6	4.1	1.9	-0.4	2.6
Illinois	4.3	1.6	3.9	1.9	1.2	2.6
Indiana	3.1	1.4	2.7	1.2	1.9	2.1
Iowa	7.8	1.2	1.9	3.8	4.0	3.7
Kansas	4.2	3.5	3.7	1.8	3.4	3.3
Kentucky	4.0	3.5	2.8	1.3	2.2	2.7
Louisiana	4.2	5.1	5.5	1.7	3.6	4.0
Maine	4.2	1.6	3.6	1.8	1.1	2.4
Maryland	5.5	3.4	3.6	1.7	1.1	3.1
Massachusetts	5.6	2.6	3.9	3.1	0.9	3.2
Michigan	0.7	1.3	1.0	1.1	0.6	0.9
Minnesota	4.7	1.3	2.5	3.0	2.7	2.8
Mississippi	4.6	3.2	1.7	1.6	2.2	2.7
Missouri	3.8	2.2	3.1	2.0	3.2	2.9
Montana	5.7	4.3	2.3	2.7	1.1	3.2
Nebraska	4.1	2.6	1.2	4.5	2.6	3.0
Nevada	4.3	3.6	2.8	2.8	0.2	2.7
New Hampshire	4.9	2.5	4.3	0.8	0.0	2.5
New Jersey	3.4	2.2	4.0	2.4	0.8	2.6
New Mexico	4.6	3.8	3.6	1.9	2.3	3.2
New York	5.0	4.1	6.4	3.7	0.4	3.9
North Carolina	3.7	3.2	3.3	1.5	0.9	2.5
North Dakota	0.7	4.7	1.0	6.5	7.7	4.1
Ohio	3.1	1.7	2.8	1.6	0.9	2.0
Oklahoma	6.6	3.2	6.1	0.0	3.1	3.8
Oregon	1.5	1.4	3.8	1.3	0.7	1.7
Pennsylvania	4.2	2.3	3.5	2.1	1.1	2.6
Rhode Island	3.5	2.8	3.7	1.3	1.7	2.6
South Carolina	2.3	3.3	3.5	1.0	1.2	2.3
South Dakota	5.3	0.6	-2.3	7.3	6.2	3.4
Tennessee	3.8	2.3	3.6	1.3	1.0	2.4
Texas	5.2	3.8	4.4	1.2	1.4	3.2
Utah	3.2	3.1	4.0	2.3	0.5	2.6
Vermont	4.6	2.4	3.1	2.1	1.0	2.6
Virginia	5.4	4.1	3.6	2.3	1.3	3.4
Washington	**2.9**	**2.2**	**4.7**	**3.0**	**1.0**	**2.7**
West Virginia	4.6	3.0	5.1	1.6	3.9	3.7
Wisconsin	3.1	2.0	3.2	1.9	1.4	2.3
Wyoming	5.0	4.6	9.2	1.5	3.7	4.8
U.S. Average	4.2	2.9	3.7	1.9	1.1	2.7
Washington's rank	**45**	**38**	**6**	**8**	**32**	**23**

Source: US Department of Commerce, Bureau of Economic Analysis (www.bea.gov), October 2009

Migration Rate

Washington continues to be a popular destination for international and domestic migration, ranking 6th in terms of total migration in 2008. On a per capita basis, migration increased slightly from 0.8 percent in 2007 to 0.9 percent in 2008. This improved Washington's ranking to 8th overall from 14th the previous year. The national rate averaged 0.3 percent in both 2007 and 2008.

2008's total population growth for Washington was 1.5 percent, while the national average was 0.9 percent. Natural increase accounted for 40.1 percent of the state's growth while 59.2 percent came from migration. Of the state's immigrants, 31.3 percent were international and 68.7 percent were domestic. In the U.S. as a whole, 67.9 percent of population growth came from natural increase while 32.1 percent from international migration.

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

Chart 8
Migration Rate

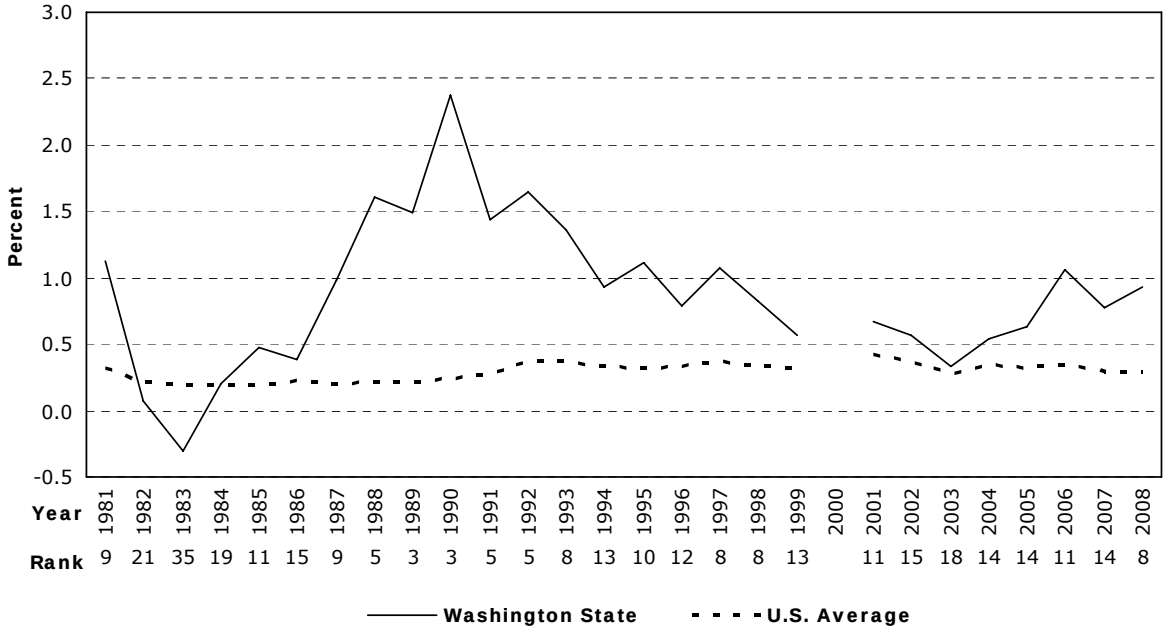


Table 8
Economic Performance
Migration Rate
(Percent)*

	2004	2005	2006	2007	2008	2004-08
Alabama	0.2	0.4	0.8	0.5	0.4	0.4
Alaska	0.5	0.1	0.0	-0.5	-0.5	-0.1
Arizona	2.1	2.8	2.8	1.8	1.4	2.2
Arkansas	0.5	0.6	0.8	0.4	0.4	0.5
California	0.1	-0.2	-0.2	-0.2	0.1	-0.1
Colorado	0.3	0.5	1.0	1.0	1.1	0.8
Connecticut	-0.2	-0.3	-0.1	-0.4	-0.1	-0.2
Delaware	0.9	1.1	0.9	0.7	0.7	0.8
Florida	2.0	1.9	1.4	0.7	0.4	1.3
Georgia	1.2	1.2	1.6	1.3	0.9	1.3
Hawaii	0.3	0.3	0.1	-0.6	0.1	0.0
Idaho	1.1	1.5	1.7	1.5	0.9	1.3
Illinois	-0.2	-0.3	-0.2	-0.1	-0.1	-0.2
Indiana	0.0	0.1	0.2	0.1	0.1	0.1
Iowa	0.0	-0.1	0.1	0.0	0.2	0.0
Kansas	-0.2	-0.1	0.0	0.1	0.2	0.0
Kentucky	0.2	0.3	0.4	0.5	0.4	0.4
Louisiana	-0.2	-0.3	-6.0	2.5	0.3	-0.7
Maine	0.3	0.2	0.0	0.0	-0.1	0.1
Maryland	0.2	0.1	-0.1	-0.3	-0.3	-0.1
Massachusetts	-0.4	-0.4	-0.2	0.0	0.1	-0.2
Michigan	-0.2	-0.4	-0.5	-0.8	-0.9	-0.6
Minnesota	0.0	-0.1	0.1	0.1	0.0	0.0
Mississippi	0.1	0.0	-0.6	0.1	0.0	-0.1
Missouri	0.3	0.3	0.4	0.3	0.1	0.3
Montana	0.7	0.6	0.7	0.7	0.7	0.7
Nebraska	-0.1	-0.1	-0.1	-0.1	0.1	-0.1
Nevada	3.3	2.6	2.6	2.0	1.0	2.3
New Hampshire	0.5	0.2	0.2	-0.1	-0.1	0.2
New Jersey	-0.1	-0.3	-0.4	-0.4	-0.2	-0.3
New Mexico	0.4	0.5	0.6	0.6	0.3	0.5
New York	-0.1	-0.3	-0.4	-0.2	-0.2	-0.2
North Carolina	0.8	1.1	1.5	1.6	1.3	1.3
North Dakota	0.2	-0.5	-0.3	-0.3	0.0	-0.2
Ohio	-0.2	-0.3	-0.3	-0.2	-0.3	-0.3
Oklahoma	0.0	0.1	0.6	0.5	0.4	0.3
Oregon	0.3	0.9	1.2	0.9	0.9	0.8
Pennsylvania	0.0	0.0	0.1	0.1	0.1	0.1
Rhode Island	-0.3	-0.8	-0.8	-0.9	-0.6	-0.7
South Carolina	0.8	0.8	1.3	1.4	1.3	1.1
South Dakota	0.4	0.2	0.4	0.3	0.3	0.3
Tennessee	0.6	0.9	1.0	0.9	0.6	0.8
Texas	0.6	0.7	1.4	1.0	1.0	0.9
Utah	0.9	1.0	1.8	1.6	0.9	1.2
Vermont	0.0	-0.1	-0.1	-0.2	-0.2	-0.1
Virginia	0.6	0.6	0.4	0.3	0.3	0.4
Washington	**0.5**	**0.6**	**1.1**	**0.8**	**0.9**	**0.8**
West Virginia	0.1	0.1	0.1	0.2	0.2	0.1
Wisconsin	0.2	0.1	0.1	0.0	0.0	0.1
Wyoming	0.2	0.0	0.7	1.3	1.1	0.7
U.S. Average*	0.3	0.3	0.3	0.3	0.3	0.3
Washington's Rank	**14**	**14**	**11**	**14**	**8**	**13**

* The District of Columbia is included in the U.S. average.
Source: Population Division, U.S. Census Bureau, August 2009

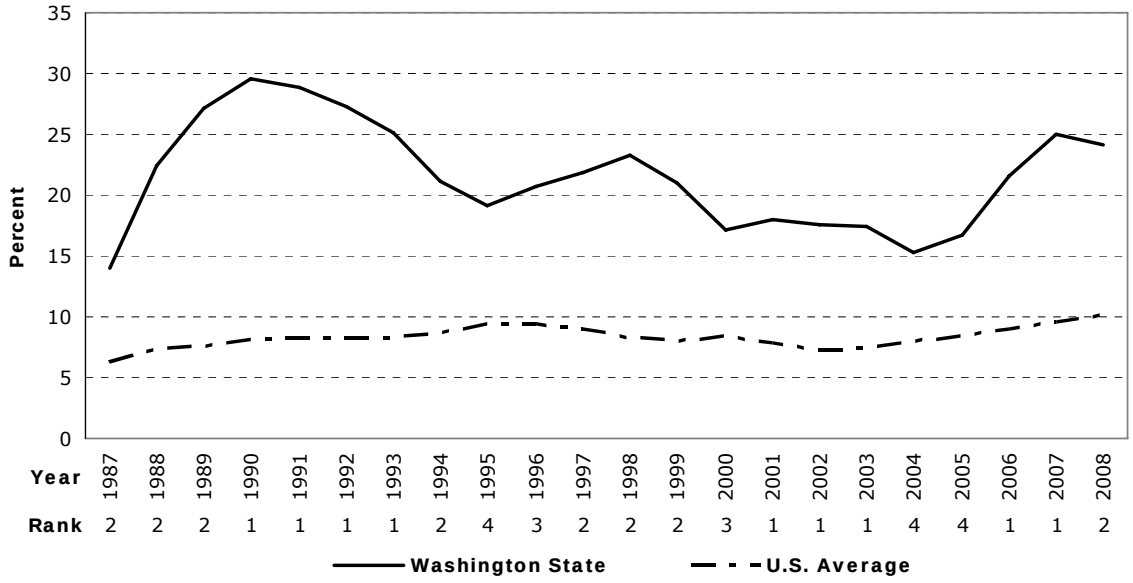
Foreign Exports Inclusive and Exclusive of Transportation Equipment

Washington dropped to 2nd in exports as a percent of personal income in 2008 after two years in a row of being ranked 1st. The state's export value decreased slightly from 24.98 percent in 2007 to 24.11 percent in 2008. This is still well ahead of the national average of 10.21 percent. Washington was only one of three states to have exports as a percent of personal income above fifteen percent this past year with the other two being Louisiana (26.21 percent) and Texas (20.48 percent). The state still maintained its 1st place ranking in the five-year average of this measure with a value of 20.55 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 11.59 percent of personal income, a sharp increase over the previous year of 8.90 percent. This increase improved the state's rank in this category from 10th to 6th, and well above the national average of 8.45 percent. Over the past five years, Washington now ranks 7th with exports as a percent of personal income of 8.69 percent compared to the national average of 7.36 percent. After transportation, agricultural products were 2008's highest value export, followed by computer and electronic products, food and kindred products, and petroleum and coal products.

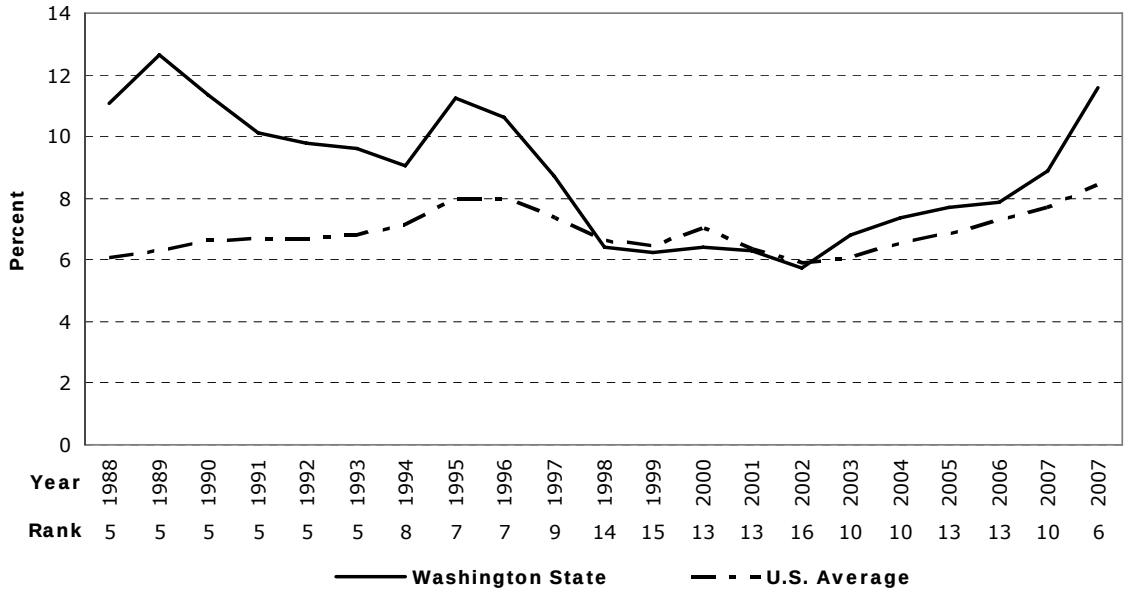
It must be noted that the trade data used for this indicator, obtained from the U.S. Bureau of the Census, only includes trade in goods, ignoring trades in service exports which are difficult to track and credit to specific states. Software, one of Washington's main exports, is classified as a service 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
Percent of Personal Income



*Trade data from 1997 to 2008 is coded under the North American Industry Classification System(NAICS).
Prior data is coded under Standard Industrial Classification (SIC)

Chart 10
Foreign Exports (Excluding Transportation Equipment)
Percent of Personal Income



*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)

	2004	2005	2006	2007	2008	2004-08
Alabama	7.18	8.14	9.81	9.61	10.10	8.97
Alaska	14.07	14.98	15.60	14.70	12.00	14.27
Arizona	8.17	8.19	9.17	9.22	9.22	8.79
Arkansas	4.92	5.17	5.34	5.72	6.47	5.53
California	8.70	8.69	8.84	8.83	9.23	8.86
Colorado	4.07	3.86	4.23	3.69	3.66	3.90
Connecticut	5.38	5.84	6.81	7.19	7.78	6.60
Delaware	7.01	8.22	11.83	11.64	13.72	10.48
Florida	5.13	5.44	5.77	6.42	7.58	6.07
Georgia	7.45	7.27	6.68	7.32	8.36	7.42
Hawaii	1.00	2.34	1.46	1.12	1.85	1.55
Idaho	7.66	8.01	8.40	9.88	10.19	8.83
Illinois	6.81	7.81	8.59	9.30	9.77	8.45
Indiana	10.32	11.30	11.25	12.33	12.19	11.48
Iowa	7.09	7.91	8.68	9.27	10.98	8.79
Kansas	5.84	7.65	9.08	10.13	11.72	8.88
Kentucky	11.67	12.79	13.91	15.05	14.05	13.49
Louisiana	16.28	17.51	16.85	19.75	26.21	19.32
Maine	6.16	5.78	6.23	6.15	6.47	6.16
Maryland	2.62	3.06	3.09	3.43	4.20	3.28
Massachusetts	8.21	7.91	8.06	8.00	8.58	8.15
Michigan	11.28	11.64	12.18	12.88	12.71	12.14
Minnesota	6.91	7.74	8.16	8.48	8.58	7.97
Mississippi	4.56	5.49	5.72	6.22	8.40	6.08
Missouri	5.19	5.82	6.74	6.75	6.16	6.13
Montana	2.19	2.60	3.07	3.57	4.20	3.12
Nebraska	4.20	5.22	6.06	6.63	8.04	6.03
Nevada	3.63	4.38	5.69	5.61	5.83	5.03
New Hampshire	4.86	5.25	5.42	5.33	6.65	5.50
New Jersey	5.30	5.60	6.73	7.20	8.02	6.57
New Mexico	4.11	4.76	5.09	4.29	4.36	4.52
New York	6.17	6.57	6.98	7.89	8.49	7.22
North Carolina	7.24	7.26	7.46	7.66	7.90	7.50
North Dakota	5.44	5.94	7.41	8.89	10.94	7.72
Ohio	9.01	9.68	10.09	10.76	11.15	10.14
Oklahoma	3.19	4.05	3.76	3.63	3.76	3.68
Oregon	10.22	10.85	12.36	12.59	14.21	12.04
Pennsylvania	4.48	5.20	5.78	6.06	6.87	5.68
Rhode Island	3.50	3.35	3.84	3.93	4.59	3.84
South Carolina	11.82	11.61	10.48	12.10	13.88	11.98
South Dakota	3.48	3.78	4.69	5.31	5.47	4.55
Tennessee	9.25	10.44	11.09	10.65	10.89	10.46
Texas	16.89	17.05	18.36	19.03	20.48	18.36
Utah	7.44	8.70	9.00	9.82	12.42	9.47
Vermont	16.90	23.05	17.76	15.84	14.89	17.69
Virginia	4.36	4.27	4.61	5.25	5.68	4.84
Washington	**15.33**	**16.75**	**21.59**	**24.98**	**24.11**	**20.55**
West Virginia	7.12	6.65	6.42	7.50	10.07	7.55
Wisconsin	7.27	8.26	8.95	9.27	9.79	8.71
Wyoming	3.83	3.42	3.75	3.26	4.08	3.67
U.S. Average	7.97	8.39	8.99	9.52	10.21	9.01
Washington's Rank	**4**	**4**	**1**	**1**	**2**	**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, February 2009

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

	2004	2005	2006	2007	2008	2004-08
Alabama	5.29	5.79	5.98	5.67	6.49	5.85
Alaska	13.99	14.30	15.22	14.54	11.30	13.87
Arizona	6.66	6.82	7.76	7.71	7.79	7.35
Arkansas	3.98	3.82	3.83	4.16	4.67	4.09
California	7.77	7.71	7.90	7.93	8.19	7.90
Colorado	3.89	3.71	4.09	3.56	3.51	3.75
Connecticut	3.38	3.45	3.81	4.17	4.51	3.87
Delaware	5.87	7.13	10.40	9.92	11.94	9.05
Florida	4.28	4.52	4.79	5.39	6.33	5.06
Georgia	5.71	5.51	5.38	5.98	6.77	5.87
Hawaii	0.86	0.79	0.85	0.94	1.04	0.90
Idaho	7.55	7.80	8.19	9.65	9.74	8.58
Illinois	6.10	7.08	7.62	7.87	8.76	7.49
Indiana	6.95	7.68	7.79	8.63	9.03	8.02
Iowa	6.72	7.52	8.17	8.80	10.49	8.34
Kansas	3.91	4.89	5.59	6.45	7.28	5.62
Kentucky	7.31	7.96	8.49	9.14	9.07	8.39
Louisiana	15.87	17.03	16.34	19.21	25.75	18.84
Maine	5.33	5.52	5.94	5.74	5.56	5.62
Maryland	2.19	2.53	2.54	2.68	2.95	2.58
Massachusetts	8.04	7.74	7.88	7.71	8.22	7.92
Michigan	5.41	5.79	5.80	6.16	6.81	5.99
Minnesota	6.26	7.01	7.26	7.46	7.67	7.13
Mississippi	4.19	4.39	4.96	5.66	7.66	5.37
Missouri	3.49	3.85	4.10	4.40	4.48	4.06
Montana	2.15	2.51	2.85	3.18	3.74	2.89
Nebraska	3.81	4.62	5.35	5.86	7.32	5.39
Nevada	3.53	4.28	5.54	5.40	5.64	4.88
New Hampshire	4.66	5.10	5.23	5.09	6.38	5.29
New Jersey	4.92	5.03	6.18	6.41	7.00	5.91
New Mexico	3.94	4.55	4.76	3.96	4.14	4.27
New York	5.52	5.88	6.33	7.22	7.73	6.54
North Carolina	6.69	6.68	6.82	7.00	7.18	6.88
North Dakota	5.01	5.59	6.83	8.19	10.03	7.13
Ohio	5.67	5.97	6.57	6.84	7.34	6.48
Oklahoma	2.66	2.94	3.13	3.19	3.28	3.04
Oregon	8.98	9.40	10.83	11.25	13.14	10.72
Pennsylvania	4.06	4.63	5.14	5.39	6.05	5.06
Rhode Island	3.42	3.23	3.72	3.78	4.40	3.71
South Carolina	7.96	8.22	7.84	7.98	8.87	8.17
South Dakota	3.33	3.48	4.18	4.90	5.16	4.21
Tennessee	7.33	8.08	8.82	8.65	9.00	8.38
Texas	15.08	15.22	16.52	17.18	18.69	16.54
Utah	6.70	7.92	8.18	9.01	11.51	8.66
Vermont	16.38	20.39	17.19	15.30	14.49	16.75
Virginia	3.67	3.65	3.95	4.59	4.99	4.17
Washington	**7.39**	**7.70**	**7.88**	**8.90**	**11.59**	**8.69**
West Virginia	6.12	5.68	5.75	6.60	8.88	6.61
Wisconsin	6.40	7.33	7.74	8.11	8.55	7.63
Wyoming	3.78	3.37	3.72	3.18	4.04	3.62
U.S. Average	6.54	6.84	7.29	7.68	8.45	7.36
Washington's Rank	**10**	**13**	**13**	**10**	**6**	**7**

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, February 2009

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 data available is 2007 for industrial and university and 2005 for total R&D.

In 2007, Washington dropped from 22nd to 25th in per capita university research and development with a spending level of $152 per capita, slightly less than the U.S. average of $165. For the period of 2002-06, the average spending was also slightly less than the national average of $153, coming in at $148 per capita and ranking 22nd. In industry per capita research and development spending, however, the state ranked much higher in 2007. Washington's per capita industrial research and development spending of $1,967 was over twice as high as the national average of $895, ranking 4th among the states. The state's total per capita research and development spending for 2005 (the latest data available) of $1,897 was also much higher than the national average of $961, ranking 6th.

Chart 11
University Research and Development, Per Capita

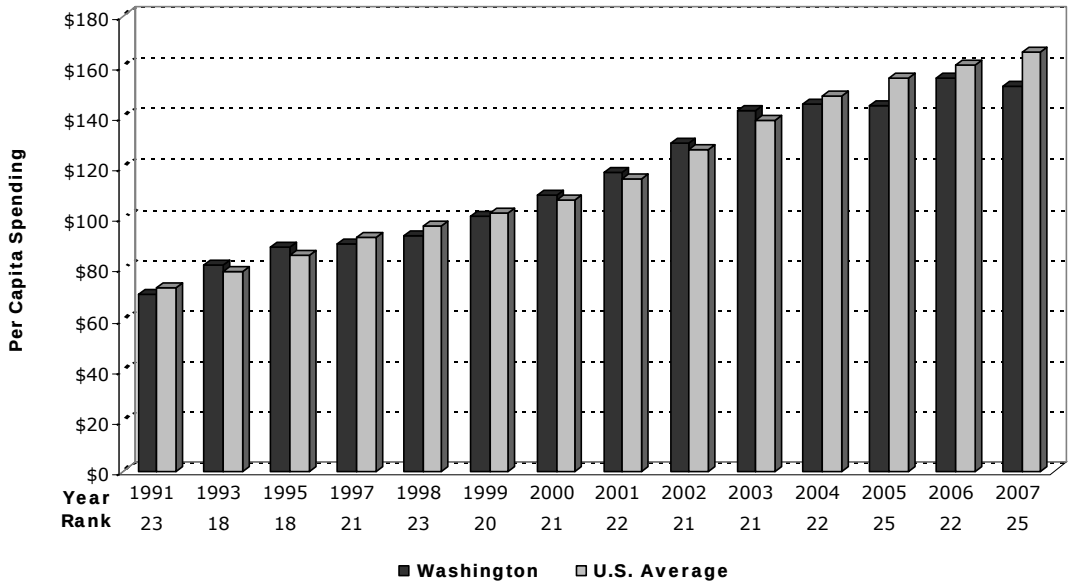


Chart 12
Industry Research and Development, Per Capita

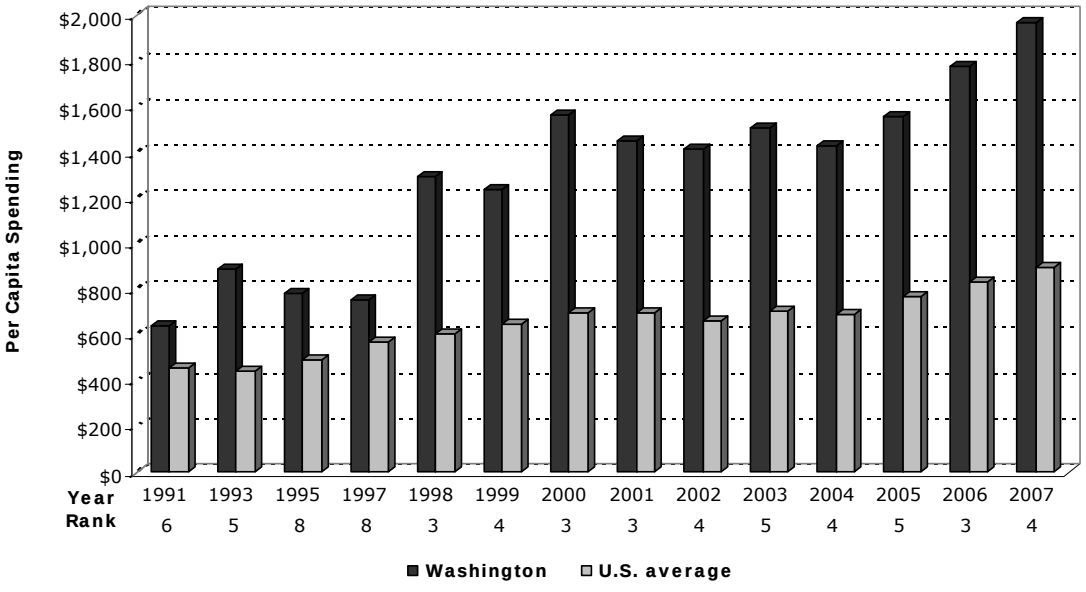


Chart 13
Total Research and Development, Per Capita

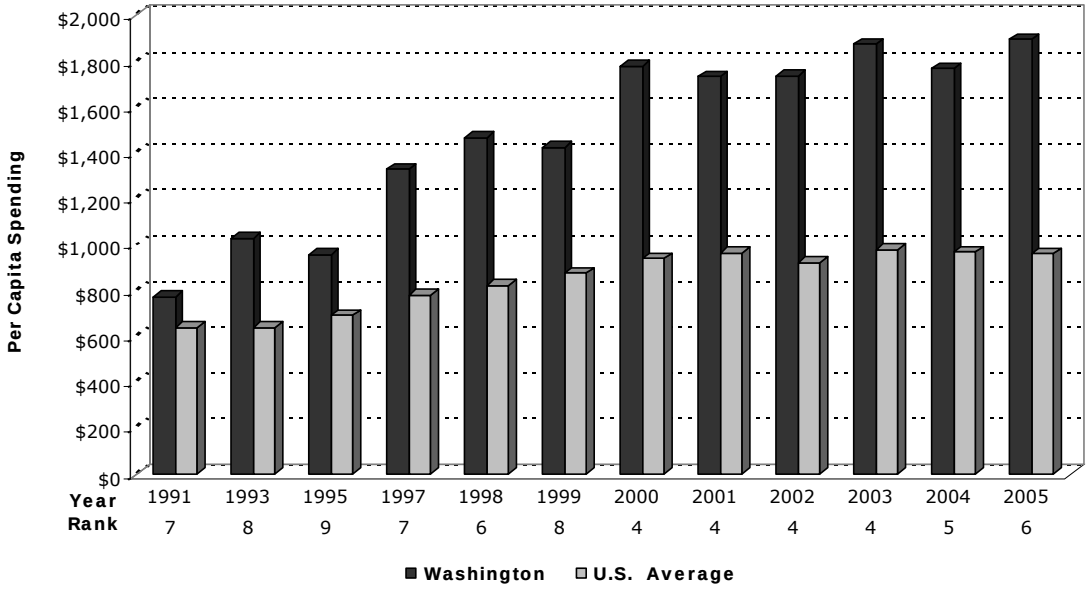


Table 11

University Research and Development

(Dollars Per Capita)

	2003	2004	2005	2006	2007	2003-07
Alabama	123	127	130	131	142	131
Alaska	219	222	230	241	235	229
Arizona	111	113	121	124	123	118
Arkansas	68	67	76	85	85	76
California	152	169	175	180	185	172
Colorado	153	168	177	173	180	170
Connecticut	171	187	193	199	198	189
Delaware	129	139	138	143	146	139
Florida	71	75	82	85	85	80
Georgia	135	137	140	140	146	140
Hawaii	149	193	190	202	215	190
Idaho	77	84	84	76	76	80
Illinois	128	135	139	143	146	138
Indiana	117	135	122	131	127	126
Iowa	170	181	186	193	197	185
Kansas	114	122	127	129	135	125
Kentucky	92	103	109	114	119	107
Louisiana	115	125	129	127	137	126
Maine	64	76	74	91	104	82
Maryland	371	410	423	452	452	422
Massachusetts	283	311	323	335	336	318
Michigan	138	138	144	146	150	143
Minnesota	103	105	109	118	123	112
Mississippi	113	120	122	127	141	125
Missouri	141	147	154	154	160	151
Montana	154	167	183	183	187	175
Nebraska	173	187	206	204	206	195
Nevada	69	70	74	78	74	73
New Hampshire	197	215	221	241	234	221
New Jersey	88	93	100	99	100	96
New Mexico	164	161	189	220	209	188
New York	160	173	186	196	204	184
North Carolina	166	170	191	193	209	186
North Dakota	211	238	236	252	266	241
Ohio	111	115	134	143	157	132
Oklahoma	84	81	83	84	83	83
Oregon	123	141	148	151	154	143
Pennsylvania	163	179	192	196	196	185
Rhode Island	175	180	188	217	219	196
South Carolina	105	109	115	121	129	116
South Dakota	65	76	86	92	102	84
Tennessee	103	111	121	122	124	116
Texas	125	128	135	140	143	134
Utah	162	167	160	160	155	161
Vermont	173	187	190	196	185	186
Virginia	105	114	121	124	126	118
Washington	**143**	**145**	**144**	**155**	**152**	**148**
West Virginia	67	72	80	82	92	79
Wisconsin	160	174	181	187	191	178
Wyoming	120	119	165	174	152	146
U.S. average	138	148	155	160	165	153
Washington's Rank	**21**	**22**	**25**	**22**	**25**	**22**

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

Table 12

Industry Research and Development

(Dollars Per Capita)

	2003	2004	2005	2006	2007	2003-07
Alabama	223	272	312	400	383	318
Alaska	55	53	48	72	85	63
Arizona	466	447	500	581	605	520
Arkansas	99	105	98	102	120	105
California	1,335	1,308	1,412	1,617	1,764	1,488
Colorado	779	871	922	980	1,079	926
Connecticut	1,682	2,065	2,267	2,372	2,706	2,218
Delaware	1,594	1,283	1,802	1,700	1,708	1,617
Florida	188	201	235	230	251	221
Georgia	241	242	251	299	293	265
Hawaii	107	105	133	122	171	127
Idaho	547	490	451	428	485	480
Illinois	660	675	764	844	886	766
Indiana	592	678	738	772	780	712
Iowa	284	327	352	356	403	344
Kansas	615	661	727	749	470	644
Kentucky	146	137	158	200	210	170
Louisiana	66	69	67	86	85	75
Maine	154	163	267	193	201	195
Maryland	728	691	665	611	652	669
Massachusetts	1,722	1,836	2,074	2,415	3,013	2,212
Michigan	1,514	1,503	1,660	1,634	1,566	1,575
Minnesota	991	1,024	1,242	1,224	1,280	1,152
Mississippi	356	55	67	80	96	131
Missouri	305	375	450	459	465	411
Montana	71	76	82	109	140	96
Nebraska	209	220	232	254	276	238
Nevada	171	179	159	215	222	189
New Hampshire	1,053	1,029	1,103	1,355	1,382	1,185
New Jersey	1,327	1,275	1,530	1,690	2,068	1,578
New Mexico	187	238	212	349	289	255
New York	445	456	490	491	562	489
North Carolina	526	536	596	620	755	607
North Dakota	341	596	164	189	198	297
Ohio	548	482	515	598	633	555
Oklahoma	165	117	120	133	146	136
Oregon	837	855	898	929	971	898
Pennsylvania	576	649	716	793	836	714
Rhode Island	1,123	1,232	1,303	1,256	390	1,061
South Carolina	236	229	330	323	324	288
South Dakota	98	93	87	121	166	113
Tennessee	258	276	208	235	266	249
Texas	501	490	545	571	583	538
Utah	418	446	493	493	661	502
Vermont	584	684	581	580	665	619
Virginia	564	537	580	631	629	588
Washington	**1,509**	**1,431**	**1,557**	**1,780**	**1,967**	**1,649**
West Virginia	122	112	134	122	129	124
Wisconsin	479	480	493	542	609	521
Wyoming	74	46	59	53	71	61
U.S. average	704	688	767	832	895	777
Washington's Rank	**5**	**4**	**5**	**3**	**4**	**3**

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

Table 13

Total Research and Development

(Dollars Per Capita)

	2001	2002	2003	2004	2005	2001-05
Alabama	504	520	567	612	618	564
Alaska	468	479	494	410	398	450
Arizona	575	752	641	616	694	656
Arkansas	168	158	187	188	191	178
California	1,477	1,472	1,690	1,673	1,780	1,618
Colorado	973	937	1,102	1,195	1,245	1,090
Connecticut	1,549	1,965	1,888	2,268	2,583	2,051
Delaware	1,657	1,641	1,737	1,431	1,950	1,683
Florida	345	330	305	312	352	329
Georgia	384	458	449	410	425	425
Hawaii	294	371	354	391	406	363
Idaho	953	1,022	887	724	723	862
Illinois	837	811	876	892	985	880
Indiana	692	704	726	826	873	764
Iowa	452	460	495	552	565	505
Kansas	591	688	744	794	863	736
Kentucky	234	276	247	243	273	254
Louisiana	185	192	213	216	215	204
Maine	303	331	286	294	400	323
Maryland	2,117	1,660	1,849	2,589	2,535	2,150
Massachusetts	2,289	2,225	2,428	2,483	2,760	2,437
Michigan	1,553	1,503	1,677	1,657	1,820	1,642
Minnesota	1,006	1,046	1,158	1,180	1,398	1,157
Mississippi	228	242	530	226	268	299
Missouri	452	437	479	529	627	505
Montana	264	260	269	319	340	290
Nebraska	337	385	410	425	457	403
Nevada	212	242	259	268	256	247
New Hampshire	1,263	1,129	1,299	1,289	1,366	1,269
New Jersey	1,342	1,523	1,490	1,445	1,726	1,505
New Mexico	2,159	2,536	2,664	2,707	2,752	2,564
New York	756	697	678	679	729	708
North Carolina	710	618	754	762	846	738
North Dakota	725	465	604	877	449	624
Ohio	772	728	751	683	722	731
Oklahoma	252	228	277	232	231	244
Oregon	1,569	822	1,006	1,024	1,082	1,101
Pennsylvania	908	794	807	877	965	870
Rhode Island	1,493	1,537	1,640	1,718	1,870	1,652
South Carolina	356	407	390	381	496	406
South Dakota	185	145	194	192	201	184
Tennessee	461	443	513	538	503	491
Texas	596	655	670	636	696	651
Utah	652	673	633	657	754	674
Vermont	690	648	798	883	796	763
Virginia	771	810	1,030	985	1,135	946
Washington	**1,732**	**1,736**	**1,877**	**1,770**	**1,897**	**1,802**
West Virginia	259	301	299	290	314	293
Wisconsin	601	658	665	667	686	656
Wyoming	167	161	226	194	241	198
U.S. average	964	921	978	970	961	959
Washington's rank	**4**	**4**	**4**	**5**	**6**	**5**

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

Unemployment Rate

The unemployment rate in Washington increased in 2008 to 5.3 percent from the 2007 rate of 4.5 percent. This was somewhat better than the U.S. increase from 4.6 to 5.8 percent over the same time period. Washington had previously had four straight years of declines in the unemployment rate from its peak of 7.4 percent in 2003. Despite the most recent increase, Washington improved its ranking among the states from 27th in 2007 to 25th this past year. Washington's ranking in the unemployment rate has improved steadily since having almost the worst rate in the nation (49th) in 2002 of 7.3 percent. The state has also had a lower unemployment rate than the nation as a whole for two straight years for the first time since the early 1990s. Despite this, the average unemployment rate for the past five years of 5.3 percent in Washington is still higher than the national average of 5.1 percent and ranks just 37th.

Chart 14
Unemployment Rate

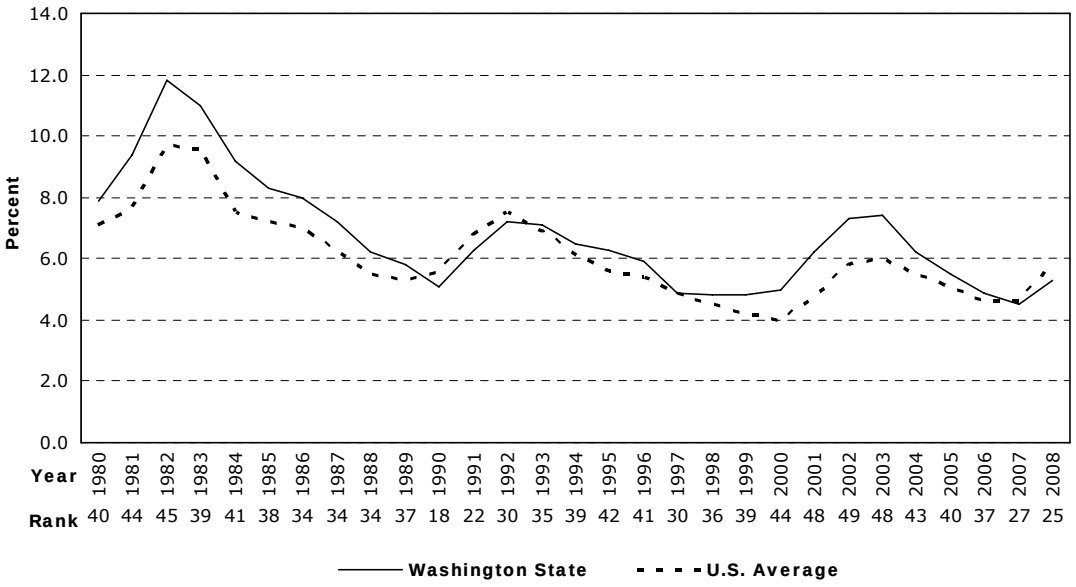


Table 14
Economic Performance
Unemployment Rate

	2004	2005	2006	2007	2008	2004-08
Alabama	5.0	3.8	3.5	3.5	5.0	4.2
Alaska	7.4	6.9	6.5	6.2	6.7	6.7
Arizona	5.0	4.6	4.1	3.8	5.5	4.6
Arkansas	5.6	5.1	5.2	5.1	5.1	5.2
California	6.2	5.4	4.9	5.4	7.2	5.8
Colorado	5.6	5.1	4.4	3.9	4.9	4.8
Connecticut	4.9	4.9	4.4	4.6	5.7	4.9
Delaware	3.9	4.0	3.5	3.4	4.8	3.9
Florida	4.7	3.8	3.4	4.1	6.2	4.4
Georgia	4.7	5.2	4.6	4.6	6.2	5.1
Hawaii	3.2	2.7	2.5	2.6	3.9	3.0
Idaho	4.6	3.7	3.0	3.0	4.9	3.8
Illinois	6.2	5.8	4.6	5.1	6.5	5.6
Indiana	5.3	5.4	5.0	4.6	5.9	5.2
Iowa	4.6	4.3	3.8	3.7	4.1	4.1
Kansas	5.5	5.1	4.3	4.1	4.4	4.7
Kentucky	5.6	6.1	5.9	5.5	6.4	5.9
Louisiana	5.5	6.7	3.9	3.8	4.6	4.9
Maine	4.6	4.9	4.6	4.6	5.4	4.8
Maryland	4.3	4.1	3.8	3.5	4.4	4.0
Massachusetts	5.2	4.8	4.8	4.5	5.3	4.9
Michigan	7.1	6.8	6.9	7.1	8.4	7.3
Minnesota	4.6	4.2	4.1	4.6	5.4	4.6
Mississippi	6.3	7.8	6.8	6.3	6.9	6.8
Missouri	5.8	5.4	4.8	5.1	6.1	5.4
Montana	4.0	3.7	3.3	3.4	4.5	3.8
Nebraska	3.9	3.9	3.0	2.9	3.3	3.4
Nevada	4.4	4.5	4.3	4.7	6.7	4.9
New Hampshire	3.9	3.6	3.5	3.5	3.8	3.7
New Jersey	4.9	4.5	4.6	4.3	5.5	4.8
New Mexico	5.8	5.2	4.2	3.5	4.2	4.6
New York	5.8	5.0	4.6	4.5	5.4	5.1
North Carolina	5.5	5.3	4.8	4.7	6.3	5.3
North Dakota	3.5	3.4	3.2	3.1	3.2	3.3
Ohio	6.1	5.9	5.4	5.6	6.5	5.9
Oklahoma	5.0	4.5	4.1	4.1	3.8	4.3
Oregon	7.3	6.2	5.3	5.1	6.4	6.1
Pennsylvania	5.4	5.0	4.5	4.4	5.4	4.9
Rhode Island	5.2	5.1	5.0	5.2	7.8	5.7
South Carolina	6.8	6.7	6.3	5.6	6.9	6.5
South Dakota	3.7	3.6	3.1	2.9	3.0	3.3
Tennessee	5.4	5.6	5.2	4.8	6.4	5.5
Texas	6.0	5.4	4.9	4.4	4.9	5.1
Utah	5.1	4.1	3.0	2.7	3.4	3.7
Vermont	3.7	3.5	3.7	4.0	4.8	3.9
Virginia	3.7	3.5	3.0	3.0	4.0	3.4
Washington	**6.2**	**5.5**	**4.9**	**4.5**	**5.3**	**5.3**
West Virginia	5.3	4.9	4.6	4.3	4.3	4.7
Wisconsin	5.0	4.8	4.7	4.7	4.7	4.8
Wyoming	3.9	3.7	3.3	2.9	3.1	3.4
U.S. Average	5.5	5.1	4.6	4.6	5.8	5.1
Washington's Rank	**43**	**40**	**37**	**27**	**25**	**37**

Source: U.S. Department of Labor, Bureau of Labor Statistics. August 2009 (www.bls.gov)

Quality of Life

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

Due to 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, with data in this report going back to 1991.

In 2008, Washington's homicide rate, as measured per 100,000 people, increased from 2.7 to 2.9, dropping its rank among the reporting states 13th to 16th. The rate is still much lower than the U.S., although during this time, the national average dropped from 5.6 to a new low of 5.4. The violent crime rate in Washington (violent crime includes the offenses of murder, non-negligent manslaughter, forcible rape, robbery, and aggravated assault), also measured per 100,000 people, dropped slightly from 333 in 2007 to 331 this past year. The state's rank remained at 23rd where it has remained the past four years. Washington again fares much better than the U.S. average which posted a violent crime rate of 455. Both the state and the nation reached a new low in this category. Washington's arrest rate for violent crime decreased from 156 to 146 in 2008, although the rank improved one slot to 24th. As with the other measures, Washington ranks well below the national arrest rate of 206 per 100,000 people.

Chart 15
Homicide Rate

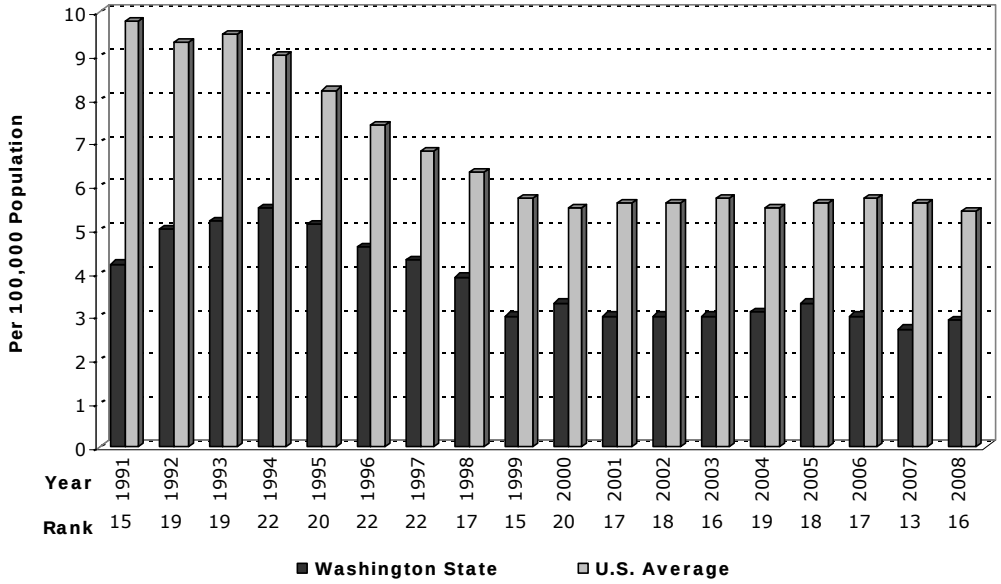


Chart 16
Violent Crime Rate

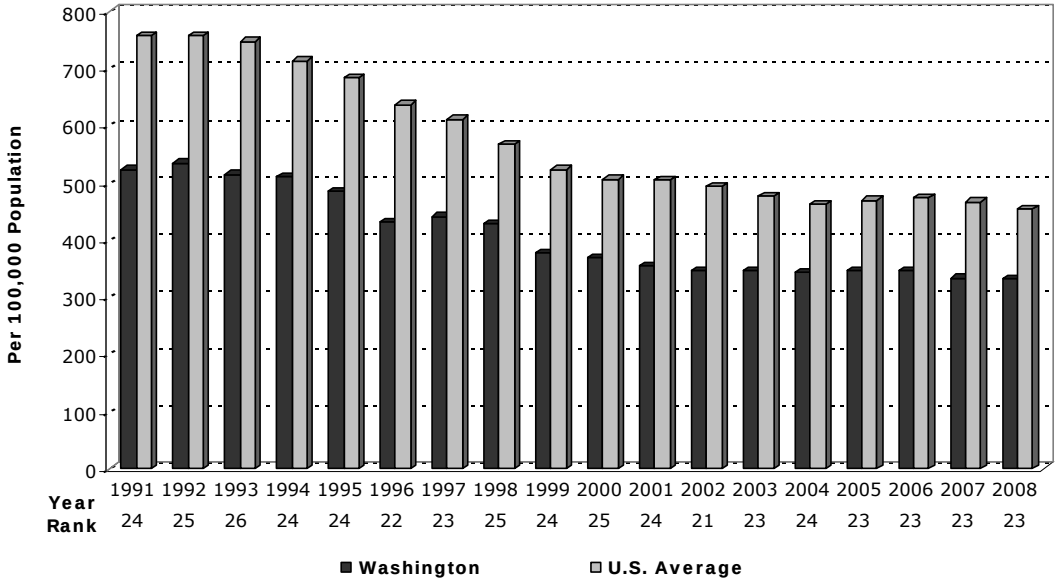


Chart 17
Arrest Rate for Violent Crime

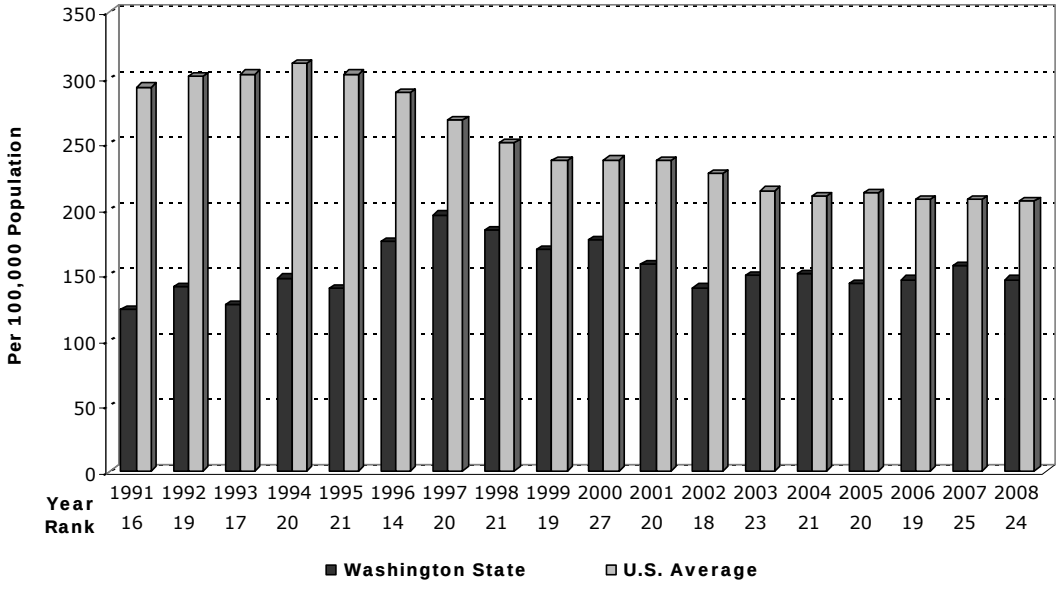


Table 15
Quality of Life
Homicide Rate
(Per 100,000 Population)

	2004	2005	2006	2007	2008	2004-08
Alabama	5.6	8.2	8.3	8.9	7.6	7.7
Alaska	5.6	4.8	5.4	6.4	4.1	5.3
Arizona	7.2	7.5	7.5	7.4	6.3	7.2
Arkansas	6.4	6.7	7.3	6.7	5.7	6.6
California	6.7	6.9	6.8	6.2	5.8	6.5
Colorado	4.4	3.7	3.3	3.1	3.2	3.5
Connecticut	2.6	2.9	3.1	3.0	3.5	3.0
Delaware	2.0	4.4	4.9	4.3	6.5	4.4
Florida	5.4	5.0	6.2	6.6	6.4	5.9
Georgia	6.9	6.2	6.4	7.5	6.6	6.7
Hawaii	2.6	1.9	1.6	1.7	1.9	1.9
Idaho	2.2	2.4	2.5	3.3	1.5	2.4
Illinois*	6.1	6.0	6.1	5.9	6.1	6.0
Indiana	5.1	5.7	5.8	5.6	5.1	5.5
Iowa	1.6	1.3	1.8	1.2	2.5	1.7
Kansas	4.5	3.7	4.6	3.9	4.0	4.1
Kentucky	5.7	4.6	4.0	4.8	4.6	4.7
Louisiana	12.7	9.9	12.4	14.2	11.9	12.2
Maine	1.4	1.4	1.7	1.6	2.4	1.7
Maryland	9.4	9.9	9.7	9.8	8.8	9.5
Massachusetts	2.6	2.7	2.9	2.9	2.6	2.7
Michigan	6.4	6.1	7.1	6.7	5.4	6.3
Minnesota	2.2	2.2	2.4	2.2	2.1	2.2
Mississippi	7.8	7.3	7.7	7.1	8.1	7.6
Missouri	6.2	6.9	6.3	6.5	7.7	6.7
Montana	3.2	1.9	1.8	1.5	2.4	2.2
Nebraska	2.3	2.5	2.8	3.8	3.8	3.0
Nevada	7.4	8.5	9.0	7.5	6.3	7.7
New Hampshire	1.4	1.4	1.0	1.1	1.0	1.2
New Jersey	4.5	4.8	4.9	4.4	4.3	4.6
New Mexico	8.9	7.4	6.8	8.2	7.2	7.7
New York	4.6	4.5	4.8	4.2	4.3	4.5
North Carolina	6.2	6.7	6.1	6.5	6.5	6.4
North Dakota	1.4	1.1	1.3	1.9	0.5	1.2
Ohio	4.5	5.1	4.7	4.5	4.7	4.7
Oklahoma	5.3	5.3	5.8	6.1	5.8	5.7
Oregon	2.5	2.2	2.3	1.9	2.2	2.2
Pennsylvania	5.2	6.1	5.9	5.8	5.6	5.7
Rhode Island	2.4	3.2	2.6	1.8	2.8	2.6
South Carolina	6.9	7.4	8.3	8.0	6.8	7.5
South Dakota	2.3	2.3	1.2	2.1	3.2	2.2
Tennessee	5.9	7.2	6.8	6.4	6.6	6.6
Texas	6.1	6.2	5.9	5.9	5.6	5.9
Utah	1.9	2.3	1.8	2.2	1.4	1.9
Vermont	2.6	1.3	1.9	1.9	2.7	2.1
Virginia	5.2	6.1	5.2	5.3	4.7	5.3
Washington	**3.1**	**3.3**	**3.0**	**2.7**	**2.9**	**3.0**
West Virginia	3.7	4.4	4.1	3.5	3.3	3.8
Wisconsin	2.8	3.5	3.0	3.3	2.6	3.0
Wyoming	2.2	2.7	1.7	3.1	1.9	2.3
U.S. Average	5.5	5.6	5.7	5.6	5.4	5.6
Washington's Rank	**19**	**18**	**17**	**13**	**16**	**16**

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-2008. (www.fbi.gov)
*Limited data for 2000-2008 were available for Illinois.

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

	2004	2005	2006	2007	2008	2004-08
Alabama	427	432	425	448	453	437
Alaska	635	632	688	661	652	654
Arizona	504	513	501	483	447	490
Arkansas	499	528	552	529	503	522
California	552	526	533	523	504	527
Colorado	374	397	392	348	343	371
Connecticut	286	275	281	256	298	279
Delaware	568	632	682	689	703	655
Florida	711	708	712	723	689	709
Georgia	456	449	471	493	479	470
Hawaii	254	255	281	273	273	267
Idaho	245	257	247	239	229	243
Illinois*	543	552	542	533	525	539
Indiana	325	324	315	334	334	326
Iowa	271	291	284	295	284	285
Kansas	375	387	425	453	411	410
Kentucky	245	267	263	295	296	273
Louisiana	639	594	698	730	656	663
Maine	104	112	116	118	118	113
Maryland	701	703	679	642	628	670
Massachusetts	459	457	447	432	449	449
Michigan	490	552	562	536	502	528
Minnesota	270	297	312	289	263	286
Mississippi	295	278	299	291	285	290
Missouri	491	525	546	505	504	514
Montana	294	282	254	288	258	275
Nebraska	309	287	282	302	304	297
Nevada	616	607	742	751	725	688
New Hampshire	167	132	139	137	157	146
New Jersey	356	355	352	329	327	344
New Mexico	687	702	643	664	650	669
New York	442	446	435	414	398	427
North Carolina	448	468	476	466	467	465
North Dakota	79	98	128	142	167	123
Ohio	342	351	350	343	348	347
Oklahoma	501	509	497	500	527	507
Oregon	298	287	280	288	257	282
Pennsylvania	411	425	439	417	410	420
Rhode Island	247	251	228	227	249	241
South Carolina	784	761	766	788	730	766
South Dakota	172	176	171	169	201	178
Tennessee	695	753	760	753	722	737
Texas	541	530	516	511	508	521
Utah	236	227	224	235	222	229
Vermont	112	120	137	124	136	126
Virginia	276	283	282	270	256	273
Washington	**344**	**346**	**346**	**333**	**331**	**340**
West Virginia	271	273	280	275	274	275
Wisconsin	210	242	284	291	274	260
Wyoming	230	230	240	239	232	234
United States	463	469	474	467	455	465
Washington's Rank	**24**	**23**	**23**	**23**	**23**	**23**

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-2008. (www.fbi.gov)
*Limited data for 2000-2008 were available for Illinois.

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

	2004	2005	2006	2007	2008	2004-08
Alabama	152	166	161	179	173	166
Alaska	233	268	255	264	318	267
Arizona	161	158	146	143	144	150
Arkansas	202**	218	243	157	198	204
California	351	342	341	348	343	345
Colorado	156	147**	157**	132**	142	147
Connecticut	170	172	211	169	184	181
Delaware	252	287	300	335	337	302
Florida	292	287	282	287	288	287
Georgia	299	284	323	215	192	263
Hawaii	107	95	106	NA	115	106
Idaho	103	102	108	105	99	103
Illinois	330	337	13**	295	292	253
Indiana	237	244	149	163	179	195
Iowa	149	166	155	156	153	156
Kansas	106	83	122	131	131	115
Kentucky	175	168	207	212	275	208
Louisiana	305	299	352	306	374	327
Maine	66**	56	56	55	56	58
Maryland	219	214	223	225	233	223
Massachusetts	153	144	211	201	214	185
Michigan	151	151**	148	152	143	149
Minnesota	84	128	NA	117	111	110
Mississippi	151	144	140	165	149	150
Missouri	263	302	276	216	226	257
Montana	NA	100**	NA	108	91	99
Nebraska	96	110	102	113	120	108
Nevada	235	175	197	227	256	218
New Hampshire	52	48	57	40	60	51
New Jersey	176	170	169	162	167	169
New Mexico	235	232	221	244	240	234
New York	146	164	170	153	144	156
North Carolina	271	295	276	280	285	282
North Dakota	38	41	48	57	70	51
Ohio	96	108	115	101	99	104
Oklahoma	165	166	163	157	164	163
Oregon	141	127	134	140	133	135
Pennsylvania	220	225	230	216	214	221
Rhode Island	116	85**	73	53	83	82
South Carolina	232	281	266	256	165	240
South Dakota	76	94	42	68	74	71
Tennessee	256	301	273	281	275	277
Texas	150	147	147	153	146	149
Utah	94	84	80	78	86	84
Vermont	56	60	74	72	89	70
Virginia	97	112	117	99	99	105
Washington	**150**	**143**	**146**	**156**	**146**	**148**
West Virginia	96	110	100	84	115	101
Wisconsin	198	112	153	146	145	151
Wyoming	111	116	114	124	120	117
Ave. of Reporting States	210	212	207	207	206	208
Washington's Rank	**21**	**20**	**19**	**25**	**24**	**20**

*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: 1991-2008 (www.fbi.gov)

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 2008, none of Washington's residents lived in nonattainment areas. While the state shared this distinction with seventeen 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 1.7 percent ranked 15th 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

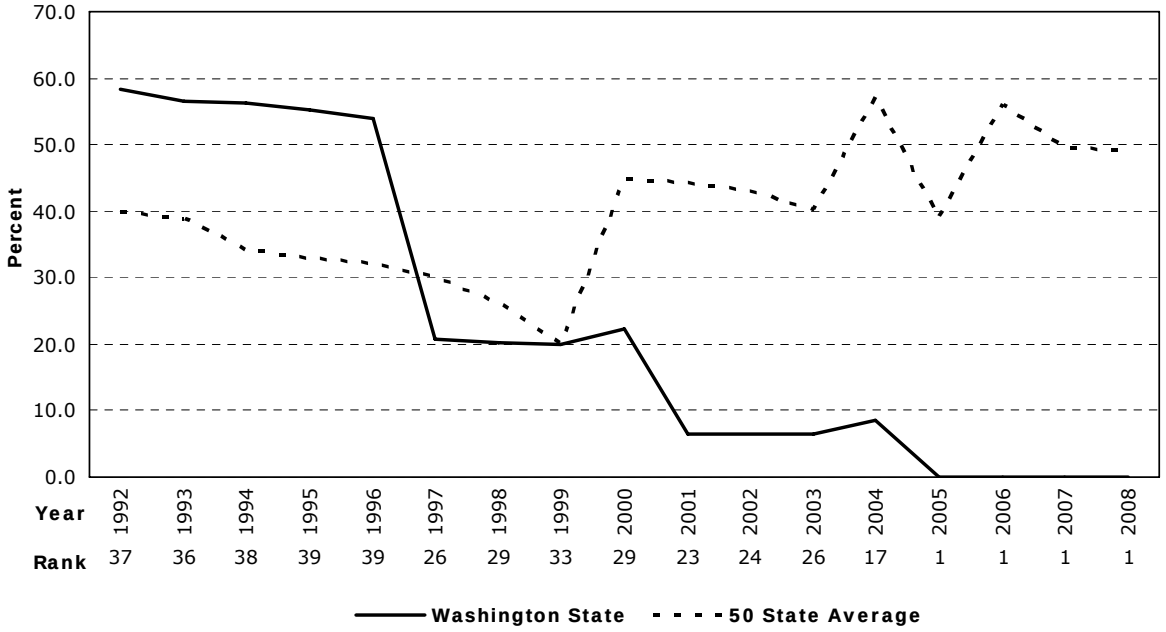


Table 18
Quality of Life
Air Quality
(Percent of State Population)

	2004	2005	2006	2007	2008	2004-08
Alabama*	18.1	18.2	18.2	18.2	18.2	18.2
Alaska	39.6	33.4	33.4	33.3	33.3	34.6
Arizona	63.5	63.5	63.5	63.5	63.5	63.5
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0
California	93.1	93.1	93.1	93.1	90.9	92.7
Colorado	65.8	65.6	65.4	65.4	65.4	65.5
Connecticut*	74.4	45.3	45.3	45.3	45.3	51.1
Delaware*	20.0	0.0	0.0	0.0	0.0	4.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0
Georgia*	53.5	54.7	54.7	53.6	54.7	54.2
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	9.0	9.0	3.8	3.7	3.7	5.8
Illinois*	70.5	70.5	70.5	70.5	70.5	70.5
Indiana*	49.7	50.6	45.6	26.4	26.4	39.7
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*	24.0	24.0	24.0	23.2	23.2	23.7
Louisiana	14.2	14.2	14.2	14.2	14.2	14.2
Maine	62.8	43.1	43.1	0.0	0.0	29.8
Maryland*	53.3	53.3	53.3	51.4	51.4	52.5
Massachusetts*	111.3	111.0	111.0	100.0	100.0	106.6
Michigan	77.9	77.9	77.9	50.7	49.7	66.8
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*	44.9	44.8	44.8	44.8	44.8	44.8
Montana	14.4	14.4	14.4	14.5	14.5	14.5
Nebraska	0.0	0.0	0.0	0.0	0.0	0.0
Nevada	85.8	85.8	85.8	85.8	85.8	85.8
New Hampshire*	15.6	0.0	0.0	56.6	56.4	25.7
New Jersey*	4.2	0.0	0.0	0.0	0.0	0.8
New Mexico	0.7	0.1	0.1	0.0	0.2	0.2
New York*	125.4	126.3	126.3	126.3	126.3	126.1
North Carolina*	59.2	59.2	59.2	27.2	27.2	46.4
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio*	81.4	0.0	81.4	60.7	68.2	58.3
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	8.1	0.0	9.3	9.3	5.3	6.4
Pennsylvania*	117.1	0.0	115.2	98.2	96.4	85.4
Rhode Island	100.0	0.0	100.0	100.0	100.0	80.0
South Carolina*	32.2	0.0	32.2	0.0	0.0	12.9
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee*	62.3	0.0	59.6	36.7	36.7	39.0
Texas	59.1	0.0	58.6	51.1	51.1	44.0
Utah	62.0	0.0	62.0	62.0	62.0	49.6
Vermont	0.0	0.0	0.0	0.0	0.0	0.0
Virginia*	39.3	0.0	39.3	0.0	0.0	15.7
Washington	**8.5**	**0.0**	**0.0**	**0.0**	**0.0**	**1.7**
West Virginia*	41.2	0.0	49.7	49.7	41.3	36.4
Wisconsin	36.7	0.0	38.8	38.5	38.5	30.5
Wyoming	3.2	0.0	3.2	3.2	3.2	2.6
50 State Average	57.1	38.9	56.1	49.5	49.3	50.2
Washington's Rank	**17**	**1**	**1**	**1**	**1**	**15**

*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, 1996-2008 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 over 100 in 2008.

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 2008, 2.3 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 8.1 percent. This improved Washington's rank to 8th in the country, up from 18th in 2007 when the percentage was 5.6. The state's average from 2004-08 was 4.5 percent, beating the U.S. average of 8.7 percent and ranking 11th in the country.

Chart 19
Drinking Water Index

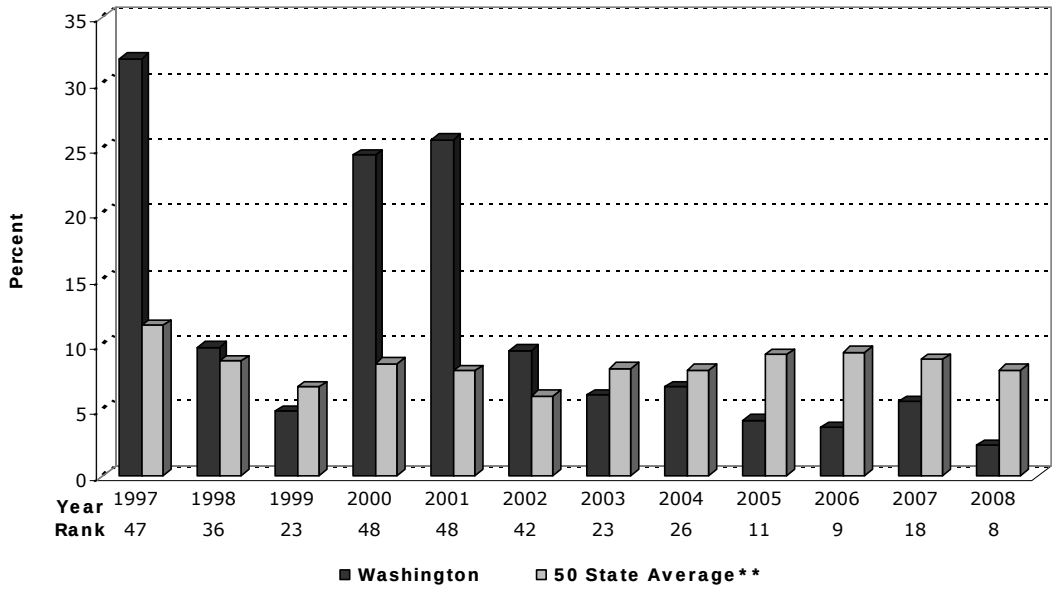


Table 19
Quality of Life
Drinking Water Index
(Percent)*

	2004	2005	2006	2007	2008	2004-08
Alabama	0.8	1.4	1.6	1.8	2.5	1.6
Alaska	10.5	9.1	12.5	6.0	7.2	9.0
Arizona	31.2	10.6	4.5	9.3	4.1	12.0
Arkansas	9.0	12.4	9.8	11.7	14.7	11.5
California	13.0	5.0	1.0	3.9	1.9	5.0
Colorado	12.0	3.1	2.1	1.6	3.0	4.4
Connecticut	1.7	3.8	4.3	1.9	1.0	2.5
Delaware	20.1	0.4	18.9	24.9	0.7	13.0
Florida	10.0	5.0	4.5	7.4	6.1	6.6
Georgia	1.7	4.9	5.2	5.9	6.5	4.8
Hawaii	1.4	1.9	7.0	6.7	3.4	4.1
Idaho	13.0	6.8	12.2	13.3	14.4	11.9
Illinois	7.8	8.1	7.5	6.7	6.5	7.3
Indiana	4.8	2.7	2.8	3.9	2.4	3.3
Iowa	6.3	9.9	8.1	8.2	4.1	7.3
Kansas	7.1	8.9	13.5	8.2	8.0	9.1
Kentucky	11.1	12.9	9.2	10.6	8.9	10.5
Louisiana	9.0	19.8	15.2	11.6	10.3	13.2
Maine	7.7	7.2	6.5	4.8	8.3	6.9
Maryland	0.4	5.8	1.3	1.3	1.2	2.0
Massachusetts	20.3	17.8	15.2	14.9	17.4	17.1
Michigan	1.6	1.0	1.8	3.2	3.5	2.2
Minnesota	0.9	5.2	5.5	4.1	5.9	4.3
Mississippi	2.2	5.6	3.5	7.0	8.7	5.4
Missouri	4.9	5.9	6.1	4.7	30.4	10.4
Montana	5.7	16.3	7.2	7.6	8.8	9.1
Nebraska	27.4	17.1	10.4	11.1	8.7	14.9
Nevada	2.6	1.3	5.0	2.6	1.6	2.6
New Hampshire	7.8	6.8	14.8	18.2	13.1	12.1
New Jersey	2.2	10.1	5.1	7.0	6.8	6.3
New Mexico	8.5	11.0	12.2	14.8	12.0	11.7
New York	9.4	47.3	47.1	18.5	9.9	26.5
North Carolina	9.3	18.8	7.2	9.2	6.2	10.1
North Dakota	5.0	7.1	8.7	1.8	1.9	4.9
Ohio	2.3	4.9	13.1	13.1	3.5	7.4
Oklahoma	29.4	39.6	25.5	22.5	24.0	28.2
Oregon	3.8	5.8	3.6	10.3	3.0	5.3
Pennsylvania	21.4	2.7	4.3	6.8	19.7	11.0
Rhode Island	2.3	14.1	16.5	37.7	31.7	20.5
South Carolina	5.9	5.6	22.5	11.4	3.0	9.7
South Dakota	1.6	3.6	7.3	6.3	5.6	4.9
Tennessee	3.7	4.8	13.7	4.1	5.1	6.3
Texas	3.8	7.2	10.2	4.9	8.3	6.9
Utah	4.8	5.2	5.6	4.0	5.5	5.0
Vermont	6.8	10.1	15.2	17.4	16.4	13.2
Virginia	10.8	5.4	5.0	3.3	4.9	5.9
Washington	**6.7**	**4.2**	**3.7**	**5.6**	**2.3**	**4.5**
West Virginia	4.9	11.4	8.8	9.6	9.9	8.9
Wisconsin	7.6	15.6	14.8	9.0	10.4	11.5
Wyoming	1.2	10.4	4.0	3.2	1.8	4.1
50 State Average**	8.1	9.2	9.4	8.9	8.1	8.7
Washington's Rank	**26**	**11**	**9**	**18**	**8**	**11**

*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 Drinking Water Information System. FY 1996-2008. (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 2007, U.S. industries reported a 4.9 percent decrease in their total releases of toxics, from 4.32 to 4.11 billion pounds. This figure includes effluent releases directly into the air, water or land, whether it is on-site or of-site landfills, surface impoundments, land treatment facilities or underground injection wells.

Washington industries reported 28.4 million pounds of toxic releases in 2007, a decrease of 3.8 percent from 2006. This decreased the state's toxin release to 402 pounds per square mile, improving its national ranking from 14th to 13th. The state's 2007 releases were again well below the national average of 1,103 pounds per square mile. Washington's five-year average release of 421 pounds per square mile was also well below the national average of 1,154 pounds and ranked 13th among the states.

Chart 20
Toxins Released, Pounds per Square Mile

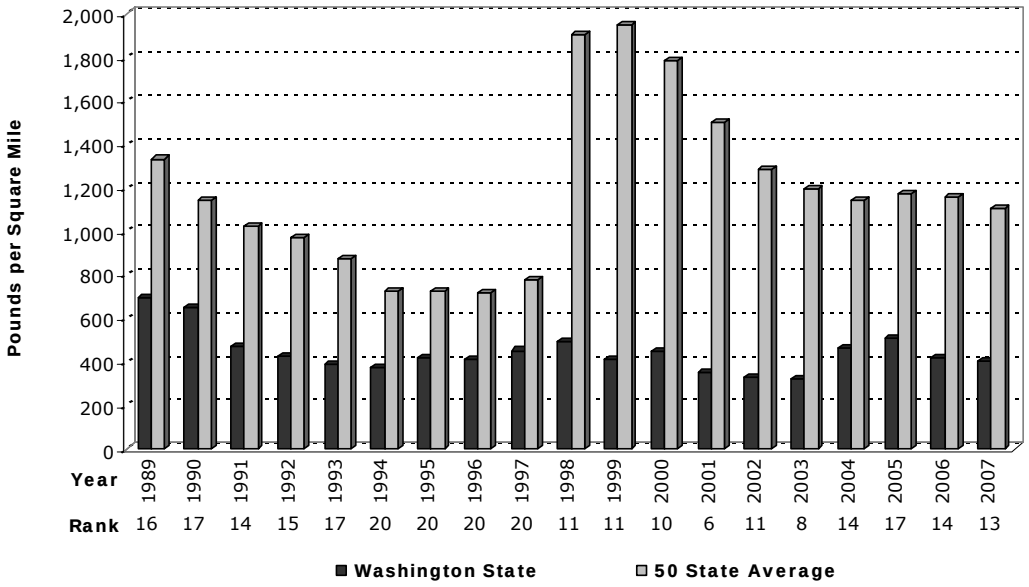


Table 20
Quality of Life
Toxins Released
Pounds per square mile

	2003	2004	2005	2006	2007	2003-07
Alabama	2,191	2,352	2,338	2,257	2,212	2,270
Alaska	877	831	892	1,085	950	927
Arizona	420	494	561	864	776	623
Arkansas	775	936	955	976	855	899
California	368	291	277	271	343	310
Colorado	218	235	247	237	235	234
Connecticut	977	921	874	885	736	879
Delaware	5,656	5,885	5,328	6,592	7,414	6,175
Florida	2,112	2,067	2,184	1,989	2,011	2,073
Georgia	2,224	2,066	2,251	2,206	1,998	2,149
Hawaii	490	491	481	468	467	479
Idaho	749	773	801	814	829	793
Illinois	2,278	2,322	2,118	1,965	1,979	2,133
Indiana	6,265	6,161	6,845	6,526	6,407	6,441
Iowa	667	799	749	842	772	766
Kansas	309	311	360	335	319	327
Kentucky	2,259	2,409	2,565	2,536	2,448	2,443
Louisiana	2,533	2,669	2,537	2,668	2,630	2,607
Maine	337	314	342	315	333	328
Maryland	3,697	3,554	3,484	3,241	4,110	3,617
Massachusetts	965	904	830	747	712	832
Michigan	1,077	1,021	1,069	1,001	1,013	1,036
Minnesota	362	304	314	314	324	324
Mississippi	1,380	1,484	1,212	1,262	1,245	1,317
Missouri	1,470	1,761	1,736	1,580	1,390	1,587
Montana	311	416	402	295	333	351
Nebraska	536	502	485	450	425	480
Nevada	3,640	2,436	2,941	1,963	2,005	2,597
New Hampshire	623	574	568	454	442	532
New Jersey	2,875	2,675	2,894	2,657	2,516	2,723
New Mexico	159	92	128	195	151	145
New York	800	778	787	659	659	736
North Carolina	2,483	2,550	2,645	2,550	2,405	2,527
North Dakota	331	326	326	316	313	322
Ohio	6,202	5,763	6,180	6,474	6,150	6,154
Oklahoma	426	419	391	426	488	430
Oregon	421	409	239	247	229	309
Pennsylvania	3,645	3,600	3,524	3,430	3,573	3,555
Rhode Island	652	538	499	414	422	505
South Carolina	2,196	2,531	2,447	2,419	2,159	2,351
South Dakota	135	114	103	94	101	110
Tennessee	3,365	3,744	3,392	3,119	2,863	3,297
Texas	992	1,022	993	898	821	945
Utah	2,826	1,977	2,033	2,279	1,991	2,221
Vermont	36	39	44	42	37	40
Virginia	1,963	1,927	1,909	1,692	1,639	1,826
Washington	**317**	**464**	**505**	**418**	**402**	**421**
West Virginia	4,380	3,978	4,015	4,198	3,546	4,023
Wisconsin	764	654	700	704	710	706
Wyoming	199	166	160	158	159	168
U.S. Average	1,194	1,141	1,171	1,159	1,103	1,154
Washington's Rank	**8**	**14**	**17**	**14**	**13**	**13**

Source: U.S. Environmental Protection Agency. Office of Pollution Prevention and Toxics.
Toxics Release Inventory Public Data Release Reports: 1989-2007. (www.epa.gov)
U.S. Department of Commerce, Economics and Statistics Administration, Statistical Abstract of the United S

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 2008 index value increased to 15 from 2007's value of 12, moving its ranking among the states from 12th to 10th. The state ranked among the top ten states in six of the twenty-one ranked individual measures: low prevalence of smoking (6th), low percentage of children in poverty (5th), low occupational fatalities (5th), low rate of preventable hospitalizations (4th), low premature death rate (7th), and low infant mortality rate (1st). Areas considered challenges identified in the study include: low immunization coverage (48th), low high school graduation rate (32nd), high geographic disparity within the state (30th), and poor physical health days (30th). Washington's five-year average index value of 11 ranked 14th among the states. In addition, Washington had the fifth highest overall health score improvement from since 1990.

Chart 21
State Health Index, Score

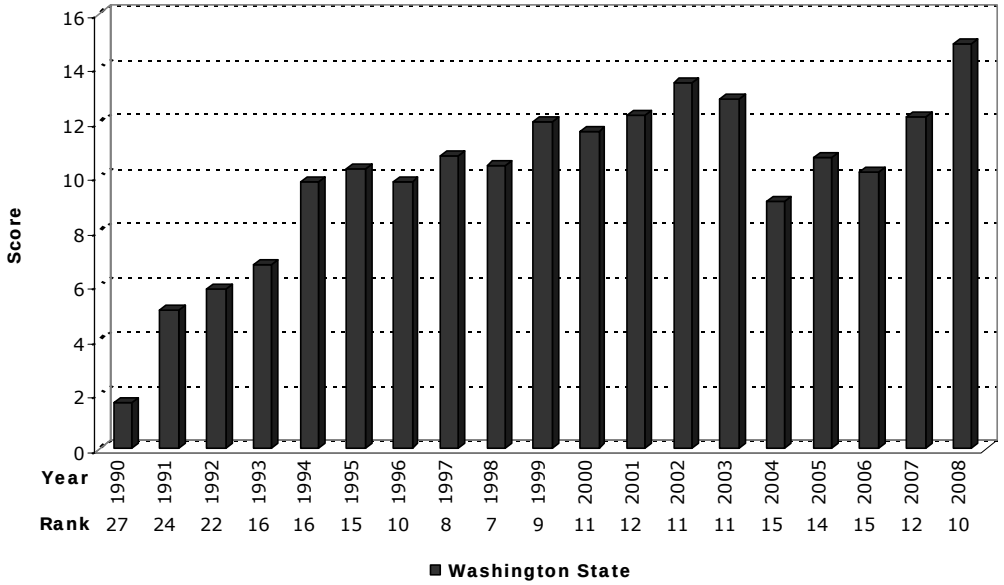


Table 21
Quality of Life
State Health Index
*Score

	2004	2005	2006	2007	2008	2004-08
Alabama	-10	-13	-15	-12	-7	-11
Alaska	3	-1	-1	0	1	0
Arizona	3	-2	-4	-2	0	-1
Arkansas	-12	-16	-16	-16	-8	-14
California	4	6	5	4	5	5
Colorado	12	10	9	10	10	10
Connecticut	15	16	17	17	18	16
Delaware	0	-3	-1	-3	-2	-2
Florida	-8	-9	-11	-9	-9	-9
Georgia	-11	-10	-12	-9	-8	-10
Hawaii	18	17	18	20	22	19
Idaho	6	10	7	10	16	10
Illinois	0	1	4	3	1	2
Indiana	0	-2	-4	-1	-1	-1
Iowa	13	15	13	11	12	13
Kansas	7	6	8	4	7	6
Kentucky	-7	-10	-10	-11	-4	-8
Louisiana	-21	-18	-20	-19	-15	-19
Maine	14	16	14	15	15	15
Maryland	-2	-4	-3	2	3	-1
Massachusetts	17	15	15	14	18	16
Michigan	0	0	2	-1	2	1
Minnesota	25	22	21	21	19	22
Mississippi	-20	-19	-20	-20	-15	-19
Missouri	-4	-4	-4	-3	-5	-4
Montana	2	7	5	10	7	6
Nebraska	12	12	12	13	12	12
Nevada	-6	-6	-8	-7	-8	-7
New Hampshire	24	18	19	18	20	20
New Jersey	7	11	11	8	10	9
New Mexico	-7	-6	-10	-6	2	-5
New York	0	1	1	3	4	2
North Carolina	-8	-6	-4	-5	-3	-5
North Dakota	16	17	15	14	13	15
Ohio	2	1	4	1	1	2
Oklahoma	-7	-11	-13	-15	-8	-11
Oregon	5	8	7	8	11	8
Pennsylvania	3	2	2	4	2	2
Rhode Island	11	12	11	13	14	12
South Carolina	-13	-16	-16	-10	-11	-13
South Dakota	6	7	8	10	8	8
Tennessee	-13	-17	-16	-14	-10	-14
Texas	-3	-7	-5	-6	-9	-6
Utah	18	18	16	15	18	17
Vermont	23	21	21	22	25	22
Virginia	6	6	6	6	9	6
Washington	**9**	**11**	**10**	**12**	**15**	**11**
West Virginia	-10	-9	-13	-12	-5	-10
Wisconsin	14	11	13	12	10	12
Wyoming	2	7	5	9	12	7
U.S. Average	0	0	0	0	0	0
Washington's Rank	**15**	**14**	**15**	**12**	**10**	**14**

*Scores reflect the percentage above or below the national average.
Source: UnitedHealth Group, America's Health Rankings: 1990-2008, (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 200 state parks and recreation areas covering more than 117,000 acres, Washington ranks 7th among all 50 states in the number of areas operating and 27th in the amount of park acreage managed; and is ranked 6th in terms of total number of visitors, with over 41 million entering last year.

Washington's park and recreation area visits per capita increased from 6.1 in 2007 to 6.4 in 2008, although the state's rank remained unchanged at 5th in the nation. The national average number of visits per capita increased slightly from 2.4 to 2.5 this past year. The state's five-year average visits per capita of 6.3 ranked 4th among the states and was well above the national average of 2.4 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, Per Capita Park Visits

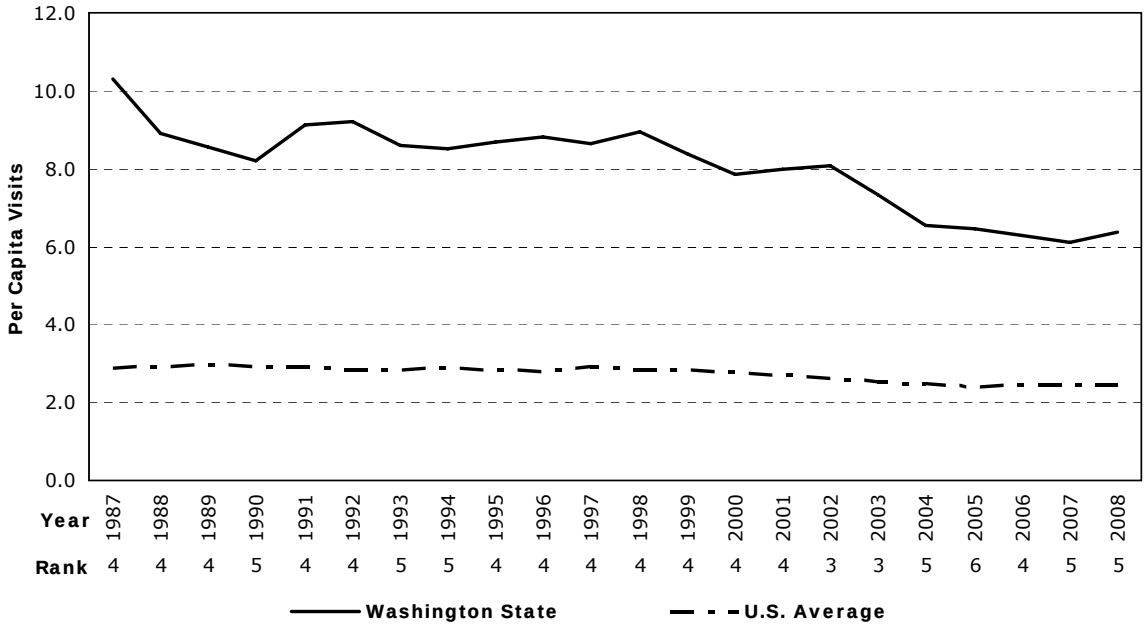


Table 22
Quality of Life
State Parks and Recreational Areas
(Per Capita Park Visits)

	2004	2005	2006	2007	2008	2004-08
Alabama	1.0	0.6	0.6	1.1	1.1	0.9
Alaska	6.1	6.5	6.9	7.2	7.3	6.8
Arizona	0.4	0.4	0.4	0.4	0.4	0.4
Arkansas	3.6	3.8	3.5	3.1	2.9	3.4
California	2.3	2.1	2.1	2.2	2.2	2.2
Colorado	2.6	2.4	2.4	2.3	2.4	2.4
Connecticut	1.9	2.0	1.8	1.8	2.1	1.9
Delaware	4.8	4.1	5.4	5.1	5.8	5.0
Florida	1.1	1.0	1.0	1.1	1.1	1.1
Georgia	1.4	1.3	1.1	1.2	1.1	1.2
Hawaii	7.4	7.3	NA	0.9	7.9	5.9
Idaho	2.0	2.0	NA	NA	2.6	2.2
Illinois	3.4	3.5	3.5	3.6	3.5	3.5
Indiana	3.0	2.7	3.1	2.9	2.8	2.9
Iowa	5.0	4.8	4.6	4.7	4.5	4.7
Kansas	2.7	2.8	2.7	2.3	2.5	2.6
Kentucky	1.8	1.7	1.7	1.7	1.7	1.7
Louisiana	0.5	0.5	0.4	0.4	0.4	0.4
Maine	1.7	1.6	1.5	1.6	1.6	1.6
Maryland	1.9	2.1	2.0	1.9	2.0	2.0
Massachusetts	1.6	1.5	5.1	5.2	4.9	3.7
Michigan	2.0	2.0	2.3	2.2	1.9	2.1
Minnesota	1.5	1.6	1.6	1.6	1.6	1.6
Mississippi	1.1	1.0	0.8	0.8	0.4	0.8
Missouri	3.0	3.0	2.9	2.6	2.6	2.8
Montana	1.6	5.6	6.0	6.0	5.5	4.9
Nebraska	5.7	5.8	5.7	5.5	5.7	5.7
Nevada	1.8	1.7	1.3	1.3	1.2	1.5
New Hampshire	2.2	0.0	NA	2.9	1.2	1.6
New Jersey	1.6	1.8	1.8	1.9	2.1	1.9
New Mexico	2.0	2.0	2.1	2.1	2.3	2.1
New York	2.8	2.8	2.9	2.8	3.2	2.9
North Carolina	1.3	1.4	1.4	1.5	1.4	1.4
North Dakota	1.6	1.5	1.5	1.4	1.4	1.5
Ohio	4.7	4.5	4.4	4.3	4.3	4.4
Oklahoma	4.0	3.6	3.7	3.4	3.7	3.7
Oregon	12.6	12.2	11.5	11.7	11.2	11.9
Pennsylvania	2.8	2.8	2.9	2.9	2.7	2.8
Rhode Island	7.0	5.1	5.5	6.2	5.9	6.0
South Carolina	1.8	1.5	1.6	1.6	1.6	1.6
South Dakota	11.9	9.2	9.4	9.2	9.2	9.8
Tennessee	4.8	4.9	4.8	5.1	5.2	4.9
Texas	0.4	0.4	0.4	0.4	0.3	0.4
Utah	2.4	1.7	1.8	0.3	1.7	1.6
Vermont	1.1	1.1	1.1	1.7	1.1	1.2
Virginia	0.8	0.9	1.0	0.9	0.9	0.9
Washington	**6.5**	**6.4**	**6.3**	**6.1**	**6.4**	**6.3**
West Virginia	4.3	4.4	4.1	3.8	4.0	4.1
Wisconsin	2.7	2.6	2.7	2.6	2.6	2.6
Wyoming	4.5	6.6	4.1	4.4	4.7	4.9
U.S. Average	2.5	2.4	2.4	2.4	2.5	2.4
Washington's Rank	**5**	**6**	**4**	**5**	**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 year 2009 decreased to $0.39 from 2008's value of $0.37. This spending level ranked 46th in the nation, down from 45th in 2008, and was below the national average of $1.06. This past year, Washington was one of only eight states that had a funding level of below $0.50 per capita. The state's art agency revenue is now at about half the level it averaged from 1997 through 2007 ($0.77), although this too was below the national average. The state's five-year average funding was $0.63, ranking 43rd in the nation, while the national average was $1.13 for that period.

Chart 23
Total Per Capita State Arts Agency Revenue

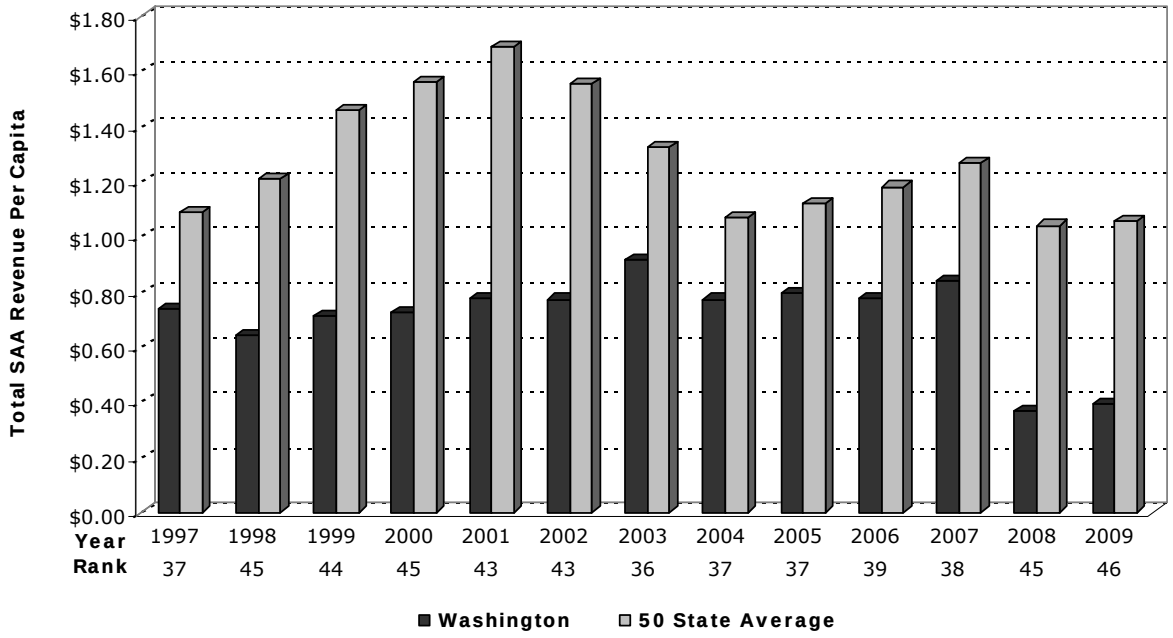


Table 23
Quality of Life
State Arts
Total Per Capita State Arts Agency Revenue*

(Fiscal Years)	2005	2006	2007	2008	2009	2005-09
Alabama	0.85	1.01	1.20	1.05	1.25	1.07
Alaska	1.62	1.75	1.75	0.88	0.88	1.37
Arizona	0.76	0.73	0.82	0.30	0.32	0.59
Arkansas	0.76	0.79	0.78	0.54	0.55	0.68
California	0.09	0.09	0.14	0.11	0.11	0.11
Colorado	0.25	0.28	0.83	0.31	0.31	0.40
Connecticut	4.52	4.36	4.49	2.10	2.82	3.66
Delaware	3.07	2.91	3.27	2.39	2.39	2.81
Florida	0.91	1.69	2.30	2.24	0.85	1.60
Georgia	0.49	0.50	0.51	0.43	0.43	0.47
Hawaii	5.65	6.30	6.47	5.52	5.95	5.98
Idaho	1.10	1.07	1.08	0.60	0.63	0.89
Illinois	1.54	1.61	1.63	1.54	1.18	1.50
Indiana	0.68	0.63	0.68	0.57	0.63	0.64
Iowa	0.59	0.62	0.61	0.41	0.42	0.53
Kansas	0.76	0.75	0.78	0.56	0.59	0.69
Kentucky	1.17	1.14	1.27	0.99	0.98	1.11
Louisiana	1.24	1.28	1.34	1.16	1.52	1.31
Maine	1.22	1.30	1.34	0.58	0.61	1.01
Maryland	2.15	2.17	2.72	2.55	2.70	2.46
Massachusetts	1.54	1.75	2.10	1.88	1.89	1.83
Michigan	1.23	1.10	0.71	0.65	0.75	0.89
Minnesota	1.90	1.87	1.85	1.65	1.96	1.85
Mississippi	1.88	1.73	1.46	0.63	0.63	1.26
Missouri	0.57	0.70	0.94	0.82	1.80	0.97
Montana	1.75	1.88	1.64	0.41	0.56	1.25
Nebraska	1.21	1.27	1.14	0.76	0.82	1.04
Nevada	1.04	0.97	0.98	0.60	0.86	0.89
New Hampshire	1.11	1.12	1.08	0.56	0.64	0.90
New Jersey	3.44	3.53	2.89	2.80	3.28	3.19
New Mexico	1.09	1.31	1.26	0.94	1.13	1.15
New York	2.35	2.39	2.73	2.34	2.66	2.50
North Carolina	0.80	1.00	1.06	0.94	1.08	0.98
North Dakota	1.76	1.71	1.74	0.78	0.91	1.38
Ohio	1.09	1.07	1.07	0.98	1.09	1.06
Oklahoma	1.34	1.41	1.46	1.23	1.41	1.37
Oregon	0.41	0.44	0.41	0.19	0.56	0.40
Pennsylvania	1.23	1.23	1.29	1.22	1.22	1.24
Rhode Island	3.07	3.59	3.49	2.54	2.64	3.07
South Carolina	1.02	1.08	1.46	1.23	1.22	1.20
South Dakota	1.58	1.58	1.59	0.77	0.79	1.26
Tennessee	1.11	1.21	1.25	1.09	1.17	1.16
Texas	0.26	0.22	0.22	0.16	0.17	0.21
Utah	1.39	1.38	1.48	1.14	1.59	1.40
Vermont	2.39	2.43	2.59	0.92	0.88	1.84
Virginia	0.49	0.55	0.72	0.63	0.80	0.64
Washington	**0.80**	**0.78**	**0.84**	**0.37**	**0.39**	**0.63**
West Virginia	3.31	2.04	2.05	1.34	1.42	2.03
Wisconsin	0.78	0.94	0.85	0.43	0.44	0.69
Wyoming	2.46	2.55	2.90	1.54	1.91	2.27
U.S. Average	1.12	1.18	1.27	1.04	1.06	1.13
Washington's Rank	**37**	**39**	**38**	**45**	**46**	**43**

*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 2009

Public Library Service

(Not updated due to unavailability of data)

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, Circulation Per Capita

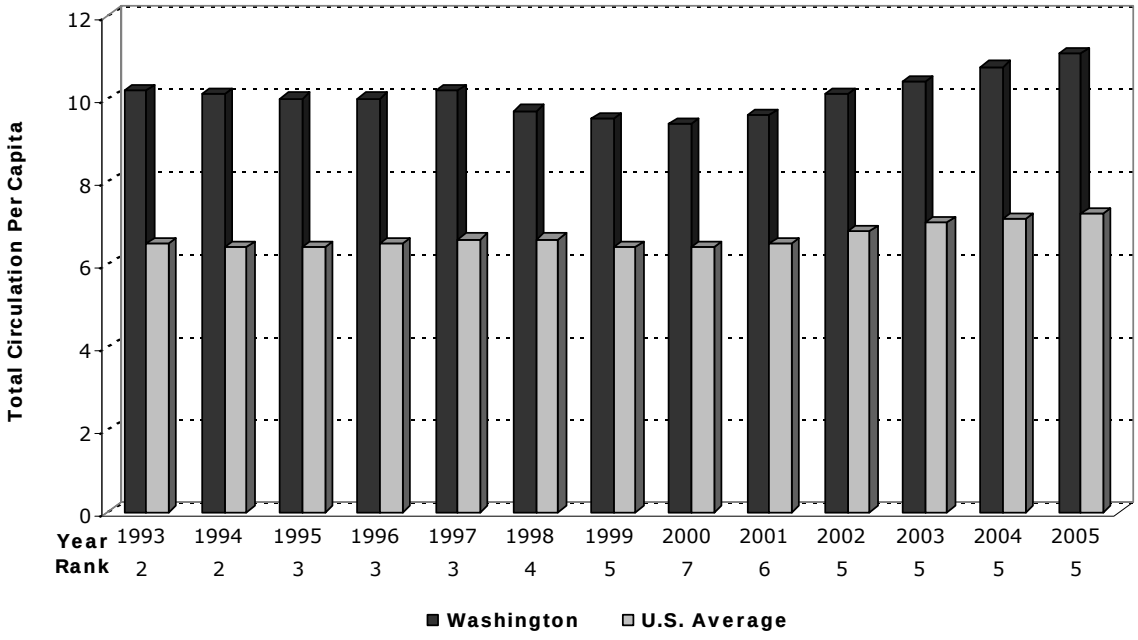


Table 24
Quality of Life
Public Library Service
(Circulation per Capita)

	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	7.6	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	5.4	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	7.4	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 2009 was based on an analysis of completed home sales in 226 metropolitan area markets nationwide. The average HOI for this period was 72.3, indicating that 72.3 percent of the homes sold in these metropolitan areas would be affordable to someone earning the median income for each of the areas. This is a significant improvement over last year where only 55.0 percent of homes sold would be affordable to someone earning the median income. 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 2009. Spokane's HOI of 76.3 ranked 126th among the 226 metropolitan areas included in the index, while Bellingham, with the lowest HOI in the state, ranked 205th with an HOI of 55.6. The Seattle-Bellevue-Everett metropolitan division, no longer the least affordable metropolitan area in the state, ranked 202nd overall with an affordability index of 56.2.

Table 25
Quality of Life
Housing Opportunity Index
(Second Quarter 2009)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Abilene, TX	80.9	50.5	115	86
Akron, OH	89.7	65.0	98	26
Albany-Schenectady-Troy, NY	77.3	74.1	179	117
Albuquerque, NM MSA	73.8	59.5	180	141
Allentown-Bethlehem-Easton, PA-NJ	73.9	70.0	186	140
Amarillo, TX	82.7	55.3	122	68
Anchorage, AK	69.8	80.8	240	162
Ann Arbor, MI	91.7	85.2	138	20
Asheville, NC	62.5	55.7	184	191
Atlanta-Sandy Springs-Marietta, GA	81.7	71.7	145	78
Atlantic City-Hammonton, NJ	55.4	68.4	220	206
Austin-Round Rock, TX	73.4	73.3	186	144
Bakersfield, CA	77.5	52.2	124	114
Baltimore-Towson, MD	72.2	82.1	235	153
Barnstable Town, MA	51.9	75.4	296	213
Battle Creek, MI	92.8	55.7	76	15
Bay City, MI	94.5	56.5	77	6
Beaumont-Port Arthur, TX	77.1	54.3	124	119
Bellingham, WA	**55.6**	**64.4**	**240**	**205**
Bend, OR	68.8	63.5	185	167
Bethesda-Frederick-Rockville, MD^^^	72.1	108.8	310	154
Binghamton, NY	91.0	58.6	95	23
Boise City-Nampa, ID	72.4	62.5	183	150
Boston-Quincy, MA ^^^	61.2	83.9	295	196
Boulder, CO	68.4	89.1	276	170
Bradenton-Sarasota-Venice, FL	72.8	62.3	145	148
Bremerton-Silverdale, WA	**64.6**	**70.9**	**236**	**188**
Bridgeport-Stamford-Norwalk, CT	57.8	101.9	329	200
Brownsville-Harlingen, TX	61.8	32.9	89	193
Buffalo-Niagara Falls, NY	87.6	63.5	103	32
Burlington-South Burlington, VT	68.6	75.1	224	169
Cambridge-Newton-Framingham, MA ^^^	66.0	97.1	327	181
Camden, NJ ^^^	76.4	82.8	185	125
Canton-Massillon, OH	94.0	57.7	82	10
Cape Coral-Fort Myers, FL	81.4	60.7	96	82
Carson City, NV	76.3	64.3	182	126
Champaign-Urbana, IL	84.4	65.2	140	51
Charleston-North Charleston-Summerville, SC	65.8	60.3	195	183
Charlotte-Gastonia-Concord, NC-SC	75.5	66.5	160	129
Chattanooga, TN-GA	83.1	56.1	116	67
Chicago-Naperville-Joliet, IL ^^^	67.8	74.6	216	174
Chico, CA	64.0	55.7	183	189
Cincinnati-Middletown, OH-KY-IN	87.8	69.2	125	31
Cleveland-Elyria-Mentor, OH	87.6	64.8	110	32
College Station-Bryan, TX	78.5	56.1	149	102

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2009

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Colorado Springs, CO	80.8	70.8	182	87
Columbia, SC	87.0	62.1	135	37
Columbus, OH	86.2	68.6	132	43
Corpus Christi, TX	67.9	50.2	133	173
Corvallis, OR	64.9	70.8	234	187
Cumberland, MD-WV	88.7	51.7	102	29
Dallas-Plano-Irving, TX ^^^	72.3	68.7	165	151
Davenport-Moline-Rock Island, IA-IL	92.8	61.6	100	15
Dayton, OH	93.6	62.1	105	12
Deltona-Daytona Beach-Ormond Beach, FL	75.3	55.2	130	131
Denver-Aurora-Broomfield, CO	77.5	76.0	201	114
Detroit-Livonia-Dearborn, MI ^^^	94.0	57.1	86	10
Dover, DE	77.2	59.5	195	118
Duluth, MN-WI	83.2	59.9	111	63
Durham-Chapel Hill, NC	72.8	65.5	184	148
Edison-New Brunswick, NJ ^^^	62.5	92.7	285	191
El Centro, CA	78.9	45.1	116	99
El Paso, TX	53.1	39.7	128	210
Elizabethtown, KY	86.4	55.2	128	41
Elkhart-Goshen, IN	94.9	59.2	104	4
Elmira, NY	92.2	55.5	78	19
Erie, PA	87.5	56.8	106	36
Eugene-Springfield, OR	61.7	57.2	194	194
Fairbanks, AK	79.9	74.7	203	94
Fayetteville, NC	77.7	51.6	139	111
Flagstaff, AZ	48.4	59.8	265	217
Flint, MI	91.2	58.5	85	22
Fort Collins-Loveland, CO	80.1	75.2	207	92
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL ^^^	74.7	65.4	130	136
Fort Walton Beach, FL	72.3	66.3	185	151
Fort Worth-Arlington, TX ^^^	82.2	65.9	133	71
Fresno, CA	71.8	53.1	146	156
Gainesville, FL	74.5	59.8	160	137
Gainesville, GA	77.6	59.6	145	112
Glens Falls, NY	78.0	59.4	133	107
Grand Rapids-Wyoming, MI	92.9	63.1	100	14
Great Falls, MT	77.5	54.5	156	114
Greeley, CO	82.0	64.3	162	74
Greensboro-High Point, NC	78.1	58.5	139	106
Greenville-Mauldin-Easley, SC	82.0	57.2	136	74
Hagerstown-Martinsburg, MD-WV	83.2	64.2	167	63
Hanford-Corcoran, CA	60.3	51.7	175	197
Harrisburg-Carlisle, PA	86.4	70.3	150	41
Hartford-West Hartford-East Hartford, CT	78.7	85.1	200	100
Honolulu, HI	41.8	79.3	395	222

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2009

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Houston-Sugar Land-Baytown, TX	69.3	63.8	153	164
Indianapolis-Carmel, IN	94.5	68.1	107	6
Ithaca, NY	74.1	71.3	170	139
Jacksonville, FL	81.7	65.1	147	78
Kalamazoo-Portage, MI	82.1	62.9	113	73
Killeen-Temple-Fort Hood, TX	81.2	54.0	127	85
Kingston, NY	65.2	69.7	176	185
Knoxville, TN	80.5	58.8	134	90
Kokomo, IN	97.5	61.8	79	1
Lake County-Kenosha County, IL-WI ^^^	69.9	88.8	211	161
Lake Havasu City-Kingman, AZ	73.8	47.4	128	141
Lakeland-Winter Haven, FL	87.6	52.2	106	32
Lancaster, PA	83.6	67.4	167	57
Lansing-East Lansing, MI	96.2	67.0	88	2
Laredo, TX	55.9	37.3	121	204
Las Vegas-Paradise, NV	85.4	65.4	139	48
Lima, OH	94.8	56.4	83	5
Los Angeles-Long Beach-Glendale, CA ^^^	42.3	62.1	294	221
Louisville-Jefferson County, KY-IN	83.2	61.5	130	63
Madera-Chowchilla, CA	84.4	52.6	134	51
Madison, WI	77.9	80.0	196	109
Manchester-Nashua, NH	78.6	84.0	195	101
Mansfield, OH	95.2	55.6	79	3
Mc Allen-Edinburg-Mission, TX	52.4	32.0	102	212
Medford, OR	65.2	55.4	188	185
Memphis, TN-MS-AR	80.3	57.8	122	91
Merced, CA	84.3	50.4	110	54
Miami-Miami Beach-Kendall, FL ^^^	52.6	50.8	174	211
Midland, TX	65.4	60.2	166	184
Milwaukee-Waukesha-West Allis, WI	79.4	70.7	160	96
Minneapolis-St. Paul-Bloomington, MN-WI	86.7	83.9	165	39
Modesto, CA	83.6	59.6	138	57
Monroe, MI	86.2	70.3	122	43
Mount Vernon-Anacortes, WA	**58.5**	**61.3**	**220**	**199**
Napa, CA	51.4	81.8	335	214
Naples-Marco Island, FL	68.1	70.8	183	172
Nassau-Suffolk, NY ^^^	46.8	101.8	370	218
New Haven-Milford, CT	76.6	77.9	184	124
New York-White Plains-Wayne, NY-NJ ^^^	21.2	64.8	419	226
Newark-Union, NJ-PA ^^^	48.8	88.4	320	216
Norwich-New London, CT	81.7	80.5	203	78
Oakland-Fremont-Hayward, CA ^^^	69.4	89.3	258	163
Ocala, FL	83.4	48.8	107	60
Ocean City, NJ	32.6	67.2	350	223
Odessa, TX	75.4	49.0	119	130

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2009

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Ogden-Clearfield, UT	81.5	68.5	192	81
Oklahoma City, OK	83.3	58.5	126	62
Olympia, WA	**67.4**	**70.0**	**230**	**177**
Orlando-Kissimmee, FL	80.7	60.7	138	88
Oxnard-Thousand Oaks-Ventura, CA	54.6	86.1	335	207
Palm Bay-Melbourne-Titusville, FL	84.2	62.2	120	55
Palm Coast, FL	76.9	56.6	140	120
Panama City-Lynn Haven-Panama City Beach, FL	66.2	56.2	168	180
Peabody, MA ^^^	73.8	83.6	240	141
Pensacola-Ferry Pass-Brent, FL	78.5	57.1	145	102
Peoria, IL	86.8	65.8	115	38
Philadelphia, PA ^^^	68.4	75.5	222	170
Phoenix-Mesa-Scottsdale, AZ	83.6	65.9	135	57
Pittsburgh, PA	83.2	62.5	123	63
Pittsfield, MA	72.9	66.9	155	145
Pocatello, ID	84.4	54.4	131	51
Port St. Lucie, FL	82.4	59.6	112	69
Portland-South Portland-Biddeford, ME	71.6	68.6	204	157
Portland-Vancouver-Beaverton, OR-WA	**60.1**	**70.0**	**242**	**198**
Poughkeepsie-Newburgh-Middletown, NY	67.7	81.8	226	175
Prescott, AZ	63.0	53.8	180	190
Providence-New Bedford-Fall River, RI-MA	76.9	72.5	175	120
Provo-Orem, UT	71.3	62.9	213	158
Pueblo, CO	85.9	51.3	125	46
Punta Gorda, FL	79.4	54.4	110	96
Raleigh-Cary, NC	79.9	76.9	197	94
Reading, PA	82.3	65.8	150	70
Redding, CA	66.3	55.7	181	179
Reno-Sparks, NV	78.3	70.4	184	105
Richmond, VA	78.0	73.2	199	107
Riverside-San Bernardino-Ontario, CA	74.5	64.5	165	137
Rochester, NY	85.3	66.5	116	49
Rockford, IL	91.6	63.7	111	21
Rockingham County-Strafford County, NH ^^^	81.3	84.9	205	84
Sacramento--Arden-Arcade--Roseville, CA	75.1	72.8	200	132
Saginaw-Saginaw Township North, MI	94.5	55.5	80	6
Salem, OR	72.9	58.2	179	145
Salinas, CA	72.1	67.3	195	154
Salisbury, MD	77.6	61.9	166	112
Salt Lake City, UT	70.6	67.8	220	159
San Angelo, TX	85.5	52.4	108	47
San Antonio, TX	66.9	57.2	154	178
San Diego-Carlsbad-San Marcos, CA	56.0	74.9	285	203
San Francisco-San mateo-Redwood City, CA ^^^	26.9	96.8	580	225
San Jose-Sunnyvale-Santa Clara, CA	54.5	102.5	410	208

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2009

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
San Luis Obispo-Paso Robles, CA	31.8	70.8	364	224
Sandusky, OH	92.3	63.3	96	18
Santa Ana-Anaheim-Irvine, CA ^^^	43.1	86.1	391	220
Santa Barbara-Santa Maria-Goleta, CA	50.5	70.4	295	215
Santa Cruz-Watsonville, CA	43.6	83.8	400	219
Santa Fe, NM	54.3	65.5	268	209
Santa Rosa-Petaluma, CA	61.7	80.2	292	194
Scranton--Wilkes-Barre, PA	80.0	56.6	101	93
Seattle-Bellevue-Everett, WA ^^^	**56.2**	**84.3**	**320**	**202**
Sebastian-Vero Beach, FL MSA	70.3	58.3	145	160
Sherman-Denison, TX	87.6	57.9	90	32
Spokane, WA	**76.3**	**60.2**	**167**	**126**
Springfield, IL	89.2	66.0	116	27
Springfield, MA	79.0	67.2	163	98
Springfield, OH	93.5	56.8	88	13
St. George, UT	57.2	53.8	211	201
St. Louis, MO-IL	84.7	67.9	128	50
Stockton, CA	80.7	63.6	150	88
Syracuse, NY	89.0	63.7	98	28
Tacoma, WA ^^^	**67.7**	**68.1**	**220**	**175**
Tallahassee, FL	82.0	63.6	150	74
Tampa-St. Petersburg-Clearwater, FL	76.9	59.2	130	120
Toledo, OH	92.7	61.8	90	17
Trenton-Ewing, NJ	68.9	90.1	210	166
Tucson, AZ	74.9	57.5	160	134
Tulsa, OK	78.4	57.6	138	104
Tyler, TX	77.8	55.3	137	110
Utica-Rome, NY	86.2	55.8	87	43
Vallejo-Fairfield, CA	82.2	79.4	186	71
Victoria, TX	82.0	53.7	124	74
Vineland-Millville-Bridgeton, NJ	75.9	59.9	140	128
Virginia Beach-Norfolk-Newport News, VA-NC	72.9	67.9	202	145
Visalia-Porterville, CA	65.9	47.2	147	182
Waco, TX	76.9	51.7	119	120
Warren-Troy-Farmington Hills, MI ^^^	91.0	81.0	117	23
Washington-Arlington-Alexandria, DC-VA-MD-WV ^^^	75.1	100.8	276	132
West Palm Beach-Boca Raton-Boynton Beach, FL ^^^	69.3	67.6	170	164
Wheeling, WV-OH	91.0	48.0	72	23
Wichita Falls, TX	86.7	52.8	95	39
Wichita, KS	88.3	62.9	127	30
Wilmington, DE-MD-NJ ^^^	83.8	78.9	210	56
Winston-Salem, NC	83.4	59.7	132	60
Worcester, MA	81.4	79.7	188	82
Youngstown-Warren-Boardman, OH-PA	94.4	54.3	73	9
Yuba City, CA	74.9	55.4	158	134
Yuma, AZ	68.7	44.1	129	168
National	**72.3**	**64.0**	**177**	**NA**

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2009

Education and Skills of the Workforce

Fourth Grade Reading and Mathematics

(Reading 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, state participation in the NAEP test is mandatory to receive a Title 1 grant 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 4^{th} and 8^{th} 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 12^{th} to 18^{th} even though its average reading score rose one point to 224. Washington's average since the 1998 test is 222 points, ranking 16^{th}, 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. Washington's 2009 score slipped to 242 from 2007's score of 243, while the national average held constant at 239. As a result, the state's ranked dropped from 18^{th} to 20^{th} this past year. Washington's average score for the years 2003-2009 was 241, ranking 17^{th} among the states, while the average national score was 237 over the same period.

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

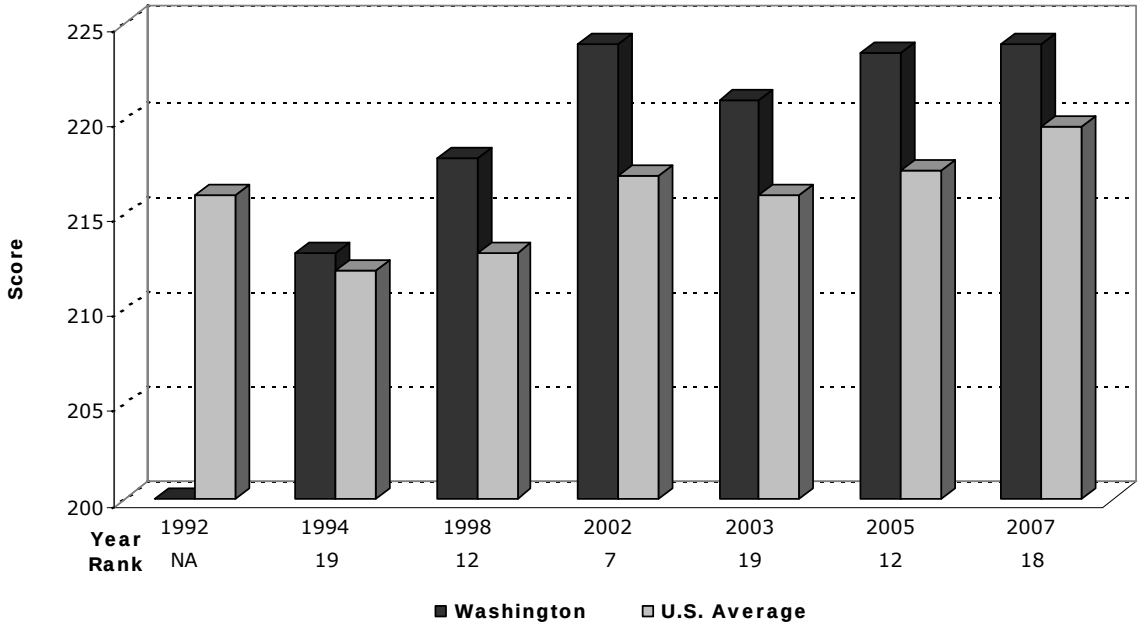
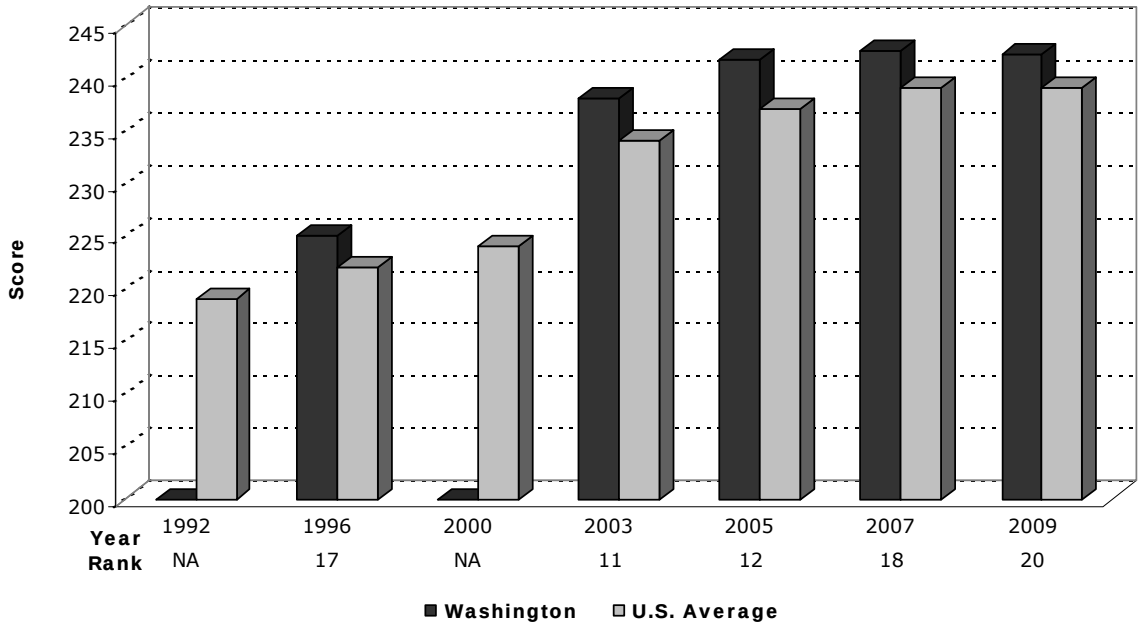


Chart 27
Grade 4 Public School Students:
Average Mathematics Scale Scores



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.

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

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

	2000	2003	2005	2007	2009	2003-2009
Alabama	217	223	225	229	228	226
Alaska	NA	233	236	237	237	236
Arizona	219	229	230	232	230	230
Arkansas	216	229	236	238	238	235
California	213	227	230	230	232	230
Colorado	NA	235	239	240	243	239
Connecticut	234	241	242	243	245	243
Delaware	NA	236	240	242	239	239
Florida	NA	234	239	242	242	239
Georgia	219	230	234	235	236	234
Hawaii	216	227	230	234	236	232
Idaho	224	235	242	241	241	240
Illinois	223	233	233	237	238	235
Indiana	233	238	240	245	243	241
Iowa	231	238	240	243	243	241
Kansas	232	242	246	248	245	245
Kentucky	219	229	231	235	239	234
Louisiana	218	226	230	230	229	229
Maine	230	238	241	242	244	241
Maryland	222	233	238	240	244	239
Massachusetts	233	242	247	252	252	249
Michigan	229	236	238	238	236	237
Minnesota	234	242	246	247	249	246
Mississippi	211	223	227	228	227	226
Missouri	228	235	235	239	241	238
Montana	228	236	241	244	244	241
Nebraska	225	236	238	238	239	238
Nevada	220	228	230	232	235	231
New Hampshire	NA	243	246	249	251	247
New Jersey	NA	239	244	249	247	245
New Mexico	213	223	224	228	230	226
New York	225	236	238	243	241	239
North Carolina	230	242	241	242	244	242
North Dakota	230	238	243	245	245	243
Ohio	230	238	242	245	244	242
Oklahoma	224	229	234	237	237	234
Oregon	224	236	238	236	238	237
Pennsylvania	NA	236	241	244	244	241
Rhode Island	224	230	233	236	239	235
South Carolina	220	236	238	237	236	237
South Dakota	NA	237	242	241	242	240
Tennessee	220	228	232	233	232	231
Texas	231	237	242	242	240	240
Utah	227	235	239	239	240	238
Vermont	232	242	244	246	248	245
Virginia	230	239	240	244	243	242
Washington	**NA**	**238**	**242**	**243**	**242**	**241**
West Virginia	223	231	231	236	233	233
Wisconsin	NA	237	241	244	244	241
Wyoming	229	241	243	244	242	242
U.S. Average	224	234	237	239	239	237
Washington's Rank	**NA**	**11**	**12**	**18**	**20**	**17**

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, 2009 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 the 2009-10 school year, the Washington Assessment of Student Learning (WASL) is being replaced by two new tests: the grades 3-8 Measurements of Student Progress (MSP) and the High School Proficiency Exam (HSPE).

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.

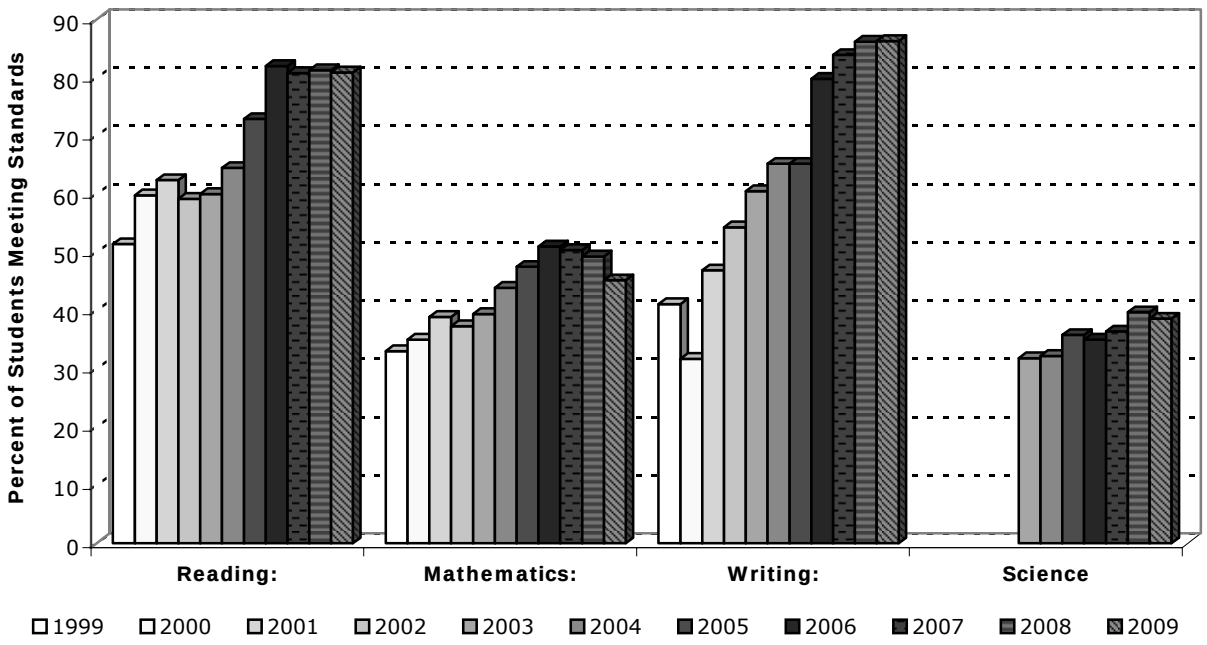
As can be seen in Table 28, tenth-grade WASL scores for 2009 showed a decline in three of the four categories: reading, math and science. Writing improved slightly with 86.3 percent of the tenth-grade students taking the test having met the standards in 2009, compared to 86.2 percent in 2008. Additionally, of the tenth-graders that took the test, 80.9 percent met the standards in reading (down from 81.3), 45.2 percent met the standards in mathematics (down from 49.3), and 38.6 percent met the standards in science (down from 39.7).

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

	2003	2004	2005	2006	2007	2008	2009
Reading:	60.0	64.5	72.9	82.0	80.8	81.3	80.9
Mathematics:	39.4	43.9	47.5	51.0	50.4	49.3	45.2
Writing:	60.5	65.2	65.2	79.8	83.9	86.2	86.3
Science	31.8	32.2	35.8	35.0	36.4	39.7	38.6

Source: Office of Superintendent of Public Instruction, September 2009 (http://www.k12.wa.us).

Chart 28
Tenth Grade WASL Scores



Student to Teacher Ratios

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 15.5 in 2006-07. While Washington has shared in this movement, its progress has been somewhat slower, with a decline from 20.2 to 19.1 over the same period.

Washington's student-teacher ratio decreased slightly from 19.3 in the 2005-06 school year down to a new low of 19.1 in the 2006-07 school year. Despite the decrease, Washington's rank remained unchanged at 46th as the national average also reached a new low of 15.5 for the 2006-07 school year. The state's five-year value of 19.2 students per teacher also ranked 46th among the states.

Chart 29
Student to Teacher Ratios in Elementary and Secondary Public Schools

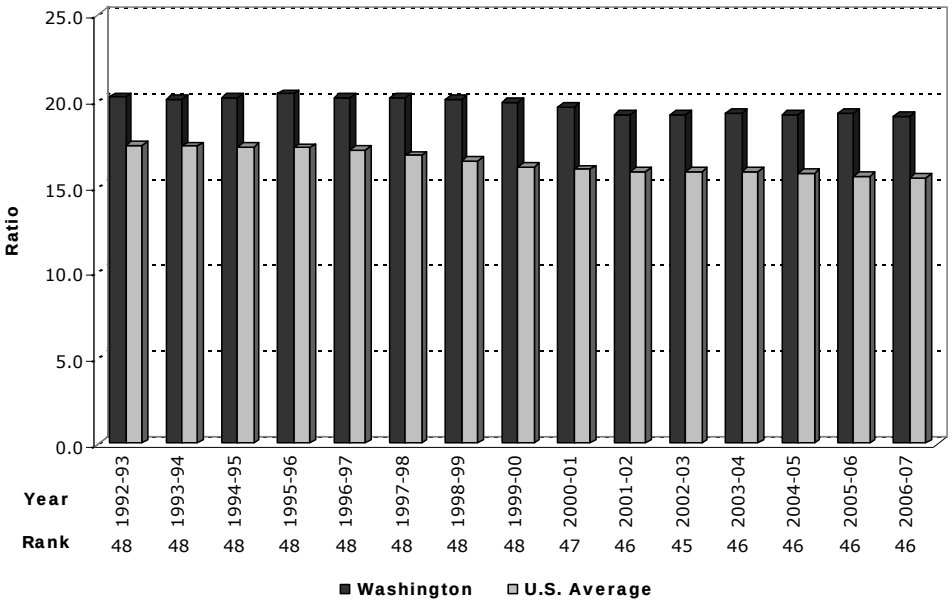


Table 29
Education and Skills of the Workforce
Student to Teacher Ratios in Elementary and Secondary Public Schools

	School Year					
	2002-03	**2003-04**	**2004-05**	**2005-06**	**2006-07**	**2002-2007**
Alabama	15.7	12.6	14.2	12.8	13.2	13.7
Alaska	16.6	17.2	17.1	16.8	16.8	16.9
Arizona	19.9	21.3	21.3	21.3	20.2	20.8
Arkansas	14.9	14.7	14.8	14.4	13.6	14.5
California	20.6	21.1	21.1	20.8	20.9	20.9
Colorado	16.6	16.9	17.0	17.0	16.9	16.9
Connecticut	13.5	13.6	14.9	14.5	14.7	14.2
Delaware	15.1	15.2	15.2	15.1	15.2	15.2
Florida	18.4	17.9	17.0	16.8	16.4	17.3
Georgia	15.6	15.7	14.8	14.7	14.3	15.0
Hawaii	16.8	16.5	16.4	16.3	16.0	16.4
Idaho	17.9	17.9	17.9	18.0	18.1	18.0
Illinois	15.9	16.5	16.0	15.8	15.0	15.8
Indiana	16.7	16.9	16.9	17.1	17.1	16.9
Iowa	13.9	13.8	13.8	13.7	13.6	13.8
Kansas	14.4	14.4	14.2	13.9	13.3	14.0
Kentucky	16.3	16.1	16.3	16.0	15.8	16.1
Louisiana	16.6	16.6	16.6	16.6	16.6	16.6
Maine	12.1	11.5	11.9	11.7	11.5	11.7
Maryland	15.7	15.7	15.7	15.2	14.6	15.4
Massachusetts	13.2	13.6	13.3	13.2	13.2	13.3
Michigan	19.9	18.1	17.4	17.8	17.5	18.1
Minnesota	16.0	16.3	16.1	16.4	16.2	16.2
Mississippi	15.6	15.1	15.8	15.7	15.3	15.5
Missouri	13.6	13.9	13.8	13.7	13.7	13.7
Montana	14.5	14.4	14.3	14.0	13.9	14.2
Nebraska	13.6	13.6	13.5	13.4	13.4	13.5
Nevada	18.4	19.0	19.1	19.0	18.5	18.8
New Hampshire	13.9	13.7	13.5	13.2	13.1	13.5
New Jersey	12.8	12.7	12.1	12.4	12.4	12.5
New Mexico	15.1	15.0	15.0	14.8	14.9	15.0
New York	13.7	13.3	13.0	12.9	12.8	13.1
North Carolina	15.2	15.1	15.0	14.8	13.8	14.8
North Dakota	12.9	12.7	12.5	12.3	12.1	12.5
Ohio	14.7	15.2	15.6	15.6	16.6	15.5
Oklahoma	15.4	16.0	15.6	15.2	15.1	15.5
Oregon	20.4	20.6	20.1	19.5	21.3	20.4
Pennsylvania	15.4	15.2	15.1	15.0	15.2	15.2
Rhode Island	14.2	13.4	13.3	10.8	13.3	13.0
South Carolina	14.9	15.3	15.0	14.6	14.1	14.8
South Dakota	14.0	13.6	13.5	13.4	13.4	13.6
Tennessee	15.8	15.7	15.7	16.0	15.7	15.8
Texas	14.8	15.0	15.0	15.0	14.8	14.9
Utah	21.8	22.4	22.6	22.1	22.1	22.2
Vermont	11.7	11.3	11.3	10.9	10.8	11.2
Virginia	11.8	13.2	12.9	11.7	11.6	12.2
Washington	**19.2**	**19.3**	**19.2**	**19.3**	**19.1**	**19.2**
West Virginia	14.0	14.0	14.0	14.1	14.5	14.1
Wisconsin	14.6	15.1	14.3	14.6	14.8	14.7
Wyoming	13.0	13.3	12.7	12.6	12.6	12.8
U.S. Average	15.9	15.9	15.8	15.6	15.5	15.7
Washington's Rank	**45**	**46**	**46**	**46**	**46**	**46**

Source: U.S. Department of Education, National Center for Education Statistics. Digest of Educational Statistics, 2008

Education Attainment: Completed Four Years of High School or More

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 2008 survey found that the average annual earnings for a person 25 years of age or older who did not graduate from high school was only $24,686 while that of a person with a high school diploma or GED was $33,618.

The 2008 survey reported that 89.6 percent of Washington's population aged 25 years or older completed four or more years of high school, a slight increase from 2007's value of 89.3 percent. Despite the increase, the percent who have complete high school in the state is still down from the average of the previous ten years of 90.6. The state's 2008 rank dropped again to 13th from 12th in 2007. The 2007 rank ended sixteen straight years (data goes back to 1991) that Washington ranked in the top 10 in this measure. The state's five-year average value still ranked 9th among the states with a value of 90.2 percent, compared to just 85.1 for the national average.

Chart 30
Educational Attainment:
Completed Four Years of High School or More

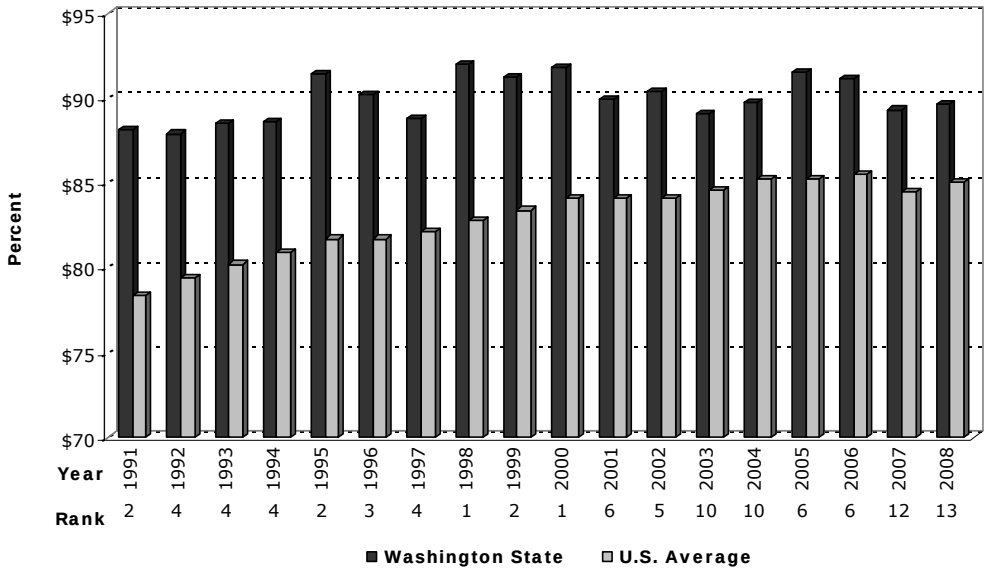


Table 30
Education and Skills of the Workforce
Educational Attainment:
Completed Four Years of High School or More
(Percent)*

	2004	2005	2006	2007	2008	2004-08
Alabama	82.4	80.9	82.1	80.4	81.9	81.5
Alaska	90.2	91.7	92.0	90.5	91.6	91.2
Arizona	84.4	85.8	83.1	83.5	83.8	84.1
Arkansas	79.2	81.4	82.5	81.1	82.0	81.2
California	81.3	80.4	80.8	80.2	80.2	80.6
Colorado	88.3	89.3	90.0	88.9	88.9	89.1
Connecticut	88.8	90.0	88.4	88.0	88.6	88.8
Delaware	86.5	86.9	86.0	87.4	87.2	86.8
Florida	85.9	86.8	86.7	84.9	85.2	85.9
Georgia	85.2	85.7	84.2	82.9	83.9	84.4
Hawaii	88.0	87.2	88.7	89.4	90.3	88.7
Idaho	87.9	89.1	88.9	88.4	87.9	88.4
Illinois	86.8	87.2	87.6	85.7	85.9	86.6
Indiana	87.2	87.2	88.2	85.8	86.2	86.9
Iowa	89.8	89.8	90.4	89.6	90.3	90.0
Kansas	89.6	91.4	90.2	89.1	89.5	90.0
Kentucky	81.8	78.9	79.9	80.1	81.3	80.4
Louisiana	78.7	80.2	79.7	79.9	81.2	79.9
Maine	87.1	87.2	89.3	89.4	89.7	88.5
Maryland	87.4	86.9	87.2	87.4	88.0	87.4
Massachusetts	86.9	87.5	89.9	88.4	88.7	88.3
Michigan	87.9	88.6	89.7	87.4	88.1	88.3
Minnesota	92.3	92.7	93.0	91.0	91.6	92.1
Mississippi	83.0	79.8	81.1	78.5	79.9	80.5
Missouri	87.9	85.5	87.1	85.6	86.5	86.5
Montana	91.9	92.1	91.4	90.0	90.9	91.3
Nebraska	91.3	89.8	91.0	89.6	90.1	90.4
Nevada	86.3	86.6	85.6	83.7	83.5	85.1
New Hampshire	90.8	91.9	91.6	90.5	90.9	91.1
New Jersey	87.6	86.9	86.7	87.0	87.4	87.1
New Mexico	82.9	81.2	81.8	82.3	82.4	82.1
New York	85.4	85.7	85.1	84.1	84.1	84.9
North Carolina	80.9	84.0	84.2	83.0	83.6	83.1
North Dakota	89.5	90.0	88.7	89.0	89.6	89.4
Ohio	88.1	87.9	88.1	87.1	87.6	87.8
Oklahoma	85.2	85.2	87.5	84.8	85.5	85.6
Oregon	87.4	88.6	89.7	88.0	88.6	88.5
Pennsylvania	86.5	86.3	87.5	86.8	87.5	86.9
Rhode Island	81.1	83.9	84.0	83.0	83.7	83.1
South Carolina	83.6	83.0	83.1	82.1	83.2	83.0
South Dakota	87.5	88.4	89.9	88.2	90.3	88.9
Tennessee	82.9	81.8	80.7	81.4	83.0	82.0
Texas	78.3	78.2	78.7	79.1	79.6	78.8
Utah	91.0	92.5	91.2	90.2	90.4	91.1
Vermont	90.8	90.0	91.0	90.3	90.6	90.5
Virginia	88.4	86.0	86.5	85.9	85.9	86.5
Washington	**89.7**	**91.5**	**91.1**	**89.3**	**89.6**	**90.2**
West Virginia	80.9	82.5	81.5	81.2	82.2	81.7
Wisconsin	88.8	90.4	91.1	89.0	89.6	89.8
Wyoming	91.9	90.9	91.1	91.2	91.7	91.4
U.S. Average	85.2	85.2	85.5	84.5	85.0	85.1
Washington's Rank	**10**	**6**	**6**	**12**	**13**	**9**

*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 1998-2008. (www.census.gov)

Education Attainment: Completed Bachelors Degree or More

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. Just like the measure comparing educational attainment of those who have complete four years of high school, annual earnings serves as a good indication of the economic relevance of those who completed a bachelor's degree. The 2008 survey found that the average annual earnings for a person 25 years of age or older with only a high school diploma or GED was $33,618 while that of a person with a bachelor's degree or higher was $69,155.

In 2008, the percentage of Washington residents of age 25 or older who had achieved a bachelor's degree or more increased from 30.3 percent to 30.7 percent, well above the U.S. average of 27.7 percent. The state's 2008 ranking remained unchanged at 11th in the nation. Washington, as well as the nation, peaked in this category in 2006 with 31.4 and 28.0 percent, respectively, of the population over 25 obtaining a bachelor's degree or higher. The state's five-year average of 30.6 percent also ranked 11th among the states.

Chart 31
Educational Attainment:
Completed Bachelor's Degree or More

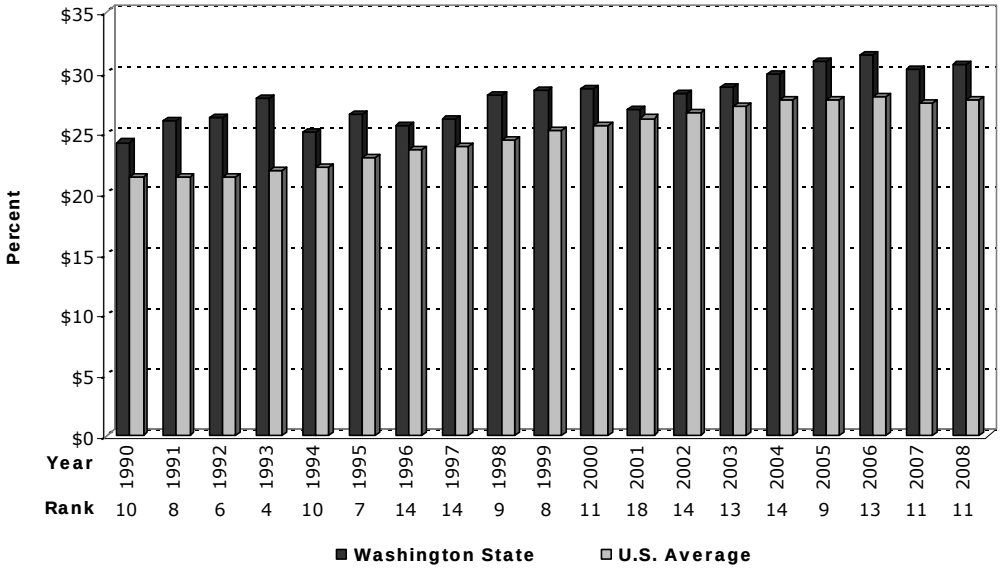


Table 31
Education and Skills of the Workforce
Educational Attainment: Completed Bachelor's Degree or More*
(Percent)*

	2004	2005	2006	2007	2008	2004-08
Alabama	22.3	19.8	20.8	21.4	22.0	21.3
Alaska	25.5	28.6	27.7	26.0	27.3	27.0
Arizona	28.0	28.0	24.5	25.3	25.1	26.2
Arkansas	18.8	17.5	19.0	19.3	18.8	18.7
California	31.7	30.6	29.8	29.5	29.6	30.2
Colorado	35.5	35.5	36.4	35.0	35.6	35.6
Connecticut	34.5	36.8	36.0	34.7	35.6	35.5
Delaware	26.9	25.6	26.2	26.1	27.5	26.5
Florida	26.0	25.4	27.2	25.8	25.8	26.0
Georgia	27.6	27.1	28.1	27.1	27.5	27.5
Hawaii	26.6	30.4	32.3	29.2	29.1	29.5
Idaho	23.8	25.9	25.1	24.5	24.0	24.7
Illinois	27.4	29.6	31.2	29.5	29.9	29.5
Indiana	21.1	22.6	21.9	22.1	22.9	22.1
Iowa	24.3	24.5	24.7	24.3	24.3	24.4
Kansas	30.0	30.4	31.6	28.8	29.6	30.1
Kentucky	21.0	18.9	20.2	20.0	19.7	20.0
Louisiana	22.4	19.6	21.2	20.4	20.3	20.8
Maine	24.2	24.3	26.9	26.7	25.4	25.5
Maryland	35.2	36.3	35.7	35.2	35.2	35.5
Massachusetts	36.7	36.6	40.4	37.9	38.1	37.9
Michigan	24.4	24.6	26.1	24.7	24.7	24.9
Minnesota	32.5	34.2	33.5	31.0	31.5	32.5
Mississippi	20.1	21.8	21.1	18.9	19.4	20.3
Missouri	28.1	25.0	24.3	24.5	25.0	25.4
Montana	25.5	25.4	25.1	27.0	27.1	26.0
Nebraska	24.8	25.4	27.2	27.5	27.1	26.4
Nevada	24.5	23.4	20.8	21.8	21.9	22.5
New Hampshire	35.4	32.8	32.1	32.5	33.3	33.2
New Jersey	34.6	36.3	35.6	33.9	34.4	35.0
New Mexico	25.1	27.4	26.7	24.8	24.7	25.7
New York	30.6	30.4	32.2	31.7	31.9	31.4
North Carolina	23.4	25.3	25.6	25.6	26.1	25.2
North Dakota	25.2	27.2	28.7	25.7	26.9	26.7
Ohio	24.6	23.0	23.3	24.1	24.1	23.8
Oklahoma	22.9	24.0	22.9	22.8	22.2	23.0
Oregon	25.9	29.0	28.3	28.3	28.1	27.9
Pennsylvania	25.3	26.0	26.6	25.8	26.3	26.0
Rhode Island	27.2	29.2	30.9	29.8	30.0	29.4
South Carolina	24.9	24.2	22.6	23.5	23.7	23.8
South Dakota	25.5	25.0	25.3	25.0	25.1	25.2
Tennessee	24.3	21.5	22.0	21.8	22.9	22.5
Texas	24.5	25.5	25.5	25.2	25.3	25.2
Utah	30.8	29.8	27.0	28.7	29.1	29.1
Vermont	34.2	34.4	34.0	33.6	32.1	33.7
Virginia	33.1	30.6	32.1	33.6	33.7	32.6
Washington	**29.9**	**30.9**	**31.4**	**30.3**	**30.7**	**30.6**
West Virginia	15.3	15.1	15.9	17.3	17.1	16.1
Wisconsin	25.6	25.0	24.6	25.4	25.7	25.3
Wyoming	22.5	21.9	20.8	23.4	23.6	22.4
U.S. Average	27.7	27.7	28.0	27.5	27.7	27.7
Washington's Rank	**14**	**9**	**13**	**11**	**11**	**11**

Source: U.S. Department of Commerce, Bureau of the Census. Educational Attainment in the United States: March 1998-2008. (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

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 2006, Washington had a public two and four year college participation rate of 6.0 percent, down slightly from the 6.1 percent in the previous year. Washington's rank declined from 20th to 23rd during this time. While the state's rate has been declining since 2004, The U.S. average participation rate has remained steady for the past five years at 5.8 percent. Washington's rate of 6.2 percent for the years 2002 through 2006 was 6.2 percent, ranking Washington 18th among the states.

Chart 32
Total Public Two and Four Year College Combined Participation Rate

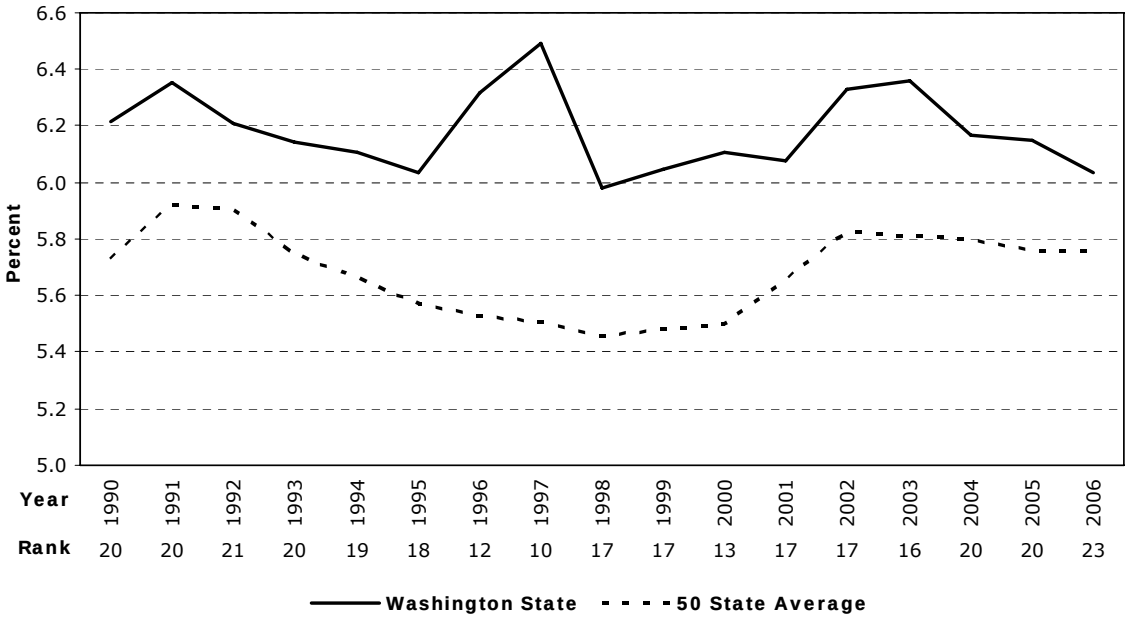


Table 32
Education and Skills of the Workforce
Total Public Two and Four Year College Combined Participation Rate
(Percent)*

	2002	2003	2004	2005	2006	2002-06
Alabama	6.1	6.4	6.5	6.6	6.5	6.4
Alaska	5.8	6.1	6.3	6.1	5.8	6.0
Arizona	7.4	7.5	7.4	7.4	7.2	7.4
Arkansas	5.3	5.5	5.8	5.9	6.0	5.7
California	8.0	8.1	7.5	7.4	7.4	7.7
Colorado	6.6	6.8	6.8	6.8	6.6	6.7
Connecticut	4.0	4.1	4.1	4.1	4.1	4.1
Delaware	6.0	6.0	6.0	6.0	6.0	6.0
Florida	4.6	4.7	4.8	4.8	4.6	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	5.9	6.0	5.9	5.7	5.9
Illinois	5.7	5.8	5.9	5.9	5.7	5.8
Indiana	5.6	5.5	5.6	5.6	5.6	5.6
Iowa	6.5	6.6	6.6	6.5	6.6	6.5
Kansas	8.2	8.2	8.2	8.2	8.1	8.2
Kentucky	6.0	6.2	6.2	6.2	6.3	6.2
Louisiana	5.9	6.2	6.1	5.3	5.9	5.9
Maine	4.4	4.5	4.6	4.6	4.6	4.5
Maryland	6.0	6.0	6.1	6.0	6.0	6.0
Massachusetts	3.7	3.8	3.7	3.7	3.8	3.7
Michigan	6.5	6.6	6.5	6.5	6.6	6.5
Minnesota	6.2	6.3	6.2	6.1	6.2	6.2
Mississippi	6.3	6.3	6.4	6.2	6.3	6.3
Missouri	4.9	5.0	4.9	4.9	4.9	4.9
Montana	5.8	6.0	5.9	5.9	5.8	5.9
Nebraska	7.1	7.1	7.0	7.0	7.0	7.0
Nevada	5.5	5.6	5.5	5.5	5.4	5.5
New Hampshire	4.2	4.2	4.1	4.0	4.1	4.1
New Jersey	4.4	4.5	4.6	4.6	4.6	4.5
New Mexico	8.1	8.4	8.5	8.4	8.3	8.3
New York	4.1	4.1	4.2	4.2	4.2	4.2
North Carolina	5.8	5.9	5.9	6.0	6.0	5.9
North Dakota	8.4	8.8	8.7	8.6	8.6	8.6
Ohio	5.1	5.1	5.2	5.1	5.1	5.1
Oklahoma	6.5	6.7	6.7	6.6	6.5	6.6
Oregon	6.4	6.0	5.9	5.8	5.6	5.9
Pennsylvania	3.9	4.0	4.0	3.9	4.0	3.9
Rhode Island	4.7	4.8	4.8	4.8	4.8	4.8
South Carolina	5.3	5.4	5.3	5.3	5.3	5.3
South Dakota	6.6	6.6	6.4	6.3	6.3	6.4
Tennessee	4.3	4.3	4.4	4.3	4.4	4.4
Texas	6.3	6.4	6.5	6.4	6.3	6.4
Utah	8.3	8.4	8.4	8.4	8.1	8.3
Vermont	4.4	4.7	4.7	4.9	4.9	4.7
Virginia	6.0	6.0	6.0	6.0	6.1	6.0
Washington	**6.3**	**6.4**	**6.2**	**6.1**	**6.0**	**6.2**
West Virginia	5.6	5.7	5.8	5.9	6.0	5.8
Wisconsin	6.4	6.3	6.3	6.3	6.3	6.3
Wyoming	8.1	8.2	8.1	8.3	8.3	8.2
50 State Average	5.8	5.8	5.8	5.8	5.8	5.8
Washington's Rank	**16**	**16**	**21**	**20**	**23**	**18**

*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

Value Added Per Hour of Labor in Manufacturing

(Not updated due to unavailability of data)

"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 Hous of Labor in Manufacturing

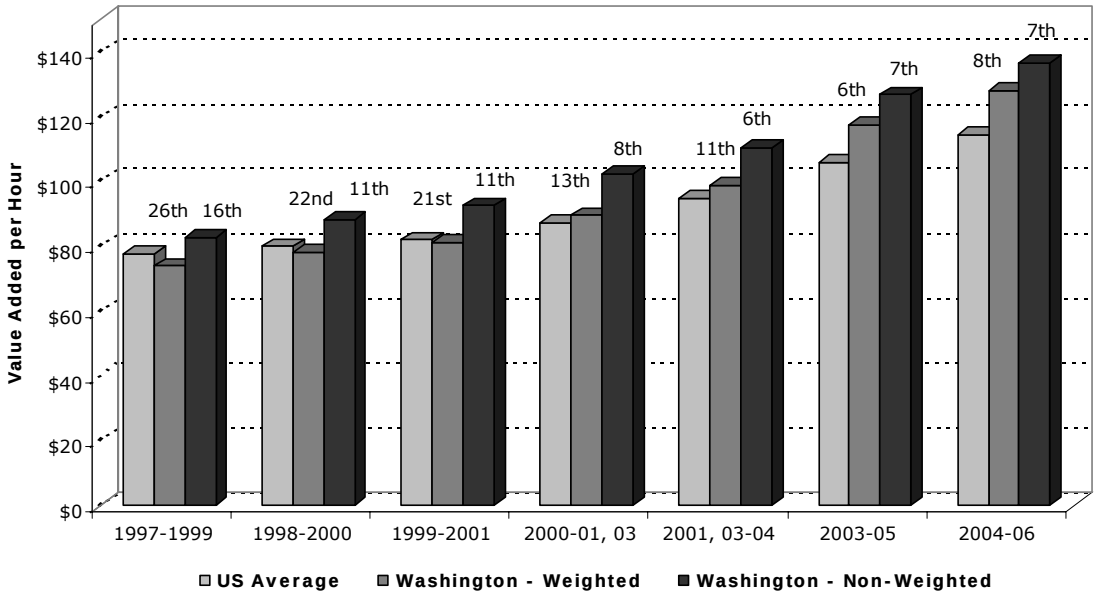


Table 33
Education and Skills of the Workforce
Value Added per Hour of Labor in Manufacturing
(Three Year Average, Dollars)

	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

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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 2007, Washington had a significant improvement in the condition of its interstate highways. The percentage of interstate miles in poor condition decreased from 8.5 percent to 2.9 percent, improving the state's rank from 45th to 30th in the nation. This is the best Washington has performed in this measure since 2002 when just 1.8 percent of interstate miles were in poor condition and the state ranked 27th. Washington's five-year average value of 5.5 percent, compared to the national average of 3.3 percent, ranked 41st in the nation.

Chart 34
Interstate Miles in Poor Condition

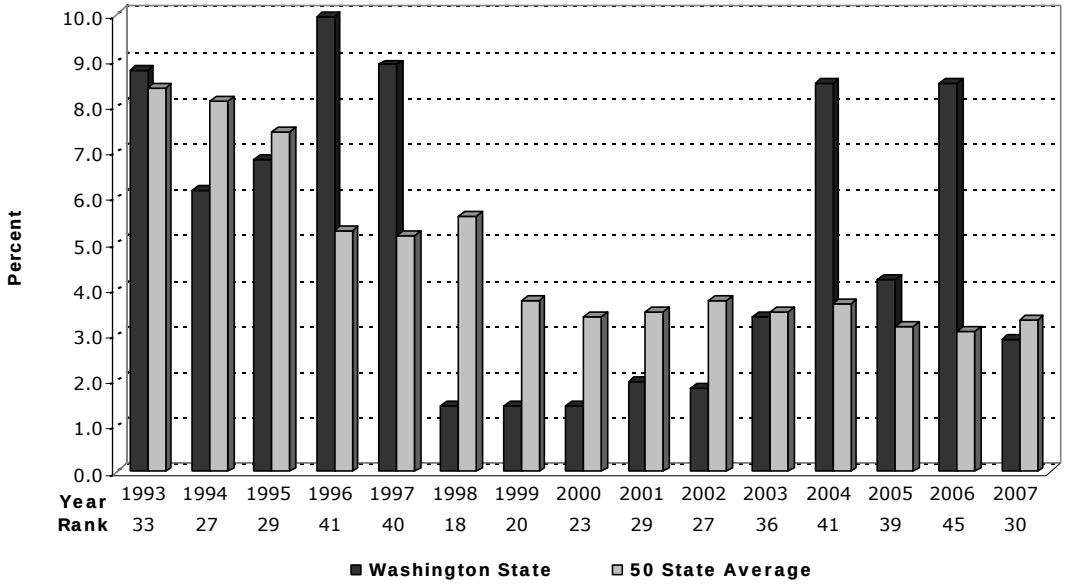

Table 34
Infrastructure
Interstate Miles in Poor Condition
(Percent)

	2003	2004	2005	2006	2007	2003-07
Alabama	0.9	14.6	14.8	5.4	3.4	7.8
Alaska	0.1	2.0	4.0	8.4	5.7	4.1
Arizona	0.0	0.0	0.0	0.0	0.3	0.1
Arkansas	10.2	7.4	3.5	3.8	4.9	6.0
California	18.2	13.3	8.1	8.1	20.3	13.6
Colorado	6.8	3.1	2.8	3.3	3.3	3.9
Connecticut	3.2	4.6	3.5	3.2	4.1	3.7
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*	18.2	20.4	25.0	23.6	22.2	21.9
Idaho	1.8	1.8	1.8	1.8	2.6	2.0
Illinois	2.4	2.0	2.0	1.8	1.8	2.0
Indiana	0.5	NA	0.5	0.5	1.1	0.7
Iowa	4.6	4.4	5.0	4.0	3.1	4.2
Kansas	0.1	0.0	0.0	0.0	0.1	0.0
Kentucky	0.3	0.4	0.4	0.4	0.1	0.3
Louisiana	8.3	5.5	3.9	8.4	7.3	6.7
Maine	0.0	0.5	0.3	0.8	0.3	0.4
Maryland	5.3	7.6	4.9	4.5	5.1	5.5
Massachusetts	1.1	1.1	0.7	0.5	0.4	0.7
Michigan	10.2	10.4	10.3	10.0	4.9	9.2
Minnesota	0.8	1.3	0.7	1.9	2.1	1.3
Mississippi	6.1	1.9	2.6	6.1	3.3	4.0
Missouri	2.4	5.8	2.2	0.9	0.9	2.4
Montana	1.2	1.5	1.1	0.8	0.5	1.0
Nebraska	2.3	2.3	3.5	1.2	1.0	2.1
Nevada	0.5	NA	0.4	0.4	0.2	0.4
New Hampshire	1.7	NA	0.0	19.6	3.5	6.2
New Jersey	16.5	16.5	12.3	16.2	16.0	15.5
New Mexico	0.1	0.3	0.4	0.4	0.0	0.2
New York	10.3	14.7	14.7	10.0	9.2	11.8
North Carolina	8.9	5.7	6.5	3.3	3.0	5.5
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.3	1.1	0.8	0.6	1.2	0.8
Oklahoma	6.0	4.3	4.5	3.7	3.6	4.4
Oregon	0.7	0.1	0.0	0.0	0.0	0.2
Pennsylvania	2.3	2.4	1.8	1.7	1.1	1.8
Rhode Island	1.4	0.0	0.0	0.0	0.0	0.3
South Carolina	0.1	0.1	0.1	1.7	0.4	0.5
South Dakota	0.3	0.7	0.1	0.1	0.6	0.4
Tennessee	0.7	0.4	0.6	0.7	0.6	0.6
Texas	0.7	0.7	0.9	0.7	2.0	1.0
Utah	2.9	2.9	3.2	1.8	1.2	2.4
Vermont	0.0	0.0	1.2	1.2	4.7	1.4
Virginia	1.5	1.1	1.6	1.6	1.2	1.4
Washington	**3.4**	**8.5**	**4.2**	**8.5**	**2.9**	**5.5**
West Virginia	0.5	0.5	2.9	2.9	2.2	1.8
Wisconsin	2.2	2.8	2.8	3.4	3.9	3.0
Wyoming	0.5	3.5	2.4	1.8	1.8	2.0
U.S. Average	3.5	3.7	3.2	3.1	3.3	3.3
Washington's Rank	**36**	**41**	**39**	**45**	**30**	**41**

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

Source: See Appendix A

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.

The Seattle-Tacoma airport reduced the number of delays by more than half from 6.8 delays per 1000 operations in 2007 to 3.1 delays this past year. This improved the airports rank in 2008 to 30th among the 55 largest airports from 37th in 2007. During this time the U.S. major airport delay average increased from 14.1 delays to 14.3. The Seattle-Tacoma airport's five-year average value of 4.5 delays per 1000 operations was also well below the multiple-airport average value of 13.5 delays and ranked 32nd among the 55 largest airports in the nation.

Chart 35
FAA Air Traffic Delays

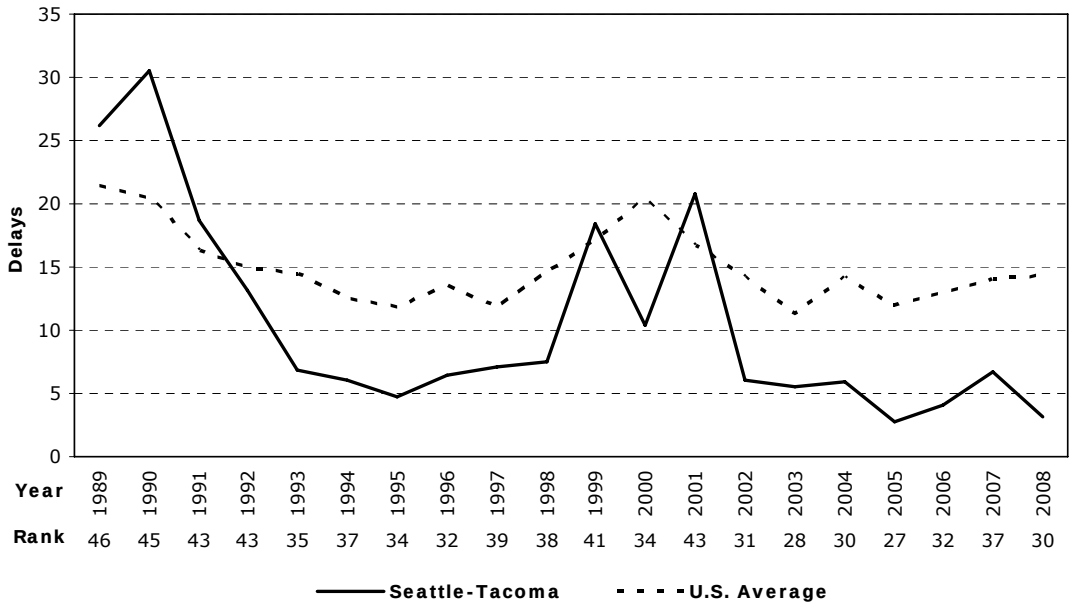

Table 35
Infrastructure
FAA Air Traffic Delays
Delays Per 1000 Operations

	2004	2005	2006	2007	2008	2004-08
Albuquerque	0.7	0.2	0.2	0.2	0.0	0.3
Anchorage	0.6	1.9	2.4	1.6	2.0	1.7
Andrews AFB	2.0	1.0	0.8	0.3	0.3	0.9
Atlanta Hartsfield	72.2	68.0	51.4	28.9	38.8	51.8
Baltimore-Washington	6.4	3.5	2.1	2.0	2.0	3.2
Boston Logan	17.9	27.7	28.9	22.6	22.3	23.9
Bradley International	1.2	0.9	0.8	0.5	0.2	0.7
Charlotte Douglas	7.2	8.8	13.4	14.0	27.8	14.2
Chicago Midway	19.5	5.9	8.5	9.1	7.4	10.1
Chicago O'Hare	97.1	57.7	68.6	65.5	73.1	72.4
Cincinnati Tower	13.3	5.9	3.0	3.4	2.8	5.7
Cleveland Hopkins	5.1	4.6	5.3	3.3	2.4	4.1
Dallas/Ft. Worth	21.9	6.1	8.9	15.2	4.4	11.3
Dayton Cox	3.4	0.2	0.2	0.2	0.1	0.8
Denver Stapleton	2.7	2.6	2.8	4.9	3.2	3.2
Detroit Metro	12.5	7.7	8.6	6.3	3.8	7.8
Fairbanks	0.0	0.0	0.0	0.0	0.1	0.0
Ft. Lauderdale	19.3	26.6	7.0	8.1	6.6	13.5
Honolulu	0.1	0.0	0.1	0.1	0.0	0.0
Houston Hobby	2.8	3.5	2.1	4.5	3.9	3.4
Houston Intercontinental	36.1	19.5	24.7	20.4	22.6	24.7
Indianapolis	0.3	0.4	0.4	0.2	0.1	0.3
Kahului/Maui	0.0	0.0	0.0	0.0	0.0	0.0
Kansas City	0.5	0.2	0.3	0.2	0.0	0.3
Las Vegas McCarran	20.6	14.6	23.9	22.7	23.8	21.1
Los Angeles	3.3	2.5	4.3	5.1	3.1	3.7
Memphis	5.2	3.4	4.1	2.3	2.6	3.5
Miami	5.5	4.1	4.1	3.9	2.0	3.9
Minneapolis-St. Paul	11.9	7.2	3.1	18.8	3.5	8.9
Nashville	0.3	0.3	0.3	0.4	0.1	0.3
New Orleans Moisant	0.9	0.8	0.3	0.4	0.2	0.5
New York Kennedy	27.5	39.5	60.5	75.2	73.8	55.3
New York La Guardia	55.9	67.0	91.4	123.5	129.2	93.4
Newark	70.2	87.9	119.8	126.5	153.0	111.5
Ontario	0.6	0.4	1.7	1.4	2.1	1.2
Orlando	4.2	2.5	2.1	2.1	0.3	2.2
Palm Beach	12.4	7.4	5.6	5.9	4.2	7.1
Philadelphia	57.7	50.3	55.6	47.9	62.8	54.9
Phoenix Sky Harbor	18.3	23.7	11.1	13.6	12.5	15.8
Pittsburgh	1.4	0.8	0.7	0.3	0.4	0.7
Portland	0.5	0.3	1.0	0.6	0.2	0.5
Raleigh-Durham	1.2	0.6	0.7	0.4	0.3	0.6
Salt Lake City	6.4	2.1	4.4	4.2	1.9	3.8
San Antonio	1.0	0.0	0.2	0.3	1.3	0.5
San Diego Lindbergh	2.3	3.7	2.5	2.3	5.5	3.3
San Francisco	31.9	25.5	28.7	34.2	46.2	33.3
San Jose	1.2	0.4	0.8	0.3	0.2	0.6
San Juan	0.3	0.1	3.2	1.5	0.8	1.2
Seattle-Tacoma	**5.9**	**2.8**	**4.1**	**6.8**	**3.1**	**4.5**
St. Louis Lambert	1.6	1.1	0.4	0.5	0.2	0.8
Tampa	3.4	1.6	1.4	2.5	1.5	2.1
Teterboro	35.7	26.2	27.3	38.2	15.9	28.7
Washington Dulles	36.0	18.9	5.6	6.3	4.5	14.3
Washington National	6.7	6.2	5.6	4.7	2.8	5.2
Westchester Co.	9.4	2.4	2.7	11.8	7.2	6.7
U.S. Major Airport Avg.	14.2	11.9	13.0	14.1	14.3	13.5
Seattle-Tacoma Rank*	**30**	**27**	**32**	**37**	**30**	**32**

* 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

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 90 urban areas selected to represent the major metropolitan areas within each state. The 2009 study reported statistics from 2007.

In 2007, the Seattle-Everett-Tacoma region had a TTI of 1.29, down slightly from a value of 1.30 in 2006. Though this was equal to the 90-area average, it still ranked 68th among the areas, down from 72nd the year before. The Seattle-Everett-Tacoma rank of 68 was the best the metropolitan area has done, relative to other areas, since 1983 when it ranked 66th. Its five-year average of 1.30 was above the 90-area average of 1.28, ranking 73rd for that period. Spokane, the only other Washington urban area in the survey, fared better with a TTI of 1.05 and a five-year average of 1.05 as well. This ranked the area as the 2nd least congested of the 90 areas both in 2007 and in its five-year average value.

Chart 36
Urban Roadway Tavel Time Index

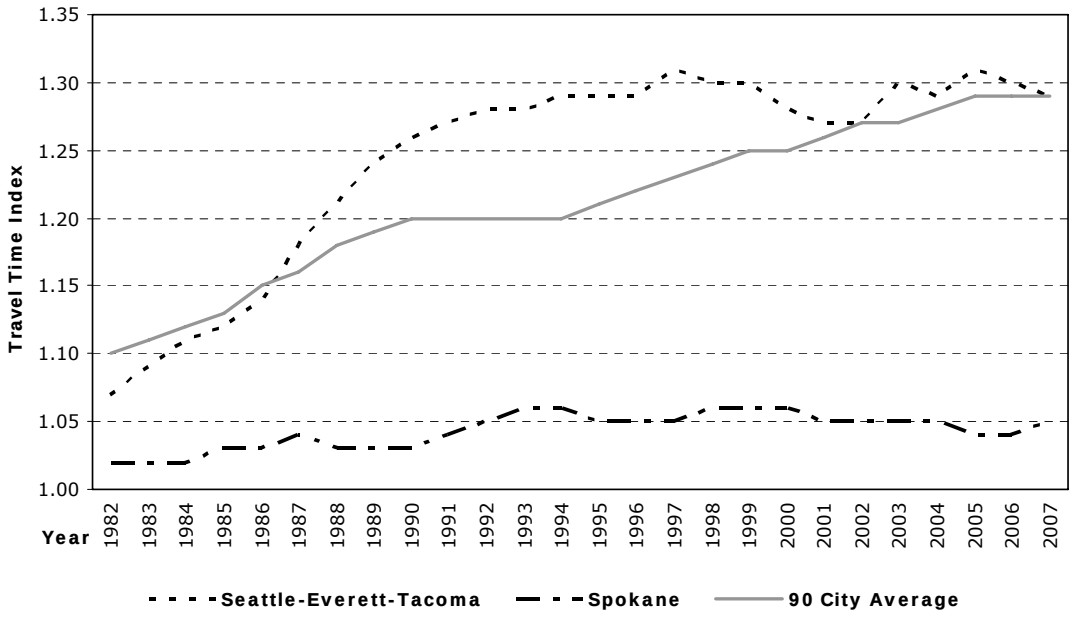

Table 36
Infrastructure
Urban Roadway Travel Time Index
(Values greater than 1 indicate congestion)

	2003	2004	2005	2006	2007	2003-2007
Akron OH	1.07	1.08	1.08	1.08	1.07	1.08
Albany-Schenectady NY	1.07	1.08	1.08	1.09	1.10	1.08
Albuquerque NM	1.14	1.16	1.17	1.17	1.18	1.16
Allentown-Bethlehem PA-NJ	1.14	1.14	1.14	1.13	1.14	1.14
Anchorage AK	1.07	1.07	1.07	1.07	1.07	1.07
Atlanta GA	1.33	1.33	1.35	1.34	1.35	1.34
Austin TX	1.28	1.29	1.31	1.29	1.29	1.29
Bakersfield CA	1.07	1.08	1.09	1.09	1.09	1.08
Baltimore MD	1.29	1.29	1.30	1.31	1.31	1.30
Beaumont TX	1.04	1.05	1.05	1.05	1.05	1.05
Birmingham AL	1.14	1.15	1.15	1.15	1.15	1.15
Boston MA-NH-RI	1.25	1.27	1.27	1.27	1.26	1.26
Boulder CO	1.09	1.09	1.10	1.11	1.09	1.10
Bridgeport-Stamford CT-NY	1.23	1.22	1.23	1.25	1.25	1.24
Brownsville TX	1.06	1.07	1.06	1.07	1.07	1.07
Buffalo NY	1.08	1.08	1.08	1.08	1.07	1.08
Cape Coral FL	1.13	1.12	1.13	1.15	1.17	1.14
Charleston-North Charleston SC	1.17	1.18	1.17	1.18	1.20	1.18
Charlotte NC-SC	1.24	1.25	1.24	1.24	1.25	1.24
Chicago IL-IN	1.43	1.44	1.47	1.45	1.43	1.44
Cincinnati OH-KY-IN	1.19	1.18	1.18	1.18	1.18	1.18
Cleveland OH	1.09	1.10	1.09	1.09	1.08	1.09
Colorado Springs CO	1.13	1.12	1.14	1.14	1.13	1.13
Columbia SC	1.07	1.07	1.07	1.08	1.10	1.08
Columbus OH	1.18	1.20	1.19	1.19	1.18	1.19
Corpus Christi TX	1.05	1.05	1.06	1.05	1.05	1.05
Dallas-Fort Worth-Arlington TX	1.27	1.30	1.32	1.33	1.32	1.31
Dayton OH	1.10	1.11	1.10	1.10	1.09	1.10
Denver-Aurora CO	1.30	1.30	1.32	1.31	1.31	1.31
Detroit MI	1.31	1.30	1.29	1.29	1.29	1.30
El Paso TX-NM	1.12	1.13	1.13	1.13	1.12	1.13
Eugene OR	1.09	1.08	1.09	1.08	1.08	1.08
Fresno CA	1.12	1.12	1.12	1.13	1.13	1.12
Grand Rapids MI	1.11	1.11	1.10	1.10	1.10	1.10
Hartford CT	1.10	1.11	1.11	1.12	1.12	1.11
Honolulu HI	1.19	1.20	1.22	1.23	1.24	1.22
Houston TX	1.30	1.32	1.34	1.34	1.33	1.33
Indianapolis IN	1.22	1.22	1.22	1.21	1.21	1.22
Indio-Cathedral City-Palm Springs CA	1.12	1.13	1.15	1.16	1.14	1.14
Jacksonville FL	1.21	1.22	1.21	1.22	1.23	1.22
Kansas City MO-KS	1.09	1.08	1.08	1.08	1.07	1.08
Knoxville TN	1.12	1.11	1.11	1.11	1.12	1.11
Lancaster-Palmdale CA	1.09	1.09	1.10	1.10	1.10	1.10
Laredo TX	1.10	1.09	1.09	1.10	1.12	1.10
Las Vegas NV	1.30	1.31	1.31	1.30	1.30	1.30
Little Rock AR	1.06	1.07	1.07	1.08	1.09	1.07
Los Angeles-Long Beach-Santa Ana CA	1.47	1.48	1.50	1.51	1.49	1.49
Louisville KY-IN	1.22	1.23	1.23	1.22	1.20	1.22
Memphis TN-MS-AR	1.14	1.14	1.13	1.13	1.12	1.13
Miami FL	1.38	1.38	1.38	1.37	1.37	1.38

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

	2003	2004	2005	2006	2007	2003-2007
Milwaukee WI	1.14	1.14	1.14	1.12	1.13	1.13
Minneapolis-St. Paul MN	1.24	1.24	1.26	1.25	1.24	1.25
Nashville-Davidson TN	1.17	1.17	1.17	1.16	1.15	1.16
New Haven CT	1.11	1.10	1.11	1.11	1.11	1.11
New Orleans LA	1.15	1.15	1.16	1.17	1.17	1.16
New York-Newark NY-NJ-CT	1.33	1.37	1.39	1.38	1.37	1.37
Oklahoma City OK	1.09	1.09	1.09	1.10	1.12	1.10
Omaha NE-IA	1.16	1.16	1.16	1.17	1.16	1.16
Orlando FL	1.31	1.30	1.30	1.31	1.30	1.30
Oxnard-Ventura CA	1.19	1.21	1.23	1.23	1.24	1.22
Pensacola FL-AL	1.11	1.11	1.11	1.13	1.13	1.12
Philadelphia PA-NJ-DE-MD	1.26	1.27	1.28	1.27	1.28	1.27
Phoenix AZ	1.26	1.27	1.31	1.29	1.30	1.29
Pittsburgh PA	1.09	1.10	1.09	1.09	1.09	1.09
Portland OR-WA	1.27	1.28	1.29	1.29	1.29	1.28
Poughkeepsie-Newburgh NY	1.08	1.09	1.09	1.09	1.09	1.09
Providence RI-MA	1.16	1.17	1.16	1.15	1.17	1.16
Raleigh-Durham NC	1.16	1.17	1.18	1.16	1.17	1.17
Richmond VA	1.08	1.09	1.09	1.09	1.09	1.09
Riverside-San Bernardino CA	1.29	1.32	1.35	1.36	1.36	1.34
Rochester NY	1.06	1.06	1.06	1.07	1.06	1.06
Sacramento CA	1.31	1.32	1.32	1.33	1.32	1.32
Salem OR	1.09	1.09	1.09	1.10	1.10	1.09
Salt Lake City UT	1.24	1.21	1.19	1.18	1.19	1.20
San Antonio TX	1.21	1.24	1.24	1.23	1.23	1.23
San Diego CA	1.36	1.39	1.39	1.38	1.37	1.38
San Francisco-Oakland CA	1.37	1.39	1.42	1.44	1.42	1.41
San Jose CA	1.34	1.32	1.35	1.37	1.36	1.35
Sarasota-Bradenton FL	1.18	1.19	1.19	1.20	1.19	1.19
Seattle WA	**1.30**	**1.29**	**1.31**	**1.30**	**1.29**	**1.30**
Spokane WA	**1.05**	**1.05**	**1.04**	**1.04**	**1.05**	**1.05**
Springfield MA-CT	1.06	1.06	1.06	1.07	1.06	1.06
St. Louis MO-IL	1.17	1.16	1.16	1.16	1.13	1.16
Tampa-St. Petersburg FL	1.28	1.29	1.28	1.30	1.31	1.29
Toledo OH-MI	1.09	1.10	1.09	1.09	1.08	1.09
Tucson AZ	1.22	1.22	1.23	1.25	1.24	1.23
Tulsa OK	1.10	1.09	1.09	1.10	1.10	1.10
Virginia Beach VA	1.19	1.18	1.18	1.18	1.18	1.18
Washington DC-VA-MD	1.38	1.38	1.37	1.37	1.39	1.38
Wichita KS	1.02	1.02	1.02	1.02	1.02	1.02
90 City Average	1.27	1.28	1.29	1.29	1.29	1.28
Rank: Spokane	**3**	**2**	**2**	**2**	**2**	**2**
Rank: Seattle-Everett-Tacoma	**75**	**70**	**73**	**72**	**68**	**73**

Texas Transportation Institute. 2009 Annual Urban Mobility Report (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 2007, Washington collected over $27.5 billion in state and local tax revenues; which corresponds to a state and local tax burden of $109.25 for each $1,000 of personal income. Despite decreasing by $2.74 from 2006, the state's ranked dropped from 23rd lowest to 25th in the nation as the national average dropped $2.90 to $113.32 in tax collections per $1,000 of personal income. Washington has now had six straight years where its tax burden is less than the national average. The state's five year average for this figure was $106.86, ranking 17th in the nation and $4.47 below the national average.

In comparing previous years, 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 2008 businesses directly paid 45.1 percent of major state and local taxes, government paid 4.1percent and households paid 50.8 percent.

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

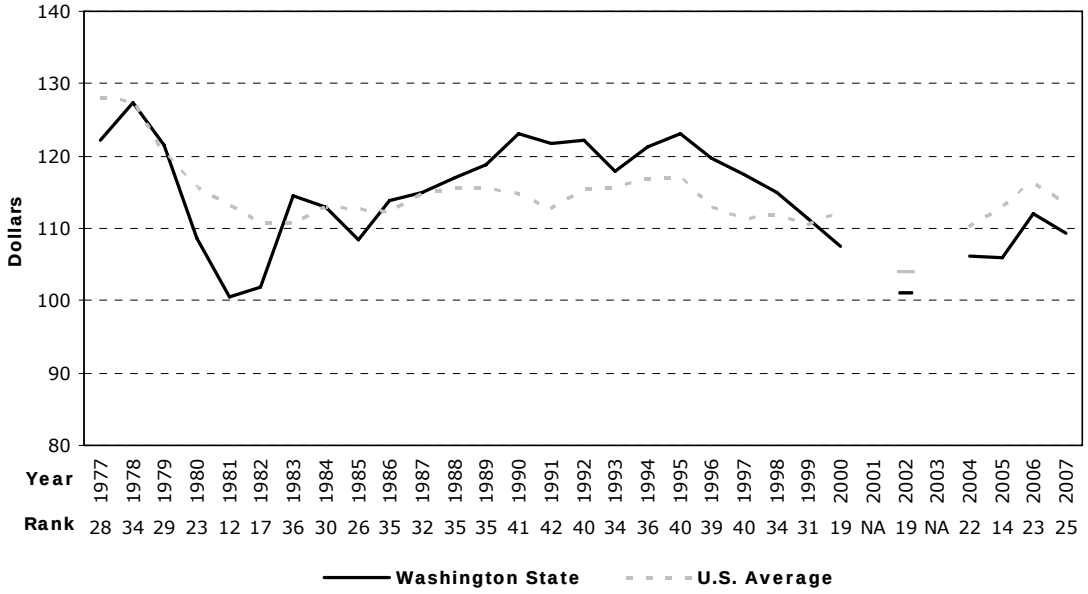

Table 37
Cost of Doing Business
State and Local Tax Collections Per $1,000 Personal Income
(Dollars)

(Fiscal Years)	**2002**	**2004**	**2005**	**2006**	**2007**	**2002-2007**
Alabama	87.58	88.89	92.27	95.97	93.17	91.58
Alaska	102.76	110.93	132.40	150.98	188.17	137.05
Arizona	104.47	108.64	111.69	110.25	112.75	109.56
Arkansas	104.00	105.14	113.67	116.91	110.65	110.07
California	106.01	113.06	115.62	121.45	115.63	114.35
Colorado	92.30	92.86	95.22	98.01	95.85	94.85
Connecticut	103.56	115.71	119.17	118.89	114.74	114.41
Delaware	107.24	108.41	111.85	116.09	109.85	110.69
Florida	93.74	105.06	105.95	108.06	105.70	103.70
Georgia	100.36	102.32	103.83	109.21	106.28	104.40
Hawaii	120.62	126.25	134.30	140.00	133.64	130.96
Idaho	99.84	109.82	109.41	111.58	102.99	106.73
Illinois	101.31	105.83	111.09	112.35	109.04	107.92
Indiana	100.39	104.37	113.78	118.70	102.01	107.85
Iowa	103.85	107.30	106.38	110.04	108.85	107.28
Kansas	103.66	114.23	109.75	116.55	115.21	111.88
Kentucky	106.22	107.27	109.60	114.51	108.32	109.18
Louisiana	111.26	112.44	117.44	140.46	122.76	120.87
Maine	130.16	133.65	133.04	142.94	127.06	133.37
Maryland	104.42	108.25	108.34	111.08	107.07	107.83
Massachusetts	95.87	105.77	107.31	109.26	105.32	104.71
Michigan	103.83	105.18	110.21	108.99	110.81	107.80
Minnesota	113.14	112.02	113.76	118.05	114.99	114.39
Mississippi	103.92	105.74	107.86	110.65	107.62	107.16
Missouri	96.06	97.31	100.40	100.68	96.61	98.21
Montana	98.05	101.19	105.57	110.58	107.41	104.56
Nebraska	107.71	118.04	117.97	119.19	113.53	115.29
Nevada	101.20	111.33	113.97	108.23	106.77	108.30
New Hampshire	84.65	91.61	91.43	92.30	88.38	89.67
New Jersey	104.20	115.55	117.19	125.34	124.91	117.44
New Mexico	111.45	116.38	119.69	129.17	125.83	120.50
New York	130.79	146.76	149.70	156.52	157.36	148.23
North Carolina	100.17	106.60	108.25	112.59	108.96	107.31
North Dakota	105.19	104.17	114.62	116.82	121.86	112.53
Ohio	110.96	114.34	118.31	118.16	117.88	115.93
Oklahoma	99.53	101.35	100.70	105.74	100.63	101.59
Oregon	90.93	100.82	99.77	108.13	100.03	99.94
Pennsylvania	100.91	108.75	111.27	113.58	113.02	109.51
Rhode Island	113.63	120.35	122.68	121.91	117.74	119.26
South Carolina	95.82	103.77	103.85	102.76	102.86	101.81
South Dakota	90.37	90.60	87.46	91.03	90.04	89.90
Tennessee	83.89	89.97	91.68	93.38	92.32	90.25
Texas	95.49	99.46	100.12	99.70	99.53	98.86
Utah	108.39	109.81	115.06	118.13	113.64	113.01
Vermont	110.60	122.50	131.91	135.30	130.97	126.26
Virginia	95.18	99.56	103.69	104.75	102.59	101.15
Washington	**100.90**	**106.27**	**105.91**	**111.99**	**109.25**	**106.86**
West Virginia	111.68	111.93	121.14	122.83	117.55	117.03
Wisconsin	117.26	121.83	121.28	122.60	117.52	120.10
Wyoming	121.97	138.58	150.76	165.92	141.71	143.79
U.S. Average	103.98	110.33	112.84	116.22	113.32	111.34
Washington's Rank	**19**	**22**	**14**	**23**	**25**	**17**

Source: Washington State Department of Revenue. Comparative State and Local Taxes, 2007. (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 2008, Washington had the eighth highest unemployment insurance cost as a percent of total wages of employees covered by unemployment insurance in the country with an average rate of 1.01 percent, down over 14 percent from the previous year. The national average rate for 2008 was much lower at 0.62 percent, a 7 percent decrease from 2007. The state cost decrease in 2008 brought the value to the lowest level since 1989 (the first year of data in this report), although the costs in Washington remains much higher than the nation. Washington's five-year average of 1.38 percent ranked third 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

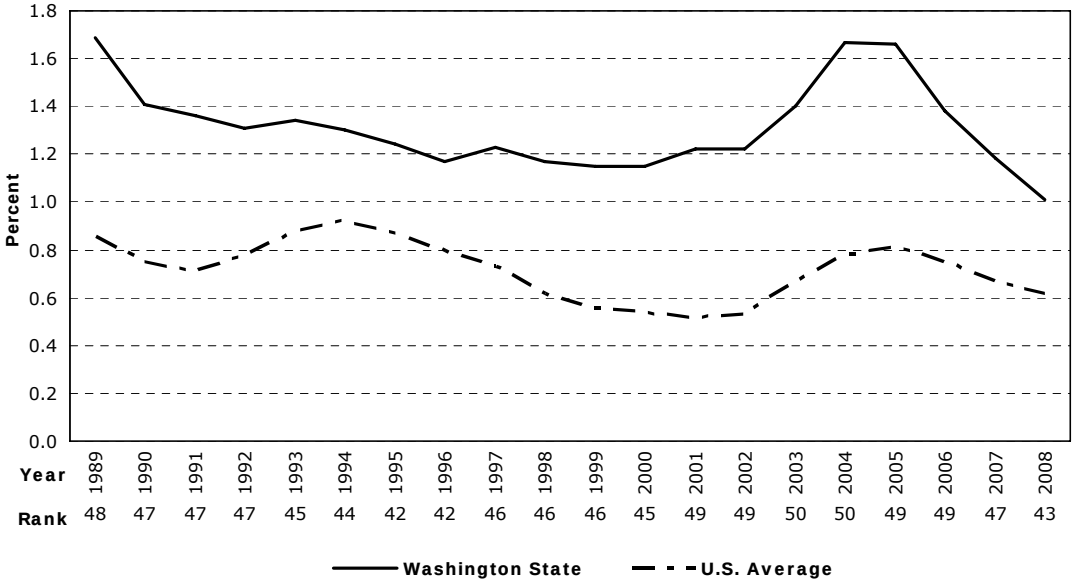

Table 38
Cost of Doing Business
Unemployment Insurance Costs
(Contributions collected as percent of total wages of covered employees)

	2004	2005	2006	2007	2008	2004-08
Alabama	0.52	0.58	0.41	0.38	0.37	0.45
Alaska	1.51	1.89	1.83	1.44	1.17	1.57
Arizona	0.26	0.33	0.34	0.34	0.79	0.41
Arkansas	0.93	0.91	0.86	0.78	0.31	0.76
California	0.83	0.86	0.81	0.76	0.72	0.80
Colorado	0.52	0.70	0.59	0.49	0.45	0.55
Connecticut	0.90	0.85	0.71	0.66	0.68	0.76
Delaware	0.47	0.49	0.52	0.49	0.49	0.49
Florida	0.45	0.51	0.45	0.34	0.31	0.41
Georgia	0.58	0.55	0.46	0.37	0.35	0.46
Hawaii	0.87	0.86	0.86	0.63	0.35	0.71
Idaho	0.82	0.94	0.99	0.74	0.56	0.81
Illinois	1.00	1.31	1.14	0.98	0.81	1.05
Indiana	0.54	0.72	0.66	0.61	0.58	0.62
Iowa	0.69	0.85	0.85	0.81	0.84	0.81
Kansas	0.79	0.88	0.78	0.51	0.47	0.69
Kentucky	0.71	0.76	0.72	0.69	0.72	0.72
Louisiana	0.34	0.38	0.36	0.31	0.26	0.33
Maine	0.59	0.68	0.68	0.67	0.58	0.64
Maryland	0.64	0.62	0.51	0.43	0.39	0.52
Massachusetts	1.16	1.30	1.18	1.05	0.34	1.01
Michigan	0.95	1.04	1.09	1.09	1.08	1.05
Minnesota	0.85	0.90	0.87	0.89	0.83	0.87
Mississippi	0.64	0.51	0.48	0.38	1.08	0.62
Missouri	0.53	0.66	0.68	0.68	0.68	0.65
Montana	0.80	0.76	0.76	0.77	0.66	0.75
Nebraska	0.47	0.61	0.68	0.72	0.40	0.58
Nevada	0.74	0.81	0.82	0.64	0.76	0.75
New Hampshire	0.42	0.40	0.31	0.49	0.21	0.37
New Jersey	0.89	0.85	0.71	0.79	1.06	0.86
New Mexico	0.42	0.46	0.49	0.24	0.30	0.38
New York	0.82	0.74	0.67	1.06	0.53	0.76
North Carolina	0.99	0.91	0.85	0.48	0.69	0.78
North Dakota	0.87	0.80	0.72	0.55	0.54	0.70
Ohio	0.58	0.61	0.68	0.64	0.64	0.63
Oklahoma	0.80	0.77	0.58	0.46	0.32	0.59
Oregon	1.62	1.53	1.35	1.15	1.42	1.41
Pennsylvania	1.43	1.22	1.19	1.19	1.07	1.22
Rhode Island	1.23	1.39	1.37	1.22	1.18	1.28
South Carolina	0.57	0.56	0.55	0.52	0.50	0.54
South Dakota	0.21	0.22	0.22	0.28	0.26	0.24
Tennessee	0.66	0.55	0.43	0.39	0.45	0.50
Texas	0.52	0.64	0.55	0.26	0.24	0.44
Utah	0.57	0.79	0.75	0.54	0.36	0.60
Vermont	0.57	0.66	0.67	0.74	0.72	0.67
Virginia	0.39	0.45	0.40	0.31	0.24	0.36
Washington	**1.67**	**1.66**	**1.38**	**1.18**	**1.01**	**1.38**
West Virginia	0.87	0.85	0.82	0.78	0.74	0.81
Wisconsin	0.81	0.91	0.86	0.79	0.75	0.82
Wyoming	0.46	0.65	0.77	0.62	0.59	0.62
U.S. Average	0.78	0.82	0.75	0.67	0.62	0.73
Washington's Rank	**50**	**49**	**49**	**47**	**43**	**48**

Source: U.S. Department of Labor, Employment, and Training Administration, October 2009

Workers' Compensation Premium Costs

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 2008, Washington's premium costs for the industries examined by the study were $1.98 per $100 of payroll, a drop from $2.17 per $100 of payroll in the previous year. As a result, the state's rank improved from 15th in 2007 to 14th this past year. Washington's average rate of $1.96 per $100 of payroll for the period from 2000 through 2008 ranked 13th among the states and was well below that national average of $2.45.

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

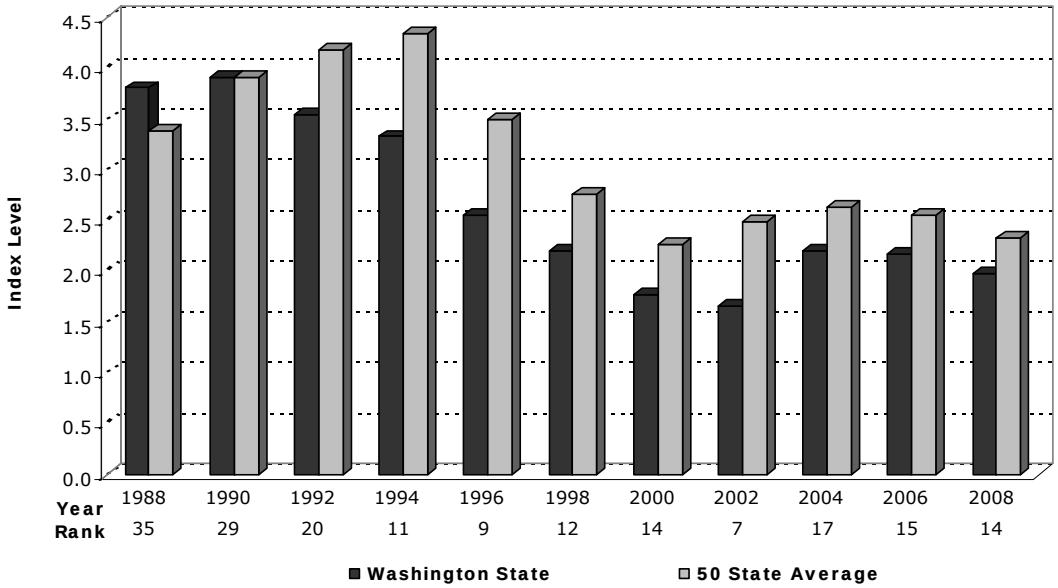

Table 39
Cost of Doing Business
Workers' Compensation Premium Costs
(Dollar amount per $100 of payroll)

	2000	2002	2004	2006	2008	2000-2008
Alabama	2.56	2.96	2.88	3.17	2.90	2.89
Alaska	2.18	2.87	4.39	5.00	3.97	3.68
Arizona	1.77	1.63	1.49	1.73	1.67	1.66
Arkansas	1.68	1.62	1.57	1.59	1.61	1.61
California	3.34	5.23	6.08	4.13	2.72	4.30
Colorado	2.64	2.73	2.33	2.40	1.76	2.37
Connecticut	2.58	2.90	3.23	2.90	2.46	2.81
Delaware	2.58	3.38	3.44	3.91	2.96	3.25
Florida	4.08	4.47	4.20	3.32	2.20	3.65
Georgia	2.42	2.32	2.14	2.02	2.29	2.24
Hawaii	2.99	3.51	3.73	2.89	2.08	3.04
Idaho	2.11	2.37	2.25	2.29	2.12	2.23
Illinois	2.62	2.74	2.65	2.69	2.79	2.70
Indiana	1.32	1.37	1.24	1.24	1.23	1.28
Iowa	1.66	1.74	1.91	1.75	1.86	1.78
Kansas	1.56	1.84	1.81	1.84	1.77	1.76
Kentucky	2.32	2.87	3.48	3.78	2.96	3.08
Louisiana	3.36	3.19	3.37	3.10	2.76	3.16
Maine	2.52	3.19	3.08	3.21	3.04	3.01
Maryland	1.58	1.84	2.06	2.03	1.72	1.85
Massachusetts	1.77	1.98	1.70	1.70	1.39	1.71
Michigan	2.40	2.25	2.34	2.05	2.15	2.24
Minnesota	2.40	2.60	2.74	2.69	2.33	2.55
Mississippi	2.10	2.21	2.19	2.29	2.33	2.22
Missouri	2.26	2.42	2.67	2.50	2.20	2.41
Montana	2.75	3.05	3.41	3.69	3.50	3.28
Nebraska	1.62	1.93	2.10	2.25	2.15	2.01
Nevada	3.10	3.03	2.58	2.36	2.58	2.73
New Hampshire	2.47	2.85	3.19	2.75	2.70	2.79
New Jersey	2.19	2.25	2.38	2.52	2.66	2.40
New Mexico	1.66	2.01	2.56	2.41	2.15	2.16
New York	3.05	3.14	2.97	3.15	2.55	2.97
North Carolina	1.64	2.24	2.32	2.17	2.43	2.16
North Dakota	1.79	1.24	1.06	1.10	1.08	1.25
Ohio	2.89	2.89	3.59	3.00	3.32	3.14
Oklahoma	2.85	2.82	3.07	2.96	2.89	2.92
Oregon	1.93	2.06	2.05	1.97	1.88	1.98
Pennsylvania	2.31	2.57	2.82	2.80	2.68	2.64
Rhode Island	3.18	3.29	3.01	2.68	2.26	2.88
South Carolina	1.51	1.82	2.08	2.50	2.74	2.13
South Dakota	1.63	1.61	2.05	1.83	2.08	1.84
Tennessee	2.10	2.30	2.62	2.48	2.44	2.39
Texas	3.05	3.30	3.08	2.84	2.61	2.98
Utah	1.58	1.67	1.63	2.06	1.63	1.71
Vermont	1.98	2.45	2.99	3.24	3.14	2.76
Virginia	1.27	1.50	1.57	1.52	1.43	1.46
Washington	**1.77**	**1.66**	**2.20**	**2.17**	**1.98**	**1.96**
West Virginia	2.72	2.54	2.64	2.20	1.86	2.39
Wisconsin	2.01	2.22	2.27	2.18	2.12	2.16
Wyoming	1.75	1.97	2.43	2.40	2.06	2.12
50 State Average*	2.27	2.49	2.63	2.55	2.32	2.45
Washington's Rank	**14**	**7**	**17**	**15**	**14**	**13**

Source: Oregon Workers' Compensation Premium Rate Rankings, Calendar Years 1986 - 2008
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 6th in 2007 with a cost of 5.69 cents per kilowatt-hour. In 2008, the cost of electricity in Washington rose by 8 percent to 6.13 cents dropping its rank to 7th. The state's 5-year average price of 5.64 cents per kilowatt-hour, well below the national average of 7.87 cents, ranked 8th overall.

Chart 40
Electricity Costs

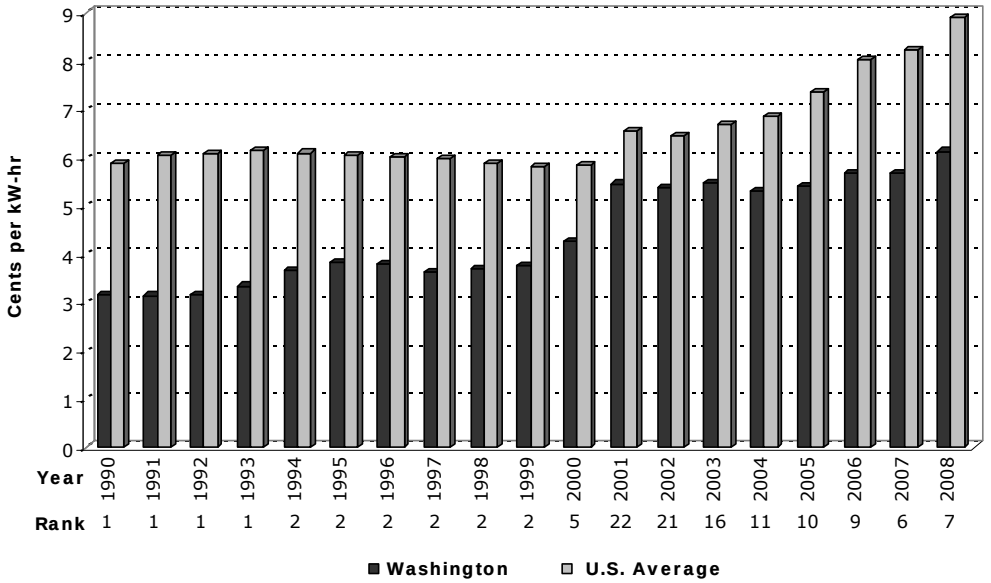

Table 40
Cost of Doing Business
Electricity Prices
(Weighted Average of Industrial and Commercial Rates, Cents per Kilowatt Hour)

	2004	2005	2006	2007	2008	2004-08
Alabama	5.77	6.18	6.74	7.21	8.30	6.84
Alaska	9.79	10.55	11.76	12.38	13.63	11.62
Arizona	6.41	6.71	7.00	7.30	7.90	7.07
Arkansas	4.97	5.54	6.21	6.19	7.03	5.99
California	10.62	10.87	11.67	11.59	11.85	11.32
Colorado	6.08	6.78	6.79	6.90	7.75	6.86
Connecticut	8.99	10.58	13.01	14.32	15.07	12.40
Delaware	6.82	6.98	9.10	10.22	11.22	8.87
Florida	6.81	7.40	8.95	8.88	9.42	8.29
Georgia	5.77	6.61	6.75	6.97	8.16	6.85
Hawaii	14.90	17.60	19.91	20.38	28.17	20.19
Idaho	4.67	4.75	4.48	4.59	5.20	4.74
Illinois	6.23	6.36	6.52	7.72	8.23	7.01
Indiana	5.32	5.61	6.22	6.25	6.84	6.05
Iowa	5.65	5.89	6.25	6.08	6.26	6.03
Kansas*	5.66	5.82	6.19	6.09	6.70	6.09
Kentucky	4.58	4.94	5.39	5.76	6.22	5.38
Louisiana	6.78	7.74	8.08	8.10	9.16	7.97
Maine	8.38	9.14	10.85	13.45	12.46	10.86
Maryland	6.85	8.10	10.36	10.64	11.80	9.55
Massachusetts	9.85	11.00	14.45	14.26	15.27	12.97
Michigan	6.37	6.72	7.43	7.77	8.34	7.33
Minnesota	5.55	5.89	6.26	6.70	7.06	6.29
Mississippi	6.56	7.10	7.87	7.54	8.52	7.52
Missouri	5.27	5.31	5.42	5.65	5.91	5.51
Montana	5.94	6.28	6.42	6.82	7.35	6.56
Nebraska	5.14	5.29	5.48	5.69	5.97	5.51
Nevada	8.25	8.69	9.21	9.30	9.24	8.94
New Hampshire	10.55	11.80	13.00	13.20	13.81	12.47
New Jersey	9.54	10.23	11.09	11.72	13.75	11.27
New Mexico	6.41	6.83	6.72	6.76	7.61	6.87
New York	10.29	11.64	12.83	12.79	14.56	12.42
North Carolina	5.87	6.05	6.32	6.58	6.80	6.33
North Dakota	5.08	5.31	5.73	6.00	6.25	5.68
Ohio	6.45	6.67	7.20	7.40	7.98	7.14
Oklahoma	5.74	6.16	6.52	6.50	7.18	6.42
Oregon	5.53	5.76	5.93	6.27	6.46	5.99
Pennsylvania	7.32	7.52	7.93	8.19	8.41	7.87
Rhode Island	10.01	10.95	13.07	12.40	14.95	12.28
South Carolina	5.65	6.13	6.34	6.47	7.22	6.36
South Dakota	5.46	5.64	5.76	5.95	6.18	5.80
Tennessee	5.88	6.09	6.76	6.83	7.80	6.67
Texas	6.98	8.09	8.96	8.97	9.87	8.57
Utah	5.05	5.26	5.30	5.66	5.83	5.42
Vermont	9.85	9.75	10.21	10.82	11.03	10.33
Virginia	5.15	5.34	5.54	5.81	6.73	5.72
Washington	**5.32**	**5.41**	**5.67**	**5.69**	**6.13**	**5.64**
West Virginia	4.72	4.78	4.77	5.02	5.27	4.91
Wisconsin	6.20	6.66	7.27	7.60	8.12	7.17
Wyoming	5.04	5.20	5.30	5.32	5.77	5.33
U.S. Average	6.85	7.36	8.02	8.23	8.90	7.87
Washington's Rank	**11**	**10**	**9**	**6**	**7**	**8**

Source:U.S. Energy Information Administration (http://www.eia.doe.gov), March 2009.
*2008 year-to-date industrial price for Kansas only includes data through June 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 sixteen of the twenty-two categories, Washington is ranked within the top ten of national wages. The state reaches a high ranking of 2nd in "Production" with an average wage of $17.96 per hour compared to the national average of $15.54. In addition, Washington is ranked 3rd in four sectors: "Protective Service", "Food Preparation and Serving", "Personal Care and Service", and "Transportation and 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, 2008
(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	42.41	29.02	31.73	33.80	27.11	18.54
Alaska	38.07	29.40	31.33	40.17	28.46	20.85
Arizona	42.62	27.54	33.35	32.11	27.56	19.11
Arkansas	37.86	25.09	27.41	30.05	24.67	16.45
California	53.96	34.27	40.28	40.08	34.67	23.71
Colorado	47.96	32.49	38.36	37.40	32.10	19.57
Connecticut	52.26	35.10	37.75	34.49	33.02	23.83
Delaware	54.02	30.92	37.40	34.67	33.25	20.04
Florida	49.58	28.28	30.88	30.59	26.96	19.49
Georgia	46.00	31.58	34.61	31.10	28.06	18.93
Hawaii	41.72	27.29	30.99	32.75	28.22	21.73
Idaho	35.56	26.27	28.11	31.79	23.08	17.99
Illinois	48.74	32.11	36.19	34.11	32.55	21.52
Indiana	42.69	27.47	30.04	30.04	24.93	18.29
Iowa	39.18	25.56	30.25	29.02	24.93	17.11
Kansas	40.76	27.72	30.29	31.39	26.29	17.25
Kentucky	39.39	25.24	28.34	29.27	24.28	18.13
Louisiana	38.23	24.78	26.29	31.27	26.65	18.74
Maine	38.15	26.42	28.43	29.65	26.45	17.72
Maryland	50.70	33.36	39.78	37.71	36.16	22.40
Massachusetts	54.84	35.41	41.71	38.28	35.33	20.56
Michigan	46.37	31.30	32.90	34.75	28.04	21.20
Minnesota	48.72	28.51	35.78	32.17	30.87	18.94
Mississippi	36.82	24.17	25.97	27.50	26.29	17.19
Missouri	45.18	27.78	31.59	31.77	26.60	18.00
Montana	33.15	24.24	26.62	26.20	21.50	16.88
Nebraska	40.68	26.68	30.75	28.23	25.60	16.44
Nevada	42.79	29.31	30.40	32.79	28.05	22.96
New Hampshire	49.26	28.56	36.23	32.49	27.58	18.80
New Jersey	57.82	34.26	39.96	36.91	35.80	23.77
New Mexico	39.02	28.16	33.52	33.86	34.35	17.68
New York	58.78	38.04	37.75	35.14	31.50	21.15
North Carolina	46.95	28.26	34.87	30.23	28.14	17.87
North Dakota	39.11	25.34	23.78	27.64	22.67	17.08
Ohio	47.05	28.46	32.39	31.51	29.05	19.88
Oklahoma	35.91	24.47	27.22	31.45	26.77	16.86
Oregon	44.11	27.69	33.75	31.78	26.77	19.20
Pennsylvania	45.53	29.97	33.93	32.08	30.74	18.08
Rhode Island	50.59	30.24	35.85	35.68	31.42	20.76
South Carolina	42.24	26.46	29.07	31.43	25.69	17.35
South Dakota	38.41	24.79	25.69	25.80	23.03	16.66
Tennessee	38.31	27.73	29.28	31.33	26.45	17.26
Texas	47.03	30.17	34.99	35.46	30.47	18.95
Utah	41.28	27.74	31.38	31.46	23.93	16.85
Vermont	42.87	27.79	30.54	33.88	29.14	18.62
Virginia	52.22	33.86	41.18	35.71	34.94	21.34
Washington	**53.40**	**31.95**	**39.57**	**36.74**	**31.78**	**20.68**
West Virginia	34.18	24.57	26.37	28.03	23.39	14.20
Wisconsin	43.46	26.94	30.83	30.35	28.34	20.12
Wyoming	36.16	26.72	25.61	30.98	23.08	18.55
U.S. Average	48.23	31.12	35.82	34.34	30.90	20.09
WA Rank	**6**	**10**	**6**	**7**	**11**	**13**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), September 2009.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2008
(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	41.27	20.27	18.58	27.60	10.62	15.13
Alaska	37.58	23.85	21.75	36.83	16.90	21.29
Arizona	38.76	19.55	21.14	32.50	12.71	18.66
Arkansas	32.28	19.09	17.39	27.78	10.45	14.94
California	52.00	26.80	29.92	38.50	14.28	23.45
Colorado	43.17	22.42	22.95	32.98	14.02	20.19
Connecticut	45.43	26.85	24.69	35.91	15.16	21.13
Delaware	48.07	24.19	24.56	35.53	14.13	18.49
Florida	39.41	22.07	22.04	31.13	12.38	17.79
Georgia	44.76	20.65	23.42	31.23	11.75	15.70
Hawaii	36.84	22.12	20.93	38.66	14.61	18.06
Idaho	36.04	21.99	18.29	29.29	11.89	17.73
Illinois	52.84	27.03	23.18	31.71	13.12	21.97
Indiana	32.88	20.92	18.92	30.06	12.35	16.49
Iowa	30.80	19.33	17.84	27.37	11.99	17.43
Kansas	35.29	18.66	17.54	29.20	11.57	17.48
Kentucky	31.54	21.56	17.10	28.85	11.86	15.33
Louisiana	33.09	19.23	18.41	28.07	10.10	15.25
Maine	32.65	19.59	17.97	32.62	12.18	16.28
Maryland	**	25.88	24.84	37.69	14.11	21.24
Massachusetts	48.25	26.11	26.51	37.16	14.93	21.40
Michigan	43.62	25.10	22.58	32.65	12.71	19.18
Minnesota	44.40	21.76	23.98	35.02	13.35	18.71
Mississippi	30.37	18.43	19.15	27.74	10.11	13.28
Missouri	37.45	20.89	21.86	28.20	11.47	16.78
Montana	27.63	17.08	15.67	28.35	11.41	17.19
Nebraska	34.10	19.56	18.06	28.05	11.91	17.20
Nevada	41.02	21.48	22.37	36.56	14.19	18.46
New Hampshire	33.42	21.35	22.04	33.32	14.01	18.66
New Jersey	47.33	25.24	25.78	37.72	13.70	24.49
New Mexico	29.35	21.10	21.32	31.82	11.59	15.62
New York	54.91	27.23	31.03	36.25	13.44	21.79
North Carolina	36.83	19.16	20.49	30.96	11.32	16.12
North Dakota	32.29	19.66	15.65	27.50	11.51	16.46
Ohio	35.61	24.33	20.26	31.20	12.01	18.44
Oklahoma	32.80	18.30	17.02	27.25	10.96	16.49
Oregon	36.47	21.62	22.53	36.90	13.75	20.28
Pennsylvania	42.32	24.21	21.58	30.39	12.36	19.46
Rhode Island	43.28	26.36	23.42	34.54	13.95	20.45
South Carolina	33.06	20.23	19.19	29.49	11.34	15.51
South Dakota	28.53	17.69	15.47	27.53	11.53	15.72
Tennessee	39.19	19.43	20.13	28.90	11.73	15.07
Texas	41.05	21.14	21.98	30.81	11.26	17.35
Utah	41.48	20.74	21.07	30.05	11.62	16.79
Vermont	36.96	20.34	20.65	31.94	13.08	17.55
Virginia	44.26	24.09	24.74	32.12	12.35	19.55
Washington	**39.62**	**22.97**	**24.78**	**35.75**	**14.42**	**23.41**
West Virginia	29.21	19.05	16.53	27.60	10.15	13.74
Wisconsin	36.05	22.30	19.88	33.11	12.79	18.91
Wyoming	30.77	20.95	15.43	29.97	12.27	18.65
U.S. Average	44.36	23.30	24.36	32.64	12.66	19.33
WA Rank	**19**	**15**	**6**	**11**	**5**	**3**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), September 2009.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2008
(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	8.25	9.90	9.94	13.99	13.65	13.81
Alaska	11.53	13.99	13.02	15.33	17.42	17.10
Arizona	9.75	10.84	12.52	16.69	14.70	9.55
Arkansas	8.43	9.83	9.06	13.99	13.13	13.29
California	10.23	12.75	12.67	19.05	17.24	9.83
Colorado	10.28	11.87	12.13	18.83	16.38	12.33
Connecticut	11.21	14.10	12.96	20.78	17.94	15.66
Delaware	10.40	12.00	12.22	16.88	16.18	15.39
Florida	9.90	10.88	11.30	17.64	14.29	10.29
Georgia	8.97	10.60	12.07	16.54	15.10	11.90
Hawaii	11.77	13.51	12.72	15.63	15.96	14.89
Idaho	9.09	11.26	10.45	14.70	14.08	13.21
Illinois	9.86	12.48	12.00	18.39	16.21	14.49
Indiana	8.88	11.20	10.86	16.04	14.45	13.33
Iowa	9.04	11.11	10.50	15.43	14.05	13.43
Kansas	8.72	10.94	9.90	16.15	14.00	13.05
Kentucky	8.55	10.43	10.55	14.63	13.89	12.10
Louisiana	8.49	9.48	9.86	13.73	13.16	14.22
Maine	9.95	12.11	10.98	15.43	14.34	14.92
Maryland	9.99	12.05	12.45	17.28	16.67	12.78
Massachusetts	11.67	14.05	13.68	20.07	17.85	12.87
Michigan	9.59	12.41	11.46	16.83	15.71	13.28
Minnesota	10.20	12.44	11.89	18.43	16.07	13.66
Mississippi	8.40	9.67	10.25	13.04	13.36	13.40
Missouri	9.09	11.04	10.48	16.31	14.70	12.02
Montana	8.85	10.56	10.10	13.37	13.69	14.45
Nebraska	8.59	10.54	9.95	14.71	13.70	12.46
Nevada	10.86	12.73	11.58	15.60	15.51	14.54
New Hampshire	10.30	12.63	11.57	17.61	15.43	14.97
New Jersey	11.08	13.11	14.16	20.80	16.85	11.16
New Mexico	8.70	10.15	9.99	13.85	13.63	8.97
New York	11.22	13.84	12.78	21.36	16.94	14.49
North Carolina	9.00	10.59	10.92	15.95	14.63	12.38
North Dakota	8.87	10.71	10.00	13.87	13.51	11.69
Ohio	9.21	11.59	11.00	16.51	15.03	13.25
Oklahoma	8.23	9.73	9.36	13.81	13.22	12.27
Oregon	10.43	11.97	12.07	17.84	15.55	14.41
Pennsylvania	9.77	12.00	11.09	17.39	15.13	13.48
Rhode Island	10.35	13.02	11.90	16.94	16.07	11.17
South Carolina	8.68	10.38	10.39	14.36	14.05	12.80
South Dakota	8.63	10.14	10.07	14.71	12.62	12.04
Tennessee	8.75	10.48	10.49	15.06	14.30	12.72
Texas	8.63	9.77	9.41	16.33	14.64	10.19
Utah	9.30	10.62	11.12	16.36	13.77	11.86
Vermont	11.50	12.42	11.32	15.58	15.37	12.73
Virginia	9.67	11.07	11.66	17.07	15.71	13.89
Washington	**11.60**	**13.28**	**13.26**	**18.97**	**16.66**	**14.21**
West Virginia	8.42	9.93	9.13	13.12	12.64	12.45
Wisconsin	9.38	11.85	11.29	16.50	14.96	13.55
Wyoming	9.23	11.45	10.93	13.69	13.96	15.45
U.S. Average	9.72	11.72	11.59	17.35	15.49	11.32
WA Rank	**3**	**6**	**3**	**6**	**8**	**14**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), September 2009.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2008
(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	16.05	18.49	14.66	13.69
Alaska	27.65	24.85	17.73	21.13
Arizona	17.57	19.25	14.86	15.27
Arkansas	15.98	17.00	13.44	14.20
California	23.63	21.91	15.26	15.48
Colorado	19.60	20.30	15.76	16.07
Connecticut	23.87	22.34	17.53	15.67
Delaware	20.84	20.67	16.48	14.96
Florida	17.28	18.11	14.45	14.37
Georgia	16.84	19.08	13.93	14.89
Hawaii	26.85	21.59	16.42	16.21
Idaho	17.32	17.96	14.58	13.81
Illinois	27.07	21.63	15.70	15.80
Indiana	20.93	19.73	16.29	14.97
Iowa	18.58	18.21	14.96	14.92
Kansas	18.77	18.99	15.54	14.81
Kentucky	18.08	18.56	15.09	15.74
Louisiana	17.86	18.13	17.46	14.79
Maine	17.73	18.41	15.93	14.13
Maryland	20.46	20.91	16.97	15.91
Massachusetts	25.33	22.48	16.82	16.19
Michigan	22.56	21.39	17.85	15.82
Minnesota	24.18	20.83	16.42	15.89
Mississippi	15.45	17.04	13.66	13.56
Missouri	21.87	19.09	15.05	14.91
Montana	18.42	18.70	15.79	15.01
Nebraska	17.75	18.45	14.40	15.83
Nevada	23.19	21.11	15.35	14.86
New Hampshire	19.61	20.18	15.81	15.22
New Jersey	25.38	21.82	16.33	15.52
New Mexico	16.93	18.12	15.37	14.67
New York	25.98	21.35	15.80	17.28
North Carolina	16.11	18.95	14.32	13.81
North Dakota	18.86	19.01	15.73	15.46
Ohio	20.93	19.64	16.14	14.74
Oklahoma	16.80	18.09	14.38	13.87
Oregon	21.31	20.48	15.68	15.10
Pennsylvania	21.09	19.34	16.09	14.90
Rhode Island	22.52	20.06	14.88	14.91
South Carolina	15.99	17.90	15.21	13.33
South Dakota	15.32	17.62	13.45	13.17
Tennessee	16.34	18.54	14.76	14.04
Texas	16.15	17.87	14.73	14.34
Utah	18.02	19.25	14.67	14.90
Vermont	18.23	18.95	15.54	15.07
Virginia	18.37	20.24	15.23	15.25
Washington	**23.89**	**22.18**	**17.96**	**16.92**
West Virginia	19.04	17.08	15.48	13.65
Wisconsin	22.36	19.84	16.05	14.87
Wyoming	20.46	20.79	19.47	16.57
U.S. Average	20.36	19.82	15.54	15.12
WA Rank	**8**	**4**	**2**	**3**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), September 2009.

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