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GOVERNOR

Oregon Economic and Revenue Forecast

May 2021

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Foreword

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

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

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

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

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

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

Katy Coba
DAS Director
Chief Operating Officer

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EXECUTIVE SUMMARY

May 2021

Economic growth is surging as the pandemic wanes. Thanks to federal fiscal policy, consumers have higher incomes today than before COVID-19 hit. Now they are increasingly allowed to and feel comfortable resuming pandemic-restricted activities like going out to eat, on vacations, getting haircuts and the like. The outlook for near-term economic growth is the strongest in decades, if not generations.

Oregon's labor market is expected to return to full health during the upcoming 2021-23 biennium. With the strong near-term outlook for consumer spending, job growth is front-loaded such that the largest employment gains will occur this summer and fall. Total employment in Oregon will surpass pre-pandemic levels in late 2022 with the unemployment rate returning to near 4 percent in 2023.

While a jobs hole remains in the labor market, the same cannot be said for household incomes. Currently incomes in Oregon are 20 percent higher than before COVID-19 hit, thanks in larger part due to the temporary federal measures put in place. Excluding the direct federal aid, incomes are back to pre-pandemic levels and expected to grow 6-7% this year and next.

However, with such a strong consensus near-term outlook, the risks do primarily lie to the downside. The risk is that supply cannot keep pace with demand. The path forward may be bumpier than expected, even if the trajectory is up. Already supply constraints have emerged in semiconductors, lumber, and rental cars to name a few. More bottlenecks are likely on the horizon. Furthermore, running through all of these issues is labor. Attracting and retaining workers is already much more challenging than expected given the economy went through a severe recession last year. There are a variety of simultaneous factors impacting the number of available workers including strong household finances, the virus itself, and lack of childcare or in-person schooling. While the temporary pandemic-related constraints will ease in the months ahead, the labor market is expected to remain tight for the foreseeable future in large part due to demographics and the large number of Baby Boomers retiring.

With the prospect of strong growth and near-term supply constraints, the possibility of an overheating economy has quickly replaced fears of a long-lasting, demand-driven recession like the past few cycles have been. Undoubtedly inflation will pick up in the months ahead. Production costs are rising quickly in part due to capacity constraints and bottlenecks. However these price pressures are coming off of a low base and are largely expected to be transitory. The Federal Reserve so far has indicated it will only become concerned should price pressures turn persistent. Given the overall economy is not at full employment, and generally strong wage growth is needed for persistent inflation, almost by definition the current bout of inflation is transitory.

In May of odd-numbered years, the revenue forecast takes on added importance. With the legislature in session, the May forecast determines the size of General Fund resources available for the upcoming budget, and sets the bar for Oregon's unique kicker law.

Oregon's state revenue outlook continues to brighten as the income tax season unfolds. Personal and corporate tax collections are booming despite the job losses and business woes brought on by the COVID pandemic. Tax collections based on consumer spending are also posting large gains. With the near-term economic outlook looking very strong, healthy growth in tax collections is expected to continue into the 2021-23 budget period.

In a typical year, the income tax filing season is winding down when the May forecast is produced. At that point, the vast majority of payments have been processed, and we have a good idea of how the tax season turned out. This year, the tax filing deadline was extended to May 17th due to the pandemic, leaving many returns yet to be

processed. This injects added uncertainty into the outlook. In particular, there is the potential for a significant revenue surprise (up or down) in the final weeks of the biennium. That suggests that leaving a large ending balance would be wise. Also, it is possible that the size of the kicker credit for next year will change significantly from the current estimate when the kicker is certified this fall.

So far, with around half of payments having come in, the tax season is turning out to be a healthy one. Payments are expected to reach an all-time high by the end of the fiscal year. While there is still a large amount of payments outstanding, most of this season's refunds have already been issued. Taxpayers who are expecting refunds tend to file returns earlier than those making payments. Refunds are significantly lower than they were last year, due largely to the kicker credit issued in 2020. This year, refunds include $81 million in automatic adjustments sent to 164,000 taxpayers who paid taxes on unemployment insurance benefits. In March, the federal government exempted the first $10,200 in unemployment benefits from taxation. The Oregon Department of Revenue has sent refunds to taxpayers who filed before the exemption was announced.

In light of massive job losses, Oregon's General Fund revenue outlook for the current biennium was revised downward by around $2 billion immediately following the onset of the COVID-19 pandemic. As of the May 2021 forecast, this hole has more than been filled, with the outlook now calling for significantly more revenue than was expected before the recession began.

Many factors are playing into the unexpectedly strong revenue collections, but two reasons stand out. First, an unprecedented amount of federal aid has far outstripped the size of economic losses. As a result, personal income is up sharply in Oregon despite job cuts. Second, during the typical recession, Oregon has lost a tremendous amount of revenue associated with sharp declines in investment and business income. This time around, asset markets and profits have remained at or near record highs. The baseline outlook prior to the recession called for income growth to slow. A tight labor market was expected to weigh on growth, and asset prices and profits were expected to return to sustainable levels. None of this came to pass, leading to an expected personal income tax kicker of $1.4 billion and a corporate tax kicker of $664 million.

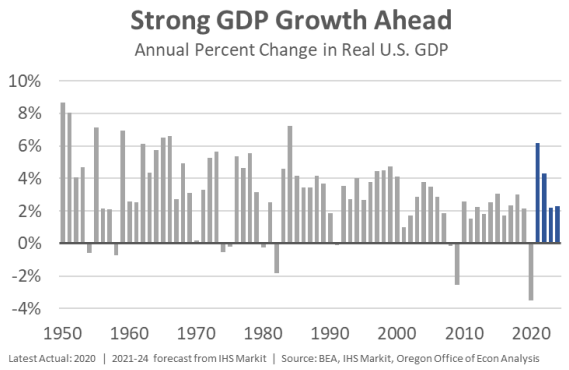
Looking forward into the 2021-23 biennium, the increasingly rosy economic outlook suggests healthy tax collections will persist. A broad consensus of economic forecasters is calling for near-term output growth to be the strongest seen in decades. Given Oregon's unique kicker law, a booming economic outlook requires an equally aggressive revenue outlook to match it. Taxable income is expected to continue to post healthy gains, showing no evidence of the economic shock we are living through. The outlook for General Fund tax collections has been revised up by around 5% over the next few years. This translates into significantly more resources for policymakers.

Although budget writers have a lot more to work with, a good deal of caution is required and savings are a must. The kicker law dictates that we stick our necks out with an aggressive revenue outlook, exposing us to the risk of a large budget shortfall should growth stall. Of primary concern are nonwage forms of income including profits and the return on investments. With a healthy underlying economy, economic forecasters are calling for continued growth in stock prices, profits and the like. Although valuations are unsustainably high right now, forecasters predict underlying economic activity will catch up over time. Unfortunately, this does not mesh well with our past experience. Profits and capital gains often evaporate overnight, which always puts Oregon's budget in a hole.

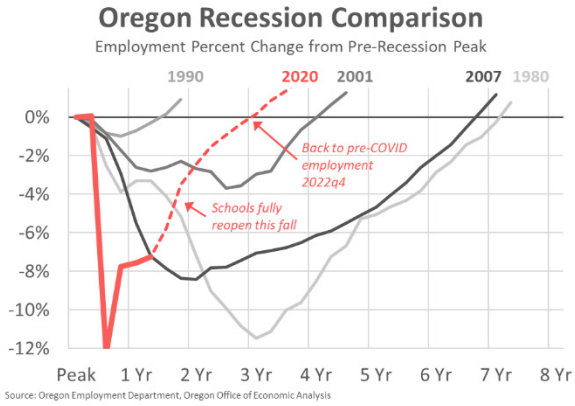
ECONOMIC OUTLOOK

Strong Underlying Outlook

Economic growth is surging as the pandemic wanes. Thanks to federal fiscal policy, consumers have higher incomes today than before COVID-19 hit. Now they are increasingly allowed to and feel comfortable resuming pandemic-restricted activities like going out to eat, on vacations, getting haircuts and the like. The outlook for near-term economic growth is the strongest in decades, if not generations. The consensus economic forecast for real GDP this year is 6-7%, which would be the largest increase since 1984's "Morning in America." Next year real GDP is forecasted to increase 4-5%. Such gains would bring the economy back to full employment much faster than in recent cycles. Growth slows thereafter as economic slack diminishes and gains are based on underlying productivity and the size of the labor force.



Oregon's labor market is expected to return to full health during the upcoming 2021-23 biennium. With the strong near-term outlook for consumer spending, job growth is front-loaded such that the largest employment gains will occur this summer and fall. Total employment in Oregon will surpass pre-pandemic levels in late 2022 with the unemployment rate returning to 4 percent in 2023.



While a jobs hole remains in the labor market, the same cannot be said for household incomes. Currently incomes in Oregon are 20 percent higher than before COVID-19 hit, thanks in larger part due to the temporary federal measures put in place. Excluding the direct federal aid, incomes are back to pre-pandemic levels and expected to grow 6-7% this year and next. Income growth in the out years is forecasted to increase 5% per year.

However, with such a strong consensus near-term outlook, the risks do primarily lie to the downside. The risk is that supply cannot keep pace with demand. The path forward may be bumpier than expected, even if the trajectory is up. Already supply constraints have emerged in semiconductors, lumber, and rental cars to name a few. More bottlenecks are likely on the horizon. Furthermore, running through all of these issues is labor. Attracting and retaining workers is already much more challenging than expected given the economy went through a severe recession last year. There are a variety of simultaneous factors impacting the number of available workers including strong household finances, the virus itself, and lack of childcare or in-person schooling. While the temporary pandemic-related constraints will ease in the months ahead, the labor market is expected to remain tight for the foreseeable future in large part due to demographics and the large number of Baby Boomers retiring. Labor will remain a challenge for firms. But a tight labor market also works wonders for employees with strong wage gains and more plentiful job opportunities.

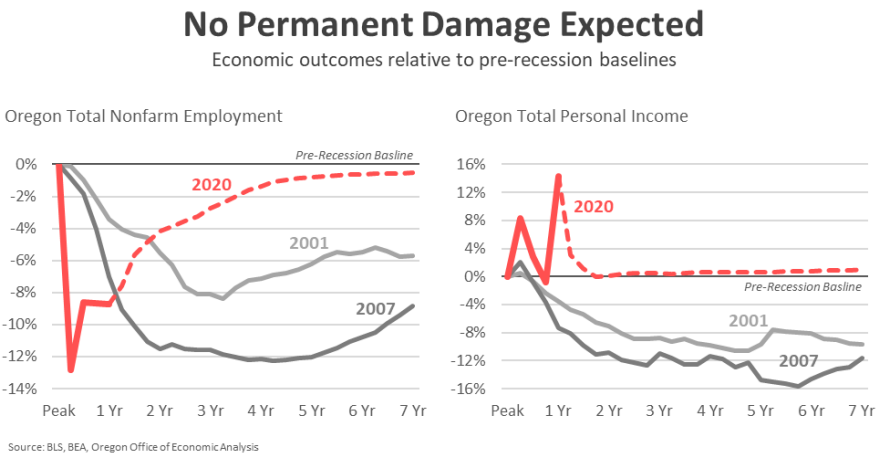
With the prospect of strong growth and near-term supply constraints, the possibility of an overheating economy has quickly replaced fears of a long-lasting, demand-driven recession like the past few cycles have been. Undoubtedly inflation will acceleration in the months ahead. Production costs are rising quickly in part due to

capacity constraints and bottlenecks. However these price pressures are coming off of a low base and are largely expected to be transitory. The Federal Reserve so far has indicated it will only become concerned should price pressures turn persistent. Given the overall economy is not at full employment, and generally strong wage growth is needed for persistent inflation, by definition the current bout of inflation is transitory.

Economy Much Better Than Feared

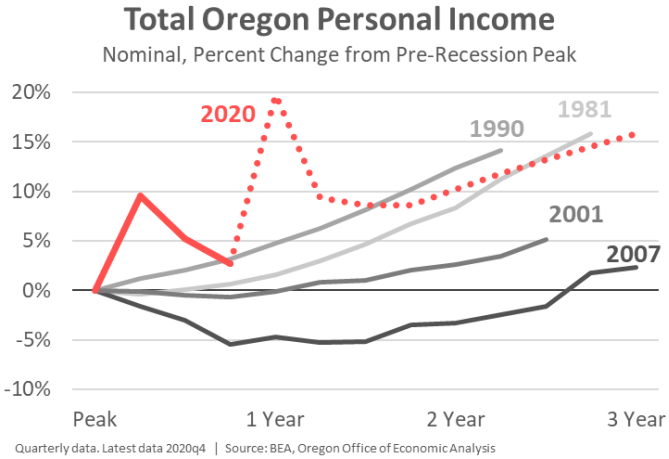
At the start of the pandemic, the economy experienced a massive recessionary shock. Large swaths of the economy were shut down to help slow the spread of COVID-19, a deadly, contagious virus. At the time, the biggest economic concerns related to the severe level of job losses and how they would affect household incomes, consumer spending and business closures. Since then, at nearly every turn, the economy has proved more resilient and performed better than feared.

Today the outlook is bright. Longer-run growth prospects show no real signs of permanent damage or economic scarring. Coming out of a recession, this is rather unusual and certainly different than the past two jobless recoveries. Following both the dotcom bust and the Great Recession, the overall trajectory of the economy was significantly lower than expected prior to each recession.



The strong federal policy response to the pandemic can be thanked for much of the better-than-feared economy. Not only did the Federal Reserve do as much as it could to stabilize the financial system, but the federal government also passed the $2.2 trillion CARES Act. When combined with the subsequent COVID-19 Economic Relief Bill ($900 billion) at the end of last year and the American Rescue Plan Act ($1.9 trillion) earlier this year, the fiscal response has more than filled the underlying hole in the economy. Most households and firms were able to keep their heads above water, limiting the financial downsides of the pandemic despite record-setting job losses.

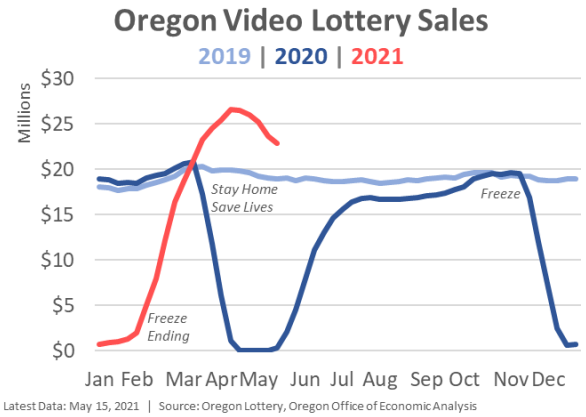
As a result, total personal income in the economy today is higher than it was before the pandemic. Here in Oregon, direct federal aid in the form of recovery rebates ($12 billion), total unemployment insurance benefits ($12 billion), and paycheck protection program loans/grants ($10 billion) has help boost incomes to 20% above pre-pandemic levels. While the federal support is temporary, underlying income gains are ongoing. Excluding the direct federal aid shows total income in Oregon is back to pre-pandemic levels. The overall income trajectory of the current cycle is forecasted to be much more like the recovery in the 1980s or 1990s



than the subdued, jobless recoveries in the 2000s and 2010s. Much of this growth is attributable to the strong underlying wage gains workers have continued to receive throughout the pandemic.

Many forms of consumer spending have been restricted by the pandemic, either formally through public health policies or informally through social norms and fear of the virus. Despite consumers' best effort, they have been unable to spend as much ordering online as they typically go going out to eat, on vacations, and getting their hair cut. Nationally, households have accumulated around $2.3 trillion in excess savings through March of this year. That's the equivalent of around 15% of annual consumer spending. Here in Oregon financial institutions have seen substantial increases in deposits. Much of this savings is currently sitting in bank accounts, ready to be spent when the time comes.

Really that was the last major macroeconomic question, at least on the demand side. Would consumer spending roar back or would households only return slowly and more cautiously due to the pandemic? From an economywide perspective, there is no hesitancy. Consumer spending is rebounding strongly in the types of activities and services that have been impacted the most by the pandemic. The best real-time consumer spending data in Oregon are weekly video lottery sales. New records have been set the past couple of months. Consumers had the incomes, and so far this year they are clearly willing to spend.



With consumer spending growth expected to be strong, the risks of economic scarring in the form of business closures and permanent layoffs lessens considerably (See our office's March 2021 forecast[1] for more.) Importantly for the overall outlook, this increase in consumer spending on services will drive strong growth in the year ahead. Services like air travel, barbershops, hotels, nail salons, restaurants, and the like are labor intensive. These industries will need to staff back up quickly to meet consumer demand. This is the primary reason why job growth is front-loaded in the overall outlook.

Supply Constraints

Given the strong underlying drivers of growth, the question becomes just how fast can the economy actually grow? Already supply constraints are evident in semiconductors, lumber, and rental cars to name a few. Moving forward other short-term challenges of supply keeping pace with demand will emerge as well. Much of these constraints are expected to be temporary. Increased production and more efficient logistics will boost supply while higher prices and slower income growth as the federal aid runs out will cool demand somewhat. Better balance can be expected, although the path forward this year will likely be bumpier than expected.

Supply Side Constraints

Near-Term Issues	Risks Worth Watching
• Raw materials	• Business dynamics
• Production capacity	• Credit availability
• Infrastructure and logistics	• Energy
• Labor	• Trade relations
• New technologies	

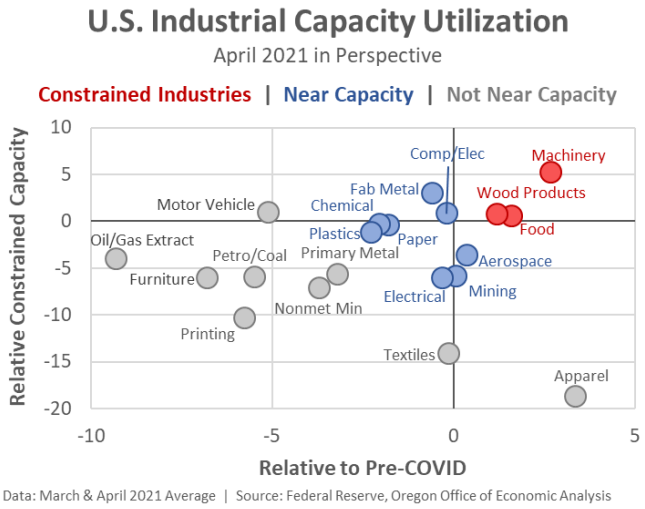
[1] https://digital.osl.state.or.us/islandora/object/osl%3A964044

The good news is some classic supply constraints like energy costs and credit availability are not currently issues holding back economic growth. The current issues largely revolve around production capacity, getting goods to market, and labor availability.

Industrial Production Capacity

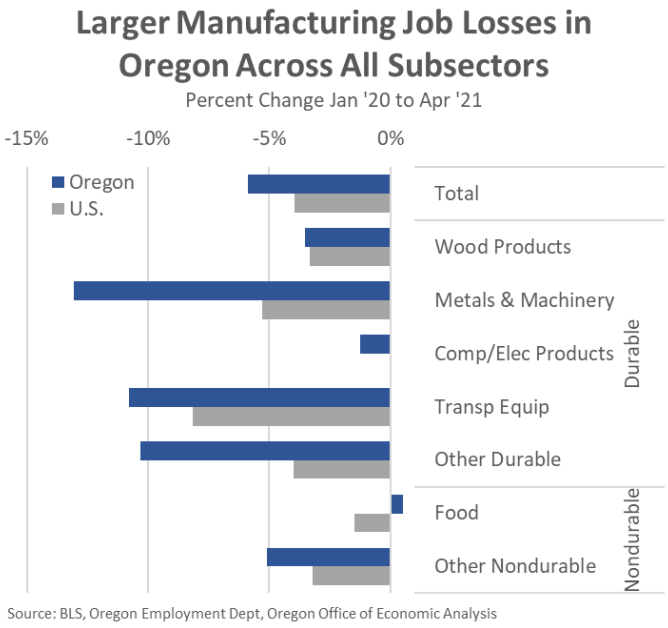
Currently, inventories are lean and demand is strong. Production needs to increase to meet the strong level of sales, which boosts overall economic growth. However many manufacturing sectors are already operating at or near capacity. They are constrained. To produce more, these industries need to invest in new plants and equipment, or add another shift. The overall economy reached this same point back in 2018-19 but the business investment never really materialized as the trade war dampened demand more than the corporate tax cuts boosted incentives. This was before the pandemic put all investment plans on hold.

Today, these constrained sectors are currently facing the same choice, which has macroeconomic implications. On one hand, sales are high. To meet this demand and chase market share, profits, and the like, they need to make big, long-term investments. On the other hand, it is somewhat questionable just how sustainable these level of sales will be given the temporary federal boost to incomes, and the pandemic shifting consumer spending out of services and into durable goods and eating at home.



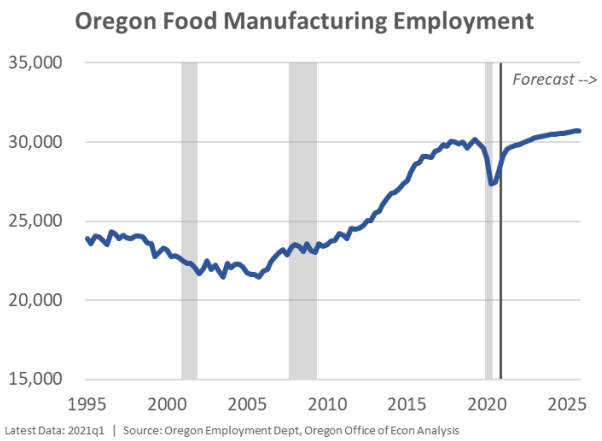
The best economic outcome would be to see new investments in production, which boosts both near-term growth, and raises long-run potential GDP as the productive capacity of the economy increases. The worst economic outcome is production continues to be throttled due to capacity constraints and results in higher inflation but no real capacity increases.

The constrained industries, including those near capacity, represent a 40% larger share of Oregon's economy than they do nationwide (11.8% of Oregon GDP vs 8.3% of U.S. GDP). During the pandemic, consumer demand for housing, technology, and food at home are through the roof. However, Oregon's manufacturing employment has suffered more than in most states, even in these locally important sectors. This difference likely speaks to local firm or industry challenges rather than broader economic issues. Looking forward, the local outlook is mixed.

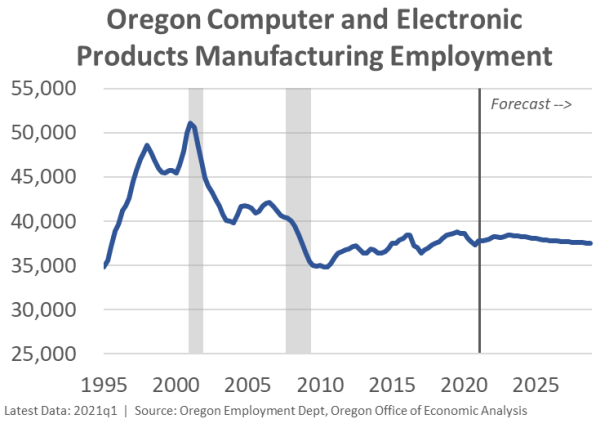


Food manufacturing is the brightest, and most surprising manufacturing development in Oregon in the past year. This is the only subsector where local employment is outperforming national employment since the pandemic hit. From a bigger perspective, Oregon has outperformed and gained national

market share in recent decades so this is not a complete surprise. However given a major bankruptcy a year ago, and the industry being a hotspot for COVID outbreaks, food manufacturing in Oregon was expected to take longer to recover. Thankfully, this has not been the case. The outlook has been revised upward as a result.

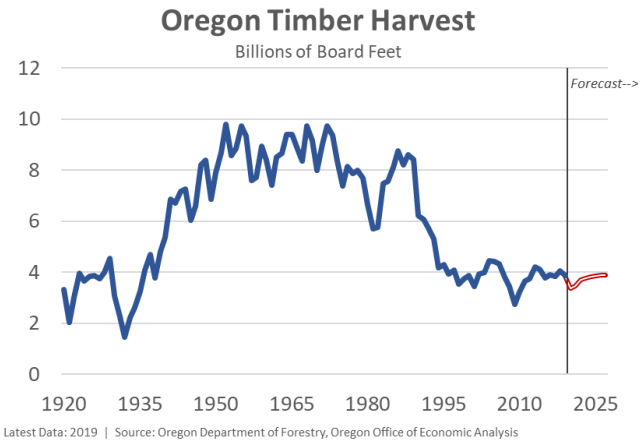


The good news for high-tech manufacturing is a rising tide appears to be lifting all boats. Local firms are doing well given strong business and consumer demand during the pandemic. Most encouragingly and despite manufacturing challenges in recent years, the state's largest private employer, Intel, has announced plans for significant investments. Oregon is home to the firm's most advanced operations and future generations of semiconductors are expected to be designed and the manufacturing process developed locally as well. In terms of the outlook, the sector is expected to continue to see ongoing investments and productivity gains which are very beneficial for the regional economy. However the industry has not been an employment growth sector in decades. Our office's outlook calls for relatively stable employment counts in the years ahead. The outlook remains relatively unchanged.



Wood products and the timber industry more broadly enjoy very strong consumer demand. National market conditions, and underlying demographic demand for housing support future investments and increased production. However, these investments, should they materialize, are much more likely to occur in the South and not in the Pacific Northwest where ongoing log supply constraints remain a key issue to industry expansion.

Now, our office's advisors indicate that log supply today is a little less of an issue in part due to salvage logging from last year's wildfires, private landowners' greater willingness to harvest at somewhat higher log prices, and fewer international log exports as local mills can better compete for raw logs given higher lumber prices. However if underlying harvest levels do not increase on a permanent basis, it is hard to support increased logging and milling operations in the region. Until these underlying dynamics change, our office's outlook will continue to call for relatively steady employment counts for the industry, regardless of the broader market conditions.



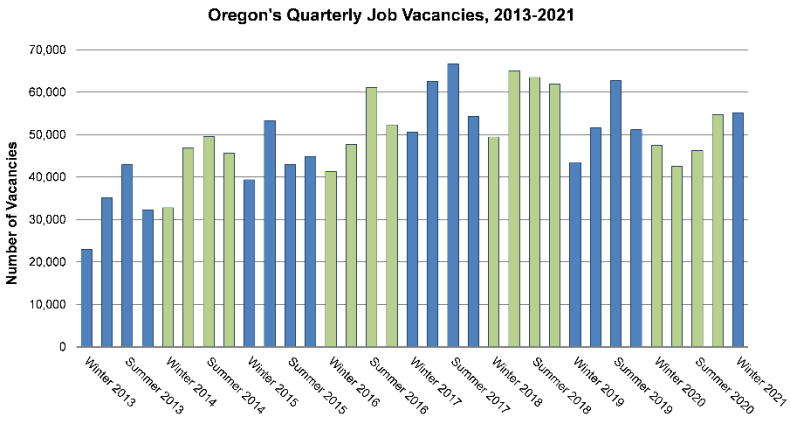
Finally, aerospace and its regional supply chain that includes many metal and machinery manufacturers in the area remains a key subsector that has yet to emerge from the pandemic and recession. Local employment losses continue to mount in 2021. Overall demand for air travel is beginning to recover, which should soon put a floor

under the industry. Our office's outlook has been revised down for both transportation equipment, and metals and machinery manufacturing in Oregon. There remains both upside and downside risks locally. To the upside, local employers could experience stronger demand and a faster pace of rehiring as the pandemic wanes. To the downside, following a lengthy shock to the industry, supply chains may get reworked, leaving local firms out of the loop.

Labor Supply

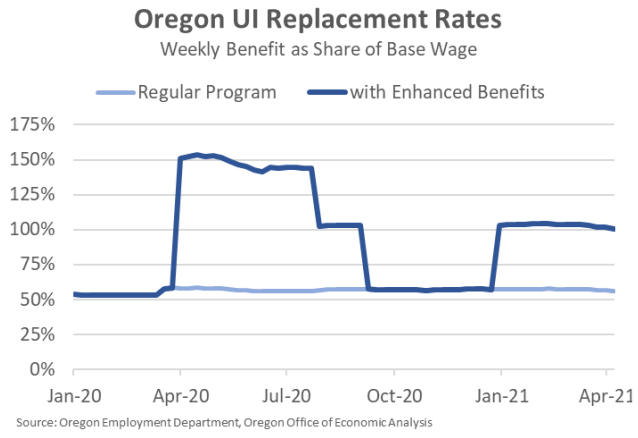
The most talked about constraint on the economy today is labor. Normally in the aftermath of a recession, firms have more workers to choose from when it comes to filling job openings. Unemployed workers greatly outnumber job vacancies. When workers are competing with one another to a greater degree to get a job, it can hold down wage growth. Once the labor market tightens, employers generally need to compete more by increasing wages or other perks to attract and retain workers.

The pandemic recession is different. These usual dynamics are either accelerated or gone. Firms are not responding as if there is a surplus of labor when it comes to hiring and expanding. In fact firms are advertising just as many, if not more job openings today as before COVID hit. Underlying wage growth remains roughly in-line with pre-COVID trends as well. A majority of Oregon employers (54%) are citing difficulty hiring workers, just as they have in recent years.



This recovery looks different because several simultaneous factors are constraining the supply of labor. These broadly fall under three categories: strong household finances, the pandemic itself, and other participation issues.

First, as discussed throughout this report, household finances are strong. Federal policy was explicitly designed to support households, and laid off workers in particular. The enhanced unemployment insurance benefits were to ensure impacted workers could afford to stay home and not be forced to take a job for financial reasons. The public health goal was so workers would not contract or spread the virus during a global pandemic.



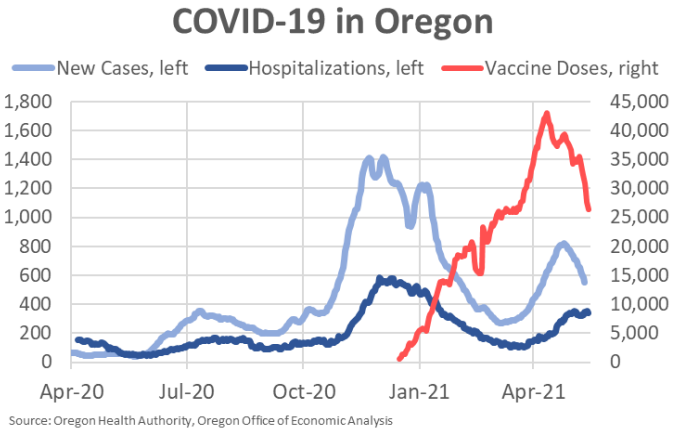
Today, the average Oregonian on regular unemployment insurance is effectively receiving a 100% wage replacement thanks to the federal plus up of $300 per week. For the average leisure and hospitality worker the replacement rate is more like 134% of pre-pandemic earnings[2]. Given the policy was explicitly designed to

[2] In 2019 the average leisure and hospitality worker in Oregon earned $418 per week, while working 24.4 hours per week. This is equal to $17.14 per hour. Provided the worker qualified for unemployment insurance, their weekly benefit would be

reduce labor supply during a pandemic, it follows that the policy would continue to reduce labor supply during the recovery so long as the policy remained in place.

To be sure, enhanced UI is not the only factor at play and the labor market recovery remains in its early stages. But the combination of household recovery rebates and unemployment insurance benefits, which are both the same size in aggregate, work to improve household finances such that not all individuals or families need to work today for financial reasons, especially in light of the ongoing pandemic.

Second, labor supply is reduced due to the virus itself. Nationally the labor force participation rate is down 1.5 – 2 percentage points. Here in Oregon, 45,000 Oregonians indicated they were not searching for work in the first quarter of the year due to the pandemic. As vaccinations continue to increase, and COVID cases and deaths decline, the labor supply is expected to rebound as well. However this process is just underway in recent months. One potential concern is the sharp drop-off in vaccinations in the past month. Currently Oregon is right around 60% of the eligible population vaccinated.



Third, there remain other factors impacting the number of available workers in the economy. While not a significant contributor at the macro level, the lack of in-person schooling affects parents and households at the micro level. Some parents – moms in particular – are unable to work and make sure their kids are logged in and completing assignments and the like. Additionally the labor market is tight for demographic reasons. Annual retirements continue to be large due to the aging Baby Boomer cohort. The latest data indicates retirements increased early on in the pandemic due to job losses which were more severe for older workers. Compounding this issue is the fact that migration flows slow during recessions as job opportunities dry up. As fewer new residents arrived last year, the labor force grew at a slower rate than it would have during better economic times.

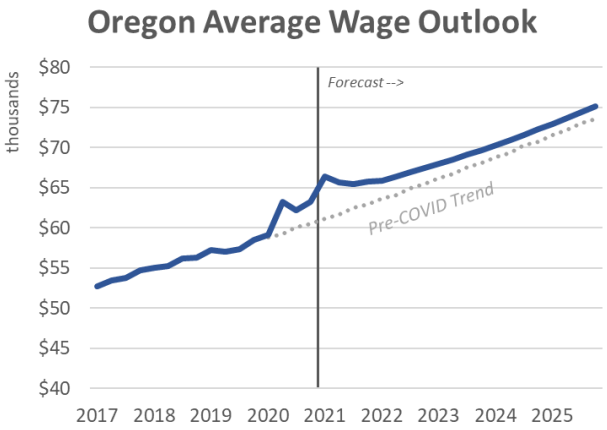
All told the labor market is tighter than one might think. Firms are looking to hire at a faster pace as the economy continues to reopen. Many of these businesses are concentrated in the high-contact, in-person sectors that have been the most impacted by the pandemic. They are all looking to rehire at the same time, creating increased competition for the same pool of labor. This is a complicating factor, especially in light of the labor supply challenges detailed above. Temporary frictions in finding and hiring workers are to be expected given the large scale shutdowns and reopenings experienced in the past year.

Looking forward, the pandemic-specific challenges and issues related to COVID fear and lack of in-person schooling will ease this fall. Enhanced unemployment insurance benefits will expire in a few months as well. The key question is what happens between now and then. At some point, declining COVID-related frictions, competition to hire workers, and relatively low unemployment will push to a market clearing wage that pulls more workers back into the labor force. How quickly any such changes occur is somewhat of an open question. Already these processes are underway, evident by the recent wage growth data.

$261 per week plus the federal $300 per week for a total of $561 per week. At 24.4 hours per week, that is the equivalent of $23.01 per hour, or 134% wage replacement. This does not factor in tips, which would lower the percentage somewhat.

The good news for firms is strong consumer demand means they can better afford to pay higher wages and pass along necessary cost increases to maintain profit margins. For workers the good news is wages tend to be sticky. That means the wage gains seen in the years leading up to the pandemic and so far during the pandemic will remain in place. Employers rarely cut wages outright and tend to reduce hours or lay off some workers when needing to cut costs.

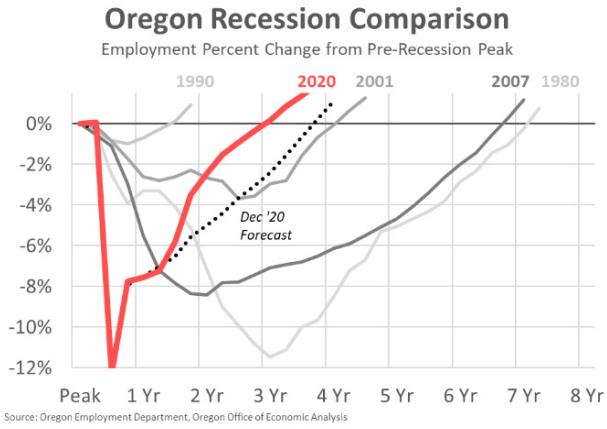
In terms of the forecast, these underlying dynamics lead to an upward revision to the wage outlook in Oregon. While employment still has a ways to fully recover, the same cannot be said for wages. The increased bargaining power for workers today, given strong labor demand and a reduce labor supply, will lead to ongoing wage gains that are stronger than previously anticipated.



Note that the average wage increased at the beginning of the pandemic for compositional reasons. Most of the lost jobs were lower-paying service jobs, meaning the average wage for the jobs that remained was higher as a result. In the months ahead as these lower-wage service jobs come back, the average wage will decline some for the same compositional effects, but in reverse. That said the compositional changes will not fully offset. There has been a level up in the wage outlook due to current labor market conditions and the fact that wage gains are sticky.

Even so, such a forecast does not come without risks. Labor supply constraints in particular could disrupt the forecast for the upcoming 2021-23 biennium. Now, the outlook overall remains bright regardless, given the income and spending data. However the forecast does front-load much of the job growth. Should job gains in the next six months merely be good rather than exceptional, the overall trajectory throughout 2021-23 would be lower than anticipated.

Comparing the current May 2021 forecast (red line) with the December 2020 forecast (black dotted line), where job growth was not front-loaded, yields a noticeable difference. The slower-paced recovery seen in the December forecast has average employment over the entire 2021-23 biennium that is 2.7 percent lower than the current forecast. Aggregate wages under such a recovery would be 1.7 percent lower. The relatively smaller impact on wages is due to the ongoing average wage gains seen in recent months which would be expected to continue should labor supply remain a major constraint.

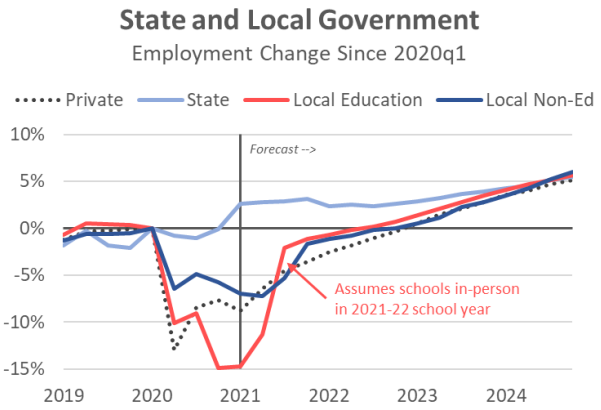


All told, even as the pandemic wanes and the economy returns to health, the labor market will remain tight for the foreseeable future. The pandemic-related issues will resolve themselves in the months ahead. However the underlying labor market will remain tight for demographic reasons. Employers will need to continue to cast a wider net, and dig deeper in their resume stack to attract and retain workers, just as they were doing pre-pandemic.

Federal Fiscal Policy

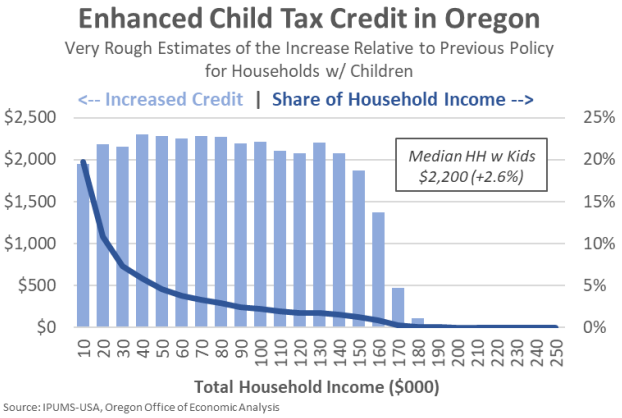
This forecast incorporates federal legislation that has already passed, like the American Rescue Plan Act (ARPA). It does not include any economic or revenue assumptions related to additional policy packages being discussed in Washington D.C. This would include both of the major infrastructure, and family plans that the Biden Administration has proposed. While the devil is always in the policy details, such packages, should they come to pass, would likely boost the economic outlook further. However in terms of the upcoming 2021-23 biennium the impact may be more muted as new programs usually take time to ramp up, and traditional infrastructure spending is spread out over years. That said, tax policy can result in immediate changes and a corresponding behavioral response by firms and households. Our office will adjust the outlook accordingly as federal policy changes.

In terms of explicit federal policies built into the forecast, two stand out. First, the substantial state and local government aid ($4.6 billion in Oregon between cities, counties, and the state) will improve public sector budgets. Our office's employment forecast for local government has been raised modestly as a result. Local government employment is still down today largely due to pandemic-related restrictions to community centers, parks, schools, and the like. However those jobs will return later this year. The underlying boost from the federal aid is primarily in public administration.



The second major impact of federal policy is the direct income support in the form of recovery rebates, enhanced unemployment insurance, and the expanded Child Tax Credit (CTC).

In brief, the enhanced CTC will boost the average Oregon family's after-tax income by $2,000[3]. For the typical family earning $85,000 per year this is a modest increase (2.6%) in income. However for families in poverty it represents a significant 5, 10, 15% or more increase. Researchers at Columbia University estimate the new CTC will reduce U.S. child poverty by 45% and by 46% here in Oregon.



In aggregate, total Oregonian personal income will increase $1 billion, and will lessen racial and ethnic income disparities as well. Today, families with BIPOC children earn 34% of total family income in the state. Such households will earn 41% of enhanced credit. This is for a few reasons. Younger generations are more diverse than older age cohorts, meaning young families – those receiving the CTC – are more diverse. Additionally younger families earn less income in part because one parent may not work in order to take care of kids, and those that do work earn lower wages because they are still relatively early in their careers. As such, the vast majority (~85%) of young families qualify for the enhanced

[3] https://oregoneconomicanalysis.com/2021/04/14/the-enhanced-child-tax-credit-in-oregon/

credit. Overall these changes are not drastic, but boosting family-friendly policies do work to less racial and ethnic disparities.

Another change with the CTC this year is it will no longer be just a credit to claim on the tax return. The IRS will begin disbursing monthly payments to households, at $250 or $300 per month per child depending upon their age. The average family in Oregon will soon begin to receive $500 per month. A key policy challenge is reaching households that do not file tax returns. Nearly half of Oregon families in poverty do not file taxes. Ensuring all eligible households receive the payments is paramount, otherwise the projected declines in child poverty are unlikely to materialize.

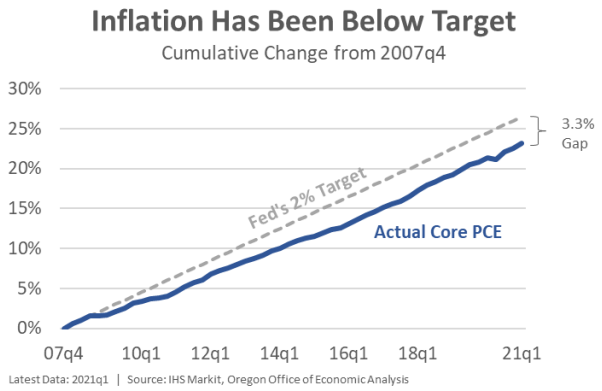
While the CTC changes are for only this year, policymakers indicate they would like to extend them or even make them permanent. Should they last longer than one year, broader societal changes may result as well. For example, research shows that childhood poverty impacts outcomes of adults. A reduction in childhood poverty should result in better economic mobility and a stronger middle class in the years/generations ahead.

That said, one other potential impact may be labor force participation among parents. For many young families, one parent – usually the mom – works part-time to supplement income and also be able to be the primary caregiver for the household. With somewhat more generous benefits that are disbursed monthly rather than only once per year, some working parents may choose not to work as a result. Previous research has found this to be the case in other countries. Even so, new research on the reformed and expanded child credits in Canada in recent years find zero impact on labor supply among single moms. These potential differences – a small monthly boost to incomes allows one parent to stay home more versus the small monthly boost is not enough to allow an entire family to live off the CTC alone – make intuitive sense as well. Should the enhanced CTC last more than this year, monitoring program effectiveness and any potential economic and societal changes will be important.

Inflation Risks

Given the strong underlying drivers and an economy facing some supply side constraints, a key question is just how much will inflation rise in the months and years ahead. The baseline outlook is for a noticeable increase in prices as the economy continues to reopen and supply bottlenecks are alleviated. However these price pressures are expected to be temporary. The Federal Reserve is signaling they believe the same. Their underlying policy stance is basically that if the economy is not at full employment – loosely defined as the pre-pandemic labor market – then inflation will be transitory and not persistent.

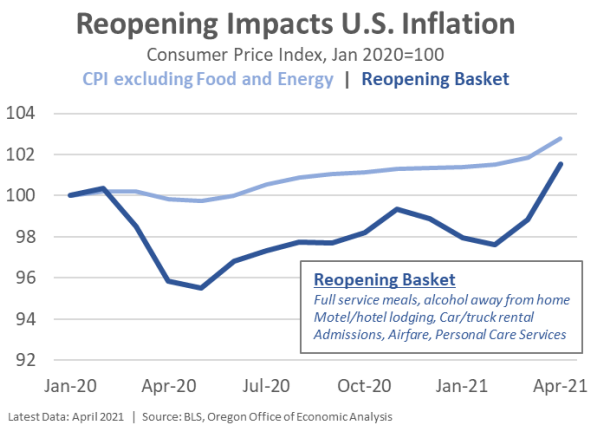
The Federal Reserve has actively changed its policy and reaction function to the economy. No longer will the Fed raise interest rates on the prospect of higher inflation in the future. After undershooting their 2% inflation target for nearly the entire cycle last decade, the Fed is waiting until actual inflation rises above target on a sustained, or persistent basis.



The updated Federal Reserve policy framework also includes average inflation targeting, meaning if inflation is below target for a period of time, the Fed will allow above target inflation to offset and return to the long-run 2% trend. Today, core PCE – the Fed's preferred inflation measure – is roughly 3% below target if measured from the start of the Great Recession. As such there remains

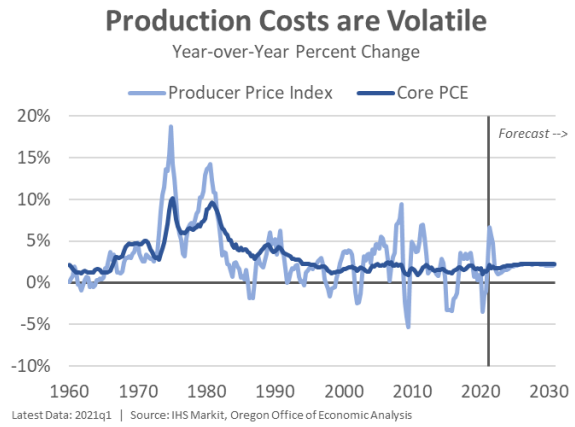
ample room in the absolute level of prices before the Federal Reserve is likely to really become worried about inflation. Currently the Federal Reserve is indicating they are not going to raise interest rates until 2023 or later. IHS Markit's first fed funds rate hike is in mid-2024 in their forecast.

There are four main factors influencing inflation today. First, year-over-year inflation readings will be higher in the next few months due to so-called base effects. At the start of the pandemic, inflation slowed noticeably. That makes year-ago comparisons easier, leading to inflation readings a couple tenths of percentage point higher than the underlying momentum alone would suggest. These base effects will fade by late summer or early fall.



Second, building off the base effects is demand pull inflation. As consumers return to previously restricted activities, prices will rise as demand outstrips supply. Not all households can get on the same plane, or rent the same car on vacation this summer. Many of these impacted sectors saw prices sag due to the sharp drop in demand last year, and as prices reverse, they will push headline inflation higher as well. In just the past two months, a Reopening Basket of prices tied to vacations and in-person services increased 4 percent (27% annualized). Expectations are these sharp increases will slow once prices revert to longer-run trends.

Third, cost push inflation will likewise drive prices higher as supply chain bottlenecks occur. Cost push inflation is the result of higher costs of production that ultimately increase the final prices of goods and services. These linkages are far from 1:1 and historically producer prices are much more volatile than consumer prices. In part this is due to other managerial decisions made by firms, including changes in profit margins and other business operations. Recent quarterly results of publically traded companies indicated profit margins increased so far during the pandemic. As such, should firms chose to do so, they can more easily absorb some of the increases in the cost of production, holding consumer prices steadier.



Fourth, the ultimate key to persistent inflation likely lies with wage growth. Even with employment far below pre-pandemic levels, fundamentally the labor market is tighter than one would think. Ongoing wage gainsi n the economy are broadly in-line with pre-pandemic trends and have not decelerated like in the past two cycle.

This dynamic gives forecasters pause, at least enough to acknowledge that some of the pieces are in place for higher rates of inflation than would otherwise be expected. Those pieces include supply constraints, large federal fiscal packages, tight labor, and a Federal Reserve that so far says all of these are transitory. That is, and should be the baseline outlook. However the risks are there for higher rates of inflation moving forward.

Modestly higher inflation (2.5-3%) is of no real concern, and would make up some of the persistent undershooting of the Fed's inflation target last decade. The real economic risks lie with significantly higher inflation (>3 or 4%) as the Fed's likely response is raising interest rates quickly to cool economic activity.

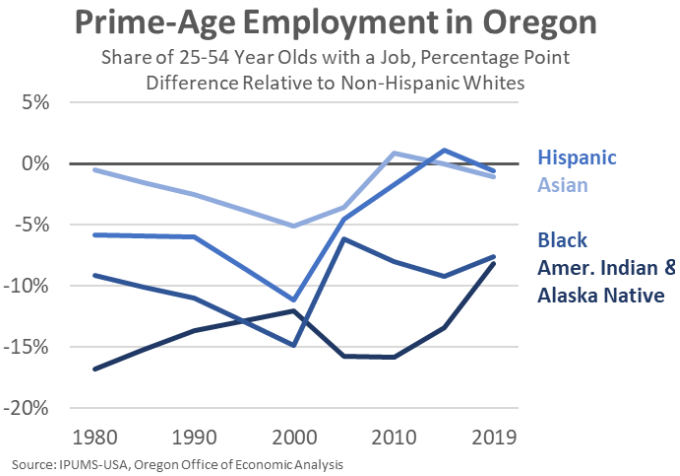
Historically such moves are more likely to tip the economy into recession than to engineer the so-called soft landing. For now, expectations are inflationary pressures will be transitory, with risks tilted toward the upside.

Full Employment and Historical Disparities

When economists talk about full employment, and a strong economy we are almost always referring to topline, or aggregate numbers. It is important to keep in mind that embedded within these historical periods of time when the economy was performing well are considerable disparities and inequities. Oregon's trends here are not significantly different than the nation's but are very evident when lifting the hood on socio-economic data. In particular, our office is especially concerned with three main types of disparities: racial and ethnic, geographic, and income.

Racial and Ethnic Disparities

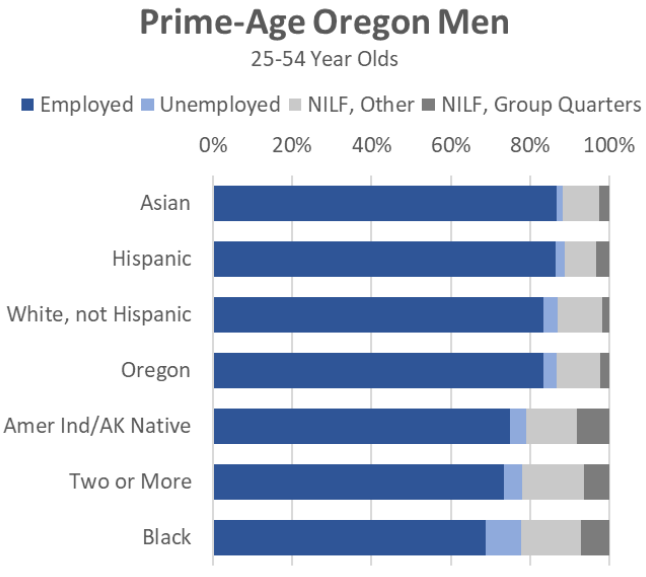
Back in 2019, Oregon was experiencing the strongest economy it had seen in at least 20 years. However, large racial and ethnic disparities remained. The official poverty rate for white, not Hispanic Oregonians was 10.2%, for Asian Oregonians it was 11.8%, for Hispanic Oregonians it was 14.8%, and for Black Oregonians it was 25.2%. These disparities are among the smallest on record, as the economic gains from the decade long expansion were becoming more broadly shared. Even still, these disparities remained large.



A similar picture is seen when examining historical employment patterns. The first chart compares the share of prime-age Oregonians who have a job by race and ethnicity. Each is benchmarked to their white, not Hispanic peers. Over time, the share of Asian and Hispanic Oregonians with a job has risen and has recently matched their white, not Hispanic neighbors. However employment rates for Black, and American Indian and Alaska Native Oregonians remain considerably lower.

Some of these differences in employment can be explained by differences in educational attainment. Overall college graduates have higher rates of employment than do those with a high school diploma or less. Both Asian, and white, not Hispanic Oregonians have a larger share of college graduates than other racial or ethnic groups.

However educational attainment only explains part of the difference. Even after controlling for occupation, work experience, length of firm tenure, and the like, research finds a racial disparity in terms of wages and income. Another key factor impacting employment rates, especially along men, is incarceration. The share of prime-age Black, and American Indian and Alaska



Native men in Oregon that are incarcerated (technically in institutional group quarters in the Census data) is three or four times the rate of their white not Hispanic peers. This difference alone accounts for 26% of the overall Black-white employment gap, and 57% of the AIAN-white employment gap in 2019 in Oregon, based on the latest data.

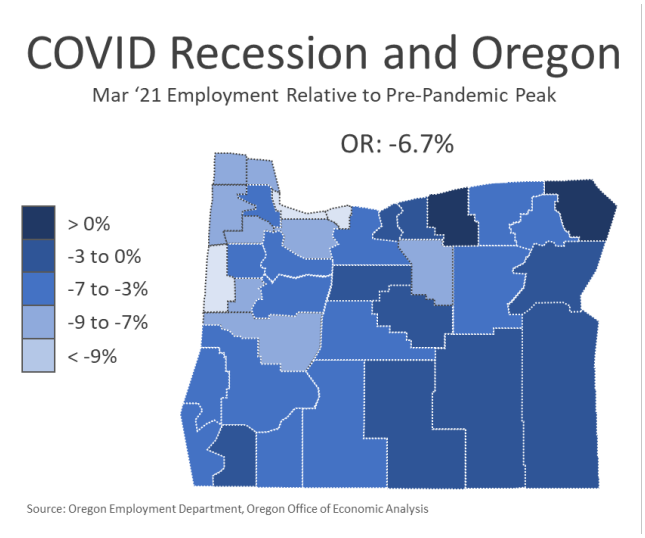
Unfortunately, real-time economic data lacks good racial and ethnic breakdowns, in large part due to small sample sizes. What information is available – crunching that sample size data, examining the self-reported information for UI claims, etc – indicate that employment trends since the pandemic began are broadly similar across different racial and ethnic groups. None of the data indicates widening racial disparities, at least in terms of employment. That said, the best available information, including data on incomes and poverty, comes from the Census' American Community Survey release each year. The 2020 data is scheduled for release on September 23rd. Our office will have updates in our December forecast release.

Even as we wait for the lagged Census numbers, it is important to keep in mind these historical disparities when our office talks about Oregon's economy returning to full health during the upcoming 2021-23 biennium. Historically that may mean a 4% unemployment rate for white, not Hispanic Oregonians but a 12% unemployment rate for Black Oregonians, just like it did in 2019.

Geographic Disparities

Long-run economic growth is driven by productivity (investment) and the size of the labor force. Urban economies outperform rural ones in large part because they not only see faster rates of population (labor force) growth, but also experience higher rates of capital accumulation, be it physical, financial, human, or social in nature. Rural economies tend to have more natural capital, however it must be put to use to generate stronger economic growth.

While these long-run drivers remain in place, the pandemic has altered their patterns in the past year. To date, Oregon's urban economies, particularly in the Willamette Valley, have suffered noticeably more than the state's rural economies.



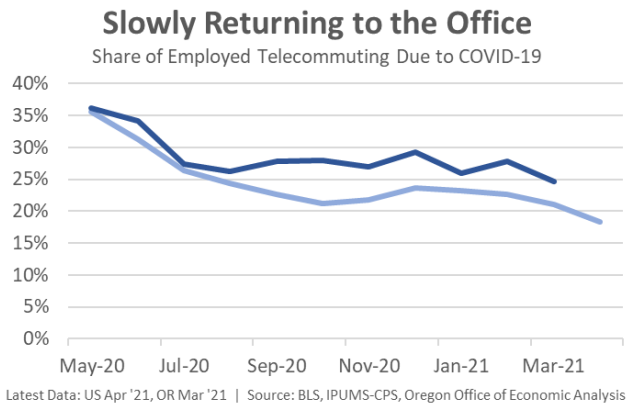
These patterns are not so much that rural areas are doing well so much as they are about urban areas doing poorly. Much of the declines seen in Portland, Salem, Corvallis, and Eugene can likely be tied to working from home, lack of in-person schooling, and lack of business travel. Urban cores rely upon daytime foot traffic from commuters, and demand for nightlife entertainment from both local residents and tourists. See our office's December 2020 forecast for more on commercial districts and downtown Portland[4].

In terms of the outlook, to date the urban-rural gap has not widened. However over the full cycle it may due to those stronger underlying drivers of growth. But for now rural eocnomies have a year or two headstart on the

[4] https://digital.osl.state.or.us/islandora/object/osl%3A957184

recovery given the low base from which urban areas are beginning to grow as the pandemic wanes and the economy reopens.

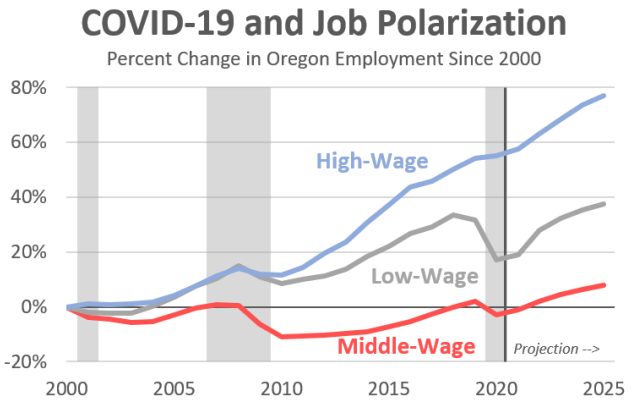
A key wildcard here for both urban cores and the housing market more broadly is working from home. Today, nearly 1 in 4 Oregonians with a job indicate they are continuing to telecommute due to the pandemic. While this is lower than a year ago, a sizable share of the workforce is still remote. The recent declines nationally are seen across all industries and major occupational groups. However the biggest declines are among the white collar, professional types. This shift is an indicator that workers are returning to the office, and expected to do so as the pandemic wanes. The open question is just how many will return on a full-time basis. It is likely that employees will continue to work from home a day or two a week, but even that leaves considerable gray area in terms of demand for office space, foot traffic to support ground floor retail and the lunch crowd propping up restaurants and food carts. These will continue to be important metrics to track in the months and years ahead.



Income Inequality and Job Polarization

Since the turn of the century, the biggest change and challenge in the labor market has been job polarization. These trends emerge when both low- and high-wage jobs grow quickly, while middle-wage jobs languish. The problems arise when traditionally well-paying middle-wage jobs disappear in recession and do not fully come back in expansion. In particular the loss of production (manufacturing) and office support occupations have really limited job opportunities and earnings for both men and women, particularly for those without college degrees. See our office's 2013 report[5] for a more comprehensive overview.

The pandemic recession is different. Low-wage service workers have borne the brunt of the lost jobs. Both food preparation, and personal care (barbershops and nail salons) lost nearly 20% of their jobs last year. Middle-wage jobs suffered an average recession instead of a severe one, while high-wage job growth slowed, but did not decline outright.



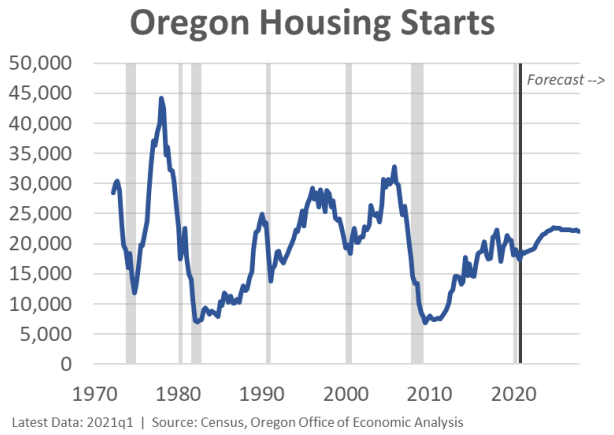
Given the middle-wage job outlook has called for only moderate gains during expansions, one of the more concerning parts to the COVID recession was that it hammered the low-wage jobs. A lot of times workers struggled to adjust when they lose their traditional, middle-wage job. While a few are able to land high-wage jobs, the vast majority end up taking a low-wage job, moving away in search of work, or dropping out of the labor force entirely. None of this is a good dynamic. However the concern last year was if there were also no low-wage job opportunities then even the existing meager options would dwindle further.

[5] https://oregoneconomicanalysis.com/2013/10/24/report-job-polarization-in-oregon/

Thankfully, to date, this does not appear to be the case. Middle-wage jobs are not experiencing severe job losses, and even as low-wage jobs have, federal aid has largely kept workers and households financially afloat in the past year. The combination of strong incomes and pent-up demand means the overall recovery will be faster and more complete than previous cycles. The forecast calls for both low- and middle-wage jobs to fully recover as a result, at least overall. Some individual occupations and industries are unlikely to regain all their lost jobs, but the overall dynamics of this cycle are different.

Housing Supply and Affordability

Despite a severe recession a year ago, the housing outlook remains strong. Compared to past recessions, today's decline in new construction activity is modest. Really only one segment of housing is weak – multifamily in the Portland region's urban core – while everything is holding steady or growing.



Latest Data: 2021q1 | Source: Census, Oregon Office of Economic Analysis

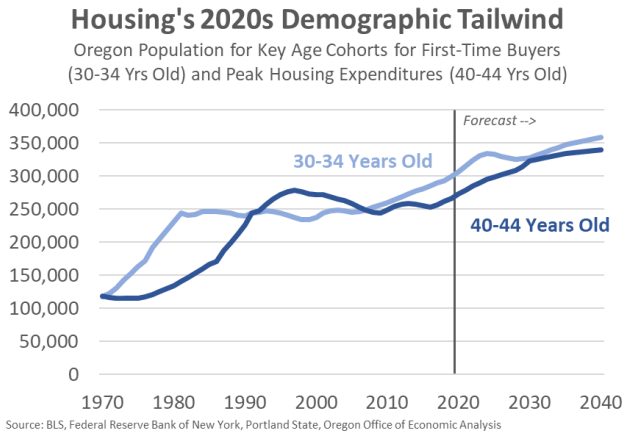
Single Family

New single family construction continues to grow in every market. Strong consumer demand is driven by at least three major factors.

High-wage workers, and higher-income households are largely unaffected by the recession given the nature of the cycle. These households are primarily homeowners, many of which received thousands of dollars in recovery rebates which could help with the larger down payments needed in today's market.

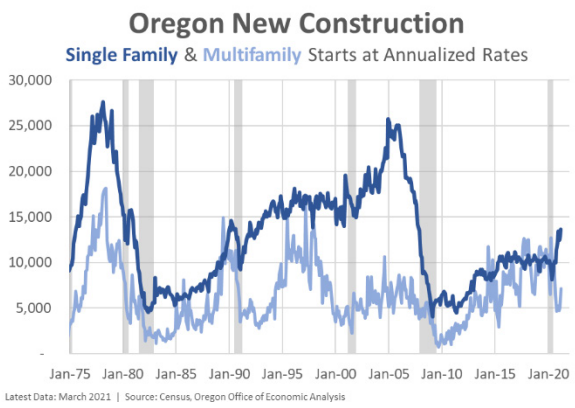
Record low interest rates at the end of 2020 allowed household budgets to stretch further in terms of home prices while keeping the monthly payment steady. Interest rates fell by one percentage point from late 2019 to late 2020, going from 3.7% to 2.7%. A one percent decline in rates offsets roughly a 13 percent increase in purchase price, while maintaining the same monthly mortgage payment. This means if a household was looking to buy a $400,000 home pre-pandemic, they could afford a $450,000 home during the pandemic.

While the nature of the cycle and record low interest rates are large factors in the strong homeownership demand in the past year, the biggest underlying driver in the years ahead are demographics. This decade, Millennials will fully age into their 30s and 40s. These are prime homebuyer ages. Today in Oregon, by one's mid-30s households are 50/50 in terms of owners vs renters. Households in their early- or mid-40s are your traditional move-up buyers with young families. This demographic tailwind will remain in place for the foreseeable future, even as some of this demand was likely accelerated during the pandemic.



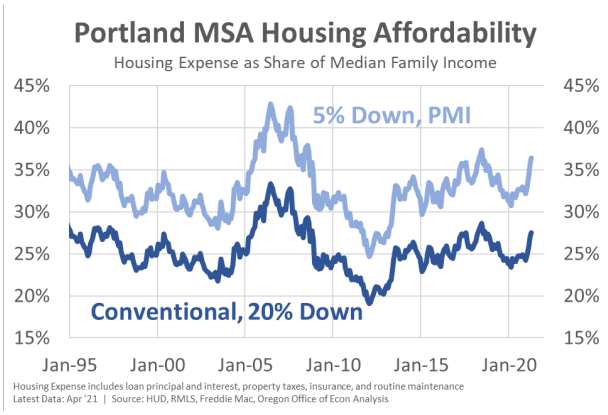
Source: BLS, Federal Reserve Bank of New York, Portland State, Oregon Office of Economic Analysis

The biggest challenge today in single family is lack of inventory. The strong level of demand outstrips supply. This puts upward pressure on prices, particularly as it takes time for new developments to occur. That supply response is underway, particularly so in the suburban Portland markets and the state's secondary metros – Albany, Bend, Eugene, Medford, and Salem.



Even so housing affordability is worsening in recent months. This is due to a few factors. There is the general supply and demand imbalance. Plus the cost of new construction is rising due to material prices like lumber setting records recently. And due to the increase in interest rates in recent months. While interest rates have settled in around 3% or so, this is still 30 or 40 bps higher than they were at the end of 2020.

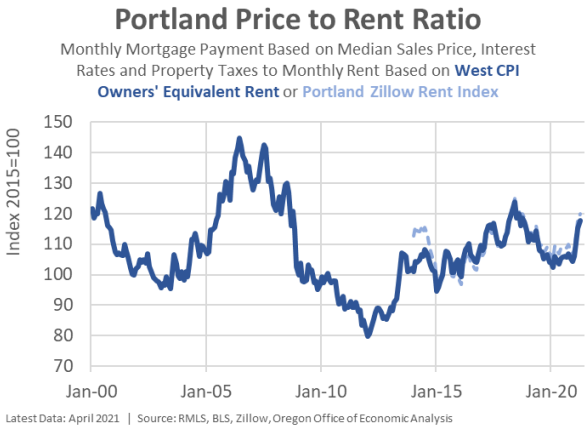
All of these factors combined means housing affordability measured the monthly payment expense as share of income is now at the upper end of the historical range, provided we exclude the housing bubble from that range.



Speaking of bubble, there is increasing chatter that the housing market may be in another one. While identifying bubbles in real time can be challenging, there is no question that the current market is substantially different than the one from the mid-2000s.

In particular, even if buyers are overextending themselves a bit in part due to the belief home prices only go up, the macroeconomic implications today are much less dire. The credit quality of new mortgage loans has never been stronger. Any fallout from the housing market will not have the same spillover into the broader economy or financial system.

Even so, one key metric to watch on the bubble front is the differences in housing costs for owning and renting. At a fundamental level, housing is all about having a roof over your head. Households make the best choice for themselves given the various options and costs. But ultimately these costs for owning and renting should move together over time, which is what you see in the historical data even if they do differ at various points in time.



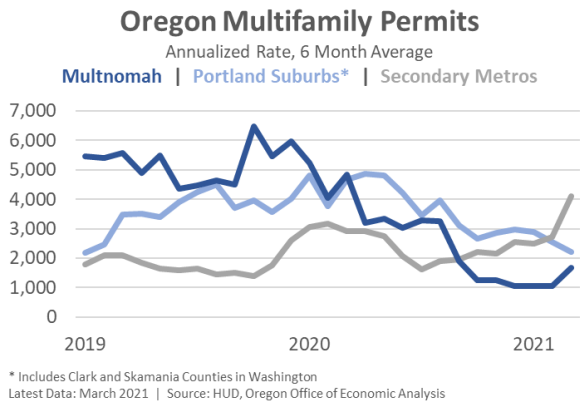
Today, given the run up in ownership costs due to higher interest rates and prices and the slower increases in rents during the pandemic, the price to rent ratio is getting near the upper end of the historical range, albeit a long way from where it was during the actual housing bubble.

What is the outlook from here? Traditionally when ownership costs rise like this and affordability worsens, overall consumer demand slows and price appreciation does as well. That is the pattern seen back in 2018 and 2019 when interest rates rose. While a similar pattern is likely underway today – weekly applications for

mortgages have slowed lately – there is the possibility it may take more time given the strong underlying housing drivers today. Should this occur, and affordability worsens further and the price to rent ratio diverges more, then the discussion can turn to whether there is a bubble forming again or not. However today that is far from clear. No doubt the sticker price of homes has risen considerably during the pandemic, however these gains are easily explained to date by higher incomes, strong demographics, and low interest rates.

Multifamily

The slowdown in new construction activity is entirely in multifamily in the Portland region. Construction of apartments in the state's secondary metros hasn't been this strong in aggregate since the mid-1990s.



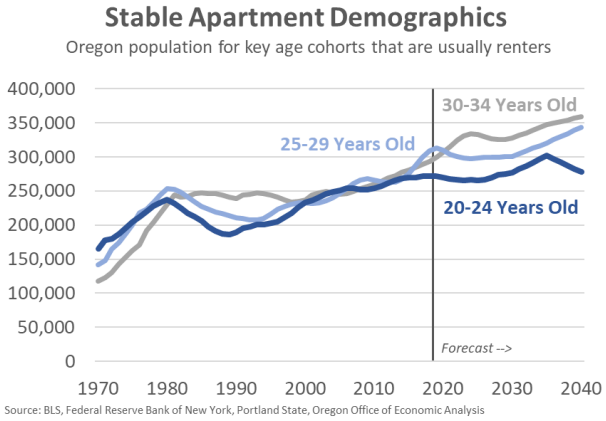
Within the Portland region, there is a modest slowdown in apartments in the suburban markets, but not much. The bulk of the changes are seen in the urban core where a number of factors are in play.

First, there has been a lot of commercial real estate development in the urban core in recent years. In fact, 2020 saw a record number of new apartments come online for rent, barely edging out the previous record set in 2019. As such, new construction was set to slow given the development cycle even before the pandemic hit. Another complicating factor here is Portland's inclusionary housing policy which created a larger pipeline of projects in recent years to get ahead of the policy being put in place.

Furthermore we know the pandemic flipped the urban economic calculus on its head. Suddenly the urban amenities of being close to work and entertainment options no longer were beneficial as these activities were restricted. Apartment dwellers and condo owners in the urban core were facing the dis-amenities of living downtown. All of this before the protests for racial justice and clashes of violence began last summer.

Given the underlying market dynamics of the urban core, rents have softened noticeably. Household formation and demand did slow during the pandemic, although research shows out-migration from the urban areas did not really occur except in Manhattan and San Francisco. Additionally supply continued to come on the market, leading to a rising vacancy rate, at least in the core. Suburban rents continued to rise, and vacancies remain low elsewhere in the state.

Overall with the cost of ownership outpacing renting so far in 2021, the calculus is flipping back to renting being a more prudent financial choice for many households. The apartment outlook is bright given underlying population growth and migration trends. As the pandemic wanes, the current urban dis-amenities will flip back to being benefits to living and working downtown.

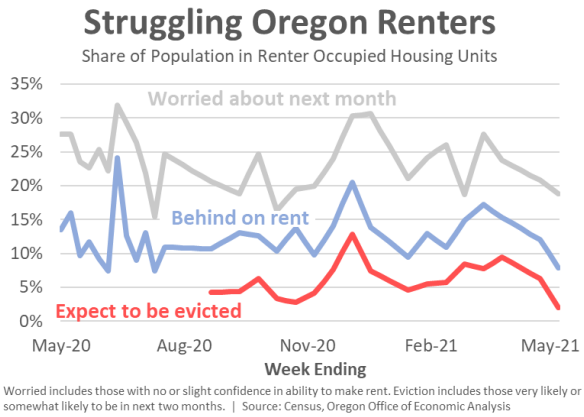


One silver lining in the Portland apartment market is a bottom of new activity has likely been reached. While down 70 or 80 percent (!) from the years leading up to the pandemic, permit activity has strengthened

somewhat in recent months. That said, until the current vacancies fill up, and the benefits of living and working downtown return, expect low levels of new construction activity in the urban core.

The most encouraging news in the rental market today continues to be that the pandemic has not noticeably increased the number of struggling households. In large part this is likely due to the strong household finances thanks to the direct federal income support.

However what the pandemic, and various rental assistance programs and eviction moratoriums and the like, has done is brought these challenges more into the light. It is not so much that the pandemic increased them but rather that these issues have become more noticeable. They always exist.



For example, Oregon's poverty rate in 2019 was 11.4%, the lowest in decades. However, the poverty rate for homeowners was 5.8% while for renters it was 21.5%. So when survey results show that 1 in 5 rental households worry about making next month's rent, this is always the case, even during good economic times. In terms of the outlook, job opportunities have returning and wages are rising. These factors will help support household finances in the years ahead.

Bottom Line: The strength in single family construction statewide largely offsets the multifamily weakness in the Portland region. The biggest risk to the outlook remains an inadequate housing supply. Oregon will continue to need more new housing units, particularly as migration flows return, and the underlying demographics result in stronger rates of household formation.

A more complete summary of the Oregon economic outlook and forecast changes relative to the previous outlook are available as Table A.2 and A.3 in Appendix A.

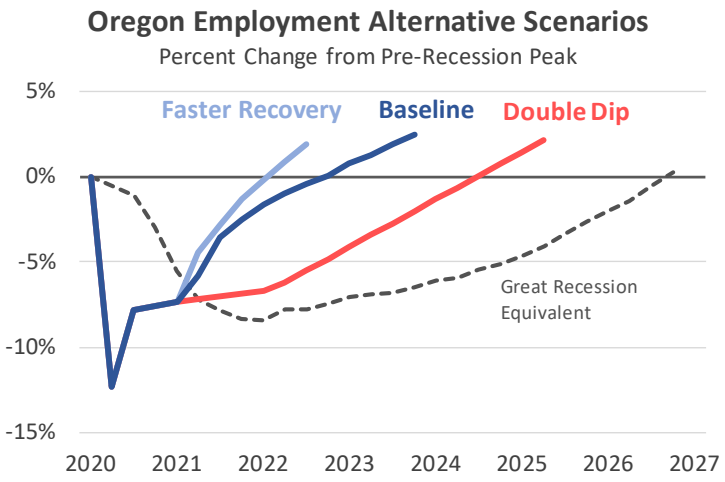
Alternative Scenarios

The baseline forecast is our outlook of the most likely path for the Oregon economy. As with any forecast, however, many other scenarios are possible. While the pandemic is waning and the vaccines so far are working against the known variants, some risks do remain. The two alternative scenarios below are not the upper and lower bounds of these outcomes. These alternative scenarios are modeled on realistic assumptions that are somewhat more optimistic or pessimistic than the baseline. See page 20 for the General Fund revenue implications of these scenarios.

Optimistic Scenario – A Faster Recovery:

The underlying strength in income and consumer spending propel the economy to full health by early 2022, leading the overall cycle to more closely resemble the traditional recovery from a natural disaster. Inoculations continue to increase rapidly with the population reaching herd immunity this summer. Additional federal investments are made in public health, keeping another potential wave of cases this fall and winter at bay. The current supply constraints on the economy prove temporary with no large price pressures emerging. As the pandemic fades, labor supply accelerates allowing firms to hire and expand in an improving economy.

Alternative Scenarios **May 2021**



	2020	2021	2022	2023
Employment				
Baseline	-6.0%	2.3%	4.3%	2.4%
Faster Recovery	-6.0%	3.2%	5.5%	3.0%
Double Dip	-6.0%	-0.2%	1.4%	2.9%
Unemployment Rate				
Baseline	7.6%	6.0%	5.4%	4.6%
Faster Recovery	7.6%	5.4%	4.3%	3.9%
Double Dip	7.6%	6.9%	7.9%	6.3%
Personal Income				
Baseline	7.9%	2.7%	0.7%	5.1%
Faster Recovery	7.9%	5.0%	0.5%	4.6%
Double Dip	7.9%	-1.5%	-0.6%	4.4%

Pessimistic Scenario – A Double-Dip Recession:

Vaccinations crawl to a stop with the population not quite reaching herd immunity. Concerns over the virus remain, with a potential new wave of cases, hospitalizations, and deaths this fall and winter. The end result is consumers stay home to a greater degree and job gains are meagre until next spring when cases decline. Complicating matters is a lackluster federal policy response in order to support laid off workers and struggling households and firms this fall. More permanent damage accumulates in the form of business closures, slowing the pace of recovery. Oregon's economy does not fully return to health until early 2025.

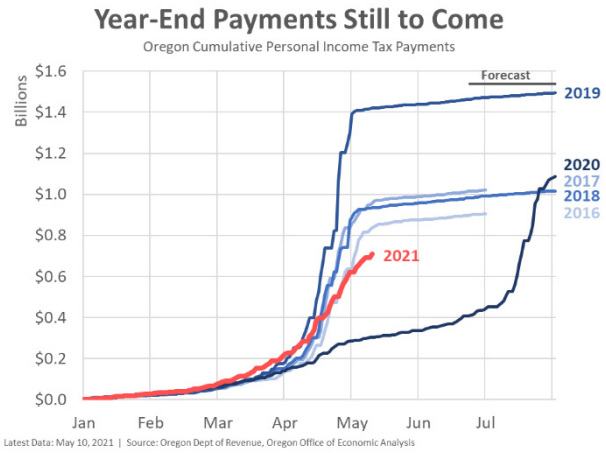
REVENUE OUTLOOK

Revenue Summary

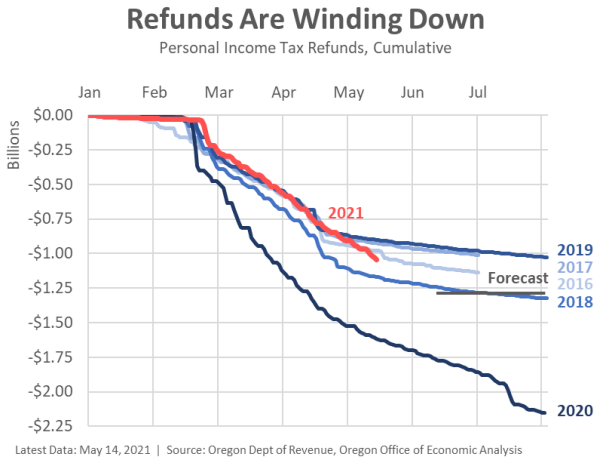
In May of odd-numbered years, the revenue forecast takes on added importance. With the legislature in session, the May forecast determines the size of General Fund resources available for the upcoming budget, and sets the bar for Oregon's unique kicker law.

Oregon's state revenue outlook continues to brighten as the income tax season unfolds. Personal and corporate tax collections are booming despite the job losses and business woes brought on by the COVID pandemic. Tax collections based on consumer spending are also posting large gains. With the near-term economic outlook looking very strong, healthy growth in tax collections is expected to continue into the 2021-23 budget period.

In a typical year, the income tax filing season is winding down when the May forecast is produced. At that point, the vast majority of payments have been processed, and we have a good idea of how the tax season turned out. This year, the tax filing deadline was extended to May 17th due to the pandemic, leaving many returns yet to be processed. This injects added uncertainty into the outlook. In particular, there is the potential for a significant revenue surprise (up or down) in the final weeks of the biennium. That suggests that leaving a large ending balance would be wise. Also, it is possible that the size of the kicker credit for next year will change significantly from the current estimate when the kicker is certified this fall.

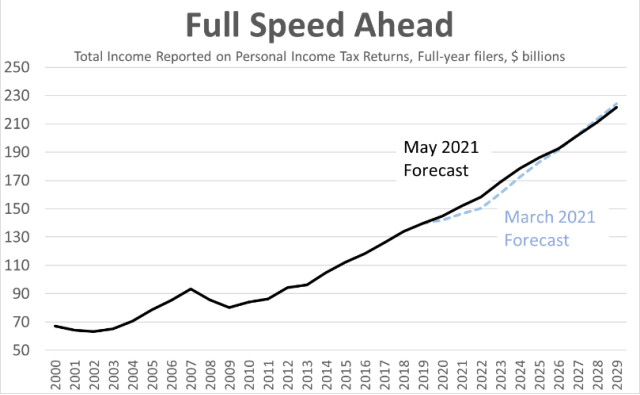


So far, with around half of payments having come in, the tax season is turning out to be a healthy one. Payments are expected to reach an all-time high by the end of the fiscal year. While there is still a large amount of payments outstanding, most of this season's refunds have already been issued. Taxpayers who are expecting refunds tend to file returns earlier than those making payments. Refunds are significantly lower than they were last year, due largely to the kicker credit issued in 2020. This year, refunds include $81 million in automatic adjustments sent to 164,000 taxpayers who paid taxes on unemployment insurance benefits. In March, the federal government exempted the first $10,200 in unemployment benefits from taxation. The Oregon Department of Revenue has sent refunds to taxpayers who filed before the exemption was announced.



In light of massive job losses, Oregon's General Fund revenue outlook for the current biennium was revised downward by around $2 billion immediately following the onset of the COVID-19 pandemic. As of the May 2021 forecast, this hole has more than been filled, with the outlook now calling for significantly more revenue than was expected before the recession began.

Many factors are playing into the unexpectedly strong revenue collections, but two reasons stand out. First, an unprecedented amount of federal aid has far outstripped the size of economic losses. As a result, personal income is up sharply in Oregon despite job cuts. Second, during the typical recession, Oregon has lost a tremendous amount of revenue associated with sharp declines in investment and business income. This time around, asset markets and profits have remained at or near record highs. The baseline outlook prior to the recession called for income growth to slow. A tight labor market was expected to weigh on growth, and asset prices and profits were expected to return to sustainable levels. None of this came to pass, leading to an expected personal income tax kicker of $1.4 billion and a corporate tax kicker of $664 million.



Looking forward into the 2021-23 biennium, the increasingly rosy economic outlook suggests healthy tax collections will persist. A broad consensus of economic forecasters is calling for near-term output growth to be the strongest seen in decades. Given Oregon's unique kicker law, a booming economic outlook requires an equally aggressive revenue outlook to match it. Taxable income is expected to continue to post healthy gains, showing no evidence of the economic shock we are living through. The outlook for General Fund tax collections has been revised up by around 5% over the next few years. This translates into significantly more resources for policymakers.

Although budget writers have a lot more to work with, a good deal of caution is required and savings are a must. The kicker law dictates that we stick our necks out with an aggressive revenue outlook, exposing us to the risk of a large budget shortfall should growth stall. Of primary concern are nonwage forms of income including profits and the return on investments. With a healthy underlying economy, economic forecasters are calling for continued growth in stock prices, profits and the like. Although valuations are unsustainably high right now, forecasters predict underlying economic activity will catch up over time. Unfortunately, this does not mesh well with our past experience. Profits and capital gains often evaporate overnight, which always puts Oregon's budget in a hole.

2019-21 General Fund Revenues

Gross General Fund revenues for the 2019-21 biennium are expected to reach $23,092 million. This represents an increase of $1,081 million from the March 2021 forecast, and an increase of $2,071 million relative to the Close of Session forecast. Most major General Fund revenue sources have outperformed expectations in recent months. Among non-General Fund sources, lottery sales have been lower

Table R.1

2019-21 General Fund Forecast Summary

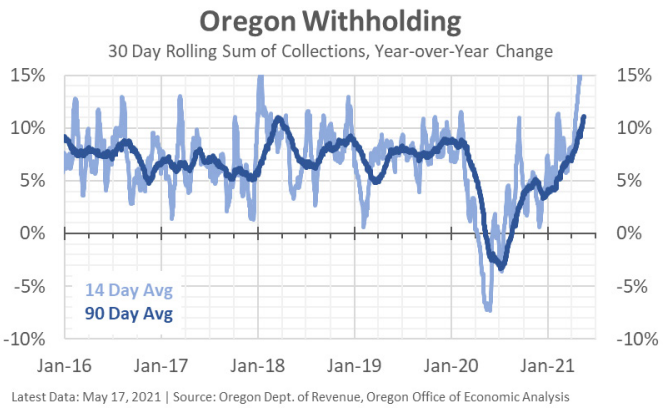
(Millions)	2019 COS Forecast	March 2021 Forecast	May 2021 Forecast	Change from Prior Forecast	Change from COS Forecast
Structural Revenues					
Personal Income Tax	$18,283.5	$18,680.0	$19,489.3	$809.3	$1,205.8
Corporate Income Tax	$1,190.8	$1,610.5	$1,855.0	$244.5	$664.2
All Other Revenues	$1,546.1	$1,720.1	$1,747.4	$27.3	$201.3
Gross GF Revenues	$21,020.4	$22,010.6	$23,091.7	$1,081.2	$2,071.3
Offsets and Transfers	-$203.5	-$99.4	-$115.0	-$15.6	$88.5
Administrative Actions[1]	-$21.5	-$21.5	-$21.5	$0.0	$0.0
Legislative Actions	-$199.5	-$198.3	-$198.3	$0.0	$1.1
Net Available Resources	**$22,914.4**	**$24,400.8**	**$25,466.3**	**$1,065.5**	**$2,551.9**
Confidence Intervals					
67% Confidence	**+/- 1.9%**		**$444.3**	**$22.65B to $23.54B**	
95% Confidence	**+/- 3.8%**		**$888.6**	**$22.20B to $23.98B**	

1 Reflects cost of cashflow management actions, exclusive of internal borrowing.

than expected due to COVID-related closures, but are now setting sales records as vendors come back online.

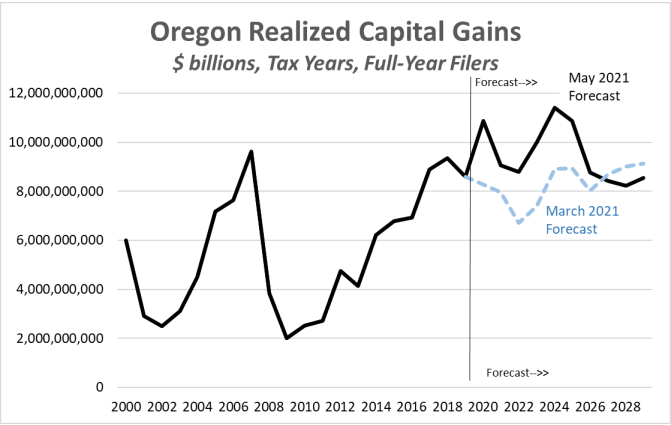
Personal Income Tax

Personal income tax collections have far outstripped expectations since the March 2021 forecast. After taking an initial dip when the pandemic arrived, withholdings of personal income taxes are posting double-digit growth rates. Most withholdings are related to labor and retirement income, making their performance somewhat surprising given Oregon has lost seven percent of its jobs. The fact that job losses have disproportionately impacted low-wage workers has played a part in muting the overall drag on withholdings.



Going forward, the performance of asset market prices and business income will be key to whether personal income tax revenues continue to grow. A wide range of businesses (S-corps, partnerships, sole proprietorships, etc.) pay taxes through personal tax returns. Firms in many of the industries most impacted by COVID and public health restrictions belong in this category, with the vast majority filing taxes as pass through entities. Income losses have certainly occurred in some of these industries (e.g. office leasing, entertainment, hospitality, dental offices, etc). However, these losses are likely being overwhelmed by gains in other sectors since overall income reported on tax returns has surprisingly remained strong.

Along with business and rental income, taxable investment income also can collapse during recessions. Last time, Oregon lost well over $1 billion in revenue related to such nonwage sources of personal income. While it is hard to shake the memories from the past two recessions when stock market crashes led taxable dividends and capital gains to evaporate, not all recessions bring with them major market crashes. Prior to 2001 it was not the norm for nonwage income to play such a large role in overall revenue growth, and income tax-dependent states did not exhibit the same kind of wild revenue swings that we have become accustomed to since. This is in part due to Oregon's income taxes becoming more progressive (i.e. higher rates for higher income filers). The more investment type income there is relative to wages, the higher average tax rates become. Asset markets likely still need to price in the damage done to key industries during the current recession, but with luck this could turn out to be a gradual process.

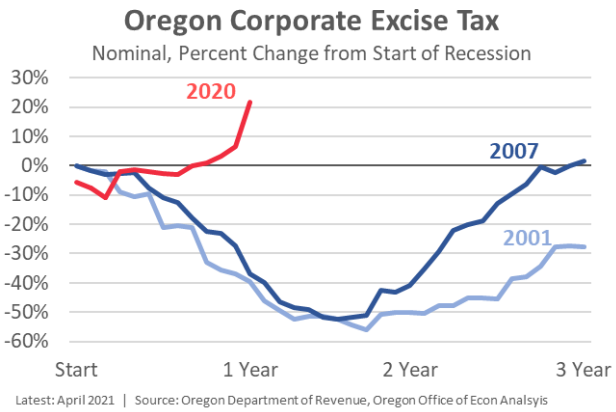


Potential tax law changes at the federal level are muddying the outlook for capital gains. Anecdotally, investors have been pulling forward capital gains and business income in anticipation of federal tax increases. As a result, some of the growth in 2020 is assumed to be temporary. Longer term, the imposition of a capital gains tax in neighboring Washington could lead to larger realizations locally.

Corporate Excise Tax

Corporate excise tax collections have yet to weaken at all. After a temporary drop at the beginning of the recession, corporate tax collections immediately bounced back and continue to set new records. This stands in stark contrast to the last two recessions when corporate tax collections were cut in half.

The strong performance of corporate taxes is particularly surprising given that they were expected to come back down to earth before the recession began. Corporate collections are now double what they were just a few years ago. While some of this increase likely reflects a permanent increase in the tax base, a significant amount of the growth was expected to be temporary, including the realization of repatriated foreign income associated with federal tax reforms. The subtraction for taxes paid under Oregon's new Corporate Activity Tax was also expected to reduce collections.

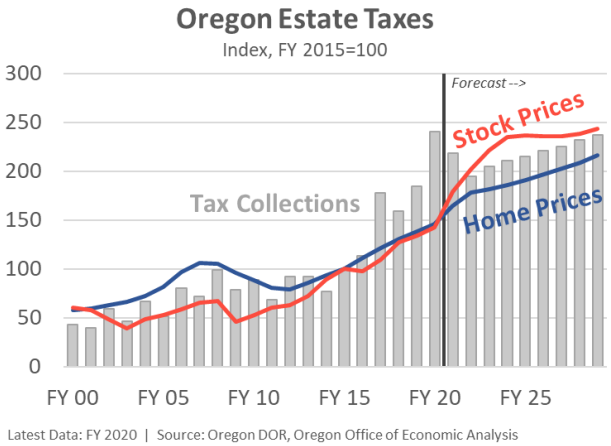


Given that large swings in profitability are the norm, the outlook for corporate excise taxes in the 2021-23 budget period is a cautious one. Labor and supply costs are rising, and firms have been saving on business travel and office space during the pandemic. Collections are likely to take a step back over the next biennium.

Other Sources of Revenue

Non-personal and non-corporate revenues in the General Fund usually account for approximately 6 or 7 percent of the total. The largest such source are estate taxes, followed by liquor revenues, and judicial revenues.

Combined all of these other sources of revenue have been revised up by $27.3 million (+1.6%) relative to the previous forecast for 2019-21. These revenues are raised $39.2 million (+3.1%) in 2021-23 and $81.4 million (+6.0%) in 2023-25.



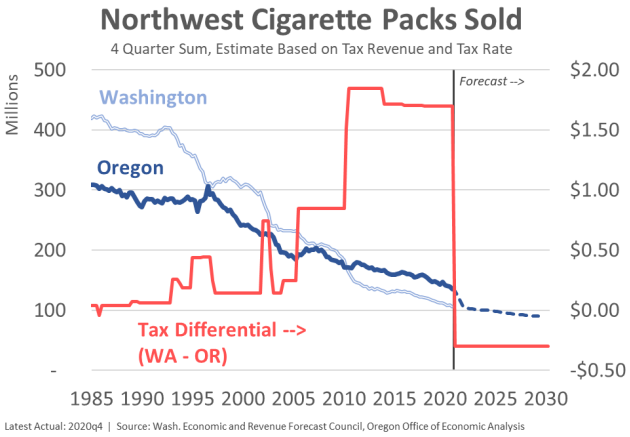
These upward revisions are driven by increases in the outlook for estate tax collections. Actual revenues in recent months continue to track above expectations, and the underlying outlook for asset markets has been raised as well. While not explicitly factored in the forecast, we know the overall number of deaths in Oregon has increased during the pandemic, potentially leading to more estates subject to the tax.

One known risk to the outlook would be any potential changes at the federal level. Currently the estate tax threshold nationally is as high as it has ever been. Our office's advisors indicate their clients typically set their gifts and inheritance in such a way to avoid federal taxes.

Should the federal threshold be lowered, and households follow a similar pattern of estate planning, this could ultimately reduce the amount of estate tax Oregon collects as the actual size of the estates may be lower.

While first incorporated two forecasts, the impact from the passage of Measure 108 at the ballot box last year raises the total amount of tobacco tax revenue the state collects. However, given the expected decline in the total number of packs sold, the General Fund portion of the cigarette taxes will likewise decline in the years ahead.

Of note is Oregon's cigarette taxes at $3.33 per pack are now higher than Washington's at $3.03 per pack, leaving to the side the impact of Washington's retail sales tax. Historically the border tax effect between the states has been very real. The relative price changes when each state adjusts tax policy have driven short-term tobacco sales trends in each state as well. If historical patterns hold, expectations are that sales in Oregon will drop noticeably this year, while they will likely hold steady, or at least decline more slowly in Washington. With such a large change in the taxes going into effect in January, time will tell the exact impact on consumer behavior in each state.



Measure 108 also increased other tobacco taxes by increasing the maximum tax levied on cigars from $0.50 to $1.00 each, and established a new tax on inhalant delivery devices (e-cigarettes). See Table B.6 in the appendix for the full breakdown of tobacco related revenues.

Extended General Fund Outlook

Table R.2 exhibits the long-run forecast for General Fund revenues through the 2027-29 biennium. Users should note that the potential for error in the forecast increases substantially the further ahead we look.

Table R.2

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

Revenue Source	Forecast 2017-19 Biennium	% Chg	Forecast 2019-21 Biennium	% Chg	Forecast 2021-23 Biennium	% Chg	Forecast 2023-25 Biennium	% Chg	Forecast 2025-27 Biennium	% Chg	Forecast 2027-29 Biennium	% Chg
Personal Income Taxes	18,823.3	17.2%	19,489.3	3.5%	20,667.9	6.0%	24,260.9	17.4%	26,455.9	9.0%	29,189.0	10.3%
Corporate Income Taxes	1,752.7	44.8%	1,855.0	5.8%	1,346.2	-27.4%	1,562.9	16.1%	1,952.7	24.9%	2,146.2	9.9%
All Others	1,339.3	3.9%	1,747.4	30.5%	1,389.9	-20.5%	1,434.4	3.2%	1,520.9	6.0%	1,618.8	6.4%
Gross General Fund	21,915.3	18.1%	23,091.7	5.4%	23,404.0	1.4%	27,258.2	16.5%	29,929.5	9.8%	32,954.1	10.1%
Offsets and Transfers	*(129.5)*		*(115.0)*		*(171.5)*		*(97.1)*		*(65.0)*		*(81.2)*	
Net Revenue	21,785.8	17.6%	22,976.7	5.5%	23,232.5	1.1%	27,161.2	16.9%	29,864.5	10.0%	32,872.8	10.1%

Revenue growth in Oregon and other states will face considerable downward pressure over the 10-year extended forecast horizon. As the baby boom population cohort works less and spends less, traditional state tax

instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen in the past.

Tax Law Assumptions

The revenue forecast is based on existing law, including measures and actions signed into law during the 2019 Oregon Legislative Session. OEA makes routine adjustments to the forecast to account for legislative and other actions not factored into the personal and corporate income tax models. These adjustments can include expected kicker refunds, when applicable, as well as any tax law changes not yet present in the historical data. A summary of actions taken during the 2019 Legislative Session can be found in Appendix B Table B.3. For a detailed treatment of the components of the 2019 Legislatively Enacted Budget, see:

LFO 2019-21 Budget Summary and LFO 2019-21 Special Session Budget Update

Although based on current law, many of the tax policies that impact the revenue forecast are not set in stone. In particular, sunset dates for many large tax credits have been scheduled. As credits are allowed to disappear, considerable support is lent to the revenue outlook in the outer years of the forecast. To the extent that tax credits are extended and not allowed to expire when their sunset dates arrive, the outlook for revenue growth will be reduced. The current forecast relies on estimates taken from the Oregon Department of Revenue's 2019-21 Tax Expenditure Report together with more timely updates produced by the Legislative Revenue Office.

General Fund Alternative Scenarios

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

Table R.2b shows the revenue implications of the two alternative economic scenarios described on page 13. If the recovery were to take a step back next year as called for in the pessimistic scenario, revenues in the 2021-23 biennium would be reduced by $1.5 billion. If the recovery gets up to speed quickly as called for in the optimistic scenario, revenues in the 2021-23 biennium would be increased by $576 million.

TABLE R2b — **May 2021**

Alternative Cyclical Revenue Forecast ($ millions)

	2017-19 BN		2019-21 BN		2021-23 BN		2023-25 BN		2025-27 BN	
Baseline Case	**FY '18**	**FY '19**	**FY '20**	**FY '21**	**FY '22**	**FY '23**	**FY '24**	**FY '25**	**FY '26**	**FY '27**
Personal Income										
Level	208.8	220.3	234.0	252.1	253.3	265.7	277.1	292.6	307.5	323.4
% change	*6.7%*	*5.5%*	*6.2%*	*7.7%*	*0.5%*	*4.9%*	*4.3%*	*5.6%*	*5.1%*	*5.1%*
Taxes										
Personal Income	8,872	9,909	8,458	11,031	9,763	10,905	11,851	12,410	12,918	13,538
Corporate Excise & Income	739	927	835	1,020	681	665	745	818	930	1,023
Other General Fund	633	706	639	1,108	682	708	707	727	749	772
Total General Fund	10,244	11,542	9,932	13,160	11,126	12,278	13,303	13,955	14,597	15,333
% change	*4.3%*	*12.7%*	*-13.9%*	*32.5%*	*-15.5%*	*10.4%*	*8.3%*	*4.9%*	*4.6%*	*5.0%*
Optimistic Case	**FY '18**	**FY '19**	**FY '20**	**FY '21**	**FY '22**	**FY '23**	**FY '24**	**FY '25**	**FY '26**	**FY '27**
Personal Income										
Level	208.8	221.4	235.4	254.3	256.5	268.7	281.4	298.7	315.7	333.8
% change	*6.7%*	*6.0%*	*6.3%*	*8.0%*	*0.9%*	*4.8%*	*4.7%*	*6.2%*	*5.7%*	*5.7%*
Taxes										
Personal Income	8,872	9,909	8,458	11,357	10,042	11,150	12,127	12,726	13,321	14,034
Deviation from baseline	*0*	*0*	*0*	*326*	*280*	*245*	*276*	*317*	*404*	*496*
Corporate Excise & Income	739	927	835	1,050	701	680	762	839	959	1,060
Deviation from baseline	*0*	*0*	*0*	*30*	*20*	*15*	*17*	*21*	*29*	*37*
Other General Fund	633	706	639	1,118	690	716	718	742	769	796
Total General Fund	10,244	11,542	9,932	13,526	11,434	12,546	13,607	14,308	15,050	15,891
% change	*4.3%*	*12.7%*	*-13.9%*	*36.2%*	*-15.5%*	*9.7%*	*8.5%*	*5.1%*	*5.2%*	*5.6%*
Deviation from baseline	*0*	*0*	*0*	*366*	*308*	*268*	*304*	*353*	*453*	*558*
Biennial Deviation		*0*		*366*		*576*		*657*		*1,011*
Pessimistic Case	**FY '18**	**FY '19**	**FY '20**	**FY '21**	**FY '22**	**FY '23**	**FY '24**	**FY '25**	**FY '26**	**FY '27**
Personal Income										
Level	208.8	219.1	231.7	244.4	241.2	250.2	258.1	274.5	289.7	304.3
% change	*6.7%*	*4.9%*	*5.7%*	*5.5%*	*-1.3%*	*3.7%*	*3.1%*	*6.4%*	*5.5%*	*5.0%*
Taxes										
Personal Income	8,872	9,909	8,458	10,477	9,151	10,159	10,955	11,587	12,115	12,686
Deviation from baseline	*0*	*0*	*0*	*-554*	*-612*	*-746*	*-896*	*-822*	*-803*	*-853*
Corporate Excise & Income	739	927	835	969	639	619	688	764	872	958
Deviation from baseline	*0*	*0*	*0*	*-51*	*-43*	*-45*	*-56*	*-54*	*-58*	*-64*
Other General Fund	633	706	639	1,074	649	667	659	682	706	726
Total General Fund	10,244	11,542	9,932	12,521	10,438	11,446	12,302	13,033	13,693	14,370
% change	*4.3%*	*12.7%*	*-13.9%*	*26.1%*	*-16.6%*	*9.6%*	*7.5%*	*5.9%*	*5.1%*	*4.9%*
Deviation from baseline	*0*	*0*	*0*	*-639*	*-687*	*-833*	*-1,001*	*-922*	*-904*	*-963*
Biennial Deviation		*0*		*-639*		*-1,520*		*-1,923*		*-1,866*

Corporate Activity Tax

HB 3427 (2019) created a new state revenue source by implementing a corporate activity tax (CAT) that went into effect January 2020. Projected

gross revenues equal $1.64 billion for 2019-21 and $2.29 billion in 2021-23, up modestly from the previous forecast. The revision is due to higher-than-anticipated collections for the fourth quarterly estimated payment, which was due on January 31st.

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

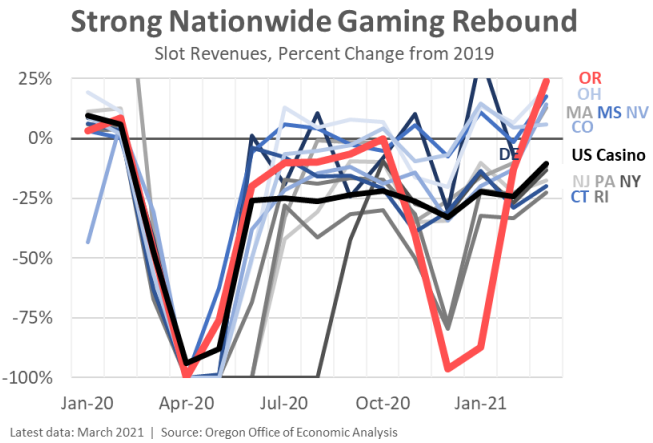
In terms the macroeconomic effects of a major new tax, the Office of Economic Analysis starts with the Legislative Revenue Office's (LRO) impact statement and any Oregon Tax Incidence Model (OTIM) results LRO found. At the top line, OTIM results find minimal macroeconomic impacts across Oregon due to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

Table B.12 in Appendix B has details on 10 year forecast and the allocation of resources, while the personal income tax reductions are built into the General Fund forecasts shown in Tables B.1 and B.2.

Lottery Earnings

Usually our office uses the economic outlook to inform the lottery sales forecast. During the pandemic the opposite is true. The strong rebound in video lottery sales when players are allowed to play is the best real-time indicator we have on consumer spending and whether consumers would be hesitant to resume previously restricted activities. We know households have strong finances today. And evidenced by the record-setting video lottery sales in recent months, the outlook for not just video lottery but the overall economy brightens. Pent-up demand is very real and expected to drive overall growth in the months ahead.

These patterns are seen across the country, although Oregon sales are outperforming many of the other markets our office tracks.



The upshot is lottery transfers are revised higher over the entire forecast horizon by roughly 2 percent. However the largest changes are seen to the upcoming 2021-23 biennium.

Specifically, lottery transfers in 2021-23 are raised $93.6 million (+6.0%) relative to the previous forecast. Total lottery transfers in 2021-23 are not 2.4% *above* pre-pandemic expectations. This is largely for two reasons.

First, the record-setting sales seen in recent weeks are not actually 2019-21 revenues. The transfer of revenues into the economic development fund (aka the Lottery Fund) will not occur until next quarter, which is in the 2021-23 biennium.

Second, the current forecast removes any and all hesitancy on the part of consumers, for obvious reasons. In keeping with the fundamental economic outlook which shows no permanent damage from the recession, the underlying video lottery sales forecast also shows no differences with pre-pandemic expectations. Clearly the path from a year ago to today required traversing two canyons of closures, but the long-run outlook remains intact.

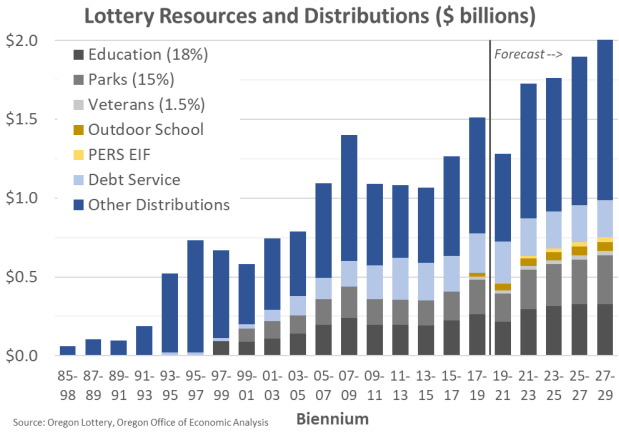
Risks to the outlook abound. To the upside, pent-up demand may last longer than anticipated. The baseline calls for sales to taper through the summer but builds in no real long-term boost to video. This forecast is based on the underlying forecast of personal income, which includes the large, temporary boosts from direct federal aid. As such, incomes slow in the months ahead, although they remain above pre-pandemic levels. To the extent the overall player base for Lottery has increased, or players have permanently adjusted their budgets, then sales may continue to come in above expectations.

To the downside, there is the possibility the pandemic worsens again, leading to more stringent public health policies, or fearful consumers. On a more modest scale, downside risks to the lottery outlook include consumers choosing to allocate their entertainment dollars elsewhere as the economy reopens. This could be on going out to eat with friends, on vacations, to sporting events, or even trips to gaming destinations like Las Vegas. The end result of any of these possibilities is that even as incomes and spending are rising, the amount spent on Oregon Lottery games may not rise as quickly.

Lottery Outlook and Distributions

Big picture issues to watch include broader national trends in gaming markets, demographic preferences for recreational activities, and to what extent consumers decrease the share of their incomes spent on gaming. Up until the past couple of years, consumers had remained cautious with their disposable income. Increases in spending on gaming had largely matched income growth.

Over the long run our office expects increased competition for household entertainment dollars, increased competition within the gaming industry, and potentially shifts in generational preferences and tastes when it comes to gaming. As such, our outlook for video lottery sales is continued growth, however at a rate that is slightly slower than overall personal income growth. Lottery sales will continue to increase as Oregon's population and economy grows, however video lottery sales will likely be a slightly smaller slice of the overall pie.

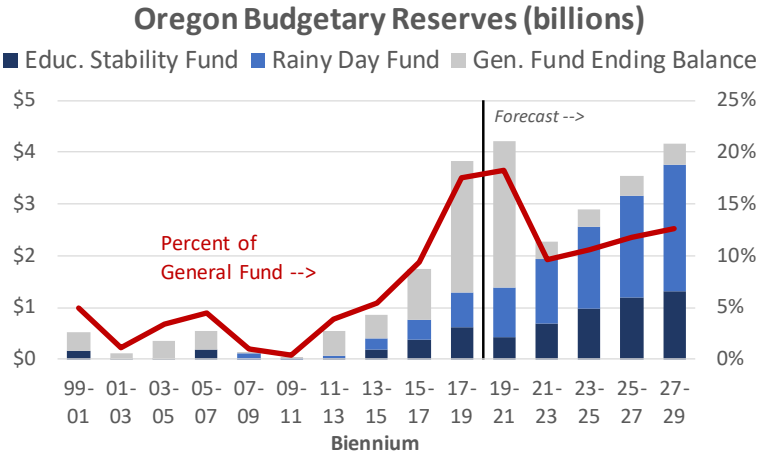


The full extended outlook for lottery earnings can be found in Table B.9 in Appendix B.

Budgetary Reserves

The state currently administers two general reserve accounts, the Oregon Rainy Day Fund[6] (ORDF) and the Education Stability Fund[7] (ESF). This section updates balances and recalculates the outlook for these funds based on the May revenue forecast.

As of this forecast the two reserve funds currently total a combined $1.3 billion. At the end of the current 2019-21 biennium, they will total $1.38 billion. As part of the budget rebalancing during the second special session of 2020, the Legislature passed HB 4303 which included a $400 million withdrawal from the Education Stability Fund. This withdrawal occurred in March 2021. Including the currently projected $2.82 billion ending balance in the General Fund, the total effective reserves at the end of the current 2019-21 biennium are projected to be $4.20 billion.



Source: Oregon Office of Economic Analysis

Effective Reserves ($ millions)

	Apr 2021	*End 2019-21*	*End 2021-23*
ESF	$415	$414	$682
RDF	$887	$962	$1,256
Reserves	$1,301	$1,377	$1,937
Ending Balance	$2,824	$2,824	$323
Total	**$4,126**	**$4,201**	**$2,260**
% of GF	17.9%	18.2%	9.7%

The forecast for the ORDF includes two deposits for this biennium relating to the General Fund ending balance from the previous biennium (2017-19). A deposit of $198.3 million was made in early 2020 after the accountants closed the books. Additionally a $74.7 million deposit relating to the increased corporate taxes from Measure 67 is expected at the end of the biennium in June 2021. This exact transfer amount is subject to some revision as corporate filings are processed, however the transfer itself will occur. At the end of 2019-21 the ORDF will total $962.2 million.

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

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

Looking ahead to the 2021-23 biennium, the ORDF is expected to receive two transfers as well. This includes a projected $226.4 million related to the General Fund ending balance from 2019-21, and $56.0 million related to the increase in corporate taxes. The ORDF is not projected to hit its cap until FY2029.

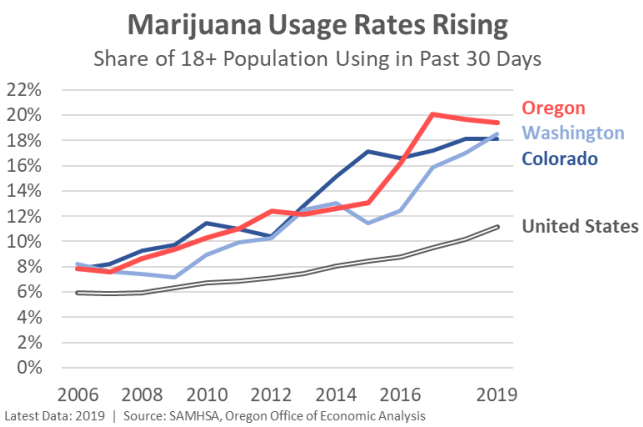
The ESF will not receive any more deposits in the current 2019-21 biennium. Looking forward, the ESF is projected to receive $267.5 million in deposits during the upcoming 2021-23 biennium based on the new, upwardly revised Lottery outlook. At the end of 2021-23 the ESF will stand at $681.9 million. The ESF is not projected to hit its cap until FY2027, when the deposits will then accrue to the Capital Matching Account.

Together, the ORDF and ESF are projected to have a combined balance of $1.38 billion at the close of the 2019-21 biennium, or 6.0 percent of current revenues. At the close of 2021-23 the combined balance will be $1.94 billion, or 8.3 percent of revenues. Such levels of reserve balances are larger than Oregon has been able to accumulate in past cycles.

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

Recreational Marijuana Tax Collections

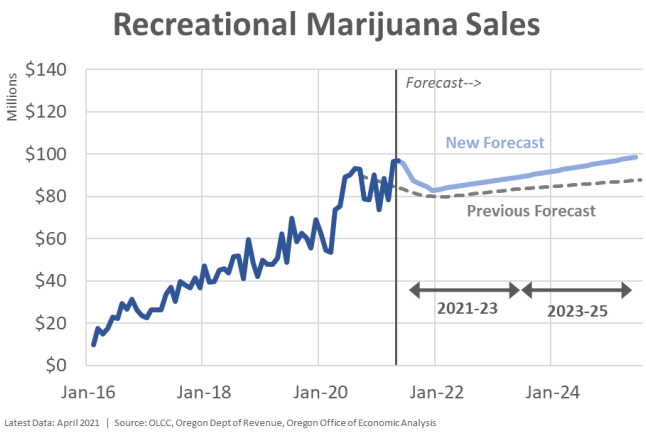
Over the winter, recreational marijuana sales closely tracked expectations. However, sales in recent months have strengthen further, setting new records, even as the outlook expected sales to taper somewhat as more entertainment options reopened and employees began to return to the office. It remains an open question just how much of the recent strength in sales is due to the recovery rebates issued in March boosting all types of consumer spending, versus broader increases in the demand for recreational marijuana.



Ultimately that is the key question mark for the outlook. Just how much will demand for recreational marijuana increase in the years ahead? According to recent surveys, the share of adults willing to admit to federal surveys that they use marijuana on a regular basis has stalled out at around 20 percent. This is an undercount given marijuana remains a Schedule I drug at the federal level. However to the extent it is indicative of marijuana usage reaching its saturation point, then that means sales growth with slow in the years ahead. Without an increase in the overall customer base, increased sales will need to come the existing consumers, or additional black or medical market conversions.

The new forecast makes a few changes to the outlook. First, near-term sales are expected to remain elevated due to the ongoing pandemic, strong household finances, and an economy with entertainment options that are not fully reopened. Second, sales are expected to taper in the fall as all of these temporary issues fade.

Third, the longer-run outlook is increased but maybe not for the reasons you may think. Previous forecasts called for relatively minimal growth in the years ahead as the recreational market matured. While that assumption fundamentally remains the same – the outlook does not build in any large increases in usage rates or increases in the customer base – growth is raised due to the underlying gains in the economy. Previous forecasts implicitly assumed some combination of sales declining as a share of income, and recreational prices would continue to decline.



The updated forecast includes longer-run growth rates that are more closely tied to our office's personal income outlook. As such the outlook includes a growing population and wage gains as key drivers of recreational marijuana sales in the years ahead.

The bottom line impact is available recreational marijuana revenues are increased. During the current 2019-21 biennium, resources are raised $2.4 million however larger gains are expected in the out years. 2021-23 resources are increased $20.9 million (+6.3%), while 2023-35 resources are raised $31.3 million (+9.0%).

See Table B.11 in Appendix B for a full breakdown of distributions for recreational marijuana tax collections. Note that these distributions are based on current law.

POPULATION AND DEMOGRAPHIC OUTLOOK

Population and Demographic Summary

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

In Historical context, Oregon's population growth between 2010 and 2020 censuses was the second lowest since the first census count in Oregon in 1850. The lowest growth rate was recorded between the 1980 and 1990 censuses, a decade characterized by a major recession. Oregon's population increased by 441 percent in a century. The gain of 406,182 persons in the last decade alone was nearly the same as the total population count of Oregon in the year 1900 when state's population was 403,536. Oregon's population growth of 10.6 percent in the last decade was 11th highest in the nation, excluding Washington D.C. Still, our growth rate for the decade lagged behind all our neighboring states, except California. The prior decade between 2000 and 2010, Oregon's population growth rate ranked 18th highest in the nation when Oregon was hit hard by the double recessions during the decade. As a result of such economic downturn during the Great Recession and sluggish recovery that followed, Oregon's population increased at a slow pace between 2000 and 2010 decade. However, Oregon's population was showing moderately strong growth as a consequence of state's strong economic recovery. The current COVID-19 pandemic has caused dire economic and employment situations and has caused slow population growth. The population growth is expected to rebound after 2021. Based on the current forecast, Oregon's population is expected to reach 4.531 million in the year 2029 with an annual rate of growth of 0.74 percent between 2020 and 2029. The projected population of 2029 is 80,700 less than our March 2020 forecast. The lower projection is due to the lingering COVID-19 effect resulting in higher deaths, lower births, and fewer net-migration, and 2020 Census count coming lower than expected based on the estimates by Population Research Center, Portland State University.

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain existing work force as well as attract job seekers from national and international labor market. As Oregon's total fertility rate remains well below the replacement level and number of deaths continue to rise due to aging population, long-term growth comes mainly from net in-migration. The COVID-19 pandemic has left noticeable impact on demographic processes. Due to the declining births and rising deaths, we were expecting natural increase (births minus deaths) to turn negative after the year 2025. However, as a COVID effect Oregon's natural increase has already turned negative. Even during this pandemic, Oregon has gained people through net-migration as the worker are able to work from home in many sectors. Working-age adults come to Oregon as long as we have favorable economic conditions and offers better quality of life. During the 1980s, which included a major recession and a net loss of population during the early years, net migration contributed to 22 percent of the population change. On the other extreme, net migration accounted for 76 percent of the population change during the booming economy of early 1990s. This share of migration to population change declined to 32 percent in 2010 as a result of economic recession, lowest since early 1980s when we actually had negative net migration for several years. As a sign of slow to modest economic gain and declining natural increase (births minus deaths), the ratio of net migration-to-population change has registered at 91 percent in 2020. As a result of sudden rise in the number of deaths and fall in the number of births due to the COVID-19

pandemic, the natural increase will turn negative beyond the year 2020 through 2029 and beyond. So, in the future, all of Oregon's population growth and more will come from the net migration due to the combination of continued positive net migration, well below replacement level fertility, and the rise in the number of deaths associated with the increase in the elderly population. Thus, migration will be solely responsible for Oregon's population growth.

Age structure and its change affect employment, state revenue, and expenditure as the demand for services varies by age groups. Demographics are the major budget drivers, which are modified by policy choices on service coverage and delivery. Births, deaths, and migration history of 100 years do impact the current age-sex structure. Growth in many age groups will show the effects of the baby-boom and their echo generations during the forecast period of 2020-2029. It will also reflect demographics impacted by the depression era birth cohort combined with changing migration of working age population and elderly retirees through history. After a period of relatively slow growth during the 1990s and early 2000s, the elderly population (65+) has picked up a faster pace of growth since 2005. This population group will maintain the high growth as the second half of the baby-boom generation continue to enter this age group combined with the attrition of small depression era cohort due to death. This age cohort, however, has hit the plateau of high growth rates exceeding 4 percent annually between 2011 and 2019. The group will experience continued high but diminishing rate of growth. The average annual growth of the elderly population will be 2.5 percent during the 2020-2029 forecast period. Different age groups among the elderly population show quite varied and fascinating growth trends. The youngest elderly (aged 65-74), which has been growing at an extremely fast pace in the recent past averaging 5 percent annually between 2010 and 2020 due to the direct impact of the baby-boom generation entering and smaller pre-baby boom cohort exiting this 65-74 age group. This fast paced growth rate will taper off to negative growth by the end of the forecast period as a sign of the end of the baby-boom generation transitioning to elderly age group. This high growth transitioning into a net loss of this youngest elderly population result in 0.8 percent annual average growth rate in the next nine years. The next older generation of population aged 75-84 has seen reversal of several years of slow growth and a period of shrinking years. The elderly aged 75-84 started to show a positive growth as the effect of depression era birth-cohort has dissipated. An unprecedented fast pace of growth of population in this age group has started as the baby-boom generation is starting to mature from the youngest elderly into this 75-84 age group. Annual growth rate during the forecast period of 2020-2029 is expected to be unusually high 5.3 percent. After a period of slow growth, the oldest elderly (aged 85+) will continue to grow at a strong rate but steadily gaining growth momentum due to the combination of cohort change, continued positive net migration, and improving longevity. The average annual rate of growth for this oldest elderly over the forecast horizon will be 3.3 percent. An unprecedented growth in oldest elderly will commence near the end of the forecast horizon as the fast growing 75-84 age group population transition into this oldest elderly age cohort. As a sign of massive demographic structural change of Oregon's population, starting in 2023 the number of elderly population will exceed the number of children under the age of 18. To illustrate the contrast, in 1980 elderly population numbered less than half of the number of children in Oregon.

The oldest working age population aged 45-64 also has seen the dramatic demographic impact as the baby-boom generation matures out of oldest working-age cohort which is replaced by smaller baby-bust cohort or Gen X. As the effect of this demographic transition combined with slowing net migration, the once fast-paced growth of population aged 45-64 has gradually tapered off to below zero percent rate of growth by 2012 and has remained and will remain at slow or below zero growth phase for several years. The size of this older working-age population will see only a small increase by the end of the forecast period. The younger working-

age population of 25-44 age group has recovered from several years of declining and slow growing trend. The decline was mainly due to the exiting baby-boom cohort. This age group has seen positive but slow growth starting in the year 2004 and has gained steam since 2013. This group will increase by 0.9 percent annual average rate during the forecast horizon mainly because of the exiting smaller birth (baby-bust) cohort being replaced by larger baby-boom echo cohort. The young adult population (aged 18-24) will remain nearly unchanged over the forecast period. Although the slow or stagnant growth of college-age population (age 18-24), in general, tend to ease the pressure on public spending on higher education, but college enrollment typically goes up during the time of very competitive job market, high unemployment, and scarcity of well-paying jobs when even the older people flock back to colleges to better position themselves in a tough job market. The growth in K-12 population (aged 5-17) has been very slow or negative in the past and is expected to decline through the forecast years. This will translate into slow growth or even decline in the school enrollments. On average for the forecast period, this school-age population will actually decline by -0.7 percent annually. The growth rate for children under the age of five has remained near or below zero percent in the recent past and will continue to decline due to the sharp decline in the number of births. Although the number of children under the age of five declined in the recent years, the demand for child care services and pre-Kindergarten program will be additionally determined by the labor force participation and poverty rates of the parents.

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

Procedure and Assumptions

Population forecasts by age and sex are developed using the cohort-component projection procedure. The population by single year of age and sex is projected based on the specific assumptions of vital events and migrations. Oregon's estimated population of July 1, 2020 based on the most recent decennial census is the base for the forecast. To explain the cohort-component projection procedure very briefly, the forecasting model "survives" the initial population distribution by age and sex to the next age-sex category in the following year, and then applies age-sex-specific birth and migration rates to the mid-period population. Further iterations subject the in-and-out migrants to the same mortality and fertility rates.

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

of the years from 2011 through 2020. The numbers of births and deaths through 2020 are from Oregon's Center for Health Statistics. All other numbers and age-sex detail are generated by OEA.

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

Life Table survival rates are developed for the year 2010 and a new life table for 2020 will be developed when all necessary data becomes available. Male and female life expectancies for the 2010-2029 period are projected based on the past three decades of trends and national projected life expectancies. Gradual improvements in life expectancies are expected over the forecast period. At the same time, the difference between the male and female life expectancies will continue to shrink. The male life expectancy at births of 77.4 and the female life expectancy of 81.8 in 2010 are projected to improve to 79.4 years for males and 83.5 years for females by the year 2029. Life expectancy at birth declined during the current pandemic. However, it is expected to recover after 2021.

Estimates and forecasts of the number of net migrations are based on the residuals from the difference between population change and natural increase (births minus deaths) in a given forecast period. The migration forecasting model uses Oregon's employment, unemployment rates, income/wage data from Oregon and neighboring states, and past trends. Distribution of migrants by age and sex is based on detailed data from the American Community Survey. In the recent past, slowdown in Oregon's economy resulted in smaller net migration and slow population growth. Estimated population growth and net migration rates in 2010 and 2011 were the lowest in over two decades. Migration is intrinsically related to economy and employment situation of the state. Still, high unemployment and job loss in the recent past have impacted net migration and population growth, but not to the extent in the early 1980s. Main reason for this is the fact that other states of potential destination for Oregon out-migrants were not faring any better either, limiting the potential destination choices. The role of net migration in Oregon's population growth will get more prominence as the natural increase has begun to turn negative. The increasing excess of deaths over births will continue due to the rapid increase in the number of deaths associated with the aging population and decline in the number of births largely due to the decline in fertility rate associated with life-style choices. Such a trend was expected, but the COVID-19 has hastened the process. The annual net migration is expected to be low in the short run due to the COVID-19 effect. However, the migration is expected to recover after 2021. Between 2020 and 2029 net migration is expected to be in the range of 16,866 to 38723, averaging 33,450 persons annually.

APPENDIX A: ECONOMIC FORECAST DETAIL

Table A.1 – Employment Forecast Tracking

Total Nonfarm Employment, 1st quarter 2021

(Employment in thousands, Annualized Percent Change)

	Preliminary Estimate		Forecast		Forecast Error		Y/Y Change
	level	% ch	level	% ch	level	%	% ch
Total Nonfarm	1,819.5	1.3	1,787.6	(3.6)	31.9	1.8	(7.3)
Total Private	1,545.0	1.6	1,506.3	(4.9)	38.7	2.6	(7.1)
Mining and Logging	6.7	5.6	6.7	12.5	0.0	0.4	0.2
Construction	109.8	2.9	108.3	(2.2)	1.5	1.4	(1.8)
Manufacturing	184.1	2.7	184.5	3.6	(0.4)	(0.2)	(5.5)
Durable Goods	126.2	0.9	127.5	3.4	(1.3)	(1.0)	(6.4)
Wood Product	22.0	(0.5)	22.4	8.8	(0.5)	(2.0)	(3.2)
Metals and Machinery	34.9	(3.3)	36.0	5.8	(1.1)	(3.0)	(10.9)
Computer and Electronic Product	37.8	5.6	37.5	(0.3)	0.3	0.8	(2.2)
Transportation Equipment	10.7	0.3	10.3	(0.0)	0.4	3.4	(11.4)
Other Durable Goods	20.8	1.6	21.2	2.5	(0.4)	(2.0)	(6.7)
Nondurable Goods	58.0	6.7	57.0	3.9	1.0	1.7	(3.4)
Food	29.2	14.8	28.3	11.3	0.8	2.9	0.6
Other Nondurable Goods	28.8	(0.7)	28.7	(2.8)	0.1	0.5	(7.0)
Trade, Transportation & Utilities	360.3	4.7	353.8	(2.6)	6.5	1.8	(0.2)
Retail Trade	206.7	3.3	202.8	(3.6)	3.9	1.9	(1.8)
Wholesale Trade	74.8	4.1	73.3	(2.8)	1.5	2.1	(2.7)
Transportation, Warehousing & Utilities	78.8	8.9	77.7	0.5	1.1	1.4	7.1
Information	33.2	2.0	32.4	0.0	0.8	2.5	(5.0)
Financial Activities	101.6	3.7	100.6	0.4	1.0	1.0	(3.2)
Professional & Business Services	244.0	3.7	240.8	(3.7)	3.2	1.3	(4.5)
Educational & Health Services	296.7	1.2	284.3	(2.5)	12.5	4.4	(5.6)
Educational Services	32.2	9.9	30.5	6.9	1.8	5.8	(11.5)
Health Services	264.5	0.2	253.8	(3.6)	10.7	4.2	(4.8)
Leisure and Hospitality	150.2	(11.5)	139.5	(29.5)	10.6	7.6	(29.9)
Other Services	58.3	3.5	55.4	(9.6)	2.9	5.2	(10.3)
Government	274.5	(0.4)	281.3	4.3	(6.8)	(2.4)	(8.4)
Federal	28.6	(6.5)	27.7	(12.5)	0.9	3.1	(0.2)
State	42.6	11.3	40.8	0.1	1.8	4.5	2.6
State Education	0.9	(1.1)	0.9	3.9	(0.0)	(1.1)	0.6
Local	203.3	(1.8)	212.8	7.6	(9.5)	(4.5)	(11.4)
Local Education	113.5	0.9	120.8	14.3	(7.4)	(6.1)	(14.7)

Table A.2 – Short-Term Oregon Economic Summary

Oregon Forecast Summary

	Quarterly					Annual					
	2021:1	2021:2	2021:3	2021:4	2022:1	2019	2020	2021	2022	2023	2024
Personal Income ($ billions)											
Nominal Personal Income	276.4	252.3	250.6	250.5	254.3	224.3	240.8	257.4	259.3	272.0	285.7
% change	85.2	(30.6)	(2.6)	(0.1)	6.1	4.2	7.3	6.9	0.7	4.9	5.0
Real Personal Income (base year=2012)	245.1	222.7	220.3	219.4	221.8	204.2	216.6	226.8	225.0	231.8	238.6
% change	79.2	(31.8)	(4.3)	(1.7)	4.6	2.6	6.1	4.7	(0.8)	3.0	2.9
Nominal Wages and Salaries	120.9	121.5	124.0	125.9	127.4	112.5	113.1	123.1	130.0	137.4	144.8
% change	23.5	1.8	8.8	6.0	4.8	5.0	0.5	8.8	5.6	5.7	5.4
Other Indicators											
Per Capita Income ($1,000)	65.1	59.3	58.8	58.7	59.5	53.3	56.8	60.5	60.5	63.0	65.6
% change	85.2	(30.9)	(3.1)	(0.7)	5.3	3.2	6.6	6.5	0.1	4.1	4.2
Average Wage rate ($1,000)	66.0	65.3	65.1	65.3	65.5	57.2	61.6	65.4	66.3	68.4	70.9
% change	22.0	(4.6)	(1.1)	1.6	1.0	3.6	7.7	6.3	1.3	3.2	3.6
Population (Millions)	4.2	4.3	4.3	4.3	4.3	4.21	4.24	4.26	4.29	4.32	4.35
% change	0.0	0.5	0.5	0.6	0.8	0.9	0.7	0.4	0.7	0.8	0.8
Housing Starts (Thousands)	18.6	18.4	18.6	18.8	18.9	20.7	18.2	18.1	19.0	20.8	22.0
% change	33.9	(4.7)	4.5	4.6	1.5	5.9	(12.3)	(0.4)	5.1	9.4	6.0
Unemployment Rate	6.1	5.9	6.2	5.9	5.6	3.7	7.6	6.0	5.4	4.6	4.1
Point Change	(0.5)	(0.2)	0.3	(0.3)	(0.3)	(0.3)	3.9	(1.6)	(0.7)	(0.8)	(0.5)
Employment (Thousands)											
Total Nonfarm	1,819.5	1,848.7	1,893.4	1,913.8	1,931.8	1,954.3	1,826.8	1,868.7	1,948.7	1,994.8	2,030.8
% change	1.3	6.6	10.0	4.4	3.8	1.6	(6.5)	2.3	4.3	2.4	1.8
Private Nonfarm	1,545.0	1,570.4	1,600.9	1,616.3	1,633.7	1,655.9	1,542.1	1,583.0	1,649.0	1,689.4	1,718.5
% change	1.6	6.7	8.0	3.9	4.4	1.7	(6.9)	2.7	4.2	2.4	1.7
Construction	109.8	110.7	110.7	110.6	110.6	109.6	108.0	110.3	110.8	110.5	110.7
% change	2.9	3.4	0.0	(0.3)	(0.1)	3.9	(1.4)	2.2	0.4	(0.2)	0.2
Manufacturing	184.1	185.2	187.0	188.7	189.8	198.1	185.4	186.2	190.8	193.2	194.3
% change	2.7	2.3	4.0	3.6	2.4	1.5	(6.4)	0.4	2.5	1.2	0.6
Durable Manufacturing	126.2	126.6	127.8	128.8	129.3	137.1	128.4	127.3	129.7	130.7	131.4
% change	0.9	1.4	3.8	3.1	1.7	1.1	(6.4)	(0.8)	1.8	0.8	0.5
Wood Product Manufacturing	22.0	22.4	22.8	23.2	23.1	23.2	22.0	22.6	23.1	23.1	23.3
% change	(0.5)	8.6	6.9	6.8	(0.9)	(1.4)	(5.4)	2.8	2.3	(0.1)	0.9
High Tech Manufacturing	37.8	37.8	37.9	38.0	38.2	38.6	37.9	37.9	38.2	38.4	38.2
% change	5.6	0.1	0.7	0.9	2.6	1.8	(1.8)	(0.2)	0.9	0.4	(0.4)
Transportation Equipment	10.7	10.5	10.8	11.0	11.2	12.6	10.9	10.7	11.3	11.5	11.6
% change	0.3	(8.3)	11.5	10.4	6.2	3.8	(13.3)	(1.7)	5.0	1.8	1.2
Nondurable Manufacturing	58.0	58.6	59.2	59.9	60.5	61.1	57.1	58.9	61.2	62.5	62.9
% change	6.7	4.2	4.5	4.6	3.9	2.4	(6.6)	3.2	3.8	2.1	0.6
Private nonmanufacturing	1,360.8	1,385.2	1,413.9	1,427.6	1,443.9	1,457.7	1,356.7	1,396.8	1,458.2	1,496.2	1,524.2
% change	1.5	7.4	8.6	3.9	4.6	1.7	(6.9)	3.0	4.4	2.6	1.9
Retail Trade	206.7	207.3	207.9	208.3	208.8	210.0	200.6	207.6	209.4	209.7	209.1
% change	3.3	1.2	1.1	0.9	0.9	(0.6)	(4.5)	3.5	0.9	0.1	(0.2)
Wholesale Trade	74.8	75.2	75.6	75.9	76.1	76.6	74.2	75.4	76.9	78.2	78.4
% change	4.1	2.1	1.9	1.7	1.2	1.2	(3.1)	1.5	2.0	1.8	0.2
Information	33.2	33.5	34.0	34.5	34.9	35.1	33.2	33.8	35.2	35.6	35.8
% change	2.0	3.3	6.2	6.0	5.1	2.2	(5.5)	1.9	4.2	1.1	0.4
Professional and Business Services	244.0	249.1	255.5	256.7	258.4	254.7	242.4	251.3	261.9	278.1	293.1
% change	3.7	8.6	10.7	1.9	2.6	2.0	(4.8)	3.7	4.2	6.2	5.4
Health Services	264.5	269.0	272.8	275.4	277.7	275.5	264.4	270.4	281.3	288.7	294.0
% change	0.2	7.0	5.8	3.9	3.4	2.4	(4.0)	2.3	4.0	2.6	1.8
Leisure and Hospitality	150.2	160.6	172.1	179.3	189.3	213.9	161.6	165.5	193.2	202.3	207.2
% change	(11.5)	30.9	31.9	17.7	24.2	1.2	(24.5)	2.4	16.7	4.7	2.4
Government	274.5	278.3	292.5	297.5	298.1	298.4	284.6	285.7	299.7	305.4	312.3
% change	(0.4)	5.6	22.0	7.0	0.9	1.2	(4.6)	0.4	4.9	1.9	2.2

Table A.3 – Oregon Economic Forecast Change

Oregon Forecast Change (Current vs. Last)

	Quarterly					Annual					
	2021:1	**2021:2**	**2021:3**	**2021:4**	**2022:1**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
					Personal Income ($ billions)						
Nominal Personal Income	276.4	252.3	250.6	250.5	254.3	224.3	240.8	257.4	259.3	272.0	285.7
% change	4.1	3.4	3.6	3.5	3.4	0.0	(0.5)	3.6	3.7	3.4	3.4
Real Personal Income (base year=2012)	245.1	222.7	220.3	219.4	221.8	204.2	216.6	226.8	225.0	231.8	238.6
% change	3.5	2.8	3.1	3.1	3.3	0.0	(0.5)	3.1	3.7	3.5	3.4
Nominal Wages and Salaries	120.9	121.5	124.0	125.9	127.4	112.5	113.1	123.1	130.0	137.4	144.8
% change	2.7	2.9	4.0	4.2	4.1	0.0	(1.1)	3.5	4.4	3.9	3.0
					Other Indicators						
Per Capita Income ($1,000)	65.1	59.3	58.8	58.7	59.5	53.3	56.8	60.5	60.5	63.0	65.6
% change	4.8	4.1	4.3	4.2	4.1	0.6	0.1	4.3	4.4	4.1	4.1
Average Wage rate ($1,000)	66.0	65.3	65.1	65.3	65.5	57.2	61.6	65.4	66.3	68.4	70.9
% change	1.0	1.9	2.8	3.0	2.9	(0.6)	(1.7)	2.2	3.3	3.3	2.8
Population (Millions)	4.25	4.25	4.26	4.3	4.3	4.21	4.24	4.26	4.29	4.32	4.35
% change	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)
Housing Starts (Thousands)	18.6	18.4	18.6	18.8	18.9	20.7	18.2	18.1	19.0	20.8	22.0
% change	6.1	4.2	3.6	3.9	3.0	(0.0)	0.3	1.5	2.8	2.1	2.9
Unemployment Rate	6.1	5.9	6.2	5.9	5.6	3.7	7.6	6.0	5.4	4.6	4.1
Point Change	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.1)	(0.0)	0.0	0.0
					Employment (Thousands)						
Total Nonfarm	1,819.5	1,848.7	1,893.4	1,913.8	1,931.8	1,954.3	1,826.8	1,868.7	1,948.7	1,994.8	2,030.8
% change	1.8	1.0	1.2	1.2	1.2	0.6	0.5	1.3	1.1	0.6	0.1
Private Nonfarm	1,545.0	1,570.4	1,600.9	1,616.3	1,633.7	1,655.9	1,542.1	1,583.0	1,649.0	1,689.4	1,718.5
% change	2.6	1.5	1.4	1.4	1.4	0.7	0.7	1.7	1.2	0.6	0.0
Construction	109.8	110.7	110.7	110.6	110.6	109.6	108.0	110.3	110.8	110.5	110.7
% change	1.4	0.9	1.6	0.7	1.4	0.2	(0.1)	1.0	1.1	0.3	0.1
Manufacturing	184.1	185.2	187.0	188.7	189.8	198.1	185.4	186.2	190.8	193.2	194.3
% change	(0.2)	(0.2)	0.4	0.6	0.6	0.1	0.0	0.1	0.4	0.3	0.3
Durable Manufacturing	126.2	126.6	127.8	128.8	129.3	137.1	128.4	127.3	129.7	130.7	131.4
% change	(1.0)	(1.0)	(0.1)	0.3	0.2	0.0	(0.1)	(0.5)	(0.0)	(0.4)	(0.7)
Wood Product Manufacturing	22.0	22.4	22.8	23.2	23.1	23.2	22.0	22.6	23.1	23.1	23.3
% change	(2.0)	(0.9)	0.5	2.4	2.1	0.0	0.1	(0.0)	2.2	1.4	0.9
High Tech Manufacturing	37.8	37.8	37.9	38.0	38.2	38.6	37.9	37.9	38.2	38.4	38.2
% change	0.8	0.9	1.4	1.6	1.3	0.0	(0.1)	1.2	0.5	(1.0)	(1.5)
Transportation Equipment	10.7	10.5	10.8	11.0	11.2	12.6	10.9	10.7	11.3	11.5	11.6
% change	3.4	(1.2)	0.2	(1.4)	(2.0)	0.1	1.2	0.2	(1.5)	0.8	(0.5)
Nondurable Manufacturing	58.0	58.6	59.2	59.9	60.5	61.1	57.1	58.9	61.2	62.5	62.9
% change	1.7	1.4	1.4	1.4	1.4	0.2	0.2	1.4	1.5	1.9	2.4
Private nonmanufacturing	1,360.8	1,385.2	1,413.9	1,427.6	1,443.9	1,457.7	1,356.7	1,396.8	1,458.2	1,496.2	1,524.2
% change	3.0	1.8	1.6	1.4	1.5	0.8	0.8	1.9	1.4	0.7	(0.0)
Retail Trade	206.7	207.3	207.9	208.3	208.8	210.0	200.6	207.6	209.4	209.7	209.1
% change	1.9	1.9	1.8	1.7	1.4	0.1	(0.0)	1.8	1.0	(0.2)	(0.7)
Wholesale Trade	74.8	75.2	75.6	75.9	76.1	76.6	74.2	75.4	76.9	78.2	78.4
% change	2.1	1.6	(0.2)	(0.3)	(0.7)	0.0	(0.2)	0.8	(1.1)	(2.4)	(3.3)
Information	33.2	33.5	34.0	34.5	34.9	35.1	33.2	33.8	35.2	35.6	35.8
% change	2.5	1.8	1.8	1.7	1.2	0.5	0.6	1.9	1.2	1.2	1.2
Professional and Business Services	244.0	249.1	255.5	256.7	258.4	254.7	242.4	251.3	261.9	278.1	293.1
% change	1.3	1.3	0.2	0.3	0.5	0.1	(0.1)	0.8	0.5	0.5	(1.2)
Health Services	264.5	269.0	272.8	275.4	277.7	275.5	264.4	270.4	281.3	288.7	294.0
% change	4.2	4.2	4.2	4.2	4.4	4.0	4.0	4.2	4.4	3.2	2.5
Leisure and Hospitality	150.2	160.6	172.1	179.3	189.3	213.9	161.6	165.5	193.2	202.3	207.2
% change	7.6	(0.1)	1.0	(0.1)	(0.0)	(0.0)	0.2	1.8	(0.2)	(0.5)	(0.8)
Government	274.5	278.3	292.5	297.5	298.1	298.4	284.6	285.7	299.7	305.4	312.3
% change	(2.4)	(1.8)	(0.1)	0.3	0.4	(0.1)	(0.2)	(1.0)	0.4	0.6	0.7

Table A.4 – Annual Economic Forecast

May 2021 - Personal Income

(Billions of Current Dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Personal Income*												
Oregon	224.3	240.8	257.4	259.3	272.0	285.7	299.9	315.4	331.6	348.8	366.9	385.3
% Ch	4.2	7.3	6.9	0.7	4.9	5.0	5.0	5.1	5.1	5.2	5.2	5.0
U.S.	18,551.5	19,691.0	20,796.9	20,943.9	21,804.0	22,853.2	23,995.3	25,181.4	26,432.1	27,759.6	29,131.8	30,557.3
% Ch	3.9	6.1	5.6	0.7	4.1	4.8	5.0	4.9	5.0	5.0	4.9	4.9
Wage and Salary												
Oregon	112.5	113.1	123.1	130.0	137.4	144.8	152.1	159.8	167.7	176.1	184.6	193.4
% Ch	5.0	0.5	8.8	5.6	5.7	5.4	5.1	5.0	5.0	5.0	4.9	4.7
U.S.	9,309.3	9,331.1	10,005.4	10,529.8	11,027.2	11,566.7	12,146.4	12,745.3	13,361.5	14,004.5	14,669.4	15,365.4
% Ch	4.7	0.2	7.2	5.2	4.7	4.9	5.0	4.9	4.8	4.8	4.7	4.7
Other Labor Income												
Oregon	27.2	27.2	29.7	31.3	33.2	35.2	37.3	39.4	41.6	43.8	46.2	48.6
% Ch	3.7	0.1	8.9	5.4	6.1	6.2	5.8	5.8	5.5	5.4	5.4	5.3
U.S.	1,474.0	1,457.0	1,548.5	1,626.2	1,703.0	1,786.4	1,875.9	1,968.4	2,063.6	2,162.9	2,265.5	2,373.0
% Ch	3.0	(1.2)	6.3	5.0	4.7	4.9	5.0	4.9	4.8	4.8	4.7	4.7
Nonfarm Proprietor's Income												
Oregon	19.5	19.7	20.9	23.3	24.9	26.2	27.6	29.1	30.6	32.0	33.4	34.8
% Ch	4.5	1.4	5.8	11.5	6.8	5.3	5.4	5.4	5.0	4.6	4.5	4.2
U.S.	1,608.0	1,630.5	1,690.8	1,797.0	1,899.1	2,015.4	2,136.4	2,241.4	2,343.7	2,438.8	2,524.1	2,618.5
% Ch	4.2	1.4	3.7	6.3	5.7	6.1	6.0	4.9	4.6	4.1	3.5	3.7
Dividend, Interest and Rent												
Oregon	47.2	46.8	48.0	50.7	52.7	54.5	56.3	58.6	61.3	64.4	67.9	71.5
% Ch	1.4	(0.8)	2.4	5.7	4.0	3.3	3.3	4.1	4.7	5.1	5.4	5.3
U.S.	3,755.0	3,714.6	3,804.8	4,018.2	4,173.1	4,326.2	4,493.2	4,687.5	4,913.6	5,176.2	5,466.0	5,766.6
% Ch	1.3	(1.1)	2.4	5.6	3.9	3.7	3.9	4.3	4.8	5.3	5.6	5.5
Transfer Payments												
Oregon	42.4	58.3	62.3	52.0	53.4	56.2	59.5	63.1	66.8	70.8	75.0	79.1
% Ch	5.6	37.3	6.9	(16.5)	2.6	5.2	5.9	5.9	5.9	6.0	5.9	5.5
U.S.	3,078.0	4,221.6	4,474.3	3,748.5	3,805.0	3,994.9	4,223.2	4,464.6	4,720.8	4,995.2	5,274.0	5,553.1
% Ch	5.3	37.2	6.0	(16.2)	1.5	5.0	5.7	5.7	5.7	5.8	5.6	5.3
Contributions for Social Security												
Oregon	19.6	20.0	21.5	22.5	23.9	25.3	26.6	28.0	29.4	30.9	32.5	34.1
% Ch	5.3	1.9	7.4	4.9	6.0	6.0	5.3	5.1	5.2	5.1	5.1	5.0
U.S.	769.7	775.5	842.2	876.5	911.9	953.5	999.4	1,047.1	1,096.5	1,148.2	1,201.8	1,258.0
% Ch	4.7	0.8	8.6	4.1	4.0	4.6	4.8	4.8	4.7	4.7	4.7	4.7
Residence Adjustment												
Oregon	(5.3)	(5.3)	(5.7)	(6.0)	(6.3)	(6.6)	(6.9)	(7.2)	(7.6)	(7.9)	(8.3)	(8.6)
% Ch	3.6	(0.9)	8.2	4.7	5.1	5.1	4.8	4.6	4.6	4.6	4.5	4.5
Farm Proprietor's Income												
Oregon	0.5	0.8	0.7	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6
% Ch	38.8	84.4	(17.1)	(24.8)	4.1	6.3	(0.0)	(3.5)	0.5	0.6	0.8	1.1
Per Capita Income (Thousands of $)												
Oregon	53.3	56.8	60.5	60.5	63.0	65.6	68.3	71.3	74.3	77.6	81.0	84.4
% Ch	3.2	6.6	6.5	0.1	4.1	4.2	4.1	4.3	4.3	4.4	4.4	4.2
U.S.	56.5	59.8	63.0	63.2	65.5	68.3	71.3	74.4	77.6	81.1	84.7	88.3
% Ch	3.5	5.8	5.4	0.3	3.6	4.3	4.4	4.4	4.4	4.4	4.4	4.3

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

May 2021 - Employment By Industry
(Oregon - Thousands, U.S. - Millions)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Nonfarm												
Oregon	1,954.3	1,826.8	1,868.7	1,948.7	1,994.8	2,030.8	2,053.9	2,073.5	2,092.0	2,109.6	2,125.2	2,139.2
% Ch	1.6	(6.5)	2.3	4.3	2.4	1.8	1.1	1.0	0.9	0.8	0.7	0.7
U.S.	150.9	142.3	146.7	151.3	153.5	155.0	156.3	157.1	157.8	158.4	159.1	159.8
% Ch	1.3	(5.7)	3.1	3.1	1.5	1.0	0.8	0.6	0.4	0.4	0.4	0.5
Private Nonfarm												
Oregon	1,655.9	1,542.1	1,583.0	1,649.0	1,689.4	1,718.5	1,735.6	1,750.2	1,764.4	1,778.5	1,790.7	1,800.7
% Ch	1.7	(6.9)	2.7	4.2	2.4	1.7	1.0	0.8	0.8	0.8	0.7	0.6
U.S.	128.3	120.3	124.8	128.8	130.7	132.1	133.1	133.9	134.4	134.9	135.5	136.0
% Ch	1.5	(6.2)	3.7	3.2	1.5	1.0	0.8	0.6	0.4	0.4	0.4	0.4
Mining and Logging												
Oregon	6.9	6.6	6.8	6.9	6.9	7.0	7.2	7.2	7.3	7.3	7.3	7.3
% Ch	(4.4)	(4.8)	3.5	0.9	0.0	2.2	2.0	1.2	0.7	0.2	0.2	0.2
U.S.	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
% Ch	0.0	(14.7)	0.1	4.5	0.8	0.9	1.5	1.8	2.0	2.3	2.5	1.6
Construction												
Oregon	109.6	108.0	110.3	110.8	110.5	110.7	111.2	111.6	112.1	112.5	113.0	113.4
% Ch	3.9	(1.4)	2.2	0.4	(0.2)	0.2	0.4	0.4	0.4	0.4	0.4	0.4
U.S.	7.5	7.3	7.4	7.5	7.4	7.4	7.5	7.5	7.6	7.7	7.8	7.9
% Ch	2.8	(2.9)	2.3	0.5	(0.6)	(0.3)	0.6	0.6	0.8	1.2	1.6	1.8
Manufacturing												
Oregon	198.1	185.4	186.2	190.8	193.2	194.3	194.6	195.6	196.5	197.3	197.8	198.0
% Ch	1.5	(6.4)	0.4	2.5	1.2	0.6	0.2	0.5	0.5	0.4	0.3	0.1
U.S.	12.8	12.2	12.4	12.5	12.5	12.4	12.3	12.3	12.3	12.3	12.2	12.2
% Ch	1.0	(4.9)	1.7	1.1	(0.4)	(0.7)	(0.7)	0.1	(0.2)	(0.2)	(0.2)	(0.4)
Durable Manufacturing												
Oregon	137.1	128.4	127.3	129.7	130.7	131.4	131.7	132.1	132.5	132.8	132.8	132.7
% Ch	1.1	(6.4)	(0.8)	1.8	0.8	0.5	0.2	0.3	0.3	0.2	(0.0)	(0.1)
U.S.	8.0	7.6	7.7	7.8	7.8	7.7	7.6	7.6	7.6	7.6	7.6	7.5
% Ch	1.2	(5.7)	1.7	1.6	(0.5)	(1.0)	(1.0)	0.1	(0.2)	(0.3)	(0.3)	(0.5)
Wood Products												
Oregon	23.2	22.0	22.6	23.1	23.1	23.3	23.4	23.5	23.7	23.9	24.1	24.1
% Ch	(1.4)	(5.4)	2.8	2.3	(0.1)	0.9	0.4	0.3	1.0	0.9	0.7	0.1
U.S.	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
% Ch	0.7	(3.3)	5.5	0.9	(8.3)	(1.5)	1.3	(2.0)	(2.2)	0.1	2.2	2.1
Metal and Machinery												
Oregon	40.2	36.6	35.5	36.2	36.5	36.7	37.0	37.3	37.5	37.7	37.7	37.7
% Ch	2.2	(8.9)	(3.2)	2.0	0.7	0.8	0.6	0.9	0.6	0.4	(0.0)	(0.0)
U.S.	3.0	2.8	2.8	2.9	2.9	2.9	2.9	2.9	3.0	3.0	2.9	2.9
% Ch	1.1	(6.3)	1.0	3.6	0.1	(0.6)	(0.5)	1.1	0.4	(0.1)	(0.1)	(0.4)
Computer and Electronic Products												
Oregon	38.6	37.9	37.9	38.2	38.4	38.2	37.9	37.8	37.7	37.5	37.5	37.4
% Ch	1.8	(1.8)	(0.2)	0.9	0.4	(0.4)	(0.7)	(0.4)	(0.3)	(0.3)	(0.2)	(0.2)
U.S.	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
% Ch	2.0	(0.3)	1.1	1.2	0.5	0.7	0.4	(0.1)	(0.4)	(1.0)	(1.1)	(1.0)
Transportation Equipment												
Oregon	12.6	10.9	10.7	11.3	11.5	11.6	11.7	11.9	12.0	11.9	11.8	11.7
% Ch	3.8	(13.3)	(1.7)	5.0	1.8	1.2	0.7	1.9	0.4	(0.5)	(1.3)	(0.8)
U.S.	1.7	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.5	1.4	1.4	1.4
% Ch	1.6	(8.6)	2.7	(0.5)	(0.3)	(2.8)	(2.7)	(1.6)	(1.8)	(1.4)	(1.7)	(1.7)
Other Durables												
Oregon	22.4	20.9	20.7	20.9	21.3	21.6	21.7	21.6	21.7	21.8	21.8	21.9
% Ch	(0.7)	(6.8)	(1.1)	1.1	2.1	1.0	0.5	(0.3)	0.4	0.4	0.3	0.3
U.S.	2.2	2.1	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
% Ch	0.6	(5.2)	2.1	0.8	(2.1)	(1.3)	(1.0)	0.1	0.1	0.5	0.9	0.6
Nondurable Manufacturing												
Oregon	61.1	57.1	58.9	61.2	62.5	62.9	63.0	63.5	64.0	64.5	65.0	65.3
% Ch	2.4	(6.6)	3.2	3.8	2.1	0.6	0.2	0.9	0.7	0.8	0.8	0.4
U.S.	4.8	4.6	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
% Ch	0.8	(3.7)	1.8	0.3	(0.3)	(0.2)	(0.2)	0.1	(0.0)	(0.0)	0.0	(0.3)
Food Manufacturing												
Oregon	29.9	28.0	29.5	30.0	30.3	30.5	30.7	30.8	31.0	31.1	31.3	31.4
% Ch	0.1	(6.4)	5.5	1.6	1.1	0.6	0.4	0.5	0.5	0.4	0.6	0.5
U.S.	1.6	1.6	1.6	1.6	1.6	1.7	1.7	1.7	1.8	1.8	1.8	1.8
% Ch	1.5	(1.6)	0.9	(0.8)	2.0	1.9	1.7	2.0	1.7	1.5	1.4	1.0
Other Nondurable												
Oregon	31.2	29.1	29.4	31.2	32.1	32.3	32.3	32.7	33.0	33.4	33.7	33.8
% Ch	4.7	(6.7)	1.0	6.0	3.1	0.7	(0.1)	1.2	0.8	1.3	0.9	0.3
U.S.	3.1	3.0	3.1	3.1	3.0	3.0	3.0	2.9	2.9	2.9	2.8	2.8
% Ch	0.4	(4.8)	2.3	0.9	(1.4)	(1.3)	(1.3)	(1.1)	(1.0)	(0.9)	(0.9)	(1.0)
Trade, Transportation, and Utilities												
Oregon	357.2	349.3	362.0	365.8	368.7	369.2	369.2	369.3	369.4	369.5	369.5	369.5
% Ch	1.3	(2.2)	3.6	1.0	0.8	0.1	(0.0)	0.0	0.0	0.0	0.0	(0.0)
U.S.	27.7	26.6	27.5	27.1	26.8	26.3	26.3	26.3	26.3	26.1	26.0	25.9
% Ch	0.4	(4.1)	3.4	(1.2)	(1.3)	(1.7)	(0.1)	0.2	(0.3)	(0.6)	(0.6)	(0.4)

May 2021 - Employment By Industry
(Oregon - Thousands, U.S. - Millions)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Retail Trade												
Oregon	210.0	200.6	207.6	209.4	209.7	209.1	208.6	208.2	207.8	207.4	206.9	206.5
% Ch	(0.6)	(4.5)	3.5	0.9	0.1	(0.2)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
U.S.	15.6	14.9	15.4	14.5	13.8	13.1	12.8	12.8	12.7	12.5	12.5	12.4
% Ch	(1.0)	(4.9)	3.4	(5.7)	(4.9)	(4.8)	(2.1)	(0.7)	(0.8)	(0.9)	(0.6)	(0.3)
Wholesale Trade												
Oregon	76.6	74.2	75.4	76.9	78.2	78.4	78.6	78.7	78.9	79.1	79.2	79.3
% Ch	1.2	(3.1)	1.5	2.0	1.8	0.2	0.2	0.2	0.3	0.2	0.2	0.1
U.S.	5.9	5.6	5.7	6.0	6.2	6.3	6.5	6.5	6.6	6.5	6.5	6.4
% Ch	0.8	(4.2)	1.5	4.4	4.0	2.2	1.9	0.9	0.5	(0.5)	(0.7)	(0.6)
Transportation and Warehousing, and Utilities												
Oregon	70.5	74.5	79.1	79.5	80.9	81.7	82.0	82.4	82.7	83.1	83.4	83.6
% Ch	7.4	5.5	6.3	0.4	1.7	1.0	0.4	0.4	0.4	0.4	0.4	0.3
U.S.	6.2	6.1	6.4	6.7	6.8	6.9	7.0	7.1	7.1	7.0	7.0	7.0
% Ch	3.9	(2.0)	5.0	4.4	1.9	0.9	1.6	1.1	0.1	(0.3)	(0.4)	(0.4)
Information												
Oregon	35.1	33.2	33.8	35.2	35.6	35.8	35.9	36.0	36.2	36.3	36.5	36.6
% Ch	2.2	(5.5)	1.9	4.2	1.1	0.4	0.4	0.4	0.4	0.4	0.4	0.4
U.S.	2.9	2.7	2.8	2.9	3.0	3.1	3.1	3.1	3.0	3.0	3.0	2.9
% Ch	0.9	(5.8)	2.8	6.3	1.9	1.6	0.3	(0.4)	(0.8)	(0.4)	(0.0)	(2.3)
Financial Activities												
Oregon	103.5	101.6	103.0	104.4	104.6	105.0	105.2	105.0	105.2	105.3	105.2	104.7
% Ch	1.3	(1.9)	1.4	1.4	0.2	0.4	0.2	(0.2)	0.1	0.1	(0.1)	(0.4)
U.S.	8.8	8.7	8.8	9.2	9.2	9.2	9.2	9.1	9.1	9.0	9.0	8.9
% Ch	1.9	(0.3)	1.1	3.7	0.2	0.1	0.3	(0.7)	(0.9)	(0.6)	(0.6)	(0.6)
Professional and Business Services												
Oregon	254.7	242.4	251.3	261.9	278.1	293.1	301.7	308.8	315.2	321.9	328.1	333.1
% Ch	2.0	(4.8)	3.7	4.2	6.2	5.4	2.9	2.3	2.1	2.1	1.9	1.5
U.S.	21.3	20.3	21.2	23.2	24.1	25.0	25.9	26.3	26.6	26.9	27.1	27.4
% Ch	1.6	(4.8)	4.8	9.3	4.0	3.7	3.4	1.6	1.2	1.1	0.8	1.0
Education and Health Services												
Oregon	312.1	296.5	304.4	318.0	325.8	331.3	335.2	338.6	341.4	343.9	346.4	348.8
% Ch	2.2	(5.0)	2.7	4.5	2.5	1.7	1.2	1.0	0.8	0.7	0.7	0.7
U.S.	24.2	23.2	23.7	24.3	24.6	25.0	25.2	25.3	25.5	25.7	26.0	26.2
% Ch	2.2	(3.8)	2.1	2.3	1.3	1.6	0.7	0.7	0.8	0.8	0.8	0.8
Educational Services												
Oregon	36.6	32.1	34.0	36.7	37.1	37.3	37.4	37.4	37.4	37.5	37.5	37.4
% Ch	0.3	(12.5)	6.1	8.0	1.1	0.5	0.2	0.0	0.0	0.0	0.0	(0.1)
U.S.	3.7	3.5	3.6	3.9	3.9	3.9	3.9	3.9	3.9	4.0	4.0	4.0
% Ch	0.7	(7.6)	3.4	8.8	1.2	0.2	(0.7)	(0.2)	0.7	0.7	0.5	0.2
Health Care and Social Assistance												
Oregon	275.5	264.4	270.4	281.3	288.7	294.0	297.8	301.2	304.0	306.5	308.9	311.4
% Ch	2.4	(4.0)	2.3	4.0	2.6	1.8	1.3	1.1	0.9	0.8	0.8	0.8
U.S.	20.4	19.8	20.1	20.4	20.6	21.0	21.2	21.4	21.6	21.8	22.0	22.2
% Ch	2.5	(3.1)	1.9	1.2	1.3	1.9	1.0	0.8	0.8	0.9	0.9	0.9
Leisure and Hospitality												
Oregon	213.9	161.6	165.5	193.2	202.3	207.2	210.0	212.1	214.7	217.6	220.0	222.0
% Ch	1.2	(24.5)	2.4	16.7	4.7	2.4	1.4	1.0	1.2	1.4	1.1	0.9
U.S.	16.6	13.4	14.6	15.1	16.0	16.4	16.4	16.5	16.5	16.6	16.7	16.8
% Ch	1.8	(19.4)	9.3	3.4	5.6	3.0	(0.1)	0.2	0.3	0.5	0.7	0.7
Other Services												
Oregon	64.8	57.6	59.5	62.1	63.7	64.8	65.5	65.9	66.3	66.7	67.0	67.2
% Ch	0.6	(11.0)	3.3	4.3	2.6	1.8	1.0	0.7	0.6	0.5	0.4	0.3
U.S.	5.9	5.4	5.7	6.3	6.5	6.6	6.7	6.7	6.8	6.9	7.0	7.0
% Ch	1.0	(8.4)	6.5	10.2	2.6	1.1	1.3	1.3	1.3	1.3	1.0	0.8
Government												
Oregon	298.4	284.6	285.7	299.7	305.4	312.3	318.3	323.3	327.6	331.1	334.4	338.6
% Ch	1.2	(4.6)	0.4	4.9	1.9	2.2	1.9	1.6	1.3	1.1	1.0	1.2
U.S.	22.6	21.9	21.9	22.5	22.8	23.0	23.1	23.3	23.4	23.5	23.6	23.8
% Ch	0.7	(3.1)	(0.1)	2.8	1.4	0.8	0.6	0.5	0.5	0.5	0.5	0.8
Federal Government												
Oregon	28.5	29.2	28.2	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.8
% Ch	1.4	2.4	(3.4)	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.8
U.S.	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0
% Ch	1.1	3.5	(1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5
State Government, Oregon												
State Total	40.9	41.3	42.7	42.6	43.0	43.6	44.0	44.4	45.0	45.6	45.9	46.2
% Ch	3.6	1.1	3.3	(0.4)	0.9	1.4	1.0	1.0	1.2	1.3	0.8	0.6
State Education	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0
% Ch	7.2	4.1	2.6	2.2	0.9	0.8	0.3	(0.1)	0.1	0.0	0.2	(0.1)
Local Government, Oregon												
Local Total	229.0	214.1	214.8	229.1	234.4	240.7	246.2	250.8	254.6	257.5	260.5	263.5
% Ch	0.8	(6.5)	0.3	6.7	2.3	2.7	2.3	1.9	1.5	1.1	1.1	1.2
Local Education	133.2	121.7	123.3	133.0	136.2	139.5	142.0	143.9	145.0	145.9	147.0	147.9
% Ch	0.3	(8.7)	1.3	7.9	2.4	2.4	1.8	1.3	0.8	0.6	0.8	0.6

May 2021 - Other Economic Indicators

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
GDP (Bil of 2012 $),												
Chain Weight (in billions of $)	19,091.7	18,426.1	19,569.2	20,415.2	20,855.6	21,340.7	21,849.3	22,326.8	22,803.9	23,284.9	23,762.4	24,268.1
% Ch	2.2	(3.5)	6.2	4.3	2.2	2.3	2.4	2.2	2.1	2.1	2.1	2.1
Price and Wage Indicators												
GDP Implicit Price Deflator,												
Chain Weight U.S., 2012=100	112.3	113.6	116.2	118.5	121.1	123.8	126.7	129.7	132.9	136.2	139.4	142.6
% Ch	1.8	1.2	2.3	2.0	2.2	2.2	2.3	2.4	2.4	2.4	2.4	2.3
Personal Consumption Deflator,												
Chain Weight U.S., 2012=100	109.9	111.1	113.5	115.3	117.3	119.7	122.3	125.0	127.9	130.8	133.7	136.6
% Ch	1.5	1.2	2.1	1.6	1.8	2.0	2.1	2.3	2.3	2.3	2.2	2.2
CPI, Urban Consumers,												
1982-84=100												
West Region	270.3	275.1	281.4	285.8	290.9	297.1	304.1	311.8	319.8	328.0	336.3	344.4
% Ch	2.7	1.7	2.3	1.6	1.8	2.1	2.3	2.5	2.6	2.6	2.5	2.4
U.S.	255.7	258.8	265.0	268.9	273.8	279.6	286.2	293.2	300.5	307.9	315.4	322.8
% Ch	1.8	1.2	2.4	1.5	1.8	2.1	2.3	2.5	2.5	2.5	2.4	2.3
Oregon Average Wage												
Rate (Thous $)	57.2	61.6	65.4	66.3	68.4	70.9	73.6	76.6	79.7	83.0	86.4	89.9
% Ch	3.6	7.7	6.3	1.3	3.2	3.6	3.9	4.1	4.0	4.1	4.1	4.1
U.S. Average Wage												
Wage Rate (Thous $)	61.7	65.6	68.2	69.6	71.8	74.6	77.7	81.1	84.7	88.4	92.2	96.2
% Ch	3.3	6.3	4.0	2.1	3.2	3.9	4.2	4.4	4.4	4.4	4.3	4.3
Housing Indicators												
FHFA Oregon Housing Price Index												
1991 Q1=100	439.2	474.8	539.5	558.3	569.9	584.9	601.5	619.1	638.1	659.1	680.7	703.7
% Ch	4.9	8.1	13.6	3.5	2.1	2.6	2.8	2.9	3.1	3.3	3.3	3.4
FHFA National Housing Price Index												
1991 Q1=100	271.6	292.5	324.0	340.4	347.4	356.0	365.8	375.5	385.3	395.5	406.4	418.3
% Ch	5.2	7.7	10.7	5.1	2.1	2.5	2.7	2.6	2.6	2.7	2.8	2.9
Housing Starts												
Oregon (Thous)	20.7	18.2	18.1	19.0	20.8	22.0	22.6	22.3	22.2	22.1	22.1	22.1
% Ch	5.9	(12.3)	(0.4)	5.1	9.4	6.0	2.4	(1.2)	(0.4)	(0.7)	(0.1)	0.2
U.S. (Millions)	1.3	1.4	1.5	1.4	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2
% Ch	3.8	7.7	10.9	(10.0)	(8.5)	(0.9)	1.4	(2.9)	(3.7)	(1.0)	0.1	(0.2)
Other Indicators												
Unemployment Rate (%)												
Oregon	3.7	7.6	6.0	5.4	4.6	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Point Change	(0.3)	3.9	(1.6)	(0.7)	(0.8)	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0
U.S.	3.7	8.1	5.2	3.8	3.6	3.5	3.6	3.7	3.9	4.1	4.2	4.3
Point Change	(0.2)	4.4	(2.9)	(1.4)	(0.3)	(0.0)	0.0	0.1	0.2	0.2	0.1	0.0
Industrial Production Index												
U.S, 2012 = 100	109.5	102.2	108.8	113.6	116.1	118.4	121.0	123.0	124.7	126.5	128.3	130.3
% Ch	0.9	(6.7)	6.5	4.4	2.2	2.0	2.2	1.7	1.4	1.4	1.4	1.5
Prime Rate (Percent)	5.3	3.5	3.3	3.3	3.3	3.4	3.7	4.2	4.7	5.2	5.6	5.8
% Ch	7.7	(32.9)	(8.3)	0.0	0.0	4.2	7.8	13.7	12.1	10.8	9.4	1.9
Population (Millions)												
Oregon	4.21	4.24	4.26	4.29	4.32	4.35	4.39	4.43	4.46	4.50	4.53	4.57
% Ch	0.9	0.7	0.4	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
U.S.	328.5	329.5	330.1	331.3	333.0	334.8	336.6	338.5	340.4	342.3	344.1	345.9
% Ch	0.4	0.3	0.2	0.4	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5
Timber Harvest (Mil Bd Ft)												
Oregon	3,860.0	3,377.5	3,457.6	3,710.4	3,757.9	3,836.5	3,855.5	3,870.3	3,880.2	3,882.3	3,886.0	3,889.4
% Ch	(5.0)	(12.5)	2.4	7.3	1.3	2.1	0.5	0.4	0.3	0.1	0.1	0.1

APPENDIX B: REVENUE FORECAST DETAIL

Table B.1a
General Fund Revenue Statement -- 2019-21

		Forecasts Dated: 3/1/2021			Forecasts Dated: 5/15/2021			Difference	
	Estimate at COS 2019	2019-20	2020-21	Total 2019-21	2019-20	2020-21	Total 2019-21	05/15/2021 Less 3/1/2021	05/15/2021 Less COS
Taxes									
Personal Income Taxes	18,283,508,000	8,457,914,000	10,222,093,000	18,680,007,000	8,457,914,000	11,031,416,000	19,489,330,000	809,323,000	1,205,822,000
Film and Video and Transfer to Counties	(45,262,000)	(20,122,000)	(20,209,000)	(40,331,000)	(20,122,000)	(20,209,000)	(40,331,000)	0	4,931,000
Corporate Income Taxes	1,190,805,000	835,071,000	775,431,000	1,610,502,000	835,071,000	1,019,970,000	1,855,041,000	244,539,000	664,236,000
Transfer to Rainy Day Fund (Minimum Tax)	(158,254,000)	0	(59,040,000)	(59,040,000)	0	(74,659,000)	(74,659,000)	(15,619,000)	83,595,000
Insurance Taxes	132,563,000	75,297,000	57,183,000	132,480,000	75,297,000	75,690,000	150,987,000	18,507,000	18,424,000
Estate Taxes	361,189,000	113,796,000	362,519,000	476,315,000	113,796,000	396,183,000	509,979,000	33,664,000	148,790,000
Transfer to PERS UAL	0	0	0	0	0	0	0	0	0
Cigarette Taxes	64,998,000	30,506,000	27,917,000	58,423,000	30,506,000	27,791,000	58,297,000	(126,000)	(6,701,000)
Other Tobacco Products Taxes	66,534,000	30,928,000	31,466,000	62,394,000	30,928,000	31,181,000	62,109,000	(285,000)	(4,425,000)
Other Taxes	1,636,000	435,000	878,000	1,313,000	435,000	893,000	1,328,000	15,000	(308,000)
Fines and Fees									
State Court Fees	138,730,000	67,041,000	55,644,000	122,685,000	67,041,000	50,607,000	117,648,000	(5,037,000)	(21,082,000)
Secretary of State Fees	70,837,000	39,104,000	38,945,000	78,049,000	39,104,000	40,082,000	79,186,000	1,137,000	8,349,000
Criminal Fines & Assessments	51,748,000	16,411,000	11,020,000	27,431,000	16,411,000	6,072,000	22,483,000	(4,948,000)	(29,265,000)
Securities Fees	27,269,000	12,707,000	13,930,000	26,637,000	12,707,000	13,402,000	26,109,000	(528,000)	(1,160,000)
Central Service Charges	10,376,000	5,739,000	5,737,000	11,476,000	5,739,000	5,737,000	11,476,000	0	1,100,000
Liquor Apportionment	348,537,000	162,111,000	182,856,000	344,967,000	162,111,000	182,856,000	344,967,000	0	(3,570,000)
Interest Earnings	102,965,000	64,465,000	17,617,000	82,082,000	64,465,000	17,617,000	82,082,000	0	(20,883,000)
Miscellaneous Revenues	13,500,000	5,565,000	6,000,000	11,565,000	5,565,000	6,000,000	11,565,000	0	(1,935,000)
One-time Transfers	155,200,000	14,838,000	269,403,000	284,241,000	14,838,000	254,303,000	269,141,000	(15,100,000)	113,941,000
Gross General Fund Revenues	21,020,395,000	9,931,928,000	12,078,639,000	22,010,567,000	9,931,928,000	13,159,800,000	23,091,728,000	1,081,161,000	2,071,333,000
Total Transfers	(203,516,000)	(20,122,000)	(79,249,000)	(99,371,000)	(20,122,000)	(94,868,000)	(114,990,000)	(15,619,000)	88,526,000
Net General Fund Revenues	20,816,879,000	9,911,806,000	11,999,390,000	21,911,196,000	9,911,806,000	13,064,932,000	22,976,738,000	1,065,542,000	2,159,859,000
Plus Beginning Balance	2,318,444,712			2,709,364,984			2,709,364,984	0	390,920,272
Less Anticipated Administrative Actions*	(21,472,000)			(21,472,000)			(21,472,000)	0	0
Less Legislatively Adopted Actions**	(199,459,036)			(198,338,493)			(198,338,493)	0	1,120,543
Available Resources	22,914,392,677			24,400,750,491			25,466,292,491	1,065,542,000	2,551,899,814
Appropriations	22,409,455,625			22,663,284,478			22,641,793,514	(21,490,964)	232,337,889
Estimated Ending Balance	504,937,052			1,737,466,013			2,824,498,977	1,087,032,964	2,319,561,925

Table B.1b
General Fund Revenue Statement -- 2021-23

	Forecasts Dated: 3/1/2021			Forecasts Dated: 5/15/2021			Difference
	2021-22	2022-23	Total 2021-23	2021-22	2022-23	Total 2021-23	05/15/2021 Less 3/1/2021
Taxes							
Personal Income Taxes	9,543,517,000	10,253,474,000	19,796,991,000	9,762,692,000	10,905,189,000	20,667,881,000	870,890,000
Film and Video and Transfer to Counties	(18,563,000)	(18,650,000)	(37,213,000)	(20,280,000)	(20,303,000)	(40,583,000)	(3,370,000)
Corporate Income Taxes	611,141,000	631,459,000	1,242,600,000	681,242,000	664,942,000	1,346,184,000	103,584,000
Transfer to Rainy Day Fund (Minimum Tax)	0	(59,935,000)	(59,935,000)	0	(56,001,000)	(56,001,000)	3,934,000
Insurance Taxes	64,439,000	70,661,000	135,100,000	68,406,000	66,680,000	135,086,000	(14,000)
Estate Taxes	192,464,000	200,607,000	393,071,000	216,265,000	227,583,000	443,848,000	50,777,000
Transfer to PERS UAL	0	(41,251,000)	(41,251,000)	0	(74,916,000)	(74,916,000)	(33,665,000)
Cigarette Taxes	22,700,000	22,203,000	44,903,000	22,700,000	22,203,000	44,903,000	0
Other Tobacco Products Taxes	32,465,000	32,664,000	65,129,000	32,465,000	32,664,000	65,129,000	0
Other Taxes	878,000	878,000	1,756,000	893,000	893,000	1,786,000	30,000
Fines and Fees							
State Court Fees	71,366,000	69,466,000	140,832,000	67,878,000	69,699,000	137,577,000	(3,255,000)
Secretary of State Fees	39,101,000	39,258,000	78,359,000	40,242,000	40,403,000	80,645,000	2,286,000
Criminal Fines & Assessments	15,530,000	15,530,000	31,060,000	15,853,000	15,853,000	31,706,000	646,000
Securities Fees	12,695,000	12,998,000	25,693,000	13,086,000	13,452,000	26,538,000	845,000
Central Service Charges	5,438,000	5,438,000	10,876,000	6,373,000	6,373,000	12,746,000	1,870,000
Liquor Apportionment	174,975,000	184,317,000	359,292,000	176,774,000	186,212,000	362,986,000	3,694,000
Interest Earnings	9,500,000	9,500,000	19,000,000	15,000,000	20,000,000	35,000,000	16,000,000
Miscellaneous Revenues	6,000,000	6,000,000	12,000,000	6,000,000	6,000,000	12,000,000	0
One-time Transfers	0	0	0	0	0	0	0
Gross General Fund Revenues	10,802,209,000	11,554,453,000	22,356,662,000	11,125,869,000	12,278,146,000	23,404,015,000	1,047,353,000
Total Transfers	(18,563,000)	(119,836,000)	(138,399,000)	(20,280,000)	(151,220,000)	(171,500,000)	(33,101,000)
Net General Fund Revenues	10,783,646,000	11,434,617,000	22,218,263,000	11,105,589,000	12,126,926,000	23,232,515,000	1,014,252,000

TABLE B.2

General Fund Revenue Forecast

May 2021

($Millions)

Fiscal Years	2017-18 Fiscal Year	2018-19 Fiscal Year	2019-20 Fiscal Year	2020-21 Fiscal Year	2021-22 Fiscal Year	2022-23 Fiscal Year	2023-24 Fiscal Year	2024-25 Fiscal Year	2025-26 Fiscal Year	2026-27 Fiscal Year	2027-28 Fiscal Year	2028-29 Fiscal Year
Taxes												
Personal Income	8,893.1	9,930.3	8,457.9	11,031.4	9,762.7	10,905.2	11,851.2	12,409.7	12,917.5	13,538.4	14,277.4	14,911.6
Film and Video & Transfer to Counties	(20.6)	(21.7)	(20.1)	(20.2)	(20.3)	(20.3)	(20.3)	(16.9)	0.0	0.0	0.0	0.0
Corporate Excise & Income	755.0	997.8	835.1	1,020.0	681.2	664.9	744.6	818.3	930.1	1,022.5	1,046.7	1,099.5
Transfer to RDF & PERS UAL	(16.2)	(71.1)	0.0	(74.7)	0.0	(56.0)	0.0	(59.9)	0.0	(65.0)	0.0	(81.2)
Insurance	76.7	83.5	75.3	75.7	68.4	66.7	67.7	69.1	71.8	74.7	82.1	83.7
Estate	176.5	204.7	113.8	396.2	216.3	227.6	234.0	238.9	245.1	250.1	257.7	262.7
Transfer toPERS UAL	0.0	0.0	0.0	0.0	0.0	(74.9)	0.0	0.0	0.0	0.0	0.0	0.0
Cigarette	33.7	31.9	30.5	27.8	22.7	22.2	22.0	21.5	20.9	20.5	20.1	19.8
Other Tobacco Products	32.4	31.2	30.9	31.2	32.5	32.7	32.7	32.9	32.9	33.1	33.1	33.0
Other Taxes	0.9	1.1	0.4	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Other Revenues												
Licenses and Fees	126.3	132.7	135.3	110.2	137.1	139.4	139.5	140.0	140.3	140.8	141.2	141.7
Charges for Services	5.4	5.4	5.7	5.7	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Liquor Apportionment	142.6	151.8	162.1	182.9	176.8	186.2	168.2	176.3	185.1	194.2	203.7	213.5
Interest Earnings	30.2	57.0	64.5	17.6	15.0	20.0	30.0	35.0	40.0	45.0	50.0	50.0
Others	8.2	7.0	20.4	260.3	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Gross General Fund	10,281.0	11,634.3	9,931.9	13,159.8	11,125.9	12,278.1	13,303.1	13,955.1	14,596.9	15,332.6	16,125.2	16,828.8
Net General Fund	10,244.3	11,541.5	9,911.8	13,064.9	11,105.6	12,126.9	13,282.8	13,878.4	14,596.9	15,267.6	16,125.2	16,747.6

Biennial Totals	2017-19 BN	Change (%)	2019-21 BN	Change (%)	2021-23 BN	Change (%)	2023-25 BN	Change (%)	2025-27 BN	Change (%)	2027-29 BN	Change (%)
Taxes												
Personal Income	18,823.3	17.2%	19,489.3	3.5%	20,667.9	6.0%	24,260.9	17.4%	26,455.9	9.0%	29,189.0	10.3%
Corporate Excise & Income	1,752.7	44.8%	1,855.0	5.8%	1,346.2	-27.4%	1,562.9	16.1%	1,952.7	24.9%	2,146.2	9.9%
Insurance	160.3	15.1%	151.0	-5.8%	135.1	-10.5%	136.8	1.3%	146.5	7.1%	165.8	13.2%
Estate Taxes	381.2	18.1%	510.0	33.8%	443.8	-13.0%	472.9	6.5%	495.2	4.7%	520.4	5.1%
Cigarette	65.6	-6.9%	58.3	-11.1%	44.9	-23.0%	43.5	-3.1%	41.3	-5.0%	39.9	-3.4%
Other Tobacco Products	63.6	2.0%	62.1	-2.3%	65.1	4.9%	65.6	0.8%	66.0	0.6%	66.1	0.0%
Other Taxes	2.0	9.6%	1.3	-32.7%	1.8	34.4%	1.8	0.0%	1.8	0.0%	1.8	0.0%
Other Revenues												
Licenses and Fees	259.0	5.2%	245.4	-5.2%	276.5	12.6%	279.5	1.1%	281.1	0.6%	282.9	0.7%
Charges for Services	10.9	5.8%	11.5	5.5%	12.7	11.1%	12.7	0.0%	12.7	0.0%	12.7	0.0%
Liquor Apportionment	294.4	12.4%	345.0	17.2%	363.0	5.2%	344.5	-5.1%	379.3	10.1%	417.2	10.0%
Interest Earnings	87.2	250.5%	82.1	-5.9%	35.0	-57.4%	65.0	85.7%	85.0	30.8%	100.0	17.6%
Others	15.2	-89.8%	280.7	1745.8%	12.0	-95.7%	12.0	0.0%	12.0	0.0%	12.0	0.0%
Gross General Fund	21,915.3	18.1%	23,091.7	5.4%	23,404.0	1.4%	27,258.2	16.5%	29,929.5	9.8%	32,954.1	10.1%
Net General Fund	21,785.8	17.6%	22,976.7	5.5%	23,232.5	1.1%	27,161.2	16.9%	29,864.5	10.0%	32,872.8	10.1%

Table B.3 Summary of 2019 Legislative Session Adjustments

	19-21	21-23	23-25	Revenue Impact Statement
Personal Income Tax Impacts (millions)				
Tax Expenditure Extension - HB 2164	-$70.5	-$146.0	-$156.4	HB 2164
Rural Medical Provider – HB 2847	-$0.2	-$0.4	-$0.4	HB 2847
Corporate Activity Tax – HB 3427	-$352.0	-$548.0	-$599.0	HB 3427
DOR Tax Compliance – SB 523 & HB 5033	$1.1	$1.4	$1.4	SB 523 HB 3206
Personal Income Tax Total	**-$421.6**	**-$693.0**	**-$754.4**	
Corporate Income Tax Impacts (millions)				
Medical Provider Taxes - HB 2010	-$5.0	-$8.0	-$8.0	HB 2010
Medical Provider Taxes - SB 523	$1.20	$1.2	$1.2	SB 523
Corporate Activity Tax – HB 3427	-$71.0	-$151.0	-$163.0	HB 3427
Corporate Income Tax Total	**-$74.8**	**-$157.8**	**-$169.8**	
Other Tax/Revenue Impacts (millions)				
Court Filing Fees - HB 3447	$3.1	$3.6	$3.8	HB 3447
OLCC Fees - SB 248	$5.2	$5.6	$5.7	SB 248
DOR Collections - SB 980	$0.5	$0.5	$0.5	SB 980
DOR Tax Compliance - HB 5033	$0.2	$0.4	$0.4	HB 5033
Fund Shifts and Adjustments – HB 2377	$179.6	$26.5	$10.0	HB 2377
Other Tax Total	**$188.5**	**$36.6**	**$20.4**	

Table B.4 Oregon Personal Income Tax Revenue Forecast

TABLE B.4 **OREGON PERSONAL INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS**
Thousands of Dollars - Not Seasonally Adjusted **May 2021**

	2009:3	2009:4	2010:1	2010:2	FY 2010	2010:3	2010:4	2011:1	2011:2	FY 2011
WITHHOLDING	1,092,795	1,151,673	1,157,857	1,116,552	4,518,878	1,146,189	1,196,214	1,262,781	1,218,439	4,823,622
%CHYA	-6.0%	-2.6%	2.6%	2.5%	-1.0%	4.9%	3.9%	9.1%	9.1%	6.7%
EST. PAYMENTS	176,110	161,759	186,894	265,703	790,467	179,692	148,589	207,036	284,662	819,978
%CHYA	-33.4%	-7.5%	-14.0%	1.0%	-14.1%	2.0%	-8.1%	10.8%	7.1%	3.7%
FINAL PAYMENTS	63,363	77,013	105,745	515,262	761,383	62,259	81,728	114,877	607,592	866,456
%CHYA	-9.9%	-22.5%	1.6%	-2.8%	-5.3%	-1.7%	6.1%	8.6%	17.9%	13.8%
REFUNDS	96,477	188,704	459,550	380,459	1,125,190	92,291	151,515	432,478	340,652	1,016,937
%CHYA	4.8%	4.6%	2.6%	-5.9%	0.1%	-4.3%	-19.7%	-5.9%	-10.5%	-9.6%
OTHER	(138,521)	-	-	136,193	(2,328)	(136,193)	-	-	165,933	29,740
TOTAL	1,097,271	1,201,740	990,947	1,653,251	4,943,210	1,159,655	1,275,015	1,152,216	1,935,973	5,522,860
%CHYA	-10.2%	-5.9%	-1.2%	2.3%	-3.4%	5.7%	6.1%	16.3%	17.1%	11.7%
	2011:3	**2011:4**	**2012:1**	**2012:2**	**FY 2012**	**2012:3**	**2012:4**	**2013:1**	**2013:2**	**FY 2013**
WITHHOLDING	1,235,508	1,287,030	1,348,171	1,269,562	5,140,271	1,262,589	1,364,547	1,354,116	1,321,413	5,302,666
%CHYA	7.8%	7.6%	6.8%	4.2%	6.6%	2.2%	6.0%	0.4%	4.1%	3.2%
EST. PAYMENTS	194,674	185,239	199,238	299,646	878,797	205,533	159,104	278,341	321,896	964,874
%CHYA	8.3%	24.7%	-3.8%	5.3%	7.2%	5.6%	-14.1%	39.7%	7.4%	9.8%
FINAL PAYMENTS	85,889	87,233	117,628	627,762	918,512	72,224	91,338	123,456	785,542	1,072,560
%CHYA	38.0%	6.7%	2.4%	3.3%	6.0%	-15.9%	4.7%	5.0%	25.1%	16.8%
REFUNDS	64,687	156,272	530,800	360,618	1,112,377	52,211	109,503	536,506	383,176	1,081,397
%CHYA	-29.9%	3.1%	22.7%	5.9%	9.4%	-19.3%	-29.9%	1.1%	6.3%	-2.8%
OTHER	(165,933)	-	-	193,614	27,681	(193,614)	-	-	201,367	7,753
TOTAL	1,285,451	1,403,230	1,134,237	2,029,966	5,852,884	1,294,521	1,505,486	1,219,407	2,247,042	6,266,457
%CHYA	10.8%	10.1%	-1.6%	4.9%	6.0%	0.7%	7.3%	7.5%	10.7%	7.1%
	2013:3	**2013:4**	**2014:1**	**2014:2**	**FY 2014**	**2014:3**	**2014:4**	**2015:1**	**2015:2**	**FY 2015**
WITHHOLDING	1,333,946	1,435,630	1,442,755	1,420,313	5,632,644	1,455,822	1,523,453	1,576,188	1,505,337	6,060,801
%CHYA	5.7%	5.2%	6.5%	7.5%	6.2%	9.1%	6.1%	9.2%	6.0%	7.6%
EST. PAYMENTS	221,695	214,342	247,826	357,218	1,041,080	264,823	236,303	305,582	408,957	1,215,665
%CHYA	7.9%	34.7%	-11.0%	11.0%	7.9%	19.5%	10.2%	23.3%	14.5%	16.8%
FINAL PAYMENTS	83,096	112,495	139,923	730,795	1,066,309	92,647	144,239	156,188	847,330	1,240,403
%CHYA	15.1%	23.2%	13.3%	-7.0%	-0.6%	11.5%	28.2%	11.6%	15.9%	16.3%
REFUNDS	67,098	197,448	472,018	354,437	1,091,001	100,729	173,522	520,272	375,119	1,169,642
%CHYA	28.5%	80.3%	-12.0%	-7.5%	0.9%	50.1%	-12.1%	10.2%	5.8%	7.2%
OTHER	(201,367)	-	-	180,356	(21,011)	(180,356)	-	-	163,398	(16,959)
TOTAL	1,370,272	1,565,018	1,358,485	2,334,246	6,628,021	1,532,207	1,730,473	1,517,685	2,549,903	7,330,268
%CHYA	5.9%	4.0%	11.4%	3.9%	5.8%	11.8%	10.6%	11.7%	9.2%	10.6%
	2015:3	**2015:4**	**2016:1**	**2016:2**	**FY 2016**	**2016:3**	**2016:4**	**2017:1**	**2017:2**	**FY 2017**
WITHHOLDING	1,551,517	1,644,209	1,711,568	1,634,728	6,542,022	1,675,744	1,705,280	1,835,155	1,769,354	6,985,533
%CHYA	6.6%	7.9%	8.6%	8.6%	7.9%	8.0%	3.7%	7.2%	8.2%	6.8%
EST. PAYMENTS	309,470	141,009	327,008	423,839	1,201,325	300,866	319,225	382,445	450,241	1,452,777
%CHYA	16.9%	-40.3%	7.0%	5.7%	-0.5%	-2.8%	126.4%	17.0%	6.2%	20.9%
FINAL PAYMENTS[1]	99,618	321,345	141,818	813,132	1,375,913	103,631	144,248	175,235	919,186	1,342,301
%CHYA	7.5%	122.8%	-9.2%	-4.9%	10.2%	4.0%	-55.1%	23.6%	13.0%	-2.4%
REFUNDS	85,113	203,981	577,546	562,601	1,429,241	138,825	254,851	574,417	454,899	1,422,992
%CHYA	-15.5%	17.6%	11.0%	50.0%	22.2%	63.1%	24.9%	-0.5%	-19.1%	-0.4%
OTHER	(163,398)	-	-	236,108	72,710	(236,108)	-	-	192,251	(43,856)
TOTAL	1,712,094	1,902,583	1,602,848	2,545,205	7,762,729	1,705,308	1,913,902	1,818,419	2,876,134	8,313,763
%CHYA	11.7%	9.9%	5.6%	-0.2%	5.9%	-0.4%	0.6%	13.4%	13.0%	7.1%
	2017:3	**2017:4**	**2018:1**	**2018:2**	**FY 2018**	**2018:3**	**2018:4**	**2019:1**	**2019:2**	**FY 2019**
WITHHOLDING	1,748,844	1,836,249	2,011,564	1,851,177	7,447,834	1,925,880	2,039,120	2,079,900	1,999,015	8,043,914
%CHYA	4.4%	7.7%	9.6%	4.6%	6.6%	10.1%	11.0%	3.4%	8.0%	8.0%
EST. PAYMENTS	321,032	451,037	464,534	512,671	1,749,274	367,772	284,002	321,858	532,273	1,505,905
%CHYA	6.7%	41.3%	21.5%	13.9%	20.4%	14.6%	-37.0%	-30.7%	3.8%	-13.9%
FINAL PAYMENTS[1]	92,364	169,785	174,096	878,587	1,314,832	104,644	156,592	225,515	1,385,562	1,872,312
%CHYA	-10.9%	17.7%	-0.6%	-4.4%	-2.0%	13.3%	-7.8%	29.5%	57.7%	42.4%
REFUNDS	133,143	266,467	686,100	610,486	1,696,196	140,701	335,635	546,225	445,573	1,468,133
%CHYA	-4.1%	4.6%	19.4%	34.2%	19.2%	5.7%	26.0%	-20.4%	-27.0%	-13.4%
OTHER	(192,251)	-	-	237,300	45,049	(237,300)	-	-	222,477	(14,823)
TOTAL	1,836,845	2,190,604	1,964,094	2,869,249	8,860,793	2,020,295	2,144,078	2,081,049	3,693,754	9,939,176
%CHYA	7.7%	14.5%	8.0%	-0.2%	6.6%	10.0%	-2.1%	6.0%	28.7%	12.2%

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

TABLE B.4 **OREGON PERSONAL INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS**

Thousands of Dollars - Not Seasonally Adjusted **May 2021**

	2019:3	2019:4	2020:1	2020:2	FY 2020	2020:3	2020:4	2021:1	2021:2	FY 2021
WITHHOLDING	2,059,715	2,223,410	2,183,444	1,997,661	8,464,230	2,127,124	2,291,161	2,321,603	2,116,784	8,856,672
%CHYA	6.9%	9.0%	5.0%	-0.1%	5.2%	3.3%	3.0%	6.3%	6.0%	4.6%
EST. PAYMENTS	413,316	296,072	376,127	428,769	1,514,284	497,544	292,601	432,742	540,698	1,763,585
%CHYA	12.4%	4.3%	16.9%	-19.4%	0.6%	20.4%	-1.2%	15.1%	26.1%	16.5%
FINAL PAYMENTS[1]	131,560	195,074	159,708	330,328	816,671	758,710	142,228	220,765	1,329,245	2,450,948
%CHYA	25.7%	24.6%	-29.2%	-76.2%	-56.4%	476.7%	-27.1%	38.2%	302.4%	200.1%
REFUNDS	144,251	289,464	1,120,326	735,922	2,289,962	432,836	360,529	558,588	736,741	2,088,694
%CHYA	2.5%	-13.8%	105.1%	65.2%	56.0%	200.1%	24.6%	-50.1%	0.1%	-8.8%
OTHER	(222,477)	-	-	175,167	(47,310)	(175,167)	-	-	224,072	48,905
TOTAL	2,237,864	2,425,092	1,598,954	2,196,004	8,457,914	2,775,375	2,365,460	2,416,522	3,474,059	11,031,416
%CHYA	10.8%	13.1%	-23.2%	-40.5%	-14.9%	24.0%	-2.5%	51.1%	58.2%	30.4%
	2021:3	**2021:4**	**2022:1**	**2022:2**	**FY 2022**	**2022:3**	**2022:4**	**2023:1**	**2023:2**	**FY 2023**
WITHHOLDING	2,203,793	2,328,895	2,453,922	2,252,355	9,238,965	2,290,857	2,420,918	2,536,432	2,326,144	9,574,351
%CHYA	3.6%	1.6%	5.7%	6.4%	4.3%	4.0%	4.0%	3.4%	3.3%	3.6%
EST. PAYMENTS	416,502	366,525	466,371	586,644	1,836,043	435,775	383,486	487,772	611,687	1,918,720
%CHYA	-16.3%	25.3%	7.8%	8.5%	4.1%	4.6%	4.6%	4.6%	4.3%	4.5%
FINAL PAYMENTS[1]	144,328	209,247	195,210	822,557	1,371,342	117,639	153,182	214,629	1,216,511	1,701,961
%CHYA	-81.0%	47.1%	-11.6%	-38.1%	-44.0%	-18.5%	-26.8%	9.9%	47.9%	24.1%
REFUNDS	147,069	322,383	1,270,155	1,004,410	2,744,017	216,881	487,984	893,419	690,210	2,288,493
%CHYA	-66.0%	-10.6%	127.4%	36.3%	31.4%	47.5%	51.4%	-29.7%	-31.3%	-16.6%
OTHER	(224,072)	-	-	284,432	60,360	(284,432)	-	-	283,084	(1,349)
TOTAL	2,393,481	2,582,284	1,845,348	2,941,579	9,762,692	2,342,958	2,469,601	2,345,414	3,747,216	10,905,189
%CHYA	-13.8%	9.2%	-23.6%	-15.3%	-11.5%	-2.1%	-4.4%	27.1%	27.4%	11.7%
	2023:3	**2023:4**	**2024:1**	**2024:2**	**FY 2024**	**2024:3**	**2024:4**	**2025:1**	**2025:2**	**FY 2025**
WITHHOLDING	2,365,936	2,500,274	2,651,024	2,435,511	9,952,745	2,477,111	2,617,729	2,785,233	2,560,093	10,440,165
%CHYA	3.3%	3.3%	4.5%	4.7%	4.0%	4.7%	4.7%	5.1%	5.1%	4.9%
EST. PAYMENTS	454,378	399,856	509,443	647,675	2,011,352	481,110	423,381	538,208	671,743	2,114,442
%CHYA	4.3%	4.3%	4.4%	5.9%	4.8%	5.9%	5.9%	5.6%	3.7%	5.1%
FINAL PAYMENTS[1]	134,447	188,952	236,583	1,293,026	1,853,008	143,623	199,847	244,175	1,379,351	1,966,995
%CHYA	14.3%	23.4%	10.2%	6.3%	8.9%	6.8%	5.8%	3.2%	6.7%	6.2%
REFUNDS	158,858	344,466	840,922	656,499	2,000,744	160,064	346,765	891,449	703,154	2,101,430
%CHYA	-26.8%	-29.4%	-5.9%	-4.9%	-12.6%	0.8%	0.7%	6.0%	7.1%	5.0%
OTHER	(283,084)	-	-	317,946	34,862	(317,946)	-	-	307,489	(10,457)
TOTAL	2,512,819	2,744,617	2,556,128	4,037,658	11,851,222	2,623,835	2,894,192	2,676,167	4,215,523	12,409,716
%CHYA	7.2%	11.1%	9.0%	7.8%	8.7%	4.4%	5.4%	4.7%	4.4%	4.7%
	2025:3	**2025:4**	**2026:1**	**2026:2**	**FY 2026**	**2026:3**	**2026:4**	**2027:1**	**2027:2**	**FY 2027**
WITHHOLDING	2,603,802	2,751,601	2,938,529	2,702,445	10,996,379	2,748,564	2,904,569	3,098,523	2,849,132	11,600,789
%CHYA	5.1%	5.1%	5.5%	5.6%	5.3%	5.6%	5.6%	5.4%	5.4%	5.5%
EST. PAYMENTS	498,989	439,115	558,320	697,997	2,194,421	518,491	456,276	580,626	730,920	2,286,313
%CHYA	3.7%	3.7%	3.7%	3.9%	3.8%	3.9%	3.9%	4.0%	4.7%	4.2%
FINAL PAYMENTS[1]	147,337	209,473	260,405	1,412,265	2,029,480	156,839	220,362	263,998	1,413,616	2,054,815
%CHYA	2.6%	4.8%	6.6%	2.4%	3.2%	6.4%	5.2%	1.4%	0.1%	1.2%
REFUNDS	163,939	355,303	969,670	766,060	2,254,972	176,934	385,753	1,036,960	818,604	2,418,251
%CHYA	2.4%	2.5%	8.8%	8.9%	7.3%	7.9%	8.6%	6.9%	6.9%	7.2%
OTHER	(307,489)	-	-	259,683	(47,806)	(259,683)	-	-	274,426	14,743
TOTAL	2,778,701	3,044,886	2,787,584	4,306,330	12,917,500	2,987,277	3,195,455	2,906,187	4,449,489	13,538,409
%CHYA	5.9%	5.2%	4.2%	2.2%	4.1%	7.5%	4.9%	4.3%	3.3%	4.8%
	2027:3	**2027:4**	**2028:1**	**2028:2**	**FY 2028**	**2028:3**	**2028:4**	**2029:1**	**2029:2**	**FY 2029**
WITHHOLDING	2,897,761	3,062,238	3,265,873	3,002,901	12,228,773	3,054,156	3,227,511	3,440,797	3,163,562	12,886,027
%CHYA	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
EST. PAYMENTS	542,947	477,798	608,126	766,714	2,395,586	569,536	501,197	638,233	808,050	2,517,016
%CHYA	4.7%	4.7%	4.7%	4.9%	4.8%	4.9%	4.9%	5.0%	5.4%	5.1%
FINAL PAYMENTS1	160,007	222,873	272,705	1,467,530	2,123,115	165,762	230,935	282,030	1,525,822	2,204,549
%CHYA	2.0%	1.1%	3.3%	3.8%	3.3%	3.6%	3.6%	3.4%	4.0%	3.8%
REFUNDS	188,733	411,764	1,091,680	861,399	2,553,576	198,760	433,345	1,156,062	912,421	2,700,588
%CHYA	6.7%	6.7%	5.3%	5.2%	5.6%	5.3%	5.2%	5.9%	5.9%	5.8%
OTHER	(274,426)	-	-	357,913	83,487	(357,913)	-	-	362,554	4,641
TOTAL	3,137,556	3,351,145	3,055,024	4,733,660	14,277,384	3,232,782	3,526,297	3,204,999	4,947,567	14,911,645
%CHYA	5.0%	4.9%	5.1%	6.4%	5.5%	3.0%	5.2%	4.9%	4.5%	4.4%

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

Table B.5 Oregon Corporate Income Tax Revenue Forecast

TABLE B.5 **OREGON CORPORATE INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS**

Thousands of Dollars - Not Seasonally Adjusted **May 2021**

	2009:3	2009:4	2010:1	2010:2	FY 2010	2010:3	2010:4	2011:1	2011:2	FY 2011
ADVANCE PAYMENTS	79,579	163,877	66,451	147,313	457,220	115,286	175,561	76,405	165,354	532,606
%CHYA	-20.9%	12.8%	4.2%	51.3%	12.3%	44.9%	7.1%	15.0%	12.2%	16.5%
FINAL PAYMENTS	20,404	24,009	38,412	45,714	128,539	21,781	21,206	35,770	40,805	119,562
%CHYA	-13.2%	-10.2%	72.1%	109.5%	36.2%	6.8%	-11.7%	-6.9%	-10.7%	-7.0%
REFUNDS	29,072	137,244	40,080	25,774	232,170	23,130	89,877	39,065	31,489	183,562
%CHYA	3.3%	9.9%	-40.6%	-30.7%	-9.9%	-20.4%	-34.5%	-2.5%	22.2%	-20.9%
TOTAL	70,910	50,642	64,784	167,254	353,589	113,936	106,890	73,111	174,670	468,606
%CHYA	-26.1%	7.3%	247.5%	104.0%	45.1%	60.7%	111.1%	12.9%	4.4%	32.5%

	2011:3	2011:4	2012:1	2012:2	FY 2012	2012:3	2012:4	2013:1	2013:2	FY 2013
ADVANCE PAYMENTS	120,766	154,290	86,873	156,652	518,581	130,348	110,207	80,942	282,526	604,023
%CHYA	4.8%	-12.1%	13.7%	-5.3%	-2.6%	7.9%	-28.6%	-6.8%	80.4%	16.5%
FINAL PAYMENTS	19,117	26,841	32,512	33,322	111,792	16,387	21,377	36,660	34,009	108,433
%CHYA	-12.2%	26.6%	-9.1%	-18.3%	-6.5%	-14.3%	-20.4%	12.8%	2.1%	-3.0%
REFUNDS	34,927	91,252	55,051	18,153	199,384	33,212	17,832	25,595	182,929	259,568
%CHYA	51.0%	1.5%	40.9%	-42.4%	8.6%	-4.9%	-80.5%	-53.5%	907.7%	30.2%
TOTAL	104,955	89,878	64,335	171,820	430,989	113,524	113,751	92,007	133,606	452,888
%CHYA	-7.9%	-15.9%	-12.0%	-1.6%	-8.0%	8.2%	26.6%	43.0%	-22.2%	5.1%

	2013:3	2013:4	2014:1	2014:2	FY 2014	2014:3	2014:4	2015:1	2015:2	FY 2015
ADVANCE PAYMENTS	123,591	187,195	150,401	183,348	644,535	193,248	206,088	106,689	183,611	689,637
%CHYA	-5.2%	69.9%	85.8%	-35.1%	6.7%	56.4%	10.1%	-29.1%	0.1%	7.0%
FINAL PAYMENTS	27,794	18,162	32,218	52,283	130,456	28,815	73,552	57,268	71,415	231,051
%CHYA	69.6%	-15.0%	-12.1%	53.7%	20.3%	3.7%	305.0%	77.8%	36.6%	77.1%
REFUNDS	20,123	118,303	109,296	32,511	280,232	49,952	155,439	58,361	35,167	298,918
%CHYA	-39.4%	563.4%	327.0%	-82.2%	8.0%	148.2%	31.4%	-46.6%	8.2%	6.7%
TOTAL	131,262	87,054	73,323	203,120	494,759	172,111	124,202	105,597	219,860	621,770
%CHYA	15.6%	-23.5%	-20.3%	52.0%	9.2%	31.1%	42.7%	44.0%	8.2%	25.7%

	2015:3	2015:4	2016:1	2016:2	FY 2016	2016:3	2016:4	2017:1	2017:2	FY 2017
ADVANCE PAYMENTS	173,329	220,326	118,673	202,813	715,141	136,698	215,677	102,663	195,412	650,449
%CHYA	-10.3%	6.9%	11.2%	10.5%	3.7%	-21.1%	-2.1%	-13.5%	-3.6%	-9.0%
FINAL PAYMENTS	67,305	59,752	63,509	70,433	260,998	44,746	93,441	52,164	81,824	272,175
%CHYA	133.6%	-18.8%	10.9%	-1.4%	13.0%	-33.5%	56.4%	-17.9%	16.2%	4.3%
REFUNDS	42,388	156,984	85,446	81,453	366,271	39,680	166,537	73,066	57,733	337,016
%CHYA	-15.1%	1.0%	46.4%	131.6%	22.5%	-6.4%	6.1%	-14.5%	-29.1%	-8.0%
TOTAL	198,245	123,094	96,736	191,793	609,868	141,764	142,581	81,761	219,503	585,608
%CHYA	15.2%	-0.9%	-8.4%	-12.8%	-1.9%	-28.5%	15.8%	-15.5%	14.4%	-4.0%

	2017:3	2017:4	2018:1	2018:2	FY 2018	2018:3	2018:4	2019:1	2019:2	FY 2019
ADVANCE PAYMENTS	179,603	185,787	182,395	303,835	851,620	222,891	249,768	158,748	264,445	895,852
%CHYA	31.4%	-13.9%	77.7%	55.5%	30.9%	24.1%	34.4%	-13.0%	-13.0%	5.2%
FINAL PAYMENTS	42,600	66,460	46,270	108,539	263,869	74,735	102,942	68,818	174,861	421,356
%CHYA	-4.8%	-28.9%	-11.3%	32.6%	-3.1%	75.4%	54.9%	48.7%	61.1%	59.7%
REFUNDS	72,225	129,963	122,291	54,224	378,703	43,428	167,871	128,586	50,616	390,501
%CHYA	82.0%	-22.0%	67.4%	-6.1%	12.4%	-39.9%	29.2%	5.1%	-6.7%	3.1%
TOTAL	149,978	122,284	106,374	358,150	736,786	254,198	184,839	98,980	388,690	926,707
%CHYA	5.8%	-14.2%	30.1%	63.2%	25.8%	69.5%	51.2%	-7.0%	8.5%	25.8%

TABLE B.5 **OREGON CORPORATE INCOME TAX REVENUE FORECAST - QUARTERLY COLLECTIONS**

Thousands of Dollars - Not Seasonally Adjusted **May 2021**

	2019:3	2019:4	2020:1	2020:2	FY 2020	2020:3	2020:4	2021:1	2021:2	FY 2021
ADVANCE PAYMENTS	236,341	346,651	137,782	263,138	983,912	260,668	378,192	249,855	315,189	1,203,904
%CHYA	6.0%	38.8%	-13.2%	-0.5%	9.8%	10.3%	9.1%	81.3%	19.8%	22.4%
FINAL PAYMENTS	67,657	105,446	66,346	111,149	350,598	114,684	98,371	78,356	136,331	427,742
%CHYA	-9.5%	2.4%	-3.6%	-36.4%	-16.8%	69.5%	-6.7%	18.1%	22.7%	22.0%
REFUNDS	73,866	247,403	91,312	86,858	499,439	62,538	254,020	154,026	141,092	611,676
%CHYA	70.1%	47.4%	-29.0%	71.6%	27.9%	-15.3%	2.7%	68.7%	62.4%	22.5%
TOTAL	230,132	204,694	112,816	287,429	835,071	312,814	222,543	174,185	310,428	1,019,970
%CHYA	-9.5%	10.7%	14.0%	-26.1%	-9.9%	35.9%	8.7%	54.4%	8.0%	22.1%

	2021:3	2021:4	2022:1	2022:2	FY 2022	2022:3	2022:4	2023:1	2023:2	FY 2023
ADVANCE PAYMENTS	230,386	257,074	128,162	213,547	829,169	180,011	225,529	121,298	213,797	740,634
%CHYA	-11.6%	-32.0%	-48.7%	-32.2%	-31.1%	-21.9%	-12.3%	-5.4%	0.1%	-10.7%
FINAL PAYMENTS	74,277	228,590	134,713	127,084	564,664	68,997	255,743	148,375	149,769	622,884
%CHYA	-35.2%	132.4%	71.9%	-6.8%	32.0%	-7.1%	11.9%	10.1%	17.9%	10.3%
REFUNDS	86,318	348,846	182,379	95,049	712,591	76,305	344,295	182,276	95,700	698,576
%CHYA	38.0%	37.3%	18.4%	-32.6%	16.5%	-11.6%	-1.3%	-0.1%	0.7%	-2.0%
TOTAL	218,345	136,818	80,497	245,583	681,242	172,703	136,977	87,397	267,866	664,942
%CHYA	-30.2%	-38.5%	-53.8%	-20.9%	-33.2%	-20.9%	0.1%	8.6%	9.1%	-2.4%

	2023:3	2023:4	2024:1	2024:2	FY 2024	2024:3	2024:4	2025:1	2025:2	FY 2025
ADVANCE PAYMENTS	181,360	235,257	126,264	220,360	763,242	185,128	241,471	132,098	229,626	788,323
%CHYA	0.7%	4.3%	4.1%	3.1%	3.1%	2.1%	2.6%	4.6%	4.2%	3.3%
FINAL PAYMENTS	86,289	287,928	187,046	189,080	750,344	108,145	367,902	219,885	223,025	918,958
%CHYA	25.1%	12.6%	26.1%	26.2%	20.5%	25.3%	27.8%	17.6%	18.0%	22.5%
REFUNDS	79,128	366,618	213,858	109,349	768,954	87,437	438,765	240,907	121,903	889,012
%CHYA	3.7%	6.5%	17.3%	14.3%	10.1%	10.5%	19.7%	12.6%	11.5%	15.6%
TOTAL	188,521	156,567	99,452	300,091	744,631	205,837	170,607	111,076	330,749	818,269
%CHYA	9.2%	14.3%	13.8%	12.0%	12.0%	9.2%	9.0%	11.7%	10.2%	9.9%

	2025:3	2025:4	2026:1	2026:2	FY 2026	2026:3	2026:4	2027:1	2027:2	FY 2027
ADVANCE PAYMENTS	194,590	257,938	139,460	242,295	834,284	204,218	268,075	144,213	250,688	867,195
%CHYA	5.1%	6.8%	5.6%	5.5%	5.8%	4.9%	3.9%	3.4%	3.5%	3.9%
FINAL PAYMENTS	130,342	442,020	231,779	256,347	1,060,488	151,244	457,224	240,477	284,423	1,133,367
%CHYA	20.5%	20.1%	5.4%	14.9%	15.4%	16.0%	3.4%	3.8%	11.0%	6.9%
REFUNDS	94,943	501,507	244,354	123,831	964,634	97,355	507,313	247,650	125,695	978,013
%CHYA	8.6%	14.3%	1.4%	1.6%	8.5%	2.5%	1.2%	1.3%	1.5%	1.4%
TOTAL	229,989	198,450	126,885	374,812	930,137	258,108	217,986	137,041	409,415	1,022,549
%CHYA	11.7%	16.3%	14.2%	13.3%	13.7%	12.2%	9.8%	8.0%	9.2%	9.9%

	2027:3	2027:4	2028:1	2028:2	FY 2028	2028:3	2028:4	2029:1	2029:2	FY 2029
ADVANCE PAYMENTS	208,514	272,517	145,080	252,351	878,462	213,148	278,653	147,813	257,048	896,663
%CHYA	2.1%	1.7%	0.6%	0.7%	1.3%	2.2%	2.3%	1.9%	1.9%	2.1%
FINAL PAYMENTS	167,303	461,840	242,669	299,017	1,170,830	179,764	471,429	247,556	313,894	1,212,644
%CHYA	10.6%	1.0%	0.9%	5.1%	3.3%	7.4%	2.1%	2.0%	5.0%	3.6%
REFUNDS	100,366	520,332	253,225	128,640	1,002,562	101,328	523,700	255,107	129,669	1,009,803
%CHYA	3.1%	2.6%	2.3%	2.3%	2.5%	1.0%	0.6%	0.7%	0.8%	0.7%
TOTAL	275,452	214,026	134,524	422,728	1,046,730	291,585	226,382	140,262	441,274	1,099,503
%CHYA	6.7%	-1.8%	-1.8%	3.3%	2.4%	5.9%	5.8%	4.3%	4.4%	5.0%

Table B.6 Cigarette and Tobacco Tax Distribution

TABLE B.6 **May 2021**

Cigarette & Tobacco Tax Distribution (Millions of $)

	Cigarette Tax Distribution*								Other Tobacco Tax Distribution				Inhalent Delivery Distribution		
						Tobacco Use Reduction[2]									
	Total	General Fund	Health Plan	Mental Health	Health Authority[1]	Old	New	Cities, Counties & Public Transit	Total	General Fund	Health Plan	Tobacco Use Reduction	Total	Health Authority	Tobacco Use Reduction
Distribution Forecast															
2019-20	**187.2**	30.5	121.0	21.2	0.0	4.8	0.0	9.7	**57.7**	30.9	24.1	2.7	**0.0**	0.0	0.0
2020-21	**287.7**	27.8	106.2	18.6	112.5	4.2	9.9	8.5	**57.7**	31.2	23.8	2.7	**9.4**	8.4	0.9
2019-21 Biennium	**474.8**	58.3	227.2	39.7	112.5	9.1	9.9	18.1	**115.4**	62.1	47.9	5.3	**9.4**	8.4	0.9
2021-22	**343.6**	22.7	88.5	15.5	185.7	3.5	20.6	7.1	**60.3**	32.5	25.0	2.8	**9.8**	8.8	1.0
2022-23	**336.1**	22.2	86.5	15.1	181.7	3.5	20.2	6.9	**60.7**	32.7	25.2	2.8	**9.9**	8.9	1.0
2021-23 Biennium	**679.7**	44.9	175.0	30.6	367.4	7.0	40.8	14.0	**121.0**	65.1	50.2	5.6	**19.7**	17.7	2.0
2023-24	**333.1**	22.0	85.8	15.0	180.1	3.4	20.0	6.8	**60.8**	32.7	25.2	2.8	**10.2**	9.1	1.0
2024-25	**325.3**	21.5	83.8	14.7	175.8	3.3	19.5	6.7	**61.2**	32.9	25.4	2.8	**10.3**	9.2	1.0
2023-25 Biennium	**658.4**	43.5	169.5	29.7	355.9	6.8	39.5	13.5	**121.9**	65.6	50.6	5.6	**20.4**	18.4	2.0
2025-26	**315.9**	20.9	81.3	14.2	170.7	3.2	19.0	6.5	**61.2**	32.9	25.4	2.8	**10.3**	9.3	1.0
2026-27	**309.8**	20.5	79.8	14.0	167.5	3.2	18.6	6.4	**61.5**	33.1	25.5	2.8	**10.4**	9.4	1.0
2025-27 Biennium	**625.7**	41.3	161.1	28.2	338.2	6.4	37.6	12.9	**122.7**	66.0	51.0	5.7	**20.8**	18.7	2.1
2027-28	**304.5**	20.1	78.4	13.7	164.6	3.1	18.3	6.3	**61.4**	33.1	25.5	2.8	**10.5**	9.5	1.1
2028-29	**299.8**	19.8	77.2	13.5	162.1	3.1	18.0	6.2	**61.3**	33.0	25.5	2.8	**10.6**	9.5	1.1
2027-29 Biennium	**604.3**	39.9	155.6	27.2	326.7	6.2	36.3	12.4	**122.7**	66.1	51.0	5.7	**21.1**	19.0	2.1

[1] Includes the cigarette floor tax in FY21 ($25.5 million)

[2] Old and New refere to pre- and post-Measure 108 (2020) taxes and programs

TABLE B.7 **May 2021**

Liquor Apportionment and Revenue Distribution to Local Governments (Millions of $)

	Liquor Apportionment Distribution								
	Total Liquor Revenue Available	General Fund (56%)	Mental Health [1]	Oregon Wine Board	City Revenue			Counties	Cigarette Tax Distribution [2]
					Revenue Sharing	Regular	Total		
2019-20	290.649	165.629	9.534	0.338	52.340	36.638	88.979	26.170	9.653
2020-21	314.814	179.338	10.123	0.359	56.815	39.771	96.586	28.408	8.472
2019-21 Biennium	605.463	344.967	19.657	0.697	109.155	76.409	185.564	54.578	18.125
2021-22	310.100	176.774	9.885	0.362	55.945	39.161	95.106	27.972	7.058
2022-23	326.655	186.212	10.412	0.381	58.932	41.252	100.184	29.466	6.903
2021-23 Biennium	636.755	362.986	20.297	0.743	114.877	80.414	195.290	57.438	13.961
2023-24	309.147	168.162	10.633	0.384	59.078	41.353	100.431	29.537	6.843
2024-25	323.442	176.334	10.856	0.395	61.754	43.227	104.981	30.875	6.681
2023-25 Biennium	632.589	344.497	21.489	0.779	120.832	84.580	205.412	60.412	13.524
2025-26	338.695	185.051	11.100	0.407	45.225	64.610	109.835	32.303	6.488
2026-27	354.720	194.204	11.363	0.420	47.324	67.608	114.932	33.801	6.364
2025-27 Biennium	693.414	379.254	22.462	0.828	92.549	132.217	224.766	66.104	12.852
2027-28	371.349	203.701	11.636	0.434	49.502	70.719	120.220	35.357	6.255
2028-29	388.504	213.502	11.914	0.448	51.749	73.929	125.677	36.962	6.158
2027-29 Biennium	759.853	417.203	23.550	0.883	101.250	144.647	245.898	72.319	12.413

[1] Mental Health Alcoholism and Drug Services Account, per ORS 471.810

[2] For details on cigarette revenues see TABLE B.6 on previous page

Table B.8 Track Record for the March 2021 Forecast

(Quarter ending March 31, 2020)

Personal Income Tax	Forecast Comparison			Year/Year Change	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Withholding	$2,321.6	$2,244.7	3.4%	$2,183.4	6.3%
Dollar difference		$76.9		$131.0	
Estimated Payments*	$432.7	$381.0	13.6%	$376.1	15.1%
Dollar difference		$51.7		$131.8	
Final Payments*	$220.8	$178.1	24.0%	$159.7	38.2%
Dollar difference		$42.7		$25.5	
Refunds	-$558.6	-$539.9	3.5%	-$1,120.3	-50.1%
Dollar difference		-$18.7		$561.7	
Total Personal Income Tax	**$2,416.5**	**$2,264.0**	**6.7%**	**$1,599.0**	**51.1%**
Dollar difference		$152.5		$817.6	

Corporate Income Tax	Forecast Comparison			Year/Year Change	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Advanced Payments	$249.9	$151.1	65.3%	$137.8	81.3%
Dollar difference		$98.7		$112.1	
Final Payments	$78.4	$74.7	4.8%	$66.3	18.1%
Dollar difference		$3.6		$12.0	
Refunds	-$154.0	-$170.9	-9.9%	-$91.3	68.7%
Dollar difference		$16.9		-$62.7	
Total Corporate Income Tax	**$174.2**	**$55.0**	**216.8%**	**$112.8**	**54.4%**
Dollar difference		$119.2		$61.4	

Total Income Tax	Forecast Comparison			Year/Year Change	
(Millions of dollars)	Actual Revenues	Latest Forecast	Percent Difference	Prior Year	Percent Change
Corporate and Personal Tax	**$2,590.7**	**$2,319.0**	**11.7%**	**$1,711.8**	**51.3%**
Dollar difference		$271.7		$878.9	

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

Table B.9 Summary of Lottery Resources

TABLE B.9 **May 2021 Forecast**

Summary of Lottery Resources

(in millions of dollars)	2019-21 Current Forecast	2019-21 Change from Mar-21	2019-21 Change from COS 2019	2021-23 Current Forecast	2021-23 Change from Mar-21	2023-25 Current Forecast	2023-25 Change from Mar-21	2025-2027 Current Forecast	2025-2027 Change from Mar-21	2027-29 Current Forecast	2027-29 Change from Mar-21
LOTTERY EARNINGS											
Traditional Lottery	152.310	*2.343*	*(2.591)*	158.835	*6.203*	157.237	5.569	156.507	5.841	156.914	6.013
Video Lottery	1,043.110	*16.428*	*(261.833)*	1,473.289	*87.357*	1,565.493	34.539	1,697.096	38.995	1,843.730	74.005
Scoreboard (Sports Betting)[1]	6.300	*2.999*	*6.300*	19.337	*0.000*	35.952	0.000	41.763	0.000	44.911	0.000
Administrative Actions	0.000	*0.000*	*0.000*	0.000	*0.000*	0.000	0.000	0.000	0.000	0.000	0.000
Total Available to Transfer	**1,201.720**	*21.770*	*(258.124)*	**1,651.461**	*93.560*	**1,758.682**	40.108	**1,895.366**	44.836	**2,045.555**	80.018
ECONOMIC DEVELOPMENT FUND											
Beginning Balance	70.924	*0.000*	*5.585*	72.370	*12.393*	0.000	0.000	0.000	0.000	0.000	0.000
Transfers from Lottery	1,201.720	*21.770*	*(258.124)*	1,651.461	*93.560*	1,758.682	40.108	1,895.366	44.836	2,045.555	80.018
Other Resources[2]	7.471	*0.000*	*1.740*	2.000	*0.000*	2.000	0.000	2.000	0.000	2.000	0.000
Total Available Resources	**1,280.115**	*21.770*	*(250.800)*	**1,725.830**	*105.953*	**1,760.682**	40.108	**1,897.366**	44.836	**2,047.555**	80.018
ALLOCATION OF RESOURCES											
Constitutional Distributions											
Education Stability Fund[3]	216.315	*3.924*	*(46.457)*	297.263	16.841	316.563	7.219	251.944	46.506	134.019	5.365
Oregon Capital Matching Fund[3]	0.000	*0.000*	*0.000*	0.000	0.000	0.000	0.000	74.351	(32.030)	195.168	7.547
Parks and Natural Resources Fund[4]	180.258	*3.266*	*(38.719)*	247.719	14.034	263.802	6.016	284.305	6.725	306.833	12.003
Veterans' Services Fund[5]	18.026	*0.327*	*(3.872)*	24.772	1.403	26.380	0.602	28.430	0.673	30.683	1.200
Other Distributions											
Outdoor School Education Fund[6]	43.041	*0.000*	*(2.265)*	49.419	(0.100)	51.222	(0.433)	53.394	(0.328)	55.658	(0.214)
County Economic Development	50.231	*0.000*	*0.000*	56.486	3.349	60.021	1.324	65.067	1.495	70.689	2.837
HECC Collegiate Athletic & Scholarships[7]	14.100	*0.000*	*0.000*	16.515	0.936	17.587	0.401	18.954	0.448	20.456	0.800
Gambling Addiction [7]	14.673	*0.095*	*0.080*	16.515	0.936	17.587	0.401	18.954	0.448	20.456	0.800
County Fairs	3.828	*0.000*	*0.000*	3.828	0.000	3.828	0.000	3.828	0.000	3.828	0.000
Other Legislatively Adopted Allocations[8]	663.146	*0.941*	*(216.064)*	238.900	0.000	234.300	0.000	234.300	0.000	234.300	0.000
Employer Incentive Fund (PERS)[1]	4.126	*0.826*	*4.126*	12.666	(6.671)	23.548	(12.403)	27.683	(14.081)	30.273	(14.638)
Total Distributions	**1,207.745**	*9.377*	*(303.169)*	**964.082**	30.728	**1,014.838**	3.128	**1,061.210**	9.857	**1,102.363**	15.701
Ending Balance/Discretionary Resources	**72.370**	*12.393*	*52.370*	**761.749**	75.225	**745.844**	36.981	**836.156**	34.979	**945.192**	64.318

Note: Some totals may not foot due to rounding.

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

Table B.10 Budgetary Reserve Summary and Outlook

Table B.10: Budgetary Reserve Summary and Outlook **May 2021**

Rainy Day Fund

(Millions)	2017-19	2019-21	2021-23	2023-25	2025-27	2027-29
Beginning Balance	$376.4	$666.6	$962.2	$1,255.6	$1,589.6	$1,971.5
Interest Earnings	$23.5	$22.6	$11.0	$19.1	$48.0	$98.0
Deposits[1]	$266.7	$273.0	$282.4	$315.0	$333.9	$376.8
Triggered Withdrawals	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Ending Balance[2]	**$666.6**	**$962.2**	**$1,255.6**	**$1,589.6**	**$1,971.5**	**$2,446.3**

Education Stability Fund[3]

(Millions)	2017-19	2019-21	2021-23	2023-25	2025-27	2027-29
Beginning Balance	$384.2	$621.1	$414.4	$681.9	$966.8	$1,193.5
Interest Earnings[4]	$22.4	$20.0	$5.6	$11.3	$30.7	$59.0
Deposits[5]	$235.9	$194.7	$267.5	$284.9	$226.7	$120.6
Distributions	$22.4	$420.0	$5.6	$11.3	$30.7	$59.0
Oregon Education Fund	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Oregon Opportunity Grant	$22.4	$20.0	$5.6	$11.3	$30.7	$59.0
Withdrawals	$0.0	$400.0	$0.0	$0.0	$0.0	$0.0
Ending Balance	**$621.1**	**$414.4**	**$681.9**	**$966.8**	**$1,193.5**	**$1,314.2**

Total Reserves

(Millions)	2017-19	2019-21	2021-23	2023-25	2025-27	2027-29
Ending Balances	**$1,287.7**	**$1,376.5**	**$1,937.5**	**$2,556.4**	**$3,165.1**	**$3,760.5**
Percent of General Fund Revenues	5.9%	6.0%	8.3%	9.4%	10.6%	11.4%

Footnotes:

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

Table B.11 Recreational Marijuana Resources and Distributions

TABLE B.11 **May 2021**

Summary of Marijuana Resources

(in millions of dollars)	2019-21 Current Forecast	2019-21 Change from Mar-21	2019-21 Change from COS 2019	2021-23 Current Forecast	2021-23 Change from Mar-21	2023-25 Current Forecast	2023-25 Change from Mar-21	2025-27 Current Forecast	2025-27 Change from Mar-21	2027-29 Current Forecast	2027-29 Change from Mar-21
MARIJUANA EARNINGS											
+ Tax Revenue [1]	303.977	*2.375*	*66.008*	354.386	*20.910*	377.204	31.299	417.310	55.807	462.371	87.042
- Administrative Costs [2]	14.691	*0.000*	*0.497*	15.026	*0.000*	15.374	0.348	15.746	0.720	16.144	1.118
Net Available to Transfer	**289.287**	*2.375*	*65.511*	**339.360**	*20.910*	**361.830**	*30.952*	**401.564**	*55.087*	**446.227**	*85.924*
OREGON MARIJUANA ACCOUNT											
Beginning Balance	28.765	*0.000*	*0.000*	0.000	*0.000*	0.000	0.000	0.000	0.000	0.000	0.000
Revenue Transfers	289.287	*2.375*	*65.511*	339.360	*20.910*	361.830	30.952	401.564	55.087	446.227	85.924
Other Resources	0.000	*0.000*	*0.000*	0.000	*0.000*	0.000	0.000	0.000	0.000	0.000	0.000
Total Available Resources	**318.052**	*2.375*	*65.511*	**339.360**	*20.910*	**361.830**	*30.952*	**401.564**	*55.087*	**446.227**	*85.924*
ALLOCATION OF RESOURCES [3]											
Drug Treatment & Recovery	65.220	*2.375*	*65.220*	249.360	*20.910*	271.830	30.952	311.564	55.087	356.227	85.924
State School Fund	103.765	*0.000*	*(0.000)*	36.000	*0.000*	36.000	0.000	36.000	0.000	36.000	0.000
Mental Health, Alcoholism, & Drug Services	51.882	*0.000*	*(0.000)*	18.000	*0.000*	18.000	0.000	18.000	0.000	18.000	0.000
State Police	38.912	*0.000*	*(0.000)*	13.500	*0.000*	13.500	0.000	13.500	0.000	13.500	0.000
Cities	22.651	*0.000*	*0.274*	9.000	*0.000*	9.000	0.000	9.000	0.000	9.000	0.000
Counties	22.651	*0.000*	*0.274*	9.000	*0.000*	9.000	0.000	9.000	0.000	9.000	0.000
Alcohol & Drug Abuse Prevention, Intervention & Treatment	12.971	*0.000*	*(0.000)*	4.500	*0.000*	4.500	0.000	4.500	0.000	4.500	0.000
Total Distributions	**318.052**	*2.375*	*65.767*	**339.360**	*20.910*	**361.830**	*30.952*	**401.564**	*55.087*	**446.227**	*85.924*
Ending Balance	**0.000**	*0.000*	*(0.136)*	**0.000**	*0.000*	**0.000**	0.000	**0.000**	0.000	**0.000**	0.000

Note: Some totals may not foot due to rounding.

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

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

3. Per Measure 110 (2020), the first $11.25 million per quarter ($45m per year) is distributed via forumula to the initial recipient programs. All revenues above $11.25 million go to the Drug Treatment & Recovery Fund.

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

TABLE B.12 **May 2021**

Summary of Corporate Activity Tax Resources

(in millions of dollars)	2019-21 Current Forecast	2019-21 Change from Mar-21	2019-21 Change from COS 2019	2021-23 Current Forecast	2021-23 Change from Mar-21	2023-25 Current Forecast	2023-25 Change from Mar-21	2025-27 Current Forecast	2025-27 Change from Mar-21	2027-29 Current Forecast	2027-29 Change from Mar-21
Corporate Activity Tax											
+ Tax Revenue	1,337.970	*73.822*	(258.297)	2,368.297	*76.113*	2,588.057	*(12.637)*	2,872.717	*(1.394)*	3,195.447	*(3.633)*
- Administrative Costs	14.002	*0.000*	4.482	19.200	*0.000*	21.312	*0.000*	23.656	*0.000*	26.259	*0.000*
Net Available to Transfer	**1,323.967**	73.822	(262.780)	**2,349.097**	76.113	**2,566.745**	(12.637)	**2,849.060**	(1.394)	**3,169.189**	(3.633)
Fund for Student Success											
Beginning Balance	0.000	*0.000*	0.000	0.000	*0.000*	0.000	*0.000*	0.000	*0.000*	0.000	*0.000*
Revenue Transfers	1,323.967	*73.822*	(262.780)	2,349.097	*76.113*	2,566.745	*(12.637)*	2,849.060	*(1.394)*	3,169.189	*(3.633)*
Other Resources	0.000	*0.000*	0.000	0.000	*0.000*	0.000	*0.000*	0.000	*0.000*	0.000	*0.000*
Total Available Resources	**1,323.967**	73.822	(262.780)	**2,349.097**	76.113	**2,566.745**	(12.637)	**2,849.060**	(1.394)	**3,169.189**	(3.633)
ALLOCATION OF RESOURCES											
State School Fund	618.414	*(2.889)*	(24.586)	685.678	*8.789*	758.262	*5.665*	827.236	*(0.073)*	901.842	*(3.825)*
Student Investment Account	150.000	*0.000*	(322.740)	831.709	*33.662*	904.242	*(9.151)*	1,010.912	*(0.661)*	1,133.673	*0.096*
Statewide Education Initiative Account	246.622	*0.000*	(18.500)	499.026	*20.197*	542.545	*(5.491)*	606.547	*(0.396)*	680.204	*0.058*
Early Learning Account	170.518	*0.000*	(0.606)	332.684	*13.465*	361.697	*(3.660)*	404.365	*(0.264)*	453.469	*0.038*
Total Distributions	**1,185.555**	(2.889)	(366.432)	**2,349.097**	76.113	**2,566.745**	(12.637)	**2,849.060**	(1.394)	**3,169.189**	(3.633)
Ending Balance	**138.413**	76.711	103.652	**0.000**	0.000	**0.000**	0.000	**0.000**	0.000	**0.000**	0.000

Note: Some totals may not foot due to rounding.

Table B.13 Fund for Student Success Quarterly Revenues (Corporate Activity Tax)

Table B.13 **Corporate Activity Tax Collections By Quarter** **May 2021**

(thousands)	2019:3	2019:4	2020:1	2020:2	FY 2020	2020:3	2020:4	2021:1	2021:2	FY 2021
Estimated Payments	$0	$0	$4,023	$222,495	$226,518	$224,973	$254,387	$223,550	$227,000	$929,909
Final Payments	$0	$0	$0	$0	$0	$0	$0	$26,911	$162,257	$189,169
Refunds (-)	$0	$0	$0	$0	$0	$0	$0	$997.05	$4,728	$5,726
Total	$0	$0	$4,023	$222,495	$226,518	$224,973	$254,387	$249,464	$384,529	$1,113,352

	2021:3	2021:4	2022:1	2022:2	FY 2022	2022:3	2022:4	2023:1	2023:2	FY 2023
Estimated Payments	$244,000	$249,000	$254,100	$231,687	$978,787	$249,038	$254,142	$259,347	$243,571	$1,006,098
Final Payments	$1,909	$7,636	$20,765	$176,500	$206,809	$2,076	$8,306	$21,193	$180,144	$211,720
Refunds (-)	$0	$9,457	$1,538	$4,614	$15,609	$0	$9,229	$1,570	$4,710	$15,508
Total	$245,909	$247,179	$273,327	$403,573	$1,169,987	$251,115	$253,219	$278,970	$419,006	$1,202,310

	2023:3	2023:4	2024:1	2024:2	FY 2024	2024:3	2024:4	2025:1	2025:2	FY 2025
Estimated Payments	$261,812	$267,177	$272,649	$256,012	$1,057,651	$275,185	$280,824	$286,576	$269,306	$1,111,891
Final Payments	$2,119	$8,477	$22,281	$189,384	$222,262	$2,228	$8,912	$23,419	$199,058	$233,617
Refunds (-)	$0	$9,419	$1,650	$4,951	$16,021	$0	$9,902	$1,735	$5,204	$16,841
Total	$263,931	$266,235	$293,279	$440,446	$1,263,891	$277,413	$279,834	$308,260	$463,159	$1,328,666

	2025:3	2025:4	2026:1	2026:2	FY 2026	2026:3	2026:4	2027:1	2027:2	FY 2027
Estimated Payments	$289,474	$295,406	$301,456	$284,780	$1,171,115	$306,107	$312,379	$318,777	$300,082	$1,237,346
Final Payments	$2,342	$9,367	$24,635	$209,394	$245,738	$2,463	$9,854	$26,050	$221,425	$259,793
Refunds (-)	$0	$10,408	$1,825	$5,474	$17,707	$0	$10,949	$1,930	$5,789	$18,667
Total	$291,816	$294,365	$324,266	$488,699	$1,399,145	$308,570	$311,284	$342,898	$515,719	$1,478,471

	2027:3	2027:4	2028:1	2028:2	FY 2028	2028:3	2028:4	2029:1	2029:2	FY 2029
Estimated Payments	$322,556	$329,165	$335,907	$316,380	$1,304,008	$340,074	$347,043	$354,151	$333,497	$1,374,765
Final Payments	$2,605	$10,420	$27,450	$233,324	$273,799	$2,745	$10,980	$28,941	$245,996	$288,662
Refunds (-)	$0	$11,578	$2,033	$6,100	$19,711	$0	$12,200	$2,144	$6,431	$20,775
Total	$325,161	$328,007	$361,324	$543,604	$1,558,096	$342,819	$345,823	$380,948	$573,062	$1,642,652

APPENDIX C: POPULATION FORECASTS BY AGE AND SEX

Table C.1 Oregon's Population Forecasts and Component of Change 1990-2029

STATE OF OREGON
POPULATION FORECASTS
COMPONENTS OF CHANGE 1990 -2029

Year		Population Change		Births		Deaths		Natural	Net Migration	
(July 1)	Population	Number	Percent	Number	Rate/1000	Number	Rate/1000	Increase	Number	Rate/1000
1990	2,860,400	69,800	2.50	42,008	14.87	24,763	8.76	17,245	52,555	18.60
1991	2,928,500	68,100	2.38	42,682	14.75	24,944	8.62	17,738	50,362	17.40
1992	2,991,800	63,300	2.16	42,427	14.33	25,166	8.50	17,261	46,039	15.55
1993	3,060,400	68,600	2.29	41,442	13.69	26,543	8.77	14,899	53,701	17.75
1994	3,121,300	60,900	1.99	41,487	13.42	27,564	8.92	13,923	46,977	15.20
1995	3,184,400	63,100	2.02	42,426	13.46	27,552	8.74	14,874	48,226	15.30
1990-1995		**324,000**		**210,464**		**131,769**		**78,695**	**245,305**	
1996	3,247,100	62,700	1.97	43,196	13.43	28,768	8.95	14,428	48,272	15.01
1997	3,304,300	57,200	1.76	43,625	13.32	29,201	8.91	14,424	42,776	13.06
1998	3,352,400	48,100	1.46	44,696	13.43	28,705	8.62	15,991	32,109	9.65
1999	3,393,900	41,500	1.24	45,188	13.40	29,848	8.85	15,340	26,160	7.76
2000	3,431,100	37,200	1.10	45,534	13.34	28,909	8.47	16,625	20,575	6.03
1995-2000		**246,700**		**222,239**		**145,431**		**76,808**	**169,892**	
2001	3,470,400	39,300	1.15	45,536	13.20	29,934	8.67	15,602	23,698	6.87
2002	3,502,600	32,200	0.93	44,995	12.91	30,828	8.84	14,167	18,033	5.17
2003	3,538,600	36,000	1.03	45,686	12.98	30,604	8.69	15,082	20,918	5.94
2004	3,578,900	40,300	1.14	45,599	12.81	30,721	8.63	14,878	25,422	7.14
2005	3,626,900	48,000	1.34	45,892	12.74	30,717	8.53	15,175	32,825	9.11
2000-2005		**195,800**		**227,708**		**152,804**		**74,904**	**120,896**	
2006	3,685,200	58,300	1.61	46,946	12.84	30,771	8.42	16,175	42,125	11.52
2007	3,739,400	54,200	1.47	49,404	13.31	31,396	8.46	18,008	36,192	9.75
2008	3,784,200	44,800	1.20	49,659	13.20	32,008	8.51	17,651	27,149	7.22
2009	3,815,800	31,600	0.84	47,960	12.62	31,382	8.26	16,578	15,022	3.95
2010	3,837,300	21,500	0.56	46,256	12.09	31,689	8.28	14,567	6,933	1.81
2005-2010		**210,400**		**240,225**		**157,246**		**82,979**	**127,421**	
2011	3,857,625	20,325	0.53	45,381	11.80	32,437	8.43	12,944	7,381	1.92
2012	3,878,223	20,598	0.53	44,897	11.61	32,804	8.48	12,093	8,505	2.20
2013	3,910,991	32,768	0.84	44,969	11.55	33,168	8.52	11,801	20,967	5.38
2014	3,952,098	41,107	1.05	45,447	11.56	33,731	8.58	11,716	29,391	7.48
2015	4,000,572	48,474	1.23	45,660	11.48	35,318	8.88	10,342	38,132	9.59
2010-2015		**163,272**		**226,354**		**167,458**		**58,896**	**104,376**	
2016	4,060,302	59,730	1.49	45,647	11.33	35,339	8.77	10,308	49,422	12.26
2017	4,122,197	61,895	1.52	44,602	10.90	36,773	8.99	7,829	54,066	13.22
2018	4,173,516	51,319	1.24	42,906	10.34	36,268	8.74	6,638	44,681	10.77
2019	4,211,746	38,230	0.92	42,220	10.07	36,622	8.73	5,598	32,632	7.78
2020	4,240,535	28,788	0.68	40,920	9.68	37,916	8.97	3,004	25,784	6.10
2015-2020		**239,962**		**216,295**		**182,918**		**33,377**	**206,585**	
2021	4,256,700	16,165	0.38	39,553	9.31	40,254	9.47	-701	16,866	3.97
2022	4,285,500	28,800	0.68	39,604	9.27	40,600	9.51	-996	29,796	6.98
2023	4,319,100	33,600	0.78	40,125	9.33	40,217	9.35	-92	33,692	7.83
2024	4,354,300	35,200	0.81	40,754	9.40	40,917	9.44	-163	35,363	8.15
2025	4,390,200	35,900	0.82	41,361	9.46	41,729	9.54	-369	36,269	8.30
2020-2025		**149,665**		**201,396**		**203,717**		**-2,321**	**151,986**	
2026	4,426,000	35,800	0.82	41,512	9.42	42,770	9.70	-1,258	37,058	8.41
2027	4,461,600	35,600	0.80	41,665	9.38	43,781	9.85	-2,117	37,717	8.49
2028	4,496,700	35,100	0.79	41,837	9.34	44,999	10.05	-3,162	38,262	8.54
2029	4,531,300	34,600	0.77	42,004	9.31	46,128	10.22	-4,123	38,723	8.58
1990-2000		**570,700**		**432,703**		**277,200**		**155,503**	**415,197**	13.10
2000-2010		**406,200**		**467,933**		**310,050**		**157,883**	**248,317**	6.83
2010-2020		**403,235**		**442,649**		**350,376**		**92,273**	**310,961**	7.73
2020-2029		**290,765**		**368,415**		**381,395**		**-12,981**	**303,746**	6.96

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

Table C.2 Population Forecasts by Age and Sex: 2010-2029

	2010			2011			2012			2013			2014		
Age	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	122,327	116,130	238,457	120,987	115,026	236,013	119,348	113,261	232,609	118,084	111,726	229,809	117,641	111,355	228,996
5- 9	121,539	116,369	237,908	121,698	115,834	237,532	122,594	116,794	239,388	123,803	117,798	241,601	124,423	117,832	242,255
10-14	124,508	118,732	243,241	124,036	118,998	243,034	123,537	118,197	241,733	123,288	118,067	241,355	123,265	118,273	241,538
15-19	131,126	124,540	255,667	128,956	121,854	250,810	127,331	120,478	247,809	126,398	119,738	246,136	126,554	119,807	246,361
20-24	128,787	124,903	253,689	130,378	126,428	256,806	132,513	128,343	260,856	134,820	130,109	264,928	136,146	131,362	267,509
25-29	134,019	131,816	265,835	133,036	130,512	263,548	131,984	129,342	261,326	131,823	129,545	261,369	133,688	131,739	265,427
30-34	131,489	128,325	259,814	133,326	130,609	263,935	135,325	133,042	268,367	136,761	134,599	271,360	139,155	136,712	275,867
35-39	128,070	123,596	251,665	125,846	121,747	247,592	125,867	122,203	248,070	128,441	124,222	252,663	130,502	126,384	256,886
40-44	125,969	122,843	248,811	128,886	125,293	254,179	130,633	126,499	257,131	131,250	127,292	258,542	130,749	126,479	257,228
45-49	130,825	132,538	263,363	127,717	128,485	256,203	125,296	124,883	250,179	123,666	122,052	245,718	124,046	121,306	245,352
50-54	135,129	141,565	276,693	134,628	140,565	275,193	133,344	139,039	272,383	131,925	137,323	269,248	131,353	135,859	267,212
55-59	133,011	140,802	273,812	133,918	142,248	276,166	134,251	142,875	277,126	134,172	142,486	276,658	133,095	141,707	274,803
60-64	115,236	121,045	236,281	121,345	127,751	249,095	122,743	129,419	252,162	124,658	132,621	257,280	127,398	136,557	263,954
65-69	81,854	87,917	169,771	84,373	90,809	175,182	91,992	98,696	190,689	97,819	104,919	202,738	103,311	110,291	213,602
70-74	56,925	62,949	119,874	59,466	65,624	125,090	62,453	69,080	131,533	67,108	73,844	140,952	71,187	78,389	149,576
75-79	40,932	50,101	91,034	41,535	50,063	91,598	42,631	50,669	93,301	44,193	52,029	96,222	46,402	54,096	100,498
80-84	30,391	42,734	73,126	30,481	42,279	72,760	30,523	41,807	72,330	30,720	41,235	71,955	30,976	40,757	71,733
85+	26,800	51,458	78,258	27,586	52,265	79,852	28,336	52,894	81,230	28,956	53,502	82,458	29,464	53,838	83,302
Total	1,898,938	1,938,362	3,837,300	1,908,198	1,946,389	3,854,587	1,920,702	1,957,521	3,878,223	1,937,884	1,973,107	3,910,991	1,959,355	1,992,743	3,952,098
Mdn. Age	37.2	39.4	38.3	37.4	39.7	38.6	37.6	39.9	38.7	37.8	40.0	38.9	38.0	40.1	39.0

	2015			2016			2017			2018			2019		
Age	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	117,832	111,402	229,234	118,824	112,042	230,866	119,324	112,522	231,847	118,391	111,540	229,931	116,313	109,664	225,977
5- 9	125,093	118,059	243,153	125,047	117,809	242,856	124,692	116,926	241,618	124,139	115,817	239,956	123,915	115,526	239,441
10-14	122,790	118,088	240,878	123,562	118,345	241,907	125,238	120,218	245,456	126,834	121,672	248,507	127,566	121,795	249,360
15-19	127,405	120,435	247,840	128,086	121,399	249,485	128,746	121,584	250,330	128,802	121,621	250,423	128,481	121,629	250,110
20-24	136,603	131,868	268,471	136,733	131,795	268,528	137,266	132,434	269,700	137,258	132,592	269,851	137,177	132,118	269,295
25-29	136,868	135,641	272,509	142,348	142,206	284,554	147,878	148,337	296,215	152,390	152,970	305,359	153,927	154,621	308,548
30-34	140,518	137,748	278,266	142,817	139,473	282,290	144,710	141,317	286,027	146,397	143,507	289,903	148,917	146,719	295,636
35-39	133,981	129,538	263,520	137,506	132,717	270,223	141,431	136,408	277,839	144,005	138,623	282,628	146,882	141,059	287,942
40-44	129,681	125,051	254,732	128,631	124,035	252,666	129,719	125,351	255,070	132,977	127,802	260,780	135,162	130,004	265,166
45-49	126,722	123,327	250,050	130,824	126,526	257,350	133,652	128,490	262,142	134,884	129,693	264,577	134,448	128,918	263,366
50-54	129,705	133,240	262,945	127,513	130,255	257,768	125,993	127,435	253,428	124,871	125,024	249,895	125,433	124,241	249,674
55-59	132,955	141,864	274,818	133,467	142,232	275,699	132,887	141,706	274,593	131,912	140,580	272,492	131,306	139,089	270,395
60-64	129,965	139,322	269,287	132,351	141,958	274,308	133,849	143,676	277,525	134,533	143,942	278,475	133,542	143,274	276,816
65-69	109,607	117,291	226,898	116,448	124,622	241,070	118,723	127,062	245,784	121,261	130,698	251,959	124,125	134,646	258,771
70-74	74,699	82,391	157,090	77,481	85,449	162,930	85,113	93,387	178,501	91,013	99,582	190,595	96,355	104,771	201,126
75-79	48,559	56,020	104,579	50,924	58,611	109,535	53,640	61,917	115,557	57,852	66,343	124,195	61,480	70,473	131,953
80-84	31,622	40,767	72,390	32,411	40,881	73,291	33,477	41,496	74,974	34,928	42,704	77,632	36,777	44,447	81,224
85+	30,017	53,896	83,912	30,733	54,244	84,977	31,299	54,294	85,593	32,001	54,359	86,360	32,638	54,310	86,948
Total	1,984,624	2,015,949	4,000,572	2,015,705	2,044,598	4,060,302	2,047,636	2,074,561	4,122,197	2,074,449	2,099,067	4,173,516	2,094,444	2,117,302	4,211,746
Mdn. Age	38.1	40.2	39.1	38.2	40.3	39.2	38.3	40.3	39.3	38.5	40.4	39.4	38.8	40.6	39.6

	2020			2021			2022			2023			2024		
Age	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	113,237	106,915	220,152	109,329	103,425	212,754	106,609	100,870	207,479	105,304	99,580	204,884	104,745	98,977	203,722
5- 9	123,860	115,371	239,231	123,953	115,423	239,376	123,603	115,188	238,791	122,111	113,939	236,050	119,923	112,033	231,956
10-14	128,130	121,823	249,953	127,613	120,992	248,606	126,739	119,473	246,211	125,937	118,076	244,013	125,669	117,794	243,463
15-19	127,382	121,070	248,452	127,258	120,727	247,985	128,435	122,236	250,671	130,045	123,656	253,702	130,997	123,830	254,827
20-24	137,058	131,433	268,491	135,862	130,295	266,157	135,329	129,238	264,567	135,111	129,282	264,392	135,029	129,777	264,806
25-29	153,083	153,520	306,602	150,247	149,594	299,840	148,723	147,855	296,578	147,911	146,826	294,737	148,156	146,662	294,817
30-34	151,655	150,605	302,260	155,087	155,438	310,525	159,098	160,072	319,171	162,610	163,276	325,885	164,226	164,693	328,920
35-39	148,069	142,075	290,145	149,168	143,168	292,336	149,904	144,159	294,063	150,833	145,892	296,725	153,300	149,013	302,313
40-44	138,401	132,923	271,324	141,104	135,530	276,634	144,231	138,553	282,784	146,578	140,667	287,245	149,617	143,263	292,880
45-49	133,046	127,280	260,326	131,111	125,703	256,814	131,599	126,542	258,140	134,587	128,818	263,405	136,838	131,044	267,882
50-54	128,012	125,946	253,958	131,479	128,435	259,914	133,702	129,890	263,593	134,557	130,925	265,482	134,096	130,256	264,351
55-59	129,342	135,990	265,333	126,428	131,996	258,424	124,503	128,641	253,144	123,329	125,969	249,298	124,017	125,285	249,302
60-64	132,996	143,122	276,118	132,369	142,561	274,930	131,190	141,475	272,665	129,900	139,982	269,882	129,416	138,516	267,933
65-69	126,431	137,112	263,544	127,783	138,939	266,723	128,670	140,064	268,734	128,991	140,103	269,093	128,078	139,541	267,619
70-74	102,180	111,312	213,492	107,836	117,755	225,591	109,520	119,749	229,269	111,604	123,053	234,657	114,257	126,788	241,044
75-79	64,557	73,994	138,552	66,651	76,473	143,124	73,160	83,466	156,627	78,300	89,081	167,381	82,945	93,809	176,754
80-84	38,523	46,040	84,563	40,086	48,066	88,153	42,075	50,727	92,802	45,407	54,439	99,846	48,370	57,913	106,283
85+	33,566	54,472	88,038	34,144	54,670	88,813	34,982	55,229	90,211	36,157	56,265	92,422	37,728	57,700	95,427
Total	2,109,529	2,131,006	4,240,535	2,117,508	2,139,192	4,256,700	2,132,074	2,153,426	4,285,500	2,149,272	2,169,829	4,319,100	2,167,406	2,186,893	4,354,300
Mdn. Age	39.0	40.8	39.9	39.3	41.1	40.2	39.6	41.3	40.4	39.8	41.5	40.7	40.1	41.8	40.9

	2025			2026			2027			2028			2029		
Age	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	105,176	99,313	204,489	106,340	100,358	206,698	107,501	101,416	208,917	108,455	102,286	210,741	109,151	102,919	212,070
5- 9	117,002	109,381	226,383	113,568	106,153	219,721	110,961	103,644	214,605	109,716	102,368	212,084	109,222	101,780	211,002
10-14	125,707	117,818	243,525	126,113	118,232	244,346	125,850	118,114	243,965	124,362	116,887	241,250	122,156	114,966	237,122
15-19	131,874	123,978	255,852	131,712	123,373	255,085	130,950	121,895	252,845	130,187	120,485	250,671	129,945	120,200	250,145
20-24	134,393	129,847	264,240	135,088	130,247	265,335	136,642	132,182	268,824	138,517	133,895	272,412	139,642	134,236	273,877
25-29	148,983	147,144	296,127	149,293	148,018	297,311	149,337	147,659	296,996	149,438	148,168	297,606	149,583	149,071	298,655
30-34	164,142	164,186	328,329	162,933	161,950	324,882	161,971	160,813	322,784	161,448	160,062	321,510	161,985	160,151	322,136
35-39	156,486	153,096	309,582	161,108	158,642	319,750	165,635	163,545	329,180	169,419	166,847	336,266	171,181	168,302	339,483
40-44	151,154	144,546	295,700	152,870	146,021	298,891	153,857	147,170	301,027	154,932	149,006	303,938	157,551	152,233	309,784
45-49	140,402	134,145	274,547	143,739	137,150	280,889	147,168	140,346	287,514	149,693	142,550	292,243	152,887	145,226	298,113
50-54	132,931	128,882	261,814	131,515	127,722	259,237	132,225	128,756	260,981	135,339	131,173	266,512	137,673	133,518	271,191
55-59	126,802	127,314	254,115	130,645	130,384	261,029	133,065	132,100	265,165	134,049	133,285	267,334	133,694	132,706	266,400
60-64	127,876	135,720	263,596	125,699	132,311	258,009	124,113	129,180	253,293	123,129	126,629	249,758	123,969	126,061	250,030
65-69	127,880	139,702	267,582	127,981	139,675	267,656	127,186	138,841	266,026	126,123	137,498	263,621	125,785	136,143	261,929
70-74	116,640	129,306	245,946	118,462	131,416	249,878	119,609	132,667	252,276	120,088	132,817	252,906	119,367	132,367	251,733
75-79	88,053	99,812	187,866	93,183	105,767	198,950	94,943	107,783	202,726	96,941	110,906	207,847	99,385	114,351	213,735
80-84	50,982	60,923	111,906	52,962	63,138	116,100	58,532	69,213	127,745	62,938	74,044	136,983	66,842	78,051	144,893
85+	39,438	59,163	98,601	41,187	61,045	102,232	43,248	63,486	106,734	46,237	66,781	113,018	49,034	69,968	119,002
Total	2,185,924	2,204,275	4,390,200	2,204,400	2,221,600	4,426,000	2,222,794	2,238,806	4,461,600	2,241,013	2,255,687	4,496,700	2,259,051	2,272,248	4,531,300
Mdn. Age	40.3	42.0	41.1	40.5	42.2	41.3	40.7	42.4	41.5	40.9	42.6	41.7	41.1	42.7	41.9

Table C.3 Population of Oregon: 1990-2029

Year (July 1)	Total Population	Change from previous year Number	Percent
1990	2,860,400	-	-
1991	2,928,500	68,100	2.38%
1992	2,991,800	63,300	2.16%
1993	3,060,400	68,600	2.29%
1994	3,121,300	60,900	1.99%
1995	3,184,400	63,100	2.02%
1996	3,247,100	62,700	1.97%
1997	3,304,300	57,200	1.76%
1998	3,352,400	48,100	1.46%
1999	3,393,900	41,500	1.24%
2000	3,431,100	37,200	1.10%
2001	3,470,400	39,300	1.15%
2002	3,502,600	32,200	0.93%
2003	3,538,600	36,000	1.03%
2004	3,578,900	40,300	1.14%
2005	3,626,900	48,000	1.34%
2006	3,685,200	58,300	1.61%
2007	3,739,400	54,200	1.47%
2008	3,784,200	44,800	1.20%
2009	3,815,800	31,600	0.84%
2010	3,837,300	21,500	0.56%
2011	3,854,587	17,287	0.45%
2012	3,878,223	23,636	0.61%
2013	3,910,991	32,768	0.84%
2014	3,952,098	41,107	1.05%
2015	4,000,572	48,474	1.23%
2016	4,060,302	59,730	1.49%
2017	4,122,197	61,895	1.52%
2018	4,173,516	51,319	1.24%
2019	4,211,746	38,230	0.92%
2020	4,240,535	28,788	0.68%
2021	4,256,700	16,165	0.38%
2022	4,285,500	28,800	0.68%
2023	4,319,100	33,600	0.78%
2024	4,354,300	35,199	0.81%
2025	4,390,200	35,900	0.82%
2026	4,426,000	35,800	0.82%
2027	4,461,600	35,601	0.80%
2028	4,496,700	35,100	0.79%
2029	4,531,300	34,600	0.77%

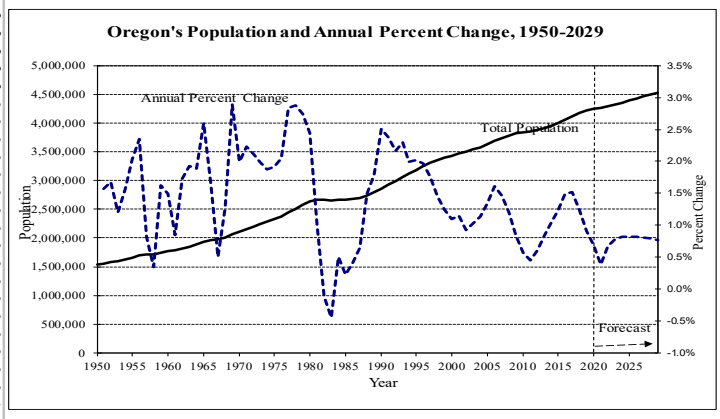


Table C.4 Children: Ages 0-4

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

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

Year (July 1)	Population	% Change from previous decade/yr. Number	Percent	Population	% Change from previous decade/yr. Number	Percent	Population	% Change from previous decade/yr. Number	Percent
1980	199,525	---	---	524,446	---	---	329,407	---	---
1990	209,638	10,113	5.07%	532,727	8,281	1.58%	268,134	-61,273	-18.60%
2000	223,207	13,569	6.47%	624,316	91,589	17.19%	330,328	62,194	23.20%
2001	224,645	1,438	0.64%	624,675	358	0.06%	336,660	6,333	1.92%
2002	225,084	439	0.20%	624,611	-64	-0.01%	340,778	4,118	1.22%
2003	226,652	1,568	0.70%	624,349	-262	-0.04%	345,266	4,487	1.32%
2004	228,353	1,701	0.75%	625,461	1,112	0.18%	349,138	3,873	1.12%
2005	230,008	1,655	0.72%	628,326	2,865	0.46%	351,076	1,938	0.55%
2006	231,882	1,874	0.81%	633,646	5,320	0.85%	354,328	3,252	0.93%
2007	236,160	4,278	1.85%	635,720	2,074	0.33%	356,311	1,983	0.56%
2008	239,340	3,180	1.35%	635,372	-348	-0.05%	358,967	2,656	0.75%
2009	239,929	589	0.25%	633,575	-1,797	-0.28%	360,134	1,166	0.32%
2010	238,457	-1,472	-0.61%	630,741	-2,835	-0.45%	359,764	-370	-0.10%
2011	236,013	-2,444	-1.02%	628,068	-2,673	-0.42%	360,113	349	0.10%
2012	232,609	-3,404	-1.44%	628,150	83	0.01%	361,636	1,523	0.42%
2013	229,809	-2,800	-1.20%	629,372	1,222	0.19%	364,649	3,013	0.83%
2014	228,996	-813	-0.35%	630,694	1,322	0.21%	366,969	2,319	0.64%
2015	229,234	238	0.10%	631,954	1,260	0.20%	368,388	1,420	0.39%
2016	230,866	1,632	0.71%	633,847	1,893	0.30%	368,929	540	0.15%
2017	231,847	981	0.42%	636,135	2,288	0.36%	370,969	2,040	0.55%
2018	229,931	-1,915	-0.83%	636,107	-28	0.00%	372,630	1,661	0.45%
2019	225,977	-3,955	-1.72%	636,303	196	0.03%	371,902	-728	-0.20%
2020	220,152	-5,825	-2.58%	637,133	830	0.13%	368,994	-2,908	-0.78%
2021	212,754	-7,398	-3.36%	636,935	-198	-0.03%	365,189	-3,805	-1.03%
2022	207,479	-5,275	-2.48%	635,677	-1,259	-0.20%	364,563	-626	-0.17%
2023	204,884	-2,595	-1.25%	633,024	-2,652	-0.42%	365,132	569	0.16%
2024	203,722	-1,162	-0.57%	628,845	-4,179	-0.66%	366,207	1,075	0.29%
2025	204,489	767	0.38%	622,180	-6,666	-1.06%	367,821	1,614	0.44%
2026	206,698	2,208	1.08%	614,041	-8,139	-1.31%	370,446	2,625	0.71%
2027	208,917	2,219	1.07%	607,067	-6,974	-1.14%	373,171	2,725	0.74%
2028	210,741	1,824	0.87%	601,049	-6,018	-0.99%	375,368	2,198	0.59%
2029	212,070	1,329	0.63%	596,633	-4,416	-0.73%	375,513	145	0.04%

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

Year (July 1)	Population	% Change from previous decade/yr. Number	Percent
1980	561,931	---	---
1990	544,738	-17,193	-3.06%
2000	616,988	72,250	13.26%
2001	618,906	1,918	0.31%
2002	620,252	1,347	0.22%
2003	622,211	1,959	0.32%
2004	626,423	4,212	0.68%
2005	633,901	7,478	1.19%
2006	644,210	10,309	1.63%
2007	652,287	8,077	1.25%
2008	657,248	4,961	0.76%
2009	657,327	79	0.01%
2010	653,491	-3,836	-0.58%
2011	651,542	-1,950	-0.30%
2012	653,021	1,479	0.23%
2013	658,242	5,221	0.80%
2014	666,045	7,803	1.19%
2015	675,376	9,331	1.40%
2016	687,491	12,115	1.79%
2017	700,030	12,540	1.82%
2018	708,851	8,821	1.26%
2019	715,385	6,533	0.92%
2020	717,247	1,863	0.26%
2021	717,622	374	0.05%
2022	721,490	3,868	0.54%
2023	726,510	5,020	0.70%
2024	731,708	5,198	0.72%
2025	735,879	4,171	0.57%
2026	740,133	4,254	0.58%
2027	744,536	4,402	0.59%
2028	749,008	4,473	0.60%
2029	752,335	3,327	0.44%

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

Year (July 1)	Population	% Change from previous decade/yr. Number	Percent
1980	790,750	---	---
1990	926,326	135,576	17.15%
2000	996,500	70,174	7.58%
2001	994,587	-1,913	-0.19%
2002	989,996	-4,591	-0.46%
2003	987,755	-2,241	-0.23%
2004	988,932	1,177	0.12%
2005	994,575	5,644	0.57%
2006	1,004,110	9,535	0.96%
2007	1,014,565	10,455	1.04%
2008	1,022,060	7,495	0.74%
2009	1,024,971	2,911	0.28%
2010	1,026,126	1,155	0.11%
2011	1,029,254	3,128	0.30%
2012	1,034,895	5,641	0.55%
2013	1,043,933	9,038	0.87%
2014	1,055,408	11,475	1.10%
2015	1,069,027	13,619	1.29%
2016	1,089,734	20,707	1.94%
2017	1,115,151	25,417	2.33%
2018	1,138,670	23,519	2.11%
2019	1,157,292	18,622	1.64%
2020	1,170,331	13,039	1.13%
2021	1,179,336	9,005	0.77%
2022	1,192,596	13,260	1.12%
2023	1,204,593	11,996	1.01%
2024	1,218,930	14,337	1.19%
2025	1,229,738	10,808	0.89%
2026	1,240,834	11,096	0.90%
2027	1,249,986	9,152	0.74%
2028	1,259,319	9,333	0.75%
2029	1,270,058	10,738	0.85%

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

Year (July 1)	Population	% Change from previous decade/yr. Number	Percent
1980	491,249	---	---
1990	531,181	39,932	8.13%
2000	817,510	286,329	53.90%
2001	847,276	29,766	3.64%
2002	876,242	28,966	3.42%
2003	903,499	27,257	3.11%
2004	930,032	26,533	2.94%
2005	957,826	27,793	2.99%
2006	985,638	27,813	2.90%
2007	1,008,986	23,348	2.37%
2008	1,025,501	16,515	1.64%
2009	1,039,689	14,188	1.38%
2010	1,050,150	10,461	1.01%
2011	1,056,657	6,507	0.62%
2012	1,051,850	-4,807	-0.45%
2013	1,048,902	-2,948	-0.28%
2014	1,051,321	2,418	0.23%
2015	1,057,101	5,780	0.55%
2016	1,065,125	8,024	0.76%
2017	1,067,688	2,563	0.24%
2018	1,065,439	-2,249	-0.21%
2019	1,060,251	-5,188	-0.49%
2020	1,055,735	-4,515	-0.43%
2021	1,050,082	-5,654	-0.54%
2022	1,047,542	-2,540	-0.24%
2023	1,048,068	526	0.05%
2024	1,049,468	1,400	0.13%
2025	1,054,072	4,604	0.44%
2026	1,059,165	5,093	0.48%
2027	1,066,952	7,787	0.74%
2028	1,075,847	8,895	0.83%
2029	1,085,733	9,886	0.92%

Table C.10 Elderly Population by Age Group

Year (July 1)	Ages 65+	%Change from previous decade/yr.	Ages 65-74	%Change from previous decade/yr.	Ages 75-84	%Change from previous decade/yr.	Ages 85+	%Change from previous decade/yr.
1980	305,841	---	185,863	---	91,137	---	28,841	---
1990	392,369	28.29%	224,772	20.93%	128,813	41.34%	38,784	34.48%
2000	439,239	11.95%	218,997	-2.57%	162,187	25.91%	58,055	49.69%
2001	442,558	0.76%	218,838	-0.07%	163,878	1.04%	59,843	3.08%
2002	445,890	0.75%	219,614	0.35%	165,109	0.75%	61,167	2.21%
2003	451,080	1.16%	222,361	1.25%	165,669	0.34%	63,050	3.08%
2004	456,984	1.31%	226,373	1.80%	165,842	0.10%	64,769	2.73%
2005	465,089	1.77%	231,926	2.45%	166,077	0.14%	67,087	3.58%
2006	475,596	2.26%	239,931	3.45%	165,787	-0.17%	69,877	4.16%
2007	487,657	2.54%	250,131	4.25%	165,148	-0.39%	72,379	3.58%
2008	502,959	3.14%	264,201	5.63%	164,354	-0.48%	74,403	2.80%
2009	517,502	2.89%	277,606	5.07%	163,513	-0.51%	76,383	2.66%
2010	532,062	2.81%	289,645	4.34%	164,159	0.40%	78,258	2.45%
2011	544,482	2.33%	300,272	3.67%	164,357	0.12%	79,852	2.04%
2012	569,082	4.52%	322,222	7.31%	165,631	0.77%	81,230	1.73%
2013	594,325	4.44%	343,690	6.66%	168,177	1.54%	82,458	1.51%
2014	618,710	4.10%	363,178	5.67%	172,230	2.41%	83,302	1.02%
2015	644,869	4.23%	383,988	5.73%	176,968	2.75%	83,912	0.73%
2016	671,802	4.18%	404,000	5.21%	182,826	3.31%	84,977	1.27%
2017	700,408	4.26%	424,285	5.02%	190,531	4.21%	85,593	0.72%
2018	730,740	4.33%	442,554	4.31%	201,827	5.93%	86,360	0.90%
2019	760,022	4.01%	459,897	3.92%	213,177	5.62%	86,948	0.68%
2020	788,188	3.71%	477,035	3.73%	223,115	4.66%	88,038	1.25%
2021	812,404	3.07%	492,314	3.20%	231,277	3.66%	88,813	0.88%
2022	837,643	3.11%	498,003	1.16%	249,429	7.85%	90,211	1.57%
2023	863,399	3.07%	503,750	1.15%	267,227	7.14%	92,422	2.45%
2024	887,127	2.75%	508,664	0.98%	283,036	5.92%	95,427	3.25%
2025	911,900	2.79%	513,528	0.96%	299,771	5.91%	98,601	3.33%
2026	934,816	2.51%	517,534	0.78%	315,050	5.10%	102,232	3.68%
2027	955,507	2.21%	518,302	0.15%	330,471	4.89%	106,734	4.40%
2028	974,375	1.97%	516,527	-0.34%	344,830	4.34%	113,018	5.89%
2029	991,293	1.74%	513,662	-0.55%	358,629	4.00%	119,002	5.29%