

BENCHMARKS *for a* BETTER WASHINGTON

Pursuing a long-term vision for a better Washington state

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| QUALITY OF LIFE: EDUCATION | JOB GROWTH & INNOVATION |
| QUALITY OF LIFE: TRANSPORTATION | BUSINESS COSTS |

In 2011, the Washington Roundtable articulated a vision for Washington state: **Make it a top 10 state for quality of life and innovation and ensure it is not one of the 10 most expensive states in which to do business.** To measure progress, the Roundtable established the [Benchmarks for a Better Washington](#), a set of metrics that speak to the heart of what constitutes a world class state – a climate of innovation, quality education, safe and efficient transportation networks, and a healthy business environment. The Benchmarks utilize independent, state-by-state comparative data to assess Washington’s position in key categories and draw attention to opportunities for improvement.

As compared to data released in the fall of 2014:

- Washington continues to be a leader in private sector job creation, moving up to 4th among all states based on year-over-year job growth from July 2014 to July 2015. This is reflective of Washington’s economic growth and the strength of its private sector.
- With a high school graduation rate of 76.4 percent for the class of 2013, Washington fell to 40th among all states. (The previous ranking was 32nd based on the graduation rate for the class of 2012.) Rather than moving closer to our goal of being a top 10 state, our state is dangerously close to falling into the bottom 10 states.
- The state’s transportation system doesn’t rate well for quality or efficiency with Washington ranking among the nation’s 20 worst states for road and bridge conditions as well as commute times. The state’s recent comprehensive investment in transportation, particularly its commitment to preservation and maintenance as well as project completion in key corridors, should help improve these metrics over the long term.
- Business costs continue to be a concern. Washington ranks among the middle third of all states for business tax burden (coming in 32nd with new data expected later this year), but the state continues to have the highest workers’ compensation rates (based on benefits paid) and is among the 10 worst states for unemployment insurance costs.

Becoming a top 10 quality of life state with a healthy business climate demands a process of continuous evaluation and improvement with a long-term focus. Hard work is needed to catch up, keep up, and move ahead. The Benchmarks help chart Washington’s progress.

QUALITY OF LIFE: EDUCATION
Goal: Washington will rank among the top 10 states in performance in math.


Rationale: Math and science are subjects with which students struggle most and where proficiency will most likely determine future academic success. Proficiency in mathematics is a key predictor for success in more complex, algebraic thinking.

Current ranking: Washington ties with two other states to rank 6th in the nation based on the percentage of 8th graders (42 percent) who scored at or above proficient on the math portion of the [2013 National Assessment of Educational Progress](#).

Previous ranking: 12th based on the percentage of 8th grade students (40 percent) who scored at or above proficient on the math portion of the [2011 National Assessment of Educational Progress](#).

Source: [National Assessment of Educational Progress](#)

Goal: Washington will rank among the top 10 states in performance in science.


Rationale: Math and science are subjects with which students struggle most and where proficiency will most likely determine future academic success. Proficiency in science is a key predictor for success in inquiry-based thinking.

Current ranking: 18th when compared to all states based on the percentage of 8th grade students (36 percent) who scored at or above proficient on the science portion of the [2011 National Assessment of Educational Progress](#).

Previous ranking: 15th based on the percentage of 8th grade students (35 percent) who scored at or above proficient on the science portion of the [2009 National Assessment of Educational Progress](#).

Source: [National Assessment of Educational Progress](#)

Goal: Washington will rank among the top 10 states based on the percentage of students who graduate from high school.


Rationale: Raising the state high school graduation rate, with the ultimate goal of ensuring all students in Washington graduate, will provide young people the opportunity to successfully enter college or the workplace.

Current ranking: 40th in the nation with an [adjusted cohort graduation rate](#) of [76.4 percent for the class of 2013](#). Nearly a quarter of students didn't graduate on time. Washington has fallen in comparison to other states and is dangerously close to ranking among the bottom 10.

Previous ranking: 32nd in the nation with an adjusted cohort high school graduation rate of [77 percent for the class of 2012](#).

Source: [U.S. Department of Education](#)

Goal: Washington will rank among the top 10 states in bachelor's degrees awarded per capita.


Rationale: Seventy percent of Washington jobs will require postsecondary training by the end of this decade. The number of bachelor's degrees awarded per capita is useful for ranking Washington against other states in preparing students for success in the global economy.

Current ranking: 39th based on the number of bachelor's degrees awarded per capita (4.58 per 1,000) by the state's public and private postsecondary institutions [in 2013](#).

Previous ranking: 38th based on the number of bachelor's degrees awarded per capita by the state's public and private postsecondary institutions [in 2012](#).

Source: [National Center for Education Statistics](#)

QUALITY OF LIFE: TRANSPORTATION

Goal: Washington will rank among the 10 states with the lowest percentage of functionally obsolete and structurally deficient bridges.

Rationale: Functionally obsolete and structurally deficient bridges impair safety and mobility. Improving Washington's ranking in this category will improve those factors, support commerce, and support economic growth.

Current ranking: 31th in the nation based on the percentage of bridges deemed to be functionally obsolete (21.1 percent) or structurally deficient (4.7 percent) as of [December 2014](#).

Previous ranking: The previous ranking (41st) evaluated only the percentage of bridges deemed functionally obsolete ([December 2013 data](#)). The updated ranking combines the percentage of functionally obsolete and structurally deficient bridges. If both functionally obsolete and structurally deficient bridges had been included in the previous ranking, Washington would have ranked 32nd, with 21.4 percent of bridges rated as functionally obsolete and 4.7 percent as structurally deficient as of [December 2013](#).

Methodology note: The updated ranking for 2015 combines the percentage of functionally obsolete and structurally deficient bridges, provided by the Federal Highway Administration for all 50 states. There may be some overlap between functionally obsolete and structurally deficient bridges, however, data collection is consistent across all 50 states.

Source: [Federal Highway Administration](#)



31st

Goal: Washington will rank among the 10 states with the highest percentage of roads in "good" or "very good" condition.

Rationale: A strong road system is a critical element of the state's transportation infrastructure, necessary for the safe and efficient movement of people and goods.

Current ranking: 39th in the nation based on the percentage of roads deemed to be in "good" or "very good" condition (50 percent) by the Federal Highway Administration ([2013 data](#)).

Previous ranking: 36th in the nation based on the percentage of roads deemed to be in "good" or "very good" condition (49.5 percent) by the Federal Highway Administration ([2012 data](#)).

Source: [Federal Highway Administration](#).



39th

Goal: Washington will rank among the 10 states with the shortest commute travel times per person.

Rationale: Average commute time is a measure of the functional efficiency of the entire transportation system. The measure is not mode specific and simply looks at time to work.

Current ranking: 38th in the nation with an average statewide commute time of 26 minutes as reported in the [2013 American Community Survey](#).

Previous ranking: 38th with an average statewide commute time of 26 minutes as reported in the [2012 American Community Survey](#).

Source: [American Community Survey](#)



38th

BUSINESS COSTS

Goal: Washington will maintain its rank among the 10 states with the lowest electricity rates (industrial and commercial).



1st

Rationale: Electrical power represents the primary energy cost for most businesses.

Current ranking: 1st in the nation ([2013 data](#)) with the lowest electricity rates, industrial and commercial (6.29 cents per kilowatt hour). The state's five-year average price of 6.08 cents per kilowatt-hour remains well below the national average of 8.85 cents, ranking Washington best overall.

Previous ranking: 1st in the nation ([2012 data](#)) with a rate of 6.17 cents per kilowatt hour.

Source: [Washington State Economic Climate Study, December 2014](#)

Goal: Washington will stay out of the 10 states with the highest state and local business tax burden relative to private sector gross state product (GSP).



32nd

Rationale: Business tax burden is a critical factor in employer decisions to keep or create jobs in a given location. A competitive business tax burden will encourage growth in Washington and better enable employers to be successful and expand here.

Current ranking: 32nd based on state and local tax burden as a percentage of private sector GSP. Washington's state and local business tax burden as a percentage of private sector GSP ([5.0 percent in FY 2013](#)) is lower in 32 other states.

Previous ranking: 36th based on state and local tax burden as a percentage of private sector GSP (5.3 percent in [FY 2012](#)).

Source: [Ernst & Young COST "Total State and Local Business Taxes"](#)

Goal: Washington will not be among the 10 states with the highest unemployment insurance tax rates.



44th

Rationale: High unemployment insurance taxes contribute to high business costs. Reducing this cost will improve the business climate and encourage employers to keep and create jobs here.

Current ranking: 44th in the nation (or 7th highest) for unemployment insurance tax rates. Washington's tax per average full-time employee in 2013 was \$732, which is considerably higher than the 50-state average of \$456.

Previous ranking: 41st in the nation based on unemployment insurance taxes per average full-time employee in 2012.

Source: [U.S. Department of Labor, Employment & Training Administration](#)

Goal: Washington will not be among the 10 states with the highest workers' compensation benefits paid.



50th

Rationale: The cost of Washington's workers' compensation policies to employers is directly related to the amount of benefits paid out. Workers' compensation benefits paid is the best available 50-state comparative measure of the tax on employment.

Current Ranking: Washington is the most expensive state in the nation for workers' compensation benefits paid. In 2013, Washington provided an average of \$826.94 per covered worker.

Previous ranking: 50th (most expensive) based on workers' compensation benefits paid per covered worker in 2012, when employers provided an average of \$840.16 per covered worker.

Source: [National Academy of Social Insurance](#)

JOB GROWTH & INNOVATION

Goal: Washington state will rank in the top 10 states for total private sector (non-government) job growth.



4th

Rationale: Private sector job growth is a fundamental driver and measure of economic growth. It is also a key driver of state revenue growth.

Current ranking: 4th in the nation based on the percentage of private sector (non-government) job growth of 3.9 percent (year-over-year growth from July 2014 to July 2015).

Previous ranking: 13th in the nation based on the percentage of private sector (non-government) job growth of 2.2 percent (year-over-year growth from December 2012 to December 2013).

Source: [U.S. Bureau of Labor Statistics](#)

Goal: Washington state will maintain its rank among the top 10 states in the number of patents granted annually to inventors residing in the state.



5th

Rationale: Patents are a symbol of innovation and a leading indicator of future economic potential.

Current ranking: 5th in the nation based on the number of utility patents issued in 2014. That year, 6,448 utility patents were issued to inventors in Washington state.

Previous ranking: 5th in the nation in the number of utility patents issued (5,878) in 2013.

Source: [The U.S. Patent and Trade Mark Office](#)
