



The Economic Value of Seattle Colleges



Seattle Colleges stands as a powerful economic engine and a sound investment, generating substantial returns for students, taxpayers, and society. This fact sheet highlights the significant economic value created by the colleges in fiscal year (FY) 2022-23. The findings are derived from a two-pronged analysis encompassing an economic impact analysis and an investment analysis, quantifying the tangible benefits received by key constituents.



**King County,
Washington**



ECONOMIC IMPACT ANALYSIS

In FY 2022-23, Seattle Colleges added **\$2.1 billion** in income to the King County economy, representing approximately **0.5%** of the county's total Gross Regional Product (GRP), demonstrating the college system's widespread influence and vital role in developing the skilled workforce that supports numerous major industries. This economic activity also supports **17,278 jobs** in the county.

Alumni Impact

- Hundreds of thousands of Seattle Colleges alumni are currently employed in King County, contributing their acquired knowledge and skills to the workforce.
- In FY 2022-23, the net impact of Seattle Colleges' former students currently employed in the county workforce amounted to **\$1.8 billion** in added income for the King County economy.

Student Spending Impact

- Nearly 3,000 Seattle Colleges' students moved, or relocated, to King County and others were retained who might have left the county for education or work elsewhere if not for Seattle Colleges.
- The combined spending of these relocated and retained students on local living expenses contributed **\$64.6 million** in added income to the King County economy in FY 2022-23.

Operations Spending Impact

- Seattle Colleges employed 2,362 full-time and part-time faculty and staff.
- The district spent another \$77.3 million on its expenses related to facilities, supplies, and professional services (excluding construction).
- The district's payroll amounted to \$145.8 million, largely spent within King County on everyday needs, local services, and household expenses.
- **Total Operations Spending Impact:** The net impact of the Seattle Colleges' operational spending added **\$197.9 million** in income to the King County economy.

Construction Spending Impact

- Seattle Colleges invest in capital projects each year to create additional capacity and meet growing educational demands, generating a short-term infusion of spending and jobs in the county's economy.
- The net impact of the district's construction spending in FY 2022-23 was **\$5.0 million** in added income for King County.

Impacts created by Seattle Colleges in FY 2022-23



Alumni impact
\$1.8 billion

+



Student spending impact
\$64.6 million

+



Operations spending impact
\$197.9 million

+



Construction spending impact
\$5.0 million



Total economic impact
\$2.1 billion

OR



Jobs supported*
17,278

*Another way to state the impact is in terms of jobs, a measure of the number of full- and part-time jobs that would be required to support the change in income. Throughout this report, "equivalent jobs" or "jobs supported" refers to the number of positions that the economic activity generated by Seattle Colleges can sustain within the county's broader economy. It does not refer to direct hires by Seattle Colleges itself or the number of students, staff, or alumni working.



INVESTMENT ANALYSIS

Student Perspective

- **Student Investment:** In FY 2022-23, Seattle Colleges students invested a present value of **\$46.0 million** (tuition, fees, supplies, and interest on student loans) and forgone earnings in time and money of **\$169.4 million**.
- **Significant Future Gains:** This total investment yields a cumulative present value of **\$1.1 billion** in increased earnings over their working lives, a return of **\$5.10** in higher future earnings for every dollar students invest in their education, and an average annual rate of return of **19.7%**.

Taxpayer Perspective

- **Taxpayer Investment:** In FY 2022-23, taxpayers provided Seattle Colleges with **\$180.6 million** in funding.
- **Significant Taxpayer Benefits:** This investment yields a present value of **\$317.4 million** in total benefits, which includes **\$277.4 million** in added tax revenue and **\$40.0 million** in reduced demand for government-funded services in Washington. For every dollar of public money invested in Seattle Colleges, taxpayers will receive **\$1.80** in return over the course of students' working lives. The average annual rate of return for taxpayers is **4.3%**.

Social Perspective

- **State Investment & Economic Growth:** Washington's \$412.2 million investment in Seattle Colleges in FY 2022-23 is projected to grow the state economy by **\$4.4 billion** over the course of students' working lives, with an additional **\$63.6 million** in public and private sector savings.
- **Significant Public Return:** For every dollar invested, Washingtonians will receive **\$10.90** in return, for as long as Seattle Colleges' FY 2022-23 students remain active in the state workforce.

The results of this study underscore the mutually beneficial relationship between Seattle Colleges, its students, taxpayers, and the broader Washington community. The robust economic impact and impressive returns on investment in FY 2022-23 demonstrate that Seattle Colleges is a cornerstone of shared prosperity and a vital contributor to the region's success.

High rate of return for Seattle Colleges' students



Average annual return for SCD students

19.7%



Stock market 30-year average annual return

10.1%



Interest earned on savings account (national deposit rate)

0.5%

Source: Forbes' S&P 500, 1994-2023; FDIC.gov, March 2023

For every \$1...



Students gain in lifetime earnings

\$5.10



Taxpayers gain in added tax revenue and public sector savings

\$1.80



Society gains in added income and social savings

\$10.90

