



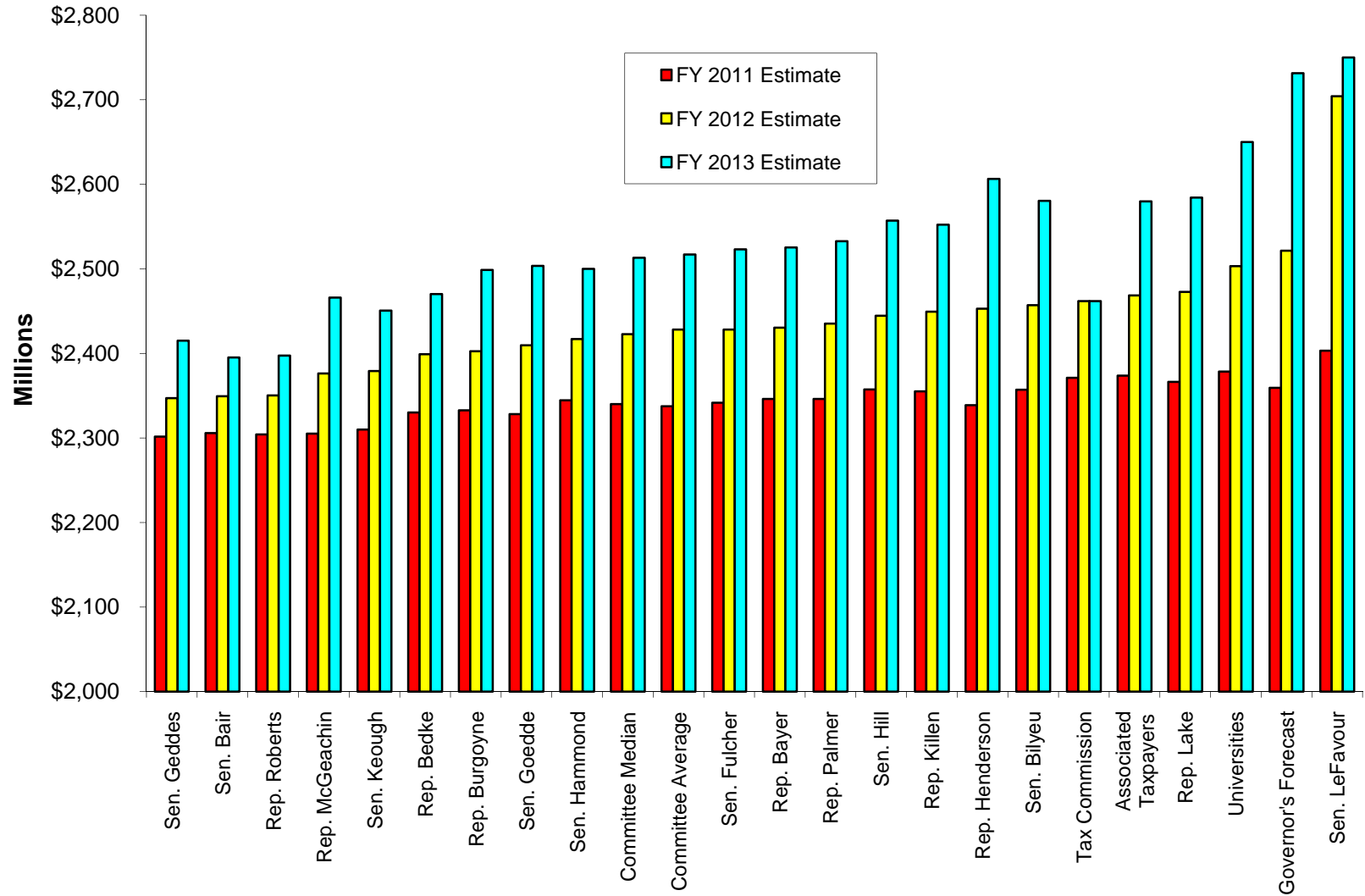
**JOINT LEGISLATIVE
ECONOMIC OUTLOOK
AND
REVENUE ASSESSMENT COMMITTEE**

COMMITTEE REPORT

FISCAL YEARS 2011 AND 2012

JANUARY 13, 2011

**2011 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**



**2011 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2010 Revenues \$2,264.5 Millions of Dollars

Participant	Rank	FY 2011	FY 10-11	Rank	FY 2012	FY 11-12	Rank	FY 2013	FY 12-13	Rank	Three-year
	#1	Estimate	Change	#2	Estimate	Change	#3	Estimate	Change	#4	Estimate
Sen. Geddes	1	\$2,301.3	1.6%	1	\$2,347.0	2.0%	3	\$2,415.0	2.9%	3	\$7,063.3
Sen. Bair	4	\$2,305.5	1.8%	2	\$2,349.2	1.9%	1	\$2,395.0	1.9%	1	\$7,049.7
Rep. Roberts	2	\$2,304.1	1.8%	3	\$2,350.2	2.0%	2	\$2,397.2	2.0%	2	\$7,051.5
Rep. McGeachin	3	\$2,305.0	1.8%	4	\$2,376.0	3.1%	6	\$2,466.0	3.8%	5	\$7,147.0
Sen. Keough	5	\$2,309.7	2.0%	5	\$2,379.0	3.0%	4	\$2,450.4	3.0%	4	\$7,139.1
Rep. Bedke	7	\$2,330.0	2.9%	6	\$2,399.0	3.0%	7	\$2,470.0	3.0%	6	\$7,199.0
Rep. Burgoyne	8	\$2,332.4	3.0%	7	\$2,402.4	3.0%	8	\$2,498.5	4.0%	7	\$7,233.4
Sen. Goedde	6	\$2,327.9	2.8%	8	\$2,409.4	3.5%	10	\$2,503.3	3.9%	8	\$7,240.6
Sen. Hammond	13	\$2,344.5	3.5%	9	\$2,416.8	3.1%	9	\$2,499.8	3.4%	9	\$7,261.1
* Committee Median	11	\$2,340.1	3.3%	10	\$2,422.5	3.5%	11	\$2,513.1	3.7%	10	\$7,275.6
Committee Average	9	\$2,337.3	3.2%	11	\$2,427.9	3.9%	12	\$2,517.0	3.7%	11	\$7,282.2
Sen. Fulcher	12	\$2,341.4	3.4%	12	\$2,428.1	3.7%	13	\$2,522.8	3.9%	12	\$7,292.3
Rep. Bayer	14	\$2,346.0	3.6%	13	\$2,430.4	3.6%	14	\$2,525.2	3.9%	14	\$7,301.6
Rep. Palmer	14	\$2,346.0	3.6%	14	\$2,435.1	3.8%	15	\$2,532.5	4.0%	15	\$7,313.6
Sen. Hill	18	\$2,357.3	4.1%	15	\$2,444.5	3.7%	17	\$2,557.0	4.6%	17	\$7,358.8
Rep. Killen	16	\$2,355.1	4.0%	16	\$2,449.3	4.0%	16	\$2,552.2	4.2%	16	\$7,356.6
Rep. Henderson	10	\$2,338.7	3.3%	17	\$2,452.8	4.9%	21	\$2,606.1	6.2%	19	\$7,397.6
Sen. Bilyeu	17	\$2,357.0	4.1%	18	\$2,456.8	4.2%	19	\$2,580.4	5.0%	18	\$7,394.2
Tax Commission	21	\$2,371.0	4.7%	19	\$2,461.8	3.8%	5	\$2,461.8	0.0%	13	\$7,294.6
Associated Taxpayers	22	\$2,373.6	4.8%	20	\$2,468.5	4.0%	18	\$2,579.6	4.5%	20	\$7,421.7
Rep. Lake	20	\$2,366.2	4.5%	21	\$2,472.7	4.5%	20	\$2,584.0	4.5%	21	\$7,422.9
Universities	23	\$2,378.3	5.0%	22	\$2,503.1	5.2%	22	\$2,649.7	5.9%	22	\$7,531.1
Governor's Forecast	19	\$2,359.2	4.2%	23	\$2,521.5	6.9%	23	\$2,731.4	8.3%	23	\$7,612.0
Sen. LeFavour	24	\$2,403.0	6.1%	24	\$2,704.1	12.5%	24	\$2,750.0	1.7%	24	\$7,857.1
Range of Participants		\$101.7			\$357.1			\$355.0			\$807.4

Sorted by FY 2012 Estimate
Pessimistic to Optimistic

* The Committee Median is the average of the ninth and tenth committee members' estimates in the ordered set of eighteen members.

Diff. Com. Median from Governor	(\$19.1)	(\$99.0)	(\$218.3)
Percent Diff. from Gov Forecast	(0.8%)	(3.9%)	(8.0%)



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2011 AND 2012**

Committee Members

January 13, 2011

*Sen. John Goedde
Co-Chairman*

To the 61st Idaho Legislature, 1st Regular Session:

Sen. Brent Hill

Sen. Robert Geddes

Sen. Shawn Keough

Sen. Steve Bair

Sen. Russ Fulcher

Sen. Jim Hammond

Sen. Nicole LeFavour

Sen. Diane Bilyeu

*Rep. Cliff Bayer
Co-Chairman*

Rep. Scott Bedke

Rep. Dennis Lake

Rep. Ken Roberts

Rep. Janice McGeachin

Rep. Frank Henderson

Rep. Joe Palmer

Rep. Bill Killen

Rep. Grant Burgoyne

Legislative Staff

*Ray Houston
Budget & Policy Analyst
(208) 334-4741
rhouston@lso.idaho.gov*

We have completed making our overall assessment of Governor Otter's General Fund revenue projections for the fiscal years ended June 30, 2011, 2012, and 2013. Idaho's Constitution, Article VII, Section 11 requires balancing the state's appropriations and expenditures with its revenues. Accordingly, it is this Committee's role and mission to provide advice to you about the reasonableness of such revenue projections. The Committee reviewed and analyzed business, tax and financial data and trends relating to the state's economy and obtained testimony from economic, business and industry experts regarding those aspects of the state's economy and revenues of which they have knowledge.

Governor Otter's General Fund revenue projections for FY 2011, FY 2012, and FY 2013 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Governor Otter's projections	\$ 2,359.2	\$ 2,521.5	\$ 2,731.4
Committee's median projections	\$ 2,340.1	\$ 2,422.5	\$ 2,513.1
Amount and percent over/(under)	(\$19.1)	(\$99.0)	(\$218.3)
Gov. projection	(0.8%)	(3.9%)	(8.0%)

Attachments 1 and 2 provide the detail for all eighteen committee members and three of the presenters.

We recommend to the Senate and House Leadership and to the Co-chairs of the Joint Finance-Appropriations Committee the following: In our opinion, a General Fund revenue projection of **\$2,359.2** million is reasonable for the purpose of the legislature making General Fund appropriations for FY 2011. Also, because the committee median is significantly lower than the 6.9% Governor's FY 2012 projection, we recommend the legislature use the Governor's 3% budget revenue projection of **\$2,430.0** million for the purpose of making General Fund appropriations for FY 2012.

Attachment 3 provides a historical comparison of projections and actual collections.

On-line Information

www.legislature.idaho.gov

**DRAFT 1: Governor's Rec. for
FY 2011 and Budget \$ FY 2012**



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ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2011 AND 2012**

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January 13, 2011

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Governor Otter's General Fund revenue projections for FY 2011, FY 2012, and FY 2013 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Governor Otter's projections	\$ 2,359.2	\$ 2,521.5	\$ 2,731.4
Committee's median projections	\$ 2,340.1	\$ 2,422.5	\$ 2,513.1
Amount and percent over/(under)	(\$19.1)	(\$99.0)	(\$218.3)
Gov. projection	(0.8%)	(3.9%)	(8.0%)

Attachments 1 and 2 provide the detail for all eighteen committee members and three of the presenters.

We recommend to the Senate and House Leadership and to the Co-chairs of the Joint Finance-Appropriations Committee the following: In our opinion, a General Fund revenue projection of **\$2,340.1** million is reasonable for the purpose of the legislature making General Fund appropriations for FY 2011. Also, because the committee forecasts for FY 2011 and FY 2012 are significantly lower than the Governor's projections, we recommend the legislature use a revenue projection of **\$2,422.5** million for the purpose of making General Fund appropriations for FY 2012.

Attachment 3 provides a historical comparison of projections and actual collections.

On-line Information

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**DRAFT 2: Committee Median
for FY 2011 and FY 2012**



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2011 AND 2012**

Committee Members

January 13, 2011

*Sen. John Goedde
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To the 61st Idaho Legislature, 1st Regular Session:

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Sen. Shawn Keough

Sen. Steve Bair

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*Rep. Cliff Bayer
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Rep. Ken Roberts

Rep. Janice McGeachin

Rep. Frank Henderson

Rep. Joe Palmer

Rep. Bill Killen

Rep. Grant Burgoyne

We have completed making our overall assessment of Governor Otter’s General Fund revenue projections for the fiscal years ended June 30, 2011, 2012, and 2013. Idaho’s Constitution, Article VII, Section 11 requires balancing the state’s appropriations and expenditures with its revenues. Accordingly, it is this Committee’s role and mission to provide advice to you about the reasonableness of such revenue projections. The Committee reviewed and analyzed business, tax and financial data and trends relating to the state’s economy and obtained testimony from economic, business and industry experts regarding those aspects of the state’s economy and revenues of which they have knowledge.

Governor Otter’s General Fund revenue projections for FY 2011, FY 2012, and FY 2013 compared to the Committee’s median projections are as follows in millions of dollars:

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Governor Otter’s projections	\$ 2,359.2	\$ 2,521.5	\$ 2,731.4
Committee’s median projections	\$ 2,340.1	\$ 2,422.5	\$ 2,513.1
Amount and percent over/(under)	(\$19.1)	(\$99.0)	(\$218.3)
Gov. projection	(0.8%)	(3.9%)	(8.0%)

Attachments 1 and 2 provide the detail for all eighteen committee members and three of the presenters.

Legislative Staff

*Ray Houston
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We recommend to the Senate and House Leadership and to the Co-chairs of the Joint Finance-Appropriations Committee the following: In our opinion, a General Fund revenue projection of **\$2,359.2** million is reasonable for the purpose of the legislature making General Fund appropriations for FY 2011. Also, we recommend the legislature use the Division of Financial Management’s revenue projection of **\$2,521.5** million for the purpose of making General Fund appropriations for FY 2012.

Attachment 3 provides a historical comparison of projections and actual collections.

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**DRAFT 3: DFM Rev Proj for FY
2011 and FY 2012**

Historical Comparison of Original Projections to Actual Collections Line Graph

