



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

**COMMITTEE REPORT**

**FISCAL YEARS 2012 AND 2013**

**JANUARY 24, 2012**





**JOINT LEGISLATIVE  
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE  
FISCAL YEARS 2012 AND 2013**

**Committee Members**

January 24, 2012

*Sen. John Goedde  
Co-Chairman*

To the 61st Idaho Legislature, 2nd Regular Session:

*Sen. Brent Hill*

*Sen. Shawn Keough*

*Sen. Steve Bair*

*Sen. Russ Fulcher*

*Sen. Jim Hammond*

*Sen. Curt McKenzie*

*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**

*Keith Bybee  
Budget & Policy Analyst  
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We have completed making our overall assessment of Governor Otter's General Fund revenue projections for the fiscal years ending June 30, 2012, 2013, and 2014. 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 2012, FY 2013, and FY 2014 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Governor Otter's projections	\$ 2,552.7	\$ 2,700.3	\$ 2,876.6
Committee's median projections	\$ 2,549.4	\$ 2,638.9	\$ 2,772.2
Amount and percent over/(under) Gov. projection	(\$3.3) (0.1%)	(\$61.4) (2.3%)	(\$134.4) (4.7%)

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, the Governor's General Fund revenue projection of **\$2,552.7** million is reasonable for the purpose of the legislature making General Fund appropriations for FY 2012. Although the committee median is significantly lower than the 5.8% Governor's FY 2013 projection, there have been positive actual collections for the first six months of FY 2012. We therefore recommend the legislature use a projection of **\$2,667.0** million for the purpose of making General Fund appropriations for FY 2013. This number falls in between the Governor's forecast and the Committee median.

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

**On-line Information**

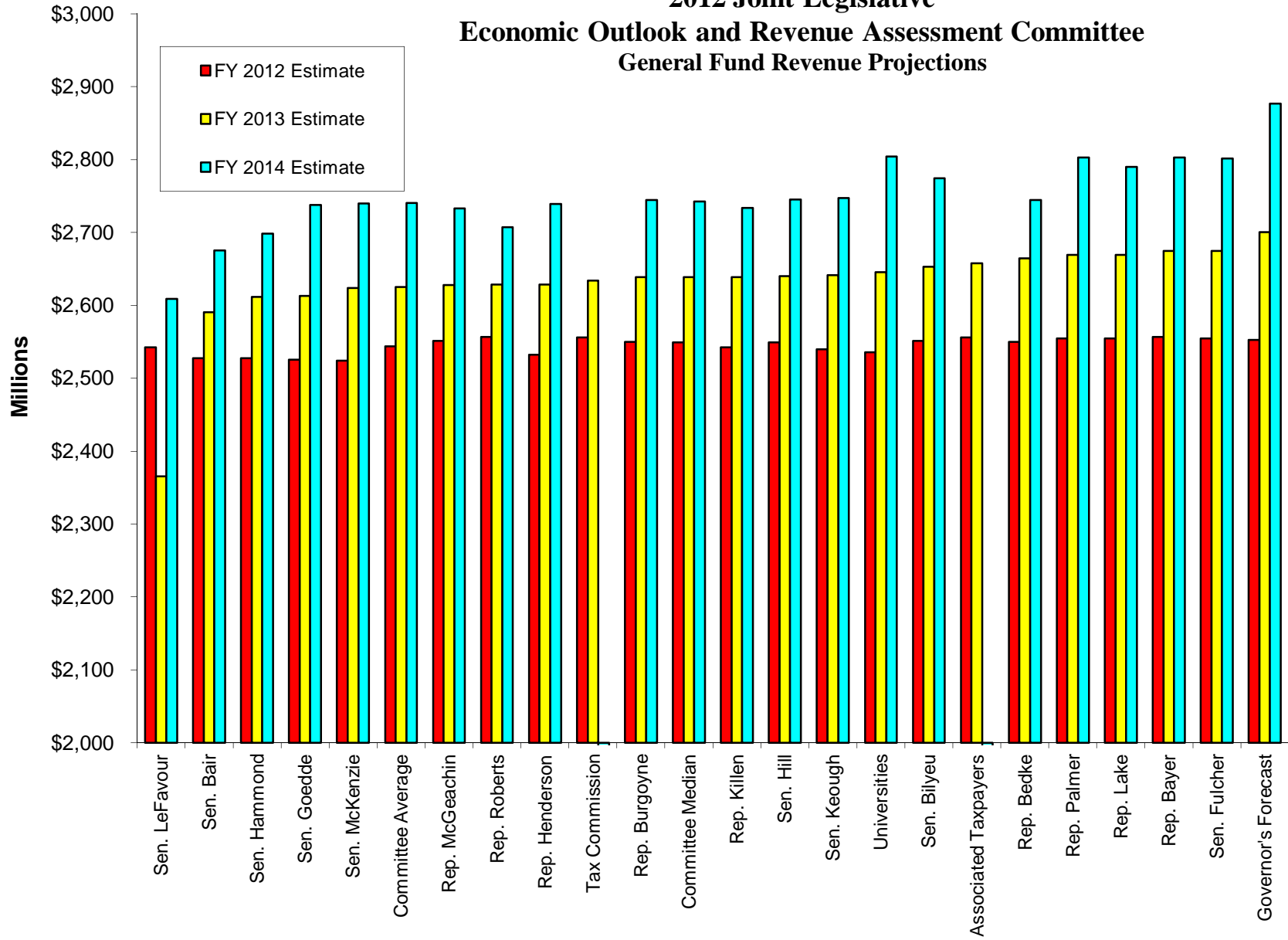
[www.legislature.idaho.gov](http://www.legislature.idaho.gov)

Respectfully,

Representative Cliff Bayer

Senator John Goedde

## 2012 Joint Legislative Economic Outlook and Revenue Assessment Committee General Fund Revenue Projections



**2012 Joint Legislative  
Economic Outlook and Revenue Assessment Committee  
General Fund Revenue Projections**

FY 2011 Revenues \$2,444.5 Millions of Dollars

Participant	Rank	FY 2012	FY 11-12	Rank	FY 2013	FY 12-13	Rank	FY 2014	FY 13-14	Rank	Three-year
	#1	Estimate	Change	#2	Estimate	Change	#3	Estimate	Change	#4	Estimate
Sen. LeFavour	9	\$2,542.5	4.0%	1	\$2,365.4	(7.0%)	3	\$2,609.2	10.3%	3	\$7,517.1
Sen. Bair	4	\$2,527.8	3.4%	2	\$2,590.6	2.5%	4	\$2,675.3	3.3%	4	\$7,793.7
Sen. Hammond	3	\$2,527.4	3.4%	3	\$2,611.5	3.3%	5	\$2,698.2	3.3%	5	\$7,837.1
Sen. Goedde	2	\$2,525.5	3.3%	4	\$2,613.2	3.5%	9	\$2,737.5	4.8%	6	\$7,876.2
Sen. McKenzie	1	\$2,524.0	3.3%	5	\$2,624.0	4.0%	11	\$2,740.0	4.4%	7	\$7,888.0
Committee Average	10	\$2,543.9	4.1%	6	\$2,625.3	3.2%	12	\$2,740.4	4.4%	10	\$7,909.6
Rep. McGeachin	15	\$2,551.5	4.4%	7	\$2,628.0	3.0%	7	\$2,733.0	4.0%	11	\$7,912.5
Rep. Roberts	23	\$2,556.9	4.6%	8	\$2,628.5	2.8%	6	\$2,707.4	3.0%	8	\$7,892.8
Rep. Henderson	5	\$2,532.5	3.6%	9	\$2,628.7	3.8%	10	\$2,739.1	4.2%	9	\$7,900.3
Tax Commission	21	\$2,555.9	4.6%	10	\$2,633.9	3.1%	1	\$0.0	(100.0%)	1	\$5,189.8
Rep. Burgoyne	13	\$2,549.6	4.3%	11	\$2,638.8	3.5%	14	\$2,744.4	4.0%	15	\$7,932.8
<b>* Committee Median</b>	12	<b>\$2,549.4</b>	<b>4.3%</b>	12	<b>\$2,638.9</b>	<b>3.5%</b>	13	<b>\$2,742.2</b>	<b>3.9%</b>	14	<b>\$7,930.4</b>
Rep. Killen	8	\$2,542.3	4.0%	13	\$2,638.9	3.8%	8	\$2,733.9	3.6%	12	\$7,915.1
Sen. Hill	11	\$2,549.1	4.3%	14	\$2,640.4	3.6%	16	\$2,745.0	4.0%	16	\$7,934.5
Sen. Keough	7	\$2,539.8	3.9%	15	\$2,641.4	4.0%	17	\$2,747.1	4.0%	13	\$7,928.3
Universities	6	\$2,535.6	3.7%	16	\$2,645.4	4.3%	23	\$2,804.2	6.0%	19	\$7,985.2
Sen. Bilyeu	15	\$2,551.5	4.4%	17	\$2,652.9	4.0%	18	\$2,774.1	4.6%	18	\$7,978.5
Associated Taxpayers	22	\$2,556.2	4.6%	18	\$2,657.8	4.0%	1	\$0.0	(100.0%)	2	\$5,214.0
Rep. Bedke	14	\$2,550.1	4.3%	19	\$2,664.8	4.5%	15	\$2,744.8	3.0%	17	\$7,959.7
Rep. Palmer	18	\$2,554.5	4.5%	20	\$2,669.4	4.5%	21	\$2,802.9	5.0%	21	\$8,026.8
Rep. Lake	18	\$2,554.5	4.5%	21	\$2,669.5	4.5%	19	\$2,790.0	4.5%	20	\$8,014.0
Rep. Bayer	23	\$2,556.9	4.6%	22	\$2,674.5	4.6%	21	\$2,802.9	4.8%	23	\$8,034.3
Sen. Fulcher	18	\$2,554.5	4.5%	22	\$2,674.5	4.7%	20	\$2,801.6	4.8%	22	\$8,030.6
<b>Governor's Forecast</b>	17	<b>\$2,552.7</b>	<b>4.4%</b>	24	<b>\$2,700.3</b>	<b>5.8%</b>	24	<b>\$2,876.6</b>	<b>6.5%</b>	24	<b>\$8,129.6</b>
Range of Participants		\$32.9			\$334.9			\$2,876.6			\$2,939.8

Sorted by FY 2013 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	(\$3.3)	(\$61.4)	(\$134.4)
Percent Diff. from Gov Forecast	(0.1%)	(2.3%)	(4.7%)

## Historical Comparison of Original Projections to Actual Collections Line Graph

