

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

COMMITTEE REPORT

FISCAL YEARS 2013 AND 2014

JANUARY 10, 2013



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2013 AND 2014**

Committee Members

*Sen. Shawn Keough
Co-Chairman*

Sen. John Goedde

Sen. Brent Hill

Sen. Steve Bair

Sen. Russ Fulcher

Sen. Curt McKenzie

Sen. Cliff Bayer

Sen. Dan Schmidt

Sen. Branden Durst

*Rep. Marcus Gibbs
Co-Chairman*

Rep. Scott Bedke

Rep. Frank Henderson

Rep. Joe Palmer

Rep. Gary Collins

Rep. Stephen Hartgen

Rep. Jeff Thompson

Rep. Grant Burgoyne

Rep. Elaine Smith

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On-line Information

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January 10, 2013

To the 62nd Idaho Legislature, 1st Regular Session:

We have completed making our overall assessment of Governor Otter's General Fund revenue projections for the fiscal years ended June 30, 2013, 2014, and 2015. 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 2013, FY 2014, and FY 2015 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
Governor Otter's projections	\$ 2,658.0	\$ 2,799.1	\$ 2,973.1
Committee's median projections	\$ 2,657.7	\$ 2,741.0	\$ 2,832.7
Amount and percent over/(under) Gov. projection	(\$0.3) (0.0%)	(\$58.1) (2.1%)	(\$140.4) (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 **\$2,658.0** million is a reasonable forecast for revenues generated to the General Fund in FY 2013. Further, in our opinion, although the committee median is lower than the Governor's FY 2014 projection, on this date we find the Governor's projection of **\$2,799.1** million is reasonable to begin the FY 2014 General Fund budgeting process.

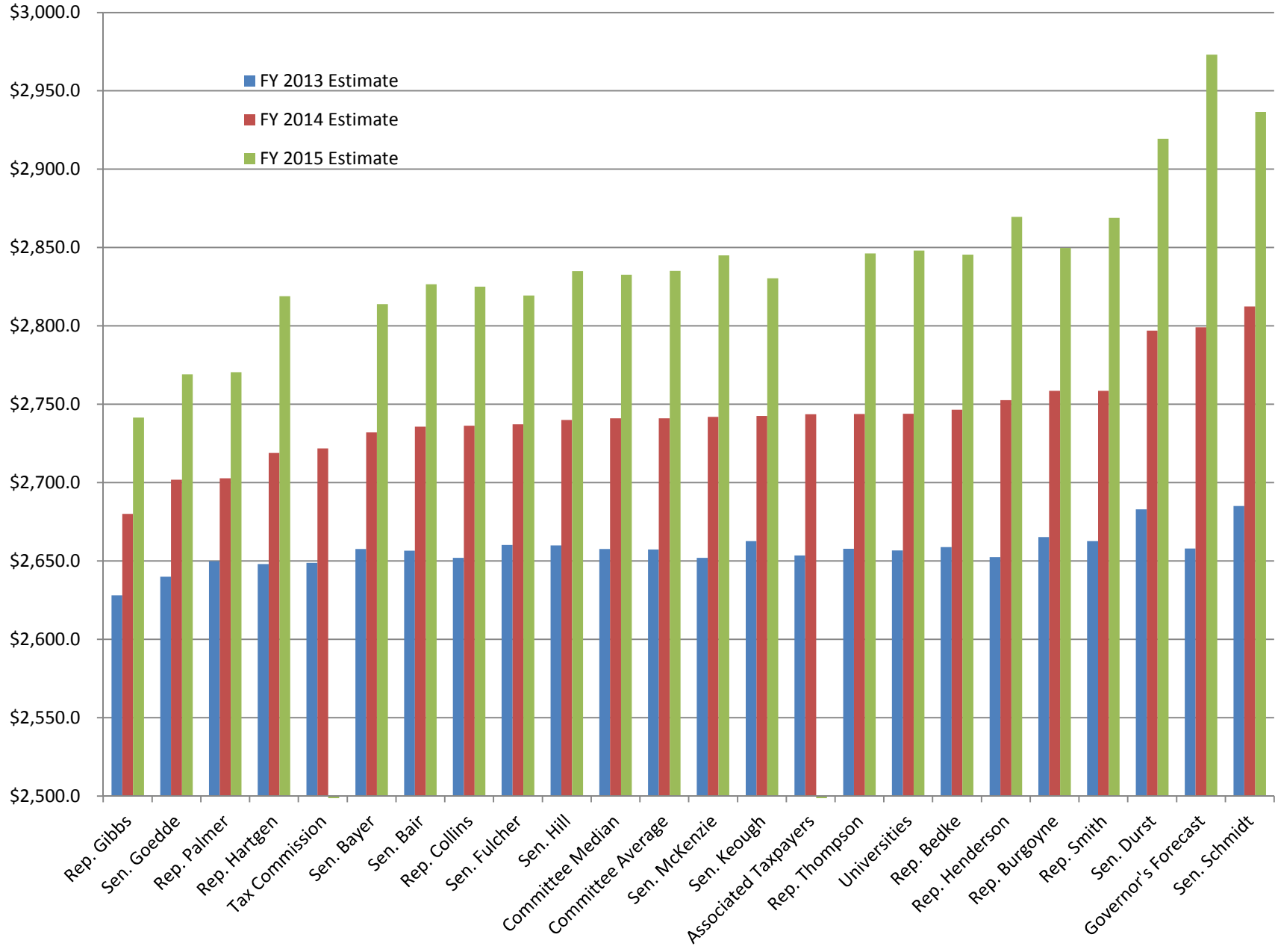
Attachment 3 provides a historical comparison of projections and actual collections.

Respectfully,

Representative Marc Gibbs

Senator Shawn Keough

2013 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections



**2013 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2012 Revenues \$2,587.7 Millions of Dollars

Participant	Rank	FY 2013	FY 12-13	Rank	FY 2014	FY 13-14	Rank	FY 2015	FY 14-15	Rank	Three-year
	#1	Estimate	Change	#2	Estimate	Change	#3	Estimate	Change	#4	Estimate
Rep. Gibbs	1	\$2,628.0	1.6%	1	\$2,680.0	2.0%	3	\$2,741.5	2.3%	3	\$8,049.5
Sen. Goedde	2	\$2,639.9	2.0%	2	\$2,701.9	2.3%	4	\$2,769.1	2.5%	4	\$8,110.9
Rep. Palmer	5	\$2,649.8	2.4%	3	\$2,702.8	2.0%	5	\$2,770.4	2.5%	5	\$8,123.0
Rep. Hartgen	3	\$2,648.0	2.3%	4	\$2,719.0	2.7%	7	\$2,819.0	3.7%	6	\$8,186.0
Tax Commission	4	\$2,648.8	2.4%	5	\$2,721.9	2.8%	1	\$0.0	(100.0%)	1	\$5,370.7
Sen. Bayer	13	\$2,657.6	2.7%	6	\$2,732.0	2.8%	6	\$2,813.9	3.0%	7	\$8,203.5
Sen. Bair	10	\$2,656.6	2.7%	7	\$2,735.7	3.0%	10	\$2,826.6	3.3%	10	\$8,218.9
Rep. Collins	6	\$2,652.0	2.5%	8	\$2,736.3	3.2%	9	\$2,825.0	3.2%	8	\$8,213.3
Sen. Fulcher	19	\$2,660.2	2.8%	9	\$2,737.3	2.9%	8	\$2,819.4	3.0%	9	\$8,216.9
Sen. Hill	18	\$2,660.0	2.8%	10	\$2,740.0	3.0%	13	\$2,835.0	3.5%	13	\$8,235.0
* Committee Median	14	\$2,657.7	2.7%	11	\$2,741.0	3.1%	12	\$2,832.7	3.3%	11	\$8,231.4
Committee Average	12	\$2,657.3	2.7%	12	\$2,741.1	3.2%	14	\$2,835.1	3.4%	12	\$8,233.5
Sen. McKenzie	6	\$2,652.0	2.5%	13	\$2,742.0	3.4%	15	\$2,845.0	3.8%	15	\$8,239.0
Sen. Keough	20	\$2,662.7	2.9%	14	\$2,742.6	3.0%	11	\$2,830.4	3.2%	14	\$8,235.7
Associated Taxpayers	9	\$2,653.5	2.5%	15	\$2,743.6	3.4%	1	\$0.0	(100.0%)	2	\$5,397.1
Rep. Thompson	15	\$2,657.8	2.7%	16	\$2,743.8	3.2%	17	\$2,846.3	3.7%	16	\$8,247.9
Universities	11	\$2,656.7	2.7%	17	\$2,744.0	3.3%	18	\$2,848.1	3.8%	17	\$8,248.8
Rep. Bedke	17	\$2,658.9	2.8%	18	\$2,746.6	3.3%	16	\$2,845.5	3.6%	18	\$8,251.0
Rep. Henderson	8	\$2,652.5	2.5%	19	\$2,752.7	3.8%	21	\$2,869.5	4.2%	20	\$8,274.7
Rep. Burgoyne	22	\$2,665.3	3.0%	20	\$2,758.6	3.5%	19	\$2,849.7	3.3%	19	\$8,273.6
Rep. Smith	20	\$2,662.7	2.9%	20	\$2,758.6	3.6%	20	\$2,868.9	4.0%	21	\$8,290.2
Sen. Durst	23	\$2,683.0	3.7%	22	\$2,797.0	4.2%	22	\$2,919.4	4.4%	22	\$8,399.4
Governor's Forecast	16	\$2,658.0	2.7%	23	\$2,799.1	5.3%	24	\$2,973.1	6.2%	23	\$8,430.2
Sen. Schmidt	24	\$2,685.1	3.8%	24	\$2,812.4	4.7%	23	\$2,936.5	4.4%	24	\$8,434.0
Range of Participants		\$57.1		\$132.4		\$2,973.1		\$3,063.3			

Sorted by FY 2014 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	(\$0.3)	(\$58.1)	(\$140.4)
Percent Diff. from Gov Forecast	(0.0%)	(2.1%)	(4.7%)

Historical Comparison of Original Projections to Actual Collections Line Graph

