



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

COMMITTEE REPORT

FISCAL YEARS 2014 AND 2015

JANUARY 9, 2014



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2014 AND 2015**

Committee Members

January 9, 2014

*Sen. Shawn Keough
Co-Chairman*

To the 62nd Idaho Legislature, 2nd Regular Session:

Sen. John Goedde

Sen. Brent Hill

Sen. Steve Bair

Sen. Russ Fulcher

Sen. Curt McKenzie

Sen. Cliff Bayer

Sen. Dan Schmidt

Sen. Roy Lacey

*Rep. Marcus Gibbs
Co-Chairman*

Rep. Scott Bedke

Rep. Joe Palmer

Rep. Gary Collins

Rep. Jeff Thompson

Rep. Rick Youngblood

Rep. Ed Morse

Rep. Grant Burgoyne

Rep. Elaine Smith

We have completed making our overall assessment of Governor Otter's General Fund revenue projections for the fiscal years ended June 30, 2014, 2015, and 2016. 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 2014, FY 2015, and FY 2016 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Governor Otter's projections	\$ 2,808.2	\$ 2,987.8	\$ 3,185.1
Committee's median projections	\$ 2,830.2	\$ 2,937.7	\$ 3,036.8
Amount and percent over/(under) Gov. projection	\$22.0 0.8%	(\$50.2) (1.7%)	(\$148.4) (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 **\$2,808.2** million is a reasonable forecast for revenues generated to the General Fund in FY 2014. 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 **\$2,987.8** million is reasonable to begin the FY 2015 General Fund budgeting process.

Legislative Staff

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

On-line Information

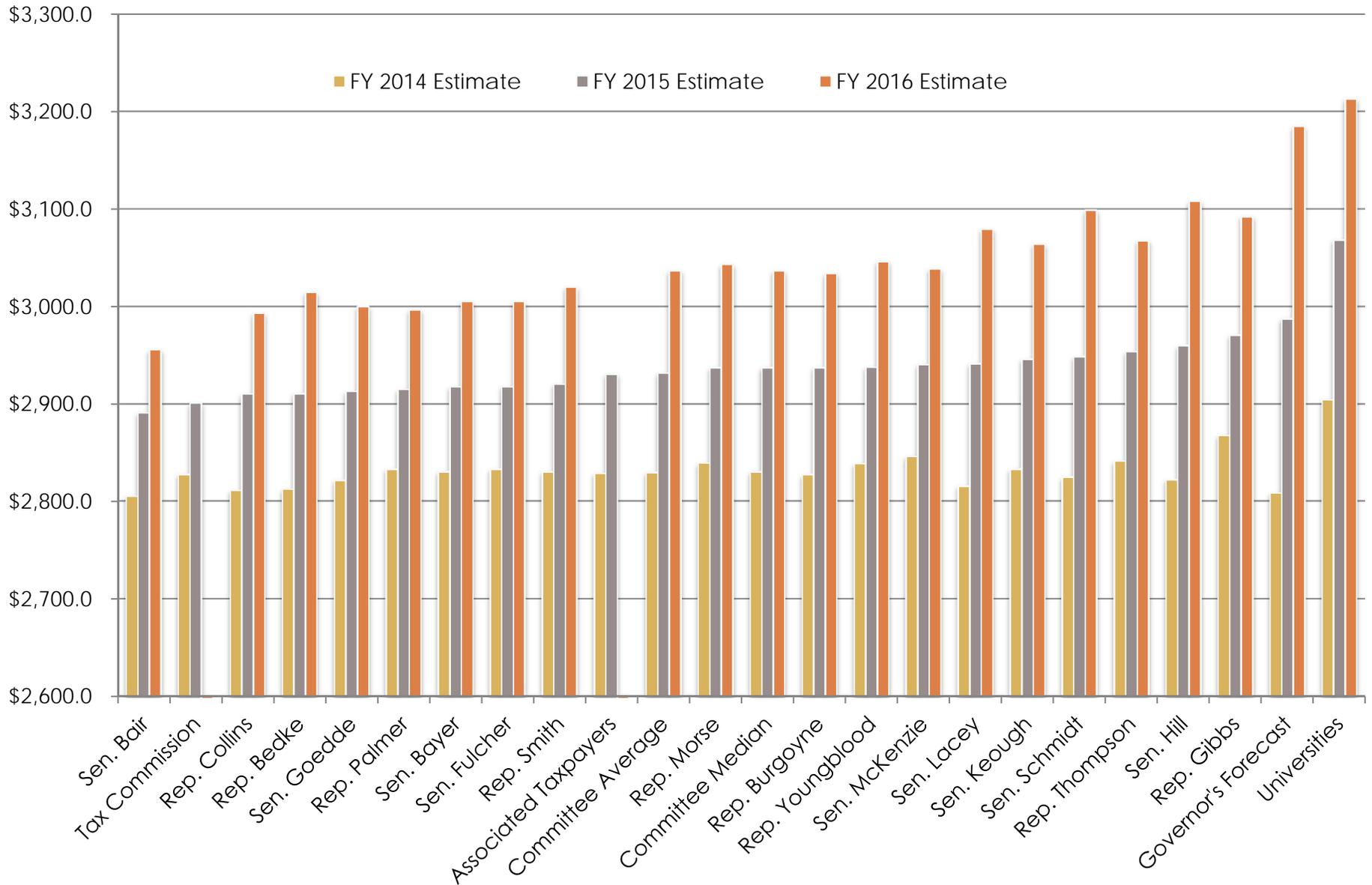
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Respectfully,

Representative Marc Gibbs

Senator Shawn Keough

**2014 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**



**2014 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2013 Revenues \$2,750.3 Millions of Dollars

Participant	Rank	FY 2014	FY 13-14	Rank	FY 2015	FY 14-15	Rank	FY 2016	FY 15-16	Rank	Three-year
	#1	Estimate	Change	#2	Estimate	Change	#3	Estimate	Change	#4	Estimate
Sen. Bair	1	\$2,805.2	2.0%	1	\$2,891.3	3.1%	3	\$2,956.0	2.2%	3	\$8,652.5
Tax Commission	10	\$2,827.5	2.8%	2	\$2,901.5	2.6%	1	\$0.0	(100.0%)	1	\$5,729.0
Rep. Collins	3	\$2,810.9	2.2%	3	\$2,910.4	3.5%	4	\$2,993.4	2.9%	4	\$8,714.7
Rep. Bedke	4	\$2,812.3	2.3%	4	\$2,911.0	3.5%	9	\$3,015.0	3.6%	6	\$8,738.3
Sen. Goedde	6	\$2,821.4	2.6%	5	\$2,913.1	3.3%	6	\$3,000.2	3.0%	5	\$8,734.7
Rep. Palmer	16	\$2,832.9	3.0%	6	\$2,915.1	2.9%	5	\$2,996.7	2.8%	7	\$8,744.7
Sen. Bayer	13	\$2,830.2	2.9%	7	\$2,917.9	3.1%	7	\$3,005.4	3.0%	8	\$8,753.5
Sen. Fulcher	16	\$2,832.9	3.0%	7	\$2,917.9	3.0%	7	\$3,005.4	3.0%	9	\$8,756.2
Rep. Smith	13	\$2,830.2	2.9%	9	\$2,920.7	3.2%	10	\$3,020.0	3.4%	10	\$8,770.9
Associated Taxpayers Committee Average	11	\$2,828.4	2.8%	10	\$2,930.6	3.6%	1	\$0.0	(100.0%)	2	\$5,759.0
Rep. Morse	20	\$2,839.1	3.2%	12	\$2,937.6	3.5%	15	\$3,043.3	3.6%	14	\$8,820.0
* Committee Median	13	\$2,830.2	2.9%	13	\$2,937.7	3.8%	12	\$3,036.8	3.4%	13	\$8,804.6
Rep. Burgoyne	9	\$2,827.4	2.8%	14	\$2,937.7	3.9%	11	\$3,034.6	3.3%	12	\$8,799.7
Rep. Youngblood	19	\$2,838.4	3.2%	15	\$2,937.8	3.5%	16	\$3,046.5	3.7%	15	\$8,822.7
Sen. McKenzie	22	\$2,845.7	3.5%	16	\$2,940.5	3.3%	14	\$3,038.9	3.3%	16	\$8,825.1
Sen. Lacey	5	\$2,815.6	2.4%	17	\$2,941.7	4.5%	19	\$3,079.7	4.7%	17	\$8,837.0
Sen. Keough	16	\$2,832.9	3.0%	18	\$2,946.2	4.0%	17	\$3,064.1	4.0%	18	\$8,843.2
Sen. Schmidt	8	\$2,824.7	2.7%	19	\$2,948.9	4.4%	21	\$3,099.3	5.1%	20	\$8,872.9
Rep. Thompson	21	\$2,841.3	3.3%	20	\$2,954.0	4.0%	18	\$3,067.8	3.9%	19	\$8,863.1
Sen. Hill	7	\$2,821.9	2.6%	21	\$2,960.2	4.9%	22	\$3,108.2	5.0%	21	\$8,890.3
Rep. Gibbs	23	\$2,867.3	4.3%	22	\$2,971.0	3.6%	20	\$3,092.6	4.1%	22	\$8,930.9
Governor's Forecast	2	\$2,808.2	2.1%	23	\$2,987.8	6.4%	23	\$3,185.1	6.6%	23	\$8,981.1
Universities	24	\$2,904.7	5.6%	24	\$3,068.7	5.6%	24	\$3,213.6	4.7%	24	\$9,187.0
Range of Participants		\$99.5			\$177.4			\$257.6			\$534.5

Sorted by FY 2015 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	\$22.0	(\$50.2)	(\$148.4)
Percent Diff. from Gov Forecast	0.8%	(1.7%)	(4.7%)

Historical Comparison of Original Projections to Actual Collections Line Graph

