



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

COMMITTEE REPORT

FISCAL YEARS 2015 AND 2016

JANUARY 16, 2015



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2015 AND 2016**

Committee Members

*Sen. Shawn Keough
Co-Chairman*

Sen. Brent Hill

Sen. Steve Bair

Sen. Curt McKenzie

Sen. Cliff Bayer

Sen. Dean Mortimer

Sen. Dan Johnson

Sen. Dan Schmidt

Sen. Roy Lacey

*Rep. Marcus Gibbs
Co-Chairman*

Rep. Joe Palmer

Rep. Gary Collins

Rep. Jeff Thompson

Rep. Rick Youngblood

Rep. Christy Perry

Rep. Lance Clow

Rep. Elaine Smith

Rep. Mat Erpelding

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On-line Information

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To the 63rd 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, 2015, 2016, and 2017. 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, 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 2015, FY 2016, and FY 2017 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Governor Otter's projections	\$ 2,964.5	\$ 3,127.6	\$ 3,303.3
Committee's median projections	\$ 2,969.8	\$ 3,123.3	\$ 3,285.3
Amount and percent over/(under) Gov. projection	\$5.3 0.2%	(\$4.3) (0.1%)	(\$18.0) (0.5%)

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 **\$2,964.5** million is a reasonable forecast for revenues generated to the General Fund in FY 2015. Further, in our opinion, we find the Governor's projection of **\$3,127.6** million is reasonable to begin the FY 2016 General Fund budgeting process.

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

Respectfully,

Representative Marc Gibbs

Senator Shawn Keough

**2015 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2014 Revenues \$2,815.4 Millions of Dollars

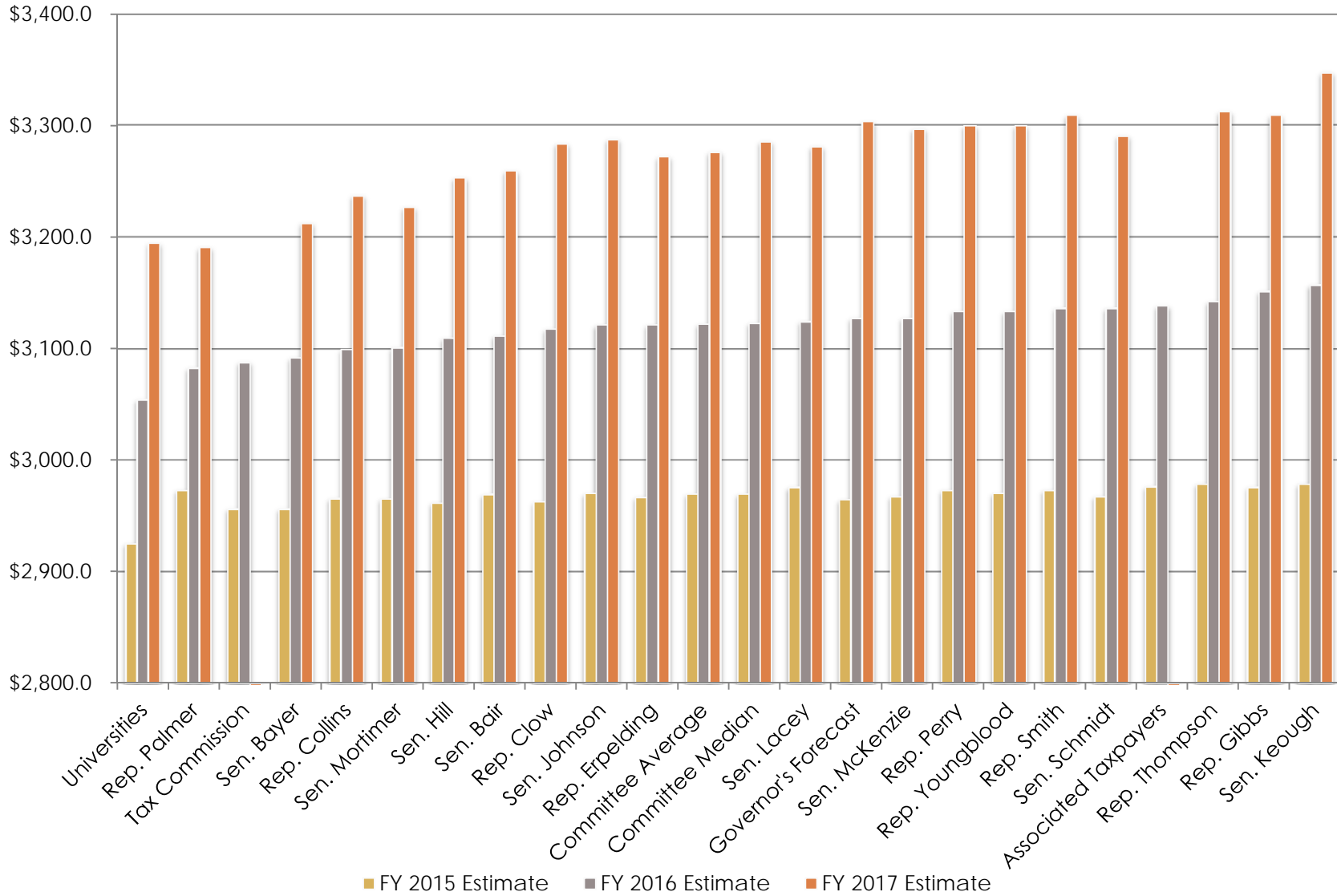
Participant	Rank	FY 2015	FY 14-15	Rank	FY 2016	FY 15-16	Rank	FY 2017	FY 16-17	Rank	Three-year
	#1	Estimate	Change	#2	Estimate	Change	#3	Estimate	Change	#4	Estimate
Universities	1	\$2,925.3	3.9%	1	\$3,054.9	4.4%	4	\$3,194.6	4.6%	3	\$9,174.8
Rep. Palmer	17	\$2,973.1	5.6%	2	\$3,083.1	3.7%	3	\$3,191.0	3.5%	4	\$9,247.2
Tax Commission	3	\$2,956.3	5.0%	3	\$3,088.3	4.5%	1	\$0.0	(100.0%)	1	\$6,044.6
Sen. Bayer	2	\$2,956.2	5.0%	4	\$3,092.2	4.6%	5	\$3,212.7	3.9%	5	\$9,261.1
Rep. Collins	8	\$2,965.7	5.3%	5	\$3,099.8	4.5%	7	\$3,237.1	4.4%	7	\$9,302.6
Sen. Mortimer	7	\$2,965.2	5.3%	6	\$3,101.3	4.6%	6	\$3,226.8	4.0%	6	\$9,293.3
Sen. Hill	4	\$2,961.8	5.2%	7	\$3,109.9	5.0%	8	\$3,252.9	4.6%	8	\$9,324.6
Sen. Bair	12	\$2,969.3	5.5%	8	\$3,112.0	4.8%	9	\$3,259.5	4.7%	9	\$9,340.8
Rep. Clow	5	\$2,962.7	5.2%	9	\$3,118.0	5.2%	13	\$3,283.4	5.3%	11	\$9,364.1
Sen. Johnson	15	\$2,970.2	5.5%	10	\$3,121.7	5.1%	15	\$3,287.2	5.3%	14	\$9,379.1
Rep. Erpelding	9	\$2,966.8	5.4%	11	\$3,121.9	5.2%	10	\$3,272.0	4.8%	10	\$9,360.7
Committee Average	13	\$2,969.5	5.5%	12	\$3,122.5	5.1%	11	\$3,275.9	4.9%	12	\$9,367.9
* Committee Median	14	\$2,969.8	5.5%	13	\$3,123.3	5.2%	14	\$3,285.3	5.2%	13	\$9,378.4
Sen. Lacey	20	\$2,975.9	5.7%	14	\$3,124.7	5.0%	12	\$3,280.9	5.0%	15	\$9,381.5
Governor's Forecast	6	\$2,964.5	5.3%	15	\$3,127.6	5.5%	20	\$3,303.3	5.6%	18	\$9,395.4
Sen. McKenzie	10	\$2,967.4	5.4%	16	\$3,127.7	5.4%	17	\$3,296.6	5.4%	16	\$9,391.7
Rep. Perry	17	\$2,973.1	5.6%	17	\$3,133.6	5.4%	18	\$3,299.7	5.3%	20	\$9,406.4
Rep. Youngblood	15	\$2,970.2	5.5%	17	\$3,133.6	5.5%	18	\$3,299.7	5.3%	19	\$9,403.5
Rep. Smith	17	\$2,973.1	5.6%	19	\$3,136.6	5.5%	22	\$3,309.1	5.5%	21	\$9,418.8
Sen. Schmidt	10	\$2,967.4	5.4%	19	\$3,136.6	5.7%	16	\$3,290.3	4.9%	17	\$9,394.3
Associated Taxpayers	22	\$2,976.3	5.7%	21	\$3,138.8	5.5%	1	\$0.0	(100.0%)	2	\$6,115.1
Rep. Thompson	23	\$2,978.7	5.8%	22	\$3,142.5	5.5%	23	\$3,312.2	5.4%	22	\$9,433.4
Rep. Gibbs	20	\$2,975.9	5.7%	23	\$3,151.5	5.9%	21	\$3,309.0	5.0%	23	\$9,436.4
Sen. Keough	23	\$2,978.7	5.8%	24	\$3,157.4	6.0%	24	\$3,346.9	6.0%	24	\$9,483.0
Range of Participants		\$53.4		\$102.5		\$155.9		\$308.2			

Sorted by FY 2016 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	\$5.3	(\$4.3)	(\$18.0)
Percent Diff. from Gov Forecast	0.2%	(0.1%)	(0.5%)

**2015 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**



Historical Comparison of Original Projections to Actual Collections Line Graph

