



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

COMMITTEE REPORT

FISCAL YEARS 2016 AND 2017

JANUARY 15, 2016



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2016 AND 2017**

Committee Members

*Sen. Dan Johnson
Co-Chairman*

Sen. Brent Hill

Sen. Shawn Keough

Sen. Steve Bair

Sen. Curt McKenzie

Sen. Cliff Bayer

Sen. Dean Mortimer

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

Legislative Staff

*Keith Bybee
Budget & Policy Analyst
(208) 334-4739
kbybee@lso.idaho.gov*

On-line Information

www.legislature.idaho.gov

January 15, 2016

To the 63rd Idaho Legislature, 2nd Regular Session:

We have completed making our overall assessment of Governor Otter's General Fund revenue projections for the fiscal years ended June 30, 2016, 2017, and 2018. 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 2016, FY 2017, and FY 2018 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Governor Otter's projections	\$ 3,183.6	\$ 3,340.4	\$ 3,517.7
Committee's median projections	\$ 3,196.3	\$ 3,345.9	\$ 3,511.8
Amount and percent over/(under) Gov. projection	\$12.6 0.4%	\$5.5 (0.2%)	(\$5.9) (0.2%)

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

After careful consideration of expert testimony from economists, business leaders, and industry spokesmen regarding the status of Idaho's current economy and the economic outlook for the next eighteen months, and careful review of the Governor's fiscal year 2016 and 2017 projections, we recommend to the Senate and House of Representatives Leadership and to the Co-Chairs of the Joint Finance-Appropriations Committee total General Fund Revenues available for appropriation to be **\$3,183.6** million dollars for fiscal year 2016 and **\$3,340.4** million dollars for fiscal year 2017.

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

Respectfully,

Representative Marc Gibbs

Senator Dan Johnson

**2016 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2015 Revenues \$3,056.8 Millions of Dollars

Participant	Rank #1	FY 2016 Estimate	FY 15-16 Change	Rank #2	FY 2017 Estimate	FY 16-17 Change	Rank #3	FY 2018 Estimate	FY 17-18 Change	Rank #4	Three-year Estimate
Rep. Palmer	1	\$3,179.2	4.0%	1	\$3,296.8	3.7%	4	\$3,428.7	4.0%	4	\$9,904.7
Rep. Erpelding	1	\$3,179.2	4.0%	2	\$3,315.9	4.3%	5	\$3,445.2	3.9%	5	\$9,940.3
Tax Commission	9	\$3,194.1	4.5%	3	\$3,323.9	4.1%	1	\$0.0	(100.0%)	1	\$6,518.0
Sen. Bayer	7	\$3,191.4	4.4%	4	\$3,325.4	4.2%	6	\$3,451.8	3.8%	6	\$9,968.6
Rep. Smith	4	\$3,182.2	4.1%	4	\$3,325.4	4.5%	7	\$3,468.4	4.3%	7	\$9,976.0
Rep. Collins	3	\$3,179.6	4.0%	6	\$3,332.6	4.8%	9	\$3,487.8	4.7%	9	\$10,000.0
Sen. McKenzie	7	\$3,191.4	4.4%	7	\$3,335.0	4.5%	10	\$3,488.4	4.6%	10	\$10,014.8
Sen. Bair	6	\$3,185.3	4.2%	7	\$3,335.0	4.7%	8	\$3,475.1	4.2%	8	\$9,995.4
Governor's Forecast	5	\$3,183.6	4.1%	9	\$3,340.4	4.9%	18	\$3,517.7	5.3%	11	\$10,041.7
Sen. Schmidt	15	\$3,201.2	4.7%	10	\$3,343.4	4.4%	20	\$3,544.0	6.0%	19	\$10,088.6
Sen. Hill	10	\$3,194.5	4.5%	11	\$3,344.6	4.7%	12	\$3,511.8	5.0%	12	\$10,050.9
* Committee Median	12	\$3,196.3	4.6%	12	\$3,345.9	4.7%	12	\$3,511.8	5.0%	13	\$10,054.0
Rep. Perry	14	\$3,198.0	4.6%	13	\$3,347.2	4.7%	15	\$3,512.4	4.9%	15	\$10,057.6
Rep. Youngblood	10	\$3,194.5	4.5%	14	\$3,351.0	4.9%	12	\$3,511.8	4.8%	14	\$10,057.3
Committee Average	16	\$3,201.8	4.7%	15	\$3,352.6	4.7%	17	\$3,514.1	4.8%	16	\$10,068.4
Sen. Mortimer	21	\$3,211.5	5.1%	16	\$3,352.9	4.4%	11	\$3,511.2	4.7%	17	\$10,075.6
Universities	13	\$3,197.1	4.6%	17	\$3,353.0	4.9%	1	\$0.0	(100.0%)	2	\$6,550.1
Associated Taxpayers	17	\$3,206.2	4.9%	18	\$3,358.4	4.7%	1	\$0.0	(100.0%)	3	\$6,564.6
Rep. Thompson	19	\$3,206.7	4.9%	19	\$3,360.6	4.8%	21	\$3,552.2	5.7%	21	\$10,119.5
Rep. Clow	17	\$3,206.2	4.9%	20	\$3,361.2	4.8%	16	\$3,513.8	4.5%	18	\$10,081.2
Sen. Keough	19	\$3,206.7	4.9%	21	\$3,363.8	4.9%	19	\$3,528.6	4.9%	20	\$10,099.1
Rep. Gibbs	22	\$3,218.9	5.3%	22	\$3,402.4	5.7%	22	\$3,572.5	5.0%	22	\$10,193.8
Sen. Johnson	23	\$3,234.2	5.8%	23	\$3,418.5	5.7%	23	\$3,610.0	5.6%	23	\$10,262.7
Sen. Lacey	24	\$3,270.9	7.0%	24	\$3,434.4	5.0%	24	\$3,640.5	6.0%	24	\$10,345.8

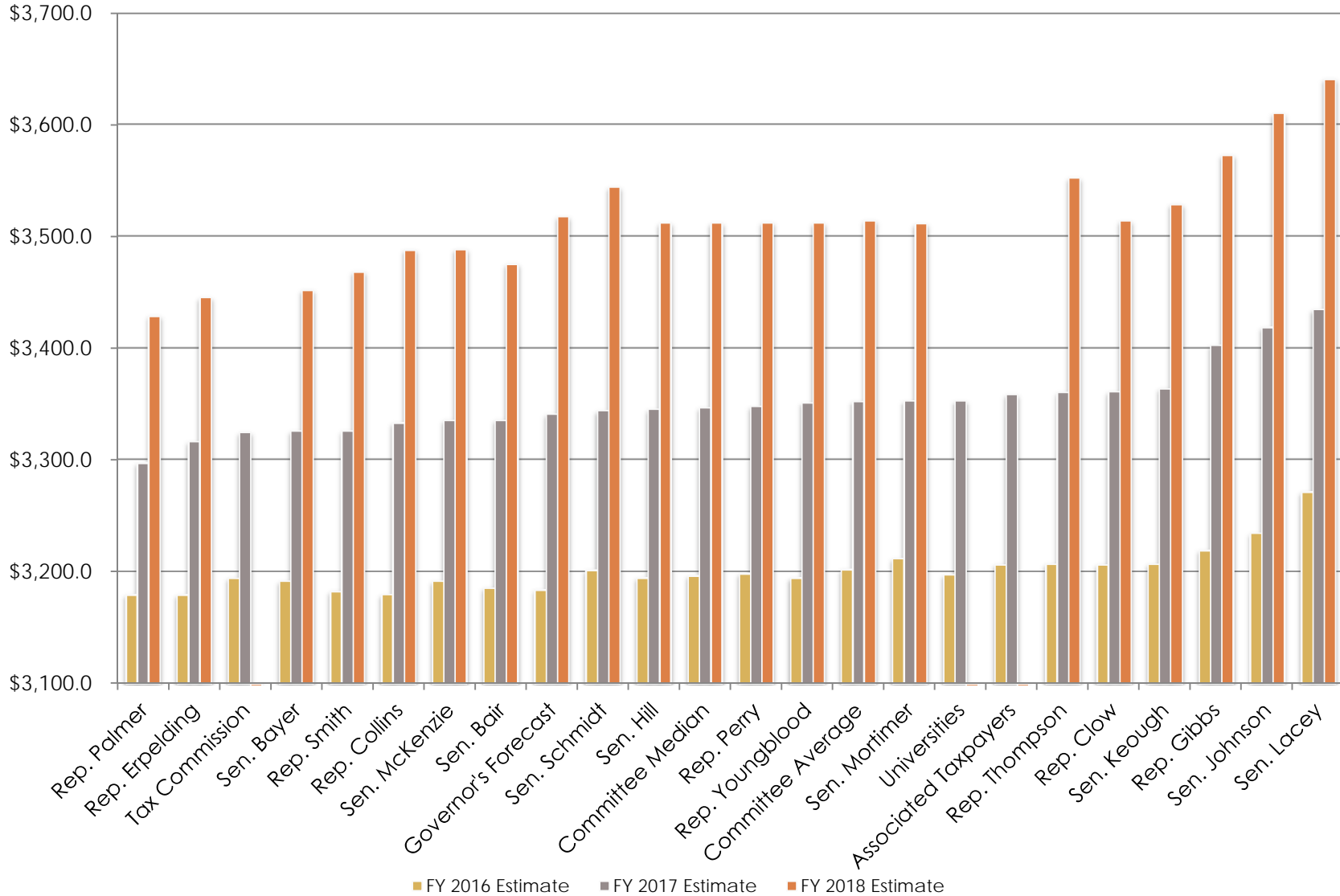
Sorted by FY 2017 Estimate
Pessimistic to Optimistic

Range of Participants \$91.7 \$137.6 \$3,640.5 \$3,795.7

* 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	\$12.6	\$5.5	(\$5.9)
Percent Diff. from Gov Forecast	0.4%	0.2%	(0.2%)

**2016 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**



Historical Comparison of Original Projections to Actual Collections Line Graph

