

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

COMMITTEE REPORT

FISCAL YEARS 2019 AND 2020

JANUARY 11, 2019



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2019 AND 2020**

January 11, 2019

Committee Members

*Sen. Fred Martin
Co-Chairman*

Sen. Steve Bair

Sen. Cliff Bayer

Sen. Dean Mortimer

Sen. Dan Johnson

Sen. Kelly Anthon

Sen. Jeff Agenbroad

Sen. Grant Burgoyne

Sen. Mark Nye

*Rep. Wendy Horman
Co-Chairman*

Rep. Gary Collins

Rep. Marcus Gibbs

Rep. Rick Youngblood

Rep. Clark Kauffman

Rep. Thomas Dayley

Rep. Steven Harris

Rep. Elaine Smith

Rep. Sally Toone

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To the 65th Idaho Legislature, 1st Regular Session:

We have completed making our overall assessment of Governor Little’s General Fund revenue projections for the fiscal years ended June 30, 2019, 2020, and 2021. 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 Little’s General Fund revenue projections for FY 2019, FY 2020, and FY 2021 compared to the Committee’s median projections are as follows in millions of dollars:

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Governor Little’s projections	\$ 3,750.3	\$ 4,057.4	\$ 4,276.3
Committee’s median projections	\$ 3,784.0	\$ 3,964.2	\$ 4,162.4
Amount and percent over/(under) Gov. projection	\$33.7 0.9%	(\$93.2) (2.3%)	(\$113.9) (2.7%)

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 2019 and 2020 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 **\$3,750.3** million dollars for fiscal year 2019 and **\$3,964.2** million dollars for fiscal year 2020. Given the uncertainty regarding income tax withholdings and estimated payments, we recommend caution in making appropriations above the committee’s revenue recommendation.

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

Respectfully,

Representative Wendy Horman

Senator Fred Martin

**2019 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2018 Revenues \$3,731.6 Millions of Dollars

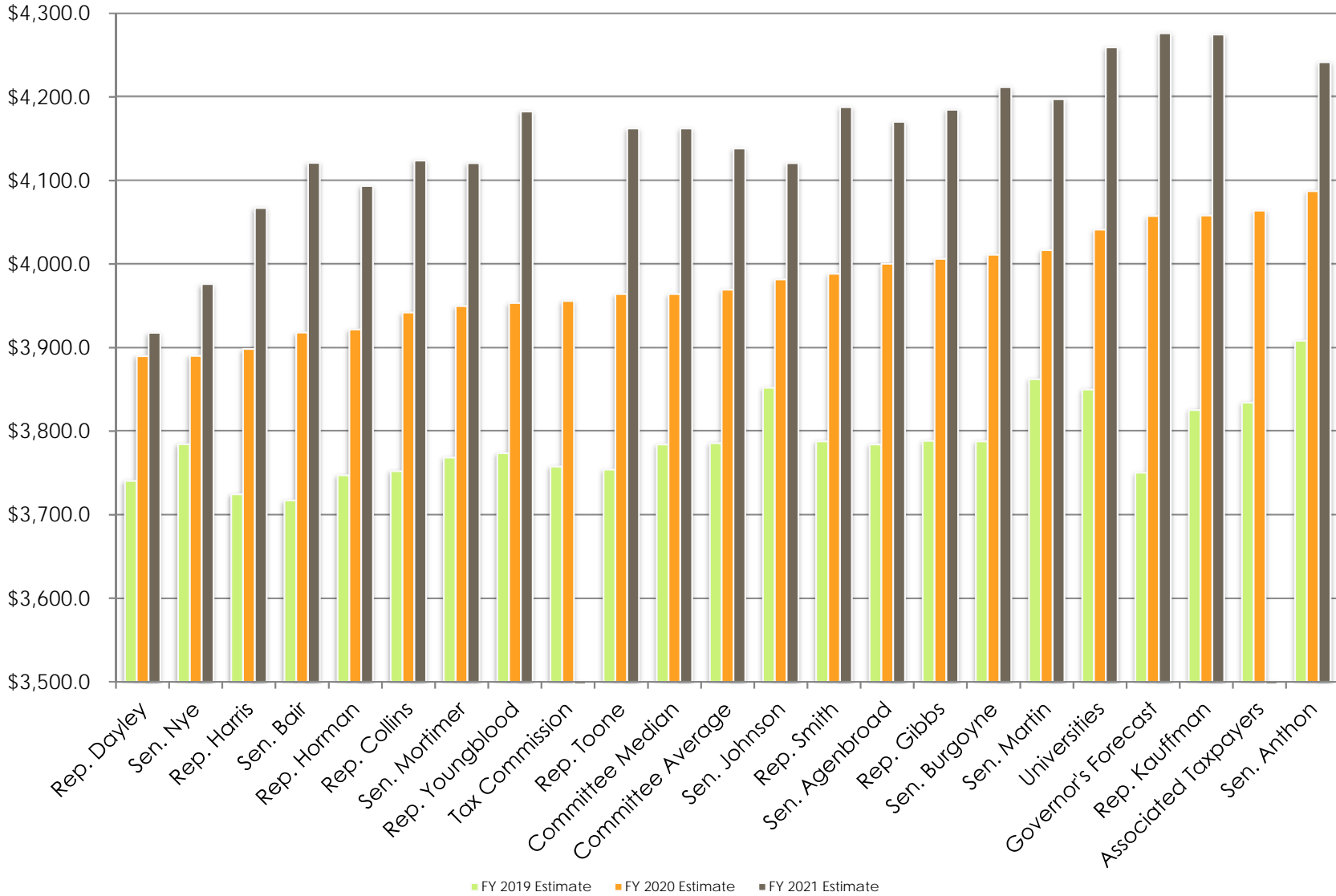
Participant	Rank	FY 2019	FY 18-19	Rank	FY 2020	FY 19-20	Rank	FY 2021	FY 20-21	Rank	Three-year
	#1	Estimate	Change	#2	Estimate	Change	#3	Estimate	Change	#4	Estimate
Rep. Dayley	3	\$3,740.3	0.2%	1	\$3,889.8	4.0%	3	\$3,917.6	0.7%	3	\$11,547.7
Sen. Nye	13	\$3,784.5	1.4%	2	\$3,890.0	2.8%	4	\$3,976.0	2.2%	4	\$11,650.5
Rep. Harris	2	\$3,724.6	(0.2%)	3	\$3,898.5	4.7%	5	\$4,066.9	4.3%	5	\$11,690.0
Sen. Bair	1	\$3,717.0	(0.4%)	4	\$3,918.0	5.4%	9	\$4,121.0	5.2%	6	\$11,756.0
Rep. Horman	4	\$3,747.1	0.4%	5	\$3,921.8	4.7%	6	\$4,093.4	4.4%	7	\$11,762.3
Rep. Collins	6	\$3,752.2	0.6%	6	\$3,942.1	5.1%	10	\$4,123.9	4.6%	8	\$11,818.2
Sen. Mortimer	9	\$3,768.5	1.0%	7	\$3,949.6	4.8%	7	\$4,120.8	4.3%	9	\$11,838.9
Rep. Youngblood	10	\$3,773.7	1.1%	8	\$3,953.2	4.8%	15	\$4,182.4	5.8%	12	\$11,909.3
Tax Commission	8	\$3,757.6	0.7%	9	\$3,955.8	5.3%	1	\$0.0	(100.0%)	1	\$7,713.4
Rep. Toone	7	\$3,754.0	0.6%	10	\$3,964.2	5.6%	12	\$4,162.4	5.0%	10	\$11,880.6
* Committee Median	11	\$3,784.0	1.4%	10	\$3,964.2	4.8%	12	\$4,162.4	5.0%	13	\$11,910.6
Committee Average	14	\$3,785.7	1.4%	12	\$3,969.2	4.8%	11	\$4,138.4	4.3%	11	\$11,893.4
Sen. Johnson	21	\$3,851.9	3.2%	13	\$3,981.7	3.4%	7	\$4,120.8	3.5%	14	\$11,954.4
Rep. Smith	15	\$3,787.6	1.5%	14	\$3,988.3	5.3%	17	\$4,187.7	5.0%	16	\$11,963.6
Sen. Agenbroad	11	\$3,784.0	1.4%	15	\$4,000.3	5.7%	14	\$4,170.3	4.2%	15	\$11,954.6
Rep. Gibbs	17	\$3,788.3	1.5%	16	\$4,006.3	5.8%	16	\$4,184.8	4.5%	17	\$11,979.4
Sen. Burgoyne	15	\$3,787.6	1.5%	17	\$4,011.0	5.9%	19	\$4,211.6	5.0%	18	\$12,010.2
Sen. Martin	22	\$3,862.2	3.5%	18	\$4,016.7	4.0%	18	\$4,197.4	4.5%	19	\$12,076.3
Universities	20	\$3,849.9	3.2%	19	\$4,041.3	5.0%	21	\$4,259.2	5.4%	21	\$12,150.4
Governor's Forecast	5	\$3,750.3	0.5%	20	\$4,057.4	8.2%	23	\$4,276.3	5.4%	20	\$12,084.0
Rep. Kauffman	18	\$3,825.3	2.5%	21	\$4,058.1	6.1%	22	\$4,274.7	5.3%	22	\$12,158.1
Associated Taxpayers	19	\$3,834.0	2.7%	22	\$4,064.0	6.0%	1	\$0.0	(100.0%)	2	\$7,898.0
Sen. Anthon	23	\$3,908.2	4.7%	23	\$4,087.2	4.6%	20	\$4,241.6	3.8%	23	\$12,237.0
Range of Participants		\$191.2			\$197.4			\$358.7			\$689.3

Sorted by FY 2020 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	\$33.7	(\$93.2)	(\$113.9)
Percent Diff. from Gov Forecast	0.9%	(2.3%)	(2.7%)

**2019 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**



Historical Comparison of Original Projections to Actual Collections Line Graph

