

Subcommittee on Projections

The Subcommittee acknowledges that the economic forecast does suggest a downward trend in economic activity. South Dakota in the past has followed national economic norms but to a lesser degree. The Subcommittee also acknowledges that the Economic Stimulus Act for 2008 will result in additional tax revenues due to the multiplier effect of consumer expenditures.

For these reasons, the Subcommittee recommends a FY09 General Fund Estimate of \$1,205,722,778 as follows.

| (all in dollars) | <u>BFM</u> | <u>LRC</u> | <u>Subcommittee Recommendation</u> |
|-----------------------------------|---------------|---------------|--|
| <u>Continuing Receipts</u> | | | |
| Sales Tax | 675,850,846 | 668,654,981 | 675,850,846 |
| Property Tax Reduction Fund | 125,240,333 | 127,589,417 | 127,589,417 |
| Contractor's Excise | 92,625,633 | 91,801,657 | 92,625,633 |
| Insurance | 61,254,110 | 63,999,349 | 63,999,349 |
| Bank Franchise | 41,888,009 | 44,324,710 | 44,324,710 |
| Permits & Fees | 42,401,211 | 38,076,470 | 42,401,211 |
| Trust Funds | 32,948,847 | 32,534,090 | 32,948,847 |
| Tobacco | 30,000,000 | 30,000,000 | 30,000,000 |
| Net Transfers | 20,017,504 | 20,978,802 | 20,978,802 |
| Charges, Fines & Mscl | 16,908,560 | 19,183,155 | 19,183,155 |
| Interest Income | 14,385,974 | 14,620,546 | 14,620,546 |
| Sale-Leaseback | 9,141,450 | 9,141,450 | 9,141,450 |
| Alcohol Beverage | 9,522,377 | 8,226,025 | 9,522,377 |
| State Lottery | 6,130,103 | 5,879,476 | 6,130,103 |
| Mineral Severance | 4,559,250 | 3,612,598 | 4,559,250 |
| Wholesale Alcohol | 1,310,614 | 1,275,790 | 1,310,614 |
| CRP | 273,526 | 273,526 | 273,526 |
| Inheritance | 0 | 0 | 0 |
| <i>Subtotal</i> | 1,184,458,347 | 1,180,172,042 | 1,195,459,836 |
| <u>1-Time Receipts</u> | | | |
| Transfers from: | | | |
| Telecommunications Relay Service | | | 1,000,000 |
| Custer Park Improvement Fund | | | 6,273,170 |
| Private Activity Bond Fee Fund | | | 1,500,000 |
| Pheasantland Industries Fund | | | 1,000,000 |
| Refinancing Gains | | | 489,772 |
| <i>Subtotal</i> | | | 10,262,942 |
| GRAND TOTAL | | | 1,205,722,778 |

NOTE: The 1-time receipts are as recommended by the Governor. However, neither BFM nor LRC addressed these receipts as part of their 2/20/08 presentation to the Joint Committee. The subcommittee recommends they be now included along with continuing receipts in order to present a complete picture of available general fund sources for appropriation in FY09.

Senator Hunhoff, Chair

Representative Tidemann, Vice-chair

Senator Bartling

Representative Burg

Senator Greenfield

Representative Maher

Representative Rausch