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# Oregon Economic and Revenue Forecast **SUMMARY**

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September 2009  
Volume XXIX, No. 3

State of Oregon  
Department of Administrative Services  
Office of Economic Analysis

## EXECUTIVE SUMMARY

**September 2009**

### **Oregon Economic Forecast**

The second quarter of 2009 is now the third consecutive quarter of above six percent job losses. This recession has taken away jobs at a very fast and deep pace. Quarterly percentage jobs losses are the largest on current record back to 1976. In percentage terms, total job losses are only surpassed by the 1980 to 1982 back-to-back recessions. But we are not done counting for this recession. On a year-over-year (Y/Y) basis, jobs decreased in the second quarter by 5.5 percent.

Oregon's recession, which essentially started in the first quarter of 2008, has spread to all sectors of the economy. Two sectors that appear on the surface to weather this recession are food processors and educational and health services. Food processors have only one quarter of job losses through this recession and employment is up 2,400 jobs since the fourth quarter of 2007. This sector is notoriously volatile but is still 1,000 jobs higher than in the early 1990's. In the second quarter of this year, educational and health services recorded the first job growth below 2.0 percent since the first quarter of 2005. Educational services have recently been quite strong. Health services recorded their fourth quarterly job loss since the first quarter of 1990 and the first quarterly loss of this recession. The loss of 2.4 percent was the largest drop of the four recorded losses.

The recession continues to impact both housing and manufacturing. Construction and durable manufacturing jobs are especially hard hit. Service sectors from retail to professional and businesses services have seen steep declines. Declining tax revenues have prompted layoffs at state and local governments.

David Wyss of Standard and Poor's gives the following analogy: "The US economy was skiing on black diamonds at the end of 2008 and the first quarter of 2009. Now [second quarter of 2009] we are skiing on blue diamonds, but we still have not reached the chair lifts [paraphrase]". The sense of free-fall appears behind us and more analysts are seeing an end to this recession. The last sector yet to see real "glimmers of hope" is the labor market. But even here, the sense of free-fall seems to be abating.

The Oregon economy is expected to follow the same direction as the US economy. The same factors weighing on the US are present in Oregon. Oregon's housing market was a bit late to the correction phase and may lag the nation slightly in both bottoming out and correction. Moody's Economy.com estimates that Oregon house prices will stop dropping in mid-2010, later than some states but earlier than the housing boom states of Arizona, Nevada, California, and Florida. House price recovery will even be sooner compared to most states. Overall, Moody's Economy.com believes that transportation and logistics hubs, resource economies, and technology centers are factors that will help states grow more quickly out of this recession. This view bodes well for Oregon based on these factors.

Broad measures are also pointing to an end of the US recession and thus to the recession in Oregon. The Conference Board Leading Indicators Index has increased for the last four months from April

to July (the latest month available at the time this report was written). Likewise, the Institute of Supply Management (ISM) manufacturing index has risen every month from January to July. Signs of stabilization are showing in unemployment claims, housing sales, and retail sales.

A number of indexes are directly tied to Oregon. The Federal Reserve Bank of Philadelphia's State Coincident Indexes combines four underlying state measures combined into a single index that represents current economic conditions. The three-month moving average for Oregon has declined by 1.8 percent for the month of May and 1.6 percent for June. This is slower than the over two percent declines of November 2008 through April 2009. Moody's Economy.com's Risk of Recession index assesses the probability of recession in Oregon in the next six months at 27.0 percent. This is considerably down from a year ago and lower than the recession risk for the US at 37.0 percent. The University of Oregon's Index of Economic Indicators declined by an annualized rate of 8.0 percent in May 2008 compared to six months earlier. The report from the Oregon Economic Forum stated: "...the pace of deterioration has slowed; the six-month annualized change in the index improved significantly over the past two months, from -11.8 percent in March to -8.0 percent in May."

The above measures are consistent with the Oregon Index of Leading Indicators which points to continued slowing in coming months but the rate of decline has significantly slowed. When the recovery does come, it will likely be mild and both the nation and Oregon will experience a "jobless recovery". We do not expect jobs levels to reach pre-recession numbers until early 2013.

OEA (Office of Economic Analysis – Oregon) forecasts a decline of 3.2 percent in total employment in the third quarter and further declines of 1.1 percent in the fourth quarter of 2009. The first quarter of 2010 will still be very anemic with a slight adding of jobs at 0.2 percent. The Oregon economy does not recover until the latter part of 2010.

The year average for 2009 is an employment decline of 5.1 percent. Job growth is negative at 0.5 percent in 2010 but with modest job gains starting in the second quarter through the end of the year. The Oregon economy does not see above 2 percent job growth until the first quarter of 2011.

The wood products industry is projected to lose jobs at a rate of -21.1 percent in 2009 and -2.0 percent in 2010 before a rebound of 7.1 percent growth in 2011.

The computer and electronic sector will continue to have steep job declines of 11.8 percent in 2009 and 6.9 percent in 2010. This sector is expected to stabilize in the second half of 2010 leading into a mild yearly average growth of 0.2 percent in 2011.

Given the poor job numbers in the first half of this year, the transportation equipment sector is expected to end up losing 21.9 percent of its employment for 2009. A mild recovery is expected with job growth of 1.3 percent in 2010 and 1.4 percent in 2011.

The metals and machinery sector is forecasted to have deep job losses this year with declines of 19.1 percent in 2009. The losses continue into 2010 will declines of 17.3 and milder losses of 1.4 percent in 2011.

Employment in food processing has been avoiding the recession and adding jobs. This sector is expected to grow 8.4 percent in 2009 and then mild declines of 0.9 percent in 2010 and 0.6 percent in 2011. This sector is subject to wide employment swings due to seasonal factors.

Other nondurables, which includes paper and allied products, is projected to have job declines of 10.9 percent in 2009 and 2.5 percent in 2010 before adding jobs in 2011 at 1.9 percent.

Although federal and state stimulus spending is helping the construction sector, the losses due to downturns in housing and commercial development is lowering overall employment for this sector. Construction employment is forecasted to decline 16.9 percent in 2009, 9.2 percent in 2010, and stabilize with a decline of 0.4 percent in 2011.

Trade, transportation, and utilities sector is projected to loose jobs at a rate of 6.3 percent in 2009, flat in 2010, and better growth of 1.3 percent in 2011. Retail jobs are projected to decrease 5.5 percent in 2009 and increases 1.0 percent in 2010 and 2011.

The information sector, which includes traditional publishers such as newspapers and publishers of software, will reduce jobs by 4.2 percent in 2009 and by 3.9 percent in 2010, before adding jobs at a rate of 4.3 percent in 2011

Financial activities sector will lose 5.9 percent of jobs in 2009, lose 1.2 percent in 2010, before recovering 2.6 percent employment in 2011.

Professional and business services will loose jobs by 6.8 percent in 2009, continuing a slowing trend that started in 2007. Job growth will turns positive with 1.1 percent growth in 2010 and rebound to 7.1 percent growth in 2011.

Education and health services are surviving through this recession but job growth has definitely slowed. Job growth will be 2.5 percent in 2009, 3.2 percent in 2010, and 2.8 percent in 2011. Health services is feeling this recession more so than in past downturns, with job growth projected at 1.6 percent for 2009, much slower than the plus-three percent growth of the last three years.

Leisure and hospitality continues to slow as the recession pulls back discretionary spending. Employment will decrease 3.7 percent in 2009. Jobs will slightly improve in 2010 with positive growth of 0.5 percent and further job gains of 1.5 percent in 2011.

The government sector employment is projected to decline by 0.1 percent in 2009, 0.1 percent in 2010, and then a mild positive growth of 0.1 percent in 2011.

Recessions slow migrations movements among the states. The state population is expected to grow 0.9 percent in 2009 followed by growth of 1.0 percent in 2010 and 1.2 percent in 2011.

## Forecast Risks

Discussions on the US economy have turned from “free fall” to recovery. More economists and financial analysts have turned their attention to how this recovery will play out. IHS Global Insight now (July) views the risks around their baseline forecast to be equally balanced. And journalists are eager to know what letter of the alphabet or other symbols will describe the recovery: V, W, U, L, backward J, square root sign, bath tub, and so on. Basically, the upside risk is that the economy will take off quickly once the recovery begins. The downside risk is that the economy will bounce on the bottom for awhile before growth begins. To these are extremes of “taking off like a rocket” or having a lost decade of no growth once we hit bottom.

Oregon’s economy does follow the US economy. During recessions, Oregon may fall deeper than or not as deep as the US. During expansions, Oregon may grow faster or not quite as fast. Timing can also be off. But Oregon does not miss a US recession or a US expansion period.

As with the US, the risks for the Oregon economy appear to be balanced on the up- and down-side. Job losses in the last few months are at lower rates than during the free fall period of late 2008 and the first quarter of 2009. Inventory of Oregon homes on the market is starting to fall and prices are not falling as fast. The bulk Oregon’s share of the stimulus package is just starting to come forward. Stabilization signs are more numerous with an anticipated end to this recession either already here or just a few months away.

We will continue to monitor and recognize the potential impacts of risk factors on the Oregon economy. We have identified the major risks now facing the Oregon economy in the list below:

- *Contagion of the credit crunch and financial market instability.* With the freezing up of credit markets, broad based borrowing and lending is very expensive or non-existent. Consumer spending has been greatly curtailed and the stock market has lost 40 percent of its value in 2008, though the stock market has risen almost 35 percent from its low in March 2009. Some signs of credit easing are appearing. If the credit markets do not return soon to some sort of state of normalcy, the current recession could be much deeper and longer than presently projected. Oregon will suffer the consequences along with the rest of the nation.
- *H1N1 flu.* The flu pandemic is still unknown, but worries that it could reignite this October at the start of the flu season. The disruption to the economy of Mexico has been severe, but other economies so far have not been greatly impacted. Indications to date are for mild disruption and nothing approaching the devastation of the Spanish Flu of 1918-19. Still, rather than a smaller 5 percent of the workforce impacted, it could go as high as 30 to 40 percent.
- *Prolonged housing market instability.* Generally, analysts believe that the housing market has yet to hit bottom, at least in terms of price declines. Though Oregon has been hit hard through this downturn, Oregon’s housing market is relatively better off compared to California, Nevada, Florida, and Arizona. Coupled with the recessionary state of the economy, the rise in mortgage rates and heightened credit standards will keep demand for housing relatively low. Rather than the correction of the housing bubble further hurting the Oregon housing market, it has been the deepening recession that caused further home price declines and rising foreclosures. Unlike

many parts of the economy, there is an upside risk here as well. If the recession is over sooner than forecasted, Oregon's housing market should revive better than the states that experienced the greater housing market bubbles.

- *The relative effectiveness of nearly-global government stimulus.* The level of government response to the current recession has never been greater. Furthermore, the coordination of central bank actions throughout the world was similarly unprecedented. While the intent was for significant stabilization and growth, it is unknown if these will come to pass. Federal Reserve, US Treasury, and the federal stimulus package may lift this economy out of recession sooner than projected.
- *The return of federal timber payments to Oregon counties.* Included in the federal bailout was a provision to reinstate federal timber payments for four years. Oregon counties will receive \$254 million, down from the previous \$282 million level and will be phased out over the four year window. While this temporary reinstatement helps cover short term budgets for Oregon counties, finding or replacing this dwindling revenue source will be imperative as any loss of public services could have adverse impacts on economic activity.
- *The extent of the global downturn triggered by the U.S. slowdown.* The U.S. economy has been an important engine of growth for the global economy. As the U.S. economic woes continue, the whole world is feeling the impact. First, European economic growth slowed considerably, even contracting in places. Then Asian economies began slowing due to their large exposure, via trade, to the U.S. economy. China is a top importer of Oregon products and any slowing of the Chinese economy will adversely impact Oregon exports. To the extent that Oregon major trading partners take longer to recovery compared to the US economy, this could extend the downturn in Oregon.
- *Appreciation of the U.S. dollar.* Along with slowing foreign economies, the recent appreciation of the U.S. dollar has dramatically slowed exports from U.S. producers. This is also true for Oregon exports. The extent of the impact from the U.S. dollar may not be as great for Oregon given the expected appreciation of the Chinese Yuan, one of Oregon's major trading partners. Still, the risk is present for a slowing of exports.
- *National and regional energy prices.* The over 60 percent drop in oil prices is bringing relieve to both businesses and households. The near term outlook is also for lower regional prices for natural gas and electricity. This comes at a welcomed time when businesses are looking for cost savings. The benefit from lower energy prices is most likely short-lived as the underlying demand drivers will return once the world economies rebound from this recession.
- *Geopolitical risks.* Uncertainty still abounds in Iraq. Tensions with Iran and heightened security risks weigh on businesses and consumers. Disruptions in travel, oil supplies, and consumer confidence could be severe. The drop in business activity could deepen if this uncertainty persists or if the transition out of the Iraq war goes badly for the U.S. The eventual winding down of military expenses will not greatly impact Oregon. There is also an upside risk that the transition will go more smoothly than anticipated, and stability in the Mideast will provide a stronger than forecasted stimulus to the economy.

- *Initiatives, referendums, and referrals.* Generally, the ballot box brings a number of unknowns that could have sweeping impacts on the Oregon economy.

## **Demographic Forecast**

Oregon's estimated population on July 1, 2008 reached 3,791,075. That was an increase of 1.2 percent over the 2007 population. The growth has slowed down since the highs of 2005 through 2007 when it exceeded 1.5 percent on average. Overall, population change since 2000 is much lower than the rate of growth of well over 2.0 percent during the early 1990s. As a result of recent economic downturn, Oregon's population is expected to grow at a slower pace in the near future. Based on the current forecast, Oregon's population will reach 4.106 million in the year 2015 with an annual rate of growth of 1.14 percent between 2008 and 2015.

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain local work force as well as attract job seekers from other states and beyond. As Oregon's total fertility rate remains below the replacement level and deaths continue to rise due to ageing population, long-term growth comes from net in-migration. Working-age adults come to Oregon as long as we have good economic and employment situations. During the 1980s that included a major recession and a net loss of population, net migration contributed to 22 percent of the population change. On the other extreme, net migration accounted for 73 percent of the population change during the booming 1990s. This share of migration declined to 57 percent in 2002. As a sign of slow to modest economic gain, the net migration will account for 49 to 64 percent of the population change in the near future. Although economy and employment situation in Oregon look bleak, migration situation is not expected to replicate the early 1980s pattern. Potential Oregon out-migrants have no better place to go since other states are also in the same boat in terms of economy and employment.

Growth in all age groups will show the effects of the baby-boom and their echo generations during the period of 2008-2015. It will also reflect demographics impacted by the depression era birth cohort combined with diminished migration of the working age population and elderly retirees. After a period of slow growth in the past, the elderly population (65+) growth has picked up in pace and will surge as the baby-boom generation starts to enter this age group. The average annual growth of the elderly population will be nearly 3.8 percent during the forecast horizon as the boomers continue to enter retirement age. The youngest elderly (aged 65-74) will grow at an extremely fast pace due to the direct impact of the baby-boom generation entering retirement age. The elderly aged 75-84 will continue to shrink in numbers until 2009, as the depression era birth-cohort will dominate this group. The oldest elderly (aged 85+) will continue to grow at a moderately high rate due to the combination of cohort change, continued positive net migration, and improving longevity. However, the annual growth rate will continue to taper off as the depression era small birth cohort transitions from the younger age group.

As the baby-boom generation matures, the once fast-paced growth of population aged 45-64 will gradually taper to near 0 percent rate by 2012. The young adult population (aged 18-24) will grow at an average of 0.1 percent annually, considerably slower than the rate averaging 1.1 percent experienced between 2000 and 2008. Although the slow growth of college-age population tend to ease the pressure on public spending on college education, college enrollment typically goes up

during the time of high unemployment and scarcity of well paying jobs when even the older population flock back to college to better position themselves in a tough job market. Compared to other non-elderly age groups, children under the age of five show a higher rate of growth after a slow growth period in the recent past. However, the growth rate for the children will remain below the overall population growth rate resulting in lesser demand for child care services and pre-Kindergarten program. The K-12 population (aged 5-17) will show very slow growth which will translate into slow growth in school enrollments. This population will actually decline in the near future. The 25-44 age group population has reversed the several year trend of decline. The decline was mainly due to the exiting baby-boom cohort. This age group has seen positive growth starting in the year 2003 and will approach 1.2 percent annual growth by the year 2011.

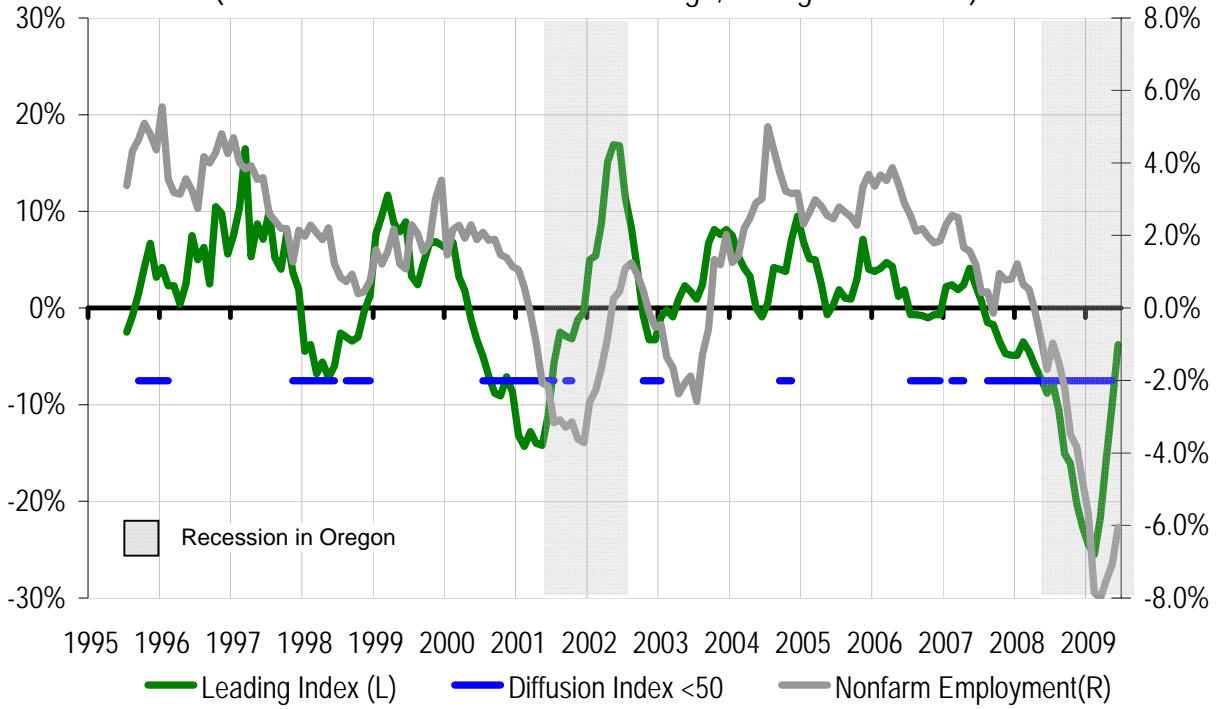
### **Revenue Forecast**

The forecast for General Fund revenues for 2009-11 is \$13,436.6 million. While this represents an increase of \$919.1 million from the May 2009 forecast, it is a decrease of \$139.1 million from the 2009 Close of Session forecast, which incorporates revenue changes adopted during the 2009 Legislative Session. The decrease is concentrated in personal income taxes, manifested in a slight decrease in the expectations for withholding tax receipts. Corporate income tax receipts have exhibited similar weakness, but have tracked with the May forecast resulting in no change from the May forecast absent the inclusion of the legislative actions. Total available resources amount to \$13,392.9 million, resulting in a projected ending balance of \$94.8 million.

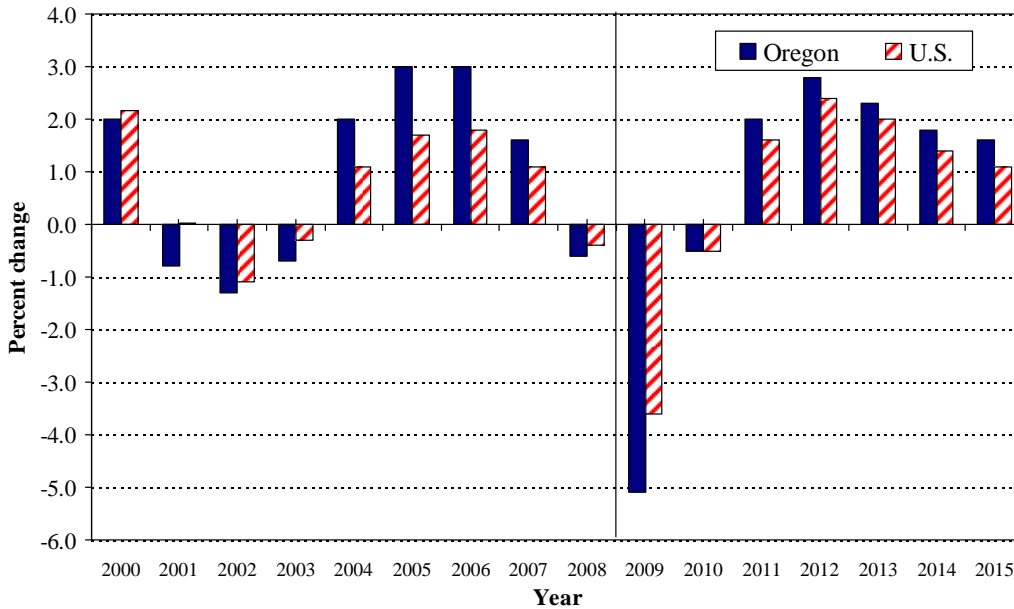
Projected lottery earnings will total \$1,094.8 million, a decrease of \$42.3 million from the prior forecast. Weakness in video lottery earnings over the summer has extended the dramatic decline in lottery sales, with weekly video lottery sales down more than 20 percent on a year-over-year basis. Including the beginning balance and other earnings, total available resources equal \$1,098.6 million.

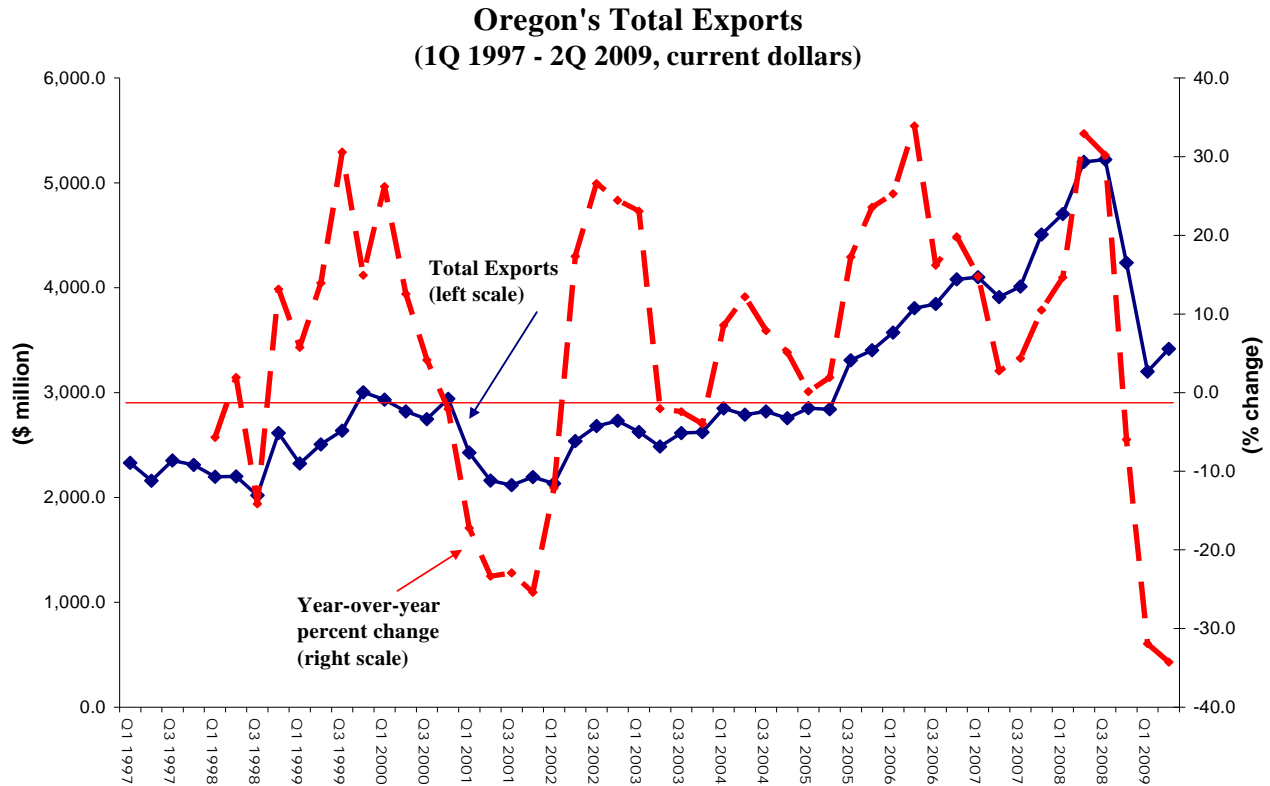
At the close of fiscal year 2009, the balance in the ORDF equaled \$112.5 million. The ORDF is projected to reach \$132.8 million by the end of 2009-11, and to total \$237.1 million by the end of next biennium. These figures include a \$225 million withdrawal in June 2009 and anticipated deposits from General Fund ending balances for future biennia. Meanwhile, the ESF balance was completely withdrawn at the end of 2007-09 in order to fill the budget shortfall from 2007-09. Assuming no additional distributions are made during the next biennium, by the end of 2009-11, available ESF funds will total \$187.3 million.

### Oregon Index of Leading Indicators (Six-Month Annualized Percent Change, through June 2009)



### Total Non-farm Employment (Annual Percentage Change)





## Oregon September 2009 Forecast Comparison: Alternative scenarios

(Percent change)

<b>Employment</b>	2009	2010	2011
Baseline	<b>-5.1</b>	<b>-0.5</b>	<b>2.0</b>
Pessimistic	<b>-5.4</b>	<b>-1.3</b>	<b>1.7</b>
Optimistic	<b>-4.8</b>	<b>0.3</b>	<b>2.5</b>

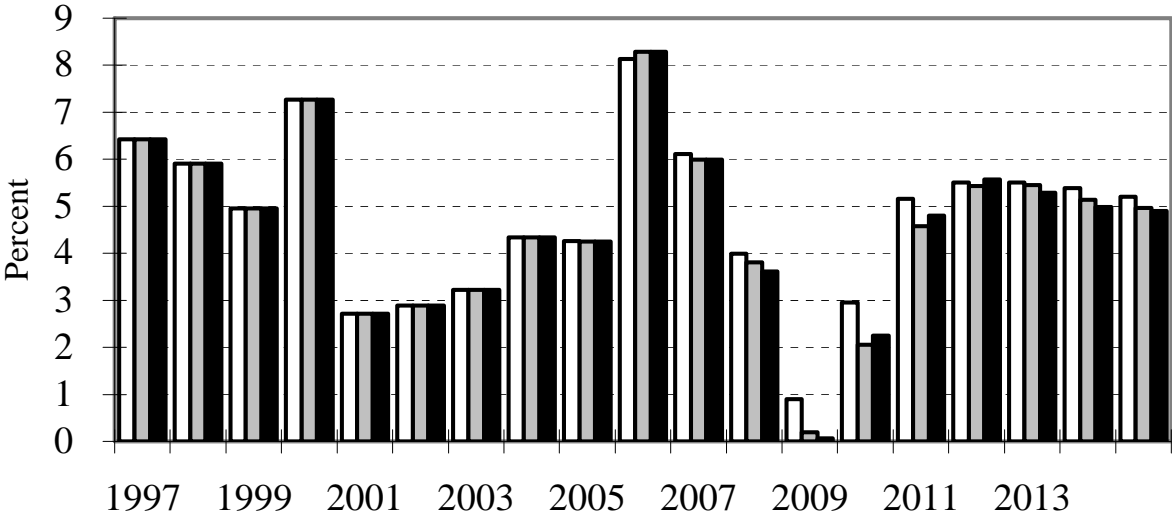
  

<b>Personal Income</b>	2009	2010	2011
Baseline	<b>0.1</b>	<b>2.2</b>	<b>4.8</b>
Pessimistic	<b>-0.6</b>	<b>1.0</b>	<b>4.5</b>
Optimistic	<b>0.7</b>	<b>3.4</b>	<b>5.2</b>

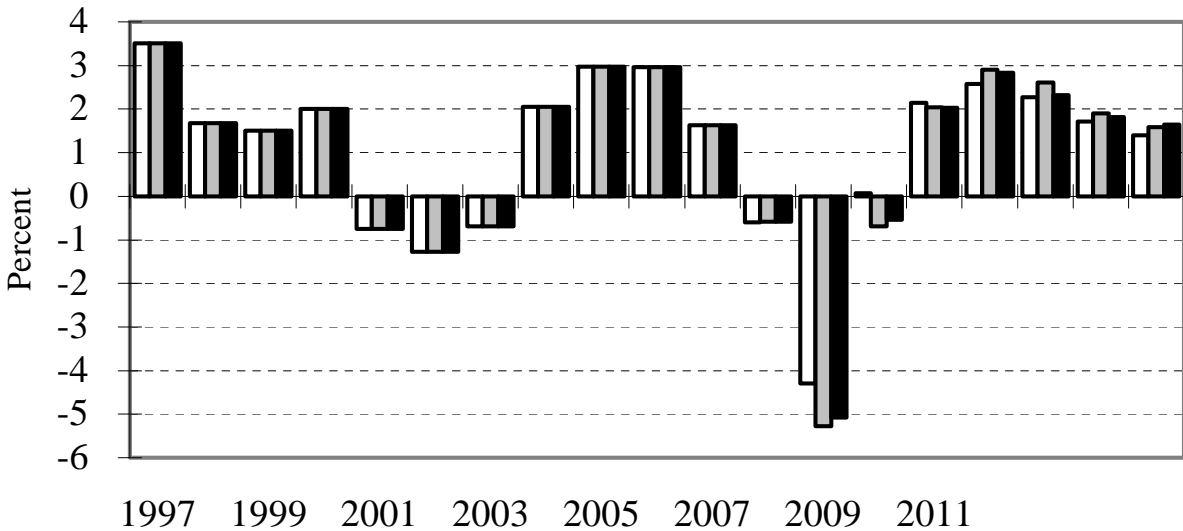
# COMPARISON OF LAST THREE FORECASTS

Mar 2009
  May 2009
  Sept 2009

## PERSONAL INCOME GROWTH



## EMPLOYMENT GROWTH

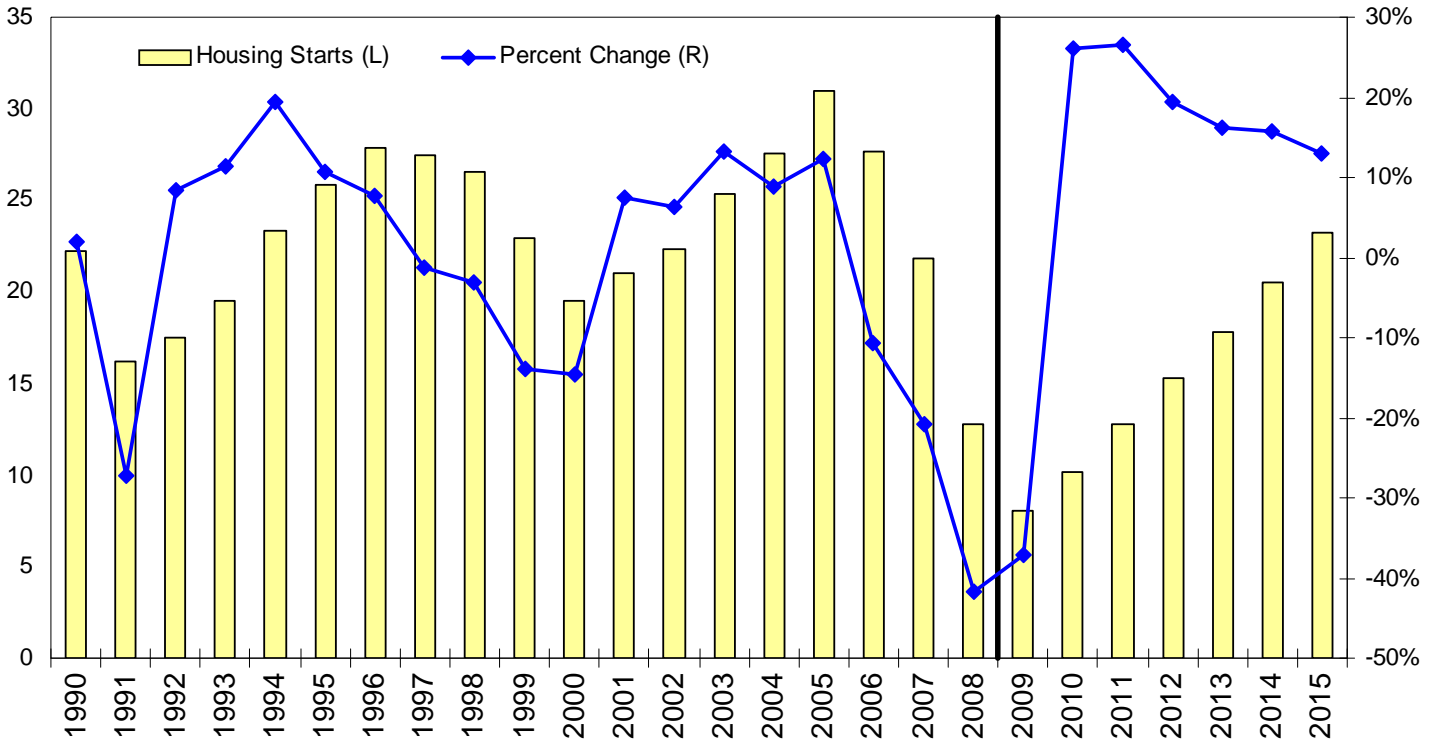


# Historical Recession Comparison

Recession	1981-82	1980-82	1990-91		2001		2008-?? *	
	U.S.	Oregon	U.S.	Oregon	U.S.	Oregon	U.S.	Oregon
<b>Employment</b>								
Loss (in 000s)	2,734.3	123.3	1,498.3	12.3	2,657.3	60.1	7,002.5	119.8
% Change	(2.99)	(11.50)	(1.37)	(0.97)	(2.01)	(3.69)	(5.07)	(6.90)
<b>Duration</b>								
Peak-to-Trough	5 Qtrs	12 Qtrs	5 Qtrs	3 Qtrs	9 Qtrs	10 Qtrs	9 Qtrs	9 Qtrs
Return to Peak	8 Qtrs	28 Qtrs	10 Qtrs	5 Qtrs	15 Qtrs	16 Qtrs	21 Qtrs	22 Qtrs

\* Estimates based on Global Insight and OEA forecasts

## Oregon Housing Starts

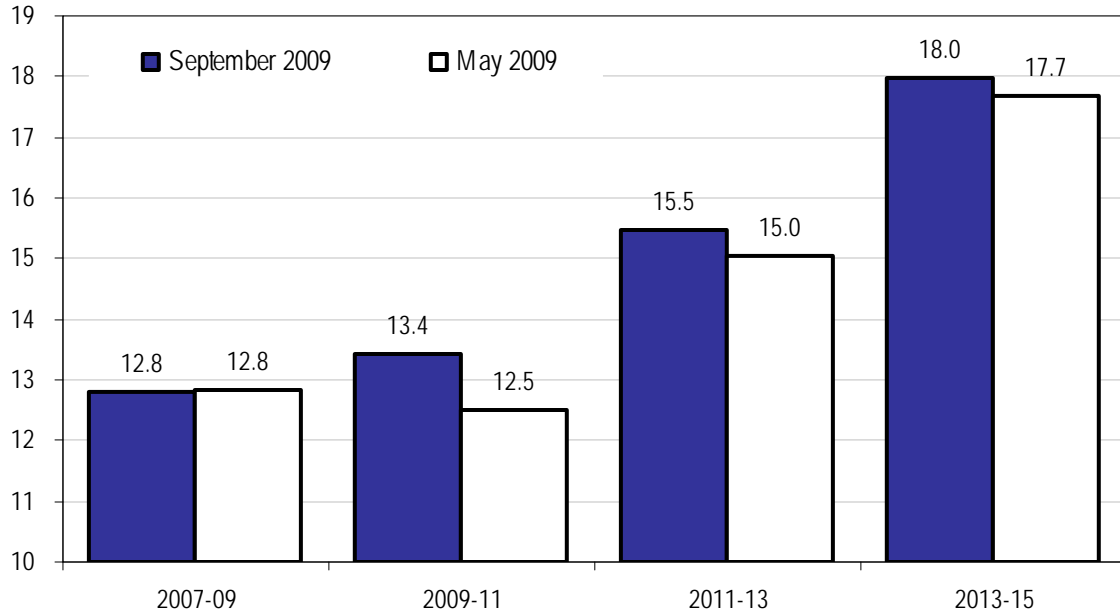


## General Fund Resources

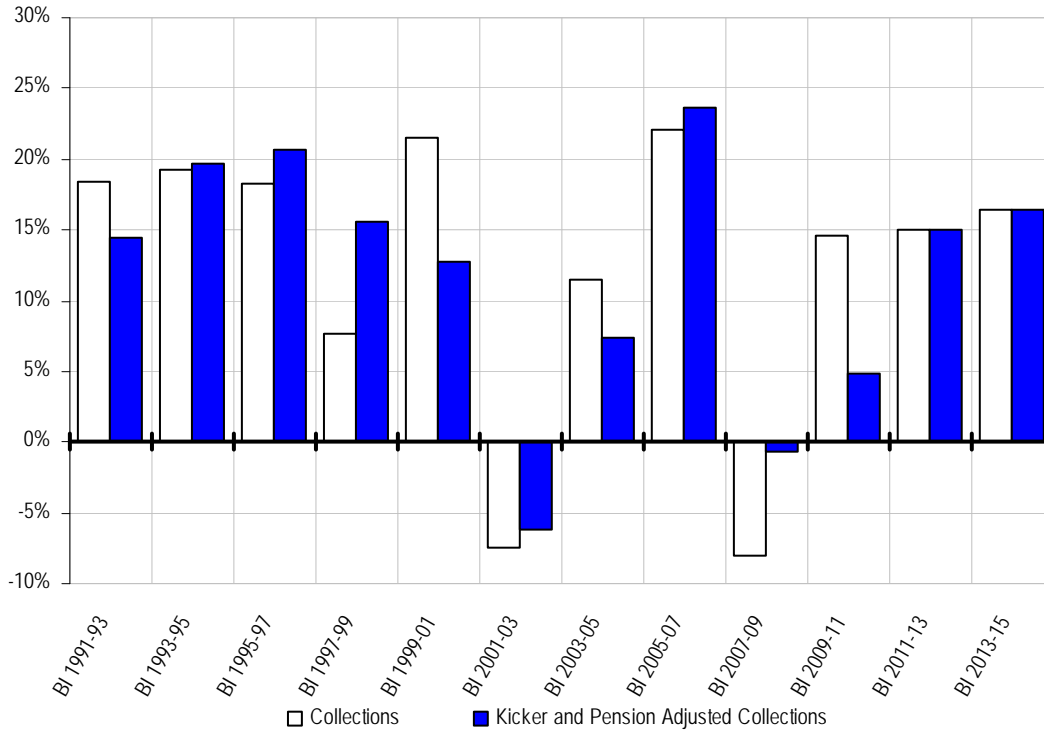
2009-11 Biennium

General Fund (Millions)	COS Forecast	May 2009 Forecast	Sep 2009 Forecast	Change from May	Change from COS 2009
Personal Income Tax	\$11,545.7	\$11,022.9	<b>\$11,413.8</b>	\$390.9	<b>-\$131.9</b>
Corporate Income Tax	\$831.6	\$609.7	<b>\$831.6</b>	\$221.9	<b>\$0.0</b>
Other Revenues	\$1,198.4	\$884.9	<b>\$1,191.2</b>	\$306.3	<b>-\$7.2</b>
<b>Total GF Resources</b>	<b>\$13,575.7</b>	<b>\$12,517.5</b>	<b>\$13,436.6</b>	<b>\$919.1</b>	<b>-\$139.1</b>
Less: Anticipated Administrative Actions	\$43.7	\$43.7	\$43.7	\$0.0	\$0.0
<b>Proj. Expenditures</b>	<b>\$13,298.1</b>	<b>\$13,298.1</b>	<b>\$13,298.1</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Ending Balance</b>	<b>\$233.8</b>	<b>-\$824.4</b>	<b>\$94.8</b>	<b>\$919.1</b>	<b>-\$139.1</b>

**Comparison of General Fund Resource Forecasts**  
(\$Billions)



## Biennial Growth in General Fund Revenue



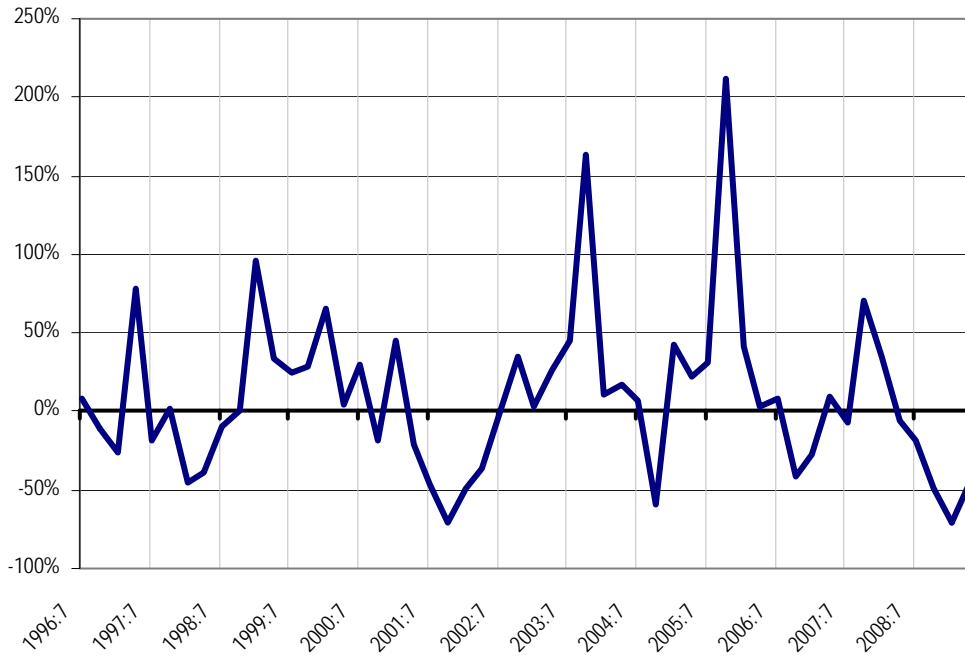
## Oregon's Budgetary Reserves

(Millions)	2007-09 Biennium	2009-11 Biennium	2011-13 Biennium
<b>Rainy Day Fund</b>			
Beginning Balance	\$0.0	\$112.5	\$132.8
Deposits	\$94.3	\$11.4	\$94.8
Interest	\$18.3	\$8.9	\$9.6
Triggered Withdrawals	\$0.0	\$0.0	\$0.0
<b>Ending Balance<sup>1</sup></b>	<b>\$112.5</b>	<b>\$132.8</b>	<b>\$237.1</b>
<b>Education Stability Fund</b>			
Beginning Balance	\$178.9	\$0.1	\$187.3
Deposits	-\$178.9	\$187.2	\$206.2
Interest <sup>2</sup>	\$17.2	\$4.7	\$29.3
Triggered Withdrawals	-\$17.1	-\$4.7	-\$29.3
<b>Ending Balance</b>	<b>\$0.1</b>	<b>\$187.3</b>	<b>\$393.5</b>
<b>Total Reserves</b>	<b>\$112.6</b>	<b>\$320.1</b>	<b>\$630.6</b>

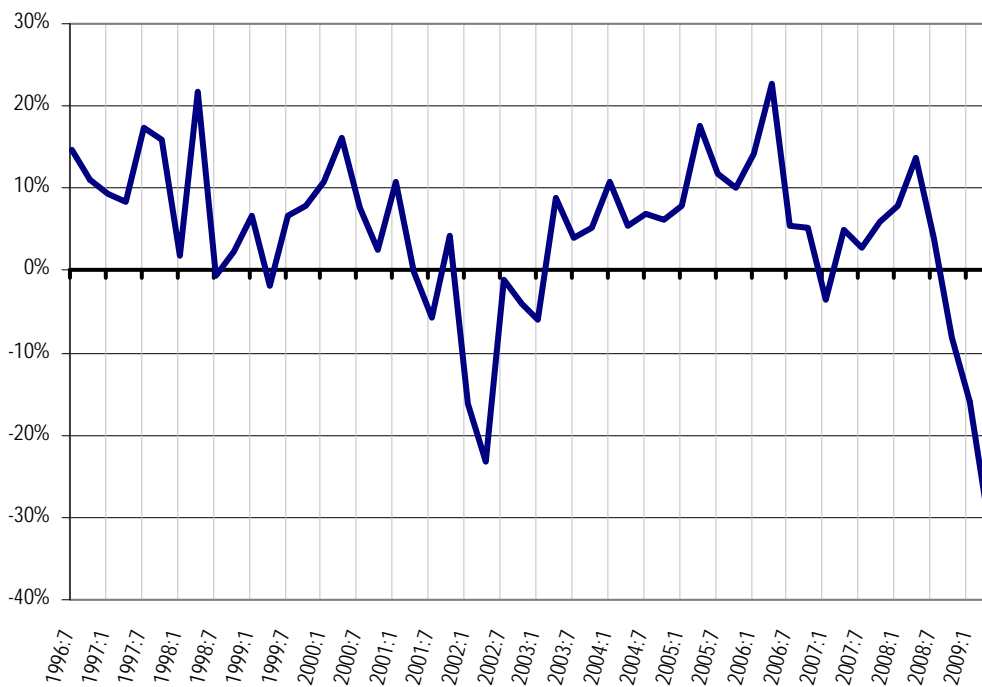
Footnotes:

1. Under current law, only 2/3rds of the beginning balance is available for withdrawal. Withdrawal subject to economic and financial triggers.
2. Education Stability Fund interest is distributed to the Oregon Education Fund (75%) and the State Scholarship Commission (25%).

### Corporate Income Tax Collections (Quarterly, Year-over-year percent change)



### Personal Income Tax Collections (Quarterly, Year-over-year percent change)



## 2009-11 Lottery Fund Forecast Summary

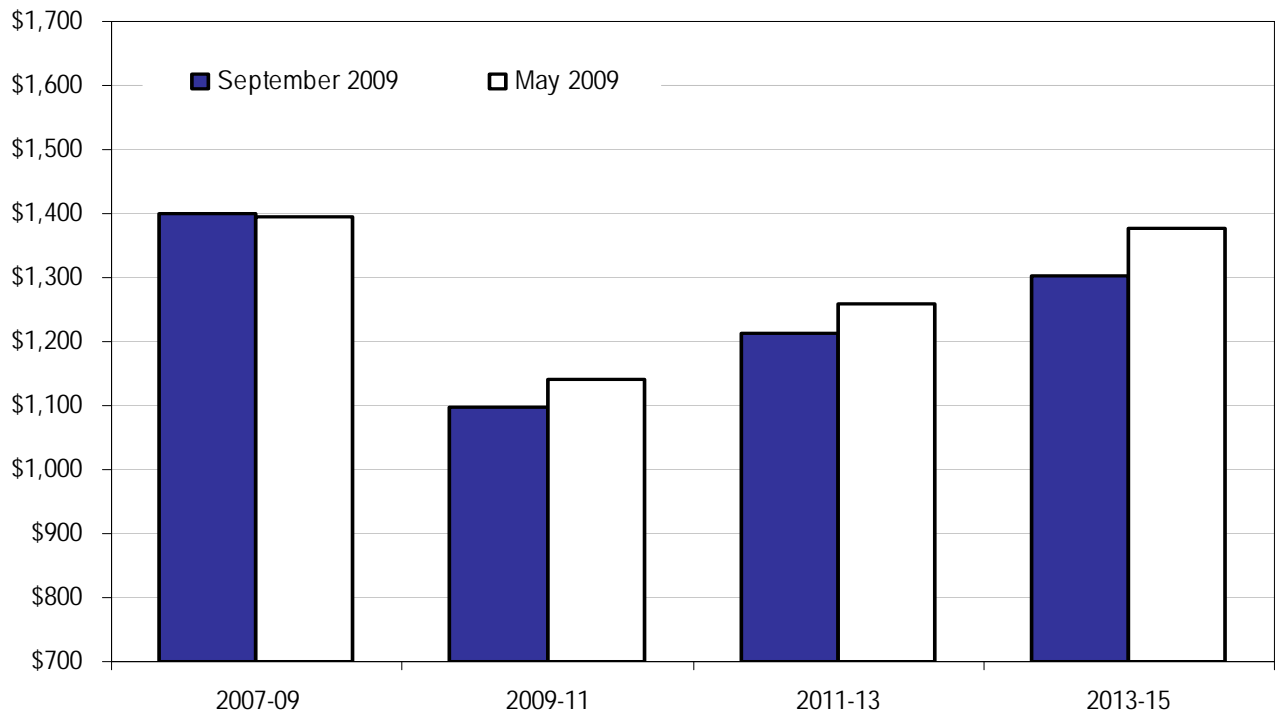
	May 2009 Forecast	September 2009 Forecast	Changes from: May 2009 Forecast
<b>Transfers of Lottery Earnings</b>			
Traditional Games	\$122.9	\$116.2	-\$6.7
Video Lottery	\$1,014.2	\$973.5	-\$40.7
Administrative Savings	\$0.0	\$5.1	\$5.1
<b>Total Transfers</b>	<b>\$1,137.1</b>	<b>\$1,094.8</b>	<b>-\$42.3</b>
<b>Economic Development Fund</b>			
Beginning Balance	\$0.2	\$1.4	\$1.2
Transfers from Lottery	\$1,137.1	\$1,094.8	-\$42.3
Other earnings <sup>1</sup>	\$4.5	\$2.5	-\$2.0
<b>Total Available Resources</b>	<b>\$1,141.8</b>	<b>\$1,098.6</b>	<b>-\$43.1</b>
Dedicated Distributions <sup>2</sup>	\$670.1	\$643.5	-\$26.6
Other Legislatively Adopted Allocations	\$0.0	\$473.5	\$473.5
<b>Total Distributions</b>	<b>\$670.1</b>	<b>\$1,117.0</b>	<b>\$446.9</b>
<b>Ending Balance</b>	<b>\$471.7</b>	<b>-\$18.4</b>	<b>-\$490.1</b>

Footnotes:

1. Includes interest earnings and reversions.

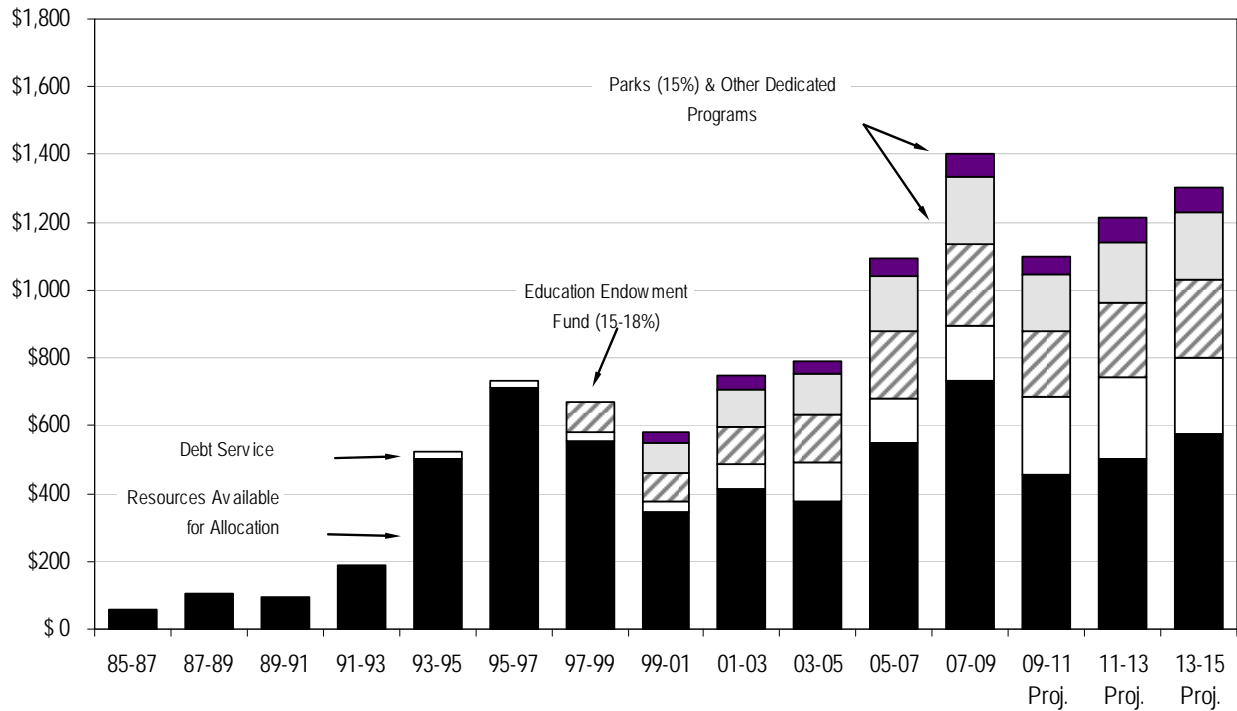
2. Includes the Education Stability Fund (18%), the Parks and Natural Resources Fund (15%), and Debt Service. See Table B.9 for more information.

## LOTTERY LONG-TERM FORECAST



Biennia following 2009-11 do not include projected beginning balances

## State Lottery Resources (\$Millions)



### 2 Percent Surplus Kicker History

Biennium	Tax Year	Personal		Corporate	
		Surplus / (Shortfall)	Credit Refund	Surplus / (Shortfall)	Credit
1979-81	1981	(141.0)	none	(25.1)	none
1981-83	1983	(115.2)	none	(109.9)	none
1983-85	1985	88.7	7.7%	13.4	10.6%
1985-87	1987	224.2	16.6%	6.8	6.2%
1987-89	1989	175.2	9.8%	36.2	19.7%
1989-91	1991	185.9	suspended	(23.0)	none
1991-93	1993	60.1	none*	17.9	suspended
1993-95	1994/5	162.8	6.3%	167.0	50.1%
1995-97	1996/7	431.5	14.4%	202.7	42.2%
1997-99	1997/8	167.3	4.6%	(68.6)	none
1999-01	2000	253.6	6.0%	(43.9)	none
2001-03	2002	(1,249.4)	none	(439.5)	none
2003-05	2004/5	(401.3)	none	101.0	36.0%
2005-07	2006	1,071.2	18.6%	344.1	suspended

Dollar figures in millions

\*1991-93 personal surplus was less than 2%

Data Source: Legislative Revenue Office, Office of Economic Analysis