Eckstrom: Economy turning around

State revenue, income tax receipts both up over 10 percent

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COLUMBIA — The state's battered and weak economy may be showing signs of improving, according to the state's chief accountant.

The state's total revenues are up 10.5 percent over a year ago, and officials believe the state will end the year with a surplus, state Comptroller General Richard Eckstrom told *The Greenville News*.

"I think we are seeing the early signs of a new economic day in the state," he said.

Eckstrom's office often sees economic data ahead of other state officials, and he said he wanted to be sure he was looking at a three-month trend in positive numbers before concluding the economy was improving.

Individual income tax receipts are up 17.4 percent over last May, and sales tax revenue has increased 4.7 percent, the second positive month when compared with figures from a year ago, Eckstrom said.

Revenues now are about $60 million more than the amount projected by the state Board of Economic Advisors and may grow enough to wipe out last year's deficit by the time the state closes its books, Eckstrom said.

"It's almost a miracle," he said.

The good news is in dramatic contrast to the dire $4.9 billion General Fund budget passed by lawmakers Thursday, a budget that lawmakers say will cost hundreds of teachers and educators their jobs, severely cut some health pro-

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grams and furlough thousands.

Next year's budget shortfall is expected to be about $1 billion, primarily because federal stimulus aid will have run out.

Eckstrom said indicators throughout the state's economy are up, from unemployment claims, which have decreased, to increases in building permits, home sales and water and sewer permits. Unemployment benefit payments are about half what they were a year ago, he said.

He said the indicators, when combined with the state's recent economic development successes, are "like all the planets aligning."

"I'm confident we've seen a turn here," Eckstrom said. "It's a turn we've wanted for a long, long time. I think we're at the end of the tunnel."