

May 24, 2013

**2013-15 BUDGET STATUS SUMMARY
AS OF MAY 4, 2013 - FINAL**

Beginning Balance and Revenues

Legislative estimate of unobligated general fund cash balance - July 1, 2013	\$1,472,798,236 ¹
Add 2013-15 estimated revenues	
Proposed executive budget general fund revenues	<u>\$4,797,694,832</u>
Legislative revenue changes	
Major increases	
HB 1015 - Transfer from strategic investment and improvements fund	\$520,000,000
HB 1013 - Transfers funds from the property tax relief sustainability fund	341,790,000
SB 2014 - Increases transfer of Mill and Elevator profits to general fund	5,112,900
Major decreases	
February 2013 revenue forecast revision	(45,680,000)
HB 1145 - Reduces insurance premium tax revenue to general fund	(7,666,386)
HB 1198 - Provides for withholding on royalties	4,200,000
SB 2142 - Provides sales tax exemption for telecommunications infrastructure development	(4,740,000)
SB 2156 - Reduces income tax rates	(125,000,000)
SB 2163 - Changes the gaming tax structure	(3,000,000)
SB 2325 - Repeals financial institution tax and changes income tax law	(3,390,000)
Other increases (decreases)	<u>(2,488,300)</u>
Total legislative changes affecting revenues	<u>\$679,138,214</u>
Total estimated general fund revenues and beginning balance - 2013-15	\$6,949,631,282

Appropriations

Executive budget general fund appropriations - 2013-15	\$4,786,171,981
Legislative appropriations changes	
Major increases	
HB 1013 - Department of Public Instruction	\$665,853,482
SB 2176 - Department of Transportation roadway projects	620,000,000
HB 1015 - Transfer to property tax relief sustainability fund	315,210,000
SB 2036 - Property tax relief credits	200,000,000
HB 1358 - Oil-related programs and funding distributions	288,880,000
SB 2176 - Special transportation funding distributions to non-oil-producing political subdivisions	100,000,000
SB 2014 - Industrial Commission	20,588,254
HB 1261 - Rapid enrollment grants	13,600,000
SB 2006 - Airport grants	6,000,000
SB 2218 - Tribal college workforce grants	5,000,000
Major decreases	
SB 2012 - Department of Transportation and transportation funding distributions	(133,695,000)
HB 1020 - State Water Commission	(17,779,644)
SB 2003 - North Dakota University System	(16,258,842)
HB 1012 - Department of Human Services	(12,100,125)
HB 1006 - State Tax Commissioner	(10,585,989)
Other increases (decreases) net	<u>31,703,237</u>
Total legislative changes affecting appropriations	<u>\$2,076,415,373</u>
Total 2013-15 general fund appropriations	<u>\$6,862,587,354 ²</u>

Estimated Ending Balance

Estimated budget status general fund balance - June 30, 2015 \$87,043,928

Comparison of 2013-15 General Fund Appropriations to 2011-13 Appropriations

	2011-13 Appropriations	2013-15 Current Budget Status	Increase (Decrease)	
Ongoing general fund appropriations	\$3,534,591,025	\$4,436,259,153	\$901,668,128	25.5%
One-time general fund appropriations	702,095,435	2,426,328,201	1,724,232,766	245.6%
Total general fund appropriations	\$4,236,686,460	\$6,862,587,354	\$2,625,900,894	62.0%

Footnotes

¹ Beginning balance - Executive budget unobligated general fund cash balance - June 30, 2013	\$121,183,167 ^a
Legislative action affecting the June 30, 2013, balance	
February 2013 revenue forecast revision	\$41,333,271
HB 1006 - Provides carryover authority for a grant for software conversion	(\$50,000)
HB 1015 - Removes transfer to property tax relief sustainability fund and excludes appropriations from transfer to budget stabilization fund	744,767,676
HB 1016 - Provides carryover authority for tuition assistance	(500,000)
HB 1023 - Reduces deficiency appropriations	8,733,107
SB 2007 - Provides carryover authority for construction and electronic records	(698,400)
SB 2012 - Changes 2011-13 transfer to highway fund and transportation funding distributions	719,280,000
SB 2014 - Removes transfer to housing incentive fund	30,000,000
SB 2132 - Provides carryover authority for rebuilders loan program	(9,000,000)
SB 2142 - Provides sales tax exemption for telecommunications infrastructure	<u>(1,190,000)</u>
Total legislative changes affecting the beginning balance	\$1,532,675,654
Estimated general fund cash balance prior to budget stabilization fund transfer	\$1,653,858,821
Estimated transfer to budget stabilization fund - June 30, 2013	<u>(181,060,585) ^b</u>
Legislative estimate of unobligated general fund cash balance - July 1, 2013	<u>\$1,472,798,236</u>

^a The beginning balance is based on the 2011-13 general fund beginning balance of \$996,832,711, the 2011-13 December 2012 general fund revenue forecast of \$4,893,613,146, and the 2011-13 appropriation authority of \$4,274,495,014 (general fund appropriations of \$4,236,686,460 plus proposed deficiency appropriations of \$68,327,808, less emergency clause authority of \$519,254, and less estimated general fund turnback of \$30 million) adjusted for 2013-15 executive budget recommendations that would occur prior to July 1, 2013, including a transfer to the property tax relief sustainability fund (\$744,767,676), transfer to the highway fund (\$620 million), transportation funding distributions (\$100 million), and a transfer to the housing incentive fund (\$30 million).

^b North Dakota Century Code Chapter 54-27.2 provides that any amount in the general fund at the end of a biennium in excess of \$65 million must be transferred to the budget stabilization fund except that the balance in the budget stabilization fund may not exceed 9.5 percent of the general fund budget approved by the most recently adjourned Legislative Assembly. The amount shown is based on the current estimate of the June 30, 2013, general fund balance and the current status of 2013-15 biennium general fund appropriations. Section 5 of House Bill No. 1015 provides that \$720 million of appropriations included in Senate Bill No. 2176 are not to be included in the calculation of the maximum balance of the budget stabilization fund. Therefore, the amount of the transfer from the general fund to the budget stabilization fund is reduced by \$68.4 million.

² The total estimated general fund appropriations do not include the following:

- ^a A contingent general fund appropriation of \$5 million included in Senate Bill No. 2003 for a children's science center in Bismarck.
- ^b A contingent general fund appropriation of \$6 million included in Senate Bill No. 2003 for the construction of a Theodore Roosevelt Presidential Library.

Budget Stabilization Fund Transfer and Balance

Estimated balance - June 30, 2013	\$402,485,214
Estimated transfer from general fund	181,060,585
Estimated balance - July 1, 2013	<u>\$583,545,799</u>

This summary and additional detail are available online at <http://www.legis.nd.gov/fiscal/63-2013/budget-status>