

## SPECIAL FUND APPROPRIATIONS - MAJOR CHANGES AND KEY RECOMMENDATIONS

The following schedule compares all funds and special funds appropriations included in the 2007-09 executive budget to the 2005-07 appropriations approved by the 2005 Legislative Assembly and lists major special funds sources changes:

	<b>2005-07 Legislative Appropriations</b>	<b>Increase (Decrease) From 2005- 07</b>	<b>2007-09 Executive Budget</b>
All funds appropriations	\$5,752,673,790	\$580,528,644	\$6,333,202,434 <sup>2</sup>
Less general fund appropriations	1,989,452,623	478,873,716	2,468,326,339
Total special funds appropriations	\$3,763,221,167	\$101,654,928	\$3,864,876,095 <sup>2</sup>
Major special funds sources and changes include:			
Federal funds	\$2,325,179,561 <sup>1</sup>	\$97,756,454	\$2,422,936,015
Higher education	177,494,582	(49,112,026)	128,382,556
Office of Management and Budget	46,548,119	(27,722,759)	18,825,360
State Water Commission	107,377,552	26,041,298	133,418,850
Workforce Safety and Insurance	33,523,001	16,497,988	50,020,989
Information Technology Department	98,434,390	14,861,339	113,295,729
Tax Department	14,000,000	(12,300,000)	1,700,000
Public Employees Retirement System	4,700,237	9,849,627	14,549,864
Department of Transportation	414,832,755	(9,129,891)	405,702,864
Housing Finance Agency	8,488,734	8,035,568	16,524,302
Industrial Commission	43,612,372	6,222,084	49,834,456
State Fair Association	0	5,000,000	5,000,000
Other	489,029,864	15,655,246	504,685,110
Total	\$3,763,221,167	\$101,654,928	\$3,864,876,095

<sup>1</sup>The amount shown is the total federal funds appropriated by the Legislative Assembly as reported by state agencies on a survey for the Budget Section completed in October 2006.

<sup>2</sup>The amounts shown do not reflect \$116.7 million for property tax relief included in the executive budget recommendation as a continuing appropriation from the permanent oil tax trust fund (Section 16 of Senate Bill No. 2015 (2007)).

Major changes and key recommendations affecting 2007-09 special funds appropriations include:

- **Federal funds - \$97,756,454.** The executive budget recommends a federal fund increase of \$97.8 million, including increases of \$43.5 million for the Adjutant General, \$70 million for the Department of Human Services, \$26.5 million for the Department of Public Instruction, and \$15.9 million for the Department of Health.
- **Higher education - (\$49,112,026).** The executive budget recommends decreasing major capital project funding from special funds by approximately \$48.9 million. See **Higher Education** section for additional information.
- **Office of Management and Budget - (\$27,722,759).** The executive budget changes the funding for centers of excellence from \$20 million of special funds from Bank of North Dakota loan proceeds and an associated \$16 million from the permanent oil tax trust fund to repay a portion of the loans to \$20 million from the general fund and provides \$5.3 million from the permanent oil tax trust fund to repay the remainder of the 2005-07 biennium loans outstanding, and also adds \$5 million of special funds for a salary equity pool.
- **State Water Commission - \$26,041,298.** The executive budget increases special funds from the water development trust fund by \$10,092,126 and the resources trust fund by \$15,339,582 primarily for water projects.

- **Workforce Safety and Insurance - \$16,497,988.** The executive budget recommends providing \$14 million of special funds for completing information technology projects, including a claims and policy system replacement, web portal, data warehouse, and customer relationship management system.
- **Information Technology Department - \$14,861,339.** The executive budget provides the department \$13.5 million of special funds for assisting the Department of Human Services and the selected vendor in the rewrite of the Medicaid management information system.
- **Tax Department - (\$12,300,000).** The executive budget removes one-time funding of \$14 million for the integrated tax system and adds \$1.7 million from unspent loan funds for onsite support and annual maintenance fees for the tax system.
- **Public Employees Retirement System - \$9,849,627.** The executive budget provides \$9.3 million of special funds for the legacy application system replacement project and \$202,760 for salary equity adjustments.
- **Department of Transportation - (\$9,129,891).** The executive budget reduces funding from GARVEE bond proceeds for the U.S. Highway 2 and Liberty Memorial Bridge project by \$27.5 million, provides an additional \$9.4 million in matching funds for federal highway construction funds, and increases funding for fleet services by \$8.8 million.
- **Housing Finance Agency - \$8,035,568.** The executive budget provides \$6 million of special funds for the community housing development assistance and housing rehabilitation and revitalization loan programs, \$728,520 for increases in program utilization, \$196,510 for program outreach, and \$382,170 for increases in anticipated service release premiums purchased.
- **Industrial Commission - \$6,222,084.** The executive budget recommends increasing funding for the lignite research program by \$4.2 million and increasing funding for bond payments by \$2.2 million for bonds authorized by the 2005 Legislative Assembly with payments beginning in the 2007-09 biennium.
- **State Fair Association - \$5,000,000.** The executive budget recommends \$10 million for construction of a new grandstand of which \$5 million is from the general fund and \$5 million of special funds.