

# MEMORANDUM ON TOTAL GENERAL FUND AND SPECIAL FUNDS APPROPRIATIONS FOR THE 1967-69 THROUGH 2009-11 BIENNIUMS AND THE RELATIONSHIP TO TOTAL PERSONAL INCOME

The following schedule presents the general fund and special funds appropriations for the 1967-69 through 2009-11 bienniums. It includes an analysis of the relationship between appropriations and the total personal income in the state. This analysis indicates that the percentage of general fund appropriations to personal income has varied with the highest percentage occurring in the 1985-87 biennium and the lowest percentage occurring in the 1973-75 biennium. Regarding all funds appropriations, the highest percentage occurred in the 2009-11 biennium and the lowest percentage in the 1973-75 biennium.

The biennial appropriation totals include major deficiency appropriations for the various bienniums made by subsequent Legislative Assemblies. The special funds appropriation totals do not necessarily reflect total expenditures of special funds since in some instances federal funds and certain fees are not specifically appropriated but authorized to be spent by Emergency Commission action or continuing appropriations.

## TOTAL RESTATED GENERAL FUND AND SPECIAL FUNDS APPROPRIATIONS FOR THE 1967-69 THROUGH 2009-11 BIENNIUMS AND THE RELATIONSHIP TO TOTAL PERSONAL INCOME

| Biennium  | Total General Fund<br>Appropriations <sup>1</sup> | Total Special Funds<br>Appropriations <sup>1</sup> | Grand Total All<br>Funds Appropriations | Total Personal<br>Income       | Percentage of Appropriations<br>to Personal Income |              |
|-----------|---|--|---|--------------------------------|--|--------------|
|           |   |  |   |                                | General<br>Fund                                    | All<br>Funds |
| 1967-69   | \$145,638,671                                     | \$205,351,205                                      | \$350,989,876                           | \$3,326,700,000 <sup>2</sup>   | 4.38%  | 10.55%       |
| 1969-71   | \$183,686,131                                     | \$261,745,459                                      | \$445,431,590                           | \$3,869,200,000 <sup>2</sup>   | 4.75%  | 11.51%       |
| 1971-73   | \$226,255,732                                     | \$267,845,499                                      | \$494,101,231                           | \$4,840,000,000 <sup>3</sup>   | 4.67%  | 10.21%       |
| 1973-75   | \$297,820,935                                     | \$356,127,664                                      | \$653,948,599                           | \$7,620,000,000 <sup>3</sup>   | 3.91%  | 8.58%        |
| 1975-77   | \$442,529,561                                     | \$436,181,752                                      | \$878,711,313                           | \$7,700,000,000 <sup>3</sup>   | 5.75%  | 11.41%       |
| 1977-79   | \$575,067,852                                     | \$565,096,709                                      | \$1,140,164,561                         | \$8,800,000,000 <sup>3</sup>   | 6.53%  | 12.96%       |
| 1979-81   | \$680,417,154                                     | \$772,341,770                                      | \$1,452,758,924                         | \$10,900,000,000 <sup>3</sup>  | 6.24%  | 13.33%       |
| 1981-83   | \$910,249,232                                     | \$1,205,292,293                                    | \$2,115,541,525                         | \$14,450,000,000 <sup>3</sup>  | 6.30%  | 14.64%       |
| 1983-85   | \$1,017,861,170                                   | \$1,148,055,629                                    | \$2,165,916,799                         | \$16,600,000,000 <sup>3</sup>  | 6.13%  | 13.05%       |
| 1985-87   | \$1,134,183,661 <sup>4</sup>                      | \$1,339,411,840                                    | \$2,473,595,501                         | \$16,800,000,000 <sup>3</sup>  | 6.75%  | 14.72%       |
| 1987-89   | \$1,058,708,224 <sup>5</sup>                      | \$1,440,445,277                                    | \$2,499,153,501                         | \$16,900,000,000 <sup>8</sup>  | 6.26%  | 14.79%       |
| 1989-91   | \$1,061,507,822 <sup>6</sup>                      | \$1,760,553,694 <sup>7</sup>                       | \$2,822,061,516                         | \$18,600,000,000 <sup>8</sup>  | 5.71%  | 15.17%       |
| 1991-93   | \$1,202,891,103 <sup>9</sup>                      | \$2,028,208,088                                    | \$3,231,099,191                         | \$20,900,000,000 <sup>8</sup>  | 5.76%  | 15.46%       |
| 1993-95   | \$1,251,925,967                                   | \$2,162,505,820                                    | \$3,414,431,787                         | \$22,500,000,000 <sup>10</sup> | 5.56%  | 15.18%       |
| 1995-97   | \$1,352,467,281                                   | \$2,242,848,894                                    | \$3,595,316,175                         | \$26,462,000,000 <sup>11</sup> | 5.11%  | 13.59%       |
| 1997-99   | \$1,510,747,421                                   | \$2,485,617,317                                    | \$3,996,364,738                         | \$29,003,000,000 <sup>11</sup> | 5.21%  | 13.78%       |
| 1999-2001 | \$1,614,882,210                                   | \$3,265,271,344                                    | \$4,880,153,554                         | \$31,879,000,000 <sup>11</sup> | 5.07%  | 15.31%       |
| 2001-03   | \$1,728,640,384 <sup>12</sup>                     | \$3,049,996,983                                    | \$4,778,637,367                         | \$33,908,000,000 <sup>11</sup> | 5.10%  | 14.10%       |
| 2003-05   | \$1,816,885,505                                   | \$3,289,715,994                                    | \$5,106,601,499                         | \$37,571,000,000 <sup>11</sup> | 4.83%  | 13.60%       |
| 2005-07   | \$2,000,537,074                                   | \$3,785,221,167                                    | \$5,785,758,241                         | \$41,553,000,000 <sup>11</sup> | 4.81%  | 13.92%       |
| 2007-09   | \$2,574,313,275                                   | \$4,049,667,487                                    | \$6,623,980,762                         | \$48,241,000,000 <sup>13</sup> | 5.34%  | 13.73%       |
| 2009-11   | \$3,249,365,481                                   | \$5,598,909,384                                    | \$8,848,274,865                         | \$51,818,000,000 <sup>11</sup> | 6.27%  | 17.08%       |

<sup>1</sup> Appropriation amounts are restated to reflect, where appropriate, deficiency appropriations provided by a subsequent Legislative Assembly.

<sup>2</sup> Source: *Personal Income and State Expenditures*, a report to the Legislative Council's Budget "B" Committee, June 11, 1975.

<sup>3</sup> Source: Chase Econometrics Associates, Inc., Regional Forecasting Service.

<sup>4</sup>In addition, changes made to general fund appropriations were (a) reductions of \$12,965,250 as a result of 1987 Legislative Assembly action; (b) a \$44,125,917 reduction as of May 1987 as a result of a 4 percent allotment reduction made by the Governor; and (c) an increase of \$4,388,862 for Emergency Commission action and 1983-85 carryover.

<sup>5</sup>In addition, changes made to general fund appropriations were reductions of \$3,175,000 required because of the cable television sales tax referral and \$21 million budget allotment mandated by the Governor in September 1988.

<sup>6</sup>This amount is adjusted for revisions made to general fund appropriations, including reductions of \$95,763,770 resulting from the December 1989 sales and individual income tax referrals, increases of \$5,967,192 relating to the use of the budget stabilization fund, and increases of \$22,395,712 resulting from an August 1990, 2 percent unallotment.

<sup>7</sup>This amount is adjusted for revisions made to special funds appropriations, including reductions of \$14,876,540 resulting from the December 1989 gas tax referral and a net reduction of \$1,003,977 resulting from higher education tuition increases and Department of Human Services estimated income adjustments.

<sup>8</sup>Estimated amount from Wharton Econometric Forecasting Associates (WEFA), Inc., Regional Forecasting Service.

<sup>9</sup>In addition, the 1991 Legislative Assembly, in House Bill No. 1046, appropriated up to \$9.5 million from the general fund for rural development if 1991-93 biennium revenues were more than 1991-93 revenue estimates made by the 1991 Legislative Assembly, excluding the effect of Sunday opening, by at least \$11 million. This did not become effective. This amount does not reflect budget allotments ordered by the Governor during the 1991-93 biennium of \$4,305,000.

<sup>10</sup>Source: WEFA, Inc. - *Regional Economic Service - State Summary, Spring 1999*.

<sup>11</sup>Source: Economy.com, Inc. - Economic Service.

<sup>12</sup>The general fund appropriation amount for the 2001-03 biennium has been restated to reflect the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002.

<sup>13</sup>Source: United States Bureau of Economic Analysis.