



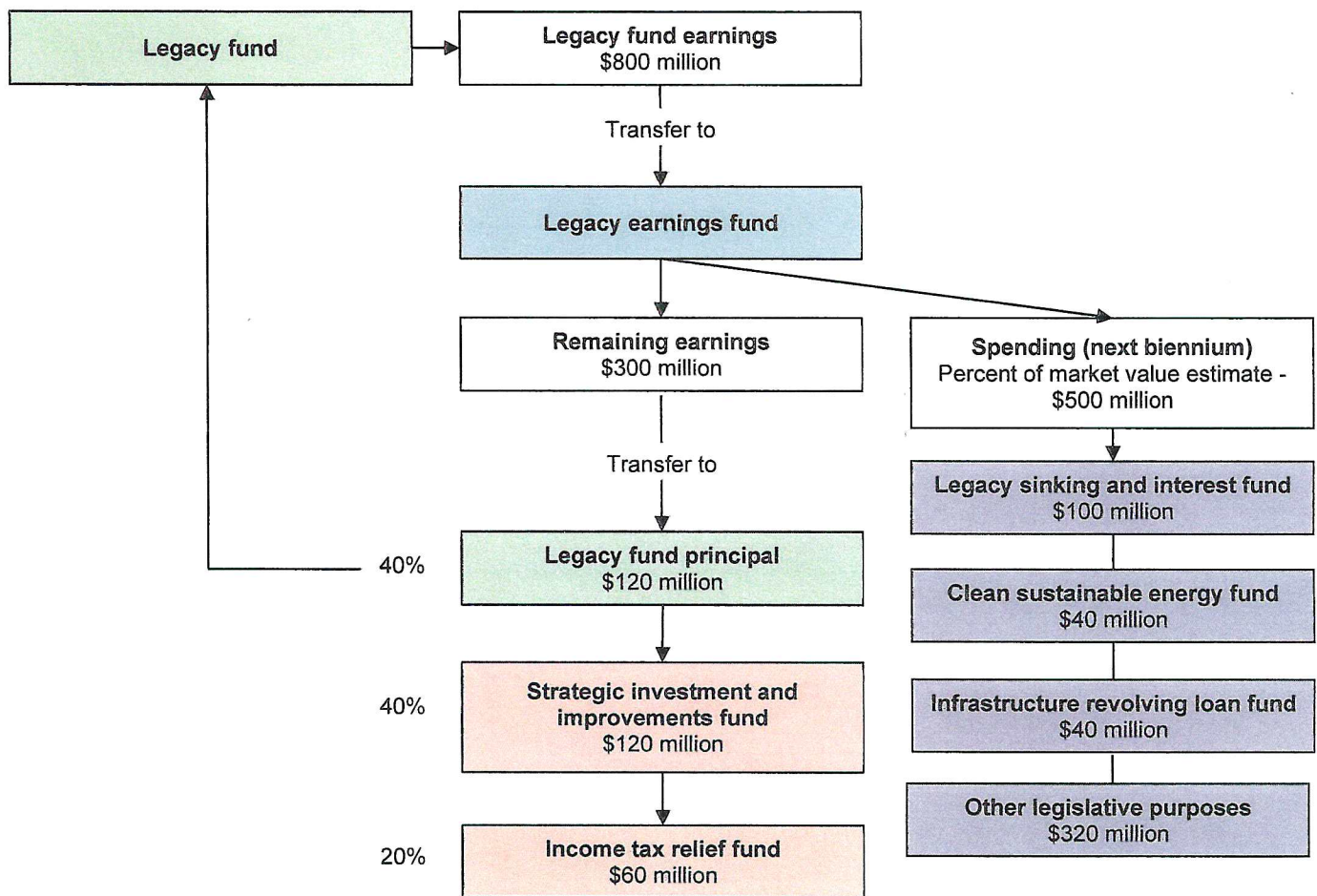
North Dakota Legislative Council

Prepared by the Legislative Council staff
 LC# 21.9644.05000
 February 2021

LEGACY FUND EARNINGS SCENARIO - HOUSE BILL NO. 1380

This memorandum provides, for illustration purposes only, information on a legacy fund earnings scenario based on the provisions of House Bill No. 1380 with proposed amendments [21.0218.05011].

LEGACY FUND EARNINGS SCENARIO



NOTE: The amounts reflected on this schedule are not official estimates and are provided for illustration purposes only.

SECTION 5. LEGISLATIVE INTENT. It is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly consider additional allocations from the legacy earnings fund, including allocations to the highway tax distribution fund, value-add agricultural programs, the innovation loan fund to support technology advancement, state building maintenance and improvements, and for other one-time initiatives and projects, including initiatives and projects to diversify the state's economy, to improve the efficiency and effectiveness of state government, and to reduce ongoing general fund appropriations of state agencies "

March 17, 2021

2023-25 Biennium - General Fund Preliminary Outlook

July 1, 2023, balance	<u>\$50,000,000</u>
Ongoing tax and fee revenue (2 percent annual increase over 2021-23 estimate)	\$3,787,000,000
Transfers:	
Bank of North Dakota profits	140,000,000
Mill and Elevator profits	15,500,000
Lottery	14,600,000
Budget stabilization fund interest	14,000,000
Gas tax administration	1,900,000
Legacy fund earnings	0
Total general fund revenues	<u>\$3,973,000,000</u>
Total resources available	<u>\$4,023,000,000</u>
Appropriations - Based on anticipated 2021-23 ongoing general fund spending	(\$4,901,000,000)
2023-25 adjustments:	
State employee salary increase - Cost to continue 21-23 second year increase	(10,700,000)
State employee salary increase - 2/2	(33,200,000)
State employee health insurance increase (10 percent increase - 5 biennium avg.)	(24,300,000)
K-12 cost to continue	0
K-12 cost to continue - Additional students	0
K-12 Increase in property values	50,000,000
K-12 - Additional tuition fund/common schools trust fund	55,000,000
K-12 inflation - 1/1	(34,000,000)
Higher education - No increase	0
DHS cost to continue - Cost and caseload	(124,300,000)
DHS FMAP	45,000,000
DHS cost to continue - 2019-21 second year inflation increase	(4,600,000)
DHS provider inflation - 1/1	(14,200,000)
DOCR	(5,000,000)
Other cost to continue items and other adjustments	(50,000,000)
Total appropriations	<u>(\$5,051,300,000)</u>
June 30, 2025, balance	(\$1,028,300,000)

2023-25 Biennium - Preliminary Outlook

March 17, 2021

Plan for Strategic Investment and Improvements Fund

Estimated July 1, 2023, balance available for appropriation or transfer	\$344,680,000
Appropriations and transfers:	
Transfer to general fund to balance budget	0

Estimated remaining funds available for appropriation or transfer	<u>\$344,680,000</u>
---	----------------------

Plan for Budget Stabilization Fund

Estimated June 30, 2023, balance before any transfers	\$760,085,136
Transfer from general fund under current law	<u>0</u>
Estimated July 1, 2023, balance	\$760,085,136
Adjustments/transfers:	

Estimated balance - July 1, 2023	<u>\$760,085,136</u>
----------------------------------	----------------------

Plan for Foundation Aid Stabilization Fund

Estimated July 1, 2023, balance available for appropriation or transfer	\$127,510,000
Appropriations and transfers:	
Use for Ongoing K-12	(110,000,000)

Estimated remaining funds available for appropriation or transfer	<u>\$17,510,000</u>
---	---------------------

Plan for Tax Relief Fund

Estimated July 1, 2023, balance available for appropriation or transfer	\$200,000,000
Appropriations and transfers:	
County SS takeover	(200,000,000)

Estimated remaining funds available for appropriation or transfer	<u>\$0</u>
---	------------