



BUDGET SECTION - LEADERSHIP DIVISION

Wednesday, June 25, 2025
Harvest Room, State Capitol
Bismarck, North Dakota

Representative Mike Lefor, Chairman, called the meeting to order at 1:00 p.m.

Members present: Representatives Mike Lefor, Glenn Bosch, Gretchen Dobervich, Zachary Ista, Don Vigesaa, Robin Weisz; Senators Brad Bekkedahl, Josh Boschee, Kathy Hogan, David Hogue, Jerry Klein

Members absent: None

Others present: Representative Nathan Toman, Mandan
John Bjornson, Legislative Council, Bismarck

Mr. Allen H. Knudson, Legislative Budget Analyst and Auditor, Legislative Council, presented a memorandum entitled [Budget Section Divisions - Background Memorandum](#).

STATE BUDGET INFORMATION

Budget Updates

Mr. Knudson presented a report entitled [Budget and Fiscal Trends](#) regarding changes in state revenues and appropriations for the 2015-17 through 2025-27 bienniums.

Mr. Knudson presented information ([appendix](#)) regarding a summary of major items in the 2025-27 biennium budget, including major special fund balances, changes to general fund appropriations compared to the 2023-25 biennium, and state employee information.

Flowcharts

Mr. Adam Mathiak, Senior Fiscal Analyst, Legislative Council, presented a memorandum entitled [Estimated Revenue Sources and Distributions for Major State Funds for the 2025-27 Biennium](#), which is a flowchart regarding an overview of the connections between state funds and the revenues and distributions of those funds.

Mr. Mathiak presented a memorandum entitled [Oil and Gas Tax Revenue Allocation Flowchart - 2025-27 Biennium](#), which is a flowchart regarding the oil and gas tax revenue allocation formula for the 2025-27 biennium.

Mr. Mathiak presented a memorandum entitled [Legacy Fund Investments and Allocations Flowchart - 2025-27 Biennium](#), which is a flowchart regarding the investment process for the legacy fund and the allocation of legacy fund earnings.

In response to a question from a committee member, Mr. Mathiak noted any legacy fund earnings not distributed pursuant to the percent of market value calculation remain in the legacy fund increasing the value of the fund over time.

GOVERNMENT EFFICIENCY TASK FORCE

Representative Nathan Toman, Chairman, Legislative Task Force on Government Efficiency, noted the task force plans to review state agency budgets and operations to identify potential cost savings, operational efficiencies, and unnecessary or duplicative regulations as required by House Bill No. 1442 (2025).

LEGISLATIVE COUNCIL UPDATES

Mr. John Bjornson, Director, Legislative Council, noted he anticipates the newly authorized staff positions will be filled by December 2025 and will be located in temporary work spaces while the 15th floor of the Capitol is reconfigured.

In response to a question from a committee member, Mr. Bjornson noted the timeline for the work on the 15th floor is unknown because discussions with the executive branch are ongoing.

Chairman Lefor requested the following information for future meetings:

- An update on the status of the Cash Management Board's review of cash management policies, including the annual percentage rate of earnings on the various state funds' investments;
- Total savings from the new and vacant FTE funding pool during the 2023-25 biennium;
- A comparison of legacy fund earnings and the percent of market value distribution; and
- Updates on federal funding reductions to state agency programs.

No further business appearing, Chairman Lefor adjourned the meeting at 2:35 p.m.

Adam Mathiak
Senior Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:1