

2016 NORTH DAKOTA FINANCE FACTS

Legislator's Pocket Guide to
North Dakota Budget,
Performance, and Statistics

North Dakota Legislative Council
600 East Boulevard Avenue
Bismarck, ND 58505

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www.legis.nd.gov

September 2016

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This report contains key indicators and trends relating to North Dakota's economy, state budget, and the performance of its agencies and departments.

The information in the report is categorized by the following major topic areas:

Topic Area	Section Color	Pages
1. Economic Statistics.....	Red	1-8
2. State Budget	Orange.....	9-16
3. K-12 Education	Green.....	17-22
4. Higher Education	Blue.....	23-26
5. Human Services	Purple	27-30
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The table of contents on the following pages provides more detailed references to specific data included in the report.

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ECONOMIC DEVELOPMENT

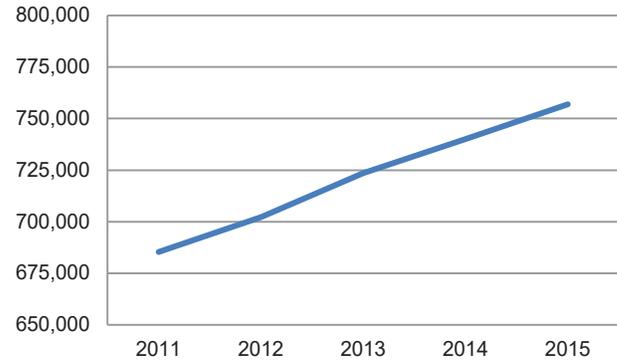
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ECONOMIC STATISTICS

TOTAL POPULATION ESTIMATES (Based on 2010 Census Data and Estimates)



Year	Population ¹	Annual Percentage Change
2011	685,326	1.89%
2012	702,265	2.47%
2013	723,626	3.04%
2014	740,040	2.27%
2015	756,927	2.28%

¹Based on July 1 population estimates

Source: U.S. Census Bureau

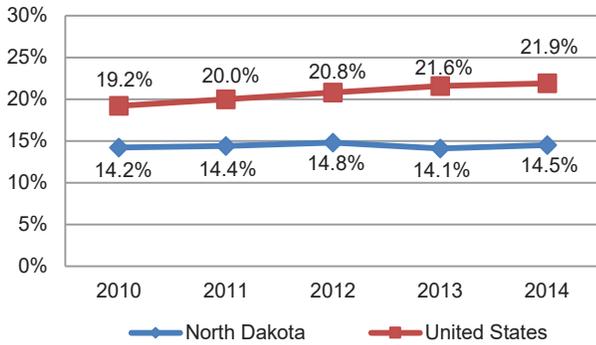
PER CAPITA PERSONAL INCOME



For 2015, North Dakota ranked 10th of the 50 states, and North Dakota's cumulative increase from 2011 through 2015 was 14 percent.

Source: Bureau of Economic Analysis

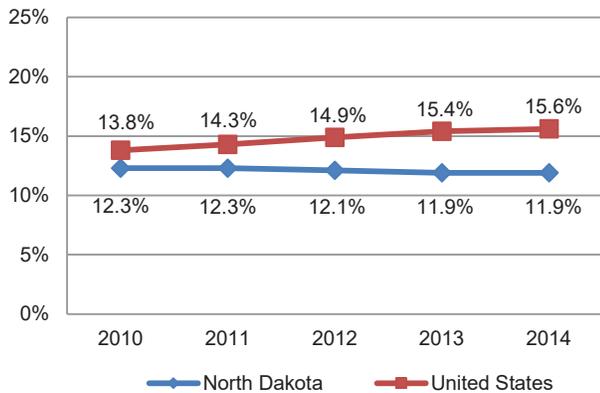
PERCENTAGE OF NORTH DAKOTA POPULATION (CHILDREN AGED 0-17) IN POVERTY COMPARED TO THE UNITED STATES



The poverty thresholds in 2014 were \$12,071 for one person and \$24,008 for a family of four.

Source: U.S. Census Bureau

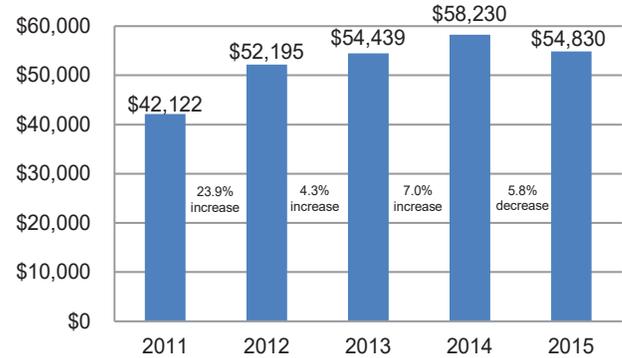
PERCENTAGE OF NORTH DAKOTA POPULATION (ALL AGES) IN POVERTY COMPARED TO THE UNITED STATES



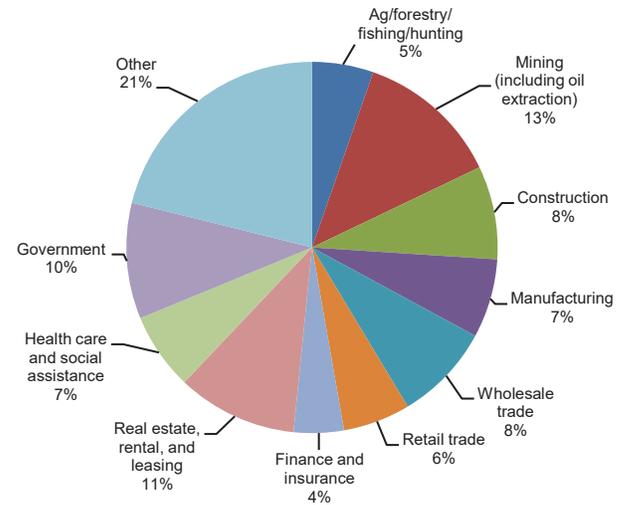
The poverty thresholds in 2014 were \$12,071 for one person and \$24,008 for a family of four.

Source: U.S. Census Bureau

GROSS STATE PRODUCT Total Gross State Product (Amounts Shown in Millions)



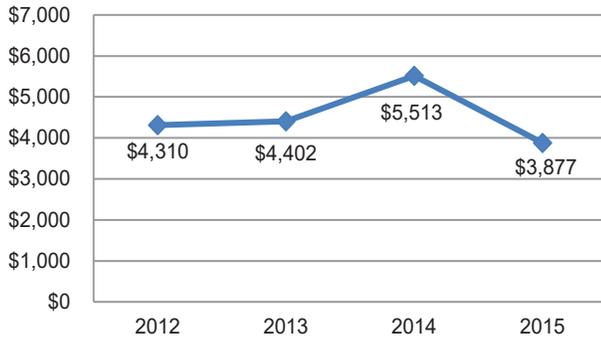
2015 Gross State Product by Major Industry



Gross State Product (Amounts Shown in Millions)					
Major Industry	2011	2012	2013	2014	2015
Agriculture, forestry, fishing, and hunting	\$3,583	\$5,267	\$3,982	\$3,321	\$2,936
Mining	5,230	8,389	9,495	10,455	6,875
Construction	2,541	3,413	3,963	4,482	4,458
Manufacturing	2,789	3,331	3,466	3,748	3,770
Wholesale trade	3,384	4,173	4,535	4,813	4,650
Retail trade	2,387	2,732	2,901	3,058	3,208
Finance and insurance	1,876	2,102	1,887	2,258	2,392
Real estate, rental, and leasing	4,324	4,859	5,317	5,726	5,741
Health care and social assistance	2,951	3,148	3,298	3,454	3,685
Government	5,047	5,159	5,044	5,308	5,533
Other	8,010	9,622	10,551	11,607	11,582
Total	\$42,122	\$52,195	\$54,439	\$58,230	\$54,830

Source: Bureau of Economic Analysis

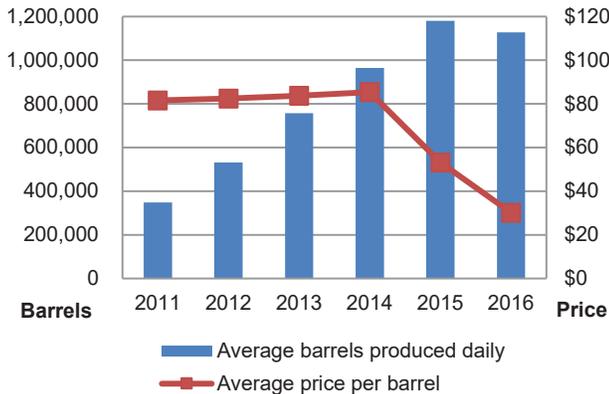
TOTAL STATE FOREIGN EXPORTS (Amounts Shown in Millions)



Major State Foreign Exports (Amounts Shown in Millions)				
	2012	2013	2014	2015
Crude oil	\$1,130	\$1,393	\$2,373	\$1,202
Natural gas	3	3	109	31
Tractors	183	164	145	95
Front-end shovel loaders	357	275	296	249
Wheat	139	110	141	170
Seeders, planters, and transplanters	116	123	69	56
Corn (other than seed corn)	84	76	28	82
Sunflower seeds	40	61	53	32
Liquefied butanes	56	63	138	62
Dried peas	30	44	40	37
Other	2,172	2,090	2,121	1,861
Total	\$4,310	\$4,402	\$5,513	\$3,877

Source: U.S. Census Bureau - Foreign Trade Statistics

AVERAGE DAILY OIL PRODUCTION AND AVERAGE PRICE PER BARREL OF OIL



	Fiscal Year					
	2011	2012	2013	2014	2015	2016
Barrels	348,993	532,066	757,305	964,006	1,181,231	1,127,578
Price	\$81.66	\$82.41	\$83.77	\$85.39	\$53.09	\$30.17

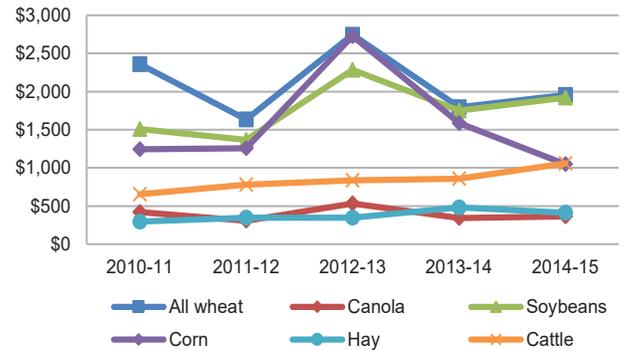
Source: Industrial Commission, Department of Mineral Resources

NORTH DAKOTA AGRICULTURE AND LIVESTOCK MARKETING YEAR AVERAGE PRICE (Amounts Shown in Millions)

Crops and Cattle Marketing Year Average Price (Per Bushel or Head)	2010-11	2011-12	2012-13	2013-14	2014-15
	All wheat ¹	\$6.61	\$8.24	\$8.07	\$6.62
Spring wheat	\$6.78	\$8.17	\$8.19	\$6.50	\$5.42
Durum wheat	\$6.34	\$9.45	\$7.86	\$7.16	\$8.99
Winter wheat	\$5.02	\$6.57	\$7.55	\$6.43	\$4.47
Barley	\$3.74	\$5.42	\$6.56	\$6.09	\$5.30
Oats	\$2.60	\$3.03	\$3.36	\$3.14	\$2.42
Sunflower	\$24.20	\$29.30	\$25.60	\$23.20	\$22.60
Canola	\$19.30	\$24.00	\$26.50	\$20.60	\$16.90
Soybeans	\$10.90	\$11.90	\$14.00	\$12.40	\$9.49
Flaxseed	\$12.20	\$19.30	\$13.80	\$13.80	\$11.80
Corn	\$5.01	\$5.81	\$6.46	\$3.91	\$3.34
Dry edible beans	\$24.70	\$39.90	\$35.10	\$35.30	\$28.20
Dry edible peas	\$9.47	\$15.30	\$15.90	\$14.80	\$12.20
Lentils	\$25.10	\$20.40	\$18.70	\$17.90	\$23.50
Potatoes	\$8.75	\$9.20	\$8.95	\$10.30	\$9.40
Sugarbeets	\$69.90	\$60.80	\$69.10	\$44.90	\$44.20
Hay	\$58.00	\$71.00	\$121.00	\$103.00	\$81.50
Cattle	\$1,010.00	\$1,210.00	\$1,420.00	\$1,440.00	\$1,640.00

¹All wheat crop is a weighted average of spring wheat, durum wheat, and winter wheat, based on volume.
Source: U.S. Department of Agriculture

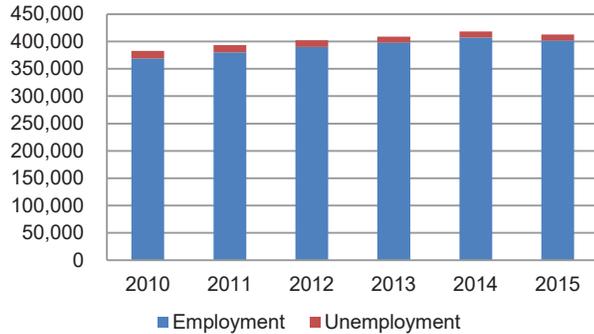
NORTH DAKOTA AGRICULTURE AND LIVESTOCK VALUE OF PRODUCTION (Amounts Shown in Millions)



Crops and Cattle Value of Production (Amounts Shown in Millions)					
	2010-11	2011-12	2012-13	2013-15	2014-15
All wheat	\$2,358	\$1,634	\$2,745	\$1,796	\$1,956
Canola	\$422	\$306	\$532	\$343	\$362
Soybeans	\$1,508	\$1,367	\$2,285	\$1,751	\$1,922
Corn	\$1,243	\$1,257	\$2,727	\$1,584	\$1,048
Hay	\$295	\$348	\$344	\$481	\$410
Cattle	\$654	\$780	\$838	\$857	\$1,058

Source: U.S. Department of Agriculture

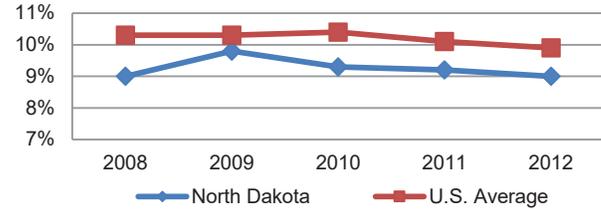
EMPLOYMENT AND UNEMPLOYMENT



Year End	Job Force	Employment	Unemployment	Unemployment Rate
2010	382,803	369,149	13,654	3.6%
2011	393,157	380,368	12,789	3.3%
2012	402,413	390,035	12,378	3.1%
2013	409,137	397,981	11,156	2.7%
2014	418,409	407,309	11,100	2.7%
2015	412,980	401,897	11,083	2.7%

Source: U.S. Department of Labor

STATE-LOCAL TAX BURDEN COMPARED TO UNITED STATES AVERAGE¹

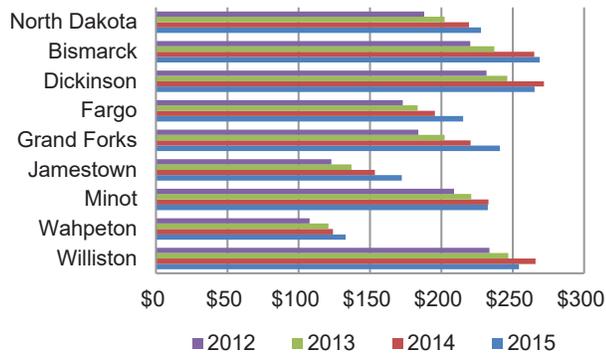


Year	North Dakota	United States Average
2008	9.0%	10.3%
2009	9.8%	10.3%
2010	9.3%	10.4%
2011	9.2%	10.1%
2012	9.0% ²	9.9%

¹An estimate of the combined state and local tax burden imposed on residents of the state as calculated by the Tax Foundation. Taxes include property taxes, sales taxes, individual income taxes, and corporate income taxes. The percentage is calculated by dividing the estimated total amount paid by the residents in taxes by the state's per capita income.

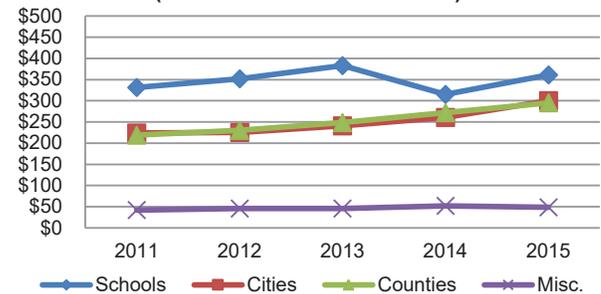
²For 2012, North Dakota ranked 33rd of the 50 states. Of all states, New York ranked highest with a percentage of 12.7, and Alaska ranked lowest with a percentage of 6.5.

AVERAGE HOME SALE PRICES BY CITY (Amounts Shown in Thousands)



Source: North Dakota Association of Realtors

PROPERTY TAXES BY TAXING DISTRICTS (Amounts Shown in Millions)



Year Payable	2011	2012	2013	2014	2015
Schools	\$331	\$352	\$383	\$315	\$361
Cities	224	225	241	261	300
Counties	219	230	249	272	295
Misc.	42	46	46	52	49
Total	\$816	\$853	\$919	\$900	\$1,005 ¹

¹The increase for 2015 is primarily due to a 11 percent growth in taxable valuations, statewide, of residential property and a 20 percent growth in taxable valuations, statewide, of commercial property.

Based on property taxes levied in 2014, payable in 2015, one mill generated approximately \$4.15 million statewide.

Source: North Dakota Tax Department

NOTES

STATE BUDGET

2015-17 GENERAL FUND BUDGET SUMMARY (As Approved by the Legislative Assembly in August 2016) (Amounts Shown in Millions)

Adjusted general fund balance - July 1, 2015	\$739.4 ¹
Add estimated 2015-17 general fund revenues and transfers	4,947.3 ²
Total resources available	\$5,686.7
Less 2015-17 general fund appropriations	5,686.7 ³
Estimated general fund balance - June 30, 2017	\$0 ⁴

¹The actual general fund beginning balance, recognizing 2015-17 biennium appropriation authority spent during the 2013-15 biennium pursuant to emergency clauses, is \$729.5 million.

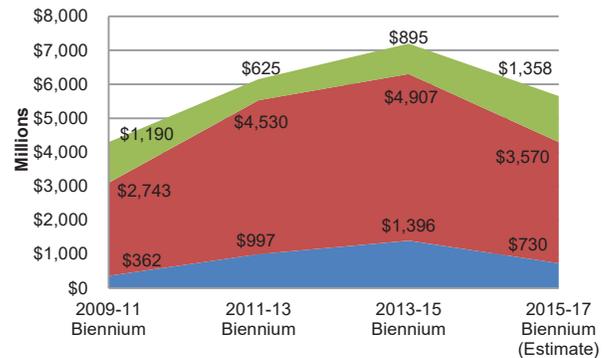
²The estimated revenues includes \$19.2 million of 2015-17 biennium estimated unspent general fund appropriation authority.

³This amount reflects a \$20 million contingent appropriation to the Department of Transportation that became available because actual 2013-15 biennium revenues exceeded estimates. This amount also reflects general fund appropriation reductions of \$359.5 million approved by the Legislative Assembly during the August 2016 special legislative session.

⁴The projected June 30, 2017, general fund balance is \$28,723. The budget stabilization fund is projected to have a June 30, 2017, balance of \$0.

State Budget

GENERAL FUND REVENUES - BEGINNING BALANCE, ONGOING REVENUES, AND TRANSFERS (July 2016 Revised Forecast) (Amounts Shown in Millions)



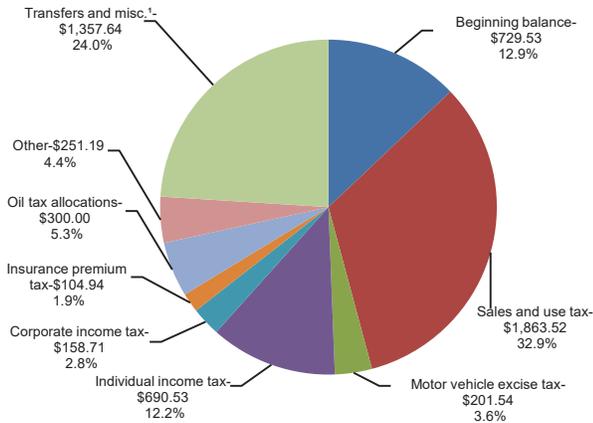
■ Beginning balance ■ Ongoing revenues ■ Transfers

Biennium	(Amounts Shown in Millions)			Total
	Beginning Balance	Ongoing Revenues	Transfers	
2009-11	\$361.8	\$2,742.6	\$1,190.1	\$4,294.5
2011-13	\$996.8	\$4,530.4	\$625.5	\$6,152.7
2013-15	\$1,396.1	\$4,906.8	\$895.0 ¹	\$7,197.9
2015-17 (estimate)	\$729.5	\$3,570.4	\$1,357.6	\$5,657.5

¹This amount includes \$11,060,345 transferred by the Office of Management and Budget from the budget stabilization fund at the end of the biennium.

2015-17 ESTIMATED GENERAL FUND REVENUES
(July 2016 Revised Forecast)
(Amounts Shown in Millions)
Total - \$5,657.60

State Budget

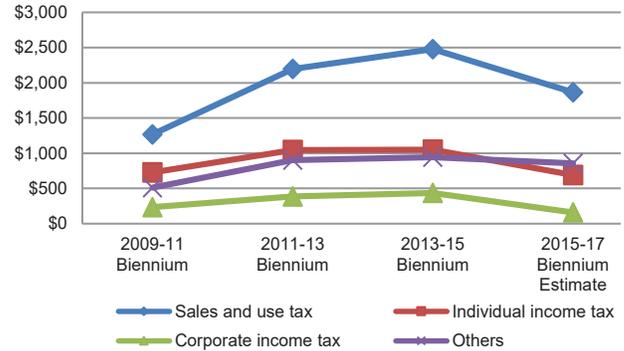


¹Transfers and miscellaneous revenues include:

Tax relief fund	\$657,000,000
Lottery	17,210,000
Mill and Elevator Association	8,834,894
Gas tax administration	2,030,496
Budget stabilization fund	572,485,453
Contingent transfer from Bank of North Dakota	100,000,000
Other transfers	75,906
Total	\$1,357,636,749

GENERAL FUND REVENUES -
MAJOR ONGOING REVENUE TYPES
(Amounts Shown in Millions)

State Budget



Biennium	(Amounts Shown in Millions)				Total
	Sales Tax	Individual Income Tax	Corporate Income Tax	Others	
2009-11	\$1,267.2	\$729.3	\$234.4	\$511.7	\$2,742.6
2011-13	\$2,197.0	\$1,046.2	\$385.8	\$901.4 ¹	\$4,530.4
2013-15	\$2,478.2	\$1,050.1	\$435.2	\$943.3	\$4,906.8
2015-17 (estimate)	\$1,863.5	\$690.5	\$158.7	\$857.7	\$3,570.4

¹This amount reflects legislative action allocating an additional \$229 million of oil and gas tax collections to the general fund providing a total of \$300 million per biennium beginning in the 2011-13 biennium.

CURRENT TAX RATES

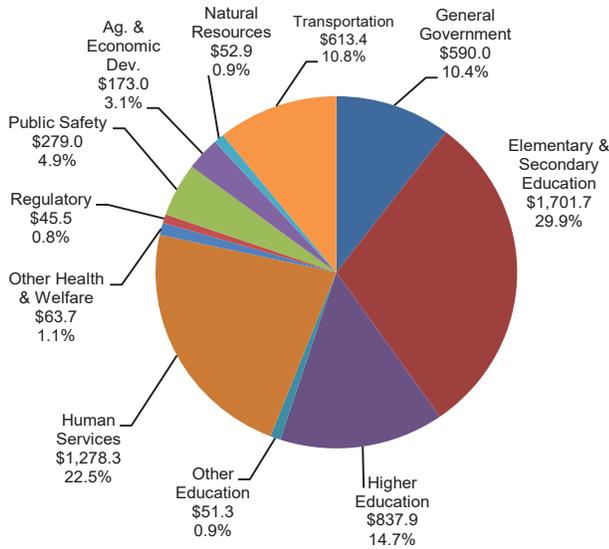
North Dakota **sales tax** is 5 percent. The estimated impact on general fund revenues of a 1 percentage point change in the state's 5 percent sales and use tax and motor vehicle excise tax rate is approximately **\$452 million per biennium**, or \$226 million per year, based on the July 2016 revised legislative forecast.

Individual income tax rates range from 1.10 percent to 2.90 percent based on the individual's federal taxable income. The estimated impact on general fund revenues of a 10 percent change in the state's individual income tax rates (e.g., the 1.10 percent rate would increase by .11 percent to 1.21 percent, or decrease by a like amount to .99 percent) is approximately **\$69 million per biennium**, or \$34.5 million per year, based on the July 2016 revised legislative forecast.

Corporate income tax rates range from 1.41 percent to 4.31 percent of taxable income. The estimated impact on general fund revenues of a 10 percent change in the state's corporate income tax rates (e.g., the 1.41 percent rate would increase by .14 percent to 1.55 percent or would decrease by a like amount to 1.27 percent) is approximately **\$16 million per biennium**, or \$8 million per year, based on the July 2016 revised legislative forecast.

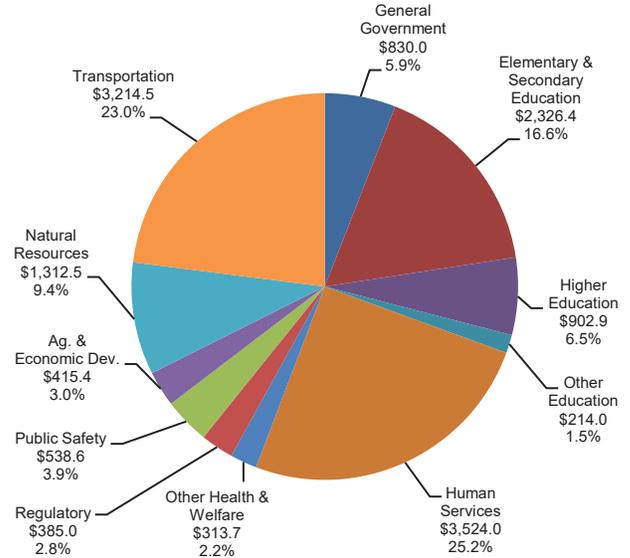
2015-17 BIENNIUM ADJUSTED GENERAL FUND APPROPRIATIONS
(Amounts Shown in Millions)

Total - \$5,686.7

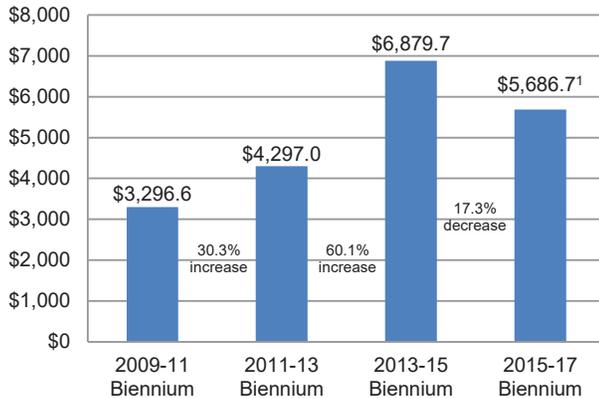


2015-17 BIENNIUM ADJUSTED ALL FUNDS APPROPRIATIONS
(Amounts Shown in Millions)

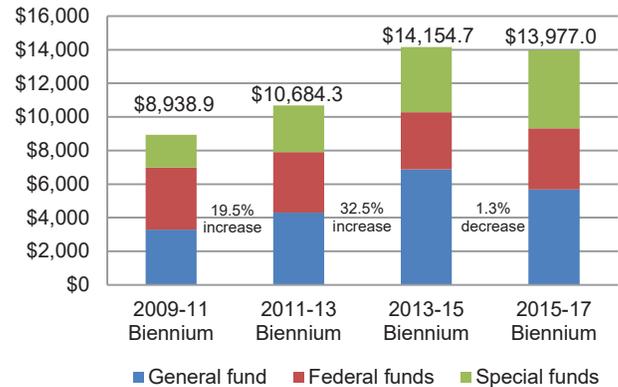
Total - \$13,977.0



HISTORY OF GENERAL FUND APPROPRIATIONS
(Amounts Shown in Millions)



HISTORY OF TOTAL APPROPRIATIONS
(Amounts Shown in Millions)



¹Reflects adjusted general fund appropriations, as approved by the Legislative Assembly during the 2016 special legislative session.

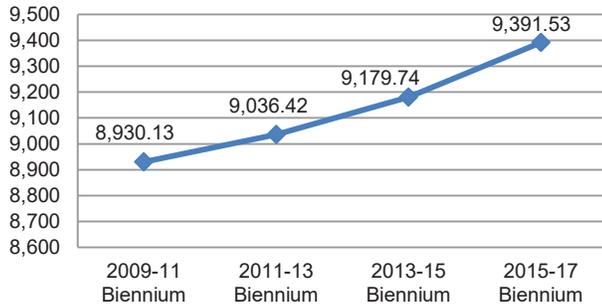
NOTE: The amounts shown include the following one-time appropriations:

2009-11 - \$315.4 million 2013-15 - \$2,443.7 million
2011-13 - \$740.6 million 2015-17 - N/A

Biennium	(Amounts Shown in Millions)			Total
	General Fund	Federal Funds	Special Funds	
2009-11	\$3,296.6	\$3,682.2 ¹	\$1,960.1	\$8,938.9
2011-13	\$4,297.0	\$3,611.5	\$2,775.8	\$10,684.3
2013-15	\$6,879.7	\$3,392.8	\$3,882.2	\$14,154.7
2015-17	\$5,686.7	\$3,641.7	\$4,648.6	\$13,977.0

¹Amount includes \$655.8 million of federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009.

NUMBER OF STATE EMPLOYEES¹ (Full-Time Equivalent (FTE) Positions)

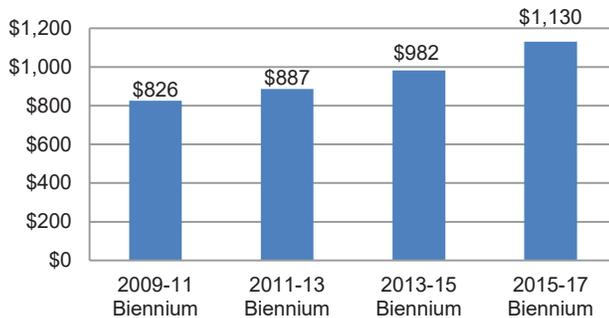


¹These amounts do not include employees of the North Dakota University System.

FUNDING INCREASES FOR STATE EMPLOYEE SALARY ADJUSTMENTS

2009-11	5% with a \$100 per month minimum on July 1, 2009, and 5% with a \$100 per month minimum on July 1, 2010
2011-13	3% on July 1, 2011, and 3% on July 1, 2012
2013-15	From 3% to 5% on July 1, 2013, and from 2% to 4% on July 1, 2014, for performance; and up to 2% each year for classified employees in bottom 2 quartiles of their salary range for market equity
2015-17	From 2% to 4% on July 1, 2015, and from 2% to 4% on July 1, 2016, for performance

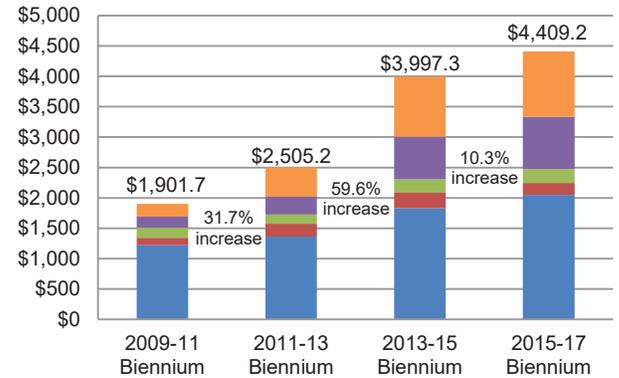
COST OF STATE EMPLOYEE HEALTH INSURANCE PREMIUMS HISTORY



Biennium	Monthly Premium	Increase From Previous Biennium	Percentage Increase
2009-11	\$826	\$168	25.5%
2011-13	\$887	\$61	7.4%
2013-15	\$982	\$95	10.7%
2015-17	\$1,130	\$148	15.1%

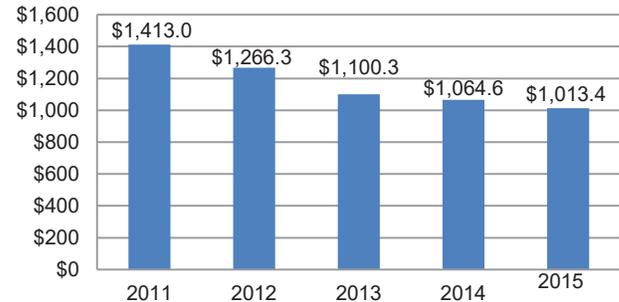
ASSISTANCE TO POLITICAL SUBDIVISIONS (Amounts Shown in Millions)

The following is a summary of major state appropriations and revenue allocations for direct assistance to political subdivisions:



- Other
- Coal, oil, and gas taxes
- Motor vehicle fuel tax and registration fees
- State aid distribution fund
- School-related funding

STATE DEBT (Amounts Shown in Millions)



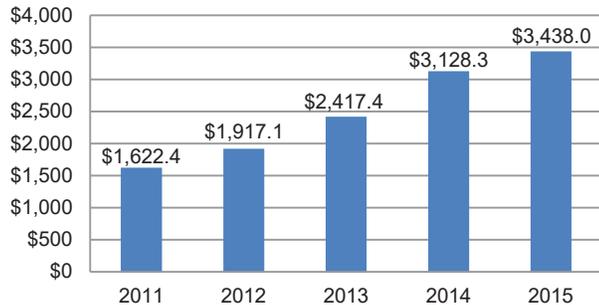
Bonds Outstanding as of June 30, 2015 (Amounts Shown in Millions)

North Dakota Building Authority	\$51.4
State Water Commission	54.5
Department of Transportation	23.5
Student loan trust	1.0
Housing Finance Agency	637.1
North Dakota University System	245.9
Total	\$1,013.4

COMMON SCHOOLS TRUST FUND

The common schools trust fund is provided for in Article IX of the Constitution of North Dakota, which provides that the fund is to be used to support the common schools of the state. The fund consists of income from state lands dedicated for the support of schools as well as 10 percent of oil extraction tax revenue, 45 percent of tobacco settlement money received by the state under subsection IX(c)(1) of the Master Settlement Agreement, and funds received by the state under the Uniform Unclaimed Property Act. Distributions are made annually from the fund for the benefit of schools based on the provisions of Article IX, Section 2, of the Constitution of North Dakota.

**Fund Balance for the Fiscal Year Ending June 30
(Excluding Land and Mineral Values)
(Amounts Shown in Millions)**



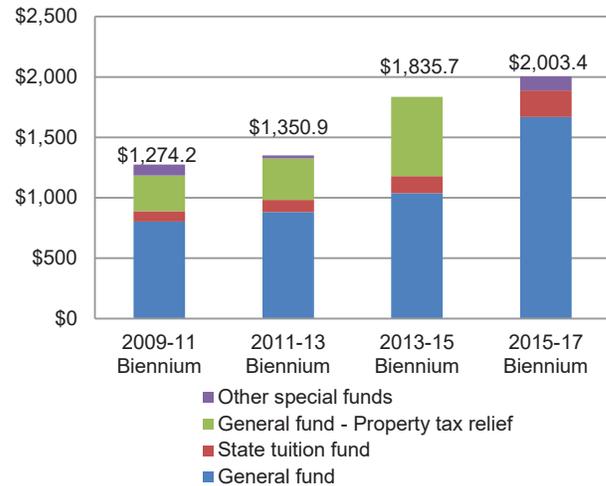
NOTE: The unaudited fund balance of the common schools trust fund as of June 30, 2016, is estimated to be \$3.5 billion.

LEGACY FUND

The legacy fund was created in 2010 when the voters of North Dakota approved a constitutional amendment to provide that 30 percent of oil and gas production and oil extraction taxes on oil and gas produced after June 30, 2011, be transferred to the legacy fund. The principal and earnings of the legacy fund may not be spent until after June 30, 2017, and any expenditure of principal after that date requires a vote of at least two-thirds of the members elected to each house of the Legislative Assembly. Not more than 15 percent of the principal of the fund may be spent during a biennium. Interest earnings accruing after June 30, 2017, are transferred to the general fund at the end of each biennium. Oil and gas tax collections of \$824.7 million for fiscal year 2013, \$926.6 million for fiscal year 2014, \$933.4 million for fiscal year 2015, and \$413.5 million for fiscal year 2016 have been deposited in the legacy fund. The June 30, 2017, legacy fund balance is estimated to be \$4.27 billion.

K-12 EDUCATION

STATE SCHOOL AID APPROPRIATIONS - HISTORY (Amounts Shown in Millions)



Biennium	(Amounts Shown in Millions)			Total
	General Fund	State Tuition Fund	Other Special Funds	
2009-11	\$1,098.1 ¹	\$86.3	\$89.8 ¹	\$1,274.2
2011-13	\$1,223.1 ¹	\$101.6	\$26.2	\$1,350.9 ²
2013-15	\$1,695.4 ³	\$140.3	\$0.0	\$1,835.7
2015-17	\$1,668.2 ⁴	\$219.1	\$116.1 ⁴	\$2,003.4

¹For the 2009-11 biennium, state school aid included \$299.4 million, of which \$295.2 million was from the general fund and \$4.2 million was from the property tax relief fund for mill levy reduction grants to school districts. For the 2011-13 biennium, state school aid included \$341.8 million from the general fund for mill levy reduction grants to school districts.

²In addition, the 2011 Legislative Assembly authorized the Department of Public Instruction to continue \$9 million of estimated excess funding for state school aid from the 2009-11 biennium to the 2011-13 biennium for state school aid per student payments.

³The 2013 Legislative Assembly discontinued the mill levy reduction grant program and provided \$656.5 million to increase the mill levy buydown from 75 mills during the 2011-13 biennium to 125 mills during the 2013-15 biennium. The new integrated formula sets the local funding requirement at 60 mills and a percentage of identified local in lieu of property tax sources and local revenues. Base level support not provided by local sources is provided by the state through the integrated formula payment.

⁴The amount of property tax relief is not identifiable under the new state school aid formula. In August 2016, the Legislative Assembly reduced general fund appropriations for the Department of Public Instruction by \$119.3 million. However, the reduction attributable to appropriations from the general fund for state school aid, transportation aid, and special education aid is offset by a \$116.1 million transfer from the foundation aid stabilization fund.

STATE SCHOOL AID APPROPRIATIONS - DETAIL

	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
State school aid - Integrated formula payments	\$1,752,100,000	\$1,916,640,000	\$164,540,000 ¹
Transportation aid	53,500,000	57,000,000	3,500,000 ²
Special education	16,500,000	17,300,000	800,000
Rapid enrollment grants	13,600,000	12,504,529	(1,095,471) ³
Total state school aid	\$1,835,700,000	\$2,003,444,529	\$167,744,529

¹The state school aid formula integrates property tax relief in the K-12 state school aid funding formula. However, the amount of property tax relief is not identifiable because the formula provides the state will determine an adequate base level of support necessary to educate students and support not provided by local sources is provided by the state through the integrated formula payment.

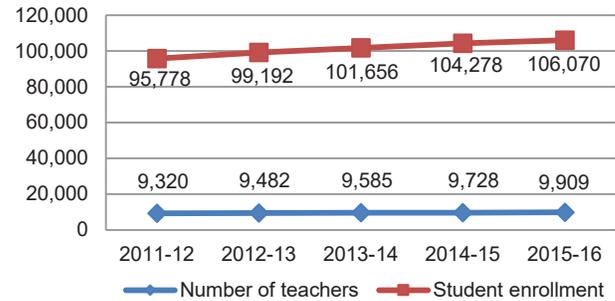
²In addition, the 2015 Legislative Assembly provided that if any funding appropriated to the Superintendent of Public Instruction for integrated formula payments to school districts remains after the Superintendent complies with all statutory payment obligations imposed for the 2015-17 biennium, the Superintendent must provide up to \$3 million of the funds remaining for additional transportation grants.

³Due to budget reductions approved by the Legislative Assembly in August 2016, the Department of Public Instruction reduced funding for rapid enrollment grants by \$2,295,471.

STATE SCHOOL AID FORMULA - INTEGRATED FORMULA PAYMENTS

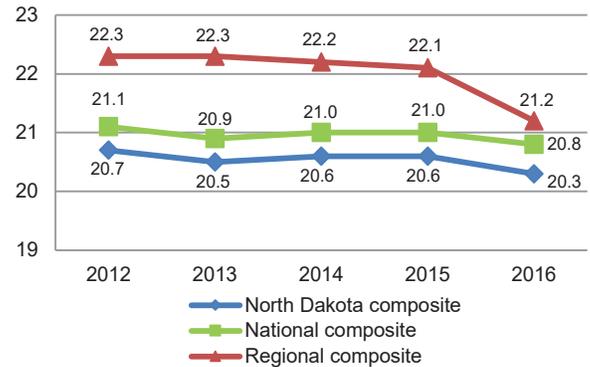
In 2013 the Legislative Assembly approved the implementation of a new integrated formula payment to provide school funding. The formula provides the state will determine an adequate base level of support necessary to educate students by applying an integrated formula payment rate to the weighted student units. For the 2015-17 biennium, the integrated formula payment rates are \$9,365 during the first year of the biennium and \$9,646 for the second year of the biennium. This base level of support will be provided through a combination of local tax sources, local revenue, and state integrated formula payments. The local funding requirement is set at 60 mills and a percentage of identified local in lieu of property tax sources and local revenues. Base level support not provided by local sources is provided by the state through the integrated formula payment.

STUDENT ENROLLMENT AND NUMBER OF TEACHERS



ACT PROGRAM SCORES

The ACT program scores are designed to predict a student's potential for success in college. Below are average composite scores out of a possible 36 for North Dakota students as well as the average scores for regional states and the nation.



¹The regional composite is the average composite scores posted by students tested in Iowa, Minnesota, Montana, South Dakota, and Wyoming. The regional composite average includes three other states that require all students be tested--Minnesota, Montana, and Wyoming--which have average composite scores of 21.1, 20.3, and 20.0, respectively for 2016.

North Dakota					
Class	English	Math	Reading	Science	Composite
2012	19.6	21.0	20.7	20.9	20.7
2013	19.5	20.8	20.5	20.7	20.5
2014	19.6	20.7	20.8	20.6	20.6
2015	19.6	20.6	20.7	20.8	20.6
2016	19.1	20.3	20.7	20.7	20.3

NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

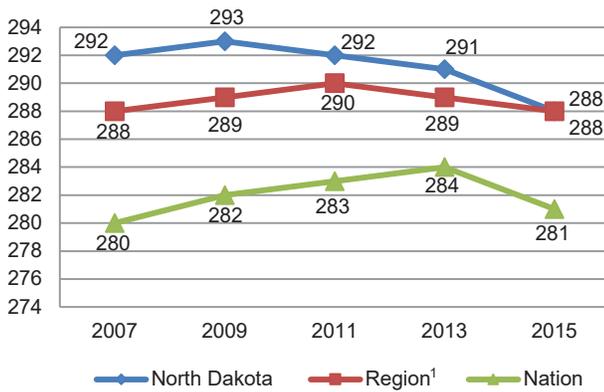
The national assessment of educational progress (NAEP) is the only nationally representative and continuing assessment of what America's students know and can do in various subject areas. Assessments are conducted periodically in mathematics, reading, science, and writing.

Since NAEP assessments are administered uniformly using the same sets of test booklets across the nation, NAEP results serve as a common metric for all states.

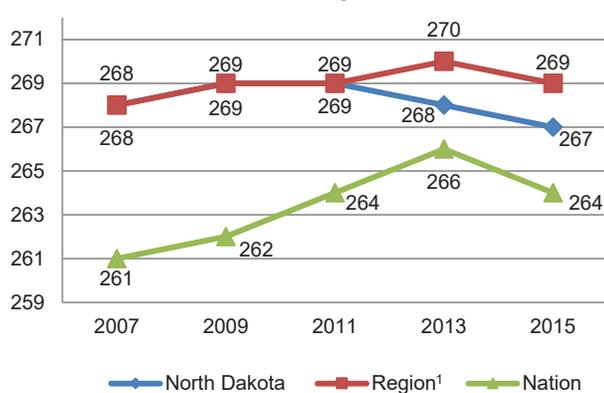
K-12 Education

Average NAEP Scores - Eighth Grade

Mathematics



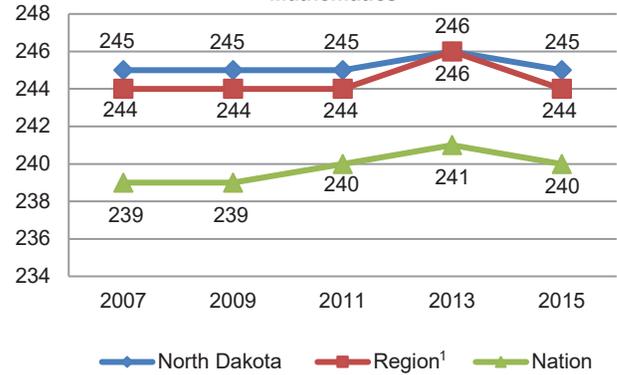
Reading



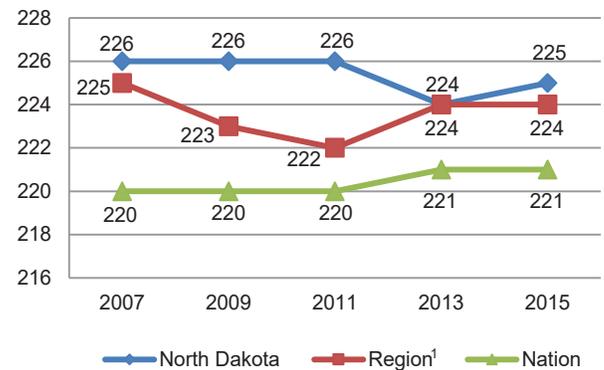
¹The region NAEP score is the average of the Iowa, Minnesota, Montana, South Dakota, and Wyoming posted scores.

Average NAEP Scores - Fourth Grade

Mathematics



Reading



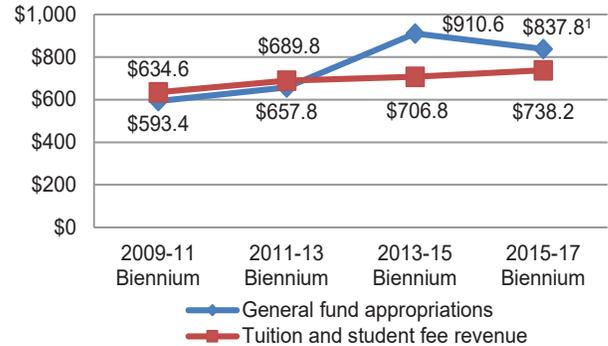
¹The region NAEP score is the average of the Iowa, Minnesota, Montana, South Dakota, and Wyoming posted scores.

K-12 Education

NOTES

HIGHER EDUCATION

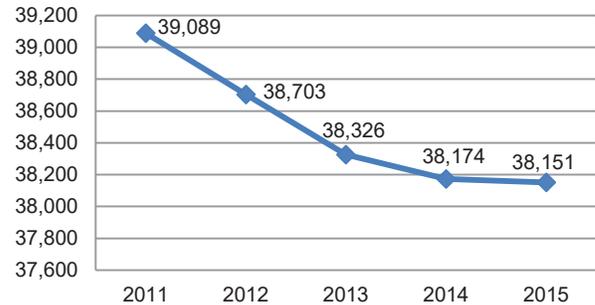
GENERAL FUND APPROPRIATIONS AND TUITION AND FEE REVENUE (Amounts Shown in Millions)



¹Reflects budget reductions of \$58.7 million made to North Dakota University System general fund appropriations during the August 2016 special legislative session.

Higher Education

FALL FTE STUDENT ENROLLMENT



FTE STUDENT ENROLLMENT BY INSTITUTION

Institution	Fall 2013	Fall 2014	Fall 2015
Bismarck State College	2,955	2,909	2,912
Dakota College at Bottineau	502	518	459
Dickinson State University	1,201	1,176	1,070
Lake Region State College	943	978	981
Mayville State University	749	798	796
Minot State University	2,710	2,600	2,570
North Dakota State University	12,797	12,934	12,834
State College of Science	2,295	2,272	2,305
University of North Dakota	12,606	12,420	12,455
Valley City State University	975	990	1,031
Williston State College	593	579	738
Total	38,326	38,174	38,151

HIGHER EDUCATION TUITION RATES

The following is information regarding resident student tuition rates for various programs:

Resident Student - Undergraduate Programs

	2014-15	2015-16	2016-17
Bismarck State College	\$3,510	\$3,577	\$3,645
Dakota College at Bottineau	\$3,301	\$3,384	\$3,469
Dickinson State University	\$4,891	\$5,013	\$5,138
Lake Region State College	\$3,197	\$3,261	\$3,326
Mayville State University	\$4,810	\$4,930	\$5,053
Minot State University	\$4,942	\$5,066	\$5,193
State College of Science	\$3,592	\$3,682	\$3,774
North Dakota State University	\$6,604	\$6,762	\$6,924
University of North Dakota	\$6,388	\$6,548	\$6,679
Valley City State University	\$5,027	\$5,153	\$5,282
Williston State College	\$3,235	\$3,316	\$3,399

Resident Student - Graduate Programs

	2014-15	2015-16	2016-17
Minot State University	\$6,535	\$6,698	\$6,865
North Dakota State University	\$7,083	\$7,253	\$7,427
University of North Dakota	\$6,872	\$7,044	\$7,185
Valley City State University	\$6,688	\$6,855	\$7,026

Resident Student - Professional Programs

	2014-15	2015-16	2016-17
University of North Dakota law school	\$7,715	\$7,908	\$8,106
University of North Dakota medical school	\$27,261	\$28,079	\$28,781
University of North Dakota physical therapy	\$12,600	\$12,978	\$13,302

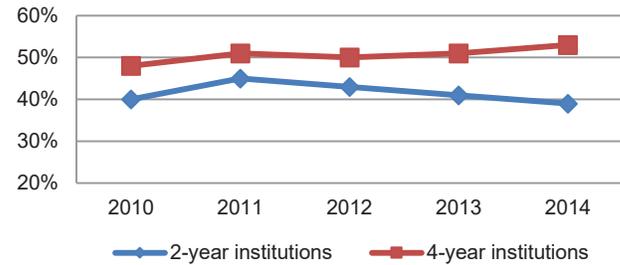
Tuition and Fees as a Percentage of Median Household Income

	2012-13	2013-14	2014-15	2015-16
Doctoral institutions				
North Dakota average	12.9%	13.5%	10.5%	10.6%
Regional average	16.6%	16.4%	13.3%	13.2%
4-year institutions				
North Dakota average	9.8%	10.2%	8.0%	8.1%
Regional average	12.6%	12.5%	10.4%	10.4%
2-year institutions				
North Dakota average	7.1%	7.3%	5.7%	5.7%
Regional average	7.2%	7.1%	5.7%	5.7%

HIGHER EDUCATION PERFORMANCE MEASURES

The following are selected higher education performance measures as reported in the North Dakota University System Accountability Reports:

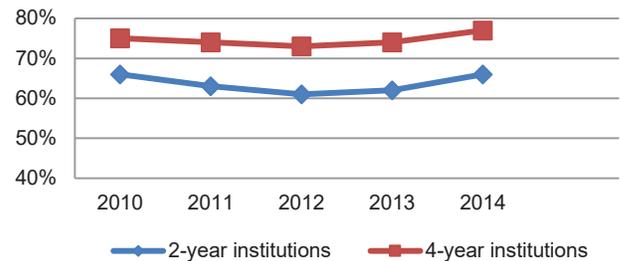
Student Graduation Rates¹



	2011	2012	2013	2014	National Average 2014
2-year institutions	45%	43%	41%	39%	20%
4-year institutions	51%	50%	51%	53%	60%

¹Based on 2-year institution students who entered college and graduated within 3 years and on 4-year institution students who entered college and graduated within 6 years.

Freshman Retention Rates¹



	2011	2012	2013	2014	National Average 2014
2-year institutions	63%	61%	62%	66%	60%
4-year institutions	74%	73%	74%	77%	80%

¹Based on the number of freshman students who enrolled in an institution and re-enrolled at the same institution the following year.

Workforce Training Provided

	2012	2013	2014	2015
Businesses served	1,765	1,489	1,208	1,134
Employees receiving training	18,466	16,769	18,491	17,948
Business satisfaction with training	99%	99%	99%	99%
Participant satisfaction with training	99%	99%	99%	99%
Businesses requesting additional training	48%	42%	52%	64%
Revenue generated from training fees (in millions)	\$6.1	\$6.1	\$6.0	\$7.5

Average Public Institution Student Loan Debt Incurred Per Year

	2011-12	2012-13	2013-14	2014-15
North Dakota average	\$4,467	\$4,720	\$4,623	\$4,916
National average	\$4,760	\$5,090	\$5,257	\$5,915

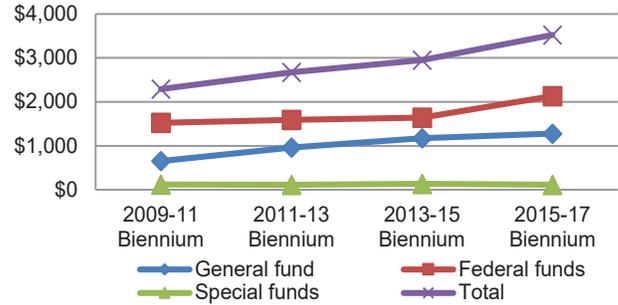
NORTH DAKOTA UNIVERSITY SYSTEM RESEARCH EXPENDITURES (Amounts Shown in Millions)



Higher Education

HUMAN SERVICES

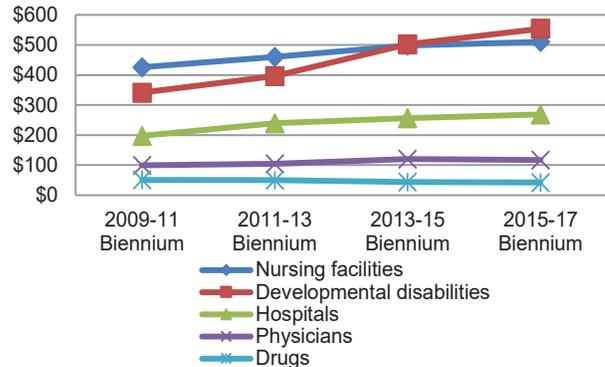
DEPARTMENT OF HUMAN SERVICES LEGISLATIVE APPROPRIATIONS (Amounts Shown in Millions)



Biennium	(Amounts Shown in Millions)			
	General Fund	Federal Funds	Special Funds	Total
2009-11	\$652.1	\$1,522.6	\$115.7	\$2,290.4
2011-13	\$961.9	\$1,593.5	\$114.0	\$2,669.4
2013-15	\$1,171.1	\$1,642.9	\$135.5	\$2,949.5
2015-17 ¹	\$1,278.2	\$2,132.3	\$113.5	\$3,524.0

¹Reflects budget reductions of \$54 million from the general fund made during the August 2016 special legislative session.

MAJOR MEDICAID COSTS (Amounts Shown in Millions)

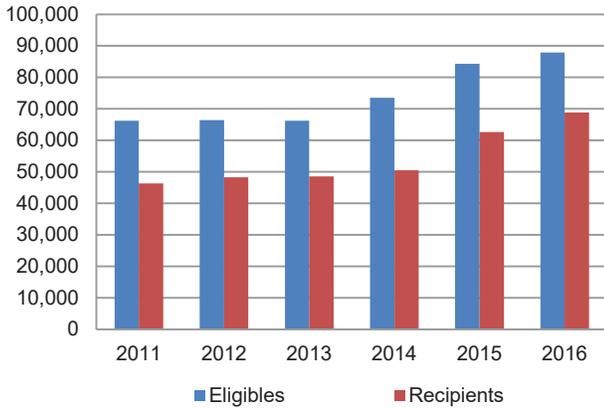


Human Services

	(Amounts Shown in Millions)			
	2009-11	2011-13	2013-15	2015-17 ²
Nursing facilities	\$425.9	\$459.8	\$498.3	\$510.4
Developmental disabilities ¹	\$341.5	\$395.1	\$502.7	\$554.0
Hospitals	\$197.7	\$235.7	\$261.2	\$268.8
Physicians	\$99.6	\$104.7	\$120.4	\$117.4
Drugs	\$50.9	\$50.5	\$44.4	\$42.3

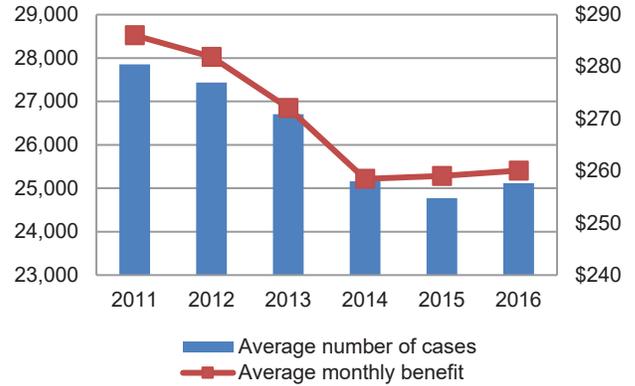
¹Autism services were included in the developmental disabilities division in the 2009-11 biennium but in other program areas thereafter.
²Reflects general fund budget reductions made during the August 2016 special legislative session.

MEDICAL ASSISTANCE - AVERAGE ANNUAL MEDICAID ELIGIBLES AND RECIPIENTS



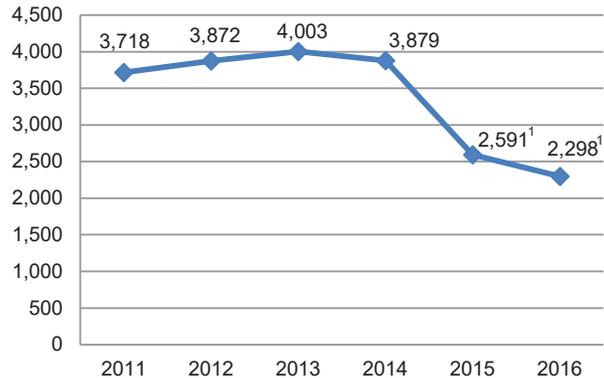
Fiscal Year	Average Annual Eligibles	Average Annual Recipients
2011	66,287	46,352
2012	66,490	48,311
2013	66,202	48,583
2014	73,573	50,494
2015	84,275	62,702
2016	87,868	68,850

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM - CASES AND BENEFITS



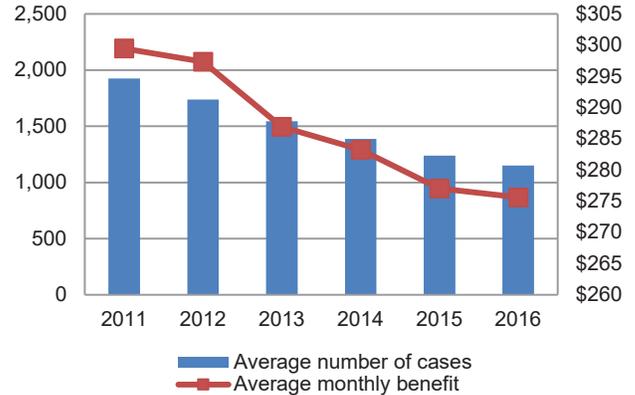
Fiscal Year	Average Number of Cases	Average Monthly Benefit
2011	27,857	\$286.02
2012	27,439	\$281.87
2013	26,705	\$272.10
2014	25,160	\$258.47
2015	24,774	\$259.01
2016	25,119	\$260.05

CHILDREN'S HEALTH INSURANCE PROGRAM - AVERAGE ANNUAL RECIPIENTS



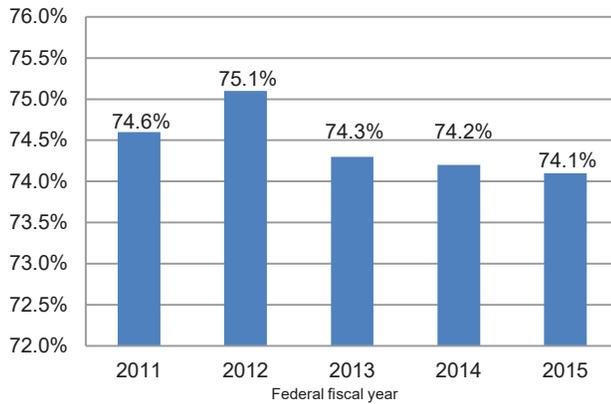
¹The number of children's health insurance program recipients decreased in fiscal years 2015 and 2016 due in part to more children becoming eligible to enroll in Medicaid as a result of Medicaid Expansion under the federal Affordable Care Act.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES - CASES AND BENEFITS

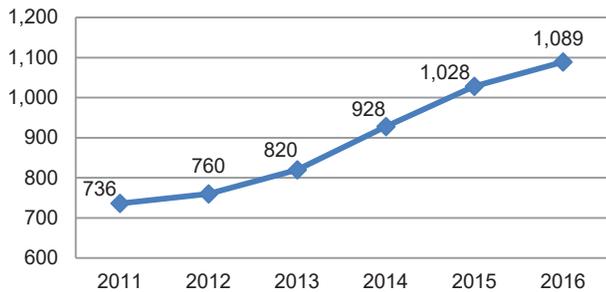


Fiscal Year	Average Number of Cases	Average Monthly Benefit
2011	1,925	\$299.45
2012	1,738	\$297.32
2013	1,546	\$286.89
2014	1,387	\$283.26
2015	1,239	\$277.05
2016	1,150	\$275.62

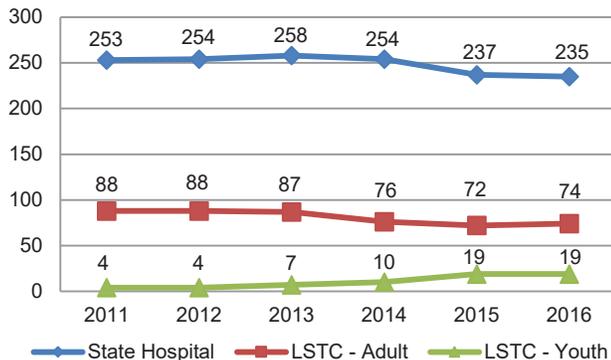
CHILD SUPPORT - PERCENTAGE OF CURRENT CHILD SUPPORT COLLECTED



CHILDREN AND FAMILY SERVICES - NUMBER OF CHILDREN IN FOSTER CARE

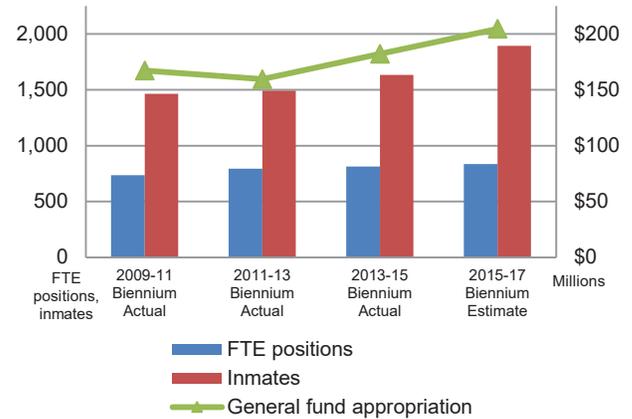


STATE HOSPITAL AND LIFE SKILLS AND TRANSITION CENTER (LSTC) - AVERAGE DAILY CENSUS



CORRECTIONS

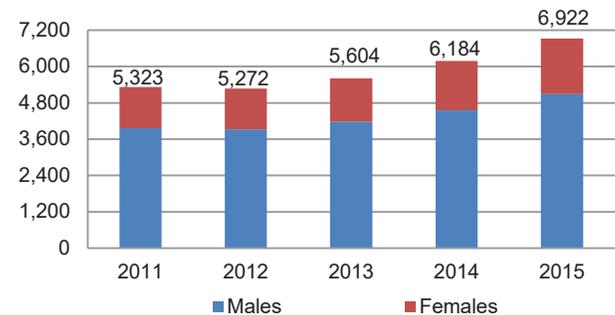
DEPARTMENT OF CORRECTIONS AND REHABILITATION FTE POSITIONS, INMATES, AND GENERAL FUND APPROPRIATIONS



Biennium	General Fund Appropriation (in Millions)	Average Daily Inmate Population	FTE Positions
2009-11	\$164.1 ¹	1,479	735.29
2011-13	\$159.6	1,493	794.29 ²
2013-15	\$182.1	1,632	814.29
2015-17	\$204.5 ³	1,819 ⁴	836.29

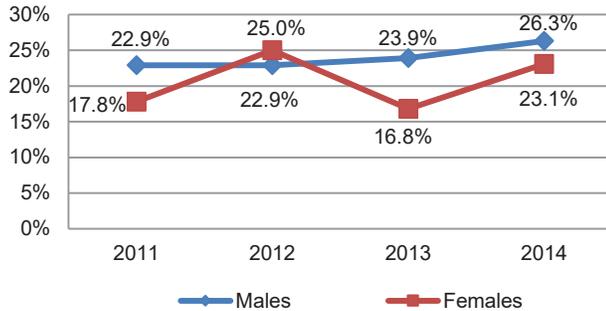
¹Includes \$19.5 million of one-time funding for the prison expansion project.
²Includes 47 new FTE positions for the State Penitentiary expansion.
³Reflects a \$10.9 million reduction made to the department's general fund appropriations during the August 2016 special legislative session.
⁴Fiscal year 2016 actuals and fiscal year 2017 estimates.

PAROLE AND PROBATION



Calendar Year	Females	Males	Total
2011	1,356	3,967	5,323
2012	1,346	3,926	5,272
2013	1,431	4,173	5,604
2014	1,636	4,548	6,184
2015	1,832	5,090	6,922

RECIDIVISM RATES



Calendar Year	Males Released	Returned for a New Crime	Returned for a Technical Violation	Total Returned	Total Percentage Returned Rates
2011	742	29	141	170	22.9%
2012	783	24	155	179	22.9%
2013	862	49	157	206	23.9%
2014	946	63	186	249	26.3%

Calendar Year	Females Released	Returned for a New Crime	Returned for a Technical Violation	Total Returned	Total Percentage Returned Rates
2011	163	4	25	29	17.8%
2012	168	2	40	42	25.0%
2013	190	7	25	32	16.8%
2014	173	10	30	40	23.1%

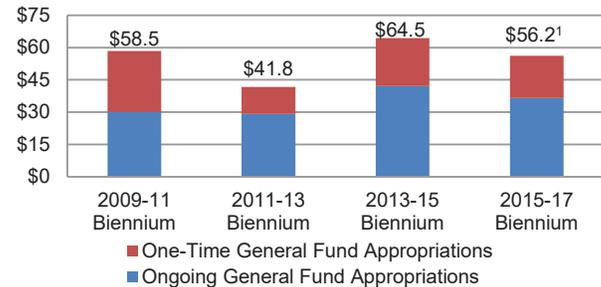
Calendar Year	Total Released	Returned for a New Crime	Returned for a Technical Violation	Total Returned	Total Percentage Returned Rates
2011	905	33	166	199	22.0%
2012	951	26	195	221	23.2%
2013	1,052	56	182	238	22.6%
2014	1,119	73	216	289	25.8%

NOTE: The numbers shown for inmates returning to prison reflect the number of inmates released during the calendar year who returned to prison for a new crime or technical violation within 12 months of release.

Source: Department of Corrections and Rehabilitation

ECONOMIC DEVELOPMENT

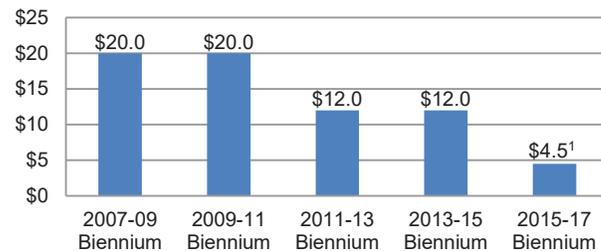
DEPARTMENT OF COMMERCE GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)



¹The 2015 Legislative Assembly appropriated \$56.2 million from the general fund to the Department of Commerce for the 2015-17 biennium. Following the 6.55 percent general fund budget reductions approved by the Legislative Assembly during the August 2016 special legislative session, the Department of Commerce general fund appropriation is \$52.5 million.

Biennium	Ongoing General Fund Appropriations	One-Time General Fund Appropriations	Total General Fund Appropriations
2009-11	\$30,056,303	\$28,420,000	\$58,476,303
2011-13	\$29,134,865	\$12,625,000	\$41,759,865
2013-15	\$42,157,060	\$22,300,000	\$64,457,060
Original 2015-17	\$36,637,245	\$19,566,456	\$56,203,701
Adjusted 2015-17	N/A	N/A	\$52,522,359

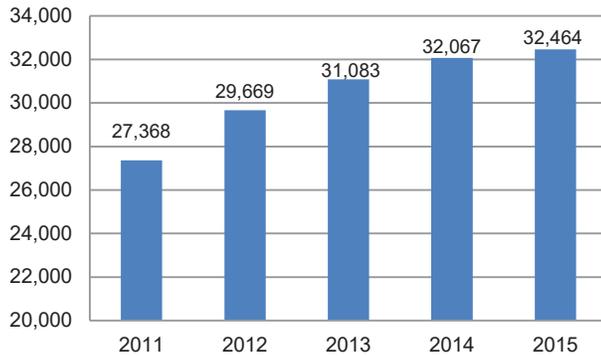
APPROPRIATIONS FOR CENTERS OF EXCELLENCE/RESEARCH NORTH DAKOTA (Amounts Shown in Millions)



¹The 2015 Legislative Assembly appropriated \$4.5 million from the general fund for the Research North Dakota program for the 2015-17 biennium. Following the 6.55 percent general fund budget reductions approved by the Legislative Assembly during the August 2016 special legislative session, the Department of Commerce has reduced the Research North Dakota program by \$146,458 to \$4,353,542.

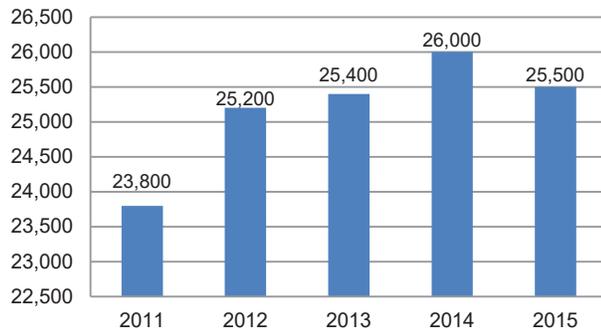
Biennium	Program	Amount
2007-09	Centers of Excellence	\$20,000,000
2009-11	Centers of Excellence	\$20,000,000
2011-13	Centers of Research Excellence	\$12,000,000
2013-15	Research North Dakota	\$12,000,000
Original 2015-17	Research North Dakota	\$4,500,000
Adjusted 2015-17	Research North Dakota	\$4,353,542

PRIVATE SECTOR BUSINESSES



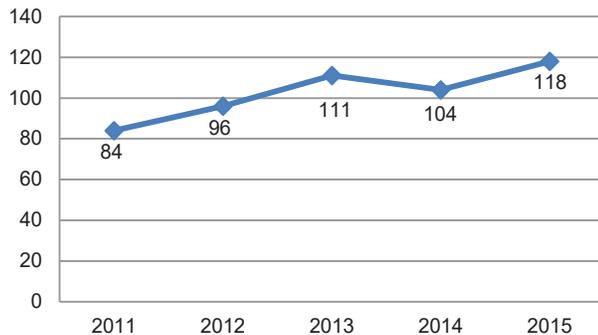
Source: Job Service North Dakota, Labor Market Information Center - Quarterly Census of Employment and Wages Unit

MANUFACTURING JOBS



Source: Job Service North Dakota, Labor Market Information Center - Current Employment Statistics

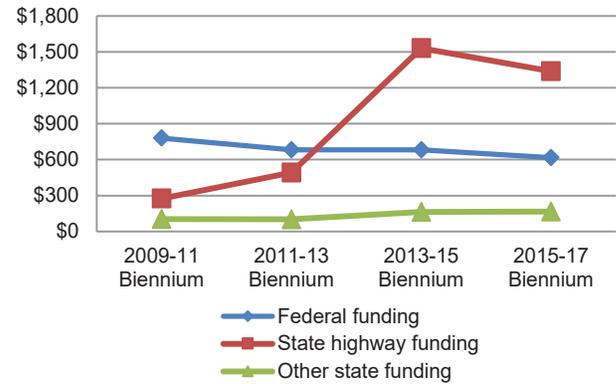
NUMBER OF PATENTS



Source: U.S. Patent and Trademark Office

TRANSPORTATION

STATE HIGHWAYS - FUNDING HISTORY (Amounts Shown in Millions)



State Highways - Funding History (Amounts Shown in Millions)				
	2009-11	2011-13	2013-15	2015-17
Federal funding	\$779.6 ¹	\$681.0 ²	\$681.5	\$616.5
State highway funding	274.8	492.9 ³	1,530.5 ⁴	1,338.4 ^{5,6}
Other state funding	102.4	102.0	163.5	166.3
Total	\$1,156.8	\$1,275.9	\$2,375.5	\$2,121.2

¹Includes \$176.1 million of federal fiscal stimulus funds.
²Includes \$24.1 million of federal fiscal stimulus funds.
³Includes a \$228.6 million transfer from the general fund to the highway fund for state highway projects in areas affected by oil and gas development.
⁴Includes \$1,161.6 million from the general fund for state highway projects in areas affected by oil and gas development.
⁵Includes \$487 million from the general fund reflecting August 2016 special legislative session budget reductions and \$450 million from the strategic investment and improvements fund for state highway projects in areas affected by oil and gas development.
⁶Includes \$18.7 million contingent general fund transfer to the highway fund reflecting August 2016 special legislative session budget reductions.

2015-17 BIENNIUM STATE TRANSPORTATION FUNDING DISTRIBUTIONS (Amounts Shown in Millions)

	Statutory Funding ¹	Additional Funding for Oil-Impacted Areas	Additional Funding for Non-Oil-Impacted Areas	Total 2015-17 Biennium State Funding
State	\$401.4 ²	\$937.0		\$1,338.4
Counties	137.4			137.4
Cities	78.0			78.0
Townships	16.9			16.9
Public transportation fund	9.3			9.3
County and township road projects		240.0	\$240.1	480.1
Total	\$643.0	\$1,177.0	\$240.1	\$2,060.1

¹Funding provided from the highway tax distribution fund.
²Includes \$18.7 million contingent general fund transfer to the highway fund.

ESTIMATED FEDERAL HIGHWAY FUNDING¹

	(Amounts Shown in Millions)		
	2011-13 Biennium	2013-15 Biennium	2015-17 Biennium
Federal Highway Administration funding	\$569.5	\$532.2	\$545.3
Emergency relief funds	56.2	116.8	42.4
Federal rail funds	6.1	8.4	4.0
National Highway Traffic Safety Administration	11.4	9.3	9.5
Federal transit funds	13.7	14.8	15.3
Funding for Devils Lake area projects	0	0	0
Federal fiscal stimulus funding - Highway infrastructure	19.3 ²	0	0
Federal fiscal stimulus funding - Transit programs	4.8 ²	0	0
Total	\$681.0	\$681.5	\$616.5

¹Federal funding received for highway construction projects requires matching funds provided by the state. Interstate highway projects are funded 90 percent with federal funds and 10 percent with state funds, and most other state highway projects are funded with 80 percent federal funds and 20 percent state funds.

²Includes \$10 million of unspent federal fiscal stimulus funding originally appropriated by the 2009 Legislative Assembly.

MOTOR FUELS TAXES

Both gasoline and special fuels (diesel) are taxed in North Dakota at a rate of 23 cents per gallon. A one-cent increase in the gas tax is estimated to generate an additional \$4.3 million per year or \$8.6 million for a biennium. A one-cent increase in the special fuels tax is estimated to generate an additional \$3.1 million per year or \$6.2 million per biennium. The federal tax rate per gallon is 18.4 cents for gasoline and 24.4 cents for diesel fuel.

MILES OF ROADWAYS IN NORTH DAKOTA - 2013

State highway system	7,378
County roads	18,698
Other rural roads	56,867
City streets	3,907
Total	86,850

ESTIMATED HIGHWAY CONSTRUCTION COSTS PER MILE

	2010	2012	2014
Two-lane road reconstruction (includes grading and asphalt surfacing)	\$1,700,000	\$2,400,000	\$2,300,000
Interstate concrete paving (two lanes in one direction)	\$1,275,000	\$2,000,000	\$2,000,000
Asphalt surface reconstruction (includes subgrade repair and resurfacing)	\$760,000	\$1,050,000	\$1,300,000
3-inch asphalt overlay	\$300,000	\$300,000	\$380,000
Interstate seal coat	\$50,000	\$55,000	\$55,000
Noninterstate seal coat	\$35,000	\$35,000	\$35,000

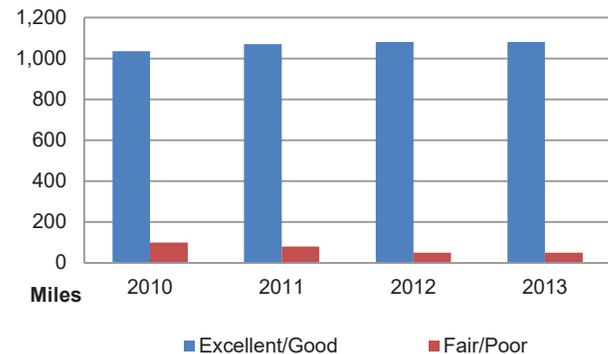
NORTH DAKOTA BRIDGE SYSTEM CONDITION

	Number of Bridges in the State and Percentage of Structurally Deficient ¹ or Functionally Obsolete ² Bridges			
	State	Urban	County	Total
2010				
Bridges	1,714	107	3,065	4,886
Percentage deficient	5%	11%	27%	19%
2012				
Bridges	1,706	108	3,044	4,858
Percentage deficient	5%	14%	25%	18%
2014				
Bridges	1,711	111	3,036	4,858
Percentage deficient	4.7%	13.5%	24.7%	17.4%

¹Structurally deficient bridge means that the deck, the superstructure, or the substructure has a condition that warrants attention.

²A functionally obsolete bridge has some part of the bridge that does not meet a design standard, such as vertical clearance or deck width.

NORTH DAKOTA INTERSTATE SYSTEM RIDE TRENDS



NOTES