

**MAJOR STATE APPROPRIATIONS AND REVENUE ALLOCATIONS FOR DIRECT
ASSISTANCE TO POLITICAL SUBDIVISIONS FROM THE 2001-03 THROUGH 2011-13 BIENNIUMS**

	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13
Assistance to political subdivisions (excluding school-related funding)						
General fund appropriations						
Grants to public libraries	\$888,745	\$844,307	\$1,000,000	\$1,200,000	\$1,300,000	\$1,500,000
Library Vision 2014 grants					237,500	237,500
Homestead tax credit	4,540,813	4,000,000	4,500,000	8,104,000	7,313,000	8,792,788
Disabled veteran property tax credits					3,461,000	4,243,920
Aid to health districts	1,100,000	1,100,000	1,100,000	1,900,000	2,400,000	3,000,000
Weather-related transportation cost-sharing				52,400,000 ¹¹		
Local matching funds for federal disaster relief					250,000 ¹⁶	
Emergency medical training grants to rural law enforcement					128,400	
Emergency medical services training				940,000	940,000	940,000
Emergency medical services operations						3,000,000
Regional public health network pilot project					275,000	
Public water system operator training						180,000
Funds to local public health units for immunization services					1,200,000 ¹⁷	1,500,000 ¹⁷
Grants to counties for portable personal computers for county veterans' service officers					20,000	20,000
Accreditation and emerging issues training for county veterans' service officers					20,000	30,000
Matching funds to counties and cities for senior citizen programs	2,132,945 ¹	2,382,945 ¹	720,000 ¹	1,000,000	1,091,200	1,174,668
Indian welfare assistance to counties	456,993 ²	649,559	1,147,174	955,124	1,959,541	3,025,754
State administration of child support enforcement				7,490,245	2,315,025	¹⁹
Boys' and girls' clubwork	53,000	53,000	53,000	53,000	53,000	53,000
Soil conservation district grants	580,000	580,000	630,000	730,000	837,800	987,800
Noxious weed control	184,141	97,215	67,817	67,817	65,817	
Payments in lieu of taxes on carbon dioxide pipeline property	1,932,419	1,910,000	1,545,000	1,365,000	1,151,000	
Clerk of court	10,154,353	10,723,223	11,810,929	13,587,187	15,253,306	16,795,673
Grants to airports	550,000	522,500	550,187	550,000	550,000	550,000
Transportation funding distributions to counties, cities, and townships in non-oil-producing counties					35,000,000	25,000,000
County and township roadway projects in areas affected by oil and gas development						142,000,000 ²⁰
Coal-producing county reimbursements for coal severance payments to non-coal-producing counties						252,800
Total general fund (excluding school-related funding)	\$22,573,409	\$22,862,749	\$23,124,107	\$90,342,373	\$75,821,589	\$213,283,903
Percentage of total general fund appropriations	1.3% ¹⁰	1.3%	1.2%	3.6%	2.3%	5.2%
Special funds appropriations and revenue allocations						
Grants for local water projects and a feasibility study					\$2,634,000 ¹⁴	\$750,000 ¹⁴
Noxious weed control	\$1,162,695	\$1,402,639	\$1,646,408	\$1,646,408	1,646,408	1,375,274
State aid distribution funds to cities and counties ⁴	66,383,566	74,180,584	84,212,635	105,043,938	120,322,918	136,141,202
Public transportation services (public transportation fund) ⁵	3,000,000	3,000,000	4,650,000	5,700,000	5,800,000	6,300,000
Insurance tax to fire departments						
Insurance tax distribution fund	5,200,000	5,200,000	6,200,000	6,200,000	6,200,000	6,200,000

	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13
Insurance tax to emergency medical services operations						
Insurance tax distribution fund				1,250,000	2,750,000	1,250,000
Gaming enforcement grants	629,000	617,000	617,000	617,000	510,000	510,000
Emergency medical services grants (community health trust fund)				300,000	300,000	
Community health grant program (community health trust fund)	4,700,000	4,700,000	4,700,000	4,700,000		
Tobacco education and cessation program grants (community health trust fund)	250,000	500,000	395,000	260,000	225,000	225,000
Tobacco education and cessation program grants (tobacco prevention and control trust fund)					7,653,965	8,822,511
Matching funds to counties and cities for senior citizen programs						
Senior citizen services and programs fund			2,067,918 ¹²	2,407,214 ¹²	2,710,599 ¹²	3,300,000 ¹²
Health care trust fund	250,000 ¹					
Energy development impact grants (oil and gas impact grant fund)	4,888,100	4,888,100	4,888,100	5,888,100	7,888,100	94,428,269 ²³
Grants to airports (Aeronautics Commission special funds collections)	1,820,000	1,962,500	2,447,126	2,950,000	5,280,000	5,080,000
Indian welfare assistance to counties (Department of Human Services' "retained" funds)	2,068,007 ²	1,964,607	1,964,607	1,964,607	1,964,607	1,964,607
Motor vehicle fuel tax and registration fee allocations ⁶	116,500,000	118,400,000	129,600,000	129,900,000	161,500,000	153,800,000
Telecommunications tax allocations	16,800,000	16,800,000	16,800,000	16,800,000	16,800,000	16,800,000
Coal severance tax allocations ⁷	14,685,000	15,800,000	15,400,000	15,341,000	15,285,438	15,750,000
Coal conversion tax allocations ⁷	6,620,022	7,283,433	7,502,657	6,635,592	8,469,281	6,924,000
Oil and gas gross production tax allocations ⁸	31,843,672	42,836,649	55,785,763	80,850,073	101,211,208	247,196,952
Financial institution tax allocations				20,000,000	23,750,000	21,220,280
Disaster relief funding					43,000,000 ¹³	25,500,000 ²²
Emergency snow removal grants					9,000,000 ²¹	
Cigarette tax allocations ⁹	2,623,000	2,608,771	2,810,000	3,132,474	2,674,442	2,544,000
Total special funds (excluding school-related funding)	<u>\$279,423,062</u>	<u>\$302,144,283</u>	<u>\$341,687,214</u>	<u>\$411,586,406</u>	<u>\$547,575,966</u>	<u>\$756,082,095</u>
Total major direct assistance to political subdivisions (excluding school-related funding)	<u>\$301,996,471</u>	<u>\$325,007,032</u>	<u>\$364,811,321</u>	<u>\$501,928,779</u>	<u>\$623,397,555</u>	<u>\$969,365,998</u>
School-related assistance to political subdivisions						
General fund appropriations - School-related funding						
State school aid per student formula payments	\$473,971,648	\$489,379,990	\$484,053,759	\$649,965,879	\$636,425,958 ¹⁸	\$816,821,478 ²⁴
Supplemental operations grants					16,795,584	
Supplemental one-time grants					85,644,337	
Mill levy reduction grants					295,211,264 ²⁶	341,790,000 ²⁶
Teacher compensation payments to school districts	35,036,000	51,854,000	50,912,120			
Special education - Gifted and talented per student payments			37,000,000			
School district reorganization bonuses	1,665,000	500,000	759,000			
Educational Technology Council grants	922,822	512,822	578,590	800,000	604,750	604,750
Special education	49,898,695	49,898,695				
Revenue supplement payments to school districts	2,200,000	5,000,000	5,000,000			
Transportation aid payments to school districts			33,500,000	33,500,000	43,500,000 ¹⁵	48,500,000
Contingent supplemental transportation aid payments to school districts					5,000,000 ¹⁵	
Special education contracts			15,500,000	17,500,000	15,500,000	16,000,000
Average daily membership and declining enrollment payments						
Joint powers agreement incentives			1,000,000			
Vocational education	9,573,929	10,386,541	13,846,810	14,165,749	17,000,000	19,779,137

	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13
School food services	1,080,000	1,080,000	1,080,000	1,080,000	1,380,000	1,380,000
Adult education	900,000	920,000	1,055,000	1,055,000	1,850,000	3,110,411
Adult education contingent appropriation						500,000 ²⁵
Alternative education program grants						300,000
Prekindergarten space grants						125,000
EduTech services, including school district antivirus licenses and PowerSchool funding	2,474,003	2,540,348	2,652,348	2,722,348	5,104,699	3,044,096
School district information technology network costs	4,920,824 ³	3,382,023 ³	3,395,550 ³	3,413,972 ³	5,568,970 ³	4,798,992 ³
Total general fund - School-related funding	\$582,642,921	\$615,454,419	\$650,333,177	\$724,202,948	\$1,129,585,562	\$1,256,753,864
Percentage of total general fund appropriations	33.4%	33.9%	32.5%	28.1%	34.8%	30.9%
Special funds appropriations and revenue allocations - School-related funding						
State tuition fund distributions	\$67,239,025	\$69,495,371	\$71,600,000	\$76,200,000	\$86,300,000	\$101,638,000
Grants for adult education programs (displaced homemaker fund)	240,000	240,000	240,000	240,000	250,000	250,000
Rapid enrollment grants (oil and gas impact grant fund)						5,000,000
Mill levy reduction grants to school districts (property tax relief sustainability fund)					4,233,000	
Total special funds - School-related funding	\$67,479,025	\$69,735,371	\$71,840,000	\$76,440,000	\$90,783,000	\$106,888,000
Total major school-related assistance to political subdivisions	\$650,121,946	\$685,189,790	\$722,173,177	\$800,642,948	\$1,220,368,562	\$1,363,641,864
Total general fund assistance to political subdivisions	\$605,216,330	\$638,317,168	\$673,457,284	\$814,545,321	\$1,205,407,151	\$1,470,037,767
Total special funds assistance	\$346,902,087	\$371,879,654	\$413,527,214	\$488,026,406	\$638,358,966	\$862,970,095
Total major direct assistance to political subdivisions	\$952,118,417	\$1,010,196,822	\$1,086,984,498	\$1,302,571,727	\$1,843,766,117	\$2,333,007,862

¹ Consists of \$720,000 of state funding to providers for matching Title III funds and \$1,662,945 for senior mill levy match for the 2001-03 biennium. Of the 2001-03 biennium total, \$1,412,945 is from the general fund and \$250,000 is from the health care trust fund. The 2003-05 appropriation consists of \$720,000 of state funding to providers for matching federal Title III funds and \$1,662,945 for senior citizen mill levy match. The 2005-07 appropriation consists of \$720,000 of state funding to providers for matching federal Title III funds in the Department of Human Services.

² The 1997 Legislative Assembly appropriated an additional \$619,000, for a total of \$1,059,000 from the general fund, to reduce the impact on Indian counties of House Bill No. 1041, which provided for a "swap" of state and county human services financial responsibilities. For the 1999-2001 biennium, the Legislative Assembly appropriated \$121,766 from the general fund and \$1,654,654 of "retained" funds for a total of \$1,776,420. For the 2001-03 biennium, the Legislative Assembly appropriated a total of \$2.525 million, of which \$456,993 is from the general fund and \$2,068,007 is from "retained"

³ The Legislative Assembly provides funding from the general fund for the statewide information technology network connections for kindergarten through grade 12 and public libraries, net of an e-rate credit.

⁴ The 1987 Legislative Assembly in House Bill No. 1590 provided that .6 of an equivalent of 1 percent of the sales, use, and motor vehicle excise tax shall be deposited into the state aid distribution fund to be used beginning July 1, 1989.

The 1997 Legislative Assembly in House Bill No. 1019 reduced the .6 to .4 of an equivalent of 1 percent of the sales, use, and motor vehicle excise tax to be deposited into the state aid distribution fund beginning January 1, 1999. The Legislative Assembly also added a continuing appropriation so all revenues deposited into the state aid distribution fund are appropriated for payments to political subdivisions. The change also eliminated the 50 percent for personal property tax replacement and 50 percent for revenue sharing and instead provided that 53.7 percent of the revenues in the fund be distributed to counties and 46.3 percent of the revenues be distributed to cities.

⁵ Prior to the 2009-11 biennium, \$3 of each motor vehicle registration fee was deposited in the public transportation fund. Beginning with the 2009-11 biennium, the \$3 fee is deposited in the highway tax distribution fund, and the public transportation fund receives 1.5 percent of distributions from the highway tax distribution fund. The 2011-13 amounts include a \$100,000 transfer from the general fund to the public transportation fund.

⁶ Prior to the 2009-11 biennium, 37 percent of the funds in the highway tax distribution fund were allocated to counties and cities, and one cent per gallon of motor fuels taxes was deposited in the township highway aid fund. Beginning with the 2009-11 biennium, counties and cities receive 34.5 percent of distributions from the highway tax distribution fund, the one cent per gallon of motor fuels taxes originally deposited in the township highway aid fund is deposited in the highway tax distribution fund, and townships receive 2.7 percent of distributions from the highway tax distribution fund.

⁷ Beginning in the 2001-03 biennium, the coal severance tax allocation is based on the provision that 70 percent of the tax revenue is allocated among coal-producing counties. Previously, 35 percent had been allocated to coal-producing counties.

Beginning in the 2001-03 biennium, the coal conversion tax allocation is based on the provision that 15 percent of the tax revenue is allocated to the county in which the plant is located. Previously, 35 percent had been allocated to the county in which the plant is located.

⁸ The oil and gas gross production tax allocation is based on a formula which provides for a varying percentage of revenue to go to the producing county based on the total amount of production tax revenue generated by the county. Prior to the 2009-11 biennium, the total a county may receive is capped based on the population of the county. The 2009-11 amount is based on a formula which provides for a varying percentage of revenue to go to the producing county based on the total amount of production tax revenue generated by the county but is not restricted by the population of the county.

⁹ The cigarette tax allocation is based on the provision that 3 cents per regular package and 3.75 cents per larger package are distributed to cities based on population.

¹⁰ Based on the 2001-03 general fund appropriation, excluding state agency allotments.

¹¹ The 2009 Legislative Assembly provided in Senate Bill No. 2012 weather-related transportation cost-sharing funds to counties and cities (\$41.4 million), townships (\$10 million), and the public transportation fund (\$1 million).

¹² The 2005 Legislative Assembly removed the senior citizen mill levy matching grant program from the Department of Human Services and provided in Senate Bill No. 2267 that the State Treasurer distribute senior citizen mill levy matching grants pursuant to a continuing appropriation from the senior citizen services and programs fund. The fund consists of sales, use, and motor vehicle excise tax collections equivalent to two-thirds of one mill levied statewide each year. The 2011 Legislative Assembly, in Senate Bill No. 2242, increased the amount of collections allocated to the fund to three-fourths of one mill levied statewide each year.

¹³ The 2009 Legislative Assembly provided in Senate Bill No. 2012, \$43 million from the state disaster relief fund for emergency snow removal grants (\$20 million) and funding for the local match needed to receive federal disaster relief funding (\$23 million).

¹⁴ The 2009 Legislative Assembly provided in House Bill No. 1305, \$2.792 million from the permanent oil tax trust fund for grants to local water supply projects in Burke, Divide, Mountrail, and Williams Counties and in Senate Bill No. 2305, \$342,000 from the resources trust fund to conduct a Beaver Bay embankment feasibility study during the 2009-11 biennium. The projects will not be completed during the 2009–11 biennium; therefore, the 2011 Legislative Assembly authorized \$500,000 of the funding to continue during the 2011-13 biennium. In addition, the 2011 Legislative Assembly provided \$250,000 for flood-related water projects in the Nelson County Water Resource District.

¹⁵ In addition, the 2009 Legislative Assembly provided in Section 16 of House Bill No. 1013, a \$5 million contingent general fund appropriation for transportation aid payments to school districts. The appropriation is contingent on the June 30, 2011, estimated ending general fund balance exceeding the amount predicted by the Office of Management and Budget at the conclusion of the 2009 legislative session by more than \$30 million. The February 2011 legislative revenue forecast estimates the conditions will be met and the contingent supplemental funding will be made available.

¹⁶ The 2009 Legislative Assembly provided in Section 34 of House Bill No. 1015, \$250,000 from the general fund to provide grants to cities that experienced tornado damage in the summer of 2007 for the purpose of matching federal emergency relief funds.

¹⁷ The 2009 Legislative Assembly provided in Senate Bill No. 2333 a \$1.2 million contingent general fund appropriation for providing funds to local public health units for immunization services. The appropriation is contingent on total funds available to the state for immunization services under the American Recovery and Reinvestment Act of 2009. The State Department of Health reported the American Recovery and Reinvestment Act of 2009 funding could not be used for this purpose and the department would use the funding from the general fund. The 2011 Legislative Assembly provided in Senate Bill No. 2276 a \$1.5 million general fund appropriation for the purpose of funding a program through which the State Department of Health purchases vaccines through the federal vaccine

¹⁸ The 2009 Legislative Assembly reduced 2009-11 state school aid per student formula payments provided from the general fund by \$13.5 million, from \$649.9 million provided in the 2007-09 biennium to \$636.4 million for the 2009-11 biennium. In addition, the 2009 Legislative Assembly provided \$85.6 million of one-time federal funds made available to the state under the American Recovery and Reinvestment Act of 2009 and \$86.3 million of state tuition fund distributions for state school aid per student formula payments.

¹⁹ The Department of Human Services is unable to determine the amount of general fund support in the department's 2011-13 legislative appropriation for state administration of child support.

²⁰ The 2011 Legislative Assembly provided for a transfer of \$142 million from the general fund to the highway fund for county and township roadway projects in areas affected by oil and gas development.

²¹ Senate Bill No. 2369 provided that the Adjutant General may use \$9 million from the state disaster relief fund for emergency snow removal grants to be awarded by June 30, 2011. Any unawarded amount of the \$9 million may be utilized in the 2011-13 biennium for disaster relief initiatives as outlined in Section 4 of Senate Bill No. 2369.

²² Section 4 of Senate Bill No. 2369 (2011) provides an appropriation of \$22 million from the permanent oil tax trust fund to the state disaster relief fund and provides authority for the Adjutant General to use the funding for disaster relief relating to 2011 spring flooding, flood disasters in incorporated cities, road grade raising projects, 50 percent of the local match for disasters occurring from January 2011 through June 2011, and state expenses associated with presidential-declared disasters in the state. Senate Bill No. 2016 (2011) provides authority to the Adjutant General to use up to \$3.5 million from the state disaster relief fund for the purpose of providing the required state share of funding for defraying the expenses associated with presidential-declared state disasters pursuant to North Dakota Century Code Section 37-17.1-27.

²³ House Bill No. 1013 provides \$99,778,269 for energy infrastructure and impact grants from money deposited in the oil and gas impact grant fund. Of this amount, Senate Bill No. 2150 provides \$5 million to the Superintendent of Public Instruction for the purpose of providing a grant to any school district that can demonstrate rapid enrollment growth and Senate Bill No. 2325 provides \$350,000 to the Upper Great Plains Transportation Institute for a transportation study.

²⁴ In addition, the 2011 Legislative Assembly provided \$101.638 million of state tuition fund distributions for state school aid per student formula payments and approved amendments to the 2009 Session Laws to provide that the Department of Public Instruction carry over \$9 million of estimated excess funding for state school aid (\$8 million from state school aid and \$1 million from transportation aid) from the 2009–11 biennium to the 2011-13 biennium for state school aid per student payments. Any additional excess funds remaining at the end of the 2009-11 biennium are to be distributed according to House Bill No. 1400 (2009). The 2011 Legislative Assembly also provided \$21.2 million of one-time federal education jobs funding made available to the state under federal H.R.1586 signed into law in August 2010 and \$5 million from the oil and gas impact grant fund for rapid enrollment grants.

²⁵ The 2011 Legislative Assembly approved amendments to the 2009 Session Laws to provide that the Department of Public Instruction reserve \$9 million of estimated excess funding for state school aid (\$8 million from state school aid and \$1 million from transportation aid) from the 2009-11 biennium and carry over the funding to the 2011-13 biennium for state school aid per student payments. The 2011 Legislative Assembly provided that after reserving the \$9 million for state school aid per student payments in the 2011-13 biennium, the next \$500,000 of 2009-11 excess state school aid funding be reserved for adult education learning center grants to be disbursed if federal funding for adult education received by the department is less than \$900,000 in any year of the 2011-13 biennium.

²⁶ This is funding provided to school districts as mill levy reduction grants (property tax relief); however, school districts are required to lower property tax mill levies resulting in a reduction of property tax revenue equal to the amount of the mill levy reduction grants.