

Governor Dalrymple Initiatives
Proposed for the 2013-15 Biennium Executive Budget
Presented to Government Services Committee
Representative Jeff Delzer, Chairman
October 11, 2012

Tax Relief Plan

- Mill levy reduction grant program – 50% reduction in average school district tax levy – Additional \$400 million appropriation for 2013-15 biennium
- Homestead tax credit program – Expansion of eligibility through eliminating the asset test, raising the income threshold to \$50,000, and disregarding social security benefits in the income test - Additional \$20 million appropriation for 2013-15 biennium
- Individual income tax reduction - \$100 million rate reduction for 2013-15 biennium
- Corporate income tax reduction - \$25 million rate reduction for 2013-15 biennium

Infrastructure Initiative

- Special transportation funding distribution to non-oil producing counties - \$100 million appropriation
- Completion of projects identified by the Upper Great Plains Transportation Institute during 2011-13 - \$150 million appropriation
- County and township road reconstruction program - \$145 million appropriation
- Enhanced road and highway fund for one-time investments, including truck reliever routes around cities, upgrading two-lane highways to four-lane, and underpasses - \$1 billion appropriation
- Energy infrastructure and impact grant program - \$135 million appropriation from Oil and Gas Impact Grant Fund
- Gross production tax formula – Change to increase allocation to oil and gas producing counties - \$400 million allocation of oil tax revenue

Housing Initiative

- Flex PACE – Additional Flex PACE buy down funds for low-interest loans to support the development of affordable housing projects - \$12 million appropriation
- Housing Incentive Fund – Expansion of Housing Incentive Fund with \$30 million from Bank of North Dakota earnings and additional tax credits, bringing the total fund to \$50 million to be used for the development of affordable housing

Support for Fast-Growing Schools

- Expansion of school construction loan program – Proposal to reserve \$200 million of the balance in the Strategic Investment and Improvements Fund to provide low-interest loans to qualifying school districts
- Energy infrastructure and impact grant program for schools – Proposal to set aside \$25 million in the Oil and Gas Impact Grant Fund for rapidly growing schools impacted by oil development