

## GENERAL FUND APPROPRIATIONS - MAJOR CHANGES AND KEY RECOMMENDATIONS

The following schedule compares general fund appropriations recommended in the 2007-09 executive budget to the 2005-07 appropriations approved by the 2005 Legislative Assembly and lists major changes:

	2005-07 Original Legislative Appropriations	Increase (Decrease) From 2005-07	2007-09 Executive Budget
General fund appropriations	\$1,989,452,623	\$478,873,716	\$2,468,326,339
Major changes include:			
Recommended salary and fringe benefits increase		\$32,840,871	
Department of Human Services		87,856,301	
Higher education		83,069,547	
Department of Public Instruction		74,897,021	
Department of Corrections and Rehabilitation		66,946,568	
Office of Management and Budget		29,123,677	
Department of Transportation		20,000,000	
Main Research Center		12,301,163	
State Water Commission		11,988,780	
Other net changes		59,849,788	
Total		\$478,873,716	

Major changes and key recommendations affecting 2007-09 general fund appropriations include:

- **Recommended salary and fringe benefits increase - \$32,840,871.** The executive budget recommends funding for state employee salary increases of 4 percent effective July 1, 2007, and 4 percent effective July 1, 2008, with a minimum increase of \$75 per month for each employee. Salary increases must be based on merit and equity and are not to be given across the board. The general fund portion of the executive budget salary and fringe benefits increase package is \$32.8 million. See **State Employees** section for additional information on state employee salary increases.
- **Department of Human Services - \$87,856,301.** The executive budget increases funding from the general fund as follows:
  - \$18.6 million for cost, caseload, and utilization changes.
  - \$14.1 million for human services provider inflationary increases.
  - \$9.3 million for capital improvements and extraordinary repairs at the State Hospital and the Developmental Center.
  - \$9.1 million relating to federal medical assistance percentage (FMAP) changes.
  - \$5.6 million for sex offender treatment programs.
  - \$5.3 million to continue 2005-07 human services provider inflationary increases.
  - \$3.9 million for increasing the average wage of developmental disabilities service provider employees.
  - \$3.6 million for rewriting the Medicaid management information system (MMIS) project.
  - \$3.3 million for Medicare Part D "clawback" payments.
- **Higher education - \$83,069,547.** The executive budget increases funding from the general fund as follows:
  - \$33.8 million for campus parity costs.
  - \$10 million for campus equity payments.
  - \$13.8 million for major capital projects.
  - \$11 million for extraordinary repairs.

\$6.8 million for the common information services pool, including \$3.7 million of one-time funding for support of the ConnectND system.

\$4.2 million for student financial assistance, including \$2.5 million for the student financial assistance grant program, \$435,000 for the professional student exchange program, \$620,000 for the scholars program, \$130,000 for the Native American scholarship program, and \$510,000 for education incentive programs.

- **Department of Public Instruction - \$74,897,021.** The executive budget provides \$777.2 million for the proposed new state school aid program, an increase of \$78.6 million, of which \$74 million is from the general fund and \$4.6 million is from the state tuition fund. Included in the \$777.2 million is \$661.7 million for per student formula payments, \$43 million for special education average daily membership payments, \$16.5 million for equity payments, \$3 million for full-day kindergarten for at-risk students beginning with the 2008-09 school year, \$33.5 million for transportation aid payments, \$17.5 million for special education contracts, and \$2 million for joint powers agreement incentives. See **Elementary Education** section for additional information.
- **Department of Corrections and Rehabilitation - \$66,946,568.** The executive budget increases funding from the general fund as follows:
  - \$42 million for the prison expansion project.
  - \$9.5 million for inflationary and workload increases.
  - \$3.8 million to continue the contract to house female inmates at the Dakota Women's Correctional and Rehabilitation Center in New England.
  - \$3 million for 29.5 new full-time equivalent positions.
  - \$2.5 million for extraordinary repairs.
  - \$3.5 million for treatment and transition programs.
- **Office of Management and Budget - \$29,123,677.** The executive budget provides \$20 million for centers of excellence, \$5 million for a salary equity pool, \$1 million for repairs and maintenance at the Heritage Center, and \$2 million for Capitol complex extraordinary repairs.
- **Department of Transportation - \$20,000,000.** The executive budget provides the Department of Transportation \$11.2 million for deferred maintenance and repairs on state highways, \$2 million for equipment purchases and \$6.8 million for information technology projects.
- **Main Research Center - \$12,301,163.** The executive budget provides the Main Research Center \$9 million for Phase II of the research greenhouse complex, \$1.1 million for addition and renovation projects at the branch research centers, and \$1.8 million for State Board of Agricultural Research and Education priority projects.
- **State Water Commission - \$11,988,780.** The executive budget provides \$10 million for administrative expenses and \$3 million for the Red River Valley Water Supply project.