



North Dakota Legislative Council

Prepared by the Legislative Council staff
 LC# 25.9533.01000
 May 2025

SUMMARY OF THE STATE BUDGET - TENTATIVE FINAL MAY 3, 2025

GENERAL FUND STATUS

	2025-27 Base Level	2025-27 Budget	Increase (Decrease)
Estimated beginning balance ¹	\$1,112,603,484	\$1,153,898,460	\$41,294,976
Estimated ongoing general fund revenues ¹	5,605,995,095	5,329,161,382	(276,833,713)
Estimated one-time general fund revenues ¹	86,699,104	0	(86,699,104)
Total available	\$6,805,297,683	\$6,483,059,842	(\$322,237,841)
Less:			
Ongoing general fund appropriations ²	5,842,626,810	6,115,072,065	272,445,255
One-time general fund appropriations ²	0	141,842,760	141,842,760
Estimated ending balance	\$962,670,873	\$226,145,017	(\$736,525,856)

¹The 2025-27 base level amounts shown for the beginning balance and general fund revenues reflect the January 2025 legislative base revenue forecast.

²The executive budget, as proposed by Governor Armstrong, recommended \$6,525,111,807 in ongoing general fund appropriations and \$75,004,765 in one-time general fund appropriations.

TOTAL STATE BUDGET - 2023-25 AND 2025-27 BIENNIUMS

	2023-25 Biennium ¹	2025-27 Biennium	Increase (Decrease)	
			Amount	Percent
General fund appropriations	\$6,097,329,537	\$6,256,914,825	\$159,585,288	2.6%
Other funds appropriations	13,494,758,110	14,018,927,842	524,169,732	3.9%
Total funds appropriations	\$19,592,087,647	\$20,275,842,667	\$683,755,020	3.5%
FTE position authorizations	16,194.54	16,632.37	437.83	2.7%

¹The 2023-25 biennium amounts do not reflect Emergency Commission action nor deficiency appropriations approved by the 2025 Legislative Assembly.

OIL PRICE AND PRODUCTION

The oil price and oil production forecast for the 2025-27 biennium, as approved by the 2025 Legislative Assembly, includes:

- An average oil price of **\$59 per barrel** during the 1st year of the biennium and **\$57 per barrel** during the 2nd year of the biennium.
- An average daily oil production of **1.15 million barrels** in the 1st year of the biennium and **1.10 million barrels** in the 2nd year of the biennium.

PROPERTY TAX RELIEF

Major changes to provide property tax relief, as approved by the 2025 Legislative Assembly in House Bill No. 1176, include:

- Increasing the primary residence property tax credit from \$500 to \$1,600 per year for each primary residence.
- Providing \$409 million from earnings of the legacy fund for the primary residence credit.
- Limiting the increase in property taxes levied by taxing districts to 3 percent per year with additional increases requiring voter approval.
- Adjusting the disabled veterans' tax credit by increasing the taxable value exempt from taxation to align with the homestead tax credit.

**MAJOR SPECIAL FUNDS STATUS - 2025-27 BIENNIUM
Legacy Fund and Legacy Earnings Fund**

Major changes to the legacy fund and legacy earnings fund, as approved by the 2025 Legislative Assembly include:

- **House Bill No. 1176 and Senate Bill No. 2012** - Increase the percent of market value calculation from 7 to 8 percent and change the legacy earnings fund allocations to provide \$409 million to a newly created legacy property tax relief fund and \$175 million to the highway fund.
- **House Bill No. 1279** - Extends a partial coal conversion tax exemption and allocates coal tax revenues to the legacy fund instead of the general fund resulting in \$2.1 million of revenue to become part of the legacy fund principal for the 2025-27 biennium.

Budget Stabilization Fund

The **budget stabilization fund** is estimated to have a July 1, 2025, balance of **\$938.5 million**.

Foundation Aid Stabilization Fund

Appropriations for the 2025-27 biennium from the **foundation aid stabilization fund** total \$233 million, which is appropriated to the Department of Public Instruction for state school aid.

Strategic Investment and Improvements Fund

Appropriations and transfers for the 2025-27 biennium from the **strategic investment and improvements fund** total \$1,431,360,401. Major appropriations and transfers are as follows:

Bill No. - Agency	Purpose	Amount
HB 1012 - Department of Health and Human Services	Behavioral health facility grant, information technology, and other projects	\$22,106,784
HB 1015 - Office of Management and Budget	State Hospital, deferred maintenance, and space reconfiguration	240,807,052
HB 1018 - State Historical Society	Military gallery expansion project, repairs, and grants	27,448,000
HB 1019 - Parks and Recreation Department	State park projects and deferred maintenance	19,941,500
HB 1038 - Department of Commerce	State radar data pathfinder program	11,000,000
HB 1234 - Public Employees Retirement System	Transfer to main system retirement plan	25,000,000
HB 1468 - Department of Health and Human Services	Behavioral health facility grant	16,000,000
HB 1619 - Bank of North Dakota	Long-term care facility infrastructure loan program	15,000,000
SB 2003 - North Dakota University System	Challenge grants, projects, and capital building fund transfer	196,506,814
SB 2006 - Aeronautics Commission	Generational airport project grants	90,000,000
SB 2012 - Department of Transportation	Highway projects and transfer to flex fund	429,750,000
SB 2014 - Industrial Commission	Transfers to special funds and litigation funding	54,332,794
SB 2015 - Department of Corrections and Rehabilitation	Correctional facility projects, repairs, study, and grants	95,834,175
SB 2018 - Department of Commerce	Grants and North Dakota Development Fund transfer	99,775,000
SB 2120 - Highway Patrol	Transfer to Highway Patrol Troopers' retirement system fund	15,000,000
SB 2188 - Industrial Commission	Transfer to clean sustainable energy fund	45,000,000
SB 2256 - Industrial Commission	Research technology park grant program	10,000,000
Other agencies	Various purposes	17,858,282
Total		\$1,431,360,401

**2025-27 BIENNIUM ONGOING GENERAL FUND APPROPRIATION
INCREASES (DECREASES)**

Bill No. - Agency	2025-27 Ongoing General Fund Increase (Decrease)	
	Amount¹	Percent
HB 1003 - Attorney General	\$12,001,671	24.5%
HB 1006 - Tax Department ²	(100,313,399)	(44.2%)
HB 1012 - Department of Health and Human Services	172,376,990	8.6%
HB 1013 - Department of Public Instruction	(16,612,911)	(0.9%)
SB 2001 - Legislative branch	10,239,947	27.6%
SB 2002 - Judicial branch	17,255,453	13.5%
SB 2003 - Higher education	59,788,695	7.4%

Bill No. - Agency	2025-27 Ongoing General Fund Increase (Decrease)	
	Amount ¹	Percent
SB 2015 - Department of Corrections and Rehabilitation	68,635,371	27.8%
SB 2019 - Department of Career and Technical Education	10,462,047	20.4%
SB 2020 - Extension and experimentation	10,178,530	8.7%
Other agencies	28,432,861	7.0%
Total	\$272,445,255	4.7%

¹Adjustments are from the 2025-27 base level.

²The Tax Department decrease includes \$103.2 million removed for the primary residence tax credit program. House Bill No. 1176 includes an appropriation of \$408.9 million to the Tax Department from a newly created legacy property tax relief fund for the primary residence credit.