

2015-17 BIENNIUM REVENUE FORECAST - GENERAL FUND AND OIL TAX COLLECTIONS

GENERAL FUND REVENUE CHANGES - SUMMARY

The schedule below summarizes the general fund revenue changes to the July 1, 2015, balance, the 2015-17 biennium estimated general fund revenues, and the 2015-17 biennium estimated unspent general fund appropriation authority (turnback).

2015-17 Biennium General Fund Summary			
	May 2015 Legislative Forecast	July 2016 Revised Forecast	Adjustments to Budget Status
July 1, 2015, balance ¹	\$598,664,078	\$739,387,585	\$140,723,507
2015-17 biennium ongoing revenue and transfers	5,638,508,192	4,255,584,586	(1,382,923,606)
2015-17 biennium unspent appropriation authority	0	19,246,000	19,246,000
Total	\$6,237,172,270	\$5,014,218,171	(\$1,222,954,099)

¹The amount shown for the adjustment to budget status for the July 1, 2015, balance recognizes additional 2013-15 biennium general fund revenue and unspent general fund appropriation authority, but not 2015-17 biennium appropriations spent in the 2013-15 biennium pursuant to emergency clauses.

GENERAL FUND REVENUE FORECAST REVISION - DETAIL

The schedule below provides information on the estimated general fund revenue revision for the 2015-17 biennium.

2015-17 Biennium General Fund Revenue Forecast			
	May 2015 Legislative Forecast	July 2016 Revised Forecast	Adjustments to Budget Status
Ongoing revenue			
Sales and use taxes	\$2,868,026,560	\$1,863,517,574	(\$1,004,508,986)
Motor vehicle excise tax	314,324,000	201,543,785	(112,780,215)
Individual income tax	763,276,000	690,525,749	(72,750,251)
Corporate income tax	371,422,000	158,713,800	(212,708,200)
Insurance premium tax	91,830,364	104,935,597	13,105,233
Financial institutions tax	0	324,145	324,145
Oil and gas gross production tax	74,693,374	102,881,583	28,188,209
Oil extraction tax	225,306,626	197,118,417	(28,188,209)
Gaming tax	7,106,250	6,975,584	(130,666)
Cigarette and tobacco tax	61,334,000	57,082,715	(4,251,285)
Wholesale liquor tax	18,995,000	18,114,988	(880,012)
Coal conversion tax	39,578,000	42,725,976	3,147,976
Mineral leasing fees	19,667,704	23,635,424	3,967,720
Departmental collections	73,883,318	78,448,832	4,565,514
Interest income	20,999,500	23,889,121	2,889,621
Total ongoing revenue	\$4,950,442,696	\$3,570,433,290	(\$1,380,009,406)
Transfers			
Lottery	\$15,260,000	\$17,210,000	\$1,950,000
State Mill and Elevator profits - Transfer	13,775,000	8,834,894	(4,940,106)
Tax relief fund - Transfer	657,000,000	657,000,000	0
Other transfers	2,030,496	2,106,402	75,906
Total transfers	\$688,065,496	\$685,151,296	(\$2,914,200)
Total revenues and transfers	\$5,638,508,192	\$4,255,584,586	(\$1,382,923,606)

ESTIMATED UNSPENT GENERAL FUND APPROPRIATION AUTHORITY - DETAIL

The schedule below provides information on the estimated unspent general fund appropriation authority by state agency for the 2015-17 biennium.

2015-17 Biennium Estimated Unspent General Fund Appropriation Authority			
	May 2015 Legislative Forecast	July 2016 Revised Forecast	Adjustments to Budget Status
Adjutant General	\$0	\$400,000	\$400,000
Department of Public Instruction	0	17,300,000	17,300,000
Office of Management and Budget	0	1,546,000	1,546,000
Total	\$0	\$19,246,000	\$19,246,000

OIL AND GAS TAX REVENUE FORECAST

The schedules below provide information on estimated oil and gas tax revenue for the 2013-15 and 2015-17 bienniums.

2015-17 Biennium Oil and Gas Tax Revenue Forecast		
	May 2015 Legislative Forecast ¹	July 2016 Revised Forecast ²
Average oil price (North Dakota price)	\$41.97 to \$52.56	\$38 to \$42
Average daily oil production (in barrels)	Remaining at 1.1 million	Decreasing from 1 million to 900,000
Total oil and gas tax revenue	\$3.40 billion	\$2.90 billion

¹The amounts shown for the May 2015 legislative forecast reflect the provisions of "large" trigger being in effect for the first 6 months of the biennium.

²The amounts shown for the July 2016 revised forecast reflect actual oil and gas tax revenue through June 2016 and oil price and production forecasts for the remaining months of the 2015-17 biennium.

BUDGET STATUS ADJUSTMENT MOTION

The following is a motion for consideration by the Appropriations Committees related to the July 1, 2015, general fund balance, 2015-17 biennium estimated general fund revenue, 2015-17 biennium estimated turnback, and estimated oil and gas tax revenue for the 2015-17 biennium based on the July 2016 revised revenue forecast:

It was moved by _____ and seconded by _____ that the House (Senate) Appropriations Committee of the 64th Legislative Assembly adopt, for Legislative Council budget status and oil tax revenue reporting purposes, the following estimated revenues for the July 1, 2015, general fund balance; 2015-17 biennium estimated general fund revenues; 2015-17 biennium estimated unspent general fund appropriation authority; and oil price and average daily oil production for the remainder of the 2015-17 biennium:

2015-17 Biennium Estimated General Fund Revenues	
	Adjustments to Budget Status
Adjustment to estimated July 1, 2015, general fund balance	\$140,723,507
Adjustment to 2015-17 biennium estimated ongoing revenue and transfers	(\$1,382,923,606)
Adjustment to 2015-17 biennium estimated unspent appropriation authority	19,246,000
Total adjustments to the May 2015 legislative forecast	(\$1,222,954,099)

Estimated Oil Price and Average Daily Oil Production	
	2015-17 Biennium Forecast
Average oil price	\$38 to \$42
Average daily oil production (in barrels)	Decreasing from 1 million to 900,000

NOTE: These amounts will be reflected in the budget status and oil tax revenue reports when adopted by both Appropriations Committees.