North Dakota Legislative Council
Prepared for the Budget Section
LC# 27.9275.01000
September 2026

FEDERAL FUNDS APPROPRIATED AND FEDERAL FUNDS ESTIMATED TO BE RECEIVED - 2025-27 AND 2027-29 BIENNIUMS

In July 2026, state agencies reported information regarding federal funds appropriated and federal funds estimated to be received during the 2025-27 biennium. The table below provides information regarding the 10 largest federal funds variances.

	Agency	2025-27 Biennium Federal Funds Appropriated	2025-27 Biennium Federal Funds Estimated to Be Received	Variance	Variance Explanation
1	Department of Health and Human Services	$3,526,693,526	$3,730,105,483	$203,411,957	The variance is primarily attributable to an increase in funding estimated to be received for the Medical Assistance Program (Medicaid) ($275.2 million). The department reported that federal Medicaid funding varies based on utilization. Because utilization increased, funding increased. Other major increases include funding for the Children's Health Insurance Program ($23.5 million), public health emergency preparedness ($8.8 million), strengthening the public health workforce ($5.6 million), and epidemiology and laboratory capacity ($5 million). Major decreases include funding for child support services ($39.3 million), the Supplemental Nutrition Assistance Program (SNAP) ($21.7 million), emergency rental assistance ($16.5 million), the Temporary Assistance for Needy Families (TANF) Program ($9 million), and Money Follows the Person Program ($6.6 million).
2	Department of Commerce	$44,422,097	$163,493,438	$119,071,341	The variance is primarily attributable to increases in funding for the Home Energy Performance-Based Whole House Rebate Program ($37.3 million) and the High-Efficiency Electric Home Rebate Program ($37.1 million), the funding of which was continued from the 2023-25 biennium. Other major increases include funding for State Small Business Credit Initiative capital funds ($21.4 million), the Department of Energy Weatherization Infrastructure Investment and Jobs Act (IIJA) Program ($15.1 million), the Energy Efficiency Revolving Loan Fund ($4.9 million), and the State Energy Program IIJA ($3.7 million). These increases are partially offset by an $8 million decrease related to National Aeronautics and Space Administration funding for the Uncrewed Aircraft System Test Site, which is dependent on federal contracts flowing through the department's budget.

	Agency	2025-27 Biennium Federal Funds Appropriated	2025-27 Biennium Federal Funds Estimated to Be Received	Variance	Variance Explanation
3	Adjutant General	$239,254,540	$149,160,556	($90,093,984)	The variance is primarily attributable to decreases in funding for Air National Guard and Army National Guard contracts ($34 million) and flood mitigation assistance ($33.3 million). The department reported that federal construction funding for the Air National Guard and Army National Guard contracts has not yet been received but is anticipated during the next federal fiscal year, while the flood mitigation assistance variance is due to the timing of grant awards and reimbursements for completed work. Other major decreases include funding for the Building Resilient Infrastructure and Communities Program ($15.4 million), the Hazard Mitigation Grant Program ($11.4 million), and the State Homeland Security Program ($6.9 million). These decreases are partially offset by an increase in disaster assistance funding ($17.7 million) due to the timing of grant awards and reimbursements for completed disaster-related work.
4	Department of Water Resources	$51,447,465	$2,044,900	($49,402,565)	The variance is primarily attributable to a decrease in funding for the Municipal, Rural and Industrial Water Supply Program ($42.2 million) due to construction delays resulting in less federal funding being received during the biennium. Other major changes include a decrease in Federal Emergency Management Agency (FEMA) risk map funding ($6.8 million) due to changes in FEMA program priorities.
5	Information Technology Department		$43,824,121	$43,824,121	The variance is primarily attributable to increases in funding for broadband ($20.4 million), the Statewide Interoperable Radio Network ($13.1 million), the Broadband Equity, Access, and Deployment Program ($7.2 million), and the State and Local Cybersecurity Grant Program ($3.1 million). These funds were not appropriated during the 2025 legislative session but were appropriated in earlier bienniums and continued into the 2025-27 biennium.
6	Department of Public Instruction	$450,523,862	$409,593,375	($40,930,487)	The variance is primarily attributable to decreases in funding for the School Nutrition Program Lunch ($8.1 million), Title I, Part A ($7.8 million), Individuals with Disabilities Education ($6.6 million), the Child and Adult Care Food Program ($4.3 million), the School Nutrition Program Breakfast ($3.2 million), the 21st Century Community Learning Center and Afterschool Learning Programs ($3.1 million), and the Commodity Credit Corporation ($2.6 million). The department reported the appropriations were based on federal government estimates and actual allocations varied from the estimates.
7	Attorney General	$15,312,147	$3,934,249	($11,377,898)	The variance is primarily attributable to decreases in funding for the national criminal history information project ($2.2 million), the Medicaid Fraud Control Unit ($1.8 million), the Community Oriented Policing Services Anti-Methamphetamine Program ($1.6 million), and the High Intensity Drug Trafficking Area Program ($1.3 million). The department reported the decreases are due to federal funding levels being lower than estimated.

	Agency	2025-27 Biennium Federal Funds Appropriated	2025-27 Biennium Federal Funds Estimated to Be Received	Variance	Variance Explanation
8	Game and Fish Department	$56,415,579	$47,021,973	($9,393,606)	The variance is primarily attributable to a decrease in funding for the Wildlife Restoration Program ($10.5 million) due to the timing of project completion and reimbursement requests and less carryover funding anticipated to be spent during the 2025-27 biennium. The decrease is partially offset by anticipated new funding for the Voluntary Public Access and Habitat Incentive Program ($750,000) and additional miscellaneous federal grant funding ($445,000).
9	Department of Environmental Quality	$82,082,846	$77,360,602	($4,722,244)	The variance is primarily attributable to decreases in funding for the Performance Partnership Grant ($2.1 million), the Climate Pollution Reduction Grant ($1.2 million), and the Environmental Justice Grant ($878,000). The Performance Partnership Grant decrease is due to reductions or stagnant federal funding levels and may require program reductions, fee adjustments, or additional General Fund support. The Environmental Justice Grant funding was rescinded due to changes in federal priorities, while the Climate Pollution Reduction Grant was completed.
10	Public Service Commission	$11,878,684	$16,491,892	$4,613,208	The variance is primarily attributable to a $5.1 million increase in funding estimated to be received for the Abandoned Mine Land Reclamation Program. The Public Service Commission reported the federal award exceeded the budgeted amount, project and contractor costs varied, and additional federal spending authority was approved during the 2025 special session. This increase is partially offset by a $450,000 decrease for the surface coal mining regulation program because its federal award was less than appropriated, particularly for specialized legal services.

In July 2026, state agencies reported information regarding federal funds estimated to be received during the 2025-27 and 2027-29 bienniums. The table below provides information regarding the 10 largest federal funds variances.

	Agency	2025-27 Biennium Federal Funds Estimated to Be Received	2027-29 Biennium Federal Funds Estimated to Be Received	Variance	Variance Explanation
1	Adjutant General	$149,160,556	$298,407,623	$149,247,067	The variance is primarily attributable to increases in funding for the Safeguarding Tomorrow Revolving Loan Fund Program ($54.5 million), flood mitigation assistance ($46.2 million), and Air National Guard and Army National Guard contracts ($40.2 million). The increase in flood mitigation assistance is due to the timing of completed work, while $39 million of the Air National Guard and Army National Guard funding is anticipated for construction of the Jamestown Readiness Center. Other major increases include funding for the Building Resilient Infrastructure and Communities Program ($26.9 million) and the State Homeland Security Program ($8 million). These increases are partially offset by decreases in disaster assistance ($25.6 million) and Hazard Mitigation Grant Program funding ($7 million) as work on current federal disaster declarations is completed.
2	Department of Commerce	$163,493,438	$34,796,437	($128,697,001)	The variance is primarily attributable to decreases in funding for the Home Energy Performance-Based Whole House Rebate Program ($37.3 million) and the High-Efficiency Electric Home Rebate Program ($37.1 million), which are not continuation grants. Other major decreases include State Small Business Credit Initiative capital funds ($21.4 million), Department of Energy Weatherization IIJA funding ($15.1 million), the Energy Efficiency Revolving Loan Fund ($4.9 million), the State Energy Program IIJA ($3.7 million), and Low Income Home Energy Assistance Program American Rescue Plan Act funding ($3.8 million). These decreases are primarily due to grants ending or not continuing into the 2027-29 biennium.
3	Information Technology Department	$43,824,121	$113,843,937	$70,019,816	The variance is primarily attributable to an increase in funding for the Broadband Equity, Access, and Deployment Program ($85.5 million) due to the timing of completed projects. This increase is partially offset by decreases in broadband funding ($12.4 million) and State and Local Cybersecurity Grant funding ($3.1 million), which is expected to be utilized during the 2025-27 biennium, and also due to the timing of completed projects.
4	Department of Public Instruction	$409,593,375	$450,523,862	$40,930,487	The variance is primarily attributable to increases in funding for the School Nutrition Program Lunch ($8.1 million), Title I, Part A ($7.8 million), Individuals with Disabilities Education ($6.6 million), the Child and Adult Care Food Program ($4.3 million), the School Nutrition Program Breakfast ($3.2 million), and the 21st Century Community Learning Center and Afterschool Learning Programs ($3.1 million).

	Agency	2025-27 Biennium Federal Funds Estimated to Be Received	2027-29 Biennium Federal Funds Estimated to Be Received	Variance	Variance Explanation
5	Department of Transportation	$1,103,000,000	$1,142,000,000	$39,000,000	The variance is primarily attributable to an increase in Federal Highway Administration formula funding ($62 million), partially offset by decreases in Federal Highway Administration discretionary funding ($20 million) and Federal Transit Administration funding ($4 million). The department reported the changes are based on updated funding forecasts and changes in the regular federal highway funding formula.
6	Game and Fish Department	$47,021,973	$60,022,103	$13,000,130	The variance is primarily attributable to an increase in funding for the Wildlife Restoration Program ($13.1 million) due to the timing of project completion and reimbursement requests. Other changes include an increase in Sport Fish Restoration Act funding ($1.2 million) and a decrease in Voluntary Public Access and Habitat Incentive Program funding ($750,000), which is not anticipated to be available in the 2027-29 biennium.
7	Industrial Commission	$11,885,295		($11,885,295)	The variance is primarily attributable to a decrease in IIJA funding for the Transmission Authority Grid Resilience Program ($11.9 million). The grant provided funding for fiscal years 2025 and 2026, and no additional funding is anticipated for the 2027-29 biennium.
8	Attorney General	$3,934,249	$14,305,000	$10,370,751	The variance is primarily attributable to increases in funding for the Enhanced Collaborative Model Task Force to Combat Human Trafficking ($1.8 million), the Community Oriented Policing Services Anti-Methamphetamine Program ($1.6 million), the High Intensity Drug Trafficking Area Program ($1.3 million), the Medicaid Fraud Control Unit ($1.2 million), and the Internet Crimes Against Children Task Force Program ($1 million). The department reported the increases are due to increasing federal grant budgets anticipated for the 2027-29 biennium.
9	Department of Health and Human Services	$3,730,105,483	$3,740,277,693	$10,172,210	The variance is primarily attributable to increases in funding estimated to be received for the Medical Assistance Program (Medicaid) ($31.1 million), SNAP ($28.8 million), and the TANF Program ($17.3 million). The department reported the Medicaid variance is based on utilization and Federal Medical Assistance Percentage estimates, while the SNAP and TANF Program changes are based on federal awards. These increases are partially offset by decreases in funding for the American Rescue Plan Act-funded Laboratory Expansion Program ($26.2 million), Medical Assistance Program administration ($17.6 million), SNAP administration ($10.9 million), the Children's Health Insurance Program ($8.1 million), and foster care Title IV-E ($6.9 million).
10	Secretary of State	$8,207,006		($8,207,006)	The variance is primarily attributable to decreases in federal State Fiscal Recovery Fund funding ($2.7 million) and Help America Vote Act election security funding ($5.4 million). The State Fiscal Recovery Fund funding must be expended by December 2026, while Help America Vote Act funds are advanced and available until spent, with remaining funds to be appropriated as needed.