



North Dakota Legislative Council

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PRELIMINARY BUDGET OUTLOOK - 2027-29 BIENNIUM

The schedule below provides an update on the status of the 2025-27 biennium budget and a preliminary outlook for the budget for the 2027-29 biennium.

GENERAL FUND

	2025-27 Biennium	2027-29 Biennium
Beginning balance	\$1,329,518,405	\$279,819,962
Revenues		
Base level ongoing revenues ¹	\$5,056,746,408	\$5,334,252,264
Actual revenues over (under) forecast to date ²	(42,000,000)	(42,000,000)
Preliminary remaining income tax estimate of federal "One Big Beautiful Bill Act" ³	(60,000,000)	(20,000,000)
Ongoing transfers ⁴	272,414,974	235,800,974
One-time revenues and transfers	0	0
Total General Fund revenues	\$5,227,161,382	\$5,508,053,238
Total resources available	\$6,556,679,787	\$5,787,873,200
Appropriations		
Ongoing General Fund appropriations	(\$6,113,200,565)	(\$6,113,200,565)
One-time General Fund appropriations	(163,659,260)	
Cost-to-continue items for the 2027-29 biennium:		
State employee 3 percent 2 nd year salary increase ⁵		(\$15,000,000)
Fully fund 2025-27 new and vacant FTE pool positions		(17,400,000)
Department of Health and Human Services provider		(9,700,000)
2 percent 2 nd year inflationary increases		
Department of Health and Human Services cost and caseload increases		(61,000,000)
State school aid 2.5 percent 2 nd year increase		(38,300,000)
Additional Common Schools Trust Fund income		135,000,000
K-12 enrollment and local share property value changes		11,200,000
Replace state school aid funding provided from carryover		(11,000,000)
Replace a portion of Foundation Aid Stabilization Fund support for state school aid		(27,000,000)
Continue career and technical education rates		(4,000,000)
Repay Bank of North Dakota lines of credit ⁶		(201,000,000)
Total cost-to-continue items		(\$238,200,000)
Other appropriation changes		Unknown
Total appropriations	(\$6,276,859,825)	(\$6,351,400,565)
Deficiency appropriations	Unknown	
Unspent appropriation authority (turnback)	Unknown	
Ending balance (shortfall)	\$279,819,962	(\$563,527,365)

¹2027-29 biennium ongoing revenues reflect a 3 percent annual increase.

²These amounts are based on actual General Fund revenue collections through August 2026.

³These amounts are based on preliminary Tax Department estimates adjusted for the estimated effect already reflected in actual revenues to date through August 2026.

⁴Ongoing transfers include:

- Bank of North Dakota profits (\$140,000,000);
- Mill and Elevator profits (\$20,000,000);
- Lottery (\$14,039,806);
- Gas tax administration (\$1,761,168); and
- Budget Stabilization Fund interest (\$96,614,000 in the 2025-27 biennium and \$60,000,000 in the 2027-29 biennium).

⁵This amount excludes higher education.

⁶Bank of North Dakota lines of credit that may need to be repaid (excluding accrued interest) in the 2027-29 biennium include:

- Office of Management and Budget for new State Hospital (\$100 million) and Minot state office building (\$5.6 million);
- Department of Environmental Quality for wastewater infrastructure grants (\$9.7 million);
- Department of Veterans' Affairs for Veterans' National Cemetery (\$3 million);
- Department of Health and Human Services for a child welfare technology project (\$8.4 million);
- Industrial Commission for clean sustainable energy projects (\$38 million);
- Department of Corrections and Rehabilitation for equipment if federal funds are not available (\$1 million);
- Agriculture Commissioner for value-added agricultural processing facilities (\$15 million); and
- Historical Society for the State Military Museum project (\$20 million).

OTHER MAJOR FUNDS

Strategic Investment and Improvements Fund	2025-27 Biennium	2027-29 Biennium
Beginning balance available for appropriation or transfer	\$1,614,375,856	\$1,139,964,075
Revenues		
Oil and gas tax revenues (original projection)	\$295,560,000	
Potential additional revenues ¹	334,450,000	
Production royalties	289,000,000	
Mineral leases and investment earnings	62,000,000	
Total revenues	\$981,010,000	
Appropriations and transfers	(1,455,421,781)	
Ending balance (shortfall)	\$1,139,964,075	

¹Based on actual oil tax collections for the 1st year of the biennium and oil production averaging 1.15 million barrels per day and oil price declining from \$85 to \$60 per barrel during the 2nd year of the biennium.

Budget Stabilization Fund	2025-27 Biennium	2027-29 Biennium
Beginning balance before adjustments and transfers	\$938,462,224	\$941,528,974
Adjustments and transfers		
January 2026 special legislative session appropriation increase	1,023,750	
September 2026 special legislative session appropriation increase	3,000	
Contingent Dakota Access Pipeline loan repayment becoming effective	2,040,000	
Ending balance (shortfall)	\$941,528,974	

Foundation Aid Stabilization Fund	2025-27 Biennium	2027-29 Biennium
Beginning balance available for appropriation or transfer	\$229,321,870	\$206,231,870
Revenues		
Oil extraction tax collections (original projection)	172,930,000	
Potential additional oil extraction tax collections ¹	36,980,000	
Appropriations - State school aid	(233,000,000)	
Ending balance (shortfall)	\$206,231,870	
¹ Based on actual oil tax collections for the 1 st year of the biennium and oil production averaging 1.15 million barrels per day and oil price declining from \$85 to \$60 per barrel during the 2 nd year of the biennium.		

Social Services Fund	2025-27 Biennium	2027-29 Biennium
Beginning balance	\$252,799,245	\$266,999,245
Revenues - Allocation of oil and gas tax collections	250,000,000	
Appropriations and transfers - Transfer to Human Service Finance Fund	(235,800,000)	
Ending balance (shortfall)	\$266,999,245	

Legacy Earnings Fund	2025-27 Biennium	2027-29 Biennium
Balance available at 8 percent (percent of market value)	\$686,881,086	\$894,800,000
Allocations		
Transfer to Legacy Sinking and Interest Fund	(102,622,743)	(102,622,743)
Transfer to Highway Fund (30 percent of remainder)	(175,277,503)	(237,653,177)
Transfer to Legacy Property Tax Relief Fund (70 percent of remainder)	(408,980,840)	(554,524,080)
Amount remaining	\$0	\$0