

**MAJOR STATE APPROPRIATIONS AND REVENUE ALLOCATIONS FOR DIRECT ASSISTANCE TO POLITICAL
SUBDIVISIONS COMPARISON OF 2007-09 BIENNIUM APPROPRIATIONS AND ALLOCATIONS
AND 2009-11 BIENNIUM EXECUTIVE RECOMMENDATIONS**

	2007-09 Appropriations/ Revenue Allocations	2009-11 Executive Recommendation	2009-11 Recommended Increase (Decrease) Compared to 2007-09 Appropriation	2009-11 Recommended Percentage Increase (Decrease) Compared to 2007-09 Appropriation
General fund appropriations				
State school aid per student formula payments	\$649,965,879	\$751,625,879 ¹	\$101,660,000	15.6%
Educational Technology Council grants	800,000	604,750	(195,250)	(24.4%)
Transportation aid payments to school districts	33,500,000	38,500,000	5,000,000	14.9%
Special education contracts	17,500,000	15,500,000	(2,000,000)	(11.4%)
Vocational education	14,165,749	14,400,000	234,251	1.7%
School food services	1,080,000	1,380,000	300,000	27.8%
Adult education	1,055,000	1,055,000	0	0.0%
Grants to public libraries	1,200,000	1,300,000	100,000	8.3%
Library Vision 2010 grants	237,500	237,500	0	0.0%
Homestead tax credit	8,104,000	5,964,000	(2,140,000)	(26.4%)
Aid to health districts	1,900,000	1,900,000	0	0.0%
Matching funds to counties and cities for senior citizen programs	1,000,000	1,106,400	106,400	10.6%
Indian welfare assistance to counties	955,124	1,409,603	454,479	47.6%
State administration of child support enforcement	7,105,247	4,663,599	(2,441,648)	(34.4%)
Boys and girls clubwork	53,000	53,000	0	0.0%
Soil conservation district grants	730,000	737,800	7,800	1.1%
Noxious weed control	67,817	67,817	0	0.0%
Payments in lieu of taxes on carbon dioxide pipeline property	1,365,000	1,211,000	(154,000)	(11.3%)
Clerk of court	13,587,187	15,376,816	1,789,629	13.2%
Grants to airports	550,000	550,000	0	0.0%
Statewide information technology network costs	3,413,972	5,568,970	2,154,998	63.1%
School district antivirus licenses	2,722,348	7,252,679	4,530,331	166.4%
Total general fund	\$761,057,823	\$870,464,813	\$109,406,990	14.4%
Percentage of total general fund appropriations	30.9%	28.0%		
Special funds appropriations and revenue allocations				
State school aid per student formula payments (state tuition fund)	\$76,200,000	\$85,500,000 ¹	\$9,300,000	12.2%
Grants for adult education programs (displaced homemaker fund)	240,000	250,000	10,000	4.2%
Noxious weed control	1,646,408	1,646,408	0	0.0%
State aid distribution funds to cities and counties	106,543,310 ²	110,920,695	4,377,385	4.1%
Public transportation services (public transportation fund)	5,700,000	7,803,754 ³	2,103,754	36.9%
Insurance tax to fire departments (insurance tax distribution fund)	6,200,000	6,200,000	0	0.0%
Gaming enforcement grants	617,000	617,000	0	0.0%
Community health grant program (community health trust fund)	4,700,000	2,180,371	(2,519,629)	(53.6%)
Tobacco education and cessation program grants (community health trust fund)	260,000	0	(260,000)	(100.0%)
Matching funds to counties and cities for senior citizen programs	2,297,942 ⁴	2,667,000 ⁴	369,058	16.1%
Energy development impact grants (oil and gas impact grant fund)	5,888,100	19,700,000 ⁵	13,811,900	234.6%
Grants to airports (Aeronautics Commission special funds collections)	2,950,000	5,280,000	2,330,000	79.0%
Indian welfare assistance to counties (Department of Human Services "retained" funds)	1,964,607	1,964,607	0	0.0%

	2007-09 Appropriations/ Revenue Allocations	2009-11 Executive Recommendation	2009-11 Recommended Increase (Decrease) Compared to 2007-09 Appropriation	2009-11 Recommended Percentage Increase (Decrease) Compared to 2007-09 Appropriation
Motor vehicle fuel tax and registration fee allocations	130,100,000 ⁶	179,486,340 ⁶	49,386,340	38.0%
Telecommunications tax allocations	16,800,000 ⁷	16,800,000 ⁷	0	0.0%
Coal severance tax allocations	15,341,000	15,284,000	(57,000)	(0.4%)
Coal conversion tax allocations	6,635,592	5,535,392 ⁸	(1,100,200)	(16.6%)
Oil and gas gross production tax allocations	80,850,073 ^{8*}	75,167,213 ^{8*}	(5,682,860)	(7.0%)
Cigarette tax allocations	3,132,474	2,520,000 ⁸	(612,474)	(19.6%)
Financial institution tax allocations	20,000,000	23,750,000	3,750,000	18.8%
Total special funds appropriations and revenue allocations	<u>\$488,066,506</u>	<u>\$563,272,780</u>	<u>\$75,206,274</u>	<u>15.4%</u>
Total major direct assistance to political subdivisions	<u>\$1,249,124,329</u>	<u>\$1,433,737,593</u>	<u>\$184,613,264</u>	<u>14.8%</u>

***NOTE:** This amount is based on the Office of Management and Budget's December 2008 revenue forecast. The forecast bases individual counties' maximum allocations on historic allocations; therefore, individual county amounts may vary based on actual oil price and oil production within each county for the second year of the 2007-09 biennium and for the 2009-11 biennium.

¹ The Office of Management and Budget anticipates additional funds may be available from the tuition apportionment fund and intends to introduce an amendment to the Department of Public Instruction appropriation bill, House Bill No. 1013, to make a funding source change of \$800,000 of funding for state school aid from the general fund to special funds.

² Revised 2007-09 estimate, the original estimate was \$90,669,528.

³ The 2009-11 public transportation services recommendation is based on the executive recommendation providing for a \$120 million transfer from the general fund to the highway tax distribution fund and an allocation of 1.53 percent of the money in the highway tax distribution fund for public transportation services.

⁴ The 2005 Legislative Assembly removed the senior citizen mill levy matching program from the Department of Human Services and provided, in Senate Bill No. 2267, that the State Treasurer distribute senior citizen mill levy matching grants pursuant to a continuing appropriation from the senior citizen services and programs fund (NDCC Section 57-15-56(5)). The fund consists of sales and use and motor vehicle excise tax collections equivalent to two-thirds of one mill levied statewide each year (Section 57-39.2-26.2).

⁵ The 2009-11 executive budget recommends increasing the cap on allocations of oil and gas gross production taxes to the oil and gas impact grant fund from the current level of \$6 million to \$20 million.

⁶ The 2007-09 gas tax allocation is based on the provisions that collection equivalent to one cent per gallon is allocated to townships and 37 percent of the money in the highway tax distribution fund is allocated to counties and cities. The 2009-11 allocation is based on the executive recommendation providing for a \$120 million transfer from the general fund to the highway tax distribution fund and that 35.19 percent of the money in the highway tax distribution fund is allocated to townships, cities, and counties.

⁷ The Tax Department is projecting that approximately \$20 million of telecommunications taxes will be collected during the 2007-09 biennium. Of this amount, \$16.8 million will be allocated to counties and \$3.2 million will be deposited in the general fund. The Tax Department estimates collections for the 2009-11 biennium to be \$20 million, of which \$16.8 million would be allocated to counties and \$3.2 million would be deposited in the general fund.

⁸ Per the Office of Management and Budget's December 2008 executive budget forecast.