



2017 *North Dakota Finance Facts*

Legislator's Pocket Guide to North Dakota
Budget, Performance, and Statistics

North Dakota Legislative Council
600 East Boulevard Avenue
Bismarck, ND 58505

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2017 North Dakota Finance Facts

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This report contains key indicators and trends relating to North Dakota's economy, state budget, and the performance of its agencies and departments.

The information in the report is categorized by the following major topic areas:

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1. Economic Statistics.....	Red	1-8
2. State Budget	Orange.....	9-16
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8. Transportation.....	Black	35-38

The table of contents on the following pages provides more detailed references to specific data included in the report.

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On the cover - International Peace Garden

2017 NORTH DAKOTA FINANCE FACTS

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ECONOMIC DEVELOPMENT

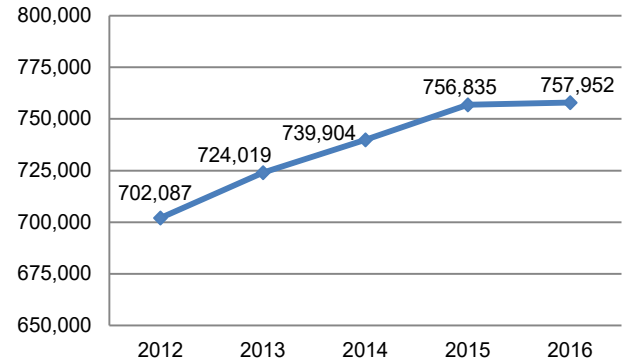
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ECONOMIC STATISTICS

TOTAL POPULATION ESTIMATES (Based on 2010 Census Data and Estimates)

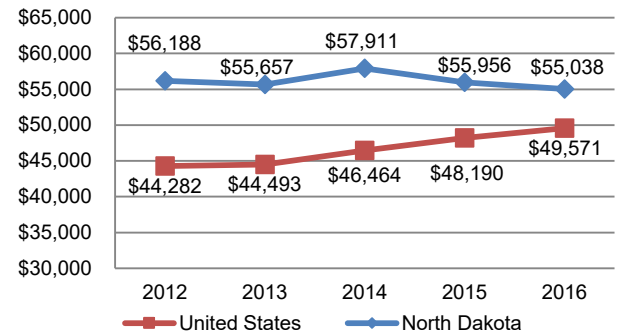


Year	Population ¹	Annual Percentage Change
2012	702,087	2.42%
2013	724,019	3.12%
2014	739,904	2.19%
2015	756,835	2.29%
2016	757,952	0.15%

¹Based on July 1 population estimates

Source: U.S. Census Bureau

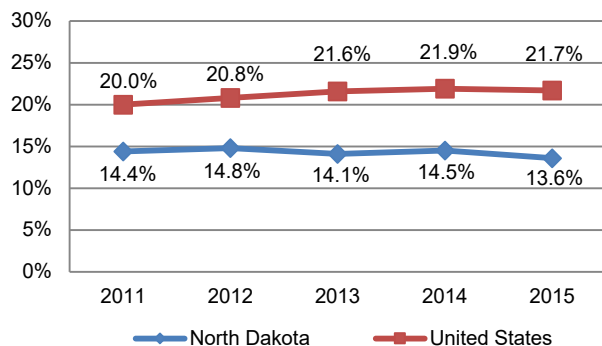
PER CAPITA PERSONAL INCOME



For 2016 North Dakota ranked 10th of the 50 states and North Dakota's cumulative decrease from 2012 through 2016 was 2 percent.

Source: Bureau of Economic Analysis

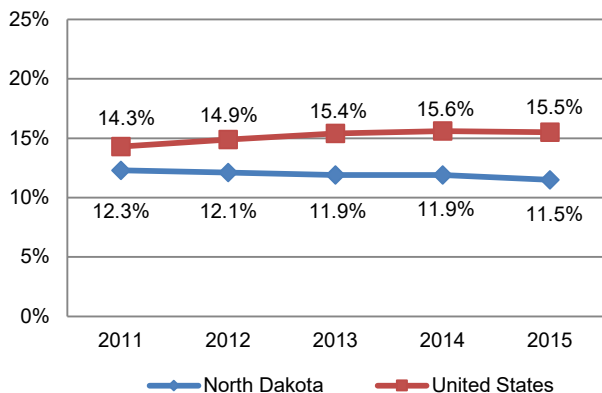
PERCENTAGE OF NORTH DAKOTA POPULATION (CHILDREN AGED 0-17) IN POVERTY COMPARED TO THE UNITED STATES



The poverty thresholds in 2015 were \$12,082 for one person and \$24,036 for a family of four.

Source: U.S. Census Bureau

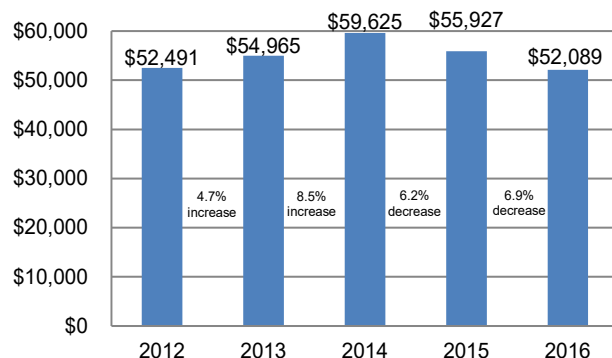
PERCENTAGE OF NORTH DAKOTA POPULATION (ALL AGES) IN POVERTY COMPARED TO THE UNITED STATES



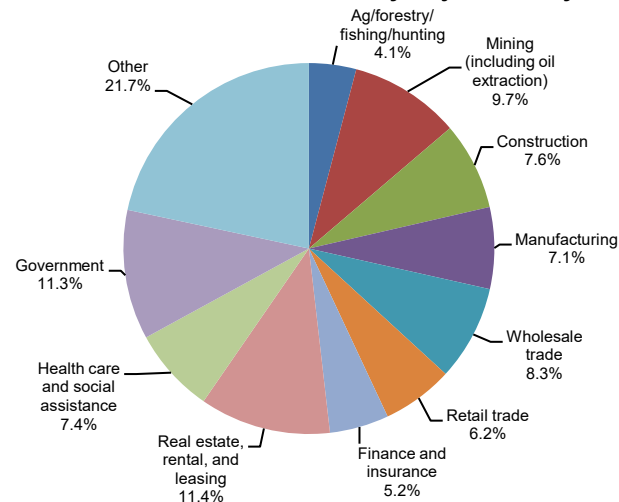
The poverty thresholds in 2015 were \$12,082 for one person and \$24,036 for a family of four.

Source: U.S. Census Bureau

GROSS STATE PRODUCT Total Gross State Product (Amounts Shown in Millions)



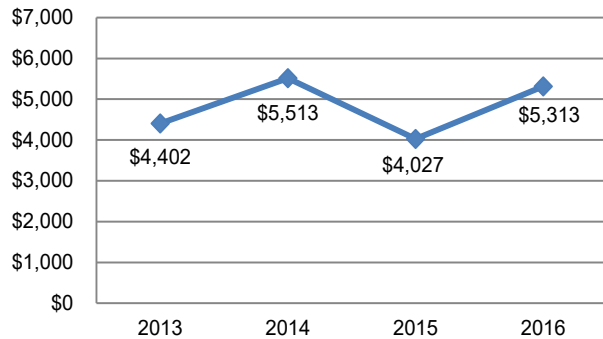
2016 Gross State Product by Major Industry



Gross State Product (Amounts Shown in Millions)					
Major Industry	2012	2013	2014	2015	2016
Agriculture, forestry, fishing, and hunting	\$5,265	\$3,915	\$3,076	\$2,445	\$2,144
Mining	8,573	9,867	11,177	7,254	5,023
Construction	3,413	3,833	4,315	4,299	3,981
Manufacturing	3,320	3,373	3,662	3,848	3,705
Wholesale trade	4,137	4,522	4,956	4,840	4,322
Retail trade	2,832	3,046	3,252	3,333	3,235
Finance and insurance	2,084	1,870	2,342	2,563	2,689
Real estate, rental, and leasing	4,745	5,416	6,041	6,106	5,952
Health care and social assistance	3,150	3,303	3,474	3,759	3,874
Government	5,163	5,037	5,452	5,731	5,885
Other	9,809	10,783	11,878	11,749	11,279
Total	\$52,491	\$54,965	\$59,625	\$55,927	\$52,089

Source: Bureau of Economic Analysis

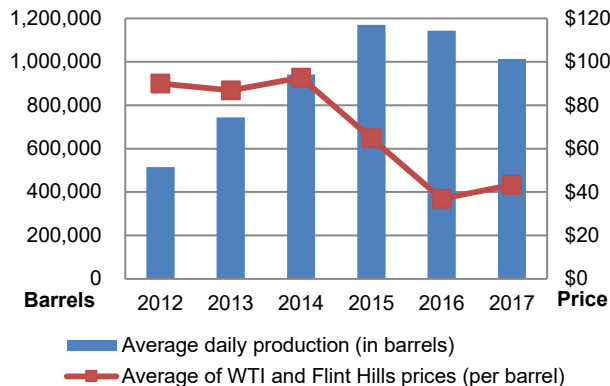
TOTAL STATE FOREIGN EXPORTS (Amounts Shown in Millions)



Major State Foreign Exports (Amounts Shown in Millions)				
	2013	2014	2015	2016
Crude oil	\$1,393	\$2,373	\$1,352	\$2,893
Front-end shovel loaders	275	296	249	175
Ethyl alcohol	105	89	70	109
Wheat	110	141	170	104
Tractors	164	145	95	94
Corn (other than seed corn)	76	28	82	89
Seeders, planters, and transplanters	123	69	56	63
Liquefied butanes	63	138	62	44
Dried lentils	18	26	32	44
Dried peas	44	40	37	38
Other	2,031	2,168	1,822	1,660
Total	\$4,402	\$5,513	\$4,027	\$5,313

Source: U.S. Census Bureau - Foreign Trade Statistics

AVERAGE DAILY OIL PRODUCTION AND AVERAGE PRICE PER BARREL OF OIL



	Fiscal Year					
	2012	2013	2014	2015	2016	2017
Barrels	515,416	744,238	941,491	1,171,342	1,142,973	1,013,557
Price	\$90.00	\$86.84	\$92.76	\$64.89	\$36.89	\$43.42

Sources: Department of Mineral Resources, Flint Hills Resources, and the U.S. Energy Information Administration

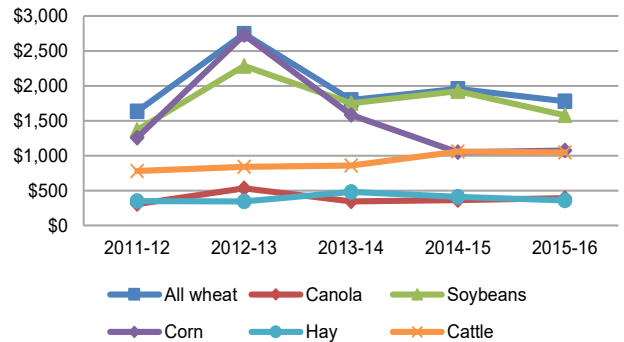
NORTH DAKOTA AGRICULTURE AND LIVESTOCK MARKETING YEAR AVERAGE PRICE (Amounts Shown in Millions)

Crops and Cattle Marketing Year Average Price (Per Bushel or Head)					
	2011-12	2012-13	2013-14	2014-15	2015-16
All wheat ¹	\$8.24	\$8.07	\$6.62	\$5.74	\$4.80
Spring wheat	\$8.17	\$8.19	\$6.50	\$5.42	\$4.59
Durum wheat	\$9.45	\$7.86	\$7.16	\$8.99	\$6.62
Winter wheat	\$6.57	\$7.55	\$6.43	\$4.47	\$3.69
Barley	\$5.42	\$6.56	\$6.09	\$5.30	\$4.88
Oats	\$3.03	\$3.36	\$3.14	\$2.42	\$2.00
Sunflower	\$29.30	\$25.60	\$23.20	\$22.60	\$20.70
Canola	\$24.00	\$26.50	\$20.60	\$16.90	\$15.50
Soybeans	\$11.90	\$14.00	\$12.40	\$9.49	\$8.49
Flaxseed	\$19.30	\$13.80	\$13.80	\$11.80	\$8.95
Corn	\$5.81	\$6.46	\$3.91	\$3.34	\$3.28
Dry edible beans	\$39.90	\$35.10	\$35.30	\$28.20	\$24.00
Dry edible peas	\$15.30	\$15.90	\$14.80	\$12.20	\$13.50
Lentils	\$20.40	\$18.70	\$17.90	\$23.50	\$28.90
Potatoes	\$9.20	\$8.95	\$10.30	\$9.40	\$9.25
Sugarbeets	\$60.80	\$69.10	\$44.90	\$44.20	\$48.30
Hay	\$71.00	\$121.00	\$103.00	\$81.50	\$78.00
Cattle	\$1,210.00	\$1,420.00	\$1,440.00	\$1,640.00	\$1,710.00

¹All wheat crop is a weighted average of spring wheat, durum wheat, and winter wheat, based on volume.

Source: U.S. Department of Agriculture

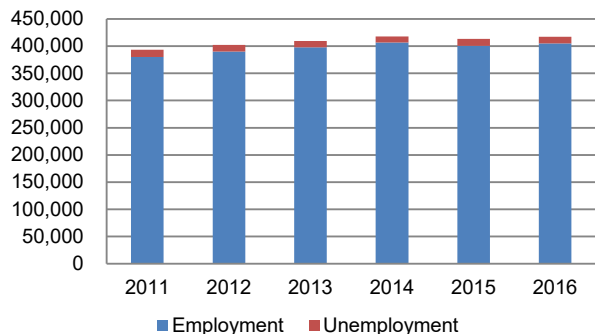
NORTH DAKOTA AGRICULTURE AND LIVESTOCK VALUE OF PRODUCTION (Amounts Shown in Millions)



Crops and Cattle Value of Production (Amounts Shown in Millions)					
	2011-12	2012-13	2013-14	2014-15	2015-16
All wheat	\$1,634	\$2,745	\$1,796	\$1,956	\$1,777
Canola	\$306	\$532	\$343	\$362	\$389
Soybeans	\$1,367	\$2,285	\$1,751	\$1,922	\$1,578
Corn	\$1,257	\$2,727	\$1,584	\$1,048	\$1,075
Hay	\$348	\$344	\$481	\$410	\$359
Cattle	\$780	\$838	\$857	\$1,058	\$1,046

Source: U.S. Department of Agriculture

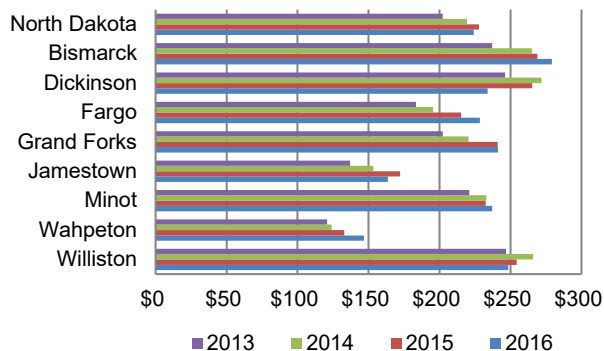
EMPLOYMENT AND UNEMPLOYMENT



Year End	Job Force	Employment	Unemployment	Unemployment Rate
2011	393,157	380,368	12,789	3.3%
2012	402,515	390,126	12,389	3.1%
2013	409,246	398,004	11,242	2.7%
2014	417,785	406,539	11,246	2.7%
2015	413,439	400,774	12,665	3.1%
2016	417,465	404,862	12,603	3.0%

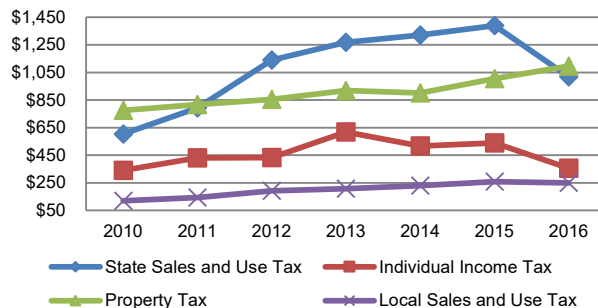
Source: U.S. Department of Labor

AVERAGE HOME SALE PRICES BY CITY (Amounts Shown in Thousands)



Source: North Dakota Association of Realtors

MAJOR SOURCES OF STATE/LOCAL REVENUE (Amounts Shown in Millions)

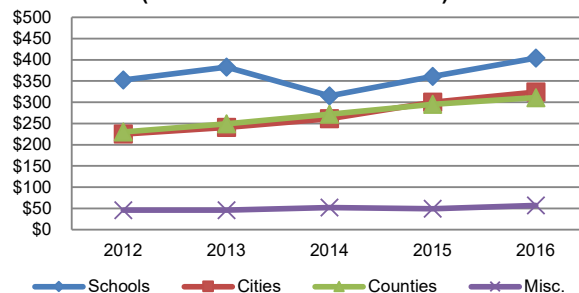


Fiscal Year	State Sales and Use Tax	Individual Income Tax	Property Tax ¹	Local Sales and Use Tax ²
2010	\$603.7	\$304.3	\$774.6	\$119.4
2011	\$791.7	\$429.9	\$816.2	\$144.2
2012	\$1,139.8	\$432.2	\$853.8	\$191.8
2013	\$1,267.0	\$617.9	\$918.7	\$206.2
2014	\$1,320.2	\$516.1	\$900.1	\$228.8
2015	\$1,389.0	\$537.6	\$1,005.1	\$258.1
2016	\$1,017.4	\$355.5	\$1,096.1	\$248.9

¹Property taxes include the 12 percent state-paid credit for 2014 (\$94.3 million), 2015 (\$105.4 million), and 2016 (\$116.3 million).

²Local sales tax amounts do not include city occupancy or city restaurant and lodging taxes.

PROPERTY TAXES BY TAXING DISTRICTS (Amounts Shown in Millions)



Year Payable	2012	2013	2014	2015	2016
Schools	\$352	\$383	\$315	\$361	\$404
Cities	225	241	261	300	324
Counties	230	249	272	295	311
Misc.	46	46	52	49	57
Total ¹	\$853	\$919	\$900	\$1,005	\$1,096 ²

¹Property taxes include the 12 percent state-paid credit for 2014 (\$94.3 million), 2015 (\$105.4 million), and 2016 (\$116.3 million).

²The increase for 2016 is primarily due to growth in taxable valuations.

Based on property taxes levied in 2015, payable in 2016, one mill generated approximately \$4.44 million statewide.
Source: North Dakota Tax Department

NOTES

STATE BUDGET

2017-19 GENERAL FUND BUDGET SUMMARY (As Approved by the Legislative Assembly) (Amounts Shown in Millions)

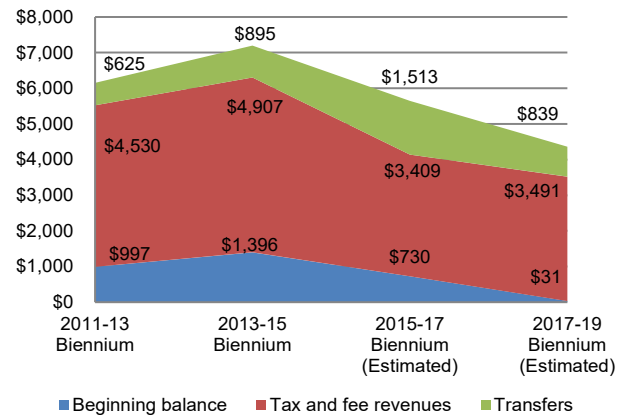
Estimated general fund balance - July 1, 2017	\$30.9 ¹
Add estimated 2017-19 general fund revenues and transfers	4,329.8
Total resources available	\$4,360.7
Less 2017-19 general fund appropriations	4,310.3
Estimated general fund balance - June 30, 2019	\$50.4 ²

¹This amount reflects \$617,000 of 2015-17 deficiency appropriations and \$57,007,000 of estimated 2015-17 unspent general fund appropriation authority.

²In addition, the budget stabilization fund is projected to have a June 30, 2019, balance of \$75,000,000.

State Budget

2017-19 GENERAL FUND REVENUES - BEGINNING BALANCE, TAX AND FEE REVENUES, AND TRANSFERS (Amounts Shown in Millions)

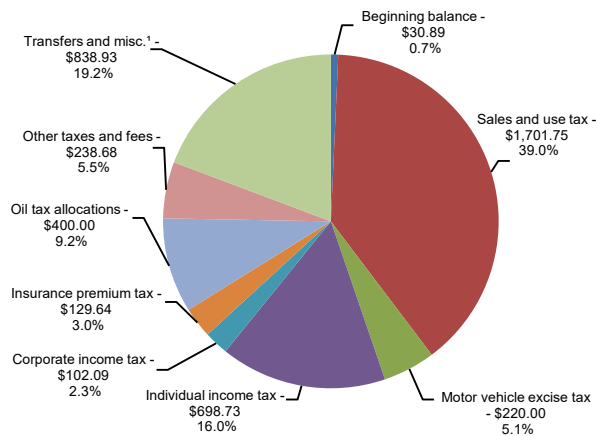


Biennium	(Amounts Shown in Millions)			
	Beginning Balance	Tax and Fee Revenues	Transfers	Total
2011-13	\$996.8	\$4,530.4	\$625.5	\$6,152.7
2013-15	\$1,396.1	\$4,906.8	\$895.0 ¹	\$7,197.9
2015-17 (estimate)	\$729.5	\$3,408.8	\$1,513.0	\$5,651.3
2017-19 (estimate)	\$30.9	\$3,490.9	\$838.9	\$4,360.7

¹This amount includes \$11,060,345 transferred by the Office of Management and Budget from the budget stabilization fund at the end of the biennium.

2017-19 ESTIMATED GENERAL FUND REVENUES (Amounts Shown in Millions)

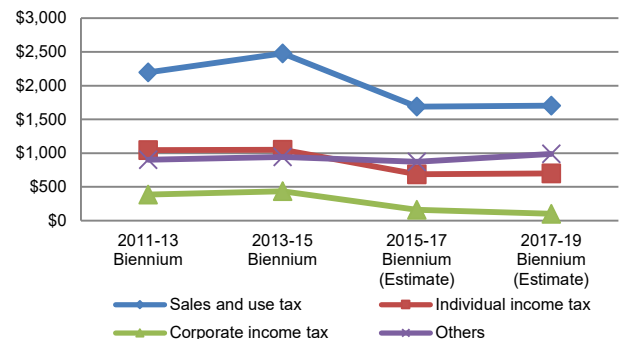
Total - \$4,360.71



¹Transfers and miscellaneous revenues include:

(Amounts Shown in Millions)	
Bank of North Dakota	\$140.00
Mill and Elevator Association	18.57
Lottery	15.00
Gas tax administration	2.01
Legacy fund	200.00
Tax relief fund	183.00
Strategic investment and improvements fund	248.00
Remaining transfers and other sources	32.35
Total	\$838.93

GENERAL FUND REVENUES - MAJOR ONGOING REVENUE TYPES (Amounts Shown in Millions)



Biennium	(Amounts Shown in Millions)				
	Sales Tax	Individual Income Tax	Corporate Income Tax	Others ¹	Total
2011-13	\$2,197.0	\$1,046.2	\$385.8	\$901.4	\$4,530.4
2013-15	\$2,478.2	\$1,050.1	\$435.2	\$943.3	\$4,906.8
2015-17 (Estimate)	\$1,689.0	\$687.6	\$159.9	\$872.3	\$3,408.8
2017-19 (Estimate)	\$1,701.7	\$698.7	\$102.1	\$988.4	\$3,490.9

¹These amounts include allocations of oil and gas tax collections to the general fund providing a total of \$300 million per biennium from the 2011-13 biennium to the 2015-17 biennium and a total of \$400 million for the 2017-19 biennium.

CURRENT TAX RATES

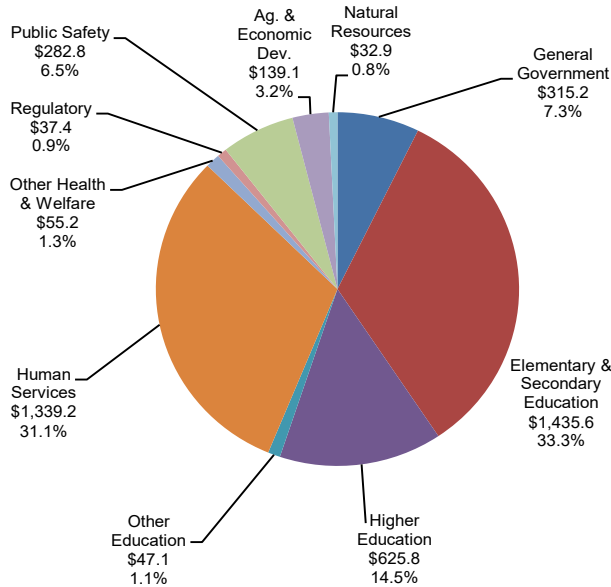
North Dakota **sales tax** is 5 percent. The estimated impact on general fund revenues of a 1 percentage point change in the state's 5 percent sales and use tax and motor vehicle excise tax rate is approximately **\$421 million per biennium**, or \$210.5 million per year, based on the 2017 legislative revenue forecast.

Individual income tax rates range from 1.10 percent to 2.90 percent based on the individual's federal taxable income. The estimated impact on general fund revenues of a 10 percent change in the state's individual income tax rates (e.g., the 1.10 percent rate would increase by .11 percent to 1.21 percent, or decrease by a like amount to .99 percent) is approximately **\$70 million per biennium**, or \$35 million per year, based on the 2017 legislative revenue forecast.

Corporate income tax rates range from 1.41 percent to 4.31 percent of taxable income. The estimated impact on general fund revenues of a 10 percent change in the state's corporate income tax rates (e.g., the 1.41 percent rate would increase by .14 percent to 1.55 percent or would decrease by a like amount to 1.27 percent) is approximately **\$10 million per biennium**, or \$5 million per year, based on the 2017 legislative revenue forecast.

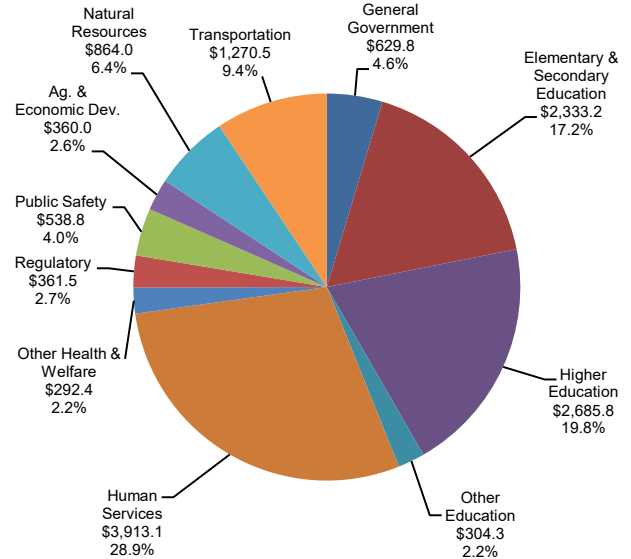
2017-19 BIENNIUM GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)

Total - \$4,310.3

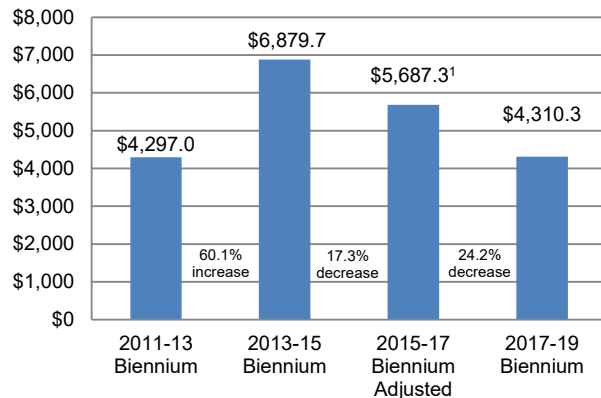


2017-19 BIENNIUM ALL FUNDS APPROPRIATIONS (Amounts Shown in Millions)

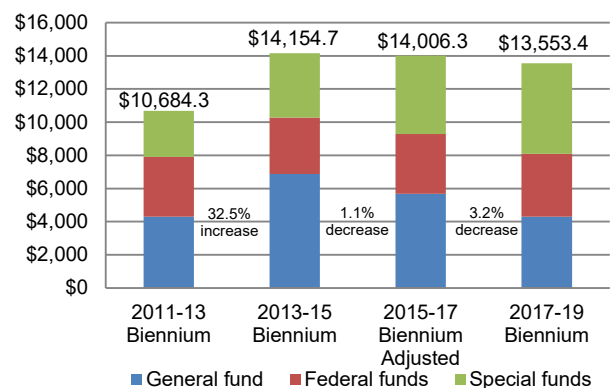
Total - \$13,553.4



HISTORY OF GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)



HISTORY OF TOTAL APPROPRIATIONS (Amounts Shown in Millions)



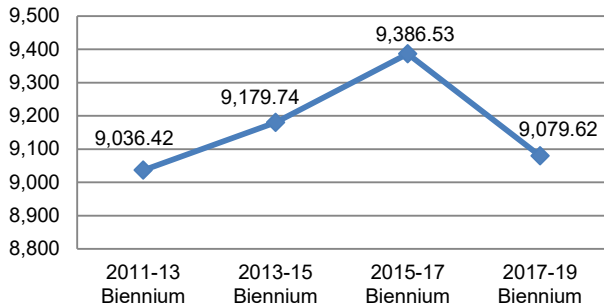
¹Reflects adjusted general fund appropriations, as approved by the Legislative Assembly during the 2016 special legislative session.

NOTE: The amounts shown include the following one-time appropriations:

2011-13 - \$740.6 million 2015-17 - \$1,115.6 million
2013-15 - \$2,443.7 million 2017-19 - \$40.6 million

Biennium	(Amounts Shown in Millions)			
	General Fund	Federal Funds	Special Funds	Total
2011-13	\$4,297.0	\$3,611.5	\$2,775.8	\$10,684.3
2013-15	\$6,879.7	\$3,392.8	\$3,882.2	\$14,154.7
2015-17	\$5,687.3	\$3,591.2	\$4,727.8	\$14,006.3
2017-19	\$4,310.3	\$3,778.0	\$5,465.1	\$13,553.4

NUMBER OF STATE EMPLOYEES¹ (Full-Time Equivalent (FTE) Positions)

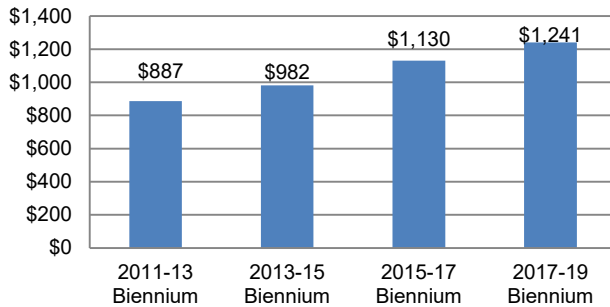


¹These amounts do not include employees of the North Dakota University System.

FUNDING INCREASES FOR STATE EMPLOYEE SALARY ADJUSTMENTS

2011-13	3% on July 1, 2011, and 3% on July 1, 2012
2013-15	From 3% to 5% on July 1, 2013, and from 2% to 4% on July 1, 2014, for performance; and up to 2% each year for classified employees in bottom 2 quartiles of their salary range for market equity
2015-17	From 2% to 4% on July 1, 2015, and from 2% to 4% on July 1, 2016, for performance
2017-19	The 2017 Legislative Assembly did not provide funding for state employee salary increases for the 2017-19 biennium.

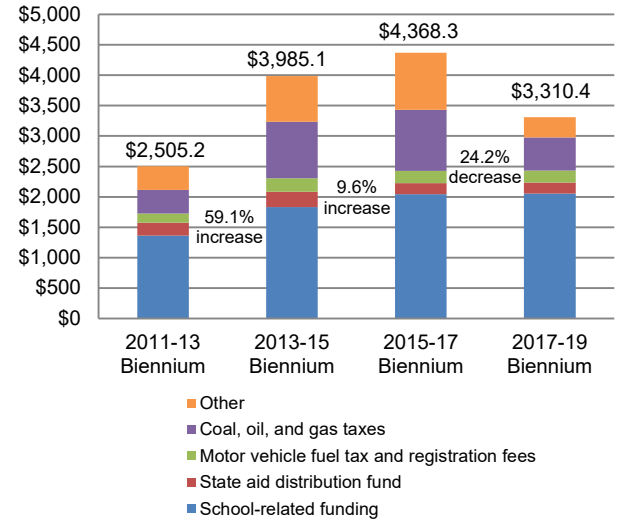
COST OF STATE EMPLOYEE HEALTH INSURANCE PREMIUMS HISTORY



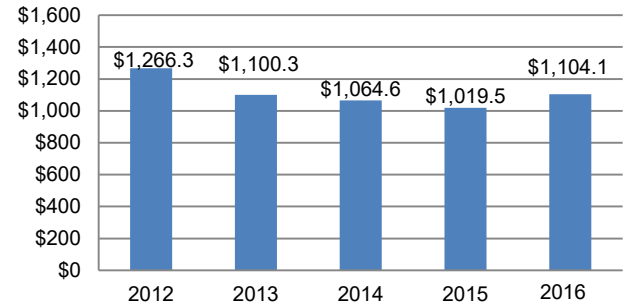
Biennium	Monthly Premium	Increase From Previous Biennium	Percentage Increase
2011-13	\$887	\$61	7.4%
2013-15	\$982	\$95	10.7%
2015-17	\$1,130	\$148	15.1%
2017-19	\$1,241	\$111	9.8%

ASSISTANCE TO POLITICAL SUBDIVISIONS (Amounts Shown in Millions)

The following is a summary of major state appropriations and revenue allocations for direct assistance to political subdivisions:



STATE DEBT (Amounts Shown in Millions)



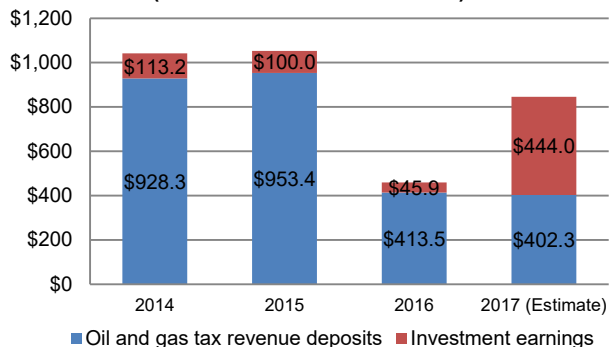
Bonds Outstanding as of June 30, 2016 (Amounts Shown in Millions)

North Dakota Building Authority	\$44.9
Department of Transportation	19.2
Student loan trust	1.0
Housing Finance Agency	797.7
North Dakota University System	239.2
State Fair Association	2.1
Total	\$1,104.1

LEGACY FUND

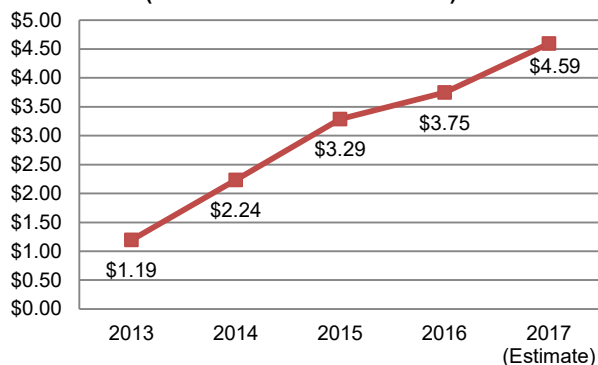
The legacy fund was created in 2010 when the voters of North Dakota approved a constitutional amendment to provide that 30 percent of oil and gas production and oil extraction taxes on oil and gas produced after June 30, 2011, be transferred to the legacy fund. The principal and earnings of the legacy fund may not be spent until after June 30, 2017, and any expenditure of principal after that date requires approval of at least two-thirds of the members elected to each house of the Legislative Assembly. Not more than 15 percent of the principal of the fund may be spent during a biennium. Interest earnings accruing after June 30, 2017, are transferred to the general fund at the end of each biennium.

Legacy Fund Deposits and Earnings by Fiscal Year
(Amounts Shown in Millions)



NOTE: The oil and gas tax revenue deposits reflect deposits from August to July of each year, and the investment earnings, as reported by the Retirement and Investment Office, include both realized and unrealized earnings from July to June of each year.

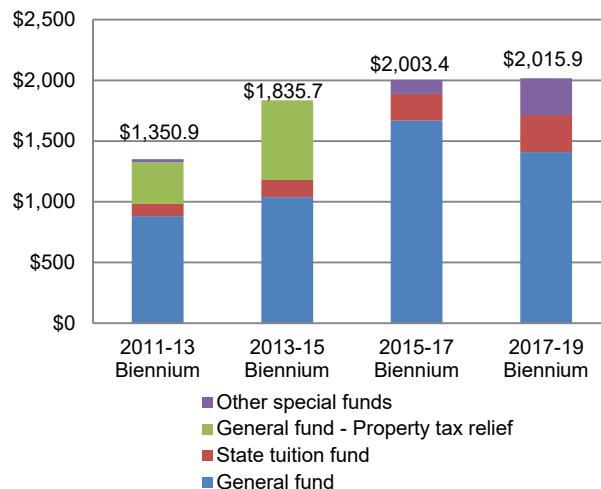
Legacy Fund Balance by Fiscal Year
(Amounts Shown in Billions)



K-12 EDUCATION

STATE SCHOOL AID APPROPRIATIONS - HISTORY

(Amounts Shown in Millions)



Biennium	(Amounts Shown in Millions)			
	General Fund	State Tuition Fund	Other Special Funds	Total
2011-13	\$1,223.1 ¹	\$101.6	\$26.2	\$1,350.9 ²
2013-15	\$1,695.4 ³	\$140.3		\$1,835.7
2015-17	\$1,668.2 ⁴	\$219.1	\$116.1 ⁴	\$2,003.4
2017-19	\$1,409.4	\$305.5	\$301.0 ⁵	\$2,015.9

¹For the 2011-13 biennium, state school aid included \$341.8 million from the general fund for mill levy reduction grants to school districts.

²In addition, the 2011 Legislative Assembly authorized the Department of Public Instruction to continue \$9 million of estimated excess funding for state school aid from the 2009-11 biennium to the 2011-13 biennium for state school aid per student payments.

³The 2013 Legislative Assembly discontinued the mill levy reduction grant program and provided \$656.5 million to increase the mill levy buydown from 75 mills during the 2011-13 biennium to 125 mills during the 2013-15 biennium. The new integrated formula sets the local funding requirement at 60 mills and a percentage of identified local in lieu of property tax sources and local revenues. Base level support not provided by local sources is provided by the state through the integrated formula payment.

⁴The amount of property tax relief is not identifiable under the new state school aid formula. Due to budget allotments during the 2015-17 biennium, general fund appropriations for state school aid, transportation aid, and special education aid were reduced by \$116.1 million, but the reduction is offset by a \$116.1 million transfer from the foundation aid stabilization fund.

⁵The 2017 Legislative Assembly provided \$301 million from the foundation aid stabilization fund for one-time rapid enrollment grants (\$6 million) and integrated formula payments (\$295 million). Of the \$295 million, \$185 million is considered to be one-time funding.

STATE SCHOOL AID APPROPRIATIONS - DETAIL

	2015-17 Biennium	2017-19 Biennium	Increase (Decrease)
State school aid - Integrated formula payments	\$1,916,640,000 ^{2,3}	\$1,935,204,163	\$18,564,163 ¹
Transportation aid	57,000,000 ^{2,3}	55,400,000	(1,600,000)
Special education	17,300,000 ³	19,300,000	2,000,000
Rapid enrollment grants	12,504,530 ⁴	6,000,000	(6,504,530)
Total state school aid	\$2,003,444,530	\$2,015,904,163	\$12,459,633

¹The state school aid formula integrates property tax relief in the K-12 state school aid funding formula. However, the amount of property tax relief is not identifiable because the formula provides the state will determine an adequate base level of support necessary to educate students and support not provided by local sources is provided by the state through the integrated formula payment.

²The 2015 Legislative Assembly provided that if any funding appropriated to the Superintendent of Public Instruction for integrated formula payments to school districts remains after the Superintendent complies with all statutory payment obligations imposed for the 2015-17 biennium, the Superintendent must provide up to \$3 million of the funds remaining for additional transportation grants. In 2017 the Legislative Assembly repealed this provision.

³The 2017 Legislative Assembly provided the Superintendent of Public Instruction may transfer up to \$1,308,000 in general fund authority from the integrated formula payments line to the special education line (\$1,200,000) and the transportation aid line (\$108,000) during the 2015-17 biennium for anticipated obligations based on the special education and transportation formulas.

⁴Due to budget reductions approved by the Legislative Assembly in August 2016, the Department of Public Instruction reduced funding for rapid enrollment grants by \$2,295,470.

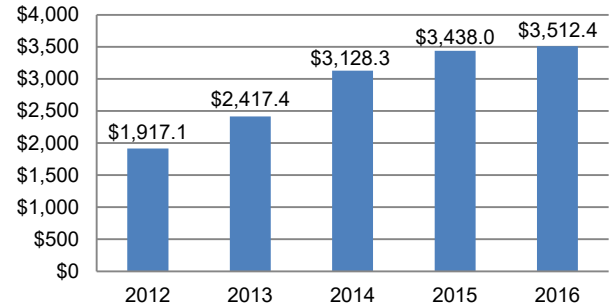
STATE SCHOOL AID FORMULA - INTEGRATED FORMULA PAYMENTS

In 2013 the Legislative Assembly approved the implementation of a new integrated formula payment to provide school funding. The formula provides the state will determine an adequate base level of support necessary to educate students by applying an integrated formula payment rate to the weighted student units. For the 2017-19 biennium, the integrated payment rate will remain at \$9,646 for each year of the biennium, the same as the second year of the 2015-17 biennium. This base level of support will be provided through a combination of local tax sources, local revenue, and state integrated formula payments. The local funding requirement is set at 60 mills and a percentage of identified local in lieu of property tax sources and local revenues. Base level support not provided by local sources is provided by the state through the integrated formula payment.

COMMON SCHOOLS TRUST FUND

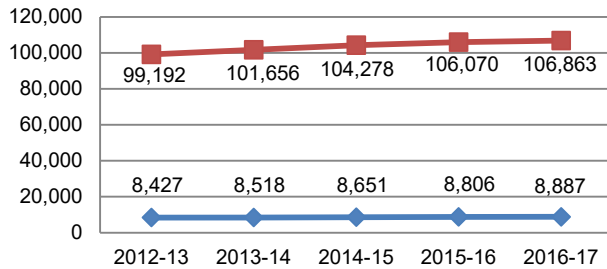
The common schools trust fund is provided for in Article IX of the Constitution of North Dakota, which provides that the fund is to be used to support the common schools of the state. The fund consists of income from state lands dedicated for the support of schools as well as 10 percent of oil extraction tax revenue, 45 percent of tobacco settlement money received by the state under subsection IX(c)(1) of the Master Settlement Agreement (the 2017 Legislative Assembly, in House Bill No. 1012, suspended the 45 percent of the tobacco settlement money provision for the 2017-19 biennium), and funds received by the state under the Uniform Unclaimed Property Act. Distributions are made annually from the fund for the benefit of schools based on the provisions of Section 2 of Article IX of the Constitution of North Dakota.

**Fund Balance for the Fiscal Year Ending June 30
(Excluding Land and Mineral Values)
(Amounts Shown in Millions)**



NOTE: The unaudited fund balance of the common schools trust fund as of June 30, 2017, is estimated to be \$3.9 billion.

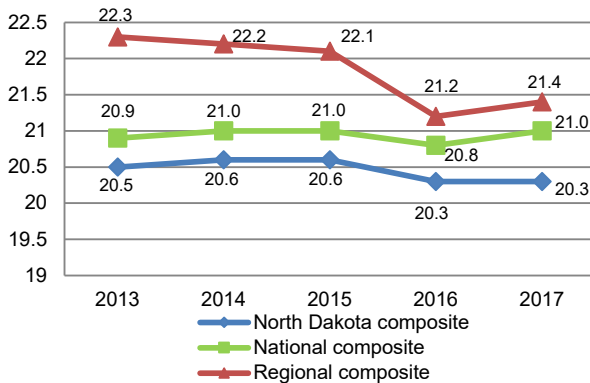
STUDENT ENROLLMENT AND NUMBER OF TEACHERS



ACT ASPIRE PROGRAM SCORES

The ACT Aspire program scores are designed to predict a student's potential for success in college. Below are average composite scores out of a possible 36 for North Dakota students as well as the average scores for regional states and the nation.

Comparison of Average ACT Aspire Scores¹



¹The regional composite is the average composite scores posted by students tested in Iowa, Minnesota, Montana, South Dakota, and Wyoming. The regional composite average includes three other states that require all students be tested--Minnesota, Montana, and Wyoming--which have average composite scores of 21.5, 20.3, and 20.2, respectively for 2017.

North Dakota					
Class	English	Math	Reading	Science	Composite
2013	19.5	20.8	20.5	20.7	20.5
2014	19.6	20.7	20.8	20.6	20.6
2015	19.6	20.6	20.7	20.8	20.6
2016	19.1	20.3	20.7	20.7	20.3
2017	19.0	20.4	20.5	20.6	20.3

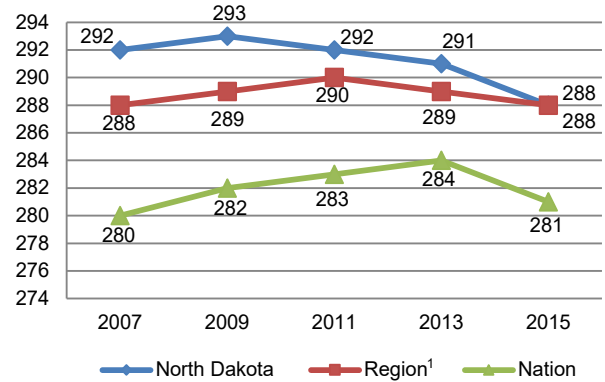
NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

The national assessment of educational progress (NAEP) is the only nationally representative and continuing assessment of what America's students know and can do in various subject areas. Assessments are conducted periodically in mathematics, reading, science, and writing.

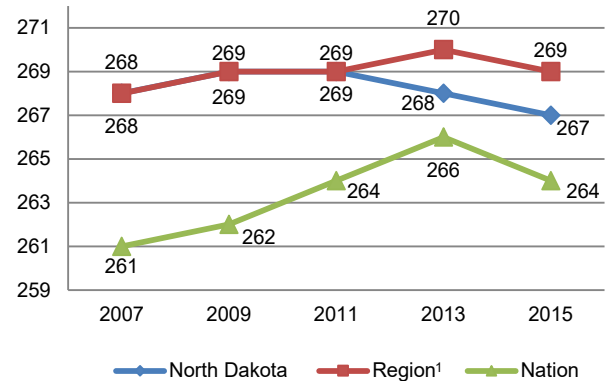
Since NAEP assessments are administered uniformly using the same sets of test booklets across the nation, NAEP results serve as a common metric for all states.

Average NAEP Scores - 8th Grade

Mathematics



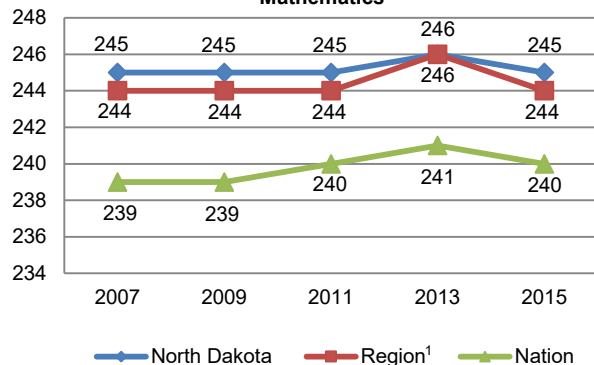
Reading



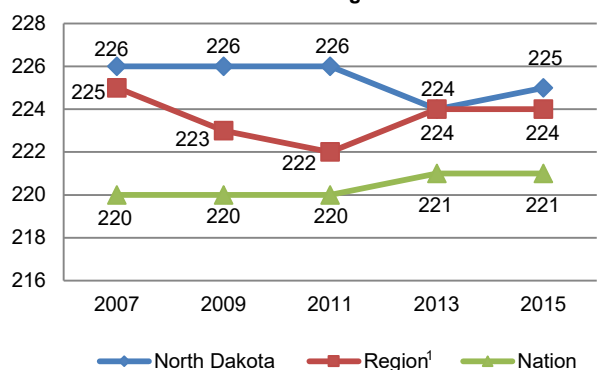
¹The region NAEP score is the average of the Iowa, Minnesota, Montana, South Dakota, and Wyoming posted scores.

Average NAEP Scores - 4th Grade

Mathematics

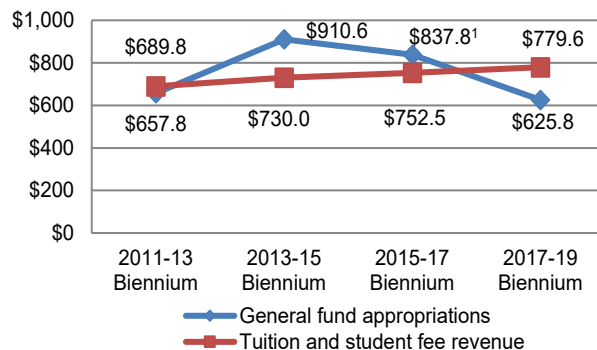


Reading

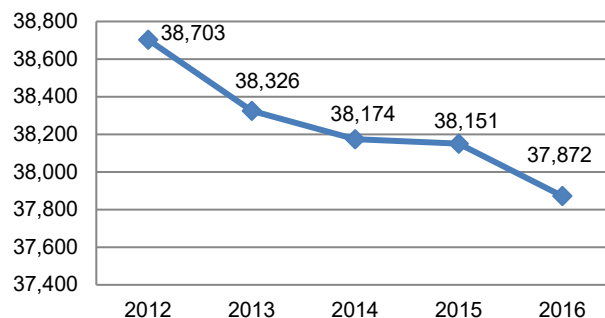


¹The region NAEP score is the average of the Iowa, Minnesota, Montana, South Dakota, and Wyoming posted scores.

HIGHER EDUCATION

GENERAL FUND APPROPRIATIONS AND
TUITION AND FEE REVENUE
(Amounts Shown in Millions)

¹This amount reflects budget reductions of \$58.7 million made to North Dakota University System general fund appropriations during the August 2016 special legislative session.

NORTH DAKOTA UNIVERSITY SYSTEM
FALL FTE STUDENT ENROLLMENT

FTE STUDENT ENROLLMENT BY INSTITUTION

Institution	Fall 2014	Fall 2015	Fall 2016
Bismarck State College	2,909	2,912	2,860
Dakota College at Bottineau	518	459	490
Dickinson State University	1,176	1,070	1,114
Lake Region State College	978	981	971
Mayville State University	798	796	782
Minot State University	2,600	2,570	2,592
North Dakota State University	12,934	12,834	12,783
State College of Science	2,272	2,305	2,298
University of North Dakota	12,420	12,455	12,182
Valley City State University	990	1,031	1,044
Williston State College	579	738	756
Total	38,174	38,151	37,872

HIGHER EDUCATION TUITION RATES

The following is information regarding resident student tuition rates for various programs:

Resident Student - Undergraduate Programs

	2015-16	2016-17	2017-18
Bismarck State College	\$3,577	\$3,645	\$3,791
Dakota College at Bottineau	\$3,384	\$3,469	\$3,607
Dickinson State University	\$5,013	\$5,138	\$5,344
Lake Region State College	\$3,261	\$3,326	\$3,459
Mayville State University	\$4,930	\$5,053	\$5,255
Minot State University	\$5,066	\$5,193	\$5,400
State College of Science	\$3,682	\$3,774	\$3,925
North Dakota State University	\$6,762	\$6,924	\$7,201
University of North Dakota	\$6,548	\$6,679	\$6,946
Valley City State University	\$5,153	\$5,282	\$5,493
Williston State College	\$3,316	\$3,399	\$3,535

Resident Student - Graduate Programs

	2015-16	2016-17	2017-18
Minot State University	\$6,698	\$6,865	\$7,140
North Dakota State University	\$7,253	\$7,427	\$7,724
University of North Dakota	\$7,044	\$7,185	\$7,688
Valley City State University	\$6,855	\$7,026	\$7,308

Resident Student - Professional Programs

	2015-16	2016-17	2017-18
University of North Dakota law school	\$7,908	\$8,106	\$8,835
University of North Dakota medical school	\$28,079	\$28,781	\$29,932
University of North Dakota physical therapy	\$12,978	\$13,302	\$13,834

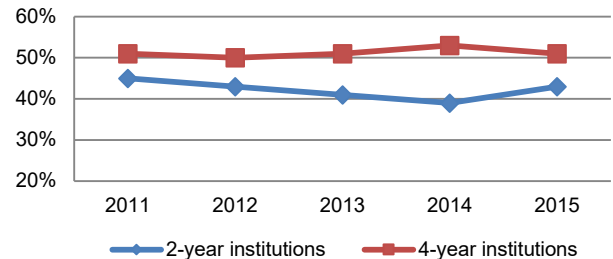
Tuition and Fees as a Percentage of Median Household Income

	2013-14	2014-15	2015-16	2016-17
Doctoral institutions				
North Dakota average	13.5%	10.5%	10.6%	10.3%
Regional average	16.4%	13.3%	13.2%	13.0%
4-year institutions				
North Dakota average	10.2%	8.0%	8.1%	7.8%
Regional average	12.5%	10.4%	10.4%	10.3%
2-year institutions				
North Dakota average	7.3%	5.7%	5.7%	5.6%
Regional average	7.1%	5.7%	5.7%	5.6%

HIGHER EDUCATION PERFORMANCE MEASURES

The following are selected higher education performance measures as reported in the North Dakota University System Accountability Reports:

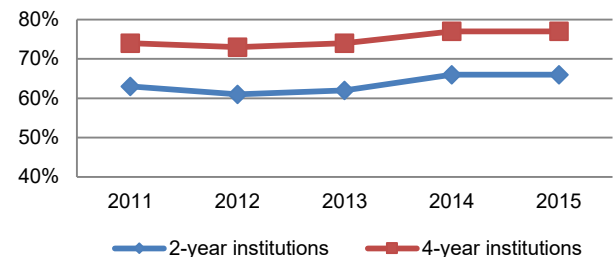
Student Graduation Rates¹



¹Based on 2-year institution students who entered college and graduated within 3 years and on 4-year institution students who entered college and graduated within 6 years.

	2012	2013	2014	2015	National Average 2015
2-year institutions	43%	41%	39%	43%	20%
4-year institutions	50%	51%	53%	51%	59%

Freshman Retention Rates¹



¹Based on the number of freshman students who enrolled in an institution and re-enrolled at the same institution the following year.

	2012	2013	2014	2015	National Average 2015
2-year institutions	61%	62%	66%	66%	60%
4-year institutions	73%	74%	77%	77%	81%

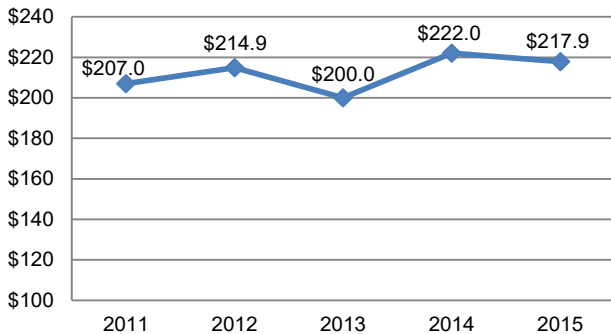
Workforce Training Provided

	2013	2014	2015	2016
Businesses served	1,489	1,208	1,134	1,076
Employees receiving training	16,769	18,491	17,948	11,908
Business satisfaction with training	99%	99%	99%	99%
Participant satisfaction with training	99%	99%	99%	98%
Businesses requesting additional training	42%	52%	64%	67%
Revenue generated from training fees (in millions)	\$6.1	\$6.0	\$7.5	\$4.9

Average Public Institution Student Loan Debt Incurred Per Year

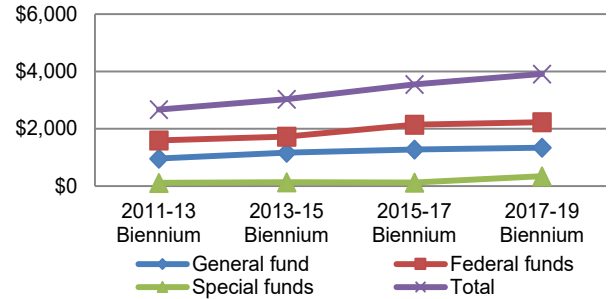
	2012-13	2013-14	2014-15	2015-16
North Dakota average	\$4,720	\$4,623	\$4,916	\$4,982
National average	\$5,090	\$5,257	\$5,915	\$5,741

NORTH DAKOTA UNIVERSITY SYSTEM RESEARCH EXPENDITURES (Amounts Shown in Millions)



HUMAN SERVICES

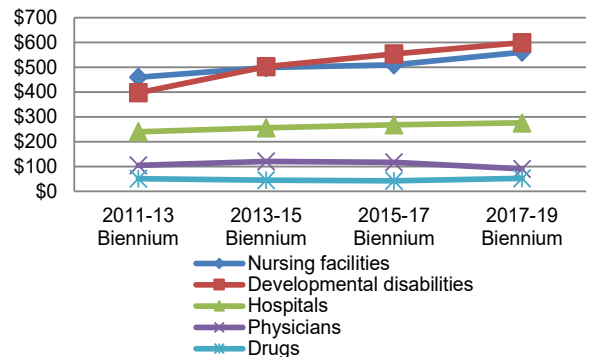
DEPARTMENT OF HUMAN SERVICES LEGISLATIVE APPROPRIATIONS (Amounts Shown in Millions)



Biennium	(Amounts Shown in Millions)			
	General Fund	Federal Funds	Special Funds	Total
2011-13 ¹	\$961.9	\$1,593.5	\$114.0	\$2,669.4
2013-15 ²	\$1,171.1	\$1,729.9	\$135.5	\$3,036.5
2015-17 ³	\$1,281.6	\$2,142.0	\$122.5	\$3,546.1
2017-19	\$1,339.2	\$2,228.3	\$345.6	\$3,913.1

¹Includes a deficiency appropriation of \$20.9 million from the general fund.
²Includes a deficiency appropriation of \$87 million of federal funds.
³Includes a deficiency appropriation of \$19.0 million, of which \$0.6 million is from the general fund, \$9.4 million is from federal funds, and \$9.0 million is from special funds. In addition, reflects budget reductions of \$54 million from the general fund made during the August 2016 special legislative session.

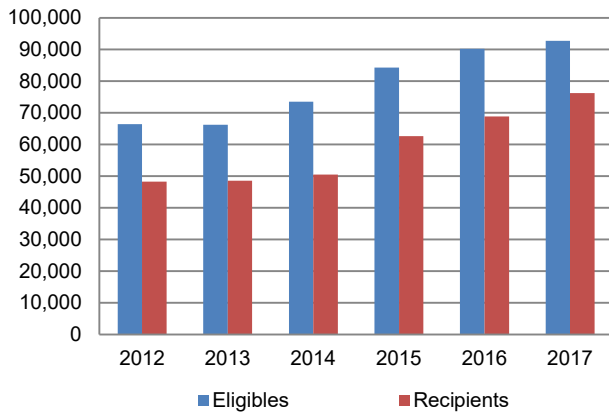
MAJOR MEDICAID COSTS (Amounts Shown in Millions)



	(Amounts Shown in Millions)			
	2011-13	2013-15	2015-17 ¹	2017-19
Nursing facilities	\$459.8	\$498.3	\$510.4	\$560.8
Developmental disabilities	\$395.1	\$502.7	\$553.9	\$599.5
Hospitals	\$239.9	\$265.6	\$278.8	\$276.1
Physicians	\$104.7	\$120.4	\$117.4	\$90.5
Drugs	\$50.5	\$44.4	\$42.3	\$52.3

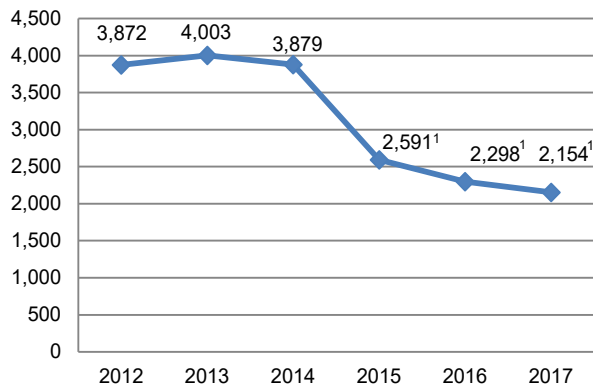
¹Reflects general fund budget reductions made during the August 2016 special legislative session.

MEDICAL ASSISTANCE - AVERAGE ANNUAL MEDICAID ELIGIBLES AND RECIPIENTS



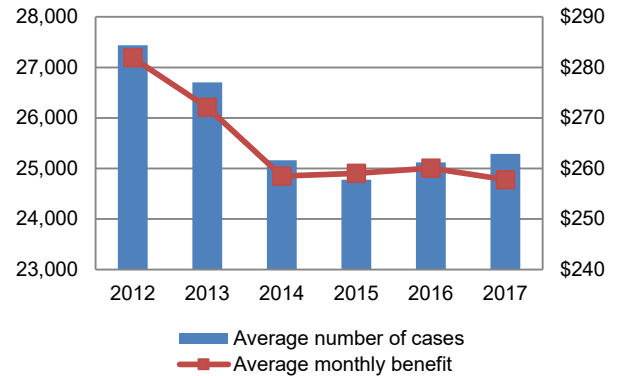
Fiscal Year	Average Annual Eligibles	Average Annual Recipients
2012	66,490	48,311
2013	66,202	48,583
2014	73,573	50,494
2015	84,275	62,702
2016	90,245	68,850
2017	92,780	76,217

CHILDREN'S HEALTH INSURANCE PROGRAM - AVERAGE ANNUAL RECIPIENTS



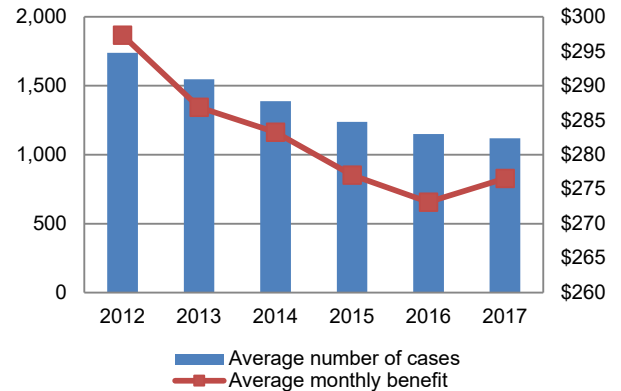
¹The number of children's health insurance program recipients decreased in fiscal years 2015, 2016, and 2017 due in part to more children becoming eligible to enroll in Medicaid as a result of Medicaid Expansion under the federal Affordable Care Act.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM - CASES AND BENEFITS



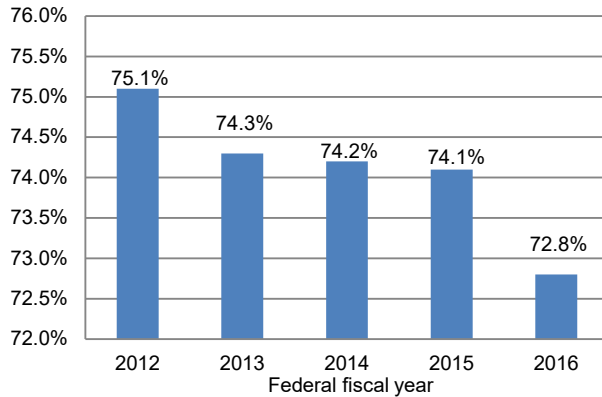
Fiscal Year	Average Number of Cases	Average Monthly Benefit
2012	27,439	\$281.87
2013	26,705	\$272.10
2014	25,160	\$258.47
2015	24,774	\$259.01
2016	25,119	\$260.05
2017	25,290	\$257.79

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES - CASES AND BENEFITS

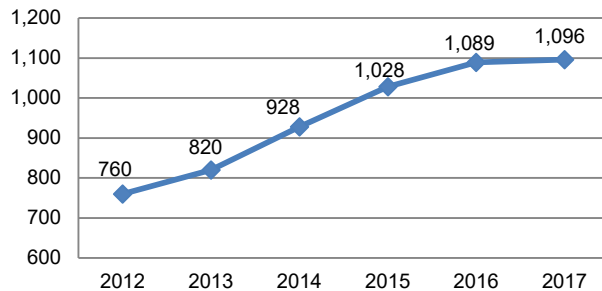


Fiscal Year	Average Number of Cases	Average Monthly Benefit
2012	1,738	\$297.32
2013	1,546	\$286.89
2014	1,387	\$283.26
2015	1,239	\$277.05
2016	1,150	\$273.13
2017	1,119	\$276.54

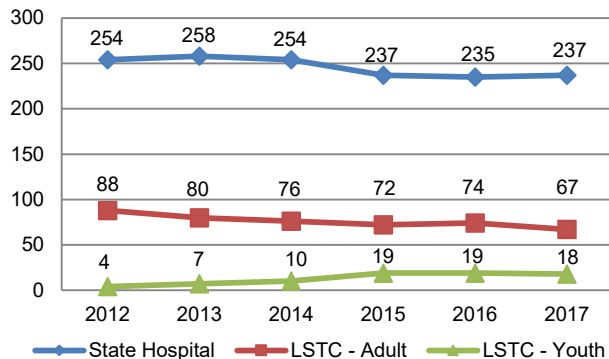
CHILD SUPPORT - PERCENTAGE OF CURRENT CHILD SUPPORT COLLECTED



CHILDREN AND FAMILY SERVICES - NUMBER OF CHILDREN IN FOSTER CARE

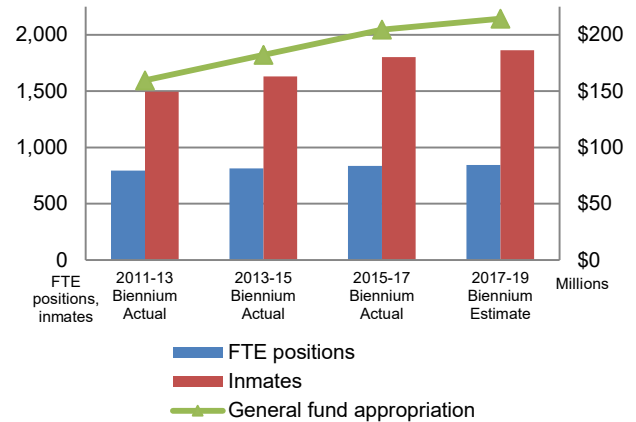


STATE HOSPITAL AND LIFE SKILLS AND TRANSITION CENTER (LSTC) - AVERAGE DAILY CENSUS



CORRECTIONS

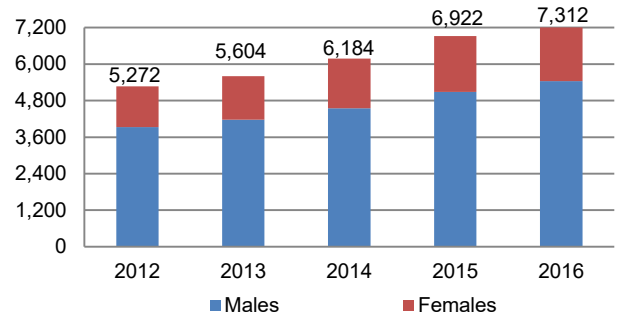
DEPARTMENT OF CORRECTIONS AND REHABILITATION FTE POSITIONS, INMATES, AND GENERAL FUND APPROPRIATIONS



Biennium	General Fund Appropriation (in Millions)	Average Daily Inmate Population	FTE Positions
2011-13	\$159.6	1,494	794.29 ¹
2013-15	\$182.1	1,631	814.29
2015-17	\$204.5 ²	1,803	836.29
2017-19	\$214.3	1,863 ³	845.29

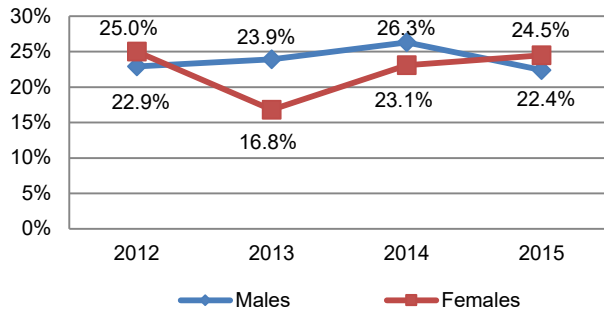
¹Includes 47 new FTE positions for the State Penitentiary expansion.
²Reflects a \$10.9 million reduction made to the department's general fund appropriation during the August 2016 special legislative session.
³Estimated.

PAROLE AND PROBATION



Calendar Year	Females	Males	Total
2012	1,346	3,926	5,272
2013	1,431	4,173	5,604
2014	1,636	4,548	6,184
2015	1,832	5,090	6,922
2016	1,872	5,440	7,312

RECIDIVISM RATES



Calendar Year	Males Released	Returned for a New Crime	Returned for a Technical Violation	Total Returned	Total Percentage Returned Rates
2012	783	24	155	179	22.9%
2013	862	49	157	206	23.9%
2014	946	63	186	249	26.3%
2015	1,097	65	181	246	22.4%

Calendar Year	Females Released	Returned for a New Crime	Returned for a Technical Violation	Total Returned	Total Percentage Returned Rates
2012	168	2	40	42	25.0%
2013	190	7	25	32	16.8%
2014	173	10	30	40	23.1%
2015	253	9	53	62	24.5%

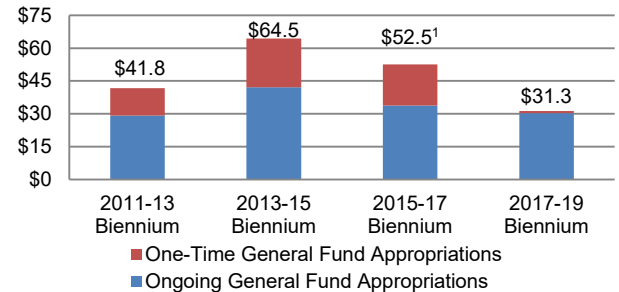
Calendar Year	Total Released	Returned for a New Crime	Returned for a Technical Violation	Total Returned	Total Percentage Returned Rates
2012	951	26	195	221	23.2%
2013	1,052	56	182	238	22.6%
2014	1,119	73	216	289	25.8%
2015	1,350	74	234	308	22.8%

NOTE: The numbers shown for inmates returning to prison reflect the number of inmates released during the calendar year who returned to prison for a new crime or technical violation within 12 months of release.

Source: Department of Corrections and Rehabilitation

ECONOMIC DEVELOPMENT

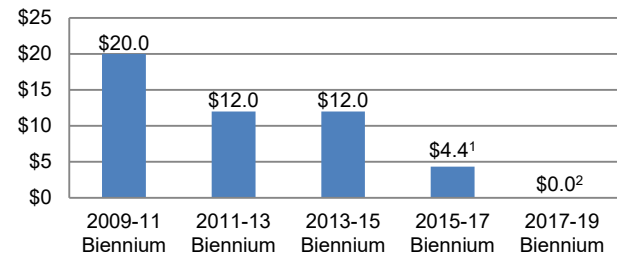
DEPARTMENT OF COMMERCE GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)



¹This amount reflects budget reductions of \$3.7 million made to Department of Commerce general fund appropriations during the August 2016 special legislative session.

Biennium	Ongoing General Fund Appropriations	One-Time General Fund Appropriations	Total General Fund Appropriations
2011-13	\$29,134,865	\$12,625,000	\$41,759,865
2013-15	\$42,157,060	\$22,300,000	\$64,457,060
2015-17 Adjusted	\$33,859,099	\$18,663,260	\$52,522,359
2017-19	\$30,342,680	\$1,000,000	\$31,342,680

APPROPRIATIONS FOR CENTERS OF EXCELLENCE/RESEARCH NORTH DAKOTA (Amounts Shown in Millions)

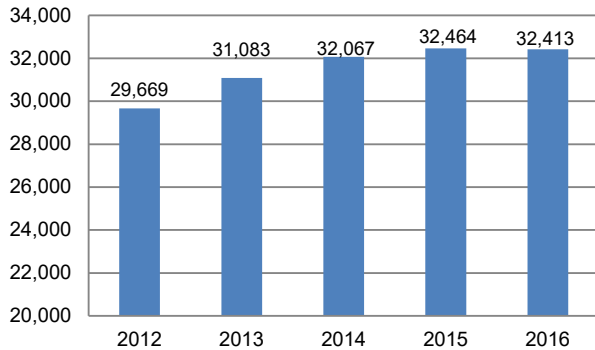


¹This amount reflects budget reductions of \$146,458 made to the general fund appropriation for the Research North Dakota program during the August 2016 special legislative session, reducing the appropriation to \$4,353,542.

²The 2017 Legislative Assembly did not appropriate funds for the Research North Dakota program for the 2017-19 biennium. The estimated June 30, 2019, fund balance is \$404,647.

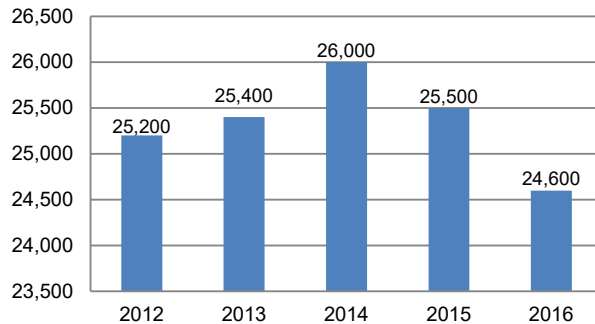
Biennium	Program	Amount
2009-11	Centers of Excellence	\$20,000,000
2011-13	Centers of Research Excellence	\$12,000,000
2013-15	Research North Dakota	\$12,000,000
2015-17 Adjusted	Research North Dakota	\$4,353,542
2017-19	Research North Dakota	\$0

PRIVATE SECTOR BUSINESSES



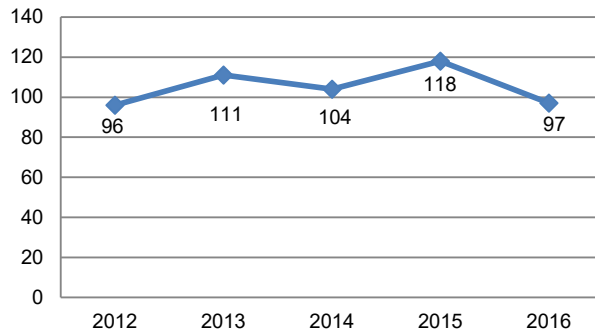
Source: Job Service North Dakota, Labor Market Information Center - Quarterly Census of Employment and Wages Unit

MANUFACTURING JOBS



Source: Job Service North Dakota, Labor Market Information Center - Current Employment Statistics

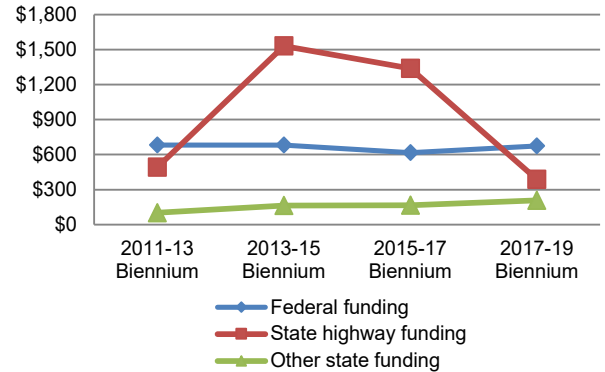
NUMBER OF PATENTS



Source: U.S. Patent and Trademark Office

TRANSPORTATION

STATE HIGHWAYS - FUNDING HISTORY (Amounts Shown in Millions)



State Highways - Funding History (Amounts Shown in Millions)				
	2011-13	2013-15	2015-17	2017-19
Federal funding	\$681.0 ¹	\$681.5	\$616.5	\$673.4
State highway funding	492.9 ²	1,530.5 ³	1,338.4 ^{4,5}	388.2 ⁶
Other state funding	102.0	163.5	166.3	207.9 ⁷
Total	\$1,275.9	\$2,375.5	\$2,121.2	\$1,269.5

¹Includes \$24.1 million of federal fiscal stimulus funds.

²Includes a \$228.6 million transfer from the general fund to the highway fund for state highway projects in areas affected by oil and gas development.

³Includes \$1,161.6 million from the general fund for state highway projects in areas affected by oil and gas development.

⁴Includes \$487 million from the general fund reflecting August 2016 special legislative session budget reductions and \$450 million from the strategic investment and improvements fund for state highway projects in areas affected by oil and gas development.

⁵Includes an \$18.7 million contingent general fund transfer to the highway fund reflecting August 2016 special legislative session budget reductions.

⁶Includes \$50.4 million of revenue received during the 2013-15 biennium in excess of the department's appropriation and \$16.3 million of cost savings realized during the 2015-17 biennium, both of which are appropriated to the department for the 2017-19 biennium.

⁷Includes \$709,000 of other funds received from Adjutant General loan proceeds for costs relating to unlawful activity associated with the construction of the Dakota Access Pipeline.

2017-19 BIENNIUM STATE TRANSPORTATION FUNDING DISTRIBUTIONS (Amounts Shown in Millions)

	Statutory Funding ¹	Additional Funding for Oil-Impacted Areas	Additional Funding for Non-Oil-Impacted Areas	Total 2017-19 Biennium State Funding
State	\$321.5			\$321.5
Counties	115.4			115.4
Cities	65.5			65.5
Townships	14.1			14.1
Public transportation fund	7.9			7.9
Total	\$524.4	\$0	\$0	\$524.4

¹Funding provided from the highway tax distribution fund.

ESTIMATED FEDERAL HIGHWAY FUNDING¹

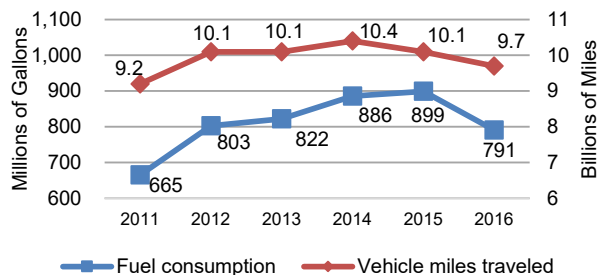
	(Amounts Shown in Millions)		
	2013-15 Biennium	2015-17 Biennium	2017-19 Biennium
Federal Highway Administration funding	\$532.2	\$545.3	\$615.1
Emergency relief funds	116.8	42.4	21.7
Federal rail funds	8.4	4.0	11.3
National Highway Traffic Safety Administration	9.3	9.5	9.3
Federal transit funds	14.8	15.3	16.0
Total	\$681.5	\$616.5	\$673.4

¹Federal funding received for highway construction projects requires matching funds provided by the state. Interstate highway projects are funded 90 percent with federal funds and 10 percent with state funds, and most other state highway projects are funded with 80 percent federal funds and 20 percent state funds.

MOTOR FUELS TAXES

Both gasoline and special fuels (diesel) are taxed in North Dakota at a rate of 23 cents per gallon. A one-cent increase in the gas tax is estimated to generate an additional \$4.3 million per year or \$8.6 million for a biennium. A one-cent increase in the special fuels tax is estimated to generate an additional \$3.1 million per year or \$6.2 million per biennium. The federal tax rate per gallon is 18.4 cents for gasoline and 24.4 cents for diesel fuel.

HISTORY OF FUEL CONSUMPTION AND MILES TRAVELED IN NORTH DAKOTA



MILES OF ROADWAYS IN NORTH DAKOTA - 2015

State highway system	7,407
County roads	19,611
Other rural roads	56,008
City streets	4,103
Total	87,129

ESTIMATED HIGHWAY CONSTRUCTION COSTS PER MILE

	2012	2014	2016
Two-lane road reconstruction (includes grading and asphalt surfacing)	\$2,000,000	\$2,300,000	\$2,000,000
Interstate concrete paving (two lanes in one direction)	\$2,400,000	\$2,000,000	\$2,400,000
Asphalt surface reconstruction (includes subgrade repair and resurfacing)	\$1,050,000	\$1,300,000	\$1,100,000
3-inch asphalt overlay	\$300,000	\$380,000	\$320,000
Interstate seal coat	\$55,000	\$55,000	\$55,000
Noninterstate seal coat	\$35,000	\$35,000	\$35,000

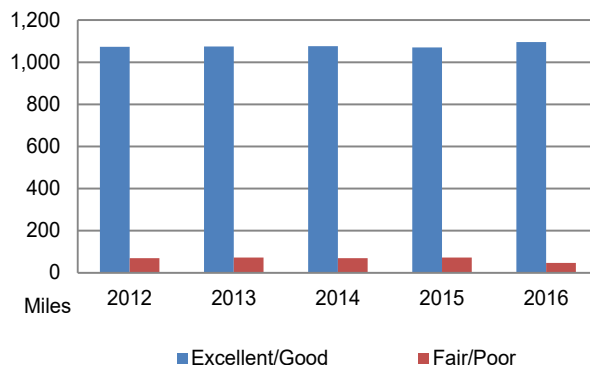
NORTH DAKOTA BRIDGE SYSTEM CONDITION

Number of Bridges in the State and Percentage of Structurally Deficient ¹ or Functionally Obsolete ² Bridges				
	State	Urban	County	Total
2012				
Bridges	1,706	108	3,044	4,858
Percentage deficient	5%	14%	25%	18%
2014				
Bridges	1,711	111	3,036	4,858
Percentage deficient	4.7%	13.5%	24.7%	17.4%
2016				
Bridges	1,715	111	3,021	4,847
Percentage deficient	4.1%	14.4%	23.4%	16.4%

¹Structurally deficient bridge means that the deck, the superstructure, or the substructure has a condition that warrants attention.

²A functionally obsolete bridge has some part of the bridge that does not meet a design standard, such as vertical clearance or deck width.

NORTH DAKOTA INTERSTATE SYSTEM RIDE TRENDS



NOTES