

# 2019 NORTH DAKOTA FINANCE FACTS

LEGISLATOR'S POCKET GUIDE TO  
NORTH DAKOTA BUDGET,  
PERFORMANCE, AND STATISTICS

ALLEY ART



North Dakota Legislative Council  
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# 2019 North Dakota Finance Facts

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

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:

| <b>Topic<br/>Area</b>         | <b>Section<br/>Color</b> | <b>Pages</b> |
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| 1. Economic Statistics.....   | Red .....                | 1-8          |
| 2. State Budget .....         | Orange.....              | 9-16         |
| 3. K-12 Education .....       | Green.....               | 17-22        |
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| 5. Human Services .....       | Purple .....             | 27-30        |
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The table of contents on the following pages provides more detailed references to specific data included in the report.



**North Dakota Legislative Council**  
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**September 2019**

# 2019 NORTH DAKOTA FINANCE FACTS

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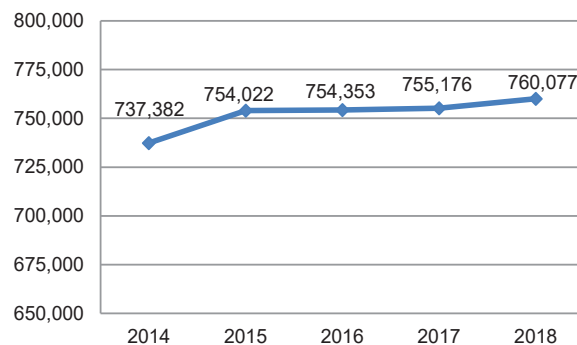
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## ECONOMIC STATISTICS

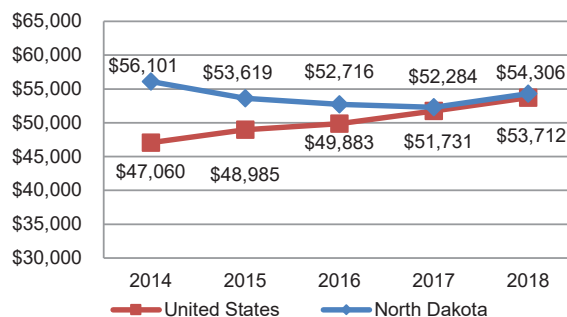
TOTAL POPULATION ESTIMATES  
(Based on 2010 Census Data and Estimates)

| Year | Population <sup>1</sup> | Annual Percentage Change |
|------|-------------------------|--------------------------|
| 2014 | 737,382                 | 2.13%                    |
| 2015 | 754,022                 | 2.26%                    |
| 2016 | 754,353                 | 0.04%                    |
| 2017 | 755,176                 | 0.11%                    |
| 2018 | 760,077                 | 0.65%                    |

<sup>1</sup>Based on July 1 population estimates

Source: U.S. Census Bureau

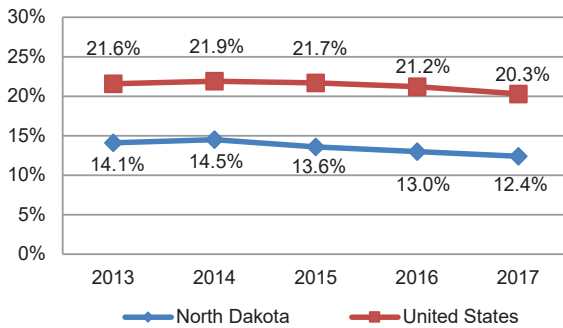
## PER CAPITA PERSONAL INCOME



For 2018 North Dakota ranked 18<sup>th</sup> of the 50 states and North Dakota's cumulative decrease from 2014 through 2018 was 3.2 percent.

Source: Bureau of Economic Analysis

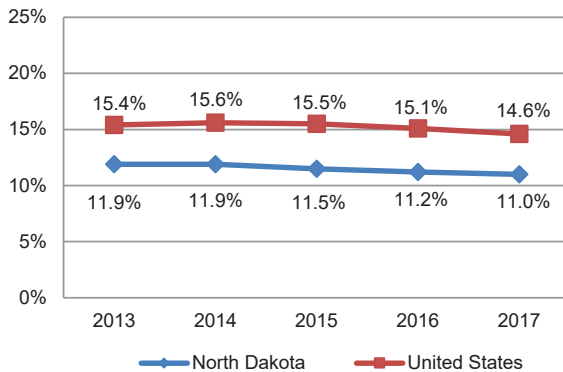
### PERCENTAGE OF NORTH DAKOTA POPULATION (CHILDREN AGED 0-17) IN POVERTY COMPARED TO THE UNITED STATES



The poverty thresholds in 2017 were \$12,488 for one person and \$24,858 for a family of four.

Source: U.S. Census Bureau

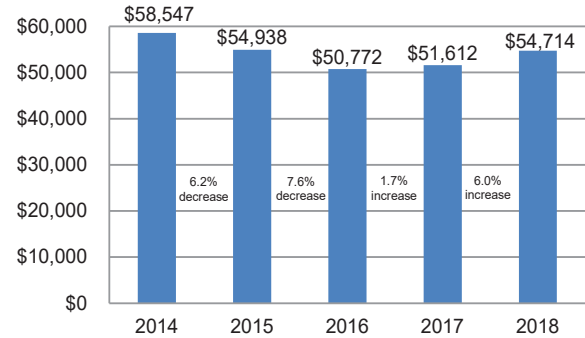
### PERCENTAGE OF NORTH DAKOTA POPULATION (ALL AGES) IN POVERTY COMPARED TO THE UNITED STATES



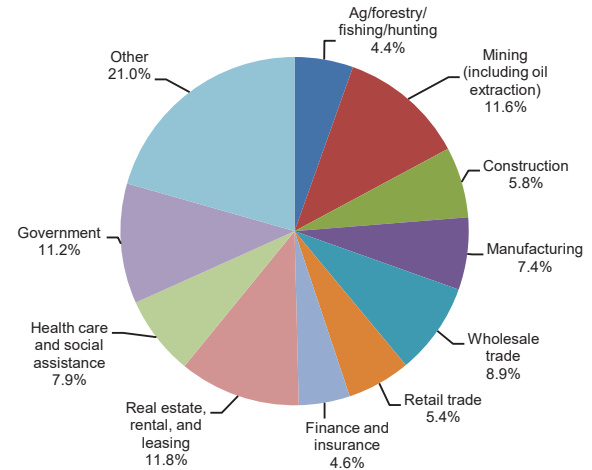
The poverty thresholds in 2017 were \$12,488 for one person and \$24,858 for a family of four.

Source: U.S. Census Bureau

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



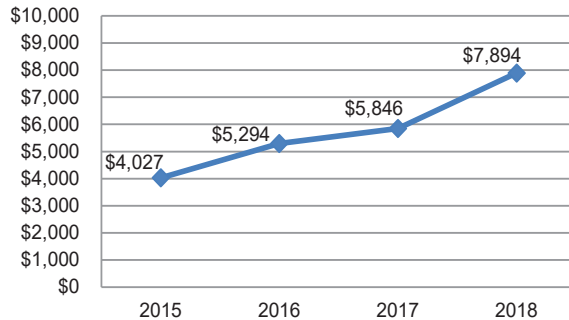
### 2018 Gross State Product by Major Industry



| Gross State Product (Amounts Shown in Millions) |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|
| Major Industry                                  | 2014     | 2015     | 2016     | 2017     | 2018     |
| Agriculture, forestry, fishing, and hunting     | \$3,009  | \$2,669  | \$2,833  | \$2,447  | \$2,418  |
| Mining  | 10,409   | 6,214    | 4,021    | 4,912    | 6,322    |
| Construction                                    | 4,068    | 4,042    | 3,750    | 3,185    | 3,174    |
| Manufacturing                                   | 3,662    | 3,801    | 3,460    | 3,701    | 4,042    |
| Wholesale trade                                 | 5,155    | 5,119    | 4,571    | 4,546    | 4,894    |
| Retail trade                                    | 3,163    | 3,221    | 2,999    | 2,947    | 2,971    |
| Finance and insurance                           | 2,336    | 2,509    | 2,377    | 2,424    | 2,518    |
| Real estate, rental, and leasing                | 5,952    | 6,168    | 6,041    | 6,138    | 6,437    |
| Health care and social assistance               | 3,593    | 3,847    | 4,059    | 4,214    | 4,314    |
| Government                                      | 5,319    | 5,808    | 5,896    | 6,096    | 6,122    |
| Other   | 11,881   | 11,540   | 10,765   | 11,002   | 11,502   |
| Total   | \$58,547 | \$54,938 | \$50,772 | \$51,612 | \$54,714 |

Source: Bureau of Economic Analysis

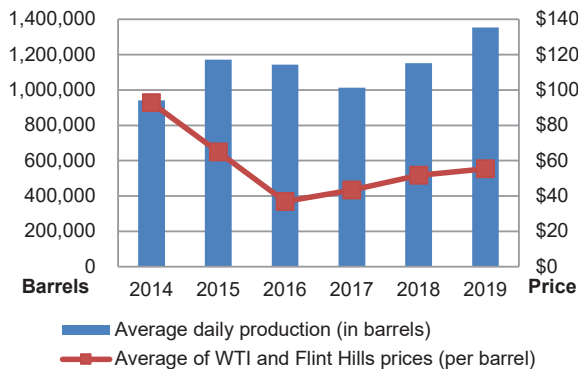
### TOTAL STATE FOREIGN EXPORTS (Amounts Shown in Millions)



| Major State Foreign Exports (Amounts Shown in Millions) |         |         |         |         |
|---|---------|---------|---------|---------|
|   | 2015    | 2016    | 2017    | 2018    |
| Crude oil   | \$1,352 | \$2,869 | \$2,285 | \$2,855 |
| Biodiesel   | 291     | 270     | 1,204   | 2,440   |
| Front-end shovel loaders                                | 249     | 175     | 203     | 255     |
| Tractors  | 96      | 104     | 221     | 248     |
| Corn (other than seed corn)                             | 82      | 89      | 69      | 134     |
| Liquefied butanes                                       | 62      | 44      | 68      | 129     |
| Wheat   | 170     | 104     | 98      | 121     |
| Ethyl alcohol   | 70      | 109     | 116     | 91      |
| Seeders, planters, and transplanters                    | 56      | 63      | 73      | 72      |
| Soybeans  | 45      | 25      | 54      | 63      |
| Other   | 1,554   | 1,442   | 1,455   | 1,486   |
| Total   | \$4,027 | \$5,294 | \$5,846 | \$7,894 |

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

### AVERAGE DAILY OIL PRODUCTION AND AVERAGE PRICE PER BARREL OF OIL



|         | Fiscal Year |           |           |           |           |           |
|---------|-------------|-----------|-----------|-----------|-----------|-----------|
|         | 2014        | 2015      | 2016      | 2017      | 2018      | 2019      |
| Barrels | 941,491     | 1,171,342 | 1,142,973 | 1,013,629 | 1,152,358 | 1,353,216 |
| Price   | \$92.76     | \$64.89   | \$36.89   | \$43.42   | \$51.73   | \$55.35   |

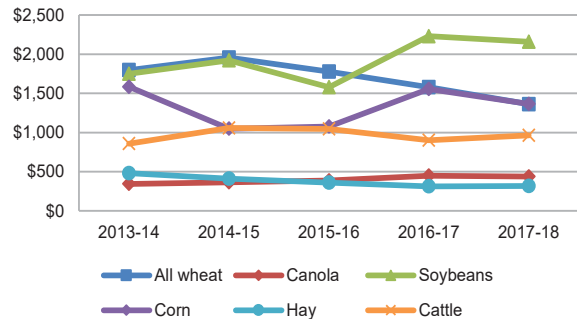
Sources: Department of Mineral Resources, Flint Hills Resources, and the U.S. Energy Information Administration

### NORTH DAKOTA AGRICULTURE AND LIVESTOCK MARKETING YEAR AVERAGE PRICE

| Crops and Cattle Marketing Year Average Price (Per Bushel or Head) | 2013-14    | 2014-15    | 2015-16    | 2016-17    | 2017-18    |
|--|------------|------------|------------|------------|------------|
| All wheat <sup>1</sup>   | \$6.62     | \$5.74     | \$4.80     | \$4.68     | \$5.74     |
| Spring wheat   | \$6.50     | \$5.42     | \$4.59     | \$4.57     | \$5.72     |
| Durum wheat  | \$7.16     | \$8.99     | \$6.62     | \$5.66     | \$6.00     |
| Winter wheat   | \$6.43     | \$4.47     | \$3.69     | \$3.41     | \$4.14     |
| Barley   | \$6.09     | \$5.30     | \$4.88     | \$4.47     | \$4.31     |
| Oats   | \$3.14     | \$2.42     | \$2.00     | \$2.25     | \$2.55     |
| Sunflower  | \$23.20    | \$22.60    | \$20.70    | \$17.70    | \$17.70    |
| Canola   | \$20.60    | \$16.90    | \$15.50    | \$16.80    | \$17.60    |
| Soybeans   | \$12.40    | \$9.49     | \$8.49     | \$8.97     | \$8.88     |
| Flaxseed   | \$13.80    | \$11.80    | \$8.95     | \$8.00     | \$9.53     |
| Corn   | \$3.91     | \$3.34     | \$3.28     | \$3.01     | \$3.04     |
| Dry edible beans   | \$35.30    | \$28.20    | \$24.00    | \$27.90    | \$24.10    |
| Dry edible peas  | \$14.80    | \$12.20    | \$13.50    | \$11.20    | \$12.00    |
| Lentils  | \$17.90    | \$23.50    | \$28.90    | \$29.40    | \$23.50    |
| Potatoes   | \$10.30    | \$9.40     | \$9.25     | \$10.30    | \$9.13     |
| Sugarbeets   | \$44.90    | \$44.20    | \$48.30    | \$36.60    | \$44.20    |
| Hay  | \$103.00   | \$81.50    | \$78.00    | \$77.50    | \$99.50    |
| Cattle   | \$1,640.00 | \$2,060.00 | \$1,650.00 | \$1,330.00 | \$1,450.00 |

<sup>1</sup>All 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) |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| All wheat  | \$1,796 | \$1,956 | \$1,777 | \$1,578 | \$1,362 |
| Canola   | \$343   | \$362   | \$389   | \$448   | \$439   |
| Soybeans   | \$1,751 | \$1,922 | \$1,578 | \$2,230 | \$2,160 |
| Corn   | \$1,584 | \$1,048 | \$1,075 | \$1,555 | \$1,365 |
| Hay  | \$481   | \$410   | \$359   | \$312   | \$316   |
| Cattle   | \$857   | \$1,058 | \$1,046 | \$903   | \$963   |

Source: U.S. Department of Agriculture

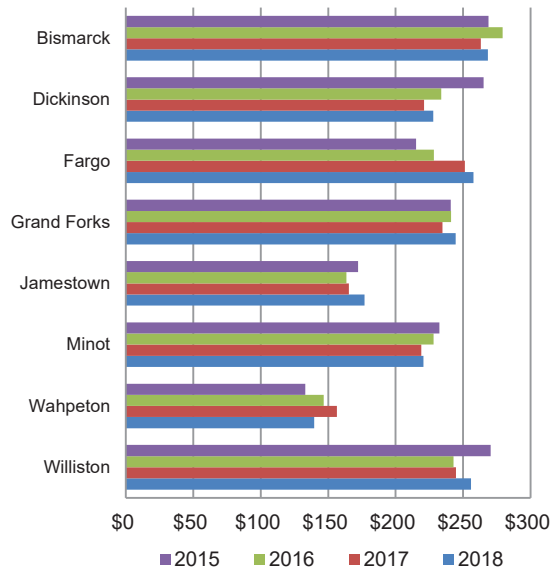
## EMPLOYMENT AND UNEMPLOYMENT



| Year End | Job Force | Employment | Unemployment | Unemployment Rate |
|----------|-----------|------------|--------------|-------------------|
| 2013     | 408,710   | 397,430    | 11,280       | 2.8%              |
| 2014     | 416,590   | 405,551    | 11,039       | 2.6%              |
| 2015     | 412,141   | 399,703    | 12,438       | 3.0%              |
| 2016     | 412,465   | 400,688    | 11,777       | 2.9%              |
| 2017     | 407,538   | 396,506    | 11,032       | 2.7%              |
| 2018     | 402,945   | 392,650    | 10,295       | 2.6%              |

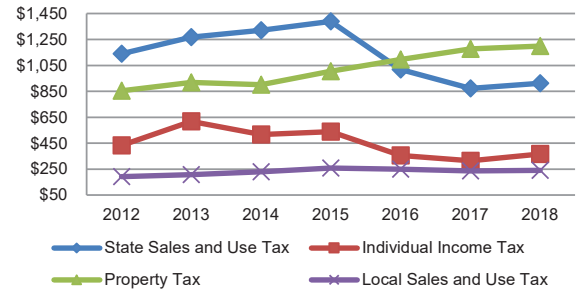
Source: U.S. Department of Labor

## 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)

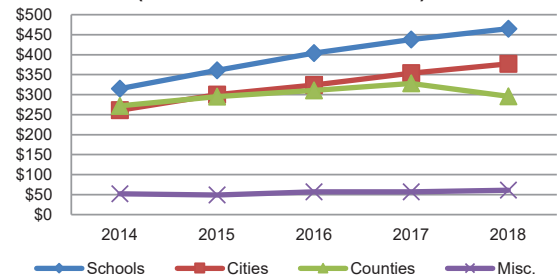


| Fiscal Year | State Sales and Use Tax | Individual Income Tax | Property Tax <sup>1</sup> | Local Sales and Use Tax <sup>2</sup> |
|-------------|-------------------------|-----------------------|---------------------------|--------------------------------------|
| 2012        | \$1,139.8               | \$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                              |
| 2017        | \$872.4                 | \$314.2               | \$1,177.9                 | \$236.7                              |
| 2018        | \$912.5                 | \$366.3               | \$1,198.7                 | \$239.6                              |

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

<sup>2</sup>Local 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       | 2014  | 2015    | 2016    | 2017    | 2018                 |
|--------------------|-------|---------|---------|---------|----------------------|
| Schools            | \$315 | \$361   | \$404   | \$438   | \$465                |
| Cities             | 261   | 300     | 324     | 354     | 377                  |
| Counties           | 272   | 295     | 311     | 328     | 296                  |
| Misc.              | 52    | 49      | 57      | 57      | 61                   |
| Total <sup>1</sup> | \$900 | \$1,005 | \$1,096 | \$1,177 | \$1,199 <sup>2</sup> |

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

<sup>2</sup>The increase for 2018 is primarily due to continuing growth in taxable valuations and new construction.

Based on property taxes levied in 2018, payable in 2019, one mill generated approximately \$4.76 million statewide.

Source: North Dakota Tax Department

NOTES

STATE BUDGET

2019-21 GENERAL FUND BUDGET SUMMARY  
(As Approved by the Legislative Assembly)  
(Amounts Shown in Millions)

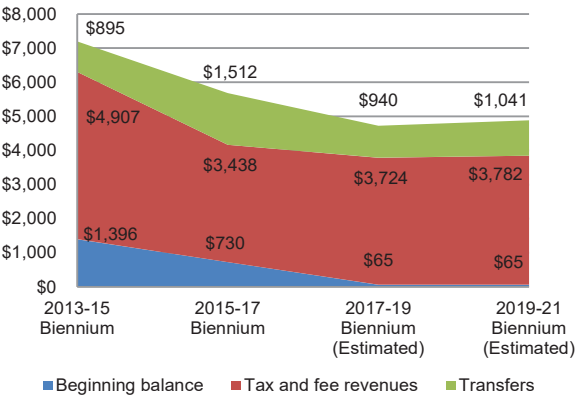
|   |                     |
|---|---------------------|
| Estimated general fund balance - July 1, 2019             | \$65.0 <sup>1</sup> |
| Add estimated 2019-21 general fund revenues and transfers | 4,823.0             |
| Total resources available                                 | \$4,888.0           |
| Less 2019-21 general fund appropriations                  | 4,843.6             |
| Estimated general fund balance - June 30, 2021            | \$44.4 <sup>2</sup> |

<sup>1</sup>This amount reflects \$115.6 million of 2017-19 supplemental and deficiency appropriations and \$54.1 million of estimated 2017-19 unspent general fund appropriation authority.

<sup>2</sup>In addition, the budget stabilization fund is projected to have a June 30, 2021, balance of \$483.9 million.

State Budget

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



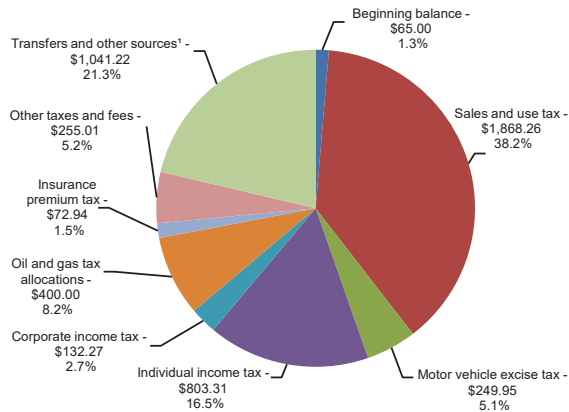
| Biennium            | (Amounts Shown in Millions) |                      |                      |           |
|---------------------|-----------------------------|----------------------|----------------------|-----------|
|                     | Beginning Balance           | Tax and Fee Revenues | Transfers            | Total     |
| 2013-15             | \$1,396.1                   | \$4,906.8            | \$895.0 <sup>1</sup> | \$7,197.9 |
| 2015-17             | \$729.5                     | \$3,437.6            | \$1,511.6            | \$5,678.7 |
| 2017-19 (Estimated) | \$65.0                      | \$3,723.8            | \$940.0              | \$4,728.8 |
| 2019-21 (Estimated) | \$65.0                      | \$3,781.7            | \$1,041.2            | \$4,887.9 |

<sup>1</sup>This amount includes \$11.1 million transferred by the Office of Management and Budget from the budget stabilization fund to the general fund at the end of the biennium.



## 2019-21 ESTIMATED GENERAL FUND REVENUES (Amounts Shown in Millions)

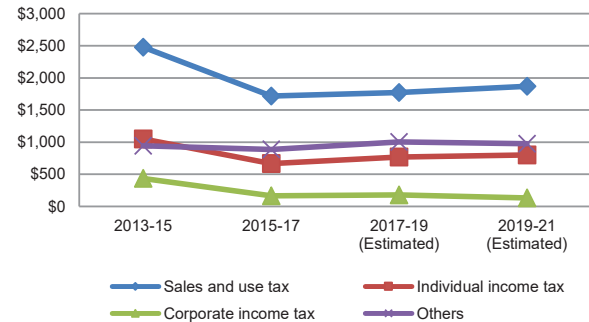
Total - \$4,887.96



<sup>1</sup>Transfers and miscellaneous revenues include:

| (Amounts Shown in Millions)                |                   |
|--|-------------------|
| Bank of North Dakota                       | \$140.00          |
| Mill and Elevator Association              | 13.40             |
| Lottery                                    | 12.25             |
| Gas tax administration                     | 1.99              |
| Legacy fund                                | 100.00            |
| Tax relief fund                            | 8.60              |
| Strategic investment and improvements fund | 764.40            |
| Remaining transfers and other sources      | 0.58              |
| <b>Total</b>                               | <b>\$1,041.22</b> |

## 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 <sup>1</sup> | Total     |
| 2013-15             | \$2,478.2                   | \$1,050.1             | \$435.2              | \$943.3             | \$4,906.8 |
| 2015-17             | \$1,717.9                   | \$666.6               | \$166.8              | \$886.3             | \$3,437.6 |
| 2017-19 (Estimated) | \$1,772.3                   | \$767.8               | \$179.9              | \$1,003.8           | \$3,723.8 |
| 2019-21 (Estimated) | \$1,868.3                   | \$803.2               | \$132.3              | \$977.9             | \$3,781.7 |

<sup>1</sup>These amounts include allocations of oil and gas tax collections to the general fund providing a total of \$300 million per biennium from the 2013-15 and 2015-17 bienniums and a total of \$400 million for the 2017-19 and 2019-21 bienniums.

## CURRENT TAX RATES

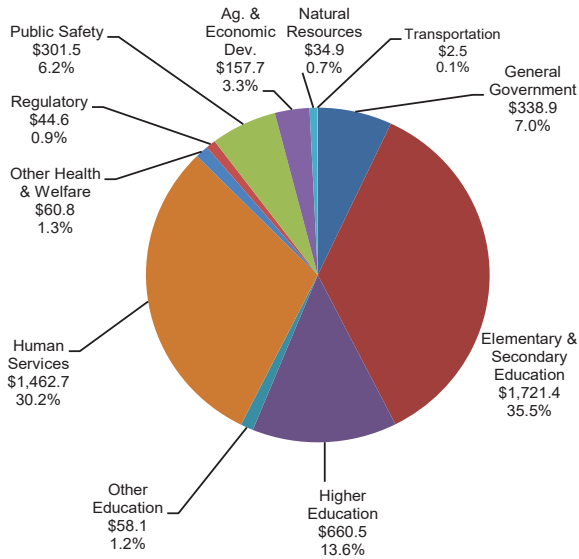
North Dakota **sales tax** is 5 percent. The estimated impact on general fund revenues of a 1 percentage point change in the state's 5 percent sales and use tax and motor vehicle excise tax rate is approximately **\$464 million per biennium**, or \$232 million per year, based on the 2019 legislative 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 **\$80 million per biennium**, or \$40 million per year, based on the 2019 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 **\$13 million per biennium**, or \$6.5 million per year, based on the 2019 legislative revenue forecast.

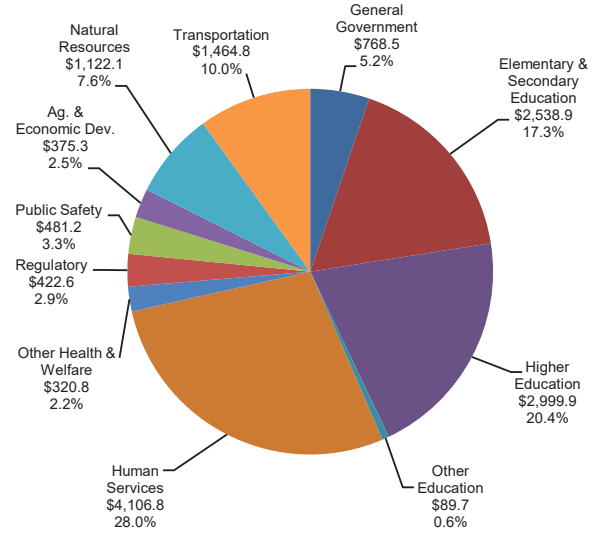
## 2019-21 BIENNIUM GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)

Total - \$4,843.6

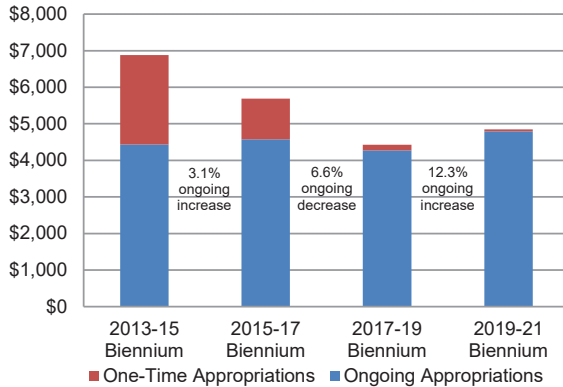


## 2019-21 BIENNIUM ALL FUNDS APPROPRIATIONS (Amounts Shown in Millions)

Total - \$14,690.6

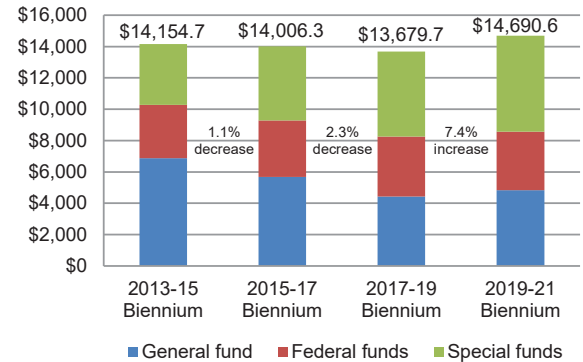


## HISTORY OF GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)



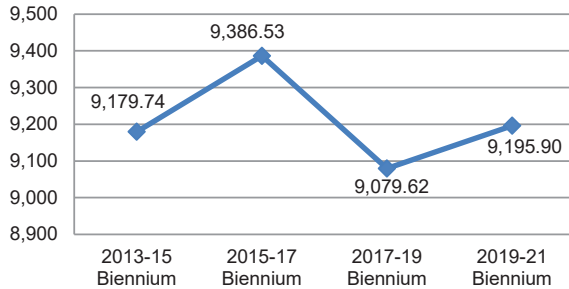
| Biennium | (Amounts Shown in Millions) |           |           |
|----------|-----------------------------|-----------|-----------|
|          | Ongoing                     | One-Time  | Total     |
| 2013-15  | \$4,436.0                   | \$2,443.7 | \$6,879.7 |
| 2015-17  | \$4,571.7                   | \$1,115.6 | \$5,687.3 |
| 2017-19  | \$4,269.5                   | \$156.3   | \$4,425.8 |
| 2019-21  | \$4,794.9                   | \$48.7    | \$4,843.6 |

## HISTORY OF TOTAL APPROPRIATIONS (Amounts Shown in Millions)



| Biennium | (Amounts Shown in Millions) |               |               |            |
|----------|-----------------------------|---------------|---------------|------------|
|          | General Fund                | Federal Funds | Special Funds | Total      |
| 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  | \$4,425.8                   | \$3,821.6     | \$5,432.3     | \$13,679.7 |
| 2019-21  | \$4,843.6                   | \$3,905.9     | \$5,941.1     | \$14,690.6 |

### NUMBER OF STATE EMPLOYEES<sup>1</sup> (Full-Time Equivalent (FTE) Positions)

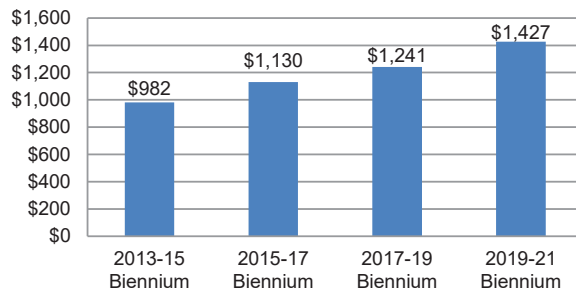


<sup>1</sup>These amounts do not include employees of the North Dakota University System.

### FUNDING INCREASES FOR STATE EMPLOYEE SALARY ADJUSTMENTS

|         |  |
|---------|--|
| 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.  |
| 2019-21 | 2% with a \$120 monthly minimum and a \$200 monthly maximum on July 1, 2019, and 2.5% on July 1, 2020  |

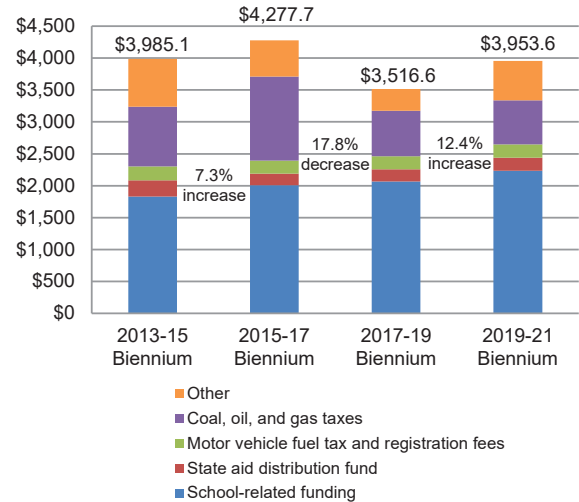
### COST OF STATE EMPLOYEE HEALTH INSURANCE PREMIUMS HISTORY



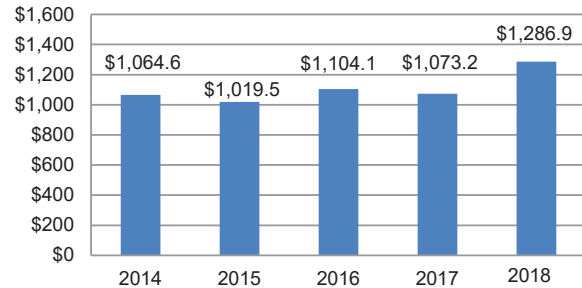
| Biennium | Monthly Premium | Increase From Previous Biennium | Percentage Increase |
|----------|-----------------|---------------------------------|---------------------|
| 2013-15  | \$982           | \$95                            | 10.7%               |
| 2015-17  | \$1,130         | \$148                           | 15.1%               |
| 2017-19  | \$1,241         | \$111                           | 9.8%                |
| 2019-21  | \$1,427         | \$186                           | 15.0%               |

### 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)



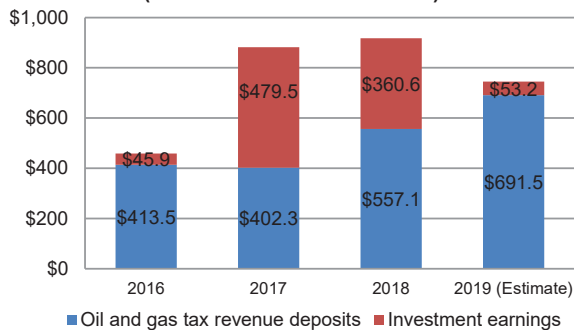
### Bonds Outstanding as of June 30, 2018 (Amounts Shown in Millions)

|                                 |                  |
|---------------------------------|------------------|
| North Dakota Building Authority | \$30.5           |
| Department of Transportation    | 10.0             |
| Student loan trust              | 1.0              |
| Housing Finance Agency          | 972.3            |
| North Dakota University System  | 271.3            |
| State Fair Association          | 1.8              |
| <b>Total</b>                    | <b>\$1,286.9</b> |

## LEGACY FUND

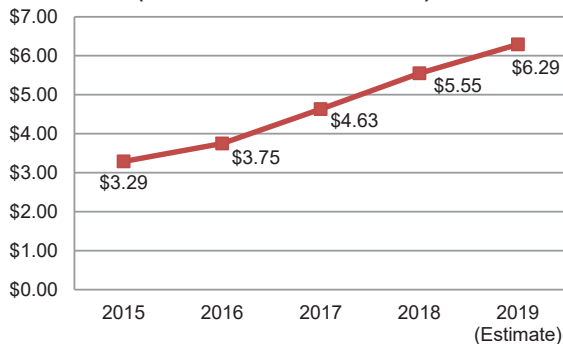
The legacy fund was created in 2010 when the voters of North Dakota approved a constitutional amendment to provide that 30 percent of oil and gas production and oil extraction taxes on oil and gas produced after June 30, 2011, be transferred to the legacy fund. The principal and earnings of the legacy 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)



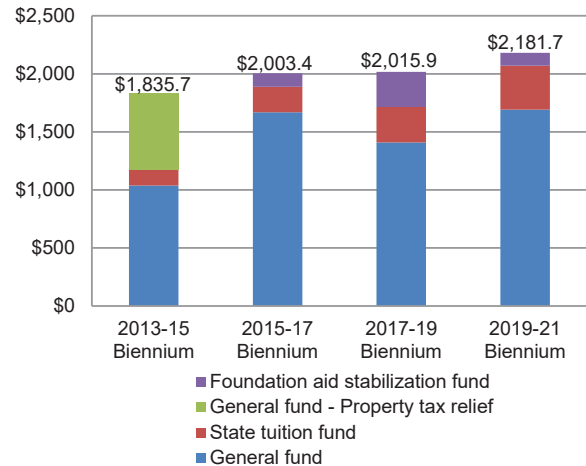
**NOTE:** The oil and gas tax revenue deposits reflect deposits from August to July of each year, and the investment earnings, as reported by the Retirement and Investment Office, include both realized and unrealized earnings from July to June of each year.

**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 | Foundation Aid Stabilization Fund | Total     |
| 2013-15  | \$1,695.4 <sup>1</sup>      | \$140.3            |                                   | \$1,835.7 |
| 2015-17  | \$1,668.2 <sup>2</sup>      | \$219.1            | \$116.1 <sup>2</sup>              | \$2,003.4 |
| 2017-19  | \$1,409.4                   | \$305.5            | \$301.0 <sup>3</sup>              | \$2,015.9 |
| 2019-21  | \$1,690.9                   | \$377.8            | \$113.0 <sup>4</sup>              | \$2,181.7 |

<sup>1</sup>The 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.

<sup>2</sup>The 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.

<sup>3</sup>The 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.

<sup>4</sup>The 2019 Legislative Assembly provided from the foundation aid stabilization fund \$110 million of ongoing funding for integrated formula payments, and \$3 million of one-time funding for rapid enrollment grants.

## STATE SCHOOL AID APPROPRIATIONS - DETAIL

|  | 2017-19<br>Biennium            | 2019-21<br>Biennium    | Increase<br>(Decrease) |
|--|--------------------------------|------------------------|------------------------|
| State school aid - Integrated formula payments | \$1,935,204,163 <sup>1,2</sup> | \$2,098,202,429        | \$162,998,266          |
| Transportation aid                             | 55,400,000                     | 56,500,000             | 1,100,000              |
| Special education                              | 19,300,000 <sup>1</sup>        | 24,000,000             | 4,700,000              |
| Rapid enrollment grants                        | 6,000,000                      | 3,000,000 <sup>3</sup> | (3,000,000)            |
| Total state school aid                         | \$2,015,904,163                | \$2,181,702,429        | \$165,798,266          |

<sup>1</sup>The 2019 Legislative Assembly provided the Superintendent of Public Instruction may transfer up to \$4 million from the integrated formula payments line item to the grants - special education line item to provide funding for 2017-19 biennium special education contract expenditures in excess of the 2017-19 biennium special education contract appropriation.

<sup>2</sup>The 2019 Legislative Assembly allowed the Superintendent of Public Instruction to continue funding, remaining in the integrated formula payments line item at the end of the 2017-19 biennium, to the 2019-21 biennium for advanced placement examinations and teacher training and a college ready English and mathematics program (\$600,000) and to provide for a dyslexia screening pilot program (\$250,000).

<sup>3</sup>The 2019 Legislative Assembly provided one-time funding from the foundation aid stabilization fund for rapid enrollment grants in the 1<sup>st</sup> year of the 2019-21 biennium.

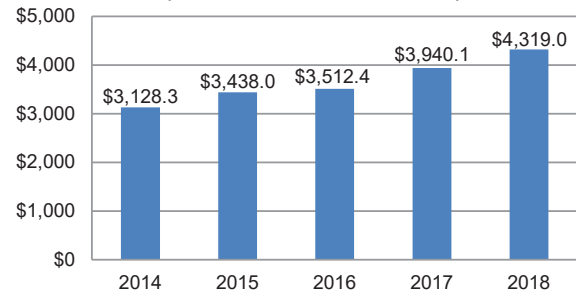
### STATE SCHOOL AID FORMULA - INTEGRATED FORMULA PAYMENTS

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 2019-21 biennium, the integrated payment rates are increased 2 percent each year of the biennium to provide \$9,839 during the 1<sup>st</sup> year of the biennium and \$10,036 during the 2<sup>nd</sup> year of the 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, funds received by the state under the Uniform Unclaimed Property Act, and through June 30, 2017, 45 percent of tobacco settlement proceeds received by the state under subsection IX(c)(1) of the Master Settlement Agreement. In 2017 the Legislative Assembly suspended the transfer of 45 percent of the tobacco settlement proceeds for the 2017-19 biennium and in 2019 amended the provision to provide all tobacco settlement proceeds be transferred to the community health trust fund. 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.

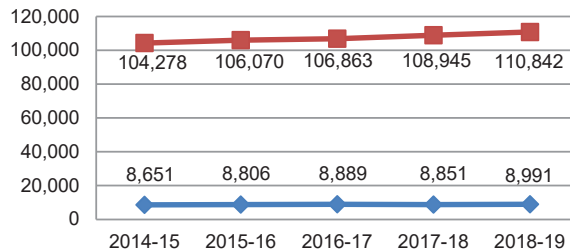
### Fund Balance for the Fiscal Year Ending June 30 (Excluding Land and Mineral Values) (Amounts Shown in Millions)



**NOTE:** The unaudited fund balance of the common schools trust fund as of June 30, 2019, is estimated to be \$4.6 billion.



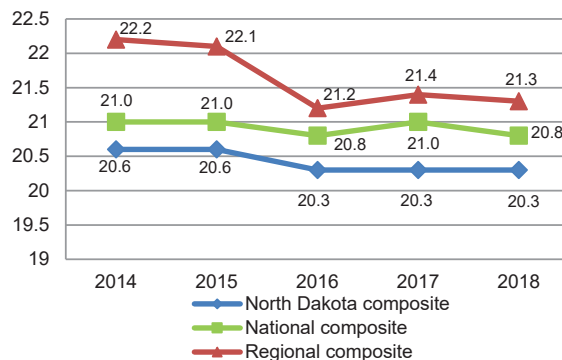
### STUDENT ENROLLMENT AND NUMBER OF TEACHERS



### 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 Scores<sup>1</sup>



<sup>1</sup>The 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 21.3, 20.0, and 20.0, respectively for 2018.

| Class | North Dakota |      |         |         |           |
|-------|--------------|------|---------|---------|-----------|
|       | English      | Math | Reading | Science | Composite |
| 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      |
| 2018  | 19.1         | 20.3 | 20.7    | 20.5    | 20.3      |

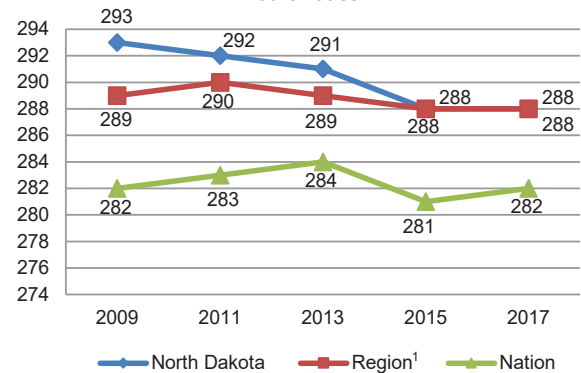
### NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

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.

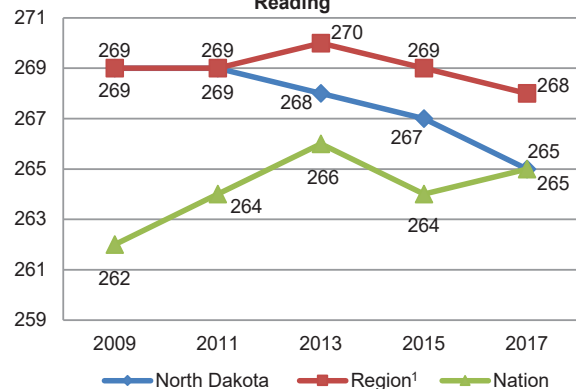
Since NAEP assessments are administered uniformly using the same sets of test booklets across the nation, NAEP results serve as a common metric for all states.

Average NAEP Scores - 8<sup>th</sup> Grade

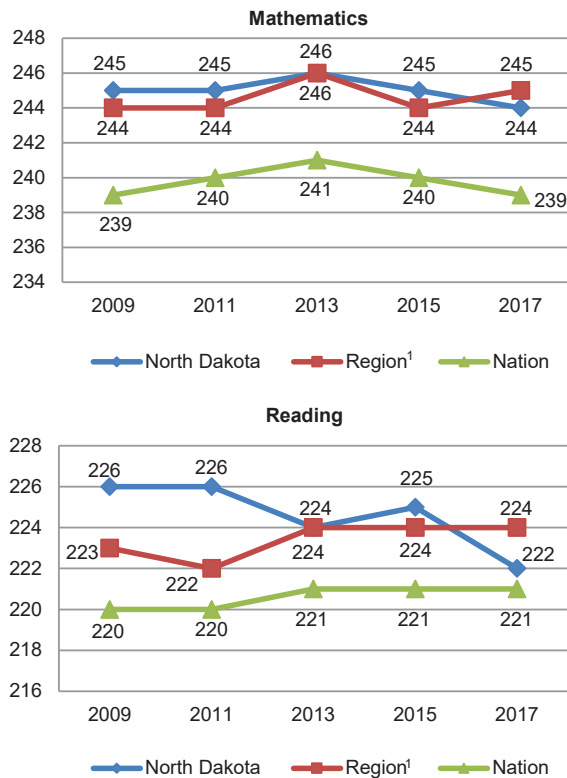
#### Mathematics



#### Reading

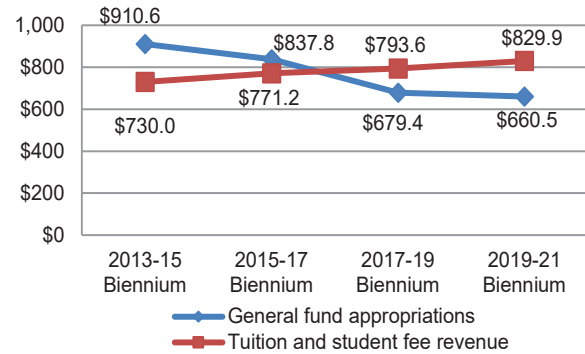
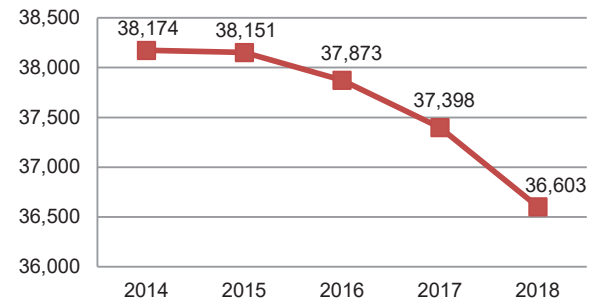


<sup>1</sup>The region NAEP score is the average of the Iowa, Minnesota, Montana, South Dakota, and Wyoming posted scores.

Average NAEP Scores - 4<sup>th</sup> Grade

The 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)NORTH DAKOTA UNIVERSITY SYSTEM  
FALL FTE STUDENT ENROLLMENT

## FTE STUDENT ENROLLMENT BY INSTITUTION

| Institution                   | Fall 2016     | Fall 2017     | Fall 2018     |
|-------------------------------|---------------|---------------|---------------|
| Bismarck State College        | 2,861         | 2,646         | 2,611         |
| Dakota College at Bottineau   | 490           | 527           | 590           |
| Dickinson State University    | 1,114         | 1,128         | 1,090         |
| Lake Region State College     | 971           | 995           | 1,005         |
| Mayville State University     | 782           | 784           | 817           |
| Minot State University        | 2,592         | 2,467         | 2,483         |
| North Dakota State University | 12,783        | 12,784        | 12,394        |
| State College of Science      | 2,298         | 2,253         | 2,126         |
| University of North Dakota    | 12,182        | 11,964        | 11,585        |
| Valley City State University  | 1,044         | 1,086         | 1,096         |
| Williston State College       | 756           | 764           | 806           |
| <b>Total</b>                  | <b>37,873</b> | <b>37,398</b> | <b>36,603</b> |

## HIGHER EDUCATION TUITION RATES

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

### Resident Student - Undergraduate Programs

|                               | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|
| Bismarck State College        | \$3,791 | \$3,990 | \$4,150 |
| Dakota College at Bottineau   | \$3,607 | \$3,751 | \$4,066 |
| Dickinson State University    | \$5,344 | \$5,558 | \$6,020 |
| Lake Region State College     | \$3,459 | \$3,598 | \$3,778 |
| Mayville State University     | \$5,255 | \$5,465 | \$5,793 |
| Minot State University        | \$5,400 | \$5,616 | \$6,088 |
| State College of Science      | \$3,925 | \$4,082 | \$4,204 |
| North Dakota State University | \$7,201 | \$7,957 | \$8,275 |
| University of North Dakota    | \$6,946 | \$7,224 | \$8,212 |
| Valley City State University  | \$5,493 | \$5,713 | \$5,884 |
| Williston State College       | \$3,535 | \$3,676 | \$3,750 |

### Resident Student - Graduate Programs

|                               | 2017-18 | 2018-19 | 2019-20  |
|-------------------------------|---------|---------|----------|
| Minot State University        | \$7,140 | \$7,425 | \$8,049  |
| North Dakota State University | \$7,724 | \$8,645 | \$8,991  |
| University of North Dakota    | \$7,688 | \$8,227 | \$10,533 |
| Valley City State University  | \$7,308 | \$7,601 | \$7,829  |

### Resident Student - Professional Programs

|   | 2017-18  | 2018-19  | 2019-20  |
|---|----------|----------|----------|
| University of North Dakota law school       | \$8,835  | \$9,631  | \$13,176 |
| University of North Dakota medical school   | \$29,932 | \$31,129 | \$32,063 |
| University of North Dakota physical therapy | \$13,834 | \$14,387 | \$14,820 |

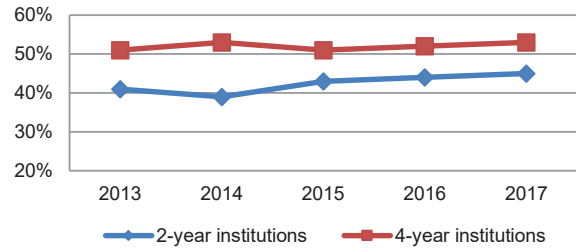
### Tuition and Fees as a Percentage of Median Household Income

|                       | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|
| Doctoral institutions |         |         |         |         |
| North Dakota average  | 10.6%   | 10.3%   | 10.7%   | 11.0%   |
| Regional average      | 13.2%   | 13.0%   | 13.0%   | 12.9%   |
| 4-year institutions   |         |         |         |         |
| North Dakota average  | 8.1%    | 7.8%    | 8.2%    | 8.2%    |
| Regional average      | 10.4%   | 10.3%   | 10.5%   | 10.4%   |
| 2-year institutions   |         |         |         |         |
| North Dakota average  | 5.7%    | 5.6%    | 5.8%    | 5.9%    |
| Regional average      | 5.7%    | 5.6%    | 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:

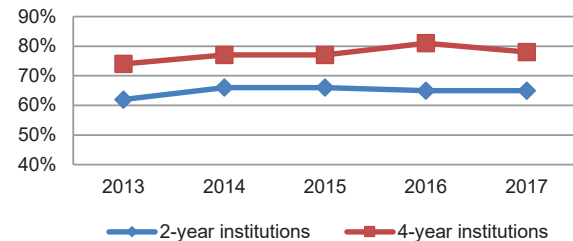
### Student Graduation Rates<sup>1</sup>



<sup>1</sup>Based 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.

|                     | 2013 | 2014 | 2015 | 2016 | 2017 | National Average 2017 |
|---------------------|------|------|------|------|------|-----------------------|
| 2-year institutions | 41%  | 39%  | 43%  | 44%  | 45%  | 25%                   |
| 4-year institutions | 51%  | 53%  | 51%  | 52%  | 53%  | 60%                   |

### Freshman Retention Rates<sup>1</sup>



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

|                     | 2013 | 2014 | 2015 | 2016 | 2017 | National Average 2017 |
|---------------------|------|------|------|------|------|-----------------------|
| 2-year institutions | 62%  | 66%  | 66%  | 65%  | 65%  | 62%                   |
| 4-year institutions | 74%  | 77%  | 77%  | 81%  | 78%  | 81%                   |

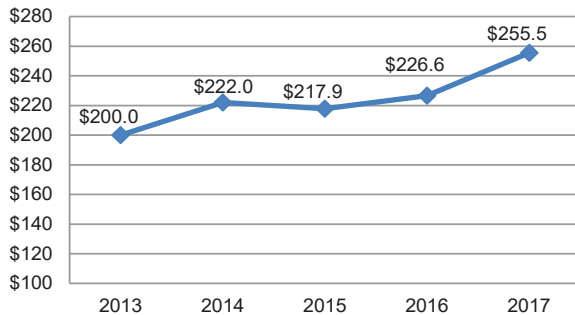
### Workforce Training Provided

|  | 2015   | 2016   | 2017   | 2018  |
|--|--------|--------|--------|-------|
| Businesses served                                  | 1,134  | 1,076  | 843    | 701   |
| Employees receiving training                       | 17,948 | 11,908 | 10,917 | 8,205 |
| Business satisfaction with training                | 99%    | 99%    | 99%    | 99%   |
| Participant satisfaction with training             | 99%    | 98%    | 98%    | 99%   |
| Businesses requesting additional training          | 64%    | 67%    | 61%    | 47%   |
| Revenue generated from training fees (in millions) | \$7.5  | \$4.9  | \$4.4  | \$4.4 |

### Average Public Institution Student Loan Debt Incurred Per Year

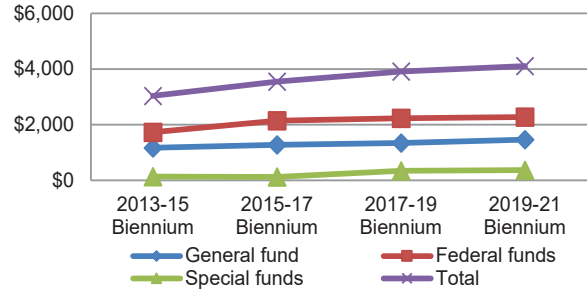
|                      | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|----------------------|---------|---------|---------|---------|
| North Dakota average | \$4,916 | \$4,982 | \$4,993 | \$5,051 |
| National average     | \$5,915 | \$5,741 | \$5,566 | \$5,767 |

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



## HUMAN SERVICES

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

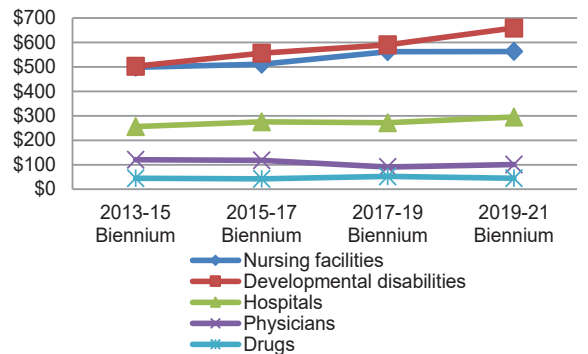


| Biennium             | (Amounts Shown in Millions) |               |               |           |
|----------------------|-----------------------------|---------------|---------------|-----------|
|                      | General Fund                | Federal Funds | Special Funds | Total     |
| 2013-15 <sup>1</sup> | \$1,171.1                   | \$1,729.9     | \$135.5       | \$3,036.5 |
| 2015-17 <sup>2</sup> | \$1,281.6                   | \$2,142.0     | \$122.5       | \$3,546.1 |
| 2017-19              | \$1,339.2                   | \$2,228.3     | \$345.6       | \$3,913.1 |
| 2019-21              | \$1,462.7                   | \$2,275.7     | \$368.5       | \$4,106.8 |

<sup>1</sup>Includes a deficiency appropriation of \$87 million of federal funds.

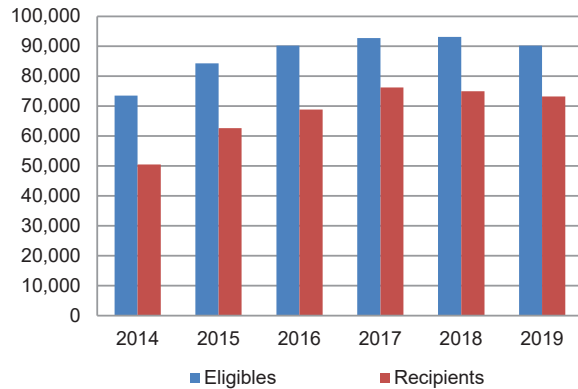
<sup>2</sup>Includes a deficiency appropriation of \$19.0 million, of which \$600,000 is from the general fund, \$9.4 million is from federal funds, and \$9.0 million is from special funds. In addition, reflects budget reductions of \$54 million from the general fund made during the August 2016 special legislative session.

### MAJOR MEDICAID COSTS (Amounts Shown in Millions)



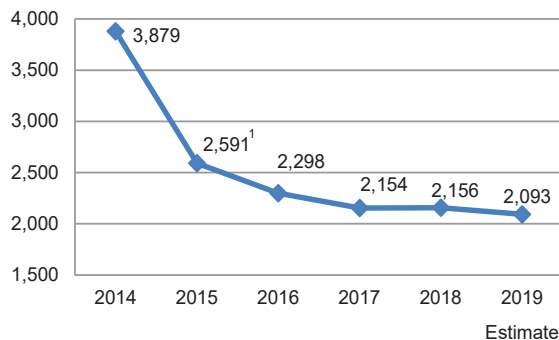
|                            | (Amounts Shown in Millions) |         |         |         |
|----------------------------|-----------------------------|---------|---------|---------|
|                            | 2013-15                     | 2015-17 | 2017-19 | 2019-21 |
| Nursing facilities         | \$498.3                     | \$511.3 | \$562.4 | \$562.9 |
| Developmental disabilities | \$502.7                     | \$556.6 | \$590.2 | \$659.2 |
| Hospitals                  | \$265.6                     | \$274.8 | \$272.0 | \$295.2 |
| Physicians                 | \$120.4                     | \$117.4 | \$90.5  | \$101.0 |
| Drugs                      | \$44.4                      | \$42.3  | \$52.3  | \$44.2  |

### MEDICAL ASSISTANCE - AVERAGE ANNUAL MEDICAID ELIGIBLES AND RECIPIENTS



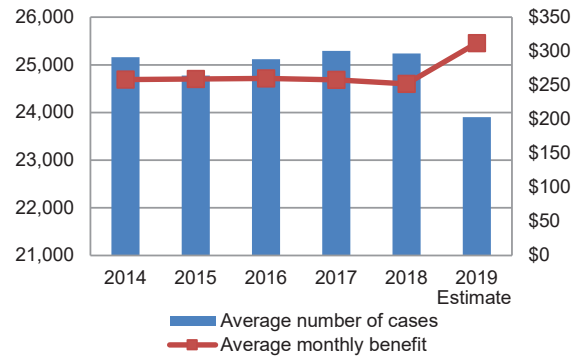
| Fiscal Year | Average Annual Eligibles | Average Annual Recipients |
|-------------|--------------------------|---------------------------|
| 2014        | 73,573                   | 50,494                    |
| 2015        | 84,275                   | 62,702                    |
| 2016        | 90,245                   | 68,850                    |
| 2017        | 92,780                   | 76,217                    |
| 2018        | 93,107                   | 75,007                    |
| 2019        | 90,218                   | 73,197                    |

### CHILDREN'S HEALTH INSURANCE PROGRAM - AVERAGE ANNUAL RECIPIENTS



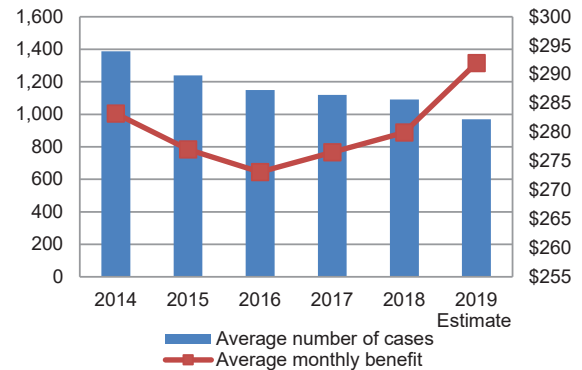
<sup>1</sup>The number of children's health insurance program recipients decreased beginning in fiscal year 2015 due in part to more children becoming eligible to enroll in Medicaid as a result of Medicaid Expansion under the federal Affordable Care Act.

### SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM - CASES AND BENEFITS



| Fiscal Year     | Average Number of Cases | Average Monthly Benefit |
|-----------------|-------------------------|-------------------------|
| 2014            | 25,160                  | \$258.47                |
| 2015            | 24,774                  | \$259.01                |
| 2016            | 25,119                  | \$260.05                |
| 2017            | 25,290                  | \$257.79                |
| 2018            | 25,237                  | \$252.00                |
| 2019 (estimate) | 23,905                  | \$312.00                |

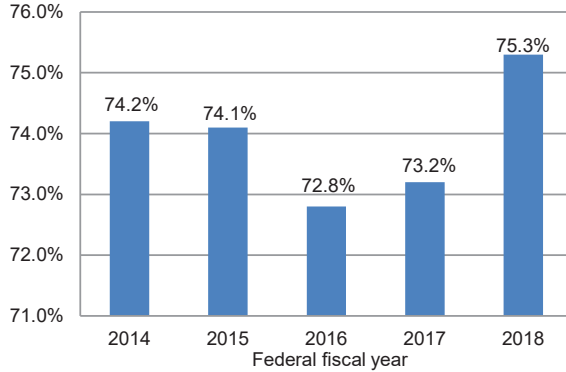
### TEMPORARY ASSISTANCE FOR NEEDY FAMILIES - CASES AND BENEFITS



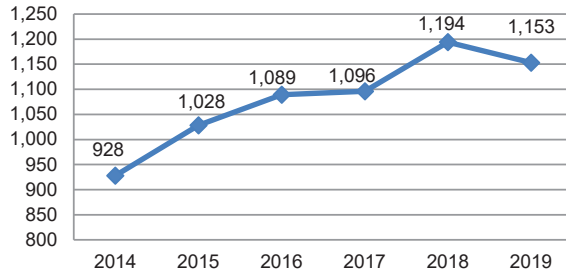
| Fiscal Year     | Average Number of Cases | Average Monthly Benefit |
|-----------------|-------------------------|-------------------------|
| 2014            | 1,387                   | \$283.26                |
| 2015            | 1,239                   | \$277.05                |
| 2016            | 1,150                   | \$273.13                |
| 2017            | 1,119                   | \$276.54                |
| 2018            | 1,091                   | \$280.00                |
| 2019 (estimate) | 970                     | \$292.00                |



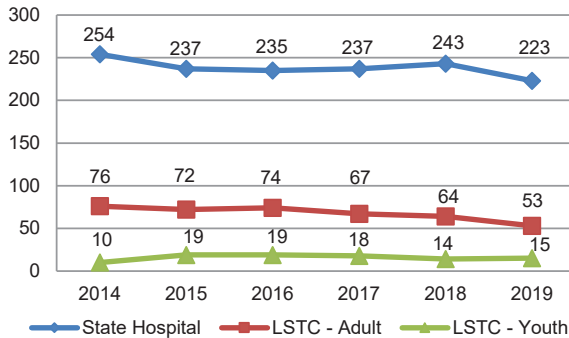
### CHILD SUPPORT - PERCENTAGE OF CURRENT CHILD SUPPORT COLLECTED



### CHILDREN AND FAMILY SERVICES - NUMBER OF CHILDREN IN FOSTER CARE

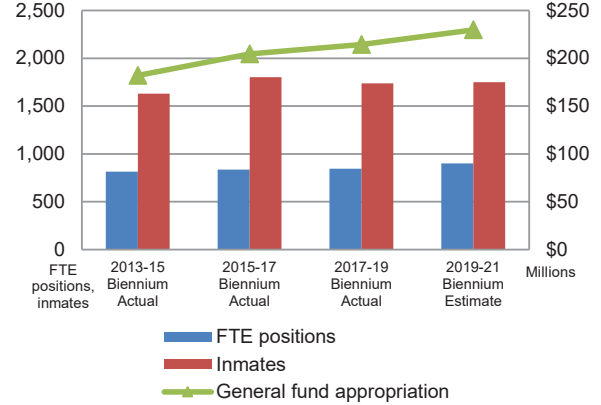


### STATE HOSPITAL AND LIFE SKILLS AND TRANSITION CENTER (LSTC) - AVERAGE DAILY CENSUS



## CORRECTIONS

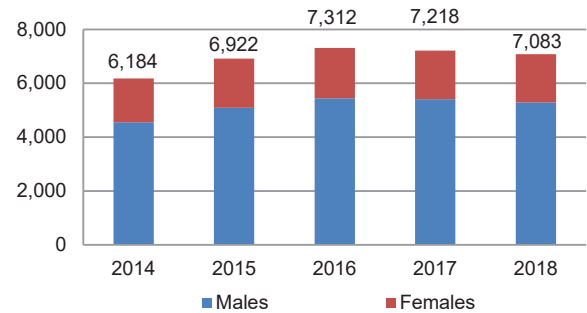
### DEPARTMENT OF CORRECTIONS AND REHABILITATION FTE POSITIONS, INMATES, AND GENERAL FUND APPROPRIATIONS



| Biennium | General Fund Appropriation (in Millions) | Average Daily Inmate Population | FTE Positions |
|----------|--|---------------------------------|---------------|
| 2013-15  | \$182.1                                  | 1,631                           | 814.29        |
| 2015-17  | \$204.5                                  | 1,803                           | 836.29        |
| 2017-19  | \$214.3                                  | 1,739                           | 845.29        |
| 2019-21  | \$229.7                                  | 1,750 <sup>1</sup>              | 899.79        |

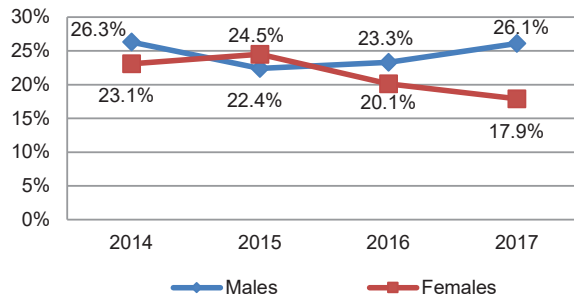
<sup>1</sup>Estimated.

### PAROLE AND PROBATION



| Calendar Year | Females | Males | Total |
|---------------|---------|-------|-------|
| 2014          | 1,636   | 4,548 | 6,184 |
| 2015          | 1,832   | 5,090 | 6,922 |
| 2016          | 1,872   | 5,440 | 7,312 |
| 2017          | 1,808   | 5,410 | 7,218 |
| 2018          | 1,798   | 5,285 | 7,083 |

## RECIDIVISM RATES



| Calendar Year | Males Released | Returned for a New Crime | Returned for a Technical Violation | Total Returned | Total Percentage Returned Rates |
|---------------|----------------|--------------------------|------------------------------------|----------------|---------------------------------|
| 2014          | 946            | 63                       | 186                                | 249            | 26.3%                           |
| 2015          | 1,097          | 65                       | 181                                | 246            | 22.4%                           |
| 2016          | 1,199          | 81                       | 198                                | 279            | 23.3%                           |
| 2017          | 1,213          | 89                       | 227                                | 316            | 26.1%                           |

| Calendar Year | Females Released | Returned for a New Crime | Returned for a Technical Violation | Total Returned | Total Percentage Returned Rates |
|---------------|------------------|--------------------------|------------------------------------|----------------|---------------------------------|
| 2014          | 173              | 10                       | 30                                 | 40             | 23.1%                           |
| 2015          | 253              | 9                        | 53                                 | 62             | 24.5%                           |
| 2016          | 274              | 4                        | 51                                 | 55             | 20.1%                           |
| 2017          | 274              | 9                        | 40                                 | 49             | 17.9%                           |

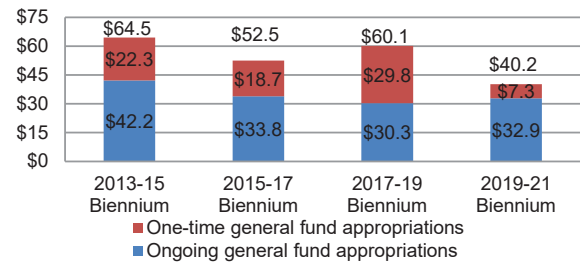
| Calendar Year | Total Released | Returned for a New Crime | Returned for a Technical Violation | Total Returned | Total Percentage Returned Rates |
|---------------|----------------|--------------------------|------------------------------------|----------------|---------------------------------|
| 2014          | 1,119          | 73                       | 216                                | 289            | 25.8%                           |
| 2015          | 1,350          | 74                       | 234                                | 308            | 22.8%                           |
| 2016          | 1,473          | 85                       | 249                                | 334            | 22.7%                           |
| 2017          | 1,487          | 98                       | 267                                | 365            | 24.5%                           |

**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

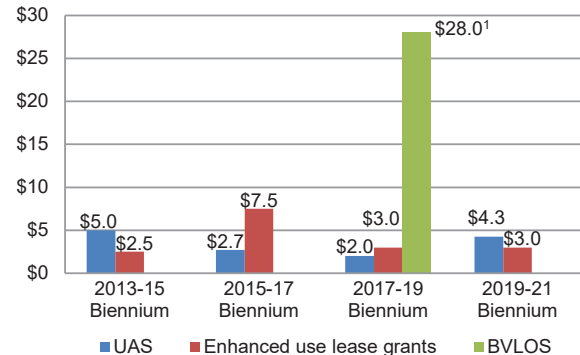
## ECONOMIC DEVELOPMENT

### GENERAL FUND APPROPRIATIONS (Amounts Shown in Millions)



| Biennium | Ongoing General Fund Appropriations | One-Time General Fund Appropriations | Total General Fund Appropriations |
|----------|-------------------------------------|--------------------------------------|-----------------------------------|
| 2013-15  | \$42,157,060                        | \$22,300,000                         | \$64,457,060                      |
| 2015-17  | \$33,859,099                        | \$18,663,260                         | \$52,522,359                      |
| 2017-19  | \$30,342,680                        | \$29,750,000                         | \$60,092,680                      |
| 2019-21  | \$32,866,721                        | \$7,325,000                          | \$40,191,721                      |

### TOTAL APPROPRIATIONS FOR UNMANNED AIRCRAFT SYSTEMS (UAS) PROGRAMS (Amounts Shown in Millions)

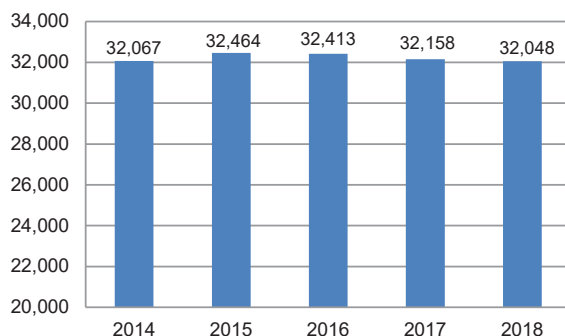


<sup>1</sup>The 2019 Legislative Assembly provided a supplemental appropriation of \$28 million to the Department of Commerce for a beyond visual line of sight (BVLOS) UAS program for the 2017-19 biennium.

| Biennium | General Fund | Other funds <sup>1</sup> | Total        |
|----------|--------------|--------------------------|--------------|
| 2013-15  | \$5,000,000  | \$2,500,000              | \$7,500,000  |
| 2015-17  | 2,718,620    | 7,500,000                | 10,218,620   |
| 2017-19  | 29,000,000   | 4,000,000                | 33,000,000   |
| 2019-21  | 5,250,000    | 2,000,000                | 7,250,000    |
| Total    | \$41,968,620 | \$16,000,000             | \$57,968,620 |

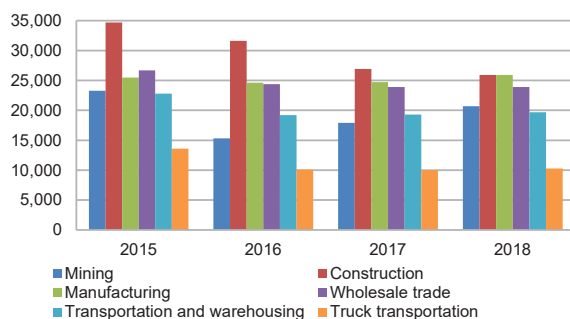
<sup>1</sup>Other funds appropriated for UAS programs include \$14 million from the strategic investment and improvements fund, of which \$2 million was for UAS grants and \$12 million was for enhanced use lease grants. The remaining amount include \$1 million from the UAS fund and \$1 million from federal funds appropriated to the Department of Commerce for UAS grants during the 2019-21 biennium.

## PRIVATE SECTOR BUSINESSES



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

## INDUSTRIAL JOBS

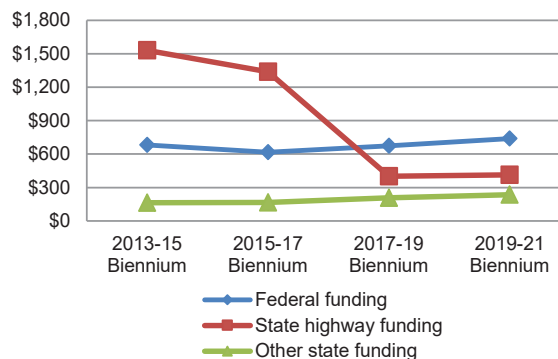


| Industrial Jobs                |        |        |        |        |
|--------------------------------|--------|--------|--------|--------|
|                                | 2015   | 2016   | 2017   | 2018   |
| Mining                         | 23,300 | 15,300 | 17,900 | 20,700 |
| Construction                   | 34,700 | 31,600 | 26,900 | 25,900 |
| Manufacturing                  | 25,500 | 24,600 | 24,700 | 25,900 |
| Wholesale Trade                | 26,600 | 24,400 | 23,900 | 23,900 |
| Transportation and Warehousing | 22,800 | 19,200 | 19,300 | 19,700 |
| Truck Transportation           | 13,600 | 10,100 | 10,000 | 10,300 |

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

## TRANSPORTATION

### STATE HIGHWAYS - FUNDING HISTORY (Amounts Shown in Millions)



| State Highways - Funding History (Amounts Shown in Millions) |                      |                        |                    |                    |
|--|----------------------|------------------------|--------------------|--------------------|
|  | 2013-15              | 2015-17                | 2017-19            | 2019-21            |
| Federal funding  | \$681.5              | \$616.5                | \$673.4            | \$738.9            |
| State highway funding  | 1,530.5 <sup>1</sup> | 1,338.4 <sup>2,3</sup> | 401.2 <sup>4</sup> | 412.5 <sup>6</sup> |
| Other state funding  | 163.5                | 166.3                  | 207.9 <sup>5</sup> | 235.3 <sup>7</sup> |
| Total  | \$2,375.5            | \$2,121.2              | \$1,282.5          | \$1,386.7          |

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

<sup>2</sup>Includes \$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.

<sup>3</sup>Includes an \$18.7 million contingent general fund transfer to the highway fund reflecting August 2016 special legislative session budget reductions.

<sup>4</sup>Includes \$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 of Transportation for the 2017-19 biennium. Includes \$13 million from the general fund, appropriated during the 2019 legislative session for road maintenance funding during the 2017-19 biennium.

<sup>5</sup>Includes \$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.

<sup>6</sup>Includes \$71.3 million of revenue received during the 2015-17 biennium in excess of the department's appropriation.

<sup>7</sup>Includes \$2.5 million from the general fund for the Department of Transportation's short line railroad program.

### 2019-21 BIENNIUM ESTIMATED HIGHWAY TAX DISTRIBUTION FUND ALLOCATIONS (Amounts Shown in Millions)

|                       |         |
|-----------------------|---------|
| State                 | \$341.2 |
| Counties              | 122.5   |
| Cities                | 69.6    |
| Townships             | 15.0    |
| Public transportation | 8.4     |
| Total                 | \$556.7 |

Transportation

Economic  
Development

## ESTIMATED FEDERAL HIGHWAY FUNDING<sup>1</sup>

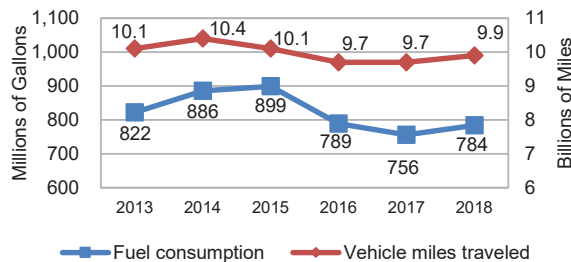
|  | (Amounts Shown in Millions) |                     |                     |
|--|-----------------------------|---------------------|---------------------|
|  | 2015-17<br>Biennium         | 2017-19<br>Biennium | 2019-21<br>Biennium |
| Federal Highway Administration funding         | \$545.3                     | \$615.1             | \$684.3             |
| Emergency relief funds                         | 42.4                        | 21.7                | 20.4                |
| Federal rail funds                             | 4.0                         | 11.3                |                     |
| National Highway Traffic Safety Administration | 9.5                         | 9.3                 | 9.4                 |
| Federal transit funds                          | 15.3                        | 16.0                | 24.8                |
| Total  | \$616.5                     | \$673.4             | \$738.9             |

<sup>1</sup>Federal funding received for highway construction projects requires state matching funds. Interstate highway projects are paid with 90 percent federal funds and 10 percent state funds, and most other state highway projects are 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 - 2018

|                      |        |
|----------------------|--------|
| State highway system | 7,414  |
| County roads         | 15,635 |
| Other rural roads    | 60,220 |
| City streets         | 4,419  |
| Total                | 87,688 |

## ESTIMATED HIGHWAY CONSTRUCTION COSTS PER MILE

|   | 2014        | 2016        | 2018        |
|---|-------------|-------------|-------------|
| Two-lane road reconstruction (includes grading and asphalt surfacing)     | \$2,300,000 | \$2,000,000 | \$1,500,000 |
| Interstate concrete paving (two lanes in one direction)                   | \$2,000,000 | \$2,400,000 | \$2,300,000 |
| Asphalt surface reconstruction (includes subgrade repair and resurfacing) | \$1,300,000 | \$1,100,000 | \$1,000,000 |
| 3-inch asphalt overlay  | \$380,000   | \$320,000   | \$240,000   |
| Interstate seal coat  | \$55,000    | \$55,000    | \$55,000    |
| Noninterstate seal coat   | \$35,000    | \$35,000    | \$35,000    |

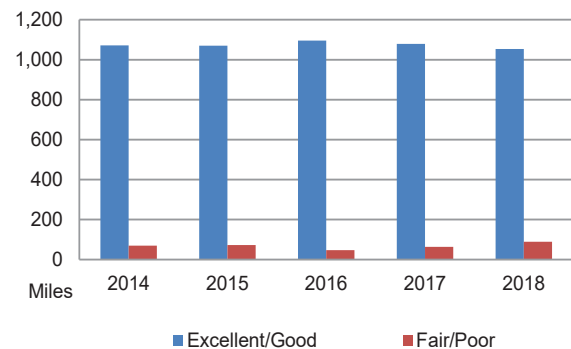
## NORTH DAKOTA BRIDGE SYSTEM CONDITION

| Number of Bridges in the State and Percentage of Structurally Deficient <sup>1</sup> or Functionally Obsolete <sup>2</sup> Bridges |       |       |        |       |
|--|-------|-------|--------|-------|
|  | State | Urban | County | Total |
| <b>2014</b>  |       |       |        |       |
| Bridges  | 1,711 | 111   | 3,036  | 4,858 |
| Percentage deficient   | 4.7%  | 13.5% | 24.7%  | 17.4% |
| <b>2016</b>  |       |       |        |       |
| Bridges  | 1,715 | 111   | 3,021  | 4,847 |
| Percentage deficient   | 4.1%  | 14.4% | 23.4%  | 16.4% |
| <b>2018</b>  |       |       |        |       |
| Bridges  | 1,722 | 117   | 2,992  | 4,831 |
| Percentage deficient   | 2.0%  | 5.4%  | 15.6%  | 10.5% |

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

<sup>2</sup>A 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