

# 2027-29 BIENNIUM BUDGET GUIDELINES

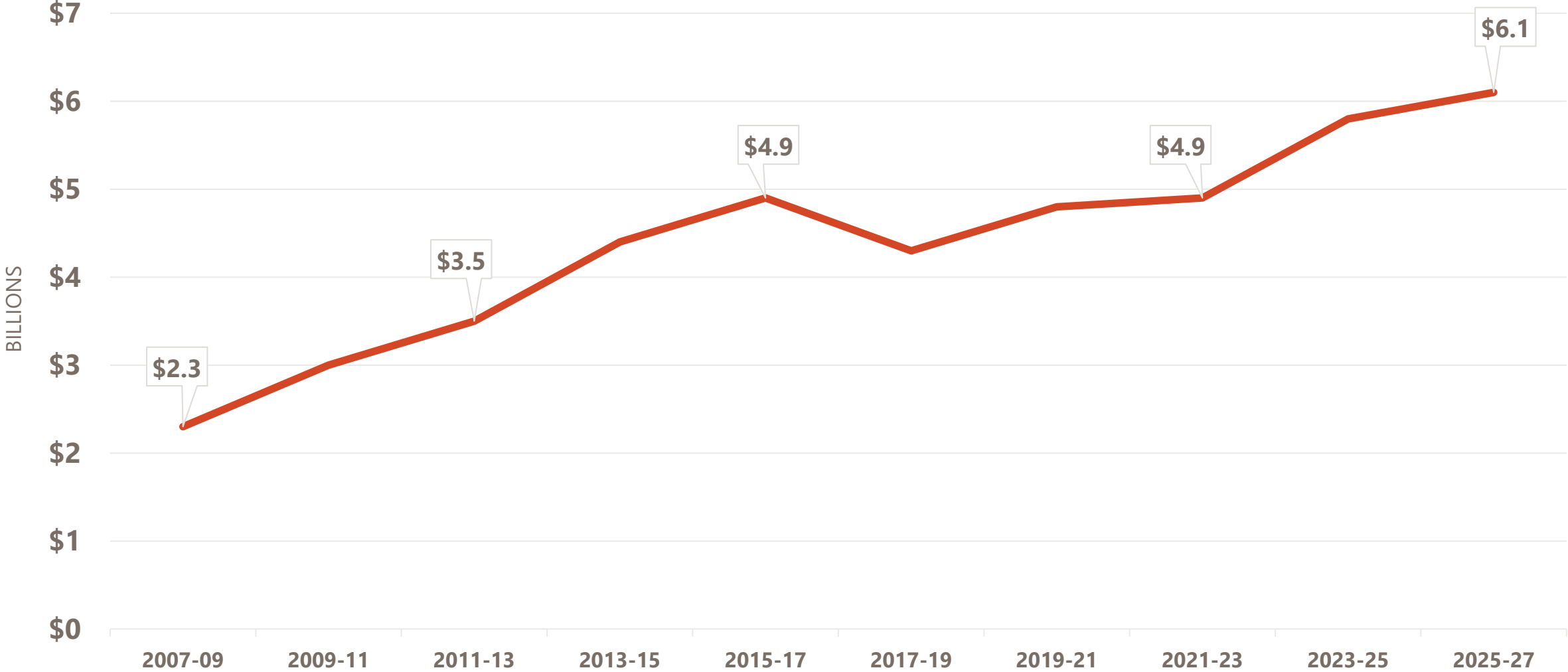
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April 8, 2026

NORTH  
**Dakota** Be Legendary.

# 20 YEARS OF GROWTH IN ONGOING GENERAL FUND SPENDING

GROWTH RATE NOT SUSTAINABLE

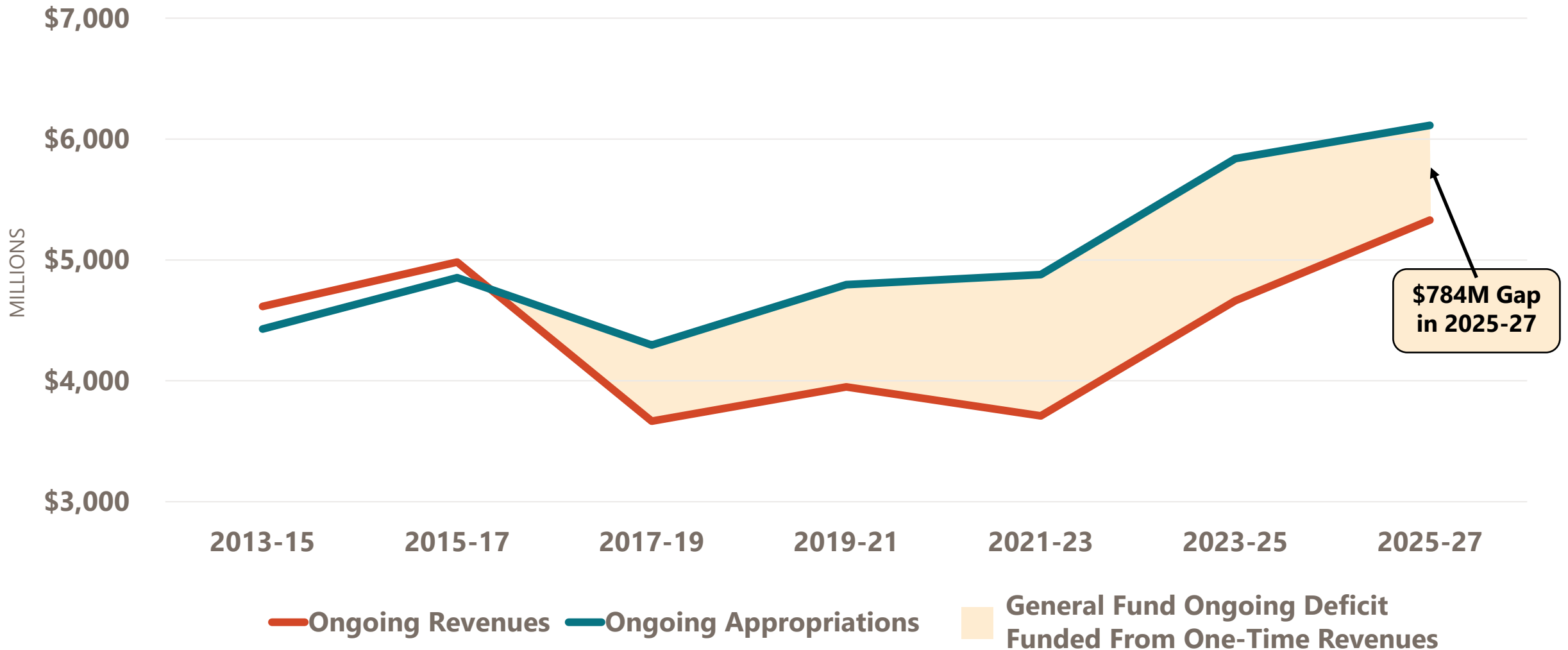


# **GENERAL FUND ONGOING REVENUES & EXPENDITURES GAP**

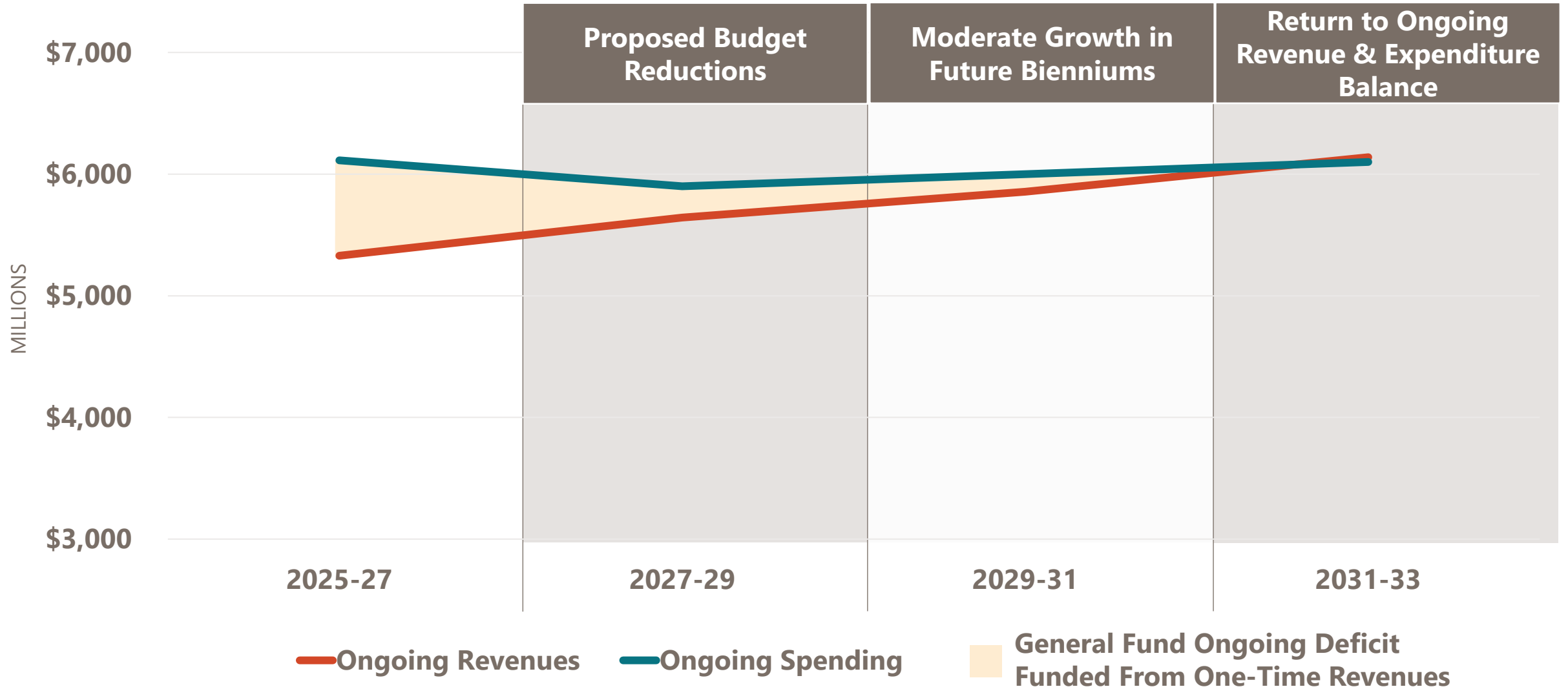


# GENERAL FUND IMBALANCE

BASED ON APPROVED LEGISLATIVE BUDGET



# LONG-TERM STRATEGY TO CLOSE GENERAL FUND GAP



# GENERAL FUND GUIDELINES

## % Reduction for General Fund Base Budget

< \$10M

**Hold Even**

\$10M to \$20M

**3% Reduction**

> \$20M

**10% Reduction**

## **Additionally required:**

Separate contingency package with 3% reduction scenario from base budget

**Agencies with General Fund Base Budget > \$20M excluded**

# GENERAL FUND PROJECTIONS



# GENERAL FUND REVENUES & FORECASTS

## COMPARISON TO LEGISLATIVE FORECAST – FEB. 2025

Revenues & Transfers	Biennium To Date			
	Original 2025 Leg. Forecast	Actual	Variance	Percent
Sales Tax	\$870.8	\$866.7	(\$4.0)	-0.5%
Motor Vehicle Excise Tax	56.8	52.5	(4.3)	-7.6%
Individual Income Tax	214.5	191.4	(23.1)	-10.7%
Corporate Income Tax	114.3	134.2	19.9	17.4%
Insurance Premium Tax	29.9	26.2	(3.7)	-12.5%
Oil Taxes	250.0	250.0		0.0%
Other Taxes, Fees & Interest	79.7	93.8	14.1	17.7%
Bank of North Dakota-Transfer	70.0	70.0		0.0%
Miscellaneous	.7	4.0	3.3	-----
<b>Total Revenues &amp; Transfers</b>	<b>\$1,686.7</b>	<b>\$1,688.8</b>	<b>\$2.1</b>	<b>0.1%</b>

# GENERAL FUND FORECAST

## IN MILLIONS

	Legislative Forecast 2025-27	Revised Forecast 2025-27	Preliminary Forecast 2027-29
Sales Tax	\$2,544.0	\$2,575.9	\$2,685.2
Motor Vehicle	175.0	169.4	175.4
Individual Income Tax	894.0	879.5	944.1
Corporate Income Tax	515.0	611.3	621.5
<b>Total Revenue</b>	<b>\$4,128.0</b>	<b>\$4,236.1</b>	<b>\$4,426.2</b>



+\$108M

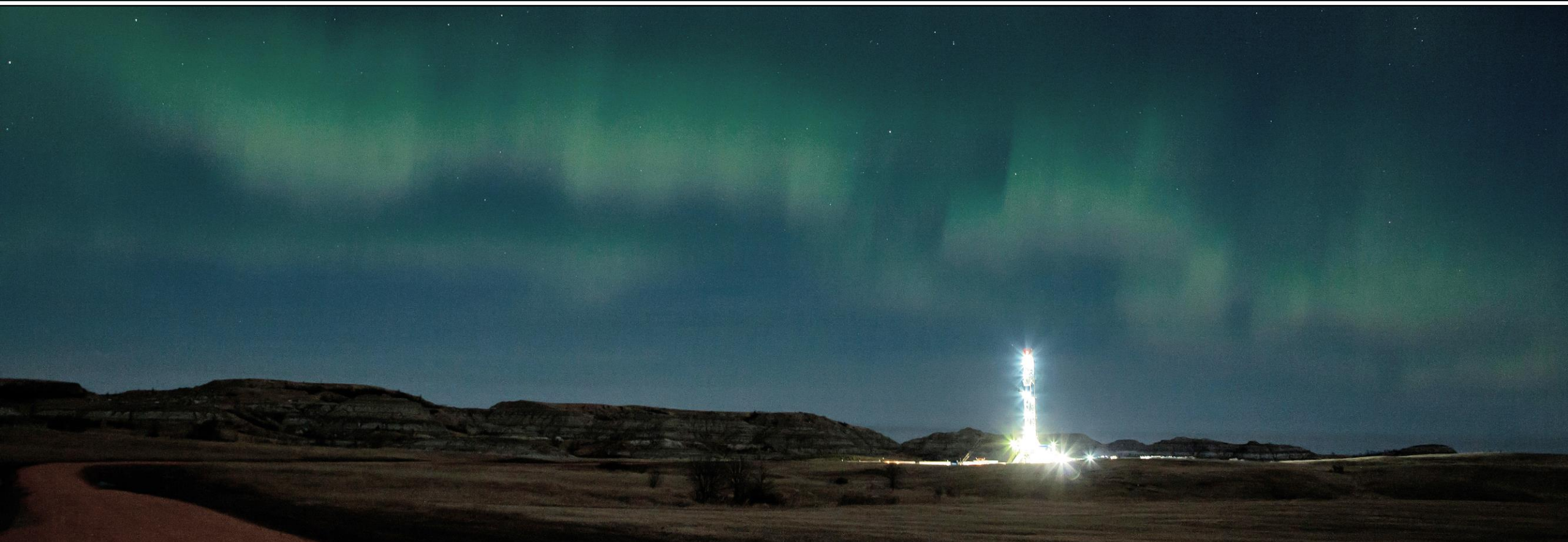


+\$298M

# GENERAL FUND STATUS

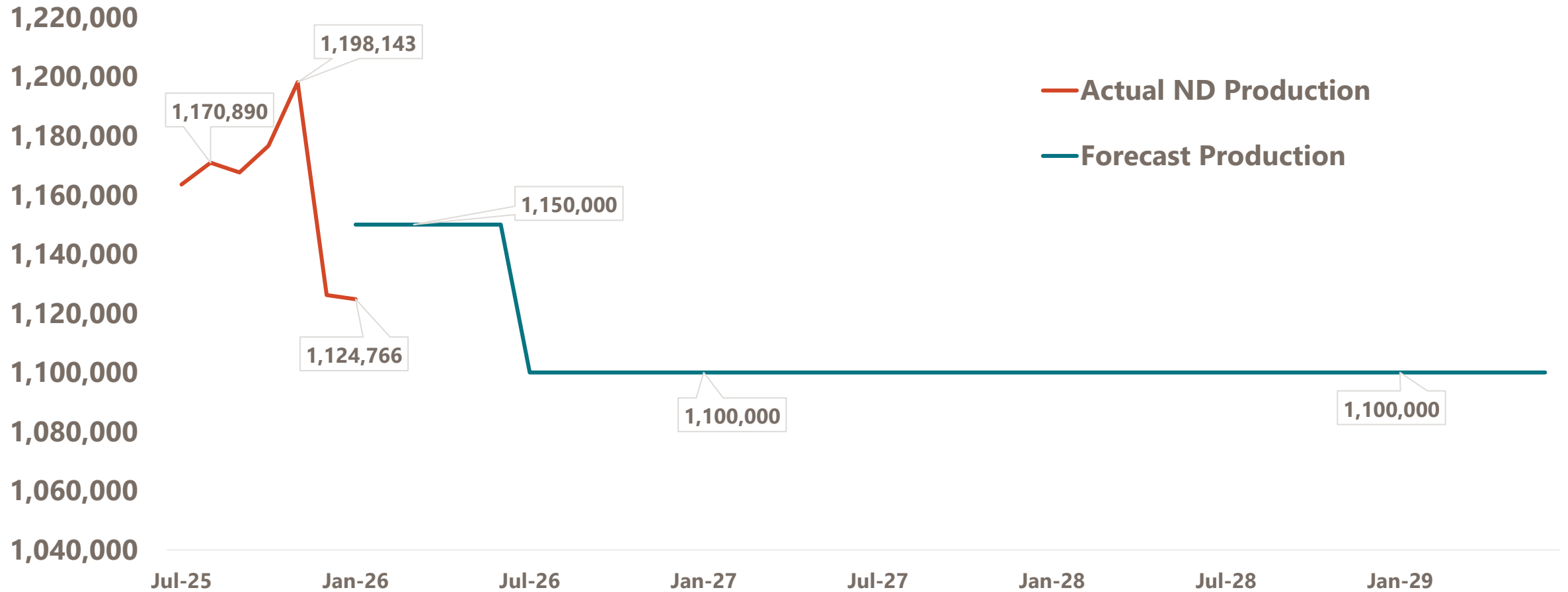
	MILLIONS	2025-27 Legislative Budget	2025-27 Current Estimate
Beginning Balance		\$1,154.0	\$1,329.5
Revenues and Transfers		5,329.2	5,478.4
<b>Total Available</b>		<b>\$6,483.2</b>	<b>\$6,807.9</b>
Ongoing Expenditures		6,113.2	6,113.2
One-time Expenditures		143.2	150.0
<b>Total Uses</b>		<b>\$6,256.4</b>	<b>\$6,263.2</b>
<b>Ending Balance</b>		<b>\$226.8</b>	<b>\$544.7</b>

# OIL TAXES OUTLOOK



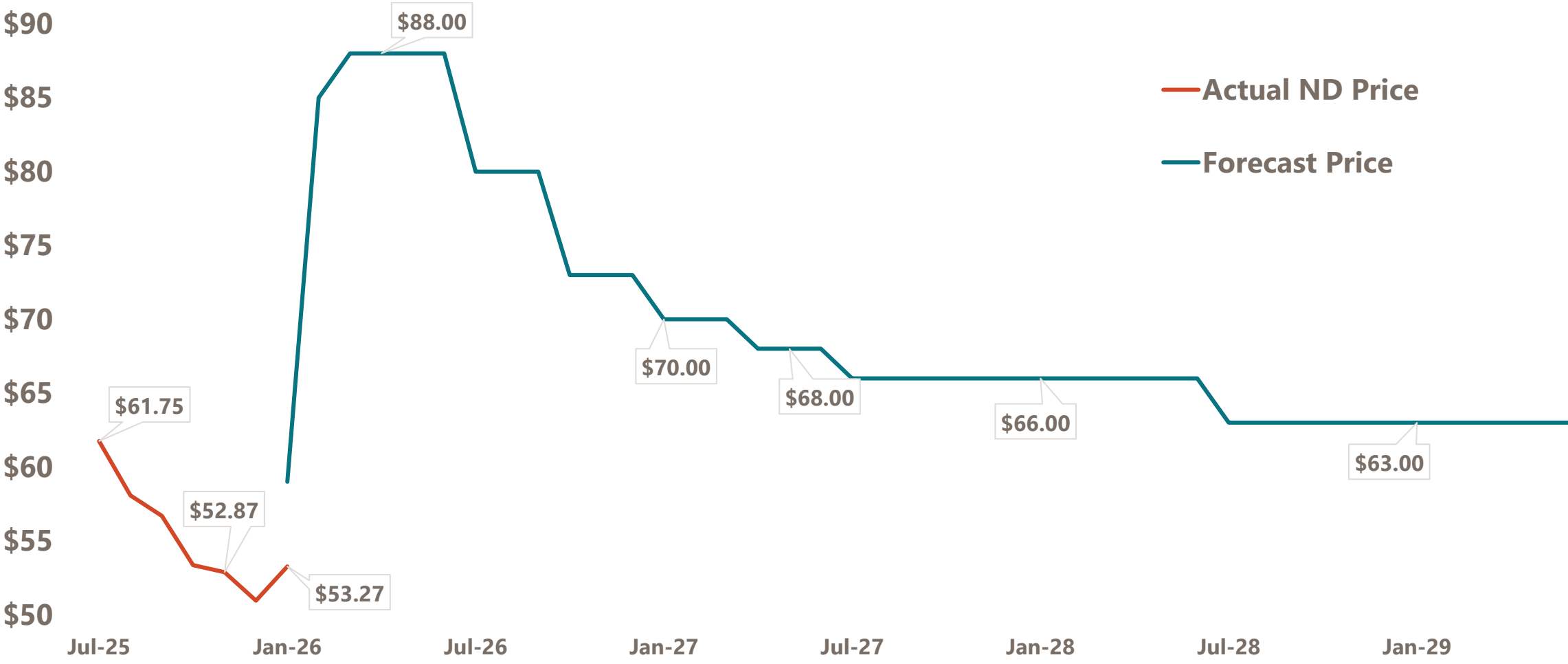
# ND OIL PRODUCTION

JULY 2025 – JUNE 2029

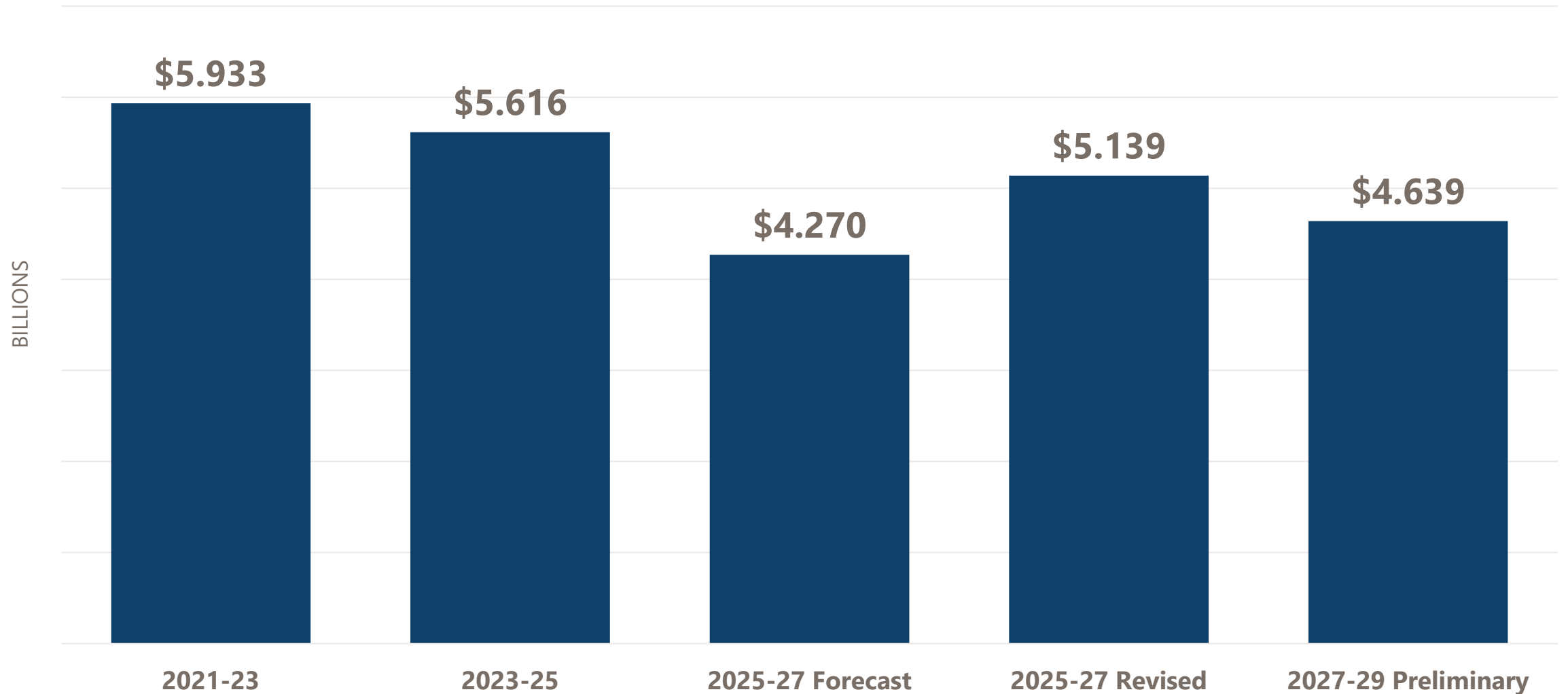


# ND OIL PRICE

JULY 2025 – JUNE 2029



# ND OIL TAX REVENUES



# 2025-27 & 2027-29 OIL ALLOCATIONS

Allocations <small>MILLIONS</small>	Legislative Forecast 2025-27	OMB Revised Forecast 2025-27	Preliminary Forecast 2027-29
Political Subdivisions	\$657.3	\$800.7	\$718.0
Tribal	380.6	360.0	311.9
Legacy Fund	1,168.7	1,434.0	1,298.3
Education Funds	345.9	423.0	385.4
Resources Trust Fund	354.5	434.2	394.9
General Fund	500.0	500.0	500.0
Social Services Fund	250.0	250.0	250.0
Infrastructure	160.0	160.0	160.0
PERS Fund	65.0	65.0	65.0
Airport Fund	20.0	20.0	20.0
<b>Strategic Investment Improvements Fund</b>	<b>295.5</b>	<b>620.0</b>	<b>463.3</b>
Other Allocations	72.0	72.6	72.6
<b>Total</b>	<b>\$4,269.5</b>	<b>\$5,139.5</b>	<b>\$4,639.4</b>



# BUDGET GUIDELINES



# GENERAL GUIDELINES

FOR ALL AGENCIES



No new FTE



No new buildings



Any new ongoing proposals should be offset by a corresponding reduction in ongoing expenditures



FTE pool underfunding restored in the executive base budget



Cost to continue current salary increases included in executive base budget

# GENERAL FUND GUIDELINES

## % Reduction for General Fund Base Budget

< \$10M  
**Hold Even**

\$10M to \$20M  
**3% Reduction**

> \$20M  
**10% Reduction**

## Higher Education Formula

**3% Reduction**

## Hold Even – No Reduction

Higher Ed Student Aid  
Programs Appropriated  
to NDUS Office

K-12 State Aid Formula

CTE Formula

# SPECIAL AND FEDERAL FUND

## AGENCY GUIDELINES

### Special Funds

- Hold even with base budget adjustments
- Limited to available funding sources

### NDIT

- 10% reduction to special funds and General Fund

### Federal Funds

- No limitation
- Subject to other budget limitations for match requirements

# ADDITIONAL 3% CONTINGENCY

Agencies with General Fund base > \$20 M excluded

Separate decision package with 3% contingency scenario

- Reduction from base budget for all but largest General Fund agencies
- Provides options if needed to address volatile revenues and economic uncertainty

# QUESTIONS?

NORTH  
**Dakota**  
Be Legendary.

**Joe Morrissette**  
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