

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/15/2007

Bill/Resolution No.: HB 1352

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$150,000		\$150,000
Expenditures						
Appropriations						

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2A. Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill adds corn as an item for which jurisdictions may issue permits to exceed weight restrictions by 10 percent.

**B. Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The addition of corn as a qualifying item will increase the related permit fee revenues collected by the Highway Patrol. These fees are deposited in the State Highway Fund. The permit fees are \$50/ month or \$250 for the season. The season runs from July 15- December 1. It is estimated this bill would result in the purchase of 300 additional seasonal permits at \$250 each. This would result in approximately \$150,000 in additional revenue to the State Highway Fund for the biennium.

Counties and cities also have authority to sell overweight permits, however few jurisdictions are doing so. We have no way of determining the impact of this bill on the county and city revenues.

An increase of 10% in the Gross Vehicle Weight of trucks results in a disproportionate increase in relative pavement damage. This increased damage, depending on the particular roadway, can result in a substantial reduction in pavement service life. The reduction in pavement service life will accelerate the need for maintenance and rehabilitation activities. The existing structure and condition of individual roadways must be considered. At this time we have no way of determining the cost of this additional damage.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Governor Hoeven has stated that within the next 18 months the state will be capable of producing 330 million gallons of ethanol/ year. To produce this it would take approximately 115.5 million bushels of corn/year. Some of this will come in by rail, with the remainder being trucked. While we can not be certain at this time how many producers would take advantage of this 4 ½ month window afforded by the permit, our best estimate is that this bill would result in the purchase of 300 additional seasonal permits at \$250 each. This would result in approximately \$150,000 in additional revenue to the State Highway Fund for the biennium.

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The addition of corn as a qualifying item will also increase the long term damage to the highways in the state. The increased loads will decrease the life of the pavement. We have no way to determine the extent or cost of this additional roadway damage.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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