

Sixty-first  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO. 1555

Introduced by

Representatives Vig, Griffin, Hofstad, Holman

Senators Miller, Olafson

1 A BILL for an Act to amend and reenact section 54-27-19.1 of the North Dakota Century Code,  
2 relating to motor vehicle fuels and special fuels tax allocations to the township highway aid  
3 fund; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 54-27-19.1 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **54-27-19.1. Township highway aid fund - Distribution.** Notwithstanding any other  
8 provision of law, ~~one-cent~~ two cents per gallon [3.79 liters] of the tax imposed by sections  
9 57-43.1-02 and 57-43.2-02 may not be refunded and the proceeds must be distributed as  
10 provided in this section. The tax commissioner shall transfer the proceeds of ~~one-cent~~ two  
11 cents per gallon [3.79 liters] of the tax imposed by sections 57-43.1-02 and 57-43.2-02 to the  
12 state treasurer who shall deposit the proceeds in a township highway aid fund in the state  
13 treasury. The state treasurer shall no less than quarterly allocate and distribute all moneys in  
14 the township highway aid fund to the counties of the state based on the length of township  
15 roads in each county compared to the length of all township roads in the state. To receive any  
16 funds under this section, organized townships shall provide fifty percent matching funds. The  
17 county treasurer shall allocate the funds received to the organized townships in the county  
18 which provide fifty percent matching funds based on the length of township roads in each such  
19 organized township compared to the length of all township roads in the county. The funds  
20 received must be deposited in the township road and bridge fund and used for highway and  
21 bridge purposes. If a county has no organized townships, or has some organized and some  
22 unorganized townships, the county shall retain a pro rata portion of the funds received based on  
23 the length of roads in unorganized townships compared to the length of township roads in  
24 organized townships in the county. Moneys retained by a county for the benefit of unorganized

1 townships under this section must be deposited in the county road and bridge fund. Moneys  
2 retained by the county treasurer due to the failure of organized townships to provide required  
3 matching funds must be returned to the state treasurer who shall deposit the funds in the  
4 highway tax distribution fund. The board of county commissioners shall certify to the state  
5 treasurer any change in township road mileage when a change occurs and shall, by July first of  
6 each even-numbered year, certify the total number of township road mileage in each of the  
7 county's organized and unorganized townships. The state treasurer shall prescribe the form  
8 and manner by which the certification is made.

9       **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
10 July 31, 2009.