

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Vig

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

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

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