

Testimony Prepared for the
Senate Finance & Taxation Committee

Monday, March 22, 2021

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*North Dakota
Association of
County Engineers*

RE: Engrossed House Bill 1464 – Fuel Tax Increase

Chair Bell and members of the Senate Finance & Taxation Committee, thank you for the opportunity to provide testimony in support of HB 1464. I am Genny Dienstmann with the ND Association of Counties and I also serve as Executive Director of our member association, the North Dakota Association of County Engineers and Highway Superintendents.

County and state government have many challenges keeping up with the demands of improving and maintaining our statewide transportation system. County road levies across the state currently total about \$60 million annually, with a similar amount distributed from the State Highway Distribution Fund. In addition, counties receive federal funding from the DOT of approximately \$12 million per year. Counties have an estimated \$132 million per year to meet infrastructure needs. Compare that to county and township need totals from the Upper Great Plains Transportation Institute Study, the total is about \$466 million per year; this is a difference of \$334 million annually.

In prior legislative sessions, a portion of these needs were met with ‘surge’ funding. This one-time funding was an immense benefit in assisting counties with road projects. Counties were hopeful the Operation Prairie Dog funding would have provided a more consistent funding source, but in the short term, this is not likely.

As maintenance and construction costs continue to rise each year, your consideration of supporting a fuel tax for transportation infrastructure now would be beneficial to local and state government. Thank you again for the opportunity to support HB 1464.