

(Please type in triplicate)

FISCAL NOTE

Prepared in regard to:

(List bill or resolution and number, if available, or subject)

Amendment to: House Bill 1365

(List bill or resolution and number)

Requested by: Legislative Council Date of receipt: February 17, 1981

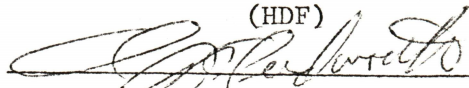
In the following space note the fiscal effect in dollars of the legislative proposal:

Narrative:

If enacted as amended, House Bill 1365 would decrease state general fund revenue by approximately \$24,870,000 in the 1981-83 biennium. It would also decrease revenue to the Motor Vehicle Registration Fund by \$1,990,000 and increase Highway Distribution Fund by \$26,860,000 in the 1981-83 biennium.

Fiscal Effect:

1981-82		1982-83		Total Biennium	
Special Funds	General Fund	Special Funds	General Fund	Special Funds	General Fund
-\$900,000 (MVRF)	-\$11,270,000	-\$1,090,000 (MVRF)	-\$13,600,000	-\$1,990,000 (MVRF)	-\$24,870,000
+\$12,170,000 (HDF)		+\$14,690,000 (HDF)		+\$26,860,000 (HDF)	

Signed 
Typed Name C.W. Cudworth

Date Prepared: February 18, 1981 Department Tax

If additional space is needed, attach a supplementary sheet.

JAB

This document paid for with State funds.

On page 1, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to amend and reenact sections 54-27-19 and 57-40.3-10 of the North Dakota Century Code, relating to the crediting of income from the highway tax distribution fund and the allocation of revenue from the motor vehicle excise tax.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-27-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-27-19. HIGHWAY TAX DISTRIBUTION FUND - STATE TREASURER TO MAKE ALLOCATION TO STATE, COUNTIES, AND CITIES. A highway tax distribution fund is hereby created as a special fund in the state treasury into which shall be deposited the moneys available by law from collections of motor vehicle registration and related fees, fuels taxes, special fuels taxes, use taxes, motor vehicle excise taxes, and special fuels excise taxes. The state treasurer shall invest moneys in the highway tax distribution fund as provided by law for state investments, and all moneys derived from such investments shall be credited to the highway tax distribution fund. Any moneys in the highway tax distribution fund shall be allocated and transferred monthly by the state treasurer, as follows:

1. Sixty-three percent of such moneys shall be transferred monthly to the state highway department and placed in a state highway department fund.
2. Thirty-seven percent of such moneys shall be allocated to the counties of this state in proportion to the number of motor vehicle registrations credited to each county. Each county shall be credited with the certificates of title of all motor vehicles registered by residents of such county. The state treasurer shall compute and distribute the counties'

the MVEF is just a temporary fund from where revenue are deducted. the adm. cost of the MVEF is then the remaining portion given to the HD-F

share monthly after deducting the incorporated cities' share. All the moneys received by the counties from the highway tax distribution fund shall be set aside in a separate fund called the "highway tax distribution fund" and shall be appropriated and applied solely for highway purposes in accordance with article 56 of the North Dakota Constitution. The state treasurer shall compute and distribute monthly twenty-seven percent of the sums allocated to each county to the incorporated cities within such county on the basis of the per capita population of all of the incorporated cities situated within such county as determined by the last official regular or special federal census or the census taken in accordance with the provisions of chapter 40-02 in case of a city incorporated subsequent to such census. Provided, however, that in each county having a city with a population of ten thousand or more, the amount transferred each month into the county highway tax distribution fund shall be the difference between the amount allocated to that county pursuant to this subsection and the total amount allocated and distributed to the incorporated cities in that county as computed according to the following formula:

- a. Twenty-seven percent of the amount allocated to all of the counties under this subsection shall be the incorporated cities' share and shall be divided by the total population of all of the incorporated cities in the state to determine the statewide per capita average.
- b. The share to each city in the county having a population of less than one thousand shall be determined by multiplying the population of that city by the product of 1.50 times the statewide per capita average computed under subdivision a.
- c. The share to each city in the county having a population of one thousand to four thousand nine hundred ninety-nine, inclusive, shall be determined by multiplying the population of that city by the product of 1.25 times the statewide per capita average computed under subdivision a.

- d. The share to each city in the county having a population of five thousand or more shall be determined by multiplying the population of that city by the statewide per capita average for all such cities, which per capita average shall be computed as follows: the total of the shares computed under subdivisions b and c for all cities in the state having a population of less than five thousand shall be subtracted from the total incorporated cities' share in the state as computed under subdivision a and the balance remaining shall then be divided by the total population of all cities of five thousand or more in the state.

The moneys allocated to the incorporated cities shall be distributed to them monthly by the state treasurer and shall be deposited by the cities in a separate fund and shall only be used in accordance with article 56 of the North Dakota Constitution, provided that any incorporated city may use such fund for the construction, reconstruction, repair and maintenance of public highways within or outside such city pursuant to an agreement entered into between the city and any other political subdivision as authorized by section 54-40-08.

SECTION 2. AMENDMENT. Section 57-40.3-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-40.3-10. ALLOCATION OF REVENUE. All moneys collected and received under this chapter shall be transmitted monthly by the motor vehicle registrar to the state tax commissioner and ~~by him~~ shall be paid by the tax commissioner to the state treasurer to be transferred and credited as follows:

1. ~~Fifty percent of the tax accruing under this chapter on motor vehicles purchased or acquired outside of this state for use in this state, shall be credited to the motor vehicle registration fund.~~
2. ~~The remaining fifty percent of the tax accruing under this chapter on motor vehicles purchased or acquired outside of the state for use in this state shall be credited to the general fund.~~
3. ~~All moneys accruing under this chapter on motor vehicles purchased in this state shall be~~

credited to the general highway tax
distribution fund."

And renumber the lines and pages accordingly