

Sixty-first  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1407

Introduced by

Representatives Weisz, Nelson, Ruby

Senators O'Connell, Oehlke

1 A BILL for an Act to create and enact a new section to chapter 24-02 of the North Dakota  
2 Century Code, relating to an economic development transportation fund; amend and reenact  
3 sections 39-04-19, 39-04-39, 54-27-19, 54-27-19.1, and 57-40.3-10 of the North Dakota  
4 Century Code, relating to the collection and distribution of highway funds; to repeal section  
5 39-04.2-03 of the North Dakota Century Code, relating to the registration fee for the public  
6 transportation fund; to provide an appropriation; and to provide a continuing appropriation.

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

8 **SECTION 1.** A new section to chapter 24-02 of the North Dakota Century Code is  
9 created and enacted as follows:

10 **Economic development transportation fund - Continuing appropriation.** The  
11 economic development transportation fund is created as a special fund in the state treasury.  
12 Moneys in the fund are appropriated on a continuing basis to the director to provide matching  
13 grants to political subdivisions in amounts determined by the director; however, the match  
14 provided by a political subdivision must be at least ten percent of the total amount of the  
15 project. The director shall provide matching grants for transportation-related projects that  
16 promote economic development by improving the transportation infrastructure of this state.

17 **SECTION 2. AMENDMENT.** Section 39-04-19 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **39-04-19. Motor vehicle registration fees and mile tax.** Motor vehicles required to  
20 pay registration fees or a mile tax shall pay the following fees:

- 21 1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do  
22 so by the department, shall pay a fee of twenty dollars for a trip permit which is  
23 valid for a period of seventy-two hours. All fees collected under the provisions of  
24 this subsection must be credited to the highway construction fund.

1           2. Motor vehicles required to be registered in this state must be furnished license  
2           plates upon the payment of the following annual fees; however, if a motor vehicle,  
3           including a motorcycle or trailer, first becomes subject to registration other than at  
4           the beginning of the registration period, such fees must be prorated on a monthly  
5           basis. The minimum fee charged hereunder must be five dollars:

6           a. Passenger motor vehicles:

	YEARS REGISTERED				
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years	
8           Gross					
9           Weights					
10          Less than 3,200	<del>\$70</del> <u>\$73</u>	<del>\$62</del> <u>\$65</u>	<del>\$54</del> <u>\$57</u>	<del>\$46</del> <u>\$49</u>	
11          3,200 - 4,499	<del>90</del> <u>93</u>	<del>78</del> <u>81</u>	<del>66</del> <u>69</u>	<del>54</del> <u>57</u>	
12          4,500 - 4,999	<del>108</del> <u>111</u>	<del>94</del> <u>94</u>	<del>76</del> <u>79</u>	<del>60</del> <u>63</u>	
13          5,000 - 5,999	<del>139</del> <u>142</u>	<del>117</del> <u>120</u>	<del>95</del> <u>98</u>	<del>73</del> <u>76</u>	
14          6,000 - 6,999	<del>172</del> <u>175</u>	<del>143</del> <u>146</u>	<del>114</del> <u>117</u>	<del>86</del> <u>89</u>	
15          7,000 - 7,999	<del>205</del> <u>208</u>	<del>169</del> <u>172</u>	<del>134</del> <u>137</u>	<del>99</del> <u>102</u>	
16          8,000 - 8,999	<del>238</del> <u>241</u>	<del>196</del> <u>199</u>	<del>154</del> <u>157</u>	<del>112</del> <u>115</u>	
17          9,000 and over	<del>274</del> <u>274</u>	<del>222</del> <u>225</u>	<del>174</del> <u>177</u>	<del>125</del> <u>128</u>	

18                           A house car is subject to registration at the rates prescribed for other  
19                           vehicles under this subdivision modified by using the weight applicable to a  
20                           vehicle whose weight is forty percent of that of the house car, but not using a  
21                           weight of less than four thousand pounds [1814.35 kilograms].  
22

23                           A pickup truck is subject to registration at the rates prescribed for other  
24                           vehicles under this subdivision by applying the shipping weight of the vehicle  
25                           to the fee schedule. At a minimum, the registered gross weight displayed on  
26                           the registration card for a pickup truck must be twice the shipping weight of  
27                           the vehicle. Unless otherwise exempted by this chapter, the owner of a  
28                           pickup truck shall request the registered gross weight of the pickup truck be  
29                           increased to ensure the registered gross weight is sufficient to include the  
30                           total weight of the vehicle and any load transported on or by the vehicle. For  
31                           purposes of this subdivision, a pickup truck is a motor vehicle with a

1 manufacturer's gross vehicle weight rating of less than eleven thousand five  
2 hundred pounds [5216.31 kilograms], with an unladen weight of less than  
3 eight thousand pounds [3628.74 kilograms], and which is equipped with an  
4 open box-type bed not exceeding nine feet [2.74 meters] in length.

5 b. Schoolbuses, buses for hire, buses owned and operated by religious,  
6 charitable, or nonprofit organizations and used exclusively for religious,  
7 charitable, or other public nonprofit purposes, and trucks or combination  
8 trucks and trailers, including commercial and noncommercial trucks, except  
9 those trucks or combinations of trucks and trailers which qualify for  
10 registration under this subsection or subsection 5:

YEARS REGISTERED						
	1st	7th	10th	13th	20th and	
Gross	Through	Through	Through	Through	Subsequent	
Weights	6th Years	9th Years	12th Years	19th Years	Years	
15 Not over 4,000	<del>\$68</del> <u>\$71</u>	<del>\$55</del> <u>\$58</u>	<del>\$50</del> <u>\$53</u>	<del>\$47</del> <u>\$50</u>	<del>\$46</del> <u>\$49</u>	
16 4,001 - 6,000	<del>73</del> <u>76</u>	<del>60</del> <u>63</u>	<del>54</del> <u>57</u>	<del>48</del> <u>51</u>	<del>47</del> <u>50</u>	
17 6,001 - 8,000	<del>78</del> <u>81</u>	<del>65</del> <u>68</u>	<del>58</del> <u>61</u>	<del>49</del> <u>52</u>	<del>48</del> <u>51</u>	
18 8,001 - 10,000	<del>83</del> <u>86</u>	<del>70</del> <u>73</u>	<del>62</del> <u>65</u>	<del>54</del> <u>54</u>	<del>50</del> <u>53</u>	
19 10,001 - 12,000	<del>88</del> <u>91</u>	<del>75</del> <u>78</u>	<del>66</del> <u>69</u>	<del>53</del> <u>56</u>	<del>52</del> <u>55</u>	
20 12,001 - 14,000	<del>93</del> <u>96</u>	<del>80</del> <u>83</u>	<del>70</del> <u>73</u>	<del>56</del> <u>59</u>	<del>55</del> <u>58</u>	
21 14,001 - 16,000	<del>98</del> <u>101</u>	<del>85</del> <u>88</u>	<del>74</del> <u>77</u>	<del>59</del> <u>62</u>	<del>58</del> <u>61</u>	
22 16,001 - 18,000	<del>103</del> <u>106</u>	<del>90</del> <u>93</u>	<del>78</del> <u>81</u>	<del>64</del> <u>64</u>	<del>60</del> <u>63</u>	
23 18,001 - 20,000	<del>106</del> <u>109</u>	<del>93</del> <u>96</u>	<del>80</del> <u>83</u>	<del>62</del> <u>65</u>	<del>64</del> <u>64</u>	

YEARS REGISTERED			
	1st, 2nd, 3rd,	8th, 9th, 10th,	13th and
Gross	4th, 5th, 6th,	11th, and	Subsequent
Weights	and 7th Years	12th Years	Years
28 20,001 - 22,000	<del>\$136</del> <u>\$139</u>	<del>\$110</del> <u>\$113</u>	<del>\$97</del> <u>\$100</u>
29 22,001 - 26,000	<del>188</del> <u>191</u>	<del>158</del> <u>161</u>	<del>142</del> <u>145</u>
30 26,001 - 30,000	<del>249</del> <u>252</u>	<del>207</del> <u>210</u>	<del>185</del> <u>188</u>
31 30,001 - 34,000	<del>315</del> <u>318</u>	<del>260</del> <u>263</u>	<del>232</del> <u>235</u>

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1	34,001 - 38,000	<del>376</del> <u>379</u>	<del>309</del> <u>312</u>	<del>275</del> <u>278</u>
2	38,001 - 42,000	<del>437</del> <u>440</u>	<del>358</del> <u>361</u>	<del>317</del> <u>320</u>
3	42,001 - 46,000	<del>498</del> <u>501</u>	<del>406</del> <u>409</u>	<del>360</del> <u>363</u>
4	46,001 - 50,000	<del>559</del> <u>562</u>	<del>455</del> <u>458</u>	<del>403</del> <u>406</u>
5	50,001 - 54,000	<del>629</del> <u>632</u>	<del>513</del> <u>516</u>	<del>454</del> <u>457</u>
6	54,001 - 58,000	<del>690</del> <u>693</u>	<del>562</del> <u>565</u>	<del>497</del> <u>500</u>
7	58,001 - 62,000	<del>752</del> <u>755</u>	<del>611</del> <u>614</u>	<del>540</del> <u>543</u>
8	62,001 - 66,000	<del>812</del> <u>815</u>	<del>659</del> <u>662</u>	<del>583</del> <u>586</u>
9	66,001 - 70,000	<del>873</del> <u>876</u>	<del>708</del> <u>711</u>	<del>625</del> <u>628</u>
10	70,001 - 74,000	<del>934</del> <u>937</u>	<del>757</del> <u>760</u>	<del>668</del> <u>671</u>
11	74,001 - 78,000	<del>995</del> <u>998</u>	<del>806</del> <u>809</u>	<del>711</del> <u>714</u>
12	78,001 - 82,000	<del>1,056</del> <u>1,059</u>	<del>855</del> <u>858</u>	<del>754</del> <u>757</u>
13	82,001 - 86,000	<del>1,179</del> <u>1,182</u>	<del>960</del> <u>963</u>	<del>841</del> <u>844</u>
14	86,001 - 90,000	<del>1,301</del> <u>1,304</u>	<del>1,064</del> <u>1,067</u>	<del>928</del> <u>931</u>
15	90,001 - 94,000	<del>1,423</del> <u>1,426</u>	<del>1,169</del> <u>1,172</u>	<del>1,015</del> <u>1,018</u>
16	94,001 - 98,000	<del>1,545</del> <u>1,548</u>	<del>1,274</del> <u>1,277</u>	<del>1,103</del> <u>1,106</u>
17	98,001 - 102,000	<del>1,667</del> <u>1,670</u>	<del>1,378</del> <u>1,381</u>	<del>1,190</del> <u>1,193</u>
18	102,001 - 105,500	<del>1,789</del> <u>1,792</u>	<del>1,483</del> <u>1,486</u>	<del>1,277</del> <u>1,280</u>

19           c. ~~Notwithstanding the fees provided by subdivision a of subsection 2, only~~  
 20                     ~~one half of the increase in registration fees, rounded up to the nearest dollar,~~  
 21                     ~~resulting from the reclassification of pickup trucks in 2005 from subdivision b~~  
 22                     ~~of subsection 2 to subdivision a of subsection 2 is effective from July 1, 2005,~~  
 23                     ~~through June 30, 2007.~~

24           d. Motorcycles, fifteen dollars.

25           3. Motor vehicles acquired by disabled veterans under the provisions of Public Law  
 26                     79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax  
 27                     and, if paid, such veterans are entitled to a refund. This exemption also applies to  
 28                     any passenger motor vehicle or pickup truck not exceeding ten thousand pounds  
 29                     [4535.92 kilograms] gross weight but shall apply to no more than two such motor  
 30                     vehicles owned by a disabled veteran at any one time.

- 1           4. Every trailer, semitrailer, and farm trailer required to be registered under this  
2 chapter must be furnished registration plates upon the payment of a twenty dollar  
3 annual fee. Every trailer, semitrailer, or farm trailer not required to be registered  
4 under this chapter must be furnished an identification plate upon the payment of a  
5 fee of five dollars. Upon the request of a person with a trailer or farm trailer to  
6 whom a registration or identification plate is provided under this subsection, the  
7 department shall provide a plate of the same size as provided for a motorcycle.  
8 The department shall provide notification of this option to the person before the  
9 replacement or issuance of the plate.
- 10          5. Trucks or combinations of trucks and trailers weighing more than twenty thousand  
11 but not more than one hundred five thousand five hundred pounds [more than  
12 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles  
13 only, are entitled to registration under the following fee schedule and the provisions  
14 of this subsection. Farm vehicles are considered, for the purpose of this  
15 subsection, as trucks or combinations of trucks and trailers weighing more than  
16 twenty thousand but not more than one hundred five thousand five hundred  
17 pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or  
18 leased for at least one year by a bona fide resident farmer who uses the vehicles  
19 exclusively for transporting the farmer's own property or other property on a farm  
20 work exchange basis with other farmers between farms and the usual local trading  
21 places but not in connection with any commercial retail or wholesale business  
22 being conducted from those farms, nor otherwise for hire. In addition to the  
23 penalty provided in section 39-04-41, any person violating this subsection shall  
24 license for the entire license period the farm vehicle at the higher commercial  
25 vehicle rate in accordance with the weight carried by the farm vehicle at the time of  
26 the violation.

	YEARS REGISTERED				
	1st, 2nd,	7th and	9th and	11th and	
28	3rd, 4th, 5th,	8th	10th	Subsequent	
29	and 6th Years	Years	Years	Years	
30	Gross				
	Weights				

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1	20,001 - 22,000	<del>\$108</del> <u>\$111</u>	<del>\$94</del> <u>\$97</u>	<del>\$80</del> <u>\$83</u>	<del>\$62</del> <u>\$65</u>
2	22,001 - 24,000	<del>113</del> <u>116</u>	<del>98</del> <u>101</u>	<del>83</del> <u>86</u>	<del>64</del> <u>67</u>
3	24,001 - 26,000	<del>124</del> <u>124</u>	<del>104</del> <u>107</u>	<del>87</del> <u>90</u>	<del>66</del> <u>69</u>
4	26,001 - 28,000	<del>132</del> <u>135</u>	<del>112</del> <u>115</u>	<del>93</del> <u>96</u>	<del>70</del> <u>73</u>
5	28,001 - 30,000	<del>144</del> <u>144</u>	<del>120</del> <u>123</u>	<del>99</del> <u>102</u>	<del>74</del> <u>77</u>
6	30,001 - 32,000	<del>156</del> <u>159</u>	<del>133</del> <u>136</u>	<del>110</del> <u>113</u>	<del>83</del> <u>86</u>
7	32,001 - 34,000	<del>166</del> <u>169</u>	<del>144</del> <u>144</u>	<del>116</del> <u>119</u>	<del>87</del> <u>90</u>
8	34,001 - 36,000	<del>176</del> <u>179</u>	<del>149</del> <u>152</u>	<del>122</del> <u>125</u>	<del>94</del> <u>94</u>
9	36,001 - 38,000	<del>186</del> <u>189</u>	<del>157</del> <u>160</u>	<del>128</del> <u>131</u>	<del>95</del> <u>98</u>
10	38,001 - 40,000	<del>196</del> <u>199</u>	<del>165</del> <u>168</u>	<del>134</del> <u>137</u>	<del>99</del> <u>102</u>
11	40,001 - 42,000	<del>206</del> <u>209</u>	<del>173</del> <u>176</u>	<del>140</del> <u>143</u>	<del>103</del> <u>106</u>
12	42,001 - 44,000	<del>216</del> <u>219</u>	<del>184</del> <u>184</u>	<del>146</del> <u>149</u>	<del>107</del> <u>110</u>
13	44,001 - 46,000	<del>226</del> <u>229</u>	<del>189</del> <u>192</u>	<del>152</del> <u>155</u>	<del>114</del> <u>114</u>
14	46,001 - 48,000	<del>236</del> <u>239</u>	<del>197</del> <u>200</u>	<del>158</del> <u>161</u>	<del>115</del> <u>118</u>
15	48,001 - 50,000	<del>246</del> <u>249</u>	<del>205</del> <u>208</u>	<del>164</del> <u>167</u>	<del>119</del> <u>122</u>
16	50,001 - 52,000	<del>266</del> <u>269</u>	<del>223</del> <u>226</u>	<del>180</del> <u>183</u>	<del>133</del> <u>136</u>
17	52,001 - 54,000	<del>276</del> <u>279</u>	<del>234</del> <u>234</u>	<del>186</del> <u>189</u>	<del>137</del> <u>140</u>
18	54,001 - 56,000	<del>286</del> <u>289</u>	<del>239</del> <u>242</u>	<del>192</del> <u>195</u>	<del>144</del> <u>144</u>
19	56,001 - 58,000	<del>296</del> <u>299</u>	<del>247</del> <u>250</u>	<del>198</del> <u>201</u>	<del>145</del> <u>148</u>
20	58,001 - 60,000	<del>306</del> <u>309</u>	<del>255</del> <u>258</u>	<del>204</del> <u>207</u>	<del>149</del> <u>152</u>
21	60,001 - 62,000	<del>316</del> <u>319</u>	<del>263</del> <u>266</u>	<del>210</del> <u>213</u>	<del>153</del> <u>156</u>
22	62,001 - 64,000	<del>326</del> <u>329</u>	<del>274</del> <u>274</u>	<del>216</del> <u>219</u>	<del>157</del> <u>160</u>
23	64,001 - 66,000	<del>336</del> <u>339</u>	<del>279</del> <u>282</u>	<del>222</del> <u>225</u>	<del>164</del> <u>164</u>
24	66,001 - 68,000	<del>346</del> <u>349</u>	<del>287</del> <u>290</u>	<del>228</del> <u>231</u>	<del>165</del> <u>168</u>
25	68,001 - 70,000	<del>356</del> <u>359</u>	<del>295</del> <u>298</u>	<del>234</del> <u>237</u>	<del>169</del> <u>172</u>
26	70,001 - 72,000	<del>366</del> <u>369</u>	<del>303</del> <u>306</u>	<del>240</del> <u>243</u>	<del>173</del> <u>176</u>
27	72,001 - 74,000	<del>376</del> <u>379</u>	<del>314</del> <u>314</u>	<del>246</del> <u>249</u>	<del>177</del> <u>180</u>
28	74,001 - 76,000	<del>386</del> <u>389</u>	<del>319</del> <u>322</u>	<del>252</del> <u>255</u>	<del>184</del> <u>184</u>
29	76,001 - 78,000	<del>396</del> <u>399</u>	<del>327</del> <u>330</u>	<del>258</del> <u>261</u>	<del>185</del> <u>188</u>
30	78,001 - 80,000	<del>406</del> <u>409</u>	<del>335</del> <u>338</u>	<del>264</del> <u>267</u>	<del>189</del> <u>192</u>
31	80,001 - 82,000	<del>416</del> <u>419</u>	<del>343</del> <u>346</u>	<del>270</del> <u>273</u>	<del>193</del> <u>196</u>

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1	82,001 - 84,000	<del>426</del> <u>429</u>	<del>365</del> <u>368</u>	<del>343</del> <u>316</u>	<del>269</del> <u>272</u>
2	84,001 - 86,000	<del>446</del> <u>449</u>	<del>382</del> <u>385</u>	<del>327</del> <u>330</u>	<del>284</del> <u>284</u>
3	86,001 - 88,000	<del>466</del> <u>469</u>	<del>399</del> <u>402</u>	<del>344</del> <u>344</u>	<del>293</del> <u>296</u>
4	88,001 - 90,000	<del>486</del> <u>489</u>	<del>416</del> <u>419</u>	<del>355</del> <u>358</u>	<del>305</del> <u>308</u>
5	90,001 - 92,000	<del>506</del> <u>509</u>	<del>433</del> <u>436</u>	<del>369</del> <u>372</u>	<del>347</del> <u>320</u>
6	92,001 - 94,000	<del>526</del> <u>529</u>	<del>450</del> <u>453</u>	<del>383</del> <u>386</u>	<del>329</del> <u>332</u>
7	94,001 - 96,000	<del>546</del> <u>549</u>	<del>467</del> <u>470</u>	<del>397</del> <u>400</u>	<del>344</del> <u>344</u>
8	96,001 - 98,000	<del>566</del> <u>569</u>	<del>484</del> <u>487</u>	<del>414</del> <u>414</u>	<del>353</del> <u>356</u>
9	98,001 - 100,000	<del>586</del> <u>589</u>	<del>504</del> <u>504</u>	<del>425</del> <u>428</u>	<del>365</del> <u>368</u>
10	100,001 - 102,000	<del>606</del> <u>609</u>	<del>548</del> <u>521</u>	<del>439</del> <u>442</u>	<del>377</del> <u>380</u>
11	102,001 - 104,000	<del>626</del> <u>629</u>	<del>535</del> <u>538</u>	<del>453</del> <u>456</u>	<del>389</del> <u>392</u>
12	104,001 - 105,500	<del>646</del> <u>649</u>	<del>552</del> <u>555</u>	<del>467</del> <u>470</u>	<del>404</del> <u>404</u>

13           6.    A motor vehicle registered in subsection 5 may be used for custom combining  
14                   operations by displaying identification issued by the department and upon payment  
15                   of a fee of twenty-five dollars.

16           7.    ~~Thirteen dollars of each registration fee collected under subsections 2 and 5 must~~  
17                   ~~be deposited in the state highway fund.~~

18           **SECTION 3. AMENDMENT.** Section 39-04-39 of the North Dakota Century Code is  
19 amended and reenacted as follows:

20           **39-04-39. Distribution of registration fees collected.** Any moneys in the registration  
21 fund accruing from license fees or from other like sources, in excess of the amount required to  
22 pay salaries and other necessary expenses; in accordance with the legislative assembly's  
23 appropriation for ~~such~~ these purposes, must be promptly deposited in the highway tax  
24 distribution fund ~~which must be distributed in the manner as prescribed by law. The state~~  
25 ~~treasurer shall transfer annually from the highway tax distribution fund to the ethanol production~~  
26 ~~incentive fund an amount equal to forty percent of all sums collected for the registration of farm~~  
27 ~~vehicles under subsection 5 of section 39-04-19 except that no transfer may be made in an~~  
28 ~~amount that would result in the balance of the ethanol production incentive fund exceeding~~  
29 ~~seven million five hundred thousand dollars.~~

30           **SECTION 4. AMENDMENT.** Section 54-27-19 of the North Dakota Century Code is  
31 amended and reenacted as follows:



1 county pursuant to this subsection and the total amount allocated and distributed  
2 to the incorporated cities in that county as computed according to the following  
3 formula:

- 4 a. A statewide per capita average as determined by calculating twenty-seven  
5 percent of the amount allocated to all of the counties under this subsection  
6 divided by the total population of all of the incorporated cities in the state.
- 7 b. The share distributed to each city in the county having a population of less  
8 than one thousand must be determined by multiplying the population of that  
9 city by the product of 1.50 times the statewide per capita average computed  
10 under subdivision a.
- 11 c. The share distributed to each city in the county having a population of one  
12 thousand to four thousand nine hundred ninety-nine, inclusive, must be  
13 determined by multiplying the population of that city by the product of 1.25  
14 times the statewide per capita average computed under subdivision a.
- 15 d. The share distributed to each city in the county having a population of five  
16 thousand or more must be determined by multiplying the population of that  
17 city by the statewide per capita average for all such cities, which per capita  
18 average must be computed as follows: the total of the shares computed  
19 under subdivisions b and c for all cities in the state having a population of less  
20 than five thousand must be subtracted from the total incorporated cities' share  
21 in the state as computed under subdivision a and the balance remaining must  
22 then be divided by the total population of all cities of five thousand or more in  
23 the state.

24 The moneys allocated to the incorporated cities must be distributed to them monthly by the  
25 state treasurer and must be deposited by the cities in a separate fund and may only be used in  
26 accordance with section 11 of article X of the Constitution of North Dakota; ~~provided, that any~~  
27 and an incorporated city may use ~~such the~~ the fund for the construction, reconstruction, repair, and  
28 maintenance of public highways within or outside ~~such the~~ the city pursuant to an agreement  
29 entered into between the city and any other political subdivision as authorized by section  
30 54-40-08.

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

3           **54-27-19.1. Township highway aid fund - Distribution.** ~~Notwithstanding any other~~  
4 ~~provision of law, one cent per gallon [3.79 liters] of the tax imposed by sections 57-43.1-02 and~~  
5 ~~57-43.2-02 may not be refunded and the proceeds must be distributed as provided in this~~  
6 ~~section. The tax commissioner shall transfer the proceeds of one cent per gallon [3.79 liters] of~~  
7 ~~the tax imposed by sections 57-43.1-02 and 57-43.2-02 to the state treasurer who shall deposit~~  
8 ~~the proceeds in a township highway aid fund in the state treasury. The state treasurer shall no~~  
9 ~~less than quarterly allocate and distribute all moneys in the township highway aid fund to the~~  
10 ~~counties of the state based on the length of township roads in each county compared to the~~  
11 ~~length of all township roads in the state. To receive any funds under this section, organized~~  
12 ~~townships shall~~ must provide fifty percent matching funds. The county treasurer shall allocate  
13 the funds received to the organized townships in the county which provide fifty percent  
14 matching funds based on the length of township roads in each ~~such~~ of those organized  
15 ~~township~~ townships compared to the length of all township roads in the county. The funds  
16 received must be deposited in the township road and bridge fund and used for highway and  
17 bridge purposes. If a county ~~has no~~ does not have organized townships, or has some  
18 organized and some unorganized townships, the county shall retain a pro rata portion of the  
19 funds received based on the length of roads in unorganized townships compared to the length  
20 of township roads in organized townships in the county. Moneys retained by a county for the  
21 benefit of unorganized townships under this section must be deposited in the county road and  
22 bridge fund. Moneys retained by the county treasurer due to the failure of organized townships  
23 to provide required matching funds must be returned to the state treasurer who shall deposit  
24 the funds in the highway tax distribution fund. The board of county commissioners shall certify  
25 to the state treasurer any change in township road mileage when a change occurs and shall, by  
26 July first of each even-numbered year, certify the total number of township road mileage in  
27 each of the county's organized and unorganized townships. The state treasurer shall prescribe  
28 the form and manner by which the certification is made.

29           **SECTION 6. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1           **57-40.3-10. (Effective through June 30, 2009) Transfer of revenue.** All moneys  
2 collected and received under this chapter after moneys are deposited in the state aid  
3 distribution fund under section 57-39.2-26.1 must be transmitted monthly by the director of the  
4 department of transportation to the state treasurer to be transferred and credited as follows:

- 5           1. Ten percent to the highway fund.
- 6           2. Ninety percent to the state general fund.

7           **(Effective after June 30, 2009) Transfer of revenue.** All moneys collected and  
8 received under this chapter after moneys are deposited in the state aid distribution fund under  
9 section 57-39.2-26.1 must be transmitted monthly by the director of the department of  
10 transportation to the state treasurer for fifty percent to be transferred and credited to the  
11 general fund and fifty percent to the highway tax distribution fund.

12           **SECTION 7. REPEAL.** Section 39-04.2-03 of the North Dakota Century Code is  
13 repealed.

14           **SECTION 8. APPROPRIATION - TRANSFER.** There is appropriated out of any  
15 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of  
16 \$20,000,000, of which the office of management and budget shall transfer \$20,000,000 to the  
17 economic development transportation fund for the biennium beginning July 1, 2009, and ending  
18 June 30, 2011.