

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

Page 1, line 3, after "distributions" insert "; to provide an appropriation to the department of corrections and rehabilitation for costs related to a general license plate issue; to create and enact a new section to chapter 24-02 and section 39-04-14.4 of the North Dakota Century Code, relating to highway-rail grade crossing safety projects and motor vehicle registration renewals"

Page 1, line 3, replace the second "and" with a comma

Page 1, line 3, after "39-04-09" insert ", and 39-04-14"

Page 1, line 4, after "Code" insert "and section 27 of chapter 579 of the 2011 Session Laws"

Page 1, line 4, replace "and" with a comma

Page 1, line 5, after "plates" insert ", motor vehicle registration renewals, and transportation funding distributions to non-oil-producing political subdivisions"

Page 1, line 6, remove "a"

Page 1, line 7, replace "study" with "studies"

Page 1, remove lines 17 through 24

Page 2, replace lines 1 through 3 with:

"Salaries and wages	\$165,966,396	\$18,610,837	\$184,577,233
Accrued leave payments	0	7,280,897	7,280,897
Operating expenses	204,090,250	172,631,465	376,721,715
Capital assets	709,079,831	560,431,376	1,269,511,207
County and township road reconstruction program	0	190,000,000	190,000,000
County and township bridge reconstruction program	0	20,000,000	20,000,000
Grants	<u>67,767,407</u>	<u>21,520,623</u>	<u>89,288,030</u>
Total all funds	\$1,146,903,884	\$990,475,198	\$2,137,379,082
Less estimated income	<u>1,146,903,884</u>	<u>932,475,198</u>	<u>2,079,379,082</u>
Total general fund	\$0	\$58,000,000	\$58,000,000"

Page 2, replace lines 13 and 14 with:

"County and township road reconstruction program	142,000,000	190,000,000
County and township bridge reconstruction program	0	20,000,000"

Page 2, replace lines 20 through 22 with:

"Total all funds	\$608,000,575	\$761,600,000
Total special funds	<u>602,150,575</u>	<u>703,600,000</u>
Total general fund	\$5,850,000	\$58,000,000"

Page 3, line 3, replace "\$142,000,000" with "\$190,000,000"

Page 4, line 18, replace "\$27,000,000" with "\$20,000,000"

Page 4, line 25, after "institute" insert "with priority given to bridge projects located on roadways defined by the department of transportation as a county major collector roadway"

Page 5, line 22, remove "extends over a river, stream,"

Page 5, replace lines 23 and 24 with "has an opening of more than 20 feet [6.096 meters] as measured along the centerline of the roadway. It may also be the clear openings of more than 20 feet [6.096 meters] of a group of pipes as long as the pipes are spaced less than half the distance apart of the smallest diameter pipe."

Page 5, line 25, after "the" insert "existing roadway width on which the bridge will be constructed must meet current design standards, as on file with the department of transportation, for the county for which it is being constructed. The"

Page 6, line 18, replace "\$10,000,000" with "\$9,100,000"

Page 7, replace lines 3 through 14 with:

**"SECTION 9. APPROPRIATION - STATE TREASURER - 2011-13 BIENNIUM - TOWNSHIP TRANSPORTATION FUNDING DISTRIBUTIONS CORRECTION - EXEMPTION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$700,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of providing transportation funding distributions to counties and townships in accordance with this section, for the period beginning with the effective date of this Act and ending June 30, 2013. The state treasurer shall distribute the funding provided under this section to counties and townships that are eligible to receive a distribution under subsection 3 of section 27 of chapter 579 of the 2011 Session Laws and have not already received a distribution under that subsection. Beginning with the effective date of this Act, section 27 of chapter 579 of the 2011 Session Laws is not subject to section 54-11-01 and the state treasurer may not require a political subdivision to return an overpayment of funds received from distributions under the section."

Page 7, after line 26, insert:

**"SECTION 11. APPROPRIATION - DEPARTMENT OF TRANSPORTATION - TRANSPORTATION FUNDING ALLOCATIONS TO NON-OIL-PRODUCING COUNTIES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of providing transportation funding allocations to counties that did not receive \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 in the most recently completed state fiscal year, for the period beginning with the effective date of this Act and ending June 30, 2015. The funding provided under this section must be allocated in the amount of \$45,000,000 on June 1, 2013, and in the amount of \$105,000,000 on June 1, 2014. Allocations among counties under this section must be prorated among eligible counties on the basis of miles of roadways defined by the department of transportation as county major collector roadways in each county. Projects to be funded under this section must comply with American association of state highway and transportation officials pavement design procedures and department of transportation local government requirements. The funds provided under this section are considered a one-time funding item."

Page 7, line 28, after "ISSUE" insert "- BUDGET SECTION APPROVAL"

Page 7, line 29, replace "\$6,200,000" with "\$6,820,000"

Page 8, line 1, after the period insert "The general license plate issue must be made using digitally printed license plates. The department of transportation shall develop a process to select a new design to be used for the general license plate issue and shall develop guidelines regarding the administration of the license plate issue. The department shall provide its recommendation for the new license plate design to the budget section, and budget section approval must be received prior to the issuance of the new license plates."

Page 8, line 1, after "The" insert "one-time general fund"

Page 8, line 6, replace "\$4,280,000" with "\$4,900,000"

Page 8, after line 29, insert:

**"SECTION 17.** A new section to chapter 24-02 of the North Dakota Century Code is created and enacted as follows:

**Highway-rail grade crossing safety projects - Funding.**

The director shall establish a highway-rail grade crossing safety program within the department and develop guidelines for the distribution of program funds. Projects eligible to receive funding under the program include railroad quiet zones and any other rail safety project the director deems necessary for public safety. Each year, the director shall allocate one million four hundred thousand dollars of highway tax distribution fund deposits in the state highway fund for highway-rail grade crossing safety projects.

Page 9, after line 25, insert:

**"SECTION 20. AMENDMENT.** Section 39-04-14 of the North Dakota Century Code is amended and reenacted as follows:

**39-04-14. Renewal of registration.**

Every vehicle registration, except those described in ~~section~~sections 39-04-14.1 and 39-04-14.4, under this chapter expires on December thirty-first each year and must be renewed annually upon application by the owner and by payment of the fees required by law, such renewal to take effect on the first day of January each year. An owner who has made proper application for renewal of registration of a vehicle previous to January first but who has not received the number plates, plate, or registration card for the ensuing year is entitled to operate or permit the operation of such vehicle upon the highways upon displaying thereon the number plates or plate issued for the preceding year for such time, to be prescribed by the department, as may be required for the issuance of the new plates. ~~If a previously registered motor vehicle whose registered gross weight exceeds twenty thousand pounds [9071.84 kilograms] is purchased during the period the vehicle's registration in this state is expired, the registration fee must be prorated on a monthly basis from the date of purchase to January first.~~

**SECTION 21.** Section 39-04-14.4 of the North Dakota Century Code is created and enacted as follows:

**39-04-14.4. Renewal of registration of motor vehicles over certain weight.**

Except as otherwise provided in section 39-04-14.2, the registration of a motor vehicle whose registered gross weight exceeds twenty thousand pounds [9071.84

kilograms] expires on June thirtieth of each year and must be renewed annually upon application by the owner and by payment of fees required by law for a renewal to begin on the first day of July of that year. An owner who has made proper application for renewal and registration of a vehicle before July first but who has not received the number plates, plate, or registration card for the ensuing year is entitled to operate or permit the operation of the vehicle upon the highways upon displaying thereon the number plates or plate issued for the preceding year for such time, to be prescribed by the department, as may be required for the issuance of new plates. If a previously registered motor vehicle whose registered gross weight exceeds twenty thousand pounds [9071.84 kilograms] is purchased during the period the vehicle's registration in the state is expired, the registration fee must be prorated on a monthly basis from the date of purchase to July first. The director shall provide for a one-time collection of eighteen months of registration fees for the registration period of January 1, 2014, to June 30, 2015. Beginning on July 1, 2015, the registration of motor vehicles under this section must be renewed annually.

**SECTION 22. AMENDMENT.** Section 27 of chapter 579 of the 2011 Special Session Session Laws is amended and reenacted as follows:

**SECTION 27. CONTINGENT APPROPRIATION - STATE TREASURER - TRANSPORTATION FUNDING DISTRIBUTIONS TO NON-OIL-PRODUCING POLITICAL SUBDIVISIONS.** If the tax commissioner certifies that total oil and gas tax revenue collections for the period July 1, 2011, through February 29, 2012, exceed total oil and gas tax revenue collection projections for that period by at least \$48,000,000, based on legislative estimates made at the close of the 2011 regular legislative session, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$23,000,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of providing transportation funding distributions, for the period beginning with the effective date of this Act and ending June 30, 2013. The funding provided in this section is considered a one-time funding item. The state treasurer shall distribute the funds provided under this section on April 1, 2012, as follows:

1. Six million eight hundred thousand dollars to non-oil-producing counties and cities pursuant to subsection 4 of section 54-27-19.
2. One million seven hundred thousand dollars to counties and townships in non-oil-producing counties pursuant to section 54-27-19.1. Organized townships are not required to provide matching funds to receive distributions under this section.
3. Fourteen million five hundred thousand dollars to counties and townships in non-oil-producing counties through a distribution of \$10,000 to each organized township and a distribution of \$10,000 for each unorganized township to the county in which the unorganized township is located. If any funds remain after the distributions provided under this subsection, the state treasurer shall distribute eighty percent of the remaining funds to counties and cities pursuant to the method provided in subsection 1 of this section and shall distribute twenty percent of the remaining funds to counties and townships pursuant to the method provided in subsection 2 of this section.

For purposes of this section, a "non-oil-producing county" means a county that received no allocation of funding or a total allocation under section 57-51-15 of less than \$500,000 for state fiscal year ~~2011~~2010. Any funds received by a county under this section for an unorganized township distribution must be used for roadway purposes in those unorganized townships located in the county. All funds distributed under this section must be used for extraordinary roadway maintenance purposes.

**SECTION 23. LEGISLATIVE MANAGEMENT STUDY - RAILROAD**

**ASSISTANCE PROGRAMS.** During the 2013-14 interim, the legislative management shall consider studying state railroad assistance programs. The study, if conducted, must review existing programs and funding levels and whether the existing programs and funding levels are adequate to meet current industry needs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

**SECTION 24. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION**

**COSTS AND FUNDING.** During the 2013-14 interim, the legislative management shall consider studying the the long-term costs of transportation infrastructure maintenance and improvement projects and methods for funding these projects. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

**SECTION 25. LEGISLATIVE MANAGEMENT STUDY - RENEWABLE FUEL**

**STANDARDS.** During the 2013-14 interim, the legislative management shall consider studying potential statutory or administrative changes that could be made to assist parties in the fuel supply chain in complying with federal renewable fuel standards, including compliance with the renewable identification number credits requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Page 10, line 5, remove the first "and"

Page 10, line 5, after "10" insert ", 11, and 22"

Page 10, line 6, replace "\$142,000,000" with "\$190,000,000"

Page 10, line 7, replace "\$27,000,000" with "\$20,000,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2012 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
State Treasurer				
Total all funds	\$0	\$10,415,000	(\$900,000)	\$9,515,000
Less estimated income	0	0	0	0
General fund	\$0	\$10,415,000	(\$900,000)	\$9,515,000
DOCR				
Total all funds	\$0	\$4,280,000	\$620,000	\$4,900,000
Less estimated income	0	4,280,000	620,000	4,900,000
General fund	\$0	\$0	\$0	\$0

Department of Transportation				
Total all funds	\$3,389,303,578	\$2,804,267,812	\$174,631,270	\$2,978,899,082
Less estimated income	<u>2,695,703,578</u>	<u>2,103,367,812</u>	<u>(23,988,730)</u>	<u>2,079,379,082</u>
General fund	\$693,600,000	\$700,900,000	\$198,620,000	\$899,520,000
Bill total				
Total all funds	\$3,389,303,578	\$2,818,962,812	\$174,351,270	\$2,993,314,082
Less estimated income	<u>2,695,703,578</u>	<u>2,107,647,812</u>	<u>(23,368,730)</u>	<u>2,084,279,082</u>
General fund	\$693,600,000	\$711,315,000	\$197,720,000	\$909,035,000

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**Senate Bill No. 2012 - State Treasurer - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Grants to townships		\$10,000,000	(\$900,000)	\$9,100,000
Township distribution corrections		<u>415,000</u>		<u>415,000</u>
Total all funds	\$0	\$10,415,000	(\$900,000)	\$9,515,000
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$10,415,000	(\$900,000)	\$9,515,000
FTE	0.00	0.00	0.00	0.00

**Department No. 120 - State Treasurer - Detail of House Changes**

	Reduces Funding for Grants to Townships <sup>1</sup>	Total House Changes
Grants to townships	(\$900,000)	(\$900,000)
Township distribution corrections		
Total all funds	(\$900,000)	(\$900,000)
Less estimated income	<u>0</u>	<u>0</u>
General fund	(\$900,000)	(\$900,000)
FTE	0.00	0.00

<sup>1</sup> Funding added by the Senate for grants to townships in oil-producing counties is reduced from \$10 million to \$9.1 million.

This amendment also amends Section 27 of Chapter 579 of the 2011 Special Session Session Laws to provide that a political subdivision eligible to receive a transportation funding distribution under that section must have received an allocation under Section 57-51-15 (oil and gas gross production tax allocations) of \$500,000 or less in state fiscal year 2010 rather than state fiscal year 2011. Section 9 of the bill which provided a \$590,000 general fund appropriation to correct earlier township distributions is replaced with an appropriation of \$700,000 from the general fund to the State Treasurer to distribute funding to any political subdivision eligible to receive a distribution under subsection 3 of Section 27 of Chapter 579 of the 2011 Special Session Session Laws which has not already received a distribution under that subsection.

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**Senate Bill No. 2012 - DOCR - House Action**

	Executive Budget	Senate Version	House Changes	House Version
License plate issue		\$4,280,000	\$620,000	\$4,900,000
Total all funds	\$0	\$4,280,000	\$620,000	\$4,900,000
Less estimated income	<u>0</u>	<u>4,280,000</u>	<u>620,000</u>	<u>4,900,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 530 - DOCR - Detail of House Changes**

	Increases Special Funds Authority for License Plate Issue <sup>1</sup>	Total House Changes
License plate issue	\$620,000	\$620,000
Total all funds	\$620,000	\$620,000
Less estimated income	620,000	620,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Special funds authority for the general license plate issue is increased by \$620,000 due to increased expenses associated with the issuance of digitally printed license plates rather than embossed license plates.

**Senate Bill No. 2012 - Department of Transportation - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$198,822,626	\$198,846,860	(\$14,269,627)	\$184,577,233
Operating expenses	456,821,715	377,821,715	(1,100,000)	376,721,715
Capital assets	1,810,511,207	1,269,511,207		1,269,511,207
County and township road program	142,000,000	142,000,000	48,000,000	190,000,000
Grants	97,548,030	98,188,030	(8,900,000)	89,288,030
General fund transfer to highway fund	683,600,000	683,600,000		683,600,000
Transfer to public transportation fund		1,100,000		1,100,000
License plate issue		6,200,000	620,000	6,820,000
County and township bridge program		27,000,000	(7,000,000)	20,000,000
Accrued leave payments			7,280,897	7,280,897
Non-oil county distributions			150,000,000	150,000,000
Total all funds	\$3,389,303,578	\$2,804,267,812	\$174,631,270	\$2,978,899,082
Less estimated income	2,695,703,578	2,103,367,812	(23,988,730)	2,079,379,082
General fund	\$693,600,000	\$700,900,000	\$198,620,000	\$899,520,000
FTE	1079.50	1079.50	0.00	1079.50

**Department No. 801 - Department of Transportation - Detail of House Changes**

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Removes Funding for Employees Affected by Energy Development <sup>3</sup>	Increases Funding for Oil- Impacted Counties Road Program <sup>4</sup>	Removes Public Transportation Fund Appropriation Authority <sup>5</sup>	Adjusts Funding for License Plate Issue <sup>6</sup>
Salaries and wages	(\$4,443,731)	(\$7,280,897)	(\$2,544,999)			
Operating expenses			(1,100,000)			
Capital assets						
County and township road program				48,000,000		
Grants					(8,900,000)	
General fund transfer to highway fund						
Transfer to public transportation fund						
License plate issue						620,000
County and township bridge program						
Accrued leave payments		7,280,897				

Non-oil county distributions						
Total all funds	(\$4,443,731)	\$0	(\$3,644,999)	\$48,000,000	(\$8,900,000)	\$620,000
Less estimated income	(4,443,731)	0	(3,644,999)	0	(8,900,000)	0
General fund	\$0	\$0	\$0	\$48,000,000	\$0	\$620,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for County and Township Bridge Program <sup>7</sup>	Adds Funding for Non-Oil-Impacted County Transportation Distributions <sup>8</sup>	Total House Changes
Salaries and wages			(\$14,269,627)
Operating expenses			(1,100,000)
Capital assets			
County and township road program			48,000,000
Grants			(8,900,000)
General fund transfer to highway fund			
Transfer to public transportation fund			
License plate issue			620,000
County and township bridge program	(7,000,000)		(7,000,000)
Accrued leave payments			7,280,897
Non-oil county distributions		150,000,000	150,000,000
Total all funds	(\$7,000,000)	\$150,000,000	\$174,631,270
Less estimated income	(7,000,000)	0	(23,988,730)
General fund	\$0	\$150,000,000	\$198,620,000
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> Funding included in the executive budget for salary enhancements (\$2,544,999) and rental assistance (\$1,100,000) for employees living in areas affected by energy development is removed.

<sup>4</sup> Funding from the general fund is added to the county and township road reconstruction program in areas impacted by oil and gas development to provide total program funding of \$190 million, an increase of \$48 million from the executive budget and Senate version of \$142 million.

<sup>5</sup> Appropriation authority to provide grants from the public transportation fund is removed. House Bill No. 1142, as approved by the 63<sup>rd</sup> Legislative Assembly, provides continuing appropriation authority for any funds deposited in the public transportation fund.

<sup>6</sup> Funding for the general license plate issue is increased by \$620,000 to provide for digitally printed license plates to be issued rather than embossed plates.



<sup>7</sup> Funding from the strategic investment and improvements fund for a county and township bridge reconstruction program is reduced from \$27 million to \$20 million. Adjustments are also made to Section 5 regarding the definition of a bridge and the priority of bridges to be reconstructed.

<sup>8</sup> A section is added to appropriate \$150 million from the general fund for transportation funding distributions to counties that received less than \$5 million of oil and gas production tax allocations in the preceding state fiscal year.

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This amendment also:

- Adds sections to provide statutory changes regarding the motor vehicle registration renewal dates of vehicles exceeding 20,000 pounds.
- Adds a section to establish a highway-rail grade crossing safety program in the Department of Transportation and requires the department to allocate \$1.4 million from the state highway fund for the program each year.
- Adds sections to provide for Legislative Management studies of state railroad assistance programs, transportation costs and funding, and renewable fuel standards.