

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide ~~an appropriation~~appropriations for defraying the expenses of the
 2 department of transportation; to provide an appropriation to the state treasurer for allocations to
 3 townships in non-oil-producing counties; to provide for ~~a transfer~~transfers; to amend and
 4 reenact section 39-02-03 of the North Dakota Century Code, relating to department of
 5 transportation motor vehicle branch offices; to provide legislative intent; to provide for legislative
 6 management studies; and to provide exemptions.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
 9 as may be necessary, are appropriated out of any moneys in the general fund in the state
 10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 11 other income, to the department of transportation for the purpose of defraying the expenses of
 12 the department of transportation, for the biennium beginning July 1, 2015, and ending June 30,
 13 2017, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
16 Salaries and wages	\$187,477,585	\$25,032,389	\$212,509,974
17 Accrued leave payments	7,280,897	(7,280,897)	0
18 Operating expenses	376,721,715	96,541,036	473,262,751
19 Capital assets	727,911,207	700,685,753	1,428,596,960
20 Grants	79,788,030	(15,870,000)	63,918,030
21 Total all funds	\$1,379,179,434	\$799,108,281	\$2,178,287,715
22 Less estimated income	1,379,179,434	798,108,281	2,177,287,715
23 Total general fund	\$0	\$1,000,000	\$1,000,000
24 Full-time equivalent positions	1,079.50	2.00	1,081.50

1	Salaries and wages	\$187,477,585	\$20,909,550	\$208,387,135
2	Accrued leave payments	7,280,897	(7,280,897)	0
3	Operating expenses	376,721,715	18,452,036	395,173,751
4	Capital assets	727,911,207	374,774,753	1,102,685,960
5	Grants	79,788,030	(14,120,000)	65,668,030
6	Total special funds	\$1,379,179,434	\$392,735,442	\$1,771,914,876
7	Full-time equivalent positions	1,079.50	0.00	1,079.50

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
13	General fund transfer to highway fund	\$541,600,000	\$0
14	Enhanced state highway investments	1,161,600,000	904,115,558
15	TIGER III federal railroad program	10,000,000	0
16	General license plate issue	6,820,000	0
17	Contingent general fund transfer to	1,100,000	0
18	—public transportation fund		
19	Airplane replacement	4,500,000	0
20	Transportation distribution to oil-producing counties	160,000,000	0
21	Transportation distribution to non-oil-producing counties	120,000,000	0
22	Recreational road access	0	5,000,000
23	Vehicle registration and titling system replacement	0	2,500,000
24	Motor coach reimbursement	0	1,000,000
25	Total all funds	\$2,005,620,000	\$912,615,558
26	Total special fund	541,600,000	911,615,558
27	Total general fund	\$1,464,020,000	\$1,000,000
28	General fund transfer to highway fund	\$541,600,000	\$0
29	Enhanced state highway investments	1,161,600,000	504,115,558
30	TIGER III federal railroad program	10,000,000	0
31	General license plate issue	6,820,000	0

1	Contingent general fund transfer to	1,100,000	0
2	public transportation fund		
3	Airplane replacement	4,500,000	0
4	Transportation distribution to oil-producing counties	160,000,000	0
5	Transportation distribution to non-oil-producing counties	120,000,000	0
6	Recreational road access	0	1,000,000
7	Vehicle registration and titling system replacement	0	2,500,000
8	Motor coach reimbursement from colleges	0	750,000
9	Total all funds	\$2,005,620,000	\$508,365,558
10	Total special fund	541,600,000	508,365,558
11	Total general fund	\$1,464,020,000	\$0

12 The 2015-17 one-time funding amounts are not part of the entity's base budget for the 2017-19
13 biennium. The department of transportation shall report to the appropriations committees of the
14 sixty-fifth legislative assembly on the use of the one-time funding for the biennium beginning
15 July 1, 2015, and ending June 30, 2017.

16 **SECTION 3. LINE ITEM TRANSFERS.** The director of the department of transportation
17 may transfer between the salaries and wages, operating, capital assets, and grants line items in
18 section 1 of this Act when it is cost-effective for construction and maintenance of highways. The
19 department of transportation shall notify the office of management and budget of any transfers
20 made under this section.

21 **SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.**

22 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise
23 appropriated, the sum of \$504,115,558, or so much of the sum as may be necessary, which the
24 office of management and budget shall transfer to the highway fund during the biennium
25 beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall
26 transfer the funds provided under this section to the state highway fund at the request of the
27 director of the department of transportation. This appropriation is a one-time funding item.

28 **SECTION 5. APPROPRIATION - TRANSFER - GENERAL FUND TO SPECIAL ROAD**

29 **FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not
30 otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary,
31 which the office of management and budget shall transfer to the special road fund during the

1 biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and
2 budget shall transfer the funds provided under this section to the special road fund at the
3 request of the director of the department of transportation. This appropriation is a one-time
4 funding item.

5 **SECTION 6. APPROPRIATION.** There is appropriated out of any moneys in the strategic
6 investment and improvements fund in the state treasury, not otherwise appropriated, the sum of
7 \$2,000,000, or so much of the sum as may be necessary, to the department of transportation
8 for the purpose of one-time funding for the department of transportation's short line railroad
9 program, for the biennium beginning July 1, 2015, and ending June 30, 2017.

10 **SECTION 7. APPROPRIATION - STATE TREASURER.** There is appropriated out of any
11 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
12 \$8,000,000, or so much of the sum as may be necessary, to the state treasurer for allocation to
13 counties for allocation to or for the benefit of organized and unorganized townships in
14 non-oil-producing counties, for the biennium beginning July 1, 2015, and ending June 30, 2017.
15 The funding provided in this section must be distributed in February 2016. The state treasurer
16 shall distribute the funds provided under this section to counties and the county treasurer shall
17 allocate the funds to or for the benefit of townships in non-oil-producing counties through a
18 one-time distribution of \$5,000 to each organized township and a one-time distribution of \$5,000
19 for each unorganized township to the county in which the unorganized township is located. For
20 unorganized townships within the county, the board of county commissioners may expend an
21 appropriate portion of revenues under this section for township roads or other infrastructure
22 needs in those townships. A township is not eligible for an allocation of funds under this section
23 if the township does not maintain any township roads. For the purposes of this section, a
24 "non-oil-producing county" means a county that has received an allocation of funding under
25 section 57-51-15 of less than \$5,000,000 in the state fiscal year ending June 30, 2014.

26 **SECTION 8. LEGISLATIVE INTENT - CONTINGENT FUNDING FOR BUILDING AND**
27 **NEW MAJOR INFORMATION TECHNOLOGY PROJECTS.** It is the intent of the legislative
28 assembly that the department of transportation refrain from using funds appropriated to the
29 department of transportation in section 1 of this Act for construction or improvements to
30 buildings and any new major information technology projects during the biennium beginning

1 July 1, 2015, and ending June 30, 2017, unless the department receives at least the amount of
2 federal highway construction funds that was anticipated by the sixty-fourth legislative assembly.

3 **SECTION 9. EXEMPTION - HIGHWAY-RAIL GRADE CROSSING SAFETY PROJECTS**

4 **FUND.** The amount appropriated to the department of transportation from the highway-rail
5 grade crossing safety projects fund, as contained in section 4 of chapter 43 of the 2013 Session
6 Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this
7 appropriation are available to the department highway-rail grade crossing safety projects during
8 the biennium beginning July 1, 2015, and ending June 30, 2017.

9 **SECTION 10. ENHANCED STATE HIGHWAY INVESTMENTS - CARRYOVER**

10 **AUTHORITY.** Section 54-44.1-11 does not apply to funding of ~~\$904,115,558~~\$504,115,558 in the
11 capital assets line item relating to enhanced state highway investments in section 1 of this Act.
12 Any funds not spent by June 30, 2017, must be continued into the biennium beginning July 1,
13 2017, and ending June 30, 2019, and may be expended only for enhanced state highway
14 investments.

15 **SECTION 11. EXEMPTION - STATE DISASTER RELIEF FUND - ROAD GRADE RAISING**

16 **GRANTS.** The amount appropriated to the department of transportation from the state disaster
17 relief fund for road grade raising grants, as contained in section 14 of chapter 579 of the 2011
18 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds
19 from this appropriation are available to the department to provide road grade raising grants
20 during the biennium beginning July 1, 2015, and ending June 30, 2017.

21 **SECTION 12. PAYBACK AND REALLOCATION OF FEDERAL AID.** Notwithstanding any
22 other provisions of law, the department of transportation may repay the United States
23 department of transportation for previous related expenditures out of current biennium
24 appropriations so that the department may re-obligate the federal aid to other federal aid
25 projects.

26 **SECTION 13. AMENDMENT.** Section 39-02-03 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **39-02-03. Powers and duties of director and department.**

29 The director, ~~subject to the approval of the governor,~~ may adopt and enforce such
30 administrative rules and designate such agencies and establish such branch offices as may be
31 necessary to carry out the laws applicable to the director's office and department. The director

1 shall provide suitable forms for applications, registration cards, license number plates, and all
2 other forms requisite for the operation of the director's office and department, and shall prepay
3 all transportation charges thereon. Branch office contracts entered into under this section may
4 extend five years and may be renewed in accordance with this section. At the end of each
5 current branch office contract term, the department shall consider entering into contracts with
6 new branch office vendors. Notwithstanding any other provision of law, the director may enter
7 into direct negotiations and contract with qualified vendors to provide branch office services.

8 The director may provide for a maximum fee schedule for the various services provided by the
9 branch offices, not to exceed ten dollars for each service provided. Any branch office may
10 establish a different fee schedule if the schedule does not contain a fee that exceeds a
11 maximum fee established by the director and is approved by the director. All branch office
12 managers must be bonded. The department may lease or provide office space or other costs as
13 necessary to independent motor vehicle branch managers. All rents collected under this section
14 must be deposited in the state highway fund. The department and the officers thereof shall
15 enforce the provisions of all laws pertaining to the director and the department.

16 **SECTION 14. LEGISLATIVE MANAGEMENT STUDY - SHORT LINE RAILROAD**

17 **INFRASTRUCTURE.** During the 2015-16 interim, the legislative management shall consider
18 studying short line railroad expansion, spurs, switches, or other infrastructure enhancements
19 and the effect of short line railroads on reducing commercial traffic on the state highway system.
20 The legislative management shall report its findings and recommendations, together with any
21 legislation required to implement the recommendations, to the sixty-fifth legislative assembly.

22 **SECTION 15. LEGISLATIVE MANAGEMENT STUDY - HIGH-EFFICIENCY VEHICLES.**

23 During the 2015-16 interim, the legislative management shall consider studying the potential
24 effect high-efficiency vehicles may have on the revenue generated from motor vehicle
25 registration fees, special fuels taxes, special fuels excise taxes, and gasoline and gasohol
26 taxes. The legislative management shall report its findings and recommendations, together with
27 any legislation required to implement the recommendations, to the sixty-fifth legislative
28 assembly.

29 **SECTION 16. LEGISLATIVE MANAGEMENT STUDY - AUTOMATED MOTOR VEHICLE.**

30 During the 2015-16 interim, the legislative management shall consider studying potential
31 statutory changes that may be necessary to accommodate the introduction or testing of

1 automated motor vehicles in North Dakota and any automated corridors affecting North Dakota.
2 "Automated motor vehicle" means a vehicle capable of operating in a full automation mode
3 where full automation is defined by the Society of Automotive Engineers Standard, J3016,
4 section 5.6 issued January 2014, as the unconditional, full-time performance by an automated
5 driving system of all aspects of the dynamic driving task. The study may include research into
6 the degree that automated motor vehicles could reduce traffic fatalities and crashes by reducing
7 or eliminating driver error and the degree that automated motor vehicles could reduce
8 congestion and improve fuel economy through better utilization of existing highway capacity and
9 more efficient operation of the vehicles' acceleration and braking controls. The legislative
10 management shall report its findings and recommendations, together with any legislation
11 required to implement the recommendations, to the sixty-fifth legislative assembly.