

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 transportation; to create and enact a new subsection to section 57-40.3-04 of the North Dakota
3 Century Code, relating to exemptions from motor vehicle excise tax; to amend and reenact
4 section 24-02-45.1 of the North Dakota Century Code, relating to cooperative agreements with
5 private entities for the construction of certain items on the state highway system; to provide for a
6 contingent loan authorization; provide a contingent appropriation; to provide for transfers; ~~to~~
7 ~~provide for the operation of maintenance section sites;~~ to provide an exemption; to provide for a
8 study; to provide for a report; to provide an effective date; and to declare an emergency.

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

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
11 funds as may be necessary, are appropriated from special funds derived from federal funds and
12 other income, to the department of transportation for the purpose of defraying the expenses of
13 the department of transportation, for the biennium beginning July 1, 2019, and ending June 30,
14 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
17 Salaries and wages	\$201,478,341	\$460,582	\$201,938,923
18 Operating expenses	229,381,646	19,871,688	249,253,334
19 Capital assets	771,101,851	89,924,093	861,025,944
20 Grants	67,528,030	28,326,607	95,854,637
21 Total special funds	\$1,269,489,868	\$138,582,970	\$1,408,072,838
22 Full-time equivalent positions	1,047.00	(42.00)	1,005.00
23 <u>Salaries and wages</u>	<u>\$201,478,341</u>	<u>(\$3,317,303)</u>	<u>\$198,161,038</u>
24 <u>Operating expenses</u>	<u>229,381,646</u>	<u>28,156,139</u>	<u>257,537,785</u>

1	<u>Capital assets</u>	<u>771,101,851</u>	<u>89,924,093</u>	<u>861,025,944</u>
2	<u>Grants</u>	<u>67,528,030</u>	<u>28,326,607</u>	<u>95,854,637</u>
3	<u>Total special funds</u>	<u>\$1,269,489,868</u>	<u>\$143,089,536</u>	<u>\$1,412,579,404</u>
4	<u>Full-time equivalent positions</u>	<u>1,047.00</u>	<u>(63.00)</u>	<u>984.00</u>

5 **SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding
6 items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21
7 one-time funding items included in the appropriation in section 1 of this Act:

8	<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
9	Pipeline protest law enforcement support	\$709,000	\$0
10	Electronic payment processing system	306,000	0
11	Driver's license system project	0	22,500,000
12	Minot and Williston driver's license facility maintenance	<u>0</u>	<u>1,300,000</u>
13	Total special funds	\$1,015,000	\$23,800,000

14 The 2019-21 one-time funding amounts are not a part of the entity's base budget for the
15 2021-23 biennium. The department of transportation shall report to the appropriations
16 committees of the sixty-seventh legislative assembly on the use of this one-time funding for the
17 biennium beginning July 1, 2019, and ending June 30, 2021.

18 **SECTION 3. LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04, the director of
19 the office of management and budget shall transfer between appropriation authority the salaries
20 and wages, operating expenses, capital assets, and grants line items in section 1 of this Act as
21 requested by the director of the department of transportation when it is cost-effective for
22 construction and maintenance of highways. The department of transportation shall notify the
23 legislative council of any transfers made pursuant to this section.

24 **SECTION 4. EXEMPTION - ENHANCED STATE HIGHWAY INVESTMENT FUNDING.**
25 Section 54-44.1-11 does not apply to funding of \$503,115,558 in the capital assets line item
26 relating to enhanced state highway investments in section 1 of chapter 12 of the 2015 Session
27 Laws. Any funds continued into the ~~2017-19~~2019-21 biennium but not spent by June 30,
28 ~~2019~~2021, must be continued into the biennium beginning July 1, ~~2019~~2021, and ending June
29 30, ~~2021~~2023, and may be expended only for enhanced state highway investments.

30 **SECTION 5. APPROPRIATION - GENERAL FUND - SHORT LINE RAILROAD**
31 **PROGRAM.** There is appropriated out of any moneys in the general fund in the state treasury,

1 not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be
2 necessary, to the department of transportation for the purpose of enhancing the department's
3 short line railroad program, for the biennium beginning July 1, 2019, and ending June 30, 2021.
4 The funding provided in this section is considered a one-time funding item.

5 **SECTION 6. APPROPRIATION - 2017-19 BIENNIUM - GENERAL FUND - ENHANCED-**
6 **STATE HIGHWAYROAD MAINTENANCE FUNDING - EXEMPTION.** There is appropriated out
7 of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
8 \$13,000,000, or so much of the sum as may be necessary, to the department of transportation
9 for the purpose of ~~enhanced state highway improvements~~road maintenance, for the period
10 beginning with the effective date of this Act and ending June 30, 2019. The funding provided in
11 this section is considered a one-time funding item. Section 54-44.1-11 does not apply to this
12 funding and any funds not spent by June 30, 2019, must be continued into the biennium
13 beginning July 1, 2019, and ending June 30, 2021, and may be expended only for ~~enhanced-~~
14 ~~state highway improvements~~road maintenance.

15 **SECTION 7. CONTINGENT LOAN AUTHORIZATION - CONTINGENT APPROPRIATION -**
16 **HIGHWAY IMPROVEMENT PROJECTS.** The department of transportation may borrow from
17 the Bank of North Dakota, \$50,000,000, or so much of the sum as may be necessary, which is
18 appropriated to the department of transportation for matching federal funds that may become
19 available, for the biennium beginning July 1, 2019, and ending June 30, 2021. The funds
20 authorized in this section may be borrowed and spent only upon certification by the director of
21 the department of transportation to the director of the office of management and budget that the
22 department has been awarded additional federal grants, which were applied for after March 1,
23 2019, during the biennium beginning July 1, 2019, and ending June 30, 2021. The department
24 of transportation shall request from the sixty-seventh legislative assembly an appropriation to
25 repay any outstanding loans authorized in this section.

26 **SECTION 8. AMENDMENT.** Section 24-02-45.1 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **24-02-45.1. Cooperative agreements with private entities for the construction of**
29 **certain items on the state highway system.**

30 Notwithstanding any other provision of law, the director may enter a cooperative agreement
31 with a private entity for the construction of an item on the state highway system which will

1 benefit the private entity and the traveling public, as determined by the director. The private
2 entity's cost-share of the items requested to be added to the state highway system must be paid
3 for in advance of the construction by the private entity before the department can construct the
4 project. Funds received by the department pursuant to this section must be deposited in the
5 state highway fund as prescribed by section 24-02-41 and are appropriated to the department.
6 If the department requires engineering or contracting services for a project under this section, it
7 may provide the services or procure the services in accordance with section 24-02-07.3 and
8 24-02-17.

9 ~~— **SECTION 8. MAINTENANCE SECTION SITES -- OPERATIONAL REQUIREMENTS.** The~~
10 ~~department of transportation shall establish the Mayville section site as a satellite site of the~~
11 ~~Hillsboro section. Seasonal winter services in the Courtenay, Gackle, New England, and Finley~~
12 ~~sections must be established if the department has an employee whose home residence is~~
13 ~~located within the vicinity of the maintenance section site or the department hires an employee~~
14 ~~whose home residence is located within the vicinity of the maintenance section site. The~~
15 ~~department shall staff these sections no later than November first of each year through at least~~
16 ~~March thirty first of the subsequent year when seasonal winter services are established. The~~
17 ~~department shall hold public hearings when the department proposes changes to highway~~
18 ~~maintenance section sites that affect snow and ice control operations.~~

19 **SECTION 9. DEPARTMENT OF TRANSPORTATION STUDY - PUBLIC**
20 **TRANSPORTATION SERVICES - REPORT TO LEGISLATIVE MANAGEMENT.** During the
21 2019-20 interim, the department of transportation shall study public transportation services
22 within the state. The study must include the number of users of public transportation services,
23 demographics of the users, other transportation options available to users of public
24 transportation services, and the identification of areas of the state which have no public or
25 private transportation services available.

26 ~~— **SECTION 10. DEPARTMENT OF TRANSPORTATION FLEET SERVICES -- REPORT TO**~~
27 ~~**SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The department of transportation shall report to~~
28 ~~the sixty seventh legislative assembly regarding the department's state fleet expenditures~~
29 ~~compared to its 2019-21 biennium budgeted amounts.~~

30 **SECTION 10.** A new subsection to section 57-40.3-04 of the North Dakota Century Code is
31 created and enacted as follows:

1 Any motor vehicle in the possession of and used exclusively by a public transportation
2 provider that receives a distribution of funds under section 39-04.2-04 to provide public
3 transportation services.

4 **SECTION 11. EFFECTIVE DATE.** Section 10 of this Act is effective for taxable events
5 occurring after June 30, 2019.

6 **SECTION 12. EMERGENCY.** Sections 6 and ~~7~~8 of this Act are declared to be an
7 emergency measure.