

HOUSE BILL NO. 1432

Introduced by

Representatives Richter, Dockter, Kempenich, Longmuir, Zubke

Senators Bekkedahl, Kannianen, Patten

1 A BILL for an Act to amend and reenact section 24-05-04 of the North Dakota Century Code,
2 relating to purchasing road ~~maintenance equipment~~ machinery.

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

4 **SECTION 1. AMENDMENT.** Section 24-05-04 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **24-05-04. Contracts to be advertised - Road construction - Requirements for rental**
7 **contracts.**

8 1. If a contract for a highway improvement exceeds one hundred thousand dollars, the
9 board of county commissioners shall seek bids by publishing an advertisement at least
10 once each week for two consecutive weeks in the official newspaper of the county and
11 in other newspapers as the board deems advisable. The first publication must be
12 made at least fifteen days before the day set for the opening of the bids. For any
13 contract for a highway improvement that exceeds fifty thousand dollars but does not
14 exceed one hundred thousand dollars, the county, when possible, shall seek quotes
15 from at least two contractors.

16 2. A Except as provided in section 54-44.1-13, a purchase of county road
17 machinery ~~maintenance equipment~~ and any rental contract or agreement for the use of
18 road machinery ~~maintenance equipment~~ and other articles, except necessary repairs
19 for road machinery ~~maintenance equipment~~, which exceeds the sum of fiftyone
20 hundred thousand dollars must be advertised by publishing an advertisement for bids
21 at least once each week for two consecutive weeks in the official newspaper of the
22 county and in any other newspapers as the board deems advisable. The first
23 publication must be made at least fifteen days before the day set for the opening of
24 the bids. The board of county commissioners may not enter a rental contract or

1 agreement for the use of road ~~machinery~~maintenance equipment and other articles for
2 a longer period than twelve months from the date of the rental contract or agree to pay
3 rental for the use of road ~~machinery~~maintenance equipment and other articles which
4 would result in the lessor receiving rental at a rate in excess of twenty percent per year
5 of the cash sale price of the road ~~machinery~~maintenance equipment or other articles.
6 The cash sale price of the road ~~machinery~~maintenance equipment and other articles
7 must be clearly set forth in any rental contract for road ~~machinery~~maintenance
8 equipment and other articles and failure to include this data in any rental contract for
9 the use of road ~~machinery~~maintenance equipment and other articles renders the rental
10 contract void. A payment made under a void rental contract is recoverable from the
11 county commissioners making the contract, jointly and severally.

12 3. Notwithstanding the provisions of this section relating to the duration of rental
13 contracts, the board of county commissioners may enter lease-purchase agreements
14 for the road ~~machinery~~maintenance equipment and articles covered by this section if
15 those agreements provide for the complete performance and full payment of the
16 purchase price of the ~~machinery~~maintenance equipment or articles within seven years
17 from the date of the execution of the lease-purchase agreement according to section
18 44-08-01.1.

19 4. Notwithstanding the provisions of this section relating to bidding of road ~~maintenance-~~
20 ~~equipment~~machinery, the board of county commissioners or its designee may
21 purchase used road ~~maintenance equipment~~machinery at public auction or as surplus
22 property from the office of management and budget.

23 5. Bids received under this section must be opened and awarded under the procedure
24 provided in section 48-01.2-07.