

PROPOSED AMENDMENTS TO SENATE BILL NO. 2012

Page 1, line 2, replace "and" with "to provide for a contingent loan authorization; to provide a contingent appropriation; to provide for transfers;"

Page 1, line 2, after "exemption" insert "; to provide for a report; to provide for a legislative management study; and to declare an emergency"

Page 1, replace lines 9 through 16 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$197,827,038	\$6,375,876	\$204,202,914
Operating expenses	235,037,785	44,470,453	279,508,238
Capital assets	859,725,944	60,346,426	920,072,370
Grants	<u>95,854,637</u>	<u>16,954,000</u>	<u>112,808,637</u>
Total special funds	\$1,388,445,404	\$128,146,755	\$1,516,592,159
Full-time equivalent positions	982.00	0.00	982.00"

Page 1, line 17, after "**FUNDING**" insert "**EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY**"

Page 1, line 18, after "biennium" insert "and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act"

Page 1, remove lines 23 and 24

Page 2, replace lines 1 and 2 with:

"Contingent Bank of North Dakota loan	50,000,000	0
Infrastructure improvements	0	45,000,000
Management systems replacement	<u>0</u>	<u>9,660,000</u>
Total all funds	\$76,300,000	\$54,660,000
Less estimated income	<u>73,800,000</u>	<u>54,660,000</u>
Total general fund	\$2,500,000	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of transportation shall report to the appropriation committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 2, after line 8, insert:

"SECTION 4. APPROPRIATION - STATE DISASTER RELIEF FUND - DEPARTMENT OF TRANSPORTATION - EMERGENCY ROAD REPAIR GRANTS. There is appropriated out of any moneys in the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of providing grants to townships for emergency township road repairs for the period beginning with the effective date of the Act, and ending June 30, 2023. To be eligible for a grant under this section, a township must certify to the department of transportation that the township does not have sufficient funds from any source to complete emergency repairs to any of its roads. The department shall develop criteria for the application process. The funding provided in this section is considered a one-time funding item.

SECTION 5. CONTINGENT LOAN AUTHORIZATION - CONTINGENT APPROPRIATION - HIGHWAY IMPROVEMENT PROJECTS. The department of transportation may borrow from the Bank of North Dakota, \$50,000,000, or so much of the sum as may be necessary, which is appropriated to the department of transportation for matching federal funds that may become available, for the biennium beginning July 1, 2021, and ending June 30, 2023. The funds authorized in this section may be borrowed and spent only upon certification by the director of the department of transportation to the director of the office of management and budget that the department has been awarded additional federal grants related to United States highway 85 during the biennium beginning July 1, 2021, and ending June 30, 2023, and that other state funds from bond proceeds are not available for this purpose. The department of transportation shall request from the sixty-eighth legislative assembly an appropriation to repay any outstanding loans authorized in this section. The appropriation in this section is considered a one-time funding item.

SECTION 6. EXEMPTION - ENHANCED STATE HIGHWAY INVESTMENT FUNDING. Section 54-44.1-11 does not apply to the remaining \$26,200,669 of the \$503,115,558 in the capital assets line item relating to enhanced state highway investments in section 1 of chapter 12 of the 2015 Session Laws. Any funds continued into the 2021-23 biennium but not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for enhanced state highway investments.

SECTION 7. EXEMPTION - DRIVER'S LICENSE SYSTEM PROJECT. Section 54-44.1-11 does not apply to \$22,500,000 in the operating expenses line item relating to the driver's license system project in section 1 of chapter 12 of the 2019 Session Laws and any unexpended funds must be continued into the biennium beginning July 1, 2021, and ending June 30, 2023, and may be expended only for the driver's license system project.

SECTION 8. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION MANAGEMENT CENTER. During the 2021-22 interim, the legislative management shall consider studying, with input from the department of transportation, the feasibility and desirability of creating a transportation management center in the state. The study must include:

1. Determination of the estimated ongoing and one-time costs and benefits of a transportation management center;
2. Identification of state and local entities affected by a transportation management center and the potential effect on each entity;
3. Information on other states' transportation management centers and related costs and benefits;
4. Evaluation of the use of advanced transportation systems such as variable speed limits and connected vehicle technologies in coordination with a transportation management center; and
5. Options for locating a transportation management center, including the ongoing and one-time costs and benefits of each location.

The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 9. EMERGENCY. Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$197,827,038	\$6,375,876	\$204,202,914
Operating expenses	235,037,785	44,470,453	279,508,238
Capital assets	859,725,944	60,346,426	920,072,370
Grants	95,854,637	16,954,000	112,808,637
Contingent Bank of North Dakota Loan		50,000,000	50,000,000
Emergency road repair grants		500,000	500,000
Total all funds	\$1,388,445,404	\$178,646,755	\$1,567,092,159
Less estimated income	1,388,445,404	178,646,755	1,567,092,159
General fund	\$0	\$0	\$0
FTE	982.00	0.00	982.00

Department 801 - Department of Transportation - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Increases Funding for Temporary Driver's License Staffing ³	Increases Funding for Data Processing ⁴	Increases Funding for Professional Services ⁵	Increases Funding for Building, Grounds, and Maintenance ⁶
Salaries and wages	\$2,631	\$4,635,457	\$1,737,788			
Operating expenses				\$6,143,124	\$10,213,695	\$11,874,907
Capital assets						
Grants						
Contingent Bank of North Dakota Loan						
Emergency road repair grants						
Total all funds	\$2,631	\$4,635,457	\$1,737,788	\$6,143,124	\$10,213,695	\$11,874,907
Less estimated income	2,631	4,635,457	1,737,788	6,143,124	10,213,695	11,874,907
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for Operating Expenses ⁷	Adds One-time Funding for Management System Replacement ⁸	Increases Funding for Other Capital Payments ⁹	Reduces Funding for Motor Vehicles and Other Capital Assets ¹⁰	Increases Funding for Grants ¹¹	Adds Contingent Bank of North Dakota Loan ¹²
Salaries and wages						
Operating expenses	\$6,578,727	\$9,660,000				
Capital assets			\$19,416,426	(\$4,070,000)		
Grants					\$16,954,000	
Contingent Bank of North Dakota Loan						\$50,000,000
Emergency road repair grants						
Total all funds	\$6,578,727	\$9,660,000	\$19,416,426	(\$4,070,000)	\$16,954,000	\$50,000,000
Less estimated income	6,578,727	9,660,000	19,416,426	(4,070,000)	16,954,000	50,000,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Emergency Road Repair Grants ¹³	Adds One-time Funding for Infrastructure Improvements ¹⁴	Total Senate Changes
Salaries and wages			\$6,375,876
Operating expenses			44,470,453
Capital assets		\$45,000,000	60,346,426
Grants			16,954,000
Contingent Bank of North Dakota Loan			50,000,000
Emergency road repair grants	\$500,000		500,000
Total all funds	\$500,000	\$45,000,000	\$178,646,755
Less estimated income	500,000	45,000,000	178,646,755
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	<u>Other Funds</u>
Salary increase	\$4,587,307
Health insurance increase	48,150
Total	\$4,635,457

³ Funding is increased for temporary driver's license staffing.

⁴ Funding is increased for data processing to provide a total of \$26,173,352.

⁵ Funding is increased for professional services to provide a total of \$79,008,372.

⁶ Funding for building, grounds, and maintenance is increased to provide a total of \$80,402,361.

⁷ Adjusts funding for other operating expenses as follows:

	<u>Other Funds</u>
Repairs	\$3,765,529
Operating fees and services	3,365,500
Travel	(3,294,567)
Rentals/leases of equipment	1,844,317
Utilities	1,463,946
Information technology contractual services and repairs	(1,000,000)
Information technology software	581,133
Rentals/leases of buildings or land	239,100
Microsoft Office 365 license expenses	117,100
Other operating expenses	(503,331)
Total adjustments to operating expenses	\$6,578,727

⁸ Adds one-time funding from the highway fund for replacement of the roadway information management system (RIMS) (\$5,860,000) and the addition of a construction and materials management system (CMMS) (\$3,800,000).

⁹ Ongoing funding for other capital payments is increased to provide a total of \$837,191,709.

¹⁰ Funding is reduced for motor vehicles (\$4,000,000) in fleet services to provide a total of \$36,257,237 and for other capital assets (\$70,000).

¹¹ Funding for grants is increased to provide a total of \$112,808,637.

¹² Section 5 provides a \$50 million appropriation from a contingent Bank of North Dakota loan for providing one-time funding for matching federal grants related to Highway 85.

¹³ Section 4 provides a one-time appropriation of \$500,000 to the Department of Transportation from the state disaster relief fund for providing emergency road repair grants to townships and Section 9 declares Section 4 to be an emergency.

¹⁴ Adds one-time funding from federal funds for infrastructure improvements to Highway 85.

This amendment also:

- Provides that \$26,200,669 of the \$503,115,558 appropriated in the capital assets line item in House Bill No. 1012 (2015) relating to enhanced state highway investments is exempt from provisions of North Dakota Century Code Section 54-44.1-11 and may be continued into the 2021-23 biennium.
- Provides that \$22,500,000 appropriated in the operating expenses line item in House Bill No. 1012 (2019) relating to the driver's license system project is exempt from provisions of Section 54-44.1-11 and may be continued into the 2021-23 and 2023-25 bienniums.
- Provides for a Legislative Management study related to the feasibility and desirability of creating a transportation management center in the state during the 2021-22 interim.