

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1012 - Funding Summary**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
Department of Transportation			
Salaries and wages	\$204,109,585	\$28,313,251	\$232,422,836
Operating expenses	270,888,188	59,493,286	330,381,474
Capital assets	902,431,344	741,713,721	1,644,145,065
Grants	118,085,610	3,985,848	122,071,458
Contingent loan authorization		78,500,000	78,500,000
Total all funds	\$1,495,514,727	\$912,006,106	\$2,407,520,833
Less estimated income	1,495,514,727	901,631,106	2,397,145,833
General fund	\$0	\$10,375,000	\$10,375,000
FTE	982.00	16.00	998.00
Bill total			
Total all funds	\$1,495,514,727	\$912,006,106	\$2,407,520,833
Less estimated income	1,495,514,727	901,631,106	2,397,145,833
General fund	\$0	\$10,375,000	\$10,375,000
FTE	982.00	16.00	998.00

**House Bill No. 1012 - Department of Transportation - House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$204,109,585	\$28,313,251	\$232,422,836
Operating expenses	270,888,188	59,493,286	330,381,474
Capital assets	902,431,344	741,713,721	1,644,145,065
Grants	118,085,610	3,985,848	122,071,458
Contingent loan authorization		78,500,000	78,500,000
Total all funds	\$1,495,514,727	\$912,006,106	\$2,407,520,833
Less estimated income	1,495,514,727	901,631,106	2,397,145,833
General fund	\$0	\$10,375,000	\$10,375,000
FTE	982.00	16.00	998.00

**Department 801 - Department of Transportation - Detail of House Changes**

	<b>Adds Funding for Cost to Continue Salary Increases<sup>1</sup></b>	<b>Adjusts Base Level Funding<sup>2</sup></b>	<b>Adds Funding for Salary and Benefit Increases<sup>3</sup></b>	<b>Adds FTE Positions<sup>4</sup></b>	<b>Adds Funding to Match Federal Formula Funds<sup>5</sup></b>	<b>Adds One-Time Funding to Match Federal Discretionary Grants<sup>6</sup></b>
Salaries and wages	\$9,903,727		\$15,414,574	\$2,994,950		
Operating expenses		\$45,216,310		151,976		
Capital assets		(32,536,279)			\$169,250,000	\$490,000,000
Grants		(5,264,152)				
Contingent loan authorization						
Total all funds	\$9,903,727	\$7,415,879	\$15,414,574	\$3,146,926	\$169,250,000	\$490,000,000
Less estimated income	9,903,727	7,415,879	15,414,574	3,146,926	169,250,000	490,000,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	16.00	0.00	0.00

	<b>Adds Funding for State Flexible Transportation Program<sup>7</sup></b>	<b>Adds Contingent Loan Authorizations<sup>8</sup></b>	<b>Adds One-Time Funding for Short Line Railroad Programs<sup>9</sup></b>	<b>Adds One-Time Funding for Projects to Address Flooding<sup>10</sup></b>	<b>Adds One-Time Funding for Rural Transit<sup>11</sup></b>	<b>Adds One-Time Funding for Projects and Technology<sup>12</sup></b>
Salaries and wages						
Operating expenses				\$5,000,000		\$9,125,000
Capital assets	\$115,000,000					
Grants			\$8,000,000		\$1,250,000	
Contingent loan authorization		\$78,500,000				
<b>Total all funds</b>	<b>\$115,000,000</b>	<b>\$78,500,000</b>	<b>\$8,000,000</b>	<b>\$5,000,000</b>	<b>\$1,250,000</b>	<b>\$9,125,000</b>
Less estimated income	115,000,000	78,500,000	8,000,000	5,000,000	0	0
General fund	\$0	\$0	\$0	\$0	\$1,250,000	\$9,125,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Total House Changes</b>
Salaries and wages	\$28,313,251
Operating expenses	59,493,286
Capital assets	741,713,721
Grants	3,985,848
Contingent loan authorization	78,500,000
<b>Total all funds</b>	<b>\$912,006,106</b>
Less estimated income	901,631,106
General fund	\$10,375,000
FTE	16.00

<sup>1</sup> Funding is added for the cost to continue 2021-23 biennium salary increases.

<sup>2</sup> Funding is adjusted based on estimated federal funds to be received and for other adjustments.

<sup>3</sup> The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	<b>Other Funds</b>
Salary increase	\$10,268,264
Health insurance increase	5,146,310
<b>Total</b>	<b>\$15,414,574</b>

<sup>4</sup> Funding is added for the following FTE positions:

	<b>FTE</b>	<b>Other Funds</b>
Auditors	4.00	\$829,992
Equipment operators	7.00	949,974
Driving examiners	2.00	499,984
Accountants	3.00	715,000
<b>Total</b>	<b>16.00</b>	<b>\$2,994,950</b>

Operating funding of \$151,976 is also added for the examiner positions to increase the availability of commercial driver's license testing.

<sup>5</sup> Funding from the highway fund is appropriated to match federal funds. The funding is from 50 percent of motor vehicle excise taxes deposited in the highway fund resulting in a general fund revenue reduction of \$169,250,000.

<sup>6</sup> Funding from the strategic investment and improvements fund (\$200 million) is appropriated to match federal discretionary grants (\$290 million).

<sup>7</sup> Funding is appropriated from the strategic investment and improvements fund to establish a state flexible transportation program.

<sup>8</sup> A \$50 million appropriation from a contingent Bank of North Dakota loan is provided to match federal grants received for projects improving United States Highway 85. A \$28.5 million appropriation from a contingent Bank of North Dakota loan is provided to match funds provided by the Minnesota Department of Transportation for projects to address flooding in the northern Red River Valley.

<sup>9</sup> One-time funding from the strategic investment and improvements fund is added to enhance loan programs to assist short line railroads with rail improvement projects.

<sup>10</sup> One-time funding from the strategic investment and improvements fund is added for studies, preliminary engineering, and environmental studies to address northern Red River Valley infrastructure affected by flooding.

<sup>11</sup> One-time funding is added for grants to rural transit providers.

<sup>12</sup> One-time funding from the general fund is added for the following projects:

- \$6,250,000 for the roadway information management system project;
- \$865,000 for building door security; and
- \$2,010,000 for an automated vehicle location project.

---

This amendment also:

- Amends North Dakota Century Code Section 57-40.3-10 to deposit 50 percent of motor vehicle excise tax collections in the highway fund. The amendment would reduce estimated general fund revenues by \$169,250,000;
- Amends Section 13 of Chapter 15 of the 2021 Session Laws to adjust appropriation language relating to the distribution of 2021-23 biennium funding to townships;
- Amends Section 10 of Chapter 80 of the 2021 Session Laws to adjust appropriation language relating to the use of funding derived from bond proceeds during the 2021-23 biennium;
- Authorizes the Department of Transportation to construct a rest area in the western part of the state utilizing funds from the highway fund; and
- Provides exemptions to allow the Department of Transportation to continue selected 2021-23 biennium appropriations into the 2023-25 biennium.