

Testimony to the
Senate Appropriations Committee
Senator Bekkedahl, Chair

March 22th, 2023

By: Chad Peterson, Cass County Chairman

RE: Support for HB 1379 – Local Infrastructure Funding

Chairman Bekkedahl and Senate Appropriations Committee members, I am Chad Peterson Cass County Chairman and President of the North Dakota County Commissioners. I am writing to request a **DO PASS** for House Bill HB 1379 and specifically section 8 and section 11 funding for county and township bridge funding.

First of all, thank you! We recognize the Legislatures' commitment to local roads by approving HB 1066, also known as "Operation Prairie Dog" in the 2019 Legislative Session. Non-oil counties have received their first deposit of prairie dog funds and they are anxious to put them to good use across North Dakota. These funds have been long-awaited for.

Counties have been gearing up for road and bridge projects for almost four years, having projects shovel ready for when Prairie Dog funds would become available. The Prairie Dog buckets were on track to fill in 2020, then COVID hit which had a dramatic impact on the state's oil production. In its first biennium, oil and gas tax revenues stopped short of reaching the Prairie Dog buckets for counties and townships.

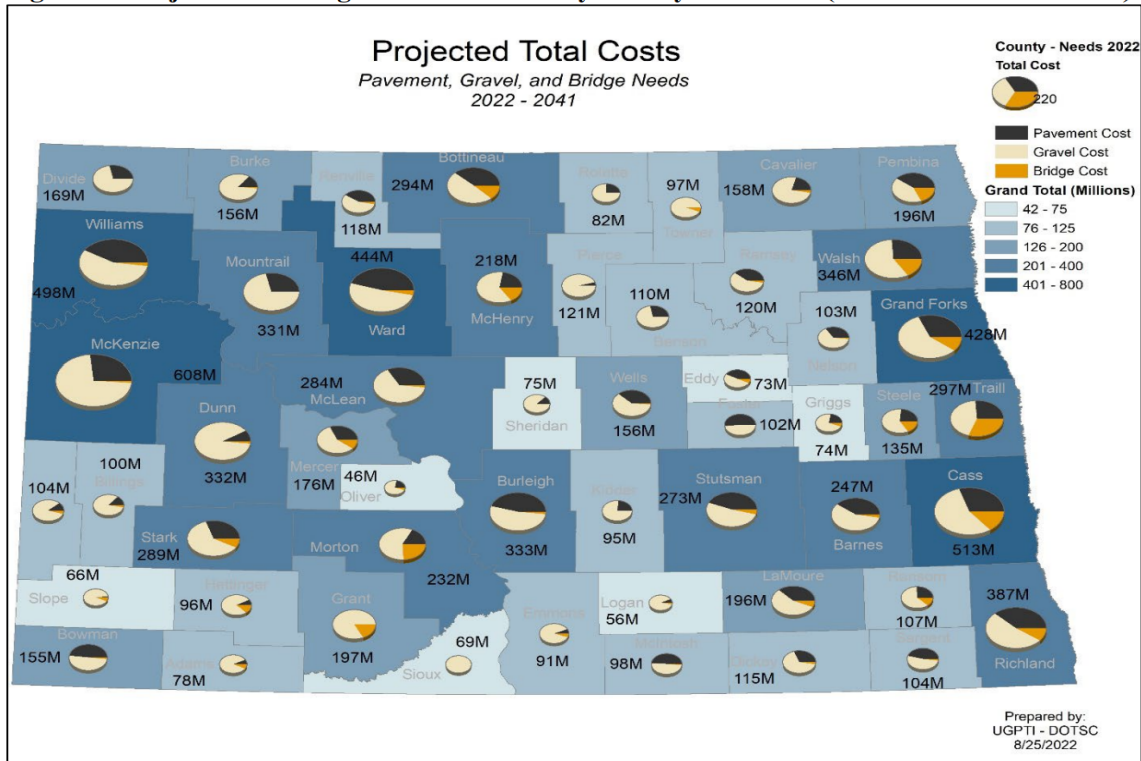
The need for a permanent funding structure to address roads and bridges is only increasing.

The most recent Upper Great Plains Transportation Institute's (UGPTI) Local Roads Study identifies a \$10.5 billion dollar need (Figure A next page and Table E below) for local roads and bridges over the next 20 years, or, on average, an investment of \$525 million each year. For comparison, in 2019, UGPTI's estimate was \$8.7 billion investment for local roads and bridges over 20 years or \$440 million a year to maintain their road networks.

Table E: Summary of All Road and Bridge Investment and Maintenance Needs for Counties, Townships and Tribal Areas in North Dakota (Millions of 2022 Dollars)

Period	Unpaved	Paved	Bridges	Total
2022-23	\$ 660.35	\$557.10	\$139.42	\$1,356.87
2024-25	\$ 650.79	\$515.00	\$139.42	\$1,305.21
2026-27	\$ 665.91	\$371.50	\$139.42	\$1,176.83
2028-29	\$ 665.55	\$344.90	\$139.42	\$1,149.87
2030-31	\$ 651.44	\$274.30	\$139.42	\$1,065.16
2032-41	\$ 3,251.62	\$1,186.00	\$18.45	\$4,456.07
2022-41	\$ 6,545.66	\$3,248.80	\$715.57	\$10,510.01

Figure A. Projected Funding Needs Statewide by County 2022-2041 (Millions of 2022 Dollars)



This committee will also appreciate that the \$110 million counties are receiving from Prairie Dog and future deposits will in fact relieve some pressure on property taxes to fund roads, resulting in property tax relief in those non-oil counties. Statewide, here is a summary of the commitment counties made for roads in 2021.

Summary on Tax Year 2021 Road Levies:

- 48 of 53 counties levy 10 or more mills for roads
- 16 counties levy 20 or more for roads
- 2 counties levy 40 mills for roads
- Property Taxes for Roads \$67.3 million
- 28 of 29 county voters approved additional road levies during 2022 election cycle.

Again, I urge a **DO PASS** for House Bill 1379 because individual control by each political subdivision allows leaders to make decisions in the best interest of the constituents directly impacted.

I am always available for any questions should you wish to discuss further.

Sincerely,
Chad Peterson, Cass County Commission Chair
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