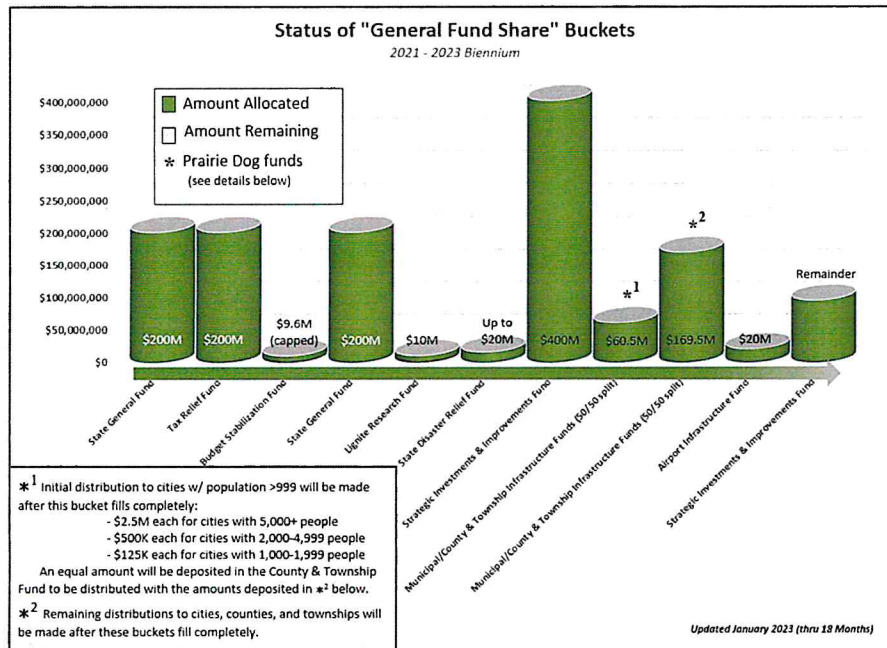


Testimony to  
Senate Appropriations  
February 9, 2023  
Donnell Preskey, NDACo

**RE: Opposition to SB 2367 – Increasing State Buckets**

Mr. Chairman and committee members, I'm Donnell Preskey with the North Dakota Association of Counties. Our county officials have concerns with Senate Bill 2367, for the main reason that this bill will more than likely **delay prairie dog funds getting to non-oil counties, cities and townships for infrastructure funding.**



There may be a time when it is appropriate to adjust the state buckets but now, when local infrastructure needs are so great, and the state has healthy reserves, is not the time.

SB 2367 will increase the two state general fund buckets, the property tax relief fund and the Strategic Investments & Improvements Fund by \$150 million. Those

buckets all sit ahead of the municipal, county and township and airports buckets. As you can see on the chart, there is also a SIIF bucket after the local buckets which fills indefinitely until the end of the biennium.

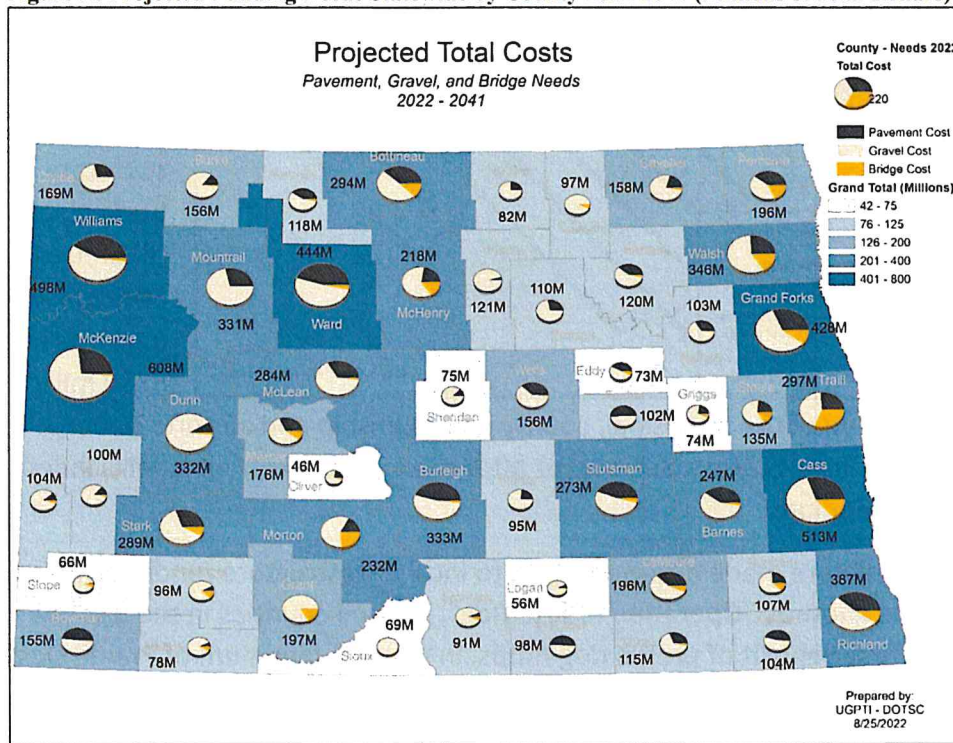
In 2019, the legislature made a commitment to local infrastructure funding with approval of HB 1066, otherwise know as "Operation Prairie Dog". Non-oil counties in the last few weeks have received their **first deposit** of prairie dog funds. In the first biennium of Prairie Dog's existence, oil and gas tax revenues stopped short of reaching the Prairie Dog buckets.

The need for a permanent funding structure to address roads and bridges is only increasing. The most recent Upper Great Plains Transportation Institute’s Local Roads Study identifies a \$10.5 billion dollar need 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
<b>2022-41</b>	<b>\$ 6.545.66</b>	<b>\$3.248.80</b>	<b>\$715.57</b>	<b>\$10.510.01</b>

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



Because of these illustrated needs, ND Counties ask that you resist actions that will push the Prairie Dog buckets further down the line or delay the realization of these funds.