

25.0179.01010
Title.
Fiscal No. 4

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

February 18, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2012

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 transportation; to create and enact a new section to chapter 54-27 of the North Dakota Century
3 Code, relating to a legacy earnings fund; to amend and reenact section 6-09.4-10.1,
4 subsection 1 of section 21-10-06, and sections 24-02-37.3, 49-17.1-05, 54-27-19.3, and
5 57-40.3-10 of the North Dakota Century Code, relating to funds invested by the state
6 investment board, the flexible transportation fund, the state rail fund, and motor vehicle excise
7 tax collections; to repeal sections 21-10-12 and 21-10-13 of the North Dakota Century Code,
8 relating to legacy fund definitions and a legacy earnings fund; to provide a continuing
9 appropriation; to provide an effective date; and to provide an exemption.

10 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

11 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
12 as may be necessary, are appropriated from other funds derived from special funds and federal
13 funds, to the department of transportation for the purpose of defraying the expenses of the
14 department of transportation, for the biennium beginning July 1, 2025, and ending June 30,
15 2027, as follows:

| | Base Level | Adjustments or Enhancements | Appropriation |
|----------------------------------|--------------------------|--------------------------------|--------------------------|
| 18 Salaries and wages | \$219,279,648 | \$0 | \$219,279,648 |
| 19 Operating expenses | 316,256,474 | 0 | 316,256,474 |

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| | | | | |
|----|---|----------------------------|-----------------|----------------------------|
| 1 | Capital assets | 1,101,395,065 | 0 | 1,101,395,065 |
| 2 | Grants | 112,821,458 | 0 | 112,821,458 |
| 3 | Total other funds | \$1,749,752,645 | \$0 | \$1,749,752,645 |
| 4 | Full-time equivalent positions | 1,001.00 | 0.00 | 1,001.00 |
| 5 | Salaries and wages | \$219,279,648 | \$16,710,943 | \$235,990,591 |
| 6 | New and vacant FTE pool | 0 | 13,364,077 | 13,364,077 |
| 7 | Operating expenses | 316,256,474 | 71,088,648 | 387,345,122 |
| 8 | Capital assets | 1,101,395,065 | 851,594,552 | 1,952,989,617 |
| 9 | Grants | 112,821,458 | (3,581,000) | 109,240,458 |
| 10 | Total other funds | \$1,749,752,645 | \$949,177,220 | \$2,698,929,865 |
| 11 | Full-time equivalent positions | 1,001.00 | 3.00 | 1,004.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act, which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

| <u>One-Time Funding Description</u> | <u>Other Funds</u> |
|-------------------------------------|--------------------|
| Facility improvements | \$5,970,000 |
| Appointment system upgrade | 3,000,000 |
| Inventory tracking system | 350,000 |
| Federal formula funds match | 171,300,000 |
| United States highway 85 project | 100,000,000 |
| Increased roadway maintenance costs | 9,842,212 |
| Walking trail grant | 100,000 |
| Equipment | <u>5,872,000</u> |
| Total | \$296,434,212 |

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

department of transportation may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in

1 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
2 approved by the sixty-ninth legislative assembly.

3 **SECTION 4. EXEMPTION - LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04,
4 the director of the office of management and budget shall transfer appropriation authority
5 among the salaries and wages, operating expenses, capital assets, and grants line items in
6 section 1 of this Act as requested by the director of the department of transportation when it is
7 cost-effective for construction and maintenance of highways. The department of transportation
8 shall notify the legislative council of any transfers made pursuant to this section.

9 **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**
10 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$171,300,000
11 from the strategic investment and improvements fund to match federal highway formula funds
12 and \$100,000,000 from the strategic investment and improvements fund for a United States
13 highway 85 project from reference point 120.3 north to the long x bridge.

14 **SECTION 6. AMENDMENT.** Section 6-09.4-10.1 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **6-09.4-10.1. Legacy sinking and interest fund - Debt service requirements - Public**
17 **finance authority.**

18 There is created in the state treasury the legacy sinking and interest fund. The fund consists
19 of all moneys deposited in the fund under section ~~21-10-13~~10 of this Act. Moneys in the fund
20 may be spent by the public finance authority pursuant to legislative appropriations to meet the
21 debt service requirements for evidences of indebtedness issued by the authority for transfer to
22 the Bank of North Dakota for allocations to infrastructure projects and programs.

23 **SECTION 7. AMENDMENT.** Subsection 1 of section 21-10-06 of the North Dakota Century
24 Code is amended and reenacted as follows:

25 1. Subject to the provisions of section 21-10-02, the board shall invest the following
26 funds:

- 27 a. State bonding fund.
- 28 b. Teachers' fund for retirement.
- 29 c. State fire and tornado fund.
- 30 d. Workforce safety and insurance fund.
- 31 e. Public employees retirement system.

- 1 f. Insurance regulatory trust fund.
- 2 g. State risk management fund.
- 3 h. Budget stabilization fund.
- 4 i. Water projects stabilization fund.
- 5 j. Health care trust fund.
- 6 k. Cultural endowment fund.
- 7 l. Petroleum tank release compensation fund.
- 8 m. Legacy fund.
- 9 n. ~~Legacy earnings fund.~~
- 10 ~~o.~~ Opioid settlement fund.

11 ~~p.o.~~ A fund under contract with the board pursuant to subsection 3.

12 **SECTION 8. AMENDMENT.** Section 24-02-37.3 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **24-02-37.3. Flexible transportation fund - Budget section approval - State treasurer**
15 **distributions to political subdivisions - Report. (Retroactive application - See note)**

16 There is created in the state treasury the flexible transportation fund. The fund consists of
17 eligible federal or state funding and any contributed private funds.

- 18 1. The flexible transportation fund must be administered and expended by the director
19 and may be used for the following:
 - 20 a. Providing a match for federal funding obtained by the department of
21 transportation.
 - 22 b. State-funded road and bridge construction and maintenance, and transportation
23 support costs including staffing, facilities, and operational expenditures on the
24 state highway system.
 - 25 c. State-funded road and bridge construction and maintenance activities within the
26 state but off of the state highway system. The director shall establish the terms
27 and provisions of the program.
- 28 2. All money derived from the investment of the flexible transportation fund or any portion
29 of the fund, must be credited to the flexible transportation fund. The director shall
30 monthly transmit all moneys collected and received under this chapter to the state
31 treasurer to be transferred and credited to the flexible transportation fund.

- 1 3. The director must receive budget section approval for any project that utilizes more
2 than ten million dollars from the fund except for projects that match federal or private
3 funds and the amount utilized from the fund is fifty percent or less of total project
4 costs. Any request considered by the budget section must comply with section
5 54-35-02.9.
- 6 4. ~~The director shall allocate at least twenty-five percent of motor vehicle excise tax~~
7 ~~collections deposited in the flexible transportation fund pursuant to section 57-40.3-10~~
8 ~~for non-oil-producing county and township road and bridge projects as follows:~~
- 9 ~~a. The funds must be allocated by the department to counties for projects or grants~~
10 ~~for the benefit of counties and organized and unorganized townships;~~
- 11 ~~b. The department shall establish criteria to distribute the funds;~~
- 12 ~~c. The funds must be used for the maintenance and improvement of county and~~
13 ~~township paved and unpaved roads and bridges;~~
- 14 ~~d. Priority must be given to projects that match federal funds and to projects that~~
15 ~~improve roadways that serve as local corridors;~~
- 16 ~~e. An organized township is not eligible to receive funding if the township does not~~
17 ~~maintain any roadways or does not levy at least eighteen mills for general~~
18 ~~purposes; and~~
- 19 ~~f. For purposes of this subsection, "non-oil-producing county" means a county that~~
20 ~~received no allocation of funding or a total allocation of less than five million~~
21 ~~dollars under subsection 2 of section 57-51-15 in the most recently completed~~
22 ~~even-numbered fiscal year before the start of each biennium.~~The director shall
23 allocate a portion of funds deposited in the flexible transportation fund for the
24 benefit of road and bridge maintenance and projects in counties, cities, and
25 townships as follows:
- 26 a. Twelve and one-half percent of state funds deposited in the fund must be
27 allocated by the director to non-oil-producing counties for projects or grants for
28 the benefit of counties and organized and unorganized townships for the
29 maintenance and improvement of county and township paved and unpaved
30 roads and bridges.

- 1 b. Six and one-quarter percent of state funds deposited in the fund must be
2 allocated by the director for grants to eligible townships located in
3 non-oil-producing counties for road and bridge repair and replacement projects
4 with priority given for road graveling projects.
- 5 c. Twelve and one-half percent of state funds deposited in the fund must be
6 allocated by the director for grants to eligible counties for bridge repair and
7 replacement projects. Grants provided under this subdivision must:
- 8 (1) Give priority to projects based on the number of bridge needs for each
9 county as identified in the most recent data available from the department's
10 bridge condition assessment inventory.
- 11 (2) Give priority to projects that include the permanent closure and removal of a
12 different bridge in the same county.
- 13 (3) Require counties to provide matching funds equal to ten percent of total
14 project costs except for projects that include the permanent closure and
15 removal of a different bridge in the same county.
- 16 d. Six and one-quarter percent of state funds deposited in the fund must be
17 allocated by the director for grants to eligible cities for road and bridge repair and
18 replacements projects.
- 19 e. The director shall establish criteria to distribute the funds under this subsection.
20 Priority must be given to projects that match federal or private funds and to
21 projects that improve roadways that serve as local corridors. Priority for
22 organized township road projects must be given to projects located in townships
23 that levy at least eighteen mills for general purposes and have a general fund
24 balance of less than one hundred thousand dollars as of December thirty-first of
25 the prior year.
- 26 f. The amount allocated to organized townships under this subsection must be paid
27 by the county treasurer to each organized township and the amount allocated for
28 unorganized townships under this subsection must be credited by the county
29 treasurer to a special fund for unorganized township roads.

1 5. The state treasurer shall allocate a portion of funds deposited in the flexible
2 transportation fund for the benefit of road and bridge maintenance and projects in
3 counties, cities, and townships, as follows:

4 a. Six and one-quarter percent of state funds deposited in the fund must be
5 distributed to non-oil-producing counties for the benefit of organized and
6 unorganized township road needs using the distribution method in section
7 54-27-19.4. To receive an allocation under this subdivision, an organized
8 township must levy at least eighteen mills for general purposes and have a
9 general fund balance of less than one hundred thousand dollars as of December
10 thirty-first of the prior year.

11 b. Six and one-quarter percent of state funds deposited in the fund must be
12 distributed to counties and cities using the formula established in subsection 4 of
13 section 54-27-19.

14 6. For purposes of this section, "non-oil-producing county" means a county that had
15 average annual oil production of fewer than ten million barrels based on the average
16 annual oil production in the three-year period ending with the most recently completed
17 even-numbered fiscal year before the start of each biennium.

18 ~~5.7.~~ The director shall provide periodic reports to the budget section regarding the status of
19 the fund and projects receiving allocations from the fund.

20 **SECTION 9. AMENDMENT.** Section 49-17.1-05 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **49-17.1-05. Subsidy of railway lines - Continuing appropriation.**

23 The department, with the approval of the commission, may provide financial assistance,
24 ~~within the limits of funds appropriated by the legislative assembly,~~ for the continuation of
25 operations and maintenance of any railroad within the state, as provided for in the Railroad
26 Revitalization and Regulatory Reform Act of 1976 [Pub. L. 94-210; 90 Stat. 149; 49 U.S.C. 1651
27 et seq.], or other relevant federal legislation. Moneys in the state rail fund are appropriated to
28 the department on a continuing basis for distributions authorized under this section. The
29 department or the commission may act as the agent in cooperation with the federal
30 government, any local or regional transportation authority, local governmental units, any group
31 of rail users, or any person in any rail service assistance program.

1 **SECTION 10.** A new section to chapter 54-27 of the North Dakota Century Code is created
2 and enacted as follows:

3 **Legacy earnings fund - State treasurer - Legacy fund distribution - Allocations.**

4 1. There is created in the state treasury the legacy earnings fund. The fund consists of all
5 moneys distributed by the state treasurer from the legacy fund pursuant to section 26
6 of article X of the Constitution of North Dakota. The distribution from the legacy fund
7 on July first of each odd-numbered year must be equal to eight percent of the five-year
8 average value of the legacy fund balance as reported by the state investment board.
9 The average value of the legacy fund balance must be calculated using the fund
10 balance at the end of each fiscal year for the five-year period ending with the most
11 recently completed even-numbered fiscal year.

12 2. From the amount distributed to the legacy earnings fund under subsection 1, the state
13 treasurer shall allocate seven-eighths of the funding in July of each odd-numbered
14 year in the following order:

15 a. The first one hundred two million six hundred twenty-four thousand dollars or an
16 amount equal to the amount appropriated from the legacy sinking and interest
17 fund for debt service payments for a biennium, whichever is less, to the legacy
18 sinking and interest fund under section 6-09.4-10.1.

19 b. The next two hundred twenty-five million dollars to the general fund to provide
20 support for tax relief initiatives approved by the legislative assembly.

21 c. The next one hundred million dollars to the legacy earnings highway distribution
22 fund for allocations under section 54-27-19.3.

23 d. The remaining amount as follows:

24 (1) Fifty percent to the general fund.

25 (2) The remainder to the strategic investment and improvements fund to be
26 used in accordance with section 15-08.1-08.

27 3. From the amount distributed to the legacy earnings fund under subsection 1, the state
28 treasurer shall allocate the remaining one-eighth of the funding in July of each
29 odd-numbered year to the flexible transportation fund for allocations under section
30 24-02-37.3.

1 **SECTION 11. AMENDMENT.** Section 54-27-19.3 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-27-19.3. Legacy earnings highway distribution fund.**

4 A legacy earnings highway distribution fund is created as a special fund in the state treasury
5 into which must be deposited any allocations of legacy fund earnings made under section
6 ~~21-10-13~~10 of this Act. Any moneys in the legacy earnings highway distribution fund must be
7 allocated and transferred by the state treasurer, as follows:

- 8 1. Sixty percent must be transferred to the department of transportation for deposit in the
9 state highway fund;
- 10 2. Ten percent must be transferred to the legacy earnings township highway aid fund;
- 11 3. One and five-tenths percent must be transferred to the public transportation fund; and
- 12 4. Twenty-eight and five-tenths percent must be allocated to cities and counties using the
13 formula established in subsection 4 of section 54-27-19. Moneys received by counties
14 and cities must be used for roadway purposes in accordance with section 11 of
15 article X of the Constitution of North Dakota.

16 **SECTION 12. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **57-40.3-10. Transfer of revenue.**

19 After the deposits under sections 57-39.2-26.1, 57-39.2-26.2, and 57-39.2-26.3, moneys
20 collected and received under this chapter must be deposited monthly in the state treasury and
21 allocated ~~as follows:~~

- 22 ~~1. Fifty percent to the general fund; and~~
- 23 ~~2. The remaining fifty percent~~ to the flexible transportation fund under section 24-02-37.3.

24 **SECTION 13. REPEAL.** Sections 21-10-12 and 21-10-13 of the North Dakota Century
25 Code are repealed.

26 **SECTION 14. DEPARTMENT OF TRANSPORTATION - UNITED STATES HIGHWAY 85**
27 **PROJECT - REPORT.** The department of transportation shall prepare and complete an
28 environmental impact statement process to construct a four-lane highway for the remaining
29 sections of the Theodore Roosevelt expressway which do not have four lanes from the South
30 Dakota border to interstate highway 94 and from Williston to the Montana border. The

1 department shall provide reports to the legislative management regarding the costs and status
2 of the impact statement process.

3 **SECTION 15. REST AREA COOPERATIVE AGREEMENT.** During the biennium beginning
4 July 1, 2025, and ending June 30, 2027, the director of the department of transportation shall
5 review options to enter a cooperative agreement pursuant to section 24-02-02.5 to jointly
6 administer a rest area at the Theodore Roosevelt national park painted canyon visitor center.
7 The director may expend moneys from the state highway fund within the limits of legislative
8 appropriations for operational support of the facility and for facility improvements to support
9 year-round operations of the facility.

10 **SECTION 16. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
11 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
12 the biennium beginning July 1, 2025, and ending June 30, 2027:

- 13 1. The sum of \$100,000,000 appropriated from special funds for the purpose of road and
14 bridge construction projects in subsection 2 of section 13 of chapter 15 of the 2021
15 Session Laws;
- 16 2. The sum of \$317,000,000 appropriated from federal funds for state, county, and
17 township road and bridge projects in section 7 of chapter 548 of the 2021 Session
18 Laws;
- 19 3. The sum of \$61,700,060 appropriated from federal funds for surface transportation
20 grants in subdivision 10 of section 1 of chapter 27 of the 2021 Session Laws;
- 21 4. The sum of \$13,660,000 appropriated from special funds for information technology
22 projects in section 1 of chapter 40 of the 2021 Session Laws;
- 23 5. The sum of \$9,125,000 appropriated from the general fund in the operating expenses
24 line item relating to information technology projects in section 1 of chapter 12 of the
25 2023 Session Laws;
- 26 6. The sum of \$2,500,000 appropriated from special funds to match funding from the
27 state of Minnesota and other sources for studies, preliminary engineering, and
28 environmental studies to address northern Red River valley infrastructure affected by
29 flooding in section 2 of chapter 12 of the 2023 Session Laws;

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- 1 7. The sum of \$5,000,000 appropriated from special funds for an environmental study of
- 2 a portion of United States highway 52, in section 1 of chapter 12 of the 2023 Session
- 3 Laws;
- 4 8. The sum of \$757,000 included in the deferred maintenance funding pool line item and
- 5 transferred to the department of transportation pursuant to section 9 of chapter 640 of
- 6 the 2023 Special Session Session Laws; and
- 7 9. The sum of \$161,000,000 appropriated from special funds for flexible transportation
- 8 fund projects in section 1 of chapter 12 of the 2023 Session Laws.

9 **SECTION 17. EFFECTIVE DATE.** Section 12 of this Act is effective for motor vehicle excise
10 tax collections transmitted to the state treasurer after July 31, 2025.

STATEMENT OF PURPOSE OF AMENDMENT:

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

| | Base Budget | Senate Changes | Senate Version |
|-------------------------|-----------------|----------------|-----------------|
| Salaries and wages | \$219,279,648 | \$16,710,943 | \$235,990,591 |
| New and vacant FTE pool | | 13,364,077 | 13,364,077 |
| Operating expenses | 316,256,474 | 71,088,648 | 387,345,122 |
| Capital assets | 1,101,395,065 | 851,594,552 | 1,952,989,617 |
| Grants | 112,821,458 | (3,581,000) | 109,240,458 |
| Total all funds | \$1,749,752,645 | \$949,177,220 | \$2,698,929,865 |
| Less estimated income | 1,749,752,645 | 949,177,220 | 2,698,929,865 |
| General fund | \$0 | \$0 | \$0 |
| FTE | 1,001.00 | 3.00 | 1,004.00 |

Department 801 - Department of Transportation - Detail of Senate Changes

| | Adjusts Base Funding ¹ | Adds Funding for Salary and Benefit Increases ² | Adds Funding to Replace 2023-25 New and Vacant FTE Pool ³ | Transfers Funding for 2025-27 New and Vacant FTE Pool ⁴ | Adjusts Federal Funds Authority ⁵ | Adds Funding for Data Management Program ⁶ |
|-------------------------|-----------------------------------|--|--|--|--|---|
| Salaries and wages | \$1,454,225 | \$14,583,718 | \$18,408,702 | (\$18,890,597) | | \$451,898 |
| New and vacant FTE pool | | | | 13,364,077 | | |
| Operating expenses | 12,429,669 | | | | \$46,286,963 | |
| Capital assets | (35,505,573) | | | | 364,215,913 | |
| Grants | | | | | (3,681,000) | |
| Total all funds | (\$21,621,679) | \$14,583,718 | \$18,408,702 | (\$5,526,520) | \$406,821,876 | \$451,898 |
| Less estimated income | (21,621,679) | 14,583,718 | 18,408,702 | (5,526,520) | 406,821,876 | 451,898 |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Adds Bridge Load Rating Coordinator ⁷ | Adds Funding for Highway 85 Position ⁸ | Adds Local Government Team Position ⁹ | Increases Local Match Authority ¹⁰ | Increases Funding for Information Technology ¹¹ | Increases Flexible Fund Spending Authority ¹² |
|-------------------------|--|---|--|---|--|--|
| Salaries and wages | \$249,997 | \$203,003 | \$249,997 | | | |
| New and vacant FTE pool | | | | | | |
| Operating expenses | | | | | \$4,022,016 | |
| Capital assets | | | | \$3,800,000 | | \$218,600,000 |
| Grants | | | | | | |
| Total all funds | \$249,997 | \$203,003 | \$249,997 | \$3,800,000 | \$4,022,016 | \$218,600,000 |
| Less estimated income | 249,997 | 203,003 | 249,997 | 3,800,000 | 4,022,016 | 218,600,000 |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTE | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 |

| | Adjusts State Fleet Authority ¹³ | Provides One-Time Funding ¹⁴ | Provides One-Time Matching Funds ¹⁵ | Adds One-Time Funding for Highway 85 Project ¹⁶ | Total Senate Changes |
|-------------------------|---|---|--|--|----------------------|
| Salaries and wages | | | | | \$16,710,943 |
| New and vacant FTE pool | | | | | 13,364,077 |
| Operating expenses | \$5,000,000 | \$3,350,000 | | | 71,088,648 |
| Capital assets | 7,500,000 | 21,684,212 | \$171,300,000 | \$100,000,000 | 851,594,552 |
| Grants | | 100,000 | | | (3,581,000) |
| Total all funds | \$12,500,000 | \$25,134,212 | \$171,300,000 | \$100,000,000 | \$949,177,220 |
| Less estimated income | 12,500,000 | 25,134,212 | 171,300,000 | 100,000,000 | 949,177,220 |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 3.00 |

¹ Funding is adjusted based on agency base budget adjustments.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

| | Other Funds |
|---------------------------|------------------------|
| Salary increase | \$8,694,284 |
| Health insurance increase | <u>5,889,434</u> |
| Total | \$14,583,718 |

³ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

| | Other Funds |
|----------------------|------------------------|
| Vacant FTE positions | \$14,863,018 |
| New FTE positions | <u>3,545,684</u> |
| Total | \$18,408,702 |

⁴ Funding of \$18,890,597 for new FTE positions and estimated savings from vacant 2025-27 FTE positions is removed and \$13,364,077 is added for a new and vacant FTE pool line item resulting in net savings of \$5,526,520.

| | Other Funds |
|------------------------|------------------------|
| New FTE positions | (\$702,997) |
| Vacant FTE positions | <u>(18,187,600)</u> |
| Total | (\$18,890,597) |
| Funding pool line item | <u>13,364,077</u> |
| Net savings | (\$5,526,520) |

⁵ Federal funding authorization is adjusted based on estimated 2025-27 biennium federal funds to be received.

⁶ Funding is added to develop a department data management program.

⁷ Funding is added for an FTE position to coordinate bridge load rating analysis.

⁸ An FTE position is added for maintenance of newly expanded US Highway 85 segments.

⁹ Funding is added for an FTE position to assist local government entities with federal and state programs.

¹⁰ Estimated appropriation authority is increased for the estimated local match funds for federal projects.

¹¹ Additional funding is provided for agency information technology costs.

¹² Funding authorization from the flexible transportation fund is increased based on additional revenues deposited in the fund to provide a total appropriation to the department from the flexible transportation fund of \$390.1 million.

¹³ Appropriation authority is increased for State Fleet operating and capital asset costs.

¹⁴ One-time funding is provided for the following items:

| | Other Funds |
|-------------------------------------|------------------------|
| Department facility improvements | \$5,970,000 |
| Appointment system upgrade | 3,000,000 |
| Inventory tracking system | 350,000 |
| Increased roadway maintenance costs | 9,842,212 |
| Walking trail grant | 100,000 |
| Equipment replacement | <u>5,872,000</u> |
| Total | \$25,134,212 |

¹⁵ One-time funding from the strategic investment and improvements fund is added to match federal highway formula funds.

¹⁶ One-time funding from the strategic investment and improvements fund is added for a US Highway 85 project from reference point 120.3 north to the Long X Bridge.

Senate Bill No. 2012 - Other Changes - Senate Action

This amendment also:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Adds a section to identify funding provided from the strategic investment and improvements fund.
- Amends the legacy earnings fund to increase the percent of market value deposited in the fund from 7 to 8 percent and transfers the additional percent amount to the flexible transportation fund. This will result in \$86 million deposited in the fund in July 2025.
- Amends the flexible transportation fund to designate the use of moneys deposited in the fund.
- Amends the state rail fund to provide a continuing appropriation.
- Amends the deposit of motor vehicle excise taxes to provide all taxes after distributions to other funds are deposited in the flexible transportation fund. This is estimated to reduce general fund revenues by \$177.1 million.
- Directs DOT to complete the environmental impact statement process to four-lane the remaining sections of the Theodore Roosevelt Expressway.
- Directs DOT to review options to enter agreements regarding the Painted Canyon visitor center.
- Adds a section to authorize the carryover of funding into the 2025-27 biennium for various projects.

