

**Department 801 - Department of Transportation
 Senate Bill No. 2012**

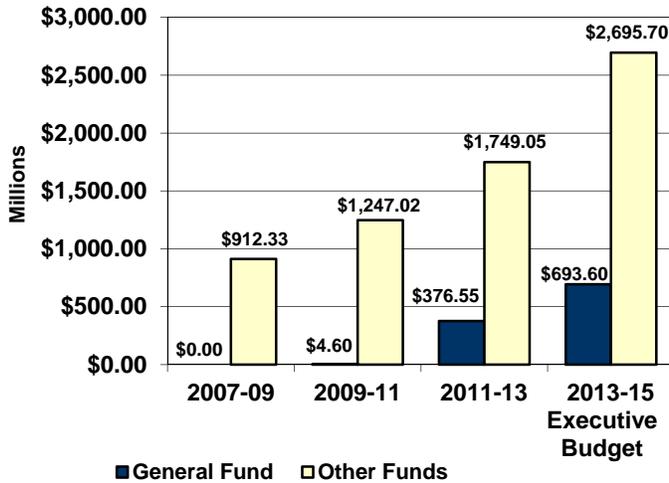
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	1,079.50	\$693,600,000 ¹	\$2,695,703,578	\$3,389,303,578
2011-13 Legislative Appropriations	1,063.50	376,550,000 ²	1,749,054,459 ³	2,125,604,459
Increase (Decrease)	16.00	\$317,050,000	\$946,649,119	\$1,263,699,119

¹The 2013-15 executive budget general fund amount includes a \$683.6 million transfer from the general fund to the highway fund.

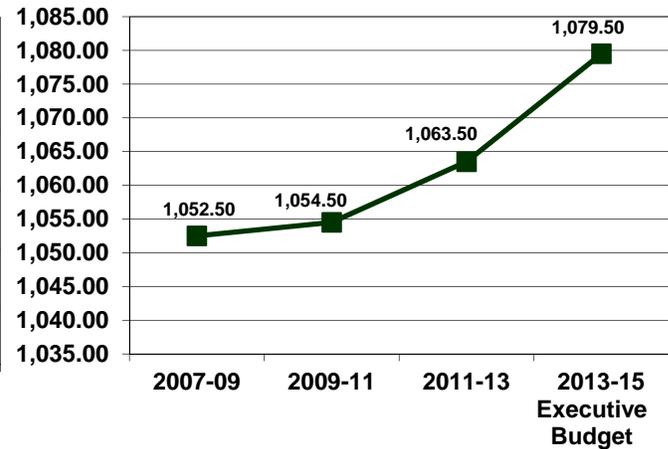
²The 2011-13 general fund appropriation amount includes a \$370.6 million transfer from the general fund to the highway fund and a \$100,000 transfer from the general fund to the public transportation fund. The 2011-13 biennium general fund appropriation amount does not include a \$620 million transfer from the general fund to the highway fund included in the executive budget.

³The 2011-13 other funds appropriation amount does not include \$392,807,585 of additional special funds authority resulting from Emergency Commission action during the 2011-13 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	\$0	\$693,600,000	\$693,600,000
2011-13 Legislative Appropriations	0	376,550,000	376,550,000
Increase (Decrease)	\$0	\$317,050,000	\$317,050,000

Executive Budget Highlights

- | | General Fund | Other Funds | Total |
|---|---------------|-----------------|-----------------|
| 1. Provides for one-time general fund transfer to the highway fund during the 2013-15 biennium of \$683.6 million. The executive budget also includes a 2011-13 biennium one-time general fund transfer of \$620 million from the general fund to the highway fund. The transfers provide additional funding in the highway fund for enhanced state highway investments and to continue the county and township road reconstruction program as detailed below. | \$683,600,000 | | \$683,600,000 |
| 2. Provides one-time funding for enhanced state highway investments in areas affected by oil and gas development, including extraordinary maintenance, truck reliever routes, and upgrading two-lane roadways to four-lane roadways | | \$1,161,600,000 | \$1,161,600,000 |

3. Provides one-time funding of \$142 million to continue the county and township road reconstruction program in areas affected by oil and gas development. This represents the same level of funding as provided during the 2011-13 biennium.	\$142,000,000	\$142,000,000
4. Adds 16 FTE positions including 5 FTE engineers, 4 FTE transportation technicians, 4 FTE motor vehicle licensing specialists, 2 FTE driver's license supervisors, and 1 FTE accounting/budget specialist	\$2,411,973	\$2,411,973
5. Adds funding to replace the motor vehicle registration and titling system	\$9,663,500	\$9,663,500
6. Adds funding to continue the highway building asbestos abatement project	\$6,000,000	\$6,000,000
7. Adds funding for salary enhancements for employees in oil and gas producing areas	\$2,544,999	\$2,544,999
8. Adds funding for rental assistance for employees in oil and gas producing areas	\$1,100,000	\$1,100,000
9. Adds one-time funding to match a federal TIGER III grant to rebuild a segment of railroad track near Church's Ferry	\$10,000,000	\$10,000,000
10. Provides for the following anticipated changes in federal highway aid:		
Federal Highway Administration formula funds (from \$569.5 million to \$532.2 million)	(\$37,300,000)	(\$37,300,000)
Emergency relief (from \$56.2 million to \$116.8 million)	60,600,000	60,600,000
Federal rail funds (from \$6.1 million to \$8.4 million)	2,300,000	2,300,000
National Highway Traffic Safety Administration (from \$11.4 million to \$9.3 million)	(2,100,000)	(2,100,000)
Federal transit funds (from \$13.7 million to \$14.8 million)	1,100,000	1,100,000
Total	\$24,600,000	\$24,600,000
11. Provides funding for state employee salary increases of which \$8,771,730 relates to performance increases and \$959,118 is for market equity adjustments	\$9,730,848	\$9,730,848

Other Sections in Bill

Line item transfers - Section 3 authorizes the Department of Transportation to transfer funds between the operating expenses, capital assets, and grants budget line items when it is cost-effective for the construction and maintenance of highways. The department must report transfers to the Office of Management and Budget.

County and township road reconstruction program in areas affected by oil and gas development - Section 4 continues the county and township road reconstruction program in areas affected by oil and gas development. The section provides that any funding not spent during the 2013-15 biennium may be continued and used during the 2015-17 biennium.

Special transportation funding distributions to non-oil-producing counties - Section 5 provides a \$100 million appropriation from the general fund to the State Treasurer for additional 2011-13 biennium transportation funding distributions to counties, cities, and townships in non-oil-producing counties.

2011-13 biennium general fund transfer - Section 6 provides for a \$620 million transfer from the general fund to the highway fund during the 2011-13 biennium.

2013-15 biennium general fund transfer - Section 7 provides for a \$683.6 million transfer from the general fund to the highway fund during the 2013-15 biennium.

Carryover authority - Enhanced state highway investments - Section 8 provides that unexpended 2013-15 biennium appropriations for enhanced state highway investments must be continued into 2015-17 biennium.

Continuing Appropriations

There are no continuing appropriations for this agency.

Deficiency Appropriations

House Bill No. 1023 - Includes a \$41.5 million deficiency appropriation from the general fund to the Department of Transportation. The deficiency appropriation is to repay a loan received from the Bank of North Dakota for emergency relief projects in the state.

Significant Audit Findings

The operational audit of the Department of Transportation conducted by the State Auditor's office for the biennium ending June 30, 2011, included the following significant audit findings:

- The controls surrounding the vehicle and fuel usage at the Department of Transportation are inadequate.
- The reconciliation of the motor vehicle clearing account is inadequate.
- A lack of segregation of duties exists for checks issued from the vehicle registration and titling system.

Major Related Legislation

House Bill No. 1033 - Central management system for state-owned aircraft - Creates within the Department of Transportation a central management system for state-owned or state-leased aircraft

House Bill No. 1122 - Redistribution of public transportation funds - Allows the redistribution of public transportation funds allocated to a county but not expended. The bill also allows the Department of Transportation to use unexpended public transportation funding for transit coordination purposes.

House Bill No. 1142 - Public transportation fund continuing appropriations - Provides a continuing appropriation to the Department of Transportation to distribute funds from the public transportation fund

Senate Bill No. 2025 - Extraordinary road use fees - Provides that extraordinary road use fees for a violation that did not occur on an interstate or a state highway must be deposited in the general fund of the jurisdiction having authority over the road on which the violation occurred and must be used for the support of the road system of that jurisdiction. Currently, all extraordinary road use fees are deposited in the state highway fund.