

**FISCAL NOTE**  
**Requested by Legislative Council**  
**04/03/2019**

Amendment to: Engrossed SB 2321

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2321 as amended (version 19.1112.03002) provides definitions as to who qualifies for a volunteer plate.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This bill as amended (19.1112.03002) has no fiscal impact.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 328-2734

**Date Prepared:** 04/03/2019

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/01/2019**

Amendment to: SB 2321

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$2,651,750		\$2,658,030
<b>Expenditures</b>				\$10,000		
<b>Appropriations</b>				\$10,000		

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>		\$928,957	\$931,157
<b>Cities</b>		\$527,817	\$529,067
<b>School Districts</b>			
<b>Townships</b>		\$114,008	\$114,278

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2321 as amended provides definitions as to who qualifies for a volunteer plate and adds an additional charge of \$2 to every motor vehicle registered annually.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 adds \$2 to the fees for every annual registration.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

There are approximately 1,058,133 active annual registered vehicles. Under the provisions of this bill, the additional \$2 registration will generate approximately \$4,232,532 in revenue the first biennium (net of \$10,000 programming costs) and \$4,232,532 for each subsequent biennium. These revenues (less any associated costs) are distributed through the Highway Tax Distribution Fund to the NDDOT (61.3%), counties (22%), cities (12.5%), townships (2.7%), and public transportation (1.5%).

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

NDDOT Motor Vehicle Division will incur one time computer programming costs of approximately \$10,000.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$10,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2019-2021 biennium.

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 328-2734

**Date Prepared:** 02/04/2019

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/01/2019**

Amendment to: SB 2321

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$2,651,750		\$2,658,030
<b>Expenditures</b>				\$10,000		
<b>Appropriations</b>				\$10,000		

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>		\$928,957	\$931,157
<b>Cities</b>		\$527,817	\$529,067
<b>School Districts</b>			
<b>Townships</b>		\$114,008	\$114,278

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2321 as amended provides definitions as to who qualifies for a volunteer plate and adds an additional charge of \$2 to every motor vehicle registered annually.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 adds \$2 to the fees for every annual registration.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

There are approximately 1,058,133 active annual registered vehicles. Under the provisions of this bill, the additional \$2 registration will generate approximately \$4,232,532 in revenue the first biennium (net of \$10,000 programming costs) and \$4,232,532 for each subsequent biennium. These revenues (less any associated costs) are distributed through the Highway Tax Distribution Fund to the NDDOT (61.3%), counties (22%), cities (12.5%), townships (2.7%), and public transportation (1.5%).

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

NDDOT Motor Vehicle Division will incur one time computer programming costs of approximately \$10,000.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$10,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2019-2021 biennium.

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 328-2734

**Date Prepared:** 02/04/2019

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/18/2019**

Bill/Resolution No.: SB 2321

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$1,322,735		\$1,329,015
<b>Expenditures</b>				\$10,000		
<b>Appropriations</b>				\$10,000		

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>		\$463,379	\$465,579
<b>Cities</b>		\$263,283	\$264,533
<b>School Districts</b>			
<b>Townships</b>		\$56,869	\$57,139

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2321 proposes to add definitions as to who qualifies for a volunteer plate and adds an additional charge of \$1 to every motor vehicle registered annually.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 adds \$1 to the fees for every annual registration.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

There are approximately 1,058,133 active annual registered vehicles. Under the provisions of this bill, the additional \$1 registration will generate approximately \$1,322,735 in revenue the first biennium and \$ 1,329,015 for each subsequent biennium. These revenues (less any associated costs) are distributed through the Highway Tax Distribution Fund to the NDDOT (61.3%), counties (22%), cities (12.5%), townships (2.7%), and public transportation (1.5%).

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

NDDOT Motor Vehicle Division will incur one time computer programming costs of approximately \$10,000.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$10,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2019-2021 biennium.

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 328-2734

**Date Prepared:** 01/24/2019

**2019 SENATE TRANSPORTATION**

**SB 2321**

# 2019 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2321  
1/31/2019  
31878

- Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem

## Explanation or reason for introduction of bill/resolution:

A bill relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

1 Attachment

**Chairman Rust:** Opened hearing on SB 2321.

**Senator Klein, District 14:** What we have here is the result of Measure 4. I asked if anyone had talked with the chairman of Measure 4. A nice gentleman that I spoke with twice from Max, ND. So I spoke with him and then I tried to understand what his thoughts were and the direction he wanted to go. It was interesting then, as I was driving home on a Friday afternoon, I happen to know the State Firefighters Association president who lives in Harvey, ND. I called him, and coincidentally the next morning they were having a statewide meeting and I got involved via teleconference into the meeting. That day they sat down and tried to establish what they believed as firefighters were some parameters. Well, I also happen to know a gentleman who's on the State EMS Association Board and he's from Maddock, ND. What we're dealing with here are two different volunteer organizations. The emergency medical side and the fire department side. So in visiting with him, we got talking about what he envisioned, what does the description of a volunteer emergency responder mean? So in all the discussion I invited the firefighters to come early one Monday morning and we visited with the Department of Transportation to establish how would we pay for these license plates, which I believe we're looking at about a \$2.7 million per biennium expenditure. In that whole chat I had the pleasure of have the fire association take the responsibility of driving to Max, North Dakota to have coffee with the gentleman that chaired that particular committee to get a full understanding of what he really envisioned. I believe here we have the vision of the folks who supported Measure 4. You'll see in the bill, it's pretty simple. I believe we have the description of firemen, a description of first responder. We're putting a little onus on the fire chief who will have to certify that a fireman has been a current and active firemen and that he has been a volunteer for 2-years. He then sends this on to the State Firefighters Association, who will then suggest that Fessenden, North Dakota is a bonafide fire department. So we aren't going to have a bunch of guys sitting together one night at the bar in Bremen and decide that they were

going to be firefighters and have a fire department. So we have a little bit of checks and balances. On the first responder side the squad leader will have to provide the information to the state health department. What we found is that all EMS personnel are also registered with the Department of Human Services, I believe. So that's how we came to that. The last issue which is probably one of the bigger issues is how we are going to pay for these plates. We will have some pictures so you can see exactly what that red license plate will look like, and it will have three 3 digits from your zip code and 3 digits that you so choose. Which then after you have that will also allow you to get into all of the state parks at no charge. But to defray that cost a big concern; especially with the firemen is that that money would be taken from our fire premium insurance dollars that are refunded to all ??? apartments if they comply with all the rules they need to. So, what we have done here is adding \$1 to every registration which should cover the yearly cost, and that would be deposited into the highway distribution fund and that money would then be used for these license plates. One thing I may have missed, is how about these folks who are paid individuals but also volunteer. So that's where we came up the definition was already in the code as it related to emergency medical providers and that's that \$10,000 topic. We have a lot of our volunteers that when they are on call they make \$1.50 an hour just because they're on call, but never bump up against that \$10,000 mark. So that's where that came from. Of course that would also take out all the professionals who are doing this for a living. So, it's totally intended. This gentleman's whole intention I believe was to provide something for the volunteers of the state of North Dakota.

**Chairman Rust:** I see on "volunteer emergency responder" you have the squad leader who is going to have to attest to this and at least two years and less than \$10,000. For "volunteer firefighter" you have active member in good standing with a North Dakota Fire Department. So, on one you have verification from a person, the other one doesn't have that so I'm kind of wondering about that.

**Senator Klein:** Under C I think if we read that, your "an active member in good standing with a North Dakota fire department." That second verification that the fire chief would suggest that you qualify and then the state would make sure you were a bonafide fire department. So you had continuous membership for a period of time exceeding two years. That two-year issue was something we discussed at length, because within those two years is where you have the most people drop out or change their minds, so in my 40 years a lot of folks have come and gone. However, we find that if you've been there for two years you're probably going to stick it out for a while longer. We also have in there is a form available online so that the responder can download it, go to his fire chief, it will be filled in and then that is what will be sent on. The bigger issue here is the fact that we've been moving to go paperless sort of. I believe we'll hear from the Department of Transportation who may suggest that this isn't paperless. There's going to have to be sort of a paper trail now and the kiosk issue. Just doing it online is not going to work in this case. So that's the other reason why the costs are escalating a bit, because we have now taken concern away and replaced it with the need for manual registrations.

**Chairman Rust:** The next question I have deals with on page 1, I see "and volunteer firefighters" is underlined but "volunteer emergency responders" is not. So are we doing that for volunteer emergency responders right now? It says, "upon application, the director

shall issue red personalized plates to volunteer emergency responders,” it’s not underlined, so I’m assuming that must be happening now.

**Senator Klein:** I will have to have somebody from the Department of Transportation explain that. Just for information for the committee, the Department of Transportation, because of the fact that this passed back in November, the law would mean they had to get going on this. So they have been doing some of these license plates without any sort of guidance because they had 30-days to get going. They’ve been kind of winging it and this bill provides them with the guidance that they need.

**Senator Dwyer:** I’m assuming that we have to in the title of both sections, we have to add “volunteer firefighters” just in the title of the statute.

**Senator Klein:** This is what Legislative Council dug up for me, and I believe line 3 would suggest volunteer emergency responders and firefighters. It’s kind of a fine line as to who’s a volunteer responder, because firefighters also believe they’re volunteer responders only the run off to a different truck. There is a little bit of crossing there.

**Senator Patten:** For clarity then, “volunteer emergency responders” actually includes firefighters then is your interpretation? Which I would agree with. Could you run through the fiscal note for me just a little bit? You know the \$1 because some of that is shared back to the counties and cities and townships I believe. So how does that money all come out when we add the \$1 to the registration fee?

**Senator Klein:** I’m not exactly sure how it comes out. The idea was certainly to try to provide and we aren’t sure that every volunteer is going to ask for the license plate.

**Senator Patten:** I would assume that if they were still paying it, the distribution would be like this, so we’re adding it all to the license fees of distribution and that covers it. But the cost of implementing and operating the program itself, is being born by the licensing division, is that correct?

**Senator Klein:** We’ll find out shortly. In our little discussion when we were crafting this I know I heard the concerns from Department of Transportation as to how we’ve been trying to move electronic technology forward and this kind of puts a little bit of a brake on as it relates to this particular license plate issuance.

**Rob Knuth, Training Director, North Dakota Firefighters Association:** I’m standing here in favor of SB 2321.

**Lindi Michlitsch, Motor Vehicle Division Director, North Dakota Department of Transportation:** See **Attachment #1** for testimony and additional information including a picture of what the plates will look like.

**Senator Bakke:** Frequently you have been here and each time when there have been computer program changes that have to be made the \$10,000 has risen to the top. Will it be \$10,000 for each of these changes or will that \$10,000 cover the changes that maybe need to be made for this bill and other bills we’ve heard or will hear?

**Ms Michlitsch:** The \$10,000 is just to implement the proportions of this bill.

**Senator Bakke:** So when the technology people come and they make the changes for this bill, they charge for each change they make, they can't do all those changes at the same time for \$10,000.

**Ms Michlitsch:** In our system, when we do any kind of computer changes we have to submit different work orders. For each change we have to do, because we have to test everything, so we focus on changing stuff for if the law changes then we have to test for all of that.

**Chairman Rust:** Now you say \$10,000 here, when we were looking to do a refund it was \$200,000 for the computer change. I'm wondering why?

**Ms Michlitsch:** The \$10,000 for this one is, well we're already issuing these plates. So we've already accrued all those costs, we're issuing them. The \$10,000 is to cover adding the \$1 and then just making sure we're adding those different steps for returning when the plates are rescinded or if they no longer qualify for those. The \$200,000 that has to do with a lot of revenue, and any time our system with revenue that's completely different than just issuing a plate.

**Chairman Rust:** I see \$10,000 to make a computer change one place and \$200,000 to make a computer change in another place and I'm beginning to think either one's low or one's high or nobody knows what they're talking about.

**Senator Clemens:** Just to be clear on the registration part of it, the cost is for the plate and they receive that at no charge but then when they renew their vehicle there is still the registration that they pay, correct?

**Ms Michlitsch:** No, this is no annual registration for this plate, ever.

**Senator Clemens:** So whoever receives this plate pays no registration fees at all for their vehicle, for one vehicle.

**Ms Michlitsch:** Yes.

**Senator Dwyer:** Is that part of the \$2.7 million cost then, are you calculating lost revenues? Is that how you're computing the \$2.7 million?

**Ms Michlitsch:** The \$2.7 million that I am referring to was the dollar amount that we calculated when I testified in regards to Measure #4. (continued on to explain how the figure was reached)

**Senator Dwyer:** So that would be the lost revenue for the 11,000 folks.

**Ms Michlitsch:** That is correct.

**Senator Patten:** Are you recommending an amendment, or where do we need to go with this?

**(27:07) Ms Michlitsch:** Part of our reason for just bringing it up, we didn't think of it right away when we were working on this bill and we just wanted to make you aware that if we don't add that language, we wouldn't start charging for registration when they no longer qualify, until it expires on December 31 of each year.

**Senator Patten:** So if somebody goes off their role of the fire department, they pull the plates off of the vehicle as requested. So they still get a few months free then or if they turn the plates in they're driving around without plates then, or how would that work?

**Ms Michlitsch:** Let's say that they no longer qualify for the plate in May. Then we would be notified and we would send them standard plates. So then those plates would have, yeah basically, registration good through the end of December.

I can answer the question you guys had on line 23 on page 1. They were just adding the word volunteer in front of firefighters I don't believe firefighters should maybe be underlined. So that might have just been an oversight, they were just wanting to make sure that volunteer was in front of emergency responders and firefighters. So it was really clear on what we're talking about with firefighters.

**Chairman Rust:** You believe the word volunteer is not necessary?

**Ms Michlitsch:** It is necessary. That's why it was added, for clarification. I just think the work firefighters was underlined by mistake. I would have to double check that though.

**Chairman Rust:** So we're going to charge \$1 per vehicle. If I remember correctly we had said there were something like 1.1 million vehicles registered, which includes 40,000 motorcycles. So the revenue brought in is about \$2.1 million, also the cost of those 11,000 registrations that may possibly no longer have to be paid for is about \$2.7 million. So we're looking at a possible loss to the department?

**Ms Michlitsch:** That is correct.

**Senator Patten:** You had used \$2.1 million, and the fiscal note is showing \$1.3 million as far as revenue. If my math is correct, if we have a \$2.7 million loss on the current plates and a \$1.3 million revenue, then we are short \$1.4 million if everybody takes it.

**Chairman Rust:** Would you explain that? I think the \$1.4 has to do with the distribution, is that correct?

**Ms Michlitsch:** In my written explanation I should have, instead of the \$1.3 million I should have included \$2.1 million. I didn't add in the cities, counties and townships when I wrote my written testimony. So the correct amount would be \$2.1 million and just for clarification too, we currently have approximately 1.1 million active registrations, but when I figured in for the fiscal note I only took in those that are paying an annual registration. So I excluded off highway and snowmobile because they pay every two-years and I didn't include collector, antiques or official government plates.

**Senator Dwyer:** This might be a policy question more directed at Senator Klein. We've had discussions here about the state of our infrastructure, our road infrastructure and the fact that we're about \$1 billion short if we're going to maintain what we have per biennium. So over the next 20 years the Great Plains Transportation Institute estimates we're going to be about \$14 billion short and so as a result of that, we have a proposal to raise our driver's license fees because that's operating at a loss; and we also have a proposal to increase our gas tax, which goes to the highway fund. My question is, should it be \$2 so that it's a program that pays for itself? It's a question that has no answer at the moment.

**(36:54) Senator Klein:** That is a policy discussion, I believe the Government Services interim committee studied that issue, provided for an increase in the driver's license and also talked about registration, because that's not paying for itself. However, I don't believe it was in the Governor's budget. So we're up against that. When I visited with Norval Semchenko, who is the chairman of Measure 4, I asked him what his thoughts were in the revenue, he said "you guys will figure it out, take a little here, take a little there and you can make it work." I don't think that was what you repeated, I said well Norval it isn't quite that easy. I think the biggest fear the firefighters have is that we would take away from the premium dollars that are returned to the fire departments through the insurance department every year. That money is used for equipment and training. This idea was to hopefully get very close because, if 75% of folks ask for the license plate that would probably be on the (inaudible) side. That was the other issue I think, because Senator Clemens asked. We thought, is just the license plate and a one-year registration Norval? No, I wanted it all the time, and so that's how we got to where we are. Our concern was the cost all the way down the road, every year; in and out. It does not allow you, if you have a company truck you cannot put it on that, there's a weight limit so if some farmer has a big dually he can't run that on there either so that, which is a higher registration cost wouldn't be covered.

**Chairman Rust:** Is any of that in policy or should that be in administrative rules or where should that be? What it can and cannot go on.

**Senator Klein:** Well on page 2 is where the first three lines would suggest you can't display it on anything exceeding 20,000 pounds. I also, as Lindi indicated, I would like the clarification that if you just got you plates and now you quit, should they really get a free year of registration? If she has language that would fix that, I'm good with that. This is something the voters voted for, we've got it and want to do the best we can, but we also want to make sure we're providing it to the people that it's really intended for, not just for some folks who thought it was cool to have a red plate and then quit right after they got it.

**Chairman Rust:** Speaking about red, on my bill it's got a red FN on it; which means fiscal note, which means we have to have the bill out tomorrow.

**Senator Klein:** I walked over to Senator Holmberg and told him what this bill does and he said that he doesn't need to see that. I verified that, because we both agreed that we didn't, but that was the third vote I needed.

**Chairman Rust:** Thank you for doing that. That would have been my question, because if it's language and sometimes if you start with amendments a day is not a lot of time.

**Senator Klein:** The amendment that Lindi spoke to certainly would be welcomed, I think we just want to make it run smoothly. We want the department to feel comfortable in how they're doing it also. I don't think it would interfere with us, but I would also reach out to the firefighters to make sure that's what they were thinking also.

**Senator Patten:** I would be open to amendment language that would fix that issue regarding when the plates are turned back, and I also agree, I think the \$1 with review in the next session to determine how close we came would be appropriate.

**Senator Clemens:** I'm looking at the expiration of the plate if someone is no longer in the volunteer emergency responders or firefighters, are you going to be issuing tabs to go with this plate annually to help control that, or how do you regulate the people that are no longer in the volunteer r? Do they have to reapply then every year?

**Ms Michlitsch:** Yes, they have to reapply every year.

**Senator Clemens:** So then would the tabs be used as a way to control that?

**Ms Michlitsch:** Yes, that is correct. They have to reapply every year, and we would be issuing them tabs to put on their plate every year and it expires in December.

**Senator Clemens:** For law enforcement reasons or whatever, if you know they've been running in 2019 and you see them in 2020 without a tab then they would be in violation, correct?

**Ms Michlitsch:** That is correct.

**Senator Fors:** The fee of \$1 for any motor vehicle registered, do they get to register more than one.

**Ms Michlitsch:** That \$1 is for anyone who renews their vehicle. But for the volunteer plate they can only receive plates for one vehicle per person.

**Chairman Rust:** As I understand it, the \$1 is for everybody who registers a vehicle pays an additional \$1 on their registration, but only one plate for ems/firefighter.

**Ms Michlitsch:** That is correct.

**Chairman Rust:** On the backside of this **Attachment #1** is the application, yes?

**Ms Michlitsch:** That is correct.

**Chairman Rust:** Explain a little bit to me how this is going to work one more time. Because I'm going to go register mine and now I kind of like walking up to those kiosks and whatever else, explain how this is going to work, because all of a sudden we're putting something that you don't have a computer system for. Can you tell me how this works, as far as on your end getting it done?

**Ms Michlitsch:** Since we will require them to reapply every year, they will have to fill out this form every year and we will have to process that. So we would not allow them to be able to renew at their kiosk and they wouldn't be able to renew online either. So it would have to be mailed in to our office for us to make sure the form is filled out correctly and then we would renew them.

**Chairman Rust:** What kind of extra work does that put on the department?

**Ms Michlitsch:** Instead of being able to automate it through our various methods, we would have to hand process those.

**Chairman Rust:** So there will be some extra work.

**Ms Michlitsch:** Yes.

**Senator Bakke:** So this \$10,000 online change to your computer can't accommodate this? They can't put this online for them to register it online and then you would just have to verify it, that they are still active. They can't add that as part of the \$10,000?

**Ms Michlitsch:** it can't be done online because we can't renew them until we have the signatures and we require the original form to come back to us.

**Chairman Rust:** So, if I asked somebody to do this would you be willing to work with them for an amendment? Because we need an amendment for possible the question you had, which is somebody gets a plate and May 1<sup>st</sup> decides I'm not going to do this anymore and now the plate gets turned back and you need registration fees for the rest of the year. Could you just start for the year there and keep going? Why does it expire December 31<sup>st</sup>?

**Ms Michlitsch:** December 31<sup>st</sup> is because in Century Code all registrations expire December 31<sup>st</sup> except for, and then it lists different types that don't, like the ones that qualify as a staggered registration. The staggered registration is when they purchase that vehicle. The law, the way the way the measure was written didn't address when to start the registration, so we looked at the rest of the Century Code and we had it expire December 31<sup>st</sup>.

**Chairman Rust:** I was just wondering if they quit on May 1<sup>st</sup> why couldn't they just go from May 1<sup>st</sup> to April 30<sup>th</sup>?

**Ms Michlitsch:** The reason why we wanted them all to expire all at the same time is because it's easier for us to track, plus it made sense with the other Century Code.

**Senator Bakke:** From what I understand, the amendments you want are; on page 2 lines 11 and 15 you want added "upon applicable registration," is that correct?

**Ms Michlitsch:** That would be fine too. I think we were just saying upon applicable registration fees.

**Senator Clemens:** So a responder has a red plate is there going to be; let's say at the scene of an accident or some other emergency in the vicinity, are the red plates going to be given a right of way or is there anything connected there?

**Ms Michlitsch:** That wasn't really addressed, so I don't know how to answer that.

**Chairman Rust:** They get into state parks free.

**Senator Patten:** Usually a first responder, at least in Watford City, most of the emergency responders are going to have a blue light along with this.

**Chairman Rust:** Closed hearing on SB 2321.

# 2019 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2321  
2/1/2019  
31993

- Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem
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## Explanation or reason for introduction of bill/resolution:

A bill relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

1 Attachment
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**Chairman Rust:** Opened committee discussion on SB 2321.

**Senator Clemens:** Yesterday Senator Patten, Senator Fors and myself went over to Legislative Council and whoever was going to work on this wasn't available, but the desk took our information and said they'd have it back to us by this morning, which they did. Then Lindi came over to the chamber and she looked this over and compared everything with the bill and said this is good, so I guess as far as I know this is what she wanted and what we wanted.

**Chairman Rust:** So what we have here is, see **Attachment #1**

**Senator Clemens:** I move a **Do Pass** for amendment 19.1112.02001.

**Senator Bakke:** I **second** the motion.

**Senator Fors:** This is a Measure, so is it automatically required to be in the law? I guess what I'm asking is, if we all voted no on this bill, what would happen to the measure?

**Chairman Rust:** As I would see it, the measure would still have to be enforced, because remember it got something like 30-days from the time that the measure passed to be enforced. It's being enforced right now, so now what happens, basically it falls upon the Department of Transportation to make some decisions that aren't in law. Furthermore, what this bill does is provide \$1 on everybody's registration fees to cover the loss in revenue. If we don't do that it will be taken from some other place and we may not want that to happen, because it may be those funds for what they want for training or maybe it comes out of the highway trust fund and then we can't do some road project.

**Voice Vote taken, Motion Passes.**

**Senator Dwyer:** I would like to have a discussion about whether it would make sense and be good policy to have the fee be \$2 rather than \$1. The reason is they're going to be about 50% short from the cost based on their estimates. The share that the highway department will get will be \$1.3 million and they estimate the cost is going to be \$2.7 million and if you ever tried to increase it at some point in the future to \$2 to cover the cost, it would be a 100% increase. However, this bill is obviously going to pass because it's a measure and so I'm just wanting to have a discussion about whether we should consider making the fee \$2.

**Senator Patten:** A little correction, I think the revenue generated of \$1.3 million was only the state's share, correct? So you would also have to add in the counties and the cities on top of that. Do I have that right or not?

**Senator Dwyer:** My understanding was that the state cost is \$2.7 million and the state share is \$1.3 million. So no matter what the fee is the counties and cities are getting a little bump, but they're not helping pay for the cost. I did talk to Senator Klein about it and he said he has no issue whether it's \$1 or \$2.

**Senator Patten:** That was unclear to me, I'd asked some of those questions and I wasn't certain. Because if everybody leverages it, the cost is \$2.7 million and I wasn't clear, when the money comes in shows the state receiving \$1.3 million.

**Chairman Rust:** If you would look at the fiscal note and look at section a, it says there are approximately a little over a million registered vehicles and \$1 would generate about \$1.322 million. However, if you notice that split the Department of Transportation only keeps about 63% of that. That \$1.322 million is that 63%.

**Senator Dwyer:** What it is, is the number that she used was \$2.1 million and 61% is \$1.3 million, but the \$1 is per year and so she's looking at a biennium which is two years, so 1.05 million vehicles, is the \$2.1 million revenue for a biennium. Because it's a fee per year not for a biennium.

**Senator Patten:** The loss of revenue of \$2.7 million would also be shared with the cities and counties, correct?

**Senator Dwyer:** That is correct.

**Senator Bakke:** There's also that \$10,000 cost to fix the computer system that is not included in that \$2.7 million cost.

**Senator Clemens:** I think Senator Klein when he was giving testimony, felt maybe there would be about a 75% participation and that with the \$1 it would be close. I know he objected to the \$5, but the \$2, I guess I don't know.

**Chairman Rust:** I got the feeling that he was a little wondering if the \$2 fee would meet with resistance in the house. I got that feeling, but if you talked to him later on you would have thought he'd have said something.

**Senator Dwyer:** I did specifically ask him and he said whatever you guys think on that. The only reason I'm bringing it up is because you know we're having the driver's license bill go up on the floor for purpose of making the department whole on driver's license fees and this is something the people voted on. Like you say they don't usually identify how this stuff is supposed to be paid for.

**Chairman Rust:** Senator Dwyer do you have a motion?

**Senator Dwyer:** I move we to increase the fee to \$2.

**Senator Bakke:** I second the motion.

**Senator Patten:** If you want to look at it this way, we are struggling to make adjustments in fees across the board and actually gaining acceptance. This is almost like a free pass to make one adjustment with an initiated measure behind it. If we make the \$1 adjustment and then find out the next session that we underestimated that, I don't think it will happen. I was comfortable initially with the \$1 as far as doing it but I also have been thinking since then.

**Senator Fors:** I wouldn't be opposed to raising it higher than that, even to \$2.50 or \$3. The people voted on this, they really want it, it would be kind of interesting at \$3 to see whether or not they really like it. If the public wants this that bad, then pay for it.

**Senator Clemens:** I've been thinking about what Senator Fors said and I think what Senator Dwyer is proposing is probably fair also. Because, to repeat what Fors said, the people voted for it, they should pay for it. So if we go to \$2 I guess I'm on board.

**Senator Bakke:** We've been very concerned about the Department of Transportation operating in the red so why are we going to heap more on them with this particular measure? So it makes sense to at least make it cost neutral.

**Roll Call Vote taken to amend bill, 6-0-0 Do Pass**

**Senator Bakke:** I move a **DO PASS AS AMENDED**

**Senator Patten:** I second the motion

**Roll call vote was taken. Motion passed 6-0-0**

**Carrier: Senator Bakke**

PROPOSED AMENDMENTS TO SENATE BILL NO. 2321

Page 1, line 9, after "**responders**" insert "**and volunteer firefighters**"

Page 2, line 10, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 14, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 18, after "**responders**" insert "**and volunteer firefighters**"

Renumber accordingly

ONE  
2/1/19  
No

PROPOSED AMENDMENTS TO SENATE BILL NO. 2321

Page 1, line 9, after "**responders**" insert "**and volunteer firefighters**"

Page 2, line 10, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 14, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 18, after "**responders**" insert "**and volunteer firefighters**"

Page 2, line 22, replace "one dollar" with "two dollars"

Renumber accordingly

**2019 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO: 2321**

Senate Transportation Committee

Subcommittee

Amendment LC# or Description: 19.1112.02001

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar

Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Senator Clemens    Seconded By Senator Bakke

Senators	Yes	No	Senators	Yes	No
Senator Rust - Chairman			Senator Bakke		
Senator Clemens - Vice Chairman					
Senator Dwyer					
Senator Fors					
Senator Patten					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Voice Vote Taken, Motion Passed





**REPORT OF STANDING COMMITTEE**

**SB 2321: Transportation Committee (Sen. Rust, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2321 was placed on the Sixth order on the calendar.

Page 1, line 9, after "**responders**" insert "**and volunteer firefighters**"

Page 2, line 10, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 14, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 18, after "**responders**" insert "**and volunteer firefighters**"

Page 2, line 22, replace "one dollar" with "two dollars"

Renumber accordingly

**2019 HOUSE TRANSPORTATION**

**SB 2321**

# 2019 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee  
Fort Totten Room, State Capitol

SB 2321  
3/1/2019  
#33068

- Subcommittee  
 Conference Committee

Committee Clerk: Jeanette Cook

## Explanation or reason for introduction of bill/resolution:

A BILL relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

Amendment #1

**Chairman Ruby** opened the hearing on SB 2321.

**Senator Klein** introduced SB 2321. This bill is the result of Measure 4. It is what we need to do to implement Measure 4. He explained that the bill's intention is to provide registration and a license plate for qualifying fire fighters and EMS personnel every year and free entry into the parks. They must be a volunteer for at least two years before they are eligible for the plate. This will be paid for by adding \$2.00 to each license registration in the state. It started at \$1.00, and the Senate Transportation Committee changed it to \$2.00, which they believe will cover the entire cost if all 11,300 volunteers get the plate. Within 30 days of the passage of the Measure, the Department of Transportation had requests for the plates and are already providing those as stated in the Measure. The fire department side has an app. to download, they go to the fire chief to determine that they are a two-year member in good standing, the chief signs it off, and it is sent to the state fire fighters' association. They determine that applicant is from a legitimate fire department. It then goes on to the Department of Transportation. The problem we may hear about is that this will not work electronically for a while.

**Chairman Ruby:** Do just the volunteer firefighters qualify?

**Senator Klein:** No, it will be both volunteer emergency first responders and volunteer fire fighters as defined in the bill to say who get registration and gets into the parks.

**Chairman Ruby:** Does this replace the measure?

**Senator Klein:** Yes, it will take a 2/3 vote in the House.

**Vice Chairman Rick C. Becker:** How far are we straying from the actual measure? It is good to know the intention of the petitioner, but it has to stay with what the people voted on.

**Senator Klein:** I had the attorney from Legislative Council thoroughly look at the Measure and its intentions. Council determined that it was registration every year. I was hoping it was one year, but his intentions are being fulfilled.

**Representative Weisz:** The fiscal note shows the cost of the \$2.00. Did you get a number for the 11,300, and what is the loss for every biennium?

**Senator Klein:** The average loss per biennium is \$2.75 million. Using \$2.00 covers it. There were some departments that thought it would be better spent in education and equipment, but we have a license plate now.

**Chairman Ruby:** Did the language about the parks need to be changed?

**Senator Klein:** No, it was fine the way it was written in the Measure. We also added the Emergency Clause, because it is being done right now.

**Chairman Ruby:** A lot of these benefits are being enjoyed by paid fire fighters right now, correct?

**Senator Klein:** No, the paid professionals will not enjoy any of these benefits. They have to fall below the \$10,000 threshold. The parks are in law because of the measure.

**Rob Knuth, the Training Director for the North Dakota Firefighters Association,** stood to support SB 2321 and answer any questions.

There was no further support for SB 2321.  
There was no opposition for SB 2321.

**Lindi Michlitsch, Motor Vehicle Division Director, North Dakota,** spoke in a neutral capacity on SB 2321. Written testimony was provided. See attachment #1.  
15:48

**Representative Grueneich:** What will be the cost per biennium for the plates?

**Lindi Michlitsch:** We didn't calculate what the cost is. We did the fiscal note by just looking what the revenue was, since we are already issuing the plates. The Department of Transportation has already paid for creating the plate. Now, it is just the additional revenue.

**Chairman Ruby:** Is the \$4.2 million counting the amount that is going to political subs as well?

**Lindi Michlitsch:** The \$4.2 million would be everything that would be collected. It is broken down in the fiscal note to show the amount that would go to the counties, cities, and townships.

**Chairman Ruby:** Were the first 76 plates, plates that replaced the plates that were already on their vehicles?

**Lindi Michlitsch:** Yes, they completed a registration change and requested a new plate once they completed the proper documentation.

**Representative Jones:** When you are talking about the cost to the state, are you then not paying the registration going forward or just the cost of producing the plate?

**Lindi Michlitsch:** We took an average of registration between passenger vehicles and pickups. That average registration is \$125. That is what we used to calculate our revenue loss on the registration. (\$125 per year times the number of vehicles that would qualify for the plate)

**Representative Nelson:** Are you tracking what the amount would have been when people get the new plates, so we have a good number next biennium of what the actual cost has been?

**Lindi Michlitsch:** No, we are not doing that because you can change a registration in the middle of a year. That could vary a lot.

**Representative Nelson:** If I change to a volunteer plate in the middle of the year, does that change my renewal time?

**Lindi Michlitsch:** The volunteer plates all expire on Dec. 31<sup>st</sup> of each year.

**Chairman Ruby:** The revenue on the fiscal note replaces the loss. Shouldn't that be more of a wash or has the loss already incurred because of the passage of the measure?

**Lindi Michlitsch:** Yes, that is correct. Part of that is because we have issued 11,000, but we are looking at it over a period of time. As of this morning we have over 150 that are waiting to be issued, so we are already over 12,000 that are ready to be issued.

**Chairman Ruby:** The computer costs are only \$10,000?

**Lindi Michlitsch:** It is \$10,000 because we are already issuing these plates. That was just to look at increasing the registration fees. I'm not sure if anything else is included. I would have to ask the IT vendor if anything else was included. I'm not sure if that included any tracking mechanisms. That may be part of it as well.

**Representative Paur:** Can you tell me what the revenue loss will be in this biennium and the next?

**Lindi Michlitsch:** It would be \$2.75 million in each biennium. We didn't include the plate production and mailing because that is already done.

**Representative Jones:** I would like to follow this and see what it costs the state of North Dakota. Can it be tracked?

**Lindi Michlitsch:** I will see what we can do.

The hearing was closed on SB 2321.

**Vice Chairman Rick C. Becker:** I was completely against this Measure, but the people spoke. It is really easy to say we want the government to do something and have it be charitable for us. I think it is fantastic that what the people voted for is enacted, the volunteers get recognized in the way that they wanted, and the people who voted for it and the ones that didn't vote for it will bear the cost. It is not magical money that the government just come up with. It may be the only fee increase I will be voting for this session.

**Representative Paur:** On the licensing registration, I think it would be nice if it said, "A \$2.00 fee for responder license plates."

**Chairman Ruby:** Reading this for the first time, I was frustrated that those who did not vote for the measure are now paying for it. If it is a cost others wanted to give, they should have found a way to pay for it. This will require a 2/3<sup>rd</sup> vote of the House.

**Representative Jones:** If we don't pass it, we still have the initiated measure. I would be interested to see if the Department of Transportation could add a line to show where the \$2.00 goes.

**Chairman Ruby:** If it doesn't pass, there wouldn't be the provisions for determining whether the volunteers are active; it also wouldn't have the \$2.00 cost increase, which then would come out of the road fund. Instead of raising the registrations to put more into the road fund, we are just raising it to pay for these plates.

**Representative Owens moved a DO PASS on SB 2321.**

**Vice Chairman Rick C. Becker seconded the motion.**

**Vice Chairman Rick C. Becker:** I was thinking about **Representative Paur's** suggestion. I am wondering if it would cost so much if it is just printing an additional line on the card.

**Chairman Ruby:** What would it cost to add a line on the registration card to show where the \$2.00 goes?

**Lindi Michlitsch:** When you get the invoice it is just in one lump sum; it doesn't break it down as to where the fees are going. You don't always get a receipt, only when you come in to register. I would have to do some checking to see if we can do this.

**Chairman Ruby:** Is there any way that it could show up on the regular registration card? "A fee of \$2 applied toward the volunteer license plates."

**Lindi Michlitsch:** We could look at adding it to our receipt. That would be the only place it would show up. I would have to see if there is room on the registration card.

**Vice Chairman Rick C. Becker:** It would just need to say includes \$2 fee for ...

**Lindi Michlitsch:** Would you want the \$2 a separate line item for each vehicle? Right now our invoices are programmed to fit 20 vehicles on an invoice per owner. Where would you want us to put it?

**Vice Chairman Rick C. Becker:** Just somewhere, just a statement, so people recognize that they are paying a \$2.00 fee.

**Lindi Michlitsch:** You just want a blanket statement that says, "Your registration fees have been increased \$2 for the volunteer plates"? If it is just a statement like that, we could put it on our invoice.

**Chairman Ruby:** Could you do that without it being part of this statute?

**Lindi Michlitsch:** I would think so.

**Chairman Ruby:** Would you just follow legislative intent?

**Lindi Michlitsch:** I will double check, but that is how I would understand it.

**Chairman Ruby:** I don't think we need to put it in Century Code, but I would like to see it.

**Representative Weisz:** It may not need to be put in Code, but if this is our intent, the bill should have an amendment, "Legislative intent is to add a statement."

**Representative Owens rescinded his DO PASS motion.**

**Vice Chairman Rick C. Becker rescinded the second.**

**Representative Weisz moved the amendment (Statement on registration: this includes \$2.00 fee for volunteer emergency responder plates). Legislative intent.**

**Vice Chairman Rick C. Becker seconded the motion.**

**A voice vote was taken. The motion carried.**

**Representative Owens moved a DO PASS as amended and re-referred to Appropriations on SB 2321.**

**Vice Chairman Rick C. Becker seconded the motion.**

**A roll call vote was taken: Aye 13 Nay 0 Absent 1**

**The motion carried.**

**Representative Owens will carry SB 2321.**

19.1112.03001  
Title.04000

Adopted by the House Transportation  
Committee

March 1, 2019

DA 3/1/19

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2321

Page 1, line 5, after the semicolon insert "to provide a statement of legislative intent;"

Page 2, after line 27, insert:

**"SECTION 3. LEGISLATIVE INTENT - VEHICLE REGISTRATION FEE INCREASE.** It is the intent of the sixty-sixth legislative assembly that the department of transportation add an explanation on the vehicle registration renewal form regarding the two dollar per vehicle increase to the vehicle registration fee."

Renumber accordingly

Date: 3-1-19  
 Roll Call Vote #: |

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2321**

House Transportation Committee  
 Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Weisz    Seconded By Becker

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY			REP LAURIEBETH HAGER		
VICE CHAIR BECKER			REP KARLA ROSE HANSON		
REP JIM GRUENEICH			REP MARVIN NELSON		
REP TERRY JONES					
REP TOM KADING					
REP EMILY O'BRIEN	A				
REP MARK OWENS					
REP BOB PAULSON					
REP GARY PAUR					
REP ROBIN WEISZ					
REP GREG WESTLIND					

*Voice Vote  
 Called*

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent: *Legislative Intent is:  
 This includes a \$2.00 fee for  
 volunteer emergency responder plates.*

Date: 3-1-19  
 Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2321**

House Transportation Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Owens Seconded By Becker

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY	X		REP LAURIEBETH HAGER	X	
VICE CHAIR BECKER	X		REP KARLA ROSE HANSON	X	
REP JIM GRUENEICH	X		REP MARVIN NELSON	X	
REP TERRY JONES	X				
REP TOM KADING	X				
REP EMILY O'BRIEN	A				
REP MARK OWENS	X				
REP BOB PAULSON	X				
REP GARY PAUR	X				
REP ROBIN WEISZ	X				
REP GREG WESTLIND	X				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Owens

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2321, as engrossed: Transportation Committee (Rep. D. Ruby, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2321 was placed on the Sixth order on the calendar.

Page 1, line 5, after the semicolon insert "to provide a statement of legislative intent;"

Page 2, after line 27, insert:

**"SECTION 3. LEGISLATIVE INTENT - VEHICLE REGISTRATION FEE INCREASE.** It is the intent of the sixty-sixth legislative assembly that the department of transportation add an explanation on the vehicle registration renewal form regarding the two dollar per vehicle increase to the vehicle registration fee."

Renumber accordingly

**2019 HOUSE APPROPRIATIONS**

**SB 2321**

# 2019 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2321  
3/19/2019  
33980

- Subcommittee  
 Conference Committee

Committee Clerk: Risa Bergquist

## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; to amend and reenact section 39-04-10.16 of the North Dakota Century Code, relating to special vehicle license plates for volunteer emergency responders and firefighters; to provide a statement of legislative intent; and to declare an emergency.

## Minutes:

**Chairman Delzer:** Called the meeting to order for SB 2321, Representative Dan Ruby is here to present the bill.

**Representative D. Ruby:** This bill basically was the result of the issue in measure 4 that passed the last election. Which intended to give a free license plate access to state parks to volunteer fire fighters and EMTs. The language that is in the first section is all put in place, what was added in section 2 was a dollar increase on registration to cover the cost. That wasn't part of the original measure to cover the cost, it would have just pulled money out of the highway funds to subsidies those free plates. The idea for this would be to replace that cost with basically the general public and not negatively affect the highway fund. Senate felt that the 1 dollar didn't quite cover it so they amended it to 2 dollars. We didn't amend anything else on this, we think that the people voted for this but it comes out of the account for the roads. We did want DOT to find a place on their statement to say that 2 dollars of that registration now is going towards the free plates. This is putting the money back to cover the expenses. They said these 2 dollars would be pretty close. DOT said it'll be 10 thousand dollars to update the systems for that 2 dollars.

**Chairman Delzer:** Was DOT in front of you? Section 1 of the bill the definitions and timelines, it really needs to have some discussion. What would happens if the bill were to die? Or not receive the 2/3 vote? And did it receive a full 2/3 from the senate?

**Representative Ruby:** Yes, it did on the senate side and I would need that on our side as well. We didn't do anything with the cost for the parks because that was part of the measure and that was part of the initial fiscal effect related to legislative management.

**Chairman Delzer:** Does this language need to go forward? What will the DOT do if they don't get this language put in there?

**Representative Ruby:** They have already enacted it, they already put in over 76 licenses. It was required to do it within 30 days. 76 as of December 31<sup>st</sup> and to date it's at 11 hundred.

**Chairman Delzer:** Are they do it when they come to renewal? Or when they are requested?

**Representative Ruby:** They do it when they request them. Page 2 of section 1, it does have a definition of what it takes to be recognized at a volunteer. They have to be a volunteer for two years and they have to get a signoff from the head of that department. There's the provision that when they no longer qualify they get another plate back but for 5 dollars.

**Chairman Delzer:** That is something they can do in policy as well?

**Representative Ruby:** I don't know if they can, it wasn't part of the bill and it wasn't in statue. There was some discussion on putting it in statue and require that. They figured it would be on the statement not on the actual card.

**Chairman Delzer:** If we are going to raise everybody licensing by 2 dollars I think this should be the first thing people see.

**Representative Boe:** I have a hard time understanding the volunteers making 10 thousand dollars, that takes away the volunteer status.

**Representative Ruby:** That's because there are some instances that they do receive some compensation for their expenses but they are still volunteer.

**Chairman Delzer:** If someone goes to training is that considered compensation?

**Representative Ruby:** That wasn't clarified.

**Representative Boe:** How about in the case of a paid EMT but is also part of the fire department, do they qualify for that?

**Representative Ruby:** Yes, they would.

**Chairman Delzer:** Any further discussion on SB 2321? Seeing none we will close this hearing.

# 2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee  
Roughrider Room, State Capitol

SB 2321  
3/21/2019  
34142

- Subcommittee  
 Conference Committee

Committee Clerk: Risa Bergquist

## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; to amend and reenact section 39-04-10.16 of the North Dakota Century Code, relating to special vehicle license plates for volunteer emergency responders and firefighters; to provide a statement of legislative intent; and to declare an emergency.

## Minutes:

**Chairman Delzer:** This is the bill that increases vehicle registration by 2 dollars to cover the expense of the volunteer plates. I know they have legislative intent saying that DOT add an explanation on the vehicle registration renewal form regarding the 2 dollar per vehicle increase. This bill would require a 2/3 vote from the house to pass. I think if this goes forward then we should *require* that DOT adds that explanation.

**Representative Bellew:** I don't think we should be doing this at all. The people voted for it, they didn't say that they wanted us to raise fees to pay for it. People wanted let's give it to them and if a couple roads don't get fixed so be it.

**Representative Boe:** They did speak and they probably didn't know exactly what they were saying but this is what they said.

**Representative Bellew: I will move a Do Not Pass**

**Representative Martinson: Second**

**Chairman Delzer:** We have a motion for a do not pass, is there any further discussion on the motion?

**Representative Bellew:** If this dies, what happens?

**Chairman Delzer:** I think the way it stands, the department has decided to do it this way but I think they are hoping that we clarify for their sake, how it should be done. The other part of it is I think they just wanted to cover the cost. I think they thought it was going to be plates they didn't mean for it to be free. It takes a 2/3 vote because we are changing the initiated measure. If it doesn't get that 2/3 vote the bill won't take effect. Any further discussion on the motion? Seeing none we will call the roll.

**A Roll Call vote was taken. Yea: 12      Nay: 8      Absent: 1**

**Motion carries, Representative Bellew will carry the bill.**

**Chairman Delzer:** With that we will close the meeting for SB 2321

# 2019 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2321  
3/27/2019  
34291

- Subcommittee  
 Conference Committee

Committee Clerk: Risa Bergquist

## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; to amend and reenact section 39-04-10.16 of the North Dakota Century Code, relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

**Chairman Delzer:** Called the meeting to order for SB 2321, we voted on this for a Do Not Pass and Representative Bellew is the carrier on this. It set the 2-dollar fee on everyone's registration so off set the expenses of the free license plates. We were thinking that the langue in section 1 should be kept, that would put what the department wants to do with these into code. I think we should reconsider the bill and if we want to get rid of the fee just take section 2 and 3 out. We will set that aide until Representative Bellew is here since he is the bill carrier. With that we will close this meeting.

# 2019 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2321  
3/29/2019  
34363

- Subcommittee  
 Conference Committee

Committee Clerk: Risa Bergquist

## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to a registration fee to defray the cost of plates for volunteer emergency responders and firefighters; to amend and reenact section 39-04-10.16 of the North Dakota Century Code, relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

**Chairman Delzer:** We will call this meeting to order, we will start with SB 2321. Originally we had a recommendation of a Do Not Pass., this is the bill that deals with the initiated measure that gives volunteer fire fighters and emergency responders free license plates. I think we need to bring this back. The policy committee put in language that the department has asked for using the definitions of what a volunteer and responder is. It also sets up the criteria of when they can get it and how long they can keep it. Section 2 is the 2-dollar cost section 3 is the legislative intent saying that the intent for the department to somehow add an explanation of the 2 dollars' charge. The department would really like to have section 1 of the bill, I think our issue with the bill was the 2-dollar increase. I think we should reconsider our actions, remove sections 2 and 3 out of the bill and take it to the floor.

**Representative Mock:** Are they issuing temporary plates for the time being?

**Chairman Delzer:** I think any that are out there would be permanent plates.

**6:15 Representative Meier: Make a Motion to Reconsider**

**Representative Brandenburg: Second**

**Chairman Delzer:** Discussion to reconsider?

**Representative J. Nelson:** The request is to remove section 2 and section 3, so if we reconsider and that these sections out there won't be any revenue to cover the cost?

**Chairman Delzer:** That's what the Do Not Pass did. The people voted for it so Representative Bellew didn't think we should be charging.

**Representative J. Nelson:** Somebody has to pay for this.

**Chairman Delzer:** There is a cost to it, it doesn't mean anybody has to pay for it. My understanding is the cost is 1.78. That's why they went with the 2-dollar fee.

**Representative Boe:** I think we could just take it back to the floor, I will resist the reconsideration.

**Chairman Delzer:** Any further discussion? Whatever goes will take a 2/3 vote on the floor because we are changing the initiated measure on the floor.

**A Roll Call vote was taken. Yea: 14      Nay: 5      Absent: 2**

**Motion carries**

**Representative Beadle: Motion to remove sections 2 and 3 of the bill.**

**Representative Schatz: Second**

**Voice vote, All in Favor, Motion Carries**

**Representative Brandenburg: DO Pass as amended**

**Representative Meier: Second**

**Chairman Delzer:** Further discussion on the motion for a do pass as amended. Seeing none we will call the roll.

**A Roll Call vote was taken. Yea: 18      Nay: 2      Absent: 1**

**Representative Bellew will carry the bill**

**Chairman Delzer:** With that we will close this meeting.

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Prepared by the Legislative Council staff for  
the House Appropriations Committee  
March 29, 2019

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2321

In lieu of the amendments adopted by the House as printed on page 1062 of the House Journal, Engrossed Senate Bill No. 2321 is amended as follows:

Page 1, line 1, remove "to create and enact a new section to chapter 39-04 of the North Dakota"

Page 1, remove line 2

Page 1, line 3, remove "responders and firefighters;"

Page 2, line 10, replace "4." with "3."

Page 2, line 14, replace "5." with "4."

Page 2, remove lines 18 through 27

Re-number accordingly

Date: 3/21/2019  
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2321**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Bellew    Seconded By Representative Martinson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich		X			
Representative Anderson		X	Representative Schobinger	X	
Representative Beadle		X	Representative Vigesaa	X	
Representative Bellew	X				
Representative Brandenburg		X			
Representative Howe		X	Representative Boe		X
Representative Kreidt	X		Representative Holman	X	
Representative Martinson	X		Representative Mock	X	
Representative Meier	X				
Representative Monson	A				
Representative Nathe	X				
Representative J. Nelson		X			
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 12 No 8

Absent 1

Floor Assignment Representative Bellew

**Motion Carries**

Date: 3/29/2019  
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2321**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar

Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Meier    Seconded By Representative Brandenburg

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X				
Representative Anderson	X		Representative Schobinger	X	
Representative Beadle	X		Representative Vigesaa	X	
Representative Bellew	A				
Representative Brandenburg	X				
Representative Howe	X		Representative Boe		X
Representative Kreidt	X		Representative Holman		X
Representative Martinson	X		Representative Mock		X
Representative Meier	X				
Representative Monson		X			
Representative Nathe	A				
Representative J. Nelson		X			
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total    (Yes) 14    No 5

Absent 2

Floor Assignment \_\_\_\_\_

**Motion Carries**

Date: 3/29/2019  
 Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2321**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: Remove section 2 and 3

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Beadle Seconded By Representative Schatz

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich					
Representative Anderson			Representative Schobinger		
Representative Beadle			Representative Vigesaa		
Representative Bellew					
Representative Brandenburg					
Representative Howe			Representative Boe		
Representative Kreidt			Representative Holman		
Representative Martinson			Representative Mock		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

**Voice Vote/Motion Carries**

Date: 3/29/2019  
 Roll Call Vote #: 3

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2321**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Brandenburg Seconded By Representative Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X				
Representative Anderson	X		Representative Schobinger	X	
Representative Beadle	X		Representative Vigesaa	X	
Representative Bellew	A				
Representative Brandenburg	X				
Representative Howe	X		Representative Boe		X
Representative Kreidt	X		Representative Holman	X	
Representative Martinson	X		Representative Mock	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson		X			
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 18 No 2

Absent 1

Floor Assignment Representative Bellew

**Motion Carries**

**REPORT OF STANDING COMMITTEE**

**SB 2321, as engrossed and amended: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2321, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on page 1062 of the House Journal, Engrossed Senate Bill No. 2321 is amended as follows:

Page 1, line 1, remove "to create and enact a new section to chapter 39-04 of the North Dakota"

Page 1, remove line 2

Page 1, line 3, remove "responders and firefighters;"

Page 2, line 10, replace "4." with "3."

Page 2, line 14, replace "5." with "4."

Page 2, remove lines 18 through 27

Renumber accordingly

**2019 CONFERENCE COMMITTEE**

**SB 2321**

# 2019 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2321  
4/11/2019  
34700

Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem
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## Explanation or reason for introduction of bill/resolution:

A bill relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

1 Attachment
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**Chairman Rust:** What we have in front of us is a bill that's been passed with the House amending the Senate version. Do you want to explain that at all?

**Representative Bellew:** The House appropriations who took amendment out. The majority of the appropriations committee felt that assessing a \$2 fee to registration to everybody in the state was not the proper way to fund this. First of all, everybody in the state didn't vote for this and not everybody in the state owns a car either so and that's only the car owners. But and I understand some of the consternation here is that we're taking money away from the roads, but I'm not sure that was the purpose of the initiated measure sponsor. So that's why we amended it out. We just didn't think that it was right to charge everybody a fee. Only 300,000 people voted and I'm not sure, I think I read somewhere that there are like a million vehicles in this state or something like that. That's our reasoning for the appropriations committee removing the appropriation.

**Chairman Rust:** The original bill came to us with \$1 in it. Then when we started going through this, trying to figure out what it would cost, so to speak. Along with that came testimony that when this was passed that everybody who was included in this, volunteer firemen, emergency responders etc. That they not only would get a license plate, but that they would get a paid registration fee. Evidently from the people who were instrumental in getting this on the ballot they felt they would get this forever, well as long as they were alive I guess I should say. That they would continue year after year to get that registration fee. It was difficult to determine how much it would be because the different vehicles at different price ranges as far as a registration fee is concerned. A pickup might be \$120-\$140, a small car might be that \$60-\$70 range or whatever it is. So we didn't know so then it was our committee that then decided to go to \$2 and that's how we sent it to you. So my question for you would be, if you stripped out the \$2 fee, and went to zero then one of I suppose a couple, maybe there's more, I haven't thought of them. One of a couple of things would happen, one is that you would have to take that money from some place to pay for it;

which I presume it would come out of the highway distribution fund. I suppose you could ask for along the line someplace else to give the money, like the legacy fund or the SIIF fund or what have you. What are your thoughts on this, do you feel that we should not fund this in any way, but take the money out of the highway funds? Or do you feel we should probably look at an alternative method of funding this that's not in either one of these two bills?

**Representative Ruby:** From the House Transportation Committee stand point, we did approve this bill, fairly strongly with the \$2. It was when it went to appropriations of course that it was changed. I probably should have gauged the level of support that we would have for this by pulling that amendment off and discussing the amendment separately. It would have been a good way to determine how much support we would have had on that. Since I didn't of course, was the language that was put in that determines the definition of qualifying volunteer firefighter. So I think that's pretty important language to retain no matter what we do. You're right, the funds basically will then just be less going into; it's not really that we're paying for it, it's just that less funds will go into the highway distribution fund. Which will reduce the amount that goes to the state, the cities, the counties, transit, the townships and so on. So that's kind of where we were at. We could talk about if it would be appropriate for a \$1 or if there's other options; I think there should be, my personal view is that we should have some way to have some cost somewhere that prevents the reduction of the highway distribution fund. Now, I might be a minority even on our side of it with that.

**Senator Bakke:** In response to the comment that not everybody voted on it, everybody had the right to vote on it. If they chose not to vote, then that was their decision, so I can't use that as reason to not charge them the fee. Their choice not to vote was their choice not to vote. Also, in this bill it does say that once they are no longer eligible as a volunteer firefighter they no longer get the plates and if they want to continue to get them they get them at an additional fee of \$5 a year. When we look at the registration fee that the Department of Transportation is putting out there right now, they haven't raised the registration fees in almost twenty years; it's over twenty years. So we're extremely low in comparison to other states, that's why we felt putting this \$2 on registration would be the most appropriate place to put it, because they're going to be seeing increases in that registration of their vehicles down the line, because that's going to have to be addressed at some point along with the license. Because the Department of Transportation is functioning in the red right now and they can't continue to do that. I just feel very strongly that if we're going to do this we need to have the money come from somewhere, we can't just ask the Department of Transportation to eat this because they can't just do that there. Their budget is really, really stretched.

**Representative Ruby:** Just a couple of corrections, I believe we did increase registration in 2005, there was a slight bump then. Then only, really the \$5 is if they no longer qualify they pay \$5 to get a regular plate. So it's not \$5 every year. That is an important thing to have, is that there is not only the distinction of when they qualify but also then the process of when they no longer qualify. I did like the language that was there. So I think from the House's standpoint there's really no issues with that language, we would just have to figure out if we can agree on; if not this way a better way to not affect the highway distribution fund.

**Senator Dwyer:** I'd like to just address the highway distribution fund for a minute. North Dakota gets 81% of its funding for its transportation from the federal government. An average of other states is 43% and so when we apply for grants we're at a complete disadvantage and we don't get them. Because another state will apply for the same thing and they'll say we'll pay half and North Dakota comes in and says we'll pay 19% and so we don't get those. Several of the reports on infrastructure pointed out that of our 4300 bridges, about 60% of them are structurally deficient and that becomes a safety issue. I don't think it's either good business or good government to continue to rob the highway distribution fund from its intended purpose of infrastructure and then pay for government services like this. It's the very same issue with the driver's license fees, we're taking \$5.5 million out of the highway fund to cover the cost of the driver's license fees. The governor can say what he wants about efficiency, but we're issuing 600,000 driver's licenses or we have 600,000 drivers. I think North Dakota has to take a hard look at its transportation infrastructure and say wait, we have to make sure that the funds that are allocated for that go for that and that's why I think it's so important that we figure out a way to pay for this. When we had our hearing, the first responder folks; I don't know about in your committee, the first responder folks had no problem with this method of paying for it. They didn't have any problem with the idea that it has to be paid for. They didn't really expect for this to be just a free thing. So, I think we need to do something if this isn't the right one.

**Chairman Rust:** One of the things that I see is that we've kind of gotten into a mentality in our state of, hmm let's just put it on the ballot. When that happens, it's well-meaning folks that do that, and that is definitely their right to do it. But sometimes along the line, the thought failed to cross their mind about, what's the cost. Somebody has to pay for this. So I guess you could look at whether it's \$1 or \$2 that goes on a registration. Maybe it will be a reminder that there is a cost here when I check my box to vote yes on something, it might be a reminder to them that there is a cost that maybe we should have thought of before we maybe checked yes. The other one would be, I'm not sure what the average person was thinking of. So I don't think it's impossible that they maybe were thinking, yeah they should get a nice red license plate that says they're an emergency responder and it never crossed their mind that they were going to get the full registration paid for. I don't know if that was the case or not, but I would guess for some people they probably just thought it was just a license plate. What's the cost of a license plate? I'm voting yes. When it isn't the license plate. Because I don't think at any point in time in that it said "and they shall get a free registration fee paid." So I'm not sure what exactly people were thinking. I do believe what they were thinking is these people do a great service and it'd be nice to reward them and recognize them.

**Representative Ruby:** The only amendment we really put on was we put an amendment that stated that legislative was that somewhere on the statement that people would receive when they got their registration would be a line that would let them know that \$2 of their registration fee was going toward that free plate so that they knew that. People told me that we should have just put that in as part of the statute that it had to state that not just legislative intent. The issue with whether or not we're going to affect this fund, whether the people thought that was the case, it was something I told people right away. Of course as was brought up, we're not going to be; thanks to the veto, we're not going to be raising some funds for the highway funds and now we're actually going to be going negative on it and I just also think that that's, the people in our committee voted for it, there should be

some expense to that so that there is the understanding that when you do vote for things there are some ramifications that come with it. Whether it's the right way to accept it or not. They may all have known, yeah I'm willing to pay a couple of bucks for this. The other thing that is really not brought up in this discussion and is not compensated by that \$2 fee is the provision in the measure that allows them to go to state parks for free. So there's nothing to compensate Parks and Rec for that. Which we didn't ever try to address on either side, so that's something that we have to keep in mind. They're getting a pretty good value. They're not just getting a free registration; they're also getting that access to all state parks.

**Chairman Rust:** Last year it was \$35 for an annual pass. I think it's \$6 a day.

**Senator Bakke:** Just a question. I don't remember Measure 4 and how it was written on the ballot. But they didn't say in that measure that \$1 would be on registrations? It was just the issuing of the license plates?

**Representative Bellew:** I got this from the Secretary of state's office, please see **Attachment #1** for a copy of Measure 4 as it was on the ballot.

**Chairman Rust:** My understanding is that whatever we do here probably requires a two-thirds majority vote, because we are changing an initiated measure, so we need to remember that. The other thing is, is that I suppose at this point in time I think we need to decide a) are we going to just suck up the costs that are there, or b) is there another option for, well I guess we have them say no, you guys could say hey, maybe we changed our minds and two bucks is okay. Or we're going to have to come up with something else that might be; the one I would think of is we go back to the original bill which was \$1. Is there another option or thought out there?

**Representative Schatz:** Just a couple of questions. As it is the money would come out of the highway distribution fund? Why can't we take it out of the general fund? Could we take the money out of the general fund and then give it to the Department of Transportation?

**Chairman Rust:** My understanding of that would be, that we would have to write that into law and it would take a two-thirds vote. I have just a feeling that that might be a hard sell, I don't know. I mean appropriations people who are trying to make ends meet now would probably be of the opinion that they do not want to have another bill for whatever it is \$2 million, \$3 million come to them. But it's certainly something we can do.

**Representative Ruby:** If the appropriations put that in the Department of Transportation budget to compensate for the, I don't think that would take a two-thirds vote, because that is not changing anything in the measure, that is basically just resupplying that are lost by the measure. Put it in. that would be a simple majority of both sides.

**Representative Schatz:** The reason I bring it up is because these are firefighters and EMTs. Really doesn't have anything to do with people who own vehicles. I mean they're getting free plate, but they're servicing everybody. They're servicing children, they're servicing people that don't have cars, why are only people who have cars paying or that, when everybody is benefiting from firefighters and EMT people? So that's why the general

fund seems to be a little bit better place than taking it out of transportation. That's my thought on it anyway.

**Chairman Rust:** Would that take a continuing appropriation, because every two years it would be up for grabs again?

**Representative Schatz:** There's how many people are going to get these things, or are eligible, 10,000? I wasn't on the committee, so I don't know.

**Senator Bakke:** I had 11,000 volunteers.

**Representative Schatz:** Ok, so 11,000 volunteers are going to get their registration for their vehicles for free?

**Chairman Rust:** Every year until they no longer serve. For one vehicle.

**Representative Schatz:** Right, but if I have a \$60,000 vehicle which normally would cost me...

**Chairman Rust:** \$120-\$140 someplace in there I think, right? \$160?

**Representative Schatz:** No, I think it's more than that isn't it? Isn't it kind of on the value?

**Chairman Rust:** Oh, \$176 according to Senator Dwyer.

**Representative Schatz:** So the \$176, every year they're going to get that off? I thought we were just giving them free license plates by voting for this. I had no idea there were registration fees. I don't think anybody else did.

**Chairman Rust:** I don't think you're alone in that.

**Representative Schatz:** That's a lot of money which I don't; you were talking about doing it one time. Maybe the first year and then after that they pay their own registration fee. That would be my suggestion.

**Representative Ruby:** When you read the measure it does just say plates, so a lot of people would just think it'd be the plate. Normally that's \$5-\$10 or whatever \$5 I think for replacements. So there would be no initial cost for that plate and there would be no additional cost for that plate. Because normally if you get one of the personalize plates it's \$25 a year and that's on top of your registration. So maybe DOT is just interpreting it wrong as far as what it really was supposed to be given as a benefit.

**Chairman Rust:** As I recall, as we were sitting here and the bill was introduced to us, Senator Klein was here and introduced it to us there were people who were sitting in the audience who were pretty adamant that it meant the registration paid for.

**Senator Bakke:** If you read the measure, nowhere in there does it say that we pay for their registration of their vehicles. It also has a limit on the poundage.

**Representative Bellew:** I got this off the Secretary of State's website, so I assume it's the exact language that was in the measure.

**Representative Ruby:** This is full text of the measure, it's not just the title. The title is just the top part that people saw, full text is the whole works.

**Chairman Rust:** Now if you look at it, it says personalized plates to volunteer emergency responders at no initial or annual cost to the volunteers. I would think probably if we're wondering about that then is that; is it the full text of the measure evidently?

**Representative Bellew:** This is what I got from the Secretary of State's website, so I assumed it was the full text of the measure.

**Representative Ruby:** Now the concern it they've already given out a bunch of them at no registration. Because it had to go into effect within 30 days of it passing. They've already issued several of them. A couple hundred of them I think, 160 or something like that. I forget how many.

**Representative Schatz:** Should we get somebody here from DOT to explain if they gave the registration fee away or not?

**Chairman Rust:** We can do that.

**Representative Schatz:** I think we may have to.

**Chairman Rust:** I think as a conference committee we can call whoever we want. However, for to come and say I want to speak to you, that's a no.

**Representative Schatz:** Because if they're giving away the registration fee or they're not, well then we have to change the policy somehow.

**Chairman Rust:** I believe Representative Ruby is correct that they have given those plates out already and that they did not charge them for the registration.

**Representative Bellew:** They said personalized plates, is there a yearly charge on those?

**Representative Ruby:** Yes, your vanity plates are \$25 a year.

**Representative Bellew:** With your registration.

**Representative Ruby:** yep, on top of registration. So basically when it says no initial fee; which there is and initial fee as well and then the annual fee is \$25 every year, in my interpretation, that's what that would be and it wouldn't be nearly as significant.

**Chairman Rust:** But this is not a personalized plate. Because it says the first three digits of the plate are the last three digits of the zip code.

**Representative Ruby:** But it says the director shall issue a red personalized plate, on the first line there. So it is a version of a personalized plate. It's a one-time cost and the \$25 per year and the registration of the vehicle should be an ongoing expense.

**Chairman Rust:** Well the personalized plates have to do the following; it says, the first three digits of the plates are the last three digits of the zip code where the volunteer department is located and the last the remaining space may contain up to three characters of the volunteer's choosing. So I mean it's personalized in that respect. Every one of them will have some personalization in it.

**Representative Ruby:** Let's say you get an NDSU plate, that's considered a personalized plate and a portion of that \$25 with the go toward the alumni association or whatever. FFA has them, all these different groups have them. What we've done with military plates in many cases, certain ones; purple heart, gold star families there's one, medal of honor recipients, those were given for free, so they don't have the initial or the annual cost to that plate, but they generally still pay the registration. They just don't have the plate cost every year. So I think it would be a good idea for us to have somebody from Department of Transportation here and you know what, if we have to do a wash on the first ones that got it, so be it. But it's the ongoing that we have to worry about, it's just a misinterpretation.

**Chairman Rust:** Or if we were to employ Representative Bellew's idea, which is we do the first plate and not after that.

**Representative Ruby:** It says no initial too. I don't think we can just do the one plate. I think we have to do it annually because of the way it's written. But I think we should carve out the plate from the way the registration in our interpretation of it.

**Senator Bakke:** In reading this measure, there is nothing in here that says we have to eat their registration. I have in my notes, they said the cost of the plates would be about \$1.7M. So that's what we were told in testimony for the cost of the plates, to make all of the plates if there were 11,000 volunteers that wanted them. That's the cost of the actual plates. So if we have already done this for some, we could amend this to say the first year you get your plates you don't pay registration, but you do after that and then that would cover the first round of people. It's something we could look at. But this makes me feel better because then we're not out that registration fee which is huge bucks.

**Chairman Rust:** But I believe these first responders are expecting the registration fee on an annual basis for as long as they are a first responder or firefighter. I'm just telling you what I think they have been told and been led to believe. So you may have a small uproar.

**Representative Ruby:** That would be an understanding that DOT would have to explain and if they're unhappy, of course they could do another initiated measure to clarify that that's what they wanted. Because it's not written that way. We had a lot of discussion this session about how much scrutiny some of these bills written by non-Legislative Council...

**Chairman Rust:** Let's look at another aspect that could happen, let's suppose you do this bill and you decide you want to do...remember it could get heated on the floor of the House or the Senate. Then it goes back to the measure which is currently nothing that has to do

with how you qualify, I can come in a North Dakota say I'm a firefighter, so I qualify. You need some language here. I think you want the language. So that's the other part we've got to think about, is that you're going to have to come up with something that's reasonably palatable so that both houses will pass this at two-thirds.

**Representative Ruby:** I think the Senate passed it with the \$2, so obviously there's been no problem there. We did have a significant amount of people that would have supported. Even some of the more conservative members of our group that realized that there should be some cost associated with this because it is just a hit to this fund. So I think if we get our information that we were looking at and we further interpret this and then have it more narrowly applied I think then it would be a much smaller hit if we don't add any costs, but we narrow it to non-registration expenses like just the plates. Well maybe if we have to do the registration too we can talk to them about that too, I think the house would be fairly receptive to that, especially with the importance of the language. That was something that was brought up on the floor, about the importance of that language and I think that would carry through if we have a reasonable approach.

**Chairman Rust:** Do you think the House would be amenable to a \$1 charge and then let's see how it goes and in two years we'll know, then we can do something?

**Representative Ruby:** I think we should get the interpretation first.

Review of what is wanted/needed for next meeting.

**Senator Bakke:** Another thing we need to keep in mind as a selling point is they do get that entrance to the state parks, and that's a \$35 bump. So I mean that's another benefit they're getting out of these license plates.

# 2019 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2321  
4/15/2019  
34742

Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem
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## Explanation or reason for introduction of bill/resolution:

A bill relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

2 Attachment
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**Chairman Rust:** A couple of things; one was we were wondering about whether somebody had made a determination, in fact I was asked to have Lindi and Mark come here and they are here, because you wanted to know about what was the determination. I think there's also some other things I also asked them about. Senator Klein went through his things and he found the determination letter from Legislative Council that was sent to the Honorable Jeff Delzer, please see **Attachment #1** and it had to do with how it was to be interpreted. The measure passed in November and I think it gave 30 days to say you shall do this.

**Lindi Michlitsch, Director, Motor Vehicle Division, North Dakota Department of Transportation:** As of last week we have issued over 2000 volunteer license plates and Senator Rust was correct at the end of December we had issued over 70 volunteer plates.

**Senator Dwyer:** What was the 2000?

**Ms Michlitsch:** We have issued over 2000 volunteer emergency responder license plates.

**Senator Bakke:** Were they charged for their vehicle registration?

**Ms Michlitsch:** No we have not charged any of them for their registration. What we did with this measure is, we're familiar with having to issue plates, so we just followed the same process that we do any time a new plate is passed through legislation. So we had contacted the firefighters' association, because we worked with them as far as the other firefighter plate that is currently in legislation and then we also worked with the Department of Health Division of Emergency Medical Systems. We worked with two of those groups just to get a better understanding what constituted a volunteer. The Department of Health had specific definitions for what a volunteer was and so we created a fact sheet based on that information. Then also working with the firefighters' association, we worked with them, basically what the consensus was is that a volunteer firefighter is usually determined by the fire chief. So that's how we created our form. The form that is currently being used is very

similar to the other forms we have with requesting a certain type of plate and I gave you a copy of it during the original hearing. So we worked very closely with those two organizations and groups to have the plate be ready for issuance on December 6<sup>th</sup> of 2018. We've been following that same process ever since where we have to get that form signed, we have a two-step process right now where it's signed by the fire chief or the shift supervisor for the department emergency medical systems and then it's signed off on by the department of health and then by the firefighters' association.

**Chairman Rust:** The guidance you got, I presume then you must have also gotten ahold of the letter that was from Legislative Council to Representative Delzer? Did you get that, or didn't you?

**Ms Michlitsch:** I did not receive that letter until after we had already moved through the process. I did receive that from the measure sponsor after, when I called him asking more questions. Because we were getting some questions on whether we interpreted everything correctly and that's when he had sent me that. So already had the ball rolling when I did receive that letter. I don't remember what the time frame was, but we were already kind of deep into the process.

**Chairman Rust:** The number we have is somewhere around 11,000 someplace, give or take a little bit, volunteers. Have you a number since that has changed that upward, downward or anything?

**Ms Michlitsch:** Right now, we've seen a continuous increase in the plates being requested. The 11,000 number, again, came from the measure sponsor. That's what he said during his research and during the work that he did to draft the measure, that's the number he provided. So that's the number we used when trying to prepare for this measure.

**Representative Ruby:** Are there other plates that are given out where the plates are free but the person has to pay the registration?

**Ms Michlitsch:** There's several situations. When you do your initial registration we don't charge for the plate. The registration covers the plate.

**Representative Ruby:** But I'm talking about on a personalized plate it's \$25 every year. So are there any other personalized plates where they get the plates free, so they don't have to pay the \$25 every year, but they still have to pay the registration on the vehicle?

**Ms Michlitsch:** There are a few situations where they do not have to pay the personalized plate, gold star is one of them and I believe purple heart are the two instances where they can get a personalized plate and not have to pay the personalized plate fee.

**Representative Ruby:** But they have to pay the registration?

**Ms Michlitsch:** There's some situations where they don't, I think the purple heart they do not have to pay, I might have it backwards, but there are a few situations like that.

**Representative Ruby:** But the reference in the letter to Representative Delzer is that there are some instances where the free plate does include the free registration. But my question is, are there some instances where the free plate does not include the registration and it's just the free plate? Because the measure just basically says free plates. So reading that literally, would be that they get the plate free and they get the access to the state parks but that the registration would still have to be paid each year.

**Ms Michlitsch:** There are only a few instances where registration is free. The DAV do not have to pay annual registration; they do not have to pay for the plate. I know that there are a few other instances I just can't think of them off the top of my head.

**Representative Ruby:** So several of the personalized plate groups that get the plate free do pay their registration?

**Ms Michlitsch:** That is correct.

**Representative Ruby:** Of the 2000, how many had their registration come up, or they just requested the plate because they already paid their registration for the year, but it's in between their renewal periods and they requested the plate. Are there several that did that?

**(10:39) Ms Michlitsch:** I do not have that information in front of me. Just from the few that I have seen, most of them is if they have their registration come up then they chose to change at the volunteer plate at that time. However, some I've seen too where, yeah they wanted the plate so then they did it mid-year and they were not, even though they paid for a whole year, there was no refund.

**Chairman Rust:** Recapping here, his question was, are there times when they get a plate but they have to pay the registration?

**Ms Michlitsch:** Yes.

**Representative Ruby:** So if we applied a little bit of what we were talking about last week to something like that where maybe the first year registration is free, because many of the people who have gotten their plate already haven't had to pay it and we want to be fair to everybody, so the first year they get it, it would be free. Then subsequent years it would just be the plate would be free, so they wouldn't have the \$25 annual fee for a personalized plate, but they would still have the registration on their vehicle. The free registration isn't real equitable either, based on the type of vehicle that people would have.

**Chairman Rust:** "The director shall issue red personalized plates to volunteer emergency first responders at no initial or annual cost to the volunteers." That's the law, or the measure.

**Representative Ruby:** Right, and as it says in the measure, "issue red personalized plates to volunteer emergency first responders at no initial cost."

**Chairman Rust:** No initial or annual.

**Representative Ruby:** Right, and that's why we would still do it for the plates. But to make sure there's equity for the people who have already gotten their registration free we could do a proposal of doing the registration...

**Chairman Rust:** Because the plate comes with the registration fee? Is that your thinking? It does.

**Representative Ruby:** It does, but as she said there's some people that have in midterm gotten a plate without waiting for their renewal. So, we want to be equitable. I just don't know if the intent was the registration, even though there's some instances where it is done, there's also instances where the registration isn't part of the plate.

**Chairman Rust:** Does somebody here have an amendment? Or does anybody want to talk about the possibility of an amendment? Because right now we have a bill that came to use from the House. The difference between the House and the Senate version is, the Senate has a \$2 charge to everybody's registration to pay for what amounts to plates and no annual registration fee. The House took that piece out about the \$2 registration. For that matter I think the House even had something on there about putting something on the registration renewal notification informing the person that there was this \$2 fee to pay for those. So what we have right now is a House version that has in it defines fire department, volunteer emergency responder, volunteer firefighter, it talks about termination and failure to turn in the plates and that's it. Any bill we pass out of here my understanding is, takes a two-thirds majority because we are changing an initiated measure. So possibility exists we agree on \$2, goes to the House and it doesn't get two-thirds. Next possibility is we agree to take the language out, it goes to the Senate and it doesn't get two-thirds. So what do we have if this bill fails?

**Representative Bellew:** My understanding is if it doesn't get two-thirds it goes back to the measure.

**Chairman Rust:** And that would mean that then they would get registration free.

**Representative Bellew:** That's according to the Legislative Council's interpretation, I'm like Representative Ruby: I don't interpret it like that. (inaudible)

**Chairman Rust:** My question is just what happens? You've kind of got something that's going right now. Does that continue or does that not continue? I don't know, that's my question here.

**Senator Bakke:** So, this was measure 4, if this does not pass, measure 4 is still in the Century Code. So then just what was on this initial petition is what goes in and then it's back up to interpretation, right?

**Chairman Rust:** If the bill dies, but the law's still there. My question is how is it administered?

**Senator Dwyer:** I'm assuming if you want to go further on the legal interpretation you'd have to get an Attorney General's opinion, because what we have so far is just a Legislative Council, not just, but it's a Legislative Council opinion. I did have a question for Lindi; so people that have individualized, personal plates, they pay \$25 every year in addition to their registration fee? They don't get a new plate; they have the plate, but they still get charged the \$25?

**Ms Michlitsch:** That is correct.

**Representative Ruby:** Mainly then what we would lose is the definition of qualifying for a volunteer firefighter. That is probably the most important part of the bill. I thought that what Senator Klein and with the work of the measure sponsor and with DOT came up with some good language there and which I think gives more guidance and direction to the fire chiefs in determining who qualifies and there's also the provisions then when they no longer qualify. So, that is the most important part of it, that's what I would like to see survive. The other thing is, we lose almost \$2M the way the measure passed, with no compensation. It comes out of the roads fund. So that's going to be one of the discussions; well, the people made the choice to take it out of the road fund so they shouldn't complain about the roads. Not that \$2M is going to be a huge difference state wide on that, but that

is what the bill sponsor and the Senate committee was trying to address. Is that it would resupply those funds through a modest increase to everybody's registrations. Whether or not, if by chance the bill would be amended to just do a first year registration exemption and then an ongoing for the life of the person's involvement in the volunteer fire department of not having to pay the \$25 license plate fee that normal personalized plate holders pay, plus they get the added benefit; as the majority stipulated, that they get into parks free, which is about a \$35 a year fee if somebody pays for the annual one, it's more if they just go individually and just pay as they go. So that is still a decent benefit of the bill too, and they get recognized as they drive and they have the plate on their vehicle. So, I guess my first motion then would be to make a motion that the House would re...

**Chairman Rust:** Would you be willing to get the amendment drafted so we could see it?

**Representative Ruby:** Well, we could but, I'll give you the basis of the...

**Chairman Rust:** I don't know that I want to vote on an amendment that's verbal. I'd like to see it in writing. That's my own personal opinion. I'd like to see the amendment in writing before I vote on it. Because this is somewhat different than just changing \$1 to \$2. There I don't think I'd need to see it, but here I'd rather like to see the amendment in writing. Is that possible? I didn't mean to cut you off. I guess you're still free to make your motion if you want to.

**Representative Ruby:** Well, it would be that we agree and then of course we could meet and see the amendment and see if it meets the approval of what we feel it does. The motion would be for the House to recede and further amend to have the initial registration fee be exempt and for the license plate fee be on an annual exemption for that plate fee.

**Chairman Rust:** Another option would be to go back to the original bill of charging \$1.

**Representative Ruby:** That would be another motion.

**Chairman Rust:** Yeah, that would be another option. Does that appeal to anybody? Does \$2 appeal to anybody?

**Representative Ruby:** I supported the \$2. Our committee, the House Transportation Committee was unanimous with the bill as it came out with the \$2 and the legislative intent. It was our appropriations committee, and that's why I'm trying to work with them as well. I know we had our discussion about the initial, what we think the intent was, what the language says, as we heard there are some instances where some groups do get the plate and the registration free every year, but there are also instances where other groups get the plate for free every year, but they still pay the registration. I believe those cases they don't get the first year of registration either, just the plate. So, this would be an additional benefit for these people according to what I'm suggesting here.

**Representative Bellew:** Do any of these other personalized plates get into the state parks free?

**Ms Michlitsch:** No, none of the other plates get free entry into the parks.

**Chairman Rust:** Does anybody at this table recall when this measure was being touted prior to the vote in November, what exactly do you think the general public was being told about this measure?

**Representative Schatz:** I guess what I'm thinking is, that the purpose of the plate was a red plate when you have an emergency or a fire; especially in small towns, people kind of hurry to get to the fire department to get on the truck and they go a little faster sometimes than the speed limit, and

people see the plate and they understand it's an emergency person. It kind of is a warning or that's kind of what my thought of it was. The ability without a light or something else on your car to let people know that there was somebody going for an emergency. But, that was just my thought.

**Chairman Rust:** I think in mine it was it was recognition of volunteer service. It wasn't that at all, that never crossed my mind. Because that person is going to be driving this vehicle whenever, 24/7. So if he's driving this vehicle in Minot and it's got a red plate, hey what we've got there is a volunteer. I never ever thought of it being, because usually those people have a blue light or something on their vehicle. I'm not sure I thought that it meant a free registration annually.

**Senator Bakke:** I really like Representative Ruby's amendment. The one concern I have is we have this letter from Legislative Council interpreting it one way, we as a committee are kind of interpreting it another way DT had another interpretation of it, we have an amendment that would interpret it yet another way. So I would recommend that if we do this amendment, I agree with Senator Dwyer we should get an Attorney General's opinion of how he interprets it so that we make sure that we are kind of covering all our bases.

**Representative Ruby:** They won't do that for us during session.

**Chairman Rust:** And we won't get it in time.

**Representative Ruby:** No disrespect to DOT, but I think they interpreted it broadly to include that because there are some other instances. What I wish they had done is played on the cautious side and just went to the plate. They didn't see that explanation that was sent to Representative Delzer. So I don't know, did you check the Attorney General, or with Legislative Council or was it your own counsel?

**Ms Michlitsch:** We checked with Legislative Council, I spoke with the measure sponsor and our DOT internal team as well. And what we were instructed is that we had to go with what the measure sponsor's intent of the measure was. We did a bunch of different things but that was the main thing that we looked at when interpreting it.

**Representative Ruby:** My concern with that is, if that was his intent he should have had it written in there in the language.

**Chairman Rust** handed out **Attachment #2** just prior to adjourning for the day.

# 2019 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2321  
4/17/2019  
34821

Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem

## Explanation or reason for introduction of bill/resolution:

A bill relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

2 Attachments

**Representative Ruby:** I will pass out some amendments, please see **Attachment #1** for the Christmas tree version and **Attachment #2** for amendment 19.1112.03003. This is what we discussed. I think this accomplishes kind of what we we're looking at doing where we don't overly take a hit to the road funds over the time. There is the initial free registration which I think is only fair to do since 2,000 people have gotten the plates. Well 2,000 people have gotten the plates, but maybe some of them got it in midterm, but if they were renewing their vehicle's registration they already got it. So I think we have to continue that for the initial year to keep the fairness and after that the subsequent years they get a free plate, which is a \$25 gift to them pretty much every year for having that plate and then they also would get access to the state parks at basically an annual \$35 fee.

**Chairman Rust:** I've done a lot of thinking in the last day on this. In fact, I spent quite a bit of my night last night when I was supposed to be sleeping, I was actually think about this. I kind of think the North Dakota Department of Transportation, I believe they did their homework prior to issuing plates. They got an opinion from Legislative Council, they asked their attorney at NDDOT and they contacted the measure sponsor. So as I think about this first of all this is for volunteers it's not for paid personnel,

**Representative Ruby:** That's one inequity, that's kind of an issue. Why should volunteers get free registration on their vehicle and the other first responders not get that? This is a gift to the volunteers, even the plates. The other inequity is the type of vehicle they have. Obviously the people with the most expensive vehicle or the newest vehicle are going to get the biggest break on this and that's not really a very equitable situation either, even among the volunteer firefighters.

**Chairman Rust:** Since we have already started issuing plates I'm quite positive that the volunteer EMS and firefighters are aware of their not having to pay a registration fee. I'm not sure I want to take that away. In addition, I think the level of appreciation for volunteer

EMS and firefighters is pretty high with the citizens of North Dakota and I think that was made evident by the passage of measure 4. In fact, I'm thinking their level of confidence and appreciation is probably higher with the general public than maybe mine is. Should we retain or get new volunteers as a result of the registration fees being paid, I really believe that the state of North Dakota and the local communities are getting one heck of a deal. I mean look, they're getting protection, their getting service, at a cost of what? About \$125 maybe a year? I don't think that I can support this amendment.

**Representative Bellew:** I can support it, and my reasoning is simple. The people that receive the benefit should pay. If we as a legislative body don't think that the people who benefit should pay I don't believe in passing on the expense to the rest of the population. I personally did not vote for this and yet you want me to pay for somebody else to get a benefit.

**Chairman Rust:** You do that all the time Representative Bellew.

**Representative Bellew:** I do it all the time, you may be right, but I don't appreciate. My wife voted against this we have four cars so that means I have to pay registration on every one of them because of this thing. That's just not right. The beneficiary should pay. They're going to get free admission to our state parks. That's my opinion and that's what I'll get up on the floor and say if this comes out any differently. My understanding is we need the language here to define what a volunteer is and stuff like that. But I will not support anything other than them paying for it or nothing.

**Representative Ruby:** I do believe that people really appreciate the volunteers. Especially the people who are served by them. But the vast majority of the people of North Dakota; because of the populations in the cities that all have paid personnel for EMTs and firefighters, are not served by those volunteers and they are going to pick up the lion's share of that. I just think there's equity issues, not only in who's receiving the benefit, but then also in who is paying it. I think this is a good way to do this, to give them what it says in the measure; it says plate, it doesn't say registration and we're giving them the benefit of the doubt because of the interpretation that DOT did. I'm not impugning them at all. They made a decision, they got advice and they went with it but we can make the determination of whether that's an annual registration or if it's that initial one and that's what this proposal would do. I think it's a great way to do it to limit our exposure to the road fund and we're not passing on any fees to anybody else that is not receiving the benefit of the use of the volunteer personnel and I think the general public would agree with this.

**Chairman Rust:** I place a pretty good confidence in Legislative Council and we have a letter from Legislative Council to Representative Delzer that says, what it means is no initial and no recurring cost. I'm kind of going to go with that myself.

**Representative Ruby:** But there are other plates that are free that do not include the registration. When I talked the Christopher about this he said, yeah that's true. What I was told some of them might specifically exclude the registration but then others don't. so they could have interpreted it either way.

**Representative Schatz:** I'm going to be able to support this amendment, I think it's a nice compromise. One of the things that kind of bothers me, it's kind of too bad that on the measure itself we didn't put down that all registrations will cost \$2 more in order to do this. Then we've taken a vote and we'd have found out how that vote would have come out. I'm sure it would have come out different. Now initiated measures, the public voting themselves things, money can get to be a dangerous thing without some kind of price tag on the measure. That's just my opinion, so I'll be able to support this.

**Senator Dwyer:** So we have two options, one is...we have three options. We could accede, recede or whatever; accept the House amendments, the bill with no amendment like this. So that we define who's getting it but we're not addressing the cost or who covers the cost or who pays. Then we could ask for an Attorney General's opinion after the after the legislative session is over to determine what this measure means. That would be one way. If we adopt these amendments and the bill then fails in the senate then the bill would be killed, right?

**Chairman Rust:** They could also reject the conference committee report and send us back down here. I think that we all are in agreement with the language in the bill of who qualifies and what happens when you no longer qualify. I don't know if anybody here has a problem with that language. Is that correct?

**(12:53) Representative Ruby:** I understand how you said you don't think the people expected that that's what would happen, mainly the responders. But we don't know what that general voters expected. I know that the general voters didn't expect that there was going to be a fee on their registration for it.

**Chairman Rust:** I don't know that for sure.

Well, nobody talked to me saying I'd be willing to pay more, because the measure didn't put any cost on it. So that portion is I think more out of line of what the general voters were thinking than what the first responders might have interpreted to what they were going to get.

**Chairman Rust:** It is unfortunate that wasn't on the ballot.

**Representative Ruby:** I agree. Representative Schatz kind of made me think of that, that that was not part of the measure, passing on any fee. People asked me about it, I said it's going to take money out of the road funds. I just thought it was the plates at the time too, I thought well I guess it's only \$25. Now we get here and well it's registration too and now we're looking at well over \$2M and it's like, wow. I don't think that's what the average voter thought. There's a difference between what the voters thought they were giving compared to what you were saying you perceived that the recipients were going to receive. That's I think something we need to consider and I would hope we could pass this amendment and get it to pass both sides.

**Chairman Rust:** Did you make a motion?

**(14:33) Representative Ruby:** I would if you like. I move the **House recede from its amendments and further amend with amendment #19.1112.03003.**

**Representative Schatz:** I **Second the Motion.**

**Chairman Rust:** Any further discussion?

**Representative Schatz:** On the measure itself the words pay the registration as well as plates is not in there is it?

**Chairman Rust:** No, but it does say no initial or annual cost, and that didn't say it was (inaudible)

**Representative Schatz:** It only mentions the plates, right? In the measure.

**Chairman Rust:** How do you get the plates? You get the plate by paying your registration fee.

**Representative Ruby:** Not necessarily for personalized plates. Personalized plates are separate, something you initiate to get a personalized plate. And this says right here, upon application the director shall issue red personalized plates.

**Chairman Rust:** I've never been able to get a personalized plate by paying \$25. I've gotten a personalized plate by paying \$25 and the registration fee.

Well if you did it when it's due, yes. But, if you do it mid-year you can just pay the \$25, they'll issue you new plates that are personalized, that's all it is, is the \$25.

**Senator Dwyer:** I've done that as a gift and it's been the \$25.

**Representative Bellew:** Just to remind the committee no matter what we do it's going to take a two-thirds vote on both sides. If this passes or it doesn't.

**Representative Ruby:** I think with this amendment we can accomplish that in the House. I really do, I think we definitely can accomplish that.

**Chairman Rust:** I don't think it'll happen in the Senate.

**Representative Ruby:** It just depends on how you sell it. It's all in how it's sold and we need the support from leadership. That's really what it would be and I think it's a great way to do it, I really do.

**Roll Call Vote Taken:**  
**Motion Fails**  
**3-3-0**

**Senator Bakke:** I'm looking at the original bill, and if we just take out section 2 we then just have the language about who qualifies, right? Because section 2 is the only part that deals with any money.

**Chairman Rust:** That's what the House passed. I'm going to ask one more time; I think I know the answer, but I'll ask anyway. Going from \$2 to \$1, is that a no?

**Representative Ruby:** I don't think we'd get that. If the motion was just for the Senate to Accede to the House amendments, then yeah we're going to have an over \$2M hit to the road fund. And that's not just this biennium, that is an ongoing, and that's what I was trying to do with this. I spoke with our appropriations chairman and we're willing to accept that first year that has been started and continue that. It will be an initial hit and as new people come on there will be somewhat for the initial there, but it shouldn't be a substantial amount out of the overall fund and then the \$25 per plate really isn't that significant. So it wouldn't be this ongoing. Because if we leave it the way it is, every biennium; and as the cost of vehicles goes up; the best thing about registration fees, well not the best thing about them. But the way they're set up the newer vehicles of course get better benefits. So as people buy newer vehicles, that's where this disparity comes from we're not giving an equal benefit to all volunteers and we're certainly not giving an equal benefit to all EMTs. So that's why I think the way to do it would be to limit that to the plates and that way it's not an ongoing consistent hit to the road fund year after year.

**Chairman Rust:** okay, so where do we go from here? One item would be for the Senate to accede to the House amendments, another one would be to give us a day or two to think about it.

**Representative Bellew:** Just another comment, in seven years it only takes a majority vote to change it, not two-thirds.

**Chairman Rust:** Right.

**Representative Ruby:** The problem with that is then at that point those people have had an ongoing year after year benefit and it's difficult then I think. I don't think that would be fair. I think it'd be best to do it now. Have it understood now what the benefit is. I wouldn't like to do that in seven years to those people that then had seven years of free registration, yeah we might not be here anyway, but. So that's one of the things. You saw this now, we've had the discussion, you've got more to think about.

**Chairman Rust:** I understand the cost to the road fund. But now I want to get it down to a personal level. I'm looking at an EMS person and I'm looking at a firefighter who gets called out in the middle of the night and one of these times it's going to be to me. It may be for a heart attack, it may be because I'm in a traffic accident, or it might be a fire. I'm going to deprive somebody of \$125 for all the volunteer labor that they do and I can't quite do that. That's where I am. It's such a great deal to the state of North Dakota and to local communities that, to give somebody a registration fee. You know, we've had people who've died out there, a friend of mine's got no fingers on his hand because he went to a fire. And all I'm saying to you, thanks but we're just going to give you one. When I think the feeling is that they deserve and that the intent of the sponsor of the measure was that it was to be an

ongoing thing. That's where I'm kind of coming from, and that's what I was losing sleep over.

**(23:07) Representative Bellew:** My understanding, the intent of the sponsor was the one time and then when Legislative Council made their ruling he thought it was a great idea. So he changed his mind. The other thing I'd like to say, I appreciate these people too however they know what they're getting into when they volunteer for this stuff, they don't do it for pay, they do it because it's the right thing to do.

**Representative Ruby:** I wouldn't even say that most of them asked for this and probably not more than 3 weeks ago my sleep was interrupted by a call that my shop was on fire. I had two volunteer fire departments that responded and I'm not 100% sure but at least one of them I think the people are compensated for the time that they have to give up. It's not a lot, but I think there's a certain amount they each get paid for responding. You say the \$125 and that would be great if it was equal for everybody, it's not that's an average. There are some vehicles that are probably only \$50-\$60 some are probably \$170-\$180 depending on the newness and the weight of it. So I understand what you mean, I don't discount what they do, and you know what, the structure of my building was saved. We've got a lot of work and we had a lot of smoke damage, but it could have been a lot worse. So I do appreciate them. I am willing to eat this whether it's in the road fund or whatever as long as it's not ongoing every year all of that registration.

# 2019 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2321  
4/19/2019  
34865

Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem

## Explanation or reason for introduction of bill/resolution:

A bill relating to special vehicle license plates for volunteer emergency responders and firefighters; and to declare an emergency.

## Minutes:

No Attachments

**Chairman Rust:** We are kind of at a little bit of a deadlock here. We have the Senate who has the idea that we should charge individuals, we have the House who pulled that out and suggested an amendment that the Senate did not approve. So I'm kind of thinking what we probably need to do is for the House to accede to the Senate amendments. Following that, I did talk to Representative Ruby and I think what we're going to do is ask the Attorney General to give us an opinion of, what exactly does this thing say? If his opinion is of such that it doesn't include the registration fees then (inaudible) it to DOT, if it does I guess another day we'll have to take care of it.

**Representative Ruby:** I think that's the wrong motion though because the House amended it last.

**Chairman Rust:** The Senate Accede to the House amendments, isn't that right?

**Representative Ruby:** You said House accede.

**Senator Dwyer:** I move that the **Senate accede to the House amendments.**

**Senator Bakke:** I **Second** the motion.

## Roll Call Vote Taken:

**Motion Passed**

**6-0-0**

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2321

That the House recede from its amendments as printed on page 1273 of the Senate Journal and page 1473 of the House Journal and that Engrossed Senate Bill No. 2321 be amended as follows:

Page 1, line 1, remove "to create and enact a new section to chapter 39-04 of the North Dakota"

Page 1, remove line 2

Page 1, line 3, remove "responders and firefighters;"

Page 1, line 24, overstrike "at no initial or annual cost to the"

Page 2, line 1, overstrike "volunteers"

Page 2, line 10, replace "4." with:

"3. Upon proper application, an applicant may not be charged an initial fee otherwise required under this chapter for the registration of the motor vehicle and may not be charged an initial fee for the issuance of the red personalized plates. A qualified registrant may not be charged an annual fee for subsequent years for the red personalized plates but is responsible for the payment of annual motor vehicle registration fees in subsequent years.

4."

Page 2, remove lines 18 through 27

Renumber accordingly

**2019 SENATE CONFERENCE COMMITTEE  
 ROLL CALL VOTES**

BILL/RESOLUTION NO. SB 2321

**Senate Transportation Committee**

- Action Taken**
- SENATE accede to House Amendments
  - SENATE accede to House Amendments and further amend
  - HOUSE recede from House amendments
  - HOUSE recede from House amendments and amend as follows
  - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Ruby      Seconded by: Representative Schatz

Senators				Yes	No	Representatives				Yes	No
	4/11	4/15	4/17				4/11	4/15	4/17		
Senator Rust	X	X	X		X	Representative Bellew	X	X	X	X	
Senator Dwyer	X	X	X		X	Representative Schatz	X	X	X	X	
Senator Bakke	X	X	X		X	Representative Ruby	X	X	X	X	
Total Senate Vote				0	3	Total Rep. Vote				3	0

Vote Count      Yes: 3      No: 3      Absent: 0

Senate Carrier \_\_\_\_\_ House Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Number \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

*MOTION FAILED*

**2019 SENATE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

BILL/RESOLUTION NO. SB 2321

**Senate Transportation Committee**

- Action Taken**     **SENATE accede to House Amendments**  
 **SENATE accede to House Amendments and further amend**  
 **HOUSE recede from House amendments**  
 **HOUSE recede from House amendments and amend as follows**
- Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Dwyer                      Seconded by: Senator Bakke

Senators		4/19		Yes	No	Representatives		4/19		Yes	No
Senator Rust		X		X		Representative Bellew		X		X	
Senator Dwyer		X		X		Representative Schatz		X		X	
Senator Bakke		X		X		Representative Ruby		X		X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count            Yes: 6                      No: 0                      Absent: 0

Senate Carrier Senator Bakke                      House Carrier Representative Bellew

LC Number \_\_\_\_\_ of amendment

LC Number \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**REPORT OF CONFERENCE COMMITTEE**

**SB 2321, as engrossed:** Your conference committee (Sens. Rust, Dwyer, Bakke and Reps. Bellew, Schatz, D. Ruby) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 1273 and place SB 2321 on the Seventh order.

Engrossed SB 2321 was placed on the Seventh order of business on the calendar.

**2019 TESTIMONY**

**SB 2321**

**SENATE TRANSPORTATION COMMITTEE**

**Date: January 31, 2019 at 9:00 a.m.**

**North Dakota Department of Transportation  
Lindi Michlitsch, Motor Vehicle Division Director**

**Senate Bill 2321**

---

Good morning, Mr. Chairman and members of the committee. I am Lindi Michlitsch, Motor Vehicle Division Director at the North Dakota Department of Transportation (NDDOT). NDDOT is here to provide information regarding this bill.

SB2321 proposes to add definitions for the Volunteer plate passed through Measure 4 in November. NDDOT began issuing Volunteer plates on December 6. As of December 31, NDDOT issued 76 Volunteer license plates. Volunteer plates are a personalized plate with the volunteer's last 3 digits of the zip code of the city where the individual volunteers and the remaining space may contain up to 3 letters of the volunteer's choosing. There are no annual registration fees associated with this plate.

While working with the North Dakota firefighter associations and the North Dakota Department of Health, Division of Emergency Medical Systems, NDDOT was able to create a process for issuing Volunteer plates. However, through our conversations, it appeared definitions could be added to clearly identify who would qualify for the Volunteer plate.

In addition, this bill outlines the process for when the individual no longer qualifies for the Volunteer plate. The added language outlines the process for turning in a plate and reissuing new registration. However, it does not address registration fees for the reissued plate. Language "upon applicable registration fees" could be added to the end subsections 4 and 5 on page 2, lines 9-15. Otherwise, registration fees for the reissued plate would not be collected until December 31 when they renew their vehicle for the next year.

Section 2 of the bill allows for an increase in annual registrations by \$1. This would result in an increase in revenue in the amount of approximately \$2.1 million per biennium. Just for clarification, in the submitted fiscal note in section 3A, my written explanation only included the revenue dollar amount for NDDOT not the revenue that is distributed to the cities, counties, and townships.

Thank you, Mr. Chairman, I would be happy to answer any questions.

## VOLUNTEER EMERGENCY RESPONDER LICENSE PLATE



Per an initiated measure passed on November 6, 2018, a Volunteer Emergency Responder license plate was created and is available:

- To volunteer emergency responders at no initial or annual cost to the volunteers.
- Volunteers shall include fire fighters and emergency medical responders.
  - Types of emergency medical responders eligible include Emergency Medical Responders (EMR), Emergency Medical Technicians (EMT), Advanced Emergency Medical Technicians (AEMT), Paramedics, Nurses, and Drivers who meet the definition of a volunteer defined by the North Dakota Department of Health, Division of Emergency Medical Systems.
- Qualified applicants are eligible to receive one set of plates.
- Plate registration will expire December 31 of each year.
- Volunteers will need to recertify annually to continue being eligible for the plates.
- Plates may not be displayed on a vehicle with a registered gross weight exceeding 20,000 pounds.
- The first three digits of the plate are the last three digits of the zip code where the volunteer's department is located.
- The last three characters are of the volunteer's choosing.

Three signatures will be required on the application for initial registration and for renewals:

1. The applicant;
2. The applicant's Fire Chief or Emergency Responder Squad Leader;
3. The North Dakota Firefighter's Association or the ND Department of Health, Division of Emergency Medical Systems.

Additional Information:

- Applications can be found at: <https://www.dot.nd.gov/forms/sfn61572.pdf>
- Once the completed application with all three signatures is submitted to the North Dakota Department of Transportation, Motor Vehicle Division, the plates will be ordered which may take 4-8 weeks to reach the customer.
- Plates can be transferred to a new vehicle for a fee of \$5
- Duplicate plates can be ordered for a fee of \$5.
- No refunds will be given on current registration.

For more information, please contact:

North Dakota Firefighter's Association  
1502 Grumman Ln, Suite 2  
Bismarck, ND 58504  
Office: 701-222-2799  
Fax: 701-222-2899

North Dakota Department of Health  
Division of Emergency Medical Systems  
1720 Burlington Drive  
Bismarck ND 58504  
Office: 701.328.2388  
Fax: 701.328.0357  
dems@nd.gov

#1 SB 2321  
Pg 3 1/31/19

# APPLICATION FOR NORTH DAKOTA VOLUNTEER EMERGENCY RESPONDER PLATE

North Dakota Department of Transportation, Motor Vehicle  
SFN 61572 (12-2018)

MOTOR VEHICLE DIVISION  
ND DEPT OF TRANSPORTATION  
608 E BOULEVARD AVE  
BISMARCK ND 58505-0780  
Telephone (701) 328-2725  
Website: <https://dot.nd.gov>

## APPLICANT

Applicant's Legal Name		Driver's License Number	Telephone Number	
Mailing Address		City	State	ZIP Code
Title Number	Year and Make of Vehicle	Vehicle Identification Number		Current License Plate

North Dakota law allows volunteer firefighters or emergency medical responders to obtain special license plates for **ONE** vehicle. Qualified applicants must complete the information above and have their application certified by their Fire Chief or Emergency Responder Squad Leader before submitting the application to the North Dakota Firefighter's Association or the North Dakota Department of Health, Division of Emergency Medical Systems.

### PLEASE MAKE SURE ALL NUMBERS ARE WRITTEN CLEARLY AND LETTERS ARE CAPITALIZED

The first three (3) digits are the last three (3) numbers of the zip code where the individual volunteers.  
The last three (3) characters are of the volunteers choosing. Maximum number of characters is six (6).

First Choice:

--	--	--	--	--	--	--

Second Choice:

--	--	--	--	--	--	--

Meaning of the last 3 characters (required)

Meaning of the last 3 characters (required)

I certify that I am a volunteer firefighter or emergency medical responder.

Applicant's Legal Signature

Date

## FIRE DEPARTMENT CHIEF/EMERGENCY RESPONDER SQUAD LEADER (must be completed):

Fire Chief/Squad Leader (Printed Name)	Department (City, Rural, Fire Protection District, etc.)
--	--

I certify the information above is correct and that the named applicant is a volunteer firefighter or emergency medical responder, a member in good standing within my organization, and is eligible to use the North Dakota Volunteer Emergency Responder license plate.

Volunteer's Effective Date

ZIP Code Where Applicant Volunteers

Signature of Fire Chief/Squad Leader

Date

## NORTH DAKOTA FIREFIGHTER'S ASSOCIATION/ ND DEPARTMENT OF HEALTH, DIVISION OF EMERGENCY MEDICAL SYSTEMS (must be completed):

Please select one:

I certify that the above named fire chief of the said fire department is a member of the North Dakota Firefighter's Association, is in good standing, and is approved to certify the eligibility of the firefighter making application for the North Dakota Volunteer Emergency Responder license plate.

I certify that the above named applicant is a volunteer emergency medical responder recognized by the North Dakota Department of Health, Division of Emergency Medical Systems and is eligible for the North Dakota Volunteer Emergency Responder license plate.

Printed Name

Title

Signature

Date

19.1112.02001  
Title.

Prepared by the Legislative Council staff for  
Senator Clemens

January 31, 2019

SB2321 #1  
2/1/19 pg1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2321

Page 1, line 9, after "**responders**" insert "**and volunteer firefighters**"

Page 2, line 10, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 14, after "dollars" insert ", and upon payment of applicable registration fees,"

Page 2, line 18, after "**responders**" insert "**and volunteer firefighters**"

Renumber accordingly

SB 2321  
3-1-19  
#1

**HOUSE TRANSPORTATION COMMITTEE**  
**March 1, 2019 at 9:00 a.m. – Fort Totten**

**North Dakota Department of Transportation**  
**Lindi Michlitsch, Motor Vehicle Division Director**

**Senate Bill 2321**

---

Good morning, Mr. Chairman and members of the committee. I am Lindi Michlitsch, Motor Vehicle Division Director at the North Dakota Department of Transportation (NDDOT). NDDOT is here to provide information regarding this bill.

SB2321 proposes to add definitions for the Volunteer plate passed through Measure 4 in November. NDDOT began issuing Volunteer plates on December 6. As of December 31, NDDOT issued 76 Volunteer license plates and approximately 1,100 to date. Volunteer plates are a personalized plate with the volunteer's last 3 digits of the zip code of the city where the individual volunteers and the remaining space may contain up to 3 letters of the volunteer's choosing. There are no annual registration fees associated with this plate.

While working with the North Dakota firefighter associations and the North Dakota Department of Health, Division of Emergency Medical Systems, NDDOT was able to create a process for issuing Volunteer plates. However, through our conversations, it appeared definitions could be added to clearly identify who would qualify for the Volunteer plate.

In addition, this bill outlines the process for when the individual no longer qualifies for the Volunteer plate. The added language outlines the process for turning in a plate and reissuing new registration.

Section 2 of the bill allows for an increase in annual registrations by \$2. This would result in an increase in revenue in the amount of approximately \$4.2 million per biennium.

Thank you, Mr. Chairman, I would be happy to answer any questions.

Sb2321 #1  
4/11/19 Pg 1

PETITION TITLE

*Measure #*

This initiated measure would add a new section to chapter 39-04 of the North Dakota Century Code requiring the Department of Transportation to issue red personalized vehicle plates to volunteer emergency responders. The plates would be provided at no cost to the volunteers and would serve as an entrance pass to all North Dakota state parks. Qualifications and verification procedures for the plates would be designated by the Department of Transportation in cooperation with the volunteer organizations.

FULL TEXT OF THE MEASURE

IF MATERIAL IS UNDERSCORED, IT IS NEW MATERIAL WHICH IS BEING ADDED. IF MATERIAL IS OVERSTRUCK BY DASHES, THE MATERIAL IS BEING DELETED. IF MATERIAL IS NOT UNDERSCORED OR OVERSTRUCK, THE MATERIAL IS EXISTING LAW THAT IS NOT BEING CHANGED.

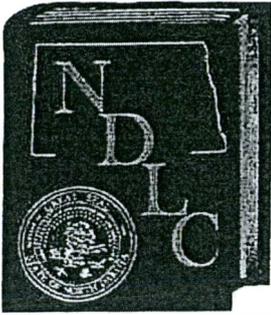
**BE IT ENACTED BY THE PEOPLE OF THE STATE OF NORTH DAKOTA:**

**SECTION 1.** A new section to chapter 39-04 of the North Dakota Century Code is created and enacted as follows:

**Special vehicle license plates for volunteer emergency responders.**

Upon application, the director shall issue red personalized plates to volunteer emergency responders at no initial or annual cost to the volunteers. Volunteers shall include fire fighters and emergency medical responders. Qualified applicants are eligible to receive one set of plates. Plates may not be displayed on a vehicle with a registered gross weight exceeding 20,000 pounds. The first three digits of the plate are the last three digits of the zip code where the volunteer's department is located. The remaining space may contain up to three characters of the volunteer's choosing. This plate serves as an entrance pass to all North Dakota state parks. In cooperation with the volunteer organizations, the director shall designate qualifications and verification procedures for the plates issued under this section.

19.9269.01000



# North Dakota Legislative Council

STATE CAPITOL, 600 EAST BOULEVARD, BISMARCK, ND 58505-0360

Jim W. Smith  
Director  
John Bjornson  
Legal Division Director  
Allen H. Knudson  
Legislative Budget  
Analyst & Auditor  
Jason J. Steckler  
Administrative Services  
Division Director  
Vonette J. Richter  
Code Revisor

April 16, 2018

Honorable Jeff Delzer  
State Representative  
2919 Fifth Street NW  
Underwood, ND 58576-9603

Dear Representative Delzer:

This letter is in response to your inquiry regarding whether the petition for an initiated measure to require the Department of Transportation to issue red personalized vehicle plates to volunteer emergency responders would also exempt the vehicle owner from paying motor vehicle registration fees. The measure would limit an applicant to one set of plates and the plates may not be used on a vehicle with a registered gross weight exceeding 20,000 pounds.

Under North Dakota Century Code Section 39-04-18, every motor vehicle, as defined in Section 39-01-01, operated or intended to be operated upon a highway, road, or street in this state must be registered annually with the Department of Transportation. Section 39-04-19 lays out the fee amounts for motor vehicle registration and provides motor vehicles must be furnished license plates upon the payment of the registration fees.

The vast majority of specialty number plates, such as National Guard plates, North Dakota veterans' plates, North Dakota Firefighter's Association plates, public or nonprofit organization plates, North Dakota Gold Star plates, and patriotic plates, contain statutory language requiring payment of annual registration fees. The language in these sections of law read:

- The director shall issue plates under this section upon receiving payment of all other fees required under this chapter for registration of a motor vehicle;
- Upon proper application for a plate . . . and payment of all other fees required under this chapter for registration of the motor vehicle . . . a qualified applicant is entitled to issuance of a certain organization number plate; or
- On payment of all other fees required under this chapter for registration of the motor vehicle, and payment of an additional annual fee of fifteen dollars for deposit in the highway fund, the applicant is entitled to issuance of the decals and plates;

The language in the initiated measure reads "the director **shall** issue red personalized plates to volunteer emergency responders at **no initial or annual cost** to volunteers." (emphasis added). The highlighted language would effectively exempt the special vehicle license plates for volunteer emergency responders from paying motor vehicle registration fees.

Similarly, for comparative purposes, Section 39-04-10.1 exempts manufacturer's plates from annual registration fees by providing that "The procurement of manufacturer's plate by a factory representative is in lieu of the payment of any other registration fees, sales tax, or use tax on the motor vehicle . . . for the period for which the manufacturer's plate is current and valid."

## SB2321 – Conference Committee hearing – Volunteer Plate Questions

04/15/2019 – Prepared by Lindi Michlitsch, Motor Vehicle Division Director for the North Dakota Department of Transportation

**1. What is the initial cost and annual cost of the plates (without the registration fee) for an individual vehicle?**

Plates are made at Roughrider Industries where we are charged \$5.95 per plate. There is no annual cost for the plate, only when the plate is made.

If the plate is mailed, the current plate postage is \$4.34 per set of plates.

**2. What is the initial cost and annual cost of the registration fees (including the plates) for vehicles?**

The average registration for passenger and pickup trucks is \$125 annually. The initial registration cost is the same as the annual cost.

**3. Do you have an approximation of the number of volunteers that would qualify under SB 2321?**

NDDOT was informed by the measure sponsor there are approximately 11,000 volunteers across the state of North Dakota.

**4. What is the NDDOT's interpretation of WHO should get the plates and WHAT is included? (Plates? Registration fee? Other?)**

While working with the Firefighters Association, Department of Health, Division of Emergency Medical Systems, the measure sponsor, Legislative Council, and NDDOT Legal staff, we determined Volunteers shall include volunteer fire fighters and volunteer emergency medical responders. Types of emergency medical responders eligible include Emergency Medical Responders (EMR), Emergency Medical Technicians (EMT), Advanced Emergency Medical Technicians (AEMT), Paramedics, Nurses, and Drivers who meet the definition of a volunteer defined by the North Dakota Department of Health, Division of Emergency Medical Systems. Currently, there is not a definition for volunteer firefighter.

On the NDDOT website, there is a fact sheet to assist owners with how to get this plate:  
<https://www.dot.nd.gov/divisions/mv/docs/Volunteer-Emergency-Responder-Plate-Fact-Sheet-Update.pdf>

**5. What guidance did the NDDOT get in its current interpretation of Measure #4?**

NDDOT worked on the process internally looking at how other plates are implemented. NDDOT contacted the initiated measure sponsor to ensure we were interpreting the measure correctly. In addition, NDDOT contacted Legislative Council asking for assistance in how the process works with an initiated measure. We were advised we had 30 days to implement.

**6. What problems exist for the NDDOT absent a bill passing in the 2019 Legislature?**

Currently, there is no clear definition of the minimum qualifications for the volunteer plate or description of the process for recalling a plate when they no longer qualify for it. By having these parameters for volunteer firefighters in this bill, it clearly defines the minimum qualifications for this plate. When working with the public and firefighter organizations, we would be able to point them to this section of law for the explanation. In addition, the bill clearly outlines the process for recalling a plate if the vehicle owner no longer qualifies. NDDOT currently has the authority to recall a plate but placing it in this section outlines the process more clearly.

**7. What is the dollar effect on the NDDOT absent a bill passing in the 2019 Legislature OR if there is no money in the bill to pay for the cost of Measure #4.**

There would be less money distributed to the Highway Tax Distribution Fund. If 11,000 qualified volunteers elect to place a Volunteer plate on their vehicle, there is a potential for a loss of \$2.75 million being distributed to the Highway Tax Distribution Fund per biennium.

**Additional Comments:**

There has been a steady increase in volunteer plates being requested starting with 76 plates at the end of December and over 2,000 plates as of last week.

Sixty-sixth  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2321

Introduced by

Senators Klein, Burckhard, Heckaman

Representatives Boe, Fegley, Vigesaa

1 A BILL for an Act ~~to create and enact a new section to chapter 39-04 of the North Dakota~~  
2 ~~Century Code, relating to a registration fee to defray the cost of plates for volunteer emergency~~  
3 ~~responders and firefighters;~~ to amend and reenact section 39-04-10.16 of the North Dakota  
4 Century Code, relating to special vehicle license plates for volunteer emergency responders  
5 and firefighters; and to declare an emergency.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Section 39-04-10.16 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **39-04-10.16. Special vehicle license plates for volunteer emergency responders and**  
10 **volunteer firefighters.**

11 1. As used in this section:

12 a. "Fire department" means a certified city fire department, certified rural fire  
13 department, or certified fire protection district that has filed a certificate of  
14 existence under section 18-04-02.

15 b. "Volunteer emergency responder" means an emergency medical services  
16 provider certified by the state department of health and the individual's squad  
17 leader for a continuous period exceeding two years and who receives an annual  
18 compensation of less than ten thousand dollars.

19 c. "Volunteer firefighter" means an active member in good standing with a North  
20 Dakota fire department who has had a continuous membership for a period  
21 exceeding two years and receives an annual compensation of less than ten  
22 thousand dollars from the fire department.

23 2. Upon application, the director shall issue red personalized plates to volunteer  
24 emergency responders and volunteer firefighters ~~at no initial or annual cost to the~~

1 ~~volunteers. Volunteers shall include fire fighters and emergency medical responders.~~  
2 Qualified applicants are eligible to receive one set of plates. Plates may not be  
3 displayed on a vehicle with a registered gross weight exceeding twenty thousand  
4 pounds [9071.85 kilograms]. The first three digits of the plate are the last three digits  
5 of the zip code where the volunteer's department is located. The remaining space may  
6 contain up to three characters of the volunteer's choosing. This plate serves as an  
7 entrance pass to all North Dakota state parks. In cooperation with the volunteer  
8 organizations, the director shall designate qualifications and verification procedures for  
9 the plates issued under this section.

10 4.3. Upon proper application, an applicant may not be charged an initial fee otherwise  
11 required under this chapter for the registration of the motor vehicle and may not be  
12 charged an initial fee for the issuance of the red personalized plates. A qualified  
13 registrant may not be charged an annual fee for subsequent years for the red  
14 personalized plates but is responsible for the payment of annual motor vehicle  
15 registration fees in subsequent years.

16 4. On termination of the registrant's eligibility, the registrant shall return the plates to the  
17 director, who shall reissue for a fee of not more than five dollars, and upon payment of  
18 applicable registration fees, another number plate to which that registrant is entitled  
19 under this chapter.

20 5. If a registrant fails to return the plates to the director, the director, upon notification of  
21 the registrant's ineligibility, may revoke the plates and reissue for a fee of not more  
22 than five dollars, and upon payment of applicable registration fees, another number  
23 plate for which the registrant is entitled under this chapter.

24 **SECTION 2. A new section to chapter 39-04 of the North Dakota Century Code is created**  
25 **and enacted as follows:**

26 **Registration fee to defray cost of plates for volunteer emergency responders and**  
27 **volunteer firefighters.**

28 1. To defray the costs of the expenses incurred under section 39-04-10.16, in addition to  
29 all other fees required under this chapter for registration of a motor vehicle, the  
30 department shall collect at the beginning of each annual registration period a fee of  
31 two dollars from any motor vehicle registered.

1 ~~2.~~ The department shall deposit any moneys collected under this section into the  
2 highway tax distribution fund.

3 **SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.

19.1112.03003  
Title.

Prepared by the Legislative Council staff for  
Representative D. Ruby  
April 15, 2019

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2321

That the House recede from its amendments as printed on page 1273 of the Senate Journal and page 1473 of the House Journal and that Engrossed Senate Bill No. 2321 be amended as follows:

Page 1, line 1, remove "to create and enact a new section to chapter 39-04 of the North Dakota"

Page 1, remove line 2

Page 1, line 3, remove "responders and firefighters;"

Page 1, line 24, overstrike "at no initial or annual cost to the"

Page 2, line 1, overstrike "volunteers"

Page 2, line 10, replace "4." with:

"3. Upon proper application, an applicant may not be charged an initial fee otherwise required under this chapter for the registration of the motor vehicle and may not be charged an initial fee for the issuance of the red personalized plates. A qualified registrant may not be charged an annual fee for subsequent years for the red personalized plates but is responsible for the payment of annual motor vehicle registration fees in subsequent years.

4."

Page 2, remove lines 18 through 27

Renumber accordingly