

**2021 HOUSE TRANSPORTATION**

**HB 1462**

# 2021 HOUSE STANDING COMMITTEE MINUTES

## Transportation Committee Room JW327E, State Capitol

HB 1462  
1/29/2021

A bill relating to state surplus property and disposition of property.
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9:40 **Chairman Ruby** opened the hearing.

### Attendance

Representatives	
Representative Dan Ruby	P
Representative Tom Kading	P
Representative Rick Becker	P
Representative Cole Christensen	P
Representative LaurieBeth Hager	P
Representative Jared C. Hagert	P
Representative Karla Rose Hanson	P
Representative Terry B. Jones	P
Representative Emily O'Brien	P
Representative Mark S. Owens	P
Representative Bob Paulson	P
Representative Gary Paur	P
Representative Robin Weisz	P
Representative Greg Westlind	P

### Discussion Topics:

- A \$50 fee to out-of-state buyers on State Fleet auctions.

**Representative Schatz** introduction. Testimony # 4228 and proposed amendment # 4229.

**Mike Gerhart, Director, State Fleet Services Division for ND Department of Transportation.** Neutral testimony # 4146.

**Sherry Neas, Division Director for Office of Management and Business,** responded to a question.

10:07 **Chairman Ruby** closed the hearing.

10:46 **Chairman Ruby** brought the bill back before the committee.

**Representative Hanson** moved the amendment. 21.0250.02001

**Representative Becker** seconded the motion.

Voice vote – carried.

**Representative Weisz** moved a Do Not Pass as amended.

**Representative O'Brien** seconded.

Roll Call Vote

<b>Representatives</b>	<b>Vote</b>
Representative Dan Ruby	Y
Representative Tom Kading	Y
Representative Rick Becker	Y
Representative Cole Christensen	Y
Representative LaurieBeth Hager	Y
Representative Jared C. Hagert	Y
Representative Karla Rose Hanson	Y
Representative Terry B. Jones	Y
Representative Emily O'Brien	Y
Representative Mark S. Owens	Y
Representative Bob Paulson	Y
Representative Gary Paur	Y
Representative Robin Weisz	Y
Representative Greg Westlind	Y

Motion Carried 14-0-0 **Representative Weisz** carrier.  
10:55 **Chairman Ruby** adjourned.

*Jeanette Cook, Committee Clerk*

*JS*  
*1/29/21*

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1462

Page 2, line 4, remove "may not sell more than three state fleet vehicles to any"

Page 2, line 5, replace "one person" with "shall collect a fee of fifty dollars from a nonresident for each state fleet vehicle purchased by the nonresident"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1462: Transportation Committee (Rep. D. Ruby, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1462 was placed on the Sixth order on the calendar.

Page 2, line 4, remove "may not sell more than three state fleet vehicles to any"

Page 2, line 5, replace "one person" with "shall collect a fee of fifty dollars from a nonresident for each state fleet vehicle purchased by the nonresident"

Renumber accordingly

Friday, Jan. 29, 2021

House Transportation Committee

Chairman Ruby and members of the House Transportation Committee, for the record my name is Rep. Mike Schatz, Dist. 36, New England.

I apologize for not having the proper language on HB 1462. My only excuse is that the time is so short from the beginning of the session until we must have our bills submitted.

I have handed out an amendment to this bill which changes the intention of the original. The amendment removes the words, "may not sell more than three state fleet vehicles to any one person." And replaces it with, "shall collect a fee of fifty dollars from a nonresident for each state fleet vehicle purchased by the nonresident."

All North Dakotans must pay a yearly registration fee on each of our vehicles. This bill attempts to collect from nonresidents a fee to help defray the costs of maintaining our state fleet. Just as we have extra fees for hunting licenses and out of state tuition for our colleges and universities, so it follows that this fee would be appropriate.

Mr. Chairman, I would ask that you pass the amendment provided and then pass HB 1462. Thank you and I will stand for any questions.

21.0250.02001  
Title.

Prepared by the Legislative Council staff for  
Representative Schatz

January 20, 2021

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Renumber accordingly

## HOUSE TRANSPORTATION COMMITTEE

January 29, 2021; 9:30 AM 327E

North Dakota Department of Transportation

Mike Gerhart, Director, State Fleet Services Division

HB 1462

Good morning, Mr. Chairman and members of the House Transportation Committee, I am Mike Gerhart, State Fleet Services Division Director of the North Dakota Department of Transportation. I am here today in a neutral capacity to provide information regarding HB 1462 and the State Fleet auction process.

State Fleet provides vehicles for state agencies across North Dakota. When vehicles are scheduled for replacement, State Fleet works with the Office of Management and Budget and secures contracts for replacement vehicles. When state vehicles are ready to be sold, State Fleet contracts them through an auctioneer service based in North Dakota. State Fleet auctions are held approximately five times per year.

Below is an overview of 2020 State Fleet auctions:

4 auction sales

286 vehicles sold

\$3,758,425 total sales

Averaged 281 potential bidders

50 vehicles sold out of state (17% of vehicles sold)

It is unknown if HB 1462 will have an adverse impact on state fleet auctions. State Fleet's goal is to provide efficient and safe transportation services; meeting state agency's needs. One aspect of efficiency is having successful auctions since sales proceeds offset fleet's operational costs and agency vehicle utilization rates.

Mr. Chairman, this concludes my testimony and I would be happy to answer any questions the committee may have.