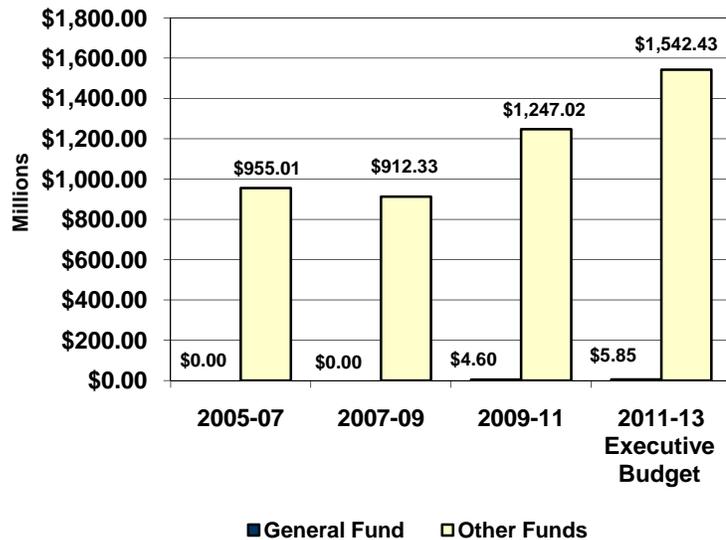


**Department 801 - Department of Transportation  
 House Bill No. 1012**

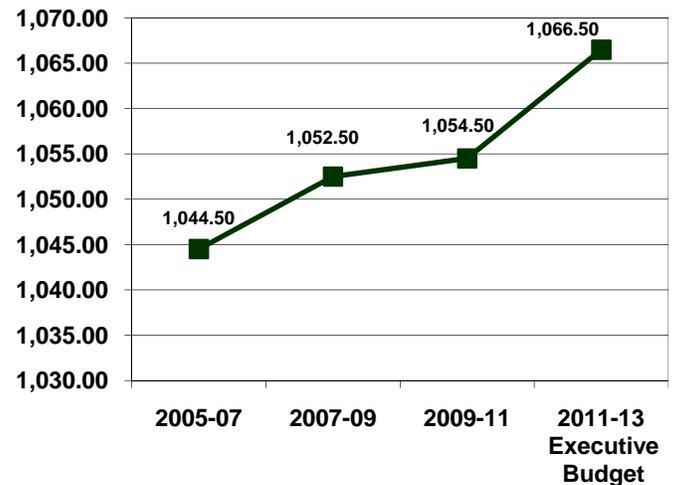
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	1,066.50	\$5,850,000	\$1,542,433,665	\$1,548,283,665
2009-11 Legislative Appropriations	1,054.50	4,600,000	1,247,015,588	1,251,615,588 <sup>1</sup>
Increase (Decrease)	12.00	\$1,250,000	\$295,418,077	\$296,668,077

<sup>1</sup>The 2009-11 appropriation amounts include \$3 million of special funds for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustment for executive branch employees. The 2009-11 appropriation amounts do not include \$16,016,589 of project carryover authority or \$82,740,600 of additional special funds authority resulting from Emergency Commission action during the 2009-11 biennium.

**Agency Funding**



**FTE Positions**



**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$0	\$5,850,000	\$5,850,000
2009-11 Legislative Appropriations	0	4,600,000	4,600,000
Increase (Decrease)	\$0	\$1,250,000	\$1,250,000

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides <b>one-time funding</b> from the permanent oil tax trust fund for roadway projects on state highways in areas affected by oil and gas development		\$228,600,000	\$228,600,000
2. Provides <b>one-time funding</b> from the permanent oil tax trust fund for county and township roadway projects in areas affected by oil and gas development		\$142,000,000	\$142,000,000
3. Adds 6 FTE transportation technician positions		\$620,412	\$620,412
4. Adds 4 FTE driver's license examiner positions		\$361,172	\$361,172
5. Adds 2 FTE motor vehicle licensing specialist positions		\$203,100	\$203,100
6. Provides <b>one-time funding</b> for asbestos abatement in the Highway Building		\$2,465,544	\$2,465,544
7. Provides <b>one-time funding</b> to convert department radios from analog to digital		\$530,886	\$530,886
8. Provides funding from special funds for salary equity adjustments for the recruitment and retention of heavy equipment operators		\$1,100,000	\$1,100,000

9. Provides additional funding for roadway maintenance safety items due to increased material costs		\$15,605,992	\$15,605,992
10. Provides for the following anticipated changes in federal highway aid:			
Federal Highway Administration formula funds (from \$500.9 million to \$569.5 million)		\$68,600,000	\$68,600,000
Emergency relief (from \$33.7 million to \$56.2 million)		22,500,000	22,500,000
Federal rail funds (from \$2.3 million to \$6.1 million)		3,800,000	3,800,000
National Highway Traffic Safety Administration (from \$10 million to \$11.4 million)		1,400,000	1,400,000
Federal transit funds (from \$12.8 million to \$13.7 million)		900,000	900,000
2009-11 federal funds for Devils Lake area projects (from \$43.8 million to \$0)		(43,800,000)	(43,800,000)
Total		\$53,400,000	\$53,400,000
11. Provides funding for an information technology program to improve the department's method of estimating project costs		\$532,055	\$532,055
12. Removes one-time funding from the general fund provided in the 2009-11 biennium for Devils Lake area roadway projects	(\$4,600,000)		(\$4,600,000)
13. Provides <b>one-time funding</b> from the general fund to match federal funds for roadway projects in the Devils Lake area	\$5,850,000		\$5,850,000
14. Provides <b>one-time funding</b> to begin planning for the replacement of the department's driver's license computer system		\$500,000	\$500,000
15. Removes federal fiscal stimulus funding provided in the 2009-11 biennium relating to highway infrastructure projects		(\$170,978,876)	(\$170,978,876)
16. Authorizes spending authority for federal fiscal stimulus funding not spent during the 2009-11 biennium for transportation infrastructure projects (\$5,189,575), grants for rural transit programs (\$4,800,000), and a federal fiscal stimulus grant received to construct the North Central Regional Economic Growth Intermodal Port Connector project in Minot (\$14,130,000)		\$24,119,575	\$24,119,575

### Other Sections in Bill

**State highway fund continuing appropriation** - Section 3 provides the Department of Transportation with a continuing appropriation for any additional funding deposited in the state highway fund during the 2011-13 biennium.

**Line item transfers** - Section 4 authorizes the Department of Transportation to transfer funds between the operating expenses, capital assets, and grants budget line items when it is cost-effective for the construction and maintenance of highways. The department must report transfers to the Office of Management and Budget.

**Motor vehicle excise tax allocations** - Section 5 allocates 25 percent of motor vehicle excise tax collections, after distributions to the state aid distribution fund, to the highway tax distribution fund rather than the general fund. The allocation is effective for the 2011-13 biennium only. Based on the executive revenue forecast, \$46.3 million of motor vehicle excise taxes will be deposited in the highway tax distribution fund.

**County and township road reconstruction program** - Section 6 establishes a program to allocate \$142 million to county and township road projects in areas affected by oil and gas development. The section provides that any funding not spent during the 2011-13 biennium may be continued and used during the 2013-15 biennium.

**State highway maintenance carryover authority** - Section 7 provides that any funding not spent of the \$228.6 million included in the capital assets line item for extraordinary state highway maintenance may be continued and used during the 2013-15 biennium.

### Continuing Appropriations

There are no continuing appropriations for this agency.

### Significant Audit Findings

The operational audit for the Department of Transportation conducted by the State Auditor's office during the 2009-10 interim included the following significant audit findings:

- The Department of Transportation has a lack of controls over computer system access.

- The Department of Transportation is not properly reconciling the motor vehicle clearing account to the report of amounts processed and pending each month.

### **Major Related Legislation**

**House Bill No. 1042 - Extraordinary road use fee allocations** - This bill requires extraordinary road use fee collections to be deposited in the general fund of the county where the overweight vehicle violation occurred if the violation did not occur on a state or federal highway.

**House Bill No. 1043 - Motor vehicle excise tax allocation** - This bill provides that after June 30, 2011, motor vehicle excise tax collections, after distributions to the state aid distribution fund, are to be deposited in the highway tax distribution fund rather than the general fund. Based on the executive revenue forecast, \$185.4 million of motor vehicle excise tax collections would be deposited in the highway tax distribution fund.

**House Bill No. 1109 - Driver's license renewal dates and fees** - This bill increases the fee for driver's license renewals from \$10 to \$15 and extends the driver's license renewal period from four years to six years for Class D operator's licenses.

**Senate Bill No. 2045 - Oil impact-related infrastructure development grants** - This bill creates an infrastructure grant program for taxing districts affected by oil and gas development and provides a \$100 million appropriation from the permanent oil tax trust fund for grant distributions during the 2011-13, 2013-15, and 2015-17 bienniums.

**Senate Bill No. 2061 - Nonresident motor vehicle registration** - This bill provides for the Department of Transportation to register a passenger motor vehicle that is titled and registered in another state if the owner or operator of the motor vehicle is gainfully employed in this state but is not a resident of the state.