

Fifty-ninth  
Legislative Assembly  
of North Dakota

**ENGROSSED SENATE BILL NO. 2012**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 transportation; to create and enact section 24-02-40.1 and a new section to chapter 24-08 of  
3 the North Dakota Century Code, relating to grant or revenue anticipation financing by the  
4 department of transportation and naming of the medal of honor bridge; to amend and reenact  
5 section 24-01-03 of the North Dakota Century Code, relating to highway and bridge  
6 maintenance; and to declare an emergency.

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

8 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this  
9 section represent the base level funding component appropriated to the department of  
10 transportation in section 3 of this Act as follows:

11 Salaries and wages	\$105,222,404
12 Operating expenses	122,902,369
13 Capital assets	512,175,642
14 Grants	<u>44,085,503</u>
15 Total special funds - Base level	\$784,385,918

16 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The  
17 amounts identified in this section represent the funding adjustments or enhancements to the  
18 base funding level for the department of transportation which are included in the appropriation  
19 in section 3 of this Act as follows:

20 Salaries and wages	(\$105,222,404)
21 Operating expenses	(122,902,369)
22 Capital assets	(512,175,642)
23 Grants	(44,085,503)
24 Administration	27,185,848

1	Driver's and vehicle services	20,048,706
2	Highways	789,997,698
3	Fleet services	<u>43,271,158</u>
4	Total special funds - Adjustments/enhancements	\$96,117,492

5           **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the  
6 funds as may be necessary, are appropriated from special funds derived from federal funds  
7 and other income, to the department of transportation for the purpose of defraying the  
8 expenses of its various divisions, for the biennium beginning July 1, 2005, and ending June 30,  
9 2007, as follows:

10	Administration	\$27,185,848
11	Driver's and vehicle services	20,048,706
12	Highways	789,997,698
13	Fleet services	<u>43,271,158</u>
14	Total special funds appropriation	\$880,503,410

15           **SECTION 4. FULL-TIME EQUIVALENT EMPLOYEES.** The department of  
16 transportation is authorized to hire additional full-time equivalent positions for highway  
17 construction in addition to those authorized by the legislative assembly when it is cost-effective  
18 to hire additional positions for construction and maintenance of highways in lieu of entering into  
19 contracts for these purposes. The department of transportation shall notify the office of  
20 management and budget and report to the legislative council the additional full-time equivalent  
21 positions hired.

22           **SECTION 5. AMENDMENT.** Section 24-01-03 of the North Dakota Century Code is  
23 amended and reenacted as follows:

24           **24-01-03. Responsibility for state highway system.** The director is responsible for  
25 the construction, maintenance, and operation of the state highway system and ~~is authorized to~~  
26 may enter into a cooperative agreement with any municipality for the construction,  
27 maintenance, or repair of any urban connecting street. The director may not divest the state  
28 from responsibility for the maintenance of any bridge over a navigable water of this state which  
29 is currently maintained by the state.

30           The jurisdiction, control, and duty of the state and municipality with respect to such  
31 urban connecting streets must be as follows:

- 1           1.    The director has no authority to change or establish any grade of any such street  
2                    without approval of the governing body of such municipality.
- 3           2.    The municipality shall maintain at its own expense ~~maintain~~ all underground  
4                    facilities in such streets and has the right to construct such additional underground  
5                    facilities as may be necessary in such streets.
- 6           3.    The municipality has the right to grant the privilege to open the surface of any such  
7                    street, but all damage occasioned thereby must ~~promptly~~ be repaired promptly by  
8                    said municipality at its direction and without cost to the department.
- 9           4.    The municipality has exclusive right to grant franchises over, beneath, and upon  
10                   such streets.

11           **SECTION 6.** Section 24-02-40.1 of the North Dakota Century Code is created and  
12 enacted as follows:

13           **24-02-40.1. Grant or revenue anticipation financing.** Notwithstanding any other  
14 provision of law, the department, whenever needed, may arrange with any state-owned or  
15 private financing agency or underwriter, including the Bank of North Dakota, grant or revenue  
16 anticipation financing through the issuance of evidences of indebtedness on such terms and  
17 conditions as the department determines if construction funds on hand are insufficient to meet  
18 current obligations or to achieve cost-savings or efficiencies in road construction. The  
19 department may refund the evidences of indebtedness as often as it is advantageous to do so.  
20 Evidences of indebtedness may be sold at public or private sale and must mature not more  
21 than fifteen years from their date or dates, and the proceeds of the sale may be invested on  
22 such terms and conditions as the department determines. Grant or revenue anticipation  
23 financing must be in amounts no larger than can be repaid from moneys known or reasonably  
24 anticipated to be due and forthcoming. The grant or revenue anticipation financing may not be  
25 used in anticipation of increased federal aid highway grants or increased state highway user  
26 revenue funds, and the financing may not be obligated for road construction that cannot be  
27 financed from known sources of grants or revenue. The department may pledge any federal  
28 aid grants received or to be received for debt service and related issuance costs for evidences  
29 of indebtedness issued under this section directly to a trustee in trust for payment to holders of  
30 the evidences of indebtedness. The department may also pledge any biennially appropriated  
31 revenues for debt service on the evidences of indebtedness directly to a trustee in trust for

1 payment to holders of the evidences of indebtedness. Any evidences of indebtedness issued  
2 under this section are not general obligations or debt of the state, the department, or any public  
3 officer or employee of the department or this state. The principal of and interest on the  
4 evidences of indebtedness are limited obligations payable solely from grants or revenues  
5 received or to be received by the department. The department may capitalize from proceeds of  
6 the evidences of indebtedness all expenses incidental to issuing the evidences of  
7 indebtedness, including any reserves for payment of the evidences of indebtedness.

8           **SECTION 7.** A new section to chapter 24-08 is created and enacted as follows:

9           **Medal of honor bridge.** A bridge replacing the bridge between Mandan and Bismarck  
10 presently known as the liberty memorial bridge is designated the medal of honor bridge upon  
11 the completion of the replacement bridge.

12           **SECTION 8. EMERGENCY.** Section 6 of this Act is declared to be an emergency  
13 measure.