

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

That the House recede from its amendments as printed on pages 1118-1125 of the Senate Journal and pages 1294-1301 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 2, after "enact" insert "a new section to chapter 24-01,", replace the second "and" with a comma, and after "24-08" insert ", and section 57-43.1-03.2"

Page 1, line 3, after "to" insert "the highway performance classification plan,"

Page 1, line 4, replace the first "and" with a comma, replace "medal of honor" with "liberty memorial", and after "bridge" insert ", and refunds of certain fuels taxes paid by native Americans"

Page 1, line 5, replace "section" with "sections" and after "24-01-03" insert ", 24-01-51, 39-04-19, 57-40.3-10, 57-43.1-02, and 57-43.2-02"

Page 1, line 6, after "maintenance" insert ", haying of no-mow areas, motor vehicle registration fees, motor vehicle excise tax revenue, and motor vehicle fuels and special fuels tax rates; to repeal section 39-04-39.5 of the North Dakota Century Code, relating to allocation of motor vehicle registration fees; to provide an effective date; to provide a contingent expiration date"

Page 1, line 24, replace "27,185,848" with "27,174,242"

Page 2, line 1, replace "20,048,706" with "20,035,352"

Page 2, line 2, replace "789,997,698" with "863,644,411"

Page 2, line 3, replace "43,271,158" with "43,268,038"

Page 2, line 4, replace "96,117,492" with "169,736,125"

Page 2, line 10, replace "27,185,848" with "27,174,242"

Page 2, line 11, replace "20,048,706" with "20,035,352"

Page 2, line 12, replace "789,997,698" with "863,644,411"

Page 2, line 13, replace "43,271,158" with "43,268,038"

Page 2, line 14, replace "880,503,410" with "954,122,043"

Page 2, line 28, replace "the maintenance" with "maintaining the structural integrity"

Page 2, line 29, after "state" insert "unless an agreement is reached with the municipality"

Page 3, after line 10, insert:

"SECTION 6. A new section to chapter 24-01 of the North Dakota Century Code is created and enacted as follows:

**Highway performance classification plan.** To the extent possible, the department of transportation shall implement the highway performance classification plan.

**SECTION 7. AMENDMENT.** Section 24-01-51 of the North Dakota Century Code is amended and reenacted as follows:

**24-01-51. (Effective January 1, 2006 2008) Haying of no-mow areas.**

Notwithstanding any other provision of law, a person owning land adjacent to an area within the right of way of a highway which is designated as a no-mow or managed-mow area may hay the no-mow or managed-mow area after July fifteenth without any payment or penalty."

Page 3, line 14, after "needed" insert "for the liberty memorial bridge improvement project and the United States highway 2 project improvements"

Page 4, line 9, replace "**Medal of honor**" with "**Liberty memorial**"

Page 4, line 10, replace "medal of honor" with "liberty memorial"

Page 4, after line 11, insert:

**SECTION 10. AMENDMENT.** Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

**39-04-19. Motor vehicle registration fees and mile tax.** Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:
  - a. Passenger motor vehicles:

| Gross Weights   | YEARS REGISTERED                       |                             |                             |                             |  |
|-----------------|--|-----------------------------|-----------------------------|-----------------------------|--|
|                 | 1st, 2nd, 3rd, 4th, 5th, and 6th Years | 7th, 8th, and 9th Years     | 10th, 11th, and 12th Years  | 13th and Subsequent Years   |  |
| Less than 3,200 | <del>\$60</del> <u>\$70</u>            | <del>\$52</del> <u>\$62</u> | <del>\$44</del> <u>\$54</u> | <del>\$36</del> <u>\$46</u> |  |
| 3,200 - 4,499   | <del>80</del> <u>90</u>                | <del>68</del> <u>78</u>     | <del>56</del> <u>66</u>     | <del>44</del> <u>54</u>     |  |
| 4,500 - 4,999   | <del>98</del> <u>108</u>               | <del>84</del> <u>91</u>     | <del>66</del> <u>76</u>     | <del>50</del> <u>60</u>     |  |
| 5,000 - 5,999   | <del>129</del> <u>139</u>              | <del>107</del> <u>117</u>   | <del>85</del> <u>95</u>     | <del>63</del> <u>73</u>     |  |
| 6,000 - 6,999   | <del>162</del> <u>172</u>              | <del>133</del> <u>143</u>   | <del>104</del> <u>114</u>   | <del>76</del> <u>86</u>     |  |
| 7,000 - 7,999   | <del>195</del> <u>205</u>              | <del>159</del> <u>169</u>   | <del>124</del> <u>134</u>   | <del>89</del> <u>99</u>     |  |
| 8,000 - 8,999   | <del>228</del> <u>238</u>              | <del>186</del> <u>196</u>   | <del>144</del> <u>154</u>   | <del>102</del> <u>112</u>   |  |
| 9,000 and over  | <del>264</del> <u>271</u>              | <del>212</del> <u>222</u>   | <del>164</del> <u>174</u>   | <del>115</del> <u>125</u>   |  |

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

A pickup truck is subject to registration at the rates prescribed for other vehicles under this subdivision by applying the shipping weight of the vehicle to the fee schedule. At a minimum, the registered gross weight displayed on the registration card for a pickup truck must be twice the shipping weight of the vehicle. Unless otherwise exempted by this chapter, the owner of a pickup truck shall request the registered gross weight of the pickup truck be increased to ensure the registered gross weight is sufficient to include the total weight of the vehicle and any load transported on or by the vehicle. For purposes of this subdivision, a pickup truck is a motor vehicle with a manufacturer's gross vehicle weight rating of less than eleven thousand five hundred pounds [5216.31 kilograms], with an unladen weight of less than eight thousand pounds [3628.74 kilograms], and which is equipped with an open box-type bed not exceeding nine feet [2.74 meters] in length.

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under this subsection or subsection 5:

| Gross Weights   | YEARS REGISTERED            |                             |                             |                             |                             |
|-----------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                 | 1st Through 6th Years       | 7th Through 9th Years       | 10th Through 12th Years     | 13th Through 19th Years     | 20th and Subsequent Years   |
| Not over 4,000  | <del>\$58</del> <u>\$68</u> | <del>\$45</del> <u>\$55</u> | <del>\$40</del> <u>\$50</u> | <del>\$37</del> <u>\$47</u> | <del>\$36</del> <u>\$46</u> |
| 4,001 - 6,000   | <del>63</del> <u>73</u>     | <del>50</del> <u>60</u>     | <del>44</del> <u>54</u>     | <del>38</del> <u>48</u>     | <del>37</del> <u>47</u>     |
| 6,001 - 8,000   | <del>68</del> <u>78</u>     | <del>55</del> <u>65</u>     | <del>48</del> <u>58</u>     | <del>39</del> <u>49</u>     | <del>38</del> <u>48</u>     |
| 8,001 - 10,000  | <del>73</del> <u>83</u>     | <del>60</del> <u>70</u>     | <del>52</del> <u>62</u>     | <del>44</del> <u>51</u>     | <del>40</del> <u>50</u>     |
| 10,001 - 12,000 | <del>78</del> <u>88</u>     | <del>65</del> <u>75</u>     | <del>56</del> <u>66</u>     | <del>43</del> <u>53</u>     | <del>42</del> <u>52</u>     |
| 12,001 - 14,000 | <del>83</del> <u>93</u>     | <del>70</del> <u>80</u>     | <del>60</del> <u>70</u>     | <del>46</del> <u>56</u>     | <del>45</del> <u>55</u>     |
| 14,001 - 16,000 | <del>88</del> <u>98</u>     | <del>75</del> <u>85</u>     | <del>64</del> <u>74</u>     | <del>49</del> <u>59</u>     | <del>48</del> <u>58</u>     |
| 16,001 - 18,000 | <del>93</del> <u>103</u>    | <del>80</del> <u>90</u>     | <del>68</del> <u>78</u>     | <del>54</del> <u>61</u>     | <del>50</del> <u>60</u>     |
| 18,001 - 20,000 | <del>96</del> <u>106</u>    | <del>83</del> <u>93</u>     | <del>70</del> <u>80</u>     | <del>52</del> <u>62</u>     | <del>54</del> <u>61</u>     |

| Gross Weights   | YEARS REGISTERED                            |                                      |                             |
|-----------------|---|--------------------------------------|-----------------------------|
|                 | 1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years | 8th, 9th, 10th, 11th, and 12th Years | 13th and Subsequent Years   |
| 20,001 - 22,000 | <del>\$126</del> <u>\$136</u>               | <del>\$100</del> <u>\$110</u>        | <del>\$87</del> <u>\$97</u> |
| 22,001 - 26,000 | <del>178</del> <u>188</u>                   | <del>148</del> <u>158</u>            | <del>132</del> <u>142</u>   |
| 26,001 - 30,000 | <del>239</del> <u>249</u>                   | <del>197</del> <u>207</u>            | <del>175</del> <u>185</u>   |
| 30,001 - 34,000 | <del>305</del> <u>315</u>                   | <del>250</del> <u>260</u>            | <del>222</del> <u>232</u>   |
| 34,001 - 38,000 | <del>366</del> <u>376</u>                   | <del>299</del> <u>309</u>            | <del>265</del> <u>275</u>   |
| 38,001 - 42,000 | <del>427</del> <u>437</u>                   | <del>348</del> <u>358</u>            | <del>307</del> <u>317</u>   |
| 42,001 - 46,000 | <del>488</del> <u>498</u>                   | <del>396</del> <u>406</u>            | <del>350</del> <u>360</u>   |
| 46,001 - 50,000 | <del>549</del> <u>559</u>                   | <del>445</del> <u>455</u>            | <del>393</del> <u>403</u>   |
| 50,001 - 54,000 | <del>619</del> <u>629</u>                   | <del>503</del> <u>513</u>            | <del>444</del> <u>454</u>   |
| 54,001 - 58,000 | <del>680</del> <u>690</u>                   | <del>552</del> <u>562</u>            | <del>487</del> <u>497</u>   |
| 58,001 - 62,000 | <del>742</del> <u>752</u>                   | <del>604</del> <u>611</u>            | <del>530</del> <u>540</u>   |
| 62,001 - 66,000 | <del>802</del> <u>812</u>                   | <del>649</del> <u>659</u>            | <del>573</del> <u>583</u>   |
| 66,001 - 70,000 | <del>863</del> <u>873</u>                   | <del>698</del> <u>708</u>            | <del>615</del> <u>625</u>   |

|                   |             |             |             |
|-------------------|-------------|-------------|-------------|
| 70,001 - 74,000   | 924 934     | 747 757     | 658 668     |
| 74,001 - 78,000   | 985 995     | 796 806     | 704 711     |
| 78,001 - 82,000   | 1,046 1,056 | 845 855     | 744 754     |
| 82,001 - 86,000   | 1,169 1,179 | 950 960     | 834 841     |
| 86,001 - 90,000   | 1,291 1,301 | 1,054 1,064 | 918 928     |
| 90,001 - 94,000   | 1,413 1,423 | 1,159 1,169 | 1,005 1,015 |
| 94,001 - 98,000   | 1,535 1,545 | 1,264 1,274 | 1,093 1,103 |
| 98,001 - 102,000  | 1,657 1,667 | 1,368 1,378 | 1,180 1,190 |
| 102,001 - 105,500 | 1,779 1,789 | 1,473 1,483 | 1,267 1,277 |

c. Notwithstanding the fees provided by subdivision a of subsection 2, only one-half of the increase in registration fees, rounded up to the nearest dollar, resulting from the reclassification of pickup trucks in 2005 from subdivision b of subsection 2 to subdivision a of subsection 2 is effective from July 1, 2005, through June 30, 2007.

d. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.
4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

| Gross Weights | YEARS REGISTERED                       |                   |                    |                           |
|---------------|--|-------------------|--------------------|---------------------------|
|               | 1st, 2nd, 3rd, 4th, 5th, and 6th Years | 7th and 8th Years | 9th and 10th Years | 11th and Subsequent Years |

|                   |                              |                             |                             |                             |
|-------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| 20,001 - 22,000   | <del>\$98</del> <u>\$108</u> | <del>\$84</del> <u>\$94</u> | <del>\$70</del> <u>\$80</u> | <del>\$52</del> <u>\$62</u> |
| 22,001 - 24,000   | <del>403</del> <u>113</u>    | <del>88</del> <u>98</u>     | <del>73</del> <u>83</u>     | <del>54</del> <u>64</u>     |
| 24,001 - 26,000   | <del>444</del> <u>121</u>    | <del>94</del> <u>104</u>    | <del>77</del> <u>87</u>     | <del>56</del> <u>66</u>     |
| 26,001 - 28,000   | <del>422</del> <u>132</u>    | <del>102</del> <u>112</u>   | <del>83</del> <u>93</u>     | <del>60</del> <u>70</u>     |
| 28,001 - 30,000   | <del>434</del> <u>141</u>    | <del>110</del> <u>120</u>   | <del>89</del> <u>99</u>     | <del>64</del> <u>74</u>     |
| 30,001 - 32,000   | <del>446</del> <u>156</u>    | <del>123</del> <u>133</u>   | <del>100</del> <u>110</u>   | <del>73</del> <u>83</u>     |
| 32,001 - 34,000   | <del>456</del> <u>166</u>    | <del>134</del> <u>141</u>   | <del>106</del> <u>116</u>   | <del>77</del> <u>87</u>     |
| 34,001 - 36,000   | <del>466</del> <u>176</u>    | <del>139</del> <u>149</u>   | <del>112</del> <u>122</u>   | <del>84</del> <u>91</u>     |
| 36,001 - 38,000   | <del>476</del> <u>186</u>    | <del>147</del> <u>157</u>   | <del>118</del> <u>128</u>   | <del>85</del> <u>95</u>     |
| 38,001 - 40,000   | <del>486</del> <u>196</u>    | <del>155</del> <u>165</u>   | <del>124</del> <u>134</u>   | <del>89</del> <u>99</u>     |
| 40,001 - 42,000   | <del>496</del> <u>206</u>    | <del>163</del> <u>173</u>   | <del>130</del> <u>140</u>   | <del>93</del> <u>103</u>    |
| 42,001 - 44,000   | <del>206</del> <u>216</u>    | <del>174</del> <u>181</u>   | <del>136</del> <u>146</u>   | <del>97</del> <u>107</u>    |
| 44,001 - 46,000   | <del>246</del> <u>226</u>    | <del>179</del> <u>189</u>   | <del>142</del> <u>152</u>   | <del>104</del> <u>111</u>   |
| 46,001 - 48,000   | <del>226</del> <u>236</u>    | <del>187</del> <u>197</u>   | <del>148</del> <u>158</u>   | <del>105</del> <u>115</u>   |
| 48,001 - 50,000   | <del>236</del> <u>246</u>    | <del>195</del> <u>205</u>   | <del>154</del> <u>164</u>   | <del>109</del> <u>119</u>   |
| 50,001 - 52,000   | <del>256</del> <u>266</u>    | <del>213</del> <u>223</u>   | <del>170</del> <u>180</u>   | <del>123</del> <u>133</u>   |
| 52,001 - 54,000   | <del>266</del> <u>276</u>    | <del>224</del> <u>231</u>   | <del>176</del> <u>186</u>   | <del>127</del> <u>137</u>   |
| 54,001 - 56,000   | <del>276</del> <u>286</u>    | <del>229</del> <u>239</u>   | <del>182</del> <u>192</u>   | <del>134</del> <u>141</u>   |
| 56,001 - 58,000   | <del>286</del> <u>296</u>    | <del>237</del> <u>247</u>   | <del>188</del> <u>198</u>   | <del>135</del> <u>145</u>   |
| 58,001 - 60,000   | <del>296</del> <u>306</u>    | <del>245</del> <u>255</u>   | <del>194</del> <u>204</u>   | <del>139</del> <u>149</u>   |
| 60,001 - 62,000   | <del>306</del> <u>316</u>    | <del>253</del> <u>263</u>   | <del>200</del> <u>210</u>   | <del>143</del> <u>153</u>   |
| 62,001 - 64,000   | <del>346</del> <u>326</u>    | <del>264</del> <u>271</u>   | <del>206</del> <u>216</u>   | <del>147</del> <u>157</u>   |
| 64,001 - 66,000   | <del>326</del> <u>336</u>    | <del>269</del> <u>279</u>   | <del>212</del> <u>222</u>   | <del>154</del> <u>161</u>   |
| 66,001 - 68,000   | <del>336</del> <u>346</u>    | <del>277</del> <u>287</u>   | <del>218</del> <u>228</u>   | <del>155</del> <u>165</u>   |
| 68,001 - 70,000   | <del>346</del> <u>356</u>    | <del>285</del> <u>295</u>   | <del>224</del> <u>234</u>   | <del>159</del> <u>169</u>   |
| 70,001 - 72,000   | <del>356</del> <u>366</u>    | <del>293</del> <u>303</u>   | <del>230</del> <u>240</u>   | <del>163</del> <u>173</u>   |
| 72,001 - 74,000   | <del>366</del> <u>376</u>    | <del>304</del> <u>311</u>   | <del>236</del> <u>246</u>   | <del>167</del> <u>177</u>   |
| 74,001 - 76,000   | <del>376</del> <u>386</u>    | <del>309</del> <u>319</u>   | <del>242</del> <u>252</u>   | <del>174</del> <u>181</u>   |
| 76,001 - 78,000   | <del>386</del> <u>396</u>    | <del>317</del> <u>327</u>   | <del>248</del> <u>258</u>   | <del>175</del> <u>185</u>   |
| 78,001 - 80,000   | <del>396</del> <u>406</u>    | <del>325</del> <u>335</u>   | <del>254</del> <u>264</u>   | <del>179</del> <u>189</u>   |
| 80,001 - 82,000   | <del>406</del> <u>416</u>    | <del>333</del> <u>343</u>   | <del>260</del> <u>270</u>   | <del>183</del> <u>193</u>   |
| 82,001 - 84,000   | <del>416</del> <u>426</u>    | <del>355</del> <u>365</u>   | <del>303</del> <u>313</u>   | <del>259</del> <u>269</u>   |
| 84,001 - 86,000   | <del>436</del> <u>446</u>    | <del>372</del> <u>382</u>   | <del>317</del> <u>327</u>   | <del>274</del> <u>281</u>   |
| 86,001 - 88,000   | <del>456</del> <u>466</u>    | <del>389</del> <u>399</u>   | <del>334</del> <u>341</u>   | <del>283</del> <u>293</u>   |
| 88,001 - 90,000   | <del>476</del> <u>486</u>    | <del>406</del> <u>416</u>   | <del>345</del> <u>355</u>   | <del>295</del> <u>305</u>   |
| 90,001 - 92,000   | <del>496</del> <u>506</u>    | <del>423</del> <u>433</u>   | <del>359</del> <u>369</u>   | <del>307</del> <u>317</u>   |
| 92,001 - 94,000   | <del>516</del> <u>526</u>    | <del>440</del> <u>450</u>   | <del>373</del> <u>383</u>   | <del>319</del> <u>329</u>   |
| 94,001 - 96,000   | <del>536</del> <u>546</u>    | <del>457</del> <u>467</u>   | <del>387</del> <u>397</u>   | <del>334</del> <u>341</u>   |
| 96,001 - 98,000   | <del>556</del> <u>566</u>    | <del>474</del> <u>484</u>   | <del>404</del> <u>411</u>   | <del>343</del> <u>353</u>   |
| 98,001 - 100,000  | <del>576</del> <u>586</u>    | <del>494</del> <u>501</u>   | <del>415</del> <u>425</u>   | <del>355</del> <u>365</u>   |
| 100,001 - 102,000 | <del>596</del> <u>606</u>    | <del>508</del> <u>518</u>   | <del>429</del> <u>439</u>   | <del>367</del> <u>377</u>   |
| 102,001 - 104,000 | <del>616</del> <u>626</u>    | <del>525</del> <u>535</u>   | <del>443</del> <u>453</u>   | <del>379</del> <u>389</u>   |
| 104,001 - 105,500 | <del>636</del> <u>646</u>    | <del>542</del> <u>552</u>   | <del>457</del> <u>467</u>   | <del>394</del> <u>401</u>   |

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Thirteen dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund.

**SECTION 11. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.3-10. Transfer of revenue.** All moneys collected and received under this chapter must be transmitted monthly by the director of the department of transportation to the state treasurer to be transferred and credited ~~to the general fund.~~ as follows:

1. The first one hundred fifty million dollars received during a biennium must be deposited in the state general fund.
2. The first thirty-seven million five hundred thousand dollars received during a biennium exceeding the amount allocated under subsection 1 must be deposited in the state highway fund.
3. Amounts received in excess of the amount allocated under subsections 1 and 2 must be allocated eighty percent to the state general fund and twenty percent to the state highway fund.

**SECTION 12. AMENDMENT.** Section 57-43.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-43.1-02. Tax imposed on motor vehicle fuels.**

1. Except as otherwise provided in this section, a tax of ~~twenty-one~~ twenty-three cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state.
2. A supplier or distributor shall remit the tax imposed by this section on motor vehicle fuel used, on the wholesale distribution of motor vehicle fuel to a retailer, and on direct sales of motor vehicle fuel to a consumer.
3. The tax imposed by this section does not apply on a sale by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the retailer and to the consumer. A retailer who paid the tax to the supplier or distributor shall pass the tax on to the consumer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the motor vehicle fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

**SECTION 13.** Section 57-43.1-03.2 of the North Dakota Century Code is created and enacted as follows:

**57-43.1-03.2. Refund of tax for fuel purchased by native Americans - Fuels tax refund reserve fund - Continuing appropriation.**

1. A native American may file a claim with the tax commissioner for a refund of motor vehicle fuel taxes paid by that person under this chapter or special fuel taxes paid under chapter 57-43.2 if the motor vehicle fuel or special fuel was purchased from a retail fuel dealer located on the Indian reservation where the native American is an enrolled member and the fuel was delivered to the native American on that reservation. The refund provisions of this chapter apply to refund claims made under this section.

2. A fuels tax refund reserve fund is created as a special fund in the state treasury. The tax commissioner shall deposit in that fund such amounts from motor vehicle fuel tax and special fuel tax collections as the attorney general determines necessary to be expended for refunds to which native American government entities may be entitled under qualifying circumstances and conditions determined by the attorney general. There is appropriated as a continuing appropriation out of funds set aside under this subsection so much of the funds as the attorney general determines is necessary to meet the expenditures authorized under this subsection and such funds may be expended for that purpose.

**SECTION 14. AMENDMENT.** Section 57-43.2-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-43.2-02. (Contingent effective date - See note - Effective through June 30, 2005) Tax imposed.**

1. Except as otherwise provided in this chapter, an excise tax of twenty-one cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel. The tax under this subsection is reduced by one and five-hundredths cents per gallon [3.79 liters] on the sale or delivery of diesel fuel that contains at least two percent biodiesel fuel by weight.
2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

**(Effective after June 30, 2005) Tax imposed.**

1. Except as otherwise provided in this chapter, an excise tax of ~~twenty-one~~ twenty-three cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel.

2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

**SECTION 15. REPEAL.** Section 39-04-39.5 of the North Dakota Century Code is repealed.

**SECTION 16. EFFECTIVE DATE - CONTINGENT EXPIRATION DATE.**

Section 13 of this Act is effective for qualifying motor vehicle and special fuel purchases made after December 31, 2004, and is effective until the first day of the first month after the tax commissioner, with the approval of the attorney general, certifies to the governor and the office of the legislative council that an Act of Congress has specifically authorized, or a United States Supreme Court decision has held or may be interpreted to have held, that a state may impose its motor vehicle and special fuel tax laws on native Americans who purchase motor vehicle fuels and special fuels from a retail fuel dealer located on the Indian reservation where the native American is enrolled. Sections 10, 11, 12, and 14 of this Act are effective for registrations and taxable events occurring after June 30, 2005. Section 15 of this Act is effective for registrations occurring after June 30, 2005."

Page 4, line 12, replace "6" with "8"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2012 - Department of Transportation - Conference Committee Action**

|                               | EXECUTIVE BUDGET   | SENATE VERSION     | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | HOUSE VERSION      | COMPARISON TO HOUSE |
|-------------------------------|--------------------|--------------------|------------------------------|------------------------------|--------------------|---------------------|
| Administration                | \$27,227,294       | \$27,185,848       | (\$11,606)                   | \$27,174,242                 | \$27,174,242       |                     |
| Driver's and Vehicle Services | 20,081,797         | 20,048,706         | (13,354)                     | 20,035,352                   | 20,035,352         |                     |
| Highways                      | 736,823,693        | 789,997,698        | 73,646,713                   | 863,644,411                  | 863,094,411        | \$550,000           |
| Fleet Services                | 43,280,168         | 43,271,158         | (3,120)                      | 43,268,038                   | 43,268,038         |                     |
| Total all funds               | \$827,412,952      | \$880,503,410      | \$73,618,633                 | \$954,122,043                | \$953,572,043      | \$550,000           |
| Less estimated income         | <u>827,412,952</u> | <u>880,503,410</u> | <u>73,618,633</u>            | <u>954,122,043</u>           | <u>953,572,043</u> | <u>550,000</u>      |
| General fund                  | \$0                | \$0                | \$0                          | \$0                          | \$0                | \$0                 |
| FTE                           | 1044.50            | 1044.50            | 0.00                         | 1044.50                      | 1044.55            | 0.00                |

**Dept. 801 - Department of Transportation - Detail of Conference Committee Changes**

|                               | REDUCES<br>RECOMMENDED<br>FUNDING FOR<br>HEALTH<br>INSURANCE | ADDS<br>FUNDING<br>FOR ONE<br>CALL 1 | ADDS<br>HIGHWAY<br>CONSTRUCTION<br>FUNDS 2 | ADDS<br>FUNDING FOR<br>EMERGENCY<br>RELIEF<br>PROJECTS 3 | ADDS<br>FUNDING<br>FOR PUBLIC<br>TRANSPORTATION<br>GRANTS 4 | TOTAL<br>CONFERENCE<br>COMMITTEE<br>CHANGES |
|-------------------------------|--|--------------------------------------|--|--|---|---|
| Administration                | (\$11,606)   |                                      |  |  |   | (\$11,606)                                  |
| Driver's and Vehicle Services | (13,354)   |                                      |  |  |   | (13,354)                                    |
| Highways                      | (100,589)  | \$168,520                            | \$17,900,000                               | \$54,128,782   | \$1,550,000   | 73,646,713                                  |
| Fleet Services                | (3,120)  |                                      |  |  |   | (3,120)                                     |
| Total all funds               | (\$128,669)  | \$168,520                            | \$17,900,000                               | \$54,128,782   | \$1,550,000   | \$73,618,633                                |
| Less estimated income         | (128,669)  | 168,520                              | 17,900,000                                 | 54,128,782   | 1,550,000   | 73,618,633                                  |
| General fund                  | \$0  | \$0                                  | \$0  | \$0  | \$0   | \$0   |
| FTE                           | 0.00   | 0.00                                 | 0.00                                       | 0.00   | 0.00  | 0.00  |

1 The highways line item is increased by \$168,520 from the highway fund for costs of complying with provisions of Senate Bill No. 2209 which require the department to provide data on the location of utilities on highway rights of way, the same as the House version.

2 The highways line item is increased by \$17,900,000, of which \$15,900,000 is federal funds and \$2,000,000 is from the highway fund for highway projects in anticipation of receiving \$202.3 million of federal highway construction funds in federal fiscal year 2005 and \$205 million in federal fiscal year 2006, the same as the House version.

3 The highways line item is increased by \$54,128,782, of which \$43,968,332 is federal funds, \$8,472,520 is state matching, and \$1,687,930 is from the counties for emergency relief projects on highways, the same as the House version.

4 The highways line item is increased by \$1,550,000 from the public transportation fund to increase the funding available for public transportation grants as a result of provisions of Senate Bill No. 2348, which increase the public transportation fee on motor vehicle registrations from \$2 to \$3 per year.

The section added by the Senate requiring the department to maintain bridges over navigable waters in the state that it is currently maintaining is changed to require the department to maintain the structural integrity of these bridges unless the department enters into an agreement with the municipality, the same as the House version.

A section is added delaying the effective date from January 1, 2006, to January 1, 2008, of provisions allowing a landowner owning land next to a no-mow area to hay the no-mow or managed-mow area after July 15 without payment or penalty, the same as the House version.

The section added by the Senate authorizing the department to issue grant anticipation revenue vehicle (GARVEE) bonds is changed to limit the authorization to only the Liberty Memorial Bridge project and the United States Highway 2 project, the same as the House version.

The section added by the Senate naming the replacement bridge for the Liberty Memorial Bridge between Bismarck and Mandan the Medal of Honor Bridge is changed to name the replacement bridge the Liberty Memorial Bridge, the same as the House version.

A section is added providing for refunds of fuels taxes paid by Native Americans.

Sections are added providing additional state highway revenue beginning in the 2005-07 biennium by:

- Increasing the motor vehicle fuel (gasoline and gasohol) and special fuels (diesel) tax rate by 2 cents per gallon, from 21 to 23 cents. This revenue will be deposited in the highway tax distribution fund.
- Making pickup registration fees equivalent to passenger vehicles by providing for 50 percent of the increase necessary to make this change during the 2005-07 biennium and the remainder beginning July 2007. This revenue will be deposited in the highway tax distribution fund.
- Increasing annual motor vehicle registration fees by \$10. This revenue will be deposited directly in the state highway fund providing a total of \$13 of each registration fee that is deposited directly in the highway fund.

A section is added allocating motor vehicle excise tax revenues between the general fund and the state highway fund. State aid distribution fund allocations from motor vehicle excise tax collections are not affected.

The following provisions included in the House version for generating additional state highway revenue are removed:

- Increasing the motor vehicle fuel (gasoline and gasohol) and special fuels (diesel) tax rate by 2 cents per gallon, from 21 to 23 cents for deposit in the highway tax distribution fund.

- Increasing the motor vehicle fuel (gasoline and gasohol) tax rate by an additional 2 cents per gallon, from 23 to 25 cents each year during the months of May through October, for deposit in the highway tax distribution fund.
- Increasing annual motor vehicle registration fees by \$10, for deposit directly in the state highway fund providing a total of \$13 of each registration fee that is deposited directly in the highway fund.

Sections added by the House are removed which would have provided that effective July 1, 2009, collections from 1 percent of the current 5 percent motor vehicle excise tax that would have been deposited in the state highway fund rather than in the state aid distribution fund and the general fund.

The section added by the House is removed which would have precluded cities and counties from receiving the additional revenue resulting from provisions of this bill until they develop, in collaboration with the Department of Transportation, a roadway plan. Provisions added by the House are also removed which would have provided \$1 million to the Department of Transportation from funds transferred from the cities' and counties' share of the additional revenue generated by this bill for the development of a roadway plan for cities and counties.