

July 2009

ESTIMATED STATE HIGHWAY FUNDING PROVIDED IN 2009 SENATE BILL NO. 2012

The schedule below summarizes estimated state highway funding provided to the state and political subdivisions for the 2007-09 and 2009-11 bienniums:

Summary of State Highway Funding Provided to the State and Political Subdivisions (Amounts Shown in Millions)						
	2007-09 Statutory Funding ¹	Weather-Related Cost-Sharing and Disaster Funding	2009-11 Statutory Funding	Total Weather-Related Funding, Disaster Funding, and 2009-11 Statutory Funding	Increase From 2007-09 Statutory Funding	Percentage Increase From 2007-09 Statutory Funding
State highway fund	\$234.3 ^{1,2}	\$7.5 ³	\$274.8 ^{1,5}	\$282.3	\$48.0	20.5%
Counties	74.4 ¹	26.4 ³	82.1 ¹	108.5	34.1	45.8%
Cities	45.3 ¹	15.0 ³	49.7 ¹	64.7	19.4	42.8%
Townships	10.2 ¹	10.0 ³	10.3 ¹	20.3	10.1	99.0%
Public transportation fund	5.7 ¹	1.0 ³	5.7 ¹	6.7	1.0	17.5%
Disaster relief funding		43.0 ⁴		43.0	43.0	N/A
Total	\$369.9	\$102.9	\$422.6	\$525.5	\$155.6	42.1%

¹Funding provided from the highway tax distribution fund.

²Includes \$18.2 million of motor vehicle registration fees deposited in the highway fund and \$12.6 million of motor vehicle excise taxes deposited in the highway fund.

³Funding of \$59.9 million from the general fund was appropriated by the 2009 Legislative Assembly to the State Treasurer for distribution to the state highway fund and political subdivisions for weather-related cost-sharing before June 30, 2009.

⁴Senate Bill No. 2012 provided a \$43 million transfer from the general fund to the state disaster relief fund before June 30, 2009, and appropriated the funds to the Adjutant General for disaster relief funding during the 2007-09 and 2009-11 bienniums.

⁵Includes a \$4.6 million transfer from the general fund to the highway fund for Devils Lake area highway projects and \$30.5 million of motor vehicle excise taxes deposited in the highway fund.

The schedule below details estimated highway funding provided to the state and political subdivisions for the 2007-09 and 2009-11 bienniums:

Detail of State Highway Funding Provided to the State and Political Subdivisions (Amounts Shown in Millions)									
	Statutory 2007-09 Distributions From Highway Tax Distribution Fund	Other Statutory Allocations ^{2,3,4}	Total 2007-09 Statutory Funding	2007-09 Weather- Related Cost-Sharing	2007-09 and 2009-11 Disaster Relief Funding	Statutory 2009-11 Distributions From Highway Tax Distribution Fund	Deposit 25 Percent of Motor Vehicle Excise Tax in State Highway Fund	Funding From the General Fund for Devils Lake Highway Projects	Total 2009-11 Funding
Total revenues subject to distribution	\$323.2	\$46.7	\$369.9	\$59.9	\$43.0	\$387.5 ⁵	\$30.5	\$4.6	\$422.6
Distributions to:									
State highway fund ^{1,2}	\$203.5	\$30.8	\$234.3	\$7.5 ⁶		\$239.7	\$30.5	\$4.6	\$274.8
Counties ¹	74.4		74.4	26.4 ⁶	⁷	82.1			82.1
Cities ¹	45.3		45.3	15.0 ⁶	⁷	49.7			49.7
Townships ³		10.2	10.2	10.0 ⁶	⁷	10.3			10.3
Public transportation fund ⁴		5.7	5.7	1.0 ⁶		5.7			5.7
Disaster relief funding					\$43.0 ⁷				
Total distributions	\$323.2	\$46.7	\$369.9	\$59.9	\$43.0	\$387.5	\$30.5	\$4.6	\$422.6

¹Senate Bill No. 2012 provides the following changes in distribution amounts from the highway tax distribution fund:

	Highway Tax Distribution Fund Rates	
	Current (2007-09)	Senate Bill No. 2012 (2009-11)
State highway fund	63%	61.30%
Counties	23%	21.50%
Cities	14%	13.00%
Townships	0%	2.70%
Transit programs	0%	1.50%
	100%	100.00%

²North Dakota Century Code (NDCC) Section 39-04-19 provides that \$13 of each motor vehicle registration fee is deposited directly in the state highway fund. Senate Bill No. 2012 provides that these collections be deposited in the highway tax distribution fund beginning in the 2009-11 biennium. Revenue from the \$13 fee is estimated to generate \$18.2 million for the 2007-09 biennium and \$20 million for the 2009-11 biennium. Section 57-40.3-10 provided for the deposit of 10 percent of motor vehicle excise taxes in the highway funding during the 2007-09 biennium which is estimated to total \$12.6 million. Senate Bill No. 2012 provides that \$5.5 million be transferred from the highway tax distribution fund to the state highway fund each biennium for administrative costs.

³North Dakota Century Code Section 54-27-19.1 provided that collections from one cent per gallon of motor vehicle fuels taxes be deposited in the township highway aid fund. Senate Bill No. 2012 removes the one cent per gallon distribution to the township highway aid fund, deposits these funds in the highway tax distribution fund, and provides that townships receive a percentage of all funds available for distribution in the highway tax distribution fund.

⁴The 2007-09 legislative appropriation provided the public transportation fund with \$4.7 million from collections from \$3 of each motor vehicle registration fee and a \$1 million transfer from the highway fund. Senate Bill No. 2012 deposits collections from \$3 of each motor vehicle registration fee in the highway tax distribution fund and provides the public transportation fund with a percentage distribution of all funds available for distribution in the highway tax distribution fund.

⁵Senate Bill No. 2012 amends NDCC Section 54-27-19.1 to remove the provision that precludes fuel tax refunds from amounts deposited in the township highway aid fund. Therefore, net collections from gasoline, gasohol, and special fuels taxes are anticipated to be reduced by approximately \$600,000.

⁶Funding from the general fund of \$59.9 million was appropriated to the State Treasurer for disbursement to the state highway fund and political subdivisions for weather-related cost-sharing during the 2007-09 biennium.

⁷Funding of \$43 million is transferred to a state disaster relief fund which is appropriated to the Adjutant General for disaster relief funding. Of the total amount, \$20 million is to be used for 2007-09 emergency snow removal grants for up to 50 percent of the costs exceeding 200 percent of the average for political subdivisions. The remaining \$23 million is to be used during the 2009-11 biennium to provide grants to political subdivisions for up to 50 percent of the local matching costs to receive federal emergency relief aid related to January through June 2009 disasters and for the state share of disaster-related costs.