

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Weisz

1 A BILL for an Act to amend and reenact sections 39-04-19, 39-04-39, 54-27-19, 54-27-19.1,
2 57-39.2-26.1, 57-40.3-10, and 57-43.1-28 of the North Dakota Century Code, relating to the
3 collection and distribution of highway funds; and to repeal section 39-04.2-03 of the North
4 Dakota Century Code, relating to the registration fee for the public transportation fund.

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

6 **SECTION 1. AMENDMENT.** Section 39-04-19 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **39-04-19. Motor vehicle registration fees and mile tax.** Motor vehicles required to
9 pay registration fees or a mile tax shall pay the following fees:

10 1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do
11 so by the department, shall pay a fee of twenty dollars for a trip permit which is
12 valid for a period of seventy-two hours. All fees collected under the provisions of
13 this subsection must be credited to the highway construction fund.

14 2. Motor vehicles required to be registered in this state must be furnished license
15 plates upon the payment of the following annual fees; however, if a motor vehicle,
16 including a motorcycle or trailer, first becomes subject to registration other than at
17 the beginning of the registration period, such fees must be prorated on a monthly
18 basis. The minimum fee charged hereunder must be five dollars:

19 a. Passenger motor vehicles:

	YEARS REGISTERED				
	1st, 2nd,	7th, 8th,	10th, 11th,	13th and	
21	3rd, 4th, 5th,	and 9th	and 12th	Subsequent	
22	Gross				
23	Weights	and 6th Years	Years	Years	Years

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1	Less than 3,200	\$70 <u>\$73</u>	\$62 <u>\$65</u>	\$54 <u>\$57</u>	\$46 <u>\$49</u>
2	3,200 - 4,499	90 <u>93</u>	78 <u>81</u>	66 <u>69</u>	54 <u>57</u>
3	4,500 - 4,999	108 <u>111</u>	94 <u>94</u>	76 <u>79</u>	60 <u>63</u>
4	5,000 - 5,999	139 <u>142</u>	117 <u>120</u>	95 <u>98</u>	73 <u>76</u>
5	6,000 - 6,999	172 <u>175</u>	143 <u>146</u>	114 <u>117</u>	86 <u>89</u>
6	7,000 - 7,999	205 <u>208</u>	169 <u>172</u>	134 <u>137</u>	99 <u>102</u>
7	8,000 - 8,999	238 <u>241</u>	196 <u>199</u>	154 <u>157</u>	112 <u>115</u>
8	9,000 and over	274 <u>273</u>	222 <u>225</u>	174 <u>177</u>	125 <u>128</u>

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

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

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

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YEARS REGISTERED						
	1st	7th	10th	13th	20th and	
Gross	Through	Through	Through	Through	Subsequent	
Weights	6th Years	9th Years	12th Years	19th Years	Years	
Not over 4,000	\$68 <u>\$71</u>	\$55 <u>\$58</u>	\$50 <u>\$53</u>	\$47 <u>\$50</u>	\$46 <u>\$49</u>	
4,001 - 6,000	73 <u>76</u>	60 <u>63</u>	54 <u>57</u>	48 <u>51</u>	47 <u>50</u>	
6,001 - 8,000	78 <u>81</u>	65 <u>68</u>	58 <u>61</u>	49 <u>52</u>	48 <u>51</u>	
8,001 - 10,000	83 <u>86</u>	70 <u>73</u>	62 <u>65</u>	54 <u>54</u>	50 <u>53</u>	
10,001 - 12,000	88 <u>91</u>	75 <u>78</u>	66 <u>69</u>	53 <u>56</u>	52 <u>55</u>	
12,001 - 14,000	93 <u>96</u>	80 <u>83</u>	70 <u>73</u>	56 <u>59</u>	55 <u>58</u>	
14,001 - 16,000	98 <u>101</u>	85 <u>88</u>	74 <u>77</u>	59 <u>62</u>	58 <u>61</u>	
16,001 - 18,000	103 <u>106</u>	90 <u>93</u>	78 <u>81</u>	64 <u>64</u>	60 <u>63</u>	
18,001 - 20,000	106 <u>109</u>	93 <u>96</u>	80 <u>83</u>	62 <u>65</u>	64 <u>64</u>	

YEARS REGISTERED			
	1st, 2nd, 3rd,	8th, 9th, 10th,	13th and
Gross	4th, 5th, 6th,	11th, and	Subsequent
Weights	and 7th Years	12th Years	Years
20,001 - 22,000	\$136 <u>\$139</u>	\$110 <u>\$113</u>	\$97 <u>\$100</u>
22,001 - 26,000	188 <u>191</u>	158 <u>161</u>	142 <u>145</u>
26,001 - 30,000	249 <u>252</u>	207 <u>210</u>	185 <u>188</u>
30,001 - 34,000	315 <u>318</u>	260 <u>263</u>	232 <u>235</u>
34,001 - 38,000	376 <u>379</u>	309 <u>312</u>	275 <u>279</u>
38,001 - 42,000	437 <u>440</u>	358 <u>361</u>	317 <u>320</u>
42,001 - 46,000	498 <u>501</u>	406 <u>409</u>	360 <u>363</u>
46,001 - 50,000	559 <u>561</u>	455 <u>458</u>	403 <u>406</u>
50,001 - 54,000	629 <u>632</u>	513 <u>516</u>	454 <u>457</u>
54,001 - 58,000	690 <u>693</u>	562 <u>565</u>	497 <u>500</u>
58,001 - 62,000	752 <u>755</u>	611 <u>614</u>	540 <u>543</u>
62,001 - 66,000	812 <u>815</u>	659 <u>662</u>	583 <u>586</u>
66,001 - 70,000	873 <u>876</u>	708 <u>711</u>	625 <u>628</u>
70,001 - 74,000	934 <u>937</u>	757 <u>760</u>	668 <u>671</u>

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1	74,001 - 78,000	995 <u>998</u>	806 <u>809</u>	744 <u>714</u>
2	78,001 - 82,000	1,056 <u>1,059</u>	855 <u>858</u>	754 <u>757</u>
3	82,001 - 86,000	1,179 <u>1,182</u>	960 <u>963</u>	844 <u>844</u>
4	86,001 - 90,000	1,304 <u>1,304</u>	1,064 <u>1,067</u>	928 <u>931</u>
5	90,001 - 94,000	1,423 <u>1,426</u>	1,169 <u>1,172</u>	1,015 <u>1,018</u>
6	94,001 - 98,000	1,545 <u>1,548</u>	1,274 <u>1,277</u>	1,103 <u>1,106</u>
7	98,001 - 102,000	1,667 <u>1,670</u>	1,378 <u>1,381</u>	1,190 <u>1,193</u>
8	102,001 - 105,500	1,789 <u>1,792</u>	1,483 <u>1,486</u>	1,277 <u>1,280</u>

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

14 ~~e.~~ Motorcycles, fifteen dollars.

15 3. Motor vehicles acquired by disabled veterans under the provisions of Public Law
16 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax
17 and, if paid, such veterans are entitled to a refund. This exemption also applies to
18 any passenger motor vehicle or pickup truck not exceeding ten thousand pounds
19 [4535.92 kilograms] gross weight but shall apply to no more than two such motor
20 vehicles owned by a disabled veteran at any one time.

21 4. Every trailer, semitrailer, and farm trailer required to be registered under this
22 chapter must be furnished registration plates upon the payment of a twenty dollar
23 annual fee. Every trailer, semitrailer, or farm trailer not required to be registered
24 under this chapter must be furnished an identification plate upon the payment of a
25 fee of five dollars. Upon the request of a person with a trailer or farm trailer to
26 whom a registration or identification plate is provided under this subsection, the
27 department shall provide a plate of the same size as provided for a motorcycle.
28 The department shall provide notification of this option to the person before the
29 replacement or issuance of the plate.

30 5. Trucks or combinations of trucks and trailers weighing more than twenty thousand
31 but not more than one hundred five thousand five hundred pounds [more than

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1 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles
 2 only, are entitled to registration under the following fee schedule and the provisions
 3 of this subsection. Farm vehicles are considered, for the purpose of this
 4 subsection, as trucks or combinations of trucks and trailers weighing more than
 5 twenty thousand but not more than one hundred five thousand five hundred
 6 pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or
 7 leased for at least one year by a bona fide resident farmer who uses the vehicles
 8 exclusively for transporting the farmer's own property or other property on a farm
 9 work exchange basis with other farmers between farms and the usual local trading
 10 places but not in connection with any commercial retail or wholesale business
 11 being conducted from those farms, nor otherwise for hire. In addition to the penalty
 12 provided in section 39-04-41, any person violating this subsection shall license for
 13 the entire license period the farm vehicle at the higher commercial vehicle rate in
 14 accordance with the weight carried by the farm vehicle at the time of the violation.

YEARS REGISTERED

	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years
16 Gross Weights				
19 20,001 - 22,000	\$108 <u>\$111</u>	\$94 <u>\$97</u>	\$80 <u>\$83</u>	\$62 <u>\$65</u>
20 22,001 - 24,000	113 <u>116</u>	98 <u>101</u>	83 <u>86</u>	64 <u>67</u>
21 24,001 - 26,000	124 <u>124</u>	104 <u>107</u>	87 <u>90</u>	66 <u>69</u>
22 26,001 - 28,000	132 <u>135</u>	112 <u>115</u>	93 <u>96</u>	70 <u>73</u>
23 28,001 - 30,000	144 <u>144</u>	120 <u>123</u>	99 <u>102</u>	74 <u>77</u>
24 30,001 - 32,000	156 <u>159</u>	133 <u>136</u>	110 <u>113</u>	83 <u>86</u>
25 32,001 - 34,000	166 <u>169</u>	144 <u>144</u>	116 <u>119</u>	87 <u>90</u>
26 34,001 - 36,000	176 <u>179</u>	149 <u>152</u>	122 <u>125</u>	94 <u>94</u>
27 36,001 - 38,000	186 <u>189</u>	157 <u>160</u>	128 <u>131</u>	95 <u>98</u>
28 38,001 - 40,000	196 <u>199</u>	165 <u>168</u>	134 <u>137</u>	99 <u>102</u>
29 40,001 - 42,000	206 <u>209</u>	173 <u>176</u>	140 <u>143</u>	103 <u>106</u>
30 42,001 - 44,000	216 <u>219</u>	184 <u>184</u>	146 <u>149</u>	107 <u>110</u>
31 44,001 - 46,000	226 <u>229</u>	189 <u>192</u>	152 <u>155</u>	114 <u>114</u>

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1	46,001 - 48,000	236 <u>239</u>	497 <u>200</u>	458 <u>161</u>	445 <u>118</u>
2	48,001 - 50,000	246 <u>249</u>	205 <u>208</u>	464 <u>167</u>	449 <u>122</u>
3	50,001 - 52,000	266 <u>269</u>	223 <u>226</u>	480 <u>183</u>	433 <u>136</u>
4	52,001 - 54,000	276 <u>279</u>	234 <u>234</u>	486 <u>189</u>	437 <u>140</u>
5	54,001 - 56,000	286 <u>289</u>	239 <u>242</u>	492 <u>195</u>	444 <u>144</u>
6	56,001 - 58,000	296 <u>299</u>	247 <u>250</u>	498 <u>201</u>	445 <u>148</u>
7	58,001 - 60,000	306 <u>309</u>	255 <u>258</u>	204 <u>207</u>	449 <u>152</u>
8	60,001 - 62,000	316 <u>319</u>	263 <u>266</u>	240 <u>213</u>	453 <u>156</u>
9	62,001 - 64,000	326 <u>329</u>	274 <u>274</u>	246 <u>219</u>	457 <u>160</u>
10	64,001 - 66,000	336 <u>339</u>	279 <u>282</u>	222 <u>225</u>	464 <u>164</u>
11	66,001 - 68,000	346 <u>349</u>	287 <u>290</u>	228 <u>231</u>	465 <u>168</u>
12	68,001 - 70,000	356 <u>359</u>	295 <u>298</u>	234 <u>237</u>	469 <u>172</u>
13	70,001 - 72,000	366 <u>369</u>	303 <u>306</u>	240 <u>243</u>	473 <u>176</u>
14	72,001 - 74,000	376 <u>379</u>	311 <u>314</u>	246 <u>249</u>	477 <u>180</u>
15	74,001 - 76,000	386 <u>389</u>	319 <u>322</u>	252 <u>255</u>	484 <u>184</u>
16	76,001 - 78,000	396 <u>399</u>	327 <u>330</u>	258 <u>261</u>	485 <u>188</u>
17	78,001 - 80,000	406 <u>409</u>	335 <u>338</u>	264 <u>267</u>	489 <u>192</u>
18	80,001 - 82,000	416 <u>419</u>	343 <u>346</u>	270 <u>273</u>	493 <u>196</u>
19	82,001 - 84,000	426 <u>428</u>	365 <u>368</u>	313 <u>316</u>	269 <u>272</u>
20	84,001 - 86,000	446 <u>449</u>	382 <u>385</u>	327 <u>330</u>	284 <u>284</u>
21	86,001 - 88,000	466 <u>469</u>	399 <u>402</u>	344 <u>344</u>	293 <u>296</u>
22	88,001 - 90,000	486 <u>489</u>	416 <u>419</u>	355 <u>358</u>	305 <u>308</u>
23	90,001 - 92,000	506 <u>509</u>	433 <u>436</u>	369 <u>372</u>	317 <u>320</u>
24	92,001 - 94,000	526 <u>529</u>	450 <u>453</u>	383 <u>386</u>	329 <u>332</u>
25	94,001 - 96,000	546 <u>549</u>	467 <u>470</u>	397 <u>400</u>	344 <u>344</u>
26	96,001 - 98,000	566 <u>569</u>	484 <u>487</u>	414 <u>414</u>	353 <u>356</u>
27	98,001 - 100,000	586 <u>589</u>	504 <u>504</u>	425 <u>428</u>	365 <u>368</u>
28	100,001 - 102,000	606 <u>609</u>	518 <u>521</u>	439 <u>442</u>	377 <u>380</u>
29	102,001 - 104,000	626 <u>629</u>	535 <u>538</u>	453 <u>456</u>	389 <u>392</u>
30	104,001 - 105,500	646 <u>649</u>	552 <u>555</u>	467 <u>470</u>	404 <u>404</u>

1 6. A motor vehicle registered in subsection 5 may be used for custom combining
2 operations by displaying identification issued by the department and upon payment
3 of a fee of twenty-five dollars.

4 7. ~~Thirteen dollars of each registration fee collected under subsections 2 and 5 must~~
5 ~~be deposited in the state highway fund.~~

6 **SECTION 2. AMENDMENT.** Section 39-04-39 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **39-04-39. Distribution of registration fees collected.** Any moneys in the registration
9 fund accruing from license fees or from other like sources, in excess of the amount required to
10 pay salaries and other necessary expenses, in accordance with the legislative assembly's
11 appropriation for such purposes, must be promptly deposited in the highway tax distribution
12 fund which must be distributed in the manner as prescribed by law. ~~The state treasurer shall~~
13 ~~transfer annually from the highway tax distribution fund to the ethanol production incentive fund~~
14 ~~an amount equal to forty percent of all sums collected for the registration of farm vehicles under~~
15 ~~subsection 5 of section 39-04-19 except that no transfer may be made in an amount that would~~
16 ~~result in the balance of the ethanol production incentive fund exceeding seven million five~~
17 ~~hundred thousand dollars.~~

18 **SECTION 3. AMENDMENT.** Section 54-27-19 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **54-27-19. Highway tax distribution fund - State treasurer to make allocation to**
21 **state, counties, and cities.** A highway tax distribution fund is created as a special fund in the
22 state treasury into which must be deposited the moneys available by law from collections of
23 motor vehicle registration and related fees, fuels taxes, special fuels taxes, use taxes, and
24 special fuels excise taxes. Any moneys in the highway tax distribution fund must be allocated
25 and transferred monthly by the state treasurer, as follows:

- 26 1. ~~Sixty-three~~ Sixty-one and forty-five hundredths of one percent of such moneys
27 must be transferred monthly to the state department of transportation and placed in
28 a state highway fund.
- 29 2. Two and eighty hundredths of one percent of such moneys must be transferred
30 monthly to the township highway fund.

- 1 3. One and fifty hundredths of one percent of such moneys must be transferred
2 monthly to the public transportation fund.
- 3 ~~2. Thirty-seven~~
- 4 4. Thirty-four and twenty-five hundredths of one percent of such moneys must be
5 allocated to the counties of this state in proportion to the number of motor vehicle
6 registrations credited to each county. Each county must be credited with the
7 certificates of title of all motor vehicles registered by residents of such county. The
8 state treasurer shall compute and distribute the counties' share monthly after
9 deducting the incorporated cities' share. All the moneys received by the counties
10 from the highway tax distribution fund must be set aside in a separate fund called
11 the "highway tax distribution fund" and must be appropriated and applied solely for
12 highway purposes in accordance with section 11 of article X of the Constitution of
13 North Dakota. The state treasurer shall compute and distribute monthly the sums
14 allocated to the incorporated cities within each county according to the formula in
15 this subsection on the basis of the per capita population of all of the incorporated
16 cities situated within each county as determined by the last official regular or
17 special federal census or the census taken in accordance with the provisions of
18 chapter 40-02 in case of a city incorporated subsequent to such census. Provided,
19 however, that in each county having a city with a population of ten thousand or
20 more, the amount transferred each month into the county highway tax distribution
21 fund must be the difference between the amount allocated to that county pursuant
22 to this subsection and the total amount allocated and distributed to the
23 incorporated cities in that county as computed according to the following formula:
- 24 a. A statewide per capita average as determined by calculating twenty-seven
25 percent of the amount allocated to all of the counties under this subsection
26 divided by the total population of all of the incorporated cities in the state.
- 27 b. The share distributed to each city in the county having a population of less
28 than one thousand must be determined by multiplying the population of that
29 city by the product of 1.50 times the statewide per capita average computed
30 under subdivision a.

- 1 c. The share distributed to each city in the county having a population of one
2 thousand to four thousand nine hundred ninety-nine, inclusive, must be
3 determined by multiplying the population of that city by the product of 1.25
4 times the statewide per capita average computed under subdivision a.
- 5 d. The share distributed to each city in the county having a population of five
6 thousand or more must be determined by multiplying the population of that
7 city by the statewide per capita average for all such cities, which per capita
8 average must be computed as follows: the total of the shares computed
9 under subdivisions b and c for all cities in the state having a population of less
10 than five thousand must be subtracted from the total incorporated cities' share
11 in the state as computed under subdivision a and the balance remaining must
12 then be divided by the total population of all cities of five thousand or more in
13 the state.

14 The moneys allocated to the incorporated cities must be distributed to them monthly by the
15 state treasurer and must be deposited by the cities in a separate fund and may only be used in
16 accordance with section 11 of article X of the Constitution of North Dakota; provided, that any
17 incorporated city may use such fund for the construction, reconstruction, repair, and
18 maintenance of public highways within or outside such city pursuant to an agreement entered
19 into between the city and any other political subdivision as authorized by section 54-40-08.

20 **SECTION 4. AMENDMENT.** Section 54-27-19.1 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-27-19.1. Township highway aid fund - Distribution.** ~~Notwithstanding any other~~
23 ~~provision of law, one cent per gallon [3.79 liters] of the tax imposed by sections 57-43.1-02 and~~
24 ~~57-43.2-02 may not be refunded and the proceeds must be distributed as provided in this~~
25 ~~section. The tax commissioner shall transfer the proceeds of one cent per gallon [3.79 liters] of~~
26 ~~the tax imposed by sections 57-43.1-02 and 57-43.2-02 to the state treasurer who shall deposit~~
27 ~~the proceeds in a township highway aid fund in the state treasury.~~ The state treasurer shall no
28 less than quarterly allocate and distribute all moneys in the township highway aid fund to the
29 counties of the state based on the length of township roads in each county compared to the
30 length of all township roads in the state. To receive any funds under this section, organized
31 townships shall provide fifty percent matching funds. The county treasurer shall allocate the

1 funds received to the organized townships in the county which provide fifty percent matching
2 funds based on the length of township roads in each such organized township compared to the
3 length of all township roads in the county. The funds received must be deposited in the
4 township road and bridge fund and used for highway and bridge purposes. If a county has no
5 organized townships, or has some organized and some unorganized townships, the county
6 shall retain a pro rata portion of the funds received based on the length of roads in unorganized
7 townships compared to the length of township roads in organized townships in the county.
8 Moneys retained by a county for the benefit of unorganized townships under this section must
9 be deposited in the county road and bridge fund. Moneys retained by the county treasurer due
10 to the failure of organized townships to provide required matching funds must be returned to the
11 state treasurer who shall deposit the funds in the highway tax distribution fund. The board of
12 county commissioners shall certify to the state treasurer any change in township road mileage
13 when a change occurs and shall, by July first of each even-numbered year, certify the total
14 number of township road mileage in each of the county's organized and unorganized
15 townships. The state treasurer shall prescribe the form and manner by which the certification is
16 made.

17 **SECTION 5. AMENDMENT.** Section 57-39.2-26.1 of the North Dakota Century Code
18 is amended and reenacted as follows:

19 **57-39.2-26.1. Allocation of revenues among political subdivisions.**

20 Notwithstanding any other provision of law, a portion of sales, gross receipts, and use,~~and~~
21 ~~motor vehicle excise~~ tax collections, equal to forty percent of an amount determined by
22 multiplying the quotient of one percent divided by the general sales tax rate, that was in effect
23 when the taxes were collected, times the net sales, gross receipts, and use,~~and motor vehicle~~
24 ~~excise~~ tax collections under chapters 57-39.2, 57-39.5, 57-39.6, and 57-40.2,~~and 57-40.3~~ must
25 be deposited by the state treasurer in the state aid distribution fund. The state tax
26 commissioner shall certify to the state treasurer the portion of sales, gross receipts, use, and
27 motor vehicle excise tax net revenues that must be deposited in the state aid distribution fund
28 as determined under this section. Revenues deposited in the state aid distribution fund are
29 provided as a standing and continuing appropriation and must be allocated as follows:

- 30 1. Fifty-three and seven-tenths percent of the revenues must be allocated to counties
31 in the first month after each quarterly period as provided in this subsection.

- 1 a. Sixty-four percent of the amount must be allocated among the seventeen
2 counties with the greatest population, in the following manner:
3 (1) Thirty-two percent of the amount must be allocated equally among the
4 counties; and
5 (2) The remaining amount must be allocated based upon the proportion
6 each such county's population bears to the total population of all such
7 counties.
- 8 b. Thirty-six percent of the amount must be allocated among all counties,
9 excluding the seventeen counties with the greatest population, in the following
10 manner:
11 (1) Forty percent of the amount must be allocated equally among the
12 counties; and
13 (2) The remaining amount must be allocated based upon the proportion
14 each such county's population bears to the total population of all such
15 counties.
- 16 A county shall deposit all revenues received under this subsection in the county
17 general fund. Each county shall reserve a portion of its allocation under this
18 subsection for further distribution to, or expenditure on behalf of, townships, rural
19 fire protection districts, rural ambulance districts, soil conservation districts, county
20 recreation service districts, county hospital districts, the Garrison Diversion
21 Conservancy District, the southwest water authority, and other taxing districts
22 within the county, excluding school districts, cities, and taxing districts within cities.
23 The share of the county allocation under this subsection to be distributed to a
24 township must be equal to the percentage of the county share of state aid
25 distribution fund allocations that township received during calendar year 1996. The
26 governing boards of the county and township may agree to a different distribution.
- 27 2. Forty-six and three-tenths percent of the revenues must be allocated to cities in the
28 first month after each quarterly period as provided in this subsection.
29 a. Nineteen and four-tenths percent of the amount must be allocated among
30 cities with a population of eighty thousand or more, based upon the proportion
31 each city's population bears to the total population of all such cities.

- 1 b. Thirty-four and five-tenths percent of the amount must be allocated among
2 cities with a population of twenty thousand or more but fewer than eighty
3 thousand, based upon the proportion each such city's population bears to the
4 total population of all such cities.
- 5 c. Sixteen percent of the amount must be allocated among cities with a
6 population of ten thousand or more but fewer than twenty thousand, based
7 upon the proportion each such city's population bears to the total population
8 of all such cities.
- 9 d. Four and nine-tenths percent of the amount must be allocated among cities
10 with a population of five thousand or more but fewer than ten thousand, based
11 upon the proportion each such city's population bears to the total population
12 of all such cities.
- 13 e. Thirteen and one-tenth percent of the amount must be allocated among cities
14 with a population of one thousand or more but fewer than five thousand,
15 based upon the proportion each such city's population bears to the total
16 population of all such cities.
- 17 f. Six and one-tenth percent of the amount must be allocated among cities with
18 a population of five hundred or more but fewer than one thousand, based
19 upon the proportion each such city's population bears to the total population
20 of all such cities.
- 21 g. Three and four-tenths percent of the amount must be allocated among cities
22 with a population of two hundred or more but fewer than five hundred, based
23 upon the proportion each such city's population bears to the total population
24 of all such cities.
- 25 h. Two and six-tenths percent of the amount must be allocated among cities with
26 a population of fewer than two hundred, based upon the proportion each such
27 city's population bears to the total population of all such cities.
- 28 A city shall deposit all revenues received under this subsection in the city general
29 fund. Each city shall reserve a portion of its allocation under this subsection for
30 further distribution to, or expenditure on behalf of, park districts and other taxing
31 districts within the city, excluding school districts. The share of the city allocation

1 under this subsection to be distributed to a park district must be equal to the
2 percentage of the city share of state aid distribution fund allocations that park
3 district received during calendar year 1996, up to a maximum of thirty percent. The
4 governing boards of the city and park district may agree to a different distribution.

5 **SECTION 6. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-40.3-10. (Effective through June 30, 2009) Transfer of revenue.** All moneys
8 collected and received under this chapter after moneys are deposited in the state aid
9 distribution fund under section 57-39.2-26.1 must be transmitted monthly by the director of the
10 department of transportation to the state treasurer to be transferred and credited as follows:

- 11 1. Ten percent to the highway fund.
- 12 2. Ninety percent to the state general fund.

13 **(Effective after June 30, 2009) Transfer of revenue.** All moneys collected and
14 received under this chapter must be transmitted monthly by the director of the department of
15 transportation to the state treasurer to be transferred and credited to the ~~general~~ highway tax
16 distribution fund.

17 **SECTION 7. AMENDMENT.** Section 57-43.1-28 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **57-43.1-28. (~~Contingent expiration date—See note~~) Transfer, deposit, and**
20 **distribution of funds.** ~~Taxes, license fees, penalties, and interest collected under the~~
21 ~~provisions of this chapter must be transferred to the state treasurer who shall deposit the~~
22 ~~moneys collected to the highway tax distribution fund, except the entire proceeds of the tax~~
23 ~~imposed on E85 fuel under subsection 2 of section 57-43.1-02 must be deposited in the~~
24 ~~township highway aid fund and allocated as provided in section 54-27-19.1. At the time of each~~
25 ~~transfer for deposit in the highway tax distribution fund, the tax commissioner shall certify to the~~
26 ~~state treasurer the number of gallons of E85 fuel sold or used in this state during the time~~
27 ~~period covered by that transfer and exempt from the tax under subsection 1 of section~~
28 ~~57-43.1-02. The department of commerce shall seek approval for the transfer to the state~~
29 ~~treasurer of twenty cents for each gallon certified by the tax commissioner, from the agricultural~~
30 ~~products utilization commission funding for deposit in the highway tax distribution fund. The~~
31 ~~highway tax distribution fund must be distributed in the manner prescribed by section 54-27-19.~~

1 ~~(Contingent effective date—See note) Transfer, deposit, and distribution of funds.~~
2 Taxes, license fees, penalties, and interest collected under the provisions of this chapter must
3 be transferred to the state treasurer who shall deposit the moneys collected to the highway tax
4 distribution fund. The highway tax distribution fund must be distributed in the manner
5 prescribed by section 54-27-19.

6 **SECTION 8. REPEAL.** Section 39-04.2-03 of the North Dakota Century Code is
7 repealed.