

Sixty-first
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 amend and reenact sections 24-02-44, 39-04-19, 54-27-19, 54-27-19.1,
3 57-43.1-06, and 57-43.2-04.2 of the North Dakota Century Code, relating to authority to borrow
4 for disasters and the collection and distribution of highway funds; to repeal section 39-04.2-03
5 of the North Dakota Century Code, relating to the registration fee for the public transportation
6 fund; and to provide for a transfer.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
9 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
11 other income, to the department of transportation for the purpose of defraying the expenses of
12 the department of transportation, for the biennium beginning July 1, 2009, and ending June 30,
13 2011, as follows:

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	Salaries and wages	\$127,326,239	\$24,194,030	\$151,520,269
17	Operating expenses	174,697,663	29,107,351	203,805,014
18	Capital assets	548,721,098	96,855,896	645,576,994
19	Grants	<u>52,412,500</u>	<u>16,653,601</u>	<u>69,066,101</u>
20	Total special funds	\$903,157,500	\$166,810,878	\$1,069,968,378
21	Full-time equivalent positions	1,052.50	3.00	1,055.50

22 **SECTION 2. APPROPRIATION - TRANSFER - HIGHWAY TAX DISTRIBUTION**

23 **FUND - USE.** There is appropriated out of any moneys in the general fund in the state
24 treasury, not otherwise appropriated, the sum of \$120,000,000 which the office of management

and budget shall transfer to the highway tax distribution fund for the purpose of improving the state's infrastructure for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriations in section 1 and section 2 of this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
Infrastructure restoration transfer	\$0	\$120,000,000
Total general fund	\$0	\$120,000,000

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The department of transportation shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. HIGHWAY FUND APPROPRIATION - ADDITIONAL INCOME APPROPRIATED. The sum of \$417,932,237, included in the estimated income line in section 1 of this Act is from the highway fund and must be used by the department of transportation for purposes authorized by the legislative assembly, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any additional amount in the highway fund that becomes available from state or federal sources is appropriated to the department of transportation for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. FULL-TIME EQUIVALENT EMPLOYEES. The department of transportation may hire additional full-time equivalent positions for highway construction in addition to those authorized by the legislative assembly when it is cost-effective to hire additional positions for construction and maintenance of highways in lieu of entering into contracts for these purposes. The department of transportation shall notify the office of management and budget and report to the legislative council the additional full-time equivalent positions hired.

SECTION 6. LINE ITEM TRANSFERS. The director of the department of transportation may transfer between the operating and capital assets line items in section 1 of

1 this Act when it is cost-effective for construction and maintenance of highways. The
2 department of transportation shall notify the office of management and budget and report to the
3 legislative council any transfers made pursuant to this section.

4 **SECTION 7. FLEET SERVICES FUND - ADDITIONAL INCOME APPROPRIATED.**

5 The sum of \$70,388,921, included in the estimated income line in section 1 of this Act is from
6 the fleet services fund and must be used by the department of transportation for purposes
7 authorized by the legislative assembly, for the biennium beginning July 1, 2009, and ending
8 June 30, 2011. Any additional amount in the fleet services fund that becomes available is
9 appropriated to the department of transportation for the purpose of defraying the expenses of
10 the fleet services program, for the biennium beginning July 1, 2009, and ending June 30, 2011.

11 **SECTION 8. AMENDMENT.** Section 24-02-44 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **24-02-44. Authority to borrow funds for a disaster - Appropriation.** The
14 department of transportation, subject to the approval of the emergency commission, may
15 borrow moneys from the Bank of North Dakota to advance and match federal emergency relief
16 funds. Any moneys borrowed from the Bank of North Dakota pursuant to this section are
17 appropriated. ~~If it appears to the department of transportation that at the end of the biennium~~
18 ~~the amount available to repay the amount borrowed plus interest is insufficient to totally repay~~
19 ~~the Bank of North Dakota, the department of transportation shall request from the legislative~~
20 ~~assembly a deficiency appropriation from the state highway fund sufficient for the repayment of~~
21 ~~the amount borrowed plus interest.~~

22 **SECTION 9. AMENDMENT.** Section 39-04-19 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **39-04-19. Motor vehicle registration fees and mile tax.** Motor vehicles required to
25 pay registration fees or a mile tax shall pay the following fees:

- 26 1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do
27 so by the department, shall pay a fee of twenty dollars for a trip permit which is
28 valid for a period of seventy-two hours. All fees collected under the provisions of
29 this subsection must be credited to the highway construction fund.
- 30 2. Motor vehicles required to be registered in this state must be furnished license
31 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:

YEARS REGISTERED

	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years
Gross Weights				
Less than 3,200	\$70 <u>\$73</u>	\$62 <u>\$65</u>	\$54 <u>\$57</u>	\$46 <u>\$49</u>
3,200 - 4,499	90 <u>93</u>	78 <u>81</u>	66 <u>69</u>	54 <u>57</u>
4,500 - 4,999	108 <u>111</u>	91 <u>94</u>	76 <u>79</u>	60 <u>63</u>
5,000 - 5,999	139 <u>142</u>	117 <u>120</u>	95 <u>98</u>	73 <u>76</u>
6,000 - 6,999	172 <u>175</u>	143 <u>146</u>	114 <u>117</u>	86 <u>89</u>
7,000 - 7,999	205 <u>208</u>	169 <u>172</u>	134 <u>137</u>	99 <u>102</u>
8,000 - 8,999	238 <u>241</u>	196 <u>199</u>	154 <u>157</u>	112 <u>115</u>
9,000 and over	271 <u>274</u>	222 <u>225</u>	174 <u>177</u>	125 <u>128</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:

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>	51 <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>	61 <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>	61 <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>278</u>
38,001 - 42,000	437 <u>440</u>	358 <u>361</u>	317 <u>320</u>

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1	42,001 - 46,000	498 <u>501</u>	406 <u>409</u>	360 <u>363</u>
2	46,001 - 50,000	559 <u>562</u>	455 <u>458</u>	403 <u>406</u>
3	50,001 - 54,000	629 <u>632</u>	513 <u>516</u>	454 <u>457</u>
4	54,001 - 58,000	690 <u>693</u>	562 <u>565</u>	497 <u>500</u>
5	58,001 - 62,000	752 <u>755</u>	611 <u>614</u>	540 <u>543</u>
6	62,001 - 66,000	812 <u>815</u>	659 <u>662</u>	583 <u>586</u>
7	66,001 - 70,000	873 <u>876</u>	708 <u>711</u>	625 <u>628</u>
8	70,001 - 74,000	934 <u>937</u>	757 <u>760</u>	668 <u>671</u>
9	74,001 - 78,000	995 <u>998</u>	806 <u>809</u>	711 <u>714</u>
10	78,001 - 82,000	1,056 <u>1,059</u>	855 <u>858</u>	754 <u>757</u>
11	82,001 - 86,000	1,179 <u>1,182</u>	960 <u>963</u>	841 <u>844</u>
12	86,001 - 90,000	1,301 <u>1,304</u>	1,064 <u>1,067</u>	928 <u>931</u>
13	90,001 - 94,000	1,423 <u>1,426</u>	1,169 <u>1,172</u>	1,015 <u>1,018</u>
14	94,001 - 98,000	1,545 <u>1,548</u>	1,274 <u>1,277</u>	1,103 <u>1,106</u>
15	98,001 - 102,000	1,667 <u>1,670</u>	1,378 <u>1,381</u>	1,190 <u>1,193</u>
16	102,001 - 105,500	1,789 <u>1,792</u>	1,483 <u>1,486</u>	1,277 <u>1,280</u>

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.

YEARS REGISTERED

	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years
Gross Weights				
20,001 - 22,000	\$108 <u>\$111</u>	\$94 <u>\$97</u>	\$80 <u>\$83</u>	\$62 <u>\$65</u>
22,001 - 24,000	113 <u>116</u>	98 <u>101</u>	83 <u>86</u>	64 <u>67</u>
24,001 - 26,000	121 <u>124</u>	104 <u>107</u>	87 <u>90</u>	66 <u>69</u>
26,001 - 28,000	132 <u>135</u>	112 <u>115</u>	93 <u>96</u>	70 <u>73</u>

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1	28,001 - 30,000	141 <u>144</u>	120 <u>123</u>	99 <u>102</u>	74 <u>77</u>
2	30,001 - 32,000	156 <u>159</u>	133 <u>136</u>	110 <u>113</u>	83 <u>86</u>
3	32,001 - 34,000	166 <u>169</u>	141 <u>144</u>	116 <u>119</u>	87 <u>90</u>
4	34,001 - 36,000	176 <u>179</u>	149 <u>152</u>	122 <u>125</u>	91 <u>94</u>
5	36,001 - 38,000	186 <u>189</u>	157 <u>160</u>	128 <u>131</u>	95 <u>98</u>
6	38,001 - 40,000	196 <u>199</u>	165 <u>168</u>	134 <u>137</u>	99 <u>102</u>
7	40,001 - 42,000	206 <u>209</u>	173 <u>176</u>	140 <u>143</u>	103 <u>106</u>
8	42,001 - 44,000	216 <u>219</u>	181 <u>184</u>	146 <u>149</u>	107 <u>110</u>
9	44,001 - 46,000	226 <u>229</u>	189 <u>192</u>	152 <u>155</u>	111 <u>114</u>
10	46,001 - 48,000	236 <u>239</u>	197 <u>200</u>	158 <u>161</u>	115 <u>118</u>
11	48,001 - 50,000	246 <u>249</u>	205 <u>208</u>	164 <u>167</u>	119 <u>122</u>
12	50,001 - 52,000	266 <u>269</u>	223 <u>226</u>	180 <u>183</u>	133 <u>136</u>
13	52,001 - 54,000	276 <u>279</u>	231 <u>234</u>	186 <u>189</u>	137 <u>140</u>
14	54,001 - 56,000	286 <u>289</u>	239 <u>242</u>	192 <u>195</u>	141 <u>144</u>
15	56,001 - 58,000	296 <u>299</u>	247 <u>250</u>	198 <u>201</u>	145 <u>148</u>
16	58,001 - 60,000	306 <u>309</u>	255 <u>258</u>	204 <u>207</u>	149 <u>152</u>
17	60,001 - 62,000	316 <u>319</u>	263 <u>266</u>	210 <u>213</u>	153 <u>156</u>
18	62,001 - 64,000	326 <u>329</u>	271 <u>274</u>	216 <u>219</u>	157 <u>160</u>
19	64,001 - 66,000	336 <u>339</u>	279 <u>282</u>	222 <u>225</u>	161 <u>164</u>
20	66,001 - 68,000	346 <u>349</u>	287 <u>290</u>	228 <u>231</u>	165 <u>168</u>
21	68,001 - 70,000	356 <u>359</u>	295 <u>298</u>	234 <u>237</u>	169 <u>172</u>
22	70,001 - 72,000	366 <u>369</u>	303 <u>306</u>	240 <u>243</u>	173 <u>176</u>
23	72,001 - 74,000	376 <u>379</u>	311 <u>314</u>	246 <u>249</u>	177 <u>180</u>
24	74,001 - 76,000	386 <u>389</u>	319 <u>322</u>	252 <u>255</u>	181 <u>184</u>
25	76,001 - 78,000	396 <u>399</u>	327 <u>330</u>	258 <u>261</u>	185 <u>188</u>
26	78,001 - 80,000	406 <u>409</u>	335 <u>338</u>	264 <u>267</u>	189 <u>192</u>
27	80,001 - 82,000	416 <u>419</u>	343 <u>346</u>	270 <u>273</u>	193 <u>196</u>
28	82,001 - 84,000	426 <u>429</u>	365 <u>368</u>	313 <u>316</u>	269 <u>272</u>
29	84,001 - 86,000	446 <u>449</u>	382 <u>385</u>	327 <u>330</u>	281 <u>284</u>
30	86,001 - 88,000	466 <u>469</u>	399 <u>402</u>	341 <u>344</u>	293 <u>296</u>
31	88,001 - 90,000	486 <u>489</u>	416 <u>419</u>	355 <u>358</u>	305 <u>308</u>

1	90,001 - 92,000	506 <u>509</u>	433 <u>436</u>	369 <u>372</u>	317 <u>320</u>
2	92,001 - 94,000	526 <u>529</u>	450 <u>453</u>	383 <u>386</u>	329 <u>332</u>
3	94,001 - 96,000	546 <u>549</u>	467 <u>470</u>	397 <u>400</u>	341 <u>344</u>
4	96,001 - 98,000	566 <u>569</u>	484 <u>487</u>	411 <u>414</u>	353 <u>356</u>
5	98,001 - 100,000	586 <u>589</u>	501 <u>504</u>	425 <u>428</u>	365 <u>368</u>
6	100,001 - 102,000	606 <u>609</u>	518 <u>521</u>	439 <u>442</u>	377 <u>380</u>
7	102,001 - 104,000	626 <u>629</u>	535 <u>538</u>	453 <u>456</u>	389 <u>392</u>
8	104,001 - 105,500	646 <u>649</u>	552 <u>555</u>	467 <u>470</u>	401 <u>404</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 10. AMENDMENT. Section 54-27-19 of the North Dakota Century Code is amended and reenacted as follows:

54-27-19. Highway tax distribution fund - State treasurer to make allocation to state, counties, and cities. A highway tax distribution fund is created as a special fund in the state treasury into which must be deposited the moneys available by law from collections of motor vehicle registration and related fees, fuels taxes, special fuels taxes, use taxes, and special fuels excise taxes. ~~Any~~ The state treasurer shall transfer the first five million five hundred thousand dollars per biennium from the highway tax distribution fund to the state highway fund for the purpose of providing administrative assistance to other transferees. After the transfer of the first five million five hundred thousand dollars, any moneys in the highway tax distribution fund must be allocated and transferred monthly by the state treasurer, as follows:

- ~~Sixty-three~~ Sixty-one and three-tenths percent ~~of such moneys~~ must be transferred monthly to the state department of transportation and placed in a state highway fund.
- ~~Thirty-seven~~ Two and seven-tenths percent must be transferred monthly to the township highway fund.

3. One and five-tenths percent must be transferred monthly to the public transportation fund.

4. Thirty-four and five-tenths percent of such moneys must be allocated to the counties of this state in proportion to the number of motor vehicle registrations credited to each county. Each county must be credited with the certificates of title of all motor vehicles registered by residents of ~~such~~ the county. The state treasurer shall compute and distribute the counties' share monthly after deducting the incorporated cities' share. All the moneys received by the counties from the highway tax distribution fund must be set aside in a separate fund called the "highway tax distribution fund" and must be appropriated and applied solely for highway purposes in accordance with section 11 of article X of the Constitution of North Dakota. The state treasurer shall compute and distribute monthly the sums allocated to the incorporated cities within each county according to the formula in this subsection on the basis of the per capita population of all of the incorporated cities situated within each county as determined by the last official regular or special federal census or the census taken in accordance with the provisions of chapter 40-02 in case of a city incorporated subsequent to ~~such~~ the census. ~~Provided, however, that~~ However, in each county having a city with a population of ten thousand or more, the amount transferred each month into the county highway tax distribution fund must be the difference between the amount allocated to that county pursuant to this subsection and the total amount allocated and distributed to the incorporated cities in that county as computed according to the following formula:

- a. A statewide per capita average as determined by calculating twenty-seven percent of the amount allocated to all of the counties under this subsection divided by the total population of all of the incorporated cities in the state.
- b. The share distributed to each city in the county having a population of less than one thousand must be determined by multiplying the population of that city by the product of 1.50 times the statewide per capita average computed 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 ~~and an~~ incorporated city may use ~~such the~~ fund for the construction, reconstruction, repair, and
18 maintenance of public highways within or outside ~~such the~~ city pursuant to an agreement
19 entered into between the city and any other political subdivision as authorized by section
20 54-40-08.

21 **SECTION 11. AMENDMENT.** Section 54-27-19.1 of the North Dakota Century Code is
22 amended and reenacted as follows:

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

1 townships ~~shall~~ must provide fifty percent matching funds. The county treasurer shall allocate
2 the funds received to the organized townships in the county which provide fifty percent
3 matching funds based on the length of township roads in each ~~such of those~~ organized
4 ~~township~~ townships compared to the length of all township roads in the county. The funds
5 received must be deposited in the township road and bridge fund and used for highway and
6 bridge purposes. If a county ~~has no~~ does not have organized townships, or has some
7 organized and some unorganized townships, the county shall retain a pro rata portion of the
8 funds received based on the length of roads in unorganized townships compared to the length
9 of township roads in organized townships in the county. Moneys retained by a county for the
10 benefit of unorganized townships under this section must be deposited in the county road and
11 bridge fund. Moneys retained by the county treasurer due to the failure of organized townships
12 to provide required matching funds must be returned to the state treasurer who shall deposit
13 the funds in the highway tax distribution fund. The board of county commissioners shall certify
14 to the state treasurer any change in township road mileage when a change occurs and shall, by
15 July first of each even-numbered year, certify the total number of township road mileage in
16 each of the county's organized and unorganized townships. The state treasurer shall prescribe
17 the form and manner by which the certification is made.

18 **SECTION 12. AMENDMENT.** Section 57-43.1-06 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **57-43.1-06. Refund to prevent taxation by multiple jurisdictions.** Any person to
21 whom motor vehicle fuel is sold on which the tax imposed by this chapter has been paid, who
22 thereafter removes the fuel from this state for sale or resale in another state or to a state which
23 requires payment of a tax upon the use of the fuel in that state, must be granted a refund of the
24 tax that was paid pursuant to this chapter. The refund may be granted only upon application to
25 the commissioner in the manner prescribed by the commissioner and must include proof that
26 fuel for sale or resale in another state was reported to the taxing agency of that state, or in the
27 case of a consumer, proof of payment of the tax imposed by the other state. ~~The refund may~~
28 ~~not be reduced by the one-cent per gallon [3.79 liters] tax designated for the township highway~~
29 ~~aid fund.~~ A claim for refund under this section must be made within one year from the date the
30 fuel was removed to another state for sale, resale, or use in another state.

1 **SECTION 13. AMENDMENT.** Section 57-43.2-04.2 of the North Dakota Century Code
2 is amended and reenacted as follows:

3 **57-43.2-04.2. Refund to prevent taxation by multiple jurisdictions.** Any person to
4 whom special fuel is sold on which the tax imposed by this chapter has been paid, who
5 thereafter removes the fuel from this state for sale or resale in another state or to a state that
6 requires payment of a tax upon the use of the fuel in that state, must be granted a refund of the
7 tax that was paid pursuant to this chapter. The refund may be granted only upon application to
8 the commissioner in the manner prescribed by the commissioner and must include proof that
9 fuel for sale or resale in another state was reported to the taxing agency of that state, or in the
10 case of a consumer, proof of payment of the tax imposed by the other state. ~~The refund may~~
11 ~~not be reduced by the one-cent per gallon [3.79 liters] tax designated for the township highway~~
12 ~~aid fund.~~ A claim for refund under this section must be made within one year from the date the
13 fuel was removed to another state for sale, resale, or use in another state.

14 **SECTION 14. REPEAL.** Section 39-04.2-03 of the North Dakota Century Code is
15 repealed.