

**FIRST ENGROSSMENT - MAJORITY REPORT
with House Amendments**

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 provide an appropriation to the state treasurer; to create and enact a new
3 section to chapter 24-01 and a new section to chapter 54-27 of the North Dakota Century
4 Code, relating to the name of United States Highway 85 and transportation funding reports; to
5 amend and reenact sections 24-02-44, 39-04-19, 39-06-17, 54-27-19, 54-27-19.1, 57-40.3-10,
6 57-43.1-06, and 57-43.2-04.2 of the North Dakota Century Code, relating to authority to borrow
7 for disasters, restricted operators' licenses, and the collection and distribution of highway funds;
8 to repeal section 39-04.2-03 of the North Dakota Century Code, relating to the registration fee
9 for the public transportation fund; to provide for transfers; to provide for legislative council
10 studies; to provide borrowing authority; to provide legislative intent; to provide an effective date;
11 to provide an expiration date; and to declare an emergency.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
14 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, and from special funds derived from federal funds and
16 other income, to the department of transportation for the purpose of defraying the expenses of
17 the department of transportation, for the biennium beginning July 1, 2009, and ending June 30,
18 2011, as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21 Salaries and wages	\$127,326,239	\$20,047,015	\$147,373,254
22 Operating expenses	174,697,663	18,107,351	192,805,014
23 Capital assets	548,721,098	62,167,450	610,888,548
24 Grants	<u>52,412,500</u>	<u>16,653,601</u>	<u>69,066,101</u>

1	Total special funds	\$903,157,500	\$116,975,417	\$1,020,132,917
2	Full-time equivalent positions	1,052.50	2.00	1,054.50

3 **SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS -**

4 **ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the
5 funds as may be necessary, are appropriated from federal funds made available to the state
6 under the federal American Recovery and Reinvestment Act of 2009, not otherwise
7 appropriated, to the department of transportation, for the period beginning with the effective
8 date of this Act and ending June 30, 2011, as follows:

9	Highway infrastructure	\$170,126,497
10	Grants to rural transit programs	<u>5,956,174</u>
11	Total federal funds	\$176,082,671

12 The department of transportation may seek emergency commission and budget section
13 approval under chapter 54-16 for authority to spend any additional federal funds received under
14 the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts
15 appropriated under this section, for the period beginning with the effective date of this Act and
16 ending June 30, 2011.

17 Any federal funds appropriated under this section are not a part of the agency's 2011-13
18 base budget. Any program expenditures made with these funds will not be replaced with state
19 funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer
20 available.

21 **SECTION 3. APPROPRIATION - TRANSFER - HIGHWAY TAX DISTRIBUTION**

22 **FUND - EXCEPTION.** There is appropriated out of any moneys in the general fund in the state
23 treasury, not otherwise appropriated, the sum of \$75,000,000, which the office of management
24 and budget shall transfer to the highway tax distribution fund during the biennium beginning
25 July 1, 2009, and ending June 30, 2011. Notwithstanding section 54-27-19, the state treasurer
26 may not distribute the funds transferred to the highway tax distribution fund under this section
27 except as provided under section 4 of this Act or as determined by the sixty-second legislative
28 assembly. The funds transferred under this section are available for use as determined by the
29 sixty-second legislative assembly for transportation purposes or for other state government
30 programs based on anticipated revenues and appropriations of the general fund and state

1 highway fund for the 2011-13 biennium. The appropriation provided in this section is
2 considered one-time funding.

3 **SECTION 4. APPROPRIATION - STATE TREASURER - WEATHER-RELATED**

4 **COST-SHARING PROGRAM.** There is appropriated out of any moneys in the general fund in
5 the state treasury, not otherwise appropriated, the sum of \$20,000,000, or so much of the sum
6 as may be necessary, to the state treasurer for the purpose of providing weather-related
7 cost-sharing funds to political subdivisions, for the period beginning with the effective date of
8 this Act and ending June 30, 2009. The state treasurer shall distribute the funds appropriated
9 under this section to political subdivisions before June 30, 2009, as follows:

- 10 1. Fifty percent to townships in accordance with the formula used to distribute funds
11 to townships under section 54-27-19.1, except that organized townships are not
12 required to provide matching funds to receive distributions under this section.
- 13 2. Five percent equally among the incorporated cities.
- 14 3. Forty-five percent to counties and cities in accordance with the formula used to
15 distribute funds to counties and cities under subsection 2 of section 54-27-19.

16 **SECTION 5. FEDERAL HIGHWAY EMERGENCY RELIEF FUNDING - LOCAL**

17 **MATCHING - EXCEPTION - REPORTING.** A political subdivision receiving federal emergency
18 relief funding for road repairs or improvements may apply to the department of emergency
19 services for reimbursement of up to fifty percent of the local match required to receive the
20 federal emergency relief funding. The department of emergency services shall review requests
21 for reimbursement and provide a listing of approved requests to the state treasurer.
22 Notwithstanding section 54-27-19, the state treasurer shall distribute funding for each approved
23 reimbursement request to the respective political subdivision from funds transferred to the
24 highway tax distribution fund under section 3 of this Act, for the biennium beginning July 1,
25 2009, and ending June 30, 2011. Each political subdivision requesting reimbursement under
26 this section must submit the request in accordance with rules developed by the department of
27 emergency services by February 1, 2010, for calendar year 2009 projects and by February 1,
28 2011, for calendar year 2010 projects. The department of emergency services shall report to
29 the budget section regarding the amount and use of funds provided for calendar year 2009 and
30 shall report to the sixty-second legislative assembly regarding the amount and use of funds for
31 calendar year 2010.

SECTION 6. POLITICAL SUBDIVISIONS - FEDERAL EMERGENCY RELIEF

FUNDING - BORROWING AUTHORITY. A political subdivision may borrow funds from the Bank of North Dakota for the purpose of providing up to fifty percent of the matching funds required to receive federal emergency relief funding for road projects or up to five percent of the total road project amount for which federal emergency relief funding is to be received, whichever is less, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. HIGHWAY FUNDING - ONE-TIME FUNDING. Any highway funding received by the state, counties, cities, and townships in excess of the amounts received through distributions from the highway tax distribution fund under section 54-27-19 or existing federal highway aid programs is considered one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LINE ITEM TRANSFERS. The director of the department of transportation may transfer between the operating and capital assets line items in section 1 of this Act when it is cost-effective for construction and maintenance of highways. The department of transportation shall notify the office of management and budget and report to the legislative council any transfers made pursuant to this section.

SECTION 9. A new section to chapter 24-01 of the North Dakota Century Code is created and enacted as follows:

Theodore Roosevelt expressway - United States highway 85. Notwithstanding any previous designation, the department shall designate United States highway 85 as the Theodore Roosevelt expressway and at a minimum shall place signs along the highway designating that name and may use any appropriate signs donated to the department."

SECTION 10. AMENDMENT. Section 24-02-44 of the North Dakota Century Code is amended and reenacted as follows:

24-02-44. Authority to borrow funds for a disaster - Appropriation. The department of transportation, subject to the approval of the emergency commission, may borrow moneys from the Bank of North Dakota to advance and match federal emergency relief funds. Any moneys borrowed from the Bank of North Dakota pursuant to this section are appropriated. ~~If it appears to the department of transportation that at the end of the biennium the amount available to repay the amount borrowed plus interest is insufficient to totally repay the Bank of North Dakota, the department of transportation shall request from the legislative~~

~~assembly a deficiency appropriation from the state highway fund sufficient for the repayment of the amount borrowed plus interest.~~

SECTION 11. 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:

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>	94 <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	274 <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>	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>

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1	14,001 - 16,000	98 <u>101</u>	85 <u>88</u>	74 <u>77</u>	59 <u>62</u>	58 <u>61</u>
2	16,001 - 18,000	403 <u>106</u>	90 <u>93</u>	78 <u>81</u>	64 <u>64</u>	60 <u>63</u>
3	18,001 - 20,000	406 <u>109</u>	93 <u>96</u>	80 <u>83</u>	62 <u>65</u>	64 <u>64</u>

YEARS REGISTERED

5		1st, 2nd, 3rd,	8th, 9th, 10th,	13th and
6	Gross	4th, 5th, 6th,	11th, and	Subsequent
7	Weights	and 7th Years	12th Years	Years
8	20,001 - 22,000	\$136 <u>\$139</u>	\$110 <u>\$113</u>	\$97 <u>\$100</u>
9	22,001 - 26,000	488 <u>191</u>	458 <u>161</u>	442 <u>145</u>
10	26,001 - 30,000	249 <u>252</u>	207 <u>210</u>	185 <u>188</u>
11	30,001 - 34,000	315 <u>318</u>	260 <u>263</u>	232 <u>235</u>
12	34,001 - 38,000	376 <u>379</u>	309 <u>312</u>	275 <u>278</u>
13	38,001 - 42,000	437 <u>440</u>	358 <u>361</u>	317 <u>320</u>
14	42,001 - 46,000	498 <u>501</u>	406 <u>409</u>	360 <u>363</u>
15	46,001 - 50,000	559 <u>562</u>	455 <u>458</u>	403 <u>406</u>
16	50,001 - 54,000	629 <u>632</u>	513 <u>516</u>	454 <u>457</u>
17	54,001 - 58,000	690 <u>693</u>	562 <u>565</u>	497 <u>500</u>
18	58,001 - 62,000	752 <u>755</u>	614 <u>614</u>	540 <u>543</u>
19	62,001 - 66,000	812 <u>815</u>	659 <u>662</u>	583 <u>586</u>
20	66,001 - 70,000	873 <u>876</u>	708 <u>711</u>	625 <u>628</u>
21	70,001 - 74,000	934 <u>937</u>	757 <u>760</u>	668 <u>671</u>
22	74,001 - 78,000	995 <u>998</u>	806 <u>809</u>	711 <u>714</u>
23	78,001 - 82,000	1,056 <u>1,059</u>	855 <u>858</u>	754 <u>757</u>
24	82,001 - 86,000	1,179 <u>1,182</u>	960 <u>963</u>	841 <u>844</u>
25	86,001 - 90,000	1,301 <u>1,304</u>	1,064 <u>1,067</u>	928 <u>931</u>
26	90,001 - 94,000	1,423 <u>1,426</u>	1,169 <u>1,172</u>	1,015 <u>1,018</u>
27	94,001 - 98,000	1,545 <u>1,548</u>	1,274 <u>1,277</u>	1,103 <u>1,106</u>
28	98,001 - 102,000	1,667 <u>1,670</u>	1,378 <u>1,381</u>	1,190 <u>1,193</u>
29	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

7		1st, 2nd,	7th and	9th and	11th and
8	Gross	3rd, 4th, 5th,	8th	10th	Subsequent
9	Weights	and 6th Years	Years	Years	Years
10	20,001 - 22,000	\$108 <u>\$111</u>	\$94 <u>\$97</u>	\$80 <u>\$83</u>	\$62 <u>\$65</u>
11	22,001 - 24,000	443 <u>116</u>	98 <u>101</u>	83 <u>86</u>	64 <u>67</u>
12	24,001 - 26,000	424 <u>124</u>	104 <u>107</u>	87 <u>90</u>	66 <u>69</u>
13	26,001 - 28,000	432 <u>135</u>	112 <u>115</u>	93 <u>96</u>	70 <u>73</u>
14	28,001 - 30,000	444 <u>144</u>	120 <u>123</u>	99 <u>102</u>	74 <u>77</u>
15	30,001 - 32,000	456 <u>159</u>	133 <u>136</u>	110 <u>113</u>	83 <u>86</u>
16	32,001 - 34,000	466 <u>169</u>	144 <u>144</u>	116 <u>119</u>	87 <u>90</u>
17	34,001 - 36,000	476 <u>179</u>	149 <u>152</u>	122 <u>125</u>	94 <u>94</u>
18	36,001 - 38,000	486 <u>189</u>	157 <u>160</u>	128 <u>131</u>	95 <u>98</u>
19	38,001 - 40,000	496 <u>199</u>	165 <u>168</u>	134 <u>137</u>	99 <u>102</u>
20	40,001 - 42,000	206 <u>209</u>	173 <u>176</u>	140 <u>143</u>	103 <u>106</u>
21	42,001 - 44,000	216 <u>219</u>	184 <u>184</u>	146 <u>149</u>	107 <u>110</u>
22	44,001 - 46,000	226 <u>229</u>	189 <u>192</u>	152 <u>155</u>	114 <u>114</u>
23	46,001 - 48,000	236 <u>239</u>	197 <u>200</u>	158 <u>161</u>	115 <u>118</u>
24	48,001 - 50,000	246 <u>249</u>	205 <u>208</u>	164 <u>167</u>	119 <u>122</u>
25	50,001 - 52,000	266 <u>269</u>	223 <u>226</u>	180 <u>183</u>	133 <u>136</u>
26	52,001 - 54,000	276 <u>279</u>	234 <u>234</u>	186 <u>189</u>	137 <u>140</u>
27	54,001 - 56,000	286 <u>289</u>	239 <u>242</u>	192 <u>195</u>	144 <u>144</u>
28	56,001 - 58,000	296 <u>299</u>	247 <u>250</u>	198 <u>201</u>	145 <u>148</u>
29	58,001 - 60,000	306 <u>309</u>	255 <u>258</u>	204 <u>207</u>	149 <u>152</u>
30	60,001 - 62,000	316 <u>319</u>	263 <u>266</u>	210 <u>213</u>	153 <u>156</u>
31	62,001 - 64,000	326 <u>329</u>	274 <u>274</u>	216 <u>219</u>	157 <u>160</u>

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1	64,001 - 66,000	336 <u>339</u>	279 <u>282</u>	222 <u>225</u>	464 <u>164</u>
2	66,001 - 68,000	346 <u>349</u>	287 <u>290</u>	228 <u>231</u>	465 <u>168</u>
3	68,001 - 70,000	356 <u>359</u>	295 <u>298</u>	234 <u>237</u>	469 <u>172</u>
4	70,001 - 72,000	366 <u>369</u>	303 <u>306</u>	240 <u>243</u>	473 <u>176</u>
5	72,001 - 74,000	376 <u>379</u>	311 <u>314</u>	246 <u>249</u>	477 <u>180</u>
6	74,001 - 76,000	386 <u>389</u>	319 <u>322</u>	252 <u>255</u>	481 <u>184</u>
7	76,001 - 78,000	396 <u>399</u>	327 <u>330</u>	258 <u>261</u>	485 <u>188</u>
8	78,001 - 80,000	406 <u>409</u>	335 <u>338</u>	264 <u>267</u>	489 <u>192</u>
9	80,001 - 82,000	416 <u>419</u>	343 <u>346</u>	270 <u>273</u>	493 <u>196</u>
10	82,001 - 84,000	426 <u>429</u>	351 <u>354</u>	313 <u>316</u>	269 <u>272</u>
11	84,001 - 86,000	446 <u>449</u>	382 <u>385</u>	327 <u>330</u>	281 <u>284</u>
12	86,001 - 88,000	466 <u>469</u>	399 <u>402</u>	341 <u>344</u>	293 <u>296</u>
13	88,001 - 90,000	486 <u>489</u>	416 <u>419</u>	355 <u>358</u>	305 <u>308</u>
14	90,001 - 92,000	506 <u>509</u>	433 <u>436</u>	369 <u>372</u>	317 <u>320</u>
15	92,001 - 94,000	526 <u>529</u>	450 <u>453</u>	383 <u>386</u>	329 <u>332</u>
16	94,001 - 96,000	546 <u>549</u>	467 <u>470</u>	397 <u>400</u>	341 <u>344</u>
17	96,001 - 98,000	566 <u>569</u>	484 <u>487</u>	411 <u>414</u>	353 <u>356</u>
18	98,001 - 100,000	586 <u>589</u>	501 <u>504</u>	425 <u>428</u>	365 <u>368</u>
19	100,001 - 102,000	606 <u>609</u>	518 <u>521</u>	439 <u>442</u>	377 <u>380</u>
20	102,001 - 104,000	626 <u>629</u>	535 <u>538</u>	453 <u>456</u>	389 <u>392</u>
21	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 12. AMENDMENT. Section 39-06-17 of the North Dakota Century Code is amended and reenacted as follows:

39-06-17. Restricted licenses - Penalty for violation.

1. The director, upon issuing an operator's license or a temporary restricted operator's license pursuant to section 39-06.1-11, has authority to impose

1 restrictions suitable to the licensee's driving ability with respect to the type of or
2 special mechanical control devices required on a motor vehicle which the licensee
3 may operate or such other restrictions applicable to the licensee as the director
4 may determine to be appropriate to assure the safe operation of a motor vehicle by
5 the licensee.

6 2. The director may either issue a special restricted license or may set forth such
7 restrictions upon the usual license form. The director shall likewise restrict
8 licenses pursuant to the requirements of section 39-16.1-09.

9 3. A restricted operator's license or permit to operate the parent's or guardian's
10 automobile, or an automobile which is equipped with dual controls and while
11 accompanied by a qualified instructor, may be issued to any child, who is at least
12 fourteen years of age, and otherwise qualified, upon the written recommendation
13 of the parent or guardian. A child may operate an automobile that is not the
14 parent's or guardian's to take the road test. No operator's license may be issued
15 until the child, accompanied by the parent or guardian, appears in person and
16 satisfies the director that:

- 17 a. The child is at least fourteen years of age.
18 b. The child is qualified to operate an automobile safely.
19 c. It is necessary for the child to drive the parent's or guardian's automobile
20 without being accompanied by an adult.
21 d. The child has:
22 (1) Completed a course of classroom instruction and a course of
23 behind-the-wheel instruction acceptable to the director; or
24 (2) Successfully completed a course at an approved commercial driver
25 training school.
26 e. The child has driving experience of at least one hour at night, one hour during
27 winter conditions, and one hour on a gravel, dirt, or loose surface highway to
28 which the parent or guardian of the child must attest.

29 The parent or guardian at all times is responsible for any and all damages growing
30 out of the negligent operation of a motor vehicle by any such child. The provisions
31 of this subsection do not authorize the child to drive a commercial truck, motorbus,

or taxicab except the holder of a class D license, fourteen or fifteen years of age, may drive a farm motor vehicle having a gross weight of fifty thousand pounds [22679.62 kilograms] when used to transport agricultural products, farm machinery, or farm supplies to or from a farm when so operated within one hundred fifty miles [241.40 kilometers] of the driver's farm.

4. The director may upon receiving satisfactory evidence of any violation of the restrictions of such license suspend or revoke the same but the licensee is entitled to a hearing as upon a suspension or revocation under this chapter.

5. It is a class B misdemeanor for any person to operate a motor vehicle in any manner in violation of the restrictions imposed in a restricted license issued to that person other than restrictions imposed under subsection 6. If the restricted license was issued under section 39-06.1-11 and the underlying suspension was imposed for a violation of section 39-08-01 or equivalent ordinance, or is governed by chapter 39-20, punishment is as provided in subsection 2 of section 39-06-42 and upon receiving notice of the conviction the director shall revoke, without opportunity for hearing, the licensee's restricted license and shall extend the underlying suspension for a like period of not more than one year. The director may not issue a restricted license for the extended period of suspension imposed under this subsection. If the conviction referred to in this section is reversed by an appellate court, the director shall restore the person to the status held by the person prior to the conviction, including restoration of driving privileges if appropriate.

6. A restricted license issued under subsection 3 to a child at least fourteen years of age to operate a parent's or guardian's automobile authorizes the licenseholder to drive the type or class of motor vehicle specified on the restricted license only under the following conditions:

- a. A restricted licenseholder must be in possession of the license while operating the motor vehicle.
- b. An individual holding a restricted driver's license driving a motor vehicle may not carry more passengers than the vehicle manufacturer's suggested passenger capacity.

1 **SECTION 13. AMENDMENT.** Section 54-27-19 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-27-19. Highway tax distribution fund - State treasurer to make allocation to**
4 **state, counties, and cities.** A highway tax distribution fund is created as a special fund in the
5 state treasury into which must be deposited the moneys available by law from collections of
6 motor vehicle registration and related fees, fuels taxes, special fuels taxes, use taxes, and
7 special fuels excise taxes. ~~Any~~ The state treasurer shall transfer the first five million five
8 hundred thousand dollars per biennium from the highway tax distribution fund to the state
9 highway fund for the purpose of providing administrative assistance to other transferees. After
10 the transfer of the first five million five hundred thousand dollars, any moneys in the highway
11 tax distribution fund must be allocated and transferred monthly by the state treasurer, as
12 follows:

- 13 1. ~~Sixty-three Sixty-one and four-tenths percent of such moneys~~ must be transferred
14 monthly to the state department of transportation and placed in a state highway
15 fund.
- 16 2. ~~Thirty-seven~~ Two and seven-tenths percent must be transferred monthly to the
17 township highway fund.
- 18 3. One and four-tenths percent must be transferred monthly to the public
19 transportation fund.
- 20 4. Thirty-four and five-tenths percent of such moneys must be allocated to the
21 counties of this state in proportion to the number of motor vehicle registrations
22 credited to each county. Each county must be credited with the certificates of title
23 of all motor vehicles registered by residents of ~~such~~ the county. The state
24 treasurer shall compute and distribute the counties' share monthly after deducting
25 the incorporated cities' share. All the moneys received by the counties from the
26 highway tax distribution fund must be set aside in a separate fund called the
27 "highway tax distribution fund" and must be appropriated and applied solely for
28 highway purposes in accordance with section 11 of article X of the Constitution of
29 North Dakota. The state treasurer shall compute and distribute monthly the sums
30 allocated to the incorporated cities within each county according to the formula in
31 this subsection on the basis of the per capita population of all of the incorporated

1 cities situated within each county as determined by the last official regular or
2 special federal census or the census taken in accordance with the provisions of
3 chapter 40-02 in case of a city incorporated subsequent to ~~such~~ the census.
4 ~~Provided, however, that~~ However, in each county having a city with a population of
5 ten thousand or more, the amount transferred each month into the county highway
6 tax distribution fund must be the difference between the amount allocated to that
7 county pursuant to this subsection and the total amount allocated and distributed
8 to the incorporated cities in that county as computed according to the following
9 formula:

- 10 a. A statewide per capita average as determined by calculating twenty-seven
11 percent of the amount allocated to all of the counties under this subsection
12 divided by the total population of all of the incorporated cities in the state.
- 13 b. The share distributed to each city in the county having a population of less
14 than one thousand must be determined by multiplying the population of that
15 city by the product of 1.50 times the statewide per capita average computed
16 under subdivision a.
- 17 c. The share distributed to each city in the county having a population of one
18 thousand to four thousand nine hundred ninety-nine, inclusive, must be
19 determined by multiplying the population of that city by the product of 1.25
20 times the statewide per capita average computed under subdivision a.
- 21 d. The share distributed to each city in the county having a population of five
22 thousand or more must be determined by multiplying the population of that
23 city by the statewide per capita average for all such cities, which per capita
24 average must be computed as follows: the total of the shares computed
25 under subdivisions b and c for all cities in the state having a population of less
26 than five thousand must be subtracted from the total incorporated cities' share
27 in the state as computed under subdivision a and the balance remaining must
28 then be divided by the total population of all cities of five thousand or more in
29 the state.

30 The moneys allocated to the incorporated cities must be distributed to them monthly by the
31 state treasurer and must be deposited by the cities in a separate fund and may only be used in

accordance with section 11 of article X of the Constitution of North Dakota; ~~provided, that any~~
~~and an~~ incorporated city may use ~~such the~~ fund for the construction, reconstruction, repair, and
maintenance of public highways within or outside ~~such the~~ city pursuant to an agreement
entered into between the city and any other political subdivision as authorized by section
54-40-08.

SECTION 14. AMENDMENT. Section 54-27-19.1 of the North Dakota Century Code is
amended and reenacted as follows:

54-27-19.1. Township highway aid fund - Distribution. ~~Notwithstanding any other~~
~~provision of law, one cent per gallon [3.79 liters] of the tax imposed by sections 57-43.1-02 and~~
~~57-43.2-02 may not be refunded and the proceeds must be distributed as provided in this~~
~~section. The tax commissioner shall transfer the proceeds of one cent per gallon [3.79 liters] of~~
~~the tax imposed by sections 57-43.1-02 and 57-43.2-02 to the state treasurer who shall deposit~~
~~the proceeds in a township highway aid fund in the state treasury. The state treasurer shall no~~
less than quarterly allocate and distribute all moneys in the township highway aid fund to the
counties of the state based on the length of township roads in each county compared to the
length of all township roads in the state. To receive any funds under this section, organized
townships ~~shall~~ must provide fifty percent matching funds. The county treasurer shall allocate
the funds received to the organized townships in the county which provide fifty percent
matching funds based on the length of township roads in each ~~such of those~~ organized
~~township townships~~ compared to the length of all township roads in the county. The funds
received must be deposited in the township road and bridge fund and used for highway and
bridge purposes. If a county ~~has no~~ does not have organized townships, or has some
organized and some unorganized townships, the county shall retain a pro rata portion of the
funds received based on the length of roads in unorganized townships compared to the length
of township roads in organized townships in the county. Moneys retained by a county for the
benefit of unorganized townships under this section must be deposited in the county road and
bridge fund. Moneys retained by the county treasurer due to the failure of organized townships
to provide required matching funds must be returned to the state treasurer who shall deposit
the funds in the highway tax distribution fund. The board of county commissioners shall certify
to the state treasurer any change in township road mileage when a change occurs and shall, by
July first of each even-numbered year, certify the total number of township road mileage in

each of the county's organized and unorganized townships. The state treasurer shall prescribe the form and manner by which the certification is made.

SECTION 15. AMENDMENT. Section 57-43.1-06 of the North Dakota Century Code is amended and reenacted as follows:

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

SECTION 16. AMENDMENT. Section 57-43.2-04.2 of the North Dakota Century Code is amended and reenacted as follows:

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

SECTION 17. A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

1 **Report on transportation funding and expenditures.** Each county, city, and
2 township shall provide to the tax commissioner an annual report on funding and expenditures
3 relating to transportation projects and programs. The report must be provided within thirty-one
4 days after the close of a calendar year. The report must contain by fund the beginning balance,
5 revenues by major source, expenditures by major category, the ending balance, and any other
6 information requested by the tax commissioner.

7 **SECTION 18. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-40.3-10. (Effective through June 30, 2009 2011) Transfer of revenue.** All
10 moneys collected and received under this chapter after moneys are deposited in the state aid
11 distribution fund under section 57-39.2-26.1 must be transmitted monthly by the director of the
12 department of transportation to the state treasurer to be transferred and credited as follows:

- 13 1. Ten percent to the highway fund.
14 2. ~~Ninety~~ Ten percent to the highway tax distribution fund.
15 3. Eighty percent to the state general fund.

16 **(Effective after June 30, 2009 2011) Transfer of revenue.** All moneys collected and
17 received under this chapter must be transmitted monthly by the director of the department of
18 transportation to the state treasurer to be transferred and credited to the general fund.

19 **SECTION 19. LEGISLATIVE COUNCIL STUDY - FARGO DISTRICT OFFICE SITE.**
20 During the 2009-10 interim, the legislative council shall consider studying the feasibility and
21 desirability of relocating the Fargo district office facility. The study, if conducted, must include a
22 review of the estimated value of the current site property, the best use of the current property,
23 and potential locations for a new district office facility. The legislative council shall report its
24 findings and recommendations, together with any legislation required to implement the
25 recommendations, to the sixty-second legislative assembly.

26 **SECTION 20. LEGISLATIVE COUNCIL STUDY - FEDERAL TRANSPORTATION**
27 **MATCHING FUNDS.** During the 2009-10 interim, the legislative council shall consider studying
28 the potential options for matching federal highway construction funding. The legislative council
29 shall report its findings and recommendations, together with any legislation required to
30 implement the recommendations, to the sixty-second legislative assembly.

1 **SECTION 21. LEGISLATIVE INTENT - HIGHWAY-RELATED FUNDING**

2 **ALLOCATIONS.** It is the intent of the sixty-first legislative assembly that the department of
3 transportation allocate highway-related funding to township, city, county, and state road
4 projects to the extent possible in a proportion similar to distribution proportions of state highway
5 tax distribution fund allocations to these entities for the biennium beginning July 1, 2009, and
6 ending June 30, 2011.

7 **SECTION 22. REPEAL.** Section 39-04.2-03 of the North Dakota Century Code is
8 repealed.

9 **SECTION 23. EMERGENCY.** Sections 2 and 4 of this Act are declared to be an
10 emergency measure.