

2011 HOUSE TRANSPORTATION

HB 1089

2011 HOUSE STANDING COMMITTEE MINUTES

House Transportation Committee Fort Totten Room, State Capitol

HB 1089
01/07/2011
#12639

☐ Conference Committee

Committee Clerk Signature

Jeanette Cook

Explanation or reason for introduction of bill/resolution:

This bill clarifies the current method of distribution to counties with no cities populated by 10,000 or greater.

Minutes:

Testimony attachment #1.

Chairman Ruby asked for testimony in support of HB 1089.

Carlee McLeod, Deputy Treasurer for the Office of State Treasurer, presented testimony in support of HB 1089. See attachment #1.

Vice Chairman Weiler: What is the method of distribution currently for counties with populations under 10K?

Carlee McLeod: It is strictly by a per capita basis within the county. The reason that this language is important is that counties with cities of 10,000 or more are handled a bit differently to offer fairness to the smaller cities within that county. With the counties with no cities over 10,000 it is just a straight per capita for the distribution.

Chairman Ruby: What effect will that have on small towns in the communities? Will they see improvement in what they get or a reduction?

Carlee McLeod: There will be no effect at all. This language merely reflects how it is being done at the present time. It strengthens the language to satisfy the auditor's office.

There was no further support for HB 1089.

There was no opposition to HB 1089.

The hearing for HB 1089 was closed.

Representative R. Kelsch: I was aware of the audit. This was one of a few bills that the treasurer's office will have to address. Some of the elements, or discrepancies, that were found in the audit were easy enough to rectify through legislation.

Chairman Ruby: Since you were on that committee, how was it interpreted to do it this way before, without this language?

Representative R. Kelsch: I'm not sure.

Carlee McLeod: The auditor's office didn't feel that this was interpreted differently. Prior, this was actually an informal recommendation in our audit. They merely said that we need to put language back in to handle the counties with no cities of 10,000 or more. That was as far as they went.

Chairman Ruby: This is truly a clean-up bill.

Representative Weisz moved a **DO PASS** on HB 1089.

Representative Frantsvog seconded the motion.

A roll call vote was taken. **Aye 13 Nay 0 Absent 1**

Representative Frantsvog will carry HB 1442..

FISCAL NOTE
Requested by Legislative Council
03/17/2011

Amendment to: HB 1089

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides a clarification of language relating to distribution of the highway tax to counties having no cities with population of 10,000 or more. There is no fiscal impact to this bill.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This bill has no fiscal impact.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

This bill does not affect revenues.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

This bill does not affect expenditures.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

This bill has no appropriation.

Name:	Carlee McLeod	Agency:	Office of State Treasurer
Phone Number:	328-2643	Date Prepared:	03/17/2011

FISCAL NOTE

Requested by Legislative Council
12/21/2010

Bill/Resolution No.: HB 1089

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides a clarification of language relating to distribution of the highway tax to counties having no cities with population of 10,000 or more. There is no fiscal impact to this bill.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This bill has no fiscal impact.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

This bill does not affect revenues.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

This bill does not affect expenditures.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

This bill has no appropriation.

Name:	Carlee McLeod	Agency:	Office of State Treasurer
Phone Number:	328-2643	Date Prepared:	12/21/2010

Date: 1-7-11

Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 108^a

House TRANSPORTATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Weisz Seconded By Frantsvog

Representatives	Yes	No	Representatives	Yes	No
Chairman Ruby	X		Representative Delmore	A	
Vice Chairman Weiler	X		Representative Gruchalla	X	
Representative Frantsvog	X		Representative Hogan	X	
Representative Heller	X		Representative Onstad	X	
Representative R. Kelsch	X				
Representative Louser	X				
Representative Owens	X				
Representative Sukut	X				
Representative Vigesaa	X				
Representative Weisz	X				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Frantsvog

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1089: Transportation Committee (Rep. Ruby, Chairman) recommends **DO PASS**
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1089 was placed on the
Eleventh order on the calendar.

2011 SENATE TRANSPORTATION

HB 1089

2011 SENATE STANDING COMMITTEE MINUTES

Senate Transportation Committee
Lewis and Clark Room, State Capitol

HB 1089
March 10, 2011
15250

☐ Conference Committee



Explanation or reason for introduction of bill/resolution:

The bill clarifies the current method of distribution to counties with no cities populated by 10,000 or greater. This clarification supplies the language that reflects the current method of distribution.

Minutes:

One written testimony

Vice Chairman Senator Oehlke opened the hearing on HB 1089 relating to the highway tax distribution fund.

Carlee McLeod, Deputy Treasurer for the Office of State Treasurer testified in support of HB 1089 and offered an amendment relating to the effective dates of the federal census numbers. Written testimony # 1

Senator Nodland asked if they assumed there would be changes in some areas with the census.

Ms. McLeod replied that with the population changing by 30,000 people, we will have some changes in some areas. She said there was another piece of legislation, SB 2253 that talks about freezing population for state aid distribution until they can figure out what the effect is.

No opposing testimony.

No neutral testimony.

Senator Oehlke closed the hearing on HB 1089.

Senator Lee resumed the chairmanship.

Senator Nething moved to adopt the amendment.

Seconded by **Senator Oehlke**.

Roll call vote: 6-0-0. **Amendment adopted.**

Senator Oehlke moved a **Do Pass as Amended**.

Senator Mathern seconded the motion.

Roll call vote: 6-0-0. **Motion passed.**

Carrier is **Senator Oehlke**.

Date: 3 - 10 - 11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1089

Senate Transportation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Nething Seconded By Senator Oehlke

Senators	Yes	No	Senators	Yes	No
Chairman Gary Lee	✓		Senator Tim Mathern	✓	
Vice Chairman Dave Oehlke	✓				
Senator Dave Nething	✓				
Senator George Nodland	✓				
Senator Margaret Sitte	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-10-11
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1089

Senate Transportation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Oehlke Seconded By Senator Mathern

Senators	Yes	No	Senators	Yes	No
Chairman Gary Lee	✓		Senator Tim Mathern	✓	
Vice Chairman Dave Oehlke	✓				
Senator Dave Nething	✓				
Senator George Nodland	✓				
Senator Margaret Sitte	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Oehlke

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1089: Transportation Committee (Sen. G. Lee, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1089 was placed on the Sixth order on the calendar.

Page 1, line 1, after "to" insert "create and enact a new section to chapter 54-27 of the North Dakota Century Code, relating to effective dates of federal census data for use in tax distributions made by the state treasurer; to"

Page 1, line 2, after "fund" insert "; and to declare an emergency"

Page 3, after line 18, insert:

"SECTION 2. A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

Effective date of census data - Tax distributions.

Unless otherwise provided by law, the effective date for federal decennial census data on any population-based tax distributions made by the state treasurer is July first following the release of the federal decennial census data.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

2011 TESTIMONY

HB 1089

#1



Kelly L. Schmidt
State Treasurer

STATE OF NORTH DAKOTA

OFFICE OF STATE TREASURER

STATE CAPITOL, 600 E. BOULEVARD AVE., DEPT 120, BISMARCK, NORTH DAKOTA 58505-0600

701-328-2643 FAX 701-328-3002

<http://www.treasurer.nd.gov>

**House Bill 1089
Testimony in Support
Committee: House Transportation
Date: January 7, 2011
Carlee McLeod
Deputy Treasurer**

Mr. Chairman, members of the committee:

For the record, I am Carlee McLeod, Deputy Treasurer for the Office of State Treasurer. I am here in support of HB 1089 relating to distribution of highway funds to counties.

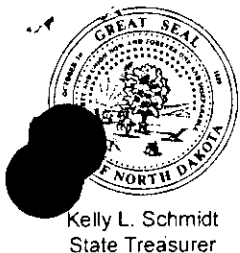
The State Auditor's Office has asked that we clarify the language of North Dakota Century Code 54-27-19.

This bill clarifies the current method of distribution to counties with no cities populated by 10,000 or greater. This proposed clarification supplies the language that reflects the current method of distribution.

There is no fiscal note attached to this bill.

We ask this committee for a DO PASS on this clarification.

Thank you.



STATE OF NORTH DAKOTA

OFFICE OF STATE TREASURER

STATE CAPITOL, 600 E. BOULEVARD AVE., DEPT 120, BISMARCK, NORTH DAKOTA 58505-0600

701-328-2643 FAX 701-328-3002

<http://www.treasurer.nd.gov>

#1

House Bill 1089
Testimony in Support
Committee: Senate Transportation
Date: March 10, 2011
Carlee McLeod
Deputy Treasurer

Mr. Chairman, members of the committee:

For the record, I am Carlee McLeod, Deputy Treasurer for the Office of State Treasurer. I am here in support of HB 1089 relating to distribution of highway funds to counties.

The State Auditor's Office has asked that we clarify the language of North Dakota Century Code 54-27-19.

This bill clarifies the current method of distribution to counties with no cities populated by 10,000 or greater. This proposed clarification supplies the language that reflects the current method of distribution.

There is a fiscal note attached to this bill. However, there is no fiscal impact.

Additionally, we offer an amendment to this bill relating to the effective dates of the federal census numbers. We have attached the amendment to this bill because this is a population based distribution.

In December 2010, state population totals were released for the 2010 federal census. However, we are still waiting for political subdivision numbers, which should be released in the next month. According to an analysis by our assistant attorney general, the federal census numbers are considered effective upon publication unless there is a state law providing an effective date for any parts of their application. Logistically, it will take our office time to put these numbers into effect, so upon the advice from our assistant attorney general, our office policy was to make the numbers effective with the beginning of the fiscal year on July 1, 2011. However, upon advice from counsel, an effective date should be set in code. Providing an effective date consistent with the beginning of the fiscal year after publication will provide consistency throughout our tax distributions so that political subdivisions know what effect the numbers will have on their revenue streams. Also, since the tax distributions lag behind the taxable event approximately two months, the effective date of July 1 for distribution will be consistent with the taxable events occurring at the time of publication.

It should be noted that there is another bill providing for a population freeze for a particular tax distribution. The wording of this amendment would have no effect on other specific laws passed regarding the effective populations; it would only serve as the default effective date unless other sections of NDCC provide otherwise.

We ask this committee for a DO PASS on this clarification.

Thank you.

Proposed amendment to HB 1089

Page 1, line 2, insert, "to create and enact a new section of chapter 54-27 relating to effective dates of Federal census numbers for use in tax distributions made by the state treasurer, to provide an effective date, and to declare an emergency."

Page 3, after line 18, insert:

SECTION 2. AMENDMENT. A new section of chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

"Unless otherwise provided by North Dakota Century Code, the effective date for Federal decennial census numbers on any population based tax distributions made by the Office of State Treasurer shall be July 1 following the release of the numbers by the Federal Census Bureau."

SECTION 3. EFFECTIVE DATE. This Act becomes effective March 1, 2011.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.