

HB 1394

**North Dakota Department of Transportation
In Support Of**

Senate Appropriations Committee

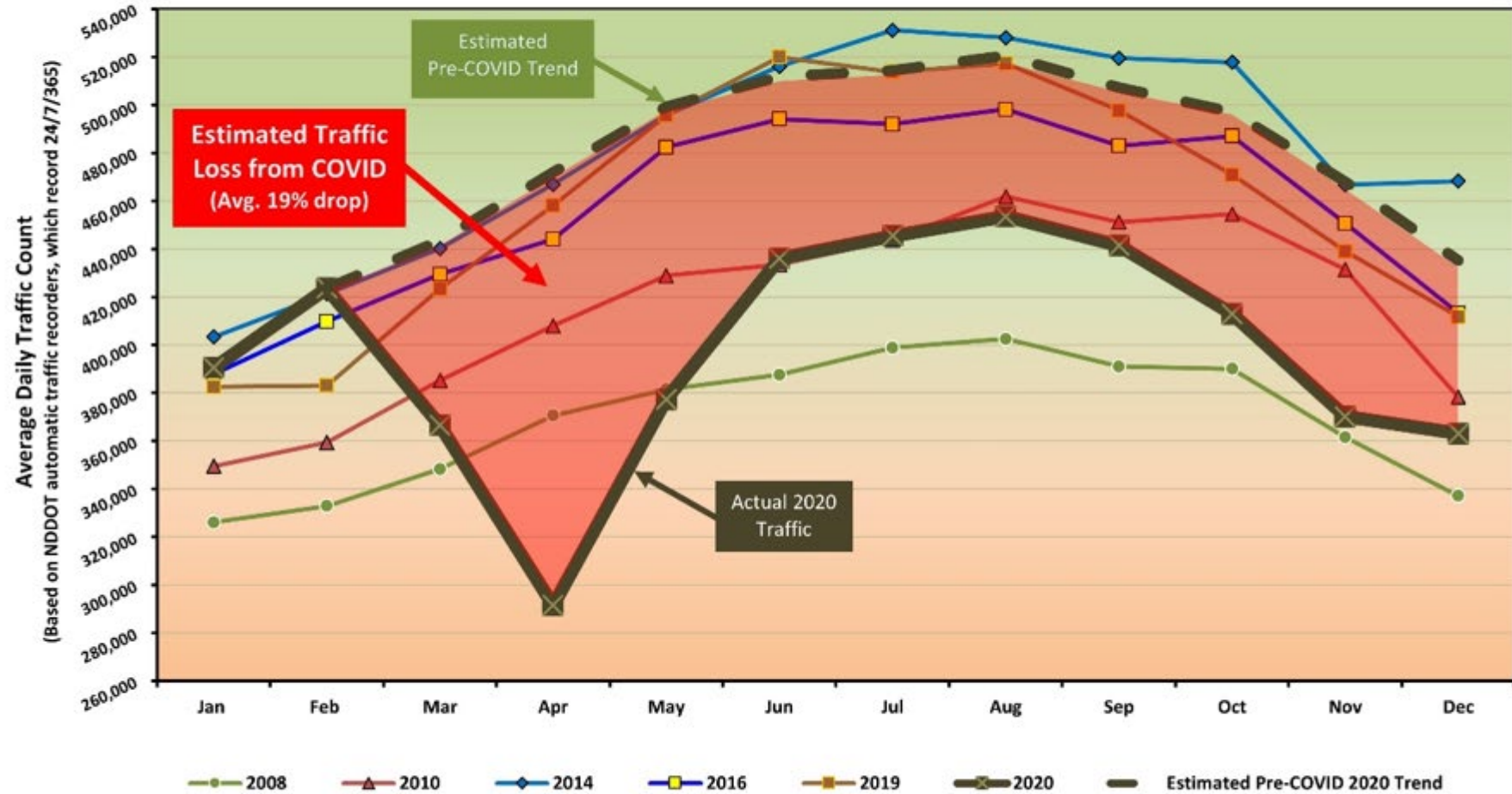
March 26, 2021



Thank You



Statewide Average Daily Traffic Count (All NDDOT Automatic Traffic Recorders)



HB 1394 – Section 1

SECTION 1. APPROPRIATION

DEPARTMENT OF TRANSPORTATION

| | |
|----------------------------------------|---------------------|
| COVID-19 Enhanced Mobility Services | \$115,202 |
| COVID-19 Surface Transportation Grants | <u>\$61,584,858</u> |
| Total Federal Funds | \$61,700,060 |

H.R. 133 provided infrastructure funding that is:

- Eligible for **100% federal funding** (no local match required).
- Shared with local partners (cities and counties).
- Available for expanded uses, unlike traditional federal funding.
- Must be obligated by September 30, 2024.
- Must be spent by September 30, 2029.

Immediate Impact

The NDDOT has projects ready to bid or actively bidding which can immediately utilize these funds:

| Program | Location | Types of Work |
|---------|----------------------------------|------------------------------------------------------------------------------------------------------------------|
| Rural | S JCT ND 8 TO JCT ND 49 - BEULAH | MILL/OL 2" MAX Bikeway/Walkway, Curb & Gutter, Storm Sewer, ADA Ramp Rev, Pave Mark, Lighting, Landscaping |
| Urban | 4TH ST (2ND AVE W TO MAIN ST) | GRADE/AGGR SURF |
| County | 3 MI N OF LEMMON, N | MILL AND OVERLAY 2" MAX |
| Rural | SD LINE TO SELFRIDGE | Mill/OI 2" Max |
| Rural | S JCT 83 TO E JCT 41 - MERCER | Mill/OI 2" Max |
| Rural | RAUB E TO JCT 28 | Milling, HBP, Shoulder Repair |
| County | CMC 0930 & CMC 0941 | MILL AND OVERLAY 2" MAX |
| Rural | S GOLVA TO 4 WAY STOP IN BEACH | CHIP SEAL COAT |
| County | COUNTYWIDE | Cement Treated Base, HBP, Chip Seal Coat |
| County | I-94, N & E TO MEDINA | CHIP SEAL COAT |
| County | ND 200 N TO CMC 1602 | HOT BITUMINOUS SURFACING |
| County | 2 MI S OF CHRISTINE, S | CHIP SEAL COAT |
| County | COUNTYWIDE | AGGREGATE SURFACING |
| County | CO LINE, S 7 MI | CHIP SEAL COAT |
| County | MAXBASS, N 3MI & MAXBASS, E 2MI | |

Summary

Built by generations of North Dakotans over that last 122 years, our transportation system is a key component to our economy and daily life.

To raise our families, support our businesses, and remain globally competitive, we'll need to maintain a sound and integrated transportation system.

We request the House Appropriations Committee expedite the approval of HB 1394 with the emergency clause with a **do pass** recommendation today.

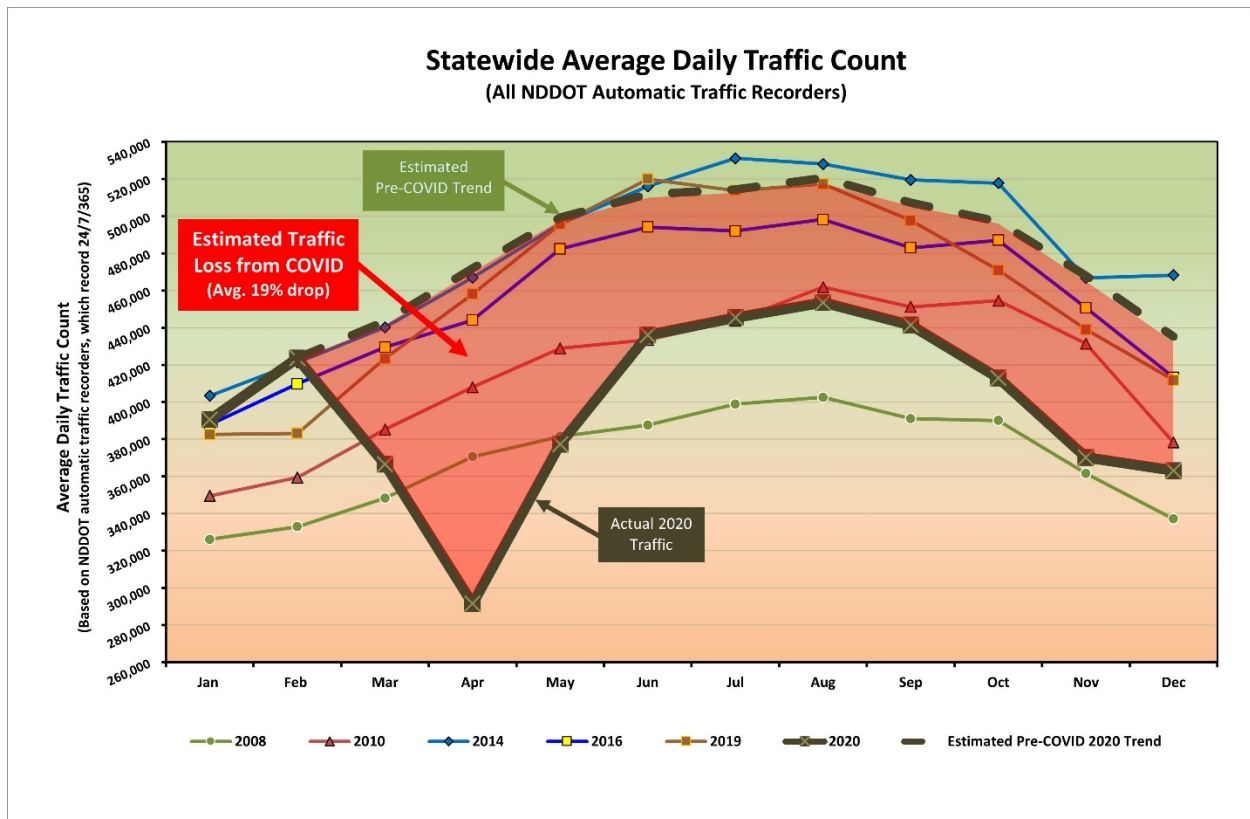


Questions?

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White Paper COVID Relief Funds March 25, 2021

With the recent passage of H.R. 133, Consolidated Appropriations Act, 2021, the State of North Dakota received Highway Infrastructure funding in the amount of \$61,584,858. These funds are eligible for up to 100% federal funding (no local match required) and must be Obligated by September 30, 2024 and spent by September 30, 2029. These funds were intended to supplement the loss in revenue states experienced because of the decrease in traffic caused by the Pandemic. Below is a chart showing approximately how much traffic was down in ND in 2020 compared to a normal year.



Along with the decrease in traffic comes a decrease in fuel consumption which results in less gas taxes being paid. It is estimated that current gas tax collections will be down by approximately \$41.3 Million during the 2019-2021 Biennium. These gas taxes would have gone into the Highway Tax Distribution Fund and would have been distributed to the Counties, Cities, Townships, Transit and the NDDOT. As a result, each of these agencies has had to deal with lower than anticipated revenues resulting from the Pandemic.

Since the intent of these funds was to supplement the loss in revenue states experienced due to the Pandemic, the NDDOT made the decision to share the \$61.58 Million that we received with our Local Government partners based on our current practices. The funds will be split as follows:

- 76.9% State = \$47.35 Million
- 15.2% Cities above 5,000 in population = \$9.36 Million
- 7.9% Counties = \$4.86 Million

Notes: Transit received funding as part of the CARES Act and as a special allocation in H.R. 133. These funds are subject to all existing rules and regulations contained in Title 23 of the CFR & USC.

In addition to the traditional uses that federal funds can be used for, H.R. 133 expanded the allowable use of these federal funds to include:

- Preventive Maintenance
- Routine Maintenance
- Operations
- Personnel (Including Salaries of Employees)
- Contractors
- Debt Service payments
- Availability Payments
- Coverage for other revenue losses

While H.R. 133 does allow for the funds to be spent on the above listed items, no regulations have yet been published on what is required in order to use the funds on those items. The NDDOT continues to work with our local FHWA office to make sure all the funds are appropriated correctly.