

Introduced by

Senators Wanzek, Thomas, Weber

Representatives Brandenburg, Headland, Schreiber-Beck

1 A BILL for an Act to create and enact a new section to chapter 54-27 of the North Dakota
2 Century Code, relating to a township road and bridge sustainability fund; to amend and reenact
3 section 57-40.3-10 of the North Dakota Century Code, relating to motor vehicle excise tax
4 allocations; to provide a continuing appropriation; and to provide an effective date.

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

6 **SECTION 1.** A new section to chapter 54-27 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Township road and bridge sustainability fund - State treasurer - Continuing**
9 **appropriation.**

- 10 1. There is created a township road and bridge sustainability fund in the state treasury.
11 The fund consists of all revenue deposited in the fund under section 57-40.3-10. All
12 moneys in the fund are appropriated to the state treasurer on a continuing basis for
13 allocations to townships located in non-oil-producing counties for road and bridge
14 infrastructure projects under this section.
- 15 2. To be eligible for an allocation under this section:
- 16 a. An organized township located in a non-oil-producing county shall submit an
17 annual certification to the state treasurer in the form and manner prescribed by
18 the state treasurer regarding the number of township road miles in the township
19 as of December thirty-first of the prior year, the balance of the township's general
20 fund as of December thirty-first of the prior year, and the total number of mills
21 levied by the township under section 57-15-20 in the prior taxable year.
- 22 b. A non-oil-producing county with unorganized townships shall submit an annual
23 certification to the state treasurer in the form and manner prescribed by the state

- 1 treasurer regarding the number of township road miles in all the unorganized
2 townships within the county as of December thirty-first of the prior year.
- 3 3. At least quarterly, the state treasurer shall distribute the moneys in the fund to
4 non-oil-producing counties for the benefit of eligible organized and unorganized
5 townships located within each non-oil-producing county for road and bridge
6 infrastructure projects.
- 7 a. The distribution to each non-oil-producing county is the sum of the allocations for
8 each eligible organized or unorganized township within the county.
- 9 b. The allocation to each eligible organized or unorganized township located in a
10 non-oil-producing county must be proportional to the township's road miles
11 relative to the total township road miles of all the eligible townships. When
12 processing the allocations during each fiscal year, the state treasurer shall
13 exclude the following from the allocation:
- 14 (1) An organized township that did not maintain any township roads as of
15 December thirty-first of the prior year, had a general fund balance exceeding
16 one hundred thousand dollars as of December thirty-first of the prior year,
17 was not levying at least eighteen mills under section 57-15-20 in the prior
18 taxable year, or did not properly submit the annual certification required
19 under subsection 2.
- 20 (2) An unorganized township for which a non-oil-producing county did not
21 maintain any township roads as of December thirty-first of the prior year or
22 did not properly submit the annual certification required under subsection 2.
- 23 c. The amount allocated to organized townships under this subsection must be paid
24 by the county treasurer to each organized township, and the amount allocated to
25 unorganized townships under this subsection must be credited by the county
26 treasurer to a special fund for unorganized township roads.
- 27 d. The allocations under this section must be used for road and bridge infrastructure
28 projects.
- 29 4. For purposes of this section:
- 30 a. "Non-oil-producing county" means a county that received no allocation of funding
31 or a total allocation of less than five million dollars under subsection 2 of section

1 57-51-15 in the most recently completed even-numbered fiscal year before the
2 start of each biennium.

3 b. "Road and bridge infrastructure projects" means projects associated with the
4 construction of new unpaved and paved road and bridge infrastructure or
5 associated with the maintenance, repair, or replacement of existing unpaved and
6 paved road and bridge infrastructure.

7 **SECTION 2. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-40.3-10. Transfer of revenue.**

10 After the deposits under sections 57-39.2-26.1, 57-39.2-26.2, and 57-39.2-26.3, moneys
11 collected and received under this chapter must be deposited monthly in the state treasury and
12 allocated as follows:

- 13 1. FiftyTwenty-five percent to the general township road and bridge sustainability fund
14 under section 2 of this Act; and
- 15 2. The remaining fiftyseventy-five percent to the flexible transportation fund under section
16 24-02-37.3.

17 **SECTION 3. EFFECTIVE DATE.** Section 2 of this Act is effective for motor vehicle excise
18 tax collections transmitted to the state treasurer after July 31, 2025.