

Testimony Prepared for the
Senate Finance and Taxation Committee

March 24, 2025

By: John Saiki, Morton County Engineer & NDACE Legislative Committee



RE: Support for HB 1382 – Relating to Special Fuel Excise Tax for County/City/Township Road Fund

Chairman Weber and members of the Senate Finance and Taxation Committee, thank you for the opportunity to provide testimony on HB 1382. I am John Saiki, the Morton County Engineer, and I also serve as a member of the legislative committee for the ND Association of County Engineers (NDACE).

NDACE is in favor of this bill as presented. Infrastructure needs continue to increase throughout the state, at all levels of local government, City, Township and County. Legislation such as the Prairie Dog Bill have helped make improvements, but it is only a part of the answer. In Morton County, we are facing increased costs, whether for bridge maintenance and replacements or gravel. We have almost 200 bridges, many of oldest bridges are approaching the end of their lives at about the same time, which makes prioritizing replacements a challenge. Gravel is becoming more scarce in the County and is more localized, so when we crush gravel in a location there are significantly higher trucking costs to get the gravel where it is needed. In addition, equipment costs increase, as does fuel and labor, insurance and general overhead. All making maintenance and repairs more challenging.

This bill with the new section 3 will provide additional stable funding using the distribution formula, helping especially the non-oil producing counties, such as Morton. With passage of HB 1065, Morton County will see a significant decrease in our funding for highways in our unorganized Townships. Morton County has only one organized Township and the remaining unorganized Townships are rural with a relatively low number of roadway miles. The funding from this bill will help in offsetting the loss in funding based on HB 1065.

Like sales tax, this will be paid by both visitors and residents, so the cost is shared. Since travelers visiting North Dakota use our road and bridge infrastructure, it makes sense to have the visitors contribute for the maintenance and improvements to our infrastructure.

Chairman Weber and committee members, I want to reiterate that we support the bill as written. Approving these changes will mean additional funding and enable Local Highway Departments an opportunity to better schedule maintenance and improve our aging infrastructure.