

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1012 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Department of Transportation			
Salaries and wages	\$106,357,711	\$105,222,404	(\$1,135,307)
Operating expenses	124,852,369	122,902,369	(1,950,000)
Capital assets	459,496,984	512,175,642	52,678,658
Grants	44,085,503	44,085,503	
Total all funds	<u>\$734,792,567</u>	<u>\$784,385,918</u>	<u>\$49,593,351</u>
Less estimated income	<u>734,792,567</u>	<u>784,385,918</u>	<u>49,593,351</u>
General fund	\$0	\$0	\$0
FTE	1046.00	1046.00	0.00
Bill Total			
Total all funds	\$734,792,567	\$784,385,918	\$49,593,351
Less estimated income	<u>734,792,567</u>	<u>784,385,918</u>	<u>49,593,351</u>
General fund	\$0	\$0	\$0
FTE	1046.00	1046.00	0.00

House Bill No. 1012 - Department of Transportation - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$106,357,711	(\$1,027,153)	\$105,330,558
Operating expenses	124,852,369	(11,600,000)	113,252,369
Capital assets	459,496,984	11,600,000	471,096,984
Grants	44,085,503		44,085,503
Total all funds	<u>\$734,792,567</u>	<u>(\$1,027,153)</u>	<u>\$733,765,414</u>
Less estimated income	<u>734,792,567</u>	<u>(1,027,153)</u>	<u>733,765,414</u>
General fund	\$0	\$0	\$0
FTE	1046.00	0.00	1046.00

Department No. 801 - Department of Transportation - Detail of House Changes

	Line Item Funding Shift¹	Removes Recommended Salary Increase²	Total House Changes
Salaries and wages		(\$1,027,153)	(\$1,027,153)
Operating expenses	(11,600,000)		(11,600,000)
Capital assets	11,600,000		11,600,000
Grants			
Total all funds	\$0	(\$1,027,153)	(\$1,027,153)
Less estimated income	0	(1,027,153)	(1,027,153)
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Appropriates funding for highway maintenance projects that are eligible for federal reimbursement in the capital assets line item rather than the operating expenses line item.

² This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance.

House Bill No. 1012 - Department of Transportation - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$106,357,711	\$105,330,558	(\$108,154)	\$105,222,404
Operating expenses	124,852,369	113,252,369	9,398,218	122,650,587
Capital assets	459,496,984	471,096,984	41,078,658	512,175,642
Grants	44,085,503	44,085,503		44,085,503
Total all funds	<u>\$734,792,567</u>	<u>\$733,765,414</u>	<u>\$50,368,722</u>	<u>\$784,134,136</u>
Less estimated income	<u>734,792,567</u>	<u>733,765,414</u>	<u>50,368,722</u>	<u>784,134,136</u>
General fund	\$0	\$0	\$0	\$0
FTE	1046.00	1046.00	0.00	1046.00

Department No. 801 - Department of Transportation - Detail of Senate Changes

	Adds Highway Construction Funding ¹	Adds Federal Highway Funding ²	Adds Funding for Highway Projects ³	Reduces the Recommended Funding for Health Insurance ⁴	Reduces Funding for Information Technology Costs ⁵	Total Senate Changes
Salaries and wages				(\$108,154)		(\$108,154)
Operating expenses	10,000,000				(601,782)	9,398,218
Capital assets	33,750,000	7,100,000	228,658			41,078,658
Grants						
Total all funds	<u>\$43,750,000</u>	<u>\$7,100,000</u>	<u>\$228,658</u>	<u>(\$108,154)</u>	<u>(\$601,782)</u>	<u>\$50,368,722</u>
Less estimated income	<u>43,750,000</u>	<u>7,100,000</u>	<u>228,658</u>	<u>(108,154)</u>	<u>(601,782)</u>	<u>50,368,722</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ The capital assets line item is increased by \$33,750,000 for highway construction projects and the operating expenses line item is increased by \$10,000,000 for costs relating to consulting engineers. These increases reflect federal highway construction funding available to North Dakota of \$182.5 million for each year of the 2003-05 biennium, an increase of \$17.5 million per year compared to the \$165 million per year anticipated in the executive budget and House version. Of the total increase of \$43,750,000, \$35,000,000 is federal funds and \$8,750,000 is from the highway fund.

² The capital assets line item is increased by \$7,100,000 of federal funds for highway projects that do not require a state match.

³ The capital assets line item is increased by \$228,658 to utilize federal funding (\$182,926) and related state matching funds (\$45,732) removed by the House for the state employee salary increase for highway construction projects.

⁴ Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

⁵ This amendment reduces funding for information technology by \$601,782 of special funds which represents a reduction in information technology funding of approximately 4 percent.

Sections are added increasing motor vehicle registration fees by \$3 per year. For the 2001-03 biennium, \$2 of each motor vehicle registration fee is being deposited directly in the highway fund rather than in the highway tax distribution fund. This amendment increases the amount deposited directly into the highway fund by \$2 to \$4 and removes the expiration date of June 30, 2005, for this allocation.

A section is added authorizing the department to acquire land to eliminate no-mow or managed-mow areas along state highways.

A section is added delaying the effective date from January 1, 2004, to January 1, 2006, of a section allowing a landowner owning land next to a no-mow or managed-mow area to hay the no-mow or managed-mow area after July 15 without payment or penalty.

House Bill No. 1012 - Department of Transportation - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$106,357,711	\$105,330,558	(\$108,154)	\$105,222,404	\$105,222,404	
Operating expenses	124,852,369	113,252,369	9,650,000	122,902,369	122,650,587	251,782
Capital assets	459,496,984	471,096,984	41,078,658	512,175,642	512,175,642	
Grants	44,085,503	44,085,503		44,085,503	44,085,503	
Total all funds	<u>\$734,792,567</u>	<u>\$733,765,414</u>	<u>\$50,620,504</u>	<u>\$784,385,918</u>	<u>\$784,134,136</u>	<u>\$251,782</u>
Less estimated income	<u>734,792,567</u>	<u>733,765,414</u>	<u>50,620,504</u>	<u>784,385,918</u>	<u>784,134,136</u>	<u>251,782</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	1046.00	1046.00	0.00	1046.00	1046.00	0.00

Department No. 801 - Department of Transportation - Detail of Conference Committee Changes

	Adds Highway Construction Funding ¹	Adds Federal Highway Funding ²	Adds Funding for Highway Projects ³	Reduces the Recommended Funding for Health Insurance ⁴	Reduces Funding for Information Technology Costs ⁵	Total Conference Committee Changes
Salaries and wages				(\$108,154)		(\$108,154)
Operating expenses	10,000,000				(350,000)	9,650,000
Capital assets	33,750,000	7,100,000	228,658			41,078,658
Grants						
Total all funds	<u>\$43,750,000</u>	<u>\$7,100,000</u>	<u>\$228,658</u>	<u>(\$108,154)</u>	<u>(\$350,000)</u>	<u>\$50,620,504</u>
Less estimated income	<u>43,750,000</u>	<u>7,100,000</u>	<u>228,658</u>	<u>(108,154)</u>	<u>(350,000)</u>	<u>50,620,504</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ The capital assets line item is increased by \$33,750,000 for highway construction projects, and the operating expenses line item is increased by \$10 million for costs relating to consulting engineers. These increases reflect federal highway construction funding available to North Dakota of \$182.5 million for each year of the 2003-05 biennium, an increase of \$17.5 million per year compared to the \$165 million per year anticipated in the executive budget and House version. Of the total increase of \$43,750,000, \$35 million is from federal funds and \$8,750,000 is from the highway fund. The Senate also made these changes.

² The capital assets line item is increased by \$7,100,000 of federal funds for highway projects that do not require a state match, the same as the Senate version.

³ The capital assets line item is increased by \$228,658 to utilize federal funding (\$182,926) and related state matching funds (\$45,732) removed by the House for the state employee salary increase for highway construction projects. The Senate also made this change.

⁴ Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

⁵ This amendment reduces funding for information technology by \$350,000 of special funds.

Sections are added increasing motor vehicle registration fees by \$3 per year. Of the \$3 increase, \$2 is deposited in the highway tax distribution fund and \$1 in the highway fund. For the 2001-03 biennium, \$2 of each motor vehicle registration fee is being deposited directly in the highway fund rather than in the highway tax distribution fund. This amendment increases the amount deposited directly into the highway fund by \$1 to \$3 and removes the expiration date of June 30, 2005, for this allocation. The Senate had increased motor vehicle registration fees by \$3, but deposited \$1 in the highway tax distribution fund and \$2 in the highway fund.

A section is added authorizing the department to acquire land to eliminate no-mow or managed-mow areas along state highways, the same as the Senate version.

A section is added delaying the effective date from January 1, 2004, to January 1, 2006, of a section allowing a landowner owning land next to a no-mow or managed-mow area to hay the no-mow or managed-mow area after July 15 without payment or penalty, the same as the Senate version.

A section is added as an emergency, setting the speed limit on paved two-lane county and township highways at fifty-five miles an hour unless posted differently.