

**2023 SENATE FINANCE AND TAXATION**

**SB 2275**

# 2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee  
Fort Totten Room, State Capitol

SB 2275  
1/24/2023

Relating to the state share of oil and gas taxes.

**9:00 AM Chairman Kannianen** opens hearing.

Senators Present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

**Discussion Topics:**

- Road material
- Prairie Dog Fund management
- Fund benefactors
- Formula Clarification

**9:00 AM Senator Wanzek** introduced bill.

**9:07 AM Donnell Preskey, North Dakota Association of Counties,** testified verbally in favor.

**9:11 AM John Saiki, Morton Town Engineer,** in favor #15492

**9:17 AM Matt Gardner, Director of Government affair at the greater ND Chamber,** verbally in favor.

**9:19 AM Jim Neubauer, City Administrator for Mandan,** in favor #15679

**9:24 AM Shane Goettle, NDAA - ND Airport Association,** verbally in favor.

**9:26 AM Ryan Riesinger, President of ND Airport Association,** in favor #15810

**9:26 AM Chairman Kannianen** adjourned meeting.

**Additional written testimony:**

Vicki Horst #15503

Monte Erhardt #15625

Todd Feland #15631

Anthony Dudas #15647

Jennifer Gast #15698

Senate Finance and Taxation Committee

SB 2275

01/24/2023

Page 2

Shawn Dobberstein #15712

Tom Knakmuhs #15765

Philip Murphy #15770

Mike Krumwiede #15974

Becky Hagel #16014

Casey Krieg #16043

Tina Fisk #16147

*Nathan Liesen, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee  
Fort Totten Room, State Capitol

SB 2275  
1/24/2023

Relating to the state share of oil and gas taxes.
---

**10:26 AM Chairman Kannianen** opens hearing.

Senators Present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

**Discussion Topics:**

- Road material
- Prairie Dog Fund management
- Fund benefactors
- Formula Clarification

**10:26 AM Scott Meske, ND Transportation Coalition**, in favor #15943

**10:28 AM Matt Perdue, ND Farmers Union - Government Relations Director**, in favor.  
#15749

**10:31 AM Larry Syverson, Executive Secretary of the North Dakota Township Officers Association**, in favor #16153

**10:35 AM Amanda Remyse, North Dakota Motor Carriers Association**, verbally in favor.

**10:36 AM Chairman Kannianen** adjourned hearing.

*Nathan Liesen, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Finance and Taxation Committee**  
Fort Totten Room, State Capitol

SB 2275  
2/1/2023

Relating to the state share of oil and gas taxes.
---

**2:00 PM Chairman Kannianen** opened meeting.

Senators present: **Kannianen, Weber, Patten, Piepkorn, Rummel, Magrum**

**Discussion Topics:**

- Oil and gas tax buckets
- Funds

**2:01 PM Brett Bogar, Senate Republican Coccus**, verbally provided Information.

**2:40 PM Chairman Kannianen** adjourned meeting.

*Nathan Liesen, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2275  
2/7/2023

Relating to the state share of oil and gas taxes.

**9:57 AM Chairman Kannianen** opens hearing.

Senators present: **Senators Kannianen, Weber, Patten, Rummel, Piepkorn.**

Senator absent: **Senator Magrum** **Senator Magrum** joined the meeting at 10:38 AM.

### Discussion Topics:

- State budget
- Prairie dog bill

**10:15 AM Senator Piepkorn** motioned Do Not Pass.

**10:15 AM Senator Rummel** seconded.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	N
Senator Jeffery J. Magrum	AB
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Motion held open 4-1-1 for Senator Magrum

**10:18 AM Chairman Kannianen** recessed the meeting.

**10:38 AM Chairman Kannianen** reconvened the meeting.

**10:38 AM Senator Magrum** joined the meeting and voted.

Final roll call vote.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	N
Senator Jeffery J. Magrum	N
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Motion passed 4-2-0

**10:39 AM Senator Piepkorn** will carry.

**10:39 AM Chairman Kannianen** adjourns meeting.

(Committee reconsiders on 2-7-2023 at 10:40 AM)

*Nathan Liesen, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2275  
2/7/2023

Relating to the state share of oil and gas taxes.
---

**10:44 AM Chairman Kannianen** opens hearing.

Senator present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

### Discussion Topics:

- Committee action

**10:44 AM Senator Patten** motioned to reconsider.

**10:44 AM Senator Magrum** seconded.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Motion passed 6-0-0

**10:45 AM Senator Piepkorn** motioned a Do Not Pass.

**10:45 AM Senator Rummel** seconded.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	N
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Motion passed 5-1-0

**10:47 AM Senator Piepkorn** will carry.

**10:47 AM Chairman Kannianen** adjourned meeting.

*Nathan Liesen, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**SB 2275: Finance and Taxation Committee (Sen. Kannianen, Chairman)** recommends **DO NOT PASS** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2275 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.

**TESTIMONY**

**SB 2275**

Testimony Prepared for the  
**Senate Finance and Taxation Committee**

January 24, 2023

By: John Saiki, Morton County Engineer

**RE: Support SB 2275 – Relating to removal of the \$400 million SIIF bucket right before the Prairie Dog Bucket.**

Chairman Kannianen and Senate Finance and Taxation Committee members, thank you for the opportunity to provide testimony on SB 2275. I am John Saiki, the Morton County Engineer. I am here to support the bill as proposed.

I have worked for the Morton County Highway Department as the County Engineer for almost 5 years.

Morton County is the seventh largest county in the State of North Dakota encompassing 1,936 square miles and a population of 31,000. The Highway Department maintains approximately 1,200 miles of roadway, 108 miles of paved highways, with the remainder gravel. The gravel roads range from collectors, County Routes which are maintained, to section line roads, which are considered minimum maintenance roads. The Highway Department maintains 187 bridges, many of which are aging. The majority of our bridges are timber bridges and are approaching the end of their operational lives. Morton County is not an oil producing county, so our revenues are limited to motor fuel taxes and tax levies. We are managing our limited funds to maintain and repair what we have, both roadways and bridges.

Gravel is an important commodity, one that is found in the County. The cost involved is the crushing of the gravel. We have a plan for crushing, for the next five years. The issue is with limited funds, we crush a limited amount each year despite the fact that more potential gravel is located at the selected location. Gravel crushing is an item where we see an increase in cost per cubic yard, each year. It would be beneficial to crush more gravel at each setting at the current bid price rather than multiple settings over several years.

In regard to bridges, the only answer is to replace many of them. We currently have two bridges - one posted at 12 tons, the other 9 tons and one is eligible for Federal Funding. The issue is the construction cost is estimated at over \$5,000,000. Our 20% match is still \$1,000,000 for one bridge. In the past, this bridge was used to move ag products. Now legal loads, 80,000 pounds, cannot be carried on this bridge, which is a real hardship for many of the farmers and ranchers in the area. Many of the bridges were designed and built 50 or more years ago, when traffic was less, smaller and much lighter. Morton County currently has 71 posted bridges, with postings ranging from 3 tons to 20 tons.

Our County Commission is very understanding regarding the cost of maintenance and repair. They have been very good about maintaining our budget and providing modest increases. Unfortunately, with fuel, equipment repairs and purchases, the amount of money available for

road and bridge maintenance has remained the same or slightly decreased due to inflation. The Prairie Dog funding is an opportunity to crush more gravel, improve our roads and replace or repair additional bridges. We recently received our first Prairie Dog distribution, which is very helpful with our transportation plan and we are thankful for these funds, although our needs continue. The timing of the next distribution of funds is unclear, but by removing the \$400 million SIIF bucket, the likelihood of Prairie Dog funds being a more consistent funding stream would be greatly improved and appreciated.

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

# City of Glen Ullin



*Gateway to the Heart Butte Dam*  
This institution is an equal opportunity provider

Mayor: Audrey Duppong  
Auditor: Vicki Horst  
Attorney: Justin J Hagel

President: Doug Martwick  
Vice-President: Chasity Orcutt  
Kevin Emter  
Wayne Fitterer  
Wade Kottre  
Brent Swanson

January 23, 2023

Senate Finance & Taxation  
Committee Members

RE: SB2275 In favor

The City of Glen Ullin would like you to place the city infrastructure buckets before the SIIF Fund as Operation Prairie Dog fund was originally set up.

The City of Glen Ullin works hard to find grants and other money to fix our aging infrastructure and this was supposed to be a source of income we could use to provide cost share for many grants.

With an aging population and nonoil producing town, we struggle as so many other towns do. This program was a long awaited program that has now let us down. Please vote in favor of this bill. Thank you for your consideration.

Sincerely,

Vicki Horst, City Auditor



146 Main Street E. Box 717 Hazen, North Dakota 58545  
Phone (701) 748-2550 Fax 748-2559  
Email hazennd@westriv.com

*A proud heritage - A promising future*

January 23, 2023

Senator Kannianen, Senator Weber, Senator Magrum, Senator Patten, Senator Piepkorn & Senator Rummel  
Senate Finance and Taxation Committee

Re: SB 2275

I am contacting the committee in support of SB 2275 allocating funds to the municipal infrastructure fund prior to funding the Strategic Investment and Improvement Fund.

The City of Hazen, Mercer County ND, has an estimated population of 2,440 residents, with many fixed income households. We, unlike many cities our size and smaller, are very fortunate to have a strong agricultural and energy production industry in our area, which is most beneficial in selecting, and funding, projects for the benefit of our citizens.

Operation Prairie Dog has been a vital piece of our project funding as other revenues continue to decrease, and costs increase. We were able to use these funds to meet the majority of the city's cost-share requirements for our water storage tank replacement project, that addressed low pressure areas of our city to ensure proper fire flow, in case of emergency.

We are in the process of updating our comprehensive plan, in conjunction with developing a strategic economic development plan, and have created a Capital Improvement Project list with some high priority needs, such as sanitary sewer review, cleaning, and repairs. As well as completing our inventory of lead water service lines for replacement and also to achieve compliance with the Backflow Prevention Cross-Contamination Program. Federal funds and Prairie Dog funds are vital to these projects as we work to keep costs to our citizens at a minimum.

I thank you for your time, and service, and ask that the committee consider a Do-Pass recommendation on SB 2275. Feel free to contact me with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Monte J Erhardt".

Monte J Erhardt  
City Auditor  
City of Hazen

255 N. 4th St.  
PO Box 5200  
Grand Forks, ND 58206-5200



City of Grand Forks  
(701) 746-4636

**TESTIMONY ON SENATE BILL 2275**  
**Finance and Taxation Committee**  
**January 24, 2023**

**Todd Feland, City Administrator**  
**City of Grand Forks, ND**

Mr. Chairman and members of the committee, my name is Todd Feland and I'm the City Administrator for the City of Grand Forks. I want to thank you for the opportunity to provide testimony and express my support to this legislation.

When "Operation Prairie Dog" was first introduced in the 2019 Legislative Session, we were very supportive and appreciative of the program in Grand Forks. We saw it as an added tool in our toolbox when it comes to funding for our local infrastructure projects. When the \$400 M Strategic Investment and Improvements Fund (SIIF) bucket was added before the Municipal/County and Township bucket it made the funds unreliable and unpredictable for us locally to include in our planning for projects.

During the 2021-23 biennium, the Municipal/County and Township bucket did not get filled due to lowered oil prices and the \$400 M SIIF bucket being placed in front of this key local infrastructure funding source.

Reliable funding for infrastructure projects is critical in order for leaders to plan ahead, create shovel ready projects, and to maximize funding. It is also important to ensure that high priority projects can move forward as efficiently as possible throughout the planning, environmental, design, bidding, and construction stages.

With the removal of the SIIF bucket before the Municipal/County and Township bucket in the Operation Prairie Dog timeline, we can start to incorporate this funding source into our regular planning process for our local projects.

Receiving the Prairie Dog funds sooner and with more certainty is the reason we support SB 2275.

Thank you.



January 23, 2023

Senate – Finance and Taxation  
Committee Chairman Jordan Kannianen  
8011 51<sup>st</sup> St NW  
Stanley, ND 58784-9562  
jkannianen@ndlegis.gov

From: Anthony Dudas, Airport Director, Williston Basin International Airport, Airport Association of North Dakota Vice President

Subject: Support for removal of \$400M SIIF bucket in SB 2275

To the Honorable Chairman Kannianen and Committee,

The State of North Dakota has placed significant investment into infrastructure with the adoption of Operation Prairie Dog. However, the \$400 million SIIF bucket, which was not proposed as part of the original Prairie Dog Bill, creates a significant hurdle for non-oil producing cities and counties, as well as airports, to attain funding for critical infrastructure projects.

After the adoption of Operation Prairie Dog in the 2019 – 2021 biennium, the buckets for cities, counties, and airports did not fill which required these entities to delay or cancel infrastructure projects. If the SIIF bucket had not been in effect, these buckets would have filled, and projects would have moved forward. In the 2021 – 2023 biennium the buckets filled at the very end of 2022, leaving a great delay the ability to design, bid, and build projects. Additionally, higher construction costs will be present due to this delay in funding availability. Reliable state and local funding for transportation projects is critical for state and local leaders to plan ahead, create shovel ready projects, and to maximize federal grant funding.

I ask that you support the elimination of the \$400 million SIIF Fund allocation placed ahead of the infrastructure “buckets” and allow these buckets to fill first before the SIIF Fund as originally proposed in “Operation Prairie Dog”.

Respectfully,

A handwritten signature in blue ink that reads "Anthony Dudas".

**Anthony Dudas C.M.** | Airport Director  
City of Williston | Williston Basin International Airport  
14127 Jensen Ln. Suite 200, Williston, ND 58801  
P. 701-875-8594 | F. 701-875-8599  
anthonyd@ci.williston.nd.us



## *Administration*

---

**Senate Finance and Taxation Committee  
SB 2275  
Senator, Kannianen, Chair  
January 24, 2023**

Chairman Kannianen and members of the Senate Finance and Taxation Committee:

I am Jim Neubauer, City Administrator for Mandan, and am here to present testimony in support of Senate Bill 2275.

As introduced in the 2019 legislative session the Municipal Infrastructure Fund, also known as Prairie Dog Fund, was to provide significant funding assistance for non-oil producing counties. As we know oil prices during that initial biennium tanked. The City of Mandan was scheduled to receive approximately \$6.5 million dollars. The initial bucket filled and we received the first disbursement of \$2.5 million. These funds helped lower the special assessment costs for residents in three different assessment districts. There was no disbursement of the remaining \$4 million as the second bucket did not fill.

2021 legislation moved a \$400 million strategic investment and improvements fund in front of the buckets for non-oil producing counties. While oil prices have remained high throughout this biennium, had the \$400-million-dollar bucket not been moved up, cities and counties would have received their disbursements much sooner, which allows for earlier funding and in turn allows us to pass those savings to citizens via lower costs for infrastructure projects.

The City of Mandan certainly is grateful for the Municipal Infrastructure funds it has received to date and encourage you to support SB 2275.

I would be happy to answer any questions the committee may have regarding this testimony.

Thank you.

# CARRINGTON

*the central city*

Monday, January, 2023

**RE: Senate bill 2275**

Chairman Kannianen and Members of the Finance & Taxation Committee:

For the record, I am the City Auditor in Carrington.

I am respectfully requesting you to support a **"DO PASS"** on Senate bill #2275 to eliminate the \$400 million SIFF Fund allocation placed ahead of the infrastructure "buckets" and let it fill at the end of the "buckets" stream as originally contemplated in "Operation Prairie Dog".

Operation Prairie Dog has been a vital component in planning for our current and upcoming infrastructure needs. As with most cities our size, we have more project needs than revenue generated to meet those needs. Operation Prairie Dog has allowed us to begin the process of Capital Project planning to best utilize the funding received to prioritize our most critical projects. If the infrastructure buckets were to fill before the SIFF Fund allocation, this would help cities by not delaying necessary projects and reduce the exposure and risk to inflationary costs.

Because our first allocation of Prairie Dog funding was lower than anticipated (Census estimated our population just under 2,000) we have not expended the \$125,000 received. However, with the 2020 Census our population was at 2,080 and with the greater funding received we anticipate completing either water main replacement or a sewer rehabilitation project.

Thank you for your time and consideration.

Sincerely,



Jennifer Gast  
City Auditor



**MUNICIPAL AIRPORT AUTHORITY  
OF THE  
CITY OF FARGO**

January 23, 2022

Senate – Finance and Taxation  
Committee Chairman Jordan Kannianen  
8011 51st St NW  
Stanley, ND 58784-9562  
jkannianen@ndlegis.gov

From: Shawn A. Dobberstein, AAE, Executive Director  
Municipal Airport Authority of the City of Fargo, North Dakota

Subject: Support for removal of \$400M SIIF bucket in SB 2275

To the Honorable Chairman Kannianen and Committee,

As you are aware, the State of North Dakota has emphasized significant investments into infrastructure by the adoption of Operation Prairie Dog. The \$400 million SIIF bucket has created a significant obstacle for airports, cities and counties that are not part of the oil producing area of North Dakota. It is difficult to obtain funding for our priority infrastructure projects.

The buckets for airports, cities and counties did not receive any funds after the adoption of Operation Prairie Dog in the 2019-2021 biennium. This caused a number of political subdivisions to delay or cancel important infrastructure projects. The SIIF bucket prevented this from happening.

The buckets did fill during the 2021-2023 biennium toward the end of 2022. This resulted in a significant delay for airports, cities and counties to design, bid and build projects. This also resulted in significantly higher construction costs due to the delay.

Airports, cities and counties desire to have reliable state and local funding to accomplish important transportation projects. A reliable funding stream allows for better planning and helps to maximize access to limited federal grant funding sources.

I respectfully request that you support the elimination of the \$400 million SIIF Fund allocation placed ahead of the infrastructure “buckets” and allow these buckets to fill first before the SIIF Fund as originally proposed in “Operation Prairie Dog”.

Sincerely,

*Shawn A. Dobberstein, AAE*

Shawn A. Dobberstein, AAE  
Executive Director



Contact:

**Matt Perdue, Lobbyist**

[mperdue@ndfu.org](mailto:mperdue@ndfu.org) | 701.641.3303

---

**Testimony of  
Matt Perdue  
North Dakota Farmers Union  
Before the  
Senate Finance and Taxation Committee  
January 24, 2023**

---

Chairman Patten and members of the committee,

Thank you for the opportunity to testify on Senate Bill No. 2275. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's (NDFU) members.

NDFU supports SB 2275, which adjusts the formula for Operation Prairie Dog (OPD). Specifically, the bill eliminates the \$400 million Strategic Investment and Improvements Fund (SIIF) bucket that is situated before the Municipal Infrastructure Fund and County and Township Infrastructure Fund. This bill does not affect the SIIF bucket at the end of the formula.

According to the Upper Great Plains Transportation Institute (UGPTI), our rural roads and bridges require \$10.5 billion of investment over the next 20 years. We appreciate the wisdom of the 66<sup>th</sup> Legislative Assembly in establishing OPD to address those needs. We believe this bill would improve upon that foundation, better addressing local infrastructure needs.

Under the current OPD formula, \$400 million is allocated to the SIIF before any funds are available to counties, townships and municipalities. Removing that SIIF bucket will ensure the more funds are more consistently available to help political subdivisions address their needs. More consistent availability of funds, in turn, allows political subdivisions to better plan for infrastructure projects.

Thank you for the opportunity to testify. We respectfully request a "Do Pass" recommendation on SB 2275. I will stand for any questions.

Testimony Presented on SB 2275 to the  
Senate Finance and Taxation Committee  
Senator Jordan L. Kannianen, Chairman

Dr. Timothy J. Mahoney, M.D., Mayor of the City of Fargo  
Michael J. Redlinger, City Administrator for the City of Fargo  
Brenda E. Derrig, City Engineer for the City of Fargo

January 24, 2023

Mr. Chairman and Members of the Committee,

The City of Fargo recognizes and greatly appreciates the North Dakota Legislature's vision in approving House Bill 1066, commonly referred to as "Operation Prairie Dog", during the 66<sup>th</sup> Legislative Assembly. HB 1066 made significant changes to the gross production tax distribution formula and created a much needed source of new infrastructure funding for cities, counties, and townships in non-oil producing counties.

On December 12, 2022, the City of Fargo Commission voted unanimously to prioritize the use of Operation Prairie Dog funds received from the 2021-2023 biennium towards a number of additional projects to be constructed in 2023 and 2024. These additional projects fall into one of three project categories: pavement preservation, replacement of infrastructure to support redevelopment, and replacement of streets and utilities in core neighborhoods. The additional funds provided by Operation Prairie Dog are being used to improve and preserve arterial roadway pavements, to replace original infrastructure in the downtown in order to provide reliable water, sewer, and roadway access to new buildings, and to replace failed infrastructure in core neighborhoods in an effort to preserve and improve those neighborhoods.

Although the City of Fargo has been diligent in the preservation, replacement, and improvement of existing infrastructure, there is an ever growing need to invest additional funds in our critical infrastructure. Operation Prairie Dog funds allow the City of Fargo to make additional investments in our infrastructure without the need of raising special assessments. The changes proposed in SB 2275 would ensure the likelihood of future distributions to cities, counties, and townships, provide greater certainty that Operation Prairie Dog funds can be relied upon for additional investments to critical infrastructure in future years, and, just as importantly, receive the money earlier in the biennium so that projects can begin at an earlier date.

We seek your support of SB 2275 as it would greatly increase the confidence in receiving Operation Prairie Dog funds and promote additional long term planning and investment in the preservation of existing infrastructure and the replacement of failed infrastructure.

Testimony Favoring 2275, 68<sup>th</sup> Session

Chair and Committee, My name is Phil Murphy representing the ND Soybean Growers Association. The Agricultural industry is reliant on roads and bridges being in decent shape and those are woefully in need of funds numbering in the billions of dollars over the next 15 years (UGPTI-Overview of Infrastructure Needs: North Dakota's County, Township, & Tribal Roads & Bridges 2017-2036), we ask for your support of 2275. It will make a large difference for our local government transportation budgets. Thank you for your kind consideration.



# Airport Association of North Dakota

**Ryan Riesinger - President   Anthony Dudas - Vice President  
Jordan Dahl - Sec. / Treasurer**

P.O. Box 2845, Fargo, North Dakota 58108-2845  
1-701-738-4646

January 24, 2023

**RE: Testimony to Senate Finance and Taxation Committee on SB 2275 – Support for the removal of the \$400 million SIIF bucket**

Chairman Kannianen and members of the committee,

I am Ryan Riesinger, President of the Airport Association of North Dakota (AAND) and Executive Director of the Grand Forks Regional Airport Authority (GFK). I want to thank you for the opportunity to testify today. AAND is the professional organization for North Dakota Airports and it serves to promote airports and aviation across the state. GFK consistently ranks as one of the busiest airports in the country and is the proud home of the University of North Dakota (UND) John D. Odegard School of Aerospace Sciences. I am here today on behalf of AAND and GFK to express support of SB 2275.

During the 2019 Legislative Session, the North Dakota legislature passed “Operation Prairie Dog” to support infrastructure development throughout the state. This 2019 appropriations bill included allocations to “Municipal/County & Township Infrastructure Funds” for the non-oil producing areas of the state, and \$20 million for a new “Airport Infrastructure Fund”. These infrastructure funds were placed at the bottom of a series of “buckets” that are filled by streams from both the Oil & Gas Production Tax and the Oil Extraction tax. However, a \$400 million bucket for the “Strategic Investments and Improvements Fund” (SIIF Fund), was

placed in front of the infrastructure fund buckets. This \$400 million bucket was never proposed as part of the original Prairie Dog program. Due to a substantial downturn in oil prices and production the infrastructure fund buckets failed to fill during the 2019-2021 biennium.

At the end of the 2021 legislative session, it was forecasted that the infrastructure fund buckets would not fill during the 2021-2023 biennium. This meant that cities, counties, townships, and airports were unable to rely on this funding source as they planned and prepared for projects within the current biennium. Reliable State and local funding for transportation projects is critical in order for leaders to plan ahead, create shovel ready projects, and maximize federal grant funding. It is also important to ensure that high priority projects can move forward as efficiently as possible throughout the planning, environmental, design, bidding, and construction stages.

The \$400 million SIIF Fund started to fill in May 2022. Without that fund, the other infrastructure funds would have started to fill in May 2022 and would have all been filled before the end of summer 2022. The \$400 million SIIF Fund is simply cash accumulated by the State. It is not programmed for any use until the next legislative session determines how to allocate it. In the meantime, the infrastructure planning for cities, counties, townships, and airports waits for another season to begin projects – exposing them to inflation risks and delaying important infrastructure planning and projects throughout the state.

As our airports plan for future development and growth the funding needs are projected to be significant. Over \$1 billion in projects have been identified over the next 10 years at airports in North Dakota, and the amount for 2023-2027 alone is \$684 million (please see attachment). Our airports work cooperatively with the Federal Aviation Administration (FAA) to maximize federal grant participation, but additional investment from the State and local airport

sponsors will be required to meet these forecasts. Removing the \$400 million SIIF bucket will make the infrastructure buckets for the cities, counties, townships, and airports more reliable for future planning and development.

In closing, AAND and GFK are strongly supportive of SB 2275. We respectfully request that the committee provide a do pass on the bill. I thank you for the opportunity to provide testimony today and will take any questions the committee may have for me.

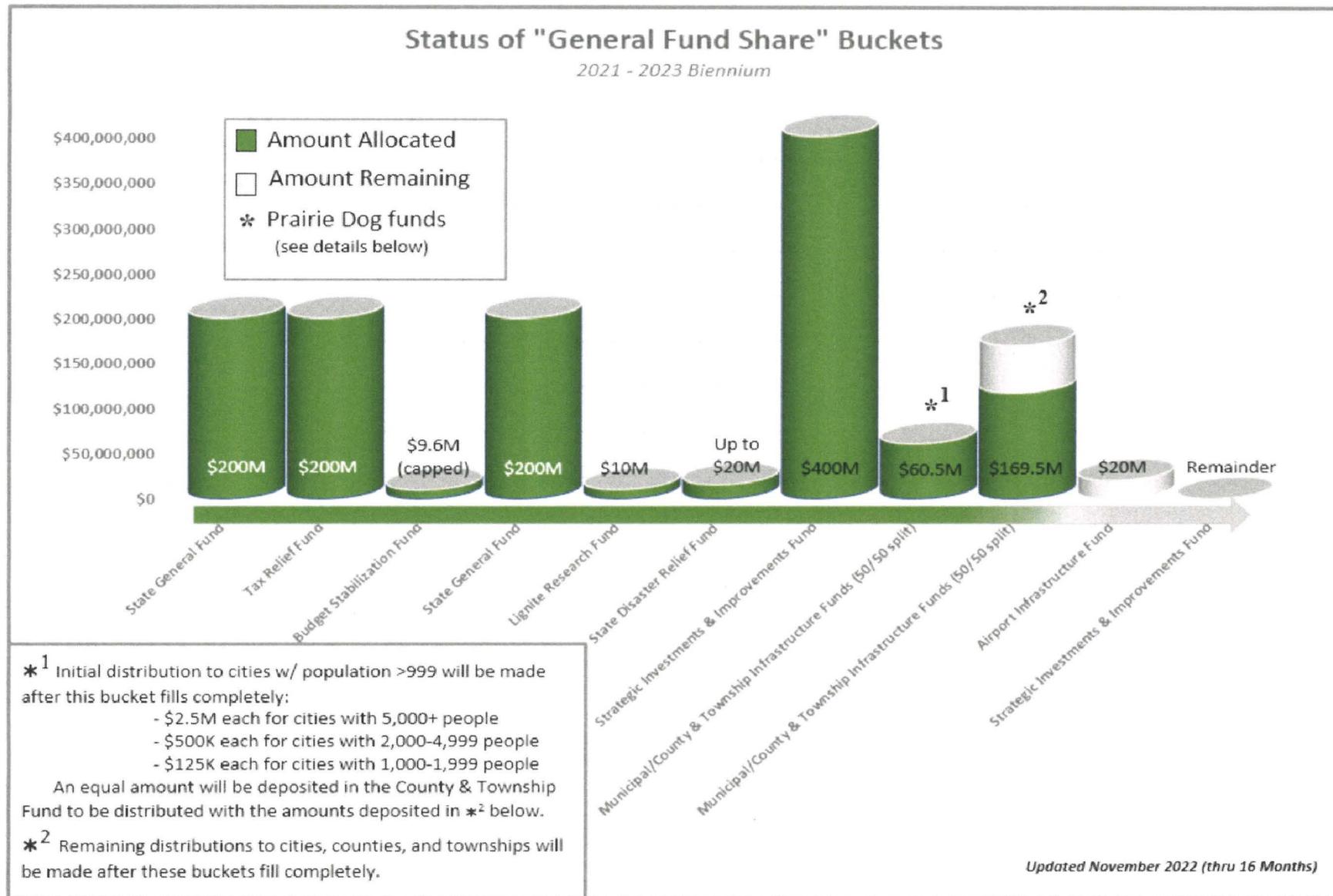
Respectfully,

A handwritten signature in black ink, appearing to read "Ryan Riesinger". The signature is fluid and cursive, with the first name "Ryan" and last name "Riesinger" clearly distinguishable.

Ryan Riesinger  
President, Airport Association of North Dakota  
Executive Director, Grand Forks Regional Airport Authority

Attachments: Prairie Dog Bucket Funding as of November 2022  
Statewide Airport Capital Improvement Planning Report

# Status of Funding (through November 2022):





STATEWIDE AIRPORT CAPITAL IMPROVEMENT PLANNING REPORT - NORTH DAKOTA

FAA / State General Aviation and Commercial Service Program (NPIAS AIRPORTS)

	AIRPORT	Based Aircraft	PROJECT	Projects (Thousands)	
				1 to 5 Yrs.	6 to 10 Yrs.
1	Fargo FAR	218	Terminal/Cargo Apron Rehabilitation	1000	
			Terminal Apron Expansion (Phase I C'23, Phase II '24)	17000	
			South GA Apron Rehabilitation/Reconstruction	12000	
			Terminal Building Expansion (D'23, Phase I C'24, Phase II C'25)	100000	
			North GA Apron Expansion & Perimeter Road Reconstruction (C'23)	14000	
			Terminal Apron Reconstruction & Glycol Capture (D'25, Phase I C'26, Phase II C'27)	21000	
			Replace Passenger Boarding Bridge	1000	
			Pavement Maintenance (RTA, RCF, Seal)	1000	1000
			Glycol Pump Station	2000	
			Terminal Parking Lot Rehabilitation & Expansion	1500	
			SRE Acquisition	2000	2000
			Rwy 9/27 Ext./Widening w/ Parallel Taxiway - Study, EA, Design, Construct		65000
			North GA Taxilane Extension		1000
East GA Expansion		2000			
2	Bismarck BIS	90	Airfield Wetland Mitigation / Drainage Improvements	9000	7000
			GA Apron Expansion	6000	2000
			Hangar 5 Demolition	700	
			Rehabilitate Runway 3-21	8000	
			Rehabilitate Taxiway D	5000	
			Expand Commercial Apron	14000	
			Construct Terminal Building Expansion	60000	
			Install New Passenger Boarding Bridges	7000	4000
			Rehabilitate Taxiway C North	10000	
			Runway 13 RPZ Land Acquisition		2200
			Purchase SRE Equipment	3000	1000
			Construct SRE Building	1000	
			Purchase ARFF Equipment	1000	1000
			Deicing Fluid Collection System	500	
			Rehabilitate/Construct ARFF Building Expansion	1000	
			Commercial and GA Ramp Panel Replacement	1000	1000
			Construct Taxilane Expansion	1000	500
			Rehabilitate/Construct Parking Lot/Expansion	1500	
			Rehabilitate Access Roads		1600
			Pavement Maintenance (RTA, RCF, Seal)	1000	1000
Construct Service Road Expansion		300			
Relocate Airway Avenue/Airport Road Intersection		300			
Corporate Area Hangar Development		3300			
Update Noise Contours		250			
3	Grand Forks GFK	138	Runway 9L-27R & TWY B Extension, Lighting, & Reconstruction (C'23-'24)	34800	
			Runway 17R-35L Reconstruction (D'24, Phase II C'25, Phase III C'26, Phase III C'27)	75000	
			Construct Runway 18-36		10000
			Expand Terminal Apron		10000
			Expand Terminal		20000
			Pavement Maintenance (RTA, RCF, Seal)	1000	1000
			Runway 17L-35R Rehabilitation		12000
Fencing & Perimeter Road Improvements	1000				
4	Minot MOT	128	Storm Water and Drainage Improvements (C '23)	9000	
			Purchase SRE Equipment	2000	1000
			RWY 8 Approach Clearing/Tree Removal	250	
			RWY 8/26 Rehab/T-hold Relocation; TWY B Intersection; TWY D Exp. (D '24, C '25-'26)	10000	
			Purchase ARFF Truck		1000
			Taxiway C Rehabilitation	5000	
			Replace T-Hangars	3000	3000
			Northwest GA Apron		2000
			Taxiway B & T-Hangar Rehabilitation	3000	
			Pavement Maintenance (RTA, RCF, Seal, Marking)	1000	1000
			Construct GA Landside Access Road and Parking Lot	3500	
Rehabilitate Runway 13/31, Taxiway D-1, Taxiway A, & Airfield Lighting	5100				
5	Jamestown JMS	36	Rehabilitate Terminal Apron Phase II & GA Apron/Taxiways/Taxilanes	500	
			Acquire SRE	600	
			SRE Building Expansion (D'24, C'25)	1200	
			Perimeter Fence Improvements	300	
			Terminal Remodel/Reconfiguration & Parking Lot Improvements (C'26)	2000	
			Storm Sewer Rehabilitation	1700	
			Taxiway B Rehabilitation	600	
			Replace Passenger Boarding Bridge		1000
			W. Industrial Park Infrastr. Improvements		1500
			Pavement Maintenance (RTA, RCF, Seal), Marking	1000	1000
			Runway 4/22 Rehabilitation and Airfield Crack Sealing		1500
			Taxiway A, B, & D Rehabilitation		600
			Acquire ARFF Vehicle		900
Construct T-Hangar		1000			

	AIRPORT	Based Aircraft	PROJECT	Projects (Thousands)	
				1 to 5 Yrs.	6 to 10 Yrs.
			Purchase SRE Equipment	2000	1000
6	Williston XWA	32	Deicing Fluid Collection Improvements	4000	
			Cargo Apron Construction	6000	
			Pavement Maintenance (RTA, RCF)	1500	3000
			Construct Hangars	2000	2000
			Ground Service Equipment Building	500	
			Terminal Parking Expansion	2000	
			Construct Sanitary Force Main	2300	
			Pave Perimeter Roads	2700	
			Construct Runway 4-22 Parallel Taxiway		6500
			Purchase ARFF Equipment		1000
			Pavement Maintenance (RTA, RCF, Seal)	500	500
7	Devils Lake DVL	28 ↑ 15	Apron & Taxiway Reconstruction	3200	
			Runway 13/31 & Taxiway A Pavement Rehabilitation	1700	
			Construct SRE/ARFF Building		3800
			Rehabilitate Terminal Apron		1000
			Wildlife Hazard Assessment & WHMP Update	200	
			Reconstruct GA Apron		1500
			Lighting Rehabilitation		1500
			Acquire SRE		800
			Runway 15-33/Taxiway A Light System Conversion, Runway 7-25 Light System/Beacon	1700	
8	Dickinson DIK	35 =	Purchase SRE Equipment	1000	1000
			ARFF Truck Acquisition & ARFF Building Expansion	1500	
			Runway 7-25 & GA Apron Pavement Maintenance	600	
			GA Apron and Taxiway A Rehabilitation	5000	
			Terminal Design and Construction	30000	
			Commercial Terminal Apron, Access Road, & Parking Lot	11000	
			Construct Hangar Taxilanes		1000
			Crosswind Parallel Taxiway		3000
			Runway 7-25 Rehabilitation		7000
			Pavement Maintenance (RTA, RCF, Seal)	1000	1000
			SRE/ARFF Building Expansion		3000
<b>Commercial Service Airports Totals:</b>				<b>545150</b>	<b>203550</b>
		BASIC	Construct Apron Expansion (D'23, C'25)	900	
9	Ashley ASY	13	Pavement Maintenance (RTA, RCF, Seal)	100	300
			Construct Terminal	800	
			Construct Fuel System (100LL + Jet A)		800
			Install AWOS		400
			Construct Partial Parallel Taxiway		1100
		BASIC	Rehabilitate Runway 12/30, Taxiway, Apron Pavement	150	
10	Beach 20U	11	Construct Hangar (D '25, C '26)	1200	
			Rehabilitate Hangar Taxilanes	1100	
			ALP/MP Update with Exhibit A/AGIS Component		300
			Construct New Turf Runway		1000
			Pavement Maintenance (RTA, RCF, Seal)	300	400
			Construct Fence and Signage		500
			Construct AWOS Access Road	200	
		LOCAL	Runway 13/31, Taxiway, Apron Pavement Rehabilitation		2000
11	Botineau D09	16	Construct New Hangar	800	800
			Realign and Construct Turf Crosswind Runway		1000
			Replace Fuel System	700	
			Pavement Maintenance (RTA, RCF, Seal)	500	200
			Airport Beacon & Electrical Vault Rehabilitation	200	
			Terminal Improvements (D'25, C'26)	600	
			Construct Taxiway Expansion	300	300
			Construct Fence and Signage		2000
		LOCAL	Construct Hangar ('23, '24 Ongoing Reimbursements)	500	
12	Bowman BWV	17	Pavement Maintenance	400	400
			Construct Partial Parallel Taxiway	1000	1000
			Construct Crosswind Runway		1500
			Construct Taxilane		1000
		BASIC	Rehabilitate Runway 16/34 Lighting System	800	
13	Cando 9D7	11	Pavement Maintenance (RTA, RCF, Seal)	300	500
			Construct Fuel System	700	
			ALP/MP Update with AGIS		300
			Construct Hangar		1000
			Acquire SRE Equipment		400
		BASIC	Apron Pavement Seal Coat & Taxilane Reconstruction	600	
14	Carrington 46D	12	Rehabilitate Airfield Lights	500	
			Construct New Hangar		1000
			Pavement Maintenance (RTA, RCF, Seal)	100	500
			Construct Fence & Signage		200
			South Apron Rehabilitation		300
		LOCAL	Runway Repairs	500	
15	Casselton 5N8	35	Env. Assessment & Land Acquisition for Runway Relocation (EA '23, Acq '25)	1500	
			Runway 13/31 Relocation & Parallel Taxiway Construction	14800	
			Construct Fence		2000
			Pavement Maintenance (RTA, RCF, Seal)	200	200
			Construct New Hangar	1000	1000
			Apron Reconstruction		1700

	AIRPORT	Based Aircraft	PROJECT	Projects (Thousands)	
				1 to 5 Yrs.	6 to 10 Yrs.
		BASIC	Airfield Lighting Rehabilitation		
16	Cavalier 2C8	16	Runway, Taxiway, & Apron Rehabilitation (D'24, C'25)	2600	
			Construct Drainage Improvements	150	
			Pavement Maintenance (RTA, RCF, Seal)	100	400
			Construct Full Parallel Taxiway		2000
			Relocate Powerline		50
			Construct Fence and Signage		500
		LOCAL	Land Acquisition Phase 2 - RPZ / Transitional Surfaces (18 Acres)	50	
17	Cooperstown S32	15	Runway 13/31, Taxiway and Apron Rehabilitation (D'24, C'25)	2000	
			Pavement Maintenance (RTA, RCF, Seal)	100	500
			ALP/MP Update with AGIS Component		300
			Access Road Improvements		300
			Construct Fence and Signage		2000
			Construct Parallel Taxiway		500
			Lighting System Rehabilitation		700
			Transfer Out		
		BASIC	Construct New SRE Building (D '24, C '25)	800	
18	Crosby D50	11	Replace Airport Beacon (C'27)	150	
			Construct Partial Parallel Taxiway		1000
			Construct Hangar		1000
			ALP/MP Update with AGIS		400
			Snow Removal Equipment	400	
			Construct Jet A Fuel System		500
			Pavement Maintenance (RTA, RCF, Seal)	200	400
		BASIC	Pavement Maintenance (RTA, RCF, Seal)	300	100
19	Dunseith - IPG S28	0	Runway, Taxiway, and Apron Reconstruction (D '23, C '24)	2500	
			Install Airfield Lighting		700
			Construct Terminal Building		500
		BASIC	Rehabilitation of Apron, Taxiway, & Access Road (D'25, C'26)	500	
20	Edgeley 51D	10	Airfield Lighting Rehabilitation	800	
			Pavement Maintenance (RTA, RCF, Seal)	100	300
			Construct Runway Extension		1600
			Construct Fence and Signage		200
		BASIC	Reconstruct Taxilane & Seal Coat Pavements	600	
21	Ellendale 4E7	11	Pavement Maintenance (RTA, RCF, Seal)	100	500
			Replace Hangar (D'24, C'25)	1000	
			Pave Turf Taxilane	700	
			ALP/MP Update with AGIS		300
			Construct Fence and Signage		200
			Install AWOS		400
		BASIC	Construct Terminal Building	800	
22	Ft. Yates Y27	0	Pavement Maintenance (RTA, RCF, Seal)	300	100
			Rehabilitate Runway, Taxiway, Apron (D '26, C '27)	2500	
			Construct Fuel System		500
			Access Road Improvements		900
			Instrument Approach Development	300	
			Construct Hangar		800
			Construct SRE Building		700
		BASIC	Pavement Maintenance (RTA, RCF, Seal)	100	400
23	Garrison D05	13	Construct Security Fence and Signage	200	1000
			Construct GA Terminal Building (D '25, C '26)	1000	
			Construct Hangar Taxilane		500
			Upgrade Fuel System		300
			Purchase SRE Equipment		300
			Update ALP/MP with AGIS and Exhibit A		300
			Construct Hangar	800	
		BASIC	Runway, Taxiway, and Apron Rehabilitation	150	
24	Glen Ullin D57	11	Construct Partial Parallel Taxiway (D '26, C '27)	1200	
			Pavement Maintenance (RTA, RCF, Seal)	100	400
			ALP Update with AGIS		300
			Taxilane Extension		500
			Construct Hangar		800
			Construct Crosswind Rwy, EA, RPZ Land Acquisition		1000
		LOCAL	Taxilane & Apron Reconstruction (D'23, C'24)	1000	
25	Grafton GAF	18	Construct Hangar (D/C '23, Ongoing Reimbursements '24-26)	900	
			Drainage Improvements & Wetland Mitigation	2000	
			Construct New SRE Building		400
			Replace Airport Beacon		60
			Runway 17/35 Rehabilitation		1600
			Pavement Maintenance (RTA, RCF, Seal)	300	300
			Remove Old Storage Building		200
			Construct Fence and Signage		2000
		BASIC	Reconstruct Taxilane & Access Road Improvements	700	
26	Gwinner GWR	12	Construct Terminal/SRE Building (D'25, C'26)	1000	
			Taxiway Turnaround Widening	300	
			Update ALP/MP with AGIS and Exhibit A		300
			Land Acquisition - Fence		300
			Construct Fence and Signage		500
			Pavement Maintenance (RTA, RCF, Seal)	100	500

	AIRPORT	Based Aircraft	PROJECT	Projects (Thousands)	
				1 to 5 Yrs.	6 to 10 Yrs.
		BASIC	Rwy 11-29, Taxiway, Apron Rehabilitation		
27	Harvey 5H4	12	RPZ Land Acquisition and EA	200	2000
			Pavement Maintenance (RTA, RCF, Seal)	300	800
			Runway 11-29 Extension		100
			New Crosswind Runway		2000
			Update ALP/MP with AGIS and Exhibit A		800
			Parallel Taxiway		300
			Apron Expansion		1000
			Construct Hangar	1000	300
			AGIS Survey (LPV Approach, Both Ends)	200	
			Construct Fence and Signage	200	
		LOCAL	ALP/MP Update with AGIS and Exhibit A	300	
28	Hazen HZE	16	Purchase SRE Equipment	300	
			Construct Partial Parallel Taxiway & Lighting		1000
			North Hangar Taxilane Construction		700
			Pavement Maintenance (RTA, RCF, Seal)	400	200
			Construct Fence & Signage		2000
			Replace UST Fuel System (100LL & Jet A AST)	1300	
			Construct Hangar	1100	
			Construct Crosswind Runway		1000
		LOCAL	Rehabilitate Taxiway C and Rehab/Extend South Hangar Taxilane (C '23)	800	
29	Hettinger HEI	32	Construct Hangar	1000	
			Apron Rehabilitation	1000	
			Construct Hangar Taxilane	500	
			ALP/Master Plan Update		300
			Rehabilitate Taxiway B	500	
			Construct Fence & Signage		2000
			Pavement Maintenance (RTA, RCF, Seal)	400	300
		LOCAL	Apron Rehabilitation, Taxilane Extension, & Drainage Improvements	3200	
30	Hillsboro 3H4	32	Construct T-hangar (BIL in '24, '25, & '26)	600	
			Land Acquisition for Runway Extension (EA '26, Acquisition '28)	400	200
			Construct Runway Extension		6500
			Terminal Improvements	100	
			Reconstruct Access Road		500
			Construct Fence and Signage		2000
			Purchase SRE Equipment	150	
			ALP/Master Plan Update		300
			Install Jet A Fuel System		500
			Pavement Maintenance (RTA, RCF, Seal)	200	300
		LOCAL	Construct Partial Parallel Taxiway and Hangar Taxilane (C '23)	1200	
31	Kenmare 7K5	31	Purchase SRE	300	
			Construct Access Road Extension and Parking Lot Expansion	1000	
			Hangar Taxilane Expansion	800	
			Relocate Fuel System		200
			Construct Terminal Building		500
			Construct Hangar		1000
			Pavement Maintenance (RTA, RCF, Seal)	500	300
		LOCAL	Construct Hangar Taxilane	1000	
	Kindred K74	25	Replace Concrete Runway and Apron Panels	300	
32			Airfield Lighting Rehabilitation (D '25, C'26)	800	
			Runway 11/29 Extension & Par. Taxiway (EA, Land Acq., Wetland Mit., Design, Const.)		5000
			Pavement Maintenance (RTA, RCF, Seal)	100	300
			Purchase SRE		150
			Construct Terminal Building		500
			Construct Fence and Signage		2000
		BASIC	Rehab of Rwy 15/33, Apron, and Taxiway	1700	
33	Lakota 5L0	10	Pavement Maintenance (RTA, RCF, Seal)	100	500
			Construct Fence and Signage		500
			Construct Taxilane	700	
			Lighting system rehabilitation	800	
		U	Pavement Maintenance (RTA, RCF, Seal)	200	300
34	LaMoure 4F9	3	Rehabilitate Runway 16/34 Lighting System		700
			Reconstruct Taxiway	400	
			Land Acquisition of Airport Footprint	1000	
			Construct Terminal Building		400
			Construct Hangar		700
			Construct Fuel System		500
		LOCAL	Reconstruct Partial Taxilane & Construct Partial Parallel Taxiway	1000	
35	Langdon D55	16	Taxiway and Apron Expansion	1100	
			Rehabilitate Terminal Building		200
			Construct Hangar	100	800
			Pavement Maintenance (RTA, RCF, Seal)	200	500
			Construct Full Parallel Taxiway		1700
			Crosswind Runway Turf Rehabilitation		600
		LOCAL	Taxiway and Apron Rehabilitation and Improve Access Road (C '23)	1100	
36	Linton 7L2	18	Pavement Maintenance (RTA, RCF, Seal)	400	200
			ALP/MP Update with AGIS Component	300	
			Runway 9/27 Extension and Widening		1300
			Construct Parallel Taxiway		1800
			Construct Hangar		1000
			Acquire SRE Equipment	300	
			Construct SRE Building	500	

	AIRPORT	Based Aircraft	PROJECT	Projects (Thousands)	
				1 to 5 Yrs.	6 to 10 Yrs.
		BASIC	Construct Apron Expansion & RSA Improvements	150	
	Lisbon		Runway 14/32 Rehabilitation (D'25, C'26)	1700	
37	6L3	12	Rwy 14/32 Lighting Rehabilitation	100	600
			Construct Apron Expansion		900
			Apron and Taxilane Rehabilitation		400
			Construct Connector Taxiway to Correct Direct Access Issue		600
			Extend Partial Parallel Taxiway		1000
			Install AWOS		300
			Construct Fence and Signage		200
			Construct Taxilane Extension		500
			Construct Runway Turnaround		500
			Pavement Maintenance (RTA, RCF, Seal)	200	300
		LOCAL	Pavement Maintenance (RTA, RCF, Seal)	500	500
38	Mandan	97	Wetland Mitigation/ Drainage (C'23)	1500	2000
	Y19		Construct Parking Lot	300	
			Purchase SRE Equipment	400	300
			Install 100LL and Jet A Fuel System	900	
			Construct Terminal Building	700	
			Construct Runway Expansion		5000
			Relocate County Road and Powerlines		2500
			Construct South Development Taxilane	1800	
			Construct Hangar	2000	2000
			Construct T-Hangar Pavement	1000	
			Realign Parallel Taxiway	200	2000
			Reconstruct Hangar Taxilanes	1000	
			Construct Corporate Apron and Taxilanes		2000
			SRE Building Expansion		300
			ALP/MP Update with AGIS Component		300
		LOCAL	Drainage Improvements	600	
39	Mohall	31	Construct Fence and Signage	1600	
	HBC		Pavement Maintenance (RTA, RCF, Seal)	500	300
			Pave Access Road & Parking Area		800
			Construct Hangar		1000
			Construct Parallel Taxiway		1000
			Construct Hangar Taxilane		600
		BASIC	Construct Hangar Taxilane	400	
40	Mott	10	Construct Terminal, Access Road, & Parking Lot		
	3P3		Runway Rehabilitation		1500
			Construct Hangar	1000	
			Obstruction Removal and RSA Grading	250	
			Construct Partial Parallel Taxiway		800
			Install AWOS		500
			Pavement Maintenance (RTA, RCF, Seal)	300	300
		LOCAL	Taxilane and Apron Expansion	1000	
41	Northwood	21	Construct Terminal Building (D'25, C'26)	600	
	4V4		Construct Hangar (D'25, C'26)	1500	
			Pavement Maintenance (RTA, RCF, Seal)	100	500
			Construct Fuel System		1000
			Acquire SRE		300
		BASIC	Construct Replacement T-Hangar (D'24, C'25)	2000	
42	Oakes	9	Construct Taxilane	700	
	2D5		Construct Fuel System		1000
			Pavement Maintenance (RTA, RCF, Seal)	100	400
			Construct Fence and Signage	200	
			Runway and Apron Rehabilitation		1500
			ALP/MP Update with AGIS Component		300
		BASIC	Lighting System Rehabilitation (C'23, Ongoing Reimbursement '24?)	800	
43	Park River	9	Runway 13/31, Apron, Taxiway Rehabilitation		1000
	Y37		Construct Fence and Signage		200
			Pavement Maintenance (RTA, RCF, Seal)	500	200
			Runway Extension EA, Land Acquisition, and Construction	300	1300
			Install AWOS		300
		BASIC	Pavement Maintenance (RTA, RCF, Seal)	300	300
44	Parshall	10	Reconstruct Taxiway, Apron, and Taxilane		800
	Y74		Construct Runway Extension		2000
			Rehabilitate Access Road	300	
			Install AWOS	300	
			Runway 30 RPZ Land Acquisition	300	
			Replace Airport Beacon & PAPIs	300	
			Construct Hangar	1000	
		BASIC	Replace Windsock & Install Secondary	150	
45	Pembina	13	Pavement Maintenance (RTA, RCF, Seal)	500	200
	PMB		Install Fuel System	500	
			Construct Hangar		1000
			Runway and Taxiway Rehabilitation		1400
			Acquire SRE		400
			Construct Fence and Signage	200	
		BASIC	Pavement Maintenance (RTA, RCF, Seal)	300	500
46	Rolla	11	Airfield Electrical Rehabilitation	800	
	06D		ALP Update / AGIS and Exhibit A		300
			Land Acquisition (RPZ)		400
			Acquire SRE Equipment	400	

	AIRPORT	Based Aircraft	PROJECT	Projects (Thousands)	
				1 to 5 Yrs.	6 to 10 Yrs.
		BASIC	Construct SRE/Terminal Building (D '22, C '23)	1000	
	Rugby	11	Runway 12-30, Taxiway and Taxilane Rehabilitation (D '25, C '26)	2200	
47	RUG		Purchase SRE Equipment	400	
			Construct Hangar		1000
			Pavement Maintenance (RTA, RCF, Seal)	300	300
			ALP Update / AGIS and Exhibit A		400
		LOCAL	Targeted ALP Update	150	
48	Stanley	29	Pavement Maintenance (RTA, RCF, Seal)	300	300
	08D		Construct Crosswind Runway	1000	
			Construct Fence and Signage		2000
			Construct Runway Extension		3000
			Construct Road and Parking Improvements	800	
			Construct Hangar	1000	
		LOCAL	Construct Lighting System For Taxiway/Apron	500	
49	Tioga	23	Runway 12-30 Rehabilitation		2000
	D60		Rehabilitate West Taxilanes	1500	
			Pavement Maintenance (RTA, RCF, Seal)	700	300
			Construct Fence and Signage		2000
			Purchase SRE Equipment	300	
			Construct Full Length Parallel Taxiway		2000
		LOCAL	Construct Electrical Vault	150	
50	Valley City	28	Acquire SRE with Snowblower Attachment	600	
	BAC		Runway 13/31 Rehabilitation		1000
			Apron Reconstruction	1400	
			Turf Runway 5/23 Relocation - EA, Land Acquisition, Design, & Construction		1500
			Pavement Maintenance (RTA, RCF, Seal)	200	300
		LOCAL	Taxiway Rehabilitation	400	
51	Wahpeton	37	T-Hangar Drainage Improvements	200	
	BWP		Install Taxiway Lighting	600	
			Pavement Maintenance (RTA, RCF, Seal)	200	300
			Construct Fence and Signage		2000
			South Taxilane/Apron Reconstruction		1100
			Purchase SRE		500
			Land Acquisition (House on Runway 33 End)		400
		BASIC	Construct Hangar (C'24, Ongoing Reimbursement '25 & '26)	1400	
52	Wahalla	10	Rehabilitate Airfield Lighting		700
	96D		ALP/MP Update with AGIS Component		300
			Pavement Maintenance (RTA, RCF, Seal)	200	200
			Runway, Taxiway, & Apron Pavement Rehabilitation/Reconstruction		2200
			Upgrade Fuel System	500	
			Transfer Out Entitlements		
		BASIC	Construct Parallel Taxiway (D'23, C'24)	1000	
53	Washburn	17	Pavement Maintenance (RTA, RCF)	200	300
	5C8		Replace LED MIRLS, MITLs, PAPIs, Beacon, Windcone and Signs	700	
			Construct Fence and Signage		2000
			Construct Access Road		300
			Land Acquisition for Future Development		200
			Upgrade Fuel System		500
			Construct Hangar		1000
		LOCAL	Construct SRE Building (D'23, C'24)	1000	
54	Watford City	35	Pavement Maintenance (RTA, RCF, Seal)	300	300
	S25		Construct Fence and Signage	500	1500
			Parking Lot Expansion and Terminal Area Drainage Improvements	300	
			Apron Expansion and Hangar Taxilane		1700
			Construct Hangar		1000
55	State PCI		Statewide PCI Study Update	600	1200
56	State Aviation Impact		Statewide State Aviation Impact Update	500	
57	State System Plan		State Aviation System Plan Update	500	
<b>Total Based Aircraft 1458</b>			<b>General Aviation Airport Project Totals:</b>	<b>139,550</b>	<b>179,260</b>
			<b>Commercial Service Airport Project Totals:</b>	<b>545,150</b>	<b>203,550</b>
			<b>Total Airport Project Totals:</b>	<b>684,700</b>	<b>382,810</b>

**Airports Not Included within Analysis:**

**Non NPIAS Paved (18):**

**Non NPIAS Turf (17):**

- |                 |                |
|-----------------|----------------|
| 55 Beulah       | 73 Arthur      |
| 56 Drayton      | 74 Bowbells    |
| 57 Enderlin     | 75 Columbus    |
| 58 Killdeer     | 76 Elgin       |
| 59 Larimore     | 77 Fessenden   |
| 60 Leeds        | 78 Gackle      |
| 61 Maddock      | 79 Hazelton    |
| 62 Mayville     | 80 Kulm        |
| 63 Minto        | 81 Lidgerwood  |
| 64 Napoleon     | 82 McClusky    |
| 65 New Rockford | 83 McVille     |
| 66 New Town     | 84 Milnor      |
| 67 Page         | 85 Plaza       |
| 68 Rolette      | 86 Richardton  |
| 69 St. Thomas   | 87 Riverdale   |
| 70 West Fargo   | 88 Towner      |
| 71 Westhope     | 89 Turtle Lake |
| 72 Wishek       |                |



## **Advocating for North Dakota's Integrated Infrastructure Network**

**January 24, 2023**

### **Testimony in SUPPORT of Senate Bill 2275**

Chairman Kanniainen and Members of the Committee:

I'm Scott Meske, representing the North Dakota Transportation Coalition and offer our support for Senate Bill 2275, which prioritizes the political subdivision bucket in the Legacy Fund earnings stream.

The North Dakota Transportation Coalition consists of the largest twenty statewide and regional trade associations, agriculture groups, political subdivisions and business entities in the State – all of whom have a vested interest in moving goods, services and people as efficiently and safely as possible. Our purpose is to advance and enhance North Dakota's transportation infrastructure through advocacy and education efforts resulting in sustainable funding and sound public policy solutions.

The NDDOT and the Upper Great Plains Transportation Institute have made it clear that over the next 20 years, approximately \$10 billion will be needed to maintain, repair and replace North Dakota's infrastructure network. Much of the burden of keeping our roads maintained falls on the political subdivisions. While they receive some continual funding through various formulas and taxes, it isn't nearly enough to meet the demand. This stream is one way to directly support those local efforts, which in turn, supports our diverse economy to move goods, services, and people safely within North Dakota.

The State of North Dakota is in an enviable financial position in many respects. We should be looking to use this fortunate position to truly invest in our infrastructure now. The need only increases the longer we continue to take a band-aid approach. Prioritizing the political subdivision stream makes economic sense to address our infrastructure needs.

The NDTC requests a DO PASS recommendation on SB 2275.

Thank you



## **Senate Finance and Taxation**

### **Testimony in Support SB 2275**

Chairman Kannianen and Members of the Committee, my name is Mike Krumwiede appearing on behalf of the American Council of Engineering Companies in support of SB 2275. The American Council of Engineering Companies of North Dakota (ACEC/ND) is a nonprofit, voluntary, self-governing organization which represents 27 member firms and nearly 1700 employees. The American Council of Engineering Companies of North Dakota (ACEC/ND) is the business voice of North Dakota's consulting engineering industry. ACEC Member Firms are at the heart of the built environment, bringing us bridges, roads, water, sanitation, transit, rail, buildings, environmental protection and cleanup.

ACEC North Dakota has long recognized the importance of investing in our state's critical infrastructure needs, including transportation, water, energy, buildings, airports, parks and communication systems. Beyond those, a well-maintained infrastructure is the backbone of all sectors in a healthy and vibrant economy.

While ACEC North Dakota supports occasional one-time infusions of additional funds in those areas as budgets allow, current funding shortfalls and long-term funding gaps need to be addressed with long-term funding solutions. We believe additional resources help grow a solid business environment by providing jobs in every field from health care to education. As a result, ACEC North Dakota advocates for predictable, sustainable, infrastructure support and consistent policies across all North Dakota state agencies.

This Bill seeks to move the \$400 million SIF bucket so that counties, cities, and airports can take advantage of getting projects done earlier and creating long term savings. By helping our local subdivisions keep projects moving forward and taking advantage of our limited construction season, more projects will be completed creating infrastructure to move goods to market and help local farmers and citizens travel safely on our roads and bridges.

ACEC North Dakota supports SB 2275 because it is an effective tool in the toolbox to get projects going and move infrastructure projects along earlier while investing back in our state. We believe that through fiscally and responsible infrastructure funding mechanisms we can build things more promptly to accelerate the economic recovery. Support of North Dakota's pro-business environment through agency infrastructure budgets reinforces all aspects of both the public and private sectors. For these reasons we would urge a DO PASS recommendation on SB 2275. Thank you for your time and consideration.

January 23, 2023

To: The Honorable Senator Jordan L. Kannianen, Chairman of the Finance and Taxation Committee

Honorable Members of the Committee Senator Mark Weber, Senator Jeffrey Magrum, Senator Dale Patten, Senator Dean Rummel, and Senator Merrill Piepkorn

From: Becky Sue Hagel, Foster County Commissioner

RE: In Support of Senate Bill 2275 Relating to the State Share of Oil and Gas Taxes

Please support SB 2275 to remove the dollars for the Strategic Investment and Improvements Fund. Removing this subsection will generate more dollars to be deposited to the non-oil producing counties, cities and townships. This will help alleviate the struggle we have in trying to maintain our Road and Bridge infrastructure.

Foster is one of the smallest land area counties in the state, however, we have 91 miles of roads that were paved in the 1970's. We cannot meet the maintenance required at \$1 million dollars a mile to replace asphalt. In the future, we will need to look at reclaiming some of the roads back to gravel but that cost is now \$90,000 to \$140,000 per mile. With a small tax base and a mill levy valued at a little over \$30,000, we will be hard pressed to maintain these roads without the infusion of Prairie Dog funding.

Thank you for your consideration in a DO PASS for Senate Bill 2275.

Respectfully yours,

Becky Sue Hagel

Foster County Commissioner

e-mail: [bhagel@nd.gov](mailto:bhagel@nd.gov)

cell: 701-652-5741



City of Cavalier  
301 Division Ave N  
P.O. Box 750  
Cavalier, ND 58220  
Ph. 701.265.8800  
Fax 701.265.8720

# CAVALIER

January 24, 2023

To Whom it may concern:

The City of Cavalier is writing this letter in support of SB 2275. The city of Cavalier has received two distributions of Prairie Dog Funds. We will be utilizing these funds to repair and update one of our lift stations in our city. We are still in the planning phase. Currently, the infrastructure needs of the City of Cavalier are as follows: We have 4 lift stations that were replaced or installed in the 1970's and early 1980's that will need updating. Lift station #1 services everything on the north side of the river, lift station number 6 services all of Bjornson Drive and Wedge Wood Manor our local nursing home that currently has 40 residents. These lift stations service about 1/3 of the homes and businesses in the City of Cavalier.

Additionally, there are 4in water mains that need to be replaced on Madison St, River St , Park St, Mountain St W, 1<sup>st</sup> and 2<sup>nd</sup> Ave, along with sewer and street repairs. We also need to replace the 6in Water main on West 2<sup>nd</sup> Ave N of Park St. These water mains were installed in the 1930's and are undersized for adequate fire flow and water circulation. They have also experienced numerous water breaks. This would include approximately 7,500 ft. of water main replacement and 4,000 ft. of sewer main. The total estimated price from 2013 was around \$3.1 million. Construction costs have increased significantly if not even doubled.

The benefit to the City of Cavalier to have access to the funds from the Prairie Dog Project is unmeasurable. These funds allow our city, with a population of 1238 residents, to implement much needed repairs and upgrades to our water and sewer systems that would take many more years without this funding source. For this reason, the City of Cavalier supports SB 2275.

Sincerely

Casey Krieg  
Cavalier City Auditor

**Mayor**  
Lacey Hinkle

**Council Ward I**  
Craig Vaughn  
Sara Carter

**Council Ward II**  
Mike Carpenter  
Kelly Cluchie

**Council Ward III**  
Tom Beard  
Al Berry



**Testimony on SB 2275**  
**Presented to the Senate Finance and Taxation Committee**  
**Prepared by Tina Fisk, West Fargo City Administrator**  
**Jan. 24, 2023**

1 Chairman Kannianen and members of the Senate Finance and Taxation  
2 Committee,

3 Please accept this testimony from the City of West Fargo urging a Strong  
4 **DO PASS** on SB 2275.

5 The bill's proposed change to oil and gas extraction tax distribution will  
6 give cities across the state access to needed infrastructure funding much faster  
7 and more efficiently than is currently available. The sooner cities are able to  
8 attain this funding, the sooner we can complete projects that directly impact  
9 safety, development, and quality of life for our residents.

10 In our capital improvement plan, West Fargo has planned for \$208 million  
11 in necessary infrastructure projects from 2023-2027. Reliable funding for projects  
12 is critical in order for leaders to plan and maximize grant funding. Of particular  
13 concern in West Fargo is \$75 million of work that will take place in West Fargo's  
14 core area, which encompasses our oldest neighborhoods and West Fargo's  
15 primary affordable housing stock. A 2019 infrastructure study identified that  
16 these neighborhoods contain streets and sewer systems in need of major  
17 rehabilitation. In many cases, this infrastructure has not been rehabbed since its  
18 installation in the 1950s, '60s, or '70s. Its revitalization is important to ensure

19 residents have safe roads, safe water and that these neighborhoods remain  
20 livable for years to come.

21 This type of revitalization is costly. Based on our current funding policy,  
22 about \$40 million of those core area projects would be funded through special  
23 assessments. The passage of this bill and more efficient distribution of oil and gas  
24 tax would allow us to remove some of the financial responsibility that would be  
25 placed directly on property owners in the core area.

26 For example, the reconstruction work needed in West Fargo's Westwood  
27 neighborhood to bring streets, water, sanitary and storm sewer systems to  
28 current standards could place \$50,000 in special assessments on a single  
29 property. On average, this equates to an additional \$3,905 due annually or \$325  
30 per month. Some of these existing homeowners simply do not have the means  
31 to add large increases to their expenses in the form of special assessments. We  
32 are currently heavily weighing the decision to move forward without additional  
33 funding secured. However, this risks catastrophic failures that can affect health  
34 and sanitation as well as rising construction costs due to inflation.

35 This is why it is so vital that we have access to additional funding sources,  
36 such as Prairie Dog funds for these projects. Westwood is just one of five areas  
37 currently in critical need, a list that will only grow as infrastructure ages across  
38 our city.

39 Again, we ask for a DO PASS on SB 2275 to provide more timely distribution  
40 of oil and gas extraction tax to cities for critical infrastructure funding.

41 Tina Fisk, City Administrator

42 City of West Fargo

Support SB 2275

Senate Finance and Taxation Committee

January 24, 2023

Good morning, Chairman Kannianen and Committee members.

I am Larry Syverson from Mayville, I grow soybeans on my farm in Traill County, I am the Chairman of the Board of Supervisors for Roseville Township, and I am also the Executive Secretary of the North Dakota Township Officers Association. NDTOA represents nearly 6,000 Township Officers that serve in more than 1,100 dues paying member townships.

If and when the operation prairie dog, county and township infrastructure fund bucket fills, each township in non-oil counties receives some nine thousand dollars. In Roseville Township, for even a very light maintenance layer of gravel with pit run gravel, which costs us 12 dollars a yard spread, \$9,000 will only do about 4 miles. We have 48 miles, not all roads see heavy use but there are some that will need maintenance graveling every 2 to 3 years to keep them useable. We have to budget \$38,000 a year for blading and graveling. That \$38,000 doesn't allow for any graveling at the recommended rates it is all barely a maintenance level.

During the 20-21 biennium we were very hopeful that prairie dog would pay out for counties and townships. Of course we were sorely disappointed, the biennium ended with the fund empty and our chance to get a few miles improved to a more durable surface was lost. Once the surface is lost it takes a lot more to bring it back than it would have been to maintain it

NDTOA is currently holding its annual meeting and convention, yesterday we were discussing the pending legislation of this session. When SB 2275 came up the membership was very enthusiastic and hopeful that getting the SIIF bucket out of the way would allow prairie dog to be a more dependable source of funding for our transportation systems.

Last evening a spokesman for the Western Dakota Energy Association also talked about legislation mentioning that prairie dog pays non-oil counties and townships. But he went on to say that eleven counties in their association get less than five million dollars of oil and gas tax

distributions so their townships do not get any oil and gas payments. Those townships do not totally escape energy impacts but must face the expenses without the funding.

One time funding has been very helpful and is much appreciated, but the term “one-time” does not instill much of a sense of dependability. We are mostly farmers, and we certainly understand the volatility of commodity markets and realize that results can be disappointing. But we are hoping that moving the four hundred-million-dollar SIIF bucket out of the steam ahead of the county and township fund will help bring some stability to our funding.

Chairman Kannianen and Committee Members, that concludes my prepared testimony. On behalf of the membership of NDTOA, I ask that you give SB 2275 your favorable recommendation and I will try to answer any questions.