2025 SENATE FINANCE AND TAXATION
SB 2179

Finance and Taxation Committee

Fort Totten Room, State Capitol

SB 2179 1/20/2025

Relating to inspection fees regarding specialty fuels.

9:35 a.m. Chairman Weber reconvened the meeting.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Cost and methods of testing fuel
- Penalties for violating fuel regulations

9:35 a.m. Senator Thomas, District 6, introduced SB 2179 and testified in favor and submitted testimony #30226.

9:38 a.m. Mike Rud, President, North Dakota Petroleum Marketers Association, testified in favor and submitted testimony #30228.

9:41 a.m. Deanne Svaleson, Chairman, North Dakota Petroleum Marketers Association, testified in favor and submitted testimony #29953.

9:43 a.m. Dave Glatt, Director, Department of Environmental Quality, testified in neutral.

9:53 a.m. Chairman Weber closed the hearing.

9:55 a.m. Senator Walen moved a Do Pass.

9:55 a.m. Senator Pattern seconded the motion.

Senators	Vote
Senator Mark F. Weber	Υ
Senator Dean Rummel	Ν
Senator Richard Marcellais	Υ
Senator Dale Patten	Υ
Senator Michelle Powers	Υ
Senator Chuck Walen	Υ

Motion passed 5-1-0.

Senator Walen will carry the bill.

Senate Finance and Taxation Committee SB 2179 January 20, 2025 Page 2

Additional written testimony:

Matt Bjornson, Owner, Bjornson Oil Company Inc., submitted written testimony in favor #30193.

9:58 a.m. Chairman Weber closed the meeting.

Chance Anderson, Committee Clerk

REPORT OF STANDING COMMITTEE SB 2179 (25.1036.01000)

Module ID: s_stcomrep_08_003

Carrier: Walen

Finance and Taxation Committee (Sen. Weber, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2179 was rereferred to the **Appropriations Committee**. This bill does not affect workforce development.

TESTIMONY SB 2179

DEANNE SVALESON
PETRO TRUCK STOP, FARGO ND
CHARIMAN OF THE BOARD NORTH DAKOTA PETROLEUM MARKETERS

Chairman Weber and member of the Senate Finance and Tax Committee,

Thank you for the opportunity to testify in support of SB 2179. I am here on behalf of the North Dakota Petroleum Marketers Association. Our association represents over 600 petroleum marketers in the state of ND. SB 2179 will provide the funding to continue and improve the inspection of petroleum products and the labeling of those products. We are already paying for that via the 1/40th of a cent fee. Our position is that the department charged with the program either receive the funds marketers pay or eliminate the fee. Our strong preference is that the fee stay intact and is directed to the appropriate agency. No business likes government over reach. This program is not over reach. It is an appropriate oversight of the sale of petroleum products and is a basic consumer protection.

I ask for you support of this bill. Thank you.

TESTIMONY: SB 2179

MATT BJORNSON

BJORNSON OIL COMPANY INC.

CAVALIER, ND

Chairman Weber and members of the committee,

My name is Matt Bjornson, we own Bjornson Oil Company based in Cavalier, ND. We are a third-generation family business started in 1931. Thank you for the opportunity to testify in support of SB 2179. As a conservative business person, I would not normally be in support of a fee imposed on our business to pay for oversight. In this case, the fee of 1/40th of a cent, is meant to fund the inspection of petroleum products and the labeling of those products at retail. That program is an appropriate oversight of our industry. Properly funded, its existence insures a free and fair marketplace and gives appropriate protection to the consumer.

In ND, the department charged with the inspection program also provides compliance assistance and regulatory oversight for our distribution systems per EPA regulations. I hold that department in high regard and recognize that the department has a significant workload in the regulation of our distribution infrastructure. We need them to receive adequate funding to maintain and improve the inspection program.

As an industry we are paying a fee, it is not a tax. I fully support the fee going to the appropriate agency. Again, the inspection program ensures a fair marketplace by ensuring honest marketing and protects the consumer. It is needed and needs to be adequately funded. This bill does that.

Thank you for your time and I would be happy to answer any question you may have.

Support of SB 2179

Chairman Weber and members of the Senate Finance and Tax committee. I am Paul Thomas, Senator from District 6. I am here today to introduce and ask your support for SB 2179.

SB 2179 modifies the allocation of revenue from inspection fees from the state general fund to the department of environmental quality operating fund. The fuel sampling and testing program at the state level is a very crucial piece of the retail gas industry for petroleum marketers and consumers alike. The testing assures retailers are selling what they say they are selling, and consumers are getting the product they are looking to purchase. Retailers want to be assured the fuel products they are selling meet the specs they are advertising and may be set by the state and consumers want to be assured they are getting what they are paying for.

Thanks for considering your support for SB 2179.

Senator Paul Thomas

District 6

paulthomas@ndlegis.gov

7016262777



ND Petroleum Marketers Association ND Retail Association



Testimony-SB 2179

January 20, 2025- Senate Finance and Tax Committee

Chairman Weber and members of the Senate Finance and Tax Committee:

For the record, my name is Mike Rud. I am the President of the North Dakota Petroleum Marketers Association. Our Membership represents businesses from across the state, large and small. These retailers do an outstanding job of providing the essential service of fueling the general public. Our Association urges a "DO PASS" recommendation on SB 2179.

Mr. Chairman, I will be brief in my testimony as there are marketers waiting to testify online as to the importance of this bill's passage. I have provided in my testimony information regarding the state's fuel sampling program. I'm not going to read it all to you. However, I will tell you this program plays an important role insuring both the retailer and consumer are protected when it comes to gas purchases.

NDPMA and DEQ started having discussions on the future of the gas sampling and testing program in April 2024. As you can see from the charts I have provided there has been a sharp decline in the number of gas samples being taken from retail outlets over the past 2 decades. We talked about ways to find the monies needed to get sampling and testing of gasolines back to respectable numbers.

Current statute has the marketers paying one-fortieth of one cent into the state's motor fuel inspection fee. This money has always been deposited into the state's general fund. We believe since the marketers are paying the gas inspection fee, it's only fitting the funds be used for just such work.. Inspecting and testing gasoline samples.

I will let the retailers waiting to testify online go into more detail. These folks are in the trenches every day. They will bring an added perspective to this bill's importance to industry

and consumers alike. The DEQ is here to answer questions you might have regarding how the funds will be used.

NDPMA urges a "DO PASS" recommendation on SB 2179.



FUEL TESTING PROGRAM



Labeled Octane	Minimum Requirement	Posted (labeled) May Be
87	86.3	Unleaded
88	87.3	
89	88.3	Super,
89.5	88.8	Plus, or
0	89.3	Midgrade
91	90.3	Premium,
92	91.3	Supreme,
93	92.3	or High Test



Dispenser without ethanol.

FUEL TESTING REQUIREMENTS

As part of the North Dakota Department of Environmental Quality's responsibilities, underground storage tank staff are collecting fuel samples from retail fuel facilities. The fuel samples will be tested for the advertised specifications noted on the dispenser next to the fuel nozzle for that grade (for example, octane and ethanol content) and on any advertising. We will collect one or more samples of your fuel grades in one-quart steel containers and deliver them to the State Laboratory in Bismarck for analysis. Once the testing is complete, the NDDEQ will issue a letter noting the results and whether the fuel "Passes" or "Fails" the advertised specifications. If a fuel sample fails a test, the NDDEQ will send a follow-up letter. The facility will need to specify in writing how they intend to correct the violation

For more information on the labeling and testing requirements for the different fuel grades, see the back of this handout.

North Dakota State Law Specifies

- Gasoline or alcohol-blended gasoline dispensed must have the octane and alcohol blend posted (labeled) on the dispenser's front panel in a type not less than one inch [2.54 centimeters] high.
- The dispenser shall bear the alcohol information for alcohol-blended gasoline dispensed that consists of one percent or more by volume of alcohol. For example, dispensers posted (labeled) with the information that the alcohol-blended gasoline is "Up to 10% Ethanol" must contain between 1% to 11% ethanol by volume or dispensers posted (labeled) with "10% Ethanol" must contain between 9% to 11% ethanol by volume. Please contact the NDDEQ for higher percentage ethanol labeling requirements.
- Octane and alcohol-blended labels must be posted (labeled) in a clear and conspicuous position from the driver's seat. Octane of all gasoline or alcohol-blended gasoline offered for retail sale must be at least eightyseven.
- No dealer may sell alcohol-blended gasoline unless the dispensing unit and any price advertising bear the name of the alcohol blended with the gasoline.

Read more about the North Dakota Petroleum Product Testing Rules at https://www.legis.nd.gov/information/acdata/pdf/33.1-34-01.pdf.



Environmental Quality

4201
Bisma

Division of Waste Managment 4201 Normandy Street Bismarck ND 58503-1324 701-328-5166 • https://deq.nd.gov



DID YOU KNOW...

...that the North Dakota Department of Environmental Quality 'NDDEQ) tests fuel from gas stations and other retail fuel facilities?

The NDDEQ

uses the results of these tests to confirm that any **labels** and **advertising** at the facility show the correct fuel information and octane rating.

Once the testing is complete, the NDDEQ will notify the facility that sold the fuel whether the sampled fuel "Passes" or "Fails" the advertised specifications. Failing the test is a violation of state rules. If a fuel sample

fails a test, the facility must respond in writing on how they intend to correct the violation.



Advertisement with correct labeling.

How do I avoid being in violation of state labeling rules?

Label your fuel dispensers correctly (ND Admin Code 33.1-34-01-02)



Dispenser with ethanol.

- Gasoline or alcohol-blended gasoline dispensed must have the octane and alcohol blend posted (labeled) on the dispenser's front panel in a type not less than one inch [2.54 centimeters] high.
- Dispensers for alcohol-blended fuels (1% or more) must show the correct alcohol information for the fuel.

For example:

- Dispensers posted (labeled) with "Up to 10% Ethanol" must dispense fuel that contains between 1% to 11% ethanol by volume
- Dispensers posted (labeled) with "10% Ethanol" must contain between 9% to 11% ethanol by volume.
- Dispensers posted (labeled) with "15% Ethanol" must contain between 14% to 16% ethanol by volume.
- Octane and alcohol-blended labels must be posted (labeled) in a clear and conspicuous position from the driver's seat. Octane of all gasoline or alcohol-blended gasoline offered for retail sale must be at least eighty-seven.
- No dealer may sell alcohol-blended gasoline unless the dispensing unit and any price advertising bear the name of the alcohol blended with the gasoline.

Read more about the North Dakota Petroleum Product Testing Rules at https://www.legis.nd.gov/information/acdata/pdf/33.1-34-01.pdf.

Environmental Quality

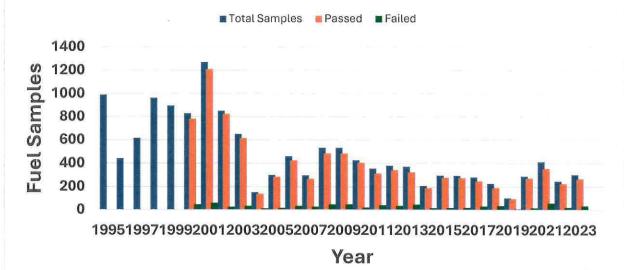


Division of Waste Managment 4201 Normandy Street Bismarck ND 58503-1324 701-328-5166 • https://deq.nd.gov



Year	Total	Pass	Fail	Pass %
1995	989			
1996	441			
1997	616			
1998	963			
1999	896			
2000	829	783	46	
2001	1270	1210	60	
2002	852	826	26	
2003	650	616	34	
2004	151	139	12	
2005	299	283	16	
2006	459	425	34	
2007	295	267	28	
2008	532	485	47	
2009	532	484	48	
2010	427	406	21	
2011	355	314	41	
2012	379	343	36	
2013	371	325	46	
2014	207	190	17	
2015	296	278	18	
2016	294	275	19	
2017	280	249	31	
2018	227	191	36	
2019	102	96	6	
2020	289	272	17	
2021	413	355	58	
2022	246	226	20	
2023	301	267	34	
2024				

Fuel Sample Analysis



2025 SENATE APPROPRIATIONS

SB 2179

Appropriations - Government Operations Division

Red River Room, State Capitol

SB 2179 1/28/2025

A BILL for an Act to amend and reenact section 23.1-13-16 of the North Dakota Century Code, relating to inspection fees.

8:30 a.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Oil and gas sampling and testing
- · Ethanol blend testing
- Octane
- Testing program efficiencies
- Chemistry laboratory
- PFAS (per- and polyfluoroalkyl substances)

8:30 a.m. Mike Rud, President of ND Petroleum Marketers Association, testified in favor and provided testimony #32182.

8:34 a.m. Dave Glatt, Director of ND Department of Environmental Quality (DEQ), testified in favor.

8:41 a.m. Beth Jacobson, Director of Accounting for NDDEQ, testified neutrally.

8:45 a.m. Dave Glatt answered questions.

Additional written testimony:

Matt Bjornson, owner of Bjornson Oil Company, provided testimony #32184 in favor.

8:54 a.m. Chairman Wanzek closed the hearing.

Carol Thompson, Committee Clerk



1-28-25

ND Petroleum Marketers Association

1014 East Central Avenue • PO Box 1956 Bismarck, ND 58502 • Telephone 701-223-3370 www.ndpetroleum.org • Fax 701-223-5004

Testimony-SB 2179

January 28, 2025- Senate Government Operations Committee

Chairman Wanzek and members of the Senate Government Operations Committee:

For the record, my name is Mike Rud. I am the President of the North Dakota Petroleum Marketers Association. Our Membership represents businesses from across the state, large and small. These retailers do an outstanding job of providing the essential service of fueling the general public. Our Association urges a "DO PASS" recommendation on SB 2179.

Mr. Chairman, I have provided in my testimony information regarding the state's fuel sampling program. I'm not going to read it all to you. However, I will tell you this program plays an important role insuring both the retailer and consumer are protected when it comes to gas purchases.

NDPMA and DEQ started having discussions on the future of the gas sampling and testing program in April 2024. As you can see from the graphs I have provided there has been a sharp decline in the number of gas samples being taken from retail outlets over the past 2 decades. We talked about ways to find the monies needed to get sampling and testing of gasolines back to respectable numbers.

Current statute has the marketers paying one-fortieth of one cent into the state's motor fuel inspection fee. This money has always been deposited into the state's general fund. We believe since the marketers are paying the gas inspection fee, it's only fitting the funds be used for just such work. Inspecting and testing gasoline samples.

The DEQ is here to answer questions you might have regarding how the funds will be used.

NDPMA urges a "DO PASS" recommendation on SB 2179.



FUEL TESTING PROGRAM



Labeled Octane	Minimum Requirement	## B B BA	
87	86.3	Unleaded	
88	87.3		
89	88.3	Super,	
89.5	88.8	Plus, or	
0	89.3	Midgrade	
91	90.3	Premium,	
92	91.3	Supreme,	
93	92.3	or High Test	



Environmental Quality

Dispenser without ethanol.

FUEL TESTING REQUIREMENTS

As part of the North Dakota Department of Environmental Quality's responsibilities, underground storage tank staff are collecting fuel samples from retail fuel facilities. The fuel samples will be tested for the advertised specifications noted on the dispenser next to the fuel nozzle for that grade (for example, octane and ethanol content) and on any advertising. We will collect one or more samples of your fuel grades in one-quart steel containers and deliver them to the State Laboratory in Bismarck for analysis. Once the testing is complete, the NDDEQ will issue a letter noting the results and whether the fuel "Passes" or "Fails" the advertised specifications. If a fuel sample fails a test, the NDDEQ will send a follow-up letter. The facility will need to specify in writing how they intend to correct the violation

For more information on the labeling and testing requirements for the different fuel grades, see the back of this handout.

North Dakota State Law Specifies

- Gasoline or alcohol-blended gasoline dispensed must have the octane
 and alcohol blend posted (labeled) on the dispenser's front panel in a
 type not less than one inch [2.54 centimeters] high.
- The dispenser shall bear the alcohol information for alcohol-blended gasoline dispensed that consists of one percent or more by volume of alcohol. For example, dispensers posted (labeled) with the information that the alcohol-blended gasoline is "Up to 10% Ethanol" must contain between 1% to 11% ethanol by volume or dispensers posted (labeled) with "10% Ethanol" must contain between 9% to 11% ethanol by volume. Please contact the NDDEQ for higher percentage ethanol labeling requirements.
- Octane and alcohol-blended labels must be posted (labeled) in a clear and conspicuous position from the driver's seat. Octane of all gasoline or alcohol-blended gasoline offered for retail sale must be at least eightyseven.
- No dealer may sell alcohol-blended gasoline unless the dispensing unit and any price advertising bear the name of the alcohol blended with the gasoline.

Read more about the North Dakota Petroleum Product Testing Rules at https://www.legis.nd.gov/information/acdata/pdf/33.1-34-01.pdf.



DID YOU KNOW...

...that the North Dakota Department of Environmental Quality (NDDEQ) tests fuel from gas stations and other retail fuel facilities?

The NDDEQ

uses the results of these tests to confirm that any **labels** and **advertising** at the facility show the correct fuel information and octane rating.

Once the testing is complete, the NDDEQ will notify the facility that sold the fuel whether the sampled fuel "Passes" or "Fails" the advertised specifications. Failing the test is a violation of state rules. If a fuel sample

fails a test, the facility must respond in writing on how they intend to correct the violation.



Advertisement with correct labeling.

How do I avoid being in violation of state labeling rules?

Label your fuel dispensers correctly (ND Admin Code 33.1-34-01-02)



Dispenser with ethanol.

- Gasoline or alcohol-blended gasoline dispensed must have the octane and alcohol blend posted (labeled) on the dispenser's front panel in a type not less than one inch [2.54 centimeters] high.
- Dispensers for alcohol-blended fuels (1% or more) must show the correct alcohol information for the fuel.

For example:

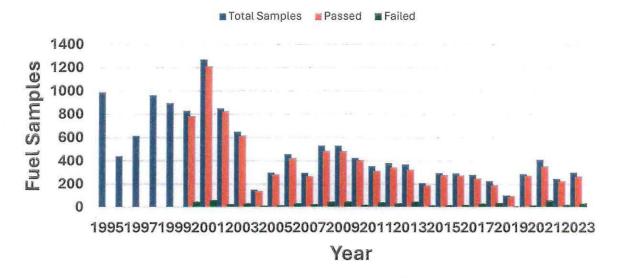
- Dispensers posted (labeled) with "Up to 10% Ethanol" must dispense fuel that contains between 1% to 11% ethanol by volume
- Dispensers posted (labeled) with "10% Ethanol" must contain between 9% to 11% ethanol by volume.
- Dispensers posted (labeled) with "15% Ethanol" must contain between 14% to 16% ethanol by volume.
- Octane and alcohol-blended labels must be posted (labeled) in a clear and conspicuous position from the driver's seat. Octane of all gasoline or alcohol-blended gasoline offered for retail sale must be at least eighty-seven.
- No dealer may sell alcohol-blended gasoline unless the dispensing unit and any price advertising bear the name of the alcohol blended with the gasoline.

Read more about the North Dakota Petroleum Product Testing Rules at https://www.legis.nd.gov/information/acdata/pdf/33.1-34-01.pdf.

Environmental Quality

Year	Total	Pass	Fail	Pass %
1995	989			
1996	441			
1997	616			
1998	963			
1999	896			
2000	829	783	46	
2001	1270	1210	60	
2002	852	826	26	
2003	650	616	34	
2004	151	139	12	
2005	299	283	16	
2006	459	425	34	
2007	295	267	28	
2008	532	485	47	
2009	532	484	48	
2010	427	406	21	
2011	355	314	41	
2012	379	343	36	
2013	371	325	46	
2014	207	190	17	
2015	296	278	18	
2016	294	275	19	
2017	280	249	31	
2018	227	191	36	
2019	102	96	6	
2020	289	272	17	
2021	413	355	58	
2022	246	226	20	
2023	301	267	34	
2024				

Fuel Sample Analysis



1-28-25

TESTIMONY: SB 2179

MATT BJORNSON

BJORNSON OIL COMPANY INC.

CAVALIER, ND

Chairman Wanzek and members of the committee,

My name is Matt Bjornson, we own Bjornson Oil Company based in Cavalier, ND. We are a third-generation family business started in 1931. Thank you for the opportunity to testify in support of SB 2179. As a conservative business person, I would not normally be in support of a fee imposed on our business to pay for oversight. In this case, the fee of $1/40^{th}$ of a cent, is meant to fund the inspection of petroleum products and the labeling of those products at retail. That program is an appropriate oversight of our industry. Properly funded, its existence insures a free and fair marketplace and gives appropriate protection to the consumer.

In ND, the department charged with the inspection program also provides compliance assistance and regulatory oversight for our distribution systems per EPA regulations. I hold that department in high regard and recognize that the department has a significant workload in the regulation of our distribution infrastructure. We need them to receive adequate funding to maintain and improve the inspection program.

As an industry we are paying a fee, it is not a tax. I fully support the fee going to the appropriate agency. Again, the inspection program ensures a fair marketplace by ensuring honest marketing and protects the consumer. It is needed and needs to be adequately funded. This bill does that.

Thank you for your time and I would be happy to answer any question you may have.

Appropriations - Government Operations Division

Red River Room, State Capitol

SB 2179 1/28/2025

A BILL for an Act to amend and reenact section 23.1-13-16 of the North Dakota Century Code, relating to inspection fees.

2:42 p.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

Fiscal note

2:43 p.m. Senator Burckhard moved a Do Pass for SB 2179. Senator Dwyer seconded the motion.

Senators	Vote
Senator Terry M. Wanzek	Υ
Senator Randy A. Burckhard	Υ
Senator Michael Dwyer	Υ
Senator Robert Erbele	Υ
Senator Jonathan Sickler	Υ

Motion passed 5-0-0

Senator Wanzek will carry the bill

2:47 p.m. Chairman Wanzek closed the hearing.

Carol Thompson, Committee Clerk

Appropriations Committee

Harvest Room, State Capitol

SB 2179 1/30/2025

A BILL for an Act to amend and reenact section 23.1-13-16 of the North Dakota Century Code, relating to inspection fees.

10:15 a.m. Chairman Bekkedahl opened the hearing.

Members Present: Chairman Bekkedahl, Vice-Chairman Erbele, and Senators Burckhard, Conley, Davison, Dever, Dwyer, Mathern, Schaible, Sickler, Sorvaag, Thomas, Wanzek. Members Absent: Senators Cleary, Magrum, Meyer.

Discussion Topics:

- Diversion of Funds
- State Fuel Inspection Program
- New State Lab
- Expanding Testing
- No Penalties

10:15 a.m. Senator Wanzek introduced the bill.

10:16 a.m. Chairman Bekkedahl opened discussion on the bill.

10:24 a.m. Steph Gullickson, OMB, referenced the fiscal note and explained differences between the petroleum tank compensation fund and the operating fund.

10:30 a.m. Chairman Bekkedahl adjourned the meeting.

Elizabeth Reiten, Committee Clerk

Appropriations Committee

Harvest Room, State Capitol

SB 2179 2/3/2025

A BILL for an Act to amend and reenact section 23.1-13-16 of the North Dakota Century Code, relating to inspection fees.

8:31 a.m. Chairman Bekkedahl called the meeting to order.

Members Present: Chairman Bekkedahl, Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Davison, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.

Discussion Topics:

- Petroleum Testing Results
- Penalties & Penalty Enforcement
- Quality Assessments
- Efficiencies

8:32 a.m. Senator Schaible presented new and vacant FTE pool highlights and submitted testimony #33840.

8:33 a.m. David Glatt, DEQ Director, testified as neutral and submitted testimony #33842.

9:04 a.m. Senator Mathern moved to amend SB 2179 by adding a sunset date of June 30th, 2027, and adopt amendment LC 25.1036.01001.

9:06 a.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Υ
Senator Robert Erbele	Α
Senator Randy A. Burckhard	Υ
Senator Sean Cleary	Υ
Senator Cole Conley	Υ
Senator Kyle Davison	Υ
Senator Dick Dever	Υ
Senator Michael Dwyer	N
Senator Jeffery J. Magrum	Υ
Senator Tim Mathern	Υ
Senator Scott Meyer	Υ
Senator Donald Schaible	Υ
Senator Jonathan Sickler	Υ
Senator Ronald Sorvaag	Υ
Senator Paul J. Thomas	Υ
Senator Terry M. Wanzek	Υ

Motion Passed 14-1-1.

9:07 a.m. Senator Thomas moved a Do Pass as Amended.

9:07 a.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Υ
Senator Robert Erbele	Α
Senator Randy A. Burckhard	Υ
Senator Sean Cleary	Υ
Senator Cole Conley	Υ
Senator Kyle Davison	Υ
Senator Dick Dever	Υ
Senator Michael Dwyer	N
Senator Jeffery J. Magrum	N
Senator Tim Mathern	Υ
Senator Scott Meyer	Υ
Senator Donald Schaible	Υ
Senator Jonathan Sickler	N
Senator Ronald Sorvaag	Ν
Senator Paul J. Thomas	Υ
Senator Terry M. Wanzek	Υ

Motion Passed 11-4-1.

Senator Wanzek will carry the bill.

9:12 a.m. Beth Jacobson, DEQ Director of Accounting, testified as neutral.

9:13 a.m. Chairman Bekkedahl closed the hearing.

Elizabeth Reiten, Committee Clerk

25.1036.01001 Title.02000 Prepared by the Legislative Council staff for Senate Appropriations Committee

February 3, 2025

Sixty-ninth Legislative Assembly of North Dakota

PROPOSED AMENDMENTS TO

23.25 AB (of 2

SENATE BILL NO. 2179

Introduced by

Senators Thomas, Boehm, Weber

Representatives D. Anderson, Porter, M. Ruby

- 1 A BILL for an Act to amend and reenact section 23.1-13-16 of the North Dakota Century Code,
- 2 relating to inspection fees; and to provide an expiration date.

3 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

- 4 **SECTION 1. AMENDMENT.** Section 23.1-13-16 of the North Dakota Century Code is
- 5 amended and reenacted as follows:
- 6 **23.1-13-16. Inspection fees.**
- Figure 7 Every person licensed by the tax commissioner as a motor vehicle fuel or special fuels
- 8 dealer shall pay to the tax commissioner an inspection fee of one-fortieth of one cent per gallon
- 9 [3.79 liters] for every gallon [3.79 liters] of gasoline, kerosene, tractor fuel, heating oil, or diesel
- 10 fuel sold or used during a calendar month except those gallons sold out of state or those
- 11 gallons sold as original package sales as defined in chapters 57-43.1 and 57-43.2. The fee
- must accompany the monthly report required in the following section and is due no later than
- 13 the twenty-fifth day of each calendar month for the preceding month. The tax commissioner
- shall forward all money collected under this section to the state treasurer monthly, and the state
- 15 treasurer shall place the money in the general fund of the statedeposit the funds in the
- department of environmental quality operating fund. The moneys must be used, subject to
- 17 <u>legislative appropriations, for the state fuel inspection program</u>. The tax commissioner shall
- make available annually a report by licensed dealer listing the number of gallons [liters] of motor
- 19 vehicle fuel and special fuels upon which the inspection fee has been paid. The provisions of
- 20 chapters 57-43.1 and 57-43.2 pertaining to the administration of motor vehicle fuel and special

Sixty-ninth Legislative Assembly 92 2082

- fuels taxes not in conflict with the provisions of this chapter govern the administration of the
- 2 inspection fee levied by this chapter.
- 3 SECTION 2. EXPIRATION DATE. This Act is effective through June 30, 2027, and after that
- 4 date is ineffective.

Module ID: s_stcomrep_18_021 Carrier: Wanzek Insert LC: 25.1036.01001 Title: 02000

REPORT OF STANDING COMMITTEE SB 2179

Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS** (25.1036.01001) and when so amended, recommends **DO PASS** (11 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). SB 2179 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Schaible 2/3/25

New and Vacant FTE Pool - Highlights

2023-25 new and vacant FTE pool impact

- 1. Increases in the salaries and wages line of appropriation bills this session may appear larger than typical, especially if FTE positions were added to the budget last session.
 - a. Last session, individual agency budgets were reduced to reflect the transfer of new and vacant FTE pool funding to a line item created in the Office of Management and Budget (OMB).
 - b. With the return of this funding to each individual agency, salaries and wages increases may appear larger than typical.

2025-27 new and vacant FTE pool calculation

- 1. The new and vacant FTE pool amount is included in each agency's budget for the 2025-27 biennium as a separate line item:
 - a. The new and vacant FTE pool contains 90 percent of the funding budgeted for any new FTE positions authorized for the agency.
 - i. When an agency fills a new position, it can request OMB to transfer funds needed for the position from the new and vacant FTE pool.
 - b. The new and vacant FTE pool also contains 70 percent of the funding estimated to be saved by the agency due to vacant FTE positions and employee turnover. The estimated savings are calculated based on the authorized number of employees for each agency.
 - If an agency does not have sufficient savings from vacant FTE positions and employee turnover, it can request OMB to transfer funds needed from the new and vacant FTE pool.



Petroleum Testing Results

	Octane				Ethanol	
Year	Total	Fail	Fail %	Total	Fail	Fail %
2002	852	26	3.1%	590	26	4.4%
2003	650	34	5.2%	554	49	8.8%
2004	151	12	7.9%	36	6	16.7%
2005	299	16	5.4%	299	24	8.0%
2006	459	34	7.4%	428	35	8.2%
2007	295	28	9.5%	259	27	10.4%
2008	532	47	8.8%	505	51	10.1%
2009	532	48	9.0%	490	81	16.5%
2010	427	21	4.9%	418	29	6.9%
2011	355	41	11.5%	292	33	11.3%
2012	379	36	9.5%	318	30	9.4%
2013	371	46	12.4%	273	28	10.3%
2014	207	17	8.2%	196	15	7.7%
2015	296	18	6.1%	216	11	5.1%
2016	294	19	6.5%	208	8	3.8%
2017	280	31	11.1%	231	21	9.1%
2018	227	36	15.9%	162	10	6.2%
2019	102	6	5.9%	84	6	7.1%
2020	289	17	5.9%	226	13	5.8%
2021	413	58	14.0%	270	32	11.9%
2022	246	20	8.1%	226	21	9.3%
2023	301	34	11.3%	188	21	11.2%
2024	247	7	2.8%	243	31	12.8%