

HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 transportation; to amend and reenact section 57-40.3-10 of the North Dakota Century Code,
3 relating to the distribution of highway funds; to provide for transfers; to provide an effective date;
4 to provide an expiration date; and to declare an emergency.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the department of transportation for the purpose of defraying the expenses of
10 the department of transportation, for the biennium beginning July 1, 2011, and ending June 30,
11 2013, as follows:

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
12			
13			
14	Salaries and wages	\$19,403,348	\$166,776,602
15	Operating expenses	15,285,236	204,090,250
16	Capital assets	281,541,283	943,529,831
17	County and township road	142,000,000	142,000,000
18	reconstruction program		
19	Grants	(1,998,694)	67,767,407
20	Federal stimulus funds	<u>24,119,575</u>	<u>24,119,575</u>
21	Total all funds	\$480,350,748	\$1,548,283,665
22	Less estimated income	<u>474,500,748</u>	<u>1,542,433,665</u>
23	Total general fund	\$5,850,000	\$5,850,000
24	Full-time equivalent positions	12.00	1,066.50

1 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

2 **SIXTY-THIRD LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
3 items approved by the sixty-first legislative assembly for the 2009-11 biennium and the 2011-13
4 one-time funding items included in the appropriation in section 1 of this Act:

5	<u>One-Time Funding Description</u>	<u>2009-11</u>	<u>2011-13</u>
6	Federal stimulus funds	\$176,082,671	\$24,119,575
7	Devils Lake area highway project	4,600,000	5,850,000
8	Extraordinary state highway maintenance	0	228,600,000
9	County and township road reconstruction	<u>0</u>	<u>142,000,000</u>
10	Total all funds	\$180,682,671	\$400,569,575
11	Total special funds	<u>176,082,671</u>	<u>394,719,575</u>
12	Total general fund	\$4,600,000	\$5,850,000

13 The 2011-13 one-time funding amounts are not part of the entity's base budget for the 2013-15
14 biennium. The department of transportation shall report to the appropriations committees of the
15 sixty-third legislative assembly on the use of the one-time funding for the biennium beginning
16 July, 2011, and ending June 30, 2013.

17 **SECTION 3. HIGHWAY FUND APPROPRIATION.** The sum of \$771,261,592 included in
18 the estimated income line in section 1 of this Act is from the highway fund and must be used by
19 the department of transportation for purposes authorized by the legislative assembly, for the
20 biennium beginning July 1, 2011, and ending June 30, 2013. Any additional amount in the
21 highway fund that becomes available is appropriated to the department of transportation for the
22 purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2011, and
23 ending June 30, 2013.

24 **SECTION 4. LINE ITEM TRANSFERS.** The director of the department of transportation
25 may transfer between the operating, capital assets, and grants line items in section 1 of this Act
26 when it is cost-effective for construction and maintenance of highways. The department of
27 transportation shall notify the office of management and budget of any transfers made pursuant
28 to this section.

29 **SECTION 5. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **57-40.3-10. (Effective through June 30, 2011-2013) Transfer of revenue.**

2 All moneys collected and received under this chapter after moneys are deposited in the
3 state aid distribution fund under section 57-39.2-26.1 must be transmitted monthly by the
4 director of the department of transportation to the state treasurer to be transferred and credited
5 as follows:

- 6 1. Twenty-five percent to the highway tax distribution fund.
- 7 2. Seventy-five percent to the state general fund.

8 **(Effective after June 30, 2011-2013) Transfer of revenue.** All moneys collected and
9 received under this chapter must be transmitted monthly by the director of the department of
10 transportation to the state treasurer to be transferred and credited to the general fund.

11 **SECTION 6. COUNTY AND TOWNSHIP ROAD RECONSTRUCTION PROGRAM -**
12 **CARRYOVER AUTHORITY.**

- 13 1. The sum of \$142,000,000, or so much of the sum as may be necessary, included in
14 the county and township road reconstruction program line item in section 1 of this Act,
15 must be used to rehabilitate or reconstruct county and township paved and unpaved
16 roads.
 - 17 a. Funding allocations to counties are to be made by the department of
18 transportation based on the needs assessment study conducted by the upper
19 great plains transportation institute, titled "Additional Road Investments Needed
20 to Support Oil and Gas Production and Distribution in North Dakota", dated
21 December 9, 2010.
 - 22 b. Counties identified in the study are eligible for this funding.
- 23 2. Each county requesting funding under this section for county or township roads shall
24 submit the request in accordance with criteria developed by the department of
25 transportation.
 - 26 a. The request shall include a proposed plan for funding projects that rehabilitate or
27 reconstruct paved and unpaved roads within the county.
 - 28 b. The plan shall be based on the upper great plains transportation institute study,
29 actual road conditions, and integration with state highway and other county road
30 projects.
 - 31 c. Funds shall not be used for routine maintenance.

- 1 3. The department of transportation, in consultation with the county, may approve the
2 plan or approve the plan with amendments.
- 3 4. The funding included in the county and township road reconstruction program line item
4 in section 1 of this Act may be used for:
 - 5 a. One-hundred percent of the cost of the approved paved roadway projects not to
6 exceed the funding available for that county.
 - 7 b. Twenty percent of the cost of the approved unpaved roadway projects not to
8 exceed the funding available for that county.
 - 9 c. Funding may be used for construction, engineering, and plan development costs.
- 10 5. Upon approval of the plan, the department of transportation shall transfer to the county
11 the approved funding for engineering and plan development costs.
- 12 6. Upon execution of a construction contract by the county, the department of
13 transportation shall transfer to the county the approved funding to be distributed for
14 county and township road rehabilitation and reconstruction projects.
- 15 7. The recipient counties shall report to the department of transportation upon awarding
16 of each contract and upon completion of each project in a manner prescribed by the
17 department.
- 18 8. Section 54-44.1-11 does not apply to funding included in the county and township road
19 reconstruction program line in section 1 of this Act. Any funds not spent by June 30,
20 2013, must be continued into the biennium beginning July 1, 2013, and ending
21 June 30, 2015, and may be expended only for county and township paved and
22 unpaved road rehabilitation and reconstruction projects.

23 **SECTION 7. EXTRAORDINARY STATE HIGHWAY MAINTENANCE - CARRYOVER**

24 **AUTHORITY.** Section 54-44.1-11 does not apply to funding of \$228,600,000 in the capital
25 assets line item relating to extraordinary state highway maintenance in section 1 of this Act. Any
26 funds not spent by June 30, 2013, must be continued into the biennium beginning July 1, 2013,
27 and ending June 30, 2015, and may be expended only for extraordinary state highway
28 maintenance.

29 **SECTION 8. EMERGENCY.** Funding of \$228,600,000 in the capital assets line item relating
30 to extraordinary state highway maintenance and \$142,000,000 in the county and township road
31 reconstruction line item in section 1 of this Act are declared to be an emergency measure.

