

**SENATE BILL NO. 2103**

Introduced by

Senators Armstrong, Rust, Poolman

Representatives Louser, Schatz, Thoreson

1 A BILL for an Act to provide an appropriation to the state treasurer for allocations to counties,  
2 cities, school districts, and townships; to provide an appropriation to the department of  
3 transportation for state highway projects; to provide for a transfer; and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. APPROPRIATION - STATE TREASURER - STRATEGIC INVESTMENT AND**

6 **IMPROVEMENTS FUND.** There is appropriated out of any moneys in the strategic investment

7 and improvements fund in the state treasury, not otherwise appropriated, the sum of

8 ~~\$845,000,000~~ \$836,250,000, or so much of the sum as may be necessary, to the state treasurer

9 for the purpose of distributions, as soon as possible, to counties, cities, school districts, and

10 townships, for the period beginning with the effective date of this Act, and ending June 30,

11 2015.

12 1. The state treasurer shall distribute \$300,000,000 to oil-producing counties based on  
13 allocations under subsection 2 of section 57-51-15 for formula allocation year 2014 as  
14 follows:

- 15 a. \$50,000,000 to the county that received the highest total allocation;
- 16 b. \$50,000,000 to the county that received the second highest total allocation;
- 17 c. \$50,000,000 to the county that received the third highest total allocation;
- 18 d. \$40,000,000 to the county that received the fourth highest total allocation;
- 19 e. \$25,000,000 to the county that received the fifth highest total allocation;
- 20 f. \$20,000,000 to the county that received the sixth highest total allocation;
- 21 g. \$20,000,000 to the county that received the seventh highest total allocation;
- 22 h. \$15,000,000 to the county that received the eighth highest total allocation;
- 23 i. \$15,000,000 to the county that received the ninth highest total allocation; and
- 24 j. \$15,000,000 to the county that received the tenth highest total allocation.

1 Major roadway construction or reconstruction projects provided funding under this  
2 subsection must comply with the American association of state highway and  
3 transportation officials pavement design procedures and the department of  
4 transportation local government requirements. Upon completion of a major roadway  
5 construction or reconstruction project, the roadway segment must be posted at a legal  
6 load limit of 105,500 pounds [47853.995 kilograms].

7 2. The state treasurer shall distribute \$140,000,000 to incorporated cities in oil-producing  
8 counties based on the population of each incorporated city according to the last official  
9 decennial federal census. The distribution to each eligible incorporated city must be  
10 proportional to the incorporated city's population relative to the combined total  
11 population of all the eligible incorporated cities within the qualifying county. The  
12 distribution must exclude incorporated cities with a population of fewer than fifty and  
13 hub cities as defined under section 57-51-01. The distribution must be based on  
14 allocations under subsection 2 of section 57-51-15 for formula allocation year 2014 as  
15 follows:

- 16 a. \$5,000,000 among the eligible incorporated cities, excluding incorporated cities  
17 with a population of more than one thousand, in the county that received the  
18 highest total allocation;
- 19 b. \$30,000,000 among the eligible incorporated cities in the county that received the  
20 second highest total allocation;
- 21 c. \$30,000,000 among the eligible incorporated cities in the county that received the  
22 third highest total allocation;
- 23 d. \$20,000,000 among the eligible incorporated cities in the county that received the  
24 fourth highest total allocation;
- 25 e. \$13,000,000 among the eligible incorporated cities in the county that received the  
26 fifth highest total allocation;
- 27 f. \$12,000,000 among the eligible incorporated cities in the county that received the  
28 sixth highest total allocation;
- 29 g. \$12,000,000 among the eligible incorporated cities in the county that received the  
30 seventh highest total allocation;

- 1           h.   \$10,000,000 among the eligible incorporated cities in the county that received the
- 2                eighth highest total allocation;
- 3           i.   \$1,000,000 among the eligible incorporated cities in the county that received the
- 4                ninth highest total allocation; and
- 5           j.   \$7,000,000 among the eligible incorporated cities in the county that received the
- 6                tenth highest total allocation.

~~7           3.   The state treasurer shall distribute \$8,750,000 to school districts in oil-producing~~  
~~8                counties based on the average daily attendance in effect for distributions to school~~  
~~9                districts under section 57-51-15 for the period September 1, 2014, to August 31, 2015.~~  
~~10            The distribution must provide \$875,000 to each of the ten counties that received the~~  
~~11                highest total allocations under subsection 2 of section 57-51-15 for formula allocation~~  
~~12                year 2014. Of the \$875,000 provided to each county, the state treasurer shall~~  
~~13                distribute to each school district an amount proportional to the school district's average~~  
~~14                daily attendance relative to the combined total average daily attendance of all the~~  
~~15                eligible school districts within the qualifying county. The distribution must exclude hub-~~  
~~16                city school districts as defined under section 57-51-01.~~

17    4.3.   The state treasurer shall distribute \$140,800,000 to non-oil-producing counties based  
18            on the most recent data compiled by the upper great plains transportation institute  
19            regarding North Dakota's county, township, and tribal road and bridge infrastructure  
20            needs. The distribution to each non-oil-producing county must be proportional to each  
21            non-oil-producing county's total estimated road and bridge investment needs for the  
22            years 2015 to 2034 identified by the upper great plains transportation institute relative  
23            to the combined total estimated road and bridge investment needs for the years 2015  
24            to 2034 identified by the upper great plains transportation institute of all the eligible  
25            non-oil-producing counties under this subsection. Each county's total estimated road  
26            and bridge investment needs includes unpaved and paved road and bridge needs. For  
27            purposes of this subsection, a "non-oil-producing county" means a county that  
28            received no allocation of funding or a total allocation under subsection 2 of section  
29            57-51-15 of less than \$5,000,000 for formula allocation year 2014. Major roadway  
30            construction or reconstruction projects provided funding under this subsection must  
31            comply with the American association of state highway and transportation officials

1 pavement design procedures and the department of transportation local government  
2 requirements. Upon completion of a major roadway construction or reconstruction  
3 project, the roadway segment must be posted at a legal load limit of 105,500 pounds  
4 [47853.995 kilograms].

5 ~~5.4.~~ The state treasurer shall distribute \$19,200,000 to non-oil-producing counties for the  
6 benefit of the organized and unorganized townships within each non-oil-producing  
7 county based on the most recent data compiled by the upper great plains  
8 transportation institute regarding North Dakota's county, township, and tribal road and  
9 bridge infrastructure needs. The distribution to each non-oil-producing county must be  
10 proportional to each non-oil-producing county's total estimated road and bridge  
11 investment needs for the years 2015 to 2034 identified by the upper great plains  
12 transportation institute relative to the combined total estimated road and bridge  
13 investment needs for the years 2015 to 2034 identified by the upper great plains  
14 transportation institute of all the eligible non-oil-producing counties under this  
15 subsection. Each county's total estimated road and bridge investment needs includes  
16 unpaved and paved road and bridge needs. Of the amount distributed to each  
17 non-oil-producing county under this subsection, the state treasurer shall allocate the  
18 funds among townships within each county in proportion to each township's road miles  
19 relative to the total township road miles in the county. The amount allocated to  
20 organized townships under this subsection must be paid by the county treasurer to  
21 each organized township. The amount allocated to unorganized townships under this  
22 subsection must be credited by the county treasurer to a special fund for unorganized  
23 township roads. The distributions under this subsection must be used for the  
24 maintenance and improvement of township paved and unpaved roads and bridges.  
25 For purposes of this subsection, a "non-oil-producing county" means a county that  
26 received no allocation of funding or a total allocation under subsection 2 of section  
27 57-51-15 of less than \$5,000,000 for formula allocation year 2014.

28 ~~6.5.~~ The state treasurer shall distribute \$21,250,000 to eligible incorporated cities in eligible  
29 counties based on the population of each eligible incorporated city according to the  
30 last official decennial federal census. The distribution to each eligible incorporated city  
31 in an eligible county must be proportional to each eligible incorporated city's

- 1 population relative to the combined total population for all the eligible incorporated  
2 cities under this subsection. The distributions must exclude the following:
- 3 a. Incorporated cities with a population of fewer than fifty and hub cities as defined  
4 under section 57-51-01.
  - 5 b. Incorporated cities in a county that received the thirteenth highest amount of  
6 allocations under subsection 2 of section 57-51-15 for formula allocation year  
7 2014 with populations as follows:
    - 8 (1) Fewer than seventy;
    - 9 (2) Between eighty-five and one hundred eighty-five; or
    - 10 (3) Between five hundred and six hundred.
  - 11 c. Incorporated cities in a county that received the fifth highest total payments under  
12 section 57-39.2-26.1 for distributions in state fiscal year 2014 with populations as  
13 follows:
    - 14 (1) Fewer than three hundred; or
    - 15 (2) More than nine hundred.

16 For purposes of this subsection, an "eligible county" means:

- 17 a. A county that received an allocation under subsection 2 of section 57-51-15 of  
18 more than \$100,000 but less than \$5,000,000 for formula allocation year 2014;
- 19 b. A county that received an allocation under subsection 2 of section 57-51-15 of  
20 less than \$50,000 for formula allocation year 2014;
- 21 c. A county that received the fifth highest total payments under section 57-39.2-26.1  
22 for distributions in state fiscal year 2014;
- 23 d. A county that received the thirty-seventh highest total payments under section  
24 57-39.2-26.1 for distributions in state fiscal year 2014; or
- 25 e. A county that received the forty-third highest total payments under section  
26 57-39.2-26.1 for distributions in state fiscal year 2014.

27 ~~7.6.~~ The state treasurer shall distribute \$215,000,000 to the hub cities as defined under  
28 section 57-51-01 based on allocations under subsection 1 of section 57-51-15 for  
29 formula allocation year 2014 and to other eligible cities as follows:

- 30 a. \$80,000,000 to the hub city that received the highest total allocation;
- 31 b. \$55,000,000 to the hub city that received the second highest total allocation;

- 1           c. \$40,000,000 to the hub city that received the third highest total allocation; and  
2           d. \$40,000,000 to incorporated cities with a population of more than one thousand  
3           in the county that received the highest total allocation under subsection 2 of  
4           section 57-51-15 for formula allocation year 2014.

5 For purposes of this section, "formula allocation year 2014" means allocations to counties under  
6 subsection 2 of section 57-51-15 for the period September 1, 2013, to August 31, 2014. For  
7 purposes of this section, "distributions in state fiscal year 2014" means payments to counties  
8 under section 57-39.2-26.1 for the period August 1, 2013, to July 31, 2014. The funding  
9 provided to school districts in this section must be excluded from the calculation of state aid  
10 payments to school districts and school district ending fund balances, under chapters 15.1-07  
11 and 15.1-27 for the 2015-17 biennium. The funding provided to counties, cities, and townships  
12 in this section must be excluded from the calculation of oil and gas gross production tax  
13 allocations under chapter 57-51. The funding provided in this section is considered a one-time  
14 funding item.

15           **SECTION 2. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**  
16 **HIGHWAY FUND.** The director of the office of management and budget shall transfer the sum  
17 of \$300,000,000 from the strategic investment and improvements fund to the highway fund  
18 during the period beginning with the effective date of this Act, and ending June 30, 2015.

19           **SECTION 3. APPROPRIATION - DEPARTMENT OF TRANSPORTATION.** There is  
20 appropriated out of any moneys in the highway fund in the state treasury, not otherwise  
21 appropriated, the sum of \$300,000,000, or so much of the sum as may be necessary, to the  
22 department of transportation for the purpose of construction and maintenance of state  
23 transportation infrastructure, for the period beginning with the effective date of this Act, and  
24 ending June 30, 2017. The funding provided in this section may be applied to engineering,  
25 design, and construction costs incurred on related projects as of January 1, 2015. The funding  
26 provided in this section is considered a one-time funding item.

27           **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.