

42

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DESCRIPTION

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10/2/03
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2003 HOUSE POLITICAL SUBDIVISIONS

HB 1031

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1031

House Political Subdivisions Committee

Conference Committee

Hearing Date: Thursday, January 9, 2003

Tape Number	Side A	Side B	Meter #
1	X		21.7-53.9
1		X	0.0-3.6
Committee Clerk Signature: <i>Mickie Schmidt</i> 1-14-03			

Minutes:

REP. GLEN FROSETH: Opened the Political Subdivision Committee hearing on HB 1031.

Roll call: All present. Read the proposed bill to the committee. Any testimony in favor?

CONNIE SPRYNCZYNATYK; ND LEAGUE OF CITIES: Testified in favor of this

bill.(Could not hear her)

REP. NANCY JOHNSON: Can you give us a for instance?

CONNIE SPRYNCZYNATYK: There were two things going on during the Intrim. One would be the Department of Transportation's first ever comprehensive, strategic transportation plan. It involves the private sector, different levels of local government. It is a massive statewide effort. It was clear in that process that what ever we could do together in the future, what we needed to do.

REP. ANDREW MARAGOS: I served on this committee and I believe it was in Pierce or Benson County, where the counties wanted to give us the agreement but there was no authority to

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House Political Subdivisions Committee

Bill/Resolution Number HB 1031

Hearing Date: January 10, 2003 1-9-03

do so. They wanted to share expenses with the State because they had a mutual need to get a road fixed, and there was no clear authority.

CONNIE SPRYCZYNATYK: The Tool Chest Legislation in 1993 did many things for local government, gave us ways to get into agreements, get out of agreements and etc... What it didn't address was the issue of how the locals can track with the state. We now have representatives from the county and state.

REP. BRUCE ECKRE: I also served on this and there were county engineers around the state as well as city engineers that showed up, and every one of them were for this. From all of the counties and cities, we have no opposition what so ever. They highly encourage us to work out some agreements from snow removal to everything else, that they could work together, because maybe the county couldn't do it, but the cities could, and vice-versa.

CONNIE SPRYCZYNATYK: The cities will frequently enter into cooperative maintenance agreements for snow removal. If they are traveling across a county road, the blade on the plow should be down.

REP. MIKE GROSZ: Explained that on line 10 of the bill, it's too broad, and that it's giving up a lot of the responsibilities and duties of the State Legislatures.

CONNIE SPRYCZYNATYK: The language seems a little bit too broad, but you should focus on line 7 on cooperative effort.

REP. HERBEL: It says the effectiveness of the state highway system, this is defined specifically to what?

CONNIE SPRYCZYNATYK: The roadways in the state are classified differently. There's the Interstate system, the State Highway system, there are county highways, township roads, city

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House Political Subdivisions Committee

Bill/Resolution Number HB 1031

Hearing Date: January 16, 2003 1-9-03

streets, there are actually levels within that classification. When it comes to a highway going through a city for example, and there's a major project, like the State Street project, you'd have the pleasure of running your way through the street reconstruction, that would be an example of the State system where there's no partnership.

REP. HERBEL: What needs to be covered?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT:

Testified in favor of HB #1031, (see attachment #1).

MIKE GROSZ: With that verbiage in there, "any other state law" (in the Bill). As long as the DOT is going through some sort of agreement with the county or city, do they still have control over any appropriation in that period?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT: We

believe that the intent is that we could do the cooperative agreements on a small scale.

REP. HERBEL: Why wouldn't all counties want to do this?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT:

Many will, but then again the Director has the instruction of entering into the agreements.

REP. IVERSON: It seems you're always doing that with the seven county issue. Is that just a specific one time example or has it been replicated across the state?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT:

There is no limitation to federal funds. But there is a limitation to doing that with State, County of City funds within the law. We do have a program where we distribute federal aid to towns and cities each year.

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House Political Subdivisions Committee

Bill/Resolution Number HB 1031

Hearing Date: January 10, 2003 1-9-03

REP. EKSTROM: In the prioritization of the projects. We have very limited resources, and need to know how to balance the funds. How do we prioritize?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT:

What we do as far as balancing the federal funds, we have a program where we communicate with the cities and counties and how they utilize their funds. The prioritization is done at that level.

REP. NIEMEIER: If this was to become law, would the counties make applications for the funds and would it be a cost share kind of arrangement?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT: I

suspect that we would not at this time create any type of programs until the situation would be available.

REP. NIEMEIER: If the county jurisdiction is getting state funds, is the county still able to maintain control in projects?

TIM HORNER: DIRECTOR OF TRANSPORTATION OF PROGRAMS FOR DOT:

This would not change anything.

WADE WILLIAMS: NDACO: Testified in favor of bill. You have the situation in many counties where a snow plow or grater is traveling on a state road, deadheading to get to a county road, and vice-versa. This is the type of situations that we're looking at where we can setup the agreements that disallow maps to save one or the other trips down roads. We are not changing the funding system.

REP. WOODY THORPE: Testified against the bill. I was on the Intrim committee, myself and the Senator were the two opposing votes when they kicked it out of the Intrim committee.

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House Political Subdivisions Committee

Bill/Resolution Number HB 1031

Hearing Date: January 10, 2003 1-9-03

The main reason is because is dollars. The bill is fine, the timing is wrong. We are way behind on maintaining our state highways. The two larger areas are receiving the bulk of the funds.

REP. MARAGOS: What is this in current law that you think stops that from happening now?

REP. WOODY THORPE: I'm not sure that there's anything stopping it now. It looks to me like an opportunity for expansion.

REP. MARAGOS: Do you believe that statute prohibits any sort of imbalance in the expenditure of those funds for the state system? The larger towns will get more money to maintain those roads, and roads less traveled will be neglected because of something that we would allow to have if this legislation will pass?

REP. WOODY THORPE: When they're doing projects, like on a state highway that there are approaches outside the perimeter of the state highway, that this engineer could envision that they could go ahead and do some of the work that maybe the county hasn't gotten to yet on county roads in the immediate area. We just don't have the funds for it.

REP. FROSETH: Everyone is short of funds to maintain roads, not just the state.

REP. MARAGOS: Can you envision any way of keeping the idea of the ability of the state to enter into cooperative agreements and then satisfy your concern? Is there any kind of amendment we can put in here that would allay your fears and still allow the state? Really what this addresses is the inability of the state under current law to enter any kind of cooperative agreements that would be beneficial to both parties?

REP. ECKRE: We can benefit in saving money by helping each other out in the sharing of maintenance in both the city and county roads.

CONNIE SPRYCZYNATYK: Can we put together an amendment?

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House Political Subdivisions Committee

Bill/Resolution Number HB 1031

Hearing Date: January 10, 2003 1-9-03

REP. FROSETH: Yes. Rep. Niemeier and Rep. Thorpe will help you on this amendment. We will hold the bill until Thursday, the 16th, 2003. The meeting on HB 1031 is adjourned.

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1031

House Political Subdivisions Committee

Conference Committee

Hearing Date: January 16, 2003

Tape Number	Side A	Side B	Meter #
1		X	27.1
Committee Clerk Signature <i>Mickie Schmidt</i>			1-27-03

Minutes:

(Tape 1; Side B)

REP. GLEN FROSETH: Open the hearing on HB 1031. What would the committee wish to do on this bill today?

(30.5) REP. ANDREW MARAGOS: I would move a DO PASS on HB 1031.

(30.6) REP. DALE SEVERSON: I Second It.

(31.8) REP. MIKE GROSZ: I resist a do pass recommendation.

(32.6) REP. RON IVERSON: The language is way too broad, I can not support this.

REP. BRUCE ECKRE: We do this in Higher Ed. I'm backing this Bill.

REP. GIL HERBEL: If this doesn't work down the road two years from now, we can make the change, if it appears it's being abused. This is an option at least that can be explored, and if it does appear to work well, which I think it will, it's an option for the counties and the state to save some money, I'll support the Bill.

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House Political Subdivisions Committee
Bill/Resolution Number HB 1031
Hearing Date: January 16, 2003

(33.5) REP. MARY EKSTROM: I do agree with the DO PASS recommendation. I think if you look at the broader language, the idea of giving them some flexibility, I don't think they would abuse that power.

(34.0) REP. ANDREW MARAGOS: As you look at it, the law of governing, the use of state and counties using highway funds. They already control almost all of the ability to shift all these funds and has no control where the federal funds go outside of those that are already granted to them now. What you're seeing in this little statement is something far away from the intent of the flexibility to join in these agreements with the counties or the cities. After listening to all of the reasoning that we need to allow these entities to get into these cooperative agreements and if illuminating this last sentence preclude that from happening, I think we should let the Bill go through as it is. If there's a law of unintended consequence that comes in, we certainly can reverse ourselves as we have done a multitude of times before.

(36.1) REP. GLEN FROSETH: I checked those two sections that this would supersede in section 24, 236 & 237, and I didn't see anything in there that would.

(36.4) REP. DALE SEVERSON: There's two sections that deal with state funds. Federal funds and State Highway fund is the other one which is the gas tax.

(36.9) REP. ANDREW MARAGOS: There's probably so many cross referencing laws. What they're trying to say here is only from the stand point of doing a cooperative agreement, that they're may be some other law that may somehow inhibit that, that we don't know about, but still would not be a good reason to not allow them to enter into a cooperative agreement. I support this Bill.

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House Political Subdivisions Committee
Bill/Resolution Number HB 1031
Hearing Date: January 16, 2003

(38.5) REP. GLEN FROSETH: Is the committee ready for a vote?

((38.8) REP. GLEN FROSETH: I will have the clerk take a Roll Call Vote:

11 yes, 2 no, 1 absent. Rep. Maragos will carry the Bill.

We will close the House Political Subdivision committee for today.

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FISCAL NOTE
Requested by Legislative Council
12/13/2002

Bill/Resolution No.: HB 1031

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

Based on available information, no estimate of fiscal impact can be made at this time. It would be anticipated that a savings to various governmental entities could be realized should a cooperative initiative be joined into by governmental organizations for purposes of delivering a service to the motoring public within a specific area.

3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:

A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

B. Expenditures: Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Jerome L Horner	Agency:	ND Dept. of Transportation
Phone Number:	328-4443	Date Prepared:	01/02/2003

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Date: 1-16-03

Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1031

House "POLITICAL SUBDIVISION" Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Rep. Maragos Seconded By Rep. Severson

Representatives	Yes	No	Representatives	Yes	No
Chairman Glen Froseth	✓				
Vice-Chairman Nancy Johnson	✓				
Mike Groez		✓			
Gil Herbel	✓				
Ron Iverson		✓			
William E. Kretschmar <u>Absent</u>					
Andrew Maragos	✓				
Dale Severson	✓				
Alon Wieland	✓				
Bruce Eckre	✓				
Mary Ekstrom	✓				
Carol A. Niemeler	✓				
Sally M. Sandvig	✓				
Vonnie Pletsch	✓				

Total (Yes) 11 No 2

Absent 1

Floor Assignment Rep. Maragos

If the vote is on an amendment, briefly indicate intent:

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REPORT OF STANDING COMMITTEE (410)
January 16, 2003 1:05 p.m.

Module No: HR-08-0646
Carrier: Maragos
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE
HB 1031: Political Subdivisions Committee (Rep. Froese, Chairman) recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1031 was placed on the Eleventh order on the calendar.

(2) DESK (3) COMM

Page No. 1

HR-08-0646

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2003 SENATE POLITICAL SUBDIVISIONS

HB 1031

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2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1031

Senate Political Subdivisions Committee

Conference Committee

Hearing Date March 6, 2003

Tape Number	Side A	Side B	Meter #
1	X		0 - 1837
4	X (Action)		329 - 1240

Committee Clerk Signature

Shirley Berg

Minutes:

VICE CHAIRMAN SYVERSON called the committee to order. All members (6) present.

VICE CHAIRMAN SYVERSON, opened the hearing on HB1031 relating to Department of Transportation cooperative agreements with counties or cities.

Allen Knudson, Legislative Council Staff appeared neither in support or opposed to HB 1031, but to provide information on the bill. He referred the committee to the legislative council report beginning on page 59 which is the committees study of highway funding during the last interim.

This recommendation allows the departments into cooperative agreements with the county or city to join to do certain services that would enhance the state highway system.

Discussion: Tape 1, Side A Meter # 220 - 689.

Tim Horner, Director of Transportation Programs appeared in Support of HB 1031 (See attached testimony)

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10/2/03
Date

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Senate Political Subdivisions Committee

Bill/Resolution Number HB 1031

Hearing Date March 6, 2003

Jerry Hjelmstad, League of Cities, appeared in support of HB 1031. This bill just provides another avenue to offer cooperation between the department of transportation and local governments. If there is some procedure that can be followed to benefit both the political subdivisions and the department of transportation, this would allow them to enter into an agreement to provide those services.

No testimony in opposition of HB 1031.

VICE CHAIRMAN SYVERSON closed the hearing on HB 1031

Discussion;

SENATOR SYVERSON feels that you need to trust them to be respectful of the tax payers dollar and he thinks that is what the intent of the bill is, to be able to save some money.

SENATOR POLOVITZ is in agreement between the state and city and can see the effectiveness but what bothers him is there aren't any policies.

SENATOR JUDY LEE supports the bill and sees benefits with it.

SENATOR CHRISTENSON feels when you get the entities to agree you have a pretty good thing going.

SENATOR SYVERSON moved **DO PASS** on HB 1031

SENATOR CHRISTENSON seconded the motion.

Roll Call Vote: Yes 6 No 0 Absent 0

Carrier: **SENATOR SYVERSON**

42

Date: 3-6-03
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1031

Senate Political Subdivisions Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken HB 1031 Do Pass

Motion Made By Senator Syverson Seconded By Senator Christenson

Senators	Yes	No	Senators	Yes	No
Senator Dwight Cook, Chairman	X				
Senator John O. Syverson, VC	X				
Senator Gary A. Lee	X				
Senator Judy Lee	X				
Senator Linda Christenson	X				
Senator Michael Polovitz	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Syverson

If the vote is on an amendment, briefly indicate intent:

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Yolanda Rickford 10/2/03
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REPORT OF STANDING COMMITTEE (410)
March 11, 2003 1:40 p.m.

Module No: SR-43-4450
Carrier: Syverson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

**HB 1031: Political Subdivisions Committee (Sen. Cook, Chairman) recommends DO
PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1031 was placed on the
Fourteenth order on the calendar.**

(2) DESK, (3) COMM

Page No. 1

SR-43-4450

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2003 TESTIMONY

HB 1031

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#1

HOUSE POLITICAL SUBDIVISIONS COMMITTEE
January 9, 2003

North Dakota Department of Transportation
Tim Horner, Director of Transportation Programs

HB 1031

Good morning Mr. Chairman and members of the committee. I'm Tim Horner, Director of Transportation Programs of the North Dakota Department of Transportation. I'm here on behalf of the NDDOT to testify in support of HB 1031 which allows the Director of the NDDOT to enter into agreements with counties or cities to enhance the efficiency and effectiveness of the state highway system.

The recently completed Statewide Strategic Transportation Plan (TransAction) encourages a broader, more active relationship between governmental jurisdictions. In addition, the Budget Committee on Governmental Administration asked us to consider sharing resources when appropriate. Sections 24-02-36 and 24-02-37 of the NDCC limit the ability of the NDDOT to expend state funds off the state highway system. The Legislature has provided each jurisdiction with funding for its transportation system, but at times there would be benefits to sharing resources.

We already have the ability to use federal funding to cross jurisdictional boundaries to make the most cost effective improvements. For example, several years ago, NDDOT provided funding to Emmons County to improve a gravel road that shortened access to U.S. 83 for trucking companies operating out of potato warehouses on N.D. 1804. If we had not helped improve that road, either the trucks would have had to reduce their loads or NDDOT would have had to invest from \$3 million to \$4.5 million to improve 30 miles of N.D. 1804 and N.D. 13 so that load restrictions could be removed. The \$100,000 in federal funding that NDDOT advanced to Emmons County enabled them to improve a gravel road that went directly from the warehouse area to U.S. 83. The overall cost to the public was much lower than it might have been, and the trucking and agriculture industries benefitted.

The proposed legislation would enable NDDOT to cooperate and collaborate in the same manner with state funds. For example, NDDOT and a county could share maintenance section facilities or negotiate roadway maintenance activities, when appropriate. The proposal could benefit all jurisdictions and gives NDDOT greater flexibility in using its state funds to enhance the efficiency and effectiveness of the state highway system while protecting the Legislative intent of separate highway funding for each jurisdiction.

NDDOT supports this legislation. If passed, we would ensure the funds dedicated to the NDDOT would be used to enhance the state systems efficiency and effectiveness.

Yolanda Rickford
Operator's Signature

10/2/03
Date

SENATE POLITICAL SUBDIVISIONS COMMITTEE

March 6, 2003

**North Dakota Department of Transportation
Tim Horner, Director of Transportation Programs**

HB 1031

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NDDOT supports this legislation. If passed, we would ensure the funds dedicated to the NDDOT would be used to enhance the state systems efficiency and effectiveness.