

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

/ 458

2005 HOUSE TRANSPORTATION

HB 1458

2005 HOUSE STANDING COMMITTEE MINUTES

BILL NO. HB 1458

House Transportation Committee

Conference Committee

Hearing Date January 27, 2005

Tape Number	Side A	Side B	Meter #
4	X		.2-45.3

Committee Clerk Signature

Minutes:

Chairman Weisz opened hearing on HB 1458 A Bill for an Act to create and enact a new section to chapter 24-02 of the North Dakota Century Code, relating to transportation funding; and to amend and reenact section 57-43.1-02 of the North Dakota Century Code, relating to motor vehicles fuels tax; and to provide a continuing appropriation.

Rep. Weisz: The bill is an important legislation and I hope I do a good job presenting it. (see attached testimony).

Vice Chairman Hawken: Any questions?

Rep. Price When I first came this committee we were told we were only meeting about 50% of our needs per biannual. Are we still going behind each year.

Rep. Weisz We have improved since then. We are not as far behind as we were and DOT can give us the exact figures. They have a performance plan. What I have in my bill we not even bring us the 50% goal of what that plan is. Even with this increased funding we are still way

behind in what a reasonable goal. The biggest complaint about this plan is not enough roads are at a high enough level.

Rep. Delmore (13.1) We have taken much more money from the counties since I began for various reasons in the legislature. What is the true possibility that some of this money would be shifted back to the counties who are having as much more problems meeting the needs than what we are at the state.

Rep. Weisz: The gas tax that is in this bill does go to the highway distribution fund and if you look at the fiscal note I think 7 million goes to the counties. One of those most likely players of that 9 ½ million dollar economic development money probably are going to be project because of some facility in that county. If they say they have a road that needs to be upgraded to meet this need in the county it probably will be available. I think there are two areas where the counties can gain in this. I will propose that a sturdy be done. I think it is important that what we have done here on the state system to define the priorities be done in the county levels. I think there are county roads that are critical to the movement of goods in the state and we have to look at the county level different than we are now. I will be offering an amendment to study that issue to bring the county in line with the DOT to try to establish a more comprehensive plan than what you have in front of you.

Rep. Weiler (15.0) So this 3 cent tax on gasoline has nothing to do with matching funds needed for the federal dollars? Correct.

Rep. Weisz: Yes and no. Yes they can definitely be used to fund or match federal dollars. The overall package will have enough state dollars and it will be excess state dollars. Greater than what is needed to match the federal dollars. Some will match federal, but there will be excess

dollars available. That is my point, we need a pool of excess money to spend as we want. You can use federal matching dollars to do an overlay, in other words if you want to lay some asphalt across the highway that is fine. You would qualify for federal matching funds. If you needed to widen the shoulder up front, that doesn't qualify. If you want to widen the shoulder that considered construction. You have to completely rebuild the highway. You may have a section of road you want to raise the load carrying ability to meet one of the criteria in the classification plan, but the reality is the road is already too narrow. We have no money to just widen the shoulder; if we are going to do it we have to rip the whole road out and start over. The cost makes it prohibited so it doesn't get done.

Rep. Weiler(16.8) Your testimony says it is an eight year plan, are you planning on putting a sunset clause on it?

Rep. Weisz Absolutely not. This is something we cannot walk away from. It would be nice to be able to say yes, but we are not even getting half way in eight years with that plan in front of you.

Rep. Kelsch(17.5) Can you tell me what the percentage of the gas tax that we receive back from the state of North Dakota comes from out of state?

Rep. Weisz: We don't have any exact data, but the last figure I had, it is approximately 40% of all diesel gas sales come from out of state. Don't have any hard data. If you have a gas tax, for every dollar we generate North Dakota's only take 50 cents.

Rep. Bernstein (18.3) With this 3 cent gas tax, where will that put us with our neighbors?

Rep. Weisz Currently North Dakota's gas tax is 21 cents; Montana is 27 or 27 1/2; Minnesota has a 20 cents tax plus a 2 cent environmental cleanup tax that kicks on and off depending on the

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level of the funds. Currently Minnesota's tax is at 22 cents. South Dakota is 22 cents. Even a 3 cent increase; we are talking 1 to 2 cent a gallon change. I understand some of the concerns the border towns have, but I don't think that would be a problem.

Rep. Ruby(19.8) You have a total of 75,500,000 each biannual going into the four funds. Are these new funds?

Rep. Weisz: (20.1) The only new fund is the special economic development fund. We currently have the federal loan rail improvement fund; public transfer fund; 2 dollars of registration fees already go into that fund; and then the 57,000,000 just goes into the highway fund.

Vice Chairman Hawken: Others to testify in favor of HB 1458?

Joel Gilbertson: ND Court Counsel: (21.2) Just introducing Jeff Enger, Director of ND Corn counsel from Marion, ND.

Jeff Enger: (21.8) (See attached testimony)

Rep. Iverson Even though we are raising the gas tax three cents; we are still behind on this plan? Is that right?

Dan Zink, (29.4) Redriver Valley and Western Railroad in Wapheton, ND: The River Valley and Western Railroad is a short line railroad. We are one of three short line railroads in ND. A short line railroad is just a small railroad. Three short line railroads operate approximately one-third of the track miles in the state right now. Those are all branch line and light density track miles in our state. All three are small companies. In our case we own 12 locomotives and 75 employees and operate about 1200 miles of track in SE and Central ND. The track was purchased from Burlington Northern Railroad in 1987. The two other short line railroads lease their tracks from the Canadian Pacific Railroad and all have been formed since

1987. Nationally there are about 500 small railroads operating much less in the way of track age; compared to big railroads, but very important, especially in the rural areas of the states and ND. Each of these small railways nationally face, as their biggest challenge, the condition of their track. The fund identified in Part B bolsters the state rail loan fund, the short line railroad and especially the rail line that they have used for years. The Western has used the program of over a dozen branch rehabilitation projects benefiting that branch line and there fore the rural communities, grain elevators and shippers that can be better served. I want to credit Rep. Weisz and other sponsors of to the bill, for their comprehensive look at their transportation system, the contribution of railroads in the state is recognizing here, especially for the transportation of bulk material communities such as grain and coal. For the interest in time I will be brief in my testimony and only stating in your consideration of this bill to keep in mind the constitution by the three short line railroads in ND and the service we provide for the rural areas and the benefits.

David Sprynczynatyk, P.E., DOT(32.6) Asked to present information as it relates to the attached map on the State Highway Performance Classification System. A couple years ago we developed our state wide plan. We do have copies of those if anyone needs them. There are 16 initiatives that were identified by the state. Two of them in particular were relating directly to the highway performance classification system. Those two are 1. Statically prioritize use of our transportation resources; 2. Define levels of transportation service that they will strive to provide and maintain. About 15 years ago the state made a contingenous decision to double the no load system. Because of our inability to develop this across the state, approximately 2400 miles of road was set aside stating that nothing more would ever be done to improve those roadways other than normal maintenance. We reached the conclusion a couple of years ago that we needed to go

back to something that provided a network of transportation in the state that the people of ND would know what they could expect in levels of service; whether it was the smoothness of the ride, the safety aspect or the ability for the roadway to carry a load. As a result of reach the conclusion and realizing that the roads were continuing to deteriorate, we developed the plan that you see that has five categories of roadway. (See attached map). Unfortunately, even though this is the plan that was put in place; over 40% of the states network that you see on this map has not reached that minimum standard as identified by the five categories. This proposed funding would try to bring those roads up to that level of standard. At least we would be able to make progress toward that goal. We actually have reached a point where we have leveled off. We are not gaining or loosing right now. We are able to address the needs on 500 miles of roadway a year. As we develop this system we have had 20 hearings throughout the state. So there has been quite a bit of imput into this plan. Generally the reaction has been to do what we are doing. Prioritize our roadways, prioritize the use of our resources and at the same time try to put in a minimum standard so people know what that road can carry.

Paul Grindeland: Director of Transportation for Fargo Senior Services: We mainly give rides to senior citizens and the general public. I am here in support of the 3 million dollars appropriation that is included in this bill for public transportation. I think other transportation providers though out the state would agree they have the same needs and desire the same from this bill. The State Aid for Public Transportation Fund was established by the ND legislation in 1989 to provide for the operation of public transportation throughout the state. The appropriation for this fund was increased in 1999. That is when it went to the \$2 that the Chairman spoke about. The increase today would help to pay expenses in connection with our program. Our

vehicles use approximately 29,000 gallons of fuel each year. The increase in fuel costs in the past 16 months has caused a problem with us. The increase in funding will allow us to serve our most rural areas better. We have had numerous requests for increased services throughout the state, but unable to do so because of our budget constraints.

Vice Chairman Hawken: More Questions?

Terry Traynor: (41.4) Association of Counties:(41.6) I just handed out a sheet that lists all the different road that we have in ND. There is 6500 miles of hard surfaced county roads; almost as many as the state has as well as 60,000 of gravel roads. I appreciate that this bill looks at long standing cooperative efforts with the states, counties and cities have had maintaining our road network and hope that we can continue to do that. We know there is allot of pressure to take heavier loads down our roads and bring them down there faster.

Mark Doughtery: Assoc. of General Contractors in ND: We are in support of HB 1458. We see this as something we need to do as contractors. We know we are behind with our transportation system. We feel that ND is just coming into its own. I think with a good transportation system in place we can attract the rest of the country. I think this is one of the best things I have seen; its going out there and looking at the places we need to go. We can not be in support of taking the 1 cent away for ethanol. The ethanol is a great thing, but if we take that cent away from the transportation projects here in the state that means how do we get the corn to the ethanol plant and how do we get the ethanol to the gas station.

Vice Chairman Hawken: We will recess the hearing and reopen it tomorrow morning following our scheduled bills for both testimony in favor and opposition.

Recess the hearing on HB 1458 (45.3).

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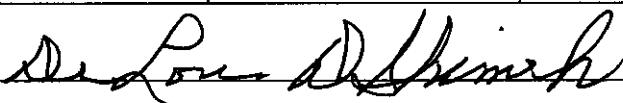
House Transportation Committee

Conference Committee

Hearing Date January 28, 2005

Tape Number	Side A	Side B	Meter #
2		X	9.1-22.9

Committee Clerk Signature



Minutes:

Chairman Weisz reopened HB 1458. I will have the department come in next week to explain some of the issues on the performance classification plan. Opposition to HB 1458.

Dick Johnson: Chair the Legislative Committee for the Motor Carriers Assoc.(See attached testimony on ND Motor Carriers) The average price of diesel fuel is up about 40 cents a gallon compared to last year and our average truck running 100,000 miles a year this is \$6000 of cost of operation for that truck so it is a hugh increase in operating costs. The two bills currently in the legislature are 2144 which is for 20 million dollars additional highway funds and SB 2255, which raises an additional 14.5 million dollars to highway truck fund. Our industry is impacted negatively by the increase in cost. Because we are large contributors to the highway trust fund and large users of the highway trust fund, we have in the pass and will continue to support revenues required to maintain our highway system. Think enough is enough.

Chairman Weisz We do appreciate the higher prices getting put on truckers every where. At least the out of state trucks are contributing too.

Dick Johnson: (13.5) If you increase motor vehicle registration fees in the state of ND to use the highway system. The thing that concerns me is if we get too far out of sink with our neighboring states with gas and fuel costs get too high, it is possible for motor carriers to not purchase fuel in the state of ND. We then miss those carriers stopping in ND and purchasing things in convenience stores and those things. We then loose out on sales tax collection.

LeRoy Arnson: Manager of the Assoc. ND approved the International Fuel Tax Agreement which states are members. If you have an out of state trucker they are going to base what they pay on fuel tax on the mileage they travel in state. If they are traveling 40% of their miles in the state of ND he or she is then liable to 40% of the fuel tax in ND. Same holds through for registration fees.

Chairman Weisz (17.0) If registration fees are \$2000 in Minnesota and \$1500 in ND; you split your miles 50-50 the Minnesota truck would have to pay how much?

LeRoy Arnson: They would pay 50% of what ever ND registration fee is.

Rep. Meyer(18.8) Is there a problem transferring state highway funds into a special fund on highway performance classification. Explain that to me.

LeRoy Arnson: I think that ability is in place already. Does this generate enough to meet demands? I understand there will be an additional 20 million made available to the state. I testified on a bill yesterday on the Senate Transportation Committee that was on the registration fees. DOT now comes in and tells us now probably \$15 won't be enough and they want an additional \$3 so now we are looking at \$18.

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Rep. Delmore Is the back ground checks new? Are the motor carriers have to go through that process?

LeRoy Arnson: As it stands now it is only for those people that have a hazmat endorsement on the CDL. Our Assoc. is participating in the highway watch program in which we train CDL drivers to look out for unusual things going on on the road. It is a short good course.

Hearing closed (22.8)

2005 HOUSE STANDING COMMITTEE MINUTES

BILL NO. HB 1458

House Transportation Committee

Conference Committee

Hearing Date February 4, 2005

Tape Number	Side A	Side B	Meter #
3	X		15.7-22.8
Committee Clerk Signature			

Minutes:

Chairman Weisz reopened hearing on HB 1458. There was a mistake on the amendment. The change on page 1, line 19 that number from \$2,500,000 to \$5 million. That will get changed here. That will be part of the amendment. What the amendments do: sets up a committee that would advise the director if there is a number of projects greater than 50% of the funds available then the director would call the committee together to advise him on funding priorities. It also sets up a tariff; and again I have mentioned in testimony about the need to bring the counties in on the same date so the counties and state pirates projects. That way it will work better if they work together. The bottom paragraph to cooperate with the counties and states; some of the county roads could qualify for the 9.5 million dollars.

Rep. Delmore: Could this be in addition to another motor vehicle fuel tax bill? That goes with the matching funds. As I understand this is on its own.

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Chairman Weisz(17.8) The Federal highway funds can be used here depending on the project and where it is. The FEDS set the criteria and it depends on the projects. This allows the discretion to what qualified and what doesn't. This doesn't limit it; the only exception in the section in the bill that is limited is the section on railroad funds; that has to be 100% state dollars.

Rep. Schmidt My understanding is we come in a few years from now, we won't have to worry about a highway funding bill?

Chairman Weisz Hopefully, that is the rational for the bill. No way did that ever look at the long range for our infrastructure.

Rep. Ruby(19.8) Doesn't DOT already map out a long term plan.

Chairman Weisz They list internal goals but again they pick roads based on occupation or priority by damage or whatever. They have listed 2600 miles of roads that they will not maintain any more, due to lack of funds. They will do some chip seal and some of those issues but they do not have the funds to maintain them. Any discussion on the amendment.

Rep. Price made a motion 0101 with the addition of page 1, line 19 you overstrike the 2 and insert 5 and overstrike the 500,000. Seconded by Rep. Delmore. Carried by voice vote.

Motion Made By Rep. Hawken Secounded By Rep. Schmidt

DO PASS AS AMEND 7 Yes 5 No 3 Absent Carrier Rep. Weisz

Re-referred to appropriations.

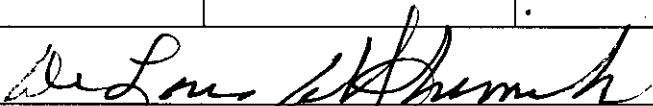
2005 HOUSE STANDING COMMITTEE MINUTES

BILL NO. HB 1458

House Transportation Committee

Conference Committee

Hearing Date February 10, 2005

Tape Number	Side A	Side B	Meter #
3	X		0-27.8-27.8
Committee Clerk Signature			

Minutes:

Chairman Weisz reopened the hearing on HB 1458. Passed the amendment around. Explained the amendment. Because of the complexity and writing the amendment having to do with registration we don't have an actual amendment in front of you. As of Tuesday we got brand new figures having to do with the Federal Highway Funds to the state. Originally we needed to match approx. 22 million state dollars to match the federal. After Tuesday's information, the first two biennium's we need about 31.5 million to match. The third biannual takes 65.1 million to match so fortunately we are looking at a healthy increase in federal funding. So the amendments in front of you; for the first two biennials they are reducing the gas tax from 24 cents to 22 cents. So basically the increase is dropping from 3 cents to 2 cents. The registration fee goes up \$15. For the next 4 years we would have a 2 cent gas tax increase and a \$15 increase in registration fee. \$5 goes into the highway distribution fund. Which means cities and counties get their cut. \$8 just goes straight into the highway fund; which means DOT gets 100%. In the

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third biannual and future biennium's taxes will go up an extra penny so that will be 24 cents.

Registration will increase another \$12. So in a 6 year period you are going to have a \$25 increase.

Rep. Delmore 13 is the one that cover through 2009. You did not have registration fees in your initial bill, did you?

Chairman Weisz This was a compromise. We had to raise more revenue and there appeared to be allot of resistance with the 3 cent gas tax. This does include drillings license increase also of \$10. That generates 10.2 million and that is factored in here. If that bill fails we are now short 3.2 million in everything that is laid out before you.

Rep. Delmore(4.0) With the registration fees, is that every vehicle?

Chairman Weisz Every thing but trailers.

Rep. Bernstein(4.2) That drivers license in here, there is another bill too. Are they compatible?

Chairman Weisz Yes, all I did here was made the assumption it is going to pass and that would generate 3.2 million and that goes into the highway fund. So when I figured what it was going to take here to match I just subtracted 3.2 million out of the 31.5 million we need to match and came up with these numbers.

Rep. Delmore How much of this money will go to counties and cities?

Chairman Weisz If you have got your fiscal note on the original HB 1458 the first two biennium's it is gong to be similar to what you see now. This is not the final draft, it will be in conference committee with the senate when it is all said and done. This isn't exactly the way I would have done it, but this would be the compromise that they would consider.

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Rep. Meyer Are we ever going to have the discussion how many highways can we afford? Is this going to be a 50% match?

Chairman Weisz Roughly a 75% match. The first two biennium's it is approx. \$31.4 million. Third biennium is \$54.1 million. The reason the first biennium is higher than the second biennium is that we borrowed money from the Feds to do the emergency relief of Highway 281. We spent a ton of money on that and that came to 8.4 million. That was matching money.

Rep. Delmore What has been the cities share of the Devils Lake area?

Chairman Weisz I doubt it. That is all federal. On Emergency they allow you to spend the federal money without having dollars to match initially. So we have an 8.4 million deficit. We aren't tying the hands of legislature, all our laws go on forever. South Dakota pays 200 million more a biennium of state dollars on less roads. We are not even close.

Motion Made by Rep. Weiler Seconded by Rep. Hawken to bring the bill back

Voice vote carried No opposition

Motion Made by Rep. Hawken Seconded by Rep. Dosh to accept the amendments

Discussion:

Rep. Thorpe (10.7) I did vote against the bill before. If I had it to do over again I would vote for it. I like the original bill.

Rep. Schmidt That registration fee that is the biggest draw back I hear. Don't like the \$15 registration fee increase.

Chairman Weisz It would take about a penny of gas tax to do what you would like to do with reducing the registration fee.

Rep. Delmore Around the surrounding states where are we on registration fees?

Chairman Weisz It is extremely hard to determine that because there is such a range. I can say this Minnesota is way higher. South Dakota depending on how you look at it, they are probably cheaper in registration than we are. Montana does a whole different system so we can not even look at Montana. The only state on gas tax that would be a little cheaper than us would be Minnesota. SD has an effective rate of 28 cents. Montana is at 27.5 cents. Minnesota right now is at 22 cents.

Rep. Delmore(14.0) Did you think at all of doing a trigger tax during tourism?

Chairman Weisz Yes we did. The concern I had if we were going to just run it 6 months out of the year. Under this proposal we would have a 4 cent gas tax in the summer and then we would have a zero in the winter. In reality you would be kicking it up to 6 cent so in reality you would be at 27 cents in the summer months; then you would drop back down to 21. So that was some of the concerns. It is one thing to be looking at a penny and taking it on and off. If you did that you would pick up more out of state traffic.

Rep. Bernstein(15.4) I think I would have a little hard time with seasonal like that because nonresidents might be discouraged by that.

Chairman Weisz Concerns about the trucking industry. They have to report and their refund on their gas tax and what they pay is according to their taxes, they would have to figure that out. All fuel is prorates as they go through the multiple states. It would complicate it for them.

Rep. Meyer (16.5) Farmers and ranchers are emailing her. They have many vehicles that are used only a few months out of the year. They would get a hit on every vehicle.

Rep. Thorpe (17.3) There is allot of other industry going to get hit hard and allot of businesses.

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Rep. Ruby (18.1) I guess people can complain one way or another. I have allot of vehicles and I put allot of miles on them so I just pay.

Rep. Vigesaa (18.6) We do have probably the lowest registration of any place around. We are way less than Minnesota. A new car will be \$75.

Rep. Bernstein(20.5) No matter what we do; whatever we pass out of here is all going to be negotiable.

Chairman Weisz We need a bill that passes here that is negotiable. Nothing is necessarily off the table. The reality is we have under funded our roads for 20 years.

Rep. Ruby(21.8) Are these funds all going toward highway funds? Can you pretty much pull them out of the other funds that you had.

Chairman Weisz Everything here goes into the highway distribution fund. My bills merely direct the DOT to take some of those funds and use them. My bill moves them to the different areas out of DOT pool of money. So it doesn't affect anything there. They have the power now to move the money where they want.

Rep. Vigesaa I do like the \$13. It does sound little better.

Motion made to pass the amendment. Voice vote carried. Rep. Thorpe in opposition

Motion Made by Rep. Hawken Seconded by Rep. Bernstein

DO PASS As Amended 11 Yes 3 No 1 Absent Carrier: Rep. Weisz

FISCAL NOTE

Requested by Legislative Council
02/28/2005

REVISION

Amendment to: Engrossed
HB 1458

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$22,010,000		\$22,010,000
Expenditures						
Appropriations						

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$5,580,000	\$3,410,000		\$5,580,000	\$3,410,000	

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

This bill involves two distinct revenue packages that take effect at different times. The first package takes effect with the start of the 05-07 biennium and is effective through 6/30/09. The second revenue package becomes effective on July 1, 2009.

The first revenue package involves three separate components: a \$13 increase in motor vehicle registration fees, with \$8 of each fee increase deposited in the Highway Fund; a 2 cent per gallon fuel tax increase on gasoline and gasohol that is deposited in the Highway Distribution Fund (the tax on diesel fuel remains unchanged); and a repeal of Section 7 of chapter 12 of the 2003 Session Laws. The repeal provision provides that the \$3 of the motor vehicle registration fee that is currently deposited in the Highway fund would subsequently be deposited in the Highway Distribution Fund.

The second revenue package also involves three separate components: a \$25 increase in motor vehicle registration fees, with \$20 of each fee increase deposited in the Highway Fund; a 3 cent per gallon fuel tax increase on gasoline and gasohol that is deposited in the Highway Distribution Fund (the tax on diesel fuel remains unchanged); and a repeal of Section 7 of chapter 12 of the 2003 Session Laws. The repeal provision provides that the \$3 of the motor vehicle registration fee that is currently deposited in the Highway fund would subsequently be deposited in the Highway Distribution Fund.

Additionally, the bill requires biennial transfers from the highway fund to four transportation related funds and provides continuing appropriations for those funds. The four funds are the highway performance classification fund, the state freight rail improvement program fund, the public transportation fund, and the special economic development transportation fund. The bill provides that any shortfall in funding for these funds must be covered through "grant or revenue anticipation financing." The exact details and costs of the bonding are uncertain at this time, as the timing and costs of the related projects will determine the specific bonding circumstances. It is expected that the increases provided by the second revenue package would be used to service and retire the bonds.

The bill also creates a special economic transportation fund committee which will meet to recommend projects for selection if the total cost of the projects submitted to the department is greater than fifty percent of the funds available

from the special economic development transportation fund.

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.*

REVISED

Revenue Impacts for the Second Engrossment – Reengrossed House Bill No. 1458

Prepared by ND Department of Transportation – Financial Management Division

Revised February 28, 2005

Biennial Revenue Impact of Sections 2, 4, and 6

Effective through June 30, 2009

(millions)

	<u>HW Fund</u>	<u>Cities</u>	<u>Counties</u>
\$13 motor vehicle registration fee increase			
\$8 to H/W Fund	\$10.7		
\$5 to H/W Distribution Fund	4.22	\$.94	\$1.54
2 cent motor fuel tax increase (non diesel)	8.6	1.9	3.1
Net impact of repeal provision - Section 6	(1.51)	.57	.94
Total Revenue Impact	<u>\$22.01</u>	<u>\$3.41</u>	<u>\$5.58</u>

Biennial Revenue Impact of Sections 3, 5, and 6

Effective July 1, 2009

(millions)

	<u>HW Fund</u>	<u>Cities</u>	<u>Counties</u>
\$25 motor vehicle registration fee increase			
\$20 to H/W Fund	\$26.8		
\$5 to H/W Distribution Fund	4.22	\$.94	\$1.54
3 cent motor fuel tax increase (non diesel)	12.8	2.9	4.7
Net impact of repeal provision - Section 6	(1.51)	.57	.94
Total Revenue Impact	<u>\$42.31</u>	<u>\$4.41</u>	<u>\$7.18</u>

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:	Shannon L. Sauer	Agency:	NDDOT
Phone Number:	328-4375	Date Prepared:	03/01/2005

FISCAL NOTE

Requested by Legislative Council
02/16/2005

Amendment to: Engrossed
HB 1458

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$26,210,000		\$26,210,000
Expenditures						
Appropriations						

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

	2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
	Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
				\$7,180,000		\$4,410,000			

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

This bill involves two distinct revenue packages that take effect at different times. The first package takes effect with the start of the 05-07 biennium and is effective through 6/30/09. The second revenue package becomes effective on July 1, 2009.

The first revenue package involves three separate components: a \$13 increase in motor vehicle registration fees, with \$8 of each fee increase deposited in the Highway Fund; a 2 cent per gallon motor fuel increase that is deposited in the Highway Distribution Fund; and a repeal of Section 7 of chapter 12 of the 2003 Session Laws. The repeal provision provides that the \$3 of the motor vehicle registration fee that is currently deposited in the Highway fund would subsequently be deposited in the Highway Distribution Fund.

The second revenue package also involves three separate components: a \$25 increase in motor vehicle registration fees, with \$20 of each fee increase deposited in the Highway Fund; a 3 cent per gallon motor fuel increase that is deposited in the Highway Distribution Fund; and a repeal of Section 7 of chapter 12 of the 2003 Session Laws. The repeal provision provides that the \$3 of the motor vehicle registration fee that is currently deposited in the Highway fund would subsequently be deposited in the Highway Distribution Fund.

Additionally, the bill requires biennial transfers from the highway fund to four transportation related funds and provides continuing appropriations for those funds. The four funds are the highway performance classification fund, the state freight rail improvement program fund, the public transportation fund, and the special economic development transportation fund. The bill provides that any shortfall in funding for these funds must be covered through "grant or revenue anticipation financing." The exact details and costs of the bonding are uncertain at this time, as the timing and costs of the related projects will determine the specific bonding circumstances. It is expected that the increases provided by the second revenue package would be used to service and retire the bonds.

The bill also creates a special economic transportation fund committee which will meet to recommend projects for selection if the total cost of the projects submitted to the department is greater than fifty percent of the funds available from the special economic development transportation fund.

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.

See Attachment

- 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: Shannon L. Sauer Agency: NDDOT
Phone Number: 328-4375 Date Prepared: 02/16/2005

Revenue Impacts for the Second Engrossment – Reengrossed House Bill No. 1458
Prepared by ND Department of Transportation – Financial Management Division
February 16, 2005

Biennial Revenue Impact of Sections 2, 4, and 6

Effective through June 30, 2009

(millions)

	<u>HW Fund</u>	<u>Cities</u>	<u>Counties</u>
\$13 motor vehicle registration fee increase			
o \$8 to H/W Fund	\$10.7		
o \$5 to H/W Distribution Fund	4.22	\$.94	\$1.54
2 cent motor fuel tax increase	12.8	2.9	4.7
Net impact of repeal provision – Section 6	<u>(1.51)</u>	<u>.57</u>	<u>.94</u>
Total Revenue Impact	<u>\$26.21</u>	<u>\$4.41</u>	<u>\$7.18</u>

Biennial Revenue Impact of Sections 3, 5, and 6

Effective July 1, 2009

(millions)

	<u>HW Fund</u>	<u>Cities</u>	<u>Counties</u>
\$25 motor vehicle registration fee increase			
o \$20 to H/W Fund	\$26.8		
o \$5 to H/W Distribution Fund	4.22	\$.94	\$1.54
3 cent motor fuel tax increase	19.3	4.3	7.0
Net impact of repeal provision – Section 6	<u>(1.51)</u>	<u>.57</u>	<u>.94</u>
Total Revenue Impact	<u>\$48.81</u>	<u>\$5.81</u>	<u>\$9.48</u>

FISCAL NOTE
Requested by Legislative Council
02/07/2005

Amendment to: HB 1458

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.

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$30,600,000		\$30,600,000
Expenditures						
Appropriations						

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$7,038,000	\$4,284,000		\$7,038,000	\$4,284,000	

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

This bill provides for a 3 cent increase in motor fuel.

This bill requires biennial transfers from the highway fund to four transportation related funds and provides continuing appropriations for those funds. The four funds are the highway performance classification fund, the state freight rail improvement program fund, the public transportation fund, and the special economic development transportation fund. The bill provides that any shortfall in funding for these funds must be covered through "grant or revenue anticipation financing."

In addition, the bill creates a special economic transportation fund committee which will meet to recommend projects for selection if the total cost of the projects submitted to the department is greater than fifty percent of the funds available from the special economic development transportation fund.

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.

The three cent motor fuel tax increase provides \$30,600,000 to the Highway Tax Distribution Fund. The amounts will be distributed as follows:

State Highway Fund	\$19,278,000
Counties	\$7,038,000
Cities	\$4,284,000

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:	Shannon L. Sauer	Agency:	NDDOT
Phone Number:	328-4375	Date Prepared:	02/09/2005

FISCAL NOTE

Requested by Legislative Council
01/19/2005

Bill/Resolution No.: HB 1458

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.

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$30,600,000		\$30,600,000
Expenditures						
Appropriations						

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$7,038,000	\$4,284,000		\$7,038,000	\$4,824,000	

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

This bill provides for a 3 cent increase in motor fuel.

This bill implies the creation of certain funds that currently do not exist: the highway performance classification fund, and the special economic development transportation fund. The bill requires biennial transfers from the highway fund to four transportation related funds and provides continuing appropriations for those funds. The four funds are the highway performance classification fund, the state freight rail improvement program fund, the public transportation fund, and the special economic development transportation fund. The bill provides that any shortfall in funding for these funds must be covered through "grant or revenue anticipation financing".

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.

The three cent motor fuel tax increase provides \$30,600,000 to the Highway Tax Distribution Fund. The amounts will be distributed as follows:

State Highway Fund	\$19,278,000
Counties	7,038,000
Cities	4,284,000

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:	Shannon L. Sauer	Agency:	NDDOT
Phone Number:	328-2630	Date Prepared:	01/25/2005

January 27, 2005

PROPOSED AMENDMENTS FOR HOUSE BILL NO. 1458

Page 1, line 19, replace "Two" with "Five"

Page 3, after line 7, insert:

SECTION 1. AMENDMENT. Section 58-04-08 of the North Dakota Century Code is amended and reenacted as follows:

24-02-37.3 Special Economic Development Transportation Fund

Committee. The special economic development transportation fund committee consists of one member of the senate and one member of the house of representatives appointed by the chairman of the legislative council, the director of the department of commerce, the director of the department of transportation, a representative of the North Dakota League of Cities, and a representative of the North Dakota Association of Counties. The director of the department of transportation is chairman of the committee. The department of transportation will solicit projects for the committee. If the total cost of the projects submitted is greater than fifty percent of the funds available the director may call a meeting of the committee to recommend projects to the director.

Renumber accordingly

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1458

Page 1, line 1, replace "a" with "two" and replace "section" with "sections"

Page 1, line 6, replace "A" with "Two", replace "section" with "sections", and replace "is" with "are"

Page 1, after line 7, insert:

"Special economic development transportation fund committee. The special economic development transportation fund committee consists of one member of the senate and one member of the house of representatives appointed by the chairman of the legislative council; the director of the department of commerce; the director of the department of transportation; a representative of the North Dakota league of cities; and a representative of the North Dakota association of counties. The director of the department of transportation is chairman of the committee. The department of transportation shall solicit projects that qualify for grants from the special economic development transportation fund. If the total cost of the projects submitted to the department is greater than fifty percent of the funds available from the fund, the chairman may call a meeting of the committee at which the committee shall recommend projects for selection."

Page 2, line 5, after the underscored period insert "The director may use a portion of the fund for improvements to high-priority corridors on the city and county systems that have been identified as a result of the cooperative planning effort between the department, counties, and cities within each department district that results in the state highway performance classification system."

Renumber accordingly

House Amendments to HB 1458 - Transportation Committee 02/04/2005

Page 1, line 1, replace "a" with "two" and replace "section" with "sections"

Page 1, line 6, replace "A" with "Two", replace "section" with "sections", and replace "is" with "are"

Page 1, after line 7, insert:

"Special economic development transportation fund committee. The special economic development transportation fund committee consists of one member of the senate and one member of the house of representatives appointed by the chairman of the legislative council; the director of the department of commerce; the director of the department of transportation; a representative of the North Dakota league of cities; and a representative of the North Dakota association of counties. The director of the department of transportation is chairman of the committee. The department of transportation shall solicit projects that qualify for grants from the special economic development transportation fund. If the total cost of the projects submitted to the department is greater than fifty percent of the funds available from the fund, the chairman may call a meeting of the committee at which the committee shall recommend projects for selection."

Page 1, line 19, replace "Two" with "Five" and remove "five hundred thousand"

House Amendments to HB 1458 - Transportation Committee 02/04/2005

Page 2, line 5, after the underscored period insert "The director may use a portion of the fund for improvements to high-priority corridors on the city and county systems that have been identified as a result of the cooperative planning effort between the department, counties, and cities within each department district that results in the state highway performance classification system."

Renumber accordingly

Date: 2-4-05

Roll Call Vote #:

**2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1458**

House Transportation Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amend

Motion Made By Rep Hawken Seconded By Rep Schmidt

Representatives	Yes	No	Representatives	Yes	No
Rep. Weisz - Chairman	✓		Rep. Delmore	✓	
Rep. Hawken - Vice Chair.	✓		Rep. Meyer	abst	
Rep. Bernstein	✓		Rep. Schmidt	✓	
Rep. Dosch		✓	Rep. Thorpe		✓
Rep. Iverson	abst				
Rep. Kelsch	abst				
Rep. Owens		✓			
Rep. Price	✓				
Rep. Ruby		✓			
Rep. Vigesaa	✓				
Rep. Weiler		✓			

Total (Yes) 7 No 5

Absent 3

Floor Assignment Rep Weisz

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

Re-referred to Approp.

REPORT OF STANDING COMMITTEE

HB 1458: Transportation Committee (Rep. Weisz, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (7 YEAS, 5 NAYS, 3 ABSENT AND NOT VOTING). HB 1458 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "a" with "two" and replace "section" with "sections"

Page 1, line 6, replace "A" with "Two", replace "section" with "sections", and replace "is" with "are"

Page 1, after line 7, insert:

"Special economic development transportation fund committee. The special economic development transportation fund committee consists of one member of the senate and one member of the house of representatives appointed by the chairman of the legislative council; the director of the department of commerce; the director of the department of transportation; a representative of the North Dakota league of cities; and a representative of the North Dakota association of counties. The director of the department of transportation is chairman of the committee. The department of transportation shall solicit projects that qualify for grants from the special economic development transportation fund. If the total cost of the projects submitted to the department is greater than fifty percent of the funds available from the fund, the chairman may call a meeting of the committee at which the committee shall recommend projects for selection."

Page 1, line 19, replace "Two" with "Five" and remove "five hundred thousand"

Page 2, line 5, after the underscored period insert "The director may use a portion of the fund for improvements to high-priority corridors on the city and county systems that have been identified as a result of the cooperative planning effort between the department, counties, and cities within each department district that results in the state highway performance classification system."

Renumber accordingly

House Amendments to Engrossed HB 1458 - Transportation Committee 02/15/2005

Page 1, line 2, remove the first "and" and replace "section" with "sections 39-04-19 and"

Page 1, line 3, after the first "to" insert "motor vehicle registration fees and" and replace "and" with "to repeal section 7 of chapter 12 of the 2003 Session Laws, relating to registration fee allocation;"

Page 1, line 4, after "appropriation" insert "; to provide an effective date; and to provide an expiration date"

House Amendments to Engrossed HB 1458 - Transportation Committee 02/15/2005

Page 3, after line 24, insert:

"SECTION 2. AMENDMENT. Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

39-04-19. Motor vehicle registration fees and mile tax. Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:

a. Passenger motor vehicles:

YEARS REGISTERED					
Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years	
Less than 3,200	\$60 \$73	\$52 \$65	\$44 \$57	\$36 \$49	
3,200 - 4,499	80 93	68 81	56 69	44 57	
4,500 - 4,999	98 111	84 94	66 79	50 63	
5,000 - 5,999	129 142	107 120	85 98	63 76	
6,000 - 6,999	162 175	133 146	104 117	76 89	
7,000 - 7,999	196 208	159 172	124 137	89 102	
8,000 - 8,999	228 241	186 199	144 157	102 115	
9,000 and over	264 274	212 225	164 177	115 128	

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under subsection 5:

YEARS REGISTERED					
Gross Weights	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	\$58 \$71	\$45 \$58	\$40 \$53	\$37 \$50	\$36 \$49
4,001 - 6,000	63 76	50 63	44 57	38 51	37 50
6,001 - 8,000	68 81	55 68	48 61	39 52	38 51
8,001 - 10,000	73 86	60 73	52 65	44 54	40 53
10,001 - 12,000	78 91	65 78	56 69	43 56	42 55

12,001 - 14,000	<u>83</u> <u>96</u>	<u>70</u> <u>83</u>	<u>60</u> <u>73</u>	<u>46</u> <u>59</u>	<u>45</u> <u>58</u>
14,001 - 16,000	<u>88</u> <u>101</u>	<u>75</u> <u>88</u>	<u>64</u> <u>77</u>	<u>49</u> <u>62</u>	<u>48</u> <u>61</u>
93 68 81	54 64	50 63	18,001 - 20,000	96 109	83 96
				70 83	70 83
				52 65	51 64

YEARS REGISTERED

Gross Weights	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	13th and Subsequent Years
20,001 - 22,000	\$126 <u>139</u>	\$100 <u>113</u>	\$87 <u>100</u>
22,001 - 26,000	178 <u>191</u>	148 <u>161</u>	132 <u>145</u>
26,001 - 30,000	239 <u>252</u>	197 <u>210</u>	175 <u>188</u>
30,001 - 34,000	305 <u>318</u>	250 <u>263</u>	222 <u>235</u>
34,001 - 38,000	366 <u>379</u>	299 <u>312</u>	265 <u>278</u>
38,001 - 42,000	427 <u>440</u>	348 <u>361</u>	307 <u>320</u>
42,001 - 46,000	488 <u>501</u>	396 <u>409</u>	350 <u>363</u>
46,001 - 50,000	549 <u>562</u>	445 <u>458</u>	393 <u>406</u>
50,001 - 54,000	610 <u>632</u>	503 <u>516</u>	444 <u>457</u>
54,001 - 58,000	680 <u>693</u>	552 <u>565</u>	487 <u>500</u>
58,001 - 62,000	742 <u>755</u>	601 <u>614</u>	530 <u>543</u>
62,001 - 66,000	802 <u>815</u>	649 <u>662</u>	573 <u>586</u>
66,001 - 70,000	863 <u>876</u>	698 <u>711</u>	615 <u>628</u>
70,001 - 74,000	924 <u>937</u>	747 <u>760</u>	658 <u>671</u>
74,001 - 78,000	985 <u>998</u>	796 <u>809</u>	701 <u>714</u>
78,001 - 82,000	1,046 <u>1,059</u>	845 <u>858</u>	744 <u>757</u>
82,001 - 86,000	1,169 <u>1,182</u>	950 <u>963</u>	831 <u>844</u>
86,001 - 90,000	1,291 <u>1,304</u>	1,054 <u>1,067</u>	918 <u>931</u>
90,001 - 94,000	1,413 <u>1,426</u>	1,159 <u>1,172</u>	1,005 <u>1,018</u>
94,001 - 98,000	1,535 <u>1,548</u>	1,264 <u>1,277</u>	1,093 <u>1,106</u>
98,001 - 102,000	1,657 <u>1,670</u>	1,368 <u>1,381</u>	1,180 <u>1,193</u>
102,001 - 105,500	1,779 <u>1,792</u>	1,473 <u>1,486</u>	1,267 <u>1,280</u>

c. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.
4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more

than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

YEARS REGISTERED

Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years
20,001 - 22,000	\$98 <u>111</u>	\$84 <u>97</u>	\$70 <u>83</u>	\$52 <u>65</u>
22,001 - 24,000	103 <u>116</u>	88 <u>101</u>	73 <u>86</u>	54 <u>67</u>
24,001 - 26,000	111 <u>124</u>	94 <u>107</u>	77 <u>90</u>	56 <u>69</u>
26,001 - 28,000	122 <u>135</u>	102 <u>115</u>	83 <u>96</u>	60 <u>73</u>
28,001 - 30,000	131 <u>144</u>	110 <u>123</u>	89 <u>102</u>	64 <u>77</u>
30,001 - 32,000	146 <u>159</u>	123 <u>136</u>	100 <u>113</u>	73 <u>86</u>
32,001 - 34,000	156 <u>169</u>	131 <u>144</u>	106 <u>119</u>	77 <u>90</u>
34,001 - 36,000	166 <u>179</u>	139 <u>152</u>	112 <u>125</u>	81 <u>94</u>
36,001 - 38,000	176 <u>189</u>	147 <u>160</u>	118 <u>131</u>	85 <u>98</u>
38,001 - 40,000	186 <u>199</u>	155 <u>168</u>	124 <u>137</u>	89 <u>102</u>
40,001 - 42,000	196 <u>209</u>	163 <u>176</u>	130 <u>143</u>	93 <u>106</u>
42,001 - 44,000	206 <u>219</u>	171 <u>184</u>	136 <u>149</u>	97 <u>110</u>
44,001 - 46,000	216 <u>229</u>	179 <u>192</u>	142 <u>155</u>	101 <u>114</u>
46,001 - 48,000	226 <u>239</u>	187 <u>200</u>	148 <u>161</u>	105 <u>118</u>
48,001 - 50,000	236 <u>249</u>	195 <u>208</u>	154 <u>167</u>	109 <u>122</u>
50,001 - 52,000	256 <u>269</u>	213 <u>226</u>	170 <u>183</u>	123 <u>136</u>
52,001 - 54,000	266 <u>279</u>	221 <u>234</u>	176 <u>189</u>	127 <u>140</u>
54,001 - 56,000	276 <u>289</u>	229 <u>242</u>	182 <u>195</u>	131 <u>144</u>
56,001 - 58,000	286 <u>299</u>	237 <u>250</u>	188 <u>201</u>	135 <u>148</u>
58,001 - 60,000	296 <u>309</u>	245 <u>258</u>	194 <u>207</u>	139 <u>152</u>
60,001 - 62,000	306 <u>319</u>	253 <u>266</u>	200 <u>213</u>	143 <u>156</u>
62,001 - 64,000	316 <u>329</u>	261 <u>274</u>	206 <u>219</u>	147 <u>160</u>
64,001 - 66,000	326 <u>339</u>	269 <u>282</u>	212 <u>225</u>	151 <u>164</u>
66,001 - 68,000	336 <u>349</u>	277 <u>290</u>	218 <u>231</u>	155 <u>168</u>
68,001 - 70,000	346 <u>359</u>	285 <u>298</u>	224 <u>237</u>	159 <u>172</u>
70,001 - 72,000	356 <u>369</u>	293 <u>306</u>	230 <u>243</u>	163 <u>176</u>
72,001 - 74,000	366 <u>379</u>	301 <u>314</u>	236 <u>249</u>	167 <u>180</u>
74,001 - 76,000	376 <u>389</u>	309 <u>322</u>	242 <u>255</u>	171 <u>184</u>
76,001 - 78,000	386 <u>399</u>	317 <u>330</u>	248 <u>261</u>	175 <u>188</u>
78,001 - 80,000	396 <u>409</u>	325 <u>338</u>	254 <u>267</u>	179 <u>192</u>
80,001 - 82,000	406 <u>419</u>	333 <u>346</u>	260 <u>273</u>	183 <u>196</u>
82,001 - 84,000	416 <u>429</u>	355 <u>368</u>	303 <u>316</u>	259 <u>272</u>
84,001 - 86,000	426 <u>449</u>	372 <u>385</u>	317 <u>330</u>	271 <u>284</u>
86,001 - 88,000	456 <u>469</u>	389 <u>402</u>	331 <u>344</u>	283 <u>296</u>
88,001 - 90,000	476 <u>489</u>	406 <u>419</u>	345 <u>358</u>	295 <u>308</u>
90,001 - 92,000	496 <u>509</u>	423 <u>436</u>	359 <u>372</u>	307 <u>320</u>
92,001 - 94,000	516 <u>529</u>	440 <u>453</u>	373 <u>386</u>	319 <u>332</u>
94,001 - 96,000	536 <u>549</u>	457 <u>470</u>	387 <u>400</u>	331 <u>344</u>
96,001 - 98,000	556 <u>569</u>	474 <u>487</u>	401 <u>414</u>	343 <u>356</u>
98,001 - 100,000	576 <u>589</u>	491 <u>504</u>	415 <u>428</u>	355 <u>368</u>
100,001 - 102,000	596 <u>609</u>	508 <u>521</u>	429 <u>442</u>	367 <u>380</u>
102,001 - 104,000	616 <u>629</u>	525 <u>538</u>	443 <u>456</u>	379 <u>392</u>
104,001 - 105,500	636 <u>649</u>	542 <u>555</u>	457 <u>470</u>	391 <u>404</u>

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Eight dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund.

SECTION 3. AMENDMENT. Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

39-04-19. Motor vehicle registration fees and mile tax. Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:

a. Passenger motor vehicles:

Gross Weights	YEARS REGISTERED			
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years
Less than 3,200	\$60 <u>\$85</u>	\$52 <u>\$77</u>	\$44 <u>\$69</u>	\$36 <u>\$61</u>
3,200 - 4,499	80 <u>105</u>	68 <u>93</u>	56 <u>81</u>	44 <u>69</u>
4,500 - 4,999	98 <u>123</u>	84 <u>106</u>	66 <u>91</u>	50 <u>75</u>
5,000 - 5,999	129 <u>154</u>	107 <u>132</u>	85 <u>110</u>	63 <u>88</u>
6,000 - 6,999	162 <u>187</u>	133 <u>158</u>	104 <u>129</u>	76 <u>101</u>
7,000 - 7,999	195 <u>220</u>	159 <u>184</u>	124 <u>149</u>	89 <u>114</u>
8,000 - 8,999	228 <u>253</u>	186 <u>211</u>	144 <u>169</u>	102 <u>127</u>
9,000 and over	261 <u>286</u>	212 <u>237</u>	164 <u>189</u>	115 <u>140</u>

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes; and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under subsection 5:

Gross Weights	YEARS REGISTERED				
	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	\$58 <u>\$83</u>	\$45 <u>\$70</u>	\$40 <u>\$65</u>	\$37 <u>\$62</u>	\$36 <u>\$61</u>
4,001 - 6,000	63 <u>88</u>	50 <u>75</u>	44 <u>69</u>	38 <u>63</u>	37 <u>62</u>

6,001 - 8,000	<u>68</u> <u>93</u>	<u>55</u> <u>80</u>	<u>48</u> <u>73</u>	<u>39</u> <u>64</u>	<u>38</u> <u>63</u>
8,001 - 10,000	<u>73</u> <u>98</u>	<u>60</u> <u>85</u>	<u>52</u> <u>77</u>	<u>41</u> <u>66</u>	<u>40</u> <u>65</u>
10,001 - 12,000	<u>78</u> <u>103</u>	<u>65</u> <u>90</u>	<u>56</u> <u>81</u>	<u>43</u> <u>68</u>	<u>42</u> <u>67</u>
12,001 - 14,000	<u>83</u> <u>108</u>	<u>70</u> <u>95</u>	<u>60</u> <u>85</u>	<u>46</u> <u>71</u>	<u>45</u> <u>70</u>
14,001 - 16,000	<u>88</u> <u>113</u>	<u>75</u> <u>100</u>	<u>64</u> <u>89</u>	<u>49</u> <u>74</u>	<u>48</u> <u>73</u>
16,001 - 18,000	<u>93</u> <u>118</u>	<u>80</u> <u>105</u>	<u>68</u> <u>93</u>	<u>51</u> <u>76</u>	<u>50</u> <u>75</u>
18,001 - 20,000	<u>96</u> <u>121</u>	<u>83</u> <u>108</u>	<u>70</u> <u>95</u>	<u>52</u> <u>77</u>	<u>51</u> <u>76</u>

YEARS REGISTERED

Gross Weights	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	13th and Subsequent Years
20,001 - 22,000	<u>\$126</u> <u>\$151</u>	<u>\$106</u> <u>\$125</u>	<u>\$87</u> <u>\$112</u>
22,001 - 26,000	<u>178</u> <u>203</u>	<u>148</u> <u>173</u>	<u>132</u> <u>157</u>
26,001 - 30,000	<u>239</u> <u>264</u>	<u>197</u> <u>222</u>	<u>175</u> <u>200</u>
30,001 - 34,000	<u>305</u> <u>330</u>	<u>250</u> <u>275</u>	<u>222</u> <u>247</u>
34,001 - 38,000	<u>366</u> <u>391</u>	<u>299</u> <u>324</u>	<u>265</u> <u>290</u>
38,001 - 42,000	<u>427</u> <u>452</u>	<u>348</u> <u>373</u>	<u>307</u> <u>332</u>
42,001 - 46,000	<u>488</u> <u>513</u>	<u>396</u> <u>421</u>	<u>350</u> <u>375</u>
46,001 - 50,000	<u>549</u> <u>574</u>	<u>445</u> <u>470</u>	<u>393</u> <u>418</u>
50,001 - 54,000	<u>619</u> <u>644</u>	<u>503</u> <u>528</u>	<u>444</u> <u>469</u>
54,001 - 58,000	<u>680</u> <u>705</u>	<u>552</u> <u>577</u>	<u>487</u> <u>512</u>
58,001 - 62,000	<u>742</u> <u>767</u>	<u>601</u> <u>626</u>	<u>530</u> <u>555</u>
62,001 - 66,000	<u>802</u> <u>827</u>	<u>649</u> <u>674</u>	<u>573</u> <u>598</u>
66,001 - 70,000	<u>863</u> <u>888</u>	<u>698</u> <u>723</u>	<u>615</u> <u>640</u>
70,001 - 74,000	<u>924</u> <u>949</u>	<u>747</u> <u>772</u>	<u>658</u> <u>683</u>
74,001 - 78,000	<u>985</u> <u>1,010</u>	<u>796</u> <u>821</u>	<u>701</u> <u>726</u>
78,001 - 82,000	<u>1,046</u> <u>1,071</u>	<u>845</u> <u>870</u>	<u>744</u> <u>769</u>
82,001 - 86,000	<u>1,169</u> <u>1,194</u>	<u>950</u> <u>975</u>	<u>831</u> <u>856</u>
86,001 - 90,000	<u>1,291</u> <u>1,316</u>	<u>1,054</u> <u>1,079</u>	<u>918</u> <u>943</u>
90,001 - 94,000	<u>1,413</u> <u>1,438</u>	<u>1,159</u> <u>1,184</u>	<u>1,005</u> <u>1,030</u>
94,001 - 98,000	<u>1,535</u> <u>1,560</u>	<u>1,264</u> <u>1,289</u>	<u>1,093</u> <u>1,118</u>
98,001 - 102,000	<u>1,657</u> <u>1,682</u>	<u>1,368</u> <u>1,393</u>	<u>1,180</u> <u>1,205</u>
102,001 - 105,500	<u>1,779</u> <u>1,804</u>	<u>1,473</u> <u>1,498</u>	<u>1,267</u> <u>1,292</u>

c. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.
4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the

following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

YEARS REGISTERED					
Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years	
20,001 - 22,000	\$98 <u>123</u>	\$84 <u>109</u>	\$70 <u>95</u>	\$52 <u>77</u>	
22,001 - 24,000	+03 <u>128</u>	88 <u>113</u>	73 <u>98</u>	54 <u>79</u>	
24,001 - 26,000	+11 <u>136</u>	94 <u>119</u>	77 <u>102</u>	56 <u>81</u>	
26,001 - 28,000	+22 <u>147</u>	+02 <u>127</u>	83 <u>108</u>	60 <u>85</u>	
28,001 - 30,000	+31 <u>156</u>	+10 <u>135</u>	89 <u>114</u>	64 <u>89</u>	
30,001 - 32,000	+46 <u>171</u>	+23 <u>148</u>	+00 <u>125</u>	73 <u>98</u>	
32,001 - 34,000	+56 <u>181</u>	+31 <u>156</u>	+06 <u>131</u>	77 <u>102</u>	
34,001 - 36,000	+66 <u>191</u>	+39 <u>164</u>	+12 <u>137</u>	84 <u>106</u>	
36,001 - 38,000	+76 <u>201</u>	+47 <u>172</u>	+18 <u>143</u>	85 <u>110</u>	
38,001 - 40,000	+86 <u>211</u>	+55 <u>180</u>	+24 <u>149</u>	89 <u>114</u>	
40,001 - 42,000	+96 <u>221</u>	+63 <u>188</u>	+30 <u>155</u>	93 <u>118</u>	
42,001 - 44,000	206 <u>231</u>	+71 <u>196</u>	+36 <u>161</u>	97 <u>122</u>	
44,001 - 46,000	216 <u>241</u>	+79 <u>204</u>	+42 <u>167</u>	101 <u>126</u>	
46,001 - 48,000	226 <u>251</u>	+87 <u>212</u>	+48 <u>173</u>	105 <u>130</u>	
48,001 - 50,000	236 <u>261</u>	+95 <u>220</u>	+54 <u>179</u>	109 <u>134</u>	
50,001 - 52,000	256 <u>281</u>	213 <u>238</u>	+70 <u>195</u>	123 <u>148</u>	
52,001 - 54,000	266 <u>291</u>	221 <u>246</u>	+76 <u>201</u>	127 <u>152</u>	
54,001 - 56,000	276 <u>301</u>	229 <u>254</u>	+82 <u>207</u>	131 <u>156</u>	
56,001 - 58,000	286 <u>311</u>	237 <u>262</u>	+88 <u>213</u>	135 <u>160</u>	
58,001 - 60,000	296 <u>321</u>	245 <u>270</u>	+94 <u>219</u>	139 <u>164</u>	
60,001 - 62,000	306 <u>331</u>	253 <u>278</u>	206 <u>225</u>	143 <u>168</u>	
62,001 - 64,000	316 <u>341</u>	261 <u>286</u>	206 <u>231</u>	147 <u>172</u>	
64,001 - 66,000	326 <u>351</u>	269 <u>294</u>	212 <u>237</u>	151 <u>176</u>	
66,001 - 68,000	336 <u>361</u>	277 <u>302</u>	218 <u>243</u>	155 <u>180</u>	
68,001 - 70,000	346 <u>371</u>	285 <u>310</u>	224 <u>249</u>	159 <u>184</u>	
70,001 - 72,000	356 <u>381</u>	293 <u>318</u>	230 <u>255</u>	163 <u>188</u>	
72,001 - 74,000	366 <u>391</u>	301 <u>326</u>	236 <u>261</u>	167 <u>192</u>	
74,001 - 76,000	376 <u>401</u>	309 <u>334</u>	242 <u>267</u>	171 <u>196</u>	
76,001 - 78,000	386 <u>411</u>	317 <u>342</u>	248 <u>273</u>	176 <u>200</u>	
78,001 - 80,000	396 <u>421</u>	325 <u>350</u>	254 <u>279</u>	179 <u>204</u>	
80,001 - 82,000	406 <u>431</u>	333 <u>358</u>	260 <u>285</u>	183 <u>208</u>	
82,001 - 84,000	416 <u>441</u>	355 <u>380</u>	303 <u>328</u>	259 <u>284</u>	
84,001 - 86,000	436 <u>461</u>	372 <u>397</u>	317 <u>342</u>	271 <u>296</u>	
86,001 - 88,000	456 <u>481</u>	389 <u>414</u>	331 <u>356</u>	283 <u>308</u>	
88,001 - 90,000	476 <u>501</u>	406 <u>431</u>	345 <u>370</u>	295 <u>320</u>	
90,001 - 92,000	496 <u>521</u>	423 <u>448</u>	359 <u>384</u>	307 <u>332</u>	
92,001 - 94,000	516 <u>541</u>	440 <u>465</u>	373 <u>398</u>	310 <u>344</u>	
94,001 - 96,000	536 <u>561</u>	457 <u>482</u>	387 <u>412</u>	331 <u>356</u>	
96,001 - 98,000	556 <u>581</u>	474 <u>499</u>	401 <u>426</u>	343 <u>368</u>	
98,001 - 100,000	576 <u>601</u>	491 <u>516</u>	415 <u>440</u>	355 <u>380</u>	
100,001 - 102,000	596 <u>621</u>	508 <u>533</u>	429 <u>454</u>	367 <u>392</u>	

102,001 - 104,000	<u>616</u> <u>641</u>	<u>525</u> <u>550</u>	<u>443</u> <u>468</u>	<u>379</u> <u>404</u>
104,001 - 105,500	<u>636</u> <u>661</u>	<u>542</u> <u>567</u>	<u>457</u> <u>482</u>	<u>391</u> <u>416</u>

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Twenty dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund."

Page 3, after line 27, insert:

- "1. Except as otherwise provided in this section, a tax of twenty-one twenty-three cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state.
2. A supplier or distributor shall remit the tax imposed by this section on motor vehicle fuel used, on the wholesale distribution of motor vehicle fuel to a retailer, and on direct sales of motor vehicle fuel to a consumer.
3. The tax imposed by this section does not apply on a sale by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the retailer and to the consumer. A retailer who paid the tax to the supplier or distributor shall pass the tax on to the consumer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the motor vehicle fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

SECTION 5. AMENDMENT. Section 57-43.1-02 of the North Dakota Century Code is amended and reenacted as follows:

57-43.1-02. Tax imposed on motor vehicle fuels."

House Amendments to Engrossed HB 1458 - Transportation Committee 02/15/2005

Page 4, after line 19, insert:

"SECTION 6. REPEAL. Section 7 of chapter 12 of the 2003 Session Laws is repealed.

SECTION 7. EFFECTIVE DATE. Sections 3 and 5 of this Act become effective on July 1, 2009.

SECTION 8. EXPIRATION DATE. Sections 2 and 4 of this Act are effective through June 30, 2009, and after that date are ineffective."

Renumber accordingly

Date: 2-10-05
Roll Call Vote #:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. H.B. 1458

House Transportation Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken No Pass As Amend

Motion Made By Rep. Hawken Seconded By Rep. Bernstein

Representatives	Yes	No	Representatives	Yes	No
Rep. Weisz - Chairman	✓		Rep. Delmore	✓	
Rep. Hawken - Vice Chair.	✓		Rep. Meyer		✓
Rep. Bernstein	✓		Rep. Schmidt	✓	
Rep. Dosch	✓		Rep. Thorpe	✓	
Rep. Iverson		✓			
Rep. Kelsch	abst				
Rep. Owens	✓				
Rep. Price	✓				
Rep. Ruby	✓				
Rep. Vigesaa	✓				
Rep. Weiler		✓			

Total (Yes) 11 No 3

Absent /

Floor Assignment Rep. Weis

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

REPORT OF STANDING COMMITTEE

HB 1458: Transportation Committee (Rep. Weisz, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1458 was placed on the Sixth order on the calendar.

Page 1, line 2, remove the first "and" and replace "section" with "sections 39-04-19 and"

Page 1, line 3, after the first "to" insert "motor vehicle registration fees and" and replace "and" with "to repeal section 7 of chapter 12 of the 2003 Session Laws, relating to registration fee allocation;"

Page 1, line 4, after "appropriation" insert "; to provide an effective date; and to provide an expiration date"

Page 3, after line 24, insert:

"SECTION 2. AMENDMENT. Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

39-04-19. Motor vehicle registration fees and mile tax. Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:

a. Passenger motor vehicles:

Gross Weights	YEARS REGISTERED			
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years
Less than 3,200	\$60 <u>\$73</u>	\$52 <u>\$65</u>	\$44 <u>\$57</u>	\$36 <u>\$49</u>
3,200 - 4,499	80 <u>93</u>	68 <u>81</u>	56 <u>69</u>	44 <u>57</u>
4,500 - 4,999	98 <u>111</u>	84 <u>94</u>	66 <u>79</u>	50 <u>63</u>
5,000 - 5,999	129 <u>142</u>	107 <u>120</u>	85 <u>98</u>	63 <u>76</u>
6,000 - 6,999	162 <u>175</u>	133 <u>146</u>	104 <u>117</u>	76 <u>89</u>
7,000 - 7,999	195 <u>208</u>	159 <u>172</u>	124 <u>137</u>	89 <u>102</u>
8,000 - 8,999	228 <u>241</u>	186 <u>199</u>	144 <u>157</u>	102 <u>115</u>
9,000 and over	261 <u>274</u>	212 <u>225</u>	164 <u>177</u>	115 <u>128</u>

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under subsection 5:

Gross Weights	YEARS REGISTERED				
	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	\$58 <u>71</u>	\$45 <u>58</u>	\$40 <u>53</u>	\$37 <u>50</u>	\$36 <u>49</u>
4,001 - 6,000	63 <u>76</u>	50 <u>63</u>	44 <u>57</u>	38 <u>51</u>	37 <u>50</u>
6,001 - 8,000	68 <u>81</u>	55 <u>68</u>	48 <u>61</u>	39 <u>52</u>	38 <u>51</u>
8,001 - 10,000	73 <u>86</u>	60 <u>73</u>	52 <u>65</u>	41 <u>54</u>	40 <u>53</u>
10,001 - 12,000	78 <u>91</u>	65 <u>78</u>	56 <u>69</u>	43 <u>56</u>	42 <u>55</u>
12,001 - 14,000	83 <u>96</u>	70 <u>83</u>	60 <u>73</u>	46 <u>59</u>	45 <u>58</u>
14,001 - 16,000	88 <u>101</u>	75 <u>88</u>	64 <u>77</u>	49 <u>62</u>	48 <u>61</u>
16,001 - 18,000	93 <u>106</u>	80 <u>93</u>	68 <u>81</u>	51 <u>64</u>	50 <u>63</u>
18,001 - 20,000	96 <u>109</u>	83 <u>96</u>	70 <u>83</u>	52 <u>65</u>	51 <u>64</u>

Gross Weights	YEARS REGISTERED		13th and Subsequent Years
	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	
20,001 - 22,000	\$126 <u>139</u>	\$100 <u>113</u>	\$87 <u>100</u>
22,001 - 26,000	178 <u>191</u>	148 <u>161</u>	132 <u>145</u>
26,001 - 30,000	239 <u>252</u>	197 <u>210</u>	175 <u>188</u>
30,001 - 34,000	305 <u>318</u>	250 <u>263</u>	222 <u>235</u>
34,001 - 38,000	366 <u>379</u>	299 <u>312</u>	265 <u>278</u>
38,001 - 42,000	427 <u>440</u>	348 <u>361</u>	307 <u>320</u>
42,001 - 46,000	488 <u>501</u>	396 <u>409</u>	350 <u>363</u>
46,001 - 50,000	549 <u>562</u>	445 <u>458</u>	393 <u>406</u>
50,001 - 54,000	619 <u>632</u>	503 <u>516</u>	444 <u>457</u>
54,001 - 58,000	680 <u>693</u>	552 <u>565</u>	487 <u>500</u>
58,001 - 62,000	742 <u>755</u>	601 <u>614</u>	530 <u>543</u>
62,001 - 66,000	802 <u>815</u>	649 <u>662</u>	573 <u>586</u>
66,001 - 70,000	863 <u>876</u>	698 <u>711</u>	615 <u>628</u>
70,001 - 74,000	924 <u>937</u>	747 <u>760</u>	658 <u>671</u>
74,001 - 78,000	985 <u>998</u>	796 <u>809</u>	701 <u>714</u>
78,001 - 82,000	1,046 <u>1,059</u>	845 <u>858</u>	744 <u>757</u>
82,001 - 86,000	1,169 <u>1,182</u>	950 <u>963</u>	831 <u>844</u>
86,001 - 90,000	1,291 <u>1,304</u>	1,054 <u>1,067</u>	918 <u>931</u>
90,001 - 94,000	1,413 <u>1,426</u>	1,159 <u>1,172</u>	1,005 <u>1,018</u>
94,001 - 98,000	1,535 <u>1,548</u>	1,264 <u>1,277</u>	1,093 <u>1,106</u>
98,001 - 102,000	1,657 <u>1,670</u>	1,368 <u>1,381</u>	1,180 <u>1,193</u>
102,001 - 105,500	1,779 <u>1,792</u>	1,473 <u>1,486</u>	1,267 <u>1,280</u>

- c. Motorcycles, fifteen dollars.
3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.

4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.

5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

Gross Weights	YEARS REGISTERED				
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years	
20,001 - 22,000	\$98 <u>111</u>	\$84 <u>97</u>	\$70 <u>83</u>	\$52 <u>65</u>	
22,001 - 24,000	103 <u>116</u>	88 <u>101</u>	73 <u>86</u>	54 <u>67</u>	
24,001 - 26,000	111 <u>124</u>	94 <u>107</u>	77 <u>90</u>	56 <u>69</u>	
26,001 - 28,000	122 <u>135</u>	102 <u>115</u>	83 <u>96</u>	60 <u>73</u>	
28,001 - 30,000	131 <u>144</u>	110 <u>123</u>	89 <u>102</u>	64 <u>77</u>	
30,001 - 32,000	146 <u>159</u>	120 <u>136</u>	100 <u>113</u>	73 <u>86</u>	
32,001 - 34,000	156 <u>169</u>	131 <u>144</u>	106 <u>119</u>	77 <u>90</u>	
34,001 - 36,000	166 <u>179</u>	139 <u>152</u>	112 <u>125</u>	81 <u>94</u>	
36,001 - 38,000	176 <u>189</u>	147 <u>160</u>	118 <u>131</u>	85 <u>98</u>	
38,001 - 40,000	186 <u>199</u>	155 <u>168</u>	124 <u>137</u>	89 <u>102</u>	
40,001 - 42,000	196 <u>209</u>	163 <u>176</u>	130 <u>143</u>	93 <u>106</u>	
42,001 - 44,000	206 <u>219</u>	171 <u>184</u>	136 <u>149</u>	97 <u>110</u>	
44,001 - 46,000	216 <u>229</u>	179 <u>192</u>	142 <u>155</u>	101 <u>114</u>	
46,001 - 48,000	226 <u>239</u>	187 <u>200</u>	148 <u>161</u>	105 <u>118</u>	
48,001 - 50,000	236 <u>249</u>	195 <u>208</u>	154 <u>167</u>	109 <u>122</u>	
50,001 - 52,000	256 <u>269</u>	213 <u>226</u>	170 <u>183</u>	123 <u>136</u>	
52,001 - 54,000	266 <u>279</u>	221 <u>234</u>	176 <u>189</u>	127 <u>140</u>	
54,001 - 56,000	276 <u>289</u>	229 <u>242</u>	182 <u>195</u>	131 <u>144</u>	
56,001 - 58,000	286 <u>299</u>	237 <u>250</u>	188 <u>201</u>	135 <u>148</u>	
58,001 - 60,000	296 <u>309</u>	245 <u>258</u>	194 <u>207</u>	139 <u>152</u>	
60,001 - 62,000	306 <u>319</u>	253 <u>266</u>	200 <u>213</u>	143 <u>156</u>	
62,001 - 64,000	316 <u>329</u>	261 <u>274</u>	206 <u>219</u>	147 <u>160</u>	

64,001 - 66,000	<u>326</u> <u>339</u>	<u>269</u> <u>282</u>	<u>212</u> <u>225</u>	<u>151</u> <u>164</u>
66,001 - 68,000	<u>336</u> <u>349</u>	<u>277</u> <u>290</u>	<u>218</u> <u>231</u>	<u>155</u> <u>168</u>
68,001 - 70,000	<u>346</u> <u>359</u>	<u>285</u> <u>298</u>	<u>224</u> <u>237</u>	<u>159</u> <u>172</u>
70,001 - 72,000	<u>356</u> <u>369</u>	<u>293</u> <u>306</u>	<u>230</u> <u>243</u>	<u>163</u> <u>176</u>
72,001 - 74,000	<u>366</u> <u>379</u>	<u>301</u> <u>314</u>	<u>236</u> <u>249</u>	<u>167</u> <u>180</u>
74,001 - 76,000	<u>376</u> <u>389</u>	<u>309</u> <u>322</u>	<u>242</u> <u>255</u>	<u>171</u> <u>184</u>
76,001 - 78,000	<u>386</u> <u>399</u>	<u>317</u> <u>330</u>	<u>248</u> <u>261</u>	<u>175</u> <u>188</u>
78,001 - 80,000	<u>396</u> <u>409</u>	<u>325</u> <u>338</u>	<u>254</u> <u>267</u>	<u>179</u> <u>192</u>
80,001 - 82,000	<u>406</u> <u>419</u>	<u>333</u> <u>346</u>	<u>260</u> <u>273</u>	<u>183</u> <u>196</u>
82,001 - 84,000	<u>416</u> <u>429</u>	<u>355</u> <u>368</u>	<u>303</u> <u>316</u>	<u>259</u> <u>272</u>
84,001 - 86,000	<u>426</u> <u>449</u>	<u>372</u> <u>385</u>	<u>317</u> <u>330</u>	<u>274</u> <u>284</u>
86,001 - 88,000	<u>456</u> <u>469</u>	<u>389</u> <u>402</u>	<u>331</u> <u>344</u>	<u>283</u> <u>296</u>
88,001 - 90,000	<u>476</u> <u>489</u>	<u>406</u> <u>419</u>	<u>345</u> <u>358</u>	<u>295</u> <u>308</u>
90,001 - 92,000	<u>496</u> <u>509</u>	<u>423</u> <u>436</u>	<u>359</u> <u>372</u>	<u>307</u> <u>320</u>
92,001 - 94,000	<u>516</u> <u>529</u>	<u>440</u> <u>453</u>	<u>373</u> <u>386</u>	<u>319</u> <u>332</u>
94,001 - 96,000	<u>536</u> <u>549</u>	<u>457</u> <u>470</u>	<u>387</u> <u>400</u>	<u>331</u> <u>344</u>
96,001 - 98,000	<u>556</u> <u>569</u>	<u>474</u> <u>487</u>	<u>401</u> <u>414</u>	<u>343</u> <u>356</u>
98,001 - 100,000	<u>576</u> <u>589</u>	<u>491</u> <u>504</u>	<u>415</u> <u>428</u>	<u>355</u> <u>368</u>
100,001 - 102,000	<u>596</u> <u>609</u>	<u>508</u> <u>521</u>	<u>429</u> <u>442</u>	<u>367</u> <u>380</u>
102,001 - 104,000	<u>616</u> <u>629</u>	<u>525</u> <u>538</u>	<u>443</u> <u>456</u>	<u>379</u> <u>392</u>
104,001 - 105,500	<u>636</u> <u>649</u>	<u>542</u> <u>555</u>	<u>457</u> <u>470</u>	<u>391</u> <u>404</u>

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Eight dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund.

SECTION 3. AMENDMENT. Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

39-04-19. Motor vehicle registration fees and mile tax. Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:
 - a. Passenger motor vehicles:

Gross Weights	YEARS REGISTERED			
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years
Less than 3,200	\$60 <u>\$85</u>	\$52 <u>\$77</u>	\$44 <u>\$69</u>	\$36 <u>\$61</u>
3,200 - 4,499	80 <u>105</u>	68 <u>93</u>	56 <u>81</u>	44 <u>69</u>
4,500 - 4,999	98 <u>123</u>	84 <u>106</u>	66 <u>91</u>	50 <u>75</u>

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Carrier: Weisz

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5,000 - 5,999	129 154	107 132	85 110	63 88
6,000 - 6,999	162 187	133 158	104 129	76 101
7,000 - 7,999	195 220	159 184	124 149	89 114
8,000 - 8,999	228 253	186 211	144 169	102 127
9,000 and over	261 286	212 237	164 189	115 140

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under subsection 5:

Gross Weights	YEARS REGISTERED				
	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	\$58 \$83	\$45 \$70	\$40 \$65	\$37 \$62	\$36 \$61
4,001 - 6,000	63 88	50 75	44 69	38 63	37 62
6,001 - 8,000	68 93	55 80	48 73	39 64	38 63
8,001 - 10,000	73 98	60 85	52 77	41 66	40 65
10,001 - 12,000	78 103	65 90	56 81	43 68	42 67
12,001 - 14,000	83 108	70 95	60 85	46 71	45 70
14,001 - 16,000	88 113	75 100	64 89	49 74	48 73
16,001 - 18,000	93 118	80 105	68 93	51 76	50 75
18,001 - 20,000	96 121	83 108	70 95	52 77	51 76

Gross Weights	YEARS REGISTERED		13th and Subsequent Years
	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	
20,001 - 22,000	\$126 \$151	\$100 \$125	\$87 \$112
22,001 - 26,000	178 203	148 173	132 157
26,001 - 30,000	239 264	197 222	175 200
30,001 - 34,000	305 330	250 275	222 247
34,001 - 38,000	366 391	299 324	265 290
38,001 - 42,000	427 452	348 373	307 332
42,001 - 46,000	488 513	396 421	350 375
46,001 - 50,000	549 574	445 470	393 418
50,001 - 54,000	610 644	503 528	444 469
54,001 - 58,000	680 705	552 577	487 512
58,001 - 62,000	742 767	601 626	530 555
62,001 - 66,000	802 827	649 674	573 598
66,001 - 70,000	863 888	698 723	615 640
70,001 - 74,000	924 949	747 772	658 683
74,001 - 78,000	985 1,010	796 821	701 726
78,001 - 82,000	1,046 1,071	845 870	744 769
82,001 - 86,000	1,169 1,194	950 975	831 856
86,001 - 90,000	1,291 1,316	1,054 1,079	918 943
90,001 - 94,000	1,413 1,438	1,159 1,184	1,005 1,030
94,001 - 98,000	1,535 1,560	1,264 1,289	1,093 1,118

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98,001 - 102,000	<u>1,657</u> <u>1,682</u>	<u>1,368</u> <u>1,393</u>	<u>+189</u> <u>1,205</u>
102,001 - 105,500	<u>1,779</u> <u>1,804</u>	<u>1,473</u> <u>1,498</u>	<u>+267</u> <u>1,292</u>

c. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.
4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

YEARS REGISTERED

Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years
20,001 - 22,000	<u>\$98</u> <u>\$123</u>	<u>\$84</u> <u>\$109</u>	<u>\$70</u> <u>\$95</u>	<u>\$52</u> <u>\$77</u>
22,001 - 24,000	<u>+03</u> <u>128</u>	<u>88</u> <u>113</u>	<u>73</u> <u>98</u>	<u>54</u> <u>79</u>
24,001 - 26,000	<u>111</u> <u>136</u>	<u>94</u> <u>119</u>	<u>77</u> <u>102</u>	<u>56</u> <u>81</u>
26,001 - 28,000	<u>+22</u> <u>147</u>	<u>102</u> <u>127</u>	<u>83</u> <u>108</u>	<u>60</u> <u>85</u>
28,001 - 30,000	<u>+31</u> <u>156</u>	<u>110</u> <u>135</u>	<u>89</u> <u>114</u>	<u>64</u> <u>89</u>
30,001 - 32,000	<u>146</u> <u>171</u>	<u>123</u> <u>148</u>	<u>100</u> <u>125</u>	<u>73</u> <u>98</u>
32,001 - 34,000	<u>156</u> <u>181</u>	<u>131</u> <u>156</u>	<u>106</u> <u>131</u>	<u>77</u> <u>102</u>
34,001 - 36,000	<u>166</u> <u>191</u>	<u>139</u> <u>164</u>	<u>112</u> <u>137</u>	<u>84</u> <u>106</u>
36,001 - 38,000	<u>+76</u> <u>201</u>	<u>147</u> <u>172</u>	<u>118</u> <u>143</u>	<u>86</u> <u>110</u>
38,001 - 40,000	<u>186</u> <u>211</u>	<u>155</u> <u>180</u>	<u>124</u> <u>149</u>	<u>89</u> <u>114</u>

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40,001 - 42,000	<u>196</u> <u>221</u>	<u>163</u> <u>188</u>	<u>139</u> <u>155</u>	<u>93</u> <u>118</u>
42,001 - 44,000	<u>206</u> <u>231</u>	<u>171</u> <u>196</u>	<u>136</u> <u>161</u>	<u>97</u> <u>122</u>
44,001 - 46,000	<u>216</u> <u>241</u>	<u>179</u> <u>204</u>	<u>142</u> <u>167</u>	<u>101</u> <u>126</u>
46,001 - 48,000	<u>226</u> <u>251</u>	<u>187</u> <u>212</u>	<u>148</u> <u>173</u>	<u>105</u> <u>130</u>
48,001 - 50,000	<u>236</u> <u>261</u>	<u>195</u> <u>220</u>	<u>154</u> <u>179</u>	<u>109</u> <u>134</u>
50,001 - 52,000	<u>256</u> <u>281</u>	<u>213</u> <u>238</u>	<u>170</u> <u>195</u>	<u>123</u> <u>148</u>
52,001 - 54,000	<u>266</u> <u>291</u>	<u>221</u> <u>246</u>	<u>176</u> <u>201</u>	<u>127</u> <u>152</u>
54,001 - 56,000	<u>276</u> <u>301</u>	<u>229</u> <u>254</u>	<u>182</u> <u>207</u>	<u>131</u> <u>156</u>
56,001 - 58,000	<u>286</u> <u>311</u>	<u>237</u> <u>262</u>	<u>188</u> <u>213</u>	<u>135</u> <u>160</u>
58,001 - 60,000	<u>296</u> <u>321</u>	<u>245</u> <u>270</u>	<u>194</u> <u>219</u>	<u>139</u> <u>164</u>
60,001 - 62,000	<u>306</u> <u>331</u>	<u>253</u> <u>278</u>	<u>200</u> <u>225</u>	<u>143</u> <u>168</u>
62,001 - 64,000	<u>316</u> <u>341</u>	<u>261</u> <u>286</u>	<u>206</u> <u>231</u>	<u>147</u> <u>172</u>
64,001 - 66,000	<u>326</u> <u>351</u>	<u>269</u> <u>294</u>	<u>212</u> <u>237</u>	<u>151</u> <u>176</u>
66,001 - 68,000	<u>336</u> <u>361</u>	<u>277</u> <u>302</u>	<u>218</u> <u>243</u>	<u>155</u> <u>180</u>
68,001 - 70,000	<u>346</u> <u>371</u>	<u>285</u> <u>310</u>	<u>224</u> <u>249</u>	<u>159</u> <u>184</u>
70,001 - 72,000	<u>356</u> <u>381</u>	<u>293</u> <u>318</u>	<u>230</u> <u>255</u>	<u>163</u> <u>188</u>
72,001 - 74,000	<u>366</u> <u>391</u>	<u>301</u> <u>326</u>	<u>236</u> <u>261</u>	<u>167</u> <u>192</u>
74,001 - 76,000	<u>376</u> <u>401</u>	<u>309</u> <u>334</u>	<u>242</u> <u>267</u>	<u>171</u> <u>196</u>
76,001 - 78,000	<u>386</u> <u>411</u>	<u>317</u> <u>342</u>	<u>248</u> <u>273</u>	<u>175</u> <u>200</u>
78,001 - 80,000	<u>396</u> <u>421</u>	<u>325</u> <u>350</u>	<u>254</u> <u>279</u>	<u>179</u> <u>204</u>
80,001 - 82,000	<u>406</u> <u>431</u>	<u>333</u> <u>358</u>	<u>260</u> <u>285</u>	<u>183</u> <u>208</u>
82,001 - 84,000	<u>416</u> <u>441</u>	<u>355</u> <u>380</u>	<u>303</u> <u>328</u>	<u>259</u> <u>284</u>
84,001 - 86,000	<u>426</u> <u>461</u>	<u>372</u> <u>397</u>	<u>317</u> <u>342</u>	<u>271</u> <u>296</u>
86,001 - 88,000	<u>456</u> <u>481</u>	<u>389</u> <u>414</u>	<u>334</u> <u>356</u>	<u>293</u> <u>308</u>
88,001 - 90,000	<u>476</u> <u>501</u>	<u>406</u> <u>431</u>	<u>345</u> <u>370</u>	<u>295</u> <u>320</u>
90,001 - 92,000	<u>496</u> <u>521</u>	<u>423</u> <u>448</u>	<u>359</u> <u>384</u>	<u>307</u> <u>332</u>
92,001 - 94,000	<u>516</u> <u>541</u>	<u>440</u> <u>465</u>	<u>373</u> <u>398</u>	<u>319</u> <u>344</u>
94,001 - 96,000	<u>536</u> <u>561</u>	<u>457</u> <u>482</u>	<u>387</u> <u>412</u>	<u>331</u> <u>356</u>
96,001 - 98,000	<u>556</u> <u>581</u>	<u>474</u> <u>499</u>	<u>404</u> <u>426</u>	<u>343</u> <u>368</u>
98,001 - 100,000	<u>576</u> <u>601</u>	<u>491</u> <u>516</u>	<u>416</u> <u>440</u>	<u>355</u> <u>380</u>
100,001 - 102,000	<u>596</u> <u>621</u>	<u>508</u> <u>533</u>	<u>429</u> <u>454</u>	<u>367</u> <u>392</u>
102,001 - 104,000	<u>616</u> <u>641</u>	<u>525</u> <u>550</u>	<u>443</u> <u>468</u>	<u>379</u> <u>404</u>
104,001 - 105,500	<u>636</u> <u>661</u>	<u>542</u> <u>567</u>	<u>457</u> <u>482</u>	<u>394</u> <u>416</u>

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Twenty dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund."

Page 3, after line 27, insert:

- "1. Except as otherwise provided in this section, a tax of ~~twenty-one~~ ~~twenty-three~~ cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state.
2. A supplier or distributor shall remit the tax imposed by this section on motor vehicle fuel used, on the wholesale distribution of motor vehicle fuel to a retailer, and on direct sales of motor vehicle fuel to a consumer.
3. The tax imposed by this section does not apply on a sale by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on an export, or on a sale to an exempt consumer.

4. The person required to remit the tax imposed by this section shall pass the tax on to the retailer and to the consumer. A retailer who paid the tax to the supplier or distributor shall pass the tax on to the consumer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the motor vehicle fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

SECTION 5. AMENDMENT. Section 57-43.1-02 of the North Dakota Century Code is amended and reenacted as follows:

57-43.1-02. Tax Imposed on motor vehicle fuels."

Page 4, after line 19, insert:

"SECTION 6. REPEAL. Section 7 of chapter 12 of the 2003 Session Laws is repealed.

SECTION 7. EFFECTIVE DATE. Sections 3 and 5 of this Act become effective on July 1, 2009.

SECTION 8. EXPIRATION DATE. Sections 2 and 4 of this Act are effective through June 30, 2009, and after that date are ineffective."

Renumber accordingly

2005 SENATE TRANSPORTATION

HB 1458

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1458

Senate Transportation Committee

Conference Committee

Hearing Date 3-3-05

Tape Number	Side A	Side B	Meter #
1	x		25-6035

Committee Clerk Signature

Mary K Monson

Minutes:

Chairman Trenbeath opened the hearing on HB 1458 relating to transportation funding, motor vehicle registration fees and motor vehicles fuels tax; to provide a continuing appropriation; to provide an effective date; and to provide an expiration date.

Representative Robin Weisz (District 14) See attached testimony introducing and supporting HB 1458. The funding mechanism in this bill adequately matches the federal funds now through the end of the six year program. The initial 2 cent gas tax increase and the \$13 registration fee generates the money needed to match the federal dollar. That goes for the next 2 biennium.

After the second biennium there will be an additional 1 cent increase in the gas tax and an additional \$12 increase in registration fees. That is because there is a huge bump in federal funding starting in that third biennium.

Page 2

Senate Transportation Committee
Bill/Resolution Number HB 1458
Hearing Date 3-3-05

Senator Espegard asked if this would raise the funds necessary to take care of the planning funds for the performance classification system, public transportation, rail improvement, economic development and the match.

Rep. Weisz said that currently there is more than enough to match the federal match. There is not enough to do everything in the bill.

Senator Nething noted that on page 2, line 15, \$3 million was put into the public transportation fund. On page 15, line 30, there is a repeal of Section 7 of chapter 12 which relates to the public transportation fund. He asked what mechanism is in place to assure that money is there for those folks to plan.

Rep. Weisz said he assumed the repeal was done because it was easier to draft. The increase in the funding was repealed and then the additional was added back in. (Meter 1250) It wasn't intended to repeal the \$3 million to public transportation. It is only to repeal the funding mechanism and then add in the new funding mechanism.

Senator Nething asked if the intent was to keep intact the formula that is in current law for the distribution of the \$3 million. (Meter 1300)

Rep. Weisz said that was correct.

Senator Espegard asked if the earlier part of the bill is the part that is not funded with this -- the rail improvements, public transportation, and the match.

Rep. Weisz said they are currently working on a funding mechanism that would fund the rail separate. (Meter 1365) There is not enough money to fund the performance classification fund to the level he would prefer but hopes, with whatever funding there is, the DOT starts moving in that direction.

Mark Dougherty (Membership Services Director, Assoc. General Contractors of ND) Testified in support of HB 1458. To keep ND growing and going down the road it wants to go for economic growth, we need a good transportation system. Today that transportation system is costing more than it ever has. He agrees that nobody likes to see tax increases or fee increases on anything but he looks at the gas tax as more of a user fee. He likes how the bill looks to the future. He thinks ND, right now, is just on the brink of a growth spurt. ND has a lot of good things and the rest of the country is looking at that and is coming here. We have to maintain our highways, rail system, airports, etc. to keep that economic movement going. If we let those things go, all the other economic development won't happen. This bill is an important bill.

(Meter 1860) He referred to the Federal Government's look at the future of transportation funding needs about eight years ago -- T 21. It made planning for states, cities, and counties a lot easier when they could look forward to something instead of having to wait. The state needs to look at the future and make something that will work for several biennium's ahead of us.

Eric Aasmundstad (ND Farm Bureau) Testified in support of HB 1458 but not in its entirety. They appreciate the need for the transportation structure not only in rural ND but all over the state. They question the long term funding although they appreciate being able to look down the road trying to determine what the needs are. ND Farm Bureau members indicated opposition to registration fees. They view the gas tax as a user fee and would support that provision of the bill.

Senator Nething said that the registration fee is a strong part of the funding in this bill. He asked Mr. Aasmundstad to clarify what their opposition was.

Senate Transportation Committee
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Hearing Date 3-3-05

Mr. Aasmundstad said they would suggest use of the excise tax on vehicle purchases rather than registration fees. If there is a way to use an existing percentage of the excise tax or a small increase, they think that would be something to look at.

Brian Arett (Executive Director of Fargo Senior Services) See attached testimony in support of HB 1458.

Senator Nething asked about the effect of gas prices on the senior programs.

Brian Arett said they use about 29,000 gallons of fuel a year. Their increase this year for fuel was \$15,000.

Senator Trenbeath asked if Mr. Arett had testified on the Senate Bill on increased funding for public transportation and asked if he was in favor of that legislation.

Mr. Arett said he did not testify but others did. He was in favor.

Terry Traynor (Assistant Director, Association of Counties) Delivered the attached testimony in support of HB 1458 for Mark Johnson (Executive Director, ND Association of Counties).

Senator Nething asked if he was satisfied with the distribution method contained in this bill.

Terry Traynor said they have gone around to county groups talking about this and all the different funding options and they generally have been very supportive of a mix of gas tax and vehicle fees.

Senator Trenbeath asked how they felt about excise tax.

Terry Traynor said they were very interested in that as a possibility but when they went out to talk with their regions it was no longer on the table so it didn't get a lot of attention.

Dick Johnsen (Chairman, Legislative Committee of NDMCA) See attached testimony on the trucking industry's concerns with HB 1458.

Senator Nething said he got the feeling that they kind of liked the bill but there were parts of it that they don't like. He wasn't sure where they were standing on it.

Dick Johnsen said the key issue to them is to generate enough revenue to make the federal match. Their industry supports the long range funding prospects because it takes this issue out of the legislature in the next 3-4 legislative sessions. If the state knows what federal funds are going to be available for matching and can target funding sources in the county biennium's to those matching dollars, it's fine. The problem the industry has is the diversion of funds from the highway fund to fund other programs that are not highway related.

Senator Nething said part of the match is for the senior programs which is basically a transportation system itself. He asked if that gave them heartburn.

Dick Johnsen said they understood a need for those programs in the state. He is not so sure funding them through gas tax and motor vehicle registration fees is the vehicle.

Mark Skar (President, EW Wiley, Fargo ND) Testified against HB 1458. He doesn't like anything about this bill. He provided copies of his pro rate bill. Registration fees in ND are some of the lowest in the nation. They are against funding with gasoline tax. He also provided copies of his IFTA tax. They not only pay the pump but at the end of the quarter they have to write additional checks to states for taxes that aren't covered by their purchases. If the fuel taxes are raised, a lot of truckers are going to make the decision not to buy fuel in North Dakota. Truckers will pass through but they won't stop. They buy fuel where it is economical. They don't like the six year plan because he said they don't know what the feds are going to do. They don't know the ramifications of some of the other things coming such as ultra low sulfide fuel (Meter 4275).

He said that the special Economic Development Transportation Committee is made up of tax

Senate Transportation Committee
Bill/Resolution Number HB 1458
Hearing Date 3-3-05

spenders. He suggested that the people who generate the tax should be represented on this committee. It was offensive to him that funds would be given to develop rail. He said the purpose of the highway fund is to build roads, not to create economic development. He wanted to go on the record that they are in favor of raising the match money through \$15 registration fees. They are not in support of creating another level of bureaucracy.

Senator Nething said he was under the impression that the costs Mr. Skar talked about were built into their rate structure.

Mr. Skar said the individual truckers ability to collect 100% of fuel surcharges is suspect.

(Meter 4640)

John Roswick (Midwest Motor Express) Testified against HB 1458. He said that historically the state of ND has always taken road taxes and road fees and applied them to roads. This bill has some things he deems as social issues and should come out of the general fund. He said Midwest and the Highway Users would encourage road fees and road taxes for the use of building roads.

John Gosbee (Mandan) See attached testimony against HB 1458.

The hearing on HB 1458 was closed.

Senator Nething said he would like the ND DOT to give their analysis of this bill. He also said it should go to those who had testified.

A short discussion with Tom Freier, DOT, confirmed that they would put something in writing as to their analysis and how it fits into their overall planning. They would also see that those who testified would receive copies.

Written testimony was submitted from Russ Hanson, North Dakota Petroleum Marketers Assoc.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1458

Senate Transportation Committee

Conference Committee

Hearing Date 3-11-05

Tape Number	Side A	Side B	Meter #
1	x		4290-end
1		x	0-500
Committee Clerk Signature			<i>Mary K Monson</i>

Minutes:

Chairman Trenbeath opened HB 1458 for discussion.

Information was requested from the counties and cities as to the amount they expect to need to match as part of the federal bill.

The idea of a six year bill brought some support.

David Sprynczynatyk reported he had the additional information the committee asked for at the hearing and he provided the prepared information to the committee (see attached).

Senator Espegard asked about the Devils Lake Project shortfall and if it was already figured in.

David Sprynczynatyk said it's a decision of the committee. The 2001 law allows them to borrow from the Bank of ND for emergency relief projects. It is almost automatic, they borrow and then they wrestle with it during the next appropriation process. It is not being addressed in any other appropriation at this time, but it is being discussed as a need.

Senator Espegar said that if they don't get it out of the match this year, they are borrowing for it or something. They still have to deal with it.

David Sprynczynatyk replied that was absolutely correct.

(Meter 5850) Further discussion clarified that \$22.7 is for currently predictable match plus the \$8.46 which comes through a bill passed through the legislature or the appropriation process or is bonded. Also, discussion dealt with what would be needed if planning for a six year bill.

Side B

There was some discussion that there might be more support in the Senate now for a small registration fee in the mix in order to make the match.

David Sprynczynatyk referred to the second chart which goes back to 1995 and the federal highway funding for the state. In the last ten year, the federal highway funding program for the state has about doubled. They see that continuing in the future.

(Meter 400) Discussion with the need to find out the thinking of the respective caucuses, the reality of \$30 million instead of \$20 million when talking about funding, and the possibility of crafting a six year bill.

Discussion on HB 1458 was closed.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1458

Senate Transportation Committee

Conference Committee

Hearing Date 3-17-05

Tape Number	Side A	Side B	Meter #
1	x		935-2045

Committee Clerk Signature

Mary K Monson

Minutes:

Chairman Trenbeath opened HB 1458 for further information and discussion.

David Sprynczynatyk provided the committee with the additional information they had requested. (See attached.) He explained that the chart shows the level of future federal funding and state need. Additional information on the bottom of the chart relates to what the counties and cities need to match the additional federal funding expected in the next several bienniums. Page 2 gives a bit of history on what counties and cities have received in total from the federal funding available to the state and what the match is that has been required for those additional federal funds.

The third page is information requested by Chairman Trenbeath dealing with the amount of revenue generated and distributed to the state, counties, and cities, if there is an additional 1 cent fuel tax that went to the Distribution Fund and an additional 1/2 cent excise tax that went to the Highway Fund.

Page 2

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The last page is a schematic that shows the accounting for funds, both state and federal, that come to North Dakota for highway development all across the state.

Senator Trenbeath asked if the figures on the page that shows revenues from the pending fuel tax, etc. was a biennium figure.

David Sprynczynatyk said yes.

Discussion clarified that \$24.8 would be the total amount of new revenue generated. The current need based on discussion including emergency relief project is \$31.4 of additional state money going to the DOT.

Senator Trenbeath asked how much of the \$31.4 would be generated by HB 1458.

David Sprynczynatyk said the bill, as it is, raises a significant amount of money. The discussion that took place on the House side did not clarify if it all should go toward the additional funding that they expect to receive or if it should go toward the programs outlined in the bill. (Meter 1350) It could be used for the match toward the federal funds, but then it would not allow to provide for the four programs.

Senator Espegard said the bill, as he read it, had needs for about \$75 million and funds for about \$22 million.

David Sprynczynatyk said that was correct, but there was also a section in the bill that provides for bonding for any additional amount.

Senator Mutch motioned a **Do Not Pass**. Seconded by **Senator Espegard**.

Senator Nething offered an amendment. (See attached.) It would raise about \$31 million. It would do a registration fee increase of \$8 across the board, a 1/2% excise tax increase, and a

Page 3

Senate Transportation Committee
Bill/Resolution Number HB 1458
Hearing Date 3-17-05

1 cent gas tax increase. He was trying to blend the three taxes the committee had talked about and still meet the match money.

There was a short discussion. Registration fees had not been accepted earlier but this package had not been put forth. The intent of this amendment would be to hog house the bill.

Senator Nething offered a substitute motion to accept his proposed amendment 50683.0304. The motion failed for want of a second.

Chairman Trenbeath then opened the floor for discussion on the motion of a **Do Not pass**.

Hearing no additional discussion, **Chairman Trenbeath** asked for the roll call vote.

Roll call vote 5-1-0. **Passed**. Floor carrier is **Senator Trenbeath**.

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1458

Page 1, line 1, after "24-02" insert "and a new section to chapter 57-40.3"

Page 1, line 2, after "funding" insert "and motor vehicles excise tax" and replace "and" with ",
57-40.3-10,"

Page 1, line 3, after "57-43.1-02" insert ", and 57-43.2-02"

Page 1, line 5, after the second semicolon insert "and" and remove the third semicolon

Page 1, line 6, remove "and to provide an expiration date"

Page 4, replace lines 11 through 22 with:

"YEARS REGISTERED					
Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years	
Less than 3,200	\$60 \$68	\$52 \$60	\$44 \$52	\$36 \$44	
3,200 - 4,499	80 88	68 76	56 64	44 52	
4,500 - 4,999	98 106	84 89	66 74	50 58	
5,000 - 5,999	129 137	107 115	85 93	68 71	
6,000 - 6,999	162 170	133 141	104 112	76 84	
7,000 - 7,999	195 203	159 167	124 132	89 97	
8,000 - 8,999	228 236	186 194	144 152	102 110	
9,000 and over	264 269	212 220	164 172	115 123	"

Page 5, replace lines 3 through 31 with:

"YEARS REGISTERED					
Gross Weights	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	\$58 \$66	\$45 \$53	\$40 \$48	\$37 \$45	\$36 \$44
4,001 - 6,000	63 71	50 58	44 52	38 46	37 45
6,001 - 8,000	68 76	55 63	48 56	39 47	38 46
8,001 - 10,000	73 81	60 68	52 60	41 49	40 48
10,001 - 12,000	78 86	65 73	56 64	43 51	42 50
12,001 - 14,000	83 91	70 78	60 68	46 54	45 53
14,001 - 16,000	88 96	75 83	64 72	49 57	48 56
16,001 - 18,000	93 101	80 88	68 76	51 59	50 58
18,001 - 20,000	96 104	83 91	70 78	52 60	51 59

YEARS REGISTERED					
Gross Weights	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	13th and Subsequent Years		
20,001 - 22,000	\$126 \$134	\$100 \$108	\$87 \$95		
22,001 - 26,000	178 186	148 156	132 140		

26,001 - 30,000	<u>239</u> <u>247</u>	<u>197</u> <u>205</u>	<u>175</u> <u>183</u>
30,001 - 34,000	<u>305</u> <u>313</u>	<u>250</u> <u>258</u>	<u>222</u> <u>230</u>
34,001 - 38,000	<u>366</u> <u>374</u>	<u>299</u> <u>307</u>	<u>265</u> <u>273</u>
38,001 - 42,000	<u>427</u> <u>435</u>	<u>348</u> <u>356</u>	<u>307</u> <u>315</u>
42,001 - 46,000	<u>488</u> <u>496</u>	<u>396</u> <u>404</u>	<u>350</u> <u>358</u>
46,001 - 50,000	<u>549</u> <u>557</u>	<u>445</u> <u>453</u>	<u>393</u> <u>401</u>
50,001 - 54,000	<u>619</u> <u>627</u>	<u>503</u> <u>511</u>	<u>444</u> <u>452</u>
54,001 - 58,000	<u>680</u> <u>688</u>	<u>552</u> <u>560</u>	<u>487</u> <u>495</u>
58,001 - 62,000	<u>742</u> <u>750</u>	<u>601</u> <u>609</u>	<u>530</u> <u>538</u>
62,001 - 66,000	<u>802</u> <u>810</u>	<u>649</u> <u>657</u>	<u>573</u> <u>581</u>
66,001 - 70,000	<u>863</u> <u>871</u>	<u>698</u> <u>706</u>	<u>615</u> <u>623</u>
70,001 - 74,000	<u>924</u> <u>932</u>	<u>747</u> <u>755</u>	<u>658</u> <u>666</u>
74,001 - 78,000	<u>985</u> <u>993</u>	<u>796</u> <u>804</u>	<u>701</u> <u>709</u>
78,001 - 82,000	<u>1,046</u> <u>1,054</u>	<u>845</u> <u>853</u>	<u>744</u> <u>752</u>
82,001 - 86,000	<u>1,169</u> <u>1,177</u>	<u>950</u> <u>958</u>	<u>834</u> <u>839</u>
86,001 - 90,000	<u>1,291</u> <u>1,299</u>	<u>1,054</u> <u>1,062</u>	<u>918</u> <u>926</u>
90,001 - 94,000	<u>1,413</u> <u>1,421</u>	<u>1,159</u> <u>1,167</u>	<u>1,005</u> <u>1,013</u>
94,001 - 98,000	<u>1,535</u> <u>1,543</u>	<u>1,264</u> <u>1,272</u>	<u>1,093</u> <u>1,101</u>
98,001 - 102,000	<u>1,657</u> <u>1,665</u>	<u>1,368</u> <u>1,376</u>	<u>1,180</u> <u>1,188</u>
102,001 - 105,500	<u>1,779</u> <u>1,787</u>	<u>1,473</u> <u>1,481</u>	<u>1,267</u> <u>1,275</u> "

Page 6, remove lines 1 through 10

Page 7, replace lines 13 through 31 with:

Gross Weights	"YEARS REGISTERED				
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years	
20,001 - 22,000	<u>\$98</u> <u>\$106</u>	<u>\$84</u> <u>\$92</u>	<u>\$70</u> <u>\$78</u>	<u>\$52</u> <u>\$60</u>	
22,001 - 24,000	<u>103</u> <u>111</u>	<u>88</u> <u>96</u>	<u>73</u> <u>81</u>	<u>54</u> <u>62</u>	
24,001 - 26,000	<u>111</u> <u>119</u>	<u>94</u> <u>102</u>	<u>77</u> <u>85</u>	<u>56</u> <u>64</u>	
26,001 - 28,000	<u>122</u> <u>130</u>	<u>102</u> <u>110</u>	<u>83</u> <u>91</u>	<u>60</u> <u>68</u>	
28,001 - 30,000	<u>131</u> <u>139</u>	<u>110</u> <u>118</u>	<u>89</u> <u>97</u>	<u>64</u> <u>72</u>	
30,001 - 32,000	<u>146</u> <u>154</u>	<u>123</u> <u>131</u>	<u>100</u> <u>108</u>	<u>73</u> <u>81</u>	
32,001 - 34,000	<u>156</u> <u>164</u>	<u>131</u> <u>139</u>	<u>106</u> <u>114</u>	<u>77</u> <u>85</u>	
34,001 - 36,000	<u>166</u> <u>174</u>	<u>139</u> <u>147</u>	<u>112</u> <u>120</u>	<u>81</u> <u>89</u>	
36,001 - 38,000	<u>176</u> <u>184</u>	<u>147</u> <u>155</u>	<u>118</u> <u>126</u>	<u>85</u> <u>93</u>	
38,001 - 40,000	<u>186</u> <u>194</u>	<u>156</u> <u>163</u>	<u>124</u> <u>132</u>	<u>89</u> <u>97</u>	
40,001 - 42,000	<u>196</u> <u>204</u>	<u>163</u> <u>171</u>	<u>130</u> <u>138</u>	<u>93</u> <u>101</u>	
42,001 - 44,000	<u>206</u> <u>214</u>	<u>171</u> <u>179</u>	<u>136</u> <u>144</u>	<u>97</u> <u>105</u>	
44,001 - 46,000	<u>216</u> <u>224</u>	<u>179</u> <u>187</u>	<u>142</u> <u>150</u>	<u>101</u> <u>109</u>	
46,001 - 48,000	<u>226</u> <u>234</u>	<u>187</u> <u>195</u>	<u>148</u> <u>156</u>	<u>105</u> <u>113</u>	
48,001 - 50,000	<u>236</u> <u>244</u>	<u>195</u> <u>203</u>	<u>154</u> <u>162</u>	<u>109</u> <u>117</u>	
50,001 - 52,000	<u>256</u> <u>264</u>	<u>213</u> <u>221</u>	<u>170</u> <u>178</u>	<u>123</u> <u>131</u>	
52,001 - 54,000	<u>266</u> <u>274</u>	<u>221</u> <u>229</u>	<u>176</u> <u>184</u>	<u>127</u> <u>135</u>	
54,001 - 56,000	<u>276</u> <u>284</u>	<u>229</u> <u>237</u>	<u>182</u> <u>190</u>	<u>131</u> <u>139</u>	
56,001 - 58,000	<u>286</u> <u>294</u>	<u>237</u> <u>245</u>	<u>188</u> <u>196</u>	<u>135</u> <u>143</u>	
58,001 - 60,000	<u>296</u> <u>304</u>	<u>245</u> <u>253</u>	<u>194</u> <u>202</u>	<u>139</u> <u>147</u>	
60,001 - 62,000	<u>306</u> <u>314</u>	<u>253</u> <u>261</u>	<u>200</u> <u>208</u>	<u>143</u> <u>151</u>	
62,001 - 64,000	<u>316</u> <u>324</u>	<u>261</u> <u>269</u>	<u>206</u> <u>214</u>	<u>147</u> <u>155</u>	
64,001 - 66,000	<u>326</u> <u>334</u>	<u>269</u> <u>277</u>	<u>212</u> <u>220</u>	<u>151</u> <u>159</u>	
66,001 - 68,000	<u>336</u> <u>344</u>	<u>277</u> <u>285</u>	<u>218</u> <u>226</u>	<u>155</u> <u>163</u>	
68,001 - 70,000	<u>346</u> <u>354</u>	<u>285</u> <u>293</u>	<u>224</u> <u>232</u>	<u>159</u> <u>167</u>	
70,001 - 72,000	<u>356</u> <u>364</u>	<u>293</u> <u>301</u>	<u>230</u> <u>238</u>	<u>163</u> <u>171</u>	
72,001 - 74,000	<u>366</u> <u>374</u>	<u>301</u> <u>309</u>	<u>236</u> <u>244</u>	<u>167</u> <u>175</u>	

74,001 - 76,000	<u>376</u> <u>384</u>	<u>309</u> <u>317</u>	<u>242</u> <u>250</u>	<u>174</u> <u>179</u>
76,001 - 78,000	<u>386</u> <u>394</u>	<u>317</u> <u>325</u>	<u>248</u> <u>256</u>	<u>175</u> <u>183</u>
78,001 - 80,000	<u>396</u> <u>404</u>	<u>325</u> <u>333</u>	<u>254</u> <u>262</u>	<u>179</u> <u>187</u>
80,001 - 82,000	<u>406</u> <u>414</u>	<u>333</u> <u>341</u>	<u>260</u> <u>268</u>	<u>183</u> <u>191</u>
82,001 - 84,000	<u>416</u> <u>424</u>	<u>355</u> <u>363</u>	<u>303</u> <u>311</u>	<u>259</u> <u>267</u>
84,001 - 86,000	<u>426</u> <u>444</u>	<u>372</u> <u>380</u>	<u>317</u> <u>325</u>	<u>274</u> <u>279</u>
86,001 - 88,000	<u>456</u> <u>464</u>	<u>389</u> <u>397</u>	<u>331</u> <u>339</u>	<u>283</u> <u>291</u>
88,001 - 90,000	<u>476</u> <u>484</u>	<u>406</u> <u>414</u>	<u>345</u> <u>353</u>	<u>295</u> <u>303</u>
90,001 - 92,000	<u>496</u> <u>504</u>	<u>423</u> <u>431</u>	<u>359</u> <u>367</u>	<u>307</u> <u>315</u>
92,001 - 94,000	<u>516</u> <u>524</u>	<u>440</u> <u>448</u>	<u>373</u> <u>381</u>	<u>319</u> <u>327</u>
94,001 - 96,000	<u>536</u> <u>544</u>	<u>457</u> <u>465</u>	<u>387</u> <u>395</u>	<u>331</u> <u>339</u>
96,001 - 98,000	<u>556</u> <u>564</u>	<u>474</u> <u>482</u>	<u>404</u> <u>409</u>	<u>343</u> <u>351</u>
98,001 - 100,000	<u>576</u> <u>584</u>	<u>491</u> <u>499</u>	<u>415</u> <u>423</u>	<u>355</u> <u>363</u>
100,001 - 102,000	<u>596</u> <u>604</u>	<u>508</u> <u>516</u>	<u>429</u> <u>437</u>	<u>367</u> <u>375</u>
102,001 - 104,000	<u>616</u> <u>624</u>	<u>525</u> <u>533</u>	<u>443</u> <u>451</u>	<u>379</u> <u>387</u>
104,001 - 105,500	<u>636</u> <u>644</u>	<u>542</u> <u>550</u>	<u>457</u> <u>465</u>	<u>391</u> <u>399</u>

Page 8, remove lines 1 through 28

Page 9, line 1, replace "Eight" with "Eleven"

Page 9, remove lines 3 through 30

Page 10, remove lines 1 through 31

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 31

Page 13, remove lines 1 through 31

Page 14, remove lines 1 through 9

Page 14, after line 9, insert:

"SECTION 3. A new section to chapter 57-40.3 of the North Dakota Century Code is created and enacted as follows:

Separate and additional motor vehicle excise tax - Transfer of revenue. In addition to the tax otherwise imposed under section 57-40.3-02, there is imposed an excise tax at the rate of one-half of one percent on the purchase price of any motor vehicle purchased or acquired in or outside this state for use on the streets and highways of this state and required to be registered under the laws of this state. The entire revenue from tax imposed under this section must be transmitted monthly by the director of the department of transportation to the state treasurer and deposited in the

state highway fund and is not considered part of net collections under section 57-39.2-26.1.

SECTION 4. AMENDMENT. Section 57-40.3-10 of the North Dakota Century Code is amended and reenacted as follows:

57-40.3-10. Transfer of revenue. All Except as otherwise provided in section 3 of this Act, all moneys collected and received under this chapter must be transmitted monthly by the director of the department of transportation to the state treasurer to be transferred and credited to the general fund."

Page 14, line 13, replace "twenty-three" with "twenty-two"

Page 15, line 5, replace "57-43.1-02" with "57-43.2-02"

Page 15, replace lines 7 through 29 with:

"57-43.2-02. (Contingent effective date - See note - Effective through June 30, 2005) Tax imposed.

1. Except as otherwise provided in this chapter, an excise tax of twenty-one twenty-two cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel. The tax under this subsection is reduced by one and five-hundredths cents per gallon [3.79 liters] on the sale or delivery of diesel fuel that contains at least two percent biodiesel fuel by weight.
2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

(Effective after June 30, 2005) Tax imposed.

1. Except as otherwise provided in this chapter, an excise tax of twenty-one twenty-two cents per gallon [3.79 liters] is imposed on the sale or delivery

of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel.

2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer."

Page 16, line 1, replace "Sections 3 and 5 of this Act become effective on" with "This Act is effective for taxable events occurring after June 30, 2005."

Page 16, remove lines 2 through 4

Renumber accordingly

Date: 3-17-05
Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO 1458

Senate **TRANSPORTATION** **Committee**

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Not Pass

Motion Made By Sen. Mutch Seconded By Sen. Ispegaard

Total (Yes) 5 No 1

Absent _____ 0

Floor Assignment Senator Trenbeath

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

REPORT OF STANDING COMMITTEE

HB 1458, as reengrossed: Transportation Committee (Sen. Trenbeath, Chairman)
recommends **DO NOT PASS** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING).
Reengrossed HB 1458 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

HB 1458

HB 1458

**NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
SUMMARY OF 2002 EXISTING MILEAGE OF NORTH DAKOTA ROADS AND STREETS
CLASSIFIED BY SYSTEMS**

SYSTEM	SURFACED MILEAGE		UNSURFACED MILEAGE		NHS	
	HARD SURFACES		GRADED/ DRAINED	UNIMPROVED ROADS	TOTALS	HARD SURFACES
BITUMINOUS CONCRETE	GRAVEL					
STATE						
INTERSTATE RURAL	90.7	439.9	0.0	0.0	530.6	530.6
INTERSTATE URBAN	7.2	33.4	0.0	0.0	40.5	40.5
TOTAL	97.8	473.3	0.0	0.0	571.1	571.1
PRINCIPAL ARTERIAL RURAL	2,810.7	116.2	0.0	0.0	2,926.9	2,086.0
PRINCIPAL ARTERIAL URBAN	107.4	43.7	0.0	0.0	151.1	65.0
TOTAL	2,918.1	159.9	0.0	0.0	3,078.0	2,150.9
MINOR ARTERIAL RURAL	2,512.8	1.0	0.0	0.0	2,513.8	
MINOR ARTERIAL URBAN	7.8	2.4	0.0	0.0	10.2	
TOTAL	2,520.6	3.4	0.0	0.0	2,524.0	
MAJOR COLLECTOR	1,155.5	6.3	0.0	0.0	1,161.8	
TOTAL	1,155.5	6.3	0.0	0.0	1,161.8	
LOCAL RURAL	40.2	0.0	0.5	0.0	0.0	40.7
LOCAL URBAN	2.8	0.0	0.0	0.0	0.0	2.8
TOTAL	43.0	0.0	0.5	0.0	0.0	43.5
TOTAL STATE HIGHWAY SYSTEM	6,735.1	642.9	0.5	0.0	7,378.4	2,722.1
COUNTY						
MAJOR COLLECTOR RURAL	4,326.2	45.3	5,601.3	1.0	2.5	9,976.3
MAJOR COLLECTOR CITY	185.0	4.4	45.8	0.1	0.0	235.3
TOTAL	4,511.2	49.7	5,647.1	1.1	2.5	10,211.6
PRINCIPAL ARTERIAL RURAL	2.5	0.0	0.0	0.0	0.0	2.5
TOTAL	2.5	0.0	0.0	0.0	0.0	2.5
LOCAL RURAL ROADS	913.4	35.7	52,562.5	6,345.2	25,193.1	85,049.8
LOCAL ROADS CITY	1,051.0	3.9	975.7	42.1	122.6	2,195.4
TOTAL	1,964.4	39.6	53,538.1	6,387.4	25,315.6	87,245.2
TOTAL COUNTY SYSTEM	6,478.1	89.3	59,185.3	6,388.5	25,318.1	97,459.3
URBAN						
PRINCIPAL ARTERIAL	5.4	7.6	0.0	0.0	0.0	13.0
MINOR ARTERIAL	180.5	51.1	25.7	0.0	1.0	258.3
COLLECTOR	215.3	44.0	27.2	0.0	0.6	287.1
LOCAL STREETS	756.4	142.4	159.0	3.1	18.0	1,078.8
TOTAL URBAN SYSTEM	1,157.6	245.1	211.9	3.1	19.6	1,637.3
TOTAL RURAL ROADS	13,087.9	652.7	59,185.8	6,388.5	25,318.1	104,633.0
TOTAL CITY STREETS	1,282.8	324.6	211.9	3.1	19.6	1,842.0
TOTAL	14,370.7	977.3	59,397.7	6,391.5	25,337.7	106,475.0
TOTAL NHS						2,724.6

FUNCTIONAL SYSTEM MILEAGE

SYSTEM	RURAL	URBAN	TOTAL
INTERSTATE	530.6	40.5	571.1
PRINCIPAL	2,929.4	164.1	3,093.5
MINOR	2,513.8	268.5	2,782.3
COLLECTOR	11,373.4	287.1	11,660.5
LOCAL	87,285.9	1,081.6	88,367.5
TOTAL	104,633.0	1,842.0	106,475.0

**Testimony Before The
House Transportation Committee
January 27, 2005**

Chairman Weisz and members of the Committee, my name is Paul Grindeland. I am the Director of Transportation for Fargo Senior Services. Our agency coordinates transportation services for a seven county area in southeastern North Dakota. I am here to speak in support of the \$3 million appropriation for public transportation included in House Bill 1458.

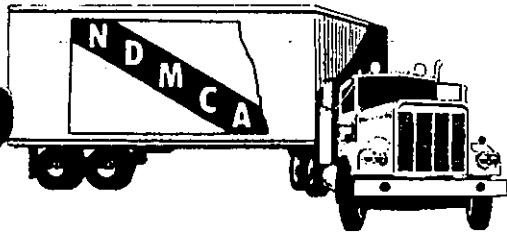
The State Aid for Public Transportation Fund was established by the North Dakota Legislature in 1989 to provide funding for the operation of public transit systems throughout the state. The appropriation to this fund was increased in 1999. The increase we are talking about today would help us to meet the growing expenses connected with operating this public transportation program. For example our agency vehicles use approximately 29,000 gallons of fuel each year. The increase in the cost of both diesel and regular fuel in the past sixteen months has upped our fuel expenditures by \$15,000 per year.

Also, an increase in the Public Transit Funding will allow us to serve the most rural parts of our territory much more effectively. Region wide we have numerous requests for expanded service but right now we are unable to expand because of budget constraints. In Cass County for example, we are currently working with three agencies: Fargo Moorhead Metropolitan Council of Governments, the Small Urban and Rural Transportation Center, and the Community of Care of rural Cass County to plan for future expansion of our services to the most frail and socially isolated individuals in the county. The additional funding in this bill would help us put

expansion plans into effect right away.

Our entire operating area could use more service days and additional routes to better serve our seniors and the general public. Right now a bus trip into Fargo or Grand Forks, can be a ten hour day for some people riding our system. We would like to shorten the length of these trips for the comfort of our most frail passengers. In addition, we are also working on plans to bring people to more local cities for shopping , medical, and employment needs with possible destinations such as Oakes, Wahpeton, Lisbon, and Valley City as our budget permits

In closing I compliment the Department of Transportation and its staff for its handling of this Public Transportation Fund and thank them for their assistance over the years with our transit program. Thank you for your time. I would be happy to answer any questions.



NORTH DAKOTA MOTOR CARRIERS ASSOCIATION, INC.

1031 East Interstate Avenue • P.O. Box 874 • Bismarck, ND 58502-0874 • (701) 223-2700 • Fax (701) 223-4324

Testimony on HB1458

ND Motor Carriers Association, Inc.

January 27, 2005

Before the House Transportation Committee

Chairman Weisz and members of the committee, thank you for the opportunity to express the trucking industry's input regarding HB1458.

The North Dakota Motor Carriers Association is the state trade association of the trucking industry representing every type and size of motor carrier in the state. Combined with NDMCA's allied members, we are an association of several hundred members - most of which are small businesses.

The trucking industry plays a central role in our state's economy - employing one out of every 13 workers and paying more than \$767 million in salaries a year.

Trucks move over 87% of essential manufactured freight over 17 million tons inbound and 22.7 million tons outbound annually serving every community in North Dakota. The economy of our state is dependent on trucking which provides transport services to several hundred ag related manufacturing companies and thousands of main street retail stores and wholesale trade companies.

We support the principle of highway user taxes and the highway trust fund, because truck operators believe it is an equitable method of allowing those who benefit from the use of the highway system to pay for it. North Dakota truckers are big customers of that system, contributing over \$113 million in state and federal taxes and fees -- this equates to a weekly tax bill of over \$2.1 million.

Statewide commercial trucks account for only 11 percent of all vehicle miles, yet they pay 42% of all taxes collected annually in the Highway Trust Fund.

The following breakdown of federal and state taxes paid per year by a typical 80,000 pound North Dakota tractor semi-trailer with annual mileage of 100,000 miles:

**FEDERAL AND STATE TAXES PAID PER YEAR
BY A TYPICAL 80,000 POUND TRACTOR
SEMI-TRAILER WITH ANNUAL MILEAGE OF 100,000**

Note: In computing fuel tax (Federal and State), an average of 6 miles per gallon is used. Example:
100,000 miles traveled divided by 6 miles per gallon = 16,667 gallons consumption per year.

Federal User Taxes

Fuel Tax - (24.4 cents per gallon X 16,667 gallons)	\$4,066
Heavy Vehicle Use Tax	550
Excise Tax - (Tractor) (12% based on retail price of \$80,000)	1,600
1 Year of Six Year Life	
Excise Tax - (Trailer) (12% based on retail price of \$20,000)	400
1 Year of Six Year Life	
Tire Tax	<u>200</u>
	\$6,816

State User Tax

Registration Fee - (80,000 Gross Weight)	1,046
Fuel Tax - (21¢ per gallon X 16,667 gallons)	3,500
Tractor & Trailer Sales Tax (5%)	
Tractor - 1 Year of 6 Year Life	667
Trailer - 1 Year of 6 Year Life	167
Single State Registration System (SSRS)	<u>259</u>
	\$5,639

Total Average Federal & State Taxes **\$12,455**

NOTES:

1. The Federal excise and tire taxes have been amortized over the six year life of the equipment. The tire tax shown represents the tax on eight tires.
2. Five percent represents a typical sales tax, but most of the states actually exempt interstate equipment or like North Dakota, allow for apportionment.

In addition to the Federal and State Taxes listed, there are also costs of government regulatory mandated compliance costs, tolls and insurance which add several thousand dollars per year for a typical tractor-semi-trailer combination.

Skyrocketing diesel prices this past year are a crisis not only for North Dakota's trucking industry, but for our state's economy as a whole. If trucking breaks down, so does the ND economy.

In our industry fuel is second only to labor in direct costs. To give some perspective, based on an average over the road truck running 100,000 annual miles with fuel consumption of 16,667 gallons. For every one cent per gallon increase in fuel or tax equals a \$167 operating cost increase.

The national average price of diesel fuel stood at \$1.952 per gallon, the Energy Information Administration reported last week. That is 39.3 cents higher compared to a year earlier. Analysts predict there may be slight dips in the price, the general trend line points to paying around \$2.00 per gallon and more in 2005.

Doing the math shows me that a 39¢ per gallon increase to operate the truck I mentioned before is now looking at a \$6,500 additional operating cost.

Overlooked fact about our industry is that of the total number of carriers in the U.S., about 70% operate six or fewer trucks. Most of our industry is small, often family run businesses. They can't buy fuel in bulk. They are at the mercy of the pump prices.

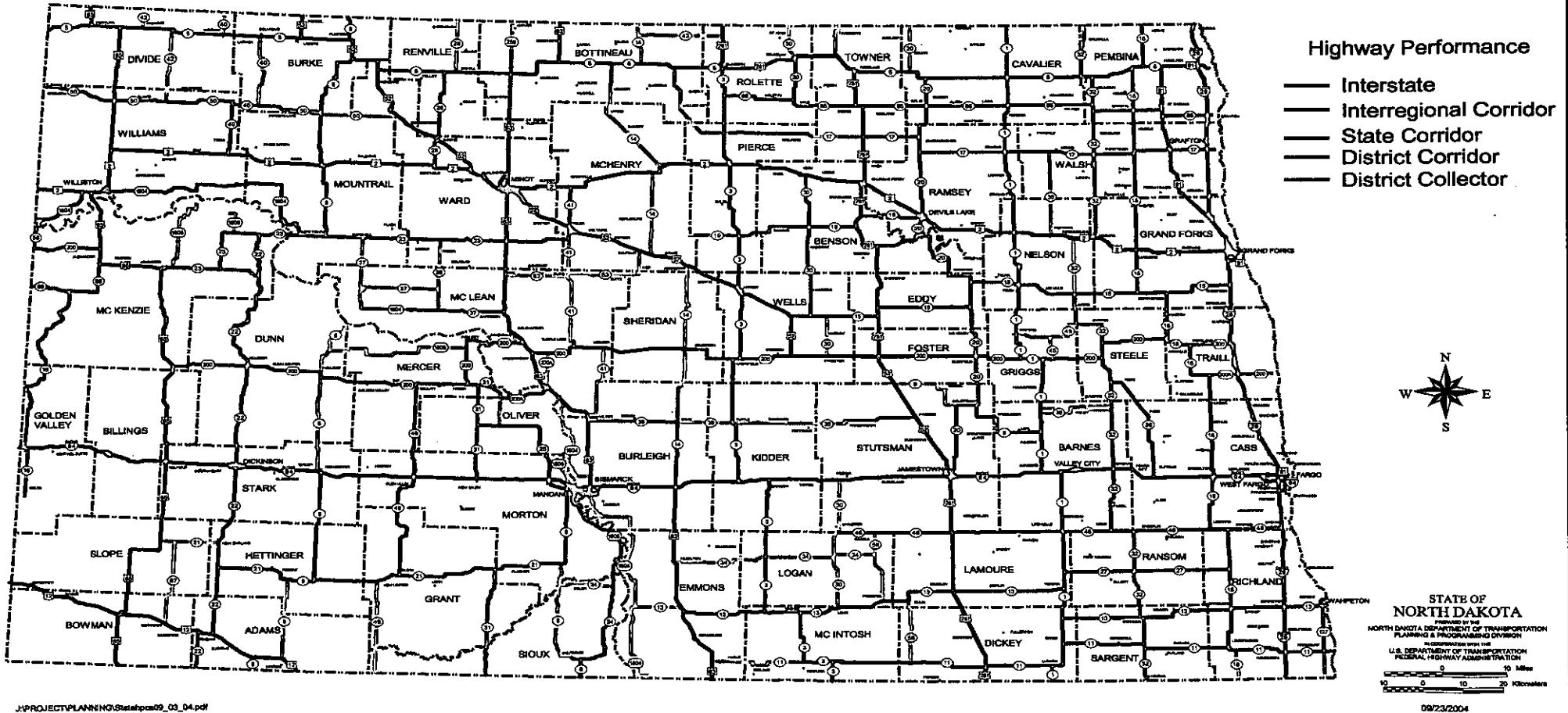
There is a false belief that we can pass these increased costs on as a fuel surcharge. A surcharge represents the increase in fuel expenses from the prices that were prevalent when the freight rates were first negotiated. Let me assure you that this is not the case. And, with shippers objecting to fuel surcharges, often, the choice is haul it at a loss or pull it over and shut down.

A good transportation system is essential for the state to attract new industry and sustain economic growth. North Dakota truckers rely on safe and efficient highways to make their living.

We support investing in the improvement of our state's highway system and stand ready to work with the Legislature in developing equitable methods of funding needs.

Our membership is opposed to the additional funding needs being raised through a fuel tax increase. Proposals in SB2144 (\$15 registration fee increase) and SB2255 ($\frac{1}{2}\%$ increase in the motor vehicle excise tax) are other funding sources we should look at to raise the necessary funds. Perhaps a combination of these two proposals would be an acceptable alternative in generating the needed matching funds.

State Highway Performance Classification System



INTERSTATE SYSTEM

Maintaining a high degree of reliability and mobility on these highways is critical to support and promote international, national, regional and statewide trade and economic activity. Movements are primarily long-distance, interstate and intrastate traffic. Rural Interstates are multiple-lane (usually four) facilities and have full access control. The goal is to be free of height restrictions and have unrestricted seasonal load limits. Ride and distress scores are generally in the good to excellent categories. High volumes of traffic, as well as a high percentage of trucks, are relatively consistent year round. Travel speeds average 65 to 75 miles per hour. Rural Interstates demonstrate a high degree of safety with crash rates below the statewide average.

INTERREGIONAL SYSTEM

Maintaining a high degree of reliability and mobility on these highways is critical since they support and promote international, national, regional and state trade and economic activity. Movements on these highways are primarily long-distance, interstate and intrastate traffic. Interregional System highways are either two-lane or multiple lane facilities. Segments or specific locations may have partially controlled access. The goal is to be free of height restrictions, have unrestricted seasonal load limits, and have limited passing restrictions. Accommodating truck traffic is a priority. Ride and distress scores are generally in the good to excellent categories. Moderate to high volumes of traffic, as well as a high percentage of trucks, are relatively consistent year round. Daytime travel speeds average 60 to 70 miles per hour. The Interregional System demonstrates a high degree of safety with crash rates below the statewide average.

STATE CORRIDOR

Maintaining a moderately high degree of reliability and mobility on these highways is critical since they support the movement of agricultural commodities, freight, and manufactured products within the state. State Corridors provide connectivity between lower and higher level roadways. Movements on these highways are primarily medium-distance intrastate traffic. State Corridors are typically 2-lane facilities and have segments or locations with partially controlled access. These highways have either paved or aggregate shoulders, some segments may have limited passing zone restrictions, and Unrestricted or Class A seasonal load limits. Bridges and overhead structures provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the good category. Moderately high volumes of traffic are relatively consistent year round. Daytime travel speeds average 60 to 65 miles per hour. State Corridors demonstrate a moderately high degree of safety with crash rates less than the statewide average.

DISTRICT CORRIDOR

Maintaining a moderate degree of reliability and mobility on these highways is desirable. Movements on these highways are primarily short to medium distance intrastate traffic. District Corridors are two lane facilities. Generally, access control is not purchased. These highways have narrow paved or gravel shoulders, segments with restricted passing zones, and Class A, or Class 1 seasonal load limits. Bridge structures provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the fair and good categories. Moderate volumes of traffic are relatively consistent year round. Occasional increases in seasonal traffic volumes and truck movements occur. Daytime travel speeds average 55 to 65 miles per hour. District Corridors are safe highways with crash rates at or near the statewide average.

DISTRICT COLLECTOR

Maintaining reliability and mobility on these highways is a lower priority. These highways are generally short routes that provide connectivity to the higher road level systems. Movements on these highways are primarily short distance, local, farm to market traffic. District Collectors are two lane facilities. Generally, access control is not purchased. These highways generally have no shoulders. Segments with restricted passing zones exist. Class 1 or Class 2 seasonal load limits are normal although some segments may have year round load restrictions. Bridge structures provide for the movement of typical legal loads. Some structures have load, height, and width restrictions. Ride and distress scores are generally in the fair category. Low volumes of traffic are normal year round. Small increases in truck movements may occur during spring planting and fall harvest periods. Daytime travel speeds average 50 to 55 miles per hour. District Collectors are moderately safe highways with crash rates near the statewide average.

TESTIMONY
To the
HOUSE TRANSPORTATION COMMITTEE
Of the
NORTH DAKOTA LEGISLATURE

RE: HOUSE BILL 1458

By Jeff Enger, Director
North Dakota Corn Council

January 27, 2005

Chairman Weisz and Members of the Committee:

Thank you for this opportunity to submit testimony on House Bill 1458. I am here today to urge your consideration of an amendment that would provide for a tax of one cent less than unblended fuel on all ethanol blends of 10% or more by volume.

North Dakota currently produces 35 million gallons of ethanol between the two ethanol plants in Grafton and Walhalla. It is estimated that based on a total fuel usage of 400 million gallons of gasoline sold per year in ND and a market share of 30% of those gallons containing 10% ethanol that a total of 12 million gallons of ethanol are used within the state of ND per year. Therefore, roughly only 28% of the total gallons of ethanol produced within the state are used within the state. If plans for a 50 million gallon per year plant in Richardson and a 40 million gallon per year plant in Valley City materialize, ND will produce 130 million gallons of ethanol per year. If usage does not increase, only 8% of the total gallons produced in state will be used in state. In contrast the Tesoro refinery produces roughly 425 million gallons of gasoline which means that there is an instate market for 84% of Tesoro's production.

South Dakota's total ethanol production is 420 million gallons per year. South Dakota's market share for E10 is 55%. Minnesota production capacity which includes 14 plants in production and 3 plants in construction is 535 million gallons of ethanol per year. Due to Minnesota's oxygenate standard 97% of the gallons of gasoline in Minnesota contain 10% ethanol. In addition, the 100 Minnesota stations selling E85, a blend of 85% ethanol and 15% gasoline, use 2.7 million gallons per year. Therefore, 80% of the ethanol gallons produced in Minnesota and 55% of the ethanol gallons produced in South Dakota are used within the state. This is in contrast to 28% of North Dakota produced ethanol being used within the state. South Dakota's higher usage of all blends of ethanol can be attributed to tax incentives that result in lower prices at the pump in South Dakota. The gas tax for E10 is 2 cents less per gallon than for unblended gasoline in South Dakota. Other states that grant tax exemptions for ethanol fuel include Alaska, Connecticut,

Hawaii, Idaho, Illinois, and Iowa. In North Dakota, the gas tax is the same for all blends of gasoline.

The ND Corn Council represents the marketing interests of ND Corn Growers who support the promotional check off program. The ND Corn Council promotes ethanol by committing one-third of its budget to the promotion of ethanol and growth of the ethanol industry. Ethanol has several benefits to the public. First of all, it is energy efficient. There is a net energy gain of 67% when corn is turned into ethanol. In contrast there is a net energy loss of 20% when oil is refined to gasoline. Secondly, ethanol is environmentally friendly. The use of 10% blend reduces green house emissions by 30%. Thirdly, ethanol plays an important role in reducing our dependence on foreign oil. The US currently imports 62% of its oil and is projected to import 70% by 2012 with current usage. The current US production of 3.6 billion gallons of ethanol per year significantly reduces crude oil imports and cuts the US trade deficit. The last but very important benefit of ethanol is economic.

One 40 million gallon ethanol plant will use 14 million bushels of corn and add an average of 10 cents per bushel to the local market for corn. This alone amounts to \$1.4 million in additional farm income. A 40 million gallon plant adds 700 new permanent jobs, generates almost \$20 million in household income and \$1.2 million in tax revue, and has a local economic impact on a local economy of \$110 million. A bushel of corn will produce 2.8 gallons of ethanol and 18 lbs of high protein animal feed. That means that a bushel of corn converted to ethanol, at today's market prices, will triple in economic value to the state vs. a bushel of corn exported. Currently, ND exports 70% of its corn. Studies also indicate that ethanol extends our tight fuel supply and saves the consumer 6 cents per gallon. Economic impact studies indicate that for every one dollar that Minnesota invested in their ethanol industry that \$14 was returned in economic development. Strong instate use of ethanol use is attractive to prospective ethanol builders and investors because there are local markets for their product.

In summary, Mr. Chairman and members of the committee, the ND Corn Council supports HB 1478 with an amendment that would provide for a tax of one cent less than unblended fuel on all ethanol blends of 10% or more by volume. Studies show that due to the federal blenders credit that ethanol blend should sell for at least 1 cent less than unblended gasoline. If the state will grant the one cent gas tax exemption to ethanol blends of 10% or more by volume, the ND Corn Council will do its part by educating the public to encourage petroleum retailers to "pass the pennies on." At this time, I would like to distribute copies of the amendment that show a one cent difference between the tax on unblended gasoline and the tax on 10% ethanol blends.

1-27-05

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1458

Page 3, after line 12, insert:

- “2. A tax of twenty-three cents per gallon [3.79 liters] is imposed on all E10 motor vehicle fuel sold or used in this state. “E10 motor vehicle fuel” means a blended motor fuel containing a minimum of ten percent and a maximum of eighty-four percent by volume of ethyl alcohol which is of at least ninety-nine percent purity derived from cereal grain which is blended exclusively with a product commonly or commercially known or sold as gasoline.”

Renumber accordingly



NORTH DAKOTA LEAGUE of CITIES

Founded in 1912

*Service, Advocacy, Leadership,
Education & Support*

To: House Transportation Committee
From: Jane Erickson
January 27, 2005
HB 1458

Mr. Chairman, Committee members: My name is Jane Erickson with the ND League of Cities and until recently I was the City Auditor with the City of Killdeer.

As an example of the importance of the highway funds, this past summer, Highway 22 which runs through Killdeer as Central Ave, was completely reconstructed as part of a \$4.6 million project that continued on to the Lost Bridge north of Killdeer. Along with the new pavement, we received new storm sewer, sidewalks, curb and gutter and street lights. For the past 50 years, we have struggled with the high crown in the road and the constant flooding of downtown businesses every time we had a hard rain.

This highway construction project gave the City Fathers an opportunity to do some additional improvements. The city chose to "spiff up" the downtown area by putting in stamped and colored concrete that looks like wooden boardwalk in keeping with the Western theme of Killdeer. We also planted trees along the boulevard, put in a bike path and additional lighting along the "s-curve" and bike path as you come into town from the south.

The highway construction was paid for with 80% federal highway funds and 20% state highway funds. The city paid the cost difference for the decorative sidewalk, the trees, 50% of the additional lighting and the city's 20% share of the Transportation Enhancement Grant for the bike path.

This project has contributed to a new sense of pride in our community. The City of Killdeer is very appreciative of the improvements.

Thank you.

To: House Transportation Committee
From: Jerry Hjelmstad, North Dakota League of Cities
Date: January 27, 2005

Re: House Bill No. 1458
Motor Vehicles Fuels Tax

Mr. Chairman and members of the House Transportation Committee, my name is Jerry Hjelmstad, and I am presenting this testimony on behalf of the North Dakota League of Cities concerning House Bill No. 1458.

(1) The North Dakota League of Cities supports the efforts of the legislature to provide state matching funds so that all available federal highway funds may be obtained. Maintaining our state's highway system is very important to all of North Dakota.

(2) It is also important to remember the partnership that exists in North Dakota between the state, counties, and cities as it relates to maintaining our highways, roads, and streets. Under the established highway tax distribution formula (funded primarily through motor vehicle registration fees and the gas tax), the state receives 63%, counties 23%, and cities approximately 14%. Keeping any increases in fees or taxes in the highway tax distribution fund will help to maintain this partnership.

We encourage your support for the state match needed to obtain full federal highway funding, and we ask you to keep the needs of cities and counties in mind when determining the methods to be used in reaching that goal.

HB 1458 Transportation Committee

House Bill 1458 changes the way we look at our transportation resources. I would like to first explain the focus and purpose of this bill and then explain the mechanics of the bill.

Our emphasis of this Legislature and previous ones has been to grow the states economy. One of the keys to encourage businesses to locate here is our infrastructure. We have been very aggressive in pursuing that agenda. Energy is critical to growth and we have and continue to encourage coal, oil and alternative sources of energy development. In 1999 we passed comprehensive water legislation to ensure we will have abundant water resources for development. This legislature also passed telecommunications legislation that put North Dakota in front as a leader in ensuring that high speed internet access is available across the state. These are all critical components in encouraging the growth of our economy. But one of the most important elements is our transportation infrastructure. Unfortunately Transportation has been largely ignored in the role it plays in economic development. If our state is to grow and attract new businesses we must have a reliable integrated transportation system.

HB1458 is an 8yr \$300 million plan that recognizes the interaction between all forms of transportation and the need to prioritize our system to make it more efficient and responsive to the states needs and future growth. It also sends a message to those considering a move to our state that we are serious about maintaining our infrastructure now and in the future

The largest piece to this plan is found on page one 1a. This section directs the DOT to implement the highway performance classification system. I am not going to go into a lot of detail because I have asked the DOT to explain how the plan works and what it will accomplish. This Bill will authorize 57.5 million to implement the plan. This plan will set priority levels for our highways to ensure that our money is being used where it makes the most sense to ensure that our goods can move through out the state in the most efficient manner possible.

Section 1b. will authorize 5 million dollars to go into the rail improvement fund to go for rail projects that benefit our overall transportation system. Since 1980 almost 1300 miles of branch lines have been abandoned in North Dakota. All of this additional volume goes on our roads which accelerates the deterioration. Having funds available to help Railroads rehabilitate lines could save the state millions in future maintenance costs and increase driver satisfaction on our roads. We need a strong rail system to compliment our highway system.

Section 1c. Adds 3 million dollars to our public transportation fund. Due to the lack of services available in some parts of the state and the long distances that must be traveled to access these services, it is imperative that we maintain a viable transit system. Maintaining and improving rural transit assists the elderly and transportation disadvantaged attain the services they need to sustain an independent lifestyle.

Section 1d. puts 9.5 million into a special economic development fund to provide grants for transportation related projects that may be outside the normal DOT plan. Example of where these funds could be used would be Minot's proposed intermodal facility, for possibly rail sidings or access roads. Bismarck's new commerce center, a business wishing to locate in an area that needs some road improvements to handle their shipments, Ethanol plants, Shuttle facilities, etc. would all be potential candidates for these funds. This section is a critical component in spurring economic development in our state.

This bill provides for a 3cent a gallon gas tax increase. Some of you may question if that is enough to do everything in this bill. The short answer is no. There will be amendments coming to address some of the funding issues. The question may be asked of why we should spend this kind of money now when are roads aren't all that bad. On average, costs are increasing about 5% per year and last year they went up almost 10%. Considering that every year we are getting farther behind in maintaining our system it only makes sense that we bite the bullet now or pay considerably more later. The other advantage of the increased funding is that we would have unobligated state dollars available to use on our road system which means that in some cases we could save a considerable amount of money by not having to meet federal standards. Up to 50% in some cases. This could potentially also translate into savings for county roads also. Currently North Dakota spends almost 100 million less state dollars than South Dakota and has more roads.

If we do not decide soon to make a commitment to maintain and improve our 10 billion dollar asset we may very well have a situation of abandoning roads in the future.

2-10-05 HB 1458

A motion that engrossed HB 1458 be amended as follows:

Regarding fuel tax:

1. The tax of 24 cents per gallon in Section 3 be reduced to **23 cents** per gallon for the **2005-2007 and 2007-2009** biennia and an expiration date of June 30, 2009 be provided.
2. A new section be added which increases the tax per gallon to **24 cents** per gallon for the **2009-2011** biennium with an effective date of July 1, 2009.

Regarding registration fees:

1. Raise the registration fee *by \$13* for the **2005-2007 and 2007-2009** biennia with an expiration date of June 30, 2009.
2. Raise the registration fee an additional **\$12** for the **2009-2011** biennium with an effective date of July 1, 2009.

Regarding allocation:

1. Repeal Section 7 of chapter 12 of the 2003 Session Laws which states that \$18 of each registration fee be deposited in the state highway fund.
2. Create a new Temporary Allocation which distributes the fee increases for the **2005-2007 and 2007-2009** biennia as follows: \$5 to the Highway Tax Distribution Fund and **\$8** to the Highway Fund.
3. Create a additional new Temporary Allocation which distributes the fee increases for the **2009-2011** biennium as follows: \$5 to the Highway Tax Distribution Fund and **\$20** to the Highway Fund.

Go in H/F fund

**Testimony Before The
Senate Transportation Committee
March 3rd, 2005**

Chairman Trenbeath and members of the Committee, my name is Brian Arett. I am the Executive Director of Fargo Senior Services. Our agency coordinates transportation services for a seven county area in southeastern North Dakota. I am here to speak in support of the \$3 million appropriation for public transportation included in House Bill 1458.

The State Aid for Public Transportation Fund was established by the North Dakota Legislature in 1989 to provide funding for the operation of public transit systems throughout the state. The appropriation to this fund was increased in 1999. The increase we are talking about today would help us to meet the growing expenses connected with operating this public transportation program. For example our agency vehicles use approximately 29,000 gallons of fuel each year. The increase in the cost of both diesel and regular fuel in the past sixteen months has upped our fuel expenditures by \$15,000 per year.

Also, an increase in the Public Transit Funding will allow us to serve the most rural parts of our territory much more effectively. Region wide we have numerous requests for expanded service but right now we are unable to expand because of budget constraints. In Cass County for example, we are currently working with three agencies: Fargo Moorhead Metropolitan Council of Governments, the Small Urban and Rural Transportation Center, and the Community of Care of rural Cass County to plan for future expansion of our services to the most frail and socially isolated individuals in the county. The additional funding in this bill would help us put

expansion plans into effect right away.

Our entire operating area could use more service days and additional routes to better serve our seniors and the general public. Right now a bus trip into Fargo or Grand Forks, can be a ten hour day for some people riding our system. We would like to shorten the length of these trips for the comfort of our most frail passengers. In addition, we are also working on plans to bring people to more local cities for shopping, medical, and employment needs with possible destinations such as Oakes, Wahpeton, Lisbon, and Valley City as our budget permits

In closing I compliment the Department of Transportation and its staff for its handling of this Public Transportation Fund and thank them for their assistance over the years with our transit program. Thank you for your time. I would be happy to answer any questions.

**Testimony To The
SENATE TRANSPORTATION COMMITTEE
Prepared March 3, 2005, by the
North Dakota Association of Counties
Mark A. Johnson, CAE – NDACo Executive Director**

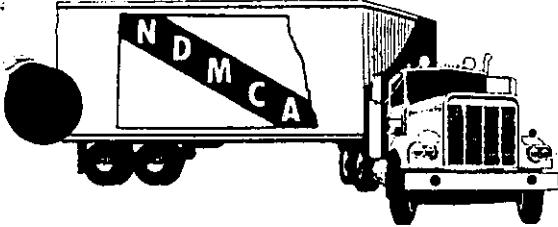
REGARDING REENGROSSED HOUSE BILL 1458

Chairman Trenbeath and members of the Senate Transportation Committee, the counties and county officials wish to present their strong support for Reengrossed House Bill 1458 and the policy direction it is suggesting.

This bill recognizes the State Department of Transportation's need to match enhanced federal funding and the costly maintenance and construction needs of our State highway system. At the same time it recognizes that counties and cities will also have increasing match requirements as their share of the new federal highway-funding package is distributed, and that they too have large funding deficiencies in their local road programs.

While we understand that the final mix of motor fuels and motor vehicle fees must be discussed and debated, we urge you to keep this balanced approach where local transportation concerns will be adequately addressed.

Mr. Chairman and committee members, please give HB1458 a Do Pass recommendation so that it can be included in the final conference committee discussion of this critical State and local government concern.



NORTH DAKOTA MOTOR CARRIERS ASSOCIATION, INC.

1031 East Interstate Avenue • P.O. Box 874 • Bismarck, ND 58502-0874 • (701) 223-2700 • Fax (701) 223-4324

TESTIMONY ON RE-ENGROSSED HB 1458

NORTH DAKOTA MOTOR CARRIERS ASSOCIATION MARCH 3, 2005

Chairman Trenbeath and members of the Senate Transportation Committee thank you for the opportunity to express the trucking industry's concerns with HB 1458.

For the record my name is Dick Johnsen, I chair the legislative committee of NDMCA.

The NDMCA is the state trade association of the trucking industry in North Dakota, representing every type and size of motor carrier in the state. Combined with the allied industry we are an association of several hundred members, most of which are small businesses.

The trucking industry plays a central role in the economy of our states economy, employing one out of every 13 workers and paying more than \$767 million in wages and salaries per year.

I would like to site some statistics about our industry:

1. Annually trucks move 87% of essential manufactured freight, over 17 million tons inbound serving every community in the state
2. Trucks move 22.7 million tons of outbound freight annually
3. The trucking industry pays over \$113 million in state and federal taxes and fees per year, equating to \$2.1 million per week
4. Statewide, commercial trucks account for 11 percent of all vehicle miles yet they pay 42 percent of all taxes collected annually in the Highway Trust Fund

The following two pages will give you a breakdown of federal and state taxes paid per year by a typical 80,000 pound ND tractor and semi trailer with annual mileage of 100,000 miles and some history of cost increases resulting from higher fuel costs. The computations are based on 6 year amortization of investment costs and fuel is computed at 6 mpg which is higher than most fleet averages.

**FEDERAL AND STATE TAXES PAID PER YEAR
BY A TYPICAL 80,000 POUND TRACTOR
SEMI-TRAILER WITH ANNUAL MILEAGE OF 100,000**

Note: In computing fuel tax (Federal and State), an average of 6 miles per gallon is used.

Example: 100,000 miles traveled divided by 6 miles per gallon = 16,667 gallons consumption per year.

Federal User Taxes

Fuel Tax - (24.4 cents per gallon X 16,667 gallons)	\$4,066
Heavy Vehicle Use Tax	550
Excise Tax - (Tractor) (12% based on retail price of \$80,000)	1,600
1 Year of Six Year Life	
Excise Tax - (Trailer) (12% based on retail price of \$20,000)	400
1 Year of Six Year Life	
Tire Tax	<u>200</u>
	\$6,816

State User Tax

Registration Fee - (80,000 Gross Weight)	1,046
Fuel Tax - (21¢ per gallon X 16,667 gallons)	3,500
Tractor & Trailer Sales Tax (5%)	
Tractor - 1 Year of 6 Year Life	667
Trailer - 1 Year of 6 Year Life	167
Single State Registration System (SSRS)	<u>259</u>
	\$5,639

Total Average Federal & State Taxes **\$12,455**

- NOTES:**
1. The Federal excise and tire taxes have been amortized over the six year life of the equipment. The tire tax shown represents the tax on eight tires.
 2. Five percent represents a typical sales tax, but most of the states actually exempt interstate equipment or like North Dakota, allow for apportionment.

In addition to the Federal and State Taxes listed, there are also costs of government regulatory mandated compliance costs, tolls and insurance which add several thousand dollars per year for a typical tractor-semi-trailer combination.

Skyrocketing diesel prices this past year are a crisis not only for North Dakota's trucking industry, but for our state's economy as a whole. If trucking breaks down, so does the ND economy.

In our industry fuel is second only to labor in direct costs. To give some perspective, based on an average over the road truck running 100,000 annual miles with fuel consumption of 16,667 gallons. For every one cent per gallon increase in fuel or tax equals a \$167 operating cost increase.

The national average price of diesel fuel stood at \$2.11 per gallon, the Energy Information Administration reported last week. That is 49 cents higher compared to a year earlier. Analysts predict there may be slight dips in the price, the general trend line points to paying around \$2.00 per gallon and more in 2005.

Doing the math shows me that a 49¢ per gallon increase to operate the truck I mentioned before is now looking at a \$8,183 additional operating cost.

Overlooked fact about our industry is that of the total number of carriers in the U.S., about 70% operate six or fewer trucks. Most of our industry is small, often family run businesses. They can't buy fuel in bulk. They are at the mercy of the pump prices.

There is a false belief that we can pass these increased costs on as a fuel surcharge. A surcharge represents the increase in fuel expenses from the prices that were prevalent when the freight rates were first negotiated. Let me assure you that this is not the case. And, with shippers objecting to fuel surcharges, often, the choice is haul it at a loss or pull it over and shut down.

A good transportation system is essential for the state to attract new industry and sustain economic growth. North Dakota truckers rely on safe and efficient highways to make their living.

We support investing in the improvement of our state's highway system and stand ready to work with the Legislature in developing equitable methods of funding needs.

Our industry's specific concerns about HB 1458 are as follows:

1. This legislation establishes four new programs that require 75 million dollars per biennium of new revenue to cover the associated program costs. These revenues are generated by increasing registration fees \$13.00 and .02 cents on fuel in the 2005-2009 biennium's.
 - a. highway performance classification system 57.5 million
 - b. state freight rail improvement program 5.0 million
 - c. public transportation fund 3.0 million
 - d. economic development fund 9.5 million
2. The bill establishes a committee to fund projects, pitting district against district and program against program.
3. Requires state to bond for programs money is not available for
4. Additional revenue generated in 2009 biennium (\$25.00 registration and .03 cents on fuel) beyond is expected to just cover costs of debt retirement

Are the revenues generated by this legislation in addition to the 23 million the department needs to match available federal dollars? If so registration fees and fuel taxes must go up in addition to what is generated by HB 1458.

Our industry has always supported the ND Highway Departments funding requirements to match available federal dollars.

Our industry will support a combination of registration fee increase and fuel tax increase as long as those increases are reasonable and are not diverted to non highway projects.

There are several motor carriers in attendance and some would like to address the committee.

Again, thank you for the opportunity to address the committee and I would be happy to answer any question you may have.

**BILLING NOTICE
INTERNATIONAL REGISTRATION PLAN
NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
MOTOR VEHICLE DIVISION
SFN 3021 (Rev. 09-2001)**

Mark Skar
MOTOR VEHICLE DIVISION
NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
608 E BOULEVARD AVE
BISMARCK ND 58505-0780
TELEPHONE NUMBER (701) 328-2725
FAX NUMBER (701) 328-3500

WYLIE E W CORPORATION
PO BOX 1188
FARGO ND 58107-1188

Date	10/28/2004
Original	YES
Supplement Number	000
Account Number	ND02356-01
Expiration Date	12/2005

REGISTRATION FEE BREAKDOWN

PERCENTAGE FACTOR	FEES DUE (SUBJECT TO AUDIT)	PERCENTAGE FACTOR	FEES DUE (SUBJECT TO AUDIT)	PERCENTAGE FACTOR	FEES DUE (SUBJECT TO AUDIT)
AB .574%	800.00	AL .651%	608.00	AR 2.337%	3,156.00
AZ 1.523%	6,027.00	AK .435%	1,291.30	CA 2.476%	5,299.00
CO 3.611%	10,120.12	CT .593%	917.00	DE .063%	81.00
FL .446%	439.00	GA .854%	619.00	IA 4.843%	8,209.00
ID 1.355%	4,553.00	IL 1.024%	26,656.00	IN 5.414%	10,525.00
KS 1.948%	3,380.00	KY 1.047%	1,476.00	LA .861%	434.00
MA .439%	320.00	NB .004%	11.06	MD .421%	758.00
ME .124%	180.06	ME .175%	1,951.00	MN 6.977%	12,280.00
MO 3.922%	6,744.00	MI .667%	1,420.90	MT 2.347%	2,237.35
MS .325%	500.00	MO .798%	768.00	NE 4.089%	2,233.00
NH .092%	66.00	NC .490%	599.00	NJ .458%	900.00
NM 1.233%	160.00	NS .444%	669.00	NV 1.097%	2,323.02
NY .963%	932.00	OH .323%	7,133.00	OK 1.972%	1,869.00
ON .162%	459.00	OR 1.399%	784.00	PA 5.417%	9,141.00
PE .005%	.00	QC .006%	.00	RI .019%	20.00
SC .565%	436.00	SD .390%	3,283.64	SK .001%	1.20
TN 1.621%	2,214.00	TX .264%	4,422.00	UT 2.153%	1,899.04
VA 1.311%	1,731.00	VT .061%	105.00	WA 1.039%	1,944.00
WI 5.431%	10,794.00	WV .571%	859.01	WY 2.530%	5,629.00

around \$1800 per truck

TOTAL FEES DUE - 178,645.86

PLEASE MAKE DRAFT PAYABLE TO: NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

ND Fees Due \$ 3,226.00	Out of State Fees Due \$ 175,425.86
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THESE FEES WILL BE DISTRIBUTED TO THE VARIOUS IRP JURISDICTIONS BY NORTH DAKOTA.

FEES CALCULATED AT CURRENT
CANADIAN EXCHANGE RATE OF .7966

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CANARY - Customer

PINK - Customer

NORTH DAKOTA IFTA QUARTERLY TAX REPORT
 DEPARTMENT OF TRANSPORTATION
 MOTOR VEHICLE DIVISION/IFTA
 PHONE (701) 328-2725
 SFN 17107 (S-94)

Mail remittance & report to:
 Make check payable to:
 North Dakota DOT
 02356

North Dakota Dept. of Transportation
 Motor Vehicle Division/IFTA
 508 East Boulevard Avenue
 Bismarck, ND 58505-0780

A. IFTA Account Number ND-41-0715319

B. Amended No Operations Cancel Fuel License

Licensee Name & Address (Street P.O. Box,
City, State, Zip)

C. Fuel Summary

WYLIE E W CORP
 222 SW 40 ST PO BOX 1118
 FARGO ND 58103-1118

Fuel Type	Miles	Gallons	Ave MPG
D-Diesel	3,681,040	689,522	5.34

Report Quarter 4TH DATE DUE JANUARY 31, 2005

1 STATE	2 FUEL TYPE	3 TOTAL MILES	4 TAXABLE MILES	5 TAXABLE GALLONS	6 TAX-PAID GALLONS	7 NET-TAXABLE GALLONS	8 TAX RATE	9 TAX/CREDIT DUE 7-8	10 INTEREST DUE	11 TOTAL TAX DUE
AB	D	0	0	0	0	0	\$0.2632	\$0.00	\$0.00	\$0.00
AL	D	26931	26,831	5,043	4,435	608	\$0.1900	\$115.52	\$0.00	\$115.52
AR	D	10464	100,484	18,817	19,329	(312)	\$0.2250	(\$115.20)	\$0.00	(\$115.20)
AZ	D	60795	60,786	11,385	12,063	(678)	\$0.2600	(\$178.28)	\$0.00	(\$176.28)
BC	D	0	0	0	0	0	\$0.4387	\$0.00	\$0.00	\$0.00
CA	D	81517	81,517	15,264	8,818	6,648	\$0.2780	\$1,570.42	\$0.00	\$1,570.42
CO	D	115517	115,517	21,632	18,447	2,185	\$0.2050	\$447.93	\$0.00	\$447.93
CT	D	168808	16,8808	3,148	3,126	22	\$0.2600	\$6.72	\$0.00	\$5.72
DE	D	3042	3,042	670	0	570	\$0.2200	\$125.40	\$0.00	\$125.40
FL	D	26504	26,504	4,980	3,637	1,443	\$0.2907	\$419.48	\$0.00	\$419.48
GA	D	39322	39,322	7,364	8,168	(1,602)	\$0.1200	(\$216.78)	\$0.00	(\$216.78)
IA	D	168437	166,437	31,168	31,002	166	\$0.2250	\$37.35	\$0.00	\$37.35
ID	D	40159	48,159	9,019	10,487	(1,488)	\$0.2500	(\$367.00)	\$0.00	(\$367.00)
IL	D	291707	291,707	64,627	38,259	15,369	\$0.2980	\$4,549.22	\$0.00	\$4,549.22
IN	D	186016	186,016	34,834	44,219	(9,385)	\$0.1900	(\$1,501.60)	\$0.00	(\$1,501.60)
IN	SC	0	0	34,834	34,834	0	\$0.1100	\$3,631.74	\$0.00	\$3,631.74
KS	D	72338	72,338	13,584	9,711	3,873	\$0.2600	\$1,006.88	\$0.00	\$1,006.88
KY	D	38346	38,346	7,181	10,338	(3,157)	\$0.1300	(\$410.41)	\$0.00	(\$410.41)
KY	SC	0	0	7,181	7,181	0	\$0.0570	\$409.32	\$0.00	\$409.32
LA	D	22281	22,281	4,189	2,942	1,227	\$0.2000	\$245.40	\$0.00	\$245.40
MA	D	11705	11,705	2,192	846	1,246	\$0.2100	\$261.66	\$0.00	\$261.66
MB	D	0	0	0	0	0	\$0.3383	\$0.00	\$0.00	\$0.00
MD	D	19417	19,417	3,636	3,843	(307)	\$0.2425	(\$74.45)	\$0.00	(\$74.45)
ME	D	5844	5,644	1,057	745	312	\$0.2600	\$82.08	\$0.00	\$82.08
MI	D	46433	46,433	8,695	6,181	2,534	\$0.2650	\$671.51	\$0.00	\$671.51
MN	D	235923	235,923	44,180	33,235	10,945	\$0.2000	\$2,189.00	\$0.00	\$2,189.00
MO	D	166332	166,332	31,166	41,851	(10,445)	\$0.1700	(\$1,775.65)	\$0.00	(\$1,775.65)
MS	D	24726	24,726	4,630	3,780	850	\$0.1800	\$153.00	\$0.00	\$153.00
MT	D	85326	85,326	15,979	14,396	1,584	\$0.2775	\$439.58	\$0.00	\$439.58
NB	D	0	0	0	0	0	\$0.4942	\$0.00	\$0.00	\$0.00
NC	D	27197	27,197	5,093	4,009	1,084	\$0.2460	\$236.66	\$0.00	\$236.66
ND	D	110410	110,410	20,673	44,079	(23,403)	\$0.2100	(\$4,914.83)	\$0.00	(\$4,914.83)
NE	D	135904	135,904	25,450	29,531	(61)	\$0.2480	(\$20.09)	\$0.00	(\$20.09)
NF	D	0	0	0	0	0	\$0.4825	\$0.00	\$0.00	\$0.00
NH	D	2785	2,785	522	1,194	(672)	\$0.1900	(\$120.96)	\$0.00	(\$120.96)
NJ	D	17684	17,684	3,312	4,823	(1,311)	\$0.1750	(\$229.43)	\$0.00	(\$229.43)
NM	D	51420	51,420	9,629	9,820	(191)	\$0.2100	(\$40.11)	\$0.00	(\$40.11)
NS	D	0	0	0	0	0	\$0.4503	\$0.00	\$0.00	\$0.00
NV	D	43229	43,229	8,085	9,760	(1,685)	\$0.2700	(\$154.95)	\$0.00	(\$154.95)
NY	D	33424	33,424	6,259	4,671	1,588	\$0.3275	\$620.07	\$0.00	\$620.07
OH	D	213475	213,475	39,977	42,004	(2,027)	\$0.2600	(\$527.02)	\$0.00	(\$527.02)
OH	SC	0	0	39,977	39,977	0	\$0.0200	\$799.54	\$0.00	\$799.54
OK	D	77784	77,784	14,568	18,806	(4,040)	\$0.1300	(\$525.20)	\$0.00	(\$525.20)
ON	D	1236	1,236	231	231	0	\$0.4182	\$86.60	\$0.00	\$86.60
OR	D	62784	52,784	9,881	9,853	28	\$0.0900	\$0.00	\$0.00	\$0.00
PA	D	220096	220,096	41,218	34,242	8,974	\$0.3120	\$2,175.89	\$0.00	\$2,175.89
PE	D	0	0	0	0	0	\$0.4825	\$0.00	\$0.00	\$0.00
PQ	D	0	0	0	0	0	\$0.4737	\$0.00	\$0.00	\$0.00
RI	D	1282	1,282	240	52	188	\$0.3000	\$46.40	\$0.00	\$46.40
SC	D	18554	18,554	3,475	3,712	(237)	\$0.1900	(\$37.92)	\$0.00	(\$37.92)
SD	D	92005	92,905	17,399	17,327	71	\$0.2200	\$15.62	\$0.00	\$15.62
SK	D	0	0	0	0	0	\$0.4387	\$0.00	\$0.00	\$0.00
IN	D	64264	64,264	12,034	7,556	4,476	\$0.1700	\$760.92	\$0.00	\$760.92
TX	D	165921	165,921	31,071	32,854	(1,783)	\$0.2000	(\$358.60)	\$0.00	(\$358.60)
UT	D	72787	72,787	13,831	12,014	1,617	\$0.2450	\$306.17	\$0.00	\$306.17
VA	D	42887	42,887	8,050	9,057	(1,017)	\$0.1600	(\$162.72)	\$0.00	(\$162.72)
VA	SC	0	0	8,050	8,050	0	\$0.0350	\$281.75	\$0.00	\$281.75
VT	D	2457	2,457	480	376	84	\$0.2600	\$21.84	\$0.00	\$21.84
WA	D	31369	31,369	5,874	3,589	2,285	\$0.2800	\$639.80	\$0.00	\$639.80
WI	D	204181	204,181	38,238	34,580	3,558	\$0.3210	\$1,141.48	\$0.00	\$1,141.48
WV	D	14013	14,013	2,624	2,442	182	\$0.2535	\$46.14	\$0.00	\$46.14
WY	D	90732	90,732	16,981	23,917	(6,926)	\$0.1400	(\$969.84)	\$0.00	(\$969.84)

SUB TOTAL 3,681,040 Total IFTA Miles 689,522 \$10,781.51

ADD Total OTHER Miles 0 D. Penalty(Late Mtrs see Instructions) \$0.00

GRAND TOTAL 3,681,040 TOTAL ALL MILES 689,522 E.PREVIOUS BALANCE (CREDIT) \$0.00

F. TOTAL TAX OR CREDIT(U.S. FUNDS) \$10,781.51

NORTH DAKOTA IFTA QUARTERLY TAX RE

DEPARTMENT OF TRANSPORTATION
CAR VEHICLE DIVISION/IFTA
17107 (10-01)

MOTOR VEHICLE DIVISION/IFTA
ND DEPT OF TRANSPORTATION
608 E BOULEVARD AVE
BISMARCK, ND 58505-0780
(701) 328-2725
Fax (701) 328-1487

ND-41-0715319	
02356	

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Report Quarter: 4 2004 Date Due: 01/31/2005

WYLIE E W CORPORATION
222 SW 40 ST PO BOX 1188
FARGO ND 58103-1188

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D - Diesel	<u>3681040</u>	/	<u>689522</u> = <u>5.34</u>
G - Gasoline		/	=
P - Propane		/	=
GH - Gasohol		/	=
NG - Natural Gas		/	=

<input type="checkbox"/> No Operations	<input type="checkbox"/> Cancel Fuel License	<input type="checkbox"/> Amended
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		(Round to nearest whole gallon or mile)			(Round to nearest cent)		
L	D				.1900		
	D				.2100		
AR	D				.2250		
AZ	D				.2600		
CA	D				.2780		
CO	D				.2050		
CT	D				.2600		
DE	D				.2200		
FL	D				.2907		
GA	D				.1203		
IA	D				.2250		
ID	D				.2500		
IL	D				.2960		
IN	D				.1600		
IN	SC	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	.1100		
KS	D				.2600		
KY	D				.1500		
KY	SC	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	.0570		
LA	D				.2000		
MA	D				.2100		
MD	D				.2425		
ME	D				.2650		
MI	D				.2650		
MN	D				.2000		
MO	D				.1700		
MS	D				.1800		
MT	D				.2775		
NC	D				.2460		
	D				.2480		
NH	D				.1800		
NJ	D				.1750		
NM	D				.2100		

CONTINUED ON OTHER SIDE

NORTH DAKOTA IFTA QUARTERLY X RETURN cont'd

WHITE E W CORPORATION

ND-41-0715319

02356

Report Quarter 4 2004

Date Due: 01/31/2005

~~OK~~
520300

Sub Total

Total IFTA Miles

Ad

Total Mileage all NON-IFTA States and Provinces

Grand Total

Total all Miles Traveled

GATE 2023

■ (must equal fuel summary miles on front page)

Net Total of Column II

10.781.51

I certify with my signature below that the information and statements on this return are true and correct to the best of my knowledge.

Penalty (Late filers see instructions)	\$
Previous Balance (credit) 12/13/2004	\$ (.00)
TOTAL TAX OR CREDIT (U.S. funds)	\$ 10,781.51

Wayne Clem
Signature/Title
01 202 5550

1/28/05
Date Signed

Refund requested

(check issued only when refund is \$20 or more)

COMMENTS ON HOUSE BILL 1458
Senate Transportation Committee
March 3, 2005
John Gosbee, Mandan

Mr. Chairman and members of the Committee. Thank you for the opportunity to address you. Please recommend **DO NOT PASS** on this bill.

Disguised as a transportation development funding system, this bill is really a tax on the poor. For many people in North Dakota, the reality of life is that a new car is one that is 10 years old instead of 20. This bill funds transportation development on the backs of the people who have to live in the world of 20-year-old cars.

Consider, please, the way it works. It raises gas taxes by 2 cents a gallon, and then another penny in 2009. Who is hurt most by a gas tax increase? Older cars get poorer mileage, and are harder to keep up. Sure, if someone can afford a nice new Lexus, this bill won't hurt much. But how about the guy driving a 20-year old Chevy? If you have to check your wallet before you get gas, then this bill hurts you.

Piling on to this unfairness is the registration fee hike. The owner of a brand new Lexus will pay another \$13, and then another \$12 in 2009. Same for the owner of that 20-year-old Chevy. Is that fair? I say it isn't.

Mr. Chairman, just as those of us who drive 20-year-old Chevys have to live within our means, so should the state. Let the state live within the 21 cents a gallon it gets from us in gas taxes. Let the state live within the registration fees it charges.

I have prepared a proposed amendment which summarizes the reality of this bill.

Thank you for your time.

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL 1458

Page 1, line 5, after the last semicolon, insert "to provide a short title of this Act;"

Page 1, after line 7, insert:

"SECTION 1. Short Title. This Act must be cited as the Impecunious Drivers' Further Impoverishment Act of 2005."

Renumber accordingly.

Proposed amendments submitted to the Senate Transportation Committee, March 3, 2005, by John Gosbee, Mandan



NORTH DAKOTA PETROLEUM MARKETERS ASSOCIATION

1025 N. 3rd St. • P.O. Box 1956 • Bismarck, ND 58502
Telephone 701-223-3370 • ndpetroleum.org • Fax 701-223-5004

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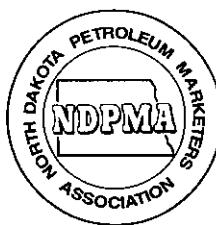
Testimony – HB 1458

Senate Transportation Committee March 3, 2005

Mr. Chairman and members of the Senate Transportation Committee, my name is Russ Hanson and I represent the 310 member companies who market retail petroleum in North Dakota as members of NDPMA. We appreciate providing our input regarding North Dakota highway funding as it is proposed in HB 1458.

As we have stated in the past, NDPMA is supportive of maximizing the federal highway match but have preferences of the funding mechanism. As you recall, NDPMA supported vehicle registration fee increases and a portion of the vehicle excise tax as funding mechanism in legislation before this committee a few weeks ago. We remain supportive of one of those two mechanisms as possible avenues rather than increasing the motor fuels tax.

Our preference lies in the fact that North Dakota has one of the lowest vehicle registration fees in the nation and we continue to remain concerned about the motor fuel tax disadvantage North Dakota has with Minnesota. ND currently has a one cent disadvantage and any increases would put our border dealers at a further competitive disadvantage.



Further, the current price of crude oil is a major factor in the recent increases in the retail price of gasoline. Any increases in the fuel taxes would be passed on to the consumer further increasing the price.

We appreciate the opportunity to provide this input and look forward to continuing to provide the industry's perspective on this subject throughout the remainder of the session.

SENATE TRANSPORTATION COMMITTEE
March 11, 2005

North Dakota Department of Transportation
David Sprynczynatyk, Director

House Bill 1458

Good morning, Mr. Chairman and members of the committee. I'm Dave Sprynczynatyk, director of the North Dakota Department of Transportation. As requested by the committee, I'm here to provide background information on HB 1458 and information on the state funds needed to match the growing federal highway program.

In 2001, Governor Hoeven directed the department to take the lead in developing North Dakota's Statewide Strategic Transportation Plan, *TransAction*. Several of the initiatives outlined in *TransAction* are tied closely to the concepts in HB 1458.

I appreciate the efforts of the sponsors and the supporters of HB 1458 for developing a long-range approach to providing additional state funding to improve North Dakota's transportation system. I also appreciate that the legislature is looking beyond simply matching federal aid and is considering ways to provide additional state funds to implement some of the initiatives outlined in *TransAction*, to catch up on the backlog of needs, and to improve the level of service provided to its constituents. The funding provided in HB 1458 is in addition to the federal and state funding the department currently receives. We continue to support Governor Hoeven's recommended transportation program as outlined in SB 2012, the department's appropriations bill.

HB 1458 would accomplish the following:

1. **HPCS FUNDING.** HB 1458 would provide an additional \$57.5 million in each of the next four bienniums to implement the standards and levels of service outlined in the department's Highway Performance Classification System (HPCS). The HPCS concept, identified in *TransAction*, prioritizes North Dakota's state highway network into five levels by identifying the desired level of service provided on each level of roadway. There is simply not enough money available to provide the same level of service on all roadways – and the same level of service is not needed on all roadways. The intent of the HPCS is to provide the highest levels of service on roadways that serve a majority of the population and carry the majority of the traffic and freight.

When the HPCS was presented at 20 public input meetings across the state, the consensus was to support prioritizing our road network. Prioritizing is a logical asset management process that is common in the public and private sectors. The department is currently implementing the HPCS and will continue to do so with whatever level of federal and state funding is available. We will tie our investment strategy to providing the desired levels of service that have been identified. The primary emphasis will focus on improving the load-carrying capacity and ride quality on our state highway network. The additional state funding identified in HB 1458 would accelerate implementation of the HPCS.

2. **FRIP FUNDING.** Currently, additional state funding for rail infrastructure improvements is not provided through biennial appropriations. HB 1458 would provide an additional \$5 million in each of the next four bienniums to support the Freight Rail Improvement Program (FRIP).

The department administers the FRIP, which provides low-interest loans for rail improvements. The current FRIP balance is about \$1.5 million. HB 1458 would complement the FRIP and provide additional state funding to help regional railroads' rail-based shippers improve their infrastructure and enhance their economic viability.

3. **TRANSIT FUNDING.** In the past two years, North Dakota has averaged about \$8 million in federal transit funds. In addition, about \$1.5 million per year is generated by dedicating to transit programs \$2 of the state motor vehicle registration fee. HB 1458 would provide an additional \$3 million in each of the next four bienniums to support and enhance North Dakota's rural transit programs. The additional state funding would enhance services in rural areas for elderly people and those with few transportation options, enabling them to obtain the commodities and services they need to live independently. It would also help transit providers match a larger anticipated federal transit program.
4. **ECONOMIC DEVELOPMENT FUNDING.** HB 1458 would provide an additional \$9.5 million in each of the next four bienniums to support a special economic development fund. NDDOT would administer the program to provide matching grants to political subdivisions. The grants would provide transportation services necessary to promote economic growth in the state. The funding could be used to improve aeronautic, intermodal, rail, and roadway systems that are critical as North Dakota competes in a global economy.

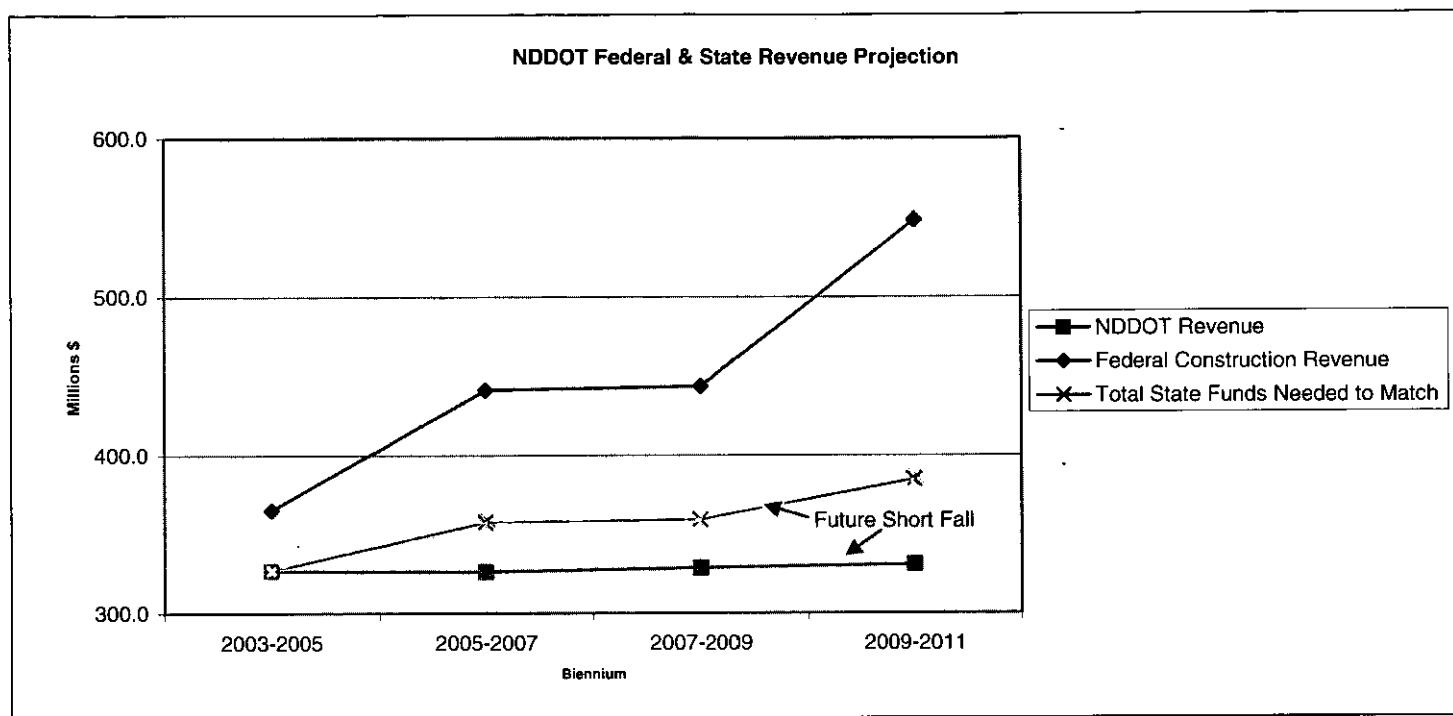
The creation of a special transportation program to promote economic development and competitiveness is a TransAction initiative. Although we try to provide funds on a case-by-case basis, North Dakota currently does not have a dedicated state-funded multi-modal transportation infrastructure program to support economic development projects. Whenever we have provided funds in the past, we have taken those funds from other projects. A special transportation fund would attract new businesses and help improve transportation impediments that hinder existing businesses.

Regarding future federal funds: On December 8, 2004, President Bush signed the 2005 appropriation, which will give North Dakota \$202.3 million in formula funds in FY 2005. On February 7, 2005, the president released the 2006 budget. Based on the Administration's budget, the 2006 federal formula distribution to North Dakota would be \$205 million. To match the federal funds provided by the Administration, and to provide salary adjustments as outlined in Engrossed Senate Bill 2012, the department needs \$22.7 million in state match for the 2005-2007 biennium. Additionally, the department intends to borrow \$8.46 million in state match for emergency relief projects that will be constructed in the Devils Lake basin.

Federal funding will continue to grow. Based on the Administration's proposed Transportation Reauthorization Bill, North Dakota's federal formula funds for 2010 will be about \$268 million. Attachment 1 shows the federal projection through 2011.

Once again, I appreciate the efforts of the sponsors and supporters of HB 1458 for attempting to improve North Dakota's transportation system and enhance our state's economic competitiveness

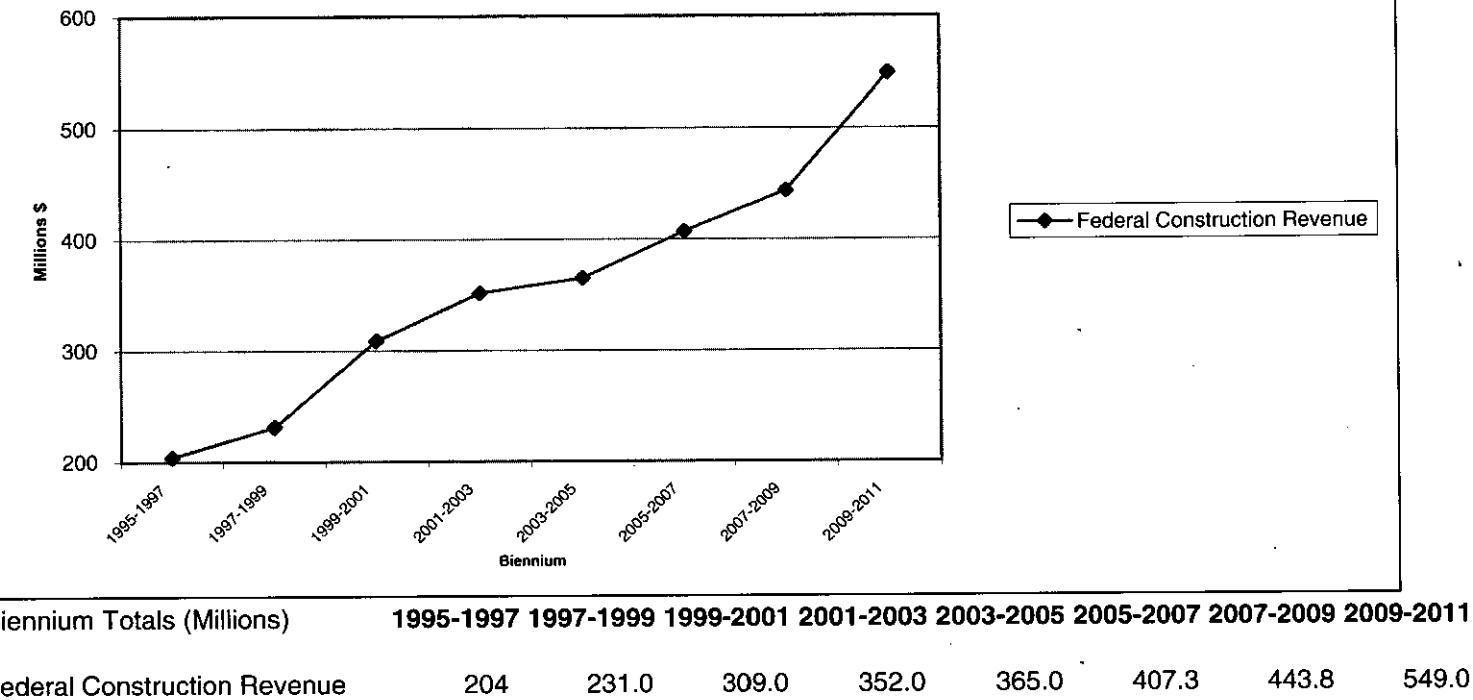
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Biennium Totals (millions)	2003-2005	2005-2007	2007-2009	2009-2011
Federal Construction Revenue	365.0	441.3	443.8	549.0
Total State Funds Needed to Match	326.6	357.6	359.4	385.2
NDDOT Revenue	326.6	326.2	328.8	331.1
Future Shortfall in State Match	0.0	31.4	30.6	54.1

Note: 2005-2007 "Federal Construction Revenue" & "Total State Funds Needed to Match" reflect the U.S. 281 emergency relief project.

ND Federal Highway Revenue History & Projection

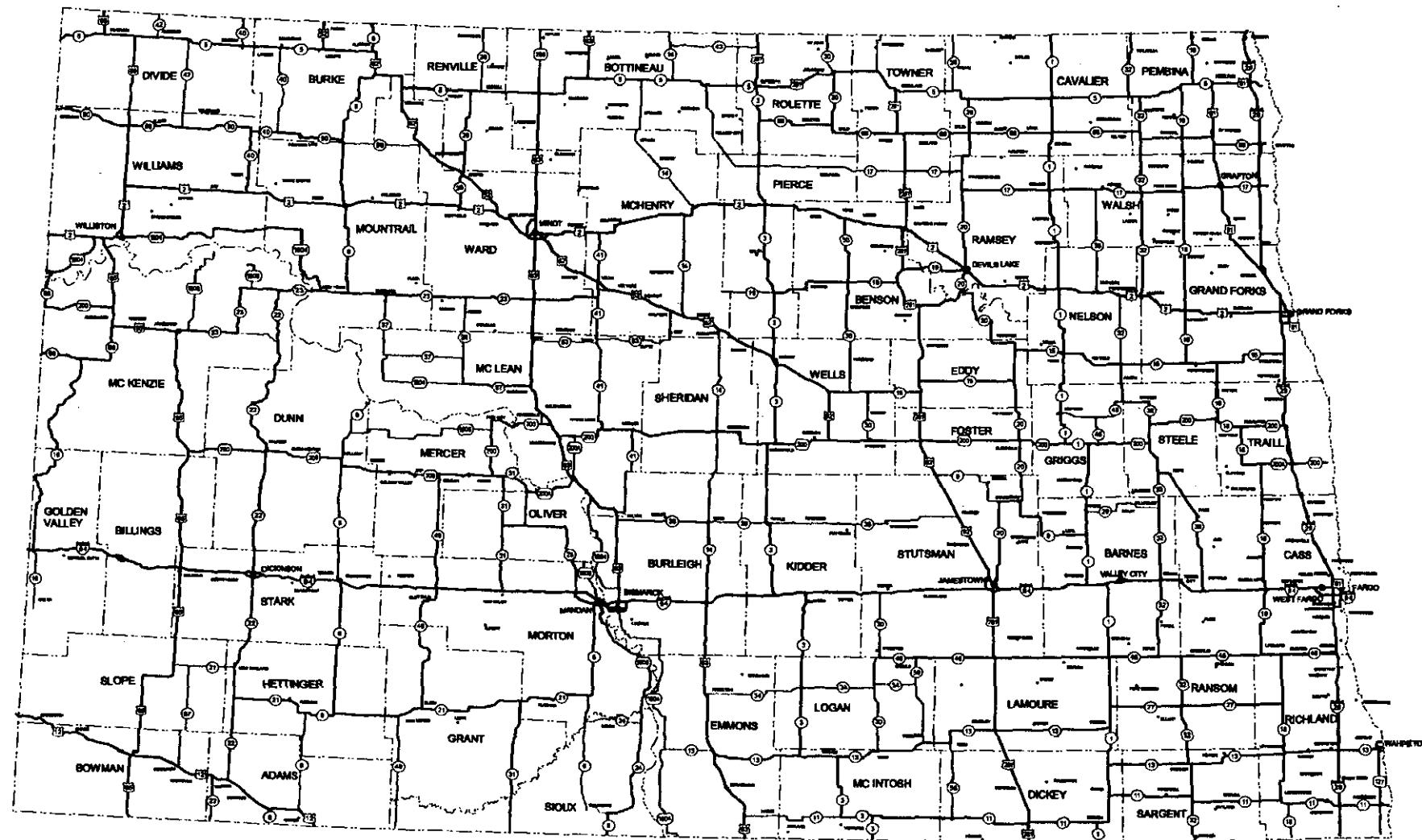


Biennium Totals (Millions) 1995-1997 1997-1999 1999-2001 2001-2003 2003-2005 2005-2007 2007-2009 2009-2011

Federal Construction Revenue 204 231.0 309.0 352.0 365.0 407.3 443.8 549.0

Note: Emergency Relief funding not included in 2005-2007 biennium.

STATE HIGHWAY PERFORMANCE CLASSIFICATION SYSTEM



Effective 9/23/04

INTERSTATE SYSTEM

Maintaining a high degree of reliability and mobility on these highways is critical to support and promote international, national, regional and statewide trade and economic activity. Movements are primarily long-distance, interstate and intrastate traffic. Rural Interstates are multiple-lane (usually four) facilities and have full access control. The goal is to be free of height restrictions and have unrestricted seasonal load limits. Ride and distress scores are generally in the good to excellent categories. High volumes of traffic, as well as a high percentage of trucks, are relatively consistent year round. Travel speeds average 65 to 75 miles per hour. Rural Interstates demonstrate a high degree of safety with crash rates below the statewide average.

INTERREGIONAL SYSTEM

Maintaining a high degree of reliability and mobility on these highways is critical since they support and promote international, national, regional and state trade and economic activity. Movements on these highways are primarily long-distance, interstate and intrastate traffic. Interregional System highways are either two-lane or multiple lane facilities. Segments or specific locations may have partially controlled access. The goal is to be free of height restrictions, have unrestricted seasonal load limits, and have limited passing restrictions. Accommodating truck traffic is a priority. Ride and distress scores are generally in the good to excellent categories. Moderate to high volumes of traffic, as well as a high percentage of trucks, are relatively consistent year round. Daytime travel speeds average 60 to 70 miles per hour. The Interregional System demonstrates a high degree of safety with crash rates below the statewide average.

STATE CORRIDOR

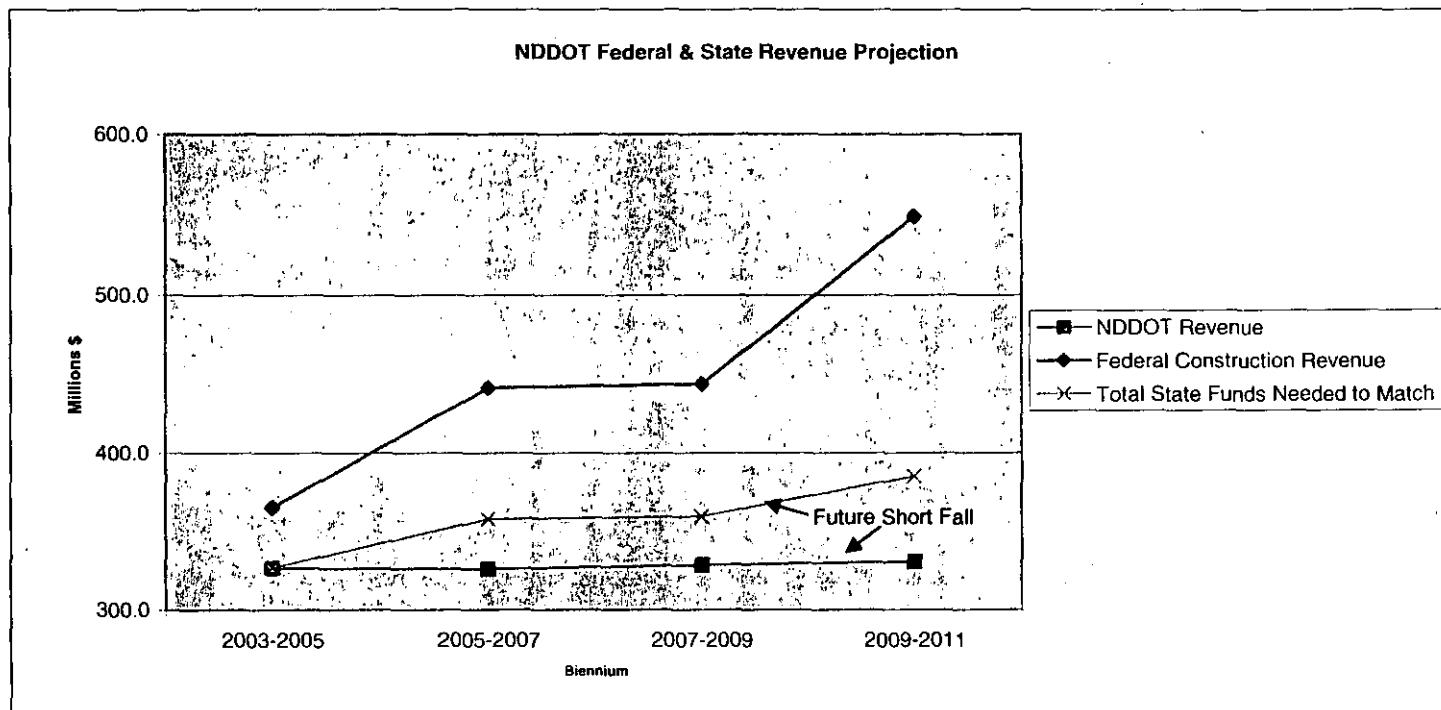
Maintaining a moderately high degree of reliability and mobility on these highways is critical since they support the movement of agricultural commodities, freight, and manufactured products within the state. State Corridors provide connectivity between lower and higher level roadways. Movements on these highways are primarily medium-distance intrastate traffic. State Corridors are typically 2-lane facilities and have segments or locations with partially controlled access. These highways have either paved or aggregate shoulders, some segments may have limited passing zone restrictions, and Unrestricted or Class A seasonal load limits. Bridges and overhead structures provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the good category. Moderately high volumes of traffic are relatively consistent year round. Daytime travel speeds average 60 to 65 miles per hour. State Corridors demonstrate a moderately high degree of safety with crash rates less than the statewide average.

DISTRICT CORRIDOR

Maintaining a moderate degree of reliability and mobility on these highways is desirable. Movements on these highways are primarily short to medium distance intrastate traffic. District Corridors are two lane facilities. Generally, access control is not purchased. These highways have narrow paved or gravel shoulders, segments with restricted passing zones, and Class A, or Class I seasonal load limits. Bridge structures provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the fair and good categories. Moderate volumes of traffic are relatively consistent year round. Occasional increases in seasonal traffic volumes and truck movements occur. Daytime travel speeds average 55 to 65 miles per hour. District Corridors are safe highways with crash rates at or near the statewide average.

DISTRICT COLLECTOR

Maintaining reliability and mobility on these highways is a lower priority. These highways are generally short routes that provide connectivity to the higher road level systems. Movements on these highways are primarily short distance, local, farm to market traffic. District Collectors are two lane facilities. Generally, access control is not purchased. These highways generally have no shoulders. Segments with restricted passing zones exist. Class I or Class 2 seasonal load limits are normal although some segments may have year round load restrictions. Bridge structures provide for the movement of typical legal loads. Some structures have load, height, and width restrictions. Ride and distress scores are generally in the fair category. Low volumes of traffic are normal year round. Small increases in truck movements may occur during spring planting and fall harvest periods. Daytime travel speeds average 50 to 55 miles per hour. District Collectors are moderately safe highways with crash rates near the statewide average.



Biennium Totals (millions)	2003-2005	2005-2007	2007-2009	2009-2011
Federal Construction Revenue	365.0	441.3	443.8	549.0
Total State Funds Needed to Match	326.6	357.6	359.4	385.2
NDDOT Revenue	326.6	326.2	328.8	331.1
Future Shortfall in State Match	0.0	31.4	30.6	54.1
Federal Construction Revenue-County	36.8	39.0	42.0	51.0
Additional Match Needed-County	0.0	0.6	1.3	3.6
Federal Construction Revenue-City	62.9	67.4	73.7	91.1
Additional Match Needed-City	0.0	1.2	2.4	5.7

Note: 2005-2007 "Federal Construction Revenue" & "Total State Funds Needed to Match" reflect the U.S. 281 emergency relief project.

OVERVIEW OF MATCH NEEDED FOR CITIES < 5000 Population (1995 TO 2011)

Biennium	Federal Funds Million \$		Match Needed Million \$	
	Actual City	Formula City 16.6%	Actual City	Formula City
1995-1997	24.1	34.0	4.5	6.1
1997-1999	36.2	38.0	6.8	6.9
1999-2001	47.8	51.2	8.8	9.2
2001-2003	48.1	57.7	8.9	10.4
2003-2005	84.2	62.9	15.8	11.4
2005-2007	52.0	67.4	9.8	12.6
2007-2009	N/A	73.7	N/A	13.8
2009-2011	N/A	91.1	N/A	17.1
Total		476		87.5

OVERVIEW OF MATCH NEEDED FOR COUNTIES (1995 TO 2011)

Biennium	Federal Funds Million \$		Match Needed Million \$	
	Actual County	Formula County 9.4% *	Actual County	Formula County
1995-1997	22.7	21.7	4.4	5.4
1997-1999	18.7	24.0	4.7	6.0
1999-2001	43.7	30.0	10.9	7.5
2001-2003	30.5	34.5	7.6	8.6
2003-2005	25.6	36.8	6.5	9.2
2005-2007	54.0	39.0	13.5	9.8
2007-2009	N/A	42.0	N/A	10.5
2009-2011	N/A	51.0	N/A	12.8
Total		279		69.8

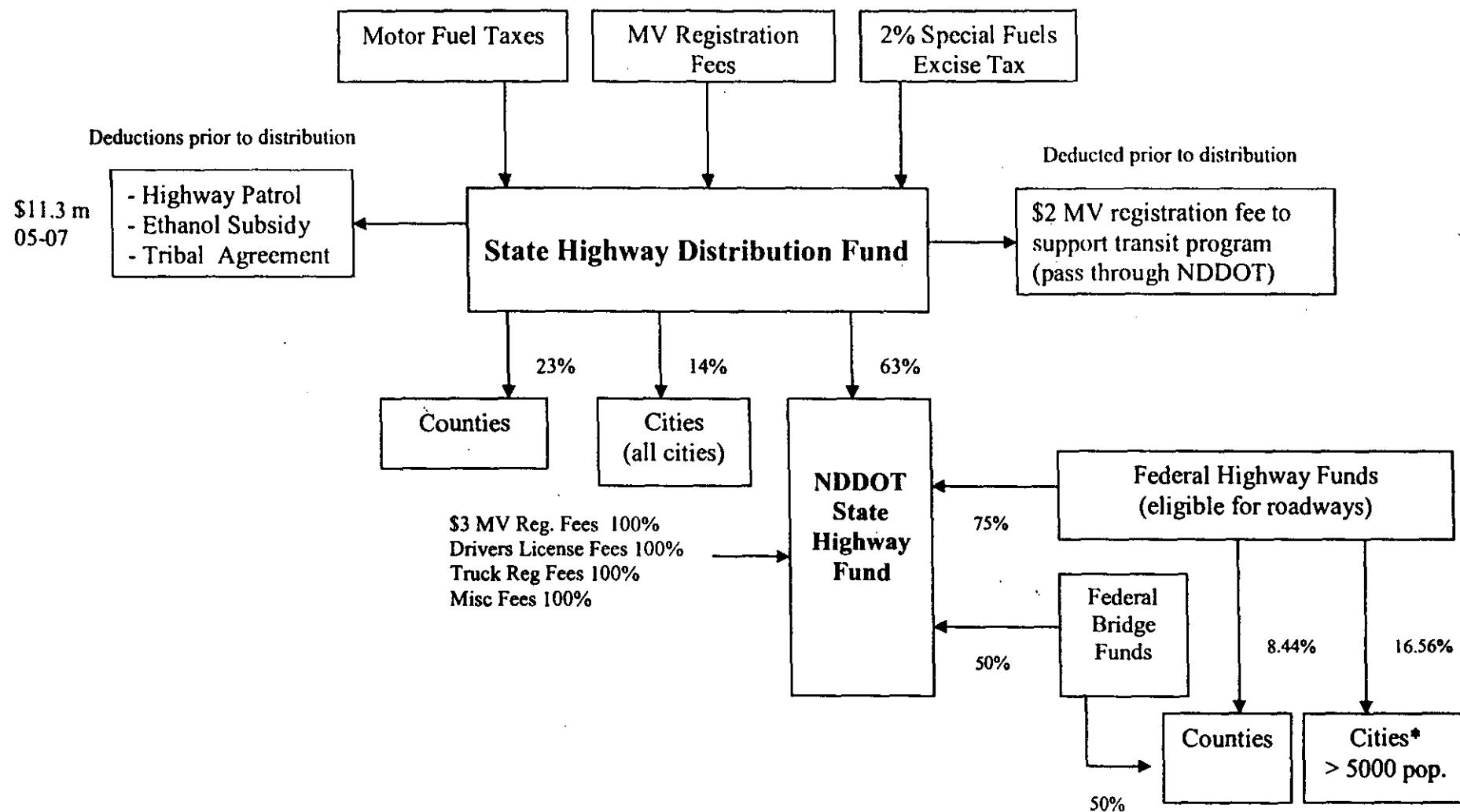
*Counties get 8.4% of construction eligible funds plus ½ of Bridge replacement funds (Bridge funds are approx. \$5 million/year)

**SENATE TRANSPORTATION COMMITTEE
REVENUE OPTIONS (MILLIONS)**

	New Revenue	State	County	City
1 cent fuel tax – to Highway Distribution Fund	10.2	6.4	2.4	1.4
1/2 cent MV Excise Tax increase – to Highway Fund	14.6	14.6	0.0	0.0
Total	24.8	21.0	2.4	1.4

Requested by Senate Transportation Committee
Revenue Options: 3/11/05
Prepared by NDDOT Financial Management Division

REVENUE FOR ROADS AND STREETS



There are also charges for fleet services & reimbursements from counties & cities that show up as revenue but are just a pass through.

*13 Major cities.
There are also federal railroad, safety, & transit funds that are administrated by NDDOT.