A BILL for an Act to amend and reenact subsection 1 of section 39-04-19.2 and sections 57-43.1-02 and 57-43.2-02 of the North Dakota Century Code, relating to electric and plug-in hybrid vehicle road use fees and the tax imposed on motor vehicle fuels and special fuels; to provide for a legislative management study; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 39-04-19.2 of the North Dakota Century Code is amended and reenacted as follows:

1. In addition to all other fees required under this chapter for registration of a motor vehicle, the department shall collect at the beginning of each annual registration period:
   a. An electric vehicle road use fee of one hundred twenty-three dollars for each electric vehicle registered.
   b. A plug-in hybrid vehicle road use fee of fifty-seven dollars for each plug-in hybrid vehicle registered.
   c. An electric motorcycle road use fee of twenty-three dollars for each electric motorcycle registered.

SECTION 2. 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.

1. Except as otherwise provided in this section, a tax of twenty-three cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state.

2. A refiner, 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 3. AMENDMENT. Section 57-43.2-02 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-02. Tax imposed.

1. Except as otherwise provided in this chapter, an excise tax of twenty-three twenty-six 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 and liquefied natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas, and one and seven-tenths gallons [6.44 liters] of liquefied natural gas is equal to one gallon [3.79 liters] of other special fuel.

2. A refiner, 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.
Sixty-seventh
Legislative Assembly

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.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF ELECTRIC VEHICLES
ON TRANSPORTATION FUNDING. During the 2021-22 interim, the legislative management
shall consider studying the impact of electric vehicles on transportation funding. The study must
include consideration of the current and projected reductions in motor fuels tax collections
resulting from increased electric vehicle use and the impact of decreased revenue collections
on highway tax distribution fund allocations. The study also must review the taxes and fees
imposed on electric vehicles in other states and methods to address the impact of electric
vehicles that are not registered in this state on the roads in this state. The legislative
management shall report its findings and recommendations, together with any legislation
necessary to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 5. EFFECTIVE DATE. Sections 2 and 3 of this Act are effective for taxable
events occurring after June 30, 2021.