



# Budget Basics

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## DEPARTMENT OF TRANSPORTATION

### GENERAL INFORMATION

The Department of Transportation (DOT) is responsible for the construction, maintenance, protection, and control of the highways comprising the state highway system. The DOT statutory authority is in North Dakota Century Code Titles 24 and 39. The state is divided into eight district offices located in Bismarck, Devils Lake, Dickinson, Fargo, Grand Forks, Minot, Valley City, and Williston. Each district has a district engineer responsible for construction and maintenance activities in the district. County, city, and townships are responsible for the construction, maintenance, protection, and control of roadways in its respective jurisdiction.

The following table provides information regarding the number of miles of roadways in North Dakota for fiscal year 2019.

	Miles
State highway system	7,415
County roads	15,624
Other rural roads	60,762
City streets	4,366
Total	88,167

### FUNDING SOURCES

The primary sources of funding available to DOT for road construction, maintenance, other transportation infrastructure needs, transit services, and the operation of the department include the highway tax distribution fund, highway fund, and federal funds.

#### HIGHWAY TAX DISTRIBUTION FUND

State revenues received from the collection of motor fuels taxes (currently 23 cents per gallon) and motor vehicle registration fees are deposited into the highway tax distribution fund. The DOT receives 61.3 percent of the funds available for distribution from the highway tax distribution fund, which are deposited in the highway fund. Cities and counties receive 34.5 percent, townships receive 2.7 percent, and the department also receives 1.5 percent of the funds for deposit in the public transportation fund which is granted to transportation providers to establish and maintain public transportation, especially for the elderly and handicapped.

#### HIGHWAY FUND

In addition to the 61.3 percent of highway tax distribution fund revenues, the highway fund also receives revenues from driver's license, truck regulatory, and other fees. The highway fund is the primary state fund used for defraying the expenses of DOT.

#### FEDERAL FUNDS

The Department of Transportation receives federal funds for highway construction, highway maintenance, and highway safety programs. The majority of federal funds require matching state funds and are received on a reimbursement basis. Federal highway construction funds are used for interstate and state highway projects. Federal funds pay 90 percent of interstate construction and maintenance costs and generally 80 percent of eligible state highway project costs. Federal funds comprise 50 percent of DOT's 2019-21 biennium appropriation.

### SUMMARY OF THE 2019-21 BIENNIUM DOT BUDGET

As approved by the 2019 Legislative Assembly, the 2019-21 biennium DOT budget totals \$1.46 billion. Of this amount, \$2.5 million is from the general fund, \$379.9 million is provided from the highway tax distribution fund, \$341.4 million is from other special funds, and \$738.4 million is from federal funds.

A summary of the approved DOT budget for the 2013-15 biennium through the 2019-21 biennium is shown below.

	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>	<b>2019-21 Biennium</b>
General fund	\$1,464,020,000 <sup>1</sup>	\$636,375,558 <sup>2</sup>	\$13,000,000 <sup>3</sup>	\$2,500,000 <sup>4</sup>
Other funds	1,920,779,434	2,601,156,019	1,270,504,868	1,462,245,404
Total	\$3,384,799,434	\$3,237,531,577	\$1,283,504,868	\$1,464,745,404
FTE positions	1,079.50	1,080.50	1,047.00	982.00

<sup>1</sup>The 2013-15 legislative appropriations amount reflects a \$541.6 million transfer from the general fund to the highway fund and \$922.4 million from the general fund for additional transportation funding for political subdivisions and public transportation.

<sup>2</sup>The 2015-17 legislative appropriations amount reflects a \$503.1 million transfer from the general fund to the highway fund and \$133.3 million from the general fund for additional transportation funding for political subdivisions and public transportation.

<sup>3</sup>The 2017-19 biennium general fund appropriations reflect a 2017-19 biennium supplemental appropriation of \$13 million made in House Bill No. 1012 (2019).

<sup>4</sup>The 2019-21 legislative appropriations amount reflects \$2.5 million from the general fund for the DOT's short line railroad program.

The next topic in the *Budget Basics* series will review the Information Technology Department.