

**1999 SENATE TRANSPORTATION**

**SB 2267**

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2267

Senate Transportation Committee

Conference Committee

Hearing Date January 29, 1999

Tape Number	Side A	Side B	Meter #
1	x		1-4768
Tape 2 - February 4, 1999	x		3310-3800
Committee Clerk Signature <i>Ann D. Schaybann</i>			

Minutes:

Senator Bob Stenehjem opened the hearing on SB 2267. Committee members present included: Sens. Bob Stenehjem, R. Schobinger, D. Mutch, D. Cook, D. O'Connell, V. Thompson, and D. Bercier.

SENATOR B. STENEHJEM introduced SB 2267. My intention is to give you some basic background on what a special road fund is. In 1989, the legislative assembly decided that the revenues generated from the interest in the highway trust fund which was usually deposited in the general fund of the state of North Dakota should be reinvested into other roads in the state system on a matching basis. In 1997, that bill was eliminated effective July 1, 1999 although prior to that there is no money left in the fund. This bill would reinstate the special road fund committee and again take the interest off the highway trust fund and transfer it to the special roads fund committee. That committee is made up of a Senate Transportation committee

member, House Transportation committee member, Senate Appropriations member, House Appropriations member, Director of the Game and Fish Department, Director of Parks and Recreation, Director of Economic Development and Finance, and Director of Transportation. These funds are made available to political subdivisions for work and reconstruction of roads open to the public (he passed out a short list of projects of this fund in 1995). A number of parks have gotten assistance from this fund. It is very beneficial to small communities with parks and recreation areas.

SENATOR O'CONNELL Were most of the projects split 80 to 20?

SENATOR B. STENEHJEM The split was about 40 to 60 normally.

REPRESENTATIVE LYLE HANSON spoke in support of SB 2267. Dakota Anglers asked me to be a sponsor. We've received several payments for roads in the Jamestown area. They have been very beneficial.

TERRY STEINER, ND GAME AND FISH DEPARTMENT testified in support of SB 2267.

This bill would reinstate the special roads fund (see testimony).

DOUG PRCHAL, ND PARKS AND RECREATION DEPARTMENT testified in support of SB 2267 (see testimony).

SENATOR THOMPSON I was sponsor of the original bill. There is a fiscal note of \$1.5 million. Do you fee we can justify this amount in extra tourism and access to these places?

DOUG PRCHAL Statistics from 1994 show that visitors spend \$40 per day. This will be a \$40 million impact per year. Garrison has done work that shows a parallel to activities and visitation to the park to taxable sales.

SENATOR COOK On road 1806 where the area is blocked off due to a slide, is there a plan in place to fix that?

DOUG PRCHAL That slide area will continue to move. The advice is for the Department of Transportation to not reopen that road..

SENATOR COOK Who owns that road, the park district or the state?

DOUG PRCHAL That is property of Morton County.

DEAN HILDEBRAND, DIRECTOR OF THE GAME AND FISH DEPARTMENT testified in support of SB 2267. I worked with this for a long period of time. We've been trying to respond around Devil's Lake with various projects. The road to the shooting range was a real safety hazard. The roads to the boat ramp need black top. This is one of the best projects that ND can get involved in. The people in small communities are dedicated to the projects. However, we do have to find some way to replace the dollars we will be taking from the transportation department.

JAMES NAGEL, ND SPORT FISHING CONGRESS testified in support of SB 2267. The ND Sport Fishing Congress is a state umbrella for fishing clubs. I want to urge for a Do Pass. It helped out 115 projects in 30+ counties throughout the state. It is important to the tourism and recreation in our state. These tourism sites are not usually along major highways but off the beaten path. This money helps to improve those sites. The counties do not have a large population base and so they don't have a large tax base to work with. The state needs to help provide them with dollars. We'll have larger economic problems in the future if we don't keep this fund.

JOSEPH DIRK testified in support of SB 2267.

JON MILL, COUNTY ENGINEER FOR BURLEIGH COUNTY testified in support of SB 2267. The tourist attractions are attracting people and there is a demand to get to these spots. There were many projects covered in the last version of the bill. This bill does allow for maintenance which is important and better than the prior one.

MERL PAAVERUD, STATE HISTORICAL SOCIETY OF ND testified in support of SB 2267 (see testimony).

MARK JOHNSON, ND ASSOCIATION OF COUNTIES testified in support of SB 2267. We ask that you keep this bill alive until we can find some money.

DUNCAN WARREN, SUPERINTENDENT OF PARKS FOR MORTON COUNTY testified in support of SB 2267. The county park systems have a limited mill levy to work with. The Walleye Tournament would not have been held if it hadn't been for the construction of roads thanks to the previous special road funds. I urge the committee to vote in favor of this bill.

CONNIE SPRYNCZYNATYK, ND LEAGUE OF CITIES testified in support of SB 2267. We see this as a real benefit to the communities.

MIKE DONAHUE, ND WILDLIFE FEDERATION testified in support of SB 2267.

LARRY KNOBLICH, UNITED SPORTSMAN OF NORTH DAKOTA testified in support of SB 2267. This is a good bill and the smaller communities would appreciate it.

PAUL CRARY, CASS COUNTY WILDLIFE CLUB testified in support of SB 2267.

DAVE BEMENT testified in support of SB 2267. As a salesman, I use the areas we are talking about. We all use them and they could use the funding.

MARSHALL MOORE, DEPARTMENT OF TRANSPORTATION testified in a neutral position. The fiscal impact is \$1.5 million and that money is in our budget at the present time. If

you take away that money we need to replace it somehow. There are many legitimate needs, but again we need to replace the money if you use it towards the special roads fund. Right now our budget is \$22 million short.

SENATOR O'CONNELL When you match money for the federal money is that dollars or a different percentage?

MARSHALL MOORE \$1.5 million would match about \$8 million federally. It's 80 to 20.

All the taxed money goes to the State Treasurer, 67% goes to the highway fund and 33% goes back to the cities and counties.

SENATOR THOMPSON Was some of this money used for the Grahams Island road?

MARSHALL MOORE No.

SENATOR B. STENEHJEM If throughout the budget process the money needed to match the federal dollars were met would you be in support of this bill.

MARSHALL MOORE Yes, as long as the dollars are there to fund it.

SENATOR B. STENEHJEM I believe we did use that money to fund Graham's Island road.

MARSHALL MOORE You're right, I think we did now.

SENATOR THOMPSON I appreciate your concern about where the money will be coming from. I'd like to ask those who testified to help us think of a way to come up with that money.

SENATOR B. STENEHJEM I think there is a dedication on the Legislature's part to fund these projects if they pass this bill.

SENATOR SCHOBINGER Is there any other testimony on SB 2267? We will close the hearing on SB 2267.

February 4, 1999 - Tape #2, Side B did not record

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Senate Transportation Committee

Bill/Resolution Number Sb 2267

Hearing Date ~~January 29, 1999~~

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Feb 21

SENATOR B. STENEHJEM proposed amendment 90243.0201.

SENATOR THOMPSON moved for a Do Pass on amendment 90243.0201,

SENATOR SCHOBINGER seconded that motion.

The amendment was unanimously adopted.

SENATOR THOMPSON motioned for a Do Pass as Amended.

SENATOR BERCIER seconded that motion.

SENATOR COOK I will vote for this bill reluctantly because I know that 60% of this money is being taken from the highway fund.

SENATOR B. STENEHJEM I appreciate your concern but up until now it has been going into the special roads fund. This is important road construction for the counties and the state. I

understand your concern in the diversion of the money but it is going towards bettering the roads.

The roll call was taken (6 Yeas, 0 Nays and 1 Absent and Not Voting).

Senator Thompson will carry SB 2267.

**FISCAL NOTE**

Return original and 10 copies)

Bill/Resolution No.: \_\_\_\_\_ Amendment to: Eng. SB 2267 - Conf. Com.

Requested by Legislative Council \_\_\_\_\_ Date of Request: 4-12-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

**Narrative:** Over the last 6 years, the income from the interest has averaged \$750,000 per year or \$1,500,000 per biennium. 40% of the income would average \$300,000 per year or \$600,000 per biennium. Currently the DOT receives these funds and uses them as match for federal funds. If the DOT did not get these funds, they would need an additional \$600,000 per biennium in state funds to match federal funds. The counties and cities would have an additional \$600,000 per biennium to help fund roads to recreational, tourist, and historical areas.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:		\$ 0		(\$600,000)		(\$600,000)
Expenditures:		\$ 0				

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: \$0.00
- b. For the 1999-2001 biennium: \$600,000
- c. For the 2001-03 biennium: \$600,000

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0.00			\$600,000		\$0.00	\$600,000		\$0.00

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name Dave Leftwich

Date Prepared: 4-12-99

Department NDDOT

Phone Number 328-4334



**FISCAL NOTE**

(Return original and 10 copies)

Bill/Resolution No.: \_\_\_\_\_ Amendment to: Eng. SB 2267 - Conf. Com.

Requested by Legislative Council \_\_\_\_\_ Date of Request: 4-6-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

**Narrative:** Over the last 6 years, the income from the interest has averaged \$750,000 per year or \$1,500,000 per biennium. 60% of the income would average \$450,000 per year or \$900,000 per biennium. Currently the DOT receives these funds and uses them as match for federal funds. If the DOT did not get these funds, they would need an additional \$900,000 per biennium in state funds to match federal funds. The counties and cities would have an additional \$900,000 per biennium to help fund roads to recreational, tourist, and historical areas.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:		\$ 0		(\$900,000)		(\$900,000)
Expenditures:		\$ 0				

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: \$0.00
- b. For the 1999-2001 biennium: \$900,000
- c. For the 2001-03 biennium: \$900,000

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0.00			\$900,000		\$0.00	\$900,000		\$0.00

If additional space is needed, attach a supplemental sheet.

Date Prepared: 4-6-99

Signed 

Typed Name Dave Leftwich

Department NDDOT

Phone Number 328-4334

**FISCAL NOTE**

(Return original and 10 copies)

Bill/Resolution No.: \_\_\_\_\_ Amendment to: Eng. SB 2267

Requested by Legislative Council \_\_\_\_\_ Date of Request: 3-29-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

**Narrative:** Over the last 6 years, the income from the interest has averaged \$750,000 per year or \$1,500,000 per biennium. 30% of the income would average \$225,000 per year or \$450,000 per biennium. Currently the DOT receives these funds and uses them as match for federal funds. If the DOT did not get these funds, they would need an additional \$450,000 per biennium in state funds to match federal funds. The counties and cities would have an additional \$450,000 per biennium to help fund roads to recreational, tourist, and historical areas.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:		\$ 0		(\$450,000)		(\$450,000)
Expenditures:		\$ 0				

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: \$0.00
- b. For the 1999-2001 biennium: \$450,000
- c. For the 2001-03 biennium: \$450,000

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0.00			\$450,000		\$0.00	\$450,000		\$0.00

If additional space is needed, attach a supplemental sheet.

Signed *Dave Leftwich*

Typed Name Dave Leftwich

Date Prepared: 3-29-99

Department NDDOT

Phone Number 328-4334

**FISCAL NOTE**

(Return original and 10 copies)

Bill/Resolution No.: \_\_\_\_\_ Amendment to: SB 2267

Requested by Legislative Council \_\_\_\_\_ Date of Request: 2-8-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

**Narrative:** Over the last 6 years, the income from the interest has averaged \$750,000 per year or \$1,500,000 per biennium. 60% of the income would average \$450,000 per year or \$900,000 per biennium. Currently the DOT receives these funds and uses them as match for federal funds. If the DOT did not get these funds, they would need an additional \$900,000 per biennium in state funds to match federal funds. The counties and cities would have an additional \$900,000 per biennium to help fund roads to recreational, tourist, and historical areas.

2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:		\$ 0		(\$900,000)		(\$900,000)
Expenditures:		\$ 0				

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1997-99 biennium: \$0.00


b. For the 1999-2001 biennium: \$900,000

c. For the 2001-03 biennium: \$900,000

4. County, City, and School District fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0.00			\$900,000		\$0.00	\$900,000		\$0.00

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name Dave Leftwich

Date Prepared: 2-9-99

Department NDDOT

Phone Number 328-4334

**FISCAL NOTE**

Return original and 10 copies)

Bill/Resolution No.: SB 2267 Amendment to: \_\_\_\_\_

Requested by Legislative Council Date of Request: 1-18-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

**Narrative:** Over the last 6 years, the income from the interest has averaged \$750,000 per year or \$1,500,000 per biennium. Currently the DOT receives these funds and uses them as match for federal funds. If the DOT did not get these funds, they would need an additional \$1,500,000 per biennium in state funds to match federal funds. The counties and cities would have an additional \$1,500,000 per biennium to help fund roads to recreational, tourist, and historical areas.

2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:		\$ 0		(\$1,500,000)		(\$1,500,000)
Expenditures:		\$ 0				

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: \$0.00
- b. For the 1999-2001 biennium: \$1,500,000
- c. For the 2001-03 biennium: \$1,500,000

4. County, City, and School District fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0.00			\$1,500,000		\$0.00	\$1,500,000		\$0.00

If additional space is needed, attach a supplemental sheet.

Date Prepared: 1-21-99

Signed *Dave Leftwich*  
 Typed Name Dave Leftwich  
 Department NDDOT  
 Phone Number 328-4334

Date: February 4, 1999  
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2267

Senate Transportation Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken No Pass as Amended

Motion Made By Sen. Thompson Seconded By Sen. Bercier

Senators	Yes	No	Senators	Yes	No
Sen. B. Stenejem-Chairman	✓				
Sen. R. Schobinger-V. Chair	✓				
Sen. Duane Mutch	✓				
Sen. Dwight Cook	✓				
Sen. David O'Connell					
Sen. Vern Thompson	✓				
Sen. Dennis Bercier	✓				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Senator Thompson

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

**REPORT OF STANDING COMMITTEE**

SB 2267: Transportation Committee (Sen. B. Stenehjem, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2267 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "any" with "sixty percent of the"

Renumber accordingly

**1999 SENATE APPROPRIATIONS**

**SB 2267**

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2267

Senate Appropriations Committee

Conference Committee

Hearing Date February 11, 1999

Tape Number	Side A	Side B	Meter #
1		X	383-2886
Committee Clerk Signature <i>Kathy C. Kottelerocke</i>			

Minutes:

**SENATOR NETHING:** Opened the hearing on SB 2267; A BILL FOR AN ACT TO CREATE AND ENACT A NEW SECTION TO CHAPTER 24-02 OF THE NORTH DAKOTA CENTURY CODE, RELATING TO THE SPECIAL ROAD COMMITTEE; TO AMEND AND REENACT SUBSECTION 3 OF SECTION 24-02-37 OF THE NORTH DAKOTA CENTURY CODE, RELATING TO THE SPECIAL ROAD FUND; TO PROVIDE AN EFFECTIVE DATE; AND TO DECLARE AN EMERGENCY.

**BOB STENEHJEM:** State Senator from District 30 to testify in support of SB2267 (tape 1, side B, meter 383-511). In the Senate, we amended the bill to only take 60% out which would reduce the fiscal from \$1.5M to \$900,000. There is many people here to explain the bill and I will not take their time.

**TERRY STEINWAND:** Chief of Fisheries for the North Dakota Game and Fish Department to testify in support of SB2267 (testimony attached (tape 1, side B, meter 515-773). This bill would reinstate the Special Roads Funds that was taken out last session.

**DOUG PRCHAL:** Director of the North Dakota Parks and Recreation Department to testify in support of SB2267 (testimony attached (tape 1, side B, meter 775-1388).

**JIM NAGEL:** Represent the North Dakota Sport Fishing Congress and the north Dakota Guide and Outfitters Committee to testify in support of SB2267 (tape 1, side B, meter 1413-1610). I'm here to represent the group who uses these facilities. I'm here to encourage a do pass on SB2267. This fund in the past has completed 115 projects in 30 different counties across the state. The use of this fund is widespread, not benefiting any particular segment of our State that benefits more or less. I always say our tourism and recreation industries are a forgotten industry. It's a growing industry. These sights that we recreate on are not on a major highway. They are generally off the beaten path, the places we hunt and fish. This responsibility to take care of these roads fall on county governments. Because of the low population out in these rural areas and low tax base, the counties don't have the money to come up with the dollars to provide a



decent facility or access. Another important portion of this bill is the maintenance and this bill also provides this.

**MERL POVIRUD:** Director of Historic Sights for the State Historical Society to testify in support of SB2267 (testimony attached (tape 1, side B, meter 1630-1840).

**MARSHALL MOORE:** Our position on this bill is in our budget, the interest off that fund was used to balance our budget because the law was taken. Our only problem with the bill is there would be a source of revenue that would replace the \$900,000. It's a good program, it's one that we administered in the department (tape 1, side B, meter 1872 - 1940).

**SENATOR TALLACKSON:** Without this bill, there are none of these projects being funded through the department?

**MARSHALL MOORE:** That is correct.

**SENATOR ANDRIST:** Are there federal matched dollars that would go into this program too?

**MARSHALL MOORE:** When this was incepted in 1989, it used the interest off our highway fund and that was applied to these projects. It is all state monies and is used on a 60-40 match. It is 60% state fund and the locals come up with the 40% match.

**SENATOR ANDRIST:** I understand that, but when you spend the money on highways, you draw additional federal highway funds or at least you help meet your allocation, and there are no federal dollars that go into the local roads.

**MARSHALL MOORE:** None of these projects would qualify under the federal program.

**SENATOR ANDRIST:** How big of a hit is this to the road dollars?

**MARSHALL MOORE:** As amended, this would be \$900,000 for the biennium. That is an estimate, with interest, it would be about \$1.5 million. So, that is 60% of that. Each month we take the interest off the fund and transfer that into a separate accounting fund.

**SENATOR NAADEN:** If you would have a 90-10, this would match quite a bit of money.

**MARSHALL MOORE:** That is right, on the normal highway system 80-20 match, on the interstate 90-10. We have to replace the dollars in our budget if we use them.

**SENATOR ANDRIST:** If we are talking about \$1.5 million of road projects, how much blacktop will that buy?

**MARSHALL MOORE:** It would buy quite a few miles because these are pretty light sections mainly for boats and boat trailers and they are not traveled, generally, by heavy trucks and some are gravel projects to improve roads.

**DEAN HILDEBRAND:** Director of Game and Fish Department to testify in support of SB2267 (tape 1, side B, meter 2368-2585).

**SENATOR NETHING:** Closed hearing on SB 2267.

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**SENATOR NETHING:** Called for the motion on SB2267.

**SENATOR BOWMAN:** Moved a Do Pass on SB2267 as Engrossed.

**SENATOR ANDRIST:** Seconded the motion.

**ROLL CALL: 12 YEAS; 1 NAY; 1 ABSENT & NOT VOTING.**

Yeas: Nething; Naaden; Solberg; Lindaas; Robinson; Krauter; St. Aubyn; Grindberg; Holmberg; Kringstad; Bowman; Andrist.

Nays: Tallackson.

Absent & Not Voting: Tomac.

**CARRIER: SENATOR THOMPSON** (back to referral committee).

Date: 2-11-99  
 Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB2267  
(ENGROSSED)

Senate APPROPRIATIONS Committee

- Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken NO PASS

Motion Made By SENATOR BOWMAN Seconded By SENATOR ANDRIST

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman	✓				
Senator Naaden, Vice Chairman	✓				
Senator Solberg	✓				
Senator Lindaas	✓				
Senator Tallackson		✓			
Senator Tomac					
Senator Robinson	✓				
Senator Krauter	✓				
Senator St. Aubyn	✓				
Senator Grindberg	✓				
Senator Holmberg	✓				
Senator Kringstad	✓				
Senator Bowman	✓				
Senator Andrist	✓				

Total (Yes) 12 No 1

Absent 1

Floor Assignment SENATOR THOMPSON

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

REPORT OF STANDING COMMITTEE (410)  
February 11, 1999 11:37 a.m.

Module No: SR-28-2568  
Carrier: Thompson  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2267, as engrossed: Appropriations Committee (Sen. Nething, Chairman)**  
recommends **DO PASS** (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING).  
Engrossed SB 2267 was placed on the Eleventh order on the calendar.

**1999 HOUSE TRANSPORTATION**

**SB 2267**

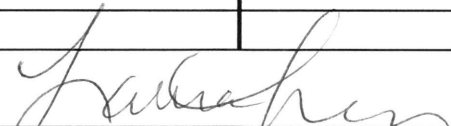
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2267

House Transportation Committee

Conference Committee

Hearing Date March 12, 1999

Tape Number	Side A	Side B	Meter #
2	x		31.5-50.0
Committee Clerk Signature 			

Minutes:

CHAIRMAN KEISER OPENED THE HEARING ON SB 2267; A BILL RELATING TO RELATING TO THE SPECIAL ROAD COMMITTEE; RELATING TO THE SPECIAL ROAD FUND; TO PROVIDE AN EFFECTIVE DATE; AND TO DECLARE AN EMERGENCY.

SENATOR BOB STENEHJEM, Dist. 30, introduced SB 2267. He said that this is a good bill that reinstates this special road fund. It will bring down to 60% interest off the highway trust fund.

REP. LYLE HANSON, Dist. 48, testified in support of SB 2267. He urged a Do Pass vote.

TERRY STEINWAND, ND Game and Fish Department, testified in support of SB 2267. (See written testimony).

DOUG PRCHAL, Director, ND Parks and Recreation Department, testified in support of SB 2267. (See written testimony).

REP. KEMPENICH asked why it was eliminated last session.

DOUG said that there was a request to identify the needs and they were unable to do it.

JAMES NAGEL, ND Guide and Outfitters Association, testified in support of SB 2267. He urged a Do Pass.

MERLE PAAVERUD, Division Director Historic Sites, testified in support of SB 2267. (See written testimony). He noted that good things have been done for roads to state fishing areas, parks, and historic sites.

CURT PEDERSON, Association of General Contractors of America, testified in support of SB 2267. He urged a do pass on the bill with the saying, "If you build it, they will come."

ANDY MORK, Morten County Research, testified in support of SB 2267. He said that it provides economic development for all areas of the state.

JON MILK, Burleigh County Highway Department, testified in support of SB 2267. he urged a do pass vote. He noted that federal money has a lot of strings attached.

MARSHALL MOORE, Director, Department of Transportation, testified in opposition to SB 2267. He noted that he wasn't entirely opposed to the bill, rather the \$900,000 that would be spent on it. He thought it was a good program.

CHAIRMAN KEISER asked if there was any discussion to using money for maintenance or just to build.

MOORE said that he recalled a statute saying that the money could only be used for maintenance, not building. Maintenance would have to be more clearly defined.

Page 3  
House Transportation Committee  
Bill/Resolution Number sB 2267  
Hearing Date March 12, 1999

REP. KEMPENICH asked what the request is.

MOORE said the request has always been for more.

CHAIRMAN KEISER CLOSED THE HEARING ON SB 2267.

COMMITTEE ACTION

REP. JENSEN moved a DO PASS AND REFER TO APPROPRIATIONS. REP. SVEEN  
seconded the motion. The motion carried.

ROLL CALL - 7 YEA, 5 NAE, 3 ABSENT AND NOT VOTING

FLOOR ASSIGNMENT - REP. SVEEN



Date: 3/12  
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2267

House Transportation Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS - REFER TO APPROP

Motion Made By Rep Jensen Seconded By Rep Sveen

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair		✓	Representative Thorpe		✓
Representative Mickelson, V. Ch.		✓			
Representative Belter	✓				
Representative Jensen	✓				
Representative Kelsch	✓				
Representative Kempenich					
Representative Price		✓			
Representative Sveen	✓				
Representative Weisz					
Representative Grumbo		✓			
Representative Lemieux	✓				
Representative Mahoney	✓				
Representative Meyer	✓				
Representative Schmidt					

Total (Yes) 7 No 5

Absent 3

Floor Assignment ~~Rep Jensen~~ Rep Sveen

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

REPORT OF STANDING COMMITTEE (410)  
March 12, 1999 1:25 p.m.

Module No: HR-45-4679  
Carrier: Sveen  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

SB 2267, as engrossed: Transportation Committee (Rep. Keiser, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 5 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2267 was rereferred to the **Appropriations Committee**.

**1999 HOUSE APPROPRIATIONS**

**SB 2267**

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2267

House Appropriations Committee  
Government Operations Division

Conference Committee

Hearing Date March 22, 1999

Tape Number	Side A	Side B	Meter #
1	x		20-END
Committee Clerk Signature <i>Roxanne Kow</i>			

Minutes:

Chairman Byerly opened the hearing on Senate Bill 2267.

**1A: 21.0 Senator Bob Stenehjem** testified in favor of the bill. Commented on importance of reinstating the special road fund at the 60% level. Money will come off the interest of the highway trust fund, 60% of the interest. Thinks the real value of the bill will help smaller communities benefit for local road maintenance.

**1A: 24.4 Rep. Carlisle** asked if AGC was okay with bill. Replied yes.

**1A: 27.0 Rep. Poolman** asked what the match is. Replied it is a 60/40 match.

**1A: 29.5 Rep. Hanson** testified in favor of the bill.

**1A: 30.3 Rep. Byerly** asked about his particular area and if most of the roads are recreational. Replied one area was on the Jamestown Reservoir and the other was Spearwood Lake.

**1A: 31.3 Roger Rosturt, ND Game & Fish** testified in favor of bill (see attached written testimony).

**1A: 34.4 Rep. Byerly** asked if Game and Fish still gets a portion of the gas tax. Commented on anglers receiving money through bill. Replied they receive \$100,000 biennium.

**1A: 37.0 James Nagel, ND Outfitters** testified in favor of bill for users of facilities for fishermen.

Page 2

Government Operations Division

Bill/Resolution Number 2267

Hearing Date March 22, 1999

**1A: 40.4 Mike Donahue, ND Wildlife Federation** testified in favor of bill.

**1A: 41.9 Larry Knoblich, United Sportsmen of ND** testified in favor of bill.

**1A: 45.5 Marshall Moore, Director NDDOT** testified against bill. Commented on concern of revenue to cover special highway fund.

**1A: 46.4 Rep. Byerly** asked if there currently a special roads fund and if there is a balance. Replied there is with a small balance that will be used up. Rep. Byerly asked if this could be a loss for the special asphalt fund. Replied yes. Rep. Byerly asked if we can use any funds from rest stop or bike path type of money. Replied no due to constitution wording of highway fund. Rep. Byerly asked about gas tax money. Replied \$2.50 for every boat registered. Rep. Byerly asked how much additional state money we would have to put in to cover special road fund. Would it be the \$900,000 (SB 2406). Replied would need a third more than that because of the way the bill is written.

## General Discussion

- Committee on Committees
- Rules Committee
- Confirmation Hearings
- Delayed Bills Committee
- House Appropriations
- Senate Appropriations
- Other

Date March 23, 1999			
Tape Number	Side A	B Side	Meter #
1	x		4.2-17.7
Committee Clerk Signature	<i>Roxanne Hone</i>		

Minutes:

Chairman Byerly opened the discussion on Senate Bill 2267.

**1A: 4.7 Rep. Byerly** asked about Senate amendments adjustment to fiscal note. Legislative Council referred to page 1 lines 9-10: language changes.

**1A: 5.5 Rep. Carlisle** commented he is a member of United Sportsmen and Fishing Clubs. He hasn't received very much opposition in regards to constituent phone calls. Will support the bill.

**1A: 6.2 Rep. Tollefson** commented on concerns of Marshall Moore's remarks during the hearing in regards to concerns of budget. Not necessarily opposed to bill but have to be careful not to under fund DOT.

**1A: 8.1 Rep. Byerly** asked committee how they felt about just reducing the amount of money. Rep. Poolman replied that by reducing the amount of the money, the program would perhaps be rendered helpless. Further comments on gas tax regarding bill. Rep. Carlisle commented on Senate Bill 2406: \$900,000. Rep. Byerly commented the bill should stand on its own merit. Could possible reduce the amount of money and bring the bill to a conference committee. Then could adjust in light of the DOT budget and what happens with the Highway Patrol and Gas Tax.

**1A: 11.8 Rep. Tollefson** commented there is a need for fund but how it can best be handled is the problem. The idea of bringing it to a conference committee is a good start.

**1A: 12.5 Rep. Huether** commented he is in favor of the bill but with little as amount of money as possible for now.

**1A: 13.4 Rep. Poolman** moved to amend the amount by 15%. Rep. Tollefson 2nd the motion. On a Voice Vote the motion carried.

**1A: 14.0 Rep. Byerly** commented on concern of having ED&F Director on committee regarding Special Road Fund. Rep. Poolman commented he is comfortable with committee set up. Rep. Byerly further commented his concern of having legislators on committee....pure politics.

**1A: 15.0 Rep. Carlisle** moved to amend to take out the House/Senate appropriations committee member and the ED&F director and leave Game & Fish, Parks & Recreation, and DOT. That would help to remove the politics. Rep. Tollefson 2nd the motion.

**1A: 16.0 Rep. Huether** asked if it has been political. Rep. Byerly replied he cannot say that it has been. But doesn't like the idea of injecting ourselves into this. It should be based on purely merits of the project. On a Voice Vote the motion carries. Rep. Poolman moved for a DO PASS AS AMENDED. Rep. Carlisle 2nd the motion. On a Roll Call Vote the motion carried.

6 Yes

0 No

0 Absent

Rep. Carlisle will carry the bill to the full committee.

## General Discussion

- Committee on Committees
- Rules Committee
- Confirmation Hearings
- Delayed Bills Committee
- House Appropriations
- Senate Appropriations
- Other

Date March 24, 1999			
Tape Number	Side A	B Side	Meter #
1		x	0-18.6
Committee Clerk Signature	<i>Roxanne Kone</i>		

Minutes:

Chairman Dalrymple opened the discussion on Senate Bill ~~2067~~ <sup>2267</sup>

**1A: Rep. Carlisle** presented amendments 90243.0301 to the committee: brief explanation of reduction of funds from \$900,000 to \$225,000.

**1A: 4.8 Rep. Delzer** commented he felt the Special Roads Fund Program is a good deal and will not support the amendment. Does this money come directly off the Highway Trust Fund? Rep. Byerly replied that every dollar that goes into this is less money in the Highway Trust Fund. We passed this bill out with no real consensus. The Special Roads Fund was terminated last biennium. There was no consensus on which direction we wanted it to go. The reason we did end up amending it down was that if it does pass then we go to conference committee and decide on the amount of money. Intention was to bring it to full committee for a recommendation.

**1A: 6.8** Discussion regarding federal match and interest earned on the Highway Trust Fund, see tape.



**1A: 9.0 Rep. Timm** asked what the position was by the DOT. Rep. Byerly replied Marshall Moore signed in Against the bill and commented on concerns of budget based on Special Roads Funds not existing.

**1A: 12.6 Rep. Delzer** moved to modify amendment 0301, page 1, line 10 to insert the word thirty in place of fifteen. Rep. Gulleon 2nd the motion. On a Roll Call Vote the motion carried. 13 voting YES, 7 Voting NO.  
On a Voice Vote, 0301 was adopted.

**1A: 15.3 Rep. Carlisle** moved for a DO PASS AS AMENDED. Rep. Delzer 2nd the motion.

**1A: 15.6 Rep. Kerzman and Rep. Byerly** comments on resisting motion.

On a Roll Call Vote the motion carried. 13 voting YES and 7 voting NO.  
Carrier: Carlisle

Date: 3.23.99  
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2267

House APPROPRIATIONS - Government Operations Committee

Subcommittee on Gov't operations  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS AS AMENDED

Motion Made By POOLMAN Seconded By CARLISLE

Representatives	Yes	No	Representatives	Yes	No
Rex R. Byerly	✓				
Ron Carlisle	✓				
Ben Tollefson	✓				
Robert Huether	✓				
Pam Guleson	✓				
Jim Poolman	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Rep. Carlisle

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

Date: 3-24-99  
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2267

House Appropriations Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Substitute motion

Motion Made By Delzer Seconded By \_\_\_\_\_

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	✓		Nichols		✓
Vice-Chairman Byerly		✓	Poolman	✓	
Aarsvold		✓	Svedjan	✓	
Bernstein	✓		Timm	✓	
Boehm		✓	Tollefson	✓	
Carlson		✓	Wentz	✓	
Carlisle	✓				
Delzer	✓				
Gulleson	✓				
Hoffner	✓				
Huether		✓			
Kerzman		✓			
Lloyd	✓				
Monson	✓				

Total (Yes) 13 No 7

Absent 0

Floor Assignment \_\_\_\_\_

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

Substitute fifteen w/ thirty  
page 1, line 10

Date: 3-24-98  
 Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2267

House Appropriations Committee

Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number ~~0301~~

Action Taken DO PASS AS AMENDED

Motion Made By Carlisle Seconded By DELZER

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	✓		Nichols		✓
Vice-Chairman Byerly		✓	Poolman	✓	
Aarsvold		✓	Svedjan	✓	
Bernstein	✓		Timm	✓	
Boehm		✓	Tollefson	✓	
Carlson		✓	Wentz	✓	
Carlisle	✓				
Delzer	✓				
Gulleson	✓				
Hoffner	✓				
Huether		✓			
Kerzman		✓			
Lloyd	✓				
Monson	✓				

Total (Yes) 13 No 7

Absent \_\_\_\_\_

Floor Assignment Rep. Carlisle

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

**REPORT OF STANDING COMMITTEE**

**SB 2267, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 7 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2267 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "sixty" with "thirty"

Page 2, line 1, remove "one member of the"

Page 2, remove lines 2 through 4

Page 2, line 5, remove "council."

Page 2, line 6, remove "the director of the department of economic development and finance."

Page 2, line 10, remove the second "The"

Page 2, remove lines 11 through 16

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

HOUSE - This amendment reduces the percentage of the highway fund interest income that is deposited in the special road fund from 60 percent to 30 percent. In addition, the four legislators and the director of the Department of Economic Development and Finance are removed from the Special Road Committee. The committee will consist of the Department of Transportation director, the Game and Fish Department director, and the Parks and Recreation Department director.

**1999 SENATE TRANSPORTATION  
CONFERENCE COMMITTEE  
SB2267**

1999 CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2267

Senate Transportation Committee

Conference Committee

Hearing Date April 2, 1999

Tape Number	Side A	Side B	Meter #
Tape 1	x		
Committee Clerk Signature <i>Ann D. Schaeffer</i>			

Minutes:

SENATOR SCHOBINGER called the conference committee to order on SB 2267. Members present included: Sens. Schobinger, Bob Stenehjem, and Thompson and Reps. Kempenich, Weisz, and Meyer.

SENATOR B. STENEHJEM I realize there is a difference between the House and Senate; I would like them to explain.

REPRESENTATIVE KEMPENICH They started getting the feeling that legislators are involved in a lot of issues outside the legislative process. I have no problem putting the legislators back. DOT needed to identify a source for the funding and that is why it changed from 60% to 30%. They have already committed this money in their budget and that is where the concern is.

SENATOR B. STENEHJEM I realize what they are saying but we did pass another bill that had to do with DUI and the reinstatement of driver's license and there was an increase in the

reinstatement fees and that generated over \$900,000 of income that was not in the governor's budget. The proposals we looked at on financing highway construction dollars generated a little more than what it would take the matching anyway. This isn't going to cost the state to lose federal dollars.

SENATOR THOMPSON Regarding the legislators, many feel this was worthwhile to have them involved. This is a poor place to take out the legislators. The funding did go down significantly and I'm concerned about what 30% will do (he gave an example). I am sensitive to the transportation funding and I think this is an example where we can partnership the monies. There was committee discussion.

SENATOR B. STENEHJEM It came in at 100% which is \$1.5 million. We amended it to 60% and that brought it down to \$900,000. This is not just for fishing holes but for many families who we need those roads to get to their property. Any county can do this but this will not build a road into something private. I'm committed by whatever means to get the money there in the budget in the end. The match is 40% of a local commitment. (There was more of an explanation on the bill.)

REPRESENTATIVE KEMPENICH As long as we can identify the sources then the percentage won't matter.

SENATOR B. STENEHJEM The money will be put there. There are many bills in this session that will put extra money into their budget.

REPRESENTATIVE MEYER That is the match 40%.

SENATOR B. STENEHJEM We've been careful with that 40% match that if they can get 60% of the federal dollars. We want to make sure that the local commitment is 40%.



There was committee discussion.

REPRESENTATIVE WEISZ It boils down to whether we want to direct where the money goes.

This interest can still be used for matching federal dollars.

SENATOR THOMPSON There's been more needs than money and it is within the committee's power to give it. There are many that don't have the dollars out there but they are in need.

SENATOR B. STENEHJEM Yes, Representative Weisz is correct. The interest on the Highway Trust Fund stays in the Highway Trust Fund, those dollars can be used to match federal dollars. We were also talking about bringing in \$900,000 from suspended licenses; that can be used to match federal dollars too.

REPRESENTATIVE WEISZ The reality is that the money is still going to be, in effect, in the overall budget to match the additional federal dollars.

SENATOR THOMPSON I don't know where you are at on the Lewis and Clark thing but the more money you put in the special road fund, the more money that can help enhance the tourism things that are coming up. The more money that we can put into this will come back many times over. It is a tool for economic development because you need to have good roads for people to get to the tourism attractions.

SENATOR B. STENEHJEM The special road fund bill was set up at 100% of the interest on the Highway Trust Fund in 1989. The reason it came to the forefront was because late last session in a conference committee on an appropriation bill it was taken out. When the governor made the budget and DOT made their budget, these dollars were included. We're trying to get back to less than what we had before.

REPRESENTATIVE KEMPENICH It was eliminated because there was a request to identify the needs and there were no new requests.

SENATOR B. STENEHJEM That may be true. It could have been better promoted especially out to the rural areas. If those communities are aware that it is here they will use it (he gave an example of a project in Fargo and the Red River).

REPRESENTATIVE KEMPENICH Is maintenance included?

SENATOR B. STENEHJEM Yes, maintenance is included but we are building very few new roads.

REPRESENTATIVE WEISZ It appears there is concern that the funds will not all be used. If we did fund it at 60% and added an amendment that the funds would go back into the general fund if they were not used, would that appease you.

SENATOR B. STENEHJEM I would want to resist that because I want this money to be there and be able to be used. I don't want someone to be sitting on the dollars because they are the ones driving the program. We can certainly look at that through the legislative process but we should try to promote it and give them the incentive not to do it.

REPRESENTATIVE KEMPENICH I motion that the House recesses from their amendments and further amend to put the legislators back and move the 30% to 50%. There is a need for it.

REPRESENTATIVE WEISZ I second.

REPRESENTATIVE KEMPENICH It would be nice to have a flexible use where they can address the priorities through a committee.

REPRESENTATIVE MEYER It would be simpler as long as Senator Stenehjem says he can find the money than this 10% doesn't make much of a difference.

SENATOR B. STENEHJEM We went down to 60% and I'm concerned if there isn't enough money in there. If there is some left in there for the next session then we can take that money out of there.

REPRESENTATIVE KEMPENICH I'm concerned that the extra money that may be spent may bring criticism to the program.

REPRESENTATIVE MEYER The local match is the protection from a willy nilly project.

REPRESENTATIVE WEISZ What was the rationale for adding the legislators on there?

SENATOR B. STENEHJEM We don't need this bill if we don't have some legislative involvement. The three people that are left in the bill: the Director of Transportation, Parks and Rec. and the Game and Fish Department can do that today already. If this fund hadn't been here when the water went up in Devil's Lake, they would have been in dire straits. Without the money that was used from this fund, they would've been in trouble.

SENATOR THOMPSON (He explained the situation in Devil's Lake). This fund originally went into effect in 1989 and it was felt that legislators should be involved. Some of those committee members felt that it was a good asset to have them on the committee. Regarding the criticism, the lists of projects won't be current because this fund hasn't been in law for a couple of years.

SENATOR B. STENEHJEM On this bill, I went up to Legislative Council and asked them to undo what was done last session. I didn't add anything else.

REPRESENTATIVE WEISZ The original bill was old law but you amended it done to 60%. There was committee discussion.

SENATOR B. STENEHJEM I respectfully ask the committee to reject the motion.

Page 6  
Conference Committee  
Bill/Resolution Number CC SB 2267  
Hearing Date SB 2267

REPRESENTATIVE KEMPENICH I withdraw my motion.

REPRESENTATIVE WEISZ I withdraw my motion.

SENATOR B. STENEHJEM I move that the House recedes from their amendments.

REPRESENTATIVE MEYER I second.

REPRESENTATIVE KEMPENICH As long as there is some funding identified.

SENATOR B. STENEHJEM This isn't a slam dunk thing, it will go to the governor's office and if there is a struggle it will be vetoed.

The roll call vote was taken (6 Yeas, 0 Nays and 0 Absent and Not Voting).

March 8, 1999 - SB 2267 was called back into a conference committee.

SENATOR B. STENEHJEM proposed amendments 90243.0304. This should take care of the concerns.

SENATOR B. STENEHJEM I move the House recede from its amendments and amend SB 2267 with 90243.0304.

REPRESENTATIVE WEISZ I second.

The roll call vote was taken. (5 Yeas, 0 Nays and 1 Absent and Not Voting).

(Bill Number) SB 2267 (, as (re)engrossed):

Your Conference Committee

For the Senate:

Senator Schobinger Yes
Senator B. Stenehjem Yes
Senator Thompson Yes

For the House:

Representative Kemperich Yes
Representative Weisz Yes
Representative Meyer Yes

[X] recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
the (Senate/House) amendments on (S/J/HJ) page(s) 909 -

[X] and place SB 2267 on the Seventh order.

[ ] , adopt (further) amendments as follows, and place
on the Seventh order:

[ ] having been unable to agree, recommends that the committee be discharged
and a new committee be appointed.

((Re)Engrossed) SB 2267 was placed on the Seventh order of business on the
calendar.

DATE: 04/02/99
CARRIER: Senator Thompson
LC NO. . of amendment
LC NO. . of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

**REPORT OF CONFERENCE COMMITTEE**

**SB 2267, as engrossed:** Your conference committee (Sens. Schobinger, B. Stenehjem, Thompson and Reps. Kempenich, Weisz, Meyer) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 909 and place SB 2267 on the Seventh order.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2267

That the House recede from its amendments as printed on page 909 of the Senate Journal and pages 1009 and 1010 of the House Journal and that Engrossed Senate Bill No. 2267 be amended as follows:

Page 1, line 10, replace "sixty" with "forty"

Page 2, line 2, remove "transportation committee and one member of the senate appropriations committee"

Page 2, line 3, remove "transportation committee and one member of the"

Page 2, line 4, remove "house of representatives appropriations committee"

Page 2, line 6, remove "the director of the department of economic development and finance,"

Re-number accordingly

(Bill Number) 2267 (, as (re)engrossed):

Your Conference Committee

For the Senate:

For the House:

Sen. Schobinger yes  
Sen. B. Stenehjem yes  
Sen. Thompson yes

Rep. Kempenich yes  
Rep. Weiss yes  
A Rep. Meyer absent

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)  
723/724      725/726      S724/H726      S723/H725  
the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ - \_\_\_\_\_

and place \_\_\_\_\_ on the Seventh order.  
727

, adopt (further) amendments as follows, and place  
\_\_\_\_\_ on the Seventh order:

having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed. 690/515

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the  
calendar.

=====  
DATE: 04 / 08 / 99

CARRIER: \_\_\_\_\_

LC NO. \_\_\_\_\_ . \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ . \_\_\_\_\_ of engrossment

Emergency clause added or deleted \_\_\_\_\_

Statement of purpose of amendment \_\_\_\_\_  
=====

(1) LC (2) LC (3) DESK (4) COMM.



**REPORT OF CONFERENCE COMMITTEE**

**SB 2267, as engrossed:** Your conference committee (Sens. Schobinger, B. Stenehjem, Thompson and Reps. Kempenich, Weisz, Meyer) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 909, adopt amendments as follows, and place SB 2267 on the Seventh order:

That the House recede from its amendments as printed on page 909 of the Senate Journal and pages 1009 and 1010 of the House Journal and that Engrossed Senate Bill No. 2267 be amended as follows:

Page 1, line 10, replace "sixty" with "forty"

Page 2, line 2, remove "transportation committee and one member of the senate appropriations committee"

Page 2, line 3, remove "transportation committee and one member of the"

Page 2, line 4, remove "house of representatives appropriations committee"

Page 2, line 6, remove "the director of the department of economic development and finance."

Re-number accordingly

Engrossed SB 2267 was placed on the Seventh order of business on the calendar.

1999 TESTIMONY

SB 2267

# SPECIAL ROAD FUND (SRF)

## APPROVED PROJECTS

1995 - 1998

<u>PROJECT NAME</u>	<u>COUNTY/LOCATION</u>	<u>ACTIVITY</u>	<u>YEAR</u>	<u>TOT_COST</u>	<u>SRF_COST</u>	<u>LOC_COST</u>
MISSOURI RIVER	LITTLE HEART BT	ASPHALT ROAD CONSTR.	95	130,000	78,000	52,000
DEVILS LAKE	CREEL BAY	ASPHALT ROAD CONSTR.	95	33,000	19,800	13,200
SILVER LAKE	SARGENT	ROAD UPGRADE, GRAVE	95	20,000	12,000	8,000
JAMESTOWN RES.	STUTSMAN	ASPHALT ROAD CONSTR.	95	44,000	26,400	17,600
BLACKTAIL DAM	WILLIAMS	ASPHALT ROAD CONSTR.	95	90,000	54,000	36,000
<b>Sub-Total</b>				<b>317,000</b>	<b>190,200</b>	<b>126,800</b>
OAHE, LAKE	KIMBALL BOTTOMS	ROAD UPGRADE, GRAVE	96	19,700	11,862	7,900
MISSOURI RIVER	M. BURNT CREEK	ASPHALT ROAD CONSTR.	96	271,728	40,000	231,728
MOUNT CARMEL D.	CAVALIER	ROAD UPGRADE, GRAVE	96	166,644	99,986	66,658
SAKAKAWEA, LAKE	SKUNK BAY	ROAD UPGRADE, GRAVE	96	250,000	150,000	100,000
RED WILLOW LAKE	GRIGGS	ASPHALT ROAD CONSTR.	96	176,000	105,600	70,400
GREEN LAKE	MCINTOSH	ROAD UPGRADE, GRAVE	96	37,200	22,320	14,880
SAKAKAWEA, LAKE	DAKOTA WATERS	ASPHALT ROAD CONSTR.	96	65,000	39,000	26,000
STUMP L.K.(E&W)	NELSON	ASPHALT ROAD CONSTR.	96	150,000	90,000	60,000
SOURIS RIVER	MOUSE RIVER PK.	ASPHALT ROAD CONSTR.	96	36,166	21,700	14,466
SPIRITWOOD LAKE	STUTSMAN	ASPHALT ROAD CONSTR.	96	21,500	12,900	8,600
SYKESTON-HIAWAT	WELLS	ROAD UPGRADE, GRAVE	96	30,000	18,000	12,000
UPPER MISSOURI	YELLOWSTONE CNF	ASPHALT ROAD CONSTR.	96	91,620	54,972	36,648
<b>Sub-Total</b>				<b>1,315,558</b>	<b>666,340</b>	<b>649,288</b>
RED RIVER	RIVERSIDE PK. F	ASPHALT ROAD CONSTR.	97	87,000	52,200	34,800
BELFIELD POND	CAVALIER	ROAD UPGRADE, GRAVE	97	1,000	600	400
SAKAKAWEA, LAKE	LITTLE MISS.ARM	ASPHALT ROAD CONSTR.	97	22,160	132,960	88,640
INDIAN CREEK D.	HETTINGER	ROAD UPGRADE, GRAVE	97	72,000	43,200	28,800
LAMOURE, LAKE	LAMOURE	ASPHALT ROAD CONSTR.	97	59,900	35,940	23,960
HOSKINS, LAKE	MCINTOSH	ROAD UPGRADE, GRAVE	97	13,834	8,300	5,534
SAKAKAWEA, LAKE	HAZEN BAY	ROAD UPGRADE, GRAVE	97	3,200	1,920	1,280
SAKAKAWEA, LAKE	NEWTOWN MARINA	ASPHALT ROAD CONSTR.	97	109,700	65,820	43,880
SAKAKAWEA, LAKE	VAN HOOK ARM	ASPHALT ROAD CONSTR.	97	109,600	65,760	43,840
DEVILS LAKE	CREEL BAY	ASPHALT ROAD CONSTR.	97	211,040	126,624	84,416
RED RIVER	KIDDER REC.AREA	ROAD UPGRADE, GRAVE	97	63,550	38,130	25,420
BELFIELD POND	STARK	ASPHALT ROAD CONSTR.	97	211,950	127,170	84,780
<b>Sub-Total</b>				<b>964,934</b>	<b>698,624</b>	<b>465,750</b>
MISSOURI RIVER	MCLEAN BOTTOMS	ASPHALT ROAD CONSTR.	98	255,000	153,000	102,000
OAHE, LAKE	CATTAIL BAY	ROAD UPGRADE, GRAVE	98	163,000	97,944	65,296
HEART BUTTE RES	GRANT	ROAD UPGRADE, GRAVE	98	18,500	11,100	7,400
INDIAN CREEK D.	HETTINGER	ROAD UPGRADE, GRAVE	98	87,000	52,200	34,800
GREEN LAKE	MCINTOSH	ASPHALT ROAD CONSTR.	98	38,905	23,350	15,555
	SUNDHEIM PARK	ASPHALT ROAD CONSTR.	98	48,000	28,800	19,200
MISSOURI RIVER	STANTON AREA	ASPHALT ROAD CONSTR.	98	90,000	54,000	36,000
SAKAKAWEA, LAKE	HAZEN BAY	ROAD UPGRADE, GRAVE	98	12,000	7,200	4,800
NELSON LAKE	OLIVER	ROAD UPGRADE, GRAVE	98	207,450	45,000	162,450
MCCLUSKY,S.-HOF	SHERIDAN	ASPHALT ROAD CONSTR.	98	181,525	108,915	72,610
DICKINSON RES.	STARK	ASPHALT ROAD CONSTR.	98	170,000	102,000	69,000
JAMESTOWN RES.	STUTSMAN	ASPHALT ROAD CONSTR.	98	88,275	52,965	35,310
SPIRITWOOD LAKE	STUTSMAN	ASPHALT ROAD CONSTR.	98	120,610	72,366	48,244
UPPER MISSOURI	L & C BRIDGE	ROAD UPGRADE, GRAVE	98	16,800	10,080	6,720
<b>Sub-Total</b>				<b>1,497,065</b>	<b>818,920</b>	<b>679,385</b>
<b>Grand Total</b>				<b>4,094,557</b>	<b>2,374,084</b>	<b>1,921,223</b>

January 29, 1999

**NORTH DAKOTA GAME AND FISH DEPARTMENT  
SUPPORTS SB 2267**

**TESTIMONY FOR SB 2267**

This bill would reinstate the Special Road Fund, which was originally enacted in the 1989 Legislature but repealed toward the conclusion of the last legislative session. The funds, in the past and as proposed in this bill, are used for the construction of access roads to and within recreational, tourist, and historical areas, which have no other, or at best limited, sources of funding. This program was very popular with the public and the demand for improved access continues to grow.

Since the initial project in 1991, the Special Road Fund has provided cost share assistance on access for approximately 100 projects in 32 counties and 17 cities that likely would not have occurred without the special roads funding. Over \$8 million dollars from the fund has been used to construct and improve access into these types of areas. The Game and Fish Department has actively cooperated and provided funding as part of the local cost share on many of the projects that access fishing and hunting areas. Other state and local governmental entities also provided cost share on many of the projects. The vast majority of these projects would not have been completed without the availability of special roads funds. Although these projects are minor compared to other roads projects, they are simply too expensive for local governmental entities to fund without adversely impacting other valuable projects across the state. It has been a 'win-win' situation and likely would be again with the passage of this bill.

The projects are considered small by many standards but provide smaller, local contractors with an opportunity for employment. This, in turn, provides a boost to local economies through both the actual construction work and subsequently better access to recreational, historical and tourist areas.

Outdoor based recreation is an important part of today's society and family life. Activities associated with the outdoors continue to contribute a significant portion of North Dakota's tourism and recreation industry. Tourism has been identified by the Governor in his State of the State address as being a higher priority for North Dakota. Without adequate access or the ability to quickly and accurately find the appropriate areas, this vision will suffer. The valuable resources that our state has to offer are not realized or utilized without proper development and adequate access.

In summary, the passage of SB 2267 would provide a source of funds for improvement of access to recreational, historical or tourist areas that would likely not otherwise occur.

Mr Chairman and members of the Committee, I'm hopeful you will agree that reinstatement of this legislation represents a benefit for the state and its communities through adequate access to many areas that would otherwise be unable to be provided.

I request your favorable consideration of SB 2267.

**SB 2267**  
**Senate Appropriations Committee**  
**January 15, 1999 Hearing**

*Testimony of Merl Paaverud, Division Director Historic Sites  
the State Historical Society of North Dakota*

**Introduction**

Good morning Mr. Chairman- and members of the Senate Transportation Committee- my name is Merl Paaverud, Division Director of Historic Sites for the State Historical Society of North Dakota.

I stand before this committee to testify in favor of Senate Bill 2267. This special Road Fund had been a very important part of maintenance and development of roadways to the state's natural and historical resource areas. The state's political subdivisions and state agencies took advantage of these funds to improve access to our state's fishing areas, parks, historic sites and other places of interest.

These funds were beneficial for our state residents and visitors to the state because better roadways provided travel in a safe and comfortable manner. The amendment and re-enactment of Senate Bill 2267 would enable the state to double our ability to improve access to the beautiful sites and byways of North Dakota.

The historic sites of North Dakota have seen a considerable increase in the number of visitors. The upcoming Bicentennial Celebration of the Lewis and Clark Expedition will provide a major opportunity for increased tourism in North Dakota. Expectations related to this journey will not be concentrated in the Lewis and Clark sites, but also to places along the way from every entry point in our state. This will be an excellent opportunity for North Dakota to share its rich and exceptional resources with the world.

During "Community Conversations" held in nine major communities throughout North Dakota by the State Historical Society, a constant comment and concern by the residents was the need to improve access to our state historic sites. It is vital that our residents and visitors have secure roadways.

In conclusion, thank you Mr. Chairman- and committee members- for allowing me to testify on behalf of Bill 2267. Our roadways provide the means to experience beautiful North Dakota. We just have to allow people to get there.

I would appreciate your consideration and support for this bill.

# Associated General Contractors of North Dakota



Curt Peterson  
Executive Vice President

422 North 2nd Street, Box 1624, Bismarck, North Dakota 58502 • Phone: 701-223-2770 • FAX: 701-223-6719

January 26, 1999

Senator Bob Stenehjem, Chairman  
Senate Transportation Committee  
State Capitol Building  
600 East Boulevard  
Bismarck, North Dakota 58505

Dear Senator Stenehjem:

We have reviewed Senate Bill 2267 which would re-create the Special Road Fund.

While we acknowledge that this program has been very beneficial to many projects and has in the past enhanced several recreational areas, we have a concern that this legislation may have a detrimental impact upon the State's Highway Fund.

I would like to suggest that some consideration be given to splitting the available funds created by this Bill between the Special Road Fund and the Department of Transportation.

As you know, DOT will need to increase its revenue to match Federal highway dollars now available under the new Federal Highway Program.

Unfortunately, I will be out of the State at the time of this hearing, but I want to thank you for your consideration of this proposal and I look forward to visiting with next week.

Sincerely,

CURT PETERSON  
Executive Vice President

CP:rs

**BUILD WITH THE BEST**



**SB 2267**  
**SENATE TRANSPORTATION COMMITTEE**  
**LEWIS AND CLARK ROOM**  
**FRIDAY, JANUARY 29, 1999 - 9:00 AM**

Mr. Chairman and members of the Senate Transportation Committee, I am Doug Prchal, Director of the North Dakota Parks and Recreation Department. I appear before you to testify in support of the intent of SB 2267. This bill will establish a recreation road fund for use in providing access to recreation, tourism and historic sites. This bill supports roads off the state and federal highway system.

The premise of this legislation was put into law during the 1989 session and existed until the 1997 session when an amendment to the Department of Transportation appropriation rescinded the law. I am unsure whether the feeling was the recreation, historic or tourism roads in North Dakota had been completed as identified in 1989 or whether the feeling was for a higher need for DOT purposes on state highways. It is a common understanding that state highways are a high priority, those transportation routes carry tourists to the secondary roads leading to recreation sites, the primary purpose of this bill.

During the 1980s, the department was concerned about access problems to recreation areas, historic sites, fishing access and state parks, and we are as concerned today. In many situations, city and county park boards along with our park system find conflict with other jurisdictions that have responsibility for roads. Conflict occurs primarily because of the need to stretch limited dollars for adequate access to a host of competing interests. Recreation or historic sites are sometimes lower priority. Although there is better understanding today than a decade ago given the recognized economics of tourism, a demonstrated need exists to provide upgraded access and maintain those roads to and within recreation sites. Recreational, historic and tourism proponents feel the increased business generated and gasoline consumed as a result of regional recreation developments or sites compensates the local jurisdiction with funds to support maintenance and development. However, townships, or county commissions sometimes do not feel it is their sole responsibility to pay the full cost, and those costs are increasing, of maintaining or upgrading access roads from their tax base. The intent of SB 2267 provides the opportunity for cost share to these entities alleviating pressure on limited funding. We experience similar difficulties in our agency. When the former law was in place the funds provided 60% of the costs reducing the general fund requirements for state park road repairs. Under the present setting, all park road repairs would require 100% general fund assistance. This bill will allow cost share funding towards supporting quality access encouraging growth in the tourism sector of the economy of North Dakota.

Tourism is a changing industry placing increased demands on the transportation system of the state. A major component of North Dakota's tourism industry is participation in outdoor recreation pursuits. The number one recreation pursuit, from outdoor recreation surveys, is driving for pleasure. Visiting historic sites, parks and fishing or boating are always within the top five categories of use. Outdoor recreation plays a significant role in the regional economies and collectively the state economy. Improved quality of life is the primary benefit to our citizens. However, participation in these activities is directly connected to and dependent on the availability of adequate transportation services to the variety of sites.



I would be remiss if I did not allocate some time to our park system roads. The vast majority of our roads are in good to excellent condition. That is due primarily to the availability of cost share dollars from the previous recreation roads fund. We do not feel all roads to recreation areas and within parks need to be hard surfaced, ours are not. Our primary concern is maintaining the roads we have, if you don't the costs are very high. As new developments occur, we need to ensure quality transportation access. The intent of SB 2267 addresses these issues by permitting joint application from state, county, and local jurisdictions allowing solutions to limited funding to address increasing use and demand for good access.

The North Dakota Parks and Recreation Department strongly supports the concept of SB 2267. We think it is a step forward to resolve potential conflicts and to augment funding limitations locally. The benefits of this bill will support state efforts to diversify its economy through tourism, historic site and recreational development and visitation.

I recommend a do pass for SB 2267. I would be pleased to answer any questions.

**NORTH DAKOTA**  
**SPORTFISHING**  
**CONGRESS**

P.O. BOX 2472 • BISMARCK, ND 58502

F-M Walleyes Unlimited, Inc.  
P.O. Box 1017  
Moorhead, MN 56560

January 27, 1999

Forx Fishing Fraternity  
2904 Columbine Ct  
Grand Forks, ND 58201

Doug Prchal  
North Dakota Parks and Recreation  
1835 E. Bismarck Expressway  
Bismarck ND 58504-6708

Lake Region Anglers  
P.O. Box 456  
Devils Lake, ND 58301

Dear Mr. Prchal:

North American Zander Club  
RRt Box 213  
Jamestown, ND 58401

The North Dakota Sport Fishing Congress is an organization that represents the nine fishing clubs across the state of North Dakota. Our purpose is to represent these clubs and fishing interests for the benefit of North Dakota and the angling public. Our organization has been very active in issues affecting the recreational fishery and access to it.

Great Planers Trout & Salmon  
P.O. Box 7085  
Bismarck, ND 58501

Last spring we announced that we would be initiating legislation during the 1999 legislative session to restore the Special Roads Fund. We had learned that during the last legislative session a bill was passed that would do away with this fund effective June 30, 1999. The Special Roads Fund, was created during the 1989 Legislative session to construct and maintain access roads to and within recreation, tourist, and historical areas. The fund has provided approximately \$1 million each year to provide cost share for access and maintenance in qualified areas. Since it's creation the fund has provided access or maintenance to 116 recreational and historical areas.


Bowman Haley Anglers Assoc.  
P.O. Box 584  
Bowman, ND 58623

Many local governmental entities have seen the benefit of this fund. The loss of this funding vehicle will likely result in less maintenance on recreational roads and fewer opportunities for quality access. There is no other funding source that can generate this type of money to accomplish good access to recreational and historic areas.

Missouri River Anglers Assoc.  
RR1, Box 422  
Williston, ND 58801

Our bill to restore the Special Roads Fund has been introduced as SB2267 – a copy attached. We are asking your support in recovering these funds for North Dakota recreationalist and tourists. Thank you for your consideration.

F-M Muskies, Inc.  
P.O. Box 2021  
Fargo, ND 58102

Respectfully,  
  
Bruce Hagen, President

Dakota Anglers  
Box 1411  
Jamestown, ND 58401

Spiritwood Lake Zander Club  
P.O. Box 666  
Jamestown, ND 58402-0666

Bis-Man Reel & Rec  
Box 2525  
Bismarck, ND 58507

West Anglers  
Box 1473  
Dickinson, ND 58601



February 1, 1999

State Senator Robert Stenehjem  
Chairman  
Senate Transportation Committee  
State Capitol  
Bismarck, ND 58505

Dear Senator  Stenehjem:

The Greater North Dakota Association, the state chamber of commerce, supports passage of SB 2267, establishing a special road fund and committee. GNDAA takes this position based on its long-standing support of tourism in North Dakota.

GNDAA believes construction and maintenance of access roads to and within recreational, tourist and historical areas will, in fact, greatly assist tourism promotion in our state. In addition, political subdivisions or state agencies assisting financially will provide for a broad-based participation in these tourism and recreation projects and the proposed membership on the special road committee will assure viable projects are pursued.

For these reasons, the Greater North Dakota Association supports passage of SB 2267.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dale".

Dale O. Anderson  
president

February 11, 1999

**NORTH DAKOTA GAME AND FISH DEPARTMENT  
SUPPORTS SB 2267**

**TESTIMONY FOR SB 2267- SENATE APPROPRIATIONS COMMITTEE**

This bill would reinstate the Special Road Fund, which was originally enacted in the 1989 Legislature but repealed toward the conclusion of the last legislative session. The funds, in the past and as proposed in this bill, are used for the construction of access roads to and within recreational, tourist, and historical areas, which have no other, or at best limited, sources of funding. This program was popular and the demand for improved access continues to grow.

The Special Road Fund provided over \$8 million for cost share assistance to construct and improve access for approximately 100 projects in 32 counties and 17 cities that likely would not have occurred without the special roads funding. Other state and local governmental entities, including the Game and Fish Department, actively cooperated and provided funding as part of the local cost share on many of the projects. The majority of these projects would not have been completed had special roads funds not been available simply because they are too expensive for most state and local governmental entities to fund without adversely impacting other valuable projects across the state.

The projects are considered minor by many standards but provide smaller, local contractors with an opportunity for employment. This, in turn, provides a boost to local economies through both the actual construction work and subsequently better access to recreational, historical and tourist areas.

Economic value to the state from improved access is also a consideration. A June 1998 North Dakota State University report on expenditures and economic impact of hunters and anglers estimated that the total economic impact to North Dakota for hunting and fishing activity approaches \$1.7 billion annually (based on 1996 activity). The retail trade sector realized an income of \$250 million, personal income was \$393 million and over 21,000 jobs were supported because of hunting and fishing activities. Figures were not available for other recreational pursuits or historical area visits but they undoubtedly would only increase these values. The money generated from these activities in turn provide revenue to the state in the form of sales tax, income tax, and gas tax.

Outdoor based recreation and tourism is a vital part of the state's economy. Activities associated with hunting and fishing represent 8 percent of the state's economic base, and again, if other recreational and historic values are added it would be higher. The valuable resources that our state has to offer are not realized or utilized without proper development and adequate access.

In summary, the passage of SB 2267 would provide a source of funds for improvement of access to recreational, historical or tourist areas that would likely not otherwise occur.

Mr Chairman and members of the Committee, I'm hopeful you will agree that reinstatement of this legislation represents a benefit for the state and its communities.

I request your favorable consideration of SB 2267.

March 11, 1999

**NORTH DAKOTA GAME AND FISH DEPARTMENT  
SUPPORTS SB 2267**

TESTIMONY FOR SB 2267- HOUSE TRANSPORTATION COMMITTEE

This bill would reinstate the Special Road Fund, which was originally enacted in the 1989 Legislature but repealed toward the conclusion of the last legislative session. The funds, in the past and as proposed in this bill, are used for the construction of access roads to and within recreational, tourist, and historical areas, which have no other, or at best limited, sources of funding. This program was popular and the demand for improved access continues to grow.

Since the initial project in 1991, the Special Road Fund has provided cost share assistance on access for approximately 100 projects in 32 counties and 17 cities that likely would not have occurred without the special roads funding. Over \$8 million dollars from the fund has been used to construct and improve access into these types of areas. The Game and Fish Department has actively cooperated and provided funding as part of the local cost share on many of the projects that access fishing and hunting areas. Other state and local governmental entities also provided cost share on many of the projects. The vast majority of these projects would not have been completed without the availability of special roads funds. Although these projects are minor compared to other roads projects, they are simply too expensive for local governmental entities to fund without adversely impacting other valuable projects across the state. It has been a 'win-win' situation and likely would be again with the passage of this bill.

The projects provide smaller, local contractors with an opportunity for

employment. This, in turn, provides a boost to local economies through both the actual construction work and subsequently better access to recreational, historical and tourist areas.

Outdoor based recreation and tourism is a vital part of the state's economy. Activities associated with hunting and fishing represent 8 percent of the state's economic base and if other recreational and historic visitation values are added it would be higher. The valuable resources that our state has to offer are not realized or utilized without proper development and adequate access.

In summary, the passage of SB 2267 would provide a source of funds for improvement of access to recreational, historical or tourist areas that would likely not otherwise occur.

Mr Chairman and members of the Committee, I'm hopeful you will agree that reinstatement of this legislation represents a benefit for the state and its communities.

I request your favorable consideration of SB 2267.

**SB 2267**  
**HOUSE APPROPRIATIONS COMMITTEE**  
**Government and Operations Division**  
**HOUSE CONFERENCE ROOM**  
**MONDAY, MARCH 22, 1999 - 9:30 AM**

Mr. Chairman and members of the House Appropriations Committee, I, Doug Prchal, Director of the North Dakota Parks and Recreation Department, cannot appear before you. I do provide testimony supporting the intent of SB 2267. We are pleased in re-establishment of a recreation road fund to provide access to recreation, tourism and historic sites.

The former legislation created in 1989 provided assistance to state agencies, county and local road jurisdictions for recreation, historic or tourism roads. Many projects are left to be completed as identified in the 1980s. We know the tremendous need for DOT purposes on state highways. It is a common understanding that state highways are a high priority, those transportation routes carry tourists to the secondary roads leading to recreation sites. Where problems also exist is on the local routes leading to these tourism sites.

Access issues that existed a decade ago are still present and as the state recreation agency we are as concerned today. In many situations, city and county park boards along with our park system face concern with other jurisdictions that have responsibility for roads. Concern occurs primarily because of the need to stretch limited dollars for adequate access to a host of competing interests. Recreation or historic sites are sometimes lower priority. There is better understanding today than a decade ago given the recognized economics of tourism. Users generally feel the increased business generated and gasoline consumed as a result of regional recreation developments or sites compensates the local jurisdiction with funds to support maintenance and development. However, townships, county commissions or city road departments do not have sufficient funds nor feel it is their sole responsibility to pay the full cost. These costs are increasing for maintaining or upgrading access roads from their tax base. Jurisdictional boundaries create problems when a road bisects more than one county. The intent of SB 2267 provides the opportunity for cost share to these entities alleviating the jurisdiction issues and pressure on limited funding. We experience similar difficulties in our agency. When the former law was in place the funds provided 60% of the costs reducing the general fund requirements for state park road repairs. Under the present setting, without this program, all park road repairs require 100% general fund assistance. Cost share funding towards supporting quality access encourages growth in the tourism sector of the economy of North Dakota.

Tourism is a changing industry placing increased demands on the transportation system of the state. A major component of North Dakota's tourism industry is participation in outdoor recreation pursuits. The number one recreation pursuit, from outdoor recreation surveys, is driving for pleasure. Visiting historic sites, parks and fishing or boating are always within the top five categories of use. Outdoor recreation plays a significant role in regional economies and collectively the state economy. Improved quality of life is the primary benefit to our citizens. However, participation in these activities is directly connected to and dependent on the availability of adequate transportation services to the variety of sites.



The intent of SB 2267 addresses these issues by permitting joint application from state, county, and local jurisdictions allowing solutions to limited funding to address increasing use and demand for good access. The department strongly supports the concept of SB 2267. We think it is a step forward to resolve potential conflicts and to augment funding limitations locally. The benefits of this bill will support state efforts to diversify its economy through tourism, historic site and recreational development and visitation.

I recommend a do pass for SB 2267.



State  
Historical  
Society of  
North Dakota

Since 1895

**North Dakota  
State Historical Board**

**Appointed Members:**

- Beverly Kraus Horne  
*Devils Lake - President*  
Lydia S. Sage-Chase  
*Halliday - Vice President*  
John E. Von Rueden  
*Bismarck - Secretary*  
Bradley W. Berg  
*Fargo*  
Leon B. Olson  
*Williston*  
A. Ruric Todd, III  
*Jamestown*  
Candyce J. Wood  
*Pembina*

**Ex-Officio Members:**

- Kathi Gilmore  
*State Treasurer*  
Alvin A. Jaeger  
*Secretary of State*  
Bob Martinson  
*Director  
Tourism Department*  
Marshall W. Moore  
*Director  
Department of Transportation*  
Douglas Prchal  
*Director  
Parks and Recreation Department*  
Samuel J. Wegner  
*Superintendent*

**VISITATION NUMBERS AT HISTORIC SITES**  
**MEMORIAL WEEK-END THROUGH LABOR DAY WEEK-END**

	1997	1998
Chateau de Mores (Interpretative Site)	24,384	24,384
Chateau de Mores (Chimney Park)	<u>39,034</u>	<u>41,510</u>
Total	63,418	65,894
Fort Buford	16,907	20,000
Fort Clark	13,180	13,000
Pembina State Museum	7,492	9,025
(Canadians)	660	850
(Other Nations)		127
(Other States)		2,249
Fort Totten	3,210	4,000
Gingras	658	950
Whitestone Hill Battlefield		500
Fort Abercrombie	1,732	1,400

Accredited by the  
American Association  
of Museums