

2009 SENATE TRANSPORTATION

SB 2339

# 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2339

Senate Transportation Committee

Check here for Conference Committee

Hearing Date: January 29, 2009

Recorder Job Number: 8107

Committee Clerk Signature

*Jody Haeger*

Minutes:

**Senator Lee** called the Senate Transportation Committee to order. The clerk took attendance. All committee members were present. Senator Nething is testifying in another committee but will be back soon. Senator Lee opened the hearing on SB 2339.

**Representative Vig** introduced the bill at a constituent's request relating to registration fees for farm trucks. This gives a reduction to the registration fee for farm trucks over twenty years old.

**Tom Schmidt**, a farmer from St. Anthony and a member of the ND Farmers Union testified in support of SB 2339. Written Testimony #1.

**Senator Potter** asked Mr. Schmidt how much money this would save him.

**Schmidt** didn't have that answer.

**Senator Lee** asked how often they used their trucks. Are they used throughout the year?

**Schmidt** said he used it a couple months in the spring and couple in the fall. Our trucks are about 25 years old and have about fifty to sixty miles on them.

## Opposing Testimony

**Tim Horner**, Department of Transportation testified against the bill and urged a Do Not Pass for SB 2339. Written Testimony #2.

**Tom Balzer** of the ND Motor Carriers Association testified in opposition to SB 2339. He said current law already built into law a reduction for farm vehicles.

Closed the hearing on SB 2339

**Senator Nodland** said that he understood the situation for farm vehicles but the fiscal note is fairly substantial. He said he had a problem both ways.

**Senator Potter** felt it was odd that the ND Grain Growers or other farm groups didn't testify.

**Senator Fiebiger** had a problem with the fiscal note and the costs.

**Senator Potter** moved a Do Not Pass.

**Senator Fiebiger** seconded. Roll call vote: 6-0-0.

Senator Nething will carry the bill.

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/21/2009

Bill/Resolution No.: SB 2339

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

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				(\$2,922,400)		(\$2,922,400)
<b>Expenditures</b>						
<b>Appropriations</b>						

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			(\$672,152)	(\$409,136)		(\$672,152)	(\$409,136)	

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill adds a reduction in registration fees for farm trucks older than 20 years.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

There are approximately 28,100 registered farm vehicles, 20 year old and older. The estimated average registered weight of such vehicles is 42,000 lbs. The current annual registration fee at this weight for a vehicle older than 20 years is \$103.00. The proposed annual registration fee at this weight is \$51.00.

The following figures are biennium figures:

28,100 x \$103.00 x 2 = \$5,788,600 (current fee)

Minus

28,100 x \$51.00 x 2 = \$2,866,200 (proposed fee)= \$2,922,400 Rev.loss

Based on this, the loss of biennium revenue to the highway tax distribution fund under the current Highway Tax Distribution Fund allocation formula for each receiving entity is:

DOT: \$1,841,112

Counties: \$672,152

Cities: \$409,136

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

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

Revenues are directly and negatively impacted through a reduction in fees for a large number of vehicles in this category.

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

No expenditures are required in this process.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and*

*appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

No appropriations are required

<b>Name:</b>	Glenn Jackson	<b>Agency:</b>	NDDOT
<b>Phone Number:</b>	328-4792	<b>Date Prepared:</b>	01/25/2009

Date: 1-29-09  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2339

Senate Transportation Committee

Check here for Conference Committee

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

Action Taken  Do Pass  Do Not Pass  Other

Motion Made By Senator Potter Seconded By Senator Fiebiger

Senator	Yes	No	Senator	Yes	No
Chairman Senator Gary Lee	✓		Senator Tom Fiebiger	✓	
Senator George Nodland	✓		Senator Richard Marcellais	✓	
Senator Dave Nething	✓		Senator Tracy Potter	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Nething

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

**REPORT OF STANDING COMMITTEE (410)**  
January 29, 2009 12:56 p.m.

**Module No: SR-18-1192**  
**Carrier: Nething**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2339: Transportation Committee (Sen. G. Lee, Chairman) recommends DO NOT PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2339 was placed on the Eleventh order on the calendar.**

2009 TESTIMONY

SB 2339



January 29, 2009

SB 2339  
Senate Transportation Committee

Chairman Lee and members of the Senate Transportation Committee,

My name is Tom Schmidt and I am from St. Anthony, North Dakota. I am here to testify in support of Senate Bill 2339, a bill that would reduce registrations on older farm trucks.

As a producer, transportation is an important part of my operation. I have multiple vehicles on my farm that are used for different reasons, and each is a necessity. They are used for transporting supplies and commodities to and from the farm. The way we use farm trucks has changed over the last decade. The farm trucks that will be affected by this bill are used only seasonally, and may not even get 1000 miles a year put on them. SB 2339 will help reduce some of the costs of registration for producers, and I hope that you will support the bill.

Thank you.

# SENATE TRANSPORTATION COMMITTEE

January 29, 2009

9:00 a.m. – Lewis and Clark Room

North Dakota Department of Transportation  
Tim Horner, Deputy Director for Business Support

SB 2339

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Good morning, Mr. Chairman and members of the committee. I'm Tim Horner, Deputy Director for Business Support for the North Dakota Department of Transportation (NDDOT).

The Department of Transportation is very supportive of measures that help our agricultural industries, including our hardworking farmers and ranchers. One of the most important ways that we, along with our transportation partners across the state, can contribute to their success is to provide a transportation system that safely moves people and goods.

A major focus during this legislative session is to provide an increased level of funding for transportation at all levels statewide so that we can progressively and responsibly meet the challenges we are facing. This committee has already considered one major proposal in this arena, Senate Bill 2177. The Department is committed to working with the legislature and our transportation partners to provide an appropriate level of funding to meet the transportation challenges ahead of us.

Unfortunately, this bill would reduce the funds available for transportation by nearly \$3 million dollars each biennium. As such, the bill is contradictory to a number of transportation funding proposals currently being considered by this legislature, including Senate Bill 2177, Senate Bill 2012, and House Bill 1407. For this reason, the Department of Transportation is opposed to this piece of legislation and we urge you to give this bill a "Do Not Pass" recommendation.

Mr. Chairman, I will be happy to answer any questions at this time. Thank you.