

2019 SENATE TRANSPORTATION

SB 2151

2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

SB 2151
1/17/2019
30949

- Subcommittee
 Conference Committee

Committee Clerk: Liz Stenehjem

Explanation or reason for introduction of bill/resolution:

A bill relating to annual permits for vehicles of excessive size or weight; and to declare an emergency.

Minutes:

2 Attachments

Chairman Rust: Called Committee back to Order.

Senator Oehlke: I was asked to sponsor this bill by the Motor Carriers. The problem being with Motor Carriers is, that if you happen to be a trucker and you want to haul oversized loads or overweight loads you have to get a permit to do that. You can get individual permits or annual permits and that sort of thing. We didn't do anything to change the fees we simply changed the process a little bit. So that now instead of let's say you came in, in December and you wanted to get an annual permit. Well it would only be good until the end of December and then in January you would have to start all over again and apply for the new annual permit. So it's more of a paperwork thing than anything. We talked to the Motor Carriers and we talked to the Department of Transportation and they agreed that they could do a rolling 12-month permit. So say you're a trucker and you came in December 1st and you wanted to get an annual permit for that type of activity, it would be for a rolling 12-month period. So in terms of paperwork it probably cuts back a little bit on the activity of the Department of Transportation, but it certainly makes it more convenient for the truckers as well. The Highway Patrol has informed me that they do have a small amendment they would like to add to the bill that they are going to introduce that simply addresses the interstate activity of these truckers as well.

(3:27) Chairman Rust: Basically what you're doing is changing the four places where it said calendar year to rolling 12-month period. Basically that's all this bill does, it goes from a calendar year to a rolling 12-month period, is that right?

(3:46) Senator Oehlke: That is correct.

(3:51) Senator Clemens: There may be some reasons for this, but if we look at page 1 subsection A it talks about a \$200 fee per year. Is that per year the same as 12-months?

(4:18) Senator Oehlke: Well that part of the bill wasn't address as to what the fees are.

(4:30) Senator Clemens: Yeah, I'm not talking about what the fee is, but it says, "for fees paid on a yearly basis." So is that yearly basis the same as 12-months?

(4:38) Senator Oehlke: Yes

(4:39) Senator Clemens: It is? OK.

(4:45) Senator Oehlke: Well, Legislative Council didn't feel the need to change that to be able to make it a rolling 12-months for someone who is going to take advantage of that.

(4:58) Senator Clemens: So then I go to B, and there it does say "calendar year" but we're not changing that one like we did the others. I guess I'm wondering why there is some inconsistencies.

(5:08) Senator Oehlke: And maybe that needs to be changed too.

(5:11) Senator Clemens: Is that something we could just look at here, maybe clarify that?

Senator Oehlke: Absolutely

Chairman Rust: That's the amendment.

(5:38) Senator Bakke: I noticed here that they say, "Unused fees paid on a monthly basis are refundable. Unused fees paid on a yearly basis are not refundable." Why is that?

Senator Oehlke: I don't know. But you could ask anyone who is here from the Department of Transportation, or perhaps Highway Patrol might have an answer for you on that.

(7:23) Sergeant Wade Kadrmas, Safety and Education Officer, North Dakota Highway Patrol: See **Attachment #1 page 1** for testimony; and **Attachment #1 page 2** for proposed amendment.

(9:48) Jackie Darr, Permit Office Supervisor, North Dakota Highway Patrol: Letter A that was being referred to is the 10% weight exemption permit. We allow 10% over legal weight for harvest and in the winter time when the roads are frozen. So it actually isn't an annual permit. It was about 10-years ago that we switched it that you could buy the 10% harvest and the 10% winter at the same time and what we sell it as is the durational permit. If you buy it then it starts July 31st [sic] and runs through March 7th, so it isn't actually a whole year long. When it was decided instead of charging \$50 per month a dollar amount was set for \$250 and the committee decided at that time if it is a monthly purchase we would refund it and if it wasn't a monthly purchase it would be non-refundable. So it technically isn't an annual it just runs from July 1st [sic] through March 7th or when road restrictions occur, whatever happens first.

(11:41) Mike Gerhart, Executive Vice President, North Dakota Motor Carriers Association: See **Attachment #2** for testimony.

(12:37) Chairman Rust: The Highway Patrol offered an amendment, I don't know if you're aware of that, but the amendment would change on part B "calendar year" to "12-month period" I presume you have no objection to that.

Mr. Gerhart: I don't have an objection to that.

(13:20) Brady Pelton, Government Affairs Manager, North Dakota Petroleum Council: We rise today in support of SB 2151 and its amendment. Our companies often rely on oversize load permits to get equipment where it needs to go in the field. A 12-month term on the annual oversize loads permit helps keep some consistency for the industry regardless of when those permits are purchased and processed. We therefore ask for a do pass recommendation from this committee.

(14:31) Geoff Simon, Western Dakota Energy Association: Our association operates the oversized truck permitting program for the counties, started in the oil producing region. In the past year we've been offering it statewide and we now have 24-counties in the system. I am relatively indifferent to the legislation. I just want you to know that we offer an over-width permit as well, we just started offering that in the past year and we do offer it on a monthly basis. So a permit is valid for 12-months. Highway Patrol might take note, ours is non-refundable once it's purchased. Just for your information.

(16:00) Senator Clemens: In section A it talks about the \$250 per year on a yearly basis, then when I look at the testimony it has annual permits would be good for 12-months. So that yearly basis is that the same as 12-months then or is that what you were talking about on that June to whenever?

(16:40) Ms Darr: That specific permit is only good from July 15th through March 7th so it's not actually valid for a whole year so we don't actually consider that an annual, we actually call it a durational. Because it's for the time frame of the 10% overweight for harvest and the 10% winter, and that is why we did not include that one.

(17:02) Senator Clemens: Ok, and that's the yearly one in section A.

(17:06) Ms Darr: So it's not actually yearly it's only valid for about 7-months. So if you buy the two of them together, by buying it for the \$250 you save \$100, and that's what industry had asked for when that bill was first brought out.

(17:23) Senator Bakke: Do we need to change that language then to reflect that it's just a temporary, 6-months rather than a yearly? Do you think it's clear, has this caused any confusion the way it is written?

(17:43) Ms Darr: Until today it has never been questioned. So for our office it hasn't been, but it might be the way we have it worded in the permit system. We have it worded as a multi-trip durational. In our permit system we have single trip, multiple trip and annuals. So just do to the way they have the option to purchase it is probably why it's never come up before.

(18:10) Sgt. Kadrmas: We have similar permits other than the 10% our Longer Combination Vehicles, LCVs and those are usually when the roadbeds are frozen/harvest time, so they're not a year round permit and I've never run into that either except today.

Chairman Rust: Closed hearing on SB 2151.

2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Lewis and Clark Room, State Capitol

SB 2151
1/17/2019
31022

- Subcommittee
 Conference Committee

Committee Clerk: Liz Stenehjem

Explanation or reason for introduction of bill/resolution:

A bill relating to annual permits for vehicles of excessive size or weight; and to declare an emergency.

Minutes:

No attachments

Chairman Rust: This is the bill that we heard at 9:30 this morning. Essentially what it does is changes calendar year with a rolling 12-month period. As you recall we were also presented with an amendment that would go to part b that would change that calendar year to rolling 12-month period also. We do have an amendment in front of us, what are our wishes?

Senator Bakke: Moves a **Do Pass** on the Amendment offered by Sgt. Kadrmas.

Senator Patten: Seconds **Do Pass Motion** on Amendment.

Chairman Rust: Called for **Voice Vote. Vote Passes.**

Senator Bakke: Moves **Do Pass as Amended** Recommendation.

Senator Fors: Seconds **Do Pass as Amended** Recommendation.

A Roll Call Vote was Taken; 6 yea, 0 nay, 0 absent

Chairman Rust: **Senator Fors** will carry the bill.

19.0545.02001
Title.03000

Adopted by the Transportation Committee

CAC
12/1

January 17, 2019

PROPOSED AMENDMENTS TO SENATE BILL NO. 2151

Page 1, line 20, overstrike "calendar year" and insert immediately thereafter "twelve-month period"

Renumber accordingly

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO: SB2151**

Senate Transportation Committee

Subcommittee

Amendment LC# or Description: 19.0545.02001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Senator Bakke Seconded By Senator Patten

Senators	Yes	No	Senators	Yes	No
Senator Rust - Chairman			Senator Bakke		
Senator Clemens - Vice Chairman					
Senator Dwyer					
Senator Fors					
Senator Patten					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Voice Vote was Taken: Passed

Date: 1/17/19
 Roll Call Vote # 2

**2019 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO: 2157**

Senate Transportation Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
- Other Actions: Reconsider _____

Motion Made By Bakke Seconded By Fors

Senators	Yes	No	Senators	Yes	No
Senator Rust - Chairman	✓		Senator Bakke	✓	
Senator Clemens - Vice Chairman	✓				
Senator Dwyer	✓				
Senator Fors	✓				
Senator Patten	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Fors

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

REPORT OF STANDING COMMITTEE

SB 2151: Transportation Committee (Sen. Rust, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2151 was placed on the Sixth order on the calendar.

Page 1, line 20, overstrike "calendar year" and insert immediately thereafter "twelve-month period"

Renumber accordingly

2019 HOUSE TRANSPORTATION

SB 2151

2019 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

SB 2151
3/8/2019
#33439

- Subcommittee
 Conference Committee

Committee Clerk: Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A BILL relating to annual permits for vehicles of excessive size or weight; and to declare an emergency

Minutes:

Attachment #1-2

Chairman Ruby opened the hearing on SB 2151.

Representative Weisz, District 14, introduced SB 2151 and explained the bill. The bill changes the annual permits to a 12-month period from when they are purchased, instead of from January 1st to December 31st.

Chairman Ruby: Is this for over-weight, over-length, over-width, and bridge length?

Representative Weisz: That is correct, it covers all of that.

Sgt. Wade Kadrmas, Safety and Education Officer for the North Dakota Highway Patrol, spoke to support SB 2151. Written testimony was provided. See attachment #1.

Chairman Ruby: You mentioned a refund, is that possible?

Sgt. Wade Kadrmas: Yes, they were able to do that in the past.

Chairman Ruby: If it was getting close to the end of the year, wouldn't they just buy by the monthly until they got to the beginning of the year?

Sgt. Wade Kadrmas: There isn't normally a monthly option. You could get a single trip permit.

Chairman Ruby: Do you give routes for the trips taken with permits?

Sgt. Wade Kadrmas: Annual permits are not routable. In purchasing the permits there are certain highways the loads would not be able to travel on.

Representative Nelson: Is the refund prorated?

Jackie Darr, the North Dakota Highway Permit Office Supervisor: No, we usually refund the whole thing.

Representative Nelson: You are not concerned that by changing the licensing and permitting period, the companies are not going to know when the permitting is due?

Jackie Darr: I don't feel it will be a problem. In the past we have sent a letter to remind them when their permits are due. We can continue to do that.

Discussion off bill topic.

Mike Gerhart, Executive Vice President of the North Dakota Motor Carriers Association, spoke to support SB 2151. See attachment #2.

There was no further support for SB 2151.

There was no opposition or neutral testimony on SB 2151.

The hearing was closed on SB 2151.

Representative Owens moved a DO PASS on SB 2151.

Representative Weisz seconded the motion.

A roll call vote was taken: Aye 12 Nay 1 Absent 1

The motion passed.

Representative Weisz will carry SB 2151.

Date: 3-8-19
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2151**

House Transportation Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Rep Owens Seconded By Rep Weisz

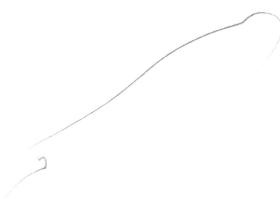
Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY	✓		REP LAURIEBETH HAGER		✓
VICE CHAIR BECKER	✓		REP KARLA ROSE HANSON	✓	
REP JIM GRUENEICH	✓		REP MARVIN NELSON	✓	
REP TERRY JONES	✓				
REP TOM KADING	✓				
REP EMILY O'BRIEN	A				
REP MARK OWENS	✓				
REP BOB PAULSON	✓				
REP GARY PAUR	✓				
REP ROBIN WEISZ	✓				
REP GREG WESTLIND	✓				

Total (Yes) 12 No 1

Absent 1

Floor Assignment Rep Weisz

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



REPORT OF STANDING COMMITTEE

SB 2151, as engrossed: Transportation Committee (Rep. D. Ruby, Chairman)
recommends **DO PASS** (12 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING).
Engrossed SB 2151 was placed on the Fourteenth order on the calendar.

2019 TESTIMONY

SB 2151

Senate Bill 2151
Senate Transportation Committee
Senator David S. Rust, Chairman
January 17, 2019

Chairman Rust and Senate Transportation Committee members, my name is Sgt. Wade Kadrmaz, Safety and Education Officer for the North Dakota Highway Patrol. I am here to testify in support of Senate Bill 2151.

This bill amends N.D.C.C. 39-12-02 by allowing motor carrier industry to purchase annual permits that would be good for a 12-month period rather than expiring at the end of each calendar year.

Industry has been requesting annual permits be valid for 12 months from the time of purchase instead of by calendar year. We do not prorate the price of permits. For example, if a company purchased an annual interstate permit in November it would cost \$300, the same price for the same permit purchased in January. Both permits would only be valid until December 31st of the year of purchase.

We could likely see an increase in the annual permits purchased. Companies buy trucks throughout the year. Some choose to not purchase permits due to the cost of the annual and the fact it may only be good for a short period of time, depending on the date of purchase. Allowing a full year for a permit will hopefully encourage companies to purchase the permit knowing that it will be valid for 12 months, regardless of when it was purchased.

We also hope for less confusion for industry. Most believe when they read the word *annual* on this permit, they don't necessarily look at the expiration date, assuming it is valid for a full year. When they find out a permit they purchased in November is only good until the end of December of that year, rather than 12 months from November, they request a refund. This bill would resolve this problem and eliminate many refund requests. Refunds require not only the time of permit personnel, but the time of accounting personnel too.

This bill would also allow for a more efficient workload distribution throughout the year for permit office staff. Currently, annual permits can be purchased a few weeks before the end of the year for the upcoming year, therefore most of the renewals are done in December & January.

I would like to offer an amendment to this bill. The annual interstate permit is not mentioned in the current bill language. We request the bill be amended to include this permit as well.

This concludes my testimony. I am happy to answer any questions you may have. The NDHP Permit Office Supervisor, Jackie Darr, is in attendance as well and is available to answer questions as well.

Senate Bill 2151
Senate Transportation Committee
Senator David S. Rust, Chairman
January 17, 2019

N.D.C.C 39-12-02 (3)
Offered Amendment Language

- b. The fee for an interstate permit is ten dollars per trip or three hundred dollars per ~~calendar year~~ twelve-month period for unlimited trips.

SB2151 #2
1/17/19 291

**TESTIMONY
SENATE BILL 2151
TRANSPORTATION COMMITTEE
JANUARY 17, 2019**

Mr. Chairman and members of the Senate Transportation committee my name is Mike Gerhart, Executive Vice President of the North Dakota Motor Carriers Association. I am here this morning to testify in support of Senate Bill 2151.

Senate Bill 2151 changes the expiration date on annual permits sold by the North Dakota Highway Patrol from the calendar year to a twelve-month period from the date of sale. This legislation benefits both the trucking industry and the North Dakota Highway Patrol in the following ways:

- Promotes compliance.
- Eliminates industry concerns regarding annual permits not being prorated.
- Provides efficiencies in the workflow of state employees issuing annual permits.

I ask that you give SB 2151 favorable consideration and a DO PASS recommendation. Mr. Chairman, this concludes my testimony. I would be happy to answer any questions.

SB 2151
3-8-19
#1

Senate Bill 2151
House Transportation Committee
Representative Dan Ruby, Chairman
March 8, 2019

Good morning Chairman Ruby and House Transportation Committee members, my name is Sgt. Wade Kadrmas, Safety and Education Officer for the North Dakota Highway Patrol. I am here to testify in support of Senate Bill 2151.

This bill amends N.D.C.C 39-12-02 by allowing the motor carrier industry to purchase annual permits for a 12-month period rather than per calendar year.

Industry has been requesting annual permits be valid for 12 months from the time of purchase instead of by calendar year. The patrol does not prorate the price of permits. For example, if a company purchases an annual permit in November of 2018, the cost would be the same as if it was purchased in January of 2018. Both these permits would only be valid for the 2018 calendar year.

Companies buy trucks throughout the year. Some have chosen to not purchase annual permits for these trucks due to the cost of the annual permit and the fact it may only be good for a short period of time, depending on the date of purchase. Allowing an annual permit to be valid for a full 12 months from the date of purchase will hopefully encourage companies to purchase these annual permits when the need arises for them, thus giving the company a full 12 months regardless of when the permit was purchased.

We also hope passage of this bill provides clarification for industry. Most believe the word "annual" indicates the permit is valid for a full year. They do not notice the expiration date printed on the permit. When they learn the annual permit purchased in November is only good until the end of December of the same year, they request a refund. This bill would resolve this issue and eliminate these type of refund requests. Permit refunds require time of permit personnel and accounting personnel.

This bill will also allow for a more efficient workload for the permit office staff. Currently, annual permits can be purchased a few weeks before the end of the year for the upcoming calendar year, therefore most of the renewals are done in December & January. Passage of this bill would eliminate this 2-month influx of work and replace it with steady application submissions throughout the year.

This concludes my testimony. I am happy to answer any questions you may have. Mrs. Jackie Darr, the NDHP Permit Office Supervisor is also in attendance and is available to answer any questions you have about our permit office.

SB 2151
3-8-19
#2

**TESTIMONY
SENATE BILL 2151
HOUSE TRANSPORTATION COMMITTEE
MARCH 8, 2019**

Mr. Chairman and members of the House Transportation committee my name is Mike Gerhart, Executive Vice President of the North Dakota Motor Carriers Association. I am here this morning to testify in support of Senate Bill 2151.

Senate Bill 2151 changes the expiration date on annual permits sold by the North Dakota Highway Patrol from the calendar year to a twelve-month period from the date of sale. This legislation benefits both the trucking industry and the North Dakota Highway Patrol in the following ways:

- Promotes compliance.
- Eliminates industry concerns regarding annual permits not being prorated.
- Provides efficiencies in the workflow of state employees issuing annual permits.

I ask that you give SB 2151 favorable consideration and a DO PASS recommendation.

Mr. Chairman, this concludes my testimony. I would be happy to answer any questions.