

Sixty-fourth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2103

Introduced by

Senators Armstrong, Rust, Poolman

Representatives Louser, Schatz, Thoreson

1 A BILL for an Act to provide an appropriation to the state treasurer for allocations to counties,
2 cities, school districts, and townships; to provide an appropriation to the department of
3 transportation for state highway projects; to provide for a transfer; and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. APPROPRIATION - STATE TREASURER - STRATEGIC INVESTMENT AND**
6 **IMPROVEMENTS FUND.** There is appropriated out of any moneys in the strategic investment
7 and improvements fund in the state treasury, not otherwise appropriated, the sum of
8 \$836,250,000, or so much of the sum as may be necessary, to the state treasurer for the
9 purpose of distributions, as soon as possible, to counties, cities, school districts, and townships,
10 for the period beginning with the effective date of this Act, and ending June 30, 2015.

11 1. The state treasurer shall distribute \$300,000,000 to oil-producing counties based on
12 allocations under subsection 2 of section 57-51-15 for formula allocation year 2014 as
13 follows:

- 14 a. \$50,000,000 to the county that received the highest total allocation;
15 b. \$50,000,000 to the county that received the second highest total allocation;
16 c. \$50,000,000 to the county that received the third highest total allocation;
17 d. \$40,000,000 to the county that received the fourth highest total allocation;
18 e. \$25,000,000 to the county that received the fifth highest total allocation;
19 f. \$20,000,000 to the county that received the sixth highest total allocation;
20 g. \$20,000,000 to the county that received the seventh highest total allocation;
21 h. \$15,000,000 to the county that received the eighth highest total allocation;
22 i. \$15,000,000 to the county that received the ninth highest total allocation; and
23 j. \$15,000,000 to the county that received the tenth highest total allocation.

1 Major roadway construction or reconstruction projects provided funding under this
2 subsection must comply with the American association of state highway and
3 transportation officials pavement design procedures and the department of
4 transportation local government requirements. Upon completion of a major roadway
5 construction or reconstruction project, the roadway segment must be posted at a legal
6 load limit of 105,500 pounds [47853.995 kilograms].

7 2. The state treasurer shall distribute \$140,000,000 to incorporated cities in oil-producing
8 counties based on the population of each incorporated city according to the last official
9 decennial federal census. The distribution to each eligible incorporated city must be
10 proportional to the incorporated city's population relative to the combined total
11 population of all the eligible incorporated cities within the qualifying county. The
12 distribution must exclude incorporated cities with a population of fewer than fifty and
13 hub cities as defined under section 57-51-01. The distribution must be based on
14 allocations under subsection 2 of section 57-51-15 for formula allocation year 2014 as
15 follows:

- 16 a. \$5,000,000 among the eligible incorporated cities, excluding incorporated cities
17 with a population of more than one thousand, in the county that received the
18 highest total allocation;
- 19 b. \$30,000,000 among the eligible incorporated cities in the county that received the
20 second highest total allocation;
- 21 c. \$30,000,000 among the eligible incorporated cities in the county that received the
22 third highest total allocation;
- 23 d. \$20,000,000 among the eligible incorporated cities in the county that received the
24 fourth highest total allocation;
- 25 e. \$13,000,000 among the eligible incorporated cities in the county that received the
26 fifth highest total allocation;
- 27 f. \$12,000,000 among the eligible incorporated cities in the county that received the
28 sixth highest total allocation;
- 29 g. \$12,000,000 among the eligible incorporated cities in the county that received the
30 seventh highest total allocation;

- 1 h. \$10,000,000 among the eligible incorporated cities in the county that received the
2 eighth highest total allocation;
- 3 i. \$1,000,000 among the eligible incorporated cities in the county that received the
4 ninth highest total allocation; and
- 5 j. \$7,000,000 among the eligible incorporated cities in the county that received the
6 tenth highest total allocation.
- 7 3. The state treasurer shall distribute \$140,800,000 to non-oil-producing counties based
8 on the most recent data compiled by the upper great plains transportation institute
9 regarding North Dakota's county, township, and tribal road and bridge infrastructure
10 needs. The distribution to each non-oil-producing county must be proportional to each
11 non-oil-producing county's total estimated road and bridge investment needs for the
12 years 2015 to 2034 identified by the upper great plains transportation institute relative
13 to the combined total estimated road and bridge investment needs for the years 2015
14 to 2034 identified by the upper great plains transportation institute of all the eligible
15 non-oil-producing counties under this subsection. Each county's total estimated road
16 and bridge investment needs includes unpaved and paved road and bridge needs. For
17 purposes of this subsection, a "non-oil-producing county" means a county that
18 received no allocation of funding or a total allocation under subsection 2 of section
19 57-51-15 of less than \$5,000,000 for formula allocation year 2014. Major roadway
20 construction or reconstruction projects provided funding under this subsection must
21 comply with the American association of state highway and transportation officials
22 pavement design procedures and the department of transportation local government
23 requirements. Upon completion of a major roadway construction or reconstruction
24 project, the roadway segment must be posted at a legal load limit of 105,500 pounds
25 [47853.995 kilograms].
- 26 4. The state treasurer shall distribute \$19,200,000 to non-oil-producing counties for the
27 benefit of the organized and unorganized townships within each non-oil-producing
28 county based on the most recent data compiled by the upper great plains
29 transportation institute regarding North Dakota's county, township, and tribal road and
30 bridge infrastructure needs. The distribution to each non-oil-producing county must be
31 proportional to each non-oil-producing county's total estimated road and bridge

1 investment needs for the years 2015 to 2034 identified by the upper great plains
2 transportation institute relative to the combined total estimated road and bridge
3 investment needs for the years 2015 to 2034 identified by the upper great plains
4 transportation institute of all the eligible non-oil-producing counties under this
5 subsection. Each county's total estimated road and bridge investment needs includes
6 unpaved and paved road and bridge needs. Of the amount distributed to each
7 non-oil-producing county under this subsection, the state treasurer shall allocate the
8 funds among townships within each county in proportion to each township's road miles
9 relative to the total township road miles in the county. The amount allocated to
10 organized townships under this subsection must be paid by the county treasurer to
11 each organized township. The amount allocated to unorganized townships under this
12 subsection must be credited by the county treasurer to a special fund for unorganized
13 township roads. The distributions under this subsection must be used for the
14 maintenance and improvement of township paved and unpaved roads and bridges.
15 For purposes of this subsection, a "non-oil-producing county" means a county that
16 received no allocation of funding or a total allocation under subsection 2 of section
17 57-51-15 of less than \$5,000,000 for formula allocation year 2014.

- 18 5. The state treasurer shall distribute \$21,250,000 to eligible incorporated cities in eligible
19 counties based on the population of each eligible incorporated city according to the
20 last official decennial federal census. The distribution to each eligible incorporated city
21 in an eligible county must be proportional to each eligible incorporated city's
22 population relative to the combined total population for all the eligible incorporated
23 cities under this subsection. The distributions must exclude the following:
- 24 a. Incorporated cities with a population of fewer than fifty and hub cities as defined
25 under section 57-51-01.
 - 26 b. Incorporated cities in a county that received the thirteenth highest amount of
27 allocations under subsection 2 of section 57-51-15 for formula allocation year
28 2014 with populations as follows:
 - 29 (1) Fewer than seventy;
 - 30 (2) Between eighty-five and one hundred eighty-five; or
 - 31 (3) Between five hundred and six hundred.

1 c. Incorporated cities in a county that received the fifth highest total payments under
2 section 57-39.2-26.1 for distributions in state fiscal year 2014 with populations as
3 follows:

4 (1) Fewer than three hundred; or

5 (2) More than nine hundred.

6 For purposes of this subsection, an "eligible county" means:

7 a. A county that received an allocation under subsection 2 of section 57-51-15 of
8 more than \$100,000 but less than \$5,000,000 for formula allocation year 2014;

9 b. A county that received an allocation under subsection 2 of section 57-51-15 of
10 less than \$50,000 for formula allocation year 2014;

11 c. A county that received the fifth highest total payments under section 57-39.2-26.1
12 for distributions in state fiscal year 2014;

13 d. A county that received the thirty-seventh highest total payments under section
14 57-39.2-26.1 for distributions in state fiscal year 2014; or

15 e. A county that received the forty-third highest total payments under section
16 57-39.2-26.1 for distributions in state fiscal year 2014.

17 6. The state treasurer shall distribute \$215,000,000 to the hub cities as defined under
18 section 57-51-01 based on allocations under subsection 1 of section 57-51-15 for
19 formula allocation year 2014 and to other eligible cities as follows:

20 a. \$80,000,000 to the hub city that received the highest total allocation;

21 b. \$55,000,000 to the hub city that received the second highest total allocation;

22 c. \$40,000,000 to the hub city that received the third highest total allocation; and

23 d. \$40,000,000 to incorporated cities with a population of more than one thousand
24 in the county that received the highest total allocation under subsection 2 of
25 section 57-51-15 for formula allocation year 2014.

26 For purposes of this section, "formula allocation year 2014" means allocations to counties under
27 subsection 2 of section 57-51-15 for the period September 1, 2013, to August 31, 2014. For
28 purposes of this section, "distributions in state fiscal year 2014" means payments to counties
29 under section 57-39.2-26.1 for the period August 1, 2013, to July 31, 2014. The funding
30 provided to school districts in this section must be excluded from the calculation of state aid
31 payments to school districts and school district ending fund balances, under chapters 15.1-07

1 and 15.1-27 for the 2015-17 biennium. The funding provided to counties, cities, and townships
2 in this section must be excluded from the calculation of oil and gas gross production tax
3 allocations under chapter 57-51. The funding provided in this section is considered a one-time
4 funding item.

5 **SECTION 2. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
6 **HIGHWAY FUND.** The director of the office of management and budget shall transfer the sum
7 of \$300,000,000 from the strategic investment and improvements fund to the highway fund
8 during the period beginning with the effective date of this Act, and ending June 30, 2015.

9 **SECTION 3. APPROPRIATION - DEPARTMENT OF TRANSPORTATION.** There is
10 appropriated out of any moneys in the highway fund in the state treasury, not otherwise
11 appropriated, the sum of \$300,000,000, or so much of the sum as may be necessary, to the
12 department of transportation for the purpose of construction and maintenance of state
13 transportation infrastructure, for the period beginning with the effective date of this Act, and
14 ending June 30, 2017. The funding provided in this section may be applied to engineering,
15 design, and construction costs incurred on related projects as of January 1, 2015. The funding
16 provided in this section is considered a one-time funding item.

17 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.