

April 20, 2013

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1358

In lieu of the amendments adopted by the Senate as printed on pages 1131-1136 and 1559-1568 of the Senate Journal, Reengrossed House Bill No. 1358 is amended as follows:

Page 1, line 1, remove "a new section to chapter 23-01 and"

Page 1, line 3, after "reenact" insert "paragraph 1 of subdivision f of subsection 1 of section 15.1-27-04.1 of the North Dakota Century Code, as created by House Bill No. 1319, as approved by the sixty-third legislative assembly, and"

Page 1, line 5, remove "; to provide a continuing appropriation"

Page 1, line 5, remove the second "to provide a"

Page 1, line 6, remove "statement of legislative intent;"

Page 1, line 6, replace "declare an emergency" with "provide an expiration date"

Page 1, remove lines 8 through 24

Page 2, replace lines 1 through 22 with:

**"SECTION 1. AMENDMENT.** Paragraph 1 of subdivision f of subsection 1 of section 15.1-27-04.1 of the North Dakota Century Code, as created by House Bill No. 1319, as approved by the sixty-third legislative assembly, is amended and reenacted as follows:

- (1) Seventy-five percent of all revenue received by the school district and reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08 and mineral revenue received by the school district by direct allocation from the state treasurer and not reported under code 2000 of the North Dakota school district financial accounting and reporting manual;"

Page 3, line 9, replace "seven" with "three"

Page 3, line 9, replace "fifty" with "seventy-five"

Page 3, line 18, replace "two" with "one"

Page 3, line 18, replace "fifty" with "twenty-five"

Page 3, remove lines 21 through 31

Page 4, remove lines 1 through 24

Page 4, line 25, replace "e." with "c."

Page 4, line 26, overstrike "one" and insert immediately thereafter "two"

Page 4, line 26, replace "fifty" with "fourteen"

Page 4, line 26, after the semicolon insert "and"

Page 4, remove lines 27 through 30

Page 4, overstrike line 31

Page 5, line 1, replace "g." with "d."

Page 5, line 1, remove "If there are no remaining"

Page 5, remove lines 2 through 6

Page 5, line 11, overstrike "the next"

Page 5, line 11, replace "four" with "all annual revenue exceeding five"

Page 5, line 11, overstrike "seventy-five" and insert immediately thereafter "twenty-five"

Page 5, line 12, overstrike "c. Of the next"

Page 5, line 12, remove "three"

Page 5, line 12, overstrike "million dollars, fifty percent is allocated to the county."

Page 5, line 13, overstrike "d. Of"

Page 5, line 13, remove "all remaining annual revenue"

Page 5, line 13, overstrike ", twenty-five"

Page 5, overstrike line 14

Page 6, line 1, replace "a county that received" with "the first"

Page 6, line 1, remove "or more"

Page 6, line 1, after "of" insert "annual"

Page 6, line 1, after "allocations" insert "to a county"

Page 6, line 2, remove "in the most recently completed state fiscal year"

Page 6, line 3, remove "under subsections 1 and 2"

Page 6, line 3, replace "credited" with "distributed"

Page 6, line 3, replace "county" with "state"

Page 6, line 4, remove the overstrike over "Forty-five"

Page 6, line 11, remove the overstrike over "Thirty-five percent of all revenues allocated to any county for allocation under this"

Page 6, remove the overstrike over line 12

Page 6, line 13, remove the overstrike over "school districts within the county" and insert immediately thereafter ", excluding consideration of and allocation to any hub city school district in the county."

Page 6, line 13, remove the overstrike over "on the average daily attendance distribution"

Page 6, remove the overstrike over line 14

Page 6, line 15, remove the overstrike over "schools."

Page 7, line 25, remove the overstrike over "e:"

Page 8, remove lines 7 through 30

Page 9, remove lines 1 through 16

Page 9, line 17, replace "a county that did not reach a level of" with "revenues exceeding the first"

Page 9, line 17, after the second "of" insert "annual"

Page 9, line 17, after "allocations" insert "to a county"

Page 9, line 18, remove "in the most recently completed state fiscal year"

Page 9, line 19, replace "credited" with "distributed"

Page 9, line 19, replace the second "county" with "state"

Page 9, line 20, replace "Forty-five" with "Sixty"

Page 9, line 25, replace "Thirty-five" with "Five"

Page 9, line 25, replace "county" with "state"

Page 9, line 28, replace the second "county" with "state"

Page 9, line 29, after "from" insert "consideration and"

Page 9, line 30, remove "The total annual apportionment to school districts under"

Page 9, remove line 31

Page 10, after line 8, insert:

- "d. Ten percent must be apportioned no less than quarterly by the state treasurer to the organized and unorganized townships of the county in the proportion that township road miles in the township bears to the total township road miles in the county, with the board of county commissioners retaining and using the funds available for the maintenance and improvement of roads in unorganized townships.
- e. Five percent must be allocated by the state treasurer among hub cities. The amount available for allocation under this subdivision must be apportioned by the state treasurer no less than quarterly among hub cities, with each hub city receiving an allocation percentage of available funds under this subdivision equal to the percentage of allocations that hub city receives from allocations to hub cities under subdivision a of subsection 1 for the quarterly period."

Page 12, line 31, replace "\$150,000" with "\$120,000"

Page 13, line 5, remove "**STATE TREASURER - STRATEGIC INVESTMENT AND**"

Page 13, line 6, replace "**IMPROVEMENTS FUND**" with "**DEPARTMENT OF TRANSPORTATION**"

Page 13, line 6, remove "strategic investment"

Page 13, line 7, replace "and improvements" with "general"

Page 13, line 8, replace "\$190,000,000" with "\$160,000,000"

Page 13, line 8, replace "state treasurer" with "department of transportation"

Page 13, line 9, after "allocation" insert "as provided in this section"

Page 13, line 9, after "counties" insert "that received \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 in the state fiscal year ending June 30, 2012"

Page 13, line 9, replace "period" with "biennium"

Page 13, line 9, replace "May" with "July"

Page 13, line 10, remove "The amounts available for allocation under this section must be allocated"

Page 13, replace lines 11 through 20 with:

- "1. The sum appropriated in this section must be used to rehabilitate or reconstruct county paved and unpaved roads needed to support oil and gas production and distribution in North Dakota.
  - a. Funding allocations to counties are to be made by the department of transportation based on data supplied by the upper great plains transportation institute.
  - b. Counties identified in the data supplied by the upper great plains transportation institute which received \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 for the state fiscal year ending June 30, 2012, are eligible for this funding.
2. Each county requesting funding under this section for county roads shall submit the request in accordance with criteria developed by the department of transportation.
  - a. The request must include a proposed plan for funding projects that rehabilitate or reconstruct paved and unpaved roads within the county.
  - b. The plan must be based on data supplied by the upper great plains transportation institute, actual road conditions, and integration with state highway and other county road projects.
  - c. Projects funded under this section must comply with the American association of state highway transportation officials (AASHTO) pavement design procedures and the department of transportation local government requirements. Upon completion of major reconstruction projects, the roadway segment must be posted at a legal load limit of 105,500 pounds [47853.993 kilograms].
  - d. Funds may not be used for routine maintenance.
3. The department of transportation, in consultation with the county, may approve the plan or approve the plan with amendments.
4. The funding appropriated in this section may be used for:
  - a. Ninety percent of the cost of the approved roadway projects not to exceed the funding available for that county.

- b. Funding may be used for construction, engineering, and plan development costs.
- 5. Upon approval of the plan, the department of transportation shall transfer to the county the approved funding for engineering and plan development costs.
- 6. Upon execution of a construction contract by the county, the department of transportation shall transfer to the county the approved funding to be distributed for county and township road rehabilitation and reconstruction projects.
- 7. The recipient counties shall report to the department of transportation upon awarding of each contract and upon completion of each project in a manner prescribed by the department.
- 8. The funding under this section may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2013.
- 9. Section 54-44.1-11 does not apply to funding under this section. Any funds not spent by June 30, 2015, must be continued into the biennium beginning July 1, 2015, and ending June 30, 2017, and may be expended only for purposes authorized by this section."

Page 13, line 23, replace "\$150,000,000" with "\$100,000,000"

Page 13, line 24, remove "in equal amounts in each fiscal year"

Page 13, line 25, remove "of the biennium"

Page 13, line 26, remove "most recently completed"

Page 13, line 26, after "year" insert "ending June 30, 2012"

Page 13, line 26, replace "period" with "biennium"

Page 13, line 27, replace "May" with "July"

Page 13, line 28, replace "\$45,000,000 on or before May 1, 2013," with "\$30,000,000 in the first year of the biennium"

Page 13, line 29, replace "\$105,000,000 on or before May 1, 2014" with "\$70,000,000 in the second year of the biennium"

Page 13, line 29, remove "Allocations among counties under this"

Page 13, remove lines 30 and 31

Page 14, replace lines 1 and 2 with:

- "1. The sum appropriated in this section must be used to rehabilitate or reconstruct county paved and unpaved roads needed to support economic activity in North Dakota.
  - a. Funding allocations to counties are to be made by the department of transportation based on data supplied by the upper great plains transportation institute.

- b. Counties identified in the data supplied by the upper great plains transportation institute which did not receive \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 for the state fiscal year ending June 30, 2012, are eligible for this funding.
2. Each county requesting funding under this section for county roads shall submit the request in accordance with criteria developed by the department of transportation.
  - a. The request must include a proposed plan for funding projects that rehabilitate or reconstruct paved and unpaved roads within the county.
  - b. The plan must be based on data supplied by the upper great plains transportation institute, actual road conditions, and integration with state highway and other county road projects.
  - c. Projects funded under this section must comply with the American association of state highway transportation officials (AASHTO) pavement design procedures and the department of transportation local government requirements. Upon completion of major reconstruction projects, the roadway segment must be posted at a legal load limit of 105,500 pounds [47853.993 kilograms].
  - d. Funds may not be used for routine maintenance.
3. The department of transportation, in consultation with the county, may approve the plan or approve the plan with amendments.
4. The funding appropriated in this section may be used for:
  - a. Ninety percent of the cost of the approved roadway projects not to exceed the funding available for that county.
  - b. Funding may be used for construction, engineering, and plan development costs.
5. Upon approval of the plan, the department of transportation shall transfer to the county the approved funding for engineering and plan development costs.
6. Upon execution of a construction contract by the county, the department of transportation shall transfer to the county the approved funding to be distributed for county and township road rehabilitation and reconstruction projects.
7. The recipient counties shall report to the department of transportation upon awarding of each contract and upon completion of each project in a manner prescribed by the department.
8. The funding under this section may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2013.
9. Section 54-44.1-11 does not apply to funding under this section. Any funds not spent by June 30, 2015, must be continued into the biennium beginning July 1, 2015, and ending June 30, 2017, and may be expended only for purposes authorized by this section."

Page 14, line 6, replace "period" with "biennium"

Page 14, line 7, replace "May" with "July"

Page 14, line 8, replace "on or before May 1," with "in July"

Page 14, line 8, remove the second comma

Page 14, line 8, remove the second "1,"

Page 14, line 18, remove "if that township has"

Page 14, line 19, remove "uncommitted reserve funds on hand exceeding \$100,000 or"

Page 14, line 26, replace "for" with "in"

Page 14, line 26, remove "preceding"

Page 14, line 26, after "year" insert "ending June 30, 2012"

Page 14, remove lines 27 through 31

Page 15, remove lines 1 through 5

Page 15, remove lines 22 through 31

Page 16, replace lines 1 through 27 with:

**"SECTION 10. APPROPRIATION - LAW ENFORCEMENT - ATTORNEY GENERAL'S OFFICE - OIL AND GAS IMPACT GRANT FUND - REPORT TO BUDGET SECTION.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the attorney general's office for the purpose of awarding grants to law enforcement agencies, for crime-related needs of the attorney general's office, and for the development of a uniformed law enforcement and custody manual, for the biennium beginning July 1, 2013, and ending June 30, 2015. The drug and violent crime policy board of the attorney general shall, with approval of the board of university and school lands, grant funds to law enforcement agencies in oil-impacted counties where crime-related activities have increased or in other counties if the crime-related activities in oil-impacted counties originated in any of those counties. The attorney general may spend up to ten percent of the funding provided under this section for defraying the expenses of additional staffing needs or other needs necessary to accomplish the role of the attorney general's office as an assisting agency in ensuring public safety in the affected areas. The attorney general may use up to \$750,000 of the funding provided under this section for the development of a uniformed law enforcement and custody manual. The funding provided in this section is considered a one-time funding item. The attorney general shall report to the budget section after June 30, 2014, on the impact the grant funding has had on crime-related activities.

**SECTION 11. APPROPRIATION - AIRPORT GRANTS - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - OIL AND GAS IMPACT GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$60,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of awarding grants to airports impacted by oil and gas development, for the biennium beginning July 1, 2013, and ending June 30, 2015. The director of the energy infrastructure and impact office shall adopt grant procedures and requirements

necessary for distribution of grants under this section, which must include cost-share requirements. Cost-share requirements must consider the availability of local funds to support the project. Grant funds must be distributed giving priority to projects that have been awarded or are eligible to receive federal funding. Grants distributed pursuant to this section are not to be considered in making grant recommendations under section 57-62-05. Grants awarded under this section are not subject to section 54-44.1-11. The funding provided in this section is considered a one-time funding item.

**SECTION 12. APPROPRIATION - HIGHER EDUCATION GRANTS - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - OIL AND GAS IMPACT GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of awarding grants to public institutions of higher education impacted by oil and gas development, for the biennium beginning July 1, 2013, and ending June 30, 2015. Notwithstanding the provisions of chapter 57-62, public institutions of higher education are eligible to receive oil and gas impact grants under this section. The director of the energy infrastructure and impact office may develop grant procedures and requirements necessary for distribution of grants under this section. Grants awarded under this section are not subject to section 54-44.1-11. The funding provided in this section is considered a one-time funding item.

**SECTION 13. APPROPRIATION - PILOT PROJECT - DUST CONTROL - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - OIL AND GAS IMPACT GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of awarding grants of \$1,000,000 each to three counties in oil-impacted areas for a pilot project for dust control, for the biennium beginning July 1, 2013, and ending June 30, 2015. The county commission from each county shall file a report with the department of trust lands by August 1, 2013, regarding any product used to control dust and the success or failure of the product in controlling dust. The director of the energy infrastructure and impact office may develop grant procedures and requirements necessary for distribution of grants under this section. The department of trust lands shall consult with the state department of health and the industrial commission relating to the use of oilfield-produced saltwater and products previously tested for dust control. Grants distributed pursuant to this section are not to be considered in making grant recommendations under section 57-62-05. Grants awarded under this section are not subject to section 54-44.1-11. The funding provided in this section is considered a one-time funding item."

Page 16, line 28, after "**DATE**" insert "- **EXPIRATION DATE**"

Page 16, line 28, after "Sections" insert "1,"

Page 16, line 28, after "2" insert a comma

Page 16, line 29, after "2013" insert ", and before July 1, 2015, and are thereafter ineffective"

Page 16, remove lines 30 and 31

Renumber accordingly