

**HOUSE BILL NO. 1301**

Introduced by

Representatives M. Nelson, Hager, Holman, Mitskog

1 A BILL for an Act to create a new section to chapter 39-01 of the North Dakota Century Code,  
2 relating to a long term study of roadway center rumble strips; to amend and reenact section  
3 54-27-19, subsection 1 of section 57-43.1-02, and subsection 1 of section 57-43.2-02 of the  
4 North Dakota Century Code, relating to highway tax distribution fund allocations and the tax  
5 imposed on motor vehicle fuels and special fuels; to provide for a department of transportation  
6 study; to provide for a report to the legislative management; and to provide an effective date.

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

8 **SECTION 1.** A new section to chapter 39-01 of the North Dakota Century Code is created  
9 and enacted as follows:

10 **Life-of-roadway study - Report to legislative management.**

11 The department shall conduct a long-term, life-of-the-road study of roadway center rumble  
12 strips to determine the cost of maintenance, the condition of a roadway, and the longevity of a  
13 road surface with and without center rumble strips. Before July 1, 2020, and before every sixth  
14 July first thereafter, the department shall report to the legislative management on the status of  
15 the study and any findings and recommendations, together with any legislation required to  
16 implement the recommendations.

17 **SECTION 2. AMENDMENT.** Section 54-27-19 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **54-27-19. Highway tax distribution fund - State treasurer to make allocation to state,**  
20 **counties, and cities.**

21 A highway tax distribution fund is created as a special fund in the state treasury into which  
22 must be deposited the moneys available by law from collections of motor vehicle registration  
23 and related fees, fuels taxes, special fuels taxes, use taxes, and special fuels excise taxes. The  
24 state treasurer shall transfer the first five million five hundred thousand dollars per biennium

1 from the highway tax distribution fund to the state highway fund for the purpose of providing  
2 administrative assistance to other transferees. After the transfer of the first five million five  
3 hundred thousand dollars, any moneys in the highway tax distribution fund must be allocated  
4 and transferred monthly by the state treasurer, as follows:

- 5 1. ~~Sixty-one~~Fifty-six and ~~three-tenths~~seven-tenths percent must be transferred monthly  
6 to the state department of transportation and placed in a state highway fund.
- 7 2. ~~Two~~Three and ~~seven-tenths~~eight-tenths percent must be transferred monthly to the  
8 township highway fund.
- 9 3. One and five-tenths percent must be transferred monthly to the public transportation  
10 fund.
- 11 4. ~~Thirty-four and five-tenths~~Thirty-eight percent must be allocated to the counties of this  
12 state in proportion to the number of vehicle registrations credited to each county. Each  
13 county must be credited with the certificates of title of vehicles registered by residents  
14 of the county. The state treasurer shall compute and distribute the counties' share  
15 monthly after deducting the incorporated cities' share. All the moneys received by the  
16 counties from the highway tax distribution fund must be set aside in a separate fund  
17 called the "highway tax distribution fund" and must be appropriated and applied solely  
18 for highway purposes in accordance with section 11 of article X of the Constitution of  
19 North Dakota. The state treasurer shall compute and distribute monthly the sums  
20 allocated to the incorporated cities within each county according to the formulas in this  
21 subsection using the incorporated cities' populations as determined by the last official  
22 regular or special federal census or the census taken in accordance with the  
23 provisions of chapter 40-02 in case of a city incorporated subsequent to the census.
  - 24 a. For counties having no cities with a population of ten thousand or more, twenty-  
25 seven percent of the total county allocation must be distributed to all of the  
26 incorporated cities within the county on a countywide per capita basis. The  
27 remaining county allocation amount must be transferred into the county highway  
28 tax distribution fund.
  - 29 b. For each county having a city with a population of ten thousand or more, the  
30 amount transferred each month into the county highway tax distribution fund  
31 must be the difference between the amount allocated to that county pursuant to

1           this subsection and the total amount allocated and distributed to the incorporated  
2           cities in that county as computed according to the following formula:

- 3           (1) A statewide per capita average as determined by calculating twenty-seven  
4           percent of the amount allocated to all of the counties under this subsection  
5           divided by the total population of all of the incorporated cities in the state.  
6           (2) The share distributed to each city in the county having a population of less  
7           than one thousand must be determined by multiplying the population of that  
8           city by the product of 1.50 times the statewide per capita average computed  
9           under paragraph 1.  
10          (3) The share distributed to each city in the county having a population of one  
11          thousand to four thousand nine hundred ninety-nine, inclusive, must be  
12          determined by multiplying the population of that city by the product of 1.25  
13          times the statewide per capita average computed under paragraph 1.  
14          (4) The share distributed to each city in the county having a population of five  
15          thousand or more must be determined by multiplying the population of that  
16          city by the statewide per capita average for all such cities, which per capita  
17          average must be computed as follows: the total of the shares computed  
18          under paragraphs 2 and 3 for all cities in the state having a population of  
19          less than five thousand must be subtracted from the total incorporated cities'  
20          share in the state as computed under paragraph 1 and the balance  
21          remaining must then be divided by the total population of all cities of five  
22          thousand or more in the state.

23          5. The moneys allocated to the incorporated cities must be distributed to them monthly  
24          by the state treasurer and must be deposited by the cities in a separate fund and may  
25          only be used in accordance with section 11 of article X of the Constitution of North  
26          Dakota and an incorporated city may use the fund for the construction, reconstruction,  
27          repair, and maintenance of public highways within or outside the city pursuant to an  
28          agreement entered into between the city and any other political subdivision as  
29          authorized by section 54-40-08.

30          **SECTION 3. AMENDMENT.** Subsection 1 of section 57-43.1-02 of the North Dakota  
31          Century Code is amended and reenacted as follows:

1           1. Except as otherwise provided in this section, a tax of ~~twenty-three~~thirty cents per  
2           gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state.

3           **SECTION 4. AMENDMENT.** Subsection 1 of section 57-43.2-02 of the North Dakota  
4 Century Code is amended and reenacted as follows:

5           1. Except as otherwise provided in this chapter, an excise tax of ~~twenty-three~~thirty cents  
6           per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used  
7           in this state. For the purpose of determining the tax upon compressed natural gas and  
8           liquefied natural gas under this section, one hundred twenty cubic feet [3.40 cubic  
9           meters] of compressed natural gas, and one and seven-tenths gallons [6.44 liters] of  
10          liquefied natural gas is equal to one gallon [3.79 liters] of other special fuel.

11          **SECTION 5. DEPARTMENT OF TRANSPORTATION STUDY - REPORT TO**  
12 **LEGISLATIVE MANAGEMENT.** During the 2019-20 interim, the department of transportation  
13 shall consider studying the effects of center line rumble strips on the longevity of rural two-lane  
14 highways. The study must include a comparison of the condition of the roadway in the center  
15 rumble strips area to the rest of the road surface. The department of transportation shall report  
16 its findings and recommendations, together with any legislation required to implement the  
17 recommendations, to the legislative management by July 1, 2020.

18          **SECTION 6. EFFECTIVE DATE.** Sections 3 and 4 of this Act are effective for taxable  
19 events occurring after June 30, 2019.