

HOUSE BILL NO. 1432

Introduced by

Representatives Richter, Dockter, Kempenich, Longmuir, Zubke

Senators Bekkedahl, Kannianen, Patten

1 A BILL for an Act to amend and reenact section 24-05-04 of the North Dakota Century Code,
2 relating to purchasing road maintenance equipment.

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

4 **SECTION 1. AMENDMENT.** Section 24-05-04 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **24-05-04. Contracts to be advertised - Road construction - Requirements for rental**
7 **contracts.**

- 8 1. If a contract for a highway improvement exceeds one hundred thousand dollars, the
9 board of county commissioners shall seek bids by publishing an advertisement at least
10 once each week for two consecutive weeks in the official newspaper of the county and
11 in other newspapers as the board deems advisable. The first publication must be
12 made at least fifteen days before the day set for the opening of the bids. For any
13 contract for a highway improvement that exceeds fifty thousand dollars but does not
14 exceed one hundred thousand dollars, the county, when possible, shall seek quotes
15 from at least two contractors.
- 16 2. A purchase of county road ~~machinery~~maintenance equipment and any rental contract
17 or agreement for the use of road ~~machinery~~maintenance equipment and other articles,
18 except necessary repairs for road ~~machinery~~maintenance equipment, which exceeds
19 the sum of ~~fifty~~one hundred thousand dollars must be advertised by publishing an
20 advertisement for bids at least once each week for two consecutive weeks in the
21 official newspaper of the county and in any other newspapers as the board deems
22 advisable. The first publication must be made at least fifteen days before the day set
23 for the opening of the bids. The board of county commissioners may not enter a rental
24 contract or agreement for the use of road ~~machinery~~maintenance equipment and other

1 articles for a longer period than twelve months from the date of the rental contract or
2 agree to pay rental for the use of road machinerymaintenance equipment and other
3 articles which would result in the lessor receiving rental at a rate in excess of twenty
4 percent per year of the cash sale price of the road machinerymaintenance equipment
5 or other articles. The cash sale price of the road machinerymaintenance equipment
6 and other articles must be clearly set forth in any rental contract for road
7 machinerymaintenance equipment and other articles and failure to include this data in
8 any rental contract for the use of road machinerymaintenance equipment and other
9 articles renders the rental contract void. A payment made under a void rental contract
10 is recoverable from the county commissioners making the contract, jointly and
11 severally.

- 12 3. Notwithstanding the provisions of this section relating to the duration of rental
13 contracts, the board of county commissioners may enter lease-purchase agreements
14 for the road machinerymaintenance equipment and articles covered by this section if
15 those agreements provide for the complete performance and full payment of the
16 purchase price of the machinerymaintenance equipment or articles within seven years
17 from the date of the execution of the lease-purchase agreement according to section
18 44-08-01.1.
- 19 4. Notwithstanding the provisions of this section relating to bidding of road maintenance
20 equipment, the board of county commissioners or its designee may purchase used
21 road maintenance equipment at public auction or as surplus property from the office of
22 management and budget.
- 23 5. Bids received under this section must be opened and awarded under the procedure
24 provided in section 48-01.2-07.