

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED 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 machinery.

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. AExcept as provided in section 54-44.4-13, a purchase of county road machinery and
17 any rental contract or agreement for the use of road machinery and other articles,
18 except necessary repairs for road machinery, which exceeds the sum of fiftyone
19 hundred thousand dollars must be advertised by publishing an advertisement for bids
20 at least once each week for two consecutive weeks in the official newspaper of the
21 county and in any other newspapers as the board deems advisable. The first
22 publication must be made at least fifteen days before the day set for the opening of
23 the bids. The board of county commissioners may not enter a rental contract or
24 agreement for the use of road machinery and other articles for a longer period than

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

10 3. Notwithstanding the provisions of this section relating to the duration of rental
11 contracts, the board of county commissioners may enter lease-purchase agreements
12 for the road machinery and articles covered by this section if those agreements
13 provide for the complete performance and full payment of the purchase price of the
14 machinery or articles within seven years from the date of the execution of the
15 lease-purchase agreement according to section 44-08-01.1.

16 4. Notwithstanding the provisions of this section relating to bidding of road machinery, the
17 board of county commissioners or its designee may purchase used road machinery at
18 public auction or as surplus property from the office of management and budget.

19 5. Bids received under this section must be opened and awarded under the procedure
20 provided in section 48-01.2-07.