

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, replace "and" with "; to amend and reenact section 24-02-45.1 of the North Dakota Century Code, relating to cooperative agreements with private entities for the construction of certain items on the state highway system;"

Page 1, line 2, after "transfers" insert "; to provide for the operation of maintenance section sites; to provide an exemption; to provide for a study; to provide for a report; and to declare an emergency"

Page 1, replace lines 9 through 16 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$201,478,341	\$460,582	\$201,938,923
Operating expenses	229,381,646	19,871,688	249,253,334
Capital assets	771,101,851	89,924,093	861,025,944
Grants	<u>67,528,030</u>	<u>28,326,607</u>	<u>95,854,637</u>
Total special funds	\$1,269,489,868	\$138,582,970	\$1,408,072,838
Full-time equivalent positions	1,047.00	(42.00)	1,005.00"

Page 1, line 18, after "biennium" insert "and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 20 through 22 with:

"Pipeline protest law enforcement support	\$709,000	\$0
Electronic payment processing system	306,000	0
Driver's license system project	0	22,500,000
Minot and Williston driver's license facility maintenance	<u>0</u>	<u>1,300,000</u>
Total special funds	\$1,015,000	\$23,800,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of transportation shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 2, after line 4, insert:

**"SECTION 4. EXEMPTION - ENHANCED STATE HIGHWAY INVESTMENT**

**FUNDING.** Section 54-44.1-11 does not apply to funding of \$503,115,558 in the capital assets line item relating to enhanced state highway investments in section 1 of chapter 12 of the 2015 Session Laws. Any funds continued into the 2017-19 biennium but not spent by June 30, 2019, must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021, and may be expended only for enhanced state highway investments.

**SECTION 5. APPROPRIATION - GENERAL FUND - SHORT LINE RAILROAD**

**PROGRAM.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhancing the department's short line railroad program, for the biennium beginning July 1, 2019, and

ending June 30, 2021. The funding provided in this section is considered a one-time funding item.

**SECTION 6. APPROPRIATION - GENERAL FUND - ENHANCED STATE HIGHWAY FUNDING - EXEMPTION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$13,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway improvements, for the period beginning with the effective date of this Act and ending June 30, 2019. The funding provided in this section is considered a one-time funding item. Section 54-44.1-11 does not apply to this funding and any funds not spent by June 30, 2019, must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021, and may be expended only for enhanced state highway improvements.

**SECTION 7. AMENDMENT.** Section 24-02-45.1 of the North Dakota Century Code is amended and reenacted as follows:

**24-02-45.1. Cooperative agreements with private entities for the construction of certain items on the state highway system.**

Notwithstanding any other provision of law, the director may enter a cooperative agreement with a private entity for the construction of an item on the state highway system which will benefit the private entity and the traveling public, as determined by the director. The private entity's cost-share of the items requested to be added to the state highway system must be paid for in advance of the construction by the private entity before the department can construct the project. Funds received by the department pursuant to this section must be deposited in the state highway fund as prescribed by section 24-02-41 and are appropriated to the department. If the department requires engineering or contracting services for a project under this section, it may provide the services or procure the services in accordance with section 24-02-07.3 and 24-02-17.

**SECTION 8. MAINTENANCE SECTION SITES - OPERATIONAL REQUIREMENTS.** The department of transportation shall establish the Mayville section site as a satellite site of the Hillsboro section. Seasonal winter services in the Courtenay, Gackle, New England, and Finley sections must be established if the department has an employee whose home residence is located within the vicinity of the maintenance section site or the department hires an employee whose home residence is located within the vicinity of the maintenance section site. The department shall staff these sections no later than November first of each year through at least March thirty-first of the subsequent year when seasonal winter services are established. The department shall hold public hearings when the department proposes changes to highway maintenance section sites that affect snow and ice control operations.

**SECTION 9. DEPARTMENT OF TRANSPORTATION STUDY - PUBLIC TRANSPORTATION SERVICES - REPORT TO LEGISLATIVE MANAGEMENT.** During the 2019-20 interim, the department of transportation shall study public transportation services within the state. The study must include the number of users of public transportation services, demographics of the users, other transportation options available to users of public transportation services, and the identification of areas of the state which have no public or private transportation services available.

**SECTION 10. DEPARTMENT OF TRANSPORTATION FLEET SERVICES - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The department of

transportation shall report to the sixty-seventh legislative assembly regarding the department's state fleet expenditures compared to its 2019-21 biennium budgeted amounts.

**SECTION 11. EMERGENCY.** Sections 6 and 7 of this Act are declared to be an emergency measure."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1012 - Department of Transportation - House Action**

	Base Budget	House Changes	House Version
Salaries and wages	\$201,478,341	\$460,582	\$201,938,923
Operating expenses	229,381,646	19,871,688	249,253,334
Capital assets	771,101,851	89,924,093	861,025,944
Grants	67,528,030	28,326,607	95,854,637
Short line railroad program		2,500,000	2,500,000
Total all funds	\$1,269,489,868	\$141,082,970	\$1,410,572,838
Less estimated income	1,269,489,868	138,582,970	1,408,072,838
General fund	\$0	\$2,500,000	\$2,500,000
FTE	1,047.00	(42.00)	1,005.00

**Department 801 - Department of Transportation - Detail of House Changes**

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Removes 42 Unspecified FTE Positions <sup>3</sup>	Adjusts Base Level Funding <sup>4</sup>	Adds Funding for Snow and Ice Control <sup>5</sup>	Adds Funding for Microsoft Office 365 Licensing <sup>6</sup>
Salaries and wages	(\$1,019,746)	\$9,459,923	(\$7,979,595)			
Operating expenses				(\$3,336,810)		\$708,498
Capital assets				87,874,093	\$750,000	
Grants				28,326,607		
Short line railroad program						
Total all funds	(\$1,019,746)	\$9,459,923	(\$7,979,595)	\$112,863,890	\$750,000	\$708,498
Less estimated income	(1,019,746)	9,459,923	(7,979,595)	112,863,890	750,000	708,498
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(42.00)	0.00	0.00	0.00

	Adds Funding for Driver's License System Project <sup>7</sup>	Adds Funding for Driver's License Facility Maintenance <sup>8</sup>	Adds Funding for Short Line Railroad Program <sup>9</sup>	Total House Changes
Salaries and wages				\$460,582
Operating expenses	\$22,500,000			19,871,688
Capital assets		\$1,300,000		89,924,093
Grants				28,326,607
Short line railroad program			\$2,500,000	2,500,000
Total all funds	\$22,500,000	\$1,300,000	\$2,500,000	\$141,082,970
Less estimated income	22,500,000	1,300,000	0	138,582,970
General fund	\$0	\$0	\$2,500,000	\$2,500,000
FTE	0.00	0.00	0.00	(42.00)

<sup>1</sup> Funding is adjusted for base payroll changes.

<sup>2</sup> The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	<u>Other Funds</u>
Salary increase	\$4,774,660
Health insurance increase	<u>4,685,263</u>
Total	\$9,459,923

<sup>3</sup> Forty-two unspecified FTE positions and related funding is removed.

<sup>4</sup> Base level funding is adjusted as follows:

	<u>Other Funds</u>
Increases funding for capital assets	\$87,874,093
Increases funding for grants	17,226,607
Reclassifies funding for the rail loan program	11,100,000
Reduces payments to State Fleet Services	(3,550,000)
Adjusts operating expenses	<u>213,190</u>
Total	\$112,863,890

<sup>5</sup> Funding is added for the purchase of three snow plows.

<sup>6</sup> Funding is added for Microsoft Office 365 licensing.

<sup>7</sup> One-time funding from the highway fund is added for the department's driver's license system project.

<sup>8</sup> One-time funding from the highway fund is added for driver's license facility maintenance at Minot and Williston.

<sup>9</sup> A section is added to provide one-time funding from the general fund for the Department of Transportation's short line railroad program.

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This amendment also adds sections to:

- Provide that \$503,115,558 appropriated in the capital assets line item in House Bill No. 1012 (2015) relating to enhanced state highway investments is exempt from provisions of North Dakota Century Code Section 54-44.1-11 and may be continued into the 2019-21 biennium.
- Appropriate one-time funding from the general fund for enhanced state highway funding during the 2017-19 biennium, and provide an exemption from Section 54-11.1-11, authorizing the funding to be continued into the 2019-21 biennium.
- Amend Section 24-02-45.1 to require that in cooperative agreements for highway construction items, only the private entity's cost-share is to be paid in advance of the construction and declares this section an emergency.
- Direct the department to establish the Mayville section site as a satellite site of the Hillsboro section and set requirements for seasonal winter services in the Courtenay, Gackle, New England, and Finley sections.
- Require a Department of Transportation study of public transportation services within the state.
- Require the Department of Transportation to report to the 2021 Legislative Assembly regarding the department's state fleet expenditures compared to its 2019-21 biennium budgeted amounts.