

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

Page 1, line 2, after the semicolon insert "to provide for alternative and delayed distributions from the highway tax distribution fund to cities and counties and development of a roadway plan;" , replace the second "and" with a comma, and after "24-08" insert " , and a new section to chapter 57-40.3"

Page 1, line 4, replace the first "and" with a comma, replace "medal of honor" with "liberty memorial" , and after "bridge" insert " , and a separate and additional motor vehicle excise tax"

Page 1, line 5, replace "section" with "sections" and after "24-01-03" insert " , 24-01-51, 39-04-19, 57-40.3-02, 57-40.3-10, 57-43.1-02, and 57-43.2-02"

Page 1, line 6, after "maintenance" insert " , haying of no-mow areas, motor vehicle registration fees, allocation of the separate and additional motor vehicle excise tax revenue, and motor vehicle fuels and special fuels tax rates; to repeal section 39-04-39.5 of the North Dakota Century Code, relating to allocation of motor vehicle registration fees; to provide an effective date; to provide an expiration date"

Page 1, line 24, replace "27,185,848" with "27,174,242"

Page 2, line 1, replace "20,048,706" with "20,035,352"

Page 2, line 2, replace "789,997,698" with "863,094,411"

Page 2, line 3, replace "43,271,158" with "43,268,038"

Page 2, line 4, replace "96,117,492" with "169,186,125"

Page 2, line 10, replace "27,185,848" with "27,174,242"

Page 2, line 11, replace "20,048,706" with "20,035,352"

Page 2, line 12, replace "789,997,698" with "863,094,411"

Page 2, line 13, replace "43,271,158" with "43,268,038"

Page 2, line 14, replace "880,503,410" with "953,572,043"

Page 2, after line 21, insert:

**"SECTION 5. ALTERNATIVE AND DELAYED DISTRIBUTIONS FROM HIGHWAY TAX DISTRIBUTION FUND - CITY AND COUNTY ROADWAY PLAN.**

Notwithstanding section 54-27-19, the state treasurer shall transfer \$1,000,000 to the highway fund during the fiscal year beginning July 1, 2005, and ending June 30, 2006, from the cities' and counties' share of the additional funds deposited in the highway tax distribution fund resulting from provisions of this Act. The state treasurer may not distribute any additional funds deposited into the highway tax distribution fund resulting from provisions of this Act to cities or counties before July 1, 2006, and until the department of transportation certifies to the state treasurer that the cities and counties have developed a roadway plan that is acceptable to the department and that the plan:

1. Identifies a prioritized roadway system that designates tiered levels of roadways and corresponding levels of service;
2. Focuses on high-priority corridors;
3. Is consistent with the department's highway performance classification system and other criteria developed by the department; and
4. Is the result of a cooperative effort of the department, cities, and counties."

Page 2, line 28, replace "the maintenance" with "maintaining the structural integrity"

Page 2, line 29, after "state" insert "unless an agreement is reached with the municipality"

Page 3, after line 10, insert:

**"SECTION 7. AMENDMENT.** Section 24-01-51 of the North Dakota Century Code is amended and reenacted as follows:

**24-01-51. (Effective January 1, 2006 2008) Haying of no-mow areas.**

Notwithstanding any other provision of law, a person owning land adjacent to an area within the right of way of a highway which is designated as a no-mow or managed-mow area may hay the no-mow or managed-mow area after July fifteenth without any payment or penalty."

Page 3, line 14, after "needed" insert "for the liberty memorial bridge improvement project and the United States highway 2 project improvements"

Page 4, line 9, replace "**Medal of honor**" with "**Liberty memorial**"

Page 4, line 10, replace "medal of honor" with "liberty memorial"

Page 4, after line 11, insert:

**"SECTION 10. AMENDMENT.** Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

**39-04-19. Motor vehicle registration fees and mile tax.** Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:
  - a. Passenger motor vehicles:

YEARS REGISTERED

Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years		7th, 8th, and 9th Years		10th, 11th, and 12th Years		13th and Subsequent Years	
	\$60	\$70	\$52	\$62	\$44	\$54	\$36	\$46
Less than 3,200	<del>80</del>	<del>90</del>	<del>68</del>	<del>78</del>	<del>56</del>	<del>66</del>	<del>44</del>	<del>54</del>
3,200 - 4,499	<del>98</del>	<del>108</del>	<del>84</del>	<del>94</del>	<del>66</del>	<del>76</del>	<del>50</del>	<del>60</del>
4,500 - 4,999	<del>129</del>	<del>139</del>	<del>107</del>	<del>117</del>	<del>85</del>	<del>95</del>	<del>63</del>	<del>73</del>
5,000 - 5,999	<del>162</del>	<del>172</del>	<del>133</del>	<del>143</del>	<del>104</del>	<del>114</del>	<del>76</del>	<del>86</del>
6,000 - 6,999	<del>195</del>	<del>205</del>	<del>159</del>	<del>169</del>	<del>124</del>	<del>134</del>	<del>89</del>	<del>99</del>
7,000 - 7,999	<del>228</del>	<del>238</del>	<del>186</del>	<del>196</del>	<del>144</del>	<del>154</del>	<del>102</del>	<del>112</del>
8,000 - 8,999	<del>264</del>	<del>271</del>	<del>212</del>	<del>222</del>	<del>164</del>	<del>174</del>	<del>115</del>	<del>125</del>
9,000 and over								

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under subsection 5:

Gross Weights	YEARS REGISTERED				
	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	<del>\$58</del> <del>\$68</del>	<del>\$45</del> <del>\$55</del>	<del>\$40</del> <del>\$50</del>	<del>\$37</del> <del>\$47</del>	<del>\$36</del> <del>\$46</del>
4,001 - 6,000	<del>63</del> <del>73</del>	<del>50</del> <del>60</del>	<del>44</del> <del>54</del>	<del>38</del> <del>48</del>	<del>37</del> <del>47</del>
6,001 - 8,000	<del>68</del> <del>78</del>	<del>55</del> <del>65</del>	<del>48</del> <del>58</del>	<del>39</del> <del>49</del>	<del>38</del> <del>48</del>
8,001 - 10,000	<del>73</del> <del>83</del>	<del>60</del> <del>70</del>	<del>52</del> <del>62</del>	<del>41</del> <del>51</del>	<del>40</del> <del>50</del>
10,001 - 12,000	<del>78</del> <del>88</del>	<del>65</del> <del>75</del>	<del>56</del> <del>66</del>	<del>43</del> <del>53</del>	<del>42</del> <del>52</del>
12,001 - 14,000	<del>83</del> <del>93</del>	<del>70</del> <del>80</del>	<del>60</del> <del>70</del>	<del>46</del> <del>56</del>	<del>45</del> <del>55</del>
14,001 - 16,000	<del>88</del> <del>98</del>	<del>75</del> <del>85</del>	<del>64</del> <del>74</del>	<del>49</del> <del>59</del>	<del>48</del> <del>58</del>
16,001 - 18,000	<del>93</del> <del>103</del>	<del>80</del> <del>90</del>	<del>68</del> <del>78</del>	<del>54</del> <del>64</del>	<del>50</del> <del>60</del>
18,001 - 20,000	<del>96</del> <del>106</del>	<del>83</del> <del>93</del>	<del>70</del> <del>80</del>	<del>52</del> <del>62</del>	<del>54</del> <del>64</del>

Gross Weights	YEARS REGISTERED		
	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	13th and Subsequent Years
20,001 - 22,000	<del>\$126</del> <del>\$136</del>	<del>\$100</del> <del>\$110</del>	<del>\$87</del> <del>\$97</del>
22,001 - 26,000	<del>178</del> <del>188</del>	<del>148</del> <del>158</del>	<del>132</del> <del>142</del>
26,001 - 30,000	<del>239</del> <del>249</del>	<del>197</del> <del>207</del>	<del>175</del> <del>185</del>
30,001 - 34,000	<del>305</del> <del>315</del>	<del>250</del> <del>260</del>	<del>222</del> <del>232</del>
34,001 - 38,000	<del>366</del> <del>376</del>	<del>299</del> <del>309</del>	<del>265</del> <del>275</del>
38,001 - 42,000	<del>427</del> <del>437</del>	<del>348</del> <del>358</del>	<del>307</del> <del>317</del>
42,001 - 46,000	<del>488</del> <del>498</del>	<del>396</del> <del>406</del>	<del>350</del> <del>360</del>
46,001 - 50,000	<del>549</del> <del>559</del>	<del>445</del> <del>455</del>	<del>393</del> <del>403</del>
50,001 - 54,000	<del>619</del> <del>629</del>	<del>503</del> <del>513</del>	<del>444</del> <del>454</del>
54,001 - 58,000	<del>680</del> <del>690</del>	<del>552</del> <del>562</del>	<del>487</del> <del>497</del>
58,001 - 62,000	<del>742</del> <del>752</del>	<del>604</del> <del>614</del>	<del>530</del> <del>540</del>
62,001 - 66,000	<del>802</del> <del>812</del>	<del>649</del> <del>659</del>	<del>573</del> <del>583</del>
66,001 - 70,000	<del>863</del> <del>873</del>	<del>698</del> <del>708</del>	<del>615</del> <del>625</del>
70,001 - 74,000	<del>924</del> <del>934</del>	<del>747</del> <del>757</del>	<del>658</del> <del>668</del>
74,001 - 78,000	<del>985</del> <del>995</del>	<del>796</del> <del>806</del>	<del>704</del> <del>714</del>
78,001 - 82,000	<del>1,046</del> <del>1,056</del>	<del>845</del> <del>855</del>	<del>744</del> <del>754</del>
82,001 - 86,000	<del>1,107</del> <del>1,117</del>	<del>894</del> <del>904</del>	<del>787</del> <del>797</del>

86,001 - 90,000	<del>4,294</del> <u>1,301</u>	<del>4,054</del> <u>1,064</u>	<del>948</del> <u>928</u>
90,001 - 94,000	<del>4,413</del> <u>1,423</u>	<del>4,159</del> <u>1,169</u>	<del>1,005</del> <u>1,015</u>
94,001 - 98,000	<del>4,535</del> <u>1,545</u>	<del>4,264</del> <u>1,274</u>	<del>1,093</del> <u>1,103</u>
98,001 - 102,000	<del>4,657</del> <u>1,667</u>	<del>4,368</del> <u>1,378</u>	<del>1,180</del> <u>1,190</u>
102,001 - 105,500	<del>4,779</del> <u>1,789</u>	<del>4,473</del> <u>1,483</u>	<del>1,267</del> <u>1,277</u>

c. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.
4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

Gross Weights	YEARS REGISTERED			
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th and 8th Years	9th and 10th Years	11th and Subsequent Years
20,001 - 22,000	<del>\$98</del> <u>\$108</u>	<del>\$84</del> <u>\$94</u>	<del>\$70</del> <u>\$80</u>	<del>\$52</del> <u>\$62</u>
22,001 - 24,000	<del>403</del> <u>113</u>	<del>88</del> <u>98</u>	<del>73</del> <u>83</u>	<del>54</del> <u>64</u>
24,001 - 26,000	<del>414</del> <u>121</u>	<del>94</del> <u>104</u>	<del>77</del> <u>87</u>	<del>56</del> <u>66</u>
26,001 - 28,000	<del>422</del> <u>132</u>	<del>102</del> <u>112</u>	<del>83</del> <u>93</u>	<del>60</del> <u>70</u>
28,001 - 30,000	<del>434</del> <u>141</u>	<del>110</del> <u>120</u>	<del>89</del> <u>99</u>	<del>64</del> <u>74</u>
30,001 - 32,000	<del>446</del> <u>156</u>	<del>123</del> <u>133</u>	<del>100</del> <u>110</u>	<del>73</del> <u>83</u>
32,001 - 34,000	<del>456</del> <u>166</u>	<del>134</del> <u>141</u>	<del>106</del> <u>116</u>	<del>77</del> <u>87</u>
34,001 - 36,000	<del>466</del> <u>176</u>	<del>139</del> <u>149</u>	<del>112</del> <u>122</u>	<del>84</del> <u>91</u>
36,001 - 38,000	<del>476</del> <u>186</u>	<del>147</del> <u>157</u>	<del>118</del> <u>128</u>	<del>85</del> <u>95</u>
38,001 - 40,000	<del>486</del> <u>196</u>	<del>155</del> <u>165</u>	<del>124</del> <u>134</u>	<del>89</del> <u>99</u>

40,001 - 42,000	<del>496</del> 206	<del>463</del> 173	<del>430</del> 140	<del>93</del> 103
42,001 - 44,000	<del>206</del> 216	<del>474</del> 181	<del>436</del> 146	<del>97</del> 107
44,001 - 46,000	<del>246</del> 226	<del>479</del> 189	<del>442</del> 152	<del>104</del> 111
46,001 - 48,000	<del>226</del> 236	<del>487</del> 197	<del>448</del> 158	<del>105</del> 115
48,001 - 50,000	<del>236</del> 246	<del>495</del> 205	<del>454</del> 164	<del>109</del> 119
50,001 - 52,000	<del>256</del> 266	<del>243</del> 223	<del>470</del> 180	<del>123</del> 133
52,001 - 54,000	<del>266</del> 276	<del>224</del> 231	<del>476</del> 186	<del>127</del> 137
54,001 - 56,000	<del>276</del> 286	<del>229</del> 239	<del>482</del> 192	<del>134</del> 141
56,001 - 58,000	<del>286</del> 296	<del>237</del> 247	<del>488</del> 198	<del>135</del> 145
58,001 - 60,000	<del>296</del> 306	<del>245</del> 255	<del>494</del> 204	<del>139</del> 149
60,001 - 62,000	<del>306</del> 316	<del>253</del> 263	<del>200</del> 210	<del>143</del> 153
62,001 - 64,000	<del>346</del> 326	<del>264</del> 271	<del>206</del> 216	<del>147</del> 157
64,001 - 66,000	<del>326</del> 336	<del>269</del> 279	<del>242</del> 222	<del>154</del> 161
66,001 - 68,000	<del>336</del> 346	<del>277</del> 287	<del>248</del> 228	<del>155</del> 165
68,001 - 70,000	<del>346</del> 356	<del>285</del> 295	<del>224</del> 234	<del>159</del> 169
70,001 - 72,000	<del>356</del> 366	<del>293</del> 303	<del>230</del> 240	<del>163</del> 173
72,001 - 74,000	<del>366</del> 376	<del>304</del> 311	<del>236</del> 246	<del>167</del> 177
74,001 - 76,000	<del>376</del> 386	<del>309</del> 319	<del>242</del> 252	<del>174</del> 181
76,001 - 78,000	<del>386</del> 396	<del>347</del> 327	<del>248</del> 258	<del>175</del> 185
78,001 - 80,000	<del>396</del> 406	<del>325</del> 335	<del>254</del> 264	<del>179</del> 189
80,001 - 82,000	<del>406</del> 416	<del>333</del> 343	<del>260</del> 270	<del>183</del> 193
82,001 - 84,000	<del>446</del> 426	<del>355</del> 365	<del>303</del> 313	<del>259</del> 269
84,001 - 86,000	<del>436</del> 446	<del>372</del> 382	<del>347</del> 327	<del>274</del> 281
86,001 - 88,000	<del>456</del> 466	<del>389</del> 399	<del>334</del> 341	<del>283</del> 293
88,001 - 90,000	<del>476</del> 486	<del>406</del> 416	<del>345</del> 355	<del>295</del> 305
90,001 - 92,000	<del>496</del> 506	<del>423</del> 433	<del>359</del> 369	<del>307</del> 317
92,001 - 94,000	<del>546</del> 526	<del>440</del> 450	<del>373</del> 383	<del>349</del> 329
94,001 - 96,000	<del>536</del> 546	<del>457</del> 467	<del>387</del> 397	<del>334</del> 341
96,001 - 98,000	<del>556</del> 566	<del>474</del> 484	<del>404</del> 411	<del>343</del> 353
98,001 - 100,000	<del>576</del> 586	<del>494</del> 501	<del>445</del> 425	<del>355</del> 365
100,001 - 102,000	<del>596</del> 606	<del>508</del> 518	<del>429</del> 439	<del>367</del> 377
102,001 - 104,000	<del>646</del> 626	<del>525</del> 535	<del>443</del> 453	<del>379</del> 389
104,001 - 105,500	<del>636</del> 646	<del>542</del> 552	<del>457</del> 467	<del>394</del> 401

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Thirteen dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund.

**SECTION 11. AMENDMENT.** Section 57-40.3-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.3-02. Tax imposed.** There is hereby imposed an excise tax at the rate of ~~five~~ four percent on the purchase price of any motor vehicle purchased or acquired either in or outside of the state of North Dakota for use on the streets and highways of this state and required to be registered under the laws of this state.

**SECTION 12.** A new section to chapter 57-40.3 of the North Dakota Century Code is created and enacted as follows:

**Separate and additional motor vehicle excise tax - Transfer of revenue.** In addition to the tax otherwise imposed under section 57-40.3-02, there is imposed an excise tax at the rate of one percent on the purchase price of any motor vehicle purchased or acquired in or outside this state for use on the streets and highways of this state and required to be registered under the laws of this state. The entire revenue from tax imposed under this section must be transmitted monthly by the director of the department of transportation to the state treasurer and deposited in the state highway fund and is not considered part of net collections under section 57-39.2-26.1.

**SECTION 13. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.3-10. Transfer of revenue.** ~~All~~ Except as otherwise provided in section 12 of this Act, all moneys collected and received under this chapter must be transmitted monthly by the director of the department of transportation to the state treasurer to be transferred and credited to the general fund.

**SECTION 14. AMENDMENT.** Section 57-43.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-43.1-02. Tax imposed on motor vehicle fuels.**

1. Except as otherwise provided in this section, a tax of ~~twenty-one~~ twenty-three cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state, ~~except the tax imposed is twenty-five cents per gallon [3.79 liters] on all motor vehicle fuel sold or used in this state during the period from May first through October thirty-first of each year.~~
2. A supplier or distributor shall remit the tax imposed by this section on motor vehicle fuel used, on the wholesale distribution of motor vehicle fuel to a retailer, and on direct sales of motor vehicle fuel to a consumer.
3. The tax imposed by this section does not apply on a sale by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the retailer and to the consumer. A retailer who paid the tax to the supplier or distributor shall pass the tax on to the consumer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the motor vehicle fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

**SECTION 15. AMENDMENT.** Section 57-43.2-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-43.2-02. (Contingent effective date - See note - Effective through June 30, 2005) Tax imposed.**

1. Except as otherwise provided in this chapter, an excise tax of twenty-one cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel. The tax under this subsection is reduced by one and five-hundredths cents per gallon [3.79 liters] on the sale or delivery of diesel fuel that contains at least two percent biodiesel fuel by weight.

2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

**(Effective after June 30, 2005) Tax imposed.**

1. Except as otherwise provided in this chapter, an excise tax of ~~twenty-one~~ twenty-three cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel.
2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

**SECTION 16. REPEAL.** Section 39-04-39.5 of the North Dakota Century Code is repealed.

**SECTION 17. EFFECTIVE DATE.** Sections 10, 14, and 15 of this Act are effective for registrations and taxable events occurring after June 30, 2005. Sections 11, 12, and 13 of this Act are effective for taxable events occurring after June 30, 2009. Section 16 of this Act is effective for registrations occurring after June 30, 2005."

Page 4, line 12, replace "6" with "8"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2012 - Department of Transportation - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Administration	\$27,227,294	\$27,185,848	(\$11,606)	\$27,174,242
Driver's and Vehicle Services	20,081,797	20,048,706	(13,354)	20,035,352
Highways	736,823,693	789,997,698	73,096,713	863,094,411
Fleet Services	<u>43,280,168</u>	<u>43,271,158</u>	<u>(3,120)</u>	<u>43,268,038</u>
Total all funds	\$827,412,952	\$880,503,410	\$73,068,633	\$953,572,043
Less estimated income	<u>827,412,952</u>	<u>880,503,410</u>	<u>73,068,633</u>	<u>953,572,043</u>
General fund	\$0	\$0	\$0	\$0
FTE	1044.50	1044.50	0.00	1044.50

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

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	ADDS FUNDING FOR ONE CALL <sup>1</sup>	ADDS HIGHWAY CONSTRUCTION FUNDS <sup>2</sup>	ADDS FUNDING FOR EMERGENCY RELIEF PROJECTS <sup>3</sup>	ADDS FUNDING FOR ROADWAY PLAN <sup>4</sup>	TOTAL HOUSE CHANGES
Administration	(\$11,606)					(\$11,606)
Driver's and Vehicle Services	(13,354)					(13,354)
Highways	(100,589)	\$168,520	\$17,900,000	\$54,128,782	\$1,000,000	73,096,713
Fleet Services	<u>(3,120)</u>					<u>(3,120)</u>
Total all funds	(\$128,669)	\$168,520	\$17,900,000	\$54,128,782	\$1,000,000	\$73,068,633
Less estimated income	<u>(128,669)</u>	<u>168,520</u>	<u>17,900,000</u>	<u>54,128,782</u>	<u>1,000,000</u>	<u>73,068,633</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> The highways line item is increased by \$168,520 from the highway fund for costs of complying with provisions of Senate Bill No. 2209 which require the department to provide data on the location of utilities on highway rights of way.

<sup>2</sup> The highways line item is increased by \$17,900,000, of which \$15,900,000 is federal funds and \$2,000,000 is from the highway fund for highway projects in anticipation of receiving \$202.3 million of federal highway construction funds in federal fiscal year 2005 and \$205 million in federal fiscal year 2006.

<sup>3</sup> The highways line item is increased by \$54,128,782, of which \$43,968,332 is federal funds, \$8,472,520 is state matching, and \$1,687,930 is from the counties for emergency relief projects on highways.

<sup>4</sup> The highways line item is increased by \$1,000,000 from funds transferred from the cities' and counties' share of the additional revenue generated by this bill for the development of a roadway plan for cities and counties. A section is added precluding the cities and counties from receiving the additional revenue resulting from provisions of this bill until they develop, in collaboration with the Department of Transportation, a roadway plan.

The section added by the Senate requiring the department to maintain bridges over navigable waters in the state that it is currently maintaining is changed to require the department to maintain the structural integrity of these bridges unless the department enters into an agreement with the municipality.

A section is added delaying the effective date from January 1, 2006, to January 1, 2008, of provisions allowing a landowner owning land next to a no-mow area to hay the no-mow or managed-mow area after July 15 without payment or penalty.

The section added by the Senate authorizing the department to issue grant anticipation revenue vehicle (GARVEE) bonds is changed to limit the authorization to only the Liberty Memorial Bridge project and the United States Highway 2 project.



The section added by the Senate naming the replacement bridge for the Liberty Memorial Bridge between Bismarck and Mandan the Medal of Honor Bridge is changed to name the replacement bridge the Liberty Memorial Bridge.

Sections are added providing additional state highway revenue beginning in the 2005-07 biennium by:

- Increasing the motor vehicle fuel (gasoline and gasohol) and special fuels (diesel) tax rate by 2 cents per gallon, from 21 to 23 cents. This revenue will be deposited in the highway tax distribution fund.
- Increasing the motor vehicle fuel (gasoline and gasohol) tax rate by an additional 2 cents per gallon, from 23 to 25 cents each year during the months of May through October. This revenue will be deposited in the highway tax distribution fund.
- Increasing annual motor vehicle registration fees by \$10. This revenue will be deposited directly in the state highway fund providing a total of \$13 of each registration fee that is deposited directly in the highway fund.

The Department of Transportation estimates these increases will generate \$41.4 million of additional revenue during the 2005-07 biennium, of which \$31 million will be deposited in the state highway fund, \$6.5 million will be distributed to counties, and \$3.9 million to cities.

Sections are added providing that effective July 1, 2009, collections from 1 percent of the current 5 percent motor vehicle excise tax will be deposited in the state highway fund rather than in the state aid distribution fund and the general fund.