

**FIRST ENGROSSMENT
with House Amendments**

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2338

Introduced by

Senators Nething, Seymour, Wardner

Representatives Gruchalla, Kempenich, Weiler

1 A BILL for an Act to amend and reenact section 57-43.2-19 of the North Dakota Century Code,
2 relating to deposit of special fuels excise taxes paid by railroads in a special fund; to provide an
3 appropriation; to provide an effective date; and to provide an expiration date.

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

5 **SECTION 1. AMENDMENT.** Section 57-43.2-19 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-43.2-19. Transfer, deposit, and distribution of funds.** All taxes, license fees,
8 penalties, and interest collected under this chapter must be transferred to the state treasurer
9 who shall deposit moneys in a highway tax distribution fund, except all special fuels excise
10 taxes collected on sales of diesel fuel to a railroad under section 57-43.2-03 of up to one million
11 six hundred thousand dollars per biennium must be transferred to the state treasurer who shall
12 deposit the moneys in the highway-rail grade crossing safety projects fund. The highway tax
13 distribution fund must be distributed in the manner as prescribed by section 54-27-19.

14 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the
15 highway-rail grade crossing safety projects fund in the state treasury, not otherwise
16 appropriated, the sum of \$1,600,000, or so much of the sum as may be necessary, and from
17 federal highway traffic safety funds, the sum of \$900,000, or so much of the sum as may be
18 necessary, to the department of transportation for funding of grants for highway-rail grade
19 crossing safety projects, including grants for reduction of associated special assessments, in
20 this state, for the biennium beginning July 1, 2009, and ending June 30, 2011. By August 1,
21 2011, the state treasurer shall transfer any unexpended and unobligated balance in the
22 highway-rail grade safety projects fund to the highway tax distribution fund.

23 Grants under this section by the department of transportation for highway-rail grade
24 crossing safety projects are subject to the following requirements:

- 1 1. A political subdivision must file an application with the department of transportation
2 for a grant.
- 3 2. A political subdivision grant applicant must provide ten percent matching funds for
4 the project costs but no local matching funds are required for a highway-rail grade
5 crossing on a state highway.
- 6 3. Grant funds may be allocated for development of railroad quiet zones, installation
7 or upgrading of active warning devices, resurfacing crossings, building of grade
8 separations, and other costs associated with these improvements.
- 9 4. An applicant for grant approval for development of a railroad quiet zone shall
10 provide the department of transportation a copy of the notice of intent filed with the
11 federal railroad administration regarding establishment of a proposed quiet zone
12 and copies of any subsequent filings with or orders from the federal railroad
13 administration relating to the notice of intent.
- 14 5. Grants for a single crossing may not exceed \$75,000 and grants for all crossings
15 within a city may not exceed a cumulative amount of \$225,000.

16 **SECTION 3. EFFECTIVE DATE - EXPIRATION DATE.** Section 1 of this Act is
17 effective for taxable events occurring after June 30, 2009, and before July 1, 2011, and is
18 thereafter ineffective.