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Operator's Signature — Date 10/22/03

2003 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2393

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2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2393

Senate Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 02-03-03

Tape Number	Side A	Side B	Meter #
1		xxx	1570
Committee Clerk Signature	Lisa VanBerkom		

Minutes:Chairman Mutch opened the hearing on SB 2393. All Senators present. SB 2393 relates to an Act to provide for a growing North Dakota commission; and to provide an expiration date.

Testimony in support of SB 2393

Senator Robinson introduced the bill. He states that the bill proposes to establish a Growing North Dakota Commission. See attached testimony.

Senator Grindberg also sponsored the bill.

Senator Heitkamp asks him if he sees a value with this project and is it possible to get the time, energy and money.

Senator Grindberg: Yes I do believe it is possible or I would not be standing in support of this bill.

Mark Sitz, North Dakota Farmers Union, spoke in support of the bill. He made a brief statement and wanted to go on the record that the ND Farmers Union was supportive of this bill.

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Bill Patrie, representing ND Rural Cooperatives, also spoke in support of this bill. He stated that the reason people migrate is for the "push and pull" factors. Either something pushes them out of the state or something pulls them into the state.

There was no opposing testimony.

Closed hearing, no action at this time.

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2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2393

Senate Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 02-10-03

Tape Number	Side A	Side B	Meter #
1		xxx	4350
Committee Clerk Signature	Lisa VanBerkom		

Minutes: Vice-Chairman Klein opened the discussion on SB 2393. Senator Mutch was absent.

SB 2393 relates to an Act to provide for a growing North Dakota commission; and to provide an expiration date.

Amendments were proposed and discussed. Senator Robinson is in support of the amendments.

These amendments would hog house the bill. See attached.

Senator Nething moved to AMEND. Senator Heitkamp seconded.

Roll Call Vote: 6 yes. 0 no. 1 absent.

Senator Heitkamp moved a DO PASS AS AMENDED. Senator Every seconded.

Roll Call Vote: 6 yes. 0 no. 1 absent.

Carrier: Senator Heitkamp.

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FISCAL NOTE

Requested by Legislative Council
02/11/2003

Amendment to: SB 2393

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$0	$0	$0	$0
Appropriations	$0	$0	$0	$0	$0	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$0	$0	$0	$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The Foundation members have authority to receive travel cost reimbursement but have choosen not to receive any compensation to date. Therefore, no fiscal impact is expected.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Paul Govig	**Agency:**	ND Dept. of Commerce
Phone Number:	328-4499	**Date Prepared:**	02/14/2003

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Operator's Signature 10/22/03 Date

FISCAL NOTE

Requested by Legislative Council
01/28/2003

Bill/Resolution No.: SB 2393

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$54,464	$0	$56,700	$0
Appropriations	$0	$0	$54,464	$0	$56,700	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$0	$0	$0	$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures are based on reimbursement of travel costs for quarterly meetings to 17 members of the new commission. Additionally, 11 non-state employee members will receive compensation of $80 per day. The estimate assumes two days of compensation for each quarterly meeting.

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Same as expenditures. The Governor's Office will need additional appropriation and general fund dollars of $54,464 for the new commission.

Name:	Sandy Paulson	**Agency:**	OMB for Governor's Office
Phone Number:	328-2148	**Date Prepared:**	01/29/2003

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10/22/03
Date

38374.0101
Title.0200

Prepared by the Legislative Council staff for
Senator Robinson
February 6, 2003

2-10-03
1 of 2

PROPOSED AMENDMENTS TO SENATE BILL NO. 2393

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to duties of the department of commerce division of workforce development; and to amend and reenact section 54-60-04 of the North Dakota Century Code, relating to duties of the North Dakota economic development foundation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-60-04 of the North Dakota Century Code is amended and reenacted as follows:

54-60-04. North Dakota economic development foundation - Executive committee - ~~Purpose~~ Duties. The North Dakota economic development foundation is created.

1. The foundation is composed of a minimum of fifteen and a maximum of thirty members appointed by the governor for two-year terms, except the governor shall appoint approximately one-half of the initial foundation members to one-year terms in order to initiate a cycle of staggered terms. Appointment of the foundation members must ensure a cross section of business, tourism, and economic development representation, and must ensure that at least one member represents rural concerns.

2. The foundation members shall elect an executive committee with a minimum of five and a maximum of seven foundation members. The executive committee members shall elect a chairman, vice chairman, and a secretary.

3. The foundation shall seek funding for administrative expenses from private sector sources and shall seek and distribute private sector funds for use in commerce-related activities in the state.

4. The ~~purpose of the~~ foundation ~~is to~~ shall:

   a. Provide the governor advice and counsel in selecting the commissioner~~;~~.

   b. Serve in an advisory role to the commissioner~~;~~.

   c. Develop a strategic plan for economic development in the state and set accountability standards, measurements, and benchmarks to evaluate the effectiveness of the department in implementing the strategic plan~~;~~.

   d. Develop a strategic plan for the development of value-added agriculture in the state~~; and~~.

   e. Monitor tourism and economic development activities and initiatives of the department.

   f. Recommend state and federal legislation relating to strengthening the state's economy and increasing the state's population.

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2 of 2

g. Monitor state and federal legislation and initiatives that may impact the state's economy and population.

h. Serve as a source of expertise for developing public and private initiatives to strengthen the state's economy and increase the state's population.

SECTION 2. A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

Division of workforce development - Duties. The division of workforce development shall actively monitor local, regional, and national private and public workforce development initiatives."

Renumber accordingly

Renumber accordingly

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Operator's Signature 10/22/03 Date

Date: 2-10-03
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2393

Senate _____ Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38374.0101

Action Taken Adopt Amendments

Motion Made By Nething Seconded By Heitkamp

Senators	Yes	No	Senators	Yes	No
Sen.Jerry Klein, Vice Chairman	X				
Sen.Karen Krebsbach	X				
Sen. Dave Nething	X				
Sen. Joel Heitkamp	X				
Sen.Mike Every	X				
Sen. Duane Espegard	X				
Sen. Duane Mutch,Chairman	A				

Total (Yes) 6 No 0

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

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Operator's Signature 10/22/03 Date

Date: 2-10-03
Roll Call Vote #: 2

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate 2393 IBL Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38374.0101

Action Taken DO PASS AS Amended

Motion Made By Heitkamp Seconded By Every

Senators	Yes	No	Senators	Yes	No
Sen.Jerry Klein, Vice Chairman	X				
Sen.Karen Krebsbach	X				
Sen. Dave Nething	X				
Sen. Joel Heitkamp	X				
Sen.Mike Every	X				
Sen. Duane Espegard	X				
Sen. Duane Mutch,Chairman	A				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Heitkamp

If the vote is on an amendment, briefly indicate intent:

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REPORT OF STANDING COMMITTEE

SB 2393: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2393 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to duties of the department of commerce division of workforce development; and to amend and reenact section 54-60-04 of the North Dakota Century Code, relating to duties of the North Dakota economic development foundation.

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2. The foundation members shall elect an executive committee with a minimum of five and a maximum of seven foundation members. The executive committee members shall elect a chairman, vice chairman, and a secretary.

3. The foundation shall seek funding for administrative expenses from private sector sources and shall seek and distribute private sector funds for use in commerce-related activities in the state.

4. The ~~purpose of the~~ foundation ~~is to~~shall:

   a. Provide the governor advice and counsel in selecting the commissioner~~;~~.

   b. Serve in an advisory role to the commissioner~~;~~.

   c. Develop a strategic plan for economic development in the state and set accountability standards, measurements, and benchmarks to evaluate the effectiveness of the department in implementing the strategic plan~~;~~.

   d. Develop a strategic plan for the development of value-added agriculture in the state~~; and~~.

   e. Monitor tourism and economic development activities and initiatives of the department.

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f. Recommend state and federal legislation relating to strengthening the state's economy and increasing the state's population.

g. Monitor state and federal legislation and initiatives that may impact the state's economy and population.

h. Serve as a source of expertise for developing public and private initiatives to strengthen the state's economy and increase the state's population.

SECTION 2. A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

Division of workforce development - Duties. The division of workforce development shall actively monitor local, regional, and national private and public workforce development initiatives."

Renumber accordingly

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2003 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2393

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2393

House Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date March 17, 2003

Tape Number	Side A	Side B	Meter #
1	x		18.3-end
1		x	0.0-14.5
Committee Clerk Signature	Judith Hammer		

Minutes: **Chairman Keiser** opened the hearing on SB 2393.

Senator Robinson, District 24, introduced the bill and testified in its support. The intent is to capture the momentum and excitement of discussions that culminated in the Saving North Dakota televised program. Challenges regarding population loss and attempts to sustain population growth are before us. A high level commission charged with significant responsibility to assist and bring about both substantive economic and population growth is needed. As originally introduced, this bill called for a Growing North Dakota Commission. Perhaps what should happen here is to capture the components of this legislation and fold them into the Department of Commerce Foundation. That Foundation allows for a 30 member commission although at this time they have only 15 or 16 members. The idea is to expand the base, incorporate other groups and entities across the state and to really focus on the issue of population and economic growth for the entire state. Senator Grindberg and I are comfortable with the changes that were made to the original bill. That's the amended bill before you now.

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Rep. Klein: So we're not creating a new commission, we are adding members to an existing board that already is charged with the overall responsibilities in this area?

Senator Robinson: Exactly. We're expanding the size of the commission to bring more expertise and clarity to the mission of the Economic Development Foundation. It's my understanding from the materials about the Foundation that I've received from the EDF that it's a relatively new entity. In no way are we criticizing what's already in place, we aim to refine the plan. It needs a high focus and the Department of Commerce is the state agency that can do it.

Rep. Klein: So this dovetails with what Rep. Ekstrom's bill intended to do? I refer to the Population Growth bill.

Senator Robinson: I didn't have opportunity to look at Rep. Ekstrom's bill so I can't speak to details of that. We are all for economic and population growth. But before population grows, it must be stabilized. This stuff isn't easy, if it was, everybody would be doing it.

Rep. Froseth: The fiscal note reflects that the Foundation is functioning on a voluntary basis. There isn't any state appropriations for this entity, the way it looks. How often does this Foundation meet? Please highlight their work for us.

Senator Robinson: I can't elaborate in great detail. The Governor made some of the appointments as recently as last fall. Members of the commission are volunteers. We want to bring in the voice of constituents who are not yet represented, like the young people from Saving ND perhaps. Senator Espegard is a member of the foundation. They meet on a quarterly basis.

Rep. Nottestad: As it stands now, the bill has no money in it. But as 14 more members are appointed, wouldn't they have the privilege of being reimbursed for their expenses paid?

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Senator Robinson: Money is a precious commodity out here. But unless we make an effort to accomplish what SB 2393 does, things are going to get tougher. Please look at these issues as you consider this bill. To date, people are volunteering to serve on the Foundation. Maybe per diem should be included. We felt that if we put dollars in the fiscal note, it would go by the wayside. All we know is that business as usual has not accomplished a reversal of the trends toward population loss. This is not a partisan issue. We need a broad based involved program to increase our odds for success.

Rep. Zaiser: Is there a strategic plan and where are you in developing initiatives?

Senator Robinson: The Foundation has already done a strategic plan. Senator Grindberg could speak to the details of that. I can get copies for all of you of the Strategic Plan.

Chairman Keiser: Thanks, but we've already gotten copies from the Department of Commerce.

Senator Robinson: The plan is in place, we're talking about revisions, broadening the scope, rather than creating another commission, we've got one in place, just getting going, ready to bring focus to the issues. Some of the players are GNDA, the University System, our business community, both large and small. I'd be happy to work with you some more on this bill, if you have things to add to it. This is a work in progress. Its time is now.

Rep. Grindberg, District 41: I chair the Department of Commerce budget in the Senate Appropriations Committee and we'll be looking into reimbursing foundation members for their travel expenses. In 1999, the Senate attached a study resolution on the economic development bill to look at privatizing our state economic development. That was the way to go in the 90's because it minimized partisan politics in the process. The thought was that the state should not create jobs; local communities and local development efforts should do so. Kevin Cramer

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brought in Miles Freedman, National Association of State Development Agencies, to work with the interim committee to create a hybrid of a quasi public/private partnership. We've decided that the privatizing model is not the way for our state to go. But a private piece through the Foundation establishment and bringing the entities involved with growth (Tourism, Division of Community Services [CBDG funds for infrastructure], the Economic Development Division) and creating a division of workforce was what came out of that legislation. Initially global markets were included too, but it was decided to hold off on that. That seemed to be too much too soon. In hindsight, maybe that decision was shortsighted. We directed them to create a strategic plan at the end of the last session. That plan will soon be pulled together and refined. Hopefully, in four to six years, we'll come back and the plan will still be intact and modifications have been made, but they are consistent with the strategic approach to growth. Prior to this, every two years another plan was drawn up and it would get shelved. The key piece to this is the foundation and the private sector to bring stability and less politics. In my opinion, the commerce structure and what we have today and are moving towards is a service provider. The Commerce Department created x number of jobs, so what? They are there to provide local communities with the tools necessary to get them through the hoops in the challenges of creating new jobs. This foundation will connect the private sector to the Legislative process and get North Dakota at the head of the curve. How would Schobinger's bill for repealing the personal income and corporate income tax attract people? South Dakota has proof that it is growing 5-6%. Texas, Florida, Arizona, they are all growing. Pennsylvania doesn't tax pension funds and it is the #2 state for population growth. You can retire and your income from pension and retirement accounts aren't taxed. With the incredible wealth baby boomers will realize, will we have a bigger exodus of people leaving to

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protect their assets? I signed on to this bill in hopes that the Foundation will find ways to keep people here, not necessarily to draw people here.

Chairman Keiser: What is the current makeup of the Foundation? So this bill isn't proposing to change the number of members the Foundation can have?

Rep. Grindberg, District 41: It calls for between 14-30 members. They have the minimum right now but can double that to 30. The number of members is already in statute.

Rep. Froseth: North Dakota has a self esteem issue. I think that has to be addressed, we have to foster a better self image and state perception. Can that be included in the mission statement of the foundation?

Rep. Severson: You said that in Appropriations you're looking at funding the reimbursement compensation. Should that be amended here?

Rep. Grindberg, District 41: If you want to amend this bill to get that compensation consistent with other boards and commissions, I wouldn't be opposed to that. ED & F has raised $50,000. Part of establishing the Foundation was to make it a fundraising vehicle as well, to market and promote the state.

Rep. Klein: I move that we amend this to cover expenses for the members of the Foundation.

Chairman Keiser: Relative to that, we have a fiscal note here, that has money in it to fund people. I'm confused. Is that from early on in, and part of what was hog housed?

Rep. Froseth: I'm interested in finding out who is on this Foundation board. I'd expect that some of those who are involved are supported or sponsored by their own businesses, or corporations or other already existing commissions. Isn't it possible that their expenses aren't

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10/22/03
Operator's Signature Date

coming directly out of their own pockets? I'd hate to see this go by the wayside and undergo a death by fiscal note.

Dale Anderson, GNDA and Economic Development Association of North Dakota, appeared to testify in support of SB 2393. He stated that they did not testify during the Senate hearings. His organizations are satisfied with this version and the amendments that came out of the Senate side. Creating the Department of Commerce and its Foundation was the way to go. This is a positive and enthusiastic step forward for the state of North Dakota. Any information that the New Economy Initiative compiled that could be helpful for this endeavor is available to the Foundation. Vision 2000 conducted town hall meetings across the state and involved 7000 people. That was broad base involvement. I see an expansion happening. The attitude is key.

Rep. Klein: Do you have a list of those persons presently appointed to the Commission?

Anderson: I can provide that for you.

Chairman Keiser: I'm struggling with this. I read it and the language doesn't do anything. It makes us feel good. It's another strategic plan, or planning to implement a strategic plan. How can we do anything, if we don't know what the state workforce is doing, what the Feds are doing? What is SB 2393 going to do for the state other than make us feel good? What does this do that we can't already do?

Anderson: Yes, the governor can expand the group at present. It will broaden the scope and fold GNDA's experience with Vision 2000 and the New Economy Initiative into the mission.

Rep. Nottestad: Doesn't the Foundation already have the ability to do what is outlined on page 2, sections F,G & H? It sounds good, sure, but it already is in place.

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Anderson: That's true, but the Foundation needs financial resources to get those things done. Marketing, strategic plans, setting up measurement criteria--that all takes some money. Whatever we can bring to the table, we'd be happy to share it.

Dave, Kemnitz, President of the North Dakota AFL-CIO, testified in opposition to SB 2393. I have some concerns about this bill. The original intent as written and now in statute appeared to be a private sector board doing private sector things and advising the Commissioner. The changes, as I read and understand them after listening to testimony and directed questions do a couple of things that disturb me. The private sector board selects its own members. Nowhere is there a request to bring other voices such as labor, the public, impacted public and private sectors into the process. My point is, you tell me, when does it meet, where, how often, is a public announcement published, are we invited to attend, and is there a roster of participants for the debates? A great difficulty in following your initiative is understanding when and where they are and how you access them. From Labor's perspective in the Workers Comp Advisory, we have a voice, but here it is different than a 3-3-3, three business, three labor and three public members, where a more intense debate can take place and a chance to affect the three in the middle as to whether they will vote for your proposal or against it or be in a neutral position. This new initiative, as amended, page 2, line 9, "recommends state and federal legislation relating to strengthening the economy and increasing the population" is so broad that almost any wiggle, Workers Comp, Unemployment or labor law or tax changes that may affect our workers and their families, is something this Foundation, which is private sector period, has no bias other than just one; it has a mindset that what is good for business is good for everybody else, regardless of whether you have a voice there to express your viewpoint or not. That's a good question, Mr.

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Chairman, what does this new language say? Maybe this is too literal an interpretation and not a legal one, lines 9 & 10 recommend "state and federal legislation relating to strengthening the economy and increasing the population". Legislation can come before you at the request of the Foundation. That's how I understand it. Where and when, then, are the other portions of the economy at the table when recommendations comes before you other than the brief few minutes we or they appear here? That is troubling, when it changes from a scope of advisory to a commissioner to advisory to an entire state body of legislative and administrative functions and regulatory agencies. If you moderate a state and federal legislation initiative, you are going to spend money. There is zero on this fiscal note. Under 13 & 14, if you serve as a source of expertise for developing public and private initiative, you're going to spend money. And there is nothing on the fiscal note. Are they absorbing all of this? Are they doing it now? Are you just enabling them to continue by not attaching a fiscal note to SB 2393? In the end, lines 17, 18. & 19 weren't even brought up by the sponsors of this bill, at least I didn't hear them mentioned. The division of workforce development shall actively monitor local, regional and national private and public workforce development initiatives. Pretty broad directive, I'd say. Any state agency, when asked to anything, comes before the legislature and itemizes the cost, how FTE's will be shifted, etc. No fiscal note. This is going to cost something. I sit on the Workforce Development Council, we advise under all these things already. Not to the extent I'd like to see it done, because they are understaffed. What does this new section mean? It doesn't have a lot to do with the Foundation because it doesn't say Foundation, it says, Workforce Development. It must be the Commission. With no fiscal note, it changes some of the scope. But, having said all this, I must say, there are a lot of good things that have happened in the state on economic development

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and initiatives. And there are lots of forums that are working hard and diligently, openly and honestly, to bring this state to a higher standard of living. But as you enlarge and define their duties in statute, and when their duties become somewhat responsive to the administrative and legislative function, you didn't enlarge, in this bill, the active voice. That is the bias here. There are no other voices at the table. And they can't get there unless you put them there.

Chairman Keiser: Let me point out that this language is in 54-16-04 that deals specifically with the Foundation and the reason there isn't a fiscal note is the Foundation is self funding internally, the participants are paying their own ways, whatever that amounts to. In theory, it will not impact the Department of Commerce. That's the reason no fiscal note is attached.

Rep. Zaiser: Do you see this expansion here as another layer of bureaucracy, especially as it deals with accountability, how do you see the public accountability?

Kemnitz: It does enlarge and probably creates bureaucracy for the private sector that appoints this particular element of bureaucracy and that's maybe a positive term. But when I read what happens in the underlying new language the scope and direction are changed. In prior Legislative sessions, when this type of bill was brought up, there wasn't a lot for labor to say about this. But even now, the committee talks about funding, travel and expenses. So that creates a bureaucracy under your auspices and tax dollars. We expect to be invited to the table and be a voice there.

As there was no one else present who wished to testify either in support or in opposition to SB 2393, the hearing was closed.

Rep. Froseth moved a Do Pass.

Rep. Tieman seconded the motion.

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Rep. Froseth: Regarding some of Mr. Kemnitz' concerns, on page 1 of the original bill, lines 13-16, spell out the procedure for appointment of Foundation members by the Governor. I think recommendations can be made to the Governor for any appointments he is authorized to make and I think he would be careful to include a cross section of business, tourism, economic development and rural concerns. I think that everyone will be able to have representation there. The intent to seek funds from the private sector to cover their administrative expenses, etc. is outlined in section 3. I think that answers the funding mechanism questions. And they have already raised $50,000. Maybe parts of this are feel good legislation, if they do their work the way it is drafted here, they can make some recommendations to the commerce committee on funding sources and programs that an interim committee can look at. I can't see where this would hurt anything if it can promote economic development and the creation of jobs.

Rep. Ekstrom: By way of legislative intent, we tend to go back to the same pool of people everytime we try something new in this state. The same folks are interviewed, again and again. The buy in isn't there, the attitude hasn't changed in the general populace, because we aren't reaching out far enough to get more people involved. I hope their self funding will allow them to meet their expenses. And I challenge them to bring in those new voices for input, like the Population Growth Conference in Dickinson did.

Rep. Klein: I support the motion. We are giving them additional guidelines and directions to go in. You set up a board, with broad guidelines, here we are focusing on something that we'd like to see them work on. I agree, maybe it doesn't do a whole lot of things, but it shows our intent that we are supportive of them.

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Rep. Keiser: I oppose the motion for two reasons. We have a new infant out there. The plan they put together is amazing but it doesn't go far enough to take risk with their plan. Read through this carefully. These objectives they set forward will almost occur naturally unless we have a terrible turn in the economy. So I think they already can do what they are asking to do and they don't really need any more specifications in statute. It takes time and money to respond to those new specs. On principle I will have to oppose the motion.

Rep. Zaiser: I agree, it isn't reaching far enough. This bill appears to send mixed messages. It says, "to seek private sector funding". *Seek* is very different from *getting* private sector funding. On the other hand, I see some responsibilities toward reporting public sector reporting. We talk so much about concepts, we need to walk the walk, not talk the talk.

Results of the roll call vote were: 8-3-3.

Rep. Klein will carry this bill on the floor.

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Date: 3/17/03
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. [redacted] 2393

House INDUSTRY BUSINESS & LABOR Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Froseth Seconded By Tieman

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser		✓	Boe	✓	
Vice-Chair Severson	✓		Ekstrom	✓	
Dosch	✓		Thorpe		
Froseth	✓		Zaiser		✓
Johnson	✓				
Kasper	✓				
Klein	✓				
Nottestad	✓				
Ruby		✓			
Tieman	✓				

Total (Yes) 8 No 3

Absent 3

Floor Assignment Klein

If the vote is on an amendment, briefly indicate intent:

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REPORT OF STANDING COMMITTEE (410)
March 17, 2003 11:26 a.m.

Module No: HR-47-4893
Carrier: M. Klein
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2393, as engrossed: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **DO PASS** (8 YEAS, 3 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2393 was placed on the Fourteenth order on the calendar.

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2003 TESTIMONY

SB 2393

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10/22/03
Date

Testimony
Senate Bill 2393
Growing North Dakota Commission

Senate Industry, Business & Labor Committee

Good morning Mr. Chairman and members of the committee. For the record, my name is Larry Robinson, State Senator, District 24. I appear before you today as a sponsor of Senate Bill 2393. Senate Bill 2393 proposes to establish a Growing North Dakota Commission. The duties and responsibilities of the commission are listed in Section 4 of the bill on page 2. In a nutshell, the duties of the commission are as follows:

(1) Solicit and receive information on and monitor state, regional, and federal public and private Initiatives to improve the economy of our state and region.

(2) Solicit and receive information on and monitor legislative initiatives to improve the economy of the state, and retain, and grow the population.

(3) Prepare related legislation determined by the commission to build the economic strength of state and grow the population.

(4) Prepare and recommend federal legislation which would serve to grow our economy and grow our population base.

(5) Serve as a source of expertise for developing public and private initiatives that will grow our economy and promote population growth and expansion.

The commission shall be broad based, representing a wide variety of constituency groups from across the state of North Dakota. A proposed listing of the membership of the commission is listed on page 1 of the bill draft. I would welcome your further review of this list and the inclusion of other groups and or entities, including representatives of the North Dakota Student

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Association.

You will note on page two that the commission shall meet at least quarterly at the call of the Chair. Any staffing assistance to the commission shall be provided by the governor's office.

Mr. Chairman and members of the committee, Senate Bill 2393 represents a work in progress. I have personally been thinking of such a concept for several months. The challenges we face as a state demand a high level commission charged with significant responsibility to assist in bringing about both substantive growth in our economy and our population. These tasks are daunting. The trends that we are experiencing in population loss alone have been with us for decades. We have made and continue to make serious efforts to reverse these trends. Unfortunately, the exodus of folks from North Dakota continues, and any sustained economic growth has been very hard to accomplish.

The recently completed "**Saving North Dakota**" series has created considerable interest and some exciting momentum. Folks from across the state, and indeed around the country, have followed this discussion with a high degree of interest. The young men and women who constituted the panel offered a wide variety of ideas and suggestions that we must not ignore. Several of the members of that group met with a number of legislators here in the capital last week prior to their meeting with the governor. Their concern for the future of our great state is real, it is sincere, and it is contagious.

Mr. Chairperson and members of the committee, it is not my intention to create another layer of government. Some have suggested that this commission be folded into the Commerce

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Department's Foundation Board. That is certainly an option. However, in no way do I want to water down their efforts in the area of business development.

Sen. Tony Grindberg, District 41, Fargo, is one of the other sponsors of this bill draft. Sen. Grindberg has far more experience in the area of economic development than I bring to the table. He will be speaking about the possibility of folding this concept into the foundation board of the Department of Commerce. I look forward to hearing his testimony and his thoughts regarding Senate Bill 2393.

Senate Bill 2393 provides us with an excellent opportunity to seize the momentum began by the **"Saving North Dakota"** series. I don't believe we can afford to lose that energy, that excitement and that determination. Senate Bill 2393 is not intended do duplicate, but to renew, not limit, but expand, not exclude, but embrace, not delay or post pond, but to act. Mr. Chairman and members of the committee, North Dakota has a pretty good system, but in today's competitive marketplace, pretty good is not enough. We might very well be on the right road. Unfortunately, in today's world, if we are not moving fast enough, we can still get run over. We must get better. We must think smarter. We must be more responsive and we must move faster. We must not be fragmented but united. Senate Bill 2393 is intended to bring us together in a common front to address concerns that are common to all of North Dakota. It's about ownership, commitment, coordination, persistence, and vision. Senate Bill. 2393 is about growth and success for all of North Dakota. I urge your committee to think carefully about the potential embedded in this bill. I would welcome improvements to the bill draft. It is not in final form. However, I would suggest that this bill provides an outstanding opportunity for all of us to rally around the common goals

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of economic and population growth for out great state. The time is now, we must seize the moment!

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