

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

LEGISLATIVE COUNCIL

Tuesday, June 3, 1997
Harvest Room, State Capitol
Bismarck, North Dakota

Senator Gary J. Nelson, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Gary J. Nelson, Layton Freborg, Karen K. Krebsbach, Tim Mathern, Larry J. Robinson, Wayne Stenehjem, Jim Yockim; Representatives Wesley R. Belter, Merle Boucher, John Dorso, Eliot Glasheim, Pam Gullerson, Bill Oban, Mike Timm, Francis J. Wald

Others present: Dale Wetzell, Associated Press, Bismarck

Ken Bertsch, Daron Pfeifer; North Dakota Farm Bureau, Bismarck

Wayne G. Sanstead, Tom Decker; Department of Public Instruction, Bismarck

Steve Schultz, Otter Tail Power, Jamestown

Bruce J. Kopp, Northern States Power, Grand Forks

Lynette Pederson, Northern States Power, Fargo

Mel Kambeitz, U S West, Bismarck

Jim Coats, State Representative, Mandan

Dennis Boyd, MDU Resources Group, Bismarck

Skip Seiser, North Dakota Public Employees Association/AFT, Bismarck

Terry Traynor, North Dakota Association of Counties, Bismarck

Don Davis, Bismarck Tribune, Bismarck

Lesli Rucker, Federal Emergency Management Agency, Bismarck

Keith Bjerke, North Dakota National Guard-SCO, Bismarck

Doug Friez, Division of Emergency Management, Bismarck

Rod Backman, Sheila Peterson; Office of Management and Budget, Bismarck

Larry Isaak, North Dakota University System, Bismarck

Jess Cooper, Greater North Dakota Association, Bismarck

Mike Jacobs, Randy Bradbury; Grand Forks Herald, Grand Forks

Tapio Kube, Trina Buchholz; Prairie Public Broadcasting, Fargo

Arthur Wheeler, North Dakota Retail Association/North Dakota Petroleum Marketers Association, Bismarck

Dave Thompson, Prairie Public Radio, Bismarck

Tom Freier, State Representative, Linton

Dina Butcher, Office of Intergovernmental Assistance, Bismarck

Jay E. Buringrud, Chester E. Nelson, Jr.; Legislative Council, Bismarck

It was moved by Senator Stenehjem, seconded by Senator Robinson, and carried on a voice vote to dispense with the reading of the minutes of the May 5, 1997, meeting and to approve the minutes as mailed.

Chairman Nelson called on Mr. Jay E. Buringrud, Assistant Director of the Legislative Council, to review a memorandum entitled "Statutory and Traditional Responsibilities of Legislative Council Interim Committees."

Chairman Nelson distributed copies of a proposed committee structure. He said the suggested committee membership was based primarily upon the preferences indicated by legislators on questionnaires distributed after the last meeting. He announced that the Council would review the list and would be open to suggestions for changes. He said after this meeting he would request that any legislators wishing to be added to any committees work through their leaders. He said a recorded roll call vote would be taken to approve the committee structure and assignments after the Council had reviewed all the committees.

Chairman Nelson presented the proposed membership of the Administrative Rules Committee, to be chaired by Representative LeRoy G. Bernstein. In response to a question from Representative Wald, Chairman Nelson announced each committee chairman would be asked to name a vice chairman, preferably from the other house, in those instances in which the Council did not name a vice chairman.

In response to a suggestion by Representative Oban, Chairman Nelson announced that the Council would return to the membership of the Administrative Rules Committee later in the meeting.

Chairman Nelson reviewed the proposed membership of the Advisory Commission on Intergovernmental Relations, Senator Tony Grindberg, Chairman, and Representative Leonard J. Jacobs, Vice Chairman. Chairman Nelson announced that only four legislators had requested membership on the Advisory Commission on Intergovernmental Relations, and that is the number provided by law. He said all four of the legislators named to the Advisory Commission on Intergovernmental Relations were members of the majority party.

Chairman Nelson presented the proposed membership of the Budget Section, to be chaired by Representative Jack Dalrymple. He said by tradition the membership of the Budget Section consists of the legislative leadership and the membership of both Appropriations Committees.

Chairman Nelson reviewed the proposed membership of the Budget Committee on Government Finance, to be chaired by Senator David E. Nething. **It was moved by Representative Dorso, seconded by Representative Wald, and carried that the Legislative Council expand the responsibility of the Budget Committee on Government Finance to study the feasibility of establishing a legislative budget.**

In response to a question from Senator Mathern, Chairman Nelson announced that the sponsor of House Concurrent Resolution No. 3045, calling for a study of the budget process and the results of the program-based performance budgeting pilot projects, had wanted a very small committee of six or seven legislators. He said that number has now been increased to 14. Representative Dorso said he thinks 14 is a larger committee than would be desirable, considering the subject matter.

Chairman Nelson reviewed the proposed membership of the Budget Committee on Government Services, to be chaired by Representative Janet Wentz. At the request of Representative Oban, Chairman Nelson announced that Representative Oban would be removed as a member of the Budget Committee on Government Services and added as a member of the Criminal Justice Committee.

Chairman Nelson reviewed the proposed membership of the Budget Committee on Human Services, to be chaired by Senator Tim Mathern. Senator Mathern said he had discussed this matter with Senator Yockim, and both are interested in the subject matter of this committee and

the Welfare Reform Committee. Although he had an interest in chairing the Welfare Reform Committee, he said it was satisfactory to retain the committee chairmanships as proposed.

Chairman Nelson reviewed the proposed membership of the Budget Committee on Long-Term Care, to be chaired by Representative Bill Oban.

Chairman Nelson reviewed the proposed membership of the Child Support Committee, to be chaired by Representative Eliot Glasheim. He noted that Representative Glasheim had not requested service on this committee, but he was certain Representative Glasheim would do a commendable job in chairing this committee.

Chairman Nelson reviewed the proposed membership of the Commerce and Agriculture Committee, to be chaired by Senator Duane Mutch. He announced that far more legislators requested service on this committee than could feasibly serve, and therefore the number of members had been reduced.

Chairman Nelson reviewed the proposed membership of the Criminal Justice Committee, to be chaired by Representative Merle Boucher.

Chairman Nelson reviewed the proposed membership of the Education Finance Committee, to be chaired by Senator Layton Freborg.

Chairman Nelson reviewed the proposed membership of the Education Services Committee, to be chaired by Senator Ray Holmberg.

Chairman Nelson reviewed the proposed membership of the Electric Utilities Committee, Representative Al Carlson, Chairman, and Senator Pete Naaden, Vice Chairman. In response to a question from Senator Mathern concerning the possibility of naming Senator Tomac to this committee, Chairman Nelson said Senator Christmann is from a neighboring district and the fact that Senator Tomac had previously run for the Public Service Commission was a factor in this decision.

Chairman Nelson reviewed the proposed membership of the Employee Benefits Programs Committee, Representative Francis J. Wald, Chairman, and Senator Ed Kringstad, Vice Chairman.

Chairman Nelson reviewed the proposed membership of the Garrison Diversion Overview Committee, to be chaired by Representative Pam Gulleeson.

Chairman Nelson reviewed the proposed membership of the Information Technology Committee, to be chaired by Senator Larry J. Robinson.

Chairman Nelson reviewed the proposed membership of the Insurance and Health Care

Committee, to be chaired by Senator Karen K. Krebsbach. Senator Krebsbach said House Concurrent Resolution No. 3030 calls for a study of the development of a strategic planning process for the future of public health in this state. She said the study of telemedicine had not been prioritized, but that the study called for in House Concurrent Resolution No. 3030 would appear to be broad enough to include consideration of the issue of telemedicine. Representative Oban said recent news reports have indicated that the Department of Health is receiving funding from private foundations, and he believes the committee should be apprised of these developments.

Chairman Nelson reviewed the proposed membership of the Judiciary Committee, to be chaired by Senator Wayne Stenehjem. Senator Mathern said he was pleased to see that Senator James A. Berg had been included as a member of this committee, as he said Senator Berg had been ill and unable to return the questionnaire and was interested in serving on the Judiciary Committee.

Chairman Nelson reviewed the proposed membership of the Legislative Audit and Fiscal Review Committee, Representative Mike Timm, Chairman, and Senator Ken Solberg, Vice Chairman.

Chairman Nelson reviewed the proposed membership of the Legislative Management Committee, to be chaired by Representative John Dorso. Chairman Nelson said this committee has traditionally included the leadership, and during the last interim Senator Nething and Representative Kretschmar were added to the committee because of their extensive experience concerning legislative administration issues.

Chairman Nelson reviewed the proposed membership of the Regulatory Reform Review Commission, to be chaired by Representative Mick Grosz. In response to a question from Representative Gulleeson, Chairman Nelson said the minority member from the House was not one suggested by the minority leadership, but he noted that the Regulatory Reform Review Commission had an all new membership and he had attempted to achieve geographical balance. He said he was also interested in seeing that there was urban representation as well as rural representation on the commission.

Chairman Nelson reviewed the proposed membership of the Taxation Committee, to be chaired by Representative Wesley R. Belter.

Chairman Nelson reviewed the proposed membership of the Welfare Reform Committee, to be chaired by Senator Jim Yockim.

Chairman Nelson opened the discussion for membership on any of the committees previously reviewed. In response to a request from Representative Oban, Chairman Nelson announced that Representative Oban's name would be added to the list of members on the Administrative Rules Committee.

It was moved by Senator Mathern and seconded by Representative Gulleeson that Senator Tomac be added as a member of the Electric Utilities Committee. Chairman Nelson noted that the Electric Utilities Committee is a committee created by law, and the law provides that the committee consist of three or four members of the House and three or four members of the Senate. He said he recommends that the committee consist of six members, three from the House and three from the Senate. Senator Mathern said adding the name of Senator Tomac to the membership of this committee would recognize Senator Tomac's experience and his preference for service on this committee. **The motion was defeated on a roll call vote.** Voting in favor of the motion were Senators Mathern, Robinson, and Yockim and Representatives Glasheim, Gulleeson, and Oban. Voting against the motion were Senators Nelson, Freborg, Krebsbach, and Stenehjem and Representatives Dorso, Belter, Timm, and Wald.

In response to a suggestion from Senator Yockim, Chairman Nelson announced that he would review the membership of the Welfare Reform Committee and the Child Support Committee as there is considerable overlap in the jurisdiction of these committees and there should be some members who serve on both committees.

In response to a suggestion from Representative Wald to expand the membership of the Employee Benefits Programs Committee, Chairman Nelson announced that that was a statutory committee and the statute provided that there would be five members of the House and four members of the Senate on the committee.

It was moved by Senator Stenehjem, seconded by Senator Freborg, and carried on a roll call vote to approve the committee structure and assignments as presented by the chairman and revised at this meeting. Voting in favor of the motion were Senators Nelson, Freborg, Krebsbach, Mathern, Robinson, Stenehjem, and Yockim and Representatives Dorso, Belter, Glasheim, Gulleeson, Oban, Timm, and Wald. There were no negative votes.

It was moved by Senator Robinson, seconded by Senator Krebsbach, and carried on a roll call vote to authorize the chairman to make

appointments to fill vacancies, to make revisions in committee appointments, to make additional assignments of studies and responsibilities, and to create additional committees as the chairman determines appropriate or necessary. Voting in favor of the motion were Senators Nelson, Freborg, Krebsbach, Mathern, Robinson, Stenehjem, and Yockim and Representatives Dorso, Belter, Glassheim, Gulleson, Oban, Timm, and Wald. There were no negative votes.

Chairman Nelson announced that the Council would review appointments to be made by the Legislative Council. He noted that the appointments to the Advisory Commission on Intergovernmental Relations had already been made. He said the Council was to select one member from each house for the Uniform Laws Commission and both members had to be attorneys. **It was moved by Representative Dorso, seconded by Senator Robinson, and carried on a voice vote that Representative William E. Kretschmar and Senator Wayne Stenehjem be appointed to the Uniform Laws Commission.**

Chairman Nelson recommended that Representative Janet Wentz and Senator Rod St. Aubyn be appointed to the Committee on Protection and Advocacy. **It was moved by Representative Dorso, seconded by Senator Stenehjem, and carried on a voice vote that these appointments be approved.**

Chairman Nelson announced that he was recommending that Senator Joel C. Heitkamp and Representative James A. Kerzman be named to the One-Call Notification Board. **It was moved by Senator Mathern, seconded by Senator Robinson, and carried on a voice vote that these appointments be approved.**

Chairman Nelson announced that he was recommending that Senator David E. Nething be named to the State Hospital Governing Body. **It was moved by Representative Timm, seconded by Senator Mathern, and carried on a voice vote that Senator Nething be appointed to the State Hospital Governing Body.**

It was moved by Senator Stenehjem, seconded by Representative Belter, and carried on a roll call vote that the Council approve the appointments that have been made by voice votes. Voting in favor of the motion were Senators Nelson, Freborg, Krebsbach, Mathern, Robinson, Stenehjem, and Yockim and Representatives Dorso, Belter, Glassheim, Gulleson, Oban, Timm, and Wald. There were no negative votes.

Chairman Nelson announced that there are several statutory appointments to be made by the chairman of the Legislative Council. He reported that he is appointing Representative Eliot

Glassheim and Senator John T. Traynor to the Child Support Guidelines Drafting Advisory Committee. He said he is appointing Senators Pete Naaden and Randy A. Schobinger and Representatives Bob Skarphol and Gerry Wilkie to the Special Road Advisory Committee. He said he is naming Mr. Jay E. Buringrud as the staff member of the Legislative Council to serve on the Uniform Laws Commission. Chairman Nelson announced that he is appointing Senators Steven W. Tomac and Terry M. Wanzek and Representatives Lyle L. Hanson and Allan Stenehjem to the State Employees Compensation Commission. He said he is naming Senator Ken Solberg and Representative Ronald Nichols to serve on the State Board of Animal Health. He said he is appointing Representative Clara Sue Price and Senator Judy Lee to serve on the Statewide Task Force on the Temporary Assistance to Needy Families Program. He said he is not yet ready to make an appointment to the Western Interstate Commission on Higher Education.

Chairman Nelson announced that the staff had distributed copies of the supplementary rules of the Legislative Council at the last meeting. He said these rules have not been revised for 10 years, and he asked the staff to review them and make any suggested changes at the next meeting.

Chairman Nelson called on Mr. Buringrud for a report on proposed changes in mailing policies of the Legislative Council to legislators with state-provided computers. Mr. Buringrud said the Legislative Council staff would be placing notices and minutes of interim committee meetings on the Internet and would notify legislators with state-provided computers by e-mail to alert them to these documents. He said reminder notices would be mailed in the usual manner. He said there should be considerable savings in copying and mailing expenses.

Chairman Nelson announced that as a result of a motion at the last meeting, Governor Edward T. Schafer had been invited to make a presentation at this meeting concerning the effects of recent disasters and the resources to alleviate damages to public facilities.

Chairman Nelson called on Governor Edward T. Schafer, who introduced Adjutant General Keith Bjerke, Office of Management and Budget Director Rod Backman, and Emergency Management Director Doug Friez, all of whom the Governor said played a key role in the state's response to the recent flooding disaster in Grand Forks. The Governor also introduced Ms. Lesli Rucker of the Federal Emergency Management Agency (FEMA).

The Governor distributed copies of an outline of his presentation. A copy is attached as an appendix to these minutes. The Governor said most of the focus of his presentation would deal with the recent flooding disaster in Grand Forks. He acknowledged other areas of the state also have suffered damages. He said there are four major areas of concern--public infrastructure, housing, business, and employment.

The Governor said damages to public infrastructure are estimated to be from \$142 million to \$277 million, 80 percent of which is in Grand Forks. He said 135 million pounds of debris are expected to be removed and about 500 million pounds of levee material should be removed by July 15. He said the damage to roads has been estimated at \$62.4 million, \$6.8 million of which is the state's share. He said the Department of Transportation is reducing equipment purchases and other expenses, and he said some 1998 projects may be delayed because of the lack of matching funds.

The Governor said the damage to schools has been estimated to be between \$40 million and \$50 million in Grand Forks. In addition, he said, the Grand Forks School District will lose revenue estimated to be \$6 million per year. He said three schools in Grand Forks were damaged so severely they are likely to be closed. He said the University System had damages of \$45 million, and of that amount \$12 to \$15 million is not covered, including lost revenue.

The Governor said much of the damage will be covered on a 25-75 percent state-federal split, and he hopes ultimately that will be changed to a split of 10-90 percent to repair a majority of public infrastructure projects. He said of these amounts, an estimated \$12 million to \$25 million represents the state's share. He said there are various options to meet these requirements, including community development block grants, and the Municipal Bond Bank is ready to make loans by issuing bonds.

The Governor said housing represents some of the most devastating losses. He said it has been estimated that 600 homes have been destroyed, 1,800 have suffered major damages, and 7,800 have suffered minor damages. He said only 10 percent of the homeowners had flood insurance. The Governor said temporary housing is critical, and the University of North Dakota has provided temporary housing and FEMA has provided 310 travel trailers for families to live in temporarily. He said two new mobile home parks are under development in Grand Forks, one having a capacity of 60 mobile homes at the University of North Dakota, and another having a

capacity of 150 mobile homes is being developed in an industrial park in west Grand Forks. He said the state must provide 25 percent of site preparation costs, which has been estimated to be \$1.2 million. The Governor said FEMA funds can be used to buy homes that are destroyed or are in the way of flood mitigation structures, and it is estimated this will cost \$28 million, 25 percent of which will be the state's share. He said 322 homes are being purchased on a voluntary basis under this program. The Governor said over 20,000 applications for assistance for emergency repairs have been approved. The maximum grant under the disaster housing assistance program is \$10,000, and \$35.6 million has been approved for this program. He said about 60 percent of applicants for small business administration loans qualify for damages to homes and personal property.

The Governor said FEMA has a maximum limit of \$13,100 for personal property damages, and over 16,000 applications have been received. He said state and local matching will equal about \$7.5 million. He said the State Housing Finance Agency is confident that Moody's will retain the state's bond rating. He said even though the agency announced that homeowners could delay making payments, 60 percent of the people with loans made their payments anyway.

The Governor reported on a number of other federal housing programs. He said there are programs for high energy efficiency replacement systems and a weatherization program that will assist people in reconstruction.

The Governor said we will never fully know the losses to businesses resulting from lost time and revenue. He said business losses are estimated to be \$50 million based on applications for assistance. However, he said, about two-thirds of Grand Forks businesses did not take advantage of an extension granted by the State Tax Department. He said 94 percent of state income tax returns were filed on time.

The Governor reported that agricultural losses have been enormous. The total direct losses to agriculture have been estimated at \$154 million, and the total loss to the state's economy is estimated to be \$826 million. About 1.1 million acres will not be planted this year.

The Governor reported that state agencies have cooperated in establishing a one stop licensing shop for contractors at Grand Forks Job Service. He said he has exercised emergency powers provided by law to suspend statutes and rules relating to bidding and licensing requirements. Community development block grants can be used to help businesses. He said the Bank of

North Dakota is making funds available for refinancing of participation loans with local banks and is participating in low interest loans and loan forgiveness programs. It has made \$30 million available for Grand Forks businesses and another \$5 million for other business locations. He said Grand Forks is advancing Small Business Administration loans incorporating community development block grant funds in a \$2 million program that provides \$20,000 loans to businesses, with a 25 percent forgiveness provision. The Governor said the North Dakota development fund has set aside \$2 million for businesses to leverage other funds to provide operating funds. The North Dakota Department of Economic Development and Finance is assisting businesses with financing options.

The Governor said 60,000 people were displaced by the flood, and 12,397 claims for unemployment benefits have been filed. He said there have been 5,840 disaster unemployment claims filed for those who are not qualified for regular unemployment benefits. He said there is now a shortage of workers in Grand Forks and Job Service is providing temporary jobs under a \$2.5 million program, and free day care assistance is being provided. He said some of the funds made available are being provided to the city to hire temporary employees to assess property and to clean up parks and other municipal facilities.

The Governor acknowledged the assistance provided by public and private institutions and people in providing assistance as a result of these disasters.

The Governor reviewed state financing options. He said there is a small balance in the 1995-97 contingency fund which can be spent by the State Emergency Commission. He said the estimated ending general fund balance on June 30, 1997, is \$65 million. He said North Dakota Century Code Section 54-16-04 provides that the Emergency Commission can authorize payment of funds in emergencies until the Legislative Assembly can appropriate those funds. He said the contingency fund appropriation for the next biennium is \$500,000. He said the Bank of North Dakota profits are estimated to be \$29.6 million which will be deposited in the state general fund in the next biennium, and he said there is authority to draw up to \$23 million of Bank of North Dakota funds if revenue projections fall below estimates. He said 1997 Senate Bill No. 2347 also provides authority for state agencies to borrow from the Bank of North Dakota in response to disasters. The Division of Emergency Management has authority to borrow \$15 million, and \$800,000

has been drawn. The National Guard has authority to borrow \$10 million, and \$2,550,000 has been drawn on that account. The Governor said \$7.5 million in community development block grants and home grants are on hold to determine if they should be dedicated for flood relief. He noted statutory authority exists to make allotments if revenues are insufficient.

The Governor said the state is strongly positioned to meet the demands of meeting this disaster. He said it is estimated the state's share will be between \$30 million and \$45 million and by later this year we will be in a position to evaluate the state's situation. The Governor said he does not believe it is appropriate to call a special session for the primary purpose of creating a public perception that we are being more proactive in addressing the challenge of recovering from this widespread disaster. He said damages must be assessed and recovery programs must be scrutinized to determine what additional assistance the state should provide. He said a long-term strategy is needed.

Chairman Nelson said he believes state agencies have done an outstanding job of responding to this emergency. In response to a question from Senator Robinson, the Governor said the Grand Forks School District has suffered over \$40 million in damages, most of which is covered by insurance. He said property tax revenues will be down by up to \$6 million per year or \$12 million for the biennium. He said the damages to the University of North Dakota are estimated to be \$44.3 million. He said these damages will be largely reimbursed by state and federal programs. He said the University of North Dakota has lost approximately \$1.4 million in room and board contracts, and UND-Lake Region and Mayville State University also had losses. He said the revenue losses to the Energy and Environmental Research Center are estimated to be \$6.8 million.

In response to a question from Representative Dorso, the Governor said \$10 million in emergency road funds are being made available to raise Highway 20 and make other repairs in the Devils Lake area. In response to a further question from Representative Dorso, the Governor said the goal is to find upper basin storage to handle three feet of Devils Lake water. He said there are limits to what can be done concerning raising the infrastructure to handle the water. He said an emergency outlet is needed, and funding for preengineering of \$5 million is in jeopardy in Congress.

In response to a question from Representative Gulleason, the Governor said the state is taking an

inventory of road damages. He said the state is prioritizing to determine where the most critical needs exist, with particular attention to emergency routes and schoolbus routes. However, he said, these programs are for state roads, not county and township roads. He said the problem is complicated by the fact the federal government is cutting back on many programs.

Senator Mathern said he is concerned about the unique situation caused by the climate in this state. He said if information is not available until much later this year, it may be too late to take advantage of the construction season. The Governor said he is aware of the short construction season in North Dakota, and he hopes that the information will be available soon enough to take necessary action.

The Governor said he is unaware of any project that is not progressing because of a lack of state action. However, he said, there is much uncertainty whether to rebuild in Grand Forks, particularly because people do not know where proposed dikes will be built. He said many of the critical decisions that must be made are made at the local level. Senator Stenehjem questioned whether there are any roadblocks in state law that could be addressed. He used the example of the \$6 million loss in revenue to the Grand Forks schools that may need a change in state law. The Governor said the Grand Forks School District will be held harmless the first year of the biennium, and he said they are looking for options to meet the needs the second year. He said the Grand Forks School District plans to use temporary facilities until it is known what is needed.

Senator Stenehjem noted the critical housing shortage in Grand Forks. He said many people cannot go back to work because they have no place to live. The Governor called on Ms. Dina Butcher who responded that there may be additional mobile home courts built in Grand Forks.

At the request of the Governor, Chairman Nelson called on Ms. Lesli Rucker, who said about 5,000 families have not returned to Grand Forks. She said her agency is attempting to determine the reasons, and she said they are contacting people on a one-on-one basis. She said there are 178 FEMA employees in Grand Forks.

Chairman Nelson asked the Governor to keep the Legislative Council apprised of any road blocks in state law or state policies that are discovered.

Representative Glassheim said there is a need for certainty and hope. He said people have to

know that assistance is actually going to happen. He said there is concern about how long people have to wait for assistance, and decisions are being made now by individuals and businesses concerning whether to rebuild or relocate. He said he hopes the state will be involved in helping people make decisions to stay.

In response to a question from the Governor, Representative Glassheim said one option the state might consider is whether to adopt a program similar to that in Florida which returns excess sales tax revenues to the disaster area. He said other options might be loans to the city for operating, underwriting bond ratings, and matching forgivable loans.

Representative Wald expressed concern relating to city licensing and bonding requirements that he understands have prevented some tradesmen from doing business in Grand Forks. The Governor said the city of Grand Forks has waived some contractors' fees, and he believes there have been improvements. He said some protections to protect property owners have been retained, especially in those instances in which bonding is not required.

Senator Yockim said people in other areas of the state need to know if resources will be shifted. For example, he said, school officials need to know whether there will be allotments of state funds to assist in this emergency.

Chairman Nelson called on Adjutant General Keith Bjerke, who said the paperwork to distribute funds has been handled as quickly as possible.

Representative Dorso said that in addition to state agency personnel, the people throughout the state have volunteered their time and resources to assist in this emergency.

In response to a question from Senator Stenehjem, the Governor said the delay in federal legislation is not holding up action by the state.

Chairman Nelson thanked the Governor for his presentation and announced that he may be calling another meeting of the Legislative Council within the next few weeks for a further report.

No further business appearing, Chairman Nelson adjourned the meeting at 12:25 p.m.

John D. Olsrud
Director

ATTACH:1