

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

ECONOMIC DEVELOPMENT COMMITTEE

Tuesday and Wednesday, May 11-12, 2004

State Capitol

Bismarck, North Dakota

Representative Rick Berg, Chairman, called the meeting to order at 9:05 a.m.

Members present: Representatives Rick Berg, Donald L. Clark, Mark A. Dosch, Mary Ekstrom, Glen Froseth, Jim Kasper, George Keiser, Eugene Nicholas, Kenton Onstad, Ken Svedjan, Don Vigesaa; Senators Dick Dever, Tony S. Grindberg, John O. Syverson

Members absent: Representatives Tracy Boe, Nancy Johnson; Senators Duaine C. Espegard, Ryan M. Taylor

Others present: See Appendix A

STATE'S PRIMARY SECTOR BUSINESS CLIMATE STUDY

This committee meeting was made up of a local economic developers' focus group discussion, the Primary Sector Business Congress, and a portion of the meeting dedicated to committee discussion and directives regarding the study.

Local Economic Developers - Focus Group Discussion

This portion of the committee meeting was held in the Brynhild Haugland Room. Chairman Berg explained this focus group discussion was the last of the business community focus group discussions being held across the state as part of the primary sector business climate study, pursuant to 2003 House Bill No. 1504. He said this focus group discussion differs from the first six focus group discussions in that the invited participants are economic developers instead of business people. The focus group discussion, he said, is intended to determine what the communities' economic development needs are and what the state can do to help.

After brief introductions by committee members and focus group discussion participants, Chairman Berg introduced Mr. Miles Friedman, National Association of State Development Agencies, to facilitate the focus group discussion. Mr. Friedman made a computer presentation, a copy of which is attached as Appendix B.

In facilitating the group interview, participants made the following observations:

- Although the general business climate in the state is pretty strong, smaller communities in this state struggle to maintain the status quo. There is not much opportunity to bring in outside businesses.
- Businesses find it difficult to get financing for intellectual capital.
- Small businesses in the tourism industry find it difficult to get economic development support and financing.
- If a small community can get a business to come to the community to take a look, the community does well; however, these small communities are short on infrastructure and need to be able to respond quickly to the needs of potential businesses.
- Information technology issues can hinder economic development. Information technology assistance could help address affordability and could include a pilot project to help offset the high cost of information technology infrastructure.
- Communities find access to a high-skilled labor force to be a difficult challenge to overcome.
- It is difficult for small communities to afford economic developer services. Small communities would benefit from receiving the state's assistance for the purpose of funding, training, or otherwise supporting developers.
- Some communities in the western portion of the state have benefited from the increased oil market.
- Economic development could be assisted by addressing international trade issues such as transportation issues and railline issues.
- There is a perceived struggle to keep the Small Business Development Councils (SBDCs) a priority. These councils are perceived as a valuable tool and resource for economic developers and giving local communities increased control over these SBDCs may help more communities to embrace the concept of SBDCs.
- Economic developers need to be risk-takers.
- Although primary sector business programs get state support, small communities have

unique needs that do not always fit this model. For example, in a small town, a hardware store may be a business that would justify state support.

- The issues of agriculture, energy, and tourism are major drivers in some communities. Although a lot of the jobs in these sectors are low-tech, that should not be perceived as a negative feature. The state should not limit focus on high technology jobs, because not all workforce members need to be college graduates.
- In the tourism industry there appears to be liability issues that could be addressed that could help grow the industry.
- There is concern with the decrease in funds going to the regional councils. These councils have boards and strive to do good work.
- There is support for making the Department of Commerce less political. It would be helpful to insulate the work of the Department of Commerce from political maneuvering, such that a change in a Governor would not necessarily result in a change in the administration and policies of the Department of Commerce.
- International opportunities need to be addressed, as Canada is a huge economic development opportunity for North Dakota.
- In the tourism industry, once a tourist comes to the state they have a good time and will likely return to the state to visit.
- There is great value to distance learning; however, there have been some problems with schools cooperating with local economic developers. The education system can be a rather closed community and it would be helpful to have the cooperation of the schools and teachers to assist in vocational fields.
- Intellectual property is a high-risk investment and we need to train the financing industry to recognize the value of intellectual property.
- The participants appeared to agree that taxes and regulations are really not a problem in this state, although there could be more done to fine tune these areas.
- There is a perception that venture capital deals are lacking because businesses do not want to give up control of the business. Venture capital investments are not designed for traditional banks.
- There is a perception that definitions used for economic development funding need to be addressed, such as the terms production agriculture and primary sector business.
- Although the North Dakota Development Fund is being used, there appears to be a backlog of applications and a lack of human resource to process these applications.
- In dealing with tribal partnerships to help strengthen economic development, local developers need to learn how to encourage tribal partnerships. Discussion indicated that tribal law is in part like dealing with the law of a foreign country, which requires special expertise and a large degree of trust between the parties.
- Corporate farming in the state is a big issue. Small family farms are not going to cut it anymore in this state; therefore, the state has to address the corporate farming laws.
- Ongoing focus group discussions across the state would be helpful because the focus group discussions seem to result in good recommendations.
- The North Dakota Development Fund has become more risk-adverse over the years. The fund needs to change this course and establish an acceptable loss rate.

Chairman Berg made some closing remarks and recessed the meeting to resume in the House chamber.

Primary Sector Business Congress

Chairman Berg welcomed the invited participants to the Primary Sector Business Congress.

Chairman Berg introduced Mr. Friedman and Mr. Friedman made the following four computer presentations:

1. *Summary of Responses to Group Interviews* (Appendix C);
2. *North Dakota Business Climate Study, "Visioning Exercise Results, West/East"* (Appendix D);
3. *North Dakota Business Climate Study, "Report on Issues to Be Addressed"* (Appendix E); and
4. *A Sampling of Best Practices in Economic Development* (Appendix F).

Chairman Berg recessed the meeting to allow committee members and participants to attend a brown bag lunch presentation by Ms. Linda Butts, Department of Commerce--*Changing Attitudes, Celebrating Success*. Following the brown bag lunch presentation, the Primary Sector Business Congress participants broke out into three groups to prioritize economic development issues, establish one primary action to be taken to address each of the six highest prioritized economic development issues, and establish performance measures to track progress in addressing the highest prioritized economic development issues. The list of 13 issues to prioritize is attached as Appendix G.

Following the group breakouts, a representative of each of the groups reported to the committee regarding the activities of the group. Representative Svedjan reported on the group that met in the Brynhild

Haugland Room. He reported on the prioritization for the following six items:

Issue 1 - Image building (internal and external) and internal marketing of state services and resources for businesses.

Action: Appropriate additional dollars to fund increased FTEs for tourism and economic development to better the "image market" of the state both internally and externally.

Issue 2 - Local economic development programs: support and strengthen.

Action: Better coordination of resources and technical assistance with regard to specific economic development projects and for project originators through local developers, the Department of Commerce, and affiliated stakeholders.

Issue 3 - Strategies: ongoing discussion and refinement; obtaining input.

Action: Host the business congress semiannually to review and update goals, check progress, and recommend any adjustments as necessary.

Issue 4 - Targeting industry, finding the one thing that North Dakota could do best.

Action: Identify three or four subcategories under the existing Department of Commerce targeted industries to create an improved competitive advantage for North Dakota in these areas of business.

Issue 5 - University partnerships: increasing and broadening partnerships with private sector to include internships, mentoring, incubation, targeted research, and entrepreneurship.

Action: Analyze and recommend ways to increase and broaden education partnerships with the private sector to include internships, mentor programs, incubation, targeted research, and entrepreneurship.

Issue 6 - Workforce training and development: making sure the state has enough skilled workers, upgrading skills, and providing more real world experiences for students at all levels.

Action: Identify present and future areas of skill deficiency and design "speed to market" skills training programs to satisfy the identified needs.

Representative Keiser reported on the activities of the group that met in the Harvest Room. He reported on the following six prioritized issues:

Issue 1 - Local economic development programs: support and strengthen.

Action: Train local developers, Secretary of State notification of economic developers regarding licensing, develop mentorship programs, strengthen financial support at the local level, provide state money matches, educate board members, provide economic development workshops, and economic development association strengthening membership and participation.

Performance measure: Conduct training workshops annually.

Issue 2 - Image building (internal and external) and internal marketing of state services and resources for businesses.

Action: Every high school should receive the presentation presented by Ms. Butts--*Changing Attitudes, Celebrating Success*; high school curriculum should address jobs and opportunities; educational support by boards, administrators, and educators; programs to impact the general population, such as public service announcements accentuating the positives and showcasing high-tech businesses; media could help by not sharing videos of negative events, such as bad weather events; build images around what we do well, such as agribusiness and technology; and increase internships in rural areas.

Issue 3 - Targeting industry, finding the one thing that North Dakota could do best.

Action: Focusing on industries our state can benefit from, such as nanotechnology; food and agriculture; expand oil and gas; Internet poker; and biofuels.

Issue 4 - Venture capital.

Action: Support of the Agricultural Products Utilization Commission program, providing less than 50 percent equity positions; support and increase angel investors and love money; develop a formalized investor network; improve the legislature's expectations for public investment money; improve technical assistance for entrepreneurs; and provide incentives to private venture capital and equity position guarantees up to 50 percent.

Issue 5 - Technology commercialization: what can be done to put more of the pieces in place?

Action: Affordable broadband technology; expand university-private partnerships; incentives to provide high-tech coverage, such as cell phones; protect intellectual property; and provide incentives for incubators.

Issue 6 - University partnerships: increasing and broadening partnerships with private sector to include internships, mentoring, incubation, targeted research, and entrepreneurship.

Action: Identify centers of excellence and provide tax incentives for internships and mentorships.

Representative Froseth reported on the activities of the group that met in the Missouri River Room. He reported on the following six prioritized issues:

Issue 1 - Image building (internal and external) and internal marketing of state services and resources for businesses.

Action: Because of concern about negative portrayals of our state and because of concern that when a North Dakota business markets, it is

not that the state has a bad image, it is that the state has no image at all. The small group recommended that in general the state needs to develop a more positive attitude and refrain from negatively portraying the state.

Performance measure: Publish a monthly success story about our state.

Issue 2 - Local economic development programs: support and strengthen.

Action: Increase partnership in assisting community expansion fund (PACE) program funding; utilize funds for solid companies to upgrade equipment and facilities, not just focusing on job creation; approach economic development needs as an investment, not an expense; and use of the North Dakota Development Fund should be for high-risk investments.

Performance measure: There is a need for more staffing.

Issue 3 - Targeting industry, finding the one thing that North Dakota could do best.

Action: The state needs to focus on what the state can do best by targeting six or seven industries.

Issue 4 - University partnerships: increasing and broadening partnerships with private sector to include internships, mentoring, incubation, targeted research, and entrepreneurship.

Action: Creating internships.

Issue 5 - Venture capital.

Action: Because there is a lack of venture capital and there is no type of available resource network, the state should dedicate a small portion of the state retirement fund to establish a venture capital fund.

Issue 6 - Workforce training and development: making sure the state has enough skilled workers, upgrading skills, and providing more real world experiences for students at all levels.

Action: Guidelines need to be relaxed so that programs are not limited to primary sector businesses. Restrictions on technology training and penalties when self-financing for training should be limited. Workforce training quadrants program needs to be continued.

The Primary Sector Business Congress came to a close with brief comments by Mr. Friedman and Chairman Berg.

Chairman Berg recessed the meeting at 3:40 p.m. and reconvened the meeting on Wednesday, May 12, 2004, at 8:30 a.m. in the Roughrider Room.

COMMITTEE DISCUSSION AND DIRECTIVES

Chairman Berg introduced Mr. Sandy Blunt, Executive Director, Workforce Safety and Insurance. Mr. Blunt introduced himself to the committee and said he looks forward to a long-term relationship with the Legislative Assembly. Mr. Blunt offered his

support to legislators and asked that legislators not hesitate to call him directly with workers' compensation questions or concerns.

Chairman Berg called on Mr. Syver Vinje, LAS International, Ltd., for comments regarding the seed capital investment tax credit. Mr. Vinje provided written testimony, a copy of which is attached as Appendix H. He said the North Dakota seed capital investment tax credit is doing exactly what it was intended to do by creating new jobs and bringing new wealth to the state. He said to continue the success of this program he would urge the Legislative Assembly to do the following four things:

1. Extend the North Dakota seed capital investment tax credit;
2. Remove the existing \$2.5 million "cap" that limits the availability of the credit;
3. Make the credit available to all North Dakota taxpaying or tax passthrough entities; and
4. Make the employees of the qualified primary sector business who do not have a controlling ownership interest in that business eligible for the credit.

In response to a question from Representative Keiser, Mr. Vinje said although his request is limited to allowing the credit for individuals who do not have a controlling ownership interest in a business, he would support extending this even broader to allow the credit for individuals with a controlling interest.

Senator Grindberg asked why the seed capital investment tax credit is limited to individuals and trusts.

Chairman Berg called on Mr. Friedman to summarize the activities thus far under the Primary Sector Business Congress. He said the committee needs to create a master plan regarding how to address the issues raised during the Primary Sector Business Congress and then provide for actual implementation of bill drafts and programs.

Representative Svedjan said he appreciates the opportunity for committee members to openly discuss the information gathered during the course of the Primary Sector Business Congress because up to this point the committee members have not had this opportunity. He questioned how the prioritization process that took place in the three small groups yesterday may have differed if there had been more business community participants.

Representative Berg said even though the three groups prioritized issues, it is not necessary for the committee to actually eliminate issues from consideration.

Representative Keiser said he agrees with Mr. Friedman in stating that the state has not developed a statewide economic development program. He said it appears as though the economic development system varies significantly across the state. Local economic developers have expressed their needs, he said, and addressing many of these needs

may not require legislation but instead may require the provision of training to rural areas. He said it might be helpful to have a statewide flow chart of all the economic development actors.

Representative Froseth said although issues related to the transportation system were not mentioned in any specificity yesterday, this is an issue that the committee should address. He conceded that it is likely that most of the transportation issues are most appropriately dealt with at a federal level but the Legislative Assembly needs to keep these issues on its radar screen.

Representative Nicholas said everything in North Dakota is working against us as far as transportation.

Representative Onstad said the concerns raised regarding education of economic developers due to high turnover of economic developers in rural areas is a real concern. Additionally, he said, the issue of educating high school students to gear all high school education toward college needs to be addressed because there is a state need to provide vo-tech education. Another issue not raised yesterday, he said, is the issue of state government competition with the private sector, such as services offered by the Information Technology Division.

Senator Grindberg said North Dakota is very diverse and it is good to recognize a regional approach to economic development.

Representative Ekstrom said it may be possible to charge universities to assist rural communities but it is necessary to recognize resource limits of university staff people.

Representative Kasper raised concerns regarding the definition of primary sector business. He said this definition hinders economic development and the definition should be expanded.

Representative Berg recognized greater North Dakota has special needs. He said the hardware store in a rural community may be more important than it would be in a larger community. However, he said, before special assistance is given to rural communities, the state needs to make sure that the rural community is ready to step up to the plate and is in the position to receive and use the economic development services.

Mr. Friedman said regional approaches to economic development are becoming more popular across the nation.

Senator Syverson said regionality seems like a credible consideration. Because there are limited resources, he said, perhaps these resources could be divided by region and each region could determine the best use of the funds.

In response to a question from Representative Ekstrom, Mr. Friedman said although there have been successful economic development programs specifically aimed to reach small businesses, it is harder to find the smaller businesses than it is to find the bigger businesses.

Representative Kasper said succession capital is an important issue and should be considered as part of the economic development discussion.

Representative Ekstrom added that economic development should also deal with the issue of retirement.

Representative Berg said the rural growth incentive program under North Dakota Century Code Section 54-34.3-13 may be a framework on which to build.

Representative Svedjan said it may be necessary to have a systematic approach to economic development that is limited to legitimate businesses.

Representative Keiser said there is a need to evaluate incentive programs and review what the different requirements are for each of the programs. For instance, he said, use of PACE funds may effectively be limited to large corporations because the program requires a certified audit and, therefore, the cost of using incentives through the PACE fund may be too expensive for small businesses. He stated it is important that small businesses be able to use these state economic development incentive programs.

Representative Berg said the state keeps adding economic development programs and perhaps some of the unused programs should be dropped or modified so that they are used.

Representative Keiser said the state needs to look at how property taxes affect existing businesses. Statistically, he said, 50 percent of the businesses pay 100 percent of the property taxes, thereby making taxpaying property owners subsidize the nontaxpaying property owners. He said although it is valuable to help new businesses, we also need to take care of existing businesses and consider how these incentives impact existing businesses.

Senator Dever said he initially envisioned the Department of Commerce to be a one-stop shop and now he realizes that this is not true. He stated that he has come to realize there is no magic bullet but there are some good things happening across the state.

Senator Syverson said the issue of training blue- and gray-collar workers needs to be addressed. He said the workforce programs may be spread too thin and we need to have our workforce trained online and ready to go.

Representative Dosch said the committee may wish to consider security laws for intellectual property and liability issues for tourism industries.

Representative Berg said another issue is the problems businesses face when entering contracts with the State of North Dakota, such as the short term of these contracts.

Representative Kasper said the committee should consider the problems of lack of availability or difficulty in getting liability insurance for North Dakota businesses.

Representative Berg said if the state tries to attract a cluster industry, it is going to be especially important

to look at how our liability laws may address this cluster industry.

Representative Kasper asked if it would be possible to receive copies of all funding programs.

Representative Berg requested that the Department of Commerce prepare a flow chart of economic development actors across the state.

Chairman Berg led the committee in a discussion of each of the 13 topics reviewed by the three small breakout groups during the Primary Sector Business Congress.

- **Image building (internal and external) and internal marketing of state services and resources for businesses.**

Representative Keiser said some of the actors that can address image building include the education system, local communities, local economic developers, and the Department of Commerce.

- **International marketing and business development services.**

Representative Berg said the Department of Commerce trade office can be a major actor in this area.

Senator Grindberg said he would like an update on the status of the Department of Commerce trade office. He said the original Department of Commerce bill included a trade division and he would support including such a division in the statutory structure.

Representative Berg said 2003 legislation allowed the Department of Commerce to use money for a trade office.

A representative of the North Dakota Trade Office said the charges of the office include identifying trade opportunities and identifying barriers to trade. She said the office is in the process of conducting telephone interviews and roundtable discussions across the state to identify these issues. She said transportation has been identified as a barrier that impacts small and large businesses. She said there is a huge quagmire of export laws. Additionally, the importance of exporting is hard to overstate as exportation brings new money into the state, diversifies the economy, and provides excitement for the youth of the state.

In response to a question from Senator Grindberg, a representative from the Trade Office said although she is not aware of discussions regarding placing a North Dakota trade office in the Pacific Rim, there are ways to make the state's presence known within a region.

Representative Keiser questioned whether the state's model of exportation is becoming outmoded due to the outsourcing of jobs and related competition issues.

- **Local economic development programs: support and strengthen.**

Representative Kasper recognized the local economic developers' frustration with lack of access to local economic development funds.

Senator Grindberg said each state receives a state block grant and under the previous administration this money was distributed directly to the regions; however, under the current administration, this money is being distributed differently.

Representative Onstad supported a concept of regional networking in order to eliminate some rivalries.

Representative Froseth said there is no need for additional framework at the local level because this is adequately provided through regional planning councils, but instead there is a need for education and training at the local economic developer level.

Representative Nicholas supported Representative Froseth and stated that he has had good results from training provided by regional planning councils in his community.

- **Manufacturing: support and strengthen the network.**

Representative Berg said he is surprised at the low priority given to this topic yesterday. He said North Dakota has a good reputation for quality products and workers; however, there are issues of transportation, out-of-state suppliers, and how to help local manufacturers grow.

Representative Keiser said he supports improving the infrastructure to assist manufacturing firms.

Representative Vigesaa said it may be necessary to strengthen the tool and die network as this may be key to helping small manufacturers in small communities.

Mr. Friedman said there is a venture capital program in Maryland, whereby venture capitalists were asked to come to the table with manufacturers.

Representative Ekstrom said manufacturing works on a "just in time" principle.

- **Procurement opportunities for local firms (state, private, local, federal).**

Mr. Friedman said there is a public side and a private side to the procurement issue. He said the public side of the issue relates to facilitating procurement and making the procurement process more accessible. He said the private side of procurement relates to improvement of the supply chain.

Representative Berg said longer contracts when state outsourcing of services to the private sector would be of great benefit.

- **Strategies: ongoing discussion and refinement; obtaining input.**

Representative Svedjan said in the group discussions yesterday, there was a high perceived value of keeping economic developers involved in the legislative process.

Representative Berg said an annual business congress could include presentations by the Department of Commerce to the private sector.

Representative Dosch said it may be helpful to consider holding statewide economic development conferences that have sessions on all these issues.

Representative Vigesaa stated there appears to be a perception that North Dakota does not have a statewide economic development system. He said it might be helpful to evaluate the current system and the effectiveness of this system while considering whether it is possible to make this system easier for local economic developers to understand and use.

Representative Keiser said the real question is who should be assigned with organizing and streamlining the economic development delivery system in the state. He suggested the Department of Commerce do this and then report to the Legislative Assembly to identify needed changes.

- **Targeting industry, finding the one thing that North Dakota could do best.**

Representative Berg said he has struggled most with this issue and said there would be significant value in identifying an industry, getting that industry to the state, and thereby helping the state thrive as a result of having this industry present. He said the real issue though relates to whose job it is to determine what industry to target.

Representative Kasper said the North Dakota State University center of excellence has assisted in targeting some industries.

Representative Svedjan said in the group discussions yesterday, there was discussion of focusing on what industry already works well in North Dakota and then fostering this industry.

Representative Berg said it would be helpful to set up an economic development framework that moves with the market. He said the state could be positioned to benefit from moneymaking industries such as information technology.

Representative Ekstrom said although North Dakota has a variety of industries in which it has knowledge, it will be necessary to look at where these industries are going in the future. She said areas in which the state has knowledge include agriculture and livestock and that can be directly related to biomedical fields and biotechnology fields.

Representative Nicholas said that using the example of the pasta industry, there have been significant changes with the trend toward low carbohydrate diets but this has resulted in a direct increase in the beef industry.

Representative Berg said that when it comes to agriculture economics, the state cannot fight a market force. He said that the trend is less manpower is being required for agriculture.

- **Taxes: refining and expanding the incentives. Rates and structure?**

Representative Berg requested that the Department of Commerce provide the committee with the tax study completed by Eide Bailly LLP. A copy of this information is attached as Appendix I.

- **Tribal business opportunities for partnering with other firms in North Dakota.**

Representative Onstad said issues of contract law on reservations are very complicated and deserve indepth study.

Representative Kasper suggested that the Department of Commerce and tribal leaders meet to address tribal business opportunities.

Representative Berg said there needs to be a clear understanding of tribal law and jurisdiction. He said both the state and the tribes benefit by addressing this and by increasing partnerships.

- **Technology commercialization: what can be done to put more of the pieces in place?**

- **University partnerships: increasing and broadening partnerships with private sector to include internships, mentoring, incubation, targeted research, and entrepreneurship.**

Representative Keiser suggested looking at the seed capital investment tax credit and linking this to university research. He said it would be important to allow principals to invest and get a tax credit under such a program.

- **Venture capital.**

Representative Keiser said that in group discussions yesterday, there were discussions regarding definitions relating to investment and ultimately the group determined that it is a lack of angel investment and risk money that small businesses are faced with, not a lack of true venture capital.

- **Workforce training and development: making sure we have enough skilled workers, upgrading skills, providing more real world experiences for students at all levels.**

Senator Grindberg suggested the committee receive an update from Job Service North Dakota on the Work Force 2000 program and receive an update from the University System on the four-quadrant system.

Representative Kasper said there is a problem with universities providing workforce training that competes with private sector training.

Mr. Friedman said in addition to these topics discussed today, additional topics can be incorporated or added to this list.

Representative Svedjan said it is his impression that other issues or additional issues had been addressed through the course of the conversations today.

Senator Grindberg said the Growing North Dakota model was a local level model that the state is still using and it may be necessary to reevaluate this model.

Mr. Friedman said the Department of Commerce is working under a very decentralized model. He said that the trend is increased communication, increased input, and increased resources for items such as training.

Mr. Friedman said he would take this information provided by the Primary Sector Business Congress and the committee members and reformat this information into a cohesive plan or strategy and report back to the committee at a future date. He said he would be able to assist in crafting performance measures of the plan as well as the implementation and effectiveness of the plan.

Representative Berg said he views it as very important to receive public input in pursuing the committee's activities and the process of requesting, drafting, and reviewing committee bill drafts will provide for significant public comment and input. In the alternative, he said, if the committee does not want to pursue a broad range of committee bill drafts, each committee member could pursue a single interest area and present it to the committee.

In response to a question from Representative Svedjan, Mr. Friedman said his cohesive plan would include areas that would need additional research.

Representative Svedjan said he needs to underscore the need for the committee's cohesive plan to be unique to North Dakota and not just a copy of what other states have done.

No further business remaining, Chairman Berg adjourned the meeting at 11:45 a.m.

Jennifer S. N. Clark
Committee Counsel

ATTACH:9