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ROLL NUMBER

DESCRIPTION

3025

2007 HOUSE INDUSTRY, BUSINESS AND LABOR

HCR 3025

# 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3025

## House Industry, Business and Labor

Check here for Conference Committee

Hearing Date: **6 February 2006**

Recorder Job Number: **2966**

Committee Clerk Signature



Minutes:

**Vice Chairman Johnson opened the hearing of HCR 3025.**

**Representative Mary Ekstrom, District 11, introduced the resolution. (Testimony Attached.)**

**Representative Thorpe:** I know there are two things that affect our out migration--low pay scale and high taxes.

**Representative Ekstrom:** There are a whole series of statistics I could throw at the Committee. We have really good jobs here and we need to get people to move to ND rather than to congested city area. If we look at SD, IA, MN, WY and MT, they grew. We lost population. What are they doing differently? SD changed their corporate income tax. We have to look at everything that is different in every other state. Maybe it's an attitude. We do not promote ourselves the way we should. We don't think of our self image in a positive way.

**Carlee McLoed of the Bismarck Mandan Chamber of Commerce spoke in favor of the resolution. (Testimony Attached.) (See also handout A)**

**Eddie Dunn, chancellor, ND University System testified in favor of the resolution. (Testimony Attached.)**

**Representative Kasper:** In Fargo at NDSU we have Dr. Radke who does a lot of studies on population and projections. Has they ever looked at doing a study like this.

**Chancellor Dunn:** He has a lot of background information. The State Board of Higher

Education utilizes Dr. Radke for our orientation session and every two or three years he participates in our retreat to provide information. There is no question he could provide a lot of the information for this. I don't know if he will be able identify some of those opportunities or ideas that might make the real difference. One of the initiatives that have come out of the Round Table was to use higher education to attract out of stators to come in to attend college and then track what happens to them. Across the state about 30% of our graduates stay in the state. There is a major strategy there that can bring students in and add to that knowledge base. I think we have to do a better job of providing jobs for existing ND students. If they go elsewhere after graduation, the chance of return is even less. The Round Table has phenomenal things in terms of contributing to North Dakota's economy and helping connect higher education to the private sector; but there is a feeling that we need to take the Round Table to another level. That group is looking at where to do that and quite honestly they are coming down very clearly on this whole issue of capital development. They are the kind of people who can make a great contribution to the work force in this state and to help drive the economy and create new jobs. The SBHE uses the Round Table as their primary advisory group.

**Representative Thorpe:** Is there an opportunity for the Round Table to go around the state and have some meetings.

**Dunn:** Are you thinking about a contribution of ideas or are you talking about representation on the round table.

**Representative Thorpe:** Either, or both.

**Dunn:** There has been an attempt to get individuals representing all areas of state. They look at opportunities and needs to add people.

**Leroy Volk, injured worker:** I worked out of state and I worked around. The trouble is I can

go across the state line and work and draw unemployment in the winter time for longer weeks and higher benefits. ND has lower weeks and lower pay. Look at MT, the same thing. All over you get more benefits than you do here. In MN if you work 35 hours, you are considered full time there. Here they don't consider you full time at 39 hours. You are sitting and trying to figure out how to bring people into this state, look at what you are doing. You ain't giving no benefits, you ain't paying nothing else, you're raising the taxes, people are moving out.

Unemployment is higher. The cost of living is just about as high here as it is any where else.

I'm an injured worker—I know. I've worked around the state and the countryside. You don't want to believe us when we tell you something. It goes in one side and right out the other. If you would treat us equal, you might get somewhere in this state.

**There being no further testimony, Vice Chairman Johnson closed the hearing of HCR 3025.**

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3025

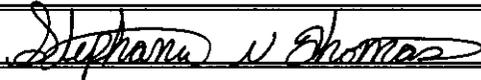
House Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: February 7, 2007

Recorder Job Number: 3026

Committee Clerk Signature



Minutes:

**Chair Keiser** opened the hearing on HCR 3025.

**Rep. Johnson:** I move a do pass.

**Gruchalla:** Second.

**Rep. Johnson:** The focus has changed over the last interim, and it's now more on developing workforce. I think it is something we need to keep looking at in developing workforce, and we need to move on that, and keep working on that.

**Rep. Ruby:** I certainly don't oppose this, but isn't there something we can do that marks specifically proposed without saying in a way.

**Rep. Keiser:** I do recall Rep. Ekstrom did bring in a pilot project that we rejected, but it's related to this issue, so I support this.

**Rep. Kasper:** I think the goals of this resolution are worthy, however can you do anything with what you get out of it? Jobs bring people to ND, population occurs, growth occurs when people come and they have families that stay here. It's obvious to me that the way we continue to work on growing population, jobs, business, and creating a business plan that it's favorable for companies to come in this state, so I think this is a wasted study.

**Rep. Zaiser:** I support the goals of the study, but I would agree with Rep. Ruby, and Rep Kasper that these are the results of objectives of whether it's stealthy to workforce, paying them more money, bringing new jobs in, which higher paying jobs will bring in. Sometimes it acts in reverse, but I struggle with this, because this result doesn't have any objectives in it, but I don't think it will hurt.

**Rep. Johnson:** Right now there are good paying jobs in our state. The jobs are there for people; maybe we need to look at getting a way to find people to come here.

**Rep. Amerman:** I support this study.

**Rep. Clark:** I'll support it.

**Rep. Zaiser:** I think the one thing that we forget about when we talk about job development, and jobs are the quality of life, the culture that we have here in the state. I'm thinking an element that may come out of this is creating a climate.

**Rep. Ruby:** It doesn't say that they shall consider, or that they may consider, it says that the Legislative Council study costs go in there. So, it's pretty much a directive, the way I read it.

**Rep. Keiser:** I think you're correct.

**Rep. Dietrich:** That got me thinking back to HB 1027. Many elements of HB1027 were they were looking at possible methods of growing the population, and increasing available workforce, and I'd rather see the money spent in that arena where there is performance.

**Roll call vote was taken. 11 Yeas, 3 Nays, 0 Absent, Carrier: Rep. Thorpe**

Hearing closed.

Date: 2-7-07  
Roll Call Vote #: \_\_\_\_\_

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HCR 3025

House Industry Business & Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO Pass

Motion Made By Rep Johnson Seconded By Rep Gruchalla

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep. Amerman	X	
Vice Chairman Johnson	X		Rep. Boe	X	
Rep. Clark	X		Rep. Gruchalla	X	
Rep. Dietrich		X	Rep. Thorpe	X	
Rep. Dosch	X		Rep. Zaiser	X	
Rep. Kasper	X	X			
Rep. Nottestad	X				
Rep. Ruby		X			
Rep. Vigesaa	X				

Total Yes 11 No 3

Absent 0

Floor Assignment Rep Thorpe

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

**REPORT OF STANDING COMMITTEE**

**HCR 3025: Industry, Business and Labor Committee (Rep. Kelsner, Chairman)**  
recommends **DO PASS** (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING).  
HCR 3025 was placed on the Eleventh order on the calendar.

2007 SENATE INDUSTRY, BUSINESS AND LABOR

HCR 3025

# 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3025

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **March 13, 2007**

Recorder Job Number: **4980**

Committee Clerk Signature



*Study on methods of growing ND population:*

**Representative Mary Ekstrom, District 11, Fargo - In Favor**

**TESTIMONY # 1** *Went over testimony Ends 6:08m*

Metropolitan area of Minneapolis St. Paul will grow to 680,000 MORE in the next 12 years.

That's greater than the population in ND. Weather is not that much different. Our area takes 109 minutes rather than 45 minutes to get to work. We are losing population, doing something wrong. Aging is a reality.

**S Hacker:** Do you think as legislators we make a difference in having an unwelcoming environment? The bills we've passed maybe aren't necessarily youth friendly?

Such as tanning, using their cell phones, what age they can drive at, and all the other piles of bills we have in this section. Would you be ok with an amendment onto this resolution in the youth living environment in ND?

**Mary E:** I think we are NOT youth friendly. A few years back in Fargo, we tried to establish a juice bar. This was so youth could go out and have a good time, listen to loud music. The city said, "no." We now have a skateboard park, that took forever for us to do. There are so many things that could be done to make our cities more attractive to young people.

**S Heitkamp:** *Reads from a part of the bill.* "Line 14, 15" opportunity if this resolution is picked up and this study is done that they will have the opportunity to say "are we being unfriendly to our youth" and sending the message we don't want them here.

**Mary E:** This was not the tactic we initially took. It was received warmly in the House.

**S Heitkamp:** So you want to start amending this, so that the House gets another crack at it?

**Mary E:** There were some interesting things done in this particular session. If somebody wants to take this as a vehicle for doing something else, I'm going to be pretty loud about it. I haven't been shy so far this session. This was not the tactic initially taken. It was received warmly in the House.

**S Heitkamp:** There's a whole bunch of amendments that pop into my mind now, Mr. Chairman.

**S Potter:** We all are concerned about the population decreasing. What's the goal of increased population? When's enough, enough. What do you want the population to be?

**Mary E:** We have suffered from lack of people for a very long time. The future for me right now, the way we look at it, we do have a future. Wind energy, alternative fuels, all of our other sources of energy production in our state are the future of ND. Right now Dickinson State University is losing students to the oil fields, because it is a lot more fun than studying algebra or other studies, so they're out there working, It's a young man's game. They are earning \$32 an hour. That is the future. We have a collision just about to happen right now between the needs of the elderly and having enough workers. We have an artificially low unemployment rate, people work more than one job.

**S Potter:** I'm concerned, a lot of problems "per capita." We have wonderful things because of our low per capita as well. We can drive without traffic jams, we have the lowest crime rate in

the nation. There are an awful lot of good things for being a low population state. What do you think the "right" population of ND is? The optimum population?

**Mary E:** I spent 30 years running a business on architectural planning in Jamestown. One of the things we did was the infrastructure in downtown Jamestown. We overbuilt the infrastructure, way more than we need for the area. My feeling is this, I think we could sustain 3 million (?) I really do. I grew up in the city, Baltimore, and you could not pay me to go back. SD is doing better than we are, Wyoming and Montana are both increasing closer to the national average.

**S Potter:** How is SD doing better than us? Don't answer that.

**S Wanzek:** Looking at all the possibilities. What about the birth rate issue? The families are smaller. My wife had 7 children in family, mine, 6, my dad had 11 brothers and sisters, my mom had 9, you don't see families like that anymore. Could be that be a part of the issue. I'm involved in agriculture and farming. I think a big reason you see rural de-population is technology. I can do what it used to take 10 of my grandfathers to do with machinery and technology that I have today. There's no need for all that labor out in the rural area to farm that land. I don't see General Motors or those types of companies come any time soon. We are about agriculture and hope that it would be studied. I hope you can increase the opportunities beyond just farming.

**Mary E:** In Williston a business closed because there were no employees. ND is a "frontier state" which means they have fewer than 10 people per square mile. "Wilderness" Other states have looked at that and said, no services, no roads, no power lines. They just de-commissioned a sub station, that has never happened in history before. There are ways for us to deal with this – "bulge in the snake" – the baby boomers. We create a problem everytime we go through a new stage in our life.

We build hospitals, then kindergartens, then middle schools, then high schools, now we're talking about nursing homes. We have a window of opportunity to deal with all the problems.

Let's look at the opportunities. There are good businesses in ND. You won't have enough people to handle the jobs. We have an unemployment rate that in Fargo is ridiculously low.

This is a national problem. We need to get serious about it, the age of the population will live longer. They say right now, a baby girl born in the U.S. right now, 50% of them will live beyond 100. Over 1/2, that's how much better medical treatment has gotten.

"When we're sitting around in a dirty diaper, drooling into our oatmeal, who's going to take care of us."

**S Heitkamp:** S Potter's question, "how much is too much." Couple of "what ifs" – Richard Rathke is usually right. Is that true?

**Mary E:** Yes

**S Heitkamp:** Part of what we're discussing here is the fact that if you look at the studies, you've got a portion of the population that's going to reach retirement age like we're seeing with the ND Teachers and NO ONE coming in to replace them from behind. What we're talking about is the availability of the work force. We may stay at a certain number, but we don't have people eligible to do jobs – true or not?

**Mary E:** Yes

**S Heitkamp:** So if we go to the areas that matter to some of us in the room, renewables, in the Oaks plan, there are two negatives that they see. 1. Water Availability of water  
2. Workforce Do you envision your study encompassing that? What wage needs to happen.

**Mary E:** That is the essence of what this study does. It is about having the human capital that we need.

**S Hacker:** Keeping in mind the amendments earlier, this has been alarming to me and it deals with the state – we look at a large state as not having population problems, fewer students, etc. so, one of the things, 2 months ago approached the Dept. of Commerce about an idea to create an idea for an office called: "Office of Recruitment." It centralized all of these programs, such as ambassadors, etc. under one central location to help employers recruit their employers from outside of the state. It was called "No Interest" by that department to venture down that road. A month later, the state of Minnesota came out and guess what they had already developed – a similar office of recruitment, and we think we have problems and we look at them as not having population problems, but they are getting in front of us. We should have been first to do this. So, would there be any heartburn if we started looking at this resolution and included something along those lines?

**Mary E:** Over the last sessions, I've proposed recruitment of citizens in the state. Unemployment in the state runs below 2%. In MN, the rural population is going away.

**S Potter:** In the "where as": 3 population trends we need to deal with: 1. rural de-population 2. out migration 3. increase of proportion of the elderly. All problems that we need to deal with. Be it resolved is: "Let's grow the population of ND." We can grow the population in the ways it has been growing, Fargo and Bismarck are going to continue to grow and GF will rebound from the flood and we'll have this centralization in the cities. The problems you've identified aren't touched.. therefore, "be it resolved."

**Mary E:** The A list cities from the Association of Cities, once you drop below 2,500, in that upper tier, what concerns me is the capabilities of these small towns. If it gets smaller, I'm going to go to the city. There are a whole host of problems. The hospital reimbursement rate.

More development would be wise, do you have enough water, enough land. And guess what, Fargo does not.

**S Potter:** On beating the Fargo drum, 2% unemployment you've identified as a problem.

Seems that's a really GOOD problem for the workers of Fargo. Wages going up, thousands of jobs available, and this a good thing on the side of the fence that you're on.

**Mary E:** It's a good problem to have until you're trying to get more businesses.

**S Potter:** Fargo wants the water to go to people, why don't the people go where the water is?

**Mary E:** I will go back and answer that. Back in the day, "colonies" were developed from years ago, have infrastructure to get anywhere with roads. How we create destination areas must be looked at in ND.

**S Behm:** I'm coming to your defense because if we want more industry to come to ND, you have to have the labor force. We have a business in GF, glass fiber, they're crying for workers and they're paying a good wage. We just don't have them. How do we expect to have more industry come in if we don't have more people. *Looks at Potter* – There, smartie pants.

**Mary E:** We are doing everything in our power right now to double our energy sector. The energy product will be more than farming in the future. We can't do it unless there are people who can keep them painted, fix the machines, and you can have people come out to fix the copy machines, etc. Someone I talked to said it takes 3 weeks to get someone to come out and fix the copier.

**Carlee McLeod, Bis-Man Chamber of Commerce – In Favor**

**TESTIMONY # 2** *Went over testimony*

**Matthew Bakke – Student in Grand Forks - In Favor** Senator Bakke's son

**TESTIMONY # 3** *Went over testimony*

If you come from a college town, there should be no question that you want to have this study.

We deserve to have this passed.

**S Andrist:** Good comments, but, do you and your peers really believe that property taxes are lower someplace else or that college is more affordable?

**Matthew B:** it may not be more affordable, but when you enter the workforce, when you can go E, S, W, and you can get twice as much, then now, it is a lot more affordable.

**S Wanzek:** I have a brother that moved to MN, If he bought a house like mine in his community, he'd pay TWICE the cost. There are some other things in the affordability of housing, some other things. I've lived outside the state, too.

It's the matter of a good paying job.

**S Potter:** Other than low salaries and tuition, are there other things that would drive young people out of ND? Social policies? Do you feel that we're more restrictive here than elsewhere?

**Matthew B:** You can go somewhere else and get paid more. Basically, the social aspect of it, not as pressing as the money.

**S Klein:** Is this something you have observed or read about, pursued opportunities? I have a son who just graduated last May from NDSU, had some interviews around the country and after he returned, he said, "Dad, I'd never live there. You feel uncomfortable, it's just not, you don't feel safe." He took less money, there are trade-offs, and he's very happy with that. Have you looked at all those opportunities and seen that the money is all that you're thinking about?

**Matthew B:** Money isn't exactly the thing I'm thinking about, but personally, I've had friends leave the state by the DOZENS because they can go somewhere else and get a better life, that I feel is wrong. That's what we need to look at and investigating. I see this a step onto that problem. This is something we can SHOW our young people that we will make a step in the right direction. Frankly we haven't shown them anything. Last few years we have not shown the young people we WANT them to stay here. This is in the right direction.

I want to say, "right now they are making choices in opportunities for us, and I want that to happen." That's why I'm here to voice my opinion.

**Pat Seawirth, ND University System In Favor**

**TESTIMONY #4** *Turned in for Chancellor Eddie Dunn*

**CLOSE**

# 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3025 B

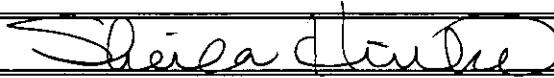
Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **March 14, 2007**

Recorder Job Number: **5037 17:14m**

Committee Clerk Signature



*Study on ND Population:*

**Motion for DO PASS by S Heitkamp**

**Second by S Hacker**

**Roll call on HCR 3025 – 7-0-0 passed**

**S Klein:** I've been carrying this one for years.

**S Potter:** I would give it a very lukewarm carry.

**S Heitkamp:** You've got some good points to bring up.

**Carrier: S Hacker**



REPORT OF STANDING COMMITTEE (410)  
March 14, 2007 11:31 a.m.

Module No: SR-48-5279  
Carrier: Hacker  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**HCR 3025: Industry, Business and Labor Committee (Sen. Klein, Chairman)**  
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
HCR 3025 was placed on the Fourteenth order on the calendar.

2007 TESTIMONY

HCR 3025

HCR 3025 Population / Workforce Study  
February 6, 2007  
House Industry, Business and Labor Committee  
Representative George Keiser, Chair

Mr. Chairman and members of the Industry, Business and Labor Committee, for the record, my name is Mary Ekstrom. I represent District 11 in Fargo.

HCR3025 proposes a study to find the ways and the means to attract people to North Dakota. This is my fifth session in the legislature and every time I have tried to address this issue.

It is not a new problem nor are we alone in the Upper Midwest in tackling this issue. The changing demographics, declining enrollments, low unemployment rates and an inadequate workforce are all problems shared by other states in the region.

North Dakota's population peaked at 700,000 in the mid 1930's and has never regained that total. More alarming are the trends in the age of our population. The fastest growing segment of our population is over 65 with a steeper escalation in this number anticipated as the Baby Boom generation ages. The two numbers are on a collision course. We will have an enormous elderly population without anyone to care for them.

Below is a chart which vividly shows what has happened and why we are faced with this problem. In your packet, I have included information on the projected changes in our demographics.

Age Group	Total Population 1980	Total Population 2000	Decrease
0-34 years	392,338	310,854	81,484

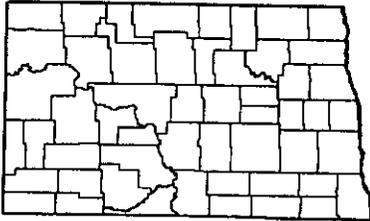
We frequently talk about sustainability. It is obvious from these numbers that we do not have a sustainable base of population to take us into the future.

We need to be innovative in promoting our state and we need to work harder at attracting a workforce. All of the surrounding states are growing at a faster pace than we are. We need to know why.

Dickinson State University sponsored a series of meetings on our population problems a few years ago. The documents generated from those meetings could serve as the basis for the Interim Committee's work.

I respectfully ask for a DO PASS recommendation for HCR 3025.

# North Dakota



## State Quick Facts

- State Capital : Bismarck
- National Population Rank, 2000 : 47
- Median Age in Years, 2000 : 36.2
- Persons Per Square Mile, 2000 : 9.3

## Population Trends: 1920 - 2020

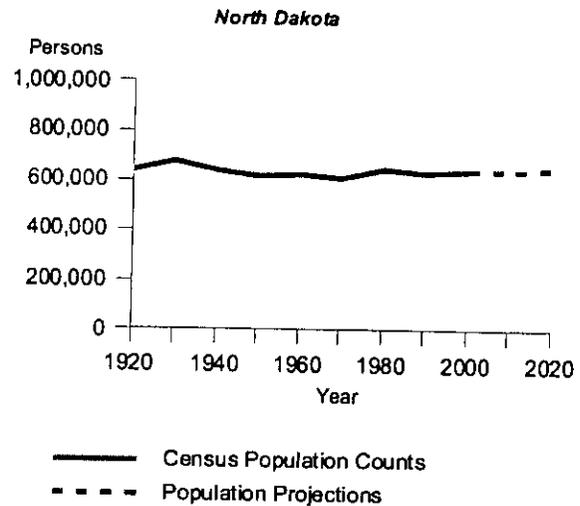


Table 1. Census Population Counts by Age and Gender, 1980, 1990 and 2000: North Dakota

Age	1980			1990			2000		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
0 to 4	54,752	28,210	26,542	47,845	24,413	23,432	39,400	20,185	19,215
5 to 9	49,016	25,079	23,937	52,032	26,724	25,308	42,982	21,997	20,985
10 to 14	51,043	26,328	24,715	48,820	25,165	23,655	47,464	24,499	22,965
15 to 19	63,977	32,920	31,057	46,668	24,368	22,300	53,818	27,760	25,858
20 to 24	69,393	35,889	33,504	47,873	25,187	22,686	50,503	26,831	23,672
25 to 29	58,470	30,691	27,779	50,154	25,613	24,541	38,782	20,268	18,524
30 to 34	45,687	23,969	21,718	53,861	27,065	26,796	38,095	19,534	18,561
35 to 39	34,248	17,568	16,680	50,133	25,869	24,264	48,991	23,668	23,323
40 to 44	29,398	14,711	14,687	39,887	20,619	19,268	51,013	25,577	25,436
45 to 49	28,631	14,065	14,566	30,635	15,520	15,115	47,436	24,351	23,085
50 to 54	30,497	15,279	15,218	26,449	12,960	13,489	37,995	19,523	18,472
55 to 59	29,218	14,543	14,675	26,268	12,704	13,564	28,926	14,599	14,327
60 to 64	27,942	13,691	14,251	27,120	13,225	13,895	24,507	11,851	12,656
65 to 69	25,930	12,315	13,615	24,950	11,917	13,033	23,142	10,861	12,281
70 to 74	21,217	9,715	11,502	22,591	10,216	12,375	22,759	10,473	12,286
75 to 79	15,301	6,635	8,666	18,990	7,976	11,014	19,085	8,265	10,820
80 to 84	9,857	3,924	5,933	13,284	5,055	8,229	14,766	5,715	9,051
85 plus	8,140	2,894	5,246	11,240	3,605	7,635	14,726	4,567	10,159
Total	652,717	328,426	324,291	638,800	318,201	320,599	642,200	320,524	321,676

12,338

310,854  
81,464

