

HISTORICAL SOCIETY
OF MONTANA,
HELENA.

STATE OF NORTH DAKOTA

JOURNAL OF THE SENATE

of the

SPECIAL SESSION

of the

TWENTIETH LEGISLATIVE ASSEMBLY

Begun and held at the Capitol at Bismarck
January 10th, to January 17th, 1928
inclusive.

EMPLOYEES

- W. D. Austin—Secretary.
C. E. Thomas—First Asst. Secretary.
Oscar Lybeck—Sergeant-at-Arms.
Barbara Freeman—Desk Stenographer.
Helen Wachter—Stenographer.
Jennie Fisher—Stenographer.
Marie Delvo—Stenographer.
Martha Burkey—Stenographer.
Ethel Cooley—Enrolling and Engrossing Clerk.
F. A. McDonald—Postmaster.
H. M. Stroud—Committee Clerk.
E. T. Judd—Mailing Clerk.
A. H. Irvin—Assistant Mailing Clerk.
C. W. Blunt—Special Messenger.
Alfred Jaeger—Special Messenger and Telephone
Messenger.
J. T. Nelson—Gallery Doorkeeper and Voucher Clerk.
M. C. Schenffele—Governor's Messenger.
Casper Bye—Doorkeeper and Janitor.

Journal of the Senate



Special Session of the Twentieth Legislative Assembly

FIRST DAY

Senate Chamber,
Bismarck, North Dakota,
January 10, 1928.

At the hour of 12 o'clock Noon, being the day and hour appointed by the Governor for the convening of the Special Session of the Twentieth Legislative Assembly, pursuant to the following Proclamation issued by the Governor, November 22, 1927.

PROCLAMATION

SPECIAL SESSION

By virtue of the authority vested in the Governor by the Constitution and laws of the State of North Dakota, and in pursuance thereof:

I, A. G. Sorlie, Governor of the State of North Dakota, do hereby call the Legislative Assembly to convene in extraordinary session at the Capitol in the city of Bismarck, at twelve o'clock noon, Tuesday, the tenth day of January, 1928, to consider and act upon the following subjects of legislative business, to-wit:

FIRST: The report of the Senate Fact Finding Committee on the Mill and Elevator Association:

SECOND: The increasing seriousness of the problems of grain marketing;

THIRD: The Missouri River Diversion Project, in its relation to Federal flood control plans;

FOURTH: To enact such further legislation as may be deemed necessary.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of North Dakota to be hereunto affixed.

Dated at Bismarck, North Dakota, this 22nd day of November, 1927.

BY THE GOVERNOR:

Attest:

ROBERT BYRNE,
Secretary of State.

Members of the Senate assembled in the Senate Chamber and were called to order by President Maddock.

Prayer by the chaplain, Rev. Paul Wright.

Roll call.

All members present except Senators Martin Rusch and Schlosser.

Senator Baird moved that all absent senators be excused, which motion prevailed.

Senator Atkins moved that the rules of the Twentieth Session be adopted. Which motion prevailed.

Senator McLachlin moved that W. D. Austin be elected Secretary of the Senate.

ROLL CALL

The question being on the election of W. D. Austin as Secretary of the Senate, the roll was called, and there were ayes, 45; nays, 0; absent and not voting, 3; passed, 1.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Forbes	Patten
Baird	Fredrickson	Patterson
Bakken	Hart	Peck
Benson	Hjelmstad	Ployhar
Bond	Kretschmar	Porter
Brant	Lynch	Ritchie
Brunsdale	McCrary	Sathre
Carey	McLachlin	Seamands
Conrath	Magnuson	Steel
Crocker	Marshall	Stevens
Eastgate	Murphy	Tofsrud
Erickson	Olson, Barnes	Van Arnam
Ettestad	Olson, Burleigh	Van Camp
Fine	Olson, Eddy	Whitman
Fleckten	Pathman	Wog

Absent and not voting:

Messrs.	Messrs.	Messrs.
Martin	Rusch	Schlosser

Passed:

Messrs.
Hamilton

So W. D. Austin was declared elected Secretary of the Senate.

Senator Hamilton explained his vote: I paired with the gentleman from Cass, Senator Rusch who is absent on a sick bed, and not knowing how he would vote, I pass.

The President administered the oath of office to W. D. Austin.

Senator Carey moved that Oscar Lybeck be elected Sergeant-at-Arms.

SENATE ROLL CALL

The question being on the election of Oscar Lybeck as Sergeant-at-Arms, the roll was called, and there were ayes, 48; nays, 0; absent and not voting, 3; passed, 1.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Forbes	Patten
Baird	Fredrickson	Patterson
Bakken	Hart	Peck
Benson	Hjelmstad	Ployhar
Bond	Kretschmar	Porter
Brant	Lynch	Ritchie
Brunsdale	McCroxy	Sathre
Carey	McLachlin	Seamands
Conrath	Magnuson	Steel
Crocker	Marshall	Stevens
Eastgate	Murphy	Tofsrud
Erickson	Olson, Barnes	Van Arnam
Ettestad	Olson, Burleigh	Van Camp
Fine	Olson, Eddy	Whitman
Fleckten	Pathman	Wog

Absent and not voting:

Messrs.	Messrs.	Messrs.
Martin	Rusch	Schlosser

Passed:

Messrs.
Hamilton

So Oscar Lybeck was declared elected Sergeant-at-Arms.

Senator Hamilton explained his vote: Being paired with the gentleman from Cass, I pass on this vote.

The President administered the oath of office to Oscar Lybeck as Sergeant-at-Arms.

Senator Patterson moved that a committee be appointed to notify the House that the Senate is organized and ready to do business.

Which motion prevailed and the President appointed as such committee Senators Patterson, Porter and Stevens.

Senator Sathre moved that a committee of three be appointed to advise the Governor that the Senate is organized and ready to receive any communications he may have.

Which motion prevailed and the President appointed as such committee Senators Sathre, Aitkins and Ployhar.

Senator Eastgate moved that Barbara Freeman be elected desk stenographer.

SENATE ROLL CALL

The question being on the election of Barbara Freeman as desk stenographer, the roll was called, and there were ayes, 45; nays, 0; absent and not voting, 3; passed, 1.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Forbes	Patten
Baird	Fredrickson	Patterson
Bakken	Hart	Peck
Benson	Hjelmstad	Ployhar
Bond	Kretschmar	Porter
Brant	Lynch	Ritchie
Brunsdale	McCrary	Sathre
Carey	McLachlin	Seamands
Conrath	Magnuson	Steel
Crocker	Marshall	Stevens
Eastgate	Murphy	Tofsrud
Erickson	Olson, Barnes	Van Arnam
Ettestad	Olson, Burleigh	Van Camp
Fine	Olson, Eddy	Whitman
Fleckten	Pathman	Wog

Absent and not voting:

Messrs.	Messrs.	Messrs.
Martin	Rusch	Schlösser
Passed:		

Passed:

Messrs.
Hamilton

So Barbara Freeman was declared elected desk stenographer.

Senator Hamilton explained his vote: "Being paired, as aforesaid, I pass."

The President administered the oath of office to Barbara Freeman.

Senator Hamilton moved that the Committee on Employment of the Twentieth Session be continued as such committee for the Special Session. Which motion prevailed.

Senator Stevens moved that the standing Senate Committees of the Twentieth Legislative Assembly be continued as the standing Senate Committees of the Special Session.

President Maddock protested the above motion, saying: "In behalf of the prerogatives of the Lieutenant Governorship of the state I must protest against this extraordinary organization of the Senate without the sanction of my office. This is not done in any spirit of ill will towards the majority or the minority, nor with any attempt to block the majority will, as all good Americans must respect the will of the majority. I do this simply in protest against the Senate's abridgment of the prerogatives of the Lieutenant Governorship."

Senator Benson supported the President with the following words:

"I wish to go on record in approving the sentiments of the Lieutenant Governor in regard to the precedent established a year ago. It was somewhat unusual and had never taken place before in this legislative body, therefore at that time I protested against it and now I want to go on record as protesting again. Although I feel that the opposition has a constitutional majority, as has been stated by the President of the Senate, I do not feel it is right to oppose a majority."

SENATE ROLL CALL

The question being on the motion of Senator Stevens to retain the standing Senate Committees of last session for the Special Session, the roll was called, and there were ayes, 43; nays, 2; absent and not voting, 3; passed, 1.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Fredrickson	Patterson
Baird	Hart	Peck
Bakken	Hjelmstad	Ployhar
Benson	Kretschmar	Porter
Bond	Lynch	Ritchie
Brant	McCrory	Sathre
Brunsdale	McLachlin	Seamands
Carey	Magnuson	Steel
Conrath	Marshall	Stevens
Crocker	Murphy	Tofsrud
Eastgate	Olson, Barnes	Van Arnam
Erickson	Olson, Burleigh	Van Camp

Ettestad	Olson, Eddy	Whitman
Fine	Pathman	
Forbes	Patten	

Those voting in the negative were:

Messrs.	Messrs.
Fleckten	Wog

Absent and not voting:

Messrs.	Messrs.	Messrs.
Martin	Rusch	Schlösser

Passed:

Messrs.
Hamilton

So the motion of Senator Stevens prevailed.

Senator Steele moved that the Senate do now recess subject to the call of the chair.

Which motion prevailed and the Senate recessed.

The Senate re-assembled at 1:30 p. m. pursuant to recess taken.

MESSAGE FROM THE HOUSE

The committee from the House announced that the House would be ready to meet the Senate in joint session at 2 p. m.

Senator Patterson announced that the committee appointed to notify the House of the Senate's organization had discharged its duty and asked that the committee be discharged.

Which report was accepted and the committee was discharged.

Senator Benson moved that a committee be appointed to draft suitable memorial resolutions in honor of those senators who had deceased in the interim between the close of last session and the convening of the present one.

Which motion prevailed and the President appointed as such committee Senators Benson, Stevens and Hamilton.

Senator Sathre reported that the committee appointed to notify the Governor that the Senate was organized had done its duty, and he asked that the committee be discharged.

Which report was accepted and the committee was discharged.

Senator Whitman moved that the Senate do now recess until 1:50 p. m.

Which motion prevailed and the Senate stands recessed.
The Senate re-assembled pursuant to recess taken.

MESSAGE FROM THE HOUSE

House Chamber,
Bismarck, North Dakota,
January 10, 1928.

Mr. President: I have the honor to inform you that the House has appointed the following as a committee to confer with a like committee of the Senate relative to the number of Journals to be printed each day: Representative Johnson of Foster, Representative Jardine and Representative Westford.

Very respectfully,

C. E. VERRY,
Chief Clerk.

Senator Sathre moved that a committee be appointed to confer with the House committee on the publication of the Journals.

Which motion prevailed and the President appointed as such committee Senators Carey, Marshall and McLachlin.

MESSAGE FROM THE HOUSE

A committee from the House informed the Senate that the House was now ready to receive the Senate in Joint Session and that the committee was waiting to escort the Senate to the House Chamber.

The Senate and House met in Joint Session and the Governor's message was read by Secretary of State Byrne.

AFTER JOINT SESSION

Senator Carey reported that the joint committee on the printing of the Journals had agreed and recommended that 5,000 copies of the first day's proceedings be printed and 3,500 copies of each following day's work. Which motion prevailed.

Senator Eastgate moved that extra copies of the Senate rules be printed if a sufficient number was not already available.

Which motion prevailed.

Senator Benson moved that the Senate do now recess until 1 p. m. Wednesday out of respect to former senators now deceased. Which motion prevailed, and the Senate stands recessed.

W. D. AUSTIN,
Secretary.

FIRST DAY AFTER RECESS AND SECOND DAY

Senate Chamber,
Bismarck, North Dakota,
January 11, 1928.

The Senate re-assembled at 1:00 p. m. pursuant to recess taken, the President presiding.

Senator Carey moved the nomination of the following employees and moved that one roll call cover all the elections.

Which motion prevailed.

The nominated employees are:

C. E. Thomas—First Assistant Secretary of the Senate.

Jennie Fisher—Stenographer.

Marie Delvo—Stenographer.

Martha Burkey—Stenographer.

Ethel Cooley—Enrolling and Engrossing Clerk.

F. A. McDonald—Postmaster.

H. M. Stroud—Committee Clerk.

E. T. Judd—Mailing Clerk.

A. H. Irvin—Assistant Mailing Clerk.

C. W. Blunt—Special Messenger.

Alfred Jaeger—Special Messenger and Telephone Messenger.

J. T. Nelson—Gallery Doorkeeper and Voucher Clerk.

M. C. Schenffele—Governor's Messenger.

Casper Bye—Doorkeeper and Janitor.

SENATE ROLL CALL

The question being on the election of the employees, the

roll was called, and there were ayes, 45; nays, 0; absent and not voting, 4.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Forbes	Patterson
Baird	Fredrickson	Peck
Bakken	Hamilton	Ployhar
Benson	Hjelmstad	Porter
Bond	Kretschmar	Ritchie
Brant	Lynch	Sathre
Brunsdale	McCroy	Schlosser
Carey	McLachlin	Seamands
Conrath	Magnuson	Steel
Crocker	Marshall	Stevens
Eastgate	Olson, Barnes	Tofsrud
Erickson	Olson, Burleigh	Van Arnam
Ettestad	Olson, Eddy	Van Camp
Fine	Pathman	Whitman
Fleckten	Patten	Wog

Absent and not voting:

Messrs.	Messrs.
Hart	Murphy
Martin	Rusch

So the above named employees were declared elected.

The President administered the oath of office to the above-named employees, excepting Casper Bye, who was absent.

Courtesies of the floor were extended to R. R. Smith, Ole Calbomion, Theo. Anderew, Chas. Tolan, Mr. and Mrs. V. A. Corbett, Mr. and Mrs. Ed Sinkler, Mr. and Mrs. L. J. Palda, C. D. Aaker, Hal Dover, M. R. Porter, H. C. Schumacher, O. W. Pagel, Ben Northridge, John Storman, Chas. Noltemier, M. A. Hoghaug, R. A. Holstad, C. P. Petterson, E. Steening, Ben Iverson, Morris Barstad and Mr. McQuinity.

Senator Ployhar moved that the Senate do now adjourn.

Which motion prevailed and the Senate adjourned.

W. D. AUSTIN,
Secretary.

SECOND DAY

Senate Chamber,
Bismarck, North Dakota,
January 11, 1928.

The Senate convened at 2:00 p. m., the President presiding.

Prayer by the chaplain, Rev. C. A. Stephens.

Roll call.

All members present except Senators Hart, Murphy and Rusch.

MESSAGE FROM THE HOUSE

House Chamber,
Bismarck, North Dakota,
January 11, 1928.

Mr. President: I have the honor to inform you that the House has appointed the following members to act with a committee of the Senate to consider the message of the Governor:

Traynor, chairman; Peters, Aljets, Muus, Martin, Cox, McManus, Twichell, Swendseid, Brown of Adams, Streich, Freeman, Swett, Rulon, Bubel, Montgomery, Fowler.

Very respectfully,

C. R. VERRY,
Chief Clerk.

The Committee on Revision and Correction of the Journal made the following report:

Mr. President: Your committee on Revision and Correction of the Journal have carefully examined the Journal of the first day and find the same correct.

C. J. OLSON,
Chairman.

Senator Olson moved that the report be adopted, which motion prevailed and the report was adopted.

Senator Kretschmar moved that all absent Senators be excused.

Which motion prevailed.

Senator Stevens moved that the Governor's message be referred to the standing Senate Committee on State Affairs to be considered in conjunction with the House Committee appointed for considering the same.

Senator Bond made the following motion:

Whereas, it has pleased the Almighty Father to remove from our midst the Honorable K. E. Leighton, who has served as judge of your districts of Ward, Williams and McKenzie counties for a number of years, and has served the state since that time as Assistant Attorney General up to the time of his death, therefore, I move that the sympathy of this body be extended to his bereaved family and that the Senate stand adjourned out of respect to his memory.

Which motion prevailed, and the Senate adjourned.

W. D. AUSTIN,
Secretary.

THIRD DAY

Senate Chamber,
Bismarck, North Dakota,
January 12, 1928.

The Senate convened at 2:00 p. m., the President presiding.

Prayer by the chaplain, Rev. C. A. Stephens.

Roll call.

All members present except Senators Murphy and Rusch.

The committee on Revision and Correction of the Journal made the following report:

Mr. President: Your committee on Revision and Correction of the Journal have carefully examined the Journal of the second day and recommend that the same be corrected as follows:

On page three, line eighteen, strike out "Mr. Speaker" and insert "Mr. President."

And when so corrected recommend that the same be approved.

C. J. OLSON,
Chairman.

Senator C. J. Olson moved that the report be adopted, which motion prevailed and the report was adopted.

Senator Stevens moved that all absent senators be excused.

Which motion prevailed.

Senator Baird moved that the Secretary of the Senate be authorized to make arrangements with the supply department for necessary supplies and postage to be used during this session.

Which motion prevailed.

INTRODUCTION, FIRST AND SECOND READING OF
SENATE BILLS

Senator Bond introduced:

Senate Bill No. 1.

Which was read the first and second times and referred to the committee on Military Affairs.

Senator Ployhar moved that the Senate recess, subject to the call of the chair.

Which motion prevailed and the Senate recessed.

The Senate re-assembled, pursuant to recess taken.

The President administered the oath of office to Casper Bye.

MESSAGE FROM THE HOUSE

House Chamber,
Bismarck, North Dakota,
January 12, 1928.

Mr. President: I have the honor to inform you that the House has adopted the following Resolutions, which we transmit herewith:

House Concurrent Resolution No. 1.

CONCURRENT RESOLUTION

WHEREAS, the House of Representatives and the Senate have adopted a Resolution providing for the appointment of a Special Joint Committee, to consist of seventeen members of the House, appointed by the Speaker, and the State Affairs Committee of the Senate, for the purpose of considering the Governor's Message; and,

WHEREAS, such Joint Committee after conference deems it necessary that its authority and powers should be made more specific in order to enable it to properly perform its functions;

NOW, THEREFORE, BE IT RESOLVED by the House of Representatives, the Senate Concurring, that the said Joint Committee be and it is hereby authorized and empowered to examine into and investigate any and all official reports, departments, boards and industries of the State of North Dakota referred to in the Governor's Message, including the North Dakota Mill and Elevator Association, and to report its findings and recommendations in respect thereto to the Legislature; to summon and subpoena such witnesses and require their testimony under oath, as the Joint Committee shall require; to require any person, firm or corporation doing business within the State of North Dakota, to produce for examina-

tion upon the order of the Joint Committee any books, records, documents, reports and other written data as it may deem necessary; to require any State official, State employee, or any officer or employee of any department, board, institution, or industry of the State, to appear and give such information, data, reports and documents as the Committee may desire; to require any State Department, State Board, State Institution, or Industry to produce any books, records, reports, files and other data as the Committee may determine; to employ such legal assistance, and such accountants, clerks, stenographers and other assistants as the Committee may deem necessary; to incur such expense in the performance of its duties as the Committee may deem to be necessary and proper and to adopt such rules of procedure to facilitate its work as the Committee may deem advisable.

House Concurrent Resolution No. 2.

A RESOLUTION

Mr. Swett offers the following Concurrent Resolution and moves its adoption by roll call:

Resolved, by the House of Representatives of the Special Session of the Twentieth Legislative Assembly of the State of North Dakota, the Senate concurring, that:

WHEREAS, the Message of Governor Sorlie has been referred to a Joint House and Senate Special Committee authorized to consider the same and report to this Legislative Assembly its recommendations thereon; and such Joint Committee consisting of 34 Senate and House members has entered upon the consideration thereof, and such committee indicates that it will be several days before it can cover thoroughly the several matters involved in such message; therefore it is hereby moved that such members as may have personal business matters which require their absence from Bismarck at this time, be excused from attendance at this Legislative Session during the next three legislative days, with the understanding that such committee report will not be presented to this Legislature for action during such period and that during such time from which any such members are hereby excused, no final action shall be taken upon any matter; and it is hereby recommended to all members of this assembly, not members of the Joint Committee, that they attend upon the hearings of said committee that they may have personal knowledge of the matter coming before it.

And your favorable consideration is requested.

Very respectfully,

C. R. VERRY,
Chief Clerk.

Senator Ployhar moved that the Senate do concur in the House Concurrent Resolution No. 1.

SENATE ROLL CALL

The question being on concurrence in House Concurrent Resolution No. 1, the roll was called, and there were ayes, 46; nays, 0; absent and not voting, 3.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Fredrickson	Peck
Baird	Hamilton	Ployhar
Bakken	Hart	Porter
Benson	Hjelmstad	Ritchie
Bond	Kretschmar	Sathre
Brant	Lynch	Schlosser
Brunsdale	McCrary	Seamands
Carey	McLachlin	Steel
Conrath	Magnuson	Stevens
Crocker	Marshall	Tofsrud
Eastgate	Martin	Van Arnam
Erickson	Olson, Barnes	Van Camp
Ettestad	Olson, Burleigh	Whitman
Fine	Olson, Eddy	Wog
Fleckten	Pathman	
Forbes	Patten	

Absent and not voting:

Messrs.	Messrs.	Messrs.
Murphy	Patterson	Rusch

So the House Concurrent Resolution No. 1 was concurred in by the Senate.

Senator Ployhar moved that the Senate do concur in the House Concurrent Resolution No. 2.

Which motion prevailed.

The Senate returned to the Sixth Order of Business.

The following committee report was made at this time:

CERTIFICATE OF COMMITTEE ON MILEAGE AND
PER DIEM

Mr. President, and Members of the Senate of the Special Session of the Twentieth Legislative Assembly of the State of North Dakota:

We, and each of us, members of the Mileage Committee, hereby find and certify that the mileage for the Senate members of the Twentieth Legislative Assembly, Extraordinary Session, showing the number of miles actually and necessarily traveled in going to and returning from the state capitol and the amount due each member respectively for such travel at ten (10) cents per mile, is as follows:

District	Name and Address	N. P.	G. N.	Soo	Mil.	Team	Total
1	Fred Van Camp, St. Thomas.....	730				30	760
2	John E. Fleckten, Kenmare.....	278		464			742
3	Peter L. Hjelmstad, Edmore.....	388	342			10	740
4	P. J. Murphy, Grafton.....	730					730
5	J. E. Eastgate, Larimore.....	388	212			10	610
6	W. S. Whitman, Grand Forks.....	388	156				544
7	Walter Schlosser, Grand Forks.....	388	156				544
8	C. Norman Brunsdale, Mayville.....	388	112				500
10	John Van Arnam, Kindred.....	388				52	440
11	Peter McLachlin, Hunter.....	388	72				460
12	Joseph Forbes, Wahpeton.....	388			96		484
13	R. G. McCrory, Cogswell.....			344		12	356
14	W. G. Crocker, Lisbon.....	498				2	500
15	F. E. Ployhar, Valley City.....	278					278
16	P. O. Sathre, Finley.....	388	138				526
17	L. O. Fredrickson, Pekin.....	388	204			16	608
18	W. H. Porter, Calvin.....	388	416				804
19	John W. Benson, Rolette.....	388	208	276			872
20	C. W. Fine, Sheyenne.....	346				8	354
21	J. E. Stevens, Devils Lake.....	388	334				722
22	S. J. Atkins, Cando.....	388	402				790
23	Alfred Steele, Jamestown.....	204					204
24	W. D. Lynch, LaMoure.....	302					302
25	A. S. Marshall, Forbes.....	314	86			8	408
26	E. H. Brant, Linton.....	66					66
27	Obert Olson, Bismarck.....					4	4
28	Nels Magnuson, Souris.....	388	550			16	954
29	Walter Bond, Minot.....	274		366			640
30	W. E. Martin, Huff.....	50				12	62
31	L. R. Baird, Dickinson.....	230					230
32	O. H. Olson, New Rockford.....	326				20	346
33	J. L. Hart, Chaseley.....	358					358
34	D. H. Hamilton, Eckman.....	272		572		12	856
35	C. G. Ritchie, McClusky.....	418					418
36	P. T. Kretschmar, Venturia.....			216			216
37	C. W. Carey, Lidgerwood.....			404		20	424
38	C. J. Olson, Valley City.....	278				21	299
39	Gust Wog, Belfield.....	270				36	306
40	C. E. Erickson, Ambrose.....	588		172		10	760
41	C. L. Bakken, Tioga.....	278	164	366		4	812
42	O. T. Tofsrud, Rugby.....	388	448				836
43	G. Patterson, Donnybrook.....			578		12	590
44	R. W. Patten, Plaza.....			236		14	250
45	Ole Ettestad, Balfour.....			296		10	306
46	A. A. Peck, Underwood.....			132		18	150
47	Fred Pathman, Carson.....	192					192
48	F. P. Conrath, Stanton.....	60					60
49	Charles A. Seamands, Hettinger.....	520			306		826

Given under our hands at the Capitol at Bismarck, North Dakota, this 12th day of January, A. D., 1928.

GUST WOG, Chairman;

J. E. EASTGATE,

C. NORMAN BRUNSDALE

Senator Wog moved the adoption of the report.

Which motion prevailed, and the report was adopted.

Senator Wog moved that the report be reconsidered and amended.

Which motion prevailed.

Senator Wog then moved that the sum of 68 miles be added to Senator Conrath's mileage and per diem allowance.

Which motion prevailed and the report was adopted as amended.

Senator Ployhar offered the following resolution: I move that W. D. Austin be allowed 388 miles for his mileage and per diem, in lieu of all expenses incurred in calling the Special Session to order.

SENATE ROLL CALL

The question being on the Resolution of Senator Ployhar, the roll was called, and there were ayes, 46, nays, 0; absent and not voting, 3.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Fredrickson	Peck
Baird	Hamilton	Ployhar
Bakken	Hart	Porter
Benson	Hjelmstad	Ritchie
Bond	Kretschmar	Sathre
Brant	Lynch	Schlosser
Brunsdale	McCrary	Seamands
Carey	McLachlin	Steel
Conrath	Magnuson	Stevens
Crocker	Marshall	Tofsrud
Eastgate	Martin	Van Arnam
Erickson	Olson, Barnes	Van Camp
Ettestad	Olson, Burleigh	Whitman
Fine	Olson, Eddy	Wog
Fleckten	Pathman	
Forbes	Patten	

Absent and not voting:

Messrs.	Messrs.	Messrs.
Murphy	Patterson	Rusch

So the motion of Senator Ployhar prevailed.

INTRODUCTION, FIRST AND SECOND READING OF SENATE BILLS

Senator Schlosser introduced:

Senate Bill No. 2.

Which was read the first and second times and referred to the Committee on Taxes and Tax Laws.

Senator Ployhar moved that the Senate do now adjourn.

Which motion prevailed and the Senate adjourned.

W. D. AUSTIN,
Secretary.

FOURTH DAY

Senate Chamber,
Bismarck, North Dakota,
January 13, 1928.

The Senate convened at 2 p. m., the President presiding.

Prayer by the Chaplain, Rev. C. A. Stephens.

Senator Stevens moved that the Senate do now adjourn,
which motion prevailed and the Senate adjourned.

W. D. AUSTIN,
Secretary.

FIFTH DAY

Senate Chamber,
Bismarck, North Dakota,
January 14, 1928.

The Senate convened at 2 p. m., the President presiding.

Prayer by the Chaplain, Rev. C. A. Stephens.

All members present except Senator Rusch, who was excused.

Senator Whitman moved that the Senate do now adjourn, which motion prevailed and the Senate adjourned.

W. D. AUSTIN,
Secretary.

SEVENTH DAY

Senate Chamber,
Bismarck, North Dakota,
January 16, 1928.

The Senate convened at 2 p. m., the President presiding.

Prayer by the chaplain, Rev. Frankhauser.

Roll call.

All members present except Senator Rusch.

The committee on Revision and Correction of the Journal made the following report:

Mr. President: Your committee on Revision and Correction of the Journal have carefully examined the Journals of the third, fourth and fifth days and find the same correct.

C. J. OLSON,
Chairman.

Senator Olson moved that the report be adopted, which motion prevailed and the report was adopted.

Senator Carey moved that all absent Senators be excused, which motion prevailed.

Senator Carey moved the appointment of Mrs. Helen Wachter as stenographer, date of appointment to be January 13.

SENATE ROLL CALL

The question being on the election of Helen Wachter, the roll was called, and there were ayes, 48; nays, 0; absent and not voting, 1.

Those voting in the affirmative were:

Messrs.
Atkins
Baird
Bakken

Messrs.
Fredrickson
Hamilton
Hart

Messrs.
Patten
Patterson
Peck

Messrs.	Messrs.	Messrs.
Benson	Hjelmstad	Ployhar
Bond	Kretschmar	Porter
Brant	Lynch	Ritchie
Brunsdale	McCrory	Sathre
Carey	McLachlin	Schlosser
Conrath	Magnuson	Seamands
Crocker	Marshall	Steel
Eastgate	Martin	Stevens
Erickson	Murphy	Tofsrud
Ettestad	Olson, Barnes	Van Arnam
Fine	Olson, Burleigh	Van Camp
Fleckten	Olson, Eddy	Whitman
Forbes	Pathman	Wog

Absent and not voting:

Messrs.

Rusch

So Helen Wachter was declared elected stenographer.

The President administered the oath of office to Helen Wachter.

Senator Wog moved that the Committee Report on Mileage and Per Diem be amended as follows: Show mileage for E. H. Brant at 132 miles.

Which motion prevailed.

Senator Ployhar moved that the Senate do recess subject to the call of the Chair, after the business before the Senate is dispensed with.

Senator Hjelmstad moved that the rules be suspended and Senate Bill No. 3 be placed on first and second reading.

Which motion prevailed.

INTRODUCTION, FIRST AND SECOND READING OF SENATE BILLS

Senator Sathre introduced:

Senate Bill No. 3

Which was read the first and second times and referred to the committee on Ways and Means.

Printing of bill deferred on motion of Senator Ployhar.

Senator Sathre introduced:

Senate Bill No. 4.

Which was read the first and second times and referred to the committee on State Affairs.

Printing of bill deferred on motion of Senator Ployhar.

Senator Brant introduced:

Senate Bill No. 5, a Concurrent Resolution.

Which was read the first and second times and referred to the committee on State Affairs.

Senator Ployhar moved that printing of this bill be deferred till the report of the Special Joint Committee is received.

Which motion prevailed.

Senator Tofsrud introduced:

Senate Bill No. 6.

Which was read the first and second times and referred to the committee on State Affairs.

Senator Sathre requested a return to the Eighth Order of Business.

Which request was granted.

Senator Sathre then moved that Senate Bill No. 3 be withdrawn from the Ways and Means committee and referred to the committee on State Affairs.

Which motion prevailed and the bill was so referred.

Senator Ployhar moved that printing of Senate Bill No. 6 be deferred till after the report of the Special Joint Committee is received.

Which motion prevailed.

Senator Bond moved that the Resolution from the Burke and Ward County Commissioners be read and printed in the Journal.

Which motion prevailed.

Minot, N. D., Dec. 9th, 1927.

The Board of County Commissioners of Burke county appeared before the board and convened in joint session in regard to an additional appropriation for Federal Aid Project No. 303A.

This being a joint session of the boards of County Commissioners of Burke and Ward counties, it was moved by Commissioner Haldi of Ward county, seconded by Commissioner Downie of Burke county, that the following resolution be adopted, and a copy of same sent to the Appropriations Committee, at Bismarck, for the coming session of legislature, also a copy be sent to the different Senators and Representatives of the northwest counties:

Whereas, it has been estimated by the chief engineer of the State Highway Department, that an additional appropriation is necessary to complete the part of Federal Aid Project No. 303A, which constitutes the fill in the Des Lacs lake, of approximately \$25,000, or a total expenditure on said project of approximately \$140,000; and

Whereas, the State Legislature at the 1925 session, appropriated \$25,000 to cover the state's portion of said contract, and that amount not being sufficient to cover the one-fourth of the amount which the counties expected the state to pay:

Now, Therefore, Be It Resolved, that we earnestly request the legislators to appropriate an additional sum of \$25,000 to cover the state's share of the said project.

All voting aye, motion carried.

Pursuant to Senator Ployhar's motion the Senate recessed.

AFTER RECESS

MESSAGE FROM THE HOUSE

House Chamber,
Bismarck, North Dakota,
January 16, 1928.

Mr. President: I have the honor to transmit herewith House Concurrent Resolution No. 3, which the House has adopted and your favorable consideration is requested.

Very respectfully,

C. R. VERRY,
Chief Clerk.

HOUSE CONCURRENT RESOLUTION NO. 3

Introduced by Representatives Ehr, Johnson of Ward and Burns

Whereas, it has been called to the attention of the Twentieth Legislative Assembly of the State of North Dakota, in special session, that the Mouse river, a stream located in the western part of North Dakota, also known as the Souris river, which rises in the province of Saskatchewan, Canada, and flows in an easterly direction in said province and then southeasterly in the state of North Dakota, a distance of about one hundred miles, and then abruptly turns in a north-easterly direction, passing back into the Dominion of Canada, and emptying into the Red River, and thus into Lake Winnipeg, Manitoba; that there is bordering on the banks of said river a productive and fertile valley, nearly a mile wide, in which are located many beautiful farm homes, cities, towns and villages, of which the city of Minot, with a population of about fifteen thousand (15,000) is the largest, and,

Whereas, It has further been called to our attention that the said Mouse River has at various times overflowed its

banks, flooding vast territories adjacent thereto and causing enormous losses to the residents in such valley, which losses run into many hundreds of thousands of dollars, especially in the cities located in such valley; and

Whereas, it further appears that the frequency of said floods is increasing and it is stated, that the said river drains enormous territory in Canada, which territory so drained, by being improved, does away with the natural reservoirs where the water from the melting snows had heretofore gathered; and

Whereas, the origin of said flood waters is in Canada, a foreign country and beyond the control of this state:

Now, Therefore, Be It Resolved, that we, the House of Representatives, in special session assembled, the Senate concurring, do request that the possibility of relieving the conditions of this productive territory, and cities located therein, be respectively submitted to the Congress of the United States and the Federal Government, to the end that relief may be given these flooded districts along the Mouse River, through some action on the part of Congress, and if deemed necessary, by cooperation with the Canadian Government and this state, and that we do urgently recommend to Congress that control of said floods be referred to the proper committees for consideration to the end that some plan may be formulated whereby the conditions above referred to may be remedied and the sufferers relieved; and

Be It Further Resolved, that a copy of this resolution be sent to the President of the United States, the Vice-President of the United States, the Speaker of the House of Representatives and to the Senators and Congressmen representing the state of North Dakota in the Congress of the United States, and to the Committee on Flood Control.

Mr. Ehr moved the adoption of the resolution, which motion prevailed and the resolution was adopted.

Senator Carey requested a return to the Tenth Order of Business.

Which request was granted.

MESSAGE FROM THE HOUSE

House Chamber.

Mr. President: I have the honor to transmit herewith the following bills:

House Bill No. 3: A Bill for an Act Making an Appropriation to Provide for the Payment of Mileage and Per Diem of Members, Per Diem of Officers and Employees, Printing, Supplies and all Other Expenses of the Special Session of the Twentieth Legislative Assembly.

Which the House has passed and your favorable consideration is respectively requested.

Very respectfully,

C. R. VERRY,
Chief Clerk.

On motion the rules were suspended and House Bill No. 3 was read the first and second times and referred to the committee on Appropriations.

Senator Ployhar moved that the Senate do now recess, subject to the call of the Chair.

Which motion prevailed, and the Senate recessed.

AFTER RECESS

The Senate re-assembled pursuant to recess taken.

Senator Bond requested a return to the Ninth Order of Business.

Which request was granted.

INTRODUCTION, FIRST AND SECOND READING OF

SENATE BILLS

Senator Bond introduced:

Senate Bill No. 7.

Which was read the first and second times.

The President called the President Pro-tem, Senator Stevens, to the chair.

Senator Ployhar moved that further action on Senate Bill No. 7 be deferred until the report of the Special Joint Committee is received, and that the bill be not printed at this time.

Which motion prevailed.

Senator Ployhar requested a return to the Sixth Order of Business.

Which request was granted.

The committee on Appropriations made the following report:

Mr. President: Your committee on Appropriations to whom was referred:

House Bill No. 3: A Bill for an Act Making an Appropriation to Provide for the Payment of Mileage and Per Diem of Members, Per Diem of Officers and Employees, Printing,

Supplies and all Other Expenses of the Special Session of the Twentieth Legislative Assembly.

Have had the same under consideration and recommend that the same do pass.

P. T. KRETSCHMAR,
Chairman.

Senator Kretschmar moved that the report be adopted, which motion prevailed and the report was adopted.

Senator Ployhar moved that the vote by which the committee report was adopted be reconsidered.

Which motion prevailed.

Senator Kretschmar moved that the rules be suspended and the report of the Appropriation committee be adopted.

Which motion prevailed and the report was adopted.

SPECIAL JOINT COMMITTEE REPORT

Mr. President: Your committee on State Affairs delegated to meet with the Special Committee of the House as a Special Joint Committee, for the purpose of considering the Governor's Message, ~~beg leave to report that they have met with the said Special Committee from the House and that said Joint Committee has unanimously adopted the following report:~~

At the regular session of the Twentieth Legislative Assembly a Special Fact Finding Committee was appointed by the Senate to consider the matter of the management of the State Mill and Elevator, and to inquire into and investigate conditions there. Said committee consists of Senators Hamilton, Fredrickson and Schlosser.

Said committee reported to the Senate, and was authorized "to continue the work begun by the Fact Finding Committee, and to recommend a solution of the present State Mill and Elevator problems to the next Legislature."

Said Senate Facts Finding Committee on March 2, 1927, made a confidential and private report to the Governor, which reports is printed and appears in the House Journal of January 10, 1928, at Page 97. Subsequently, and on July 1, 1927, said Facts Finding Committee made a further confidential and private report to the Governor, which report is found in the House Journal of January 10, 1928, on page 87.

No publicity was given with respect to these reports by the Governor, until subsequent to publicity given them through the press of the State. These reports and particularly the report on March 2, 1927, were delivered to the Governor personally by the Facts Finding Committee, and the nature and character of the reports, together with the matter contained therein, and the recommendations made by the committee, were called to the attention of the Governor at the

time the reports were delivered to him; and the Governor was urged by the Facts Finding Committee to take steps to make changes in the manner of conducting the business of the mill and elevator at Grand Forks, North Dakota, as recommended and urged in the report of the committee. The committee was assisted by Mr. C. U. Somer, of the Equity Cooperative Exchange, who rendered his assistance and cooperation to the committee at the request of the committee.

That on the 22nd day of November, 1927, the Governor issued a proclamation calling a Special Session of the Legislature of this State, which proclamation reads as follows:

PROCLAMATION
SPECIAL SESSION

By virtue of the authority vested in the Governor by the Constitution and laws of the State of North Dakota, and in pursuance thereof:

I, A. G. Sorlie, Governor of the State of North Dakota, do hereby call the Legislative Assembly to convene in extraordinary session at the Capitol in the city of Bismarck, at twelve o'clock noon, Tuesday, the tenth day of January, 1928, to consider and act upon the following subjects of legislative business, to-wit:

FIRST: The report of the Senate Facts Finding Committee on the Mill and Elevator Association;

SECOND: The increasing seriousness of the problems of grain marketing;

THIRD: The Missouri River Diversion Project, in its relation to Federal flood control plans;

FOURTH: To enact such further legislation as may be deemed necessary.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of North Dakota to be hereunto affixed.

Dated at Bismarck, North Dakota, this 22nd day of November, 1927.

BY THE GOVERNOR:

Attest:

ROBERT BYRNE,
Secretary of State.
(SEAL)

That pursuant to said proclamation the Twentieth Legislative Assembly of the State of North Dakota convened in Special Session on the 10th day of January, 1928, at which time the Governor delivered his message; that by action of the Senate and House of Representatives a Special Joint Committee, consisting of the Regular Standing State Affairs Committee of the Senate and a Special House Committee,

was authorized and created to consider the Governor's Message, and to report its recommendations thereon.

That the Special Joint Committee convened and adopted rules and method of procedure and order of business as follows:

RULES GOVERNING THE PRACTICE AND PROCEDURE
OF THE SPECIAL JOINT COMMITTEE OF THE
SENATE AND HOUSE TO CONSIDER THE
GOVERNOR'S MESSAGE

The following are the rules governing the practice and procedure before the Special Joint Committee of the Senate and House to consider the Governor's Message.

RULE 1. This Special Joint Committee shall convene at the hours of 9 a. m., 2 p. m., and 8 p. m., daily, unless the committee shall otherwise order.

RULE 2. The committee shall select a secretary who shall keep a full and complete record of all proceedings had before the committee and of all motions and the rulings thereon and all papers, documents, files and orders which may be offered in connection therewith; and such testimony as the committee shall order shall be taken and transcribed by reporters appointed and sworn for that purpose. The oath of the reporters shall be the same as that of court reporters in District Court.

RULE 3. The chairman shall issue subpoenas for such witnesses as directed by the committee; which subpoena shall be attested by the secretary and shall state the time and place at which the same shall be returnable, and shall be substantially the same in form as District Court subpoenas. Before a subpoena shall be issued for any witness the committee shall be advised of what it is expected to prove by such witness.

RULE 4. All witnesses subpoenaed as above shall immediately report to the secretary of said committee and upon discharge of such witness or witnesses they shall present to said secretary their said subpoena, and he shall thereupon certify thereon the mileage and per diem of such witness, which certificate shall be accepted as evidence thereof.

RULE 5. Each witness shall be sworn in the following manner: You do solemnly swear (or affirm) that the evidence you will give in the matter pending before this committee shall be the truth, the whole truth, and nothing but the truth, so help you God.

Such oath shall be administered by the chairman of this committee.

RULE 6. The hearings shall be open to the public, provided, however, that upon the motion of any member of this

committee, or at the discretion of the chairman thereof, the committee may go into executive session, whereupon all persons shall be excluded from said hearing, save and except the members of said committee, and officers thereof.

RULE 7. The procedure before the committee shall be conducted in an orderly manner and without reference to formal rules of evidence and procedure. The chairman of the committee shall direct and make all necessary preparations for the hearing before said committee and shall proceed as chairman at the proceedings. This proceeding being in the nature of an inquiry and not a trial, no witness or other person shall be permitted to appear or be represented before this committee at any hearing by agent, attorney, or in any other manner than in person.

RULE 8. When no rule is provided herein for the governing of the practice and procedure of this committee the chairman thereof shall announce the rule, subject to the right of any member of this committee to appeal therefrom to the whole committee.

RULE 9. When any member of the committee wishes to question a witness permission shall first be given by the chairman of the committee; provided, that if it shall appear to the chairman that any question or questions are not propounded in good faith or are not relevant or material to the inquiry he shall refuse to permit same to be asked or answered, unless directed so to do by a majority of the whole committee.

RULE 10. A majority of the members of the committee named shall constitute a quorum.

RULE 11. A majority of the committee may make additional rules and regulations from time to time as they deem necessary or advisable.

ORDER OF PROCEDURE

1. The reports of March 2nd and July 1st, A. D. 1927, made by the Facts Finding Committee appointed by the Senate, the Lund Audit and the Poole Report pertaining to the business of the State Mill and Elevator and manner of conducting the same, having been filed with the committee; the Senate Facts Finding Committee reports and the Lund Audit being questioned by the Poole Report, the ORDER OF PROCEDURE SHALL BE:

That those questioning the accuracy or correctness of these reports of the Facts Finding Committee and of the Lund Audits supporting the same, shall first bring before this committee any evidence and proof of inaccuracies of such reports or such audit; evidence shall then be received in rebuttal in support of the Facts Finding Committee Reports or of the Lund Audit.

2. The matter of the Governor's recommendations as to railroad rates shall then be taken up for consideration.

3. That portion of the Governor's Message pertaining to Flood Control and the Missouri River Diversion Project shall then be considered.

4. The Governor's recommendations as to an appropriation of \$25,000.00 for a Special Advertising Train shall then be taken up for consideration.

5. All other recommendations contained in the Governor's message shall then be taken up in such order as the committee may determine.

That before proceeding with the hearing the special committee authorized its chairman to advise the Governor that it was organized and ready to proceed to business, and delivered to the Governor a copy of its rules and order of business, and invited the Governor to appear before the Committee and make such statement and produce such witnesses and submit such evidence as he desired with respect to the matters contained in his message; and particularly with reference to the matters set forth in the report of the Special Facts Finding Committee of the Senate, and in the Lund report supporting the same, and also in support of the so-called Poole audit.

That the Governor appeared in person before this committee and read and filed a written statement to the committee, in which statement the Governor, in effect, admitted and conceded that the findings, conclusions and recommendations set forth and contained in the report of the Facts Finding Committee was substantially true, correct and proper. A copy of the Governor's statement is hereto attached as a part of this report.

Mr. H. A. Bronson, attorney for the State Mill and Elevator, and personal representative of the Governor appeared before this committee and attended upon all its sessions and was afforded every opportunity to make any personal statement and to present any other witnesses on behalf of the Governor he might desire. Mr. Bronson personally made several statements to the committee which helped clear up matters then under consideration.

That Mr. O. L. Spencer, Manager of the State Mill and Elevator, at the instance of the Governor, appeared as a witness before the committee, and under oath testified that the findings, conclusions and recommendations of the Facts Finding Committee was true and correct.

No one appeared before the committee in support of the so-called Poole audit, which purports to criticise and contradict the report of the Facts Finding Committee.

The Facts Finding Committee in its two reports set forth a number of facts and circumstances showing the method and manner in which the management and operation of the mill and elevator had been and was carried on during the year 1926 and up to July 1st, 1927. Among other things set forth in said report are the following:

1. That during the year 1926 there was purchased by the mill and elevator 2,603,790 bushels of wheat. That of this amount only 105,073 bushels were purchased from individual farmers. In other words, that 96 per cent of the wheat purchased was purchased from commission companies as against about four per cent purchased from farmers.

2. That individual shippers and farmers were paid materially less at the State Mill and Elevator at Grand Forks, North Dakota, than the value of their wheat at Minneapolis.

3. That for the entire year of 1926, the average costs of all wheat milled at the State Mill and Elevator was nine and five-eighths cents higher than the average No. 1 Dark Northern price at Minneapolis, or, expressed in another manner, for the calendar year 1926, the cost of all wheat purchased at the State Mill and Elevator was six and one-tenth per cent higher than No. 1 Dark Northern at Minneapolis, notwithstanding that a large part of the wheat purchased by the State Mill was of a lower grade than No. 1 Dark Northern, and consequently should have been purchased at a much lower figure than the average price of No. 1 Dark Northern, above quoted.

4. The Facts Finding Committee also found as follows:

"We find contracts for the purchase of large quantities of wheat from the * * * Grain Company, of Minneapolis, were entered into by the mill at prices relatively 4c per bushel higher, according to the contracts, than the price paid to any other elevator or commission company for the same grade and protein content on the same date, and that these prices were nearly always far in excess of the highest priced car of the same grade sold on the Minneapolis market on the same day; and it should be borne in mind that over a half-million bushels, or approximately 27 per cent of the entire amount milled was purchased from the * * * Grain Company, in some instances costing the mill 7½c per bushel above the highest priced car of any kind of wheat sold on the Minneapolis market on the same date.

"It is not disputed that the * * * Grain Company was favored in that the highest premiums were paid to them.

"As far as we can determine, the practice of paying premiums above the highest market price, to Minneapolis commission companies is not good public policy, and it is unnecessary in connection with the State Mill. The contention that the payment of high premiums to the * * * Company, and other companies is beneficial to growers seems to lack force, for the reason that the * * * Company purchased a large portion of grain sold to the Mill from line elevator companies. The * * * Company made profits as high as nine and three-eighths cents per bushel on wheat bought from the line companies and sold to the mill."

In this connection the audit report of the State Mill and Elevator, prepared by O. B. Lund, Auditor for the State Board of Auditors, and testified to by Mr. O. L. Spencer to

be true and correct, states that there were 318 cars of wheat sold by the * * * Company to the State Mill and Elevator; that he made a detailed investigation from original sources with respect to 87 of such cars, and found therefrom that the average middleman's profit between the State Mill and the local country elevator from which said cars were purchased by the * * * Company, on said 87 cars was \$117.38 per car, or 8.04c per bushel, and that applying this basis of middleman's profit to the whole 318 cars purchased from the * * * Company alone would amount to \$37,326.84 profit; that the 87 cars just referred to were all of the cars shipped from Williston, Stanley and miscellaneous points in that part of the State, upon which he could get the detailed information.

5. The Facts Finding Report further says:

"In analyzing the feed sales we find that approximately half of all the feed manufactured during the calendar year of 1926, was sold to the * * * Company, of Minneapolis. These feed sales to the * * * Company, in the approximate amount of Twelve Thousand Tons, are made mostly at fifty-cents a ton less for pure bran than the Minneapolis quotations on the same date, and one dollar per ton cheaper for standard middlings, as compared to Minneapolis. We are informed that a large quantity of these feed contracts are unfilled at the time of our meeting, and that penalties as high as seven dollars a ton have accrued on the unfilled contracts. * * * The price of feed sold to the * * * Company are relatively lower in all instances than those charged to customers in North Dakota, Minnesota and Wisconsin."

6. The State Mill and Elevator sold two hundred and forty-two thousand barrels of flour to the * * * Corporation of Boston, Mass., at a net loss on materials alone of \$39,911.39.

7. The Facts Finding Committee report further states:

"That generally speaking, flour sold in North Dakota and neighboring territory is sold at a profit of approximately fifty cents per barrel, whereas flour sold to the eastern * * * Flour Corporation nets a loss of one dollar or more per barrel."

"A list of quotations from North Dakota territory based on price of North Dakota Flour F. O. B. Mill, as compared with contract prices for the same brand and grade of flour graded and delivered at Boston indicates that the Boston market was favored as against North Dakota, in many instances over a dollar and a half a barrel."

"One Firm, * * *, purchased approximately forty per cent of the entire mill output of flour during the year 1926, largely at a loss to the mill. Practically all of this flour is packed and sold under their private brands."

The Facts Finding Committee in its said reports, also stated as follows:

"A casual survey of those who sell direct to the mill clearly indicates that if benefits are derived they are not going to farmers but to preferred private corporations mostly from foreign states."

The Facts Finding Committee also states:

"We find that the apparent policy is for the wheat purchasing department to buy wheat without consulting the mill management, and if losses accrue because too much grain is purchased at too high a price, the loss must be absorbed by the mill department by the sale of flour at less than the costs of materials."

The Facts Finding Committee in its report of July 1, 1927, states as follows:

"Supplementing the committee's confidential report made to the Governor during the closing days of the legislative session, we submit the following findings of facts which cause the operating losses to the mill and elevator Association:

1. The cost of wheat milled, as compared to average prices of wheat purchased in any other large market, is too high to permit the mill to reasonably compete with other large mills on a cost-milled basis.

2. The policy of selling flour in large quantities for less than the cost of the bare materials and transportation to sale destination, without any manufacturing cost added, is indefensible.

3. Utter lack of coordination between the buying and sales departments."

The evidence given before your Joint Committee by Mr. Spencer, among other things shows that flour was manufactured and put out under approximately one hundred brands of individual purchasers outside of the State. And that the containers of flour so manufactured under these brands, did not show the same to have been manufactured out of North Dakota spring wheat, or to have been manufactured by the State Mill, but the bakers who purchased such flour knew it was manufactured by the State Mill.

That O. L. Spencer also stated that he was given sole and complete supervision of the mill and elevator by the Governor during the month of August, 1927, such supervision including the matter of wheat purchases which heretofore had been in charge of Mr. Webster.

That while the Governor's attention was called to the condition of the affairs at the State Mill and Elevator and the manner in which it was being operated, by the Special Facts Finding Committee's report made to him on March 2nd, 1927, sufficient action was not taken by the Governor to follow the recommendations and findings of the Facts Finding Committee, or to correct the abuses in the management of the

mill as set forth in such report, until subsequent to July 1st, 1927, when the Facts Finding Committee made and delivered its second report to the Governor.

Testimony given before this committee clearly indicates that the recommendations and findings made by the Facts Finding Committee were well founded; as evidenced by the fact that steps were taken, as above set forth, to correct the abuses existing as shown by the Fact Finding Committee's Reports.

It also appears that the entire management of the mill, both with respect to buying, selling and milling was placed under the control of Mr. Spencer. The purchasing department and the milling department appear to be co-ordinating in the purchase of wheat best suited for milling purposes, and greater co-operation exists throughout the entire organization.

It further appears as a result of the work of the Special Facts Findings Committee, and of their reports, and the changes which were made in the operation of the mill, that the mill has made an improved showing during the last four months of 1927 and that a very material change has been made in the present practice of purchasing wheat, over the practices that previously prevailed, in that a different policy has been inaugurated, and is being pursued to purchase as much grain as possible from farmers, individual shippers and local elevators; that flour is no longer being sold or wheat purchased under the system existing in 1926.

During 1927 wheat was purchased at the State Mill as follows:

From Line Elevators	23 cars
From Smith Tyner Co.	39 cars
From Merchandizers of wheat	131 cars
From N. D. Wheat Growers Ass'n	136 cars
From Farmers Elevators direct and through commission houses	438 cars
From individual shippers direct and through commission houses	199 cars
Total	<u>966 cars</u>

The Governor upon the presentation of his message to the Legislature exhibited a check for \$160,206.57, drawn by the State Mill and Elevator Association and made payable to the State Treasurer, represented as being earnings of the State Mill and Elevator over operating costs thereof, and asked the Legislature to concur in his suggestions that the check be turned over by him to the State Treasurer to apply upon unpaid interest upon Mill and Elevator Bonds. In view of the provisions of our existing laws, that the industrial commission shall out of any moneys derived from the operation of the Mill and Elevator Association, pay to the State Treas-

urer such earnings as the Commission shall deem advisable to devote to the purpose of paying outstanding interest and bonds of the association; the concurrence of the Legislature in his suggestion by resolution would be without force or effect, as the right to dispose of or apply such money lies with the Industrial Commission, and we therefore take no action upon this suggestion.

In as much as there can be no change in the system of audit now employed at the State Mill and Elevator, except in so far as the auditor employed by the Governor is concerned, without legislative action, and inasmuch as any legislative action at this time would cause unwarranted delay in the adjournment of this special session, and added expense resulting therefrom, we therefore recommend that no action be taken upon this matter at this time, but that the whole subject be referred to the Twenty-first Legislative Assembly for consideration to the end that such action may be taken in altering or simplifying such audit system as may be deemed expedient.

In this connection we further state that many citizens have a misunderstanding as to the difference in the reports made by K. C. Nelson, O. B. Lund and F. F. Burchard, the several mill and elevator auditors; the only material difference between these audits is the matter of whether depreciation, interest on operating bonds and interest upon construction bonds is properly chargeable as an operating cost.

We heartily endorse the Missouri River Diversion Project, sponsored by the Missouri River Diversion Association; but the statement of Mr. S. W. Thompson, President of that Association, made to this Committee, discloses that this project is progressing as rapidly and as favorably as could be expected, and that there is nothing required to be done by the Legislature at this time.

With reference to the recommendation of the Governor that a state-owned elevator be erected at Fargo, we would say that we do not believe that this is a subject which should be considered by this Special Legislative Session; and that therefore there need be no action taken by this committee thereon.

The Committee believes that no sufficient program for air-ports in this State has been developed, and no present demand of the municipalities of the State for immediate legislation exists, and that any attempt by the Legislature at this Special Session to pass legislation to that end would be ineffective. The Legislature is not justified in prolonging the session to give the subject the attention and consideration its importance demands. The Committee favors air-ports legislation, but feels that no urgent need exists therefor, and the various cities of the State are now working out a law to effect the desired end.

We are heartily in favor of any and all steps being taken which will bring new settlers to this state and new purchasers for our fertile, low-priced land; but we do not believe that this

is the proper time to appropriate \$25,000.00 to run a special advertising train to Illinois, Iowa and adjacent states.

We are fully in accord with the proposition stated in the Governor's message that cheaper transportation, both interstate and intrastate, upon farm products is very desirable and would result in much benefit to our farmers and to the State generally.

We believe, however, that this is a matter which can be safely left in the hands of our State Railroad Commission where it properly and legally belongs, and who, with the co-operation of our Attorney General, have been and are giving it the attention which it requires and deserves.

This committee desires to express its appreciation of the valuable services which the Facts Finding Committee has rendered in doing the work attendant to its investigation and in preparing its reports.

After carefully considering the Governor's message we fail to find anything therein requiring action by the Legislature at this time, nor anything constituting any emergency, justifying the calling of this Special Session or the incurring of attendant expenses. We therefore recommend that after the necessary appropriation bill, covering the expenses of this special session is passed, that the Legislature adjourn sine die.

Respectfully submitted,

FRANK E. PLOYHAR,

Chairman of the Senate State Affairs
Committee.

EDWIN TRAYNOR,

Chairman of the Special House Committee.

STATEMENT OF GOVERNOR SORLIE

I have been invited to make a statement before the joint committee which has been appointed to consider my message to the special session of the legislature.

The first thing, perhaps, that your committee would like to know is why I called the special session. There are several reasons mentioned in my message, but, primarily, it was for the purpose of clarifying some of the insinuations made by the newspapers of the state in misconstruing the report of the Fact Finding Committee. I have no quarrel with the Fact Finding Committee. It was the purpose of that committee to ascertain, if possible, the Mill and Elevator losses for 1926.

From statements that appeared in different newspapers the inference has been made not only of mistakes in judgment, but the integrity of myself and of men in charge of the Mill and Elevator was attacked. I deem it the function of this committee to determine whether in their opinion there has been any dishonesty in the conduct of the Mill and

Elevator affairs, and if, in their opinion, after study of the reports and after listening to the men directly in charge of the institution, the affairs were honestly conducted, I feel in justice to them and to my administration, that the committee should so report.

I have been in business for a number of years and have made lots of mistakes, and I expect that I will make a lot more mistakes while I am in business; but, it is from mistakes that we often profit. This is true of the losses of 1926.

The men who were in direct charge of the purchasing of wheat and the selling of flour were men in whom I have implicit confidence. Their judgment in the purchasing of wheat and the selling of flour was pretty much the same as the judgment of other millers and wheat buyers during the same period. They followed pretty much the same course that had been followed in prior years at the Mill and Elevator. However, there is no line of business that does not have to make some changes in methods at times.

The suggestions made by the Fact Finding Committee were very good, and I have worked into them just as fast as it has been possible to change over the method of doing business. Even before the Fact Finding Committee's report was made in the summer of 1926 I had a man go out amongst the farmers elevators and independent elevators to solicit their business, and in doing this the terminal elevator at Grand Forks was well filled with stored grain a month or two after threshing started, and this was the first time in the history of the terminal elevator that the grain people back in the country used the terminal elevator for storage.

It has been my intention ever since I took charge of the Mill to buy our grain locally and for this reason at the Session of 1925 I asked the Legislature to pass a law creating a terminal grain market at Grand Forks. As business men you will realize that this can not be done overnight, and we got no particular results from our terminal elevator and terminal grain market until the fall of 1926. The results have been a great deal better during the fall of 1927.

Grain people, whether they are local elevators or individual shippers, must be educated along certain lines. This is a very slow process, but I feel that from now on we will be able to purchase practically all of our grain from such sources, and will not have to go before the commission men in Minneapolis to buy any grain that they may have back in the state.

You will have before your committee, Mr. Bell, the present grain buyer, and I am sure that he will be able to explain to you just how this method is working out, and how he hopes to have it work out. The former wheat buyer, Mr. Webster, was a man of the old school. He handled grain for 35 years in the old way, and it was impossible for him to visualize the new methods of marketing. There is not the least question

about his honesty, but his early training got him in a rut so that he could not get out, and for that reason I was obliged to make a change in buyers at the elevator.

You will have before your committee Mr. Spencer, the miller and manager of the State Mill. Mr. Spencer is a high-class miller, has been in the business for a number of years, and I am sure that he will be able to explain to you all the difficulties pertaining to the milling industry, the purchases of wheat, the sale of feed, and the sale of flour in eastern territory.

I have called your attention in my message to the impossible audit situation at the Mill and Elevator, from a practical business point of view. I solicit your cooperation and will welcome your suggestions in working this matter out so that it can be handled in a practical way.

In the three years that I have been in charge of the Mill and Elevator several changes have been made, some of which have been made upon the suggestion of the Fact Finding Committee. I have found that in the Mill and Elevator plant itself we must have 100 per cent cooperation and understanding between the men working there. If we do not have this we do not get the best results. If we could have this same cooperation throughout the State and the right understanding there would be no question about the success of the Mill and Elevator.

In my message I called your attention to the fact that I took over the organization at a time when it showed an operating loss of \$35,000. This was principally due to lack of cooperation within the organization itself. It has been my policy since I took charge to get the people working in connection with the Mill and Elevator to understand one another. This understanding exists not only at the Mill but amongst the salesmen and the elevators supplying the Mill with wheat. I believe that as time goes by the people who sell flour and the people who handle wheat will better understand the wonderful service that can be had because of the Mill and Elevator. It has created a new market and our people now have a choice of three markets where they formerly had only two.

You will note from the auditors' reports that 1927 was the most successful year the Mill and Elevator has had. I lay this primarily to the better understanding and cooperation on the part of the men connected with the Mill and Elevator, and the improved efficiency resulting from it.

To operate a successful business of any kind, all the people connected with it, or who work with it, must be in a frame of mind where they will cooperate with the organization and help each other in working out the various problems concerning the institution. This has been hard to bring about at the Mill and Elevator. Possibly a wrong start was made in the beginning. At any rate, I feel that now we have improved conditions at the Mill and Elevator.

I feel that at the present time a better condition exists at the State Mill and Elevator than at any time in its history. A

better spirit of cooperation exists among the men working at the institution, there is better coordination among the department heads. There is a policy of operation in effect that is making the Mill and Elevator an institution that is of service to the grain men and the farmers of the state. The men who will appear before you will give you a better understanding of the problems of the Mill, Elevator and Terminal. If, after hearing their statements and studying the reports that are before you, your committee can give any constructive criticism that will assist in increasing this service, your suggestions will be given careful consideration.

In conclusion, I further recommend to this committee that you give sincere consideration to all other recommendations that I have made in my message. If you will do this I feel that you will make this session the most constructive in the history of the state.

Senator Benson moved that the report be printed in the Senate Journal and that final action be not taken on the report at this time.

Which motion prevailed.

Senator Fine moved that the testimony at the hearing before the Special Joint Committee be transcribed and printed in the Journal.

Which motion was lost.

Senator Fine protested the above Senate action and requested that his protest be recorded: "Inasmuch as that I and some of the rest of the Senate and House have not had the privilege of hearing all the testimony, getting all the evidence, I object to voting on those propositions most strenuously without having had that opportunity."

President Pro-Tem, Senator Stevens, made the following remarks and asked that they be recorded in the Journal: "I had every opportunity afforded me to attend those hearings and hear the evidence and if I failed to hear the evidence it was my own fault."

Senator Hamilton spoke as follows: "Mr. President: Since it seems to have become the custom in the last few minutes of everyone getting his remarks printed in the Journal, I want to make a few for record. I made the motion in Joint Committee to go into Executive Session owing to the fact that it is a legislative practice in all legislative committees after hearings are finished and the committee desires to form its conclusions upon the hearings always to go into Executive Session."

Senator Murphy moved that the Senate do now recess until 1:00 p. m. Tuesday.

Which motion prevailed and the Senate recessed.

W. D. AUSTIN,
Secretary.

SEVENTH DAY AFTER RECESS AND EIGHTH DAY

Senate Chamber,
Bismarck, North Dakota,
January 17, 1928.

The Senate reassembled at 1 p. m., pursuant to recess taken, the President Pro Tem presiding.

SENATE RESOLUTION

Introduced by Committee on Employment

Resolution to Retain Mailing Force of the Legislative Assembly in Office For a Period of Three Days Beyond the Close of the Session.

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA:

WHEREAS, It will be impossible for the mailing force of the present Legislative Assembly to complete its work in mailing the Journals of the Senate before the close of the Session, and

WHEREAS, Those on the mailing list who are interested in the work of the Assembly and are now receiving copies of the Journals are desirous of obtaining such copies showing the work done in the closing days of the Session,

NOW, THEREFORE, BE IT HEREBY RESOLVED, That those employees who are members of the mailing force in the Senate during the present session be retained for a period of three days after the close of the present Legislative Session, during which time they shall continue to perform their duties and complete the work of mailing out copies of the Journal for those days that have not been mailed prior to adjournment and that for such additional time they shall be entitled to be paid and receive the same compensation as during the regular session.

C. W. CAREY,
Chairman.

Senator Carey moved the adoption of the report.

SENATE ROLL CALL

The question being on the adoption of the resolution, the roll was called, and there were ayes, 43; nays, 0; absent and not voting, 6.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Hart	Peck
Baird	Hjelmstad	Patterson
Bakken	Kretschmar	Ployhar
Benson	Lynch	Porter
Brant	McCrary	Ritchie
Brunsdale	McLachlin	Rusch
Carey	Magnuson	Sathre
Conrath	Marshall	Seamands
Eastgate	Martin	Steel
Erickson	Murphy	Stevens
Ettestad	Olson, Barnes	Van Arnam
Fine	Olson, Burleigh	Whitman
Fleckten	Olson, Eddy	Wog
Forbes	Pathman	
Fredrickson	Patten	

Absent and not voting:

Messrs.	Messrs.	Messrs.
Bond	Hamilton	Tofsrud
Crocker	Schlosser	Van Camp

So the resolution was declared adopted.

SENATE RESOLUTION

Introduced by Committee on Employment

Resolution to Retain W. D. Austin, Secretary of the Senate, in Office for a Period of Four Days Beyond the Close of the Session.

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA, That W. D. Austin, Secretary of the Senate is hereby authorized, empowered and employed to compare and index the Journals of the Twentieth Legislative Assembly, Extraordinary Session, and to complete the Senate Journals and mail out to the members the Temporary Journals of the last days of the session which have not been delivered to members before the close thereof.

BE IT FURTHER RESOLVED, That for the services aforesaid, the said W. D. Austin, as Secretary of the Senate, shall for such additional time be entitled to be paid and receive the same compensation as during the regular session, not to exceed four days.

C. W. CAREY,
Chairman.

Senator Carey moved the adoption of the resolution.

SENATE ROLL CALL

The question being on the adoption of the resolution, the roll was called, and there were ayes, 44; nays, 0; absent and not voting, 5.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Hamilton	Patten
Baird	Hart	Peck
Bakken	Hjelmstad	Patterson
Benson	Kretschmar	Ployhar
Brant	Lynch	Porter
Brunsdale	McCrary	Ritchie
Carey	McLachlin	Rusch
Conrath	Magnuson	Sathre
Eastgate	Marshall	Seamands
Erickson	Martin	Steel
Ettestad	Murphy	Stevens
Fine	Olson, Barnes	Van Arnam
Fleckten	Olson, Burleigh	Whitman
Forbes	Olson, Eddy	Wog
Fredrickson	Pathman	

Absent and not voting:

Messrs.	Messrs.	Messrs.
Bond	Schlosser	Van Camp
Crocker	Tofsrud	

So the resolution was declared adopted.

A RESOLUTION

Introduced by Senator Martin of Morton County

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA:

That WHEREAS the Minneapolis Chamber of Commerce did actively oppose the passage of the McNary-Haugen farm relief bill during the 1926-27 Session of Congress and did urge the President of the United States to veto said measure when the same came before the President to be acted upon in the end of the Session of Congress in the Spring of 1927, and

WHEREAS the Chamber of Commerce of Minneapolis are at the present time supporting an active lobby at Washington, D. C., for the purpose of defeating the new McNary-Haugen Bill, or any similar measure, one D. E. Tenney, a member of the Minneapolis Chamber of Commerce being in active charge of such lobby, and

WHEREAS the Bank of North Dakota had on Deposit on the 1st day of October, 1927, the following sums of money in the following named banks, to-wit:

First National Bank of Minneapolis	\$1,556,626.51
First National Bank, St. Paul	1,602,661.42
First National Bank, Duluth	505,736.58

Illinois Merchants Trust Co., Chicago	226,789.97
Metropolitan Nat. Bank, Minneapolis	198,624.69
Empire Trust Co., New York	254,200.15
Spitzer-Rorick Trust & Sav. Bank, Toledo	68,653.56
National City Bank, New York	508,464.24
Northwestern National Bank, Minneapolis	898,662.57
Continental & Commercial Nat. Bank, Chicago	178,778.41

Reserve deposited in North Dakota Banks:

First Guaranty Bank, Bismarck	\$ 15,000.00
Northern State Bank, Grand Forks	4,000.00
Sterling State Bank, Sterling	1,000.00
First National Bank, Underwood	2,000.00
Security State Bank, Underwood	5,000.00

And WHEREAS it appears that it would be for the best interests of the state of North Dakota to remove from the unfriendly city of Minneapolis all funds of the Bank of North Dakota, and to deposit larger sums with the banks of North Dakota, and to deposit the balance of such funds with the banks of St. Paul, a city which is friendly to North Dakota, and to the Farming Interests of the Northwest in general

NOW THEREFORE BE IT RESOLVED that the Industrial Commission of the State of North Dakota be urged to remove all funds of the Bank of North Dakota from the banks of Minneapolis, and making larger deposits with the banks in the state of North Dakota, and that they deposit in the banks of St. Paul all such sums so removed from the banks of Minneapolis, and which are not deposited within the state of North Dakota.

Senator Hamilton moved that the resolution be printed in the Journal and that no further action be taken on the same in this session, which motion prevailed.

Senator Ployhar moved that the report of the State Affairs Committee be taken up at this time, which motion prevailed.

Senator Ployhar then moved the adoption of the report.

Senator Ployhar withdrew his motion to consider the report at this time, and moved that the Senate do now adjourn, which motion prevailed and the Senate adjourned.

W. D. AUSTIN,
Secretary.

Courtesies of the floor were extended: G. A. Gilbertson, I. O. Iverson, Gust Tweten, Even Lamén, John Kirkeide, George Forner, Walter McDonald, G. L. Lamb, M. A. Johnson, G. H. Garnett, Judson LaMoure, John Hollor, B. A. Purdee, Hon. A. J. McFadden, C. W. Lewis and J. E. Davis.

Senate Chamber,
Bismarck, North Dakota,
January 17, 1928.

EIGHTH DAY

The Senate convened at 2 p. m., the President presiding.

Prayer by the Chaplain, Rev. Frankhauser.

Roll call, all members present.

The Committee on Revision and Correction of the Journal made the following report:

Mr. President: Your Committee on Revision and Correction of the Journal have carefully examined the Journal of the Seventh Day and recommend that the same be corrected as follows:

On page 16, line 18, after the word "system" insert the words "as may be."

And when so corrected recommend that the same be approved.

C. J. OLSON,
Chairman.

Senator C. J. Olson moved that the report be adopted, which motion prevailed and the report was adopted.

Senator Ployhar moved that the Senate take final action at this time on the report of the Special Joint Committee, which motion prevailed.

Senator Benson moved that the Secretary of the Special Joint Committee shall file a copy of all motions, rulings, papers, documents, files and orders which were offered in connection therewith, and such testimony as the committee has ordered taken and transcribed shall be made a matter of public record.

Senator Forbes moved as a substitute motion that the report of the Special Joint Committee be adopted.

Roll call demanded.

SENATE ROLL CALL

The question being on the adoption of the Special Joint Committee report, the roll was called, and there were ayes, 43; nays, 6; absent and not voting, 0.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Hart	Porter
Baird	Kretschmar	Ritchie
Bond	Lynch	Rusch
Brant	McLachlin	Sathre
Brunsdale	Magnuson	Schlosser
Carey	Martin	Seamands
Conrath	Murphy	Steel
Crocker	Olson, Barnes	Stevens
Eastgate	Olson, Burleigh	Tofsrud
Erickson	Olson, Eddy	Van Arnam
Ettestad	Pathman	Van Camp
Fleckten	Patten	Whitman
Forbes	Peck	Wog
Fredrickson	Patterson	
Hamilton	Ployhar	

Those voting in the negative were:

Messrs.	Messrs.	Messrs.
Bakken	Fine	McCrory
Benson	Hjelmstad	Marshall

So the report of the committee was adopted.

Senator Fleckten explained his vote: Although not in accord with some things in this report still I want to vote "aye" because it was the best compromise that could be made.

Senator C..J. Olson explained his vote: I was not in accord with this report as they have a number of subjects involved that I did not approve, but keeping in mind the possible success of the Mill and Elevator I would compromise so as to weld the two factions more closely together in support of the Mill and Elevator and therefore I vote "aye."

Senator Benson renewed his motion at this time.

Roll call demanded.

SENATE ROLL CALL

The question being on the motion by Senator Benson, the roll was called, and there were ayes, 24; nays, 25; absent and not voting, 0.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Bakken	Fredrickson	Olson, Burleigh
Benson	Hamilton	Olson, Eddy
Brant	Hart	Patten
Conrath	Hjelmstad	Peck
Erickson	McCrory	Patterson
Ettestad	Magnuson	Ritchie
Fine	Marshall	Sathre
Fleckten	Olson, Barnes	Wog

Those voting in the negative were:

Messrs.	Messrs.	Messrs.
Atkins	Lynch	Seamands
Baird	McLachlin	Steel
Bond	Martin	Stevens
Brunsdale	Murphy	Tofsrud
Carey	Pathman	Van Arnam
Crocker	Ployhar	Van Camp
Eastgate	Porter	Whitman
Forbes	Rusch	
Kretschmar	Schlosser	

So the motion was declared lost.

Senator Ployhar moved that the vote by which the Special Joint Committee report was adopted be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.

Senator Stevens moved that the courtesies of the floor be extended to all county commissioners, county auditors and other county officials during their stay here.

Senator Wog moved that the Report of the Committee on Mileage and Per Diem be amended to show Senator Rusch's mileage at 388 miles, and that Senator Conrath's mileage be corrected to include \$6.00 additional mileage, which motion prevailed.

MESSAGE FROM THE HOUSE

House Chamber,
Bismarck, North Dakota,
January 17, 1928.

Mr. President: I have the honor to inform you that the House has adopted House Concurrent Resolution No. 6 and your favorable consideration is requested.

Very respectfully,
C. R. VERRY,
Chief Clerk.

Senator Carey requested a return to the eighth order of business, which request was granted.

A RESOLUTION

Introduced by Senator Kretschmar

WHEREAS, at the Twentieth Session of the State Legislature there was duly appointed by the State Senate three members of the State Senate to act as a Facts Finding Committee to investigate the State Mill and Elevator at Grand Forks and report their findings to the next session of the State Legislature. Provision has heretofore been made for the payment of the expenses incurred by such Facts Finding Committee;

THEREFORE, Be it resolved that the following persons be paid the sums set opposite their names in payment of such expenses:

C. U. Somers, personal services	\$ 250.00
C. U. Somers, Traveling expenses and Stenographic expenses	300.00
C. U. Somers, Paid to Special Assistants	200.00
L. O. Fredrickson, actual expenses incurred while attending two meetings of the Facts Finding Committee	40.00
Walter Schlosser, two trips from Regina to Grand Forks and return	100.00
Walter Schlosser, Telegrams, Telephones and Stenographic work	20.00
D. H. Hamilton, expenses incurred on one trip to Grand Forks	30.00
TOTAL	\$ 940.00

Senator Kretschmar moved the adoption of the resolution, which motion prevailed and the resolution was adopted.

Senator Bond moved that the Senate do concur in House Concurrent Resolution No. 3, which motion prevailed and the resolution was concurred in.

Senator Carey requested a return to the seventh order of business, which return was made.

COMMUNICATION FROM THE FACT FINDING COMMITTEE

In view of the large amount of controversy that has taken place over the State Mill and Elevator since the appointment of your Senate Committee at the last Session of the Legislature, we feel that because of our close contact with the affairs of that institution, and because of this large amount of controversy that it may not be amiss for our Committee to make some observations relative to the present situation.

The Committee calls attention to the last paragraph of the report made by the Committee on August 25, 1927, which reads, as follows:

"These reports to the Governor were based on the record of the past year and it is not difficult to find fault with the way things have been handled after the work has been done. We have not felt that it was the function of the Committee to find fault with past methods, but that we should determine from the records of the past, policies which would operate to better conditions in the future. And it is our opinion that the management should be given a fair opportunity to test out the changes that have been made."

We ask you and we ask the people of this State to realize that the matters which have been discussed during this Session have been the discussion of policies which were discontinued more than six months ago, and of transactions which are more than a year old. The Governor, as Manager of the Mill and Elevator, has been criticized, and justly so, because these changes were not made earlier. Your Committee has perhaps been in a better position to realize the difficulties under which the Governor worked in seeking a solution of the problems which were pointed out by your Committee.

Our Committee feels that the efforts of the management in establishing a terminal market in this State is making good ground, and we believe that further advantages will be obtained which will enable the State Mill and Elevator to be of greater service than it is now.

This inquiry has established that 1927 shows a splendid improvement in financial gain, co-ordination in the policies in the institution, and we believe that it is the sentiment of this body that the State Mill and Elevator should be left undisturbed to see how these new policies will work out, and that if it is permitted to work out, the terminal elevator and State Mill will be of increasing service to the people of this State.

In conclusion we believe that this Committee should in fairness state to this body and to the people of the State, that we have not in any manner questioned the honesty and integrity of the Governor and the men in active charge of the management of the Mill. Particularly, in reference to Mr. Webster, the former wheat buyer, who has been made the subject of much criticism, we wish to state as forcibly as we can that any insinuation of that nature is absolutely unfounded. Mr. Webster was merely following the established practices which had been in vogue in previous years at the Mill, and are still used by many of the larger milling concerns of the country, in that they feel it is less expensive to purchase large quantities of the kind of grain they wish to obtain from commission houses rather than to go direct to the producer or country elevator. While this might in some instances be a satisfactory practice among private concerns, yet this Committee did not feel that the State Mill could fulfill the function for which it was built unless this policy could be changed to the policy of purchasing wheat directly from the producer or country elevator.

While we agree with the conclusion of the joint committee that no emergency existed at the Mill and Elevator justifying the calling of this Session, yet we feel that the better understanding which has been brought about with reference to the problems and possibilities of the Mill and Elevator will, in a large measure, justify this Session.

FACT FINDING COMMITTEE.

D. H. Hamilton,
Walter H. Schlosser,
L. O. Fredrickson.

Senator Hamilton moved that the statement be printed in the Journal and no further action be taken at this time, which motion prevailed.

Senator Ployhar requested a return to the tenth order of business, which return was made.

A CONCURRENT RESOLUTION

Introduced by Mr. O. E. Erickson

A joint resolution requiring that any available balance of the Eight Hundred Dollar (\$800) appropriation provided under Chapter 8 of the Session Laws of 1927 for repair of members' seats in the House Chamber, shall be used for the purchase of new curtains for the House Chamber, Bronzing of Radiators, and Varnishing Woodwork in the House Chamber.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NORTH DAKOTA, THE SENATE CONCURRING:

Whereas, there is an available surplus of approximately Two Hundred Ten Dollars (\$210.00) in the amount appro-

apropriated for repair of member's seats in the House Chamber, under Chapter 8 of the Session Laws of 1927, and

Whereas, the House Chamber needs new curtains, and it is desirable that the radiators be re-bronzed and woodwork re-varnished,

THEREFORE, Be it resolved by the House of Representatives of the State of North Dakota, the Senate concurring, that any available balance in the fund appropriated for repair of member's seats in the House Chamber, under Chapter 8 of the Session Laws of 1927, or so much thereof as may be necessary, be used for the purchase of new curtains for the House Chamber, the bronzing of radiators and the varnishing of the woodwork.

Senator Ployhar moved that the Senate concur in House Concurrent Resolution No. 6, which motion prevailed.

Senator Stevens moved that the Fact Finding Committee be authorized to continue its activities as outlined in the regular session on Page 1151 of the Permanent Senate Journal of 1927 until the next regular session of the legislature, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 3. A Bill For an Act Making an Appropriation to provide for the Payment of Mileage and Per Diem of Members, Per Diem of Officers and Employees, Printing, Supplies and all other Expenses of Special Session of the Twentieth Legislative Assembly.

Was read the third time.

SENATE ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called, and there were ayes, 49; nays, 0; absent and not voting, 0.

Those voting in the affirmative were:

Messrs.	Messrs.	Messrs.
Atkins	Hamilton	Patterson
Baird	Hart	Ployhar
Bakken	Hjelmstad	Porter
Benson	Kretschmar	Ritchie
Bond	Lynch	Rusch
Brant	McCrary	Sathre
Brunsdale	McLachlin	Schlosser
Carey	Magnuson	Seamands
Conrath	Marshall	Steel
Crocker	Martin	Stevens
Eastgate	Murphy	Tofsrud
Erickson	Olson, Barnes	Van Arnam
Ettestad	Olson, Burleigh	Van Camp
Fine	Olson, Eddy	Whitman
Fleckten	Pathman	Wog
Forbes	Patten	
Fredrickson	Peck	

So the bill passed and the title was agreed to.

Senator Kretschmar moved that the vote by which House Bill No. 3 was passed be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.

House Bill No. 3 was returned to the House passed unchanged.

MESSAGE FROM THE HOUSE

House Chamber,
Bismarck, North Dakota,
January 17, 1928.

Mr. President: I have the honor to inform you that the House has adopted the report of the special select committee to investigate the message of Governor Sorlie.

Very respectfully,
C. R. VERRY,
Chief Clerk.

Senator Ployhar moved that the Senate do now recess subject to the call of the chair, which motion prevailed and the Senate recessed.

SIGNING OF BILLS

The Secretary announced that the President was about to sign:

House Bill No. 3. A Bill For an Act Making an Appropriation to provide for the Payment of Mileage and Per Diem of Members, Per Diem of Officers and Employees, Printing, Supplies and all other Expenses of Special Session of the Twentieth Legislative Assembly.

And the President signed the same in the presence of the Senate.

Senator Van Arnam moved that a committee be appointed to notify the House that the Senate has completed its labors and is ready to adjourn sine die, which motion prevailed and the President appointed as such committee Senators Van Arnam, Ettestad and Eastgate.

Senator Rusch moved that a committee be appointed to notify the Governor that the Senate has completed its labors and is about to adjourn sine die, which motion prevailed and the President appointed as such committee Senators Rusch, Benson and Baird.

MESSAGE FROM THE HOUSE

A committee from the House reported that the House has completed its labors and is about to adjourn sine die.

Senator Van Arnam reported that the Senate committee appointed to notify the House that the Senate was about to adjourn sine die had discharged its duties and asked that the committee be discharged, which report was accepted and the committee was discharged.

Senator Rusch reported that the committee appointed to notify the Governor that the Senate was about to adjourn sine die had discharged its duty, and asked that the committee be discharged, which report was accepted and the committee was discharged.

Senator Ployhar moved that the Senate do now adjourn sine die, which motion prevailed and the Senate adjourned.

W. D. AUSTIN,
Secretary.

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