

**Organizational and Orientation Session  
December 8, 9, 10, 1992**

**JOURNAL OF THE HOUSE**

**Fifty-third Legislative Assembly**

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**Bismarck, December 8, 1992**

At 9:00 a.m., December 8, 1992, according to the Constitution and Statutes of North Dakota, the members elect of the House of Representatives of the Fifty-third Legislative Assembly assembled in the House Chamber of the State Capitol at Bismarck, North Dakota and were called to order by Former Speaker and Representative Roy Hausauer.

The prayer was offered by Reverend David Baker, Church of the Nazarene, Mandan.

**ANNOUNCEMENT**

**REP. ROY HAUSAUER ANNOUNCED** that the House would be on the Fourth order of business:

**COMMUNICATION FROM SECRETARY OF STATE JIM KUSLER**

**December 4, 1992**

Section 54-03-03 of the North Dakota Century Code instructs the Secretary of the Senate and Chief Clerk of the House of Representatives to "...make a correct roll of the members of their houses respectively to whom certificates of election have been issued by the proper officers." The Office of Secretary of State has issued Certificates of Election to the names appearing on the attached list with the Great Seal affixed.

On November 17, 1992, and again on December 2, 1992, the State Canvassing Board met in the Office of Secretary of State and canvassed the certified abstracts of Returns from North Dakota's fifty-three counties. The attached certified list is a true and correct list of the candidates who received the highest number of votes for the legislative offices voted upon at the November General Election. As directed by Chapter 16.1-15, Certificates of Election have been issued to these duly elected officers.

Dist. No. - Counties or  
Parts Thereof

	<u>Name</u>	<u>Address</u>
1. Pt. Williams	Earl Rennerfeldt	Williston
	Rex R. Byerly	Williston
2. Burke, Divide, Pt. Williams	Bob Skarphol	Tioga
	Jim Torgerson	Ray
3. Pt. Ward	Andy Maragos	Minot
	Janet Wentz	Minot
4. Pt. Dunn/McKenzie, Pt. McLean/Mercer, Mountrail, Pt. Ward	Everett Dobrinski	Makoti
	Ron Nichols	Palermo
5. Pt. Ward	Elwood "Woody" Thorpe	Minot
	Mike Timm	Minot
6. Bottineau, Renville, Pt. Ward	Glen Froseth	Kenmare
	Gerald O. Sveen	Bottineau
7. McHenry, Pierce, Pt. Ward	Mark Sitz	Drake
	Robert "Bob" Stenson	Rugby
8. Pt. Burleigh, Pt. McLean	Diane Ness	Underwood
	Mick Grosz	Turtle Lake
9. Rolette	Merle Boucher	Rolette
	Gerry L. Wilkie	Rolla
10. Pt. Cavalier, Pt. Pembina	David Monson	Osnabrock
	Alice A. Olson	Cavalier

11.	Pt. Cass	Doug Payne Chris Christopherson	Fargo Fargo
12.	Benson, Eddy, Pt. Cavailler, Pt. Ramsey/Towner	Lorraine Allmaras Dennis E. Johnson	New Rockford Minnewaukan
13.	Pt. Cass	Jackie Brodshaug Barbara Pyle	West Fargo West Fargo
14.	Pt. Burleigh, Kidder, Sheridan, Wells	Loren DeWitz Orville Schindler	Tappen McClusky
15.	Pt. Ramsey, Pt. Towner	Richard Kunkel Eugene Nicholas	Devils Lake Cando
16.	Pt. Pembina, Pt. Walsh	William E. "Bill" Gorder Robert "Tork" Kilichowski	Grafton Minto
17.	Pt. Grand Forks	Rick Clayburgh Ken Svedjan	Grand Forks Grand Forks
18.	Pt. Grand Forks	Eliot Glassheim Clare Carlson	Grand Forks Grand Forks
19.	Pt. Grand Forks	Dagne B. Olsen Don Shide	Manvel Larimore
20.	Pt. Cass, Pt. Grand Forks, Traill	Ole Aarsvold Lee Kaldor	Blanchard Hillsboro
21.	Pt. Cass	Ruth Holm Carolyn Nelson	Fargo Fargo
22.	Pt. Cass	Wesley R. Belter Jack Dalrymple	Leonard Casselton
23.	Griggs, Nelson, Pt. Ramsey, Steele, Pt. Walsh	Andrew "Andy" Hagle Bruce Laughlin	Cooperstown Finley
24.	Barnes	Art Goffe Gereld F. "Gerry" Gerntholz	Valley City Sanborn
25.	Pt. Richland	Roy Hausauer Allan Stenehjem	Wahpeton Wahpeton
26.	Pt. Dickey, Pt. LaMoure, Pt. Sargent	Pam Gulleason John Hokana	Rutland Oakes
27.	Ransom, Pt. Richland, Pt. Sargent	Robert Huether Howard Grumbo	Lisbon Lidgerwood
28.	Pt. Dickey, Emmons, Logan, McIntosh, Pt. LaMoure	William E. Kretschmar Tom D. Freier	Venturia Linton
29.	Foster, Pt. Stutsman	John "Jack" Howard Terry Wanzek	Carrington Cleveland
30.	Pt. Burleigh	Ron Carlisle Dale Henegar	Bismarck Bismarck
31.	Pt. Grant, Pt. Morton	Rocky Bateman James Boehm	New Salem Mandan
32.	Pt. Burleigh	Marv Mutzenberger Bill Oban	Bismarck Bismarck
33.	Pt. Dunn, Pt. Mercer, Oliver	Jerry Bodine John Mahoney	Hazen Center
34.	Pt. Morton	James O. Coats RaeAnn Kelsch	Mandan Mandan
35.	Adams, Pt. Grant, Hettinger, Sioux	Leonard J. Jacobs James A. Kerzman	Reeder Mott
36.	Pt. Dunn, Pt. Stark	Grant Brown Clarence Martin	Dunn Center Lefor
37.	Pt. Stark	Francis J. "Frank" Wald Richard Wardner	Dickinson Dickinson
38.	Pt. Ward	Gary Porter Ben Tollefson	Minot Minot
39.	Billings, Bowman,	David "Skip" Drovda	Arnegard

	Golden Valley, Pt. McKenzie, Slope	Keith Kempenich	Bowman
40.	Pt. Ward	Matthew M. "Matt" Klein	Minot
		Clara Sue Price	Minot
41.	Pt. Cass	Dan Austin	Fargo
		Al Carlson	Fargo
42.	Pt. Grand Forks	Jim Poolman	Grand Forks
		Jennifer Ring	Grand Forks
43.	Pt. Grand Forks	Rod St. Aubyn	Grand Forks
		Moine Gates	Grand Forks
44.	Pt. Cass	Al Soukup	Fargo
		James "Jim" Berg	Fargo
45.	Pt. Cass	Rick Berg	Fargo
		LeRoy Bernstein	Fargo
46.	Pt. Cass	John Dorso	Fargo
		Steve Gorman	Fargo
47.	Pt. Burleigh	George Keiser	Bismarck
		Cathy Rydell	Bismarck
48.	Pt. Stutsman	Lyle L. Hanson	Jamestown
		Joe Kroeber	Jamestown
49.	Pt. Burleigh	Audrey Cleary	Bismarck
		Bob Martinson	Bismarck

Copies of the Certificates of Election for each officer-elect will be provided to you for your records. Finally, each officer-elect has been forwarded the Oath of Office which must be subscribed and filed in the Office of Secretary of State.

#### ROLL CALL

Roll call was taken manually by the 1991 Chief Clerk, Roy Gilbreath. There were 98 members present and pursuant to North Dakota Century Code 54-03-03, the Chief Clerk of the House collected the certificate of election from each Representative.

**PRESENT:** Aarsvold; Allmaras; Austin; Bateman; Belter; Berg, J.; Berg, R.; Bernstein; Bodine; Boehm; Boucher; Brodshaug; Brown; Byerly; Carlisle; Carlson, A.; Carlson, C.; Christopherson; Clayburgh; Cleary; Coats; Dalrymple; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Gates; Gerntholz; Glassheim; Goffe; Gorder; Gorman; Grosz; Grumbo; Gullerson; Hagle; Hanson; Hausauer; Henegar; Hokana; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Kilichowski; Klein; Kretschmar; Kroeber; Kunkel; Laughlin; Mahoney; Maragos; Martin; Martinson; Monson; Mutzenberger; Nelson; Ness; Nicholas; Nichols; Oban; Olsen, D.; Olson, A.; Payne; Poolman; Porter; Price; Pyle; Rennerfeldt; Ring; Rydell; Schlinder; Shide; Sitz; Skarphol; Soukup; St. Aubyn; Stenehjem; Stenson; Svedjan; Sveen; Thorpe; Timm; Tollefson; Torgerson; Wald; Wanzek; Wardner; Wentz; Wilkie

#### MOTION

**REP. MARTINSON MOVED** that a committee of two be appointed to escort the Honorable Associate Justice Gerald W. Vandewalle to the rostrum, which motion prevailed. Speaker Hausauer appointed Reps. Rydell and Keiser to such committee and Associate Justice Gerald W. Vandewalle was escorted to the rostrum.

**ASSOCIATE JUSTICE VANDEWALLE ADMINISTERED** the Oath of Office to the members present.

Information packets were distributed to the members and explanation of the contents of the packets were explained by John D. Olsrud, Director of the Legislative Council.

**MOTION**

REP. MARTINSON MOVED that the House stand in recess until 1:00 p.m., which motion prevailed.

THE HOUSE RECONVENED pursuant to recess taken.

**SPECIAL ORDER OF BUSINESS**

REP. HAUSAUER ANNOUNCED that the House would be on a Special Order of Business.

Nominations were opened for the position of Chief Clerk.

**MOTIONS**

REP. GROSZ MOVED that the name of Roy Gilbreath be placed in nomination for the position of Chief Clerk of the House of Representatives, which motion prevailed.

REP. SCHINDLER MOVED that nominations cease, which motion prevailed.

REP. FREIER MOVED that a unanimous ballot be cast for the election of Roy Gilbreath as Chief Clerk of the House of Representatives, which motion prevailed.

Roy Gilbreath was declared elected Chief Clerk of the House of Representatives.

Rep. Hausauer then administered the Oath of Office to the Chief Clerk Roy Gilbreath.

Nominations were opened for the position of Desk Reporter.

**MOTIONS**

REP. KEISER MOVED that the name of Barbara Middaugh be placed in nomination for the position of Desk Reporter of the House of Representatives, which motion prevailed.

REP. FREIER MOVED that nominations cease, which motion prevailed.

REP. FREIER MOVED that a unanimous ballot be cast for the election of Barbara Middaugh as Desk Reporter of the House of Representatives, which motion prevailed.

Barbara Middaugh was declared elected Desk Reporter of the House of Representatives.

Rep. Hausauer then administered the Oath of Office to the Desk Reporter Barbara Middaugh.

**MOTIONS**

REP. CARLISLE MOVED that the name of Mark Zimmerman be placed in nomination for the position of Sergeant-at-Arms of the House of Representatives, which motion prevailed.

REP. HENEGAR MOVED that nominations cease, which motion prevailed.

REP. FREIER MOVED that a unanimous ballot be cast for the election of Mark Zimmerman as Sergeant-at-Arms of the House of Representatives, which motion prevailed.

Mark Zimmerman was declared elected Sergeant-at-Arms of the House of Representatives.

Rep. Hausauer then administered the Oath of Office to the Sergeant-at-Arms Mark Zimmerman.

**ANNOUNCEMENT**

REP. HAUSAUER ANNOUNCED that a committee of two had been received that announced that the Senate was organized and ready to transact business.

**MOTIONS**

REP. DALRYMPLE MOVED that the name of Rick Berg be placed in nomination for Speaker of the House, which motion prevailed.

REP. FREIER MOVED that nominations cease, which motion prevailed.

**ROLL CALL**

The question being on the election of Rep. R. Berg as Speaker of the House, the roll was called and there were 98 YEAS, 0 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Allmaras; Austin; Bateman; Belter; Berg, J.; Berg, R.; Bernstein; Bodine; Boehm; Boucher; Brodshaug; Brown; Byerly; Carlisle; Carlson, A.; Carlson, C.; Christopherson; Clayburgh; Cleary; Coats; Dalrymple; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Gates; Gerntholz; Glassheim; Goffe; Gorder; Gorman; Grosz; Grumbo; Gulleson; Hagle; Hanson; Hausauer; Henegar; Hokana; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Kilichowski; Klein; Kretschmar; Kroeber; Kunkel; Laughlin; Mahoney; Maragos; Martin; Martinson; Monson; Mutzenberger; Nelson; Ness; Nicholas; Nichols; Oban; Olsen, D.; Olson, A.; Payne; Poolman; Porter; Price; Pyle; Rennerfeldt; Ring; Rydell; Schlinder; Shide; Sitz; Skarphol; Soukup; St. Aubyn; Stenehjem; Stenson; Svedjan; Sveen; Thorpe; Timm; Tollefson; Torgerson; Wald; Wanzek; Wardner; Wentz; Wilkie

Rep. R. Berg was declared elected Speaker of the House of Representatives.

**MOTIONS**

REP. FREIER MOVED that a committee of two be appointed to escort the newly elected Speaker to the rostrum, which motion prevailed.

REP. HAUSAUER APPOINTED Reps. Dalrymple and Bernstein to such committee and Speaker R. Berg was then escorted to the rostrum.

**OATH OF OFFICE**

REP. HAUSAUER ADMINISTERED the Oath of Office to Speaker Elect R. Berg.

**MOTION**

REP. FREIER MOVED that the House adopt as temporary rules the House and Joint Rules of the Fifty-second Legislative Assembly as adopted on December 6, 1990, and as amended on January 10 and 15, 1991, which motion prevailed.

**ANNOUNCEMENT**

SPEAKER R. BERG ANNOUNCED that the House be on the Fifteenth order of business. Seating of the members will be handled according to House Rule 356.

**HOUSE SEATING SENIORITY TABLE AS SPECIFIED IN HOUSE RULE 356  
(1993 session not included)**

<u>Name (District)</u>	<u>Sessions Served</u>	<u>Total House Sessions</u>	<u>Total Legislative Sessions</u>
Martinson, Bob (49)	1973-75-77-79-81-83-85-87-89-91	10	10
Oban, Bill (32)	1985-87-89-91	4	4
Mutzenberger, Marv (32)	1991	1	1
Freier, Tom D. (28)	1991	1	1
Kretschmar, William E. (28) (Past Speaker)	1973-75-77-79-81-83-85-87-89-91	10	10
Kaldor, Lee (20)	1989-91	2	2

<u>Name (District)</u>	<u>Sessions Served</u>	<u>Total House Sessions</u>	<u>Total Legislative Sessions</u>
Aarsvold, Ole (20)	1989-91	2	2
Hausauer, Roy (25) (Past Speaker)	1971-73-75-77-79-81- 83-85-87-89-91	11	11
Stenehjem, Allan (25)	1989	1	1
Berg, Rick (45)	1985-87-89-91	4	4
Bernstein, LeRoy G. (45)	1989-91	2	2
Olson, Alice (10)	1973-75-77-79-81-83- 85-87-89-91	10	10
Monson, David (10)		0	0
Schindler, Orville (14)	1973-75-77-79-81-83- 85-87-89-91	10	10
DeWitz, Loren (14)	1991	1	1
Wentz, Janet (3)	1975-77-79-81-83-85- 87-89-91	9	9
Maragos, Andrew G. (3)		0	0
Timm, Mike (5)	1973-75-77-79-81-83- 85-89-91	9	9
Nicholas, Eugene (15)	1975-77-79-81-83-85- 87-89-91	9	9
Kunkel, Richard (15)	1991	1	1
Laughlin, Bruce (23)	1971-73-75-77-83-85- 87-89-91	9	9
Martin, Clarence (36)	1975-77-79-81-83-85- 87-89-91	9	9
Brown, Grant C. (36)	1991	1	1
Hanson, Lyle L. (48)	1979-81-83-85-87-89- 91	7	7
Kroeber, Joe (48)	1991	1	1
Olsen, Dagne B. (19)	1981-83-85-87-89-91	6	6
Shide, Don (19)	1983-85-87-89-91	5	5
Wald, Francis J. (37)	1979-81-85-87-89-91	6	6
Wardner, Rich (37)	1991	1	1
Gates, Moine R. (43)	1981-83-85-87-89-91	6	6
St. Aubyn, Rod (43)	1991	1	1
Payne, Doug (11)	1985-87-89-91	4	4
Christopherson, Chris (11)		0	0
Gorder, William E. (16)	1979-81-83-91	4	4
Belter, Wesley R. (22)	1985-87-89-91	4	4
Dalrymple, Jack (22)	1985-87-89-91	4	4
Gerntholz, Gereld F. (24)	1985-87-89-91	4	4
Tollefson, Ben (38)	1985-87-89-91	4	4
Porter, Gary (38)	1991	1	1
Dorso, John (46)	1985-87-89-91	4	4
Gorman, Steve (46)	1987-89-91	3	3
Rydell, Cathy (47)	1985-87-89-91	4	4
Keiser, George J. (47)		0	0
Wilkie, Gerry L. (9)	1987-89-91	3	3
Boucher, Merle (9)	1991	1	1
Hokana, John (26)	1987-89-91	3	3
Gulleson, Pam (26)		0	0
Clayburgh, Rick (17)	1989-91	2	2
Svedjan, Ken (17)	1991	1	1
Huether, Robert (27)	1989-91	2	2
Grumbo, Howard (27)	1991	1	1
Howard, John M. (29)	1989-91	2	2
Wanzek, Terry M. (29)		0	0
Ring, Jennifer (42)	1989-91	2	2
Soukup, Al (44)	1989-91	2	2
Byerly, Rex R. (1)	1991	1	1
Rennerfeldt, Earl (1)	1991	1	1
Nichols, Ronald (4)	1991	1	1
Dobrinski, Everett (4)		0	0

<u>Name (District)</u>	<u>Sessions Served</u>	<u>Total House Sessions</u>	<u>Total Legislative Sessions</u>
Thorpe, Elwood (5)	1991	1	1
Grosz, Mick (8)	1991	1	1
Ness, Diane (8)	1989	1	1
Pyle, Barbara (13)	1991	1	1
Brodshaug, Jackie (13)		0	0
Glassheim, Eliot (18)	1975	1	1
Nelson, Carolyn (21)	1987	1	1
Goffe, Art (24)	1991	1	1
Carlisle, Ron (30)	1991	1	1
Henegar, Dale L. (30)	1991	1	1
Bateman, Rocky (31)	1991	1	1
Boehm, James (31)	1991	1	1
Bodine, Gerald T. (33)	1991	1	1
Mahoney, John (33)	1991	1	1
Kelsch, RaeAnn (34)	1991	1	1
Coats, James O. (34)	1991	1	1
Kerzman, James A. (35)	1991	1	1
Price, Clara Sue (40)	1991	1	1
Klein, Matthew M. (40)		0	0
Cleary, Audrey (49)	1991	1	1
Skarphol, Bob (2)		0	0
Torgerson, James (2)		0	0
Froseth, Glen (6)		0	0
Sveen, G. O. (6)		0	0
Sitz, Mark (7)		0	0
Stenson, Robert (7)		0	0
Johnson, Dennis (12)		0	0
Allmaras, Lorraine (12)		0	0
Kilichowski, Robert (16)		0	0
Carlson, Clare (18)		0	0
Holm, Ruth E. (21)		0	0
Hagle, Andy (23)		0	0
Jacobs, Leonard J. (35)		0	0
Drovdal, David (39)		0	0
Kempenich, Keith (39)		0	0
Austin, Dan J. (41)		0	0
Carlson, Al (41)		0	0
Poolman, Jim (42)		0	0
Berg, James A. (44)		0	0

## ANNOUNCEMENT

**SPEAKER R. BERG ANNOUNCED** that the House Journal would also show the House Seniority Table.

**HOUSE SENIORITY TABLE**  
(1993 session not included)

<u>Name (District)</u>	<u>Sessions Served</u>	<u>Total House Sessions</u>	<u>Total Legislative Sessions</u>
Hausauer, Roy (25)	1971-73-75-77-79-81-83-85-87-89-91	11	11
Olson, Alice (10)	1973-75-77-79-81-83-85-87-89-91	10	10
Schindler, Orville (14)	1973-75-77-79-81-83-85-87-89-91	10	10
Kretschmar, William E. (28)	1973-75-77-79-81-83-85-87-89-91	10	10
Martinson, Bob (49)	1973-75-77-79-81-83-85-87-89-91	10	10
Wentz, Janet (3)	1975-77-79-81-83-85-87-89-91	9	9

<u>Name (District)</u>	<u>Sessions Served</u>	<u>Total House Sessions</u>	<u>Total Legislative Sessions</u>
Timm, Mike (5)	1973-75-77-79-81-83-85-89-91	9	9
Nicholas, Eugene (15)	1975-77-79-81-83-85-87-89-91	9	9
Laughlin, Bruce (23)	1971-73-75-77-83-85-87-89-91	9	9
Martin, Clarence (36)	1975-77-79-81-83-85-87-89-91	9	9
Hanson, Lyle L. (48)	1979-81-83-85-87-89-91	7	7
Olsen, Dagne B. (19)	1981-83-85-87-89-91	6	6
Wald, Francis J. (37)	1979-81-85-87-89-91	6	6
Gates, Moine R. (43)	1981-83-85-87-89-91	6	6
Shide, Don (19)	1983-85-87-89-91	5	5
Payne, Doug (11)	1985-87-89-91	4	4
Gorder, William E. (16)	1979-81-83-91	4	4
Belter, Wesley R. (22)	1985-87-89-91	4	4
Dalrymple, Jack (22)	1985-87-89-91	4	4
Gerntholz, Gerald F. (24)	1985-87-89-91	4	4
Oban, Bill (32)	1985-87-89-91	4	4
Tollefson, Ben (38)	1985-87-89-91	4	4
Berg, Rick (45)	1985-87-89-91	4	4
Dorso, John (46)	1985-87-89-91	4	4
Rydell, Cathy (47)	1985-87-89-91	4	4
Wilkie, Gerry L. (9)	1987-89-91	3	3
Hokana, John (26)	1987-89-91	3	3
Gorman, Steve (46)	1987-89-91	3	3
Clayburgh, Rick (17)	1989-91	2	2
Aarsvold, Ole (20)	1989-91	2	2
Kaldor, Lee (20)	1989-91	2	2
Huether, Robert (27)	1989-91	2	2
Howard, John M. (29)	1989-91	2	2
Ring, Jennifer (42)	1989-91	2	2
Soukup, Al (44)	1989-91	2	2
Bernstein, LeRoy G. (45)	1989-91	2	2
Byerly, Rex R. (1)	1991	1	1
Rennerfeldt, Earl (1)	1991	1	1
Nichols, Ronald (4)	1991	1	1
Thorpe, Elwood (5)	1991	1	1
Grosz, Mick (8)	1991	1	1
Ness, Diane (8)	1989	1	1
Boucher, Merle (9)	1991	1	1
Pyle, Barbara (13)	1991	1	1
DeWitz, Loren (14)	1991	1	1
Kunkel, Richard (15)	1991	1	1
Svedjan, Ken (17)	1991	1	1
Glassheim, Eliot (18)	1975	1	1
Nelson, Carolyn (21)	1987	1	1
Goffe, Art (24)	1991	1	1
Stenehjem, Allan (25)	1989	1	1
Grumbo, Howard (27)	1991	1	1
Freier, Tom D. (28)	1991	1	1
Carlisle, Ron (30)	1991	1	1
Henegar, Dale L. (30)	1991	1	1
Bateman, Rocky (31)	1991	1	1
Boehm, James (31)	1991	1	1
Mutzenberger, Marv (32)	1991	1	1
Bodine, Gerald T. (33)	1991	1	1
Mahoney, John (33)	1991	1	1
Kelsch, RaeAnn (34)	1991	1	1
Coats, James O. (34)	1991	1	1
Kerzman, James A. (35)	1991	1	1
Brown, Grant C. (36)	1991	1	1

<u>Name (District)</u>	<u>Sessions Served</u>	<u>Total House Sessions</u>	<u>Total Legislative Sessions</u>
Wardner, Rich (37)	1991	1	1
Porter, Gary (38)	1991	1	1
Price, Clara Sue (40)	1991	1	1
St. Aubyn, Rod (43)	1991	1	1
Kroeber, Joe (48)	1991	1	1
Cleary, Audrey (49)	1991	1	1
Skarphol, Bob (2)		0	0
Torgerson, James (2)		0	0
Maragos, Andrew G. (3)		0	0
Dobrinski, Everett (4)		0	0
Froseth, Glen (6)		0	0
Sveen, G. O. (6)		0	0
Sitz, Mark (7)		0	0
Stenson, Robert (7)		0	0
Monson, David (10)		0	0
Christopherson, Chris (11)		0	0
Johnson, Dennis (12)		0	0
Allmaras, Lorraine (12)		0	0
Brodshaug, Jackie (13)		0	0
Kilichowski, Robert (16)		0	0
Carlson, Clare (18)		0	0
Holm, Ruth E. (21)		0	0
Hagle, Andy (23)		0	0
Gulleson, Pam (26)		0	0
Wanzeck, Terry M. (29)		0	0
Jacobs, Leonard J. (35)		0	0
Drovdal, David (39)		0	0
Kempenich, Keith (39)		0	0
Klein, Matthew M. (40)		0	0
Austin, Dan J. (41)		0	0
Carlson, Al (41)		0	0
Poolman, Jim (42)		0	0
Berg, James A. (44)		0	0
Keiser, George J. (47)		0	0

**MOTION**

**REP. BYERLY MOVED** that a committee of three be appointed to notify the Governor and the Senate that the House is organized and ready to transact business, which motion prevailed.

**SPEAKER R. BERG APPOINTED** to such committee Reps. Dorso, A. Olson, and Timm.

**SPEAKER R. BERG ANNOUNCED** that the House would stand at ease to receive the Senate.

**JOINT SESSION**

**REP. FREIER MOVED** that a committee of two be appointed to escort Lt. Governor Lloyd Omdahl to the rostrum, which motion prevailed.

**SPEAKER R. BERG APPOINTED** Reps. Martinson and Oban to such committee and Lt. Governor Omdahl was escorted to the rostrum.

**REP. FREIER MOVED** that a committee of two be appointed to escort the Honorable George A. Sinner, Governor, to the rostrum, which motion prevailed.

**LT. GOVERNOR OMDAHL APPOINTED** Rep. Kretschmar and Sen. Wogsland to such committee and the Honorable George A. Sinner, Governor, was escorted to the rostrum.

The Governor addressed the Joint Session and gave his budget message and executive budget summary.

**BUDGET MESSAGE TO THE LEGISLATURE**  
**by Governor George A. Sinner**

Members of the Legislative Assembly, it is my pleasure to present to you my executive budget recommendations for the 1993-95 biennium.

As you know, when I began the budget process some months ago we faced a projected budget gap of around \$150 million dollars. The economy is, however, showing considerable strength and revenue projections are improving.

None the less we have worked very hard to build a sound budget to present to you at the close of my years as governor.

We've made some very difficult choices. We've proposed major changes, made some deep cuts and we've proposed additional revenue sources. Overall, the general fund budget recommendation for 1993-95 is two percent higher than the present general fund budget. This includes restoring reserves in the general fund and the budget stabilization fund totaling almost \$41 million.

You will find, I believe, that this is a good budget. It is fair. It directs funds to high-priority needs. It is committed to halting the rise of property taxes and keeping North Dakota's revenue structure one of the most balanced in the United States.

Equally important, we have made sure the state is no longer in a situation where we are borrowing from the future. There is no one-time money in this budget. We have honestly asked for what is needed. It will not serve anyone's best interest to pretend money will magically appear. This is a straight-forward, balanced budget.

The 1985-87 legislative appropriation of general fund dollars totaled \$1.133 billion. That was my first budget as Governor.

My proposal today, eight years later, is \$1.226 billion, an increase of eight percent over that entire period. During this same period of time, inflation has totaled 30 percent, which means our buying power is 30 percent less.

And so, in "real dollars," this budget is substantially lower than when I took office. When you consider the new federal mandates placed on state government, you know that together, we've done extremely well these last years in managing our fiscal affairs.

We have seen taxes rolled back in recent years. During the 1987 legislative session, coal severance taxes were reduced, which decreased total estimated revenues \$63 million during the period 1987 through 1995. The 1987 Legislature also enacted oil extraction tax incentives, which reduced revenues an estimated \$81 million from 1987 through 1995.

Of course, the December 1989 tax referrals were a barometer of hurt from drought, low farm prices, failed energy policy and deep recession. The revenue loss was great - but we respected the suffering among the people and we managed. But it was not without negative consequences. Property taxes went up - as people, in the end responded to the needs of schools and other services.

Our increase in general fund expenditures of only eight percent in this eight-year period is in sharp contrast to the average general fund budget increases of 48 percent for all states over the same period.

Nor has the federal government seen the same restraint. Federal grant outlays to state and local governments, for example, increased 62 percent from 1986 to 1993 ... even while the national debt soared. The federal budget proposed by President Bush for fiscal year 1993 was almost 56 percent higher than the federal budget that President Reagan requested for fiscal year 1986 just seven years ago.

We believe it is imperative that we honestly address the service needs of the state. So I will now tell you what we are proposing for each of the major budget areas and how we recommend funding these programs.

#### Elementary and Secondary Education

As you know, we are currently in court over equity funding for elementary and secondary education.

This budget proposal is bold in that it significantly streamlines the Department of Public Instruction's budget. It also discards the old funding formula and starts with a new one.

Over the last three years, we have brought together citizens to help redefine the education funding formula. The Education Action Commission dealt with education issues at a broad level. A second group was brought together last spring consisting of education leaders, legislators and other concerned citizens. This group reviewed the long-term commitment of this state to education. From information gathered from this group and many others, we have developed an education support formula for the 90s. We believe it is long overdue.

While I do not know that we are currently in violation of constitutional principles with our school aid formula, inequities, even between similar districts, are extreme. There are real disincentives to school cooperation and transportation aid is subject to serious questions of efficiency and equity. We set out to do three things in our new formula:

1. Remove the disincentive to reorganize and consolidate school districts.
2. Remove inefficiencies in transportation funding.
3. Move toward equal funding for all students.

The executive budget recommendation provides in the new formula the beginning of a five-year plan for equity. The strategy includes bringing the state share of education to 70 percent within that timeframe. In the same context, it proposes funding special education at 70 percent within five bienniums. Transportation will also be targeted for funding at 70 percent of the actual cost. This will allow elementary and secondary education the flexibility and funding needed in the future. It is clearly a goal that is attainable.

The formula eliminates the calculated student numbers, referred to as "weighted units." The basis for the formula is the actual number of students, either fall enrollment or previous year average daily membership, by grade category. By continuing to use grade categories, the additional cost of education for different categories is recognized. This formula allows all students in a grade category to be treated equitably.

The executive recommendation provides 60 percent of the cost of education in 1993-95 and 62.5 percent in 1994-95. The current definition of cost of education was used, but a new or revised definition should be developed in the future.

To increase equity, the deduct has been adjusted substantially. Mill deducts are increased to 50 mills the first year and 60 mills the second. That equals about one-third of the average mill levy. In addition, to approximately match the percentage mill levy deduct, a 33 percent deduct has been placed on county mineral revenue and general education tuition income. The deduct is applied to both the foundation aid and transportation funding.

Additional payments to school districts will be made for isolated schools and high school districts that lose over 10 percent of their current funding level under the new formula. To qualify for these payments, a school

district's total levy must equal 75 percent of the statewide average levy in 1993-94 and 80 percent in 1994-95.

The transportation payment has been recommended at a flat 35 cents per mile, plus up to 50 percent of the cost of transportation. The total is capped at 70 percent of the cost of transportation. The cost of transportation is defined as the previous year cost of operations plus the five-year average cost of equipment.

Special education has been provided additional funding for this biennium. Although the 70 percent goal may be 10 years off, it is important not to forget this aspect of the educational funding.

Additional equity in special education for school districts will be achieved by billing the local districts with students in state educational and correctional institutions. To ease the burden on those districts, the billing will be at 2.5 times the average cost of education, with no additional charges for residential services.

My budget for the new Foundation Aid program is \$400 million, an increase of \$19 million over current spending.

We believe that this formula will bring much greater equity in funding dollars to all students in the state. We also think this formula will withstand a court test for equity. I know full well that moving to an equitable funding formula will mean shifts in funding from one school district to another. In order to ease the shifts we have put more money into the overall formula and we have allowed for transition-easing payments for districts hit the hardest.

In order to fund this proposal for elementary and secondary education, I am proposing an education levy in the form of an increase in the income tax for the higher-income taxpayers. The base income tax liability remains at 14 percent of the federal income tax liability. The federal income tax exceeding certain levels will be taxed an additional 2.5 percent. This proposal will increase income tax collections by approximately \$13.5 million per year or \$27 million for the biennium.

I have long thought that we should decouple our state income tax from the federal income tax liability so we aren't penalized by fluctuations of the federal level. As far back as 1983 I've proposed that. I strongly recommend that the tax committees review that issue in this session.

#### Human Services

For the Department of Human Services we are recommending a cut of eight percent in general fund support. We relied heavily on the department's 10 percent optional reduction package in making our recommendation. Obviously, very painful choices had to be made by the department in developing the optional reduction package. We have tried, none the less, to focus our resources to the poorest of the poor.

Rising numbers of eligible individuals, changes in utilization, and certain changes in price levels, along with federal mandates, declining Federal Financial Participation (FFP) rates, and other uncontrollable factors continue to drive state medicaid costs higher.

A medical assistance support program has been proposed to provide revenues to match additional federal dollars to fund the medicaid program. Six categories of providers will be assessed including long-term care, hospitals, pharmacy, Intermediate Care Facilities for the Mentally Retarded (ICF-MR), physicians and dentists.

The "provider tax" has been adopted by many, many states to fund medicaid. We should, perhaps, have followed suit much earlier. It will generate, at a minimum, an estimated \$42 million during the biennium. Of this \$42 million,

over \$5 million would be used for increased payments to nursing homes, payments to physicians, dentists, pharmacies, and to increase certain Diagnosis Related Group (DRG) payments for hospitals. The \$42 million, when added to county funds, will generate approximately \$104 million in federal funds. The total increase of \$150 million will be used for medicaid purposes in the 1993-95 biennium.

Efforts to downsize the State Hospital and the Developmental Center continue. My recommendation includes \$20.5 million for services to Seriously Mentally Ill (SMI) and \$1.2 million for services to Developmentally Disabled (DD) in communities through the eight regional human service centers.

Staffing reductions at these two institutions are partially due to the downsizing efforts. Another new initiative in this area is the provision of \$15 million to the Human Service Centers to buy on a "fee for service" basis services from the State Hospital the second year of the biennium.

#### Protection and Advocacy

Because of legal requirements we did not cut the budget for the Protection and Advocacy Project and allowed increases for certain rising, uncontrollable costs.

#### Cities and Counties

Cities and counties will do well with this budget because of additional support from motor vehicle fees and fuel taxes. The net effect for cities and counties will be \$7 million more than they will receive in the 1991-93 biennium.

Under the proposal, the State Aid Distribution Fund will be tapped for a transfer of almost \$19 million to the general fund. Considering the growth in the fund and the additional revenue for cities and counties from fuel taxes, we believe this transfer will be workable for local governments.

We also believe this transfer is necessary to adequately fund state-level programs, such as elementary and secondary education and human service programs. If schools and human services are not adequately funded, there will be, as I said earlier, severe pressure on property taxes - the most unfair tax of all.

It is my recommendation that you also review the various distribution formulas that distribute state revenues to the local political subdivisions. The major distribution formulas are: personal property tax replacement, state revenue sharing and highway funds. How the money is divided among local subdivisions should be reviewed periodically as to fairness - and it is time to do that.

#### Higher Education

Our overall philosophy in higher education is to continue to improve and move forward in providing the education base for economic growth and quality of life.

The "must do" list includes investing in technology through the Interactive Video Network (IVN), the On-line Data Information Network (ODIN), the Higher Education Computer Network (HECN), equipment and infrastructure.

The budget recognizes that we cannot continue with the practice of continually delaying or cutting back necessary repairs to facilities.

The budget recognizes efforts to reduce numbers of personnel, but, calls for better training and better pay for those who remain.

The budget recognizes that tuition generated on a campus should remain with that campus. Tuition income generated during the 1991-93 biennium and saved by campuses has been recommended to those campuses for the 1993-95 biennium.

The budget recognizes the efforts to downsize personnel and programs where applicable. All campuses will be required to streamline administrative costs in accordance with the Board's seven-year plan. The budget calls for continued investment in technology to help achieve streamlined administration and sharing of resources through collaborative efforts among campuses such as Mayville State University and Valley City State University; North Dakota State University and North Dakota State College of Science; and the systemwide administrative streamline efforts.

The higher education budget reflects a theme of downsizing while trying to protect investments in technology, equipment, and physical plant facilities.

#### Workers Compensation Bureau

The budget for the Workers Compensation Bureau has increased from \$14.7 million to \$22 million for the 1993-95 biennium. Approximately \$14.6 million of the budget is attributed to operating expenses and \$7.6 million is attributed to special projects such as third-party administration, imaging, agricultural coverage and reinsurance. We recognize that the Bureau has been underfunded and understaffed and because of this we are increasing the budget and also allowing for the addition of 37.5 new positions. Workers Compensation has made great progress and, as you will see in the agency report, has a very improved outlook and remains the best program in the nation.

#### Department of Corrections and Rehabilitation

We increased the general fund budget of the Department of Corrections and Rehabilitation in order to reduce the necessity of taking in more dangerous federal prisoners. The additional funds were also needed to help alleviate understaffing and security problems that contributed to the recent escape of three dangerous inmates from the North Dakota Penitentiary.

#### Economic Development

For the next biennium the recommended increase in the Growing North Dakota plan is primarily to enhance by \$2.3 million the PACE program. The other significant change to the plan approved by the 1991 Legislature adds the industrial specialists at the Regional Councils to the state payroll, fully funding two positions in each region. The net cost to add these 16 positions is \$.4 million, after eliminating the Regional Council grants and four positions at the Department of Economic Development and Finance.

I have considered calling a special session of the Legislature during the organizational session to provide emergency funding for the Future Fund. Local and state economic development efforts have been going extremely well. We are out of funding in the urban, rural, and undesignated categories of the Future Fund. However, significant projects await funding.

Frankly, I've talked to many of you including Governor-elect Schafer about a special session. I have concluded that to reach a consensus when you have so much organizational work to do would be a monumental task.

However, there is a pressing need now. I hope to meet with the Legislative leadership while you are here.

We do have some money in the Native American category but that money is critically needed for that purpose. If we can reach an agreement to pass a deficiency appropriation for the Future Fund in the early days of January, I will ask the Department of Economic Development and Finance to borrow from the Native American category to fund the projects that are ready for funding.

I do not want, however, to put in jeopardy any of the several significant Native American projects, which we expect will be ready for funding by midyear.

This is of major importance to the state and its growth. A lot of people have worked hard and we do not want to lose good projects.

My budget encompasses plans for this kind of expenditure and in fact will include an emergency deficiency appropriation to deal with this issue.

#### Employee Compensation

This budget allows for a three percent increase in salary funds on July 1, 1993, and another three percent increase on July 1, 1994. We know our state employees' salaries have not kept up with inflation during the last eight years and it is imperative that we begin to correct inequities for these hard working dedicated people.

Each employee will continue to be provided health insurance coverage. This will cost \$270 per month per employee. It is not an overly generous package, but it is critical to the employees.

To fund increases in these various general fund categories, I have recommended the following revenue changes:

1. This budget proposes phasing out pulltabs and phasing in electronic video gaming devices. We are losing revenue to the states around us that have video gaming. Because the change to change to video gaming will improve the system significantly, accompanying this change is a recommendation to double the gaming tax for general fund purposes. We currently take in \$11 million per biennium in gaming taxes. These two changes increase gaming revenue by \$24 million, to total \$35 million in 1993-95. Projections are that by 1995-97, gaming revenues will bring in \$50 million. The proposal will also eliminate one of the main areas of abuse in charitable gaming in the state.
2. This budget proposes eliminating the sales tax exemption for Canadian shoppers. We estimate \$2 million will be saved in the 1993-95 biennium by eliminating the Canadian sales tax exemption.
3. This budget proposes self-funding of the Public Service Commission's Utilities Division. There are only eight public utility agencies in the nation that depend upon state funding as a primary source of revenue. Most states justifiably rely on taxes and fees levied to operate the Public Service Commission. This proposal will save the general fund approximately \$1 million.
4. To provide additional general fund dollars for children at risk, this budget proposes that the tax on each 12-ounce can or bottle of beer be increased by two cents. This will bring in approximately \$600,000 for the biennium.
5. Finally, in the category of special funds this budget proposes generating additional revenue to match federal highway funding. This is a three-part proposal:

First, there is a three cent motor fuels tax increase, which brings the tax to 20 cents per gallon

The second part increases motor vehicle registrations \$10 for cars, pickups, and farm trucks, and \$30 for commercial trucks.

The third part of the proposal is a "contract tax" which will be levied for a period of four years. The funds raised by the contract tax - which is a five percent tax on all state contracts - will be used to repay the "state match" money that has been borrowed from the federal government.

#### Budget Efficiencies

My final budget recommendations continue to streamline state agencies. The following are highlights of my proposals:

1. The separate budget for Insurance Tax to Fire Departments, which is administered by the Office of the Insurance Commissioner, has been formally merged into the Insurance Department in order to reduce paperwork.
2. Wholesale liquor regulation and licensing has been moved from the State Treasurer's Office to the Office of the Attorney General where other licensing functions are performed.
3. Administration of services for North Dakota's blind citizens will be moved to Bismarck; operating funds for the School for the Blind have been placed in the budget of the Department of Public Instruction. The talking book program will be collocated with the blind services program in the State Library.
4. The state toxicologist will be moved from the North Dakota State University campus to co-locate with the Department of Health and Consolidated Laboratories in Bismarck. In addition, the establishment of a state medical examiner is included in the budget recommendation.
5. The Office of the Securities Commissioner has been merged with the Office of the Insurance Commissioner.
6. This budget recommends the Division of Emergency Management move to a regionalized distribution of expertise rather than maintaining inadequate coverage in many parts of the state at the county level.
7. Commodity groups have all been converted to a continuing appropriation in this budget recommendation. At the present time, some prepare budgets while others have continuing appropriations. In order to be consistent, all will have continuing appropriations. However, they must still report their budgets and activities to the Legislature.
8. All the individual experiment station budgets were merged with the Main Experiment Station budget for a maximum flexibility.
9. The legal relationship between the International Peace Garden and the State Historical Society of North Dakota has been terminated. Funding for the International Peace Garden is in a special line item under the Department of Parks and Tourism.
10. The Soil Conservation Committee has been merged with the Water Commission to promote cooperation among local soil conservation districts and local water resource districts.
11. The Centennial Trees Commission has been merged into the budget of the Office of the Governor for administrative efficiencies.
12. In order to make certain that our accounting system tracks all expenditures some are double counted. This happens when one agency pays for services of another agency. The spending authority shows in both budgets, but only one gets the dollars appropriated. Because of this, the budget as a whole may appear to be growing more than it actually is. Internal services such as Information Services Division (ISD) which has a budget of \$37 million; Fleet Services which has a budget of \$20 million, Central Supply, Central Duplicating and legal services for the Attorney General's office are all double counted in the budget. There is also double counting within agency budgets such as Human Services and the Department of Transportation where one division pays another division for services. In spite of the double counting, this

method does make the agencies responsible for internal purchases of services.

#### Capital Budget

For the first time in the history of the state, the executive budget recommendation includes a capital budget separate from the operating budget.

The capital budget will allow you, the legislators, to focus on the capital assets of the state. The capital budget process inventoried all state-owned buildings and infrastructure. Budgets were analyzed to compare private industry spending for maintenance to state spending. For capital projects, criteria were developed to help prioritize spending.

In an effort to save money and to consolidate services, one of the proposals in the capital budget is a new state office building, to be built on the northeast corner of the capitol grounds. We propose that the State Investment Board be asked to secure financing for the building and be repaid a fair return through rents. The proposed building will be three stories, 96,000 square feet and cost approximately \$10.2 million.

The primary occupant will be the Workers Compensation Bureau, which is overly crowded in its current rented space. The price tag also includes a tunnel under Divide Avenue from the new office building to the Job Service North Dakota Building. This will move forward the possible merger of Workers Compensation, Job Service, and the Office of the Labor Commissioner. I fully support the bipartisan Legislative proposal to merge these agencies.

We know that cost savings have argued for the construction of this building long ago because the state rents over 200,000 square feet of office space in Bismarck. Earlier we did not want to negatively impact the troubled commercial rental property situation in Bismarck. Now, however, the real estate market has been doing well and this is a logical and timely move to save money.

#### Other Major Proposals and Innovations

We have the opportunity for two very important clean coal projects in our state. However, it is necessary for the state to provide some money to attract these projects; having secure funding for the state's share of these clean coal projects will enhance the applications to the Federal Department of Energy.

The first project, called Young #3 is projected to cost \$330 million, with the state investing \$19 million. The second project, Dakota Gas Company, requires \$15 million in state match.

The funding source for these two projects has several facets. First, the coal industry has been contributing taxed dollars of two cents per ton for lignite research. The Lignite Research Council holds great hope for the use of these funds for the clean coal projects.

Second, 50 percent of the coal severance tax revenue going into the Coal Development Trust Fund has been appropriated for lignite projects. These funds will also be directed to the clean coal projects.

Third, this budget proposes that an additional \$400,000 per year, for 20 years beginning July 1, 1994, be taken from the Coal Development Trust Fund to pay the balance of the project costs. This, however, requires a constitutional amendment, which I have submitted with my budget.

Fourth, these above-mentioned moneys will be used as a match for federal clean-coal project funding. In order to make absolute the commitment to provide the local match, I am proposing some additional legislation.

Should the constitutional amendment fail, an alternative will be to turn to the county share of coal severance taxes. My budget proposes that the

July 1, 1994, payment of \$400,000 come from the county share of coal severance taxes if the constitutional amendment fails. This would allow the Legislature an opportunity to find \$400,000 per year beginning with the 1995 session.

During World War II, uranium tailing sites were left in the Bowman and Belfield area that posed a low level radiation threat. They must be cleaned up. This budget proposes funding that cleaning up. It doesn't make sense to put off the project any longer as it will only get more expensive the longer we delay.

During my administration I have asked the Legislature for several mergers and consolidations. Generally, those which related to nonagriculture entities have been approved, while those dealing with agriculture have failed. My final budget recommendation includes a proposal to regionalize the efforts of the NDSU Extension Service.

During the 1991-93 biennium, funds were appropriated to the extension service to develop regional centers, but progress had been excruciatingly slow. Currently these funds are being used to fund both an agent in every county and a few regional specialists. The state cannot afford to have both.

#### MOTIONS

**REP. FREIER MOVED** that the Governor's budget message be printed in the Journal, which motion prevailed.

**REP. FREIER MOVED** that a committee of two be appointed to escort the Honorable George A. Sinner, Governor, from the rostrum, which motion prevailed.

**LT. GOVERNOR OMDAHL APPOINTED** Sen. Jerome and Rep. Wentz to such committee and the Honorable George A. Sinner, Governor, was escorted from the rostrum.

**REP. FREIER MOVED** that the Joint Session be dissolved, which motion prevailed.

The Joint Session was declared dissolved by the President of the Senate, Lt. Governor Omdahl.

#### ANNOUNCEMENT BY THE SPEAKER

**SPEAKER R. BERG ANNOUNCED** that the committee to notify the Governor and the Senate that the House was organized and ready to transact business had completed its business and asked to be discharged, which request was granted.

#### MOTION

**REP. FREIER MOVED** that the House stand adjourned until 9:00 a.m., Wednesday, December 9, 1992, which motion prevailed.

The House stood adjourned pursuant to Representative Freier's motion.

**ROY GILBREATH, Chief Clerk**