

The Fortieth Legislative Assembly, meeting in 1967, passed House Bill 782 which provided that "Any corporation may own real estate and carry on farming or ranching operations if such corporation meets the following standards:

1. The shareholders shall not exceed ten in number;
2. The corporation shall not have as a shareholder a person other than an estate who is not a natural person;
3. The corporation shall not have more than one class of shares; and
4. The corporation's income from rent, royalties, dividends, interest, and annuities does not exceed 20% of the corporation's gross receipts."

Governor William Guy vetoed House Bill 782 and returned it together with his veto message to the legislature. The legislature promptly passed the bill again over the Governor's veto in spite of a flood of mail that came to individual legislators asking them not to override the veto.

In the interval between passage of the bill and the vote to override the Governor's veto of it, the North Dakota Farmers Union presented a statewide television documentary on the issue and urged citizens of North Dakota to contact their legislators asking them not to override the veto. The majority of the legislature appeared to be more closely attuned to the wishes of the Greater North Dakota Association and other supporters of corporation farming than they were to the wishes of the people of the state. Only a handful of legislators who voted for the bill in the first place voted not to override the Governor's veto.

After the legislature adjourned, an informal Legislative Advisory Committee of the Democratic Party organized a referral committee and circulated petitions to refer House Bill 782 to the voters in the general election of November 5, 1968. Farmers Union assisted in circulating these petitions and the necessary signatures were obtained. The filing of those petitions with the Secretary of State, of course, prevents House Bill 782 from going into effect until the question has been voted on at the general election.

The North Dakota Farmers Union is taking a very active part in the current campaign to protect family farmers from competition by corporations. To date this activity has included much editorial comment in the North Dakota Union Farmer and in the monthly bulletin that is sent to county and local officers and to managers and directors of cooperatives that are affiliated with Farmers Union. Farmers Union officers and staff members fill many speaking engagements before farm and nonfarm groups. In the last 15 months since House Bill 782 was passed and the referral action started, it has been a rare occasion when a Farmers Union speaker has not devoted part of his remarks to an effort to continue the state's legal ban against farming by corporations. During this period the North Dakota Farmers Union has prepared and distributed a number of pamphlets and display material opposing corporation farming and we put together a sound film covering the history of North Dakota's ban on corporation farming, the reasons why the North Dakota Farmers Union seeks to have that ban continued and, of course, urging the voters to turn down House Bill 782 when it is voted on in the general election. This film has been in circulation for about six months and it has been viewed by an audience of several thousand scattered throughout predominantly rural areas in almost every county in the state.

The final outcome of the current campaign to protect farmers from competition by corporations will, of course, not be known until the votes are counted after the general election. However, there are a few indicators. Last year nine rural weekly newspapers serving different areas of North Dakota formed a loose association known as the North Dakota Poll. In making their surveys, each of the nine newspapers select a random sample of two hundred names from their subscriber lists and sent a questionnaire to those individuals. The questionnaires are mailed by the recipients directly to the University of North Dakota for analysis on the University's computers. This spring the North Dakota Poll tested public attitude on the question of corporation farming and found that 82% of the returns favored continuing the ban on corporation farming. Only 18% of the returns favored House Bill 782 which would repeal the anti-corporation farming law. (For a detailed analysis of the survey see the attachment at the end of this statement.) Another indicator of public attitude in rural communities on this question is the fact that the chief sponsor of House 782, Representative Robert Wells of District 10, did not receive his party's endorsement for another term in the legislature from that district.