



Senate Education Committee

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Chair Beard and members of the Senate Education Committee. My name is Jerry Rostad and I serve as a Vice Chancellor of the North Dakota University System (NDUS). On behalf of the North Dakota University System, I am submitting testimony in support of HB 1265, a bill to create a state information technology research center, advanced technology review committee, a compute credits grant program, and an advanced technology grant fund.

I need to go back and lay some groundwork to help set the context as to why I would encourage this committee's support for HB 1265.

A year and a half ago, the State Board of Higher Education started a strategic planning process called Envision 2035. Nine separate study groups ranging from ag, energy, and other North Dakota industries to teachers, students, and infrastructure quickly determined that emerging technologies and artificial intelligence (AI) will overwhelmingly impact every aspect of North Dakota society. From there, the idea of a unified, statewide approach to AI was presented to then Governor Doug Burgum, with positive support from business and industry leaders across the state.

As a result, the Governor created an AI task force last summer to further flesh out this unified approach to emerging technology and AI. Committee members represented state agencies, higher education, and K-12 education. Five working groups studied AI governance, a future-ready workforce, statewide infrastructure, legislative/policy, and organizational structure.

The study produced a cohesive, comprehensive statewide AI strategy. It included elements that addressed workforce, education, research, policy, and safety. Labeled as the Dakota AI Collaborative or DAIC, the vision focused on developing AI talent and compute resources, creating baseline funding that focused on state impact, and producing stakeholder governance.

Representative Josh Christy was actively engaged throughout all of this. He provided leadership to the digitization study group of the Envision 2035 strategic planning process. He provided direct

leadership to the Governor's AI taskforce. He understood that AI and emerging technology was already rapidly evolving and having a transformational effect on our state.

Representative Christy personally introduced four AI-related bills that all emanated from the DAIC strategic work. Two bills were tied to AI safety issues. HB 1386 addresses computer-generated images depicting sexual conduct by minors and is working its way through the Senate. HB 1320 focused on deep fakes but failed to pass the House.

Meanwhile, HB 1448 and this bill, HB 1265, are two additional pieces of legislation that both tie to the overall AI strategy that Christy has championed.

HB 1265 will provide grants to study research trials or pilot projects that will demonstrate the potential effectiveness that AI will bring to K-12 education, higher education, and workforce.

Potential use case scenarios HB 1265 could fund include:

- Better K-12 Outcomes: Focused research on AI tool effectiveness for tutoring or student learning in ND K-12 schools.
- Better Community College Outcomes: Focused research on AI tool effectiveness in ND trade education to identify and disseminate best practices.
- Better Higher Ed Outcomes: Shared infrastructure and software across the NDUS for AI assisted assessment and curriculum development, leveraging scale and cost reduction for the 11 institutions.
- More Effective and Efficient Workforce: Workflow automation for state employees allows staff to do more with less cost.

In summary, AI tools and developments are advancing at lightning speed. At least six states already have developed collaborative approaches with their AI strategy. California has an AI Task Force that has developed several initiatives aimed at creating a robust ecosystem for AI research, development, and policy. Texas has taken unified actions, particularly around education, workforce development, and fostering innovation in AI. With a biennial legislature here in North Dakota, we cannot afford to wait two years before investing in AI technologies. The original HB 1265 started with a \$5 Million fiscal note attached to it. I respectfully request that \$5 Million be amended back into the bill with a do pass on HB 1265.