



House Education Committee

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Chair Heinert and members of the House Education Committee. My name is Mark Hagerott, and I serve as the Chancellor of the North Dakota University System (NDUS). I am here today on behalf of the NDUS and its eleven institutions to provide testimony in support of Engrossed SB2197, which creates the Re-energize North Dakota Scholarship.

As is accepted fact, the oil and gas industry now produces substantial state surplus tax revenue that flows into most every existing and new program. The average oil worker produces an astounding surplus per capita, close to \$100,000, which creates almost \$4 billion in tax revenue and \$36 billion direct economic impact. But there is a threat to this mother lode of wealth from which the people of North Dakota benefit: a severe workforce shortage.

The Legislative Assembly and Executive Branch challenged higher education to do more to help solve the State's workforce shortage. To be sure, our colleges in western North Dakota have, for decades, designed programs to help educate and train oil workers and their families. Through discussions with legislators and industry representatives, the NDUS realized that it could do more to help recruit and retain oil workers. This is what Engrossed SB 2197 will do for the oil & gas industry.

The Senate graciously and enthusiastically provided \$5.1 million in support of this new scholarship. The Re-energize ND Scholarship will help Recruit more workforce to the crucial oil fields; help Retain them in the face of poaching campaigns in states south of us; and provide a path to Re-train or upskill these dedicated people and their family members. The bill could also create a standing Reserve of veteran oil workers who can return to the petroleum industry after completing their education, or work in related and supporting fields such as nursing or teaching.

This concludes my testimony related to Engrossed SB2197. I respectfully request a **Do Pass** recommendation for this important bill and will stand for questions from Committee members.