



House Education Committee

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Chair Heinert and members of the House 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 and its 11 institutions, 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.

One has to look no further than last week's news to understand the transformation that is taking place with artificial intelligence (AI) and machine learning technologies. Last Tuesday, President Trump announced his support for Stargate – a joint, public/private venture that will potentially invest up to \$500 billion for infrastructure tied to AI. The CEO of Open AI, Sam Altman, said this will be the most important project of this era.

It is imperative for North Dakota to get in the game with HB 1265 or we risk being left behind while losing the talent we do have to Stargate or other states that are developing AI.

The State Board of Higher Education is finishing an 18-month strategic visioning study called Envision 2035. Nine separate study groups ranging from ag, energy, and other North Dakota industries to teachers, students, and infrastructure of the future all concluded that AI and emerging technologies will overwhelmingly impact every aspect of society in the next 10 years.

The idea of a unified, statewide approach to AI was initially discussed with then Governor Doug Burgum about a year ago. Further discussions with business and industry leaders across the state yielded positive support to continue with the unified approach.

Last summer, the Governor created an AI task force to further flesh out a unified approach to the emergence of AI. Committee members from across the spectrum of government participated. State agencies, higher education, and K-12. Five working groups studied AI governance, a future ready workforce, statewide infrastructure, legislative/policy, and organizational structure. Representative Josh Christy provided significant leadership to this entire effort.

The study produced a cohesive, statewide AI strategy. HB 1265 is one of the first bills that begins to launch the North Dakota AI investment strategy.

I would respectfully propose a couple of amendments to the bill. On page one, line nine, I would suggest we remove at the University of North Dakota and then later on line 12, I would insert the state information technology research center will be a collaborative virtual center. Additionally on page two after line 28, I would suggest inserting “the chief technology officer or designee within North Dakota State University, the chief information officer or designee within the University of North Dakota, and the executive director or designee within the Dakota Digital Academy.”

Not one organization can do this alone and a unified public/private collaboration has already demonstrated positive success in North Dakota. Back in the late 90s as the demand for the Internet started to explode, the state and local telcos collaborated to create STAGENet, a single enterprise that provided networking for all of state government, higher education, and K-12, while also providing on-ramps for local businesses in communities across the state. HB 1265 parallels that brilliantly successful model.

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. It’s critical for the state to get a foothold now and I strongly urge a do pass on HB 1265.