

## House Industry, Business and Labor Committee

January 20, 2025

Jerry Rostad, Vice Chancellor, NDUS  
701.969.9229 | jerry.rostad@ndus.edu

Chair Warrey and members of the House Industry, Business and Labor 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 1448, which relates to the advance technology grant program, grant fund, and appropriation.

I prompted an artificial intelligence (AI) tool to write the opening paragraph of this testimony and it responded with this statement: the proposed bill sets up a framework for collaboration between higher education, government, and the private sector, which is crucial for advancing research and development in cutting-edge technological fields such as artificial intelligence, machine learning, and quantum computing. According to recent studies, states that have invested in similar grant programs have seen significant increases in research capabilities, leading to job creation and economic growth.

In short, the above artificially generated response hits on all of the important points of HB 1448.

In higher education, we are seeing early adopters using AI to support teaching, learning, and business operations. In research, much is yet to be learned and uncovered with AI technologies. This bill will jumpstart those efforts.

In the applied world, AI tools that increase productivity and efficiency are beginning to emerge as well. Examples include nursing faculty who want to learn how AI might advance the nursing profession in North Dakota while business faculty want to learn more about using AI to foster critical thinking in business communications.

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.

As this transformative shift continues to permeate, our best way forward is to be unified in our

effort to prepare and respond. Back in the late 90s as the demand for the Internet started to explode, North Dakota, collaborating with the state's telcos, brilliantly created 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 1448 parallels that successful model.

The idea of a unified 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.

According to the AI tool ChatGPT, 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. This includes efforts to address ethics, workforce development, and innovation. Texas has recognized the importance of AI for economic growth, particularly in sectors like energy, healthcare, and finance and the state has taken some unified actions, particularly around education, workforce development, and fostering innovation in AI.

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 1448 is one of the first bills that begins to launch the North Dakota AI investment strategy.

In summary, AI tools and developments are advancing at lightning speed. 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 1448.