

*Feb. 2, 2021*

***HB1380, Section 1: Economic Diversification through Research Grant Program***

Today, I am pleased to present testimony on the Research Section of House Bill 1380, I see this as a landmark investment in the future of North Dakota's economy.

I believe research is a worthy cause for the state to support in efforts to diversify North Dakota's economy, which will ease the burdens of volatility in energy and agriculture that affect all areas of the state.

This section of this bill creates a research grant program and advisory committee for the purpose of stimulating economic activity across the state – through the innovation of new technologies, businesses, and products in North Dakota's critical industries of value-added energy and agriculture, but also developing sectors from autonomous vehicles and UAS technologies to advanced data and healthcare.

The legislation specifies that 4% of Legacy Fund earnings would be transferred to the economic diversification research grant fund and 90% awarded equally between our state's two research universities, the University of North Dakota (UND) and North Dakota State University (NDSU), and the remaining 10% between the other institutions controlled by the state board of higher education.

Making a significant and predictable investment in research will:

- sustain and boost our competitive advantages in agriculture and energy, and
- produce discoveries and innovations in emerging sectors that translate into
  - new 21<sup>st</sup> century economic opportunities,
  - a more skilled workforce, and
  - higher-paying jobs for North Dakotans.

Sen. Ronald Sorvaag