

**Governor Doug Burgum**  
**2020 State of the State address**  
**January 29, 2020**  
**Chester Fritz Auditorium**  
**Grand Forks, N.D.**

Thank you everyone in the audience today for being here today. Thank you Brent for that introduction. We, of course, are all incredibly fortunate to have Brent Sanford working for the citizens in North Dakota. As a former mayor of North Dakota's fastest growing city, Watford City, a former Eide Bailly auditor, CFO numbers whiz. He's got the perfect set of skills and knowledge and values to do the job that he's doing, and that's why it is unequivocally true that he is the best lieutenant governor in the United States. Let's give it up for Brent Sanford. Yeah.

Uh oh, I was ... I think I forgot my clicker. If someone could get me a clicker, that would be great. Because I'm ... Oh no. Here we go. Of course. We're in Grand Forks. How else would you deliver a clicker? Coming in. Almost there. Oh yeah, oh yeah ... Another aviation first, right here in North Dakota. Let's give it up for Jakee who piloted that thing. Nice work! Okay, that was cool. We are grateful for the tremendous innovation of unmanned aircraft systems industry, the epicenter really in the country being right here in North Dakota at UND, at Grand Sky, Northern Plains UAS test site. Dozens of private UAS related businesses have either moved to or started in Grand Forks. Let's give them all a hand. Congratulations.

As I said, thank you all for being here today in person. And again, we know we've got even a larger audience that's watching online. Thank you for taking the time and giving us the gift of your most precious gift, which is your time to be here. Brent and I, and First Lady Kathryn are truly honored to serve all of you, the citizens of North Dakota. And people often ask us, why did you go into public service? And the answer is simple, to make a difference. And we make that difference by pursuing our six-word purpose. And the six-word purpose that we've adopted across our administration is to Empower People, Improve Lives, and Inspire Success. And we like to think that this purpose, which brings meaning to what we do every day, is part of the job of every individual who works for the state of North Dakota. And right now, there are over 16,000 people who get up every day as part of team ND across our state doing every kind of thing you can imagine to support the other 760,000 citizens of our state. But there are 6,000 of those that work in higher education. I know we have a bunch of our higher education leaders here, but on behalf of all of us, we each have the opportunity to make a difference in people's lives and we're grateful for that.

Teddy Roosevelt once famously said that far and away the best prize life has to offer is the opportunity to work hard at work worth doing. And I think this is so true, and certainly all of us that work for Team ND, all 16,000 of us, have won that prize. And in North Dakota, we're so fortunate to have great functioning government and we've got that across all branches. We've got it across all branches of the state, we've got it at the county, the city, the township. We've

got dedicated public servants everywhere, but I'd like to acknowledge and share my gratitude with some of those others in the other branches of government. Let's start off with the judicial branch. During the three years that I've been in office, I've had the privilege of appointing nine new district court judges and one Supreme Court judge, Justice Jon Jensen.

This year, on January 1st, Justice Jensen was elected by his fellow judges from across the state and became the 44th chief justice of the North Dakota Supreme Court. And it's an honor to have Chief Justice Jensen joining us today back at UND, where he earned his law degree, and in Grand Forks where he was the presiding judge of the Northeast Central Judicial District. And I had the honor a couple of weeks ago to be present at the passing of the gavel ceremony. And this is something that hadn't happened for 26 years, because we were so fortunate in our state to have Chief Justice Gerald VandeWalle. 26 years, longest serving chief justice in the United States' history, coming on top of 41 years of total service on the court and still serving on the court as a justice, as part of his 62 years of service to the state government. And so I want to take a moment this morning and thank our former chief, our new chief and justices Crothers, McEvers, Tufte and all the hardworking Team ND members to the judicial branch from across North Dakota, if they're here today, we'd love to have them stand, but I know we've got a number of them right here. But new chief, former chief, other justices, please, thank you for amazing service to the state of North Dakota.

We've also accomplished a lot working in deep partnership with our legislative branch, and we're fortunate to have a number of those hardworking legislators in attendance today. With the leadership of Majority Leaders Senator Rich Wardner and Representative Chet Pollert, Minority Leaders Senator Joan Heckaman and Representative Josh Boschee, and partnership of the entire legislative branch, we'll continue to work together for the betterment of all of North Dakota. At this time, I'd like to invite our many legislators who are here today and stand as we thank them for their work as citizen legislators in North Dakota.

Without both sides of the aisle, I don't know how that all worked out here, but we're ... We're also fortunate we've got a great set of statewide elected leaders. And to drive smart policies in our state, it takes dedicated and passionate leadership, and we've got that. And we know there may be others, but I know for sure we've got Tax Commissioner Ryan Rauschenberger, Public Service Commissioner Julie Fedorchak and Brian Kroshus is here. We've got Superintendent of Public Instruction Baesler with us today, but I'd like to ask, any elected officials statewide, if you're here, please stand and be recognized. Thank you for your service.

We're also deeply honored to be joined today by several tribal leaders, and we've made this a priority of our administration. Across the state, there's five tribes with which we share geography and the leaders of those organizations, Chairman Mike Faith from Standing Rock Sioux, Chairman Mark Fox from the Mandan, Hidatsa, Arikara or the MHA Nation, Chairperson Peggy Cavanaugh from Spirit Lake Nation, Chairman Donovan White from Sisseton Wahpeton Oyate, and Chairman Jamie Azure from the Turtle Mountain Band of Chippewa, they've been great partners and this is a tough, tough job to be a tribal chairperson. And really complex, hard

to do, but they do a great job and they've also made time to build relationships with the state, and if any of our tribal chairs are here today, we'd love to have them stand and be recognized.

We got Chairman Fox, UND grad waving a UND banner down there. Okay. They were going to make me not say anything about NDSU, but now I might have to now that we got the ... Now that the gauntlet has been laid down. Okay.

In addition to all these elected officials, we've got some super talented and very innovative cabinet leaders. These appointed leaders are tackling transformation, reinventing government across an entire myriad of services in nearly every aspect. And then we've also got here today a number of incredible leaders that are running non-cabinet agencies, things like our land board and our minerals department and all of the things that we do across the state that really touch people across the state every day. And I would like to invite all of the cabinet leaders and all of the other non-cabinet, but leaders of boards and commissions that are here today providing valuable service. If you could stand to be recognized, because we know how hardworking all of you are.

And if you're looking at the slide behind me and then you might wonder about the two guys in the lower right. Well they were the ones that didn't get the notice about school picture day. Then ... But anyway, no that's actually Bill Panos and Ryan Gardner, two of our newest members of our cabinet, but pleased to have them on our ... newest members of our team. In terms of other gratitude, I just want to quickly say that I think everybody knows, Brent mentioned this, but family means everything. Whether you serve in the military, you serve in public service like all the people I've already acknowledged here today. When you serve, you don't serve alone. You do it with the support of your family. So it's ... I'm just so fortunate to have such an amazing small set of people that have really been behind me every day.

I've got my ... Today, my sons Joe and Tom are here and my sister Barbara's here. My daughter Jesse is watching online. And of course the first lady of North Dakota, but all of these are, they're so amazing and they challenge me. You guys challenge me with great ideas, you ... with great questions. You inspire me, you support me, and thanks for supporting me on that journey. And where are you guys out here? Somewhere. Somewhere. Where are you? Right there. They're right there right in front of me. Okay, well thank you. Let's give it up. Way to go family.

Many of us in this room have personally experienced the unmatched quality of life and the unlimited potential of our great state. And making a choice to be here, to be in North Dakota and to live here, to build companies here, it's been a remarkable thing. And you travel across the state and you can find farmers and ranchers and entrepreneurs and innovators, people that love this state for all kinds of reasons. And these are people that are dedicated to our future who achieve amazing things, but they do it with a humility that requires no recognition.

These are people who give without expectation of receiving anything in return, and I've seen this time and time and again, when we have a natural disaster, the incredible harvest that we

had this fall with ranchers and farmers helping each other and helping their school districts and their townships. I mean, it is really incredible that we've got such a special place to be here. And so it's not surprising that when we've got that kind of culture and support and network, that the happiness and well-being of neighbors and friends and families is actually a measure of our success. And it's no surprise that North Dakota now ranks as the third best state in the nation to raise a family. And it's also then probably no surprise that when you have the kind of opportunity that we have here, economic opportunity, and the kind of communities that we're building here, that we're ... that we've seen our state population grow in the last decade, 13%, and it's setting a new record and it's at 760,000, and I think that this is fantastic. But let's take a look at that in context of where this growth has come from, because at the beginning of this decade, we had less people in the state than we did in 1930, okay?

That was ... We're the only state in the nation that had gone 80 years and was smaller than what they were before. And so then now I think sort of the word is out about that North Dakota is a fantastic place and the opportunities here, and this is ... This is the largest increase we've had in the last decade, in 110 years. If you average that out, the growth we've had, that's about 27 people a day that are choosing that they want to become a North Dakotan. And so by the time I finish this speech, we'll have gained another resident. And if I talk too long, it'll be two or three residents that we'll gain, but it's remarkable. But I say, let's give ourselves a hand for being a growing state.

Not only has our population grown, but our state's become younger. Last year, North Dakota was ranked the number one state in the country for millennials, which is an important factor, because millennials are now ... make up, for the first time, the largest portion of the workforce as more baby boomers are retiring. But whether you're a native North Dakotan or you're a brand new resident, I think we could all agree our state is special and there's maybe never been a better time to live here. And perhaps one of the reasons why is because of the important role that we play on the world stage. And we've got almost 8 billion people, across a planet with 7 billion, lack sufficient food to lead a healthy, active life. And North Dakota, it really is part of the solution. Our farmers and ranchers are among the best in the world.

And there was actually seven crops in this last year, in spite of the challenging harvest, seven crops where North Dakota still leads the world in terms of number one in production. And you can see the list right there, but there's also an eighth one which North Dakota leads in, which is honey. And I think that's pretty sweet, that that's the case. And it's not just a little bit that we've been leading on the honey thing, this is the 15th year that North Dakota, the state of North Dakota has led the nation in honey. This is a native flower, purple cone flower. That's a bee that's covered with pollen that's working super hard, and I think that ... And that bee and its relatives had been doing this for 15 years straight and I think it brings another whole sense of the Bee Legendary thing when you've got that kind of record going.

I mean, that's more times in a row than the Bison have won championships, Mark. So that's ... Okay. I had to get it in there. All right. Okay. We have ... We're also, and we're just ... In feeding the world, we're also powering the world. We're number two in crude oil, sixth in ethanol,

seventh in wind, eighth coal, 10th in natural gas and biodiesel. And this is at a time when the world needs power. There's a billion people in the planet that do not have electricity. They cook for their families every day over wood fires. They walk to get water. I mean, the world needs energy and we need to come up with solutions to provide that energy of the world to help raise the quality of life for everybody on our planet.

But all of this adds up today to the state of our state, and the state of our state today is that it's strong, it's growing and it's full of boundless opportunity. And by seizing the opportunities that are in front of us and rejecting that piece of our culture, that self-imposed limitation, that idea that somehow that we're in North Dakota, that we're too small, that we're too distant or we're too cold. If we can get rid of all that thinking and understand that we've got the most amazing people and that our communities and our state are incredibly special. And we have an opportunity to lift up everybody in our state, and I mean everybody. Then we have an opportunity to realize our fullest potential. So yes, the state of our state is that we're strong, we're growing, and we're full of boundless opportunity.

But this address, we've got all these students that are here today and I want to thank them for being here today, but this is not ... This is about the state of the state in 2020 and we're in fantastic shape, but it's also important about ... to look ahead about the legacy decisions that will ensure prosperity for North Dakotans in 2030 and 2040 and beyond.

And a great place to start when we think about that incredible future and the incredible place we are is to thank the men and women who fight every day to protect our most cherished rights and freedoms, because as someone who had an opportunity to lead people working across 120 different countries on our planet, I know that there are people every day that don't have what we take for granted. Freedom of speech, a free press, freedom of religion, the right to peacefully assemble, the right to bear arms. For 244 years, America's military has successfully defended these rights and freedoms and they've protected our God-given rights to life, liberty and pursuit of happiness. In North Dakota, we've got 50,000 veterans who call North Dakota home, and that goes all the way back to some surviving greatest generation, World War II folks, for my dad's generation. We've got, today, we can never forget that as we sit here today, that we've got courageous North Dakota National Guard service members deployed at home and abroad as part of the war on terror. Continuous deployment of North Dakota service members since before 9/11, and while we want to thank them every day for their service and sacrifice, we know that action means more than words. And this is where we had a great legislative session last year, and legislators are here today.

Kudos to all of you, because with their leadership, we exempted military retirement benefits from state income tax. And we cut through red tape so the trailing military spouses with occupational licenses from other states can work here. And military spouses like Mary Beth Goodman in Minot, licensed professional counselor, her husband is in the service, following and moving her family around as he was transferred around the country, got to North Dakota and found out that she could not do what she had done in six other states, which was work as a licensed professional counselor. So she worked tirelessly last year as a citizen at the legislature to help get this important bill and help it succeed. And I want to take a moment, she's here

today, I want to thank Mary Beth for what she's done for North Dakota, not only for your clients, but I want to thank you for what you helped accomplish for all future military spouses. Thank you Mary Beth.

Last year, we also made strides to honor and support the veterans and their families beyond their time here on earth. A new U.S. Department of Veterans Affairs National Cemetery was dedicated outside of Fargo, and at the state level the legislature approved a budget that included financial support for the burials of military spouses and dependents at the beautiful North Dakota Veterans Cemetery south of Mandan. And we're grateful today to have with us today, because we know that the military plays an important role economically in North Dakota, particularly in three communities, Fargo, Grand Forks and Minot, where we've got significant military presence, but we've got Colonel Cameron Pringle, the commander of the 319th Reconnaissance Wing at the Grand Forks Air Force Base. Colonel Glenn Harris, who's the commander of the 91st Missile Wing at Minot Air Force Base, and that's the only base in the country where there's a missile wing and a bomber wing. Two senior leaders that are here. And as they stand, I would also like to ask all military members and all veterans of the U.S. armed services, including the North Dakota National Guard, please rise and let us recognize you for your courageous and dedicated service to the generations in North Dakota and Americans, past, present, and future.

We've made some incredible progress in the last legislative session, but we've got to do even more. The goal that Brent and I have is to make North Dakota the most military friendly state in the nation. And this is important for a number of reasons, because we know that the next time there's going to be some discussion about potential base closures or realignment, military friendliness in terms of the policies that the state level are going to make a huge difference in terms of where the federal government and the armed services decide to place their resources. There's ... We've done a lot. There's more we can do. We've got a couple things going. We've got the North Dakota Department of Veterans Affairs. We've got our Guard and Task Force for Veteran Affairs, and we're working to ensure that both the needs of our aging veterans and the new veterans are being met, and we'll be showing up to the legislature with some new proposals next time around.

I think everybody knows that we've had some incredibly challenging weather, and as the military defends our freedoms on foreign and domestic grounds, so too the state must protect our citizens in time of emergency. And we've had our fair share of challenges in this last year thanks to mother nature. The one that everybody in this part of the state certainly lived through and understood was this unprecedented fall that we had, where we had record levels of precipitation in August, September and October, followed by a historic October blizzard. And this delayed, not only delayed permanently in some cases, but this is the most amount of dollar value of crop that has ever been left standing in the fields in North Dakota in the history of the state. Billions of dollars of crop were unharvested this last year, and we're very fortunate that last week that President Trump, in a very quick manner, approved our request for a presidential disaster declaration, which covered 16 of those counties.

We had unprecedented fall flooding and wet conditions. With Ag Commissioner Goehring and I traveled across the state, met with hundreds of farmers and ranchers and we saw and felt the stress and frustration that they were facing as we toured those devastated areas. And the state of North Dakota has taken a number of steps, including through the Industrial Commission last week to try to make sure that we've got emergency disaster loans and everything we can do at the state level to try to support our important agricultural families. Last spring, clear across the state, from here in Grand Forks up at the confluence of the Yellowstone and the Missouri, we had a disastrous and sudden flash flooding due to ice jams, places that had never been touched with water were inundated overnight. And so we also had a presidential disaster declaration last spring for covering flooding in 19 counties in other parts of the state.

Over the summer, we had a tornado in Mott. Had a chance to tour Mott the day after this happened. And I want to give a shout out and thank the very proactive local leadership, the hustling local law enforcement and others that got ... The fair was going on. There were kids staying in trailers, parents at a dance. I mean, this could have been a national news story in terms of loss of life, but the amount of work that went, the door to door preparation, we ended up with no injuries, no loss of life. When you see the city, amazing that that happened, but credit to all of them. And again, these were brand new tanks that looked like they'd been paper cups crumbled and thrown away just from sheer wind. It gives you a chance to understand the power of nature.

But when these things are happening, we have to make sure that the state is responding and that we have a coordinated response to that thing. We have taken an approach from the day we've been in office in terms of when we're dealing with emergencies and natural disasters, which we call the whole-of-government approach. And for the first time ever, back in December, we started this process for anticipated spring flooding and we held our first joint planning meeting in December. And I want to thank our Adjutant General, General Dohrmann, Homeland Security Director, Cody Schulz, and their teams for all their proactive efforts. Because we know that when you've got a state that is completely saturated at soil levels, when freeze-up happened this fall, we could, depending on how things go the rest of this winter, we could be in for an extremely challenging spring flood season, which we know is ... We know that that's ... For here in Grand Forks, people know what that's about.

But I also want to echo, as part of that preparation, I want to echo our insurance commissioner Jon Godfread, who, by the way has now been verified as the world's tallest politician. This is not an easy thing to get verified. You've got to get measured three times a day for five days in a row in metric standing up, sitting down. But he did it. He wanted ... He's the world's tallest and he's got a great message, which is he's strongly encouraging North Dakotans to consider purchasing flood insurance if you hadn't already. And a reminder that the National Flood Insurance Program typically takes 30 days to be effective, so taking action now matters. You might ask yourself, do I need flood insurance or not? Well hey, we've got a new tool for you and if you visit [floodsmart.gov](http://floodsmart.gov), you can see the North Dakota Risk Assessment MapService, which we have and you can assess your risk, and I don't know if I have to do another click here to ... If I do that, nope. Let's back. Now you can see me playing around. Does it really work? Can I get back there?

No. I had such a cool little animation thing that we wanted to show you. I just got to try. I'm going back. Now this is when the people backstage are just flying around panicked. They're like, "What is he doing?"

Okay, okay, you know what you're going to have to do? You're going to have to go out to NDRAM yourself and see the cool animation where the water starts coming up around your ankles and your, okay. That was what you were going to get to see. All right, we're moving ahead and we are planning for disaster. That was a little disaster right there that I hadn't planned for it, but that was ... We made it through. But long-term protection also remains a top priority. In this last year, we had major progress. Again, support from the legislature, the two biggest projects in the state, protecting Minot and Fargo with long-term flood control projects, and it's critical that we keep moving forward and not lose sight of the very real risk of the catastrophic flooding that still threatens some of our largest communities. And here's a shot in Minot where we've got great progress going on. And thanks to the presidential declaration last week, communities will have access to federal grant dollars to help continue to build the resiliency against flooding and keep their citizens safe, which of course is one of the key things that we need to do as government. We're getting a lot of work done with federal partners. It's really been an incredible three years under this current administration and not just securing disaster relief or funding critical infrastructure, but since Brent and I have been in office, there've been 16 cabinet-level visits to North Dakota and then in addition, on top of that, the vice president and the president.

That's unprecedented in terms of the amount of federal connection for a state our size. Just this last year alone, we welcomed half a dozen cabinet leaders in North Dakota collaborating on key issues such as health care for veterans, workforce, enhancing tourism, reducing the overburdensome federal regulations for farmers and ranchers and securing financing for flood protection. But that doesn't happen alone. It happens because we've got a great partnership with North Dakota's very strong and effective congressional delegation. So at this time I'd like to give a big shout out and thanks to Senators Hoeven and Cramer and Congressman Armstrong.

Another important federal partnership that we've got going this year that happens only once every 10 years is the 2020 census. And that's why our state legislature dedicated \$1 million for census outreach efforts. Why would we spend \$1 million making sure everybody gets counted? Well, we can't afford a repeat of 2010. The Bakken boom had just taken off. We had a lot of people that were moving to the state of North Dakota and we had thousands, perhaps tens of thousands of folks living here that went uncounted. And when that happens, it's a huge loss to our state because each resident that counts, it's estimated between 2020 and 2030 that each person who counts represents \$19,100 of federal funding.

And so if we want to get the funding, we've got to count everybody. And this is why we're working hard across the entire state. Our tribal leaders have stepped up to make sure that we're getting counted in all of our tribal lands. And this matters for everybody who's a North Dakota citizen. So if you aren't familiar with this, you don't know about it, get involved. And

they're actually still hiring people to be enumerators. So this is a great job if you want to work the next three months helping to count your neighbors.

The budget outlook, very quickly. This is pretty simple. And just as every person counts, so does every dollar, especially when we're talking about your dollars, or taxpayer dollars. And one of our greatest responsibilities is being good stewards of your taxpayer dollars. We've gone through an interesting ride the last decade, and when Brent and I took office in 2016 the state, we had just concluded the largest and most significant revenue growth in terms of revenue coming in from the thriving oil and ag sectors, which allowed the state to make some much needed investments in infrastructure, which drove spending up. Unfortunately the tide turned when things beyond our control, oil prices and farm prices, took a severe nosedive. And it created a revenue shortfall that nearly drained the state's rainy day fund, taking it down from \$573 million down to only \$38 million. But working with our legislative partners, you can see from 2016 to the current thing, we've reduced the general fund budget by over \$1 billion.

In that same timeframe we've increased teacher and state employee pay, we've made key infrastructure investments, we've reduced property taxes and we've done all of this without raising taxes. And so with great collaboration, we've been able to stabilize the state's finances and begin building our reserves. And if you take a look at this as our primary and major reserve fund, one of several, but the major one, it hit a low of \$38 (million), it grew some last, and now it's projected to be at its all-time high and it's a statutory limit of \$726 million by the time we reach the end of this biennium or this two-year budgeting period. And how are we doing in this period right now in terms of revenue? Six months into the 24-month period was December, and we're ahead of the general fund revenue forecast by \$102 million.

And so I guess what I again want to say, if the state of the state is strong financially, we've been able to heal up our balance sheet. Revenues are tracking ahead and we have an opportunity to look ahead in how we want to invest dollars smartly in the future to make sure that we're making the wisest use of taxpayer dollars. And we're also fortunate because we've got still some very strong economic engines in North Dakota. And one of those which has really been incredible, is the entire energy industry. And if we take a look at the oil and gas industry alone, it's important for folks to understand because in places like here in eastern part of the state, when we're a long ways away from the Bakken, that the oil and gas industry alone has generated \$18 billion with a B, \$18 billion in tax revenue that have come into the state of North Dakota, more than any other industry by a huge significant margin.

So the ability for the state to do things is really riding on the back of the health of this industry. And why is this industry thriving? It's thriving because of the power of technology, the spirit of the entrepreneurs and those that were supporting innovation over regulation to help drive this industry forward. And what has that meant? It's meant in terms of production that the state of North Dakota in December hit an all-time high topping over 1.5 million barrels per day. And if we add in revenue on that, you can see again what we've gone through because revenue to the state of North Dakota is production times price times the tax rate, and so we had very high

prices when production was low, but now we've got much higher production and there's been higher production around the world in probably a sustained period of low energy prices.

That's great news for anybody that buys gasoline at the pump to drive your car. It's great news for anybody that's trying to heat your home. It's great news for the economy of the United States and of the world, because low energy prices creates a platform that helps improve productivity and lift people out of poverty. So it's fantastic. But this growth in North Dakota has been achieved through innovation. This is accessing reserves that were thought to not be available. When I was in high school, I was told two things. We were going to run out of food and we were going to run out of energy. Those were two things that got talked about every day, all the time. Running out of energy, running out of food. Mass starvation on the planet, we won't be able to feed everybody.

It turned out that was not true. It turned out it was actually the opposite because we've got an abundance of food, abundance of energy, and the reason we do is because of the application of technology. And what has that meant, and what's the role that North Dakota has played? Well, this is probably the most important chart that exists in the world that nobody ever shows you. Russia and Saudi Arabia regularly in the news for the last what? 40 or 50 years? World War II got fought over energy, and policies in the United States that were created as late as 2008 and 2009 when that line was flat-lined, probably at the time thought, "Well, we better have a set of policies because this line is going to go further and further down and we're going to have to buy all of our energy to sustain our country from our enemies." Then along came entrepreneurs and innovators and people that pioneered places like the Bakken and the Permian and the Marcellus. And then we've seen energy production, and this is just one, but the chart looks the same for gas, for oil, whatever. Energy production up.

So that dotted line is the actual numbers from 2019, the solid is 2018, but we're in a position now where the United States remarkably is the largest oil producer in the world. And what does this mean? It means that this is the single biggest geopolitical shift since World War II. It means that now we're able to sell energy to our allies instead of buying it from our enemies. For anybody who's had a son or daughter serve in the military, this is an important message for you. Because we've been fighting wars in the Middle East for decades and decades and decades, and there's a future now where we may not have to because we would not only become energy secure and energy independent, but energy dominant in that we can again be selling to our friends and allies. So this is a remarkable thing and North Dakota played a huge part in it.

And as we feed the world, North Dakota is playing a huge part in it. So I think as a state we can feel a certain sense of pride about the role that we've played in really changing an entire geopolitical shift. This is how you can have a drone strike in Saudi Arabia that takes out 5% of the world's refinery capacity and we get up the next day and that story is on page eight, and the price of the gas at the pump doesn't change, because we're not dependent on it. If that would have happened back when I was in college, we would have been back in gas lines and gasoline

would have been \$10 a gallon. I lived through that at one time before. So this is like a completely different situation that we're in.

We need to understand how special that is. And one of the things again, it's private sector innovation over regulation. Innovation is about the application of research and technology to solve real problems. And now I know people might be sitting out there and saying, "Hey, the guy's up here talking about industries that produce carbon." And we're moving towards a world where politically and culturally there'll be constraints that are placed on carbon. But guess what? We have an opportunity through innovation, rather than through regulation to outlaw carbon, we have the chance to innovate and take carbon from the devil element on the chemistry chart to have it be the thing that is a value added input, that helps us lower the cost of construction materials to help us build new road materials, to build better insulation for houses, to help plants grow faster by injecting carbon into greenhouses. We have a chance through innovation and regulation to completely transform the entire debate which is consuming the world about energy. And we have an opportunity to do it right here.

We're not just talking about innovation over regulation, we're actually investing in it as a state in partnership with the private industry. When we had a couple of oil spills in North Dakota through pipeline-related spills, we said that's a problem, and we should set a goal and we should set an expectation of zero spills. And that's a reasonable thing to do in these days with technology. And so we put out a challenge to the private industry right here at the EERC called iPIPE. And it's not a vaping product, and we haven't been sued by Apple. Those are two good things. But iPIPE is about Intelligent Pipeline Integrity Program, and with that there are some amazing solutions that are coming.

We are doing like a Shark Tank effort here at the University of North Dakota where private industry comes in with ideas and then they pitch them. And then we match R&D dollars with their dollars to come up with solutions that allow us to apply the latest and most innovative technologies to make sure that we can anticipate and identify ahead of time if there's going to be a leak as opposed to afterwards. This is just one of those projects that is working, it's called a Piper. That's the size of a golf ball. It's an acoustic sensor. You drop it into a pipe that flows and it could be a pipe that had too many twists and turns or a diameter too narrow that you couldn't run a pig or a smart pig through it.

But those Pipers will go through and determine acoustically whether or not there's problems in the pipe. There are people that are working on smart paint technology where the sensors are actually in the paint and you paint the joints, which is the most vulnerable point of a pipe. And then that has an opportunity to anticipate if there's going to be pressures that would cause or stresses at those joints. There's another group, Satelytics, that's working on satellite imagery where we may have an opportunity to detect spills from orbit before they're detectable by humans because computer-aided analysis can see things before we can.

And so all of this is fantastic and there's also applications for UAS applications where right now we've got humans flying over pipelines. We could have drones flying over pipelines with

infrared and other capabilities that are stronger than human sight. And so we have an opportunity to actually lead the world. There are 38,000 river crossings of pipelines that exist in the United States from gas and oil pipelines today. There's close to 400 of them in North Dakota. And so we should say to ourselves, "What can we do to apply technology to make sure that these are the safest they possibly can?" And so this is a super exciting thing and I want it to come up: What's the next thing beyond iPIPE? What's the next thing we can challenge on to try to drive ideas forward?

Gas production in North Dakota: We're so fortunate, the resources we have. Gas production has doubled at the same time... the gas-oil ratio has doubled as we've increased oil production. So that's to say that for as we increase from where we were, now we've got four times as much gas as we did before because we got double the oil and four times as much gas. The yearly production is now again over 3 billion cubic feet per day of energy production and this is an enormous asset and enormous opportunity. But the gap between what's being sold and what's being produced is what's being flared. That's an issue. And we've got to try to address that. And so again, this is an area where we're so fortunate that our industry partners have invested almost \$20 billion in North Dakota to take advantage of since the boom began. But we need to have more investment and we need to have more value-added opportunity that would come in.

And a key to managing all of this gas is innovation over regulation. And we need to attract the petrochem industry that's here and we're working hard. In petrochem we could be producing fertilizer, we could be producing plastics, again that would have an opportunity to replace products like steel and like concrete which consume sand and energy in ways that are bad for the environment. And plastics and carbon-based materials might actually be lighter weight, lower transportation costs and energy needs. And so the whole thing could all work together in a synergistic way between the problems we're trying to solve globally in between, in conjunction with our ag industry on the fertilizer and utilizing carbon to grow more crops.

So in addition to this, we've got an opportunity also to do more gas-fired electrical generation, because it takes energy to make energy, and North Dakota's electrical consumption is going to jump by as much as 70% over the next 18 years as we continue to expand our energy production. So there's lots and lots of ways where we can utilize and do value-added right here. And while we're doing that, we've got to keep innovating around baseload because all the renewables in the world doesn't take care of the base load problem. And we have to have a stable baseload power for our nation's electrical grid. And today the nation really depends still on coal for that. But the long-term viability of coal, like other carbon-based industries, is threatened by political and social pressures in a carbon-constrained world. So what do you do about that? Do you try to regulate it out of business or do you do invest in innovation to try to create clean coal opportunities?

And we're investing: Project Tundra. We're doing in conjunction with the State of North Dakota, private partners and the U.S. Department of Energy, North Dakota Industrial Commission has approved \$25 million for engineering design work on Project Tundra. It's going to be built in

Oliver County in North Dakota, and this is an opportunity to take carbon sequestration and take... The coal industry in the last 40 years has taken everything bad out of the emissions, the NOx, the SOx, all gone because of innovation. The last thing left is carbon. If we can take carbon dioxide out, store it and utilize it, then you're going to have a low-cost stable source of energy at a lower cost than trying to build an entire world today around renewables. So anyway, exciting opportunities, investing in research and innovation going forward.

We've had incredible growth in renewables as well in North Dakota because we are blessed with so many sources of energy including our renewable sources. And so again, as we lead in our all of above energy approach, North Dakota has become the sixth-leading producer of wind. We're not slowing down. I'm sure as you drive across the state, you've seen this. This is a bar chart going back. It starts to climb in 2010. Those are wind turbines. The dark orange is what was added per year. The total bar is the amount. So now there are over 2,000 wind turbines in North Dakota. We know that a number of those blades are manufactured right here in Grand Forks. Amazing. Basically building like airplane wings that are 63-meter long wings. So that's incredible. But anyway, we're powering this world with our all of the above approach.

We all want the same thing. We all live here, we all eat the food that's grown here. We drink the water that comes from here. So it doesn't matter where you are, who you are, if you're a citizen of North Dakota, we all want the same thing: clean air and clean water. We're all on the clear air and clean water team. And North Dakota fortunately still today has some of the cleanest air and water in the nation, and our nation has some of the cleanest air and water in the world. If any of you've had a chance to travel around the world lately, you'll be thankful that you're living in the United States because we do such a great job here and we can do even better.

But to make sure that it stays that way, we took what was a department inside of another agency, we elevated it up to a cabinet level and created the Department of Environmental Quality as a standalone agency. There's Dave Glatt in the middle of doing a great job leading that group, but DEQ now reports directly to the governor and helps us make sure that we're balancing all of these different factors as we're going forward.

Ag, in terms of being a powerhouse in agriculture, we talked about this before in terms of we're leading, and we know that the best stewards of the land and the water are farmers and ranchers in North Dakota. 90% of the land in North Dakota is farms and ranches that are privately held. That's a unique thing because in a lot of states west of here, it's a much higher amount of federal land, and east of here there's a lot less percentage that are in farms and ranch. So on the front line, farmers and ranchers need to have soil and water quality to maintain their lives. We've got great frontline people that care about their livelihoods, those of their children and grandchildren depend on that land and that water. And man, are they doing a great job. Because even with all the challenges that we've had, we're now in the top 10 in all of these crops.

But again, if we just grow a crop and sell it without adding value, then we're at the vagaries of the markets we can't control, and so we have to do value-add. And we're seeing some of that happening right here, like the new Red River Biorefinery. This is an earlier picture, it's almost completed. It's coming online next month. It's designed to use potato waste, potato peels, pasta waste, sugar beet tailings to make ethanol. And we need more projects like these that can add value to our commodities here instead of shipping them out of state and relying so heavily on foreign markets to make ends meet. And we've got another one we're working very hard on, which is a tremendous soybean processing plant down by Jamestown is another one that we're working hard on. Diversifying the economy as we all saw earlier in the charts.

When we're tied to just oil and farm commodity prices and they crash, they say it's not wise to put all your eggs in one basket. It's not apparently in North Dakota to put your eggs in two baskets because sometimes those move together as opposed to separately. So we don't have much risk diversification in just ag and energy. And for the foreseeable future, they're going to be our top two biggest industries. But it's critical we keep working hard to diversify the economy and we're doing that with a third wave, which is technology. And technology of course is touching every job, every company in every industry and that includes agriculture and energy. If you know anybody that does work on a brand new combine today, you understand how much computing power and software is in there. A tractor, same thing. And we also understand that as we saw demonstrated at the beginning when the clicker arrived that we've got great things going in terms of what we're doing here in our state, and we're really becoming the nation's proving ground for unmanned aircraft systems or UAS.

And great leadership on this led by the Lieutenant Governor who leads all this up, by our aeronautics team, the folks that are here in Grand Forks at the test site, College of Aerospace Sciences, great stuff happening here, Grand Sky. Private sector things going on, but the legislature again stepped up, super visionary. Way to go team. \$28 million, first of its kind in the world, statewide air traffic control system that will support drone flights beyond visual line of sight.

And just think about it. It's very easy when only humans are flying around in planes to have humans talking to air traffic control towers and people know where they are. When you might have 10X more objects flying in the air, when we have all of these drone applications going, how do they communicate, how do they detect and avoid, how do we provide security over crowds? All of those challenges are being worked on here in North Dakota and the solutions that we come up with will be applied across the world. And the wave that's going behind this has created over 1,000 jobs in North Dakota. UAS has contributed \$354 million to the state's GDP in just the last three years. Three new UAS companies have made North Dakota home since last summer alone. So this thing is really rocking and fantastic.

When we think about the future and we think about how UAS touches energy and ag, I talked about the pipeline application earlier, but there's a new thing. We've got Grand Sky going here near Grand Forks. Grand Farm is being launched in the southern part of the Red River Valley, just south of Fargo. We've got key partners that are coming in with multimillion dollar grants to

help make this thing happen. And the technology, again, it's going to be a testing ground for new ideas and new people for how to think about how do we move into a world of autonomous farming that includes both land-based and aerial applications. And again, this is key because we've got another billion people that we want to feed in the world, and this is bringing in new people to our state. We talked earlier about the growth and you might say to yourself, "Well, who's moving to North Dakota?"

Well, we've got one of those folks right here, because it's people like Everett Dunnick who moved his family from Los Angeles to Grand Forks, and he managed his test flight and training center at General Atomics, a great national company that's made a commitment here in terms of building a facility at Grand sky. He's a combat veteran, he spent 23 years in the U.S. Marine Corps, and so I'm sure he'd like to thank the legislature for excluding the military retirement pay, could be another reason why we got him to come here. We need more people like Ev. Ev is here today. Please join me in thanking Ev for his service to our country and for moving to North Dakota.

Technology is the third economic wave because it touches every job, but our third largest industry in terms of GDP revenue is tourism, and for good reason because North Dakota is blessed with countless natural, recreational and historic resources. And during this last session the legislature stepped up and made some really fantastic investments to help us build that industry, and these are high return on investment projects. They're going to help us draw our visitors and help us draw our future workforce. First one we want to talk about, International Peace Garden. A \$5 million challenge grant approved by the legislature needs to be matched by our Canadian partners. They're working hard on this thing. It's moving through some of the legislative stuff in Canada. It's going to happen. And so we had to put the challenge grant out there to get Manitoba and the country of Canada to do that.

There's some overdue repairs, some expanded offerings and this thing has an opportunity to really be a significant destination in helping us attract and retain workforce, and to really celebrate the fact that borders matter, countries matter, relationships matter. And we have an amazing relationship with Canada, and Canada's our number one trading partner. Thank goodness for the passage finally of the USMCA trading because there are billions of dollars of goods that go back and forth between North Dakota and Canada every year, and it's fantastic that we've got that long-standing relationship. One of the things that was missing from the Peace Garden from both sides was there was really no representation up there. It was created in the 1930s and it didn't include the recognition appropriately of the indigenous peoples that lived here on this land before the settling of the west. And so we have taken the first step in that.

This last year there was a flag ceremony. The Turtle Mountain Band of Chippewa has got their flag flying. We intend to add more flags from both sides of the border as the years go on, and they'll be inscribing a quote from Chief Red Thunder inside the Peace Chapel wall, which had quotes from 60 leaders around the world but didn't include any from the great leaders that represented the tribes that occupied the Great Plains in history.

Another incredible thing that... How visionary, somebody yelled “Bully!” earlier, but you know, visionary. The 66th legislature will go down in history for creating a \$50 million endowment. It's an endowment which is permanently held by the state. It never leaves the state Capitol, \$50 million. But the earnings off that dedicated endowment can go to help pay for the maintenance and operations of a Theodore Roosevelt Presidential Library if and only if there's \$100 million of capital raised from the private sector.

And so again, a two-for-one challenge grant, works fantastic. There's only 14 presidential libraries in the country. The T.R. Presidential Library and Museum is going to be an amazing place. It will be more than a library. T.R. chose to be in North Dakota. We can choose to honor his life and legacy here in a living digital library, create an immersive experience in a digital platform that reaches beyond the walls of what will be an extraordinary museum in the Badlands. And this is definitely work worth doing. And we invite all North Dakotans to stay in touch, get in the arena, if you will. The library foundation is well on its way, it's past the halfway point on the \$100 million fundraising challenge, and we expect to have that \$100 million raised before the legislature gets back next time so we can propose another amazing idea for people to get behind. But this is going to do amazing things for tourism, workforce attraction, and it's going to be an institution that will be known around the world.

So with these important industries, these economic engines, and we talk about technology and energy and agriculture and tourism. North Dakota has a super strong foundation for the future, but there are also things that we need to work on, and some of those things we need to work on we've encapsulated in our five strategic initiatives.

The first of that we want to talk about is reinventing government. And some people might get confused about what do you mean about reinventing government? But I think the simple way to say it is we want it to be more efficient and more responsive to taxpayers.

One of the ways you get more efficient in any business and more responsive is applying and leveraging technology. And North Dakota is an appealing place to live. But it's not just about physical spaces. Every one of you today, I'm sure almost 100% of you have a super computer in your pocket, and you use that super computer to stay in touch with your family, to stay in touch with your school, to stay in touch with your financial institution and anything else that you can possibly imagine. So a positive experience online is important for people that are living in the state regardless of age and if they're moving to the state. And for many people, our state agency websites often might be their first window. How do I get a driver's license? Do I have to get a fishing license? How do I pay my taxes? How do I do this?

And of course today that experience is you go to 187 different sites. So one of the things that we have to do is to reinvent the online experience, to match the consumer experiences that all of you have, which is you go to places and when you go back, they know who you are and they know what you've spent and they know what your recommendations are. And you shouldn't have to be re-entering your credit card information dozens of times every time you interact

with the State of North Dakota. So we're just trying to catch up with where the world is, but we've got a lot of catching up to do that, to improve that online experience. But we have started that work and we don't want to create 187 things separately. So we created a common back end. In that standard back-end technology, we've got 45 agencies that have adopted that platform. We've saved over \$1 million dollars already because of that common back end, which allows us to have a better user-friendly experience, easier to update, better cybersecurity. And we've also included a new ND.gov gateway on the front end of that.

And I mentioned, cybersecurity, but this is a real deal. If you think about the world at war, the world is at war and we're at war and who's on the front lines? The state, cities, counties are on the front line because every single day there are state-sponsored cyber terrorists that attack our state. Now that may seem like an extreme thing, but come visit, we'll come to our center. We'll show you right here and you can see where the attacks are coming from. And these are not one or two. These are thousands and thousands of attacks a day. People get up around the world every day and try to attack institutions in the U.S. including government institutions and governments that might like, "Hey, you have a state bank." Because a lot of this sometimes is for profit with ransomware and other stuff.

But anyway, we're working with the legislature. The legislature stepped up, \$15 million to enhance the state's cyber networks and defenses against this. But there was just a time last month where there were states and cities across the nation that literally were shut down because of the infiltration of attacks. That has not happened to us yet, but we are a target. We're a rich target, and we have to be ever vigilant. And thank goodness for our team that's working so hard on this. But man, we've got a long ways to go because we had a lot of legacy systems that were vulnerable, and we've got a lot of work to catch up.

And by the way, legislators, we're going to need some more dollars for this one. But they say when you're in cyber, it's like you spend dimes on cybersecurity until you've been successfully hacked for ransomware and then you throw millions at the problem. So I'm asking for dimes, I want dimes up front, not the money later.

Automatically collected data. This is something that people have heard me talk about since long before I got in this job. Automatically collected data, lower cost, higher quality than human collected data. Lower cost, higher quality. Human collected data might be, we've got to buy a state pickup, we've got to buy a state clipboard, we've got to buy a state laptop. You've got to pay a salary, you've got to pay a pension. We've got to put them in a vehicle. We drive around and they write down data. Automatically collected data. This is a device that was built in house, \$500. It's called the PRESENS – Pushing RE mote SENSors data. We've got a hundred of these solar-powered things around the state. Guess what? This is collecting vital, vital information about hydrology and stream flow and groundwater. Important information when you're dealing with a high risk of spring flooding.

We'll have legislative proposals where we want to spend hundreds of millions of dollars on flood protection, and we weren't spending tens of thousands of dollars on collecting great data.

We (do) not just need a hundred of these. I mean, like I said, we need to have every square mile of North Dakota, 71,000 square miles ought to have a weather station and this kind of information because then we would digitize the state. Then we could really do accurate forecasting about what's happening when water's moving, and maybe we could save hundreds of millions of dollars on flood protection on the back end with good data on the front end. So we'll keep pushing on this.

Vision Zero is a partnership – Department of Health, Highway Patrol, working together with all other folks that are doing this thing and was launched in January of 2018. Traffic fatalities in this world probably are something that just shouldn't happen. Some of it's individual responsibility. Wear your seatbelt. Half of these deaths still happen when people are driving when they're impaired. If you're impaired, call Uber, call Lyft, call a friend. So personal responsibility takes care of big problems, but we can also build safer roads and we can be smarter about the information we get out and how we do that.

I had a chance last year working on our podcast, Work Worth Doing, I had a chance to drive around with a snowplow driver. We've got some amazing employees for NDDOT. These are super sophisticated things. You sit in that truck that we're showing right there and it's like sitting in one of the aircraft that people are training here at UND on. With the tow plow, as they call it, can do two lanes with one driver, doubling of their productivity. And more sophisticated in terms of how we're measuring where we need to go, when we need to go in terms of the algorithm. So a lot of technology being applied to this.

But give these guys room when they're out there. They're trying to make it safe. They've done an amazing job during the last blizzards. And we're still finalizing last year's total, but it appears that we're going to be at the lowest level of deaths since 2004 in 16 years. We're moving in the right direction, but any death on the highway, if it's a friend or a relative or a family member of yours, that's too many. That's why it's Vision Zero. The goal has got to be zero because there is no acceptable level for us to do this. And we've gone weeks without traffic death. Maybe this year we'll go a month without traffic death. We could be the first state in the nation to go a year. How about we do that? Let's do Vision Zero and make it happen.

To improve services and efficiencies, it's not just always about technology. We've got to cultivate a culture of people that are willing to take risks, try new things, adopt new processes. And that culture in state government we're trying to drive and we're trying to drive it through comprehensive, the most, first-ever, one-of-a-kind leadership team member development program. Thousands of people in the state government are taking Leadership Everywhere classes, and we're working on trying to create intentional dialogue and spaces for collaboration between our agencies and the three branches of government. And these efforts are fueled by our five cultural aspirations, which is that all we do across all these agencies has really got to have the citizen in mind. That's got to be the focus of the design point in terms of what we're doing.

We have to have a growth mindset, which means we're willing to try new things and accept feedback and take risks. Leadership everywhere. It's not just about the leaders I announced; it's about people on the front lines. If you're a teacher in a classroom, you can be a leader in changing how we do education in North Dakota. If you're a student in the classroom, you can be a leader. ... Working as one. All of us together, the whole of government approach and then understanding that this work that we do has got enormous purpose. And we can make a difference every day in people's lives. This work is grounded in the values of gratitude, humility, curiosity and courage.

And let me tell you a story right now about a team member that's demonstrated all of that. Blake Riewer is a member of team ND, and two weeks ago on an extremely cold and snowy evening when Blake was headed home from his job as a game warden with the North Dakota Game and Fish Department right here in Grand Forks, he got a call from his wife on a cell phone that told him that there was a bad crash at a county road intersection ahead of him where he was going to be passing through.

So when Blake arrived at the crash site, with no thought to his own personal safety, he quickly focused and shifted to the people who were in potential danger. He saw a car on the road, he saw an SUV in the ditch upside down. Didn't know if there was a driver in there or not. Sprang into action. Starts heading down towards the SUV. His feet are sinking into deep snow, up to his crotch every step. He reaches the overturned vehicle. He's the first one there. He looks inside and he sees a driver who's bleeding profusely from the head and laying on the upside down roof of the overturned vehicle. The driver was conscious, but he was in severe pain.

But Blake, who was a graduate of UND, former police officer, had first aid training, hustled back. Grabbed bandages, stopped the bleeding, saved a person's life. When the Thomson Fire Department, first responders from a rural class B town arrived shortly after, Blake was already rendering first aid to the victim. Back up, still a long ways away. We're talking rural North Dakota. It was critical they act quickly. Driver's door was smashed, but there was one behind it open just enough for Blake to squeeze in with a firefighter to get inside and extract the injured passenger. Thompson firefighter described it and said, "Without regard for his personal safety, Mr. Riewer's bravery and quick action led to successful extraction outcome for the patient. It must be noted that Mr. Riewer was in his professional attire." That's North Dakota way of saying he didn't have a coat on and it was below zero and windy. "Frigid temperatures. He never complained. It was only concern was for the individual is trapped in the vehicle."

There's a reason why we all love and admire heroes. There are the people who are running towards danger when everybody else is running away. But Blake like a classic North Dakotan demonstrating that humility, did he take credit? No. He's showering praise on the volunteer firefighters, not just from Thompson, but as a former police officer, he understands the role that first responders play across the entire state. "They definitely make a difference," he said. Well those first responders certainly do, Blake, but so do you. And thank you for reminding all of us that we can make a difference. So for your courage, your humility, your dedication to

servicing your fellow citizens in North Dakota in a manner that embodies the cultural aspirations and the values of team ND, please stand and be recognized.

Back on strategic initiatives. We got a lot accomplished on tribal partnerships in the last three years, and credit goes to the leadership of the tribes with which we share geography. And as we tried to improve the state's quality of life or educational outcomes, we need to do that for all North Dakotans in all areas of the state. And that includes our tribal nations. And working together, we've honored that commitment by listening first and then making real progress.

Big accomplishment this last year, again with tremendous support from the legislature, Chairman Fox and I had an opportunity to sign a historic compact ratified by the legislature. Changes how the state and the tribe share oil and gas revenues, and it provides tens of millions of dollars of additional revenue to MHA, which helps them with their much-needed projects on education, health care, infrastructure, and helps them create a stable tax and regulatory environment, which we all know is essential when we're competing with other states to try to get energy companies to come and invest their talent and capital here.

Working with Chairman Fox here, Chairman Azure is here, for the first time in 35 years, the Department of Human Services signed updated comprehensive agreements with all four tribal nations that have their headquarters here in North Dakota to enhance child welfare services for Native American children and families. This will make a huge difference going forward. And thank you Chris Jones and thank you all the chairmen for making this happen.

Working together, we've also made meaningful progress on lots of other areas, whether it's on law enforcement collaboration, behavioral health, tribal tourism, or natural resources. And there's a shot here, you've got Terry Steinwand standing next to Chairman Mike Faith. But yesterday on MHA, exciting day yesterday, first time – I got a text last night from Cory Spotted Bear, who's the council member that represents the Twin Buttes segment – first time in 150 years working collaboratively between another tribe in another state, North Dakota Game and Fish, the Game and Fish from MHA Nation. Bighorn sheep are returning to MHA, and this is the first one. He'd probably never written in a horse trailer before, but he was excited to get out of there. But anyway, Cory sent me a little video yesterday of these guys jumping out and heading into the Missouri breaks by Twin Buttes, but exciting day for North Dakota. So way to go Game and Fish. Way to go MHA.

Last year, after our announcement at last year's State of the State, we said we're going to display the flags of the five tribal nations in Memorial Hall at the Capitol. And since that time, I'm grateful the legislators have since approved their permanent display, and we had a fantastic historic flag ceremony on the day that we dedicated them.

And I want to say this is just the beginning. We've made a lot of progress, but we know that there's still some serious gaps that exist, and each nation has different challenges and different opportunities. Progress requires everybody to come to the table and be heard. But from our side, we're committed to working together to ensure that prosperity and safety and a brighter

future exists for the future of all children who live in North Dakota. So again, thank you all. This is a shot from our just recent third annual Government to Government conference where we had all five tribal chairs, lots of councilmen, federal partners there. It was fantastic two full days. Brent and I were there with the First Lady for the whole two days and man, we got a lot of work done. But thanks all the tribal nations for being such great partners at the conference as well.

One of the most important paths to prosperity is education, and we know that we've got to continue to adapt K-12 and higher education going forward. But there's some big opportunities and big challenges. One of the things out of the Governor's Innovation Education Task Force from two years ago, one of their leading recommendations was approved by the legislature last year and launched this last fall, which was creating a K-12 Coordinating Council, which creates formal, regular space for a dialogue that's focused on the students. This brings together school administrators. It brings together school boards. It brings together teachers and teachers organization. It brings together legislators. It brings together the executive branch. It brings together the superintendent. Everybody together in one room. And you might say, "Well, what's so big about that? Oh, you formed another committee." Most other states in America, I've talked to now, have had an opportunity to meet every governor in America. Most other states, that never happens. There's not one moment, one time a year when all the people working on education actually are in the same room trying to work on behalf of the students.

What you see in other states is teachers filling the streets having a strike and people fighting over this and fighting over that and people fighting back and forth. Where are the students? In North Dakota, we have a group of people that are all working together for the students. I think great things are going to come from this thing. We're just getting started. We're just getting a rhythm, but we at least have a chance where we can all talk to each other and not about each other. And that's a fantastic big leap forward. Puts us ahead of almost every other state, and it's an opportunity for all the various education groups to build partnerships and share practices and innovative approaches. They're going to improve the outcomes for our youth, which is why we're doing all this.

And why (do) we do all this? Because we can do a better job of helping prepare for the future. Helping them explore career paths earlier, work-based learning and internships and career pathways programs that can help identify their interests. And by supporting all students to be choice ready, meaning whether you're ready for a career, you're ready for college, you're ready for the military. So choice ready means we want to be empowering our youth and addressing, at the same time, addressing our workforce shortage and making positive impacts for our communities. We have 30,000 jobs available in our state with great pay and great career opportunities with organizations that if they hire you, they will pay for your college. Why would we have any students leaving the state of North Dakota. If we were doing a good job, we have... When we talk to the students and we listened to them, they don't know what the opportunities are that are here.

For this reason, we must and we will – from our administration and work with anyone that'll join us – to push for career academies across the state. We know that we've got some successful models of career and technical education. Maybe the best one is Bismarck's model with their Career Academy. But these comprise technical jobs that open doors to high paying, high demand jobs. And we've got for the first time ever, I'm excited to announce that we've got a first-of-its-kind career expo coming up for North Dakota called Dakota Strike. April 8th. Students grade 7 to 12 and college are going to have an opportunity to explore dozens of careers, thousands of job openings: ag, energy, manufacturing, U.S. military, health care and more. And you can learn more about that event at [governor.nd.gov](http://governor.nd.gov).

This last year we had our third annual Governor's Summit on Innovative Education, and based on feedback from educational leaders going into the conference, we decided to spend an entire day on behavioral health challenges. We had national thought leaders that were there like Dr. Stuart Ablon who shared the data about practices that were commonplace when I was in school, which was the ineffectiveness of trying to change behavior, student behavior with a rewards and punishment system. Because if rewards and punishment systems work, then behavior would change, but it doesn't. And parents and adults and administrators and teachers get frustrated by the inability to, why aren't they behaving differently. Dr Ablon lays out the fact that what we need to do is help students build the skills they need to regulate their own behavior. This is a whole new approach. It's a new approach and we have to understand that as educators and as funders of education that we also have to be in the learning business, not just the students. If we want to be the best in the country, we have to approach things in new ways.

And I'm excited to announce the fourth annual Governor's Summit on Innovative Education, June 16th and 17th at Mandan. Be an opportunity for educators to connect, rejuvenate, to network, be inspired, hear from students, and learn how we can again keep moving on our path to having the best education system in the country.

But one place that is under even more pressure than K-12 to change, the forces that are pushing for change are much higher on higher ed than they are even on K-12. And there's some unstoppable forces. They're cultural or technological, they're demographic and they're economic. From a demographic standpoint, there's more people that are seeking education or available to seek education that are age 22 to retirement and beyond than there are 18- to 22-year-olds. I mean, this is why we've got across the nation, we've had a significant drop in the number of college students entering all institutions in the last couple of years. But what have we had an explosion of? We've had an explosion of people that are seeking certificates, stackable credentials that allow students to enter the workforce and then keep learning over their lifetime.

And so the model of where we think about a four-year model, on-campus thing is being challenged by all of these forces. The economics are shifting. As costs increase, students seek more affordable options. And we have to learn to adapt. If you can go to a 16-week coding school and get the same job as someone who went to four years of college for computer science, but the coding school person actually is more current on the tools that the company

wants to hire, that's real competition. So we've got these forces that are creating competitive forces, which don't allow us to have business as usual.

And then online offerings, virtual classrooms, enabling students to learn anywhere, anytime from almost any device, that's changing, and in North Dakota it's also exploding. We've gone from 10,000 students in higher education to 16,000 that are taking at least one class online. But that's a fraction of the two and a half million that are doing it nationwide. And that's the fastest growing category of learning. So we've got to be in a position to be able to respond to that demand.

And there are a number of things that are happening. The Dakota College at Bottineau became the first college in the U.S. to offer college credentials for dual credit high school students through a program called LEAP. Fantastic. BSE, Bismarck State becoming a polytechnic organization to meet the demands for real two-year technical and transfer programs while adding four-year degrees in technical fields. Dickinson State, on their path to become a dual mission institution. This past summer alone, they got ramped up and they trained and certified 18 CNAs to join the workforce. So big opportunities for us to evolve and transform these organizations.

Will we meet our workforce needs? Again, 30,000 jobs open in North Dakota, and the university system is key to solving the workforce shortage. And in fact, our system of statewide institutions is jumping into the certificate. Over 100 certificate programs have been created in the last two years alone. Wilson State College launched the One Basin-One Way! Program last year. They've already provided safety training to over 4,000 workers in the energy industry. Probably saving lives through their work. Lake Region State College in Devils Lake is approved to provide apprenticeships in IT areas. This has led to an agreement with Northrop Grumman for electronics based apprenticeships. North Dakota State College of Science has taken advantage of the newly created North Dakota Career Builder Scholarship and loan repayment program where they've been able to distribute \$76,000 to 17 students that are seeking careers that are in high demand. And Minot State, Valley City State, Mayville State continue to deliver critical regional training for teachers, nurses, and many other sectors of the workforce. So we've got a great base. We've got to do more, and we have to do it quickly because the competition is not theoretical, it's real and it's here right now.

Of course, we know that as we talked about before, in a world driven by innovation, research is essential. And we've got some great examples going across our major research institutions. NDSU continues to lead in coatings and polymers, materials and precision agriculture. Last year the Department of Defense awarded NDSU \$1 million grant to study high-performance earth-friendly polymers for manufacturing. NDSU got another five-year, \$4.3 million grant for precision agriculture to help farmers, including using UAS for crop and weed management. UND of course, right here, leading research in a number of areas that I've talked about already, but whether health care or energy, the U.S. Department of Health and Human Services awarded UND a \$7.6 million grant for research to increase mental health services and combat drug abuse throughout the state. And then history was made last week, and I see that Dr. Warne is

here, who leads the Indians Into Medicine Program, but the State Board of Higher Education approved the first doctoral program in indigenous health right here at UND. Congratulations, Dr. Warne.

So we can have the greatest higher education system in the world. We've got the resources to do it, but we've got to have a mindset, a growth mindset about innovating and reinventing and going into each discussion in that way on what we can do differently and what we can do better and how we can meet the competitive needs of today's fast-moving marketplace.

Behavioral health and addiction. This past year, we focused more than ever on improving access to behavioral health and reinventing recovery. More than 22 million people in the United States struggle with the disease of addiction, and it is a disease. It's a brain disease, and it's chronic and it's progressive and if not treated, it's ultimately fatal. It destroys lives. It destroys families, destroys futures. And it doesn't discriminate. It touches every social and economic group in America. We've heard the call from stakeholders, whether those are teachers in the classroom or whether it's parents or community leaders to improve the state's behavioral health system with additional investment in treatment and prevention and recovery.

And we've taken that charge and we've created a statewide movement called Recovery Reinvented. And I want to say at this point, I want to give a shout out to the First Lady because none of this movement would be happening without her amazing leadership and with her incredible courage. Sharing her own lived experience, having the courage to share that she also is in recovery and out there as a face and voice of recovery, leading the fight against the shame and stigma of the disease of addiction. Her work is transforming lives, and it's saving lives and reminding all of us that there always is hope and recovery.

Next month, the First Lady will celebrate, one day at a time, 18 years of recovery. Please join me in congratulating our amazing First Lady.

The Recovery Reinvented summit this year, it's grown – 600, 800, 1,200 people this year. This was a livestreamed across the state. First event ever that's been livestreamed into all of our correctional institutions, and we saw how those efforts are making a difference, whether it's through workforce recovery issues, student-led efforts supported through the Youth Ending Stigma challenge, the YES Challenge, or the new Family Strong program which has (been) made available for free to support families who are impacted by someone in their family having a substance use disorder.

We've also got a fantastic and amazing team inside of Human Services which is led by Chris Jones, the behavioral health team led by Pam Sagness. They've been amazing. They're doing amazing work and they've been an amazing partner with Recovery Reinvented. The work that they've done this last year to launch programs included launching a 24-hour peer support hotline as a resource for individuals that are struggling with addiction. If you call, you get someone who's been there. They've been in your shoes. Maybe they've been to prison. They've been through recovery. They've been through relapse. Call and talk to somebody who's walking

the challenging path that you're on. It's bringing effective results and bringing hope to those struggling with addiction by sharing their lived experiences.

We held the first-ever peer support day in the Capitol last year in 2019, and we've expanded our reimbursement for peer support specialists. In a rural state we don't have enough medical providers, but the data shows that if you could talk to somebody who has the lived experience, it's as effective as ... part of initiating your recovery is talking to someone who's professionally trained but maybe has never gone through the struggle with the disease of addiction.

We have an incredible program called Free Through Recovery. This is a partnership between Human Services and North Dakota Department of Corrections for access to recovery support services for those with serious behavioral health concerns, but who also became entangled as often happens with the criminal justice system. And again with the support of the legislature, the judicial branch and other stakeholders, we dedicated an additional \$7 million this last year to expand the Free Through Recovery to help take this proven approach and bring it to juveniles, and another \$4 million to expand it to diversion programs, not just people coming out of corrections, but to keep people from going in.

Since the program launched just in 2018 more than 2,500 citizens in North Dakota have been referred to participate in Free Through Recovery and receive services from more than 50 agencies offering care coordination peer support. In the first 18 months of that program, more than 60% of the participants met three of the four desired outcomes. The desired outcomes include like getting a job and getting a place to live and getting your driver's license.

This is a pay for performance program that helps people with the social determinants of health, that help them get on a track that keeps them out of the correction system. It's unique in America and it's working and it's working because we've got amazing people that are working as peer support specialists.

It takes a real commitment to make Free Through Recovery successful and we're honored to have with us today, Deborah Camperud. She's been in recovery herself for 19 years and like so many who've struggled with the disease of addiction, it was part of her family history. She was married with children. She used alcohol and meth for many years. And in recovery she's been passionate about helping women and children and ending the cycle of addiction.

She started a non-profit called Daughters of Reconciliation, which aims to provide housing and supportive services to women who are in treatment. She's a care coordinator, which is another role that we offer, and operates the You Shine Too, which is a provider of the Free Through Recovery program. She's also volunteered in jail ministry for 12 years and facilitating a group called Stepping Up and Stepping Out.

Words can't express how grateful we are to all the peer support specialists, the hundreds of peer support specialists across the state who are using their lived experience with addiction to help others overcome it. Representing that entire group we've got the amazing Deborah here

today and I want to have her stand and let's thank her and all the peer support specialists across North Dakota.

Folks like Deborah make our communities a better place to live, but North Dakota is only as strong as its communities and that's what the Main Street Initiative is about. It's about building healthy, vibrant communities with smart infrastructure that will attract and retain a 21st century workforce. That's what it's about.

The way we go about that is we start with listening. To date we've held listening sessions across the state. 71 communities engaged in the initiatives. They account for 86% of North Dakota's incorporated population. For those sessions we've heard common challenges that are facing communities large and small, and it's no surprise that workforce retention and attraction rises to the top of their list.

Now more than ever, North Dakota is competing with the rest of the world for workforce. With unemployment at 2.4% and over 30,000 jobs open in the state of North Dakota with record low unemployment nationwide, businesses and communities are struggling to attract workers and as a result, businesses are struggling with succession planning. Main Street businesses; who's going to take over my business? How am I going to grow my business if I can't get workers?

We have to work to break down the barriers to employment. Working with the legislature last year, as we talked about earlier, we removed the occupational licensing and certification barriers for military spouses. But we still have too much red tape across 80 licensing organizations.

We're losing ground to states like Arizona that last year adopted universal licensing recognition. Arizona is recognizing any other state's certification to allow you to work. If you're a teacher, if you're a lawyer, if you're a counselor, if you have another state, you can work in Arizona. Because when you attract workforce, there's always going to be a trailing spouse, not just in the military. And people won't move here if their spouse can't get a job because of licensure barriers.

Building on the studies that have been done by the legislature and the Workforce Development Council, we can break down these barriers and unleash a bottled-up economy, because the number one gating factor on our growth of our economy right now is the lack of qualified workforce.

Trends show that job seekers are choosing where to live based on the community first and they get a job second. If you've got the skills, you can live anywhere in the U.S. right now. But what we're doing is working with the Main Street Initiative, and this year nationally, we just recently we had two communities in North Dakota that were recognized as the two hottest job markets in America. Fargo came out number one on the list and Bismarck came out number nine on that list. And we know we've got a lot of great communities, but these were two that made the national hottest job market lists.

And to help continue pushing this forward for all the communities that are involved in Main Street and understand their needs and their desired amenities, we're working on delivering planning tools. That's why today we're announcing a new program called Partners in Planning to fill a funding gap for local planning projects to support sound development decisions. This program will provide grants to fund comprehensive plans or economic development or diversification strategies. Applications for the first round will be due in March. So cities, if you're listening, look for more information on the Department of Commerce website. We'd love to have you apply.

We also understand that these plans require investment. That's why with Commerce, we're excited to announce the Community Vibrancy Programs. This is a grant that helps communities fund small projects designed to build engagement and momentum to attract 21st century workforce.

Amenities are great for attracting workforce, but they're pointless if high taxes are scaring people away from your community. And we need communities that are designed to limit their property tax by design, not grow it. And we can do this by building smart, efficient infrastructure that utilizes design principles such as infill development and mixed-use buildings that raises the amount of revenue and activity for the amount of infrastructure that is there.

Communities have a choice about how and where they spend their dollars. And as we look at growing populations it's imperative that we fully utilize the existing infrastructure we've already built to support that growth rather than extending new infrastructure that raises everyone's property taxes.

Some examples of some great mixed-use infill projects from both ends of the state: Williston with their Renaissance on Main, a multi-use building downtown, private-public funds, once was a parking lot with low tax generation, now has got retail, restaurants, business and housing, all built over existing infrastructure. And right here in downtown Grand Forks with the new Pure Development project. It's going to feature a full-blown grocery store, bank and apartment complex, adding vibrancy to a well-established neighborhood. Those are the kinds of projects where private capital coming to existing infrastructure, high return on investment for taxpayers.

Opposite of that is public dollars, like a new elementary school built a mile out of town. That's public dollars requiring more public infrastructure. Low return for taxpayers.

So again, we have an opportunity through our design choices to drive taxes down, because taxes are driven by the footprint of the city.

We have another Main Street Initiative (summit), but the last one was fantastic. Over a thousand people were there this past October. We had leaders nationally. We had success stories locally. Again, we'll be back in Bismarck October 6th and 7th. If you have anything to do

with workforce, with building a city, with your community, with a school district, there's going to be things here that you're going to want to see, whether it's arts, education, community building. Do not miss next year's Main Street Summit.

That brings us to the conclusion about our five major initiatives; reinventing government, tribal partnerships, transforming education, behavioral health and addiction, and the Main Street Initiative. We know that we have made progress across all of these and as we look ahead, we know that there's more work that we need to do in all of these areas, but we can set a generational change and chart a course for future generations by continuing to partner on these five strategic initiatives.

We're unique in North Dakota that we also, on top of all the resources we have, we're also coming at a point, a fork in the road, where we get to decide what do we do and how do we build a legacy for the future. We find ourselves today, thanks to a vote of the people that passed the Legacy Fund, \$6.8 billion and growing in the Legacy Fund. And if that's managed correctly for the generations, for the decades to come, it will continue to grow and it'll help North Dakota reach its full potential. But it will also provide its most essential act, which it will protect the citizens. These students that are here today, 10 or 20 or 30 years from now, when we do not have, as we had in this last biennium, \$4.8 billion of oil tax revenue came in to fund various things that stayed in North Dakota, both in and outside the general fund, \$4.8 billion.

When that number declines or goes to zero because of new technologies and new approaches to energy in the future, the Legacy Fund earnings will need to replace that \$4.8 billion, which means that we have to be very smart about how we spend it today to make sure that it has the earnings power to replace a major source of tax revenue in the future.

When voters approved that earlier thing, all of that from 2010 to 2017 it stayed in the principal and kept building. Today, the Legacy Fund receives 30% of oil tax revenue. That'll amount to another \$1.3 billion this biennium. The Legacy Fund earnings then that come out of that endowment are transferred to the general fund. The legislature can decide how they want to spend them. That transfer will likely exceed \$400 million this (biennium).

So then the question is how do you balance saving for the future and spending on things right now? When we look at that, if you said, let's only invest half of it, but let's reinvest the other half, let's reinvest the other half back into the Legacy Fund, if you reinvest half of it, then we set ourselves on a path where in just a short 13 years from now we would have built up an over \$26 billion Legacy Fund, which would be, I call it a good start. Norway's Sovereign Wealth Fund is a trillion. \$26 billion would be a good start.

But our number one priority should be protecting ourselves and future generations from these downturns, which can occur from market forces and world events beyond our course. Beyond that, then we can make a choice about how do we want to invest this. And dollars that are not reinvested ought to have a very, very high bar. They should be used for strategic investments.

And we propose that it's possible that you could have things that were worthy of a legacy project across three areas.

One of them is smart infrastructure. When we think about smart infrastructure, we've got a lot of needs in the state. For us to be successful, we've got to have broadband everywhere. We've got to have the statewide buildout of the UAS network. We've got to have things like four-laning of highways that are essential to our major industries.

So we need to think about those very strategically; statewide infrastructure. We're covering off on local infrastructure because of the \$250 million financial support to community cities and townships to enhance local infrastructure that was passed by the legislature through Operation Prairie Dog, so there's already \$250 million of revenue that are already flowing through that. So we have to have a higher bar for the Legacy Fund, in that infrastructure would have to support commerce, improve safety, or drive economic diversity or prosperity.

Over the next 10 months our team is going to work between now and the legislative session to lay out a 10-year infrastructure plan to try to identify those things of the highest value and the highest order that would advance our statewide infrastructure, help prepare us for emergencies, reduce risk, build communities, and envision transportation modes of the future when we'll have transportation modes that go beyond our high dependence on automobiles. So that's the smart infrastructure piece.

Property tax relief gets talked about a lot. The state is already helping to reduce local property tax burden. We approved \$174 million in permanent property tax relief last session by assuming the cost of social services. In addition, the state pays a significant portion to the K-12 formula. And on top of that we've got the \$250 million Prairie Dog, which could be used to help reduce property taxes.

So the state is doing a lot on that burden right now. But the primary driver of property taxes is driven by local decision-making at the city level, the county level, the school board level, the park district level. And it's the footprint of the community and the design of the community, the design decisions that drive the cost to the taxpayers. A bigger footprint costs more to build. It costs more to plow, it costs more to police, it costs more for fire, it costs more for garbage collection. So footprint is a direct cost layer.

So again, if people are saying I want to have lower property taxes, the first place to do is get involved and understanding the economics of your local community and the decisions that are being made that are driving taxes up versus could be driving taxes down.

So if Legacy Fund dollars are going to be involved here, the last thing we want to do is take Legacy Fund dollars and subsidize uneconomic activity at the local level. That'd be the last thing you'd want to do. You would want to incentivize smart growth versus subsidize uneconomic growth. That could be as simple as, as I said, the basic principles are there; attracting capital to existing infrastructure versus using public dollars to build new infrastructure on the edge.

Those are two opposing choices. One of them lowers taxes and improves walkability and health outcomes, and the other one increases property taxes and perhaps increases isolation because everybody's driving around in cars.

Anyway, we have choices to make. We could be the state that actually builds some of the most interesting 21st century communities in the world if we're smart about how we use these dollars as incentives to incentivize people to make decisions that will lower property taxes.

When we think about maximizing our impact for transformational legacy projects, that's the third bucket, so we talked about strategic infrastructure, incentivizing smart growth, and then talking about the maximizer impact. There's five criteria that we laid out before which we still stand behind, which is if it's really a legacy project it ought to have an impact, not just to the current but the future generation. It ought to impact all the people that can't vote, that are below 18 that are going to be living in this state in the future, and the students that are here.

It ought to have regional, state or national or international impact or influence. If possible, it should leverage other financial support like we did with the TR library where we get two-for-one private dollars coming in to match an endowment that doesn't even leave the state. I mean that's as high ROI as a thing as we'll ever get to pass in the state. Let's do more like that.

Support communities to diversify their economy. We should do that. And we should also make sure that we're not growing government. And that includes not growing the cost of the linear feet of roads to plow and everything else. And it ought to be one-time spending, because no matter how transformational a project is, if we're in a spot 20 years in the future and oil tax revenues drive up, then we're going to have to stop doing transformational legacy projects and use those legacy earning dollars to cover the core cost of government. So we should never put ourselves in a position where legacy funds are funding core government because then we're going to be in a huge bind down the road. Anyway, those are some themes for that.

When we think about that future that we have, investing in infrastructure, investing in incenting smart growth, transformational projects, we can improve the quality of life for all North Dakotans. We can help attract workforce. We can diversify our economy and we can ensure that the state is well-positioned, not just for today, but for future generations.

And so, as we close this, just think about this a little bit. Imagine if you do, we have all these resources and we're in a nimble state and we're small and we can all get together. Imagine, if you will, a time in North Dakota when all 30,000 jobs are filled; what would that feel like? What would that do to our sales tax and our top line, the bottom line of all the private organizations? What would do to health care, to teaching, to nursing if we had those filled?

Let's imagine a day when we've got vibrant, safe and welcoming communities that have got deep engagement and lots of fulfilling activities for those that are under age 21. When we did the listening sessions, one of the things we heard across the state was that there aren't enough

things to do for kids that are not old enough to go to a bar, even in our college towns. Let's solve that problem. Let's figure out a way to have deep engagement and purpose in community with people that are under age 21.

Imagine our cities are so safe that our police are bored. Imagine that we don't have to build any more jails or correction systems, that they're emptying out. Imagine that instead of spending \$41,000 a year incarcerating someone with the disease of addiction, we're using a fraction of that to help them stay in recovery so they can be with their families and have productive and healthy lives.

Imagine a time when our universities are growing again. They've overcome all the challenges of the new dynamic forces of competition. They are transforming. Student debt is dropping. K-12 outcomes are soaring. Our state educational offerings are preparing learners of all ages for purposeful lives in the 21st century.

Imagine if we've successfully solved for the world carbon capture and we've turned CO2 from an unwanted by-product into a value-added ingredient for energy production, for agricultural production, for manufacturing and construction.

These visions are all within our grasp. We live in a time of unprecedented prosperity and abundance. We live in a nation that was built by entrepreneurs and innovators who are forging our future. And it's not this lack of resources that's going to hold us back from achieving any of these visions; it's going to be about us and our values and how we apply them. But with curiosity to gain new knowledge, to not be afraid of the future, with the humility to let go of and stop defending the status quo, we do not need to defend institutions, whether they've been here a year or 10 years or 100 years or 150 years, let's just let it go. The future is upon us. Let's have the humility to say that we are able to learn new things and the humility to understand that things that we thought were true are not true.

The world isn't going to run out of energy and it's not going to run out of food, and we can solve the carbon issue with innovation. Let's have the humility to understand that. Let's have the courage to face the change and the uncertainty. And if we have those values, then what we can achieve is really, really unlimited.

It's true that many of us love our state and we love it for all the reasons that are personal to us, and might see images or think of friends or coaches or towns we grew up in or people we've met or relationships or schools or institutions, but all of us can think back to those points when we literally had the feeling of love towards the place that we grew up. We have an opportunity to not just feel that feeling of love for a place or for people, but we have an opportunity to demonstrate that love in small and mighty ways that bring us together as North Dakotans.

People know that I've been a basketball player all my life. I retired about a year ago. Scott Davis is trying to get me to come out of retirement. I've been a basketball player and a fan my whole life. This week the world lost a giant in the sport, a player whose work ethic, drive to win, set

him apart and inspired millions, inspired a generation. But there's another basketball player that you might all know and somebody might know personally. He used to play here. Just down the road on the other side of campus. His name was Phil Jackson. Of course he played for Williston, went to UND, played for the New York Knicks, coached 11 NBA championships, more than any coach in history. And of course he had the pleasure and the honor of coaching Kobe Bryant through all five of those NBA championships.

Under Coach Jackson's leadership, they succeeded not just because of Kobe and other teammates' incredible talent and hard work, but Coach Jackson knew how to instill the importance, the essential nature of teamwork, of caring for your fellow team members, really thinking of them ahead of yourself, which is a form of love, loving your teammates. Pulled them together into cohesive units, even when the differences they may have had seemed destined to pull them apart. Because of that talent that coach Jackson had he's often been called the Zen master of basketball. And he once said, "The strength of the team is each individual member, and the strength of each individual member is the team."

As we conclude today, we've got so many reasons to be grateful. We've got so many reasons to be curious. But let's definitely figure out a way as a state to work together as a team, to love our neighbors, love our communities, and love our state, and to help each citizen. By doing this, by loving our neighbors, loving our communities, and loving our state, that's how we're going to help each citizen reach their fullest potential. We're going to help to empower people to improve their lives and inspire their success.

I want to say thank you all for being here today. Thanks for listening. And may God bless the great State of North Dakota.