

GOVERNOR JOHN HOEVEN
2004 STATE OF THE STATE HIGHLIGHTS
JANUARY 14, 2004

THE STATE OF THE STATE IS STRONG

- Wages in North Dakota are growing at a rate faster than the national average.
- North Dakota's unemployment rate is one of the lowest in the country.
- North Dakota has added jobs, while neighboring states like Minnesota and South Dakota have lost thousands of jobs.
- North Dakota's economy has grown by nearly \$1 billion in the last three years.
- General fund revenues are \$14.6 million ahead of projections this biennium.
- North Dakota was one of only three states that operated in the black last year.
- The rate of growth in state spending has been cut in half.
- The number of full-time authorized state employees has been reduced by 7 percent.
- North Dakota is on track to have a budget surplus in this biennium.

HOW DID WE GET HERE

- We fundamentally changed the way North Dakota pursues economic development by creating the Department of Commerce, which brought together the tools to help local communities start, expand, and attract new business. We have forged partnerships between the public and private sectors, local and state developers, and government at all levels, including our university system.
- We put \$75 million into new primary and secondary education funding, and increased average teacher compensation by \$4,500 in the last three years.
- We simplified our corporate and personal income tax structure.
- We created new tax credits, venture capital funds, and workforce training programs to drive economic growth.
- We recruited Ambassadors from across the country to help us tell the story that North Dakota is a great place to live, work and do business.
- We unleashed the power of our university system and merged it with economic development to create new, better paying jobs and career tracks through our Centers of Excellence.
- We expanded value-added ag processing projects to open new markets for our crops.
- We expanded energy development, including renewable projects like commercial scale wind farms in Edgeley and Kulm, and a new ethanol plant in Williston.
- We created the Oil and Gas Research Fund to stimulate new development opportunities in the petroleum industry.

VISION FOR THE FUTURE

“It is a vision where a technology corridor drives growth in the east, where an energy corridor drives growth in the west and where value-added agriculture, advanced manufacturing and tourism enterprises flourish throughout North Dakota.” Gov. John Hoeven.

- **Centers of Excellence Fund** – A \$50 million fund – leveraged with federal and private funds for a total of \$150 million – to develop new *Centers of Excellence* at all of our campuses. These will accelerate the growth of our targeted industries in all regions of North Dakota by creating partnerships between higher education, industry and entrepreneurs.
- **Opportunities 2020** – A new program linking college students to careers in North Dakota through internships, giving them real world experience while they attend college.
- **Tax Credits for New Technology** – A tax credit for investment in technology will help us create the very best business climate possible for technology firms so that we can develop and attract the good paying jobs they provide to North Dakota.
- **Economic Development Accountability** – A program to enhance and strengthen economic development accountability to ensure that the taxpayers of North Dakota get real value for their investment. We will require that all economic development programs submit to the Department of Commerce, each January, a report of assistance received, actual jobs created and average wages paid by those jobs.
- **Continued Commitment to K-12 Education** – A commitment of an additional \$75 million to primary and secondary education over the next four years, with at least 70 percent of those new resources targeted to further improve teacher compensation. Also, a commitment to increase funding for school equity.
- **Property Tax Relief** – A plan to expand the Homestead Tax Credit to provide property tax relief for our seniors. We will expand the number of seniors eligible for the Homestead Tax Credit and expand the maximum credit each senior may receive.
- **Keeping North Dakota Safe** – The Governor’s Taskforce on Violent Crime will press new legislation to improve our safety and the safety of our children, including:
 - Open records in sex offender commitment hearings
 - Life sentences without parole for sexual predators
 - The strongest civil commitment laws in the nation
 - Increased supervision of paroled sex offenders, including GPS tracking
 - Apply these tough standards, not only to offenders convicted in North Dakota, but also to those who relocate to our state
- **Meth Addiction Treatment and Prevention** – We must further increase the availability of drug courts and related treatment programs for those already addicted, and build strong and aggressive curriculum in our schools to teach our children the real story of meth and the devastating effect it has on people who use it.