

MINUTES OF THE MEETING
FINANCE AND CLAIMS
MONTANA STATE SENATE

March 25, 1977

The sixteenth meeting of the Senate Finance and Claims Committee met on the above date in the Governor's Reception Room at the State Capitol. Roll call was taken, and the sub committee report on Education was given to the full joint committee of Finance and Claims and Appropriations. The meeting was chaired by Representative Bardanouye and co-chaired by Senator Thiessen. The meeting was called to order at 8:08 A. M. Representative South, chairman of the Education subcommittee presented the budget and gave the justification for the subcommittee recommendations.

Representative South introduced the members of the sub committee, and Judy Rippingale the fiscal analyst they had been working with. He said everything concerning education is in this budget, we have the cost of living increases plugged into the University system. We pulled it out of the pay plan and put it into the budget.

Representative South reviewed the Board of Public Education budget, and said the primary reason they were above the LFA budget was that the LFA budget had left the fire academy funds in Great Falls.

The next review was the OSPI. Representative South said there has apparently not been a good scrutiny in that area for a good many years and it was in bad shape. He said they have reduced general funds and increased Federal funds. He said some say if the general fund money is not put back in they will have to lay people off, but in asking for documentation we did not get any. We asked a month ago and again 2 weeks ago. Since I have had no answer from the OSPI our recommendation stands.

Representative Bardanouye asked --I see you have 161.5 full time equivalents. South: We have reduced the general fund and increased the Federal funding. He said as a result of the audit they found there was a person in the office who cut out articles from papers and filed them. He thought they should take a good look at their employees. Representative Smith asked if this were an attempt to eliminate the elective office and eventually turn it over to the Board. Representative South answered no. There just has not been a good look taken at this office.

Representative Bardanouye said he would like to say that this is no reflection on the present superintendent. She has just taken office and has had no input into the budget. Representative South said he had been disappointed that the superintendent had not come to more of thier meetings herself. She had sent others, but had not come herself to very many.

Regional Service Centers was reviewed. Representative Gunderson asked where the 5 centers were located, and the information was Conrad, Belgrade, Missoula, Glendive and Billings. They were primarily to serve rural areas who were quite away from special

Senator Regan asked if House Bill 612 would not in essence force these employees on the pay plan. Representative Bardanouve answered if the Senate passes the bill, and if the Governor signs it. He asked what effect this would have on the budget, and Rep. South said he had asked if the Superintendent would willingly put her employees on the pay plan. He felt they were over paid.

On the School Lunch budget, Representative South said if the bill on this should pass there would be more money involved. 10% match on school lunch program. Representative Bardanouve asked why such a large increase over the last biennium on lunches. (81%) and Representative South said it was in the price of food. They felt it was better to put it in, since if there is any money left it comes back.

Representative Bardanouve said in regard to the centers, they were now under the OSPI. Before they had been paid according to the salaries set by the various districts in which they were located.

Vocational Education Centers were discussed. Representative South referred to a rule which he said he would not address specifically since there was no clarification on how it would actually work, but many disagreements. He said this is a report not on the rule, but on the way they are run. The OSPI does not seem to control the centers or the budget, neighter does anyone else. On enrollment--the vo tech increased their fees over the biennium. They increased it because they gave an over estimation on increases. We based our projections on what we could see was happening. They only increased 4% in 1976. The 5 vo tech centers came in with expansion. The best way to control it is to keep the budgets tight.

Representative Gunderson asked about the cost of living in this budget and was told the only budget that had the cost of living plugged into it was the University System. No cost of living in the others. He said the reason for the exemption of the University system was because of the constitution.

Representative Lynch asked if this budget suggests or builds up the possibility of closing one of the vo tech centers. The answer was no. They are there by statute and we cannot close them. Questions and answers on the amount of millage and the total amount of money for the vo tech centers, and the ratio which remains the same as in the last biennium--same percentage as before.

Representative South said one of the problems secondary vo tech had was they don't know how much money they are going to get, and they get their money way late in the year. They need their money at the front end so they can budget for it. The intent of the Federal law is to use the money to offset the high cost. This is in the equipment and the supplies. It is not in augmenting the teachers fund.

Senator Smith asked if the sub committee felt vo tech education was not necessary since they had cut it 48%. Representative South answered that that was because of the rules and regulations and written by the superintendents office. We can put them on notice that we can cut out general funds until they can get their business in hand.

Senator Smith read two letters, attached. Representative Lynch said he would like to ask the executive person who looked at this budget why the 1/2 million dollar difference in the two budgets.

Jo Krutar, governor's office, said they basically maintained the level it was before, approximately the same as in 1977. Lynch asked if after the hearing they were still maintaining their stand, and he answered yes.

Senator Smith said with some schools having an ongoing program and some just starting, they would be penalized along with the rest. Representative South said what we need to do is to give them the money when they need it, and they need it when they start.

Senator Regan asked what is the mix of the Federal and State proportion of funding. Representative South said that the information they have is there is about 1½ million dollars over the biennium of federal dollars. Regan: How does that compare with the 1977 biennium? South: it has increased some--about 1.3 million before. Lynch: Where are the federal dollars shown? South: They are not shown. There are only so many federal dollars, and we do not take action on federal dollars. Lynch: Without them being shown how do we know? South: They had a given number of Federal dollars last year. We went back and found the percent they had last year. We thought it better to appropriate the Federal dollars to the vo tech centers and get them where they belong and not some place else. They disperse it on a formula basis.

In answer to a question from Representative Gunderson who said there seemed to be 1/2 million missing somewhere, Representative South said the million that goes over there are categorically grants in the Vo tech. It goes back to the rules and regulations. They decided to reduce the general fund dollars to see that someone does rewrite the rules.

Senator Fasbender said to Jon Krutar that when they recommended the same level you were decreasing the amount of dollars to go to the individual programs. In Scoby for example, over 1/2 is federal funds 1/3 the first year. The amount is insignificant. The amount we are reducing here, when spread out over the whole state of Montana, I do not think it will have any effect on the vo tech program.

Jack Moore read the law. He said the federal grants are increasing to the states. More discussion was held on the funding of the vo tech centers. Representative Bardanouye said they have found that the local schools have been playing very loose with Montana money. The universities have shown

Representative Lynch asked how the local controls the federal dollar now and Representative South said the OSPI is responsible for giving the money to the districts. The districts spend the money the way they choose and it does not have to go to vo tech.

More discussion was held on funding and the committee went on to a review of the Advisory Council for vo tech education, and Representative South said if the law should pass they recommend the money be given to them.

Representative Estenson asked where in this budget would the adult basic education program be reflected and Representative South said the committee took no action on the adult basic education program. He said if there is no general fund money available there was nothing much they could do so he had not asked his committee to act on it.

The next section to be reviewed was the Montana State Library Commission. Representative South said the state of Montana is under obligation to appropriate \$317,000 in general fund money or they will not receive federal money.

The Historical Society was reviewed. Senator Story asked about the historic cities. Were we starting a new program. The money is plugged into this and out of the fish and game or what. Dave Lewis answered that the main reason they moved was that the new Federal Regulations they had to have a historian and an archivist. The fish and game did not have this but the Historic Society did, so it just made sense to transfer them. No increase in the total budget.

They also talked about putting the magazine on a self supporting program, and the contract at the Libby Dam where the society had had a contract to run the information center there.

Representative South reviewed the requests for the Montana Arts Council and the School for the Deaf and Blind. They said the over time for house mothers made it necessary to put in a house mother for every shift, and thus an increase in FTE.

Senator Stephens explained the FTE's were to accommodate the house parents and one is a janitor--according to the law. Representative Lynch said this also applied to Boulder, and Senator Smith was concerned that if this moved into the group homes we would have to shut them down.

The budget for the University System was reviewed. Questions were asked as to why the budget was higher than that of the Governor. Representative South said the Governor had underestimated the millage levies to the tune of \$2 million. He took the commission estimate instead of the Department of Revenue. That was kept in there for the cost of living increases when he realized it. \$3.9 million of fee increases were anticipated in the Governor's budget.

Representative Bardanouye said what really happened was that 1975 was supposed to be the year of the institutions, and '77 the year of the Universities, so far as the budget office was concerned, so they set different rules on the University budget.

Mr. Lewis said this budget was not just put together off the collar. The operating budget in the last biennium was extremely tight, so we took the recommendations from the last biennium. The regents told us we needed the discretionary fund when we put it in the budget, since they had problems with the faculty salary. I am quite surprised when you say you do not need it now. We knew we had to hold some money for the pay raise-- and we didn't exactly pull it out of the air.

Higher Education was reviewed. Representative South said they would like to have the full committee write a letter to the Board of Regents when we decide what staff members on the commission we feel is essential. We have no control over it, but would like to recommend at least 4 we feel are necessary. Representative Lynch asked how many were in the commission office now, and Representative South said 18. They are thinking of pulling 2 out of the MSU and placing them in it on Federal dollars.

WICHI and WAMI were discussed at length. They said they would recommend the \$28,000 and the 11,000 but to leave it to the discretion of the Governor depending on what the other states in the WICHI program do.

Figures were given on the amount of students in the programs, the increase in funds, the total amount in the funds, the percentage of students remaining in the state as opposed to those educated and then giving their services to this state, and the percentage of those giving their services to the state who are educated elsewhere.

Community Colleges were reviewed. Rather than funding at 65% of the regents budget, our recommendations are based on 65% of what they need to spend. In order to arrive at our recommendations, we went from actual expenses and added our percentages. The cost of living was plugged in at 65%.

Representative Gunderson said he did not see any way they could budget for vo-tech. No idea what they are going to get.

Representative Regan said we bought a community college system, and you worked it at a 40% increase in the general funds. She had some questions on this. Representative South said we are only about 50% of the funding level of 1976. If the committee feels it is too much they can cut it, but the colleges need to know they will receive a certain percent of what we feel they should spend.

Representative Gunderson asked how they took into consideration the mill levy at the different areas such as Miles City and Flathead. Representative Halvorson said the day the community colleges came in that Representative South and the committee had grilled the group so hard he had them all exhausted. Representative South gave the staffing pattern for Category 1 as U of M and MSU, #2 as EMC, WMC & NMC. He said they tood 45% of the school as engineers and therefore category 1 and the remainder as category 2 for Montana Tech.

The cost per student was discussed, the increased enrollment vs. the decreased enrollment, student activity fees, etc. and how it was plugged into the university budget.

Representative Estenson said the indication had been made that in one of the units support staff did not decrease in light of decreasing enrollments, how do you define support staff. Ans. staff other than faculty. And he explained the formula they used. He said they took out the maintenance staff and the research people then divided the total amount of all other personnel by the number of students. He said they built their budget without any regard for the other budgets proposed. They went back and planned the budget, then put in the money.

Discussion was held on the change to fund intercollegiate athletics with general fund moneys. Senator Regan and Representative Bardanouve thought possibly the students were trying to tell the legislature something, and if we would listen we would not fund the athletic fund out of general fund money. Representative South said the reason they had done so was because of the constitution. If they did not fund it the Board of Regents could take it out of the law school or anything else they decided to do.

Senator Regan said while she agreed the Regents had this type of power, she did not feel the state of Montana would allow them to do this type of thing. Representative South said it was hard to get an accurate figure on the cost to the University System of the athletic program since some of the schools included board and room even to the athlete. They were subsidized by \$3 million.

Representative Regan said she felt students should be noted for academic achievement rather than as paid gladiators.

Representative Gerke asked what other programs the student fees were used for. Ans. The mandatory fee is used for everything in the budget. They are paying for the school, salaries, etc., and they have nothing to say about it. Representative Kvaalen said student activity fees are used for activities, and this should be under the control of the students. We are talking about the student fees and are in a sense using matriculation fees.

Senator Himsel said it was a matter of philosophy, and he thought the Board of Regents had done the right thing in establishing unity.

Representative Bardanouve asked about the purchase of the computer at Montana Tech. Ans. They had the chance to make the purchase, received the consent of the board of regents, and borrowed the money from the student fee money saying they would pay it back out of operating costs. Discussion held that this was not a good policy, but they were paying for it because they were purchasing computers for the other universities.

Senator Regan said she felt the student faculty ratio of 19.6 was too high for Eastern, she felt it should be at 19.

The Cooperative Extension Service was reviewed. Representative Marks said he felt there should be a check for duplication here.

The Agriculture Experiment Station was reviewed. Senator Thiessen asked about the change in FTE's. Ans. Two years ago they did not consider the Range Station at Miles City. They decided to place it in the semi-revolving fund. While the U.S. Government owns the Range Station, the state has the cattle running on it, and it is there to use for their experiments.

Senator Smith said with the budget approximately \$928,000 over the LFA budget and \$913,000 under the executive, what did you cut out? The different placement of the range station, and we showed some programs--the LFA does not make recommendations on new programs.

Bureau of Mines was reviewed. It was reported they completely disregarded the water people,

Representative Bardanouve said the foundation program will be plugged in to this budget. Representative South said they have scheduled to plug in \$8,100,000 each year of the biennium.

The meeting was opened for witnesses, and they started at the Board of Public Education, and Mr. Larry Key was the first to give testimony. He asked how they would furnish the office for the assistant, and Representative South said it would be furnished from the Comm. of Higher Education.

Bob Stockton, OSPI, said he was asking for equity, they are concerned about a substantial decrease as recommended by the fiscal analyst. Also in regard to a criticism of the office--the articles are clipped when they deal with education, and the person doing this is a part time High school student under the work study program.

Bill Byars, OSPI, said the original budget was submitted by the previous superintendent and they had not had time to prepare another budget. The reduced (1.5) FTE were out of their office. He said they had some programs that were ending, there were 4 or 5 programs that were being discontinued--they had originally been funded out of the general fund.

On Indian education--there seems to be Johnson O'Malley money. He said they would like to have the committees permission for the 1.4 nutrition education grant. Used to replace some other

Federal funds. They would be rechanneled to the original program they came from on the school nutrition program. They would like to be able to finance the ESEA 4 program which somewhat replaces this. On the A.D. Library Film--they would like permission for these FTE. This is 8.4 FTE added to the original request. It makes it very much in line with the fiscal analysts. The dollar value is a little over \$162,000. He said they had prepared a work sheet giving general fund, title 4, other funds and other federal funds. He said they have included the obligations on the title 4 money. Some of this was not brought out because of the newness of the people in the office. We were told to get our facts straight. When we got them and went to the subcommittee, they said the committee had pretty well got their budget set. He mentioned the drivers Education fund where they send money back to the school districts.

Adult Basic Education was the next one, and Bill Cunneen said he felt the committee should give serious consideration toward putting adult basic education funds into the budget. At the present time the program is funded from Federal funds, State grant funds, and local people. We need general fund money. We are experiencing a real crunch in regard to the inflation.

Bob Stockton talked about the area centers that were first funded under the Foundation Program as special education allowable cost. We contracted with school districts to handle the money. The Board of Trustees signed contracts to operate the program. The problem we ran into was the contracts with the local school districts. They were only in the rural areas, and there was no tenure because they were really not teachers in the whole area--just in the rural areas. The only solution they could come up with was to bring them into their office.

Vo Tech was opened, and Mr. Warner gave testimony. He said if the budget was for \$1,115,000 and since the law says they will not spend less than in 74 and '74, they find they will be short.

Senator Fasbender said they received much better information from the university system than they did from the vo-techs.

In answer to a question from Representative Estenson, Mr. Warner said the new federal law which is going to require a plan is a new and different process. They must have a planning council made of 10 people from 10 different areas. They must hold a group of public hearings to go over this document. They have to give some assurances in it, a 1 and a 5 year plan, How, When, and what and How many students. It looks like each center will have to apply for each program, and this is true of community colleges and secondary schools etc. April 4 is the date.

Representative Estenson asked if the advisory council could serve on the planning committee, and the answer is no.

The next area to receive testimony was the University System. Ted James, spoke briefly and was followed by a member of the board of regents and then Pettit, Commissioner of Higher Education.

They said the budget would force the U. of M. to cut back on about $\frac{1}{2}$ of their staff. When you cut, you cut programs and then hurt the students. They also discussed the athletic program.

Mr. Pettit said he felt there were not enough meeting days allowed. There were considerable meetings besides the actual board meetings that required travel by 2 or 3 of the regents in the area at a time. He said so far as the commissioners budget was concerned they had gone over it most of the night and would like an opportunity to talk to the committee members to go over the numbers they had not been able to reconcile.

Dr. Bowers said he felt quite frustrated. Their grave concern was with the personnel cuts in the U of M. The reduction of 55 faculty members and 65 support staff, 1/2 the first year. The faculty to be 1/3 the first year and 2/3 the second. They would like to have the opportunity to go over this with the sub-committee and with the fiscal analyst. He said the cuts the first year are just too much penalty. He said the cuts were bad for the SRS social programs of the school. He said they have a large enrollment in continuing education and think that is going up. He said they have added programs where they have part time students, such as housewives, etc., but do not know how many of them would have been full time students if they did not offer this program. He also said it would be impossible to decrease the faculty in the first year where they had contracts, etc.

Dr. MSU, said he would like to ask the help of the subcommittee to clarify what might be a difference in the committee report, or which might not be. He said they do need time to see if their work sheets are compatible with those of the budget. He said it looks like the figure they are looking at is not per year, but for the biennium, and if that is true they will need to sit down and see what the intent of the committee is. He said with a ratio of 19:1, it did not look as though there had been special consideration for instance of the clinical courses on nursing with a ratio of about 8 $\frac{1}{2}$:1. This would make the rest of the school operate on a higher ratio.

Dr. Heiker spoke for EMC. He said the presidents had spent 30 hours with the subcommittee and felt it would have benefits that would extend way past this year. He said he was concerned that the figures were based on the past 8 years, and many factors made this a false picture. He said they were funded at 90% which would not give them the sources to restructure, and would hope they would turn to 96% which is very close to the national estimation.

Dr. DeMoney talked about Montana Tech. He said he would like to address the computer question. The first two were not

funded by the state. He said they had attained the approval of the board of regents to use the money available in the student fee money. He said there are only 3 or 4 other schools that offer the same broad scope of engineering that they have at Tech.

Mr. Koehler Stout, Montana Tech said as defined by the Blue Ribbon Commission their task is to train people to serve in the minerals and energy field. He said our young people are responding to meet the needs. He said they are having a hard time bucking the competition to find qualified people, and request the subcommittee to fund 3 additional faculty.

Ted Delaney, U of M. introduced several people, Bill Coffe. Harry Stetler, George Leland, Gene Peterson, Mona Dew, Vern Argoson, and Bob Helding. Testimony attached on most of these people. The point was taken that the U. of M. had a lot to offer the state, and it was a drawing card to the students.

A Mr. Northern read a letter from William Craig in regard to WMC.

Mr. George Bundy, President of WMC, said he would like in his reconciliation of the budget, to consult with the Chairman or the sub committee. He said he has to be concerned. The amounts the sub committee recommends be put into their budget were based on what the students had been putting into the budget from activity funds. If they should choose to put in less, or if the student body should be smaller then those will be penalized when you look at the appropriations. I submit that if you adhere to the principle of supporting an operating budget there should be greater equity.

Warren Gardner, NMC, spoke for the President. We are concerned with your tentative appropriations in regard to operating expenses. What base was used and what happens in the next two years. He would like to meet with the sub committee.

Mae Nan Ellison, speaking as a student lobbyist for the 6 university units, said after sitting in the subcommittee for the past 60 days, the subcommittee did have uppermost in its mind the continuation of quality in their mind. She said she was speaking in representation of the students. They were concerned about 2 main things. L. The \$120,000 per year of building fees to operate and maintain the facility. This is a facility that belongs to the state. They feel it should be funded from the general fund the same as the other units.

2. The state students school work program, the students study program, and \$500,000 to fund this program. We feel some consideration needs to be given for having money for their education. There is a Federal work study and it is depleted each year.

Mr. Blake Wardell, assistant to the Governor on Education spoke in request of from \$28,000 to \$39,000 for each year (11,000 for each year of '78 and '79) be contingent on the Governor's approval on the WICHI program. He said last year the Western Governor's created a task force to review this program and a way toward consolidation. Recommendations were deferred for one year on the dues increase approvals while they were being reviewed. They will meet in August.

Mr. Blake Wardell then said we are talking about educational opportunity to students of Montana. He said he would like the legislature to acknowledge the Governor's recommendation to deal with this. He said he has the full support of the Governor and the task force in Montana in making this recommendation.

Extension Service was opened for public testimony and Carl Hoffman said they had sent out a questionnaire on the service of the extension office to the people asking various questions. Out of 34 original requests they had weeded out all but 11 because of lack of grass roots support. The forest industry was one that they felt was needed. This is the only state that does not have an extension forester. He said the KEEP program was another they were concerned with. He would like an opportunity to meet with the subcommittee and the analyst and go over the budget. It appears we are way short of providing what the people need and the money to run it.

Marsha Stagmiller, KEEP, spoke, testimony attached.

Geraldine Lois Tonne spoke for KEEP, testimony attached.

Betty Boetger spoke in regard to the Kelly money, and said in cutting back KEEP they were cutting back basic citizen participation. She said they had been active in helping Senior Citizen centers, etc.

Glennadene Ferrell spoke for KEEP, testimony attached.

The Agriculture Experiment Station was opened for testimony, and Mr. Bill Osmosen, director of the program in Bozeman spoke. He said they have not had an opportunity to go over the proposed budget. He spoke on the Miles City station. He said several years ago there was an act by the Legislature that the Miles City Station was a part of the experiment station.

Bill Otten, supervisor at Missoula, said the Miles City station is owned by the Federal Government, the staff is Federal. We work under a cooperative agreement. He said the planning committee meet once or twice a year. It is a part of the Agricultural Experiment Station, we want to keep it as much a part of us as a part of the campus. He talked about the entomology program and the wheat research program.

Carrie Day spoke on the weed control program in regard to the extension program and for KEEP.

Material is attached on the entomology program which was submitted by the extension service.

Sid Groff, professor at the Montana Tech spoke at length on what they were doing, how the future development of Montana was dependent on the findings of their school, and the different programs they carried out. He said they contracted for work from the Department of State Lands in regard to the coal mining areas, and with the other government entities on such things as water, minerals, etc. He handed out a summary of the Executive Budget in regard to the Bureau of Mines.

Jim Mackle talked about fire service training. He said they have 3 full time instructors, 5 part time, they go out and train fire fighters. There are about 1800 that are required to take 30 hours a year of training. We have trained a great many, but can not do the job we should. They had asked for money to accredit themselves, hire 6 instructors to improve the program. He said they feel they do not have enough money to even prove what they can do. They simply need more money to get themselves on a plan where they can do something for the State of Montana.

The meeting adjourned at 1:05 P.M.

Thiesse
SENATOR THIESSEN, Chairman

ROLL CALL

APPROPRIATIONS COMMITTEE

45th LEGISLATIVE SESSION 1977

Session 1

Wednesday

Date 3/26
8:00 AM

NAME	PRESENT	ABSENT	EXCUSED
BARDANOUVE	✓		
GERKE	✓		
BRADLEY	✓		
ESTENSON	✓		
GUNDERSON	✓		
HALVORSON	✓		
HANSEN	✓		
LYNCH	✓		
MANUEL	✓		
SOUTH	✓		
AAGESON	✓		
ELLIS	✓		
KVAALEN	✓		
LUND	✓		
SHARKS	✓		
MOORE	✓		
WOOD	✓		

The following is a testimony of why I believe the Kellogg Education Program (KLEP) should be fully funded. As a participant of Group Two, I became aware of the following which I believe should be shared by many more in the State.

Many of us did not have the opportunity to go to college. Living on campus, associating with students and faculty, eating in their cafeterias, and witnessing the facilities being built and improved showed us what was available to the people of Montana. We found out how and where to get this help. This experience is very helpful now.

Another thing that helped was being an Educational group. This opened many doors that would not have been opened to an individual. Some of these were the prison, Boulder School, Hutterite Farms and many more. How many people would do this on their own? A side line to this was that when I was in North Dakota, I traveled out of my way to see their strip mines and reclamation projects.

This also made available to the participants to see our Federal Government at work. Also to visit the Pentagon and Consumer groups. I don't believe this would have been open to one person.

Being lucky enough to travel Internationally was an experience every person should have. Staying in the peoples homes in India is a lesson you cannot forget. I believe this could bring our countries closer together by finding out what the ordinary person wants out of life.

I believe that reading about people is not the best way to learn. Until you see, eat, sleep, feel and smell an area of a state, town, or city, you really don't understand their life or problems.

You will find the people who went through this program working in all ways of life. Many work well off the scene to set projects

10/10/81

One of the nice things about this program is that it is
open to everyone, and we had all types in our group.

I truly urge you to fully fund this program.

James Berney
Molt, Mt. 59057

March 25, 1977
Box 182
Geraldine, Montana

Why KEEP?

Today, even more than in the past, Montana citizens are confronted with problems of a more complex and intense nature. We, the citizens of Montana must become more aware of and concerned with the results and solutions of such problems that face us as communities, as a State, as a Nation and as a World.

Many Montana citizens who could contribute to our society as valuable, productive individuals, are stagnating in their stereotyped rolls, whether it be that of housewife, mother, lawyer, Doctor, businessman, farmer or what have you. Until KEEP, Montana had not tapped this valuable natural energy source in it's full possibilities---that of which all is the source of---God given human potential.

One idea can produce but a totalitarian viewpoint---many ideas combined can produce a cooperative effort that can lead to a higher degree of effectiveness and satisfaction. We must heed the warning that unless certain steps are taken to inform and educate the citizenry, we face a new era; "The end of living and the beginning of survival." For many peoples of the world this song has been sung too softly and too late. We in this "Big Sky" country of Montana can let this be a new beginning and opportunity to educate these concerned "grassroot" people who care and could contribute to the welfare of their communities, their State, the Nation and the infinite world in which we all live.

We, the citizens as taxpayers, support many programs that only few benefit from---most everyone pays taxes---therefore the opportunity should remain open to all taxpayers to reap from the benefits of these taxes directly and for the good of all peoples---through education and awareness and the help of Almighty God, Montana can produce an actively involved citizenry---Through KEEP, active involvement and awareness for citizens can be produced-----

Thank you,
Lois Tenney
Lois S. Tenney

March 25, 1977

To the Joint Senate-House ~~Sub~~committee on Education Appropriations
Forty-Fifth Montana Legislature

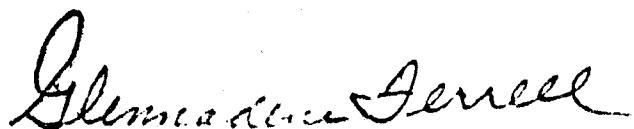
Recently I wrote ^{you} the distinguished members of this joint committee regarding the value of the Kellogg-Extension Education Program and why I feel it should be supported by the Legislature. Today I wish to enlarge upon those reasons.

I have been in education, either as a teacher or an administrator, for 29 years. I have studied for these roles on four campuses in three states and at none of ~~these~~ institutions of higher learning was I exposed to the type of training I received as a participant in the KEEP program. This training centered on developing my fellow KEEPer's and my potential as a useful and productive citizen. Some of the areas we investigated included the Energy Crisis, Current Issues of Local Government, Microeconomics, The Social Action Process, Indian Culture and Economics, Human Relationships in Group Involvement, How to Listen, Styles of Leadership, Government under Our New Constitution, Time Management, Conflict Management, and the workings of the Federal Government, to name just some of the topics.

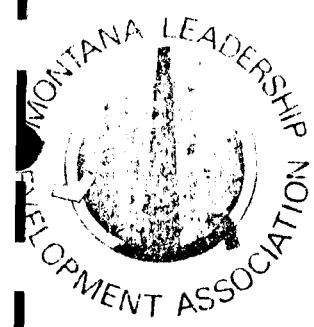
One outgrowth of this new awareness of our responsibility toward our fellow men and women is the Montana Leadership Development Association. The MLDA, incorporated under the laws of this State, has been established by KEEPers to perpetuate the type of training we have received. We believe in the goals of the Association and have every reason to believe it will, in time, be able to carry on the program as it is now being done through KEEP. But not this biennium, nor maybe even the next. At this time there are no funds available for the continuation of the KEEP program through MLDA. For this reason I implore this committee to approve the request for the program as submitted in the Montana State University Budget.

Once there is a reduction in funding and a subsequent cut in KEEP personnel, participation, and study and travel time it will be that much more difficult to obtain the necessary funding to enable MLDA to ever be able to continue the program with the quality it is today.

Public apathy is a blight facing you, me...all of us who want the best for our Nation, our State, our fellow man. KEEP is a way to combat this blight....and is cheap at any price.



Glennadene Ferrell
Lake County Superintendent of Schools
Polson, Montana



Montana Leadership Development Association

BOARD OF DIRECTORS

Marcia Staigmiller, Pres
Ois Robbins, V. Pres

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Tom Bell, Treas

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Donald Jorannsen
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William Krotzfeldt
Elva Lanning
Henry Oldenburg
Dr. Lawrence Pettin
Robert Pardy
Grace Scotte
Dorothy Spika
Patricia von Bargen
Joy Wicks

To All Members of the Joint Appropriations Committee:

The inclusion of funding for the KEEP program in the Extension Budget is of utmost importance to the citizens of Montana. It is a unique program in adult education that encourages and prepares individuals for effective involvement in community affairs. The value of considering all facets of an issue is emphasized as well as the importance of working within our existing structure and dealing with basic differences between people.

While you, as legislators, have mastered these fine arts, the average citizen is often overwhelmed and in turn discouraged from public participation. Grass roots programs such as KEEP has and will continue to give our citizens the confidence to become involved.

You have received a packet of information about KEEP that included a partial list of participation by former KEEPers on boards, committees, etc., but this only tells part of the story. The time and effort that has been unselfishly volunteered by participants following their KEEP training is immeasurable. They have realized the importance of being involved and they have encouraged those around them to also tackle additional projects in their communities.

The Montana Leadership Development Association was founded by KEEP participants with one goal in mind. To establish permanent leadership training programs in Montana. The cash donations from members and also their efforts to seek additional financial support through foundations and grants will make this opportunity available to any interested Montana citizen regardless of their financial status. By funding all participants equally, they come into the program at the same level. Many participants who have been financially able have returned their expenses to the program to give additional people an opportunity to participate in this training.

The MLDA is a new organization, but envision this type of leadership training to be available as an ongoing program, eventually funded entirely by private funds. At this critical time we request strong support from our State Legislature and especially from your committee.

Thank you for your attention and your support.

Yours truly,

A handwritten signature in black ink that appears to read "Marcia Staigmiller".

Marcia Staigmiller
President

INSTITUTE OF THE ROCKIES

john badgley, president

missoula, montana 59801

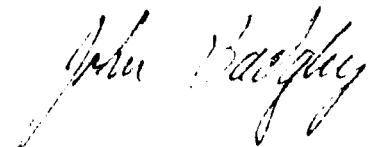
March 24, 1977

This is testimony in support of the budget submitted by the Montana State University Cooperative Extension Service. The Institute of the Rockies is a private, non-profit adult education association. We focus on critical areas in public policy; over the past three years these have been the local government review process; the water policy needs in Montana; and the energy conservation program during the current year.

We have found the Extension Service extremely supportive of our efforts to involve the public in these areas. The Kellogg Extension Education Program has been associated with us in several forums around the State and it stands out as the most significant leadership training activity in the State.

Finally, we wish to address the RC&D issue, especially the position for Western Montana. The person presently occupying that post, Dr. Allen Bjergo, has been of enormous value to all our programs. He is exceedingly well informed about public policy in Montana, is very generous with his time, and offers to the public the kind of knowledge Extension Service can give when it is functioning at its best. As you may know, the extension activity in the United States is considered to be the best in the world, certainly the most innovative, and has been the bright light of the U.S. AID program abroad. Dr. Bjergo has served in that capacity as well as around this State, and has helped generate considerable economic growth through his prudent counsel. He has been of great value to the Institute, and we consider it critical that the Appropriates Committees of both Houses keep that position funded.

Adult education is the most rapidly growing dimension in Montana education, and the KEEP and RC&D programs specifically address that activity in terms of public policy. To curtail it at the same time you are considering returning \$100 per home owner for the sake of winning political support around the State is truly biting off our nose to spite us. Keep alive our best educational efforts, it is crucial to our futures.





Montana Leadership Development Association

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The MLDA is a new organization, but envision this type of leadership training to be available as an ongoing program, eventually funded entirely by private funds. At this critical time we request strong support from our State Legislature and especially from your committee.

Thank you for your attention and your support.

Yours truly,

Marcia Staigmiller

Marcia Staigmiller
President

The following is a testimony of why I believe the KELLOG Extension Education Program (KEEP) should be fully funded. As a participant of Group Two, I became aware of the following which I believe should be shared by many more in the State.

Many of us did not have the opportunity to go to college. Living on campus, associating with students and faculty, eating in their cafeterias, and witnessing the facilities being built and improved showed us what was available to the people of Montana. We found out how and where to get this help. This experience is very helpful now.

Another thing that helped was being an Educational group. This opened many doors that would not have been opened to an individual. Some of these were the prison, Boulder School, Hutterite Farms and many more. How many people would do this on their own? A side line to this was that when I was in North Dakota, I traveled out of my way to see their strip mines and reclamation projects.

This also made available to the participants to see our Federal Government at work. Also to visit the Pentagon and Consumer groups. I don't believe this would have been open to one person.

Being lucky enough to travel Internationally was an experience every person should have. Staying in the peoples home individually is a lesson you cannot forget. I believe this could bring our countries closer together by finding out what the ordinary person wants out of life.

I believe that reading about people is not the best way to learn. Until you see, eat, sleep, feel and smell an area of a state, Nation, or world, you really don't understand their life or problems.

You will find the people who went through this program working in all ways of life. Many work behind the scenes to get projects

MISSOULA COUNTY TRADES & LABOR COUNCIL

Affiliated with the American Federation of Labor and
Congress of Industrial Organizations
P. O. BOX 218 — MISSOULA, MONTANA 59801

66

On behalf of the Missoula Trades and Labor Council, I am appearing before you today in favor of full funding of last year's budget for the University of Montana.

Workers are especially concerned about the appropriation for the University because of recent employment trends that have left Missoula and Western Montana in a shambles. At a time when much of the country is beginning to recover from the recession that marked the Nixon/Ford years, unemployment in Missoula is still nearly 10 per cent. That's as high as the unemployment rate reached during the worst months of the recession.

As you all know, the economy of Western Montana rests on the timber and wood products industry. Just one year ago, unemployment in the timber industry was running about 17 per cent, and topped out two years ago at more than 20 per cent. In the related housing and construction trades, unemployment in Montana reached an unbelievable 50 per cent in 1975.

The reason I mention these figures is to demonstrate that in a time of economic flexibility and uncertainty, the University represents a stable force in our Missoula economy. The University is not directly tied to the whims and ups and downs of industry and, therefore, lends strength to our entire state in a time of economic recession.

An educational institution like the University of Montana benefits our state in so many ways, not the least of which is its contribution to Montana's economy. For that reason, organized labor supports the university and urges your support, too.

*Alfred J. Sampson
Pres*

KEITH NORDHEIM, Secretary
1178 N. E. Nordheim Lane
Corvallis, 59828

JACK IMAN, Master
Route 1, Box 43
Victor, 59875

FOREST FARRIS, Overseer
550 3 Mile Drive
Kalispell, 59901

Montana State Grange

EXECUTIVE COMMITTEE

JAMES COOK Lone Pine 59848
RALPH MANNIX, Sr. Avon 59713
WINTON WEYDEMEYER Fortine 59918

March 24, 1977

TO THE JOINT SENATE AND HOUSE COMMITTEE ON FINANCE AND APPROPRIATIONS

I am Jack Iman, Master of the Montana State Grange and a farmer in Ravalli County. I appear before this joint Senate House hearing on behalf of the Grange membership to say to you that we realize that you are faced with a referendum vote to grant tax relief to Home owners, but we suggest to you that that decision was made by voters who did not have before them the complete financial picture in the state that you can now see. We respectfully submit to you that it would be short-sighted indeed to fail to provide funds for programs that will increase the tax base in order to allow a one-time tax bread that will not, in the long run, truly benefit the citizens of the state.

The Grange membership supports the proposed new Extension Specialist programs and particularly favors those Specialists whose work will have a favorable economic effect. With the exception of the KEEP Program, the work of the Extension Specialists requested; namely, Entomologist, Plant Pathologist, Dairy Specialist, Forester, Farm Management Assn. program and the EDOM and Western RC&D Community Development Specialists, will result in fewer losses from pests and greater return from farm and forest crops. In the case of the Community Development Specialists, the result will be the creation of new and/or enlarged business (tax-paying) enterprises in the state.

We particularly support these specific programs because, in contrast to many of the programs that the Legislature is besieged to fund, the need for each of these programs has been carefully documented, and each one will either directly or indirectly enable Montana people to realize a higher profit on current enterprises or help create new businesses.

Other people here today will be submitting testimony on the impact that can be achieved by extension specialist programs. As one of the people instrumental in starting the Bitterroot RC&D, which now serves three counties, I would like to bring to your attention the effect of the Community Development Specialist (CDS) in the western area of the state. First, I would like to point out that in seeking funding for continuing the Western CDS, we are asking you to fund a person whose work goes into helping only those people who are willing to invest both time and money in helping themselves. The RC&D program has no funds to make loans or to do work for people, and no staff involved

in making plans for people on what they should do. The RC&D Council and committees are not made up of agency people. They are community people who are there because they are interested in developing specific enterprizes or in over-all community development.

As evidence of that, I cite the dollar impact of the RC&D projects carried out by individuals and groups in just one RC&D project; the Bitterroot RC&D, served by the western CDS. Enterprizes worth \$26 million have been developed by individuals and groups in the past ten years that the RC&D project has existed, and in almost every case, the enterprize would not have been created if the CDS had not been available to aid in finding loan money, preparing financial statements, and to guide market research and provide other expertise vital to developing a new enterprize. I do not have figures on the number of jobs created, but can give as example Cranston Plastics, one of the earliest projects, which now employs nine to twelve people for a good part of the year and whose owner reports an annual gross of \$100,000.

I have statements here to present to you from the Secretary of the Bitterroot Development Corporation, which was set up by local citizens with the help of the RC&D, and has used the expertise of the Community Development Specialist to get its first projects off the ground. I also have statements from a number of other people who have benefitted directly from the help of the CDS, and who, as a result, now have business enterprizes that are providing jobs to Montana people and paying taxes in this state.

Again, on behalf of the membership I represent, I respectfully submit that it would be extremely short-sighted to allow tax relief in a number of places while failing to fund programs that create wealth and jobs, and request full funding for the Cooperative Extensions Service proposals for badly needed specialist.

I thank you for the opportunity to present the views of the Grange membership here.

Jack Iman

Bitter Root Valley Development Corporation

P. O. Box 1117

Hamilton, Montana 59840

(406) 363-1228

March 24, 1977

JOINT HOUSE SENATE COMMITTEE
Re: University Budget Funding

I wish to express my opinions in regard to the Community Specialist we have here in the Bitter Root Valley.

Dr. Allen Bjergo has been a top man in this position for the past several years. He is connected in with our RC&D Program, which has developed Ravalli County into a number-one program with community projects, and also with the Bitter Root Valley Development Corporation.

One project which the Specialist helped develop was the Bark for Bedding which has been a great help to the lumber industry here in the valley. A second project the specialist assisted in was the Bitterroot Doctors Clinic which has been a great help to all of the taxpayers here in the valley.

Another project which in my opinion is number one was the Howes Creamery which was purchased by Mr. Dave Huls. This will keep the plant going so that our small and large dairies can stay in business and supply the consumers here in the valley with fresh and better products than we have had in the past few years. It will also make it possible for the people who want to keep a few milk cows to sell milk.

At the present time we are working on a project which will require a specialist to help the Bitter Root Valley Development Corporation in getting it in the final stages. This is a plastic plant which in time will employ about 100 to 120 people from this area.

I would like to insist that we be able to keep this department in with our RC&D Program here in the valley. I would suggest that you contact Mr. Bus Dufour our Work Project Manager of RC&D for more information.

We have another project which has been started and will be in need of a specialist. This is an industrial park to take care of firms who will have to presently vacate their location in order to expand. Some are located on Highway 93 which is going to be a four-lane and will force them to move.

Respectfully,

WC Bill Whittecar

W.C. "Bill" Whittecar
Secretary-Treasurer
Bitter Root Valley Development Corp.



Bitter Root

Resource Conservation & Development Project

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MINERAL CO. COMMISSIONERS

Montana

March 24, 1977

To the House and Senate Appropriations Committees, 1977 Montana Legislature:

I strongly urge you to retain the position of Community Development Specialist for Western Montana as part of the appropriation for the University system budget.

The specialist works directly with people and groups in twelve Western counties, developing grass roots projects in local communities through the Resource Conservation and Development projects in those areas.

I could point to hundreds of projects that have been useful in many ways to our Western Montana communities. Let me mention only the economic advantages of two projects in Missoula County:

1. Farmer's Market-This will be the sixth year of the weekly market in which some 275 people sell produce, fruit, and other home grown items. Some make as little as \$50.00 while a few get as much as \$1500.00. The market has served as a model for three others in Montana and two in Colorado.

2. Extended Area Telephone Service for Frenchtown-The Specialist spent many hours helping organize the effort that resulted in the Public Service Commission and the telephone company making an agreement to allow reduced - price phone calls into Missoula from Frenchtown. The net savings to the 450 telephone subscribers is \$4.00 per month. Over five years, the estimated savings is \$108,000.00 to the people of the community.

If for no other reason, retain the position on the basis of good economy, since the salary is returned approximately one-hundred fold to Western Montana Communities.

Sincerely,



Bob Deaton, Chairman
2710 Mulberry Lane
Missoula, Mont

Smith

Kris Mattocks - Fairview

"We just built a \$300,000 building and we used the money to purchase equipment to furnish the building. We are in the process of expanding our Vo-Ed offerings. This would drastically curtail any future expansion."

The community bought the building on the promise that they would receive assistance to purchase equipment and support the on-going program."

Karl Riske - Medicine

"We would try to continue but at the same time I'm sure it would greatly effect the quality of our program. We certainly need the help to continue."

Without reimbursement we would not be able to expand into other Vo-Ed programs such as home economics, business and office."

Gail Stensland - Culbertson

"We would see a general reduction in Vo-Ed. It would not happen in one year but we would see a gradual deterioration. The Board looks to the State reimbursement for encouragement. Even though the reimbursement may be small, schools are able to accumulate it and make program improvements. It would take a very, major effort to rebuild Vo-Ed after a period of 4 years. Funds are necessary to provide state leadership; without state leadership we would have a hilter-skelter system of Vo-Ed."

Alvin Kober, Principal - Columbus

"Without reimbursement for our Vo-Ed programs the emphasis would shift from one of offering a balanced curriculum to one of concentration on basic ed."

"The current reimbursement, although it is small, greatly assists with the operation of our Vo-Ed program."

"The expense would have to be picked up by the local taxpayers and when cuts in the budget have to be made, the Vo-Ed programs would be the first to be cut."

Robert Molland, Superintendent, Scobey

"We'd be in serious trouble. A shift would be to totally fund our vocational courses with local tax money and the board would have to decide what to operate or cut back. Students would definitely be hurt."

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

45th LEGISLATIVE SESSION 1977

Date 3/25/77

NAME	PRESENT	ABSENT	EXCUSED
THIESSEN, CH	✓		
HIMSL, V.C.	✓		
STORY	✓		
ETCHART	✓		
KOLSTAD	✓		
LOCKREM			
NELSON	✓		
SMITH	✓		
STEPHENS	✓		
FASBENDER	✓		
BOYLAN	✓		
FLYNN	✓		
MEHRENS	✓		
REGAN	✓		
ROBERTS	✓		
THOMAS	✓		

SENATE

COMMITTEE

BILL

VISITORS' REGISTER

DATE

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
JACK NOILLE	COMMISSIONER'S OFFICE	145	<input checked="" type="checkbox"/>	
WILLIAM GARDNER	NORTHERN MONT. COLLEGE	"		
LARRY CLINTON	Northern Montana College	"		
Bob Johnson	County Extension Service			
Joe A. Olson	Agri. Ext. Sta. MSU	"		
Vernon Kalley	Miles Community College	"		
Bill Byars	OSPI	"		
H. J. Frockenauer	Butte Vo-Tech			
Dave Kelt	~ ~ ~			
Helen Quenemoen	Coop Extension MSU			
James Barnes	KEEP			
Bill Stevens	KEEP			
Barbara Wren	OSPI			
E. Joseph Cross	Billings Vo-Tech			
Larry Johnson	OSPI			
Ken Heiken	EMC			
John Tom W. Wren	"			
Barbara Wren	UM			
Richard C. Brown	Univ. of Montana			
David D. Brown	Univ. of Montana			
George Brundage	WMC			
Ward N. Nunn	~ ~			
J. E. Dayton	Commissioner of Higher Ed.			
S. L. Groff	MT. Bureau of Mines & Geol.	" To inform & on file		

SENATE

COMMITTEE

BILL

VISITORS' REGISTER

DATE

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
Kayle, Start	Mont. Tech	145		
Vic Best	MT. Tech	145		
Fred W. DeMory	Mont. Tech	145		
Jim Edie	MSU	145		
Carl Hoffman	Extension Service	145		
W.A. McEachern	Extension Service	145		
Tom Davies	Regents			
Tom Upp	MSU			
Griffith, Robert	"			
L.K. Peltier	Regent			
Conrad, M.	LIBRARY CONTROL BOARD-Mont.			
Chris S. Tague	KEEP and City Extension			
W.H. Salter	MSU			
William O'Dowd	West Control			
Kolby and Shoppes	Self			
Tom Fletcher	OPI			
Carrie Hahn	Montana Student Lobby	145		
of蒙大拿技术学院	SL LIBRARY Commission	145	<input checked="" type="checkbox"/>	
Alumnus-Devere	KEEP	145		
Suzzy Holt	KEEP	145		
Bobbi Jo Zimmerman	KEEP	145		
Joy Nichols	KEEP	145		
Ed. Wilgus	11 of 14 (145th)			
Chris Peterson	W.M.	145		

SENATE

COMMITTEE

511

VISITORS' REGISTER

DATE

41(24)

Executive Budget-modified by Director, MBMG.

Restoring the 4% employee vacancy rate
+ \$109,000 + 110,000

BUREAU OF MINES AND GEOLOGY

SUMMARY

	Actual FY 1976	Estimated FY 1977	Recommended FY 1978			Recommended FY 1979		
			Current Level Services	Modified Services	TOTAL	Current Level Services	Modified Services	TOTAL
FULL TIME EQUIVALENT	37.56	38.92	38.92	4.00	42.92	38.92	4.00	42.92

PROGRAM SUMMARY:

Operations	\$ 674,817	\$ 814,164	\$ 928,465	\$ 118,740	\$ 1,047,205	\$ 977,204	\$ 129,140	\$1,106,344
Ground Water Research Study	<u>57,109</u>	<u>82,891</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL BY PROGRAM	<u><u>\$ 731,926</u></u>	<u><u>\$ 897,055</u></u>	<u><u>\$ 928,465</u></u>	<u><u>\$ 118,740</u></u>	<u><u>\$ 1,047,205</u></u>	<u><u>\$ 977,204</u></u>	<u><u>\$ 129,140</u></u>	<u><u>\$1,106,344</u></u>

CATEGORY SUMMARY:

Federal Services	\$ 423,801	\$ 480,221	\$ 490,720	\$ 78,000	\$ 568,720	\$ 502,251	\$ 83,850	\$ 586,101
Operating Expenses	140,505	224,136	259,521	12,555	272,076	282,613	14,000	296,613
Equipment and Livestock	<u>21,100</u>	<u>25,500</u>	<u>20,385</u>	<u>8,000</u>	<u>28,385</u>	<u>26,215</u>	<u>9,337</u>	<u>35,552</u>
TOTAL OPERATING COSTS	<u><u>585,706</u></u>	<u><u>729,857</u></u>	<u><u>770,626</u></u>	<u><u>98,555</u></u>	<u><u>869,181</u></u>	<u><u>811,079</u></u>	<u><u>107,187</u></u>	<u><u>918,266</u></u>
Transfers to Other Bureaus	<u>146,520</u>	<u>167,198</u>	<u>157,839</u>	<u>20,185</u>	<u>178,024</u>	<u>166,125</u>	<u>21,953</u>	<u>188,078</u>
TOTAL BY CATEGORY	<u><u>\$ 731,926</u></u>	<u><u>\$ 897,055</u></u>	<u><u>\$ 928,465</u></u>	<u><u>\$ 118,740</u></u>	<u><u>\$ 1,047,205</u></u>	<u><u>\$ 977,204</u></u>	<u><u>\$ 129,140</u></u>	<u><u>\$1,106,344</u></u>

FUNDING SUMMARY:

General Fund	\$ 673,780	\$ 833,055	\$ 858,465	\$ 118,740	\$ 977,205	\$ 902,204	\$ 129,140	\$1,031,344
Unrestricted	<u>58,146</u>	<u>64,000</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>	<u>75,000</u>	<u>0</u>	<u>75,000</u>
TOTAL BY FUND	<u><u>\$ 731,926</u></u>	<u><u>\$ 897,055</u></u>	<u><u>\$ 928,465</u></u>	<u><u>\$ 118,740</u></u>	<u><u>\$ 1,047,205</u></u>	<u><u>\$ 977,204</u></u>	<u><u>\$ 129,140</u></u>	<u><u>\$1,106,344</u></u>

Executive Budget-modified by Director, MMBMG

Restoring the 4% employee vacancy rate
+ \$109,000 + 110,000

BUREAU OF MINES AND GEOLOGY

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Equipment and Livestock	21,100	25,500	20,385	8,000	28,385	26,215	9,337	35,552
TOTAL OPERATING COSTS	\$ 585,406	729,857	770,626	98,555	869,181	811,079	107,187	918,266
Personnel Costs	146,520	167,198	157,839	20,185	178,024	166,125	21,953	188,078
TOTAL BY CATEGORY	\$ 731,926	\$ 897,055	\$ 928,465	\$ 118,740	\$1,047,205	\$ 977,204	\$ 129,140	\$1,106,344

FUNDING SUMMARY:

General Fund	\$ 673,780	\$ 833,055	\$ 858,465	\$ 118,740	\$ 977,205	\$ 902,204	\$ 129,140	\$1,031,344
Unrestricted	<u>58,146</u>	<u>64,000</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>	<u>75,000</u>	<u>0</u>	<u>75,000</u>
TOTAL BY FUND	\$ 731,926	\$ 897,055	\$ 928,465	\$ 118,740	\$1,047,205	\$ 977,204	\$ 129,140	\$1,106,344

DRAFT: EDUCATION

	-----Fiscal 1978-----		-----Fiscal 1979-----	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds

BOARD OF PUBLIC EDUCATION

Board Costs	\$ 18,550		\$ 18,550	
Office - Administration	47,337		46,632	
Fire Service Training Academy	<u>137,162</u>		<u>140,421</u>	
Total	<u>\$203,049</u>		<u>\$205,603</u>	

SUPERINTENDENT OF PUBLIC

INSTRUCTION	1,238,522	3,023,210	1,297,969	3,071,709
Regional Service Centers		1,661,000		1,661,000
School Lunch	669,000		745,000	
School Transportation	3,268,000		3,606,000	
Five Vocational Education Centers	3,332,682	1,700,256	3,387,039	1,772,147
Secondary and Other Vocation Education	<u>494,943</u>		<u>247,472</u>	
Total	<u>9,003,147</u>	<u>6,384,466</u>	<u>9,283,480</u>	<u>6,504,856</u>

Included in other funds appropriated is \$329,710 in fiscal 1978 and \$347,634 in fiscal 1979 which can be used for internal transfers only.

The office of superintendent of public instruction shall include that portion of state funding of the maximum-general-fund-without-a-vote which supports vocational education programs within the aggregate expenditures for vocational education to comply with the provisions of P.L. 94-482 as amended.

ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

STATE LIBRARY COMMISSION	317,000	230,915	317,000	237,013
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General fund expended will not exceed \$317,000 in fiscal 1978 or fiscal 1979. Cost of living raises will come from the federal funds. Federal funds received above those appropriated for use by the state library and cost of living adjustments are to be passed through as grants to local libraries.

	-----Fiscal 1978-----		-----Fiscal 1979-----	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds
MONTANA HISTORICAL SOCIETY				
Administration, Library and Archives, and Museum and Gallery Programs	387,741	45,000	389,889	45,000
Magazine and Merchandising Programs		130,000		130,000
Magazine and Merchandising, Cost of Goods Sold	<u> </u>	<u>300,000</u>	<u> </u>	<u>300,000</u>
Total	<u>387,741</u>	<u>475,000</u>	<u>389,889</u>	<u>475,000</u>

Of the other funds appropriated for the museum program, \$20,000 is restricted to contracted artifact and painting conservation.

Magazine and merchandising program personal services, operating expenses excluding cost of goods sold, and capital will not exceed \$130,000 a year.

MONTANA ARTS COUNCIL	55,624	20,743	57,232	20,852
Local Community Grants	5,000		5,000	
Jeanette Rankin Statue	<u>5,000</u>	<u> </u>	<u> </u>	<u> </u>
Total	65,624	20,743	62,232	20,852

The general fund grant money is to be used for helping local communities match federal grant funds.

General fund appropriated for the statue is to fund house joint resolution 41, forty-third legislature. Match funds are expected for costs over \$5,000.

SCHOOL FOR DEAF AND BLIND	1,071,361	395,500	1,112,509	407,943
BOARD OF REGENTS	14,145		14,145	

	-----Fiscal 1978-----		-----Fiscal 1979-----	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds
COMMISSIONER OF HIGHER EDUCATION				
(1) Office Administration	459,238	40,000	480,606	40,000
(2) WAMI	827,601		1,169,196	
(3) WICHE-Student Program Assistance	1,343,600		1,275,800	
(4) WICHE-Administrative Dues	28,000		28,000	
(5) NDEA	80,000		80,000	
(6) University of Minnesota Rural Dentistry	230,000		228,438	
(7) Federal Incentive Matching Money	174,000	174,000	180,000	180,000
(8) Accounting System Improvements	400,000			
(9) Data Processing Capabilities	270,875			
Total	<u>3,813,314</u>	<u>214,000</u>	<u>3,442,040</u>	<u>220,000</u>

The above appropriations may be spent only for the purposes specified.

The appropriation in item (8) shall be used during the biennium to fully integrate university accounting with the statewide budget and accounting system. It is the intent of the legislature that a uniform accounting manual be developed and that accounting procedures be made uniform among the university units.

The appropriation in item (9) shall be used to develop additional data processing capabilities at western Montana college and at northern Montana college.

COMMUNITY COLLEGES

Flathead Community College	863,536	914,331
Miles Community College	485,250	547,673
Dawson Community College	<u>506,792</u>	<u>530,275</u>
Total	1,855,578	1,992,279

UNIVERSITY OF MONTANA

Personal Services	8,888,530	6,695,279	9,348,990	7,022,505
Operating Expenses	1,818,479	1,371,835	1,891,218	1,426,709
Capital	457,090	389,373	502,131	378,800
Scholarships & Fellowships		<u>545,105</u>		<u>545,105</u>
Total	11,164,099	9,001,592	11,742,339	9,373,119

	-----Fiscal 1978-----		-----Fiscal 1979-----	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds

MONTANA STATE UNIVERSITY

Personal Services	9,596,805	7,637,592	10,330,608	8,059,440
Operating Expenses	1,774,791	1,394,479	1,846,042	1,450,462
Capital	549,572	431,807	582,546	457,715
Scholarships & Fellowships		558,199		558,199
Total	11,921,168	10,022,077	12,759,196	10,525,816

EASTERN MONTANA COLLEGE

Personal Services	3,280,532	2,138,240	3,503,485	2,294,796
Operating Expenses	583,853	389,236	610,715	407,144
Capital	110,671	73,780	117,311	78,207
Scholarships & Fellowships		265,251		265,251
Computer	<u>235,000</u>			
Total	4,210,056	2,866,507	4,231,511	3,045,398

General fund appropriated for the computer is for eastern Montana college to buy the university of Montana's old computer.

MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY

Personal Services	1,331,552	832,402	1,424,075	869,665
Operating Expenses	264,726	169,251	288,083	176,568
Capital	50,906	32,546	54,845	33,614
Scholarships & Fellowships		71,316		71,316
Computer	<u>60,000</u>			
Total	1,707,184	1,105,515	1,767,003	1,151,163

The \$60,000 computer appropriation is to pay off Montana college of mineral science and technology's internal loan for the computer.

WESTERN MONTANA COLLEGE

Personal Services	1,138,414	454,285	1,212,119	480,729
Operating Expenses	184,815	71,873	192,236	74,720
Capital	35,022	13,620	36,283	15,278
Scholarships & Fellowships		50,470		50,470
Total	1,358,251	590,248	1,440,638	621,197

	-----Fiscal 1978-----		-----Fiscal 1979-----	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds
NORTHERN MONTANA COLLEGE				
Personal Services	1,887,475	689,433	1,955,052	769,879
Operating Expenses	237,952	88,010	247,471	91,530
Capital	90,502	33,473	95,932	35,482
Scholarships & Fellowships		<u>132,785</u>		<u>132,785</u>
Total	2,215,929	943,701	2,298,455	1,029,676

COOPERATIVE EXTENSION SERVICE

Current Unrestricted	1,098,596	1,247,607	1,175,190	1,309,312
Restricted		780,236		738,946
AGRICULTURAL EXPERIMENT STATION	2,838,216	1,992,361	3,037,250	2,086,541
U.S. Range Station		637,413	150,000	534,374
Hanson Property		75,000		
Roberts Property		<u>7,752</u>		<u>7,276</u>
Total	2,838,216	2,712,526	3,187,250	2,628,191

The U.S. Range Station expenditures shall not exceed those appropriated and the U.S. Range Station account shall revert all funds over \$100,000 ending balance on June 30, 1979 to the state general fund.

The Hanson property appropriation is to continue the provisions of House Bill 581, forty-third legislature. Any funds remaining from this amount at the end of fiscal 1978 may be carried forward to the fiscal year ending June 30, 1979.

The Roberts property appropriation is for payment of the contract for deed between Milo C. Roberts and Edith Z. Roberts for the use and benefit of the agricultural experiment station.

BUREAU OF MINES	709,847	80,000	751,353	85,000
Ground Water Study	<u>140,000</u>			
Total	849,847	80,000	751,353	85,000

General fund appropriated for the ground water study is to continue research mandated by H.J.R. 54 passed by the 44th legislature. Any of the \$140,000 not used on the ground water study by June 30, 1979 shall revert to the general fund.

-----Fiscal 1978-----		-----Fiscal 1979-----	
	Other Appropriated Funds		Other Appropriated Funds
General Fund		General Fund	

SUPERINTENDENT OF PUBLIC
INSTRUCTION

(1) Foundation Support	\$28,820,000		\$26,766,000	
(2) Permissive	<u>6,110,000</u>	<u>\$8,100,000</u>	<u>11,010,000</u>	<u>\$8,100,000</u>
Total	\$34,930,000	\$8,100,000	\$37,770,000	\$8,100,000

The appropriation in item (2) is made to the permissive levy account and notwithstanding 75-6922(3) shall be used to offset a permissive levy deficiency.

"Other appropriated funds" is revenue received by the state under provisions of P.L. 94-488, the federal revenue sharing extension act. Revenue sharing received by the state in excess of the amounts appropriated may be spent only to reduce the levies authorized under the provisions of 75-6921 and 75-6922(3).

MONTANA ARTS COUNCIL

Subcommittee Recommendation

		<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>MONTANA ARTS COUNCIL</u>	G.F.	\$111,906	\$127,856	14.0
	Other	<u>41,659</u>	<u>41,595</u>	<u>-0-</u>
	Total	\$153,565	\$169,451	10.0
	FTE	4.0	4.0	

The fiscal analyst's operational budget was recommended. This was \$2,755 over the executive due mainly to equipment and funding the fourth meeting of the council each year.

General fund of \$5,000 a year was added to help small communities match federal grants. In fiscal 1978 \$5,000 is recommended for the Jeanette Rankin statue authorized in House Joint Resolution 41, forty-third legislature. Match is expected to cover the total cost of the statue.

Summary

The general fund appropriation is \$15,000 over the LFA recommendation and \$10,060 over the executive recommendation.

SCHOOL FOR DEAF AND BLIND

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>SCHOOL FOR DEAF AND BLIND</u>			
G.F.	\$1,927,474	\$2,183,870	13.0
Other	<u>717,731</u>	<u>803,443</u>	<u>12.0</u>
Total	\$2,645,205	\$2,987,313	13.0
FTE	87.32	99.18	

The fiscal analyst's budget recommendation which was \$923 below the executive was adopted. Since House Bill 266 did not pass, \$184,279 was added to put the house parents on eight hour shifts.

Summary

The general fund appropriation is \$184,277 over the LFA recommendation and \$130,449 over the executive recommendation.

University System

SUMMARY: EDUCATION SUBCOMMITTEE ACTION

	1979 Biennium		
	<u>General Fund</u>	<u>Other</u>	<u>Total Funds</u>
Executive Budget	\$93,354,426	\$53,077,620	\$146,432,046
LFA recommended Budget	77,649,035	54,488,854	132,137,889
Subcommittee Budget	87,847,782	58,772,645	146,620,427

Summary - 6 Units

Executive Budget	\$71,878,417	\$45,371,940	\$117,250,357
LFA Recommended Budget	59,834,877	47,377,045	107,211,922
Subcommittee Budget	66,815,829	50,276,009	117,091,838

BOARD OF REGENTS

Subcommittee Recommendation

<u>BOARD OF REGENTS</u>		<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
	G.F.	\$548,600	\$28,290	(95.0)
	Other	<u>33,567</u>	<u>_____</u>	<u>_____</u>
	Total	\$582,167	\$28,290	(95.0)

The board of regents per diem, travel, phone and dues are included in this recommendation. It appears to be a decrease because there was an Indian education grant and audit costs in the 1977 biennium.

Summary

The general fund appropriation is \$28,290 over the LFA recommendation and \$28,290 over the executive recommendation.

COMMISSIONER OF HIGHER EDUCATION
 Office Administration
 Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>COMMISSIONER OF HIGHER EDUCATION</u>	G.F. Other	\$1,207,227 <u>95,100</u>	\$1,610,719 <u>80,000</u>
	Total	\$1,302,327	\$1,690,719
	FTE	18	19

The commissioner's present staff was increased by 1 FTE. However, the subcommittee recommends that the auditor, secretarial and director of special projects positions be filled.

All rent and utilities are included in the commissioner's budget, and 2 FTE under the board of public education are to be housed rent free in the same building.

A total of \$670,875 was included for data processing. NMC and WMC would receive approximately \$270,875 for improving their data processing capabilities. A total of \$400,000 has been provided to allow the university system to integrate its accounting system with the state system.

Summary

The general fund appropriation is \$849,218 over the LFA recommendation and \$298,932 over the executive recommendation.

STUDENT FINANCIAL ASSISTANCE

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>STUDENT FINANCIAL ASSISTANCE</u>			
G.F.	\$2,049,545	\$5,644,635	175.0
Other		354,000	100.0
Total	\$2,049,545	\$5,998,635	193.0

This program includes WAMI payments to the university of Washington, WICHE student exchange program, WICHE dues, rural dentistry at the university of Minnesota and student loan and grant funds. WAMI increases drastically because the program becomes fully operational in fiscal 1979. The per capita student exchange fees have almost doubled. Both state and federal dollars are appropriated for the federal incentive matching program. This biennium WICHE dues are recommended to remain at \$28,000 a year.

COMMUNITY COLLEGES

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>COMMUNITY COLLEGES</u>	G.F.	\$2,750,221	\$3,847,857
			40.0

Community colleges are funded at 65 percent of the "65/35" budget determined to be reasonable by the subcommittee. The "65/35" budget refers to general fund, student fees and local mill levies.

There were two changes from current level. Teachers were added at Miles and Dawson community colleges to handle enrollment increases. Dawson community college had a higher cost per student than Miles and Flathead community colleges. Adjustments were made to return Dawson's legislative budget to a level more comparable to Miles and Flathead. The adjustment was cushioned by taking one-third in fiscal 1978 and two-thirds in fiscal 1979.

Summary

The general fund appropriation is \$700,314 over the LFA recommendation and \$427,191 over the executive recommendation.

UNIVERSITIES AND COLLEGES

Subcommittee Recommendation

		1977 Biennium	Total 1979 Biennium	Percent Increase
<u>UNIVERSITY OF MONTANA</u>	G.F.	\$22,579,789	\$22,906,438	1.0
	Other	<u>16,865,920</u>	<u>18,374,711</u>	<u>9.0</u>
	Total	\$39,445,709	\$41,281,149	5.0
	FTE	1,076.34	956.21	
<u>MONTANA STATE UNIVERSITY</u>	G.F.	\$20,284,373	\$24,680,364	22.0
	Other	<u>19,240,751</u>	<u>20,547,893</u>	<u>7.0</u>
	Total	\$39,525,124	\$45,228,257	14.0
	FTE	971.42	1,008.89	
<u>EASTERN MONTANA COLLEGE</u>	G.F.	\$ 7,596,274	\$ 8,441,567	11.0
	Other	<u>4,618,757</u>	<u>5,911,905</u>	<u>28.0</u>
	Total	\$12,215,031	\$14,353,472	18.0
	FTE	323.09	348.76	
<u>MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY</u>	G.F.	\$2,827,711	\$3,474,187	23.0
	Other	<u>1,824,036</u>	<u>2,256,678</u>	<u>24.0</u>
	Total	\$4,651,747	\$5,730,865	23.0
	FTE	114.60	129.13	
<u>WESTERN MONTANA COLLEGE</u>	G.F.	\$2,424,454	\$2,798,889	15.0
	Other	<u>850,592</u>	<u>1,211,445</u>	<u>42.0</u>
	Total	\$3,275,046	\$4,010,334	23.0
	FTE	101.83	109.64	
<u>NORTHERN MONTANA COLLEGE</u>	G.F.	\$3,439,400	\$4,514,384	31.0
	Other	<u>2,007,499</u>	<u>1,973,377</u>	<u>(2.0)</u>
	Total	\$5,446,899	\$6,487,761	19.0
	FTE	152.03	155.97	

Universities and Colleges - Continued

The major components of the university budget are faculty costs, other salary costs, operating expenses, capital, scholarships, athletics and new programs.

Faculty costs were determined by applying student-faculty ratios to average faculty salaries.

Recommended Faculty Salary Increases

<u>Unit</u>	<u>Actual 1977</u>	<u>% Change</u>	<u>Budgeted 1978</u>	<u>% Change</u>	<u>Budgeted 1979</u>
UM	\$17,027	10.2	\$18,762	4.9	\$19,672
MSU	17,233	8.9	18,762	4.9	19,672
EMC	16,451	2.7	16,898	4.9	17,729
MCMST	17,814	(.4)	17,737	4.9	18,603
WMC	15,390	9.8	16,898	4.9	17,729
NMC	15,349	10.1	16,898	4.9	17,729

Recommended Student-Faculty Ratios

	<u>L.F.A.</u>	<u>Regents</u>	<u>Committee Recommendation 1978 & 1979</u>
UM	20:1	19:1	19:1
MSU	20:1	19:1	19:1
EMC	20:1	19:1	19.6:1
MCMST	17:1	16:1	16:1
WMC	17:1	16:1	16.6:1
NMC	16:1	16:1	16:1

Other salary costs were established by the subcommittee in the context of historical per student costs. Personnel costs for research and operation of plant and maintenance were continued at current levels.

The two larger schools were compared with each other. Um has experienced a six-year trend of decreasing enrollment while MSU's over that time has increase. Presently UM expends more on other salary costs than MSU while having 1,200 fewer students. The subcommittee recommends adjusting this discrepancy gradually over a three-year period.

Operating expenses were adjusted by the subcommittee to take cognizance of campuses having more square footage due to opening new buildings.

Universities and Colleges - Continued

Capital expenses were funded as recommended by the fiscal analyst at MSU, EMC, MCMST and WMC. The fiscal analyst had recommended higher than current level expenses for these campuses. UM received an additional \$300,000 for library purchases and an additional \$244,000 for general instructional equipment. NMC was allowed extra funds for capital outlay because its 1976 expenses were significantly below its six-year trend.

Scholarships were recommended at the same percentage of total students as in 1976. The higher recommended tuition and fees served to also increase the recommended amount for scholarships.

Intercollegiate athletics previously funded with student fees were funded with general fund.

New programs include an EEO officer at EMC and a development officer at MCMST. Funds are included to allow EMC to purchase a computer. MCMST received adequate funding to completely pay for its new computer by fiscal 1978.

Summary

The general fund appropriation is \$6,980,952 over the LFA recommendation and \$5,062,588 under the executive recommendation.

COOPERATIVE EXTENSION SERVICE

Subcommittee Recommendation

<u>COOPERATIVE EXTENSION SERVICE</u>		<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
	G.F.	\$2,112,257	\$2,273,786	8.0
	Other	<u>2,434,095</u>	<u>2,556,919</u>	<u>5.0</u>
	Total	\$4,546,352	\$4,830,705	6.0
	FTE	132.84	127.78	

New programs were added in entomology, plant pathology, dairy specialist and community development. This is an increase of 4.5 FTE (3.5 professional and 1 clerical). Federal funds support community development for \$13,500 per year and general fund pays \$15,000 in fiscal 1978 and \$17,000 in fiscal 1977.

Summary

The general fund appropriation is \$439,338 over the LFA recommendation and \$126,125 under the executive recommendation.

AGRICULTURAL EXPERIMENT STATION

Subcommittee Recommendation

	1977 <u>Biennium</u>	Total 1979 <u>Biennium</u>	Percent Increase
<u>AGRICULTURAL EXPERIMENT STATION</u>	G.F. \$5,689,068 Other <u>3,186,135</u>	\$ 5,875,466 <u>5,340,717</u>	3.3 <u>67.6</u>
	Total \$8,875,203	\$11,216,183	26.4
	FTE 264.71	312.84	

Funds for entomology research and weed control in small grains were added.

A contingency appropriation of \$150,000 was provided the range station to cover a possible shortfall in revenues.

Summary

The general fund appropriation is \$928,812 over the LFA recommendation and \$913,186 under the executive recommendation.

BUREAU OF MINES

Subcommittee Recommendation

		<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>BUREAU OF MINES</u>	G.F.	\$1,493,114	\$1,601,200	7.0
	Other	<u>135,920</u>	<u>165,000</u>	<u>21.0</u>
	Total	\$1,629,034	\$1,766,200	8.0
	FTE	37.56	34.82	

No specific FTE's are assigned to the general water study.

The program was expanded by an engineering geologist. The ground water study mandated by H.J.R. 54 of the 44th legislature was continued.

Summary

The general fund appropriation is \$271,823 over the LFA recommendation and \$159,158 under the executive recommendation.

SUMMARY: EDUCATION SUBCOMMITTEE ACTION

		1979 Biennium		
	<u>FTE</u>	<u>General Fund</u>	<u>Other</u>	<u>Total Funds</u>
Executive Budget	3,747.29	\$175,345,144	\$78,205,465	\$253,550,609
LFA Recommended Budget	3,586.75	187,795,161	73,897,362	261,692,523
Subcommittee Budget	3,596.54	182,972,417	82,124,933	265,097,350

BOARD OF PUBLIC EDUCATION

Subcommittee Recommendation

	1977 Biennium	Total 1979 Biennium	Percent Increase
<u>BOARD OF PUBLIC EDUCATION</u>	G.F. \$61,596	\$408,652	563.0
	FTE .75	2.0	

Due to passage of Senate Bill 138, a professional assistant was added to the board budget. The fire service training academy was removed from the vocational education centers budget and line-itemed under the board. The only cost increase for the academy was \$15,000 rent which is recognized as revenue to the Great Falls center thus resulting in no overall general fund cost.

Summary

The general fund appropriation is \$371,552 over the LFA recommendation and \$26,043 over the executive recommendation.

OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION
Chief State School Officer and Educational Services

Subcommittee Recommendation

	1977 Biennium	Total 1979 Biennium	Percent Increase
<u>OSPI</u>			
G.F.	\$2,898,588	\$2,536,491	(13.0)
Other	<u>4,646,824</u>	<u>6,094,919</u>	<u>31.0</u>
Total	\$7,545,412	\$8,630,410	14.0
FTE	161.50	169.60	

All modified programs were recommended except for increased vocational education staff. Requests to have general fund pay for programs previously supported with federal funds were denied. Out-of-state travel was reduced to approximately 1½ trips a year per professional. All identifiable federal funds were used before general fund.

Summary

The general fund appropriation is \$22,165 under the LFA recommendation and \$462,359 under the executive recommendation.

REGIONAL SERVICE CENTERS

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>REGIONAL SERVICE CENTERS</u>	Other \$3,322,000	\$3,322,000	-0-
	FTE 66.21	66.21	

The level of funding provided is the same as in the present biennium. Explanations of the need for this program and justification for expansion were unsatisfactory. The subcommittee recommended a thorough review of the centers during the next biennium.

SCHOOL LUNCH

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>SCHOOL LUNCH</u>	G.F. \$782,905	\$1,414,000	81.0

The subcommittee accepted the executive's recommendation. It assumes the state match requirement will increase as well as the number of meals served. Any excess funds will revert at the end of each fiscal year.

Summary

The general fund appropriation is \$175,430 over the LFA recommendation and is the executive recommendation.

SCHOOL TRANSPORTATION

Subcommittee Recommendation

<u>SCHOOL TRANSPORTATION</u>	G.F. \$5,850,000	\$6,874,000	14.0
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This recommendation is based upon increasing the reimbursement for bus transportation from 35 cents per mile plus 2 cents per seat for over 50 seats, to 40 cents plus 2 cents in fiscal 1978 and 45 cents plus 2 cents in fiscal 1979. This is expected to raise the average reimbursement from 53 cents to 58 cents by 1978 and 62 cents by 1979.

Summary

The general fund appropriation is the LFA recommendation and is \$26,000 under the executive recommendation.

VOCATIONAL EDUCATION CENTERS

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
VOCATIONAL EDUCATION CENTERS			
G.F.	<u>\$7,862,109</u>	<u>\$6,719,721</u>	<u>(15.0)</u>
Other	<u>268,319</u>	<u>3,472,403</u>	<u>1,294.0</u>
Total	<u>\$8,130,428</u>	<u>\$10,192,124</u>	<u>25.0</u>

The major reasons for the recommended decrease in general fund support includes:

1. Cost-of-living adjustments are not yet reflected in these budgets; and

2. The 1977 biennial appropriation was based on a significantly higher enrollment than materialized. The 1975 legislature increased general fund support by 50 percent in anticipation of a 36 percent enrollment hike by 1977. Actually enrollments will increase by less than ten percent over that time period.

Program evaluations and need assessments were not made available to support the budget request.

The "other funds" seem to increase dramatically because the federal funds did not show in the previous appropriation bill.

Summary

The general fund appropriation is \$247,023 under the LFA recommendation and \$134,341 under the executive recommendation.

SECONDARY AND OTHER VOCATIONAL EDUCATION

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>SECONDARY AND OTHER VOCATIONAL EDUCATION</u>	G.F. \$1,422,245	\$742,415	(48.0)

The major reason for the recommended decrease is a fundamental disagreement with the policies and procedures used in distributing the funds.

1. These funds have been used as "seed money" to begin vocational programs in local districts. After the projects were begun, the state money is withdrawn each year and the costs left to be covered in the school foundation program and by local voted levies.

2. Testimony indicates that the funds are not monitored to assure their use in vocational education.

3. The moneys are not distributed until year's end. Such a procedure precludes a district from establishing a rational financial plan to support vocational education.

4. The 1975 legislature increased the appropriation by 21 percent--basing the increase on OSPI's representation that reimbursement rates would not decline. Actually, the rate declined nine percent in fiscal 1975 and 1976 and is expected to fall 13 percent in fiscal 1977.

It is recommended that state support for vocational education be provided through the foundation program and that federal funds be used to purchase needed equipment.

Summary

The general fund appropriation is the LFA recommendation and \$463,301 under the executive recommendation.

ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

Subcommittee Recommendation

<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>ADVISORY COUNCIL FOR VOCATIONAL EDUCATION</u>		
G.F. \$ 31,418	\$ -0-	(100.0)
Other <u>100,000</u>	<u>100,000</u>	<u>-0-</u>
Total \$131,418	\$100,000	(24.0)
FTE 2.0	-0-	

The advisory council for vocational education is recommended to operate within the federal funds received. Federal law requires the advisory council.

Summary

The general fund appropriation is the LFA recommendation and \$36,111 under the executive recommendation.

MONTANA STATE LIBRARY COMMISSION

Subcommittee Recommendation

	<u>1977 Biennium</u>	<u>Total 1979 Biennium</u>	<u>Percent Increase</u>
<u>STATE LIBRARY COMMISSION</u>			
G.F.	\$ 634,832	\$ 634,000	-0-
Other	<u>594,526</u>	<u>467,928</u>	<u>21.0</u>
Total	\$1,229,358	\$1,101,928	10.0
FTE	23.50	25.50	

The legislative fiscal analyst's expenditure level recommendation which was \$7,654 over the executive was recommended.

General fund was added to support the library operations so that about \$180,000 of federal funds per year could be granted for local library development.

Summary

The general fund appropriation is \$280,094 over the LFA recommendation and \$13,624 over the executive recommendation.

MONTANA HISTORICAL SOCIETY

Subcommittee Recommendation

		1977 <u>Biennium</u>	Total 1979 <u>Biennium</u>	Percent Increase
<u>HISTORICAL SOCIETY</u>	G.F.	\$ 488,011	\$ 777,630	59.0
	Other	<u>1,170,306</u>	<u>950,000</u>	<u>(19.0)</u>
	Total	\$1,658,317	\$1,727,630	4.0
	FTE	28.50	22.0 ¹	

1. No FTE were specified for the magazine and merchandising program nor the Libby dam project in the 1977 biennium.

Substantial changes were made to the historical society's operational budget. Two general fund programs were expanded and the revolving fund programs' operations were reduced.

Two archivists and two clerical positions were added to the library and archives programs. The staff should be large enough to process all current material received and decrease the back log of unprocessed records.

A conservator and a clerical position were added to the museum and gallery staff. Some stabilizing work can be accomplished on artifacts and paintings. An evaluation will be made of the collection so that the items needing extensive preservation work can be identified and put on a priority list. The operations will be supported with general fund rather than revolving funds. The first \$20,000 profit a year from the revolving fund will be used under contracted services for painting preservation.

The magazine and merchandising programs' operations were reduced so the program would be self-supporting. Self-supporting incentives were added. Cost of goods sold are estimated very high so there will be no limitation on potential sales. Profit earned above the first \$20,000 will be put into an artifact and painting acquisition account.

A program for historical city preservation was transferred from fish and game.

The Libby dam project was not appropriated. Should this contract be received, direct costs can be authorized in a supplemental appropriation and indirect costs should revert directly to the general fund.

Summary

The general fund appropriation is \$254,344 over the LFA recommendation and \$69,853 over the executive recommendation.

Jan 26 3/26
Kris Mattocks - Fairview

"We just built a \$300,000 building and we used the money to purchase equipment to furnish the building. We are in the process of expanding our Vo-Ed offerings. This would drastically curtail any future expansion."

The community bought the building on the promise that they would receive assistance to purchase equipment and support the on-going program."

Karl Riske - Medicine Lake

"We would try to continue but at the same time I'm sure it would greatly effect the quality of our program. We certainly need the help to continue."

Without reimbursement we would not be able to expand into other Vo-Ed programs such as home economics, business and office."

Gail Stensland - Culbertson

"We would see a general reduction in Vo-Ed. It would not happen in one year but we would see a gradual deterioration. The Board looks to the State reimbursement for encouragement. Even though the reimbursement may be small, schools are able to accumulate it and make program improvements. It would take a very, major effort to rebuild Vo-Ed after a period of 4 years. Funds are necessary to provide state leadership; without state leadership we would have a hilter-skelter system of Vo-Ed."

Alvin Kober, Principal - Columbus

"Without reimbursement for our Vo-Ed programs the emphasis would shift from one of offering a balanced curriculum to one of concentration on basic ed."

"The current reimbursement, although it is small, greatly assists with the operation of our Vo-Ed program."

"The expense would have to be picked up by the local taxpayers and when cuts in the budget have to be made, the Vo-Ed programs would be the first to be cut."

Robert Molland, Superintendent, Scobey

"We'd be in serious trouble. A shift would be to totally fund our vocational courses with local tax money and the board would have to decide what to operate or cut back. Students would definitely be hurt."

Vernon Pacovsky, Vo-Ag teacher, Bainville

"The small schools especially need help, our economic base depends on agriculture and farmers are in a financial crunch.

Bainville
"Our students benefit from our Vo-Ag program and a decrease in reimbursement would jeopardize our Vo-Ag program. Our school enrollment has decreased, therefore, we are receiving less support through the foundation program.

We have already been forced to drop our Home Ec program because of a lack of funding."

Eugene Lagerquist, Superintendent, Plentywood

"I am alarmed at this turn of events.

Plentywood
With the increased pressure on the local taxpayers it would certainly make it difficult to finance our Vo-Ed programs.

Fifty percent (50%) of our graduate students will not go on to further training and I feel it is essential that they achieve training in our high school."

Jack Kober, Superintendent, Poplar

Poplar
"Since Poplar is just beginning to develop its vocational programs, we are looking for funds. We support our basic programs with the local budgets, but we need reimbursement to bring them up to be vocationally sound. Definitely, our future plans in trying to expand would be adversely affected."

BIOLOGICAL WEED CONTROL

Jim M. Story
Entomologist
Montana Agricultural Experiment Station

It has become increasingly obvious, over the past few years, that a severe weed problem exists in western Montana. Of course, there are many different weeds which, collectively, make up this weed problem but there are a number of especially troublesome weeds which, because of their rapid spread, have focused attention and concern on the weed problem. These "especially troublesome" or noxious weeds referred to consist of the following:

- 1) Spotted knapweed (Centaurea maculosa)--presently infests an estimated 1.6 million acres in Montana. The majority of the infestation exists in western Montana but it is gradually spreading eastward.
- 2) Leafy spurge (Euphorbia esula)--considered to be the fastest spreading perennial weed in Montana. Its vigorous spreading ability and its remarkable persistence make it one of Montana's most serious weeds.
- 3) Musk thistle (Carduus nutans)--a problem in many areas of western Montana where it forms heavy infestations that reduce pasture utilization.
- 4) Goatweed (Hypericum perforatum) (also called St. Johnswort or Klamath weed)--a potentially serious weed that presently occurs only in limited areas of Montana.
- 5) Dalmatian toadflax (Linaria dalmatica)--is spreading in many areas of western Montana. In Sanders County alone, it infests an estimated 23,000 acres.

Up to this time, weed control efforts have involved the use of either cultural or chemical control methods. It has become obvious that in many cases these control techniques are not the total answer to our weed control dilemma because the number of acres infested with noxious weeds is increasing. Also, many of these infestations occur where it is either impractical or environmentally hazardous to use existing control methods but where biological weed control, the use of natural enemies (parasites, predators, or pathogens) to control weeds, appears to offer considerable potential.

Biological weed control is not a new and untested technique. On the contrary, dramatic successes involving biological weed control have occurred in recent history. Two notable examples of successful biological weed control are the control of prickly pear (Opuntia spp.) in Australia by an imported moth and control of goatweed in California by an imported beetle. The Australian prickly pear infestation of some 60 million acres was almost completely eliminated by the moth, allowing most of what was previously "useless" land to be returned to productive farmland and pasture. Likewise, the 2-million acre infestation of goatweed in California was reduced in abundance by more than 99%. Especially significant is the fact that although the bio-control of prickly pear and goatweed occurred in 1925 and 1946, respectively, both weeds remain under complete control today.

Biological weed control is also not new to Montana. The same beetle released on goatweed in California was also released in western Montana in 1949. Recent surveys show the beetle to be present in rather low numbers at most of the release sites. Further research is needed to determine why the beetle has not been as successful at controlling goatweed in Montana as it was in California.

In 1969, a seed-head weevil, host-specific to musk thistle, was released on musk thistle infestations in Gallatin County. The weevil has since spread over 500 square miles in Gallatin County and has increased its population so rapidly that collections of the weevil can now be made for redistribution in other counties. This insect's potential as a control agent against musk thistle looks very promising.

A seed-head fly, host-specific to spotted knapweed, was released in Ravalli County in 1973. The fly population is increasing and also looks promising as a control agent.

The first concerted effort in Montana to study an insect introduced as a biological control agent occurred in 1974 when a graduate student (myself) began studies on the seed-head fly, Urophora affinis, released on spotted knapweed. Upon completion of this study in May 1976, a number of people agreed that the study on the effectiveness of U. affinis in the control of spotted knapweed should not end at that time. They also felt that future releases of phytophagous insects should be studied on more than just an "as-time-permits" basis. Therefore, as a result of these people's concerned efforts, a research project involving biological weed control was started on June 1, 1976 by the Montana Agricultural Experiment Station with the support and cooperation of the Western Area Weed Advisory Council. A researcher (myself) was hired as an Assistant in Entomology to conduct the research based on a one-year appointment. Continuance of the project will depend primarily on funds allocated by interested Montana counties.

The obvious potential of biological weed control as illustrated by the dramatic control of prickly pear and goatweed plus the increasing seriousness of the noxious weed problem in many areas of Montana dictates that the research on biological control be continued. Thorough studies of both the weeds and the control agents, the relationship between the two, and, ultimately, the effect of the control agents on the target weeds can be carried out only in a program of long-term research.