

MINUTES OF THE MEETING OF THE JOINT APPROPRIATION SUBCOMMITTEE  
ON EDUCATION

January 28, 1981

The Executive Session meeting on the Forestry Conservations and Experiment Station was called to order at 8:05 a.m. on Wednesday, January 28, 1981 by Chairman Donaldson in Room 104, Capitol Bldg., Helena, Montana.

All members were present including Curt Nichols, Fiscal Analyst.

CURT NICHOLS gave the Legislative Fiscal Analyst's recommendation. (EXHIBIT A) He pointed out the differences in Personal Services and Equipment. This recommendation does not include 9% increase in pay or catch-up for salaries.

GLEN LEAVITT gave the Executive Budget Office's recommendation.

REP. BENGTON moved that the committee accept the LFA recommendation for General Fund of \$294,139 for FY 82 and \$300,291 for FY 83. MOTION PASSED UNANIMOUSLY.

CURT NICHOLS gave the briefing on the budget modifications. This is for 19.15 FTEs and \$421,028 for FY 82 and \$441,066 for FY 83. Neither the LFA nor the Executive Budget recommend these modifications.

MR. STOUT discussed the modifications and the needs for each. He stated that if the Merdock Trust does take awhile to fund the building, they have arranged with Earl Loring to store the materials in the library. He discussed the setup at Lubrecht. There is one full-time manager and a part-time camp manager when the camp is in session.

REP. BENGTON asked if he could give any alternatives to what he is requesting.

MR. STOUT stated that if need be, he could eliminate one of the faculty lines, post baccalaureate and one of the technicians. But he did not feel that the Wilderness Institute should be eliminated.

SENATOR NELSON asked if the wood industry would be willing to tax themselves to help fund the research.

MR. STOUT said his guess is that what they are really saying is that they are not really sure if this experiment station is capable of doing the job. He did not feel they would now.

SENATOR HAFLEY asked what Oregon and Washington's budget is in comparison with the state income from forestry.

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MR. STOUT stated that the State of Oregon has a severance tax on timber. There are two programs in Washington, But he did not know their budgets. Washington does not have a tax. Montana is the only state that has a separate experiment station, others are combined with Agriculture Experiment Stations.

CHAIRMAN DONALDSON asked to what degree they use the Extension Service.

MR. STOUT stated that he would hope that as they develop the kinds of information we need for the rancher that we could channel it through the Extension Service. We can also channel it through the Division of Forestry. There are ways to disseminate the information. We first need the information for them to disseminate,

CHAIRMAN DONALDSON asked what the additional two FTEs will do towards increasing the grants.

MR. STOUT stated that these two FTEs will not be expected to go out and get contracts and grants.

CHAIRMAN DONALDSON asked if we funded this based on the assumption that the building would be there the second year of the biennium, would he see any problems.

MR. STOUT stated that it would be a way to go. But asked if there could be some provision for the first year to get some of the equipment that they need to communicate with the computer in Helena.

CHAIRMAN DONALDSON said that it could be adjusted some but it would be best to take them one item at a time.

MR. STOUT explained that the Contracted Services would be for a xerox machine, telephone lines, and the charge for using the computer.

REP. BENGTON pointed out that this will be an on-going commitment for the state in the future and is a big expansion in forestry.

MR. STOUT stated that if they don't go the computer route then it would cost more to have people go out and do the tracking. By using land and area photographs, they won't have to visit every acre.

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SENATOR JACOBSON asked if they are paying the Director of the Wilderness Institute with state money.

MR. STOUT stated that yes, they are paying his full salary with state money. He has an appointment in the faculty for teaching and in the Experiment Station for research.

Next they discussed the continuing education request for .5 lines which is \$12,000.

MR. STOUT stated that there are faculty who have developed Continuing Education of Forest Ecology and Silviculture (CEFES). These are training programs that bring back graduates and professional people to upgrade their skills. We get the user to pay the cost of continuing education while they are there. I have not been able to figure out how to account for the time the faculty member who runs one of these gets accounted for the CEFES time.

CURT NICHOLS stated that continuing education is supposed to be self-supportive.

JACK NOBLE stated that continuing education is self-supporting and that how it is funded is the fact that they take it out of their hides. The Board of Regent's policy is that it is self-supporting. It is quite different from the other modifications.

REP. THOFT moved that the LFA, Executive Budget Office and Mr. Stout get together in developing a proposal for the Lubrecht Forestry Operation funded in the second year and adjustments made throughout the budget relative to those types of changes. And to make sure that those items on Page 4 of EXHIBIT A are accurate since they are a substantial increase. MOTION PASSED with REP. BENGTON opposing.

JACK NOBLE pointed out that if the Forestry Station is provided additional increases, they do impact operating costs on the campus, and to tell the campus, because of that increase, to cut back on something else.

SENATOR HAFNEY moved that the committee amend the motion to accept the LFA recommendation by adding to the current level funding the addition of two FTEs for \$44,800 for FY 82 and \$44,800 for FY 83. MOTION PASSED UNANIMOUSLY.

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There was discussion in regard to the support of the Wilderness  
Institute.

Meeting adjourned at 11:15 a.m.

  
REP. GENE DONALDSON, Chairman

pb

Forestry Experiment Station Jan 28, 1981 A

	82			83		
	LFA without 9% Pay	Executive	Regents without modified	LFA without 9% Pay	Executive	Regents without modified
FTE	10.26	10.26	10.26	10.26	10.26	10.26
Personnel Services	224092	232378	232719	224092	232378	232719
Operating Expenses	50822	50846	50846	56147	56173	56173
Equipment	9225	8564	8564	10052	8564	8564
Transfers	10000	10000	10000	10000	10000	10000
TOTAL	294139	301788	302129	300291	307115	307456
General Fund	294139	301788	302129	300291	307115	307456
MODIFIED - Regents only						
FTE			18.00			18.00
Personnel Services			287039			312872
Operating Expenses			104934			119889
Equipment			29055			8305
			421028			441066

MONTANA'S FORESTS

Forests provide benefits critical to society's well being: outdoor recreation, range, timber, watershed and wildlife and fish. Each of these benefits influences each Montanan in a variety of ways: employment, sustenance, warmth, pleasure, a sense of place. The extent of the influence ranges from full-time employment to vicarious enjoyment. The University of Montana Bureau of Business and Economic Research estimated that, for 1969, some 11 percent of total personal income in Montana was directly or indirectly attributable to the wood products industry, and in eight western counties the percentage was 51.<sup>a</sup> More recent data show that these substantial comparable percentages are still with us. Other economic benefits from outdoor recreation, range, water and wildlife and fish are substantial but more difficult to estimate precisely.

In 1937, during the Depression, the legislature established the Montana Forest and Conservation Experiment Station. The purposes of the Station are stated in Chapter 3, Section 28-303. The main purpose is:

"To study the forest and forest land resources of the state to the end that the state and its citizens may attain the highest economic and social benefits from the forest soils within the state and the influences and products flowing therefrom."

The mandate is clear. Studies need to be initiated and intensified now if the forests of Montana are to make their full contribution in jobs, water and recreation to the citizens of the state.

There are 22.6 million acres of forest and associated rangeland in Montana; 17 million acres are classified as commercial forest land<sup>b</sup>, of which 2.7 million have been or may be reserved. There are, therefore, about 14.3 million acres of potentially manageable commercial forest land.<sup>c</sup>

The economic and social benefits of outdoor recreation, range, watershed, wildlife and fish are intimately tied to the total forest acreage. Economic and social benefits from timber uses are derived from the commercial forest acreage. All benefits and the associated costs are intricately interwoven as the state and its citizens strive to attain the highest net benefits envisioned by the 1937 legislature.

Outdoor recreation opportunities are abundant in Montana. Population continues to increase. Today we need to know how to enhance recreation benefits

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<sup>a</sup>Johnson, Maxine C. 1972. Wood Products in Montana. Montana Business Quarterly. 10(2).

<sup>b</sup>Commercial forest land is capable of growing at least 20 cubic feet of wood per acre per year.

<sup>c</sup>USDA Forest Service. Forest Statistics of the U.S. 1977 Review Draft.

for all Montanans and paying visitors to Montana. For instance, how can adjustments be made to changing age structure in the population? How can we continue to enjoy the Big Sky with ever higher gasoline costs?

Range benefits Montanans by stabilizing watersheds and feeding domestic animals and wildlife. The nutritional quality of forage plants and how those qualities might be enhanced by management are poorly understood. As human population increases we need to produce greater quantities of meat, hides, and furs and provide more opportunities for observing wildlife. Studies should be initiated today to develop the basic understanding necessary for improved management of this resource. We believe that if we could find some of the "unknowns" in our basic understanding of plant and animal relationships, Montanans could increase benefits from the acreages presently used for red meat production. This work will be coordinated with appropriate state and federal agencies, as is all Station research.

We know that water is vital to plants and animals and to our economy. What we do and when we do it largely determines water quality and quantity. We need to know more about what should and should not be done in our forests to assure succeeding generations of Montanans a good cool clear drink of water. We need to learn how to use the forested watersheds wisely.

Forests provide habitat for fish and wildlife. As other benefits are increasingly derived from forests the basic needs of wildlife may be affected. We should continue our studies of wildlife and fish because they are significant economic and social resources.

Mountain forests are complex. The soils they grow in are complex. Montana has entered an era in which forests are managed as crops. This management will intensify as more people learn the advantages of better husbandry. We must discover what management regimes produce the highest benefits from this complex of plants, soils and water. Just as there is an optimum number of wheat plants per acre to maximize yield for a given soil and water situation, so is there an optimum number of trees to maximize forage, wood, water and wildlife yield for a given forest site. These optima are what we will seek in the experiments at Lubrecht Experimental Forest.

Forest industries of Montana harvest over a billion board feet annually. That is roughly equivalent to 220 million cubic feet (1 cubic foot = 5 board feet, an average conversion factor). If the 14.3 million acres of commercial forest land in Montana produce only an average of 50 cubic feet per acre per year, then 715 million cubic feet grow each year. But we do not know what the forests are producing. We need to know.

Sir Isaac Newton said that we all stand on the shoulders of our predecessors. So it is with experimentation in forestry. The work outlined above will be built on previous work. The workers in the Station have responded to and served the needs of Montana with each passing decade. It is time now to move forward to new horizons.

The faculty and staff of the Montana Forest and Conservation Experiment Station, in order to fulfill the legislative mandate, respectfully suggest the following:

1. Using Lubrecht Experimental Forest as the focal point, initiate experiments to determine management regimes that will allow the state and its citizens to attain the highest economic and social benefits from forests.
2. Initiate or expand efforts to assess the potential benefits of Montana's forests for outdoor recreation, range, timber, watershed, wildlife and fish.
3. Continue studies and begin others which develop aids for management and policy making, assuring attainment of the highest benefits.

*Is this not  
being done now?*

*What is the role  
of dept of fish  
and game and  
NATURAL Resources*

We can help to meet the challenges facing Montanans and their natural resources by beginning the work outlined above. Just as an investment is made in seed for a crop, so must an investment be made in forestry research. That investment for the next biennium is outlined below.

<u>ACTIVITY</u>	<u>FUNDING 1980-81</u>	<u>PROPOSED 1981-82</u>
Faculty Research Time (5.44 lines). The 5.44 lines are split among 19 faculty members to give them released time for research. With this released time the faculty had some \$1.7 million in research projects. The request is to increase the current allocation by \$44,800 (about 2.0 lines) so that more activity can be centered at Lubrecht.	\$121,857	\$166,657
Lubrecht Forest Operation. We presently cover the forest manager's salary (see classified staff), some operation costs, and some expenses at Lubrecht. We propose the addition of a management specialist to oversee the data storage and retrieval operation, a <u>post baccalaureate</u> to assist with technical operation, two full-time <u>technicians</u> , five summer laborers, vehicle acquisition and operation, housing repairs (one time cost), and maintenance.		<u>96,174</u>
Travel. With increased activity at Lubrecht, travel costs will increase.	9,500	14,400

*2 FTE  
Proposed*



<u>ACTIVITY</u>	<u>FUNDING</u> <u>1980-81</u>	<u>PROPOSED</u> <u>1981-82</u>
Telephone. These costs have been subsidized from a variety of sources on a catch-as-catch-can basis. We also include a line rental for computer communication between Lubrecht and Missoula.	\$ 8,723	\$ 12,300
Contracted Services. Includes computer services.	9,659	20,386
Printing. With increased activity it will be necessary to print more material describing results.	---	12,000
Administrative Assessment. This is a charge by the University for services rendered. During 1979-80 the charge was taken "off the top."	8,771	30,000
Postage	---	2,400
Supplies. The increased activity at Lubrecht will require additional supplies; e.g., photo coverage.	10,000	25,000
Rent of Equipment (xerox, etc.)	6,593	8,000
Utilities. These costs will be incurred in anticipated facilities at Lubrecht Experimental Forest.	---	2,500
Repairs and Maintenance.	1,200	3,600
Other Expenses. No increase.	2,000	2,000
Research Support. (7.44 lines @ \$750 per line.) This will cover publication costs and the incidentals that crop up with every project.	---	5,580
Support of the Wilderness Institute	---	32,000
Operator, Inductively Coupled Plasma Spectrometer	---	15,000

This should  
be added to  
UM Revenues

Why do we  
support the  
wilderness  
institute all  
of a sudden

<u>ACTIVITY</u>	<u>FUNDING 1980-81</u>	<u>PROPOSED 1981-82</u>
Equipment and Capital. The increase will cover the minimum equipment needs to connect with the University and State computers.	\$ 2,945	\$ 25,000
Classified Staff (1980-81). The forest manager (1.0), station editor (.5), biometrician (.5), and temporary and part-time salaries. (1981-82 also includes additional biometrician (.5), editor (.5), accounting and secretarial staff.)	60,250	102,804
Fringe Benefits. (On all station salaries.) (WI fringe benefits included in WI support total.)	36,270	75,096
Administration. One-third of the dean and director's salary is charged to the station.	12,840	13,739
Research Assistants. One per area (outdoor recreation, range, timber, water, wildlife).	---	35,000
Continuing Education. CEFES and other programs, 0.5 lines.	---	<u>12,000</u>
<b>TOTALS</b>	<u>\$290,608</u>	<u>\$711,636</u>

711,636  
- 290,608  
= 421,028  
(see next  
Page)

The effort proposed for 1981-83 will focus primarily on initiating a data storage and accessing capability. The computers in Helena and the University will be used extensively and interactively. The goal of this effort will be to develop reliable data for forestry inventory and production potential for all benefits derived from forests.

The second major effort will be the initiation of experiments to determine the management regimes that will result in a maximum economic and social benefit. Those experiments will be established on Lubrecht Experimental Forest.

Closely associated with the data capability and the experiments will be the effort to bring together in one place existing information on management regimes and the responses expected. By doing this the experimental work can be designed so that the highest priority work can be done first.

While the efforts of the State through the Montana Forest and Conservation Experiment Station are going forward, we will also be working with private foundations and federal agencies to augment facilities and equipment needs.

We expect to have at Lubrecht a program of work and demonstration that will serve Montana well, and of which Montanans can be justly proud.



