

MINUTES OF THE MEETING  
JOINT SUBCOMMITTEE  
ON EDUCATION APPROPRIATIONS  
MONTANA STATE  
HOUSE OF REPRESENTATIVES

January 31, 1985

Tape 34 Side B

The meeting of the Education Subcommittee was called to order by Chairman Gene Donaldson at 8:05 A.M. on Thursday, January 31, 1985, in Room 104 of the State Capitol.

All members were present.

The purpose of the meeting was conclusion of EXECUTIVE ACTION on the Budget of the Agricultural Experiment Station and EXECUTIVE ACTION on the Budget of the Cooperative Extension Service.

The Subcommittee first completed Executive Action on the Experiment Station's budget.

Bill Sykes (34:B:060) of the Legislative Fiscal Analyst's office presented figures from the Experiment Station which define operating costs related to the 2.59 FTE (EXHIBIT 1).

Senator Haffey (34:B:090) moved acceptance of the operating costs for the 2.59 FTE in the amounts of \$42,753 for FY 86 and \$44,890 for FY 87. The motion passed 6 - 1 with Representative Peck dissenting.

A discussion followed between Mr. Sykes, Mr. Noble, Office of the Commissioner of Higher Education, and the Subcommittee regarding inclusion of \$83,924 for each year in the personal services section of the budget (34:B:111).

Mr. Sykes said adding the \$83,924 would bring the current level total over current level by approximately \$106,000 for each year of the biennium. In other words, the personal services part of the budget would exceed the 4 percent pay plan guideline from what was budgeted by the 48th Legislature.

The Subcommittee then discussed the equipment budget of the Agricultural Experiment Station (34:B:218).

Mr. Sykes said that he met with Dr. Welsh and other personnel from the Experiment Station, and they took a three-year average of expenditures (1982, 1983 and 1984), which they inflated, and the current level figure arrived at is \$315,862 for FY 86 and \$331,655 for FY 87. The modified request then is \$376,881 for FY 86 and \$294,767 for FY 87, he said.

Education Subcommittee  
Minutes  
January 31, 1985

Representative Moore (34:B:244) made a motion that in lieu of the current level equipment budget adopted the previous day, \$315,862 for FY 86 and \$331,655 for FY 87 be approved. The motion passed unanimously.

Senator Haffey (34:B:285) moved adoption of the Experiment Station's modified request for equipment in the amounts of \$376,881 for FY 86 and \$294,767 for FY 87. The motion passed unanimously.

Senator Haffey noted that all modifieds are tentative.

Turning to the area of funding for the Agricultural Experiment Station, Mr. Sykes pointed out that agency personnel feel that earmarked revenue will not exceed \$520,000 for each year of the biennium.

Senator Haffey (34:B:320) moved acceptance of the \$520,000 figure for each year for state special funding for the Experiment Station. The motion passed unanimously.

The Budget of the U.S. Range Station (LARRS) was next considered (34:B:340).

Chairman Donaldson pointed out that if the swine experiment station at Miles City is to continue, additional funds must be appropriated for it. Dr. Welsh, Director, Agricultural Experiment Station, said the additional funds required for maintenance of the swine project are \$350,000. This amount includes a confined farrowing operation along with a modified open-shed facility which would allow the finishing of feeder pigs.

Chairman Donaldson said he thinks the size of the swine industry in Montana does not merit the two experimental facilities. Senator Hammond asked if there is some way that the Miles City swine facility might be continued on a reduced basis. Dr. Welsh said basically the kind of research information being generated has to do with swine nutrition, and the nutrition activity can just as appropriately be done at the Bozeman facility. In response to Senator Hammond's inquiry regarding potential environmental problems which might be encountered by the swine facility in Bozeman, Dr. Welsh said the project is not new to Bozeman. Experience indicates that with the modification as proposed, there will be no environmental problems in the foreseeable future, he said.

Representative Moore asked Dr. Welsh if figures had been compiled which show what is saved by consolidating the swine research operation. Dr. Welsh said his agency feels--and the swine industry concurs in this--that it is not

Education Subcommittee  
Minutes  
January 31, 1985

feasible to have a single scientist located at Bozeman running both projects. He said in that sense there is a project savings by maintaining current staffing levels. Senator Hammond said that if it were not for the building and facility implacements in Bozeman he would be in favor of closing that facility and maintaining the one at Miles City. Representative Peck said he has received a similar expression from farmers in his area.

Tape 35 Side A

Discussion of the swine facility continued. Basically, there is a swine research facility in Bozeman, the FTE are there, and unless further action is taken, the swine operation at Miles City will be phased out, Chairman Donaldson stated.

Mr. Sykes, Dr. Welsh and members of the Subcommittee discussed federal funding of LARRS (35:A:013).

Representative Moore (35:A:085) moved acceptance of the projection of federal revenues in the amounts of \$1,767,090 for FY 86 and \$1,802,431 for FY 87.

Discussion of the motion followed.

Representative Moore (35:A:103) amended the motion to state that \$40,489 and \$95,526 will not be picked up by the General Fund.

There was further discussion between the Subcommittee members, Mr. Sykes and Sib Clack, Office of the Budget and Program Planning.

Representative Peck (35:A:170) made a substitute motion that LFA current level in the amount of \$1,807,579 for FY 86 and \$1,897,957 for FY 87 be approved. The substitute motion passed unanimously.

Representative Hand (35:A:240) moved acceptance of the Experiment Station's modified request for research on added value to agricultural products at \$398,000. Following discussion, he withdrew the motion.

Senator Haffey (35:A:251) moved acceptance of LFA personal services for the U.S. Range Station at \$724,519 for each year. The motion passed unanimously.

Senator Haffey (35:A:259) moved acceptance of the LFA's figures for operating expenses for LARRS at \$161,216 for FY 86 and \$187,263 for FY 87. The motion passed unanimously.

Senator Haffey (35:A:295) moved appropriation of \$3,000 for each year for the purchase of two horses each year. The motion passed unanimously.

Education Subcommittee  
Minutes  
January 31, 1985

Senator Haffey (35:A:305) moved acceptance of LFA current level for funding (state special revenue) at \$888,735 for FY 86 and \$914,782 for FY 87. The motion passed unanimously.

The Subcommittee next turned to the Budget of the Cooperative Extension Service (35:A:320).

Bill Sykes gave a brief overview of the budget. He said there is a difference between the LFA and Executive budgets of 1.22 FTE, which relates to the pesticide specialist that the Executive included in the budget. He said the higher salaries for part-time employees should be added as total salaries are within pay plan guidelines.

Senator Haffey (35:A:428) moved acceptance of LFA current level for personal services, including the 1.22 FTE pesticide specialist and the \$11,992 for higher salaries for part-time employees, with no vacancy savings to apply to county agents and specialists. The total amount is \$3,579,400 for FY 86 and \$3,580,616 for FY 87. The motion passed unanimously.

Senator Haffey (35:A:525) moved acceptance of the LFA inflation level at \$53,945 for FY 86 and \$86,558 for FY 87.

Representative Moore (35:A:540) made a substitute motion that in regard to AGNET, the General Fund amounts of \$61,372 and \$63,984 be deleted and that funding for AGNET be done by users' fees.

Discussion of the motion and the substitute motion followed.

Representative Moore said that it is time for the General Fund to be phased out of AGNET funding, and that the AGNET system should be supported entirely by user fees.

Following further discussion, Representative Moore withdrew the substitute motion.

The motion to accept the LFA's inflationary figures of \$53,945 for FY 86 and \$86,558 for FY 87 passed unanimously (35:A:575).

Senator Haffey (35:A:599) moved acceptance of the operating expenses for the pesticides specialist in the amounts of \$4,200 for FY 86 and \$4,263 for FY 87. The motion carried unanimously.

Senator Haffey (35:A:612) moved acceptance of \$9,922 for FY 86 and \$9,753 for FY 87 for supplies and materials. The motion passed unanimously.

Education Subcommittee  
Minutes  
January 31, 1985

Representative Moore (35:A:630) moved acceptance of LFA current level for equipment in the amounts of \$20,222 for FY 86 and \$14,881 for FY 87.

Discussion of the motion followed between the Subcommittee members, Dr. Hoffman, Director, Cooperative Extension Service, Mr. Sykes and Ms. Clack.

Tape 35 Side B

The motion to accept LFA current level for equipment at \$20,222 for FY 86 and \$14,881 for FY 87 passed 6 - 1 with Senator Hammond dissenting.

Senator Haffey (35:B:061) moved acceptance of the LFA's figures for federal funds in the amounts of \$1,976,222 for FY 86 and \$2,033,522 for FY 87. The motion passed unanimously.

Representative Moore (35:B:080) moved that for AGNET expenditures and funding for 1986 and 1987, the General Fund be reduced to zero and the user fees be increased by the appropriate amount.

A discussion followed between the Subcommittee members, Mr. Sykes and Dr. Hoffman.

Dr. Hoffman said the users are now paying the expenses of the AGNET system (EXHIBIT 2). He said the agency wants to use Dwayne Griffin as a specialist for microcomputers. Dr. Hoffman said the expenses for Mr. Griffin are already included in the LFA's current level operating expenses. Representative Moore said that when AGNET started it was paid for by federal funds. Then General Fund support was requested for operation of the system. Eventually, the system of users fees was set up with the intent that the state would be removed from any support of the system, he said.

At the request of Senator Jacobson, Dr. Hoffman explained that when the producers get their microcomputers they then have downloading and uploading capabilities. Many of the programs that they formerly accessed from AGNET are now on the microcomputers. At one time, AGNET was their only source of information, but now that they have the microcomputers they do not use AGNET to such an extent. The users fees figure is a plug figure which will vary up or down, depending on actual AGNET usage, he said.

Representative Moore (35:B:281) withdrew the motion. He said that two years down the road AGNET ought to be self-supporting and there should be no General Fund money involved.

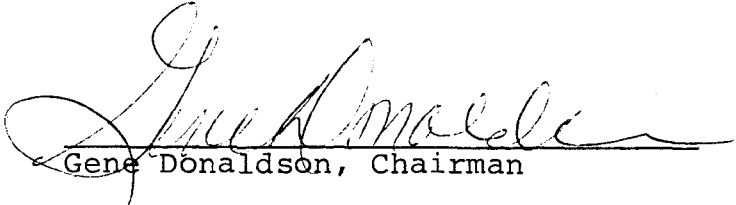
Education Subcommittee  
Minutes  
January 31, 1985

Further discussion of AGNET and the users fees followed between the Subcommittee members and Mr. Sykes.

The Subcommittee next discussed the modified request of the Cooperative Extension Service for a Business Development Specialist (35:B:347).

Senator Haffey made a motion that the amount of \$46,805 for the biennium be appropriated in order to fund a Business Development Specialist for the Cooperative Extension Service. There was a roll call vote, and the motion passed 6 - 1 with Representative Peck dissenting.

The meeting adjourned at 10:00 A.M.

  
Gene Donaldson, Chairman

DAILY ROLL CALL

EDUCATION      SUB    COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date January 31, 1985

[illegible]

## VISITORS' REGISTER

EducationSub

COMMITTEE

BILL NO. \_\_\_\_\_

DATE

Jan. 30, 1985

SPONSOR \_\_\_\_\_

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
LARRY Johnson	Kremlin	✓	
Carl Hoffman	Bozeman	✓	
Clyde CARROLL	✓	✓	
Arlene Hill	Raynesford	✓	
Ray Hill	Raynesford	✓	
James Welsh	Bozeman	✓	
Deputy Lathin	Bozeman	✓	
Bell T. G. J.	Bozeman	✓	
Tom Allen	Bozeman	✓	
Burn Shively	Bozeman	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE COMMITTEE      EDUCATION SUBCOMMITTEE

BILL NO.

TIME

Motion: Senator Haffey made a motion that \$46,805 for the biennium  
be appropriated in order to fund a Business Development  
Specialist for the Cooperative Extension Service.

1-31-95  
MONTANA AGRICULTURAL EXPERIMENT STATION  
REDIRECTED DAIRY PROJECT FTE - 2.59

EXHIBIT 1

1-31-85

PERSONAL SERVICES:

	FTE	Personal Services Cost
Livestock nutrition program		
Faculty (AY) FTE	.67	23452
Classified	1.00	20509
Swine program		
Professional	.92	18392
	-----	-----
Total	2.59	62353
	=====	=====

OPERATIONS:

		Operations Cost
Amount removed by LFA for Dairy		153662
Reduction request by AES for Dairy		114324
Balance from dairy project for redirection in livestock nutrition program		----- 39338 -----
Swine program		
Contracted Services	1574	
Grain & Feed Supplements	11801	
Supplies	2360	15735
	-----	
Livestock nutrition program		
Contracted Services	2360	
Feeds	17702	
Supplies	1290	
Communications	100	
Travel	650	
Repairs & maintenance	1500	23603
	-----	-----
Total Operations Reallocation		39338
		=====

Electronic Technology

With a grant received in 1977 from the Old West Regional Commission, a computerized system called AGNET was launched in Montana, North Dakota, South Dakota, Nebraska, and Wyoming. The system involved the use of a large main-frame computer located at the University of Nebraska and was designed to assist individuals in making management decisions which in the past were either based on little more than a sophisticated guess or required many hours of laborious mathematical computations.

Recognizing the important role computer technology was beginning to play in management decision-making, the 1981 Montana Legislature provided state funding to help the Cooperative Extension Service demonstrate the practical application of AGNET to as many individuals and groups as possible. It was agreed that gradually, as individuals became familiar with the system and started using the 200 plus programs, they would be required to help bear the costs involved.

Today, there are 283 AGNET users in Montana (not including Extension specialists who employ it as necessary in conducting their work). To use the system, they must pay the following charges:

Charges Paid By AGNET Users

Enrollment Fee	\$25
Program Manual (identifies and describes all programs)-	\$40
WATS charges (National WATS)	
Prime time <sup>a/</sup>	\$19.50/hr.
Non-prime time <sup>b/</sup>	15.00/hr.
Connect time charges (24 hours a day)	9.00/hr.
Processing time charges (VCPU)	
Prime time <sup>a/</sup>	1.10/second
Non-prime time <sup>b/</sup>	0.68/second

a/ Prime time = 8:00 a.m. to 5:00 p.m. Central Standard Time.

b/ Non-prime time - 5:00 p.m. to 8:00 a.m. Central Standard Time.

In other words, AGNET is on its own. Users, including the county offices, pay all of the direct costs involved in using the system, and they will continue to do so. MSU pays only for use by MSU specialists.

Now a new technological development has arrived on the scene that is proving to be critically important to Extension specialists and agents in their work with farmers, ranchers, and others in analyzing management problems and making sound recommendations. That development is the personal microcomputer.

Extension specialists for the most part are well-trained in subject matter; but few of them have had any formal training in using microcomputers, evaluating

computer software, or developing software packages needed to deal with management problems in their subject matter field. Other state Extension Services have been faced with the same problem and have already added computer specialists to their staffs to deal with the situation. They are also helping clientele groups learn how to select and use microcomputers in managing business enterprises and family resources.

After studying these development carefully, the Montana Extension Advisory Council urged the MCES to do everything possible to pursue a similar course of action. In response, the MCES has conducted more than 40 microcomputer workshops in the last 18 months for Extension specialists, agents, and clientele groups. Providing leadership in this effort has been Mr. Duane Griffith, Coordinator of the AGNET program. The current microcomputer effort must be continued if Montana is to retain any kind of competitive edge. It can be continued by re-directing the General Fund support that has gone into the AGNET program.