

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

March 8, 1985

Tape 77 Side B

The meeting of the Education Subcommittee was called to order by Chairman Gene Donaldson at 8:10 A.M. on Friday, March 8, 1985, in Room 104 of the State Capitol.

ROLL CALL: All members were present.

The purpose of the meeting was further consideration of the budget of the University System and EXECUTIVE ACTION on that budget; consideration of the budget of the Community Colleges and EXECUTIVE ACTION on that budget; and hearing of House Bill 866.

Chairman Donaldson said there had been some misunderstanding of the actions taken at the previous meeting in regard to the Cooperative Extension Service (CES).

Accordingly, Representative Moore (77:B:037) moved that the Subcommittee reconsider its action relative to CES. The motion passed unanimously.

The issue of the Pesticide Specialist was discussed first (EXHIBIT 1).

Representative Hand (77:B:046) moved that "Soft Spot 2" be eliminated from the CES budget. This would eliminate funding for a pesticide specialist in the amount of \$38,952 for FY 86 and \$40,231 for FY 87. There was a roll call vote and the motion passed 4 - 3 with Representative Donaldson, Senator Haffey and Senator Hammond dissenting.

There was discussion of the AGNET issue (77:B:090).

Representative Moore (77:B:104) moved that AGNET funding at \$61,372 for FY 86 and \$63,984 for FY 87 be removed from the budget of CES.

There was discussion of the motion between Dr. Hoffman, Director, CES, and members of the Subcommittee.

The motion to remove AGNET funding at \$61,372 for FY 86 and \$63,984 for FY 87 from the CES budget, was voted on. There was a roll call vote and the motion passed 4 - 3 with Senator Haffey, Senator Hammond and Representative Donaldson dissenting.

Education Subcommittee
Minutes
March 8, 1985

The Subcommittee discussed inflation factors (77:B:140).

Chairman Donaldson said at a meeting of subcommittee chairmen and vice chairmen held the previous day, it was decided to recommend to the subcommittees that instead of the 4 percent, 4 1/2 percent and 5 percent inflation factors that have been used, that factors of 4 percent, 3 percent and 3 percent be used. The feeling was that probably the factors of 4, 4 1/2 and 5 are high, and possibly 4, 3 and 3 may be a little low. National figures were being used, and the thinking was that perhaps the Montana inflation rate might not be as high as the national rate, he said.

Senator Haffey (77:B:163) moved that the Subcommittee adopt the recommended inflation factors of 4 percent, 3 percent and 3 percent.

There was discussion of the motion.

Representative Hand noted that this would in effect cut the budget by 1 1/2 to 2 percent. Senator Hammond said this should have been done long ago, but he does not agree with the base at all. If it had been done this way from the beginning, then everybody would have been treated equally, he said. Senator Haffey pointed out that this action will affect only those subcommittees and their decisions where the decisions include 4, 4 1/2 and 5. For those subcommittees that did not use the LFA's recommended inflation rates there will be no reduction, he said.

The motion that the Subcommittee adopt the inflation factors of 4 percent, 3 percent and 3 percent passed 6 - 1 with Senator Hammond dissenting (77:B:259).

Chairman Donaldson said House Bill 888 was originally scheduled to be heard by the Subcommittee at this meeting. However the bill's sponsor, Representative Cal Winslow, has requested that the bill be tabled.

Senator Haffey (77:B:287) made a motion that House Bill 888 be tabled. The motion passed unanimously.

Representative Peck (77:B:301) moved that the appropriation granted Montana Tech for 1986 be reduced by \$243,000, and that \$243,000 be put into the Gifted and Talented Program.

Representative Moore pointed out that the phase-down for Montana Tech is part of the modified budget, while the funding for the Gifted and Talented program was part of the regular budget. Chairman Donaldson said the motion should be split. Representative Peck said he had no objection to splitting the motion.

Education Subcommittee
Minutes
March 8, 1985

Representative Peck (77:B:325) said the legislators have become worshippers of the funding formula, and that he has many problems with the formula, which he thinks is not broad enough or diverse enough. Always there is the push to fully fund that formula, based on figures that are often doubtful in terms of enrollment, and when there is an enrollment drop, there is the necessity to make adjustments. The public schools don't get that kind of consideration under the foundation program. He said Montana Tech knew last September that the school's enrollment was dropping, and up until March 1, faculty could have been dismissed.

Representative Peck said often the public school systems have to give conditional releases to their professional staffs, prior to approval of special levies. Maybe it's time the University System looked at the system used by the public schools. The Legislature is in the position of having to do what the University System fails to do. He said the continuation of this kind of special funding is undesirable because situations like that of Montana Tech will continue to occur at every legislative session. He said he thinks the Gifted and Talented program is an important one which should be funded by some method.

Senator Jacobson said Representative Peck's motion will not accomplish what he wants because the money for Tech is in the modified column, and the Gifted and Talented program is not. So this is not a trade-off, she said. Representative Peck said if the money is freed up, it's there.

Chairman Donaldson pointed out that there was a procedural problem. First there must be a vote to reconsider action in regard to Montana Tech, he said. The earlier motion to reconsider applied only to the Cooperative Extension Service.

Representative Peck (77:B:376) moved that the Subcommittee reconsider its action of the previous meeting in regard to Montana Tech. The motion passed 4 - 3.

Representative Peck (77:B:384) made a motion that the phase-down appropriation for Montana Tech be reduced by \$243,000.

Discussion of the motion followed.

Senator Haffey said he thinks there is merit in the administration/management advice that Representative Peck suggested the University System ought to follow, but he said he doesn't know if it would work in this specific case, because apparently Tech has gone past the point of no return

Education Subcommittee
Minutes
March 8, 1985

with its contracts. Also, there are bills that would allow local school districts to have a rolling average number belonging in order to allow them to phase down, he said.

Dr. DeMoney, President, Montana Tech, said enrollment at Tech has been on a rise for the last 10 years. In 1984, enrollment was 2,090. The appropriated level of enrollment this year was 2,373. He said Tech has been underfunded by about 11 percent over the past years. He said the school knew last fall that enrollment was down and at that time took action by eliminating some positions. Cutting back is difficult, and it's especially difficult to take these steps when there is uncertainty regarding the exact level of funding.

Discussion of the motion and of the necessity to ease the phase-down at Montana Tech continued (77:B:537).

Representative Moore said at the University of Montana (UM) there was an enrollment drop several years ago, and the Legislature just chopped them off, causing real trauma throughout the school, and in general hurting the whole school. Senator Jacobson said she hopes the Subcommittee will vote on this motion by itself and not trade off one program for another.

Representative Peck said there is a lot of talk about underfunding when enrollment is on the rise, but in fact this year four of the six university units are over-funded, according to enrollment. He said he has a real problem in approving \$453,000 in phase-down money when the state is facing such severe financial problems.

Tape 78 Side B

Discussion of the motion continued.

Dr. DeMoney said he thinks there is a difference in how phase-down problems should be treated between secondary education and post-secondary education.

Bill Tietz, President, Montana State University (MSU), said there are a couple of items which he thinks are important in the differentiation between a public school system in which it is possible to predict the number of students who are coming along and the University System which does not have any idea of the number of students who are going to appear until there is a fall enrollment count. In addition, no one knows what courses those students will want to take. As fads occur, there are shifts in what students want to study. In addition, the

Education Subcommittee
Minutes
March 8, 1985

University System has contracts that address employment responsibility one year in advance. These people cannot be terminated without a full year's notice, he said.

Representative Peck said Dr. Tietz had to have some sort of idea about the number of students who would be on campus, and this number can be predicted on the basis of the number of pre-enrollment and interest contacts that have been received from students. Dr. Tietz said there is a degree of information, but there's not nearly the degree of accuracy that is possible in the public school system. He said MSU has been off by as many as 900 students in a given year. Representative Peck said secondary schools have elective programs also that must be planned for. To say that an institution has no idea of its enrollment numbers is unrealistic, he said.

The motion to reduce the phase-down funding for Montana Tech by \$243,000 was voted on. There was a roll call vote and the motion failed 1 - 6 (78:B:082).

Senator Hammond (78:B:096) made a motion that the Subcommittee reconsider its last action relative to Secondary Vo-Ed.

Chairman Donaldson said he was concerned about the logistics of the meeting, and that there are other areas of the University System that should be addressed. He asked Senator Hammond if he would be willing to withdraw his motion for the time being.

Senator Hammond said he would wait and withdrew the motion.

The Subcommittee next turned to consideration of the budget of the Community Colleges (78:B:111).

There was a discussion of the "soft spots" relative to the community colleges (Exhibit 1).

Bill Sykes, Legislative Fiscal Analyst's office, gave a brief review of the funding formula for the community colleges. He said the state's share of the current unrestricted budget for the schools is 53 percent. The "Soft Spot" list offers three options to this:

- (a) Reduce state support to 50 percent;
- (b) Reduce state support to 51 percent;
- (c) Reduce state support to 52 percent.

Mr. Sykes said that, given no increase in tuition, the mandatory levy in local districts would be increased by a

Education Subcommittee
Minutes
March 8, 1985

like amount. With the inflation rates of 4, 3 and 3, there will be a decrease of \$8,209 by FY 1986 and \$20,067 for FY 1987 from the current level budget. Mr. Sykes said a reduction of state support to 50 percent would reduce the current level budget \$399,239 for the biennium which would be picked up by the local community college districts and/or by any increase in student tuition. A reduction of state support to 51 percent would result in a reduction of the current level budget of \$275,584, and a reduction of state support to 52 percent would result in a biennial reduction in current level of \$151,931.

Mr. Sykes answered questions from the Subcommittee (78:B:180).

Representative Hand asked how adopting a reduction of state support would actually affect the schools. Chairman Donaldson said the schools have the choice of raising tuition or raising the levy. This action would not affect the unrestricted budget; it affects the components of it, he said.

Representative Hand (78:B:232) moved that Option A be adopted, which would reduce state support to 50 percent.

There was discussion of the motion.

Senator Haffey said the 53 percent was arrived at by a long reasoning process. Representative Peck said the University System was reduced for the first year, and if the budget is to be balanced, something has to be done. Senator Haffey said the University System doesn't have a way to fall back the way the community colleges do.

Chairman Donaldson said there is a relationship between the community colleges and the school foundation program. In the past the community colleges were funded as an ANB in the school foundation program, and if they had remained there they probably would have reduced funding now, because the percentage of the state contribution to the school foundation program has continually gone down.

Senator Hammond (78:B:314) made a substitute motion that Option B be adopted, which would reduce state support of community colleges to 51 percent. There was a roll call vote and the motion passed 5 - 2 with Representative Hand and Representative Moore dissenting.

The Subcommittee next turned to discussion of the budget of the University System (78:B:374).

Pam Joehler (78:B:379), Legislative Fiscal Analyst's office, said by adopting inflation rates of 4, 3 and 3 for

Education Subcommittee
Minutes
March 8, 1985

the University System, an approximate savings of \$340,000 for the first year and \$510,000 for the second year would be generated.

Ms. Joehler answered questions from the Subcommittee (78:B:404).

Senator Haffey (78:B:424) moved that inflation rates of 4, 3 and 3 be reflected in the budget of the University System. The motion passed unanimously.

Senator Jacobson (78:B:449) introduced a proposal to the Subcommittee (EXHIBIT 2). This proposal, in an effort to keep faith with the students, will maintain 97 percent and 100 percent funding of instruction. Support costs would be held at 95 percent for 1986 and raised to 96 percent for 1987. Senator Jacobson said at some point reductions will have to be made, and she would rather see them done reasonably through the Subcommittee than have a hatchet taken to the budget somewhere else.

Senator Jacobson moved that the University System be funded at 97 percent and 100 percent for instruction for the 1987 biennium, and that the System be funded at 95 percent and 96 percent for support for the biennium.

There was discussion of the motion.

Ms. Joehler said essentially this proposal maintains the state's effort in absolute dollars to the University System and General Fund at more or less the same level as the current biennium. It would use all of the available tuition revenue. Total expenditures would increase \$7.9 million. This proposal uses the tuition revenue to reduce the General Fund.

Chairman Donaldson noted that the net difference in General Fund cost between this proposal and the action taken at the previous meeting is approximately \$2.4 million for the biennium.

Tape 79 Side B

Jack Noble (79:B:010), Office of the Commissioner of Higher Education, said at least this is a more satisfactory approach than using vacancy savings. This proposal along with the inflation reduction takes the system approximately \$830,000 below the current biennium as far as General Fund is concerned. Essentially, the student fees have made up the entire biennium increase, he said.

Jeff Morrison (79:B:028), Chairman, Board of Regents, said that if the cuts have to be made, this is at least an honest approach to them rather than playing games with

Education Subcommittee
Minutes
March 8, 1985

enrollment figures or non-existent vacancy savings. However, for both years of the biennium the schools are reduced to a level below the current year General Fund commitment by the state.

Dr. Tietz (79:B:051) said a survey conducted by the LFA's office shows that at least the two major universities are significantly below their peers in the allocations for support. This is an area that is critical to MSU, and using the same percentages for instruction and support for each unit of the system is not an appropriate way to go. He said this proposal boils down to a cut of approximately \$1 million to MSU.

Neil Bucklew (79:B:078), President, UM, said higher education represents an investment in the potential of the state. There has been a lot of discussion regarding the importance of dealing with the future of the state and its economic health. Decisions of this sort will not lead the educational community or the state in the right direction. They represent no investment in the future. He said he hopes the Legislature will face the premise that the kind of slashing that is going on now is not doing the state or its citizens a good service. If there is a revenue problem, then that problem must be faced. Not only are the students carrying higher education for the state, they are funding other state activities, he said.

Chairman Donaldson (79:B:106) said first of all the Legislature has to recognize the problem. From there on, it's difficult to say what the decision will be.

Senator Haffey said if this proposal passes, the Subcommittee is mindful of the fact that subsequently revenue decisions are going to be made by the Legislature. If and as they are made, those revenue decisions should flow back and affect decisions that the Subcommittee is making now. With regard to the students, this proposal represents an attempt to keep faith with them, he said.

Michelle Wing (79:B:140), Associated Students, MSU, said the students entered into this legislative session with the attitude that they could live with the higher tuition--if there is 100 percent funding. Now the 100 percent funding of instruction is presented to the students as some sort of a gift, when in fact the entire gift is being paid for by students. It's like being given permission to charge themselves more, she said. Ms. Wing asked if education is really worth protecting, why not take a stand as a committee and say so?

Senator Haffey said his understanding is that the Regents' decision in regard to tuition will remain as is. Whether

Education Subcommittee
Minutes
March 8, 1985

the Subcommittee acquiesces to the Regents' decision or not, those tuition rates will go into place. In other words, he said, some of this is out of the Legislature's control.

Ms. Wing said she doesn't think it is out of the Legislature's control. She said a fair tuition increase should be assumed and that the Legislature should appropriate accordingly.

Senator Jacobson noted that she feels this proposal is the fairest way to do a rotten job.

Mark Blewett (79:B:210, student, UM, said he understands that there is an attempt to be fair in the proposal, however the tuition was based on numbers from 1984, which are actual peers' tuitions from around the region. The 97 percent and 100 percent numbers are based on a study done in 1979. When you compare those numbers and consider the formula being at 100 percent and tuition being at 100 percent, it should be remembered that the tuition figures are based on current 1984 numbers, he said.

Senator Jacobson said there is nothing fair about all this; there is nothing fair about reducing the University System's budget. There's nothing fair about what's happening in the Human Services Subcommittee either, she said. Frankly, the money isn't there. This proposal is an effort to come up with as fair a solution as possible to reduce the University System's budget, she said.

Senator Haffey said support of the proposal is based on subsequent revenue decisions, and he hopes that the Appropriations Committee and eventually the Finance and Claims Committee recognize that the Subcommittee has done as good a job as possible. Irresponsible cuts were not made. If revenues become available and the overall picture changes, this budget can be revisited, he said.

Chairman Donaldson said he going to support the motion. Right now, he said, this is the best that can be done.

Rich Mockler (79:B:259), Montana College Coalition, asked what the percentages are in respect to this proposal. Ms. Joehler said for 1986 General Fund support is 63.3 percent and tuition is 22.1 percent; in 1987 General Fund support is 63 percent and tuition is 23 percent.

The motion to fund the University System at 97 percent and 100 percent for instruction and 95 percent and 96 percent for support for the 1987 biennium was voted on. There was a roll call vote and the motion passed 6 - 1 with Representative Moore dissenting (79:B:280).

Education Subcommittee
Minutes
March 8, 1985

Representative Moore commented that at the previous meeting he introduced a proposal which would close two agricultural experiment centers. This proposal would save \$1.4 million. This cut to the University System would not have been necessary had the other proposal been accepted.

Chairman Donaldson said he does not think it's possible at this time to eliminate the two research centers, but a serious look at the Agricultural Experiment Station needs to be taken. Representative Moore said that over the years Education has always had to bear the brunt of budget cuts while the rest of state government increases. Chairman Donaldson read some percentages which were given to him by people in higher education. Taking a look at reports from the various subcommittees, including modifieds, General Government was up 11 percent; Institutions was up 7 percent; Natural Resources was up 29 percent; Human Services was up 27 percent; Education was up 6.1 percent.

A letter relative to the Income and Interest money was given to the Subcommittee by Jeff Morrison (EXHIBIT 3).

Rich Mockler (79:B:342) said the students are the only group in the state that is taking a 20 percent service fee increase, and apparently their advocacy has not been effective. Chairman Donaldson said he thinks the student lobbyists have been very effective, but student tuitions were probably lagging and coming from a low base. The decision isn't over yet; perhaps 30 days down the road there will be a whole new picture, he said.

Mr. Morrison asked if this is a decision that the Subcommittee will fight for. Chairman Donaldson said as far as he is concerned the total package, as well as the modifieds, is one he will fight for.

Following a short recess, the Subcommittee turned its attention to House Bill 866.

HOUSE BILL 866: "AN ACT TO APPROPRIATE \$203,100 TO THE MONTANA AGRICULTURAL EXPERIMENT STATION TO OPERATE A SPRING WHEAT BREEDING PROGRAM IN MONTANA."

Representative Gene Ernst (79:B:410), District 29, introduced House Bill 866. This bill would establish a spring wheat breeder program at Bozeman. The amount of \$203,100 is requested for the biennium to cover the cost of this research along with one research specialist and associated costs.

HOUSE BILL 866
Testimony
Page 3

Spring wheat has exceeded barley in both categories forever. Therefore, spring wheat should receive, at least, an even cut in items of general fund support with these other crops.

The first step is for the legislature to create the F.T.E. position. If this happens, it would create a faculty position with research and teaching roles in spring wheat. But also, it would complete an overall grain breeding program at M.S.U. that would stand out, in terms of command of various breeding disciplines, among land grant colleges nationwide.

But creating the position is only part of the answer; funding is the remainder. This responsibility needs \$100,000 each year of the biennium from general fund appropriations.

Breeder (1 F.T.E.) in the Ag Experiment Station	\$35,000
Benefits	8,550
Station Project	
Work Funds (Labor, supplies, gas, travel, printing, and publications)	20,000
Technician--B.S. or possibly M.S. level	20,000
Graduate Assistant	8,000
Equipment	10,000
	=====
	\$101,550

The Spring Wheat Breeder position, if adequately funded, will have a direct pay back to Montana's economy. One example: protein. Even with the sharply-reduced hard spring wheat crop in 1984, one percent in protein per bushel brought a return in excess of \$5,000,000 to producers and subsequently, to the allied industry. In other words, even in a depressed market like today's, a new variety of hard red spring, if it can raise protein

It should be noted that a Spring Wheat Program has been maintained, at a reduced level, since Dr. McNeil's retirement. The ARS wanted to give Montana an adjustment period after withdrawing their program. They have allowed their geneticist, Dr. Alexander, to wear "two hats" and spend approximately half of this time on breeding and the variety release program. Of course, without the F.T.E., M.S.U. has little funding for him and the Montana Wheat Research and Marketing Committee has stepped up its support. In the current MWR & MC budget, the Committee is spending \$62,380.00 on Spring Wheat Breeding.

Understand, the Montana Wheat Research and Marketing Committee can not keep up this level of funding. If the Committee allocated the same level of funding for Spring Wheat in FY85 as it did in FY84, that one program will use fully one fourth of the research dollars the Committee has available. Currently there are eighteen other research projects, besides Spring Wheat Breeding, that the MWR & MC is helping to fund.

But, ARS has issued an ultimatum. Four years should have been enough time for Montana to shift gears. Unless the state makes a tangible move to pick up the responsibility, Dr. Alexander's job will revert to the original ARS plan for him, ie., one hundred percent geneticist. At that point, it will make no difference how much money anyone puts into the program because there will be no one to do the work.

The most likely alternatives, at that point, would be relying solely upon varieties already in existence, new varieties from the private sector, or from other public institutions such as in North Dakota, Washington, and possibly Idaho. However, past experience has shown that Montana varieties of spring wheat, or any class of wheat for that matter, are the main ones planted by the Montana grower.

It is being suggested, then, that Montana take the responsibility of spring wheat breeding as has been traditionally the case in hard red winter wheat and barley. In two of the first four years of this decade, spring wheat exceeded winter wheat both in acres and value.

Since 1981, there has been no Spring Wheat Breeder, either federally, or state-funded, at Montana State University. The position simply does not exist.

Traditionally, this was a position manned and funded by the Agricultural Research Service of the U.S.D.A. But ARS made a policy shift a few years ago. They will no longer be involved in breeding positions for crops because, too often, these programs could be utilized only in a very limited geographic area. A new variety of wheat, for example, might only be grown in a few counties in one state and the economic impact felt by a relatively small portion of the tax paying public. Instead, ARS wanted to broaden research areas to broaden the return on that research. For breeding programs this means federal funding for the support people for a breeder, but not the breeder position itself.

The ARS will support a geneticist because that position sends material to breeders over a multi-state area. But, ARS will no longer be maintaining Cultivar Release Programs. That will be the individual state's responsibility. But, they will support those state release programs.

Now the case in point. Dr. Harry McNeil for many years was the one and only Spring Wheat Breeder in Montana. As an ARS breeder, he was totally federally funded. When he retired in 1981, ARS invoked their new philosophy and did not replace him with another breeder. (This is the pattern they say they will follow in all states---do away with the program through natural attrition.) ARS, however, did not cut funding to M.S.U. They gave M.S.U. a geneticist instead, Dr. Larry Alexander.

Understand, geneticists are nice people to have around. They provide the germ plasm enhancement that gives the breeder material to work with. Pair a geneticist with a breeder and one has the nucleus of an on-going release program. At M.S.U., both the winter wheat and barley programs have had such a pairing of federal and state personnel for years, but not for spring wheat. The federal authorities have had their half of the team on line but the state, since 1981, has not added a breeder.

BEFORE THE
MONTANA
HOUSE OF REPRESENTATIVES
APPROPRIATIONS COMMITTEE

HOUSE BILL 866

TESTIMONY OF
J. JAMES CHRISTIANSON, EXECUTIVE VICE PRESIDENT
AND
WILLIAM F. BRINKEL, DIRECTOR
FOR THE
MONTANA WHEAT RESEARCH
AND MARKETING COMMITTEE

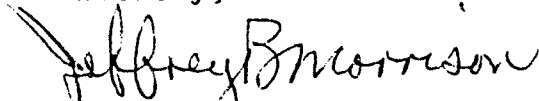
MARCH 8, 1985

Page 2

Finally, we anticipate eventually the need to utilize the Land Grant income funds for projects similar to those currently being funded by such funds on other campuses.

I hope this letter provides the information you need regarding our plans for use of the Land Grant income.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jeffery B. Morrison". The signature is fluid and cursive, with the first name "Jeffery" and last name "Morrison" clearly distinguishable.

Jeffery B. Morrison
Chairman, Board of Regents



THE MONTANA UNIVERSITY SYSTEM

33 SOUTH LAST CHANCE GULCH
HELENA, MONTANA 59620-2602

(406) 444-6570

EXHIBIT 3
3-8-85

COMMISSIONER OF HIGHER EDUCATION

March 7, 1985

Representative Gene Donaldson
Capitol Station
Helena, Montana 59620

Dear Representative Donaldson:

There have been extensive discussions regarding Land Grant resources. The Board of Regents supports the decision of the Education Subcommittee to exclude these funds from the formal appropriation process. That is consistent with the recent opinion on this matter issued by the Attorney General. It can also be accomplished in a manner consistent with our mutual desire for accountability for these funds.

It appears that there is full agreement on the Land Grant funds that have been pledged for bonded projects. The remaining funds in this category deserve comment. The dollars involved are \$420,000 annually at Montana State University and \$250,000 annually at the University of Montana.

I am writing this letter to describe the plans for use of these funds at MSU and U of M.

In each case it is our plan to use these funds as a critical portion of the resources needed to solve major equipment needs including computer hardware, software, maintenance and related facilities for the near future. Each campus is faced with a critical mainframe computer problem. In one instance the current main computer has been discontinued and maintenance will soon be unavailable. The computer needs of the state's two large universities are critical and require our attention. Major program modifications for these computer needs have been submitted to the Legislature by the Board of Regents. It appears that general fund revenues are unavailable for these critical computer needs. This Land Grant income can provide us the significant part of an answer we mutually need to address.

3-8-85

Initials Date

General Fund Impact on Subcommittee Current
level to adopt legislative funding level of
97/100 for instruction and 95/96 for Support; All tuition revenue used

Prepared By

Approved By

	Actual Fiscal 1984	Approp Fiscal 1985	Subcommittee Current level	
			Fiscal 1986	Fiscal 1987
General Fund	\$71835679	\$7841706	\$73836575	\$74559035
Tuition + Fees	21114658	22775000	23953317	24183622
Other	16431337	16969835	16273520	16417446
Total	\$99381674	\$114586041	\$114063412	\$115160103
			- .5%	+ .96%
unused tuition			\$1381205	\$2970146
Cost to move to 97/100 instruction			\$218131	\$207251
Cost to move to 95/96 Support			- 0 -	\$371914
Total Cost above Current level			\$218131	\$244765
Funded by:				
General Fund			- 0 -	- 0 -
Tuition + Fees			\$218131	\$244765
Total			\$218131	\$244765
Unused Tuition which reduces General Fund			\$1163074	\$525981
Submk action w/above:				
General Fund			\$72673501	\$74033154
Tuition + Fees			25334522	27153768
Other			11273520	16417446
Total	\$99381674	\$114586041	\$114281543	\$117604368
BIENNIAL INCREASE (DECREASE)				
General Fund - \$			\$29,220	
- %			+ .02%	
Tuition + Fees - \$			\$8,598,632	
- %			+ 19.6%	
Other - \$			(709,706)	
- %			- 2.10%	
Total Funds - \$			\$7,918,916	
- %			+ 3.5%	

Soft Spots
Education Subcommittee
Continued

3. The Board of Regents increased tuition rates for the 1987 biennium which is expected to generate \$25.3 million in fiscal 1986 and \$27.2 million in fiscal 1987. The subcommittee used only \$23.9 million in fiscal 1986 and \$24.2 million in fiscal 1987 to fund the current level budget. The tuition rates required to generate this lower revenue level would place Montana's tuition and fee rates at approximately 91.7 percent of the peers in fiscal 1986 and 88.8 percent in fiscal 1987. The current level budget funds the instruction program at 97 percent of its peer average in both years of the 1987 biennium. If the tuition revenue used in the current level budget was sufficient to cause the tuition rates to be 97 percent of the peers both years, a general fund savings would amount to:

	Fiscal 1986		Fiscal 1987
<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
\$1,381,205	\$ -0-	\$2,208,317	\$ -0-

Soft Spots
Education Subcommittee
Continued

		Fiscal 1986		Fiscal 1987	
		General Fund	Other Funds	General Fund	Other Funds
9. University System					
1. The subcommittee replaced \$970,000 each year of land grant income that had previously been used for general operations with general fund. The impetus for doing this was the attorney general's opinion relating to university bond revenues which stated the legislature could not appropriate revenues pledged for repayment of university revenue bonds. Of the \$970,000 land grant income each year, only \$300,000 is actually pledged. The remaining \$670,000 each year is not pledged.		\$670,000	\$ -0-	\$670,000	\$ -0-
2. Vacancy savings was applied to only the physical plant program at each unit, but Western Montana College. No vacancy savings was applied at Western because its physical plant program employs fewer than 20 FTE. Vacancy savings applied at various rates would provide general fund savings of:					
a. All programs at 4 percent	\$2,951,325	\$ -0-	\$3,085,670	\$ -0-	
b. All programs at 2 percent	\$1,389,170	\$ -0-	\$1,456,342	\$ -0-	
c. All programs at 1 percent	\$601,540	\$ -0-	\$635,126	\$ -0-	
d. Instruction at 1 percent, all others 4 percent	\$1,494,713	\$ -0-	\$1,530,474	\$ -0-	
e. Instruction at 0 percent, all others 4 percent	\$1,009,175	\$ -0-	\$1,012,075	\$ -0-	

Soft Spots
Education Subcommittee
Continued

	Fiscal 1986	Fiscal 1987
	General Fund	Other Funds

7. Office of Public Instruction--State Special Revenue.

The current level budget originally approved by the subcommittee contained an error in that \$49,500 in state special revenue was omitted from the budget--\$9,500 in each year in resource assessments and \$40,000 in each year in reimbursements by local school districts for costs associated with the distribution of school foods. The subcommittee later increased state special revenue by \$49,500 each year, but the general fund was not reduced. Therefore, the general fund is supporting expenditures in the budget that were not identified in the hearing with any specific activity or function. This option would reduce the general fund by \$45,000 in each year. Operating expenses should be increased by \$4,500 in each year as available resource assessment revenue exceeds related expenditures by \$4,500 in each year of the 1987 biennium.

	\$45,000	\$ -0-
	\$45,000	\$ -0-

8. Montana School for the Deaf and Blind

1. Carpet replacement in the Academic Building.

Option a: Do not provide for partial replacement of the carpet in the Academic Building in the 1987 biennium as provided for in current level.

	\$10,000	\$ -0-
	\$10,000	\$ -0-

Option b: Delay replacement of the carpet in the Academic Building until fiscal 1987.

	\$10,000	\$ -0-
	\$ -0-	\$ -0-

2. Vacancy Savings--One percent vacancy savings was applied to personal services in the Education Program.

Option a: Apply 4 percent vacancy savings to personal services in the Education Program.

	\$35,564	\$ -0-
	\$35,579	\$ -0-

Soft Spots
Education Subcommittee
Continued

	Fiscal 1986		Fiscal 1987	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
4. <u>Cooperative Extension Service - continued</u>				
2. Pesticides Specialist--Included in current level is a 1.22 FTE pesticides specialist requested by the extension service as a modified.	\$38,952	\$ -0-	\$40,231	\$ -0-
3. AGNET--Remove general fund support for AGNET as usage of the computer based information system has decreased by 63.2 percent from fiscal 1983 to 1984 and users are not supporting 50 percent of the cost of the program as intended by the legislature. User fees paid 31 percent of the cost of AGNET in fiscal 1984.	\$61,372	\$ -0-	\$63,984	\$ -0-
5. <u>Bureau of Mines--Vacancy Savings</u>				
Option a: Apply 4 percent vacancy savings to faculty positions. A vacancy savings rate was not applied to these positions in the current level budget.	\$24,500	\$ -0-	\$24,500	\$ -0-
Option b: Apply 2 percent vacancy savings to faculty positions	\$12,250	\$ -0-	\$12,250	\$ -0-
6. <u>Forest and Conservation Experiment Station Vacancy Savings</u>				
Option a: Apply 4 percent vacancy savings to faculty positions. A vacancy savings rate was not applied to these positions in the current level budget.	\$18,127	\$ -0-	\$18,127	\$ -0-
Option b: Apply 2 percent vacancy savings to faculty positions.	\$ 9,064	\$ -0-	\$ 9,064	\$ -0-

Soft Spots
Education Subcommittee
Continued

	Fiscal 1986		Fiscal 1987	
	General Fund	Other Funds	General Fund	Other Funds
2. Terminating Projects--Current level includes funding for three projects in fiscal 1986 which are scheduled to terminate in fiscal 1985 and 35 projects in fiscal 1986. The experiment station does not have plans for reallocating funds freed from the terminating projects to new and/or existing projects in fiscal 1986 and 1987.	\$34,932	\$ -0-	\$1,726,876	\$ -0-
3. Dairy Research Project FTE--Current level includes funding for 2.59 FTE previously employed on the dairy research project. The dairy research project is scheduled to terminate in fiscal 1985.	\$105,523	\$ -0-	\$107,660	\$ -0-
4. Equipment--The current level equipment budget re-presents a three year average of equipment expenditures with inflation added to fiscal 1986 and 1987. The following options would reduce the amount budgeted for equipment:				
Option a: Freeze expenditures at the fiscal 1984 level of \$246,143.	\$67,719	\$ -0-	\$85,512	\$ -0-
Option b: Use the three year average, but provide no inflation.	\$25,227	\$ -0-	\$41,020	\$ -0-
4. Cooperative Extension Service				
1. Vacancy Savings.				
Option a: Apply 4 percent vacancy savings to faculty positions. A vacancy savings rate was not applied in the current level budget.	\$99,437	\$ -0-	\$99,437	\$ -0-
Option b: Apply 2 percent vacancy savings to faculty positions.	\$49,719	\$ -0-	\$49,719	\$ -0-

Soft Spots
Education Subcommittee

		Fiscal 1986		Fiscal 1987	
		General Fund	Other Funds	General Fund	Other Funds
1.	Commissioner of Higher Education Student Assistance Program--Reduce beginning WICHE medical student from nine in each year of the 1987 biennium to five. Between the WICHE and WAMI medical program, 25 beginning medical students would be funded in each year of the 1987 biennium.	\$86,000	\$ -0-	\$176,000	\$ -0-
	State Work Study				
	Option a: Discontinue funding the state work study program as federal work study expenditures have not decreased as anticipated by the 1983 legislature in funding the program.	\$300,000	\$ -0-	\$300,000	\$ -0-
	Option b: Reduce state funding of the state work-study program to 50 percent of what is included in current level.	\$150,000	\$ -0-	\$150,000	\$ -0-
2.	Community Colleges--Change the percentage of state support from the current 53 percent to one of the following options. If the percent of state support is lowered, the mandatory levy on local community college districts would increase by a like amount.				
	Option a: Reduce state support to 50 percent	\$186,790	\$ -0-	\$187,572	\$ -0-
	Option b: Reduce state support to 51 percent	\$124,527	\$ -0-	\$125,048	\$ -0-
	Option c: Reduce state support to 52 percent	\$62,264	\$ -0-	\$62,525	\$ -0-
3.	Agricultural Experiment Station				
	1. Vacancy Savings				
	Option a: Apply 4 Percent vacancy savings to faculty and Graduate research assistants.	\$141,022	\$ -0-	\$141,022	\$ -0-
	Option b: Apply 2 Percent vacancy savings to faculty and Graduate research assistants.	\$70,511	\$ -0-	\$70,511	\$ -0-

VISITORS' REGISTER

COMMITTEE

BILL NO. _____

DATE March 8, 1985

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
DANIEL J SMITH	MISSOULA - UNIV. OF MONTANA	✓	
Al Kurkin	Alternative Energy Resources	✓	
Marcie Oust	Mt. Grain Elevator Ass.	HB 866	
Viggo Andersen	Mont. Grain Growers	✓	
CHUCK MERJA	SUN RIVER	HB 866	
Gregg Holt	Great Falls	HB 866	
Don Christensen	MISSOULA GREAT FALLS	HB 866	
Dan Place	TOWNSEND MT	HB 866	
Randolph A. Johnson	Great Falls, MT - M.G.G.A.	HB 866	
Kerry Truett (Sen.)	Fourneau MT	HB 866	
Bob Stephens	Int. Grain Growers	✓	
Jim Welsh	Bozeman, AES	✓	
Robert White	MSU Bozeman	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE Education Sub COMMITTEE

BILL _____

DATE March 8, 1985

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
<u>T. Dean</u>	<u>Helena</u>	<u>NSA</u>		
<u>Jim Enckorn</u>	<u>Harre</u>	<u>NMC</u>	✓	
<u>Bill Bijan</u>	<u>Harre</u>	<u>NMC</u>	✓	
<u>F. W. DeMonez</u>	<u>Bozeman</u>	<u>Mo Tech</u>	✓	
<u>Ken Herber</u>	<u>Billings</u>	<u>EMC</u>	✓	
<u>Niel Bucklew</u>	<u>Missoula</u>	<u>Ho/M</u>		
<u>Wayne Buchanan</u>	<u>Helena</u>	<u>MSBA</u>		
<u>Victor H. Frost</u>	<u>Missoula</u>	<u>Missoula Community College</u>	✓	
<u>HOWARD FRYER</u>	<u>Kalispell</u>	<u>Flathead Valley cc</u>	✓	
<u>Bill Lanan</u>	<u>Helena</u>	<u>MUS</u>		
<u>Don Kettner</u>	<u>Glendive</u>	<u>Lawson College</u>	✓	
<u>H. Olson</u>	<u>Helena</u>	<u>OBPP</u>		
<u>Wesley Leavitt</u>	<u>Dillon</u>	<u>WMC</u>	✓	
<u>Ed Myers</u>	<u>Kalispell</u>	<u>FVCC</u>		
<u>George Stogiamis</u>	<u>"</u>	<u>"</u>	✓	
<u>Jim Wikealan</u>	<u>Helena</u>	<u>OPI</u>	✓	
<u>Bob ANDERSON</u>	<u>Helena</u>	<u>OPI</u>		
<u>David Christensen</u>	<u>Helena</u>	<u>OPE</u>		
<u>Michelle E. Wynn</u>	<u>Bozeman</u>	<u>Assoc. Students MSU</u>		
<u>Phil Sherman</u>	<u>Helena</u>	<u>Mont. Feder. of Teachers</u>		

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

Sam MowMT

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

DAILY ROLL CALL

EDUCATION SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 8, 1985

[illegible]

Education Subcommittee
Minutes
March 8, 1985

Gregg Holt, farmer from north of Shelby, said he supports House Bill 866.

Representative Ted Schye, District 18 supports House Bill 866.

Chuck Merja, farmer from Sun River, supports House Bill 866.

Mary Quist (EXHIBIT 8), Montana Grain Elevators Association, said the Montana Grain Elevators Association strongly urges the funding of the spring wheat breeding program. This is an important program for agriculture, and more research should be done.

Jim Welsh, Director, Agricultural Experiment Station, supports House Bill 866.

OPPONENTS: None

Representative Ernst closed in behalf of House Bill 866.

Chairman Donaldson said there are not adequate funds at this time for the bill.

Senator Jacobson moved that House Bill 866 be tabled. The motion passed 5 - 1 with Senator Hammond dissenting.

ADJOURN: The meeting adjourned at 11:00 A.M.


Gene Donaldson, Chairman

Education Subcommittee
Minutes
March 8, 1985

PROPOSERS:

Jim Christianson (79:B:427) (EXHIBIT 4), Executive Vice President, Montana Wheat Research and Marketing Committee, said until 1981, Montana had an active spring wheat breeder program, which was federally funded. The federal funding has disappeared. There is no question of the pay-back on a spring wheat breeder program, he said. One example is protein. Even with the sharply-reduced hard spring wheat crop in 1984, one percent in protein per bushel brought a return in excess of \$5 million to producers and subsequently, to the allied industry. In other words, even in a depressed market like today's, a new variety of hard red spring, if it can raise protein by as little as one tenth of one percent, will pay for the research program that created it--three times over.

Ross Fitzgerald (79:B:568), Vice President, Montana Grain Growers Association (EXHIBIT 5), said he is a grain producer from Power. Spring wheat is an important crop, probably the most important crop grown in the state. It is grown in 52 counties, and the climate is well suited for spring wheat. The Montana Grain Growers Association, in the interest of the well being of the grain producers of Montana, and the state's economy, urges favorable action on House Bill 866.

Tape 84 Side A

Viggo Anderson (EXHIBIT 6), small grain producer, Great Falls, said until recently, farmers in the Great Falls area didn't raise much spring wheat because the varieties available were not suitable for the area, but because of recently developed varieties, this has become a profitable crop for the area. There is a constant need for new varieties because demands and needs change frequently, and there is always the problem of meeting competition. It seems the most pressing concern of this legislative session is the shortage of revenue to fund the various needs of the state. It would be a drastic mistake to ignore agriculture and try to balance the budget on its back. House Bill 866 gives the state an opportunity to invest a small amount of money that will return large dividends for the state's future.

NOTE: Due to recorder malfunction, there will be no further tape references.

Senator Larry Tvite, District 77, and co-sponsor of House Bill 866, urged passage of the bill.

Dan Place (EXHIBIT 7), Co-Owner, Broadwater Grain & Supply, Townsend, said in spring wheat production Montana ranks fourth in the nation. In order to stay number four in production, or move up, a qualified spring wheat breeder program is needed in the state.

by as little as one tenth of one percent, will pay for the research program that created it---three times over.

Add to the protein example an improved cost of production picture through varietal improvement: airborne and soil-borne disease resistance, insect resistance (Sawfly), straw strength for irrigation and wind tolerance, draught tolerance, etc., etc.----the breeding program pays for itself many times over.

But, most important of all: milling and baking quality. With all the export problems this country has, quality-conscious customers are still buying from the United States, and Japan, the most quality-conscious customer on the Pacific Rim, buys one out of every three bushels of Montana's wheat. Only breeding programs will keep us in the lead in ability to deliver a quality product.

Montana needs a spring wheat breeder at M.S.U. The Montana Wheat Research and Marketing Committee, in speaking on the behalf of the grain producers it serves, encourages the State Legislature's positive action.

SPRING WHEAT VARIETIES BY SOURCE 1984

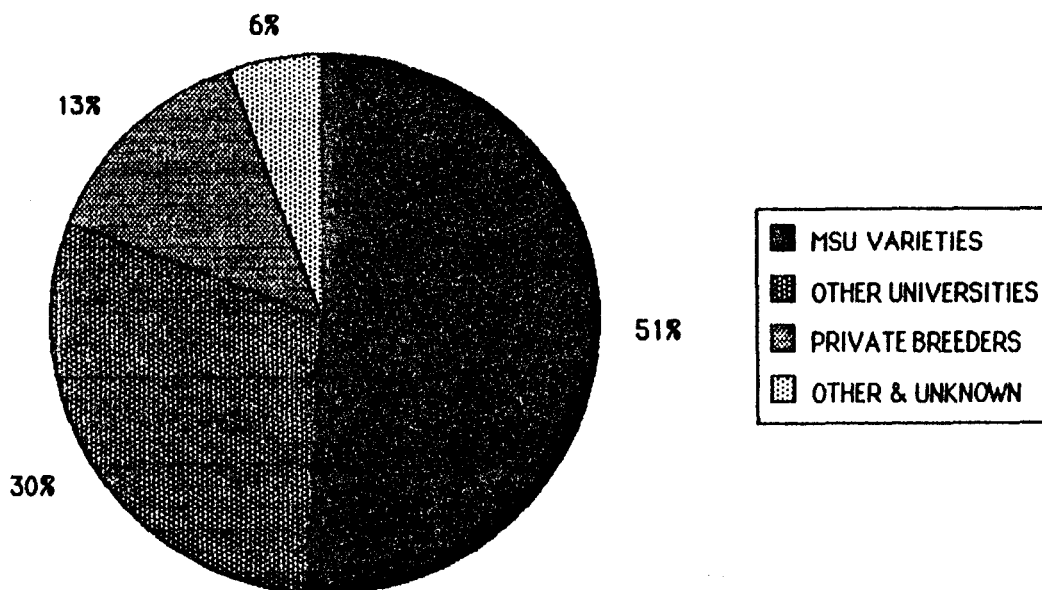




EXHIBIT 4
3-8-85

P.O. Box 1165 • 750 6th Street S.W. • Great Falls, Montana 59403 • 406/761-4596

**TESTIMONY BEFORE THE JOINT SUBCOMMITTEE ON EDUCATION
HOUSE BILL 866
March 8, 1985**

Mr. Chairman, Committee Members:

For the record, my name is Ross Fitzgerald. I am a wheat producer from Power and the vice-president of the Montana Grain Growers Association. I would like to submit testimony in support of HB 866, a bill that would establish and fund a spring wheat breeding program in Montana.

Spring Wheat is an important, probably the most important, crop grown in Montana. It is grown in 52 counties. In the last five years, Montana averaged 2,927,000 acres of Spring Wheat. In two of the last five years, there was more spring wheat seeded than winter. At \$279,478,000, the value of spring wheat production averages somewhat above that of winter. In fact, in a more normal year, one not distorted by acreage reduction programs and extremely dry weather, spring wheat production should top 3 million acres with a value exceeding \$450,000,000.

Ranking second or third in the production of spring wheat, Montana's climate is well suited for the production of a high quality spring wheat that is in demand by the more quality conscious wheat customer. Montana is known worldwide as a consistent producer of high quality Dark Northern Spring Wheat. To maintain that reputation Montana must continue to improve its product. Montana must remain competitive in a unique market.

MARK RASMUSSEN
President

ROSS FITZGERALD
Vice President

HOWARD HAMMOND
Secretary

GREGG HOLT
Treasurer

Page 2

Testimony on HB 866

Montana Grain Growers Association

Dr. R.J. McConnen, of MSU, says, "In periods of low prices some people voice the opinion, 'We already have too much production. We don't need to find out how to produce more.' That sort of attitude is understandable, but if the competitive strength of Montana producers is not maintained relative to other producing areas, Montana producers will not be able to survive as a dynamic world moves towards the future. Much of the new knowledge which is needed to maintain this competitive strength is site specific to Montana. Redwin, a variety of winter wheat released by the Montana Agricultural Experiment Station in 1979, is an example of an effort to maintain the competitive strength of Montana's agriculture. It took over ten years research work to develop this variety. The first cross for Redwin was made in 1969 and seed could not be made available for commercial production until 1982. By 1983, Redwin was the number one hard red winter wheat variety seeded by Montana producers and it accounted for 35 percent of the acreage planted to winter wheat in 1984. The protein content of Redwin is from 1% to 1.5% higher than for other varieties used in the state; it is the most shatter resistant variety available; it is one of the most drought resistant varieties being used in Montana; and its yields have been good. Without a continual flow of this kind of new information and new material, Montana producers will soon find their competitive strength greatly weakened."

In short, Dr. McConnen, points out that in order to remain competitive in the business of raising wheat, Montana must continue to use new and improved wheat varieties. Those varieties must be developed in and by Montana for two reasons: First, because Montana is unique. Our climate, soils, altitude, pests, and diseases are not similar to other locations. A wheat developed for another state in most cases is not suited for Montana. Even wheat developed in North Dakota, the number one spring wheat state, does not perform well in Montana. Second, because our state is unique, private breeders are not inclined to develop varieties that do well here. They cannot sell enough seed in one single state to recoup the development cost of a new variety. They tend to develop varieties that are designed to do well in the Midwest and Central States. If we are to continue to be competitive in wheat production, Montana must develop it's own varieties.

Page 3

Testimony on HB 866

Montana Grain Growers Association

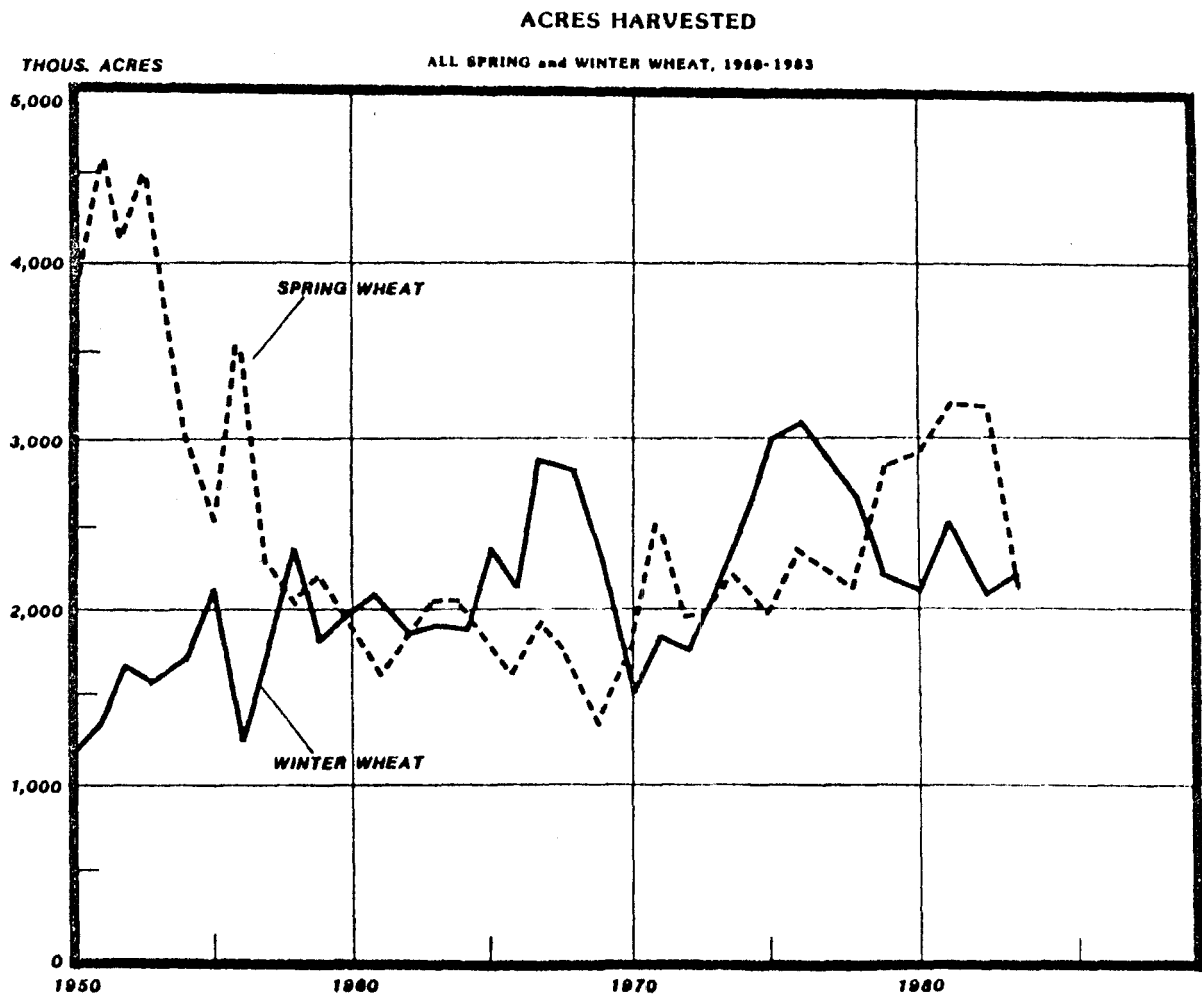
Mr. Chairman, Members of the Committee, the Spring Wheat Breeder must be looked at as an investment in the future--not only the future of Montana producers, but of the economy of our State. At current prices and acreages, each bushel increase in yield means approximately \$10,537,200 additional income to Montana producers. Although many producers are not making a great deal of money today, if you assume that the average producer is in the 20% tax bracket, each bushel increase means an additional income of \$1,159,000 to the State of Montana--a very substantial return on investment to our State.

When you add to the potential yield increase, the return on higher protein, quality, and disease or pest resistance, the return on a spring wheat breeding program is obvious. We cannot afford to neglect research and development in this area.

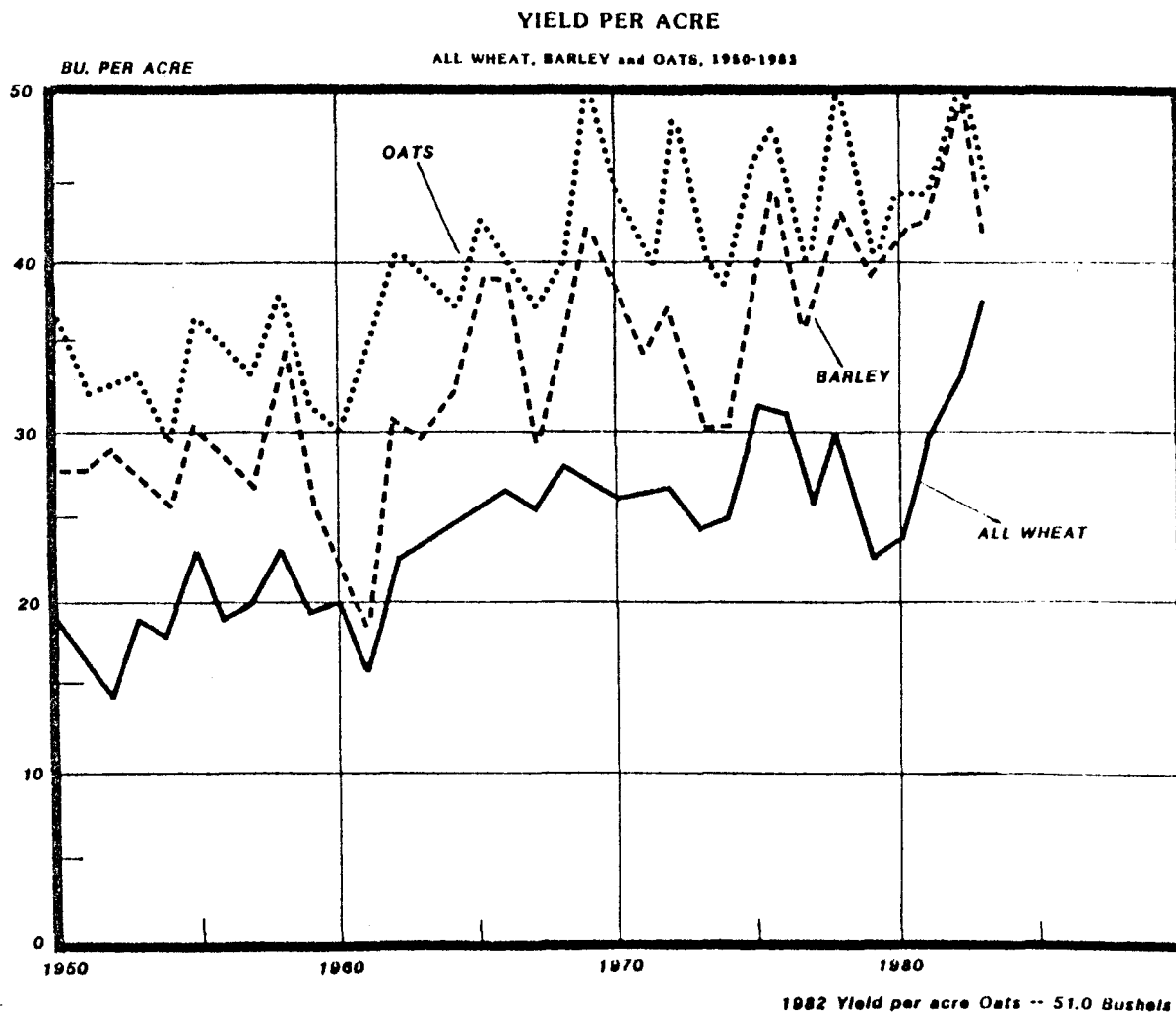
The Montana Grain Growers Association, in the interest of the well being of the grain producer of Montana, and the State's economy urges you to act favorably on HB 866.

SPRING WHEAT BREEDING PROGRAM

SPRING WHEAT PRODUCTION--Spring Wheat is grown in 52 Montana counties. In the last five years, Montana averaged 2,927,000 acres of Spring Wheat. In two of the last five years, there was more spring wheat seeded than winter wheat. At \$279,478,000, the value of spring wheat production averages somewhat above that of winter. It is safe to say that wheat production is evenly divided between spring and winter.

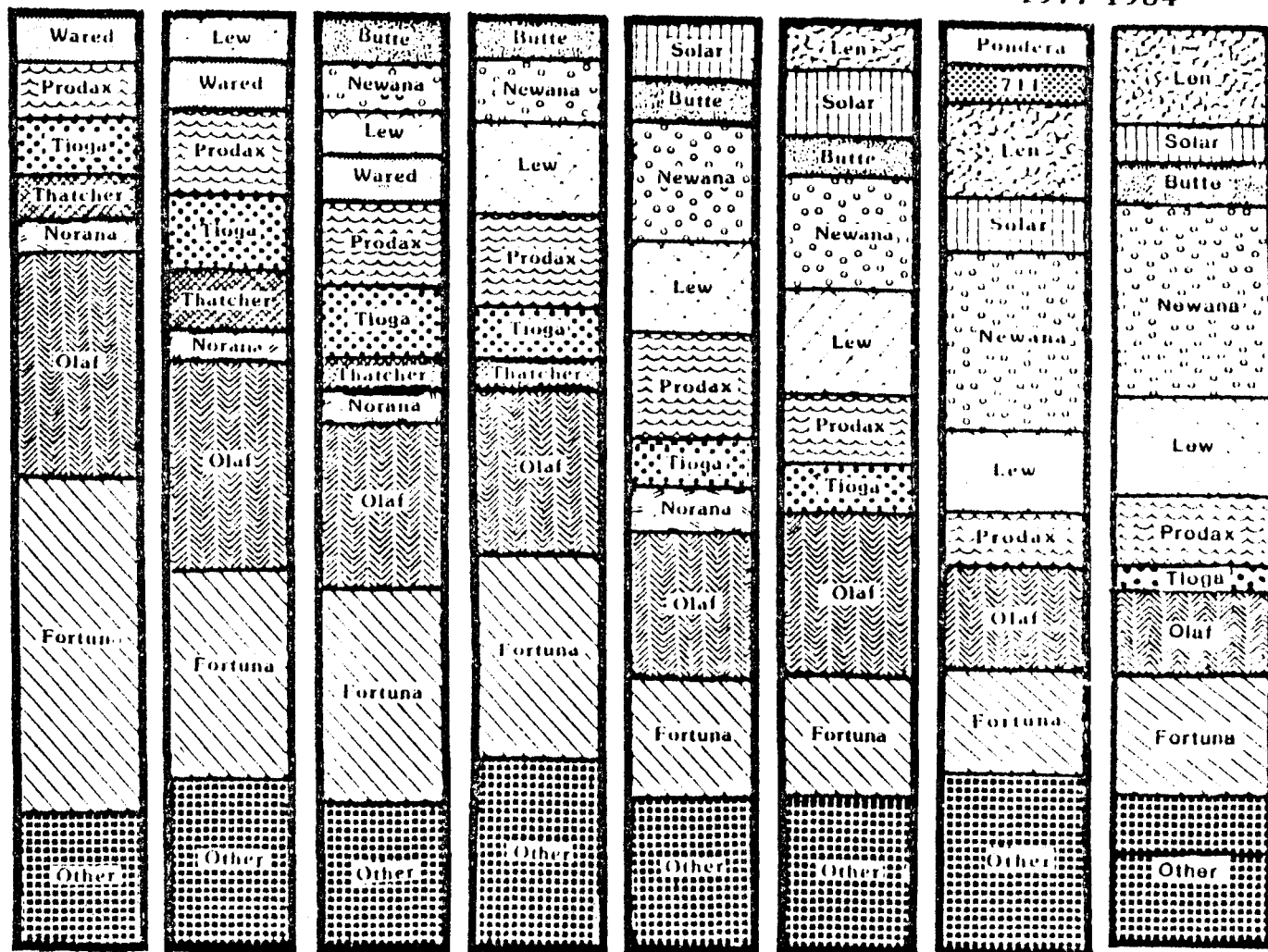


INCREASED PRODUCTION DUE TO IMPROVED VARIETIES--In 1950, the average yield for wheat was less than 20 bushels per acre. Now, wheat yields in Montana are approaching 40 bushels. Much of this increase is due to wheat varieties that are more suited to Montana's climate and soils. This increased yield, means not only increased gross income for a producer, but also less production costs per bushel.



MONTANA'S SPRING WHEAT BREEDING PROGRAM--A great deal of the increased spring wheat production can be attributed to the Spring Wheat Breeding Program at Montana State University, that up to this point has been largely federally funded. Currently, six Montana State University varieties are in commercial production in Montana. Three of the top four varieties are Montana developed. In all, Montana varieties amounted to 50.2% of the seeded acreage in 1983, and 51.2% in 1984. The balance of spring wheat acreage was; 30% developed by Land Grant Universities in other states, 13.5% private, and 5.3% other and unknown sources.

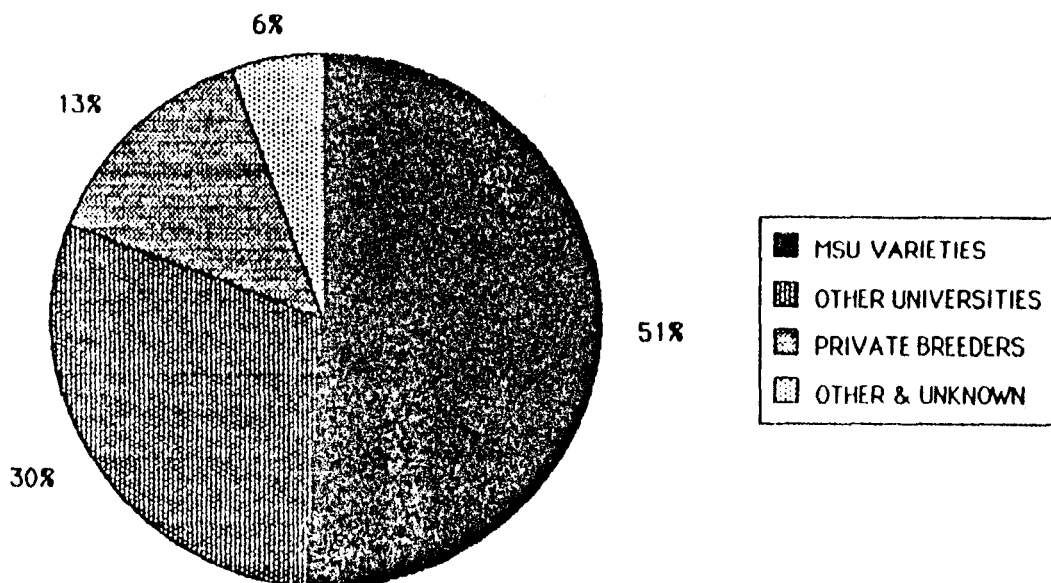
**SPRING WHEAT
MAJOR VARIETIES AS PERCENT OF TOTAL ACREAGE--1977-1984**



NOR
DAS
PRIV
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MS
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N.D
MS
MS

WHY MONTANA MUST DEVELOP IT'S OWN VARIETIES--There are two major reasons that Montana developed varieties are the highest yielding; First, Montana is unique. Our climate, soils, altitude, pests, and diseases are not similar to many other locations. A wheat developed for another state in most cases is not suited for Montana. Second, because our state is somewhat unique, private breeders are not inclined to develop varieties that do well here. They can not sell enough seed in one single state to recoup the development cost of a new variety. They tend to develop varieties that are designed to do well in the Midwest and Central states.

SPRING WHEAT VARIETIES BY SOURCE 1984



TESTIMONY BEFORE THE JOINT SUBCOMMITTEE ON EDUCATION
HOUSE BILL 866
March 8, 1985

Mr. Chairman, Committee Members:

For the record, my name is Viggo Andersen. I am a small grain producer from Great Falls. One of the crops I raise is spring wheat and I am here to testify in support of HB 866.

It appears that the most pressing concern of this legislative session is the shortage of revenue to fund the various needs of our state. This problem is due, ~~in part~~, *to a great extent*, to the fact that the largest segment of our State's economy, agriculture, is hurting. Because of poor crops and low prices, farm income is down drastically. That means that farmers spend less and **pay less taxes** causing the overall economy of our state to suffer. It would be a drastic mistake to ignore agriculture and try to balance the budget on its back. That would only compound the problem that we face.

HB 866 gives the State of Montana an opportunity to invest a small amount of money that will return large dividends for Montana's future. To remain competitive, Montana producers need a spring wheat breeding program.

I urge you to give HB 866 a do pass recommendation.

Mr. Chairman, Members Of The Committee,

My name is Dan Place. I am from Townsend, Montana. As co-owner of Broadwater Grain & Supply, and Townsend Seeds, Inc. I am a proponent of House Bill 866.

In Spring Wheat production Montana ranks fourth in the nation. This is on a normal precipitation year. If we want to stay number four in production or move up we need a qualified Spring Wheat breeder in Montana.

With the advent of no till, minimum till, and continuous cropping situations some of the current varieties we are using today do not perform under these conditions. We need a Spring Wheat breeder to have varieties ready as we get into these newer types of farming and away from traditional Summer fallow conditions.

At the present time private industry is breeding new Spring Wheat varieties that are being used in Montana. The problem with some of these varieties is that they are bred for different areas with different problems then we have in Montana.

The money has been allocated and the bids have been ~~let~~ on a new facility for agriculture at Montana State University. The price of this facility is Five.3 million dollars.

We have a saying in the feed, grain and seed business. With better varieties they are kind of like a race horse. If you are going to grow them you have to feed them. A race horse gets oats, a grain crop gets fertilizer. In relation we have a new facility worth 5.3 million dollars. If you look at it like a race horse we will be running with it. So to run with it we need to man it with the best people possible. We support House Bill 866 for these reasons.

Thank You

Broadwater Grain, & Supply
Townsend, Montana

Dan Place

TESTIMONY OF MONTANA GRAIN ELEVATORS ASS. SUPPORTING

HOUSE BILL 866

The Montana Grain Elevators Ass. strongly urges the funding of the spring wheat breeding program. The Elevators Association recognizes this as an important program for agriculture, and hopes that the university is allowed to do more needed research in this area.

3/8/1985

Leanne Schraudner

Leanne Schraudner
Lobbyist
Montana Grain Elevators Ass.