

MINUTES OF THE MEETING  
EDUCATION SUBCOMMITTEE  
50TH LEGISLATURE

March 6, 1987

The meeting of the Education Subcommittee was called to order by Chairman Dennis Nathe at 8:20 a.m. on Friday, March 6, 1987 in Room 104 of the State Capitol.

ROLL CALL: All members were present. Also present were Dori Nielson and Jane Hamman of the Legislative Fiscal Analyst office, Sib Clack of the Office of Budget and Program Planning, and Deb Thompson, Secretary.

SB362: Senator Jacobson moved to recommend a DO PASS to the full appropriations committee for SB362, which clarifies the duties of OPI and the Board of Public Education relative to fiscal notes. The motion PASSED unanimously.

(Continued) MODIFIEDS - EXECUTIVE ACTION: Senator Jacobson clarified that the HPER new space is utilized for instruction. Senator Jacobson moved to approve Montana State University new space #1 request HPER addition of \$50,562 for the biennium and for Montana College of Mineral Science and Technology new space HPER addition cost of \$135,000 for the biennium (076). The motion PASSED unanimously.

INSTRUCTION - School of Architecture: President Tietz presented a proposal of a tuition supplement for the school of architecture. An amendment is requested on the appropriations bill for spending authority for \$130,000 from this supplement for each year of the biennium, not to offset general fund. The students volunteered to accept the responsibility. Entry into the program will be restricted after the first year. He asked the committee to comply with their resolution to send a letter to the regents tuition supplement.

Commissioner Krause (146) said he was reluctant to go to the board of regents. He felt they did not want to support fees for selected students. He did hope to protect against the risk of this tuition offsetting general fund.

Senator Hammond moved to accept the resolution and have the staff work out the wording and the appropriate spending authority for MSU similar to that for pharmacy and law, of \$130,000 for the school of architecture, not to be offset by general fund. This gives the spending authority if the tuition supplement is received from the students. Dori Nielson mentioned that when pharmacy for University of

Montana was allowed this authority they were not obligated to spend that money is the revenue did not materialize. The motion PASSED unanimously.

Cooperative Extension Service: Language was drafted by Greg Petesch of the Legislative Council concerning the increase in funds for social security and any subsequent increases for the increased federal retirement benefits. The language in the bill would state that the money appropriated in line item 2 may only be spent if a federal district court determines that cooperative extension service employees are federal employees within the meaning of Public Law 99-335. In reviewing the federal Smith-Lever handbook it is clear that they must have a faculty appointment at MSU first and then they may be given joint federal appointments. Greg Petesch's research indicated that, in Montana, the agreement that they are state employees is further strengthened by the fact that the counties have the authority to fire the county extension agents even though they are tenured Montana faculty and "federal employees". So they are clearly state employees first and federal employees second. Mr. Petesch suggested working with Roger Flair, legal counsel at MSU, and the attorney general to go to federal district court for a declaratory judgment as quickly as possible on this matter.

Representative Peck moved the adoption of the language recommended by legal counsel Greg Petesch for the purpose of resolving the problem of the retirement package for joint state-federal employees in the cooperative extension service. President Tietz clarified the termination issue stating that the counties have the ability to terminate county agents only for the county portion of the position. The motion PASSED unanimously.

UNIVERSITY FUNGING STUDY: A proposal for a university funding study was discussed. The proposal is for \$150,000 to involve the Commissioner of Higher Education, Legislative Fiscal Analyst, the Office of Budget and Program Planning, and eight legislators. A different proposal by the executive for a management study was for the same amount.

Commissioner Krause felt the study too important to lose because of the cost issue. He recommended funding with one FTE for the biennium with computer time and travel expenses with a figure of about \$60,000. (Exhibit 2) Dori Nielson mentioned the project would tie up staff, secretarial time, and resources. Senator Hammond agreed that the project should not be overpriced. He was opposed to studies but felt that this one needed to be done. Chairman Nathe suggested appropriating the money in the bill rather than a resolution.

Senator Jacobson pointed out the need for membership from the Education Subcommittee. Representative Peck said to specify membership in the bill language. Chairman Nathe pointed out the LFC was budgeted while another committee would need travel per diem.

(1-B) The committee discussed whether they should address the suggestion to make cuts in the education budget since the revenue had not yet materialized. Senator Jergeson commented that the subcommittee had worked out the best possible budget. Representative Iverson said he preferred to take a day to reconsider the budget since the revenue to fund the budget was not available.

Cooperative Extension Service: Jane Hamman (226) said the line item information on the \$70,068 needed to be clarified. Senator Hammond moved the \$70,068 that was left in line item for cooperative extension improved communications be split 50/50 between operating expenses and equipment. The motion PASSED unanimously.

MSU Energy Management Control System: President Tietz explained that MSU was financing a retrofit system which would produce energy savings for MSU. The Long-Range Building Committee had agreed to their proposal but needed to retain the energy savings to meet the loan obligations. Senator Jacobson questioned the proposal that would permit the use of savings towards energy conservation similar to the energy retrofit that had been approved in Special Session III.

Scholarships and Fellowships: Representative Iverson (349) mentioned that there was a dramatic reduction in the number of slots for scholarships and fellowships for the 1989 biennium at Northern Montana College. In the past NMC had received a higher preparation of out-of-state waivers than the other units. Representative Iverson moved to reconsider the actions on scholarships and fellowships for Northern Montana College to increase the program to 30 slots in FY88 and 25 slots in FY89 for an increase of approximately \$25,000 annually. This would allow gradual phasedown to be consistent with other units. The motion PASSED unanimously.

HB599: Representative Mercer introduced HB599 concerning the program modification requested by Yellow Bay Biological Station for \$160,000 additional funds for research. He said the lake was a unique treasure to the state. However, problems with water cleanliness were a great concern to the public. (Exhibit 3)

Mr. Jauc Stanford, director fo the Yellow Bay Biological Station described the academic mission of the University of

Montana to teach courses, do research and promote community service. The said the biological station supports all these and needs more base support (Exhibit 3, 3a). For every dollar of state support received \$3 to \$4 from grants and other activity will be generated. He stated that, in fact, for next session every \$6 that would be generated he would be accountable. He discussed the causes of water deterioration. He said the first sign of chronic deterioration was the algae bloom in 1983. Even the expertise in the international arena have been involved. (634)

Mr. Richard Hauer, senior water researcher at the biological station, spoke about the fresh water research lab. He said this station was the finest in the country with opportunity for high quality research. (2-A) The staff present finding and research to the community. They teach, conduct field trips, and promote the educational perspective. He concluded that the research greatly benefits all of Montana, supports tourism and is a contributor to international science. It is a state investment.

Mr. Mark Lorang (032) testified concerning the shoreline ecology project. The study could be applied to the economic impact from shoreline vegetation and shoreline erosion and the affects on landowners.

Ms. Carolyn Bauman (083) testified on the extensive accumulation of shoreline algae. She pointed out that the station was first class and was involved with national and international scientists. She said the availability of funding was important since this was an problem that concerned the economy of the area. She pointed out that private citizens supported many of the research projects.

Commissioner Krause pointed out (115) that the Board of Regents did approve a program modification of \$112,000 for 4.12 FTE for personal services, and that Representative Mercer's bill included additional research equipment.

Mr. Elwin Bennington, president of a non-profit corporation in the area of Yellow Bay, testified in support of the project. He said the purpose of the corporation was to provide public awareness of what the station does, who is doing it and the scientific and economical worth. A journal is published. The Flathead Basin Commission relies strongly on the freshwater laboratory for collections, samples, analysis and interpretation.

There were NO Opponents.

Chairman Nathe questioned the request for 4 FTE to enhance the research capability. Sib Clack clarified the

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modification that was submitted was for 4.2 FTE which included 1/3 of the directors salary, .17 administrative assistant, 1 accountant, 1 secretary, 1.73 graduate assistants. This does not include \$48,000 that is in the bill for equipment.

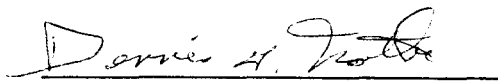
Representative Mercer made closing comments. He said that Yellowbay is state owned. He pointed out that Flathead Lake contributes 100 million dollars a year of economic benefits. The people have conceded that the lake is valuable.

Senator Hammond asked about the prime cause of algae. Director Stanford replied that pollutants are picked up on the tributaries and drain into the lake. He said that forest practices, the Cabin Creek coal mine, and agriculture played a small part in the deterioration but principal cause was the urban areas impact. He said that 17 percent of the pollutants were from sewage treatment plants. The disruption of the food chain by the introduction of shrimp was mentioned. More algae is expected, more smaller fish, and more people north of the lake.

Representative Peck moved to recommend a DO PASS for HB599 to the full House Appropriations Committee. The motion PASSED unanimously.

Energy Management Control System: Commissioner Krause mentioned that funds were needed to pay the loan necessary to install the retrofit system. Senator Jergeson moved to send a memo to Chairman Thoft on the Long Range Building Committee, approving the proposal for the cost savings and energy retrofit at Montana State University. (490) The savings on the utility costs will not be taken out of the base for the 1991 biennium. The motion PASSED unanimously.

ADJOURNMENT: The meeting was adjourned at 11:06 a.m. The next meeting was announced on adjournment of the House, March 6.

  
DENNIS NATHE, Chairman



2 X (

*State* BILL NO. *362*  
*Appalachian Park*

1 (3) If the financial impact of the proposed rule,  
2 policy, or standard is found by the board to be substantial,  
3 the board may not proceed to rulemaking implement the rule  
4 until July 1 following the next regular legislative session  
5 and shall request the next legislature to fund  
6 implementation of the proposed rule, policy, or standard  
7 through the foundation program. A substantial financial  
8 impact is an amount that cannot be readily absorbed in the  
9 budget of an existing school district program.

10 (4) A proposed rule, policy, or standard not found by  
11 the board to have a substantial financial impact on school  
12 districts or funded by the legislature may proceed to  
13 rulemaking be implemented at any time.

-End-

1 INTRODUCED BY  
2 BY REQUEST OF THE SENATE FINANCE AND CLAIMS COMMITTEE  
3  
4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY  
6 RESPONSIBILITY FOR DETERMINING THE FINANCIAL IMPACT OF  
7 RULES, POLICIES, AND STANDARDS PROPOSED BY THE BOARD OF  
8 PUBLIC EDUCATION; AND AMENDING SECTION 20-2-115, MCA."  
9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
11 Section 1. Section 20-2-115, MCA, is amended to read:  
12 "20-2-115. Rules with substantial financial impact --  
13 fiscal note -- effect without funding. (1) When developing  
14 rules, policies, and standards under 20-2-121(6), (7), (9),  
15 and (11), the board of public education shall concurrently  
16 develop a fiscal note to determine the financial impact of  
17 the rule, policy, or standard on school districts.

18 (2) The superintendent of public instruction shall  
19 prepare a suggested fiscal note for submission to the  
20 board, using criteria and assumptions developed by the  
21 board. The fiscal note must be prepared within 30 days of a  
22 request unless the board agrees to a longer time. The board  
23 may also accept other testimony and exhibits on the  
24 financial impact to school districts before completing--a  
25 final fiscal note proceeding to rulemaking.

**University Funding Study**

- |   |           |
|---|-----------|
| a. Commissioner of Higher Education         | \$100,000 |
| b. Office of the Legislative Fiscal Analyst | 100,000   |
| c. Office of Budget and Program Planning    |           |

There shall be a university funding study coordinated by the Office of the Legislative Fiscal Analyst in conjunction with the Commissioner of Higher Education and active participation of the Office of Budget and Program Planning.

Items a, b, and c are biennial appropriations.



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1 INTRODUCTION BY House BILL NO. 599  
 2 MERCER Faculty Connelly  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY  
 5 FROM THE GENERAL FUND TO THE UNIVERSITY OF MONTANA FOR  
 6 ACQUISITION OF EQUIPMENT AND HIRING OF SCIENTIFIC AND  
 7 ADMINISTRATIVE PERSONNEL FOR THE UNIVERSITY OF MONTANA  
 8 BIOLOGICAL STATION AT YELLOW BAY ON FLATHEAD LAKE."  
 9

10 WHEREAS, the University of Montana biological station,  
 11 located at Yellow Bay on Flathead Lake, is one of the  
 12 nation's leading research and teaching facilities for the  
 13 study of freshwater ecology; and

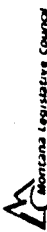
14 WHEREAS, research at the biological station has yielded  
 15 major scientific advancements in freshwater ecology and  
 16 important practical findings vital to maintaining the high  
 17 quality and economic value of Flathead Lake and other  
 18 Montana waters; and

19 WHEREAS, the biological station generates \$6 from  
 20 grants, contracts, and other outside sources for each dollar  
 21 of state support; and  
 22 WHEREAS, the land and facilities at Yellow Bay are  
 23 valued at more than \$50 million (90% of which value was  
 24 obtained without state funding) and will not be used fully  
 25 without additional state funding; and

1 WHEREAS, the biological station faces a critical need  
 2 for full-time administrative personnel to oversee grants and  
 3 contracts and for scientific personnel to operate the  
 4 facility, to maintain its high standards of research and  
 5 community service, and to attract grant income to Montana.  
 6 THEREFORE, the Legislature appropriates needed funds so  
 7 that the University of Montana biological station may  
 8 operate existing facilities at a reasonable level and thus  
 9 continue to attract new funds and national scientific  
 10 recognition for the State of Montana.

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 13 Section 1. Appropriation. There is appropriated from  
 14 the general fund to the university of Montana for the  
 15 university of Montana biological station at Yellow Bay on  
 16 Flathead Lake \$321,200 for the biennium ending June 30,  
 17 1989, for the acquisition of research equipment and  
 18 expansion of research and service capabilities. This  
 19 appropriation is to be allocated as follows:

	FY 1988	FY 1989	Biennium
20			
21	Scientific, administrative,		
22	and clerical staff and		
23	graduate student		
24	support	\$79,000	\$79,000
25	Equipment	81,600	81,600
			\$158,000
			163,200



THE RESULTS OF A PUBLIC SURVEY OF ISSUES AND OPINIONS ABOUT FLATHEAD LAKE

# ISSUES and ACTIONS



for the  
**FLATHEAD  
LAKERS**

Sponsored by the Flathead Lakers, a citizens' organization dedicated to the protection of Flathead Lake and the high quality of life on its shores.

FLATHEAD LAKERS, INC.  
Post Office Box 290  
Polson, Montana 59860

BOXHOLDER



Recreation on Flathead L

## SHOREL

The survey shows that a minimum lot size and density, protected by the men of Flathead Lak

The survey shows that a minimum lot size and density, protected by the men of Flathead Lak

The Board concludes that a minimum lot size and density, protected by the men of Flathead Lak

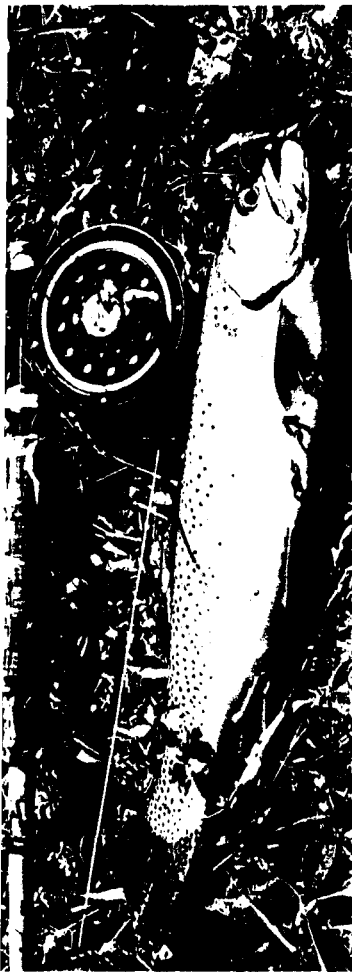
The Flathead Lak

1. We support the maintaining area.

2. We support the development and will form a committee to study the matter.

3. We support programs and policies which will improve the aesthetic qualities of Flathead Lake's existing and future developments. We will form a committee to recommend protective covenants for the lakeshore.

Gull Printing, Polson



Cutthroat trout

## FISHING

Many of the respondents fish (see Table 3) and expressed preference for kokanee salmon (68%), cutthroat (flats) trout (44%) and bull trout (31%) as being the most abundant sport fish in Flathead Lake. There was less enthusiasm for lake trout (19%), yellow perch (12%), largemouth bass (6%), whitefish (4%), and northern pike (3%). Sixty percent were opposed to introductions of nonnative fishes in the Lake.

TABLE 3. Fishing status of survey respondents: frequency of fishing on Flathead Lake.

	Several Times		
	Per Month	Occasionally	Never
All respondents	27%	50%	23%
Laker members	28%	50%	21%
Nonmembers	25%	50%	25%
Residence:			
Year-round	26%	52%	21%
Seasonal	31%	48%	21%
On reservation	24%	50%	25%
Off reservation	32%	50%	18%

NOTE: The percentage detail may not add to 100 because of rounding.

A majority (63%) of respondents favored a single fishing permit to fish on Flathead Lake. Presently, fishing on the south half of the lake requires a State fishing license and a Tribal recreation permit. Thirty percent of the respondents would prefer to pay \$5 for a single Flathead Lake fishing permit; 41% would be willing to pay more.

The Flathead Lakers supports development of a joint fish management plan for Flathead Lake by the Montana Department of Fish, Wildlife and Parks and the Confederated Salish and Kootenai Tribes. We favor a single fishing permit to fish anywhere on the lake, with all proceeds to be used on joint fisheries management. We also support management that emphasizes native fishes, especially cutthroat and bull trout.

FLATHEAD LAKE BIOLOGICAL STATION  
UNIVERSITY OF MONTANA

Flathead Lake Biological Station (FLBS), located at Yellow Bay on Flathead Lake, was established in 1896 to provide a pristine field setting for study of the natural sciences. During the past ten years the Biological Station has developed from a summer-teaching field station to a year-round research and graduate facility. This is in large part due to non-state supported funding of construction and extramural funding of research grants and contracts.

**New Physical Facilities:**

<u>Facility</u>	<u>Year Constructed</u>	<u>Source of Funds</u>
Elrod Laboratory	1968	NSF
Experimental STP	1973	EPA
Schoonover Freshwater Lab	1981	Fleishmann Foundation
Year-round Dormitory and Commissary Complex	1986	Student Dorm Fees

FLBS is now a first class research and teaching facility in the field of limnology (freshwater biology, chemistry and geomorphology). The Leland Schoonover Freshwater Research Laboratory is the finest facility of its kind in the Northwest and has been instrumental in providing the facilities necessary to produce nationally and internationally recognized research. The benefits of the Biological Station and its research are felt not only throughout the Flathead Basin, but throughout the entire state. Research conducted at FLBS has been instrumental in identifying environmentally and economically threatening water quality problems in Flathead Lake and its tributaries.

Biological Station Activities

Education: FLBS conducts an 8-week academic session for 50-80 students each summer. Students come from around the state and nation. The student's education is far more than strictly academic, as students leave with a much deeper appreciation for Montana, a pristine environment, and the importance of Montana's land and waters to the nation.

Research: Private and federal grants and contracts acquired by FLBS staff have resulted in major scientific advancements in limnology and related fields. Research data and its interpretation has greatly assisted federal and state resource management agencies to develop policies for the sound management of Montana's valuable water resources.

Research continued: FLBS monitors water quality in the Flathead Basin under an interagency agreement (WQB, Flathead Co., Lake Co., CSKT, MPC, and UM) coordinated by the Flathead Basin Commission. The FLBS staff works very closely with the FBC to provide information to the public.

FLBS has conducted cooperative research with a broad spectrum of federal, state and local agencies as well as private concerns: Montana - DNRC, DH&ES/WQB, DFWP, DSL; Federal - USFS, GNP, BIA, USGS, OWRT, EPA, NSF; Local and Private - CSKT, Lake Co., Flathead Co., MPC, Flathead Lakers, private citizens. The results of FLBS research are published in national and international scientific journals, are available to all agencies, and are widely disseminated to the public throughout the region.

Community Service: Research results are presented to local government and civic organizations to promote understanding of pollution and its effects on water quality, a clean standard of living in Montana and its potential environmental and economic consequences. FLBS is also a member of the local volunteer fire department, housing a fire truck and related equipment that is primarily manned by volunteer FLBS staff.

FLBS provides educational instruction and opportunities to numerous grade school and high school classes that visit our facilities on field trips.

### Economic Importance of FLBS

Flathead Lake has an estimated annual recreation and preservation value of \$107 million. Degradation of Flathead waters has an estimated loss to the local and state economy of more than \$97 million annually. FLBS provides the research and knowledge required in making wise management decisions that profoundly effect all the people of Montana.

FLBS facilities that have been almost entirely obtained without state funds have not only provided Montana with state-of-the-art freshwater research capabilities, but also added to the local economy.

During the last 5 years FLBS has returned to the state general fund over \$200,000 in the form of overhead on its many grants and contracts. This does not include the even much larger sums added to the local and state economy by the FLBS staff. The vast majority of these funds have been generated from out-of-state sources that otherwise would not have come to Montana. Over 90% of faculty and research staff employment is derived from extramural grants and contracts.

For every \$1 invested by the state in FLBS, FLBS has generated over the past 5 years between \$3 to \$6 in grants and contracts.

VISITORS' REGISTER

Education Sub COMMITTEE

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

DATE 3-6-87

SPONSOR \_\_\_\_\_

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
<i>Claudette Whitton</i>	<i>Grand Public Sch</i>	<i>HB599</i>	
<i>Elvin Bertrington</i>	<i>Pulson, LI</i>	<i>HB599</i>	
<i>JACK STANFORD</i>	<i>EAST SHORE PULSON</i>	<i>HB599</i>	
<i>Munk Leung</i>	<i>East Shore Pulson</i>	<i>HB599</i>	
<i>Charles Bauman</i>	<i>East Shore Pulson</i>	<i>HB599</i>	
<i>Richard Hauer</i>	<i>South Shore Pulson</i>	<i>HB599</i>	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.