

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By Chairman Royal C. Johnson, on February 8,
1995, at 10:50 AM

ROLL CALL

Members Present:

Rep. Royal C. Johnson, Chairman (R)
Sen. Daryl Toews, Vice Chairman (R)
Rep. Don Holland (R)
Sen. Greg Jergeson (D)
Rep. Mike Kadas (D)
Sen. Arnie A. Mohl (R)

Members Excused: None

Members Absent: None

Staff Present: Sandy Whitney, Legislative Fiscal Analyst
Amy Carlson, Office of Budget & Program Planning
Curtis Nichols, Office of Budget & Program
Planning
Paula Clawson, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: None
Executive Action: None
Committee Discussion: Higher Education Issues

DISCUSSION ON HIGHER EDUCATION ISSUES

{Tape: 1; Side: A}

Amy Carlson, Office of Budget and Program Planning (OBPP),
provided an updated summary budget comparison. **EXHIBIT 1**

CHAIRMAN ROYAL JOHNSON said that the acceptance of **REP. MIKE KADAS'** motion of February 7, 1995, cut the general fund budget of the University System by about \$3 million. **CHAIRMAN JOHNSON** would like to revisit this motion with other considerations, but first invited the subcommittee to bring for discussion any other areas of concern about the University system.

{Tape: 1; Side: A; Approx. Counter: 44}

SEN. ARNIE MOHL asked for further explanation of the Western University Exchange (WUE) program and why funds are being used in this program rather than for additional slots in the WAMI/WICHE programs.

Jeff Baker, Ph.D., Commissioner of Higher Education, explained the Commissioner of Higher Education office (CHE) did not keep track of WUE students until 1993, because that was when it was made clear that state funding was only for resident students. At that time it was discovered there was a disproportionate amount of WUE students coming into Montana than were going out of Montana, partially because there was state funding for these students. In 1993 the Board of Regents made a policy that the import - export of WUE students should be equated. By 1997 there will be less than 700 WUE students throughout the system, and Montana will be exporting almost 1,000 students. If there was no WUE and the 1,000 stayed in Montana it would require more state funding support since state support for resident students is higher than for WUE students.

SEN. MOHL commented if the same number of out-of-state students attended Montana institutions without WUE support, there would be even more revenue from non-resident tuition. **Dr. Baker** agreed and said that was the purpose of converting many of the WUE students to non-resident status.

SEN. MOHL said it might be preferable to use WUE funds to increase the WAMI/WICHE program. **Dr. Baker** clarified that WUE is for undergraduates and WAMI/WICHE is for graduate students. The WUE program works well as long as the import-export ratio stays balanced.

CHAIRMAN JOHNSON asked for an explanation of the difference in fund levels for WAMI and WICHE. **Dr. Baker** said WAMI is strictly for the University of Washington Medical School and is comparable to what Washington resident students pay. WICHE is connected with a variety of schools in a variety of programs, so tuition levels are different depending on school and program.

REP. DON HOLLAND asked if any non-resident WICHE students are enrolled in Montana programs. **George Dennison, Ph.D., President, University of Montana-Missoula**, said there are some WICHE students at the University of Montana-Missoula in physical therapy, architecture, and forestry.

SEN. GREG JERGESON asked if WUE students are strictly limited to programs that are not offered in their resident state. **Dr. Baker** said that it is the pure intent of the program, but sometimes WUE students change majors which put them in programs that are offered in their resident state.

CHAIRMAN JOHNSON asked what is the application demand for WAMI. **Dr. Baker** reported that in FY94 there were 85 applications; 29 acceptances and 25 funded. 20 were funded through WAMI and 5 were funded through WICHE.

CHAIRMAN JOHNSON asked why the WICHE medical school students don't attend a Montana institution for the first year as the WAMI students do at Montana State University-Bozeman. **Mike Malone, Ph.D., President, Montana State University-Bozeman**, explained that the first year of medical school at Montana State University-Bozeman is very specialized as the first year of study for the University of Washington School of Medicine. It would be cost prohibitive to set up this specialized program for the WICHE medical students who are not necessarily attending the same medical school from year to year.

{Tape: 1; Side: B}

CHAIRMAN JOHNSON commented that **SEN. MOHL** may want to suggest to the University system that WICHE/WAMI be funded more than WUE.

SEN. MOHL said it is only fair that the veterinary slots in WICHE be increased and perhaps this increase can come from WICHE medical students since more veterinarian's return to Montana (56.3%) than do physicians (24%). **Dr. Baker** said the WICHE/WAMI programs are currently being evaluated and there will be a complete report by the 1997 legislative session.

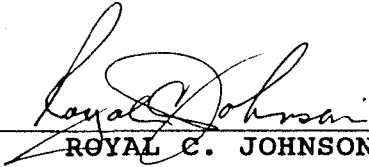
REP. KADAS said he believed the motion accepted on February 2, 1995, for student assistance-grants allowed CHE the flexibility to fill unused WICHE slots with any discipline needed. **SEN. JERGESON** corrected that while there was discussion about this flexibility, the motion was for lump-sum and not line-itemed by slot.

REP. HOLLAND said if filling the WICHE slots is left flexible, it could create problems financially since some programs are more expensive than others.

CHAIRMAN JOHNSON reminded the subcommittee that a bill needs to be considered to eliminate the responsibility for traffic education from the Office of Public Instruction because subcommittee action cut this programs funding. This action will be considered in a future meeting.

ADJOURNMENT

Adjournment: This meeting was adjourned at 11:35 AM.



ROYAL C. JOHNSON, CHAIRMAN



PAULA CLAWSON, SECRETARY

RCJ/pc

[THIS MEETING IS RECORDED ON ONE 60-MINUTE TAPE]

EDUCATION

Joint Appropriations Subcommittee

ROLL CALL

DATE 2/8/95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Royal Johnson, Chairman	<input checked="" type="checkbox"/>		
Rep. Mike Kadas	<input checked="" type="checkbox"/>		
Rep. Don Holland	<input checked="" type="checkbox"/>		
Sen. Daryl Toews	<input checked="" type="checkbox"/>		
Sen. Greg Jergeson	<input checked="" type="checkbox"/>		
Sen. Arnie Mohl	<input checked="" type="checkbox"/>		

SUMMARY BUDGET COMPARISON

	95 Biennium	Gov. original 97 Biennium	Changes	Potential 97 Biennium	Leg. todote 97 Biennium	Leg. todote - Gov. original
Educational Units except community colleges						
Six mill	30,855,631 (2)	27,804,045		27,687,000	27,337,000	(467,045)
Use of LFA estimates			(467,045)			
Project 95 - \$350,000 upon passage			350,000			
1.5 mill	1,800,000	1,870,842		2,014,000	2,014,000	143,158
Use of LFA estimates			143,158			
Total millage	32,655,631	29,674,887		29,701,000	29,351,000	(323,887)
General fund	170,720,473	172,803,114		172,777,001	169,611,916	(3,191,198)
Millage offset			(26,113)			
Tuition	113,754,830 (3)	144,828,964			144,828,964	
Budget amendment 93-95	18,254,192					
Corrections to original adjustments			319,673		319,673	
Additional MSU non-residents			4,230,906		4,230,906	
UM UTU faculty salary increase		3,929,345				
MUS faculty salary increase			8,388,105			
Total Tuition	132,009,022	148,758,309	12,938,684	161,696,993	149,379,543 *	621,234
Other	1,655,526	1,675,468		1,675,468	1,675,468	0
Subtotal Ed Units	337,040,652	352,911,778	12,938,684	365,850,462	350,017,927	(2,893,851)
Pay plan general fund (w/o CC) (5)		5,491,327		5,491,327		***
Pay plan tuition		3,843,141		4,269,196		***
Add'l authority-fee waivers for pay plan (4)			426,055			
Subtotal Educational units (w/o CC) Units with pay plan		362,246,246	13,364,739	375,610,985	350,017,927	
Community Colleges						
General fund	8,378,497	10,537,592		10,537,592	8,832,574	(1,705,018)
Pay plan general fund (5)		287,000		287,000		
Commissoner's office						
General fund	12,777,000	13,505,173		13,505,173	13,505,173	0
Federal *	19,153,715	20,435,765		20,435,765	20,435,765	0
Proprietary *	38,111,850	38,231,720		38,231,720	38,231,720	0
Subtotal	415,461,714	445,243,496	13,364,739	458,608,235	431,023,159	(4,598,869)
Agencies						
AES General fund	14,607,503	14,384,328		14,384,328	14,384,328	0
Other	5,598,428	5,629,668		5,629,668	5,629,668	0
ES General fund	5,652,893	5,633,532		5,633,532	5,633,532	0
Other	4,323,304	4,589,136		4,589,136	4,589,136	0
FCES General fund	1,411,505	1,446,783		1,446,783	1,446,783	0
FSTS General fund	484,529	505,058		505,058	505,058	0
BOM General fund	2,611,869	2,649,665		2,649,665	2,649,665	0
State	1,131,202	1,332,000		1,332,000	1,332,000	0
Other	77,457	88,000		88,000	88,000	0
ALL 97 pay plan GF		1,023,658		1,023,658		
97 pay plan other		64,057		64,057		
Grand Total	451,360,404	482,589,381	13,364,739	495,954,120	467,281,329	(4,598,869)

- | | |
|--|--|
| (1) does NOT include \$350,000 from PROJECT 95 | (4) original pay plan tuition was w/o fee waivers |
| (2) includes \$976,411 Supplemental Appropriation | (5) potential allocation of pay plan general fund |
| (3) reduced by amount HCT did not meet tuition approp. | * appropriated not actual |
| *** leaving pay plan out of discussions | ** current level of tuition and projected students |