

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION**

#### **JOINT SUBCOMMITTEE ON EDUCATION**

**Call to Order:** By CHAIRMAN ROYAL C. JOHNSON, on January 10, 1997, at 8:00 am, in the State Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Royal C. Johnson, Chairman (R)  
Sen. Daryl Toews, Vice-Chairman (R)  
Rep. Don Holland (R)  
Sen. Greg Jergeson (D)  
Sen. Ken Miller (R)  
Rep. Ray Peck (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Sandy Whitney, Legislative Fiscal Division  
Connie Jacobs, Committee Secretary

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: Executive budget cut impacts  
on goals and Univ. System  
1/7/97.

Executive Action: None

#### **HEARING ON UNIVERSITY SYSTEM EXECUTIVE BUDGET**

**CHAIRMAN ROYAL C. JOHNSON** called the meeting to order and made opening remarks about the need for approximately 32 million in budget cuts from the legislature.

*{Tape: 1; Side: A; Approx. Time Count: 1-6; Comments: None.}*

**Commissioner of Higher Education Dick Croft** offered his response to the potential cut of 5 million dollars from the University System budget. Target reduction areas may include the technology initiative, agency salaries, and the tuition assistance program.

*{Tape: 1; Side: A; Approx. Time Count: 7-14; Comments: None.}*

Questions and discussion from members of the committee.

*{Tape: 1; Side: A; Approx. Time Count: 14-17; Comments: None.}*

**Mr. Croft** continued with University System financial commitments.  
{Tape: 1; Side: A; Approx. Time Count: 17-24; Comments: None.}

Questions and discussion from members of the committee.  
{Tape: 1; Side: A; Approx. Time Count: 24-30; Comments: None.}

**Mr. Croft** continued with scenarios should University System budget cuts be made. Included were reductions in programs, not funding the technology initiative and decreasing ongoing programs (financial aid) to students.  
{Tape: 1; Side: B; Approx. Time Count: 1-13; Comments: None.}

Questions of **Mr. Croft, University of Montana (UM) President George Dennison** and **Montana State University (MSU) President Michael Malone** regarding University System budget cuts.  
{Tape: 1; Side: B; Approx. Time Count: 14-30; Comments: None.}

Questions and discussion from members of the committee continued for approximately 90 minutes. Following are some of the significant questions, topics and/or issues discussed within this time period.

Discussion regarding electronic delivery systems and courses offered via the internet.  
{Tape: 2; Side: A; Approx. Time Count: 5-11; Comments: None.}

Discussion regarding the inclusion and/or exclusion of agencies within the University System in order to cut costs and expenditures.  
{Tape: 2; Side: A; Approx. Time Count: 22-27; Comments: None.}

Questions about Summit Net, cost/activity ratios.  
{Tape: 2; Side: B; Approx. Time Count: 4-12; Comments: None.}

Discussion of the Simms Project and National Science Foundation dollars versus matching funds by the state.  
{Tape: 2; Side: B; Approx. Time Count: 15-22; Comments: None.}

Questions about the Anthropology Department and the inclusion of salvage archeology. Costs of offering this program versus the revenue generated were discussed.  
{Tape: 2; Side: B; Approx. Time Count: 23-30; Comments: None.}

Questions about revenue bonds for funding new academic facilities. Continued reliance on revenue bonds and the implied state obligations were also discussed.  
{Tape: 3; Side: A; Approx. Time Count: 1-25; Comments: None.}

**Mr. Jim Kaze, Chairman of the Board of Regents, and Margie Thompson, a member of the Board of Regents,** discussed goals of the education system. Included were focusing on student needs, responsiveness of the education system to the job market, and cooperation and collaboration throughout the education system.  
{Tape: 3; Side: B; Approx. Time Count: 1-15; Comments: None.}

General questions of **Mr. Kaze** and **Ms. Thompson** from the members of the committee.

*{Tape: 3 ; Side: B; Approx. Time Count: 15-30 ; Comments: None.}*

Questions regarding the lawsuit by the State Land Board against the Board of Regents regarding three land transactions, and the resultant lawsuit going to the Montana Supreme Court.

*{Tape: 4; Side: A; Approx. Time Count: 1-10; Comments: None.}*

Students **Jim McCray**, and **Jeremy Fritz**, **MSU**, and **Kris Copenhaver**, **MSU Billings**, and **Brad Barkemeyer**, **MSU**, spoke about maintaining stable tuition levels, the tuition assistance program, and the need to apply and have access to technological advances throughout the University system.

*{Tape: 4; Side: A; Approx. Time Count: 10-30; Comments: None.}*

Questions of the students by members of the committee.

*{Tape: 4; Side: B; Approx. Time Count: 1-8; Comments: None.}*

**Sandy Whitney**, **Legislative Fiscal Analyst**, discussed the format of the how agency budgets, present law adjustments and new proposals are outlined in the House Appropriations book.

**CHAIRMAN JOHNSON** discussed the presentation format for budget hearings.

EXHIBIT A

EXHIBIT B

*{Tape: 4; Side: B; Approx. Time Count: 8-16; Comments: None.}*

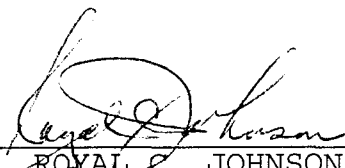
**Amy Carlson**, **Office of Budget Program Planning**, provided an overview of HB 2.

*{Tape: 4; Side: B; Approx. Time Count: 18-26; Comments: None.}*

EXHIBIT C

ADJOURNMENT

Adjournment: This meeting adjourned at 12:05 pm.

  
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REP. ROYAL C. JOHNSON, Chairman

  
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CONNIE JACOBS, Secretary

RCJ/cj

Note: This meeting was recorded on four (4) 60-minute tapes.