EXHIBIT 1
DATE 1/27/2005

Montana's Community Colleges – 2007 Biennium Request HB

Dawson Community College (Glendive), Flathead Valley Community College (Kalispell and Libby) and Miles Community College (Miles City) continue to grow and provide education and training to Montanans who often have no other options. This education and training prepare individuals for good paying jobs, so they can become contributing members to Montana's economy and expanding workplace.

These community colleges:

- Offer **Associate of Arts** and **Associate of Science Transfer** Degrees
- Offer **Certificates** and **Associate of Applied Science** (Occupational) Degrees
- Provide **Quality** Education
- Provide **Access** to a Diverse Student Population who might not otherwise attend postsecondary education
- Are **Affordable**, costing substantially less than four year schools
- **Partner** with:
  - **K-12 Education**
  - The **Montana University System**, **Tribal Colleges**, and **Private Schools**
  - **Business** and **Industry**
  - **Agriculture**
  - **State government and other public and private agencies**
- Play a **Critical Role in Economic Development** in the communities in our regions and **throughout Montana**
  - Deliver **allied health programs** to rural communities
  - Train employees for **new companies**
  - Train employees for **existing employers (small and large)**
  - Retrain **dislocated workers**
  - Provide **occupational training** for Montana residents
  - Provide **basic education and skills upgrade** to Montanans
  - **Contribute to local and regional economies**

Funding for these community colleges combines state support, tuition, and local mill levies:

- Studies of Higher Education in Montana recommend the state share for Community Colleges should be **between 55% and 65%.**
- State support was **53%** for the **2003 Biennium and in the past has been as high as 65%.**
- The Executive Budget for the **2005 Biennium** reduced state support to **43.7%.**
- State support for the **2005 Biennium** has been **46.7%,** with the **Executive Budget recommending an increase back to the 53% for the 2007 Biennium.**
- The 2007 Executive Budget **rebased the budgeted cost of $5,706** per resident FTE to **$5,042 because of the reductions** made during the 2005 Legislature.
- The Legislative Fiscal Division has recommended **a base** per resident FTE of **$5,203.**

Funding Request:

The **community colleges** want to be part of the solution in strengthening the State's economy and **request that the State share be increased** from the recommendation of 53% and a base of $5,203 **to an allocation of 55% and a return to the budgeted base of $5,706.** This increase from the Legislative recommendation equals $2,056,215 for the Biennium. $1,746,685 of the $2,056,215 restores the cuts incurred during the 2005 Biennium, **which is an increase of only $309,530 in state support for the 2007 Biennium.**