

Montana Board of Regents
RESEARCH CENTER AND INSTITUTE PROPOSAL FORM

Research Centers and Institutes differ from one another in focus, scope, and staffing, but each contributes in unique ways to the common goals of expanding knowledge, generating new discoveries and/or having a positive impact on society through informing policy and systemic change. Communities of researchers and staff in Research Centers and Institutes provide a stimulating environment that encourages early researchers and challenges experienced researchers. Research Centers and Institutes also contribute to the education and training of the researchers of the future by serving as learning environments for students. Interdisciplinary collaboration is promoted by Research Centers and Institutes both within the Institution and among MUS Institutions. Research Centers and Institutes do not provide didactic coursework, confer academic degrees or academic certificates or require accreditation by external accrediting bodies. Research Centers and Institutes frequently provide a portal for obtaining external funding in response to federal and/or state research priorities. As such, apparent duplication of mission between MUS research centers and institutes is not generally problematic as with academic programs due to the different sources of funding.

1. State the proposed Institute/Center's name and purpose.

Name: Montana State University Center for Regulation and Applied Economic Analysis (CRAEA).

The proposed center will engage undergraduate and graduate students with faculty in high-quality, peer-reviewed and rigorous academic research that will further our understanding of regulation and policy's impact on societal well-being in Montana, nationally and internationally. The center facilitates research, analysis, and teaching of regulatory economics as applied to agriculture, healthcare, technology, finance, natural resources, education, public safety, and other sectors of the economy. All researchers supported by the proposed center will be expected to submit their research to high-quality peer-reviewed academic journals, and all research results will be made publicly accessible.

2. A comprehensive statement of the Institute/Center's mission and its relationship to the University mission.

A. State the Institute/Center's mission.

The mission of the proposed Montana State University Center for Regulation and Applied Economic Analysis is to engage undergraduate and graduate students with faculty in academic research that will further the understanding of regulation and policy's impact on societal well-being.

B. Identify the Institute/Center's goals and objectives.

The proposed center seeks to achieve its mission by: 1) Facilitating research, analysis, and teaching of regulatory economics as applied to agriculture, healthcare, technology, finance, natural resources, education, public safety, and other sectors; 2) Leveraging Montana State University's geographic position and research track record to inform the public policy debate on state, regional, and national issues; 3) Achieving lasting impact on undergraduate and graduate students by providing support to enable their research on relevant public policy topics; 4) Enhancing the intellectual capital of Montana State University faculty and other universities or centers by providing research and teaching opportunities. We will provide a rigorous academic platform for research via

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peer-reviewed, competitive processes that enable independent awarding of research fellowships and research grants to MSU-Bozeman faculty, award undergraduate student research scholarships to students working on faculty-directed research projects, and provide research assistantships for graduate students in the Masters of Science in Applied Economics program in the Department of Agricultural Economics and Economics (DAEE). The proposed center will sponsor visiting professors to conduct original research with Montana State University faculty, mentor students, and present research to interested groups. All researchers supported by the proposed center will be expected to submit their research to high-quality peer-reviewed academic journals. The proposed center will also make research results publicly accessible by producing white papers, policy issues papers, and other communications that inform law makers, policy advisors and the general public on critical policy and regulatory issues. The proposed center will also sponsor lectures, workshops, major conferences, and student and faculty travel to academic conferences to present their research.

C. What specific need is being responded to in developing the proposed Institute/Center?

A core activity of all institutions of higher education should be facilitation and support of student and faculty research. Indeed, according to the Bureau of Labor Statistics, research occupations including statisticians and research analysts, are projected to be among the fastest growing 20 occupations in the U.S. between 2014-2024 (<https://www.bls.gov/ooh/fastest-growing.htm>). Although there are numerous life science and physical science-oriented research centers in the MUS system that provide clinical, bench science, translational and laboratory research experiences to students, there are far fewer centers and institutes that support research opportunities for our students interested in economics and other social science research and policy analysis. The proposed center will provide research opportunities and mentorship for students, thereby increasing their competitiveness in the job market.

D. Describe how the Institute/Center benefits the department, college, or institution.

The proposed center enhances the research capacity of students and faculty across the Montana State University campus, and provides opportunities for researchers to communicate and share their findings with the broader community across Montana and beyond. Faculty supported by the center will benefit from financial support to facilitate their research projects, and from connection with a community of scholars focused on regulation and policy analysis who engage in research seminars, research symposia, and other activities to facilitate high-quality peer-reviewed academic research across a wide range of disciplines. The proposed center will also provide travel funding for faculty and student travel to present their work at academic conferences. Students who engage in regulatory and policy analysis research projects supported by the proposed center will gain skills in data management, research methodology, writing and oral communication, and in understanding the importance of peer review in the research process, which will make them more competitive for jobs in the public and private sectors, and for academic placement in graduate programs.

E. Describe the Institute/Center's relationship to the University mission.

The mission of Montana State University is to educate students, create knowledge and art, and serve communities by integrating learning, discovery, and engagement. The mission of the proposed center directly aligns with this mission. In particular, by supporting faculty and students' as they pursue rigorous, independent, peer-reviewed research experiences, the proposed center will further Montana State University's strategic plan goals in all objectives and metrics areas.

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In the Learning Goal area, the proposed center will facilitate meeting objectives L.1 (Assess, and improve where needed, student learning of critical knowledge and skills) and L.3 (increase job placement and further education rates) by providing students with valuable and marketable research experiences. In the Discovery Goal area, the proposed center will facilitate objective D.1 (elevate the research excellence and recognition of Montana State University faculty) by providing research grants to faculty researchers and objective D.2 (enhance infrastructure in support of research, discovery, and creative activities) via metric D.2.2 (By 2019, Montana State University will increase grant-sponsored investment in centers, core facilities, and resources to expand state-of-the-art tools, expertise and opportunities for research and creative activities) by awarding grants to increase research and creative activities for faculty and students from across campus.

In the Engagement Goal area, the proposed center will help Montana State University meet objectives E.1 (strategically increase service, outreach, and engagement at Montana State University) by providing support for faculty and student researchers to communicate research findings via outreach activities (e.g., conferences, workshops, lectures) and E.3 (Montana State University students, faculty, and staff will have increased opportunities for leadership development) by supporting faculty leadership of student research projects and supporting faculty and student presentation of their research at academic conferences.

In the Integration Goal area, the proposed center will help Montana State University meet objectives I.1 (increase the integration of learning, discovery, and engagement) by providing opportunities to learn research methods, conduct original research, and communicate that research to interested members of the MSU, Montana, regional, national, and international communities, I.2 (increase work across disciplines) by sponsoring research by faculty and students from across the campus and by sponsoring seminars, lunches, and other meetings to allow researchers to share ideas, methods, and feedback with one another and collaborate on research when feasible.

In the Access Goal area, the proposed center will help Montana State University meet objectives O.1 (educate more students while maintaining the quality of programs) by sponsoring new faculty lines in health economics and financial engineering to allow for both expanded course offerings in these high growth areas and reduced class sizes in supporting areas, and by sponsoring visiting faculty who can bring diverse perspectives and share their research expertise with students and other faculty. The new faculty lines also address faculty staffing shortages in the Department of Agricultural Economics and Economics (DAEE), which are reflected in the DAEE Key Performance Indicators (KPIs). As one example, the DAEE has experienced eight years of substantial growth in majors, from 150 majors in 2009 to 375 majors in 2016, without concurrent increases in faculty to teach and mentor these students. Funding the faculty lines via the proposed Center will free up resources in the Montana State University academic budget that would have otherwise been needed to resolve this faculty staffing shortage.

In the Stewardship Goal area, the proposed center will help Montana State University meet objectives S.1 (attract, develop, and retain the best faculty and staff to achieve the Montana State University mission) by providing resources including funding for travel, data access, research assistant support, professional development, and summer salary, which will help make Montana State University more competitive in retaining research-oriented faculty and S.3

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(increase and effectively allocate resources in support of the Montana State University strategic plan) via metric S.S.3 (fiscal resources will increase in support of the Montana State University strategic plan) by continually seeking opportunities to increase external support of the proposed center, by requiring research fellows to apply for external funding to sustain their research program beyond the fellowship period, and by encouraging research grantees to seek external funding to sustain their research projects.

3. Briefly describe the Institute/Center's anticipated activities.

The proposed center will engage in an array of research-related activities via several research programs.

- (1) **Research Fellowship Program.** The proposed center will provide annual, renewable research fellowships for faculty members to conduct research on topics covered by the Initiative's mission and submit the resulting research papers to peer-reviewed academic journals. Fellows are also expected to:
- a. Produce publicly accessible white papers, policy issues papers, and other communications that inform law makers, policy advisors and the general public on critical policy and regulatory issues
 - b. Present a research seminar that is open to faculty, students, and the general public, organize and hold a workshop, seminar, and/or conference for law makers, policy advisors, interest groups and/or the general public related to the research project(s)
 - c. Participate in workshops and conferences organized by the Center
 - d. Apply for external grant funding to sustain their research program beyond the Fellowship period
 - e. Serve on selection committees for the Initiative's [Research Grant](#), [Visiting Scholar](#), and [Undergraduate Research Scholar](#) programs (with the exception that Fellows may not be part of the selection process for their own proposals) and
 - f. Provide substantive professional feedback to other Research Fellows, Research Grantees, and Visiting Scholars about their research projects.

This Research Fellows program is open to Montana State University faculty engaged in research and economic analysis of regulatory issues as applied to agriculture, healthcare, technology, finance, natural resources, education, public safety, and other related sectors. Interdisciplinary research proposals, proposals from researchers outside the Department of Agricultural Economics and Economics, and proposals directed by multiple project leaders are encouraged.

- (2) **Research Grants.** The proposed center will provide annual, renewable research fellowships for faculty members to conduct research projects related to the center's mission, and submit the resulting research papers to peer-reviewed academic journals. Grantees also produce publicly accessible white papers, policy issues papers, and other communications that inform law makers, policy advisors and the general public on critical policy and regulatory issues, and present a research seminar on their project that is open to faculty, students, and the general public.
- (3) **Graduate Research Assistantships.** The proposed center will provide annual research assistantships for graduate students in the Masters of Science in Applied Economics program in the Colleges of Agriculture and of Letters and Sciences.

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- (4) **Undergraduate Research Scholarships**. The proposed center will fund research scholarships for undergraduate students from a wide range of disciplines who participate in faculty-led research projects that address issues relevant to the proposed Center's mission. Faculty-led research papers resulting from the program are expected to be submitted to peer-reviewed academic journals.
- (5) **Visiting Scholars Program**. The proposed center will provide resources for Montana State University faculty to host visiting scholars for both short- and long-term visits to conduct research with Montana State University faculty and students, present seminars or workshops related to the research, and participate in other initiative activities.
- (6) **Annual Conference**. The proposed center will organize and hold a major academic conference focused on an important policy topic each year. In April 2017, the proposed center hosted "Poverty & Policy: Understanding the causes, consequences, and current programs to address poverty in Montana and the U.S." The conference included sessions providing overviews of poverty in Montana and the U.S.; the intersection of work, family, and assistance; policy responses to poverty: health and nutrition programs; and responses to poverty among particular groups, including a focus on poverty in Indian country. Conference presenters included academic researchers from several universities and institutions, including Northwestern University, the University of North Carolina, the University of Virginia, Dartmouth College, the Brookings Institute, the American Enterprise Institute, the Urban Institute, REDF (a social entrepreneurship organization), the Human Resources Development Council, the , and the Center on Budget and Policy Priorities, University of California Davis Center for Poverty Research, the Montana Bureau of Business and Economic Research, and the Federal Reserve Bank of Minneapolis Center for Indian Country Development. The 2018 conference is expected to focus on healthcare policy issues.
- (7) **Policy and Research-Oriented Workshops**. The proposed center will provide resources for Montana State University faculty to organize and hold workshops focused on research related to critical policy and regulatory issues for students, faculty, law makers, policy advisors and the general public. Workshops supported thus far have been organized by faculty in the department of Native American Studies with focus on Native Land Tenure and Indigenous Planning, faculty in the DAEE, with focus on Research Methods for Undergraduate Students, which included presenters from UC Boulder, the U.S. Census Bureau, and Netflix, as well as DAEE alumni engaged in academic and private sector research.

A. Identify faculty expertise available for participation in the Institute/Center's activities.

Faculty from many departments and colleges at Montana State University are engaged in regulatory and policy analysis research. Researchers supported by the proposed center thus far include faculty from the Department of Agricultural Economics and Economics and other departments in the College of Agriculture, the Jake Jabs College of Business and Entrepreneurship, and faculty from the College of Letters and Sciences.

B. Which departments on campus will be involved and how will the Institute/Center contribute to the academic programs of the institution?

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The proposed center's programs are open to faculty and students from all departments on campus. The proposed center's fellowships, grants, and scholarships are awarded via a competitive process that begins with requests for proposals from faculty and students from any academic discipline, department, or college. Faculty researchers supported by the proposed center thus far include faculty from the Department of Agricultural Economics and Economics and other departments in the College of Agriculture, the Jake Jabs College of Business and Entrepreneurship, and faculty from the College of Letters and Sciences. Student researchers supported by the proposed center have included majors in economics, agricultural business, marketing, finance, Native American studies, and physics.

The proposed center contributes to academic programs via several paths, including providing undergraduate research opportunities to students from across campus, increased teaching and research capacity in health economics and financial engineering, and by providing opportunities for interdisciplinary collaboration.

4. Identify the organizational structure of the Institute/Center within the institution.

The proposed center is located within the Department of Agricultural Economics and Economics in the College of Agriculture and the College of Letters and Science. The co-directors of the proposed center are tenured faculty members in the Department of Agricultural Economics and Economics.

A. Identify all agencies, organizations and/or institutions that will be involved.

The proposed center will directly involve faculty and researchers at Montana State University in Bozeman. The proposed center's conferences and workshops are open to the public and attendees have included individuals from a wide array of organizations and institutions.

B. Identify advisory council information.

The proposed center is advised by an internal Advisory Board, which consists of faculty members and administrators at Montana State University (MSU): (1) The Vice President of Agriculture and Dean of the College of Agriculture, (2) The Dean of either the Jake Jabs College of Business and Entrepreneurship, the College of Letters and Science, or the College of Engineering, (3) The Head of the Department of Agricultural Economics and Economics (DAEE), (4) a Full Professor serving on the DAEE Advisory Committee, and (5) up to two Department Heads from either another Montana State University social science-oriented department (e.g., Political Science, Sociology and Anthropology, History and Philosophy, or Psychology), a Department Head in the College of Agriculture, or the Department Head of the Department of Mechanical and Industrial Engineering. Members of the board:

- Meet with the co-directors of the Center at least once per year, and at other times as necessary to review and provide feedback on the Center's primary activities, including: (1) the volume and scope of research produced by Center-funded Research Fellows; (2) the

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volume and scope of research produced by Center-funded Research Grants; (3) the topic coverage and efficacy of Center-organized workshops and conferences, (4) the volume and scope of activities of Center-sponsored Visiting Scholars, and (5) the volume and scope of Center publications (e.g., white papers and policy briefs) targeted for general audiences, and (6) the overall performance of the center co-directors in fulfilling the Center's mission.

- Provide information about local, state, regional, and national issues that may be appropriate for Center research activities (research grants, workshops, conferences, etc.) within the scope of the Center's mission.
- Provide suggestions for potential members of the Center's External Advisory Board.
- Share information about the work of the Center with DAEE faculty, and other Montana State University faculty and administrators.
- Along with the CRAEA co-directors, serve as the CRAEA Research Fellows Selection Committee. This committee scores proposals for overall impact and individual review criteria (Significance, Investigator, Innovation, Approach, and Potential for External Funding) and provides written comments regarding the strengths and weaknesses of Center Research Fellow proposals. IAB members with a potential conflict of interest will be excluded from participation in the Research Fellows Selection Committee.

The proposed center will also build an external advisory board (EAB) consisting of individuals with experience in the agriculture, healthcare, and/or technology sectors, and other members with experience in the finance/banking, natural resources, education, and/or public safety sectors who are external to Montana State University and independent of the Charles Koch Foundation. Each year, the co-directors will provide a detailed brief to the EAB members describing the work of the Center over the previous twelve months. The co-directors will also seek input from the EAB about regulatory and policy issues of importance to local communities, the state of Montana, the region, and the nation that fall within the mission of the center.

5. Identify first year and continuing finances necessary to support the Center/Institute, including the sources of funding.

Funding for the proposed center has been provided by a (1) a \$5.7 million grant from the Charles Koch Foundation in 2016 and (2) a \$1 million grant provided via the Charles Koch Foundation in 2017. Full funding is available for five years, and the co-directors will be engaged in writing grant proposals and engaging with the Montana State University Foundation regarding potential donors to secure additional external funding over time. All research fellows supported by the proposed center are expected to apply for external grant funding to sustain their research program beyond the Fellowship period. All research grantees supported by the proposed center are encouraged to apply for external grant funding to sustain their research program beyond the Fellowship period.

A. Will additional faculty and other resources be required to implement this Center/Institute? If yes, please describe the need and indicate the plan for meeting this need.

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The grant for the proposed center includes funding for new faculty lines in health economics and financial engineering to allow for both expanded course offerings in these high growth areas and reduced class sizes in supporting areas, and by sponsoring visiting faculty who can bring diverse perspectives and share their research expertise with students and other faculty. The new faculty lines also address faculty staffing shortages in the Department of Agricultural Economics and Economics (DAEE), which are reflected in the DAEE Key Performance Indicators (KPIs). As one example, the DAEE has experienced eight years of substantial growth in majors, from 150 majors in 2009 to 375 majors in 2016, without concurrent increases in faculty to teach and mentor these students. The DAEE requested two additional lines to match this growth well prior to the center initiative, and although university administrators agreed that the DAEE needed additional faculty resources, funds were not available. The grant thus bridges funds for these positions and funding the faculty lines via the proposed Center will free up resources in the Montana State University academic budget that would have otherwise been needed to resolve the faculty staffing shortage in the DAEE.

B. Are other, additional resources required to ensure the success of the proposed Center/Institute? If yes, please describe the need and indicate the plan for meeting this need.

Space for the proposed center has been secured in Linfield Hall via the Montana State University space allocation process. This space has been remodeled, updated, furnished, and outfitted with appropriate computer and office equipment resources using funds from the grant supporting the proposed center.

6. Describe other similar Centers/Institutes or research capacities in the state and surrounding region.

Our proposed Center is uniquely focused in regulation and policy analysis in the agriculture, healthcare, technology, finance, natural resources, education, public safety, and other sectors. One entity in the state of Montana and surrounding region that has a complementary mission includes The University of Montana Bureau of Business and Economic Research (BBER) which was founded to monitor the state's economic and business conditions and assist businesses, government agencies, and individuals across Montana who seek information ranging from inflation rates to county demographics to business startup tips. We note that the University of Montana BBER has a different focus than the proposed Center and does not seek to fund diverse faculty research in regulation and applied economic analysis aimed at publication in peer reviewed academic journals or fund faculty-led student research projects.

A. Describe the relationship between the proposed Center/Institute and any similar Centers/Institutes, programs, or research capacities within the Montana University System.

The proposed center will utilize experts from the BBER when appropriate. As one example, the 2017 Poverty and Policy conference sponsored by the proposed center included BBER experts as presenters.

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B. In cases of substantial duplication, explain the rationale for the proposed Center/Institute.

N/A

7. Assessment: How will the success of the center/institute be measured?

The primary metric for success for the proposed center is the production of research papers that are published in high-quality, peer-reviewed academic journals. The proposed center will also communicate the findings from this research to a broad array of audiences. Thus, success can be measured in terms of the quantity, quality, and impact of center-sponsored research projects. The proposed center will develop an annual report summarizing the center's activities each year and all publications resulting from center-sponsored research projects will be available on the center's website.

8. State the internal campus review and approval process which has occurred prior to submission to the Commissioner's Office. Indicate, where appropriate, involvement by faculty, students, community members, professional constituencies, etc.

The proposed center has followed normal MUS and Montana State University processes and procedures for the development of a new center: First, submit a proposal to the Montana State University Academic Pre-Plan, which is a list of all potential new academic programs, research centers, and institutes at MSU. The proposed Center for Regulation and Applied Economic Analysis was submitted to the Academic Pre-Plan in early September 2016. Second, after approval by the College Deans, the Dean of the Graduate School, the Vice President for Research and Economic Development, the Executive Vice President for Academic Affairs and Provost, and the University President, the proposal moves from Pre-Planning to the Montana State University Academic Plan. This step was completed in March 2017. Third, file a formal Intent to Plan for the proposed Center to the Montana State University Administration and the Office of the Commissioner for Higher Education (OCHE). This serves to notify all MUS campuses of the intent to propose a new center, so that any concerns from other campuses can be raised early in the review process. For CRAEA, the Intent to Plan was approved by the Montana State University Administration and submitted to OCHE in May 2017. It was then discussed by the Chief Academic Officers of all MUS campuses in mid-June 2017, and posted on the OCHE website in late June 2017. Fourth, after approval of the Intent to Plan by the OCHE, begin the campus-level review process for the proposed Center. The campus-level process includes review of the proposal at several levels, including the Associate Provost, Department Head, Deans Council, President's Executive Council, and University President. The proposal was (will be) presented to the Montana State University Faculty Senate for endorsement.