

MINUTES OF THE MEETING
OF THE LEGISLATIVE SUB-COMMITTEE ON APPROPRIATIONS FOR EDUCATION

February 24, 1977
8:00 A. M.
Room 132
State Capitol Building

Subject: State Library Commission

The meeting was called to order by Chairman Carroll South.
The following members of committee were present:

Rep. Oscar Kvaalen
Rep. Ora Halvorson
Sen. Larry Fasbender
Sen. Matt Himsl

Rep. Jack Moore was not present for the meeting.

Also present were Judy Rippingale and John Krutar, Fiscal Analysts.

Attached is a witness sheet of those who were present for testimony in the meeting.

Chairman South directed the meeting to William Conklin. He asked for an explanation of matching requirement and maintenance effort required in federal funding.

Mr. Conklin said that he had had an opportunity to discuss the budget further with Judy Rippingale. He said that the issue which the Commission had in mind is what the level of state effort should be and what the budget amendment should be FY 1977-79. The state is obligated for \$317,000. This is the amount that they budgeted for 1975-76 and they must continue this amount that they budgeted in order to get federal funding. Chairman South pointed out that the Commission's report shows state general fund obligation to be \$302,725--the state's record shows the amount to be \$317,000. Mr. Conklin said that there is an automatic carry-over.

The Commission is requesting an additional \$183,200 as an amendment to the budget. Mr. Conklin said that until the budget is approved, he didn't see how anyone could come up with a plan for the next biennium.

Chairman South said that he didn't see how a six member sub-committee could obligate the entire legislature for additional funding. They are already locked into a program for \$317,000. He thought that the Library Commission should take that amount and match it. Then the additional \$183,200 could come from federal funds that were supposed to have reverted but didn't.

Henry Fontaine, USOE, Region 8, Denver, was present in the meeting. He said that the problem as he saw it was a matter of commitment by the state in order to obtain federal funding. The state through the Library Commission has to detail to the federal government what we intend to spend the funds for. They will look at it and approve it and then they will make a commitment to the state of Montana. They will not make any kind of a commitment until they know what the state will do and at that time it will be an over-match. The amount has to be the same or more each biennium. It cannot be less or no funds will be given.

Mr. Conklin said that they have to be consistent and put in a budget amendment exactly what they told the federal government they would do. He referred to a ruling by Attorney General Woodahl (1971) regarding state funding. He said this ruling commits us to going along the same line as we planned. Specified by our federal-state agreement that we entered into that any funds given by the federal or state government shall be expended solely for the purpose for which they were intended. He said whether or not our budget application is accepted or not, we are committed to doing this with federal funds. He said that they had been audited by federal auditors and have been required to verify our budget. The money that is spent out in the local area will give us the right to earn the federal match. He said that he thought the problem was an ethical and legal one--we will not give money to anyone unless we get local match.

Mr. Fontaine explained that the match is for the first year--the maintenance is for the next year. It is a long range program that you up-date if necessary. The federal share can be 55%, state 45%.

Chairman South said that one of the reasons that the committee is having a problem is because two years ago they were told that there would be no federal funds to be had. Mr. Fontaine said that they had received word from the central office in Washington to not expect any federal funds. That was in 1973. And the Region Office in turn warned the libraries so they could go to their state governments for financial aid. Former President Nixon impounded the funds. The libraries went to court and the judge ordered the funds released. Former President Ford would not help the Library Commission either. It is felt that President Carter will support the library programs.

Mr. Fontaine said that LSCA is an old program. It was signed in 1956. It was originally a five year demonstration program. They are now in their fifth five-year program. He feels that congress will set up a new program now.

Senator Margaret Warden was present and she testified that the State Library has just been existing and any funds they had have been used to pay rent, utilities and salaries. They have not had the funds to expand any library services or start any new programs. She said that she didn't think the libraries were getting fair treatment and that the legislative committee authorizes pay raises for everyone in the system but they don't give funds to support it.

Chairman South asked Mr. Conklin if he would get together with Judy Rippingale and determine what the \$183,000 budget amendment funds would be used for. Mr. Conklin said that they would need some guidelines.

Mr. Fontaine said that the libraries are going to be in a whole new area of information. The federal government is going to be interested in putting money into technology, data banks, etc., If the local wants just a library of books, it may stay right there with the local and the state. There are two types of federal funding available: Title I and III. Title I requires a 45/55 match.

Rep. Halvorson expressed concern that library services will deteriorate--that something must be done to change present laws. She asked Chairman South why the committee couldn't approve the \$403,000 requested just as a one-short thing and that it would be understood that it would just be for one year to give them a chance to catch up. Chairman South said that it wouldn't be possible since they would have to match the second year with the same funds or lose federal funding. He emphasized again that he didn't want to put the legislature in a position of approving a \$403,000 budget amendment request the next time they meet. He said, "If we did this we would all know what the consequences would be but they wouldn't know until they came back in two years. I just don't see how we can go ahead with something like this." In 1976 they actually spent \$526,000. They used Title III with no strings attached.

There were no motions made during this meeting.

The meeting adjourned at 11:30 A. M.



CARROLL V. SOUTH, CHAIRMAN



Betsy Clark, Secretary

If you Plan to testify,
please sign:

Name

School / Agency

Don Gibson

Library Commission

W^m Conklin

" " " "

Sen. Warden

Int. State Lib. Advisory Comm.

~~W. K. Johnson~~

~~State Library~~

Henry A Fontaine

☞ USOE - Regs. Dev.