

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE
MONTANA STATE SENATE

February 3, 1983

The meeting of the Local Government Committee was called to order by Chairman George McCallum on February 3, 1983 at 1:00 p.m. in Room 405, State Capitol.

ROLL CALL: All Senators present.

Vice-chairman Ochsner assumed the chair in order that Sen. McCallum could present his bill, Senate Bill 124.

CONSIDERATION OF SENATE BILL NO. 124: Sen. McCallum said that this bill was requested by the Montana Association of Counties, therefore, he turned the explanation over to Ed McCaffrey of the Association.

This bill authorizes the board of county commissioners to amend the boundary of a proposed municipality prior to the incorporation election. The bill also requires that a hearing be held to determine the best boundary. The county commissioners would be required to hold a public hearing before the decision is made as to what is the best interests of the county. In some counties the industrial complexes are right next to the proposed towns and this would mean that the county would lose the tax base for county roads. They would like to be in a bargaining position.

There were no further proponents and no opponents.

DISCUSSION OF SENATE BILL NO. 124: Sen. Crippen asked Mr. McCaffrey, with regard to page 2, lines 6 and 7, who makes the decision as to the best interests of the county, to which Mr. McCaffrey replied that the commissioners make the decision after the required hearing for any proposed changes. The results of the hearing would be the determining factor after the input from the local people.

Sen. Marbut asked if this was for new cities and towns, to which the answer was yes. Sen. Marbut thought the boundaries were contained in the petition and this would allow the county commissioners to change the boundaries? Mr. McCaffrey said it would call for a public hearing and if everyone at the hearing was opposed, they would not be changed. They do not automatically have the authorization to go against the wishes of the people.

Sen. Fuller asked what the problem was and why this bill was introduced? Mr. McCaffrey said that in the mineral producing counties there have been proposals to incorporate, such as Colstrip, including the four power plants. This would put the power plants into the city limits. Colstrip, however, voted it down.

Sen. Crippen, referring to Section 1 and 2, to petition to organize a municipality, the petition is then presented to the county commissioners - what authority do they have at that point? Mr. McCaffrey said that they have none right now.

Sen. Van Valkenburg questioned Mr. McCaffrey about their real concern being that the counties might lose out on the mills they could levy for the road tax. Mr. McCaffrey said that it is their main concern. Exploration creates quite a burden on the roads throughout the county. They could lose that taxable valuation for the roads and the people in the cities don't want to have to pay that road tax.

Sen. Van Valkenburg felt that it was equally unfair for the county commissioners to be able to say what the boundaries are. Mr. McCaffrey said they want to be able to bargain but Sen. Van Valkenburg said that this is not what the bill says.

Sen. Story felt that it is not only unfair but futile in that the town would have annexation powers and could go right back to the problem by annexing these industrial plants into the city limits.

Sen. Crippen felt that the amendment was not in the best interests of the county. Mr. McCaffrey said the process was just like holding a hearing for the abandonment of a road - if the majority are against it the road is not abandoned. He also stated that it would be a wide open hearing. There is a possibility of losing a tremendous tax base for maintenance and repair of county roads due to the impact on them.

Sen. Fuller asked if these counties received impact money. Mr. McCaffrey said that some do but very few receive it for roads, if any. He wasn't sure there is impact money for roads.

Mr. McCaffrey said that when Colstrip went through the process to incorporate it included all four power plants. At the hearing, the powers that run the plants didn't voice their opinion.

There being no further questions from the committee, the hearing on SB 124 was closed.

Sen. McCallum again resumed the Chair.

CONSIDERATION OF SENATE BILL NO. 272: Sen. Mazurek, District #16, presented his bill, which was introduced at the request of the Montana Library Association. This bill increases the limits from 3 to 5 mills in the counties and from 4 1/2 to 7 mills in the cities for library service. HB 212, which is identical, has passed the House and is in the Senate. These are both permissible, if approved by the voters. In the case of a city-county library, such as Lewis and Clark County, it would not do any good. They are already levying to the maximum. It would help some of the libraries but not all. It merely increases the mills but doesn't solve the problem. HB 212 was amended to read "The municipal tax authorized in this section is in addition to all other taxes authorized by law, and is not within the all-purpose mill levy....."

PROPOSERS: Millie Sullivan, Helena, Montana Library Association, passed out a list of libraries that are at the top of the mill levy in their area (Exhibit #1). She was in support of SB 272.

Allen Lefohn, Jefferson County, said they have been living with not

having enough funds. They now have 3 mills, or approximately \$30,000 and with this amount they have been operating two libraries. They have been told they can get no more because it is illegal. Whitehall is building their own library out of donated funds. They feel they would like to provide them with the books to operate this library. The \$30,000 doesn't go very far and five mills might not go that much farther but it would be better than \$30,000. This bill would allow them the flexibility to do what they desire. It would allow them to go to the public and find out what they really want. He was definitely in support of SB 272.

J. D. Holmes, Montana Arts Advocacy, said their main objective is improving the quality of life in Montana, as he said before. The House has passed a bill, HB 212, which raises the permissive levy by the same amounts as this bill and the committee can support either bill.

Richard Gercken, Great Falls Public Library, said they have been at the top of their levy since 1978. They were open 69 hours per week and are now down to 45 hours. They had to eliminate the Sunday hours. This bill would make it possible for an improvement in services in Cascade county.

Bill Snyder, City-County Library, Missoula, read his written testimony, which is attached to these minutes. They are also down from 69 hours to 44 and have laid off 5 1/2 fulltime employees, yet they have more library patrons than before. Five years ago they purchased 8,000 new titles, this past year only 4,000. The mill levy is at the maximum for the county. The city only gave them approximately 1 mill this past year. This would allow them the flexibility of asking the county commissioners to support the library on a higher level which would enable them to be open more hours and provide better service.

Dennis Fredrickson, Interim Director, Lewis and Clark Library, read his written testimony, which is attached to these minutes.

Sara Parker, Montana State Library Commission, said they support the bill and felt it is necessary for local community library services.

There were no further proponents and no opponents.

DISCUSSION OF SENATE BILL NO. 272: Sen. Conover asked if charter forms of government have to comply with the statutes, as far as libraries, such as Billings? Mrs. Sullivan said they chose to put the libraries in the hands of the city manager. Sara Parker said that the local charter in Billings and Butte-Silver Bow do not have to comply with the statutes.

Sen. Thomas asked which bill Mr. Holmes preferred, to which he replied that they like this bill better.

Chairman McCallum asked Sara Parker if it was still their feeling that they didn't want any change in the libraries and they said they wanted

to study the situation and come back to the next Legislature. She said they were not so worried about the change in funding as they are with the relationship between the libraries and the cities and counties - this they would like to study and address next session. It is their understanding of Sen. Elliott's bill that he is asking for a 6 mill levy for cities and counties. It would not allow cities to provide any additional funding until the county was at the 6 mill limit.

Sen. Thomas pointed out that this bill does not have an effective date. Mr. Holmes said this was overlooked and should be added to the bill - July 1, 1983.

Sen. Marbut said to Mr. Snyder that although they are not on the list as being at the maximum, they were at the meeting supporting the bill. Mr. Snyder said they were in support of the bill so the counties can go above those mills. Most of the people in the cities get better service than the outlying area.

Sen. Van Valkenburg said that the cities can give as much as they want to the extent they want to cut other services under the all-purpose levy.

Sen. Marbut asked if the 5% petition to the local governing body would be only if they were taxing at the maximum. Sen. Mazurek said if they were at the maximum, then they could use the permissive levy. They are precluded from using the permissive levy unless they are at the maximum.

There being no further questions from the committee, the hearing on SB 272 was closed.

DISCUSSION OF SENATE BILLS NO. 85, 86, 87, 112, 113, 115: These bills are still being worked on as far as amendments are concerned.

DISCUSSION OF SENATE BILL NO. 140: This bill is waiting for proposed amendments to be submitted.

Chairman McCallum told the committee that the library mill levy bills and the museum mill levy will be held in committee until the all-purpose mill levy is looked at.

DISPOSITION OF SENATE BILL NO. 124: The motion for a Do Pass was made by Sen. Ochsner.

Sen. Crippen said he really felt there were some problems with this, but thought it could be worked on. Sen. Hammond asked if these industrial plants have anything to say about whether they're incorporated or not. If the plants are incorporated into the city limits the county would have a road tax for a very limited number of roads rather than for all the roads throughout the county. Sen. Conover said that in Billings none of the refineries want to be in the city limits. It was brought out that there are exemptions in the annexation laws. Sen. Ochsner felt this is a different situation in that Colstrip is a company town.

Sen. Fuller did not feel this was the way to accomplish it. Sen. Ochsner

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felt that everyone is going to be faced with this situation with the energy exploration that is being done and will probably be increased. It was pointed out that under this bill, the county commissioners could veto the boundaries. These plants could have a lot of impact on an area. There should be an amendment to the county road tax. Sen. Hammond agreed with this. He felt that the law should be written so that everyone does not have to suffer from it.

Sen. Van Valkenburg made a substitute motion that SB 124 DO NOT PASS. MOTION CARRIED, with Sen. Ochsner and Conover voting "no".

MEETING ADJOURNED, 2:00 p.m.


SENATOR GEORGE MCCALLUM, CHAIRMAN

(Type in committee members names and have 50 printed to start.)

ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 2/3/83

NAME	PRESENT	ABSENT	EXCUSED
OCHSNER	✓		
CRIPPEN	✓		
HAMMOND	✓		
STORY	✓		
MARBUT	✓		
CONOVER	✓		
FULLER	✓		
THOMAS	✓		
VAN VALKENBURG	✓		
BOYLAN	✓		
McCALLUM	✓		

DATE

2/3/83

COMMITTEE ON

Local Government

BILL NO.

VISITOR'S REGISTER

NAME	REPRESENTING	Check One	
		Support	Oppose
James	LWV - Bogeman		
Miller	LWV - Bogeman		
W. A. Tull	LWV Bogeman		
	Self		
	Self		
Styger	City Council - Litter Minus	SB 272	
Frederickson	State Library	SB 272	
Hard GERCKEN	Lewis & Clark Library	SB 272	
	Great Falls Pub. Lib.	SB 272	
	(Name of the person)	SB 272	
Green	League of Cities Helga		SB 124
	LWV - Museum		
	LWV - Museum		
	Self - Museum		
Holmes	MT. AATS ADVOCATE	SB 272	
Kipping	Great Falls Public Library		
Johnston	Self	272	
W. A. Tull	Self	272	
to Hansen	"	272	
Johnson	"	272	
Hoe	"	272	
Barthel Brown	Self	272	
for Hill	Self	272	
Thompson	Self	SB 272	

NAME: Mr. Parker DATE: Feb 3, 1985

ADDRESS: 1616 East 6th

PHONE: 856-449-3115

REPRESENTING WHOM? Montana State Library
Commission

APPEARING ON WHICH PROPOSAL: SB 272

DO YOU: SUPPORT? X AMEND? X OPPOSE?

COMMENTS: yes - for
HB 212

Commission feels bill is
necessary at point of study
for development of local
public libraries.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Dennis Fredrickson DATE: 2/3/83

ADDRESS: 51/2 N 805 Powder Helena, MT 59601

PHONE: 442 - 2373

REPRESENTING WHOM? Lewis & Clark Library Board.

APPEARING ON WHICH PROPOSAL: Senate Bill 272

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Dr. Allen S. Lefohn DATE: 2/3/83

ADDRESS: PO Box 196 CLANCY MT

PHONE: 443-3389

REPRESENTING WHOM? Self - Jefferson County Lib Board

APPEARING ON WHICH PROPOSAL: ~~HP~~ SB 272

DO YOU: SUPPORT? X AMEND? OPPOSE?

COMMENTS:

Our unique history & experience necessitates the ability to raise additional resources to support our two major facilities. 3 Mills ^{are} equivalent to ~\$30,000. That is not very much to operate adequately our facilities. SB 272 would allow the Jefferson County Lib. Board the flexibility to coordinate its two major facilities should the county commissioners and voters desire us to maintain and/or expand our ^{Thank you,} services. As always

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

February 8, 1983

MONTANA PUBLIC LIBRARIES AT MAXIMUM MILL LEVY

Cities

Three Forks Community Library, Three Forks
Dillon City Library, Dillon
Great Falls Public Library, Great Falls
Havre Public Library, Havre
Parmly Billings Library, Billings
Lewis and Clark Library, Helena

Counties

Chouteau County Library, Fort Benton - Chouteau County
Boulder Community Library, Boulder - Jefferson County
Great Falls Public Library - Cascade County
City-County Library of Missoula - Missoula County
Flathead County Library, Kalispell - Flathead County
Glasgow City-County Library - Valley County
Parmly Billings Library - Yellowstone County
Daniels County Library, Scobey - Daniels County
Lewis and Clark Library, Helena - Lewis and Clark County
Lincoln County Library, Libby - Lincoln County
John Gregory Memorial Library, Whitehall - Jefferson County

Montana State Library
AC/jf
01-22-83

CITY-COUNTY LIBRARY OF MISSOULA

101 ADAMS

MISSOULA, MONTANA 59801

OFFICE OF
WILLIAM H. SNYDER
LIBRARY DIRECTOR
TELEPHONE:
728-5900

February 3, 1983

Senator McCallum and Members of the Senate
Local Government Committee

My name is Bill Snyder. I am the director of the City-County Library of Missoula. I am here to speak in favor of Senate Bill No. 272. This is an important bill for public libraries because many of them are drawing their maximum permissive mill levy and are at the same time woefully underfunded. Examples of this in Western Montana are the Flathead County Library, the Lincoln County Library and the City-County Library of Missoula.

Missoula for instance is given the maximum three county mills. The City, on the other hand, because of serious funding problems is reducing its support of the library. In FY 1983 City support fell to about 1 city mill and indications are that this will be reduced further in FY 1984. City residents are taxed in the county mill and this strengthens the City's resolve to reduce library support, and thereby reduce "double taxation."

The result is that the City-County Library is in a financial crisis. The library has been forced to cut back staff and reduce services to an unacceptable level, and there is a lot of public dissatisfaction with the situation.

Higher permissive mill levys will permit libraries such as the City-County Library of Missoula and others to ask for more funds from a county-wide mill to bring its support to a reasonable level.

Please support SB 272 so that public libraries in Montana, including the City-County Library of Missoula, can be adequately funded.

Sincerely,



William H. Snyder, Director
City-County Library of Missoula

WHS/gb

Testimony of Dennis Fredrickson, Interim Director,
Lewis and Clark County Library

The Lewis and Clark Library is a joint city-county library service. Over the past five years, the library has been suffering from a severe lack of funding. That has led to substantial cuts in service:

- 20% reduction in hours.
- cessation of adult programming
- information services reduced by 20%
- reductions in children's programming
- book budget only half of what could be defined as adequate, and half the purchasing power of five years ago

These difficulties have been caused by the fact that over the last five years inflation has increased faster than the mill levy value. In fact, in the past two years the value of the mill has actually decreased. The county has made an effort to alleviate the situation by contributing Federal revenue sharing money but that program itself is in jeopardy and does not provide enough to maintain library services.

The library has and will continue to seek alternative funding through programs such as Adopt-a-Magazine, book sales and endowment programs. But the money raised so far has been infinitesimal. Also, people generally only donate money with the understanding it will not be used to support the general operating budget.

Without additional funding, such as mill levy increase could bring, the situation for the Lewis and Clark Library will only become more severe. After the severe reductions for the last five years there is nothing left to cut but that which is most basic to the library's usefulness - hours of operation and the book budget. I hope we can avoid that having to happen.

Thank you.