

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By REP. ED GRADY, Chair, on January 12, 1993, at
8:00 AM

ROLL CALL

Members Present:

Rep. Ed Grady, Chair (R)
Sen. Eve Franklin, Vice Chair (D)
Sen. Tom Beck (R)
Sen. J.D. Lynch (D)
Rep. Red Menahan (D)
Rep. Linda Nelson (D)

Members Excused: NONE

Members Absent: SEN. GARY AKLESTAD

Staff Present: Sandra Whitney, Legislative Fiscal Analyst
Mary LaFond, Office of Budget & Program Planning
Judy Murphy, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: MONTANA STATE LIBRARY
Executive Action: MONTANA STATE LIBRARY

HEARING ON MONTANA STATE LIBRARY

Tape No. 1:A

Lloyd Wallin, Chairman of the Montana State Library Commission, said the commission is composed of seven members who are appointed by the Governor. The commission meets six times a year and approves policies under which the MSL functions. The commission supports the budget being presented.

Richard Miller, Montana State Librarian, explained the mission of the state library is to provide library services to all Montanans by giving assistance, advice, and services to all libraries, citizens, and governments.

The state library strives to fulfill its mission through the efforts and activities of five divisions within two programs. The programs are Program 01 and Program 07. **Exhibit 1**

Program 01 consists of four divisions: Information Resources, Library for the Blind & Physically Handicapped, Library Development Division and Administration Section.

Information Resources provides information services to state agencies; back-up information and borrowing of materials for libraries statewide; combined purchasing of data base services; and collection and distribution of state and federal government publications.

The Library for the Blind and Physically Handicapped serves approximately 2,500 readers in every county in Montana with tapes, records, braille books, magazines, record and cassette players, free postage, and volunteer-produced Montana books.

The Library Development Division provides consulting services to local libraries statewide on issues such as budgeting, new technology, library governance, library laws and development of library collections. The Division also is responsible for children's library services, literacy, state institutional library services, and statewide coordination of federal library funds.

The Administration Section provides support services in the areas of personnel, property control, purchasing and accounting; handles public information for the agency; and coordinates Montana's Center for the Book activities.

Program 07 consists of Natural Resource Information System (NRIS). The division provides easy access to sources of data and information on Montana's natural resources. Serving business and industry, government agencies, and private citizens, NRIS operates a clearinghouse to link users with the best sources of information. It helps coordinate agencies and organizations which collect, manage, or use the same types of natural resource information to prevent duplication of effort and promote information sharing; and helps develop standards for data collection.

MSL budget concerns are: restoration of 5% reduction in Personal Services, restoration of the "vacant" position (Publicity Specialist II) as of 12-29-92, restoration of state aid to public libraries lost during the special session and donations and bequests. **EXHIBIT 1** These requests are for Program 01.

Program 07 budget concerns are: restoration of 5% reduction in Personal Services, additional RIT funding in the NRIS program to offset pay plan increases and Department of State Lands core support for NRIS. **EXHIBIT 1**

The MSL has requested language changes pertaining to the budget. For Program 01; Coal Severance Tax, allow additional collections

of CST funds above the estimated income, to be passed through to the public library federations, up to \$30,000 per year, to make per capita and per square mile state aid to libraries a biennial appropriation and to make federal Library Services and Construction Act funding a biennial appropriation. For Program 07; Legislative Contract Authority for NRIS, calling for accounting separate from current level operations, and for annual reports to the legislative fiscal analyst. EXHIBIT 1

SEN. J.D. LYNCH asked Mr. Miller to breakdown their requests in the modification to the general funds.

EXECUTIVE ACTION ON MONTANA STATE LIBRARY

Tape 1:A

Motion/Vote: SEN. LYNCH made a motion that the LFA base be used for all agencies and budgets. The motion CARRIED unanimously.

Questions, Responses, and Discussion:

SEN. LYNCH asked what general fund the MSL would like to have restored? He was not asking for the agency's "wish list".

Mr. Miller responded by stating the concerns. One concern is state aid to public libraries. They are asking for the \$63,957.00 restoration of general funds and to bring back the cut, made last session, in per capita, per square mile up to the full \$258,621. Another concern is the restoration of the 5% of Personal Services in Program 01 and in Program 07. General fund portion is \$23,138.00 and other funds would be \$18,531. These are rough figures. The agency is small, so when positions are lost the agency suffers

Sandra Whitney, Legislative Fiscal Analyst, explained that the numbers the committee sees in the table, EXHIBIT 2, include the 1.52 in the LFA. however, based on REP. COBB'S motion, those are out unless the committee votes to put them back in.

SEN. TOM BECK asked about the .5 FTE. The person was on staff as of December 28, 1992. EXHIBIT 3

Motion/Vote: SEN. LYNCH made the motion to restore the vacated .5 FTE. The motion CARRIED unanimously.

Motion: SEN. LYNCH made the motion that all the 5% reductions be restored. He was referring to all positions.

Questions, Responses, and Discussion:

SEN. LYNCH stated that if one of the positions had to go, because of general funds appropriation, it would be the half time

position moving to full-time. He felt the secretary position was of more value than the part-time position of Blind Physically Handicapped. This motion also included the 5% reductions in Natural Resource Information Services as well.

Vote: The motion **FAILED** 3 to 4 with **SEN. FRANKLIN, REP. MENAHAN** and **SEN. LYNCH** voting aye.

Motion/Vote: **REP. MENAHAN** made a motion to restore the .02 accountant position. This would make the accounting position full-time. The motion **CARRIED** unanimously.

Motion/Vote: **SEN. LYNCH** made a motion to restore the .22 non-general fund position. The motion **CARRIED** unanimously.

Motion/Vote: **SEN. LYNCH** made a motion to restore the secretary .5 secretarial position. The motion **CARRIED** 6 to 1 with **CHAIRMAN GRADY** voting nay.

Motion/Vote: **REP. MENAHAN** made a motion to have the LFA error in Personal Service calculations of the benefits corrected. The motion **CARRIED** unanimously.

Motion/Vote: **SEN. LYNCH** moved to have the \$63,957.00 in state aid restored. The motion **CARRIED** 5 to 2 with **CHAIRMAN GRADY** and **SEN. BECK** voting nay.

Motion/Vote: **REP. MENAHAN** made a motion to put the \$2,634.00 of coal tax grant money back in the budget and give the **MLS** authority to spend the \$25,000.00 in donations and bequests. The motion **CARRIED** unanimously.

Motion/Vote: **SEN. LYNCH** made a motion to restore the \$6,091.00 of **RIT** funds. The motion **CARRIED** unanimously.

Motion/Vote: **SEN. LYNCH** made a motion to restore the \$850,000 transfer of Legislative Contract Authority, to the LFA base. The motion **CARRIED** unanimously.

Motion/Vote: **REP. MENAHAN** made a motion to give the \$10,000.00 from **DSL** directly to the **MSL** to be put in the Core Support Fund and used for contract operating expenses. The motion **CARRIED** unanimously.

Questions, Responses, and Discussion:

The library has requested that some of their funds be biennial appropriations. The per capita, per square mile, which includes \$194,664.00 and \$63,957.00 would be biennial at the **MSL's** request. The federal special projects of 1.16 million dollars per would also be a biennial request. This would allow the library flexibility with contracts that are not finished each year.

Motion/Vote: **SEN. LYNCH** made a motion to grant the library the flexibility to expand contracts another year. The motion **CARRIED** unanimously.

Questions, Responses, and Discussion:

The language change for Coal Severance Tax is in EXHIBIT 4

Motion/Vote: SEN. MENAHAN made a motion to accept the language change for Coal Severance Tax and NRIS and to cap the \$30,000.00 in additional appropriations allowed each year. The motion CARRIED unanimously.

A motion was made to adjourn.


HOUSE INSTITUTIONS & CULTURAL EDUCATION SUBCOMMITTEE

January 12, 1993

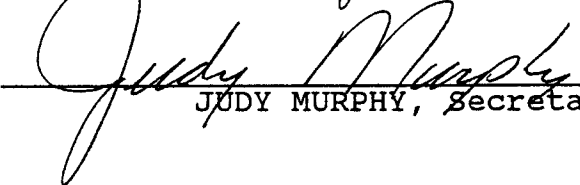
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ADJOURNMENT

Adjournment: 9:10 am



REP. ED GRADY, Chair



JUDY MURPHY, Secretary

ED/jm

HOUSE OF REPRESENTATIVES

INSTITUTIONS/CULTURAL EDU. SUB-COMMITTEE

ROLL CALL

DATE 1-12-93

NAME	PRESENT	ABSENT	EXCUSED
SEN. GARY AKLESTAD		✓	
SEN. TOM BECK	✓		
SEN. EVE FRANKLIN, VICE CHAIRMAN	✓		
SEN. J.D. LYNCH	✓		
REP. RED MENAHAN	✓		
REP. LINDA NELSON	✓		
REP. ED GRADY, CHAIRMAN	✓		

EXHIBIT 1DATE 1-12-93

MONTANA STATE LIBRARY



MARC RACICOT, GOVERNOR

1515 E. 6TH AVENUE

STATE OF MONTANA

(406) 444-3115

PO BOX 201800
HELENA, MONTANA 59620-1800

MEMORANDUM

TO: The Honorable Ed Grady, Chairman
Subcommittee on Institutions & Cultural Education

FROM: Richard T. Miller, Jr. *RTM*
State Librarian

RE: State Library Budget Hearing

DATE: January 11, 1993

I am looking forward to appearing before your subcommittee on Tuesday, January 12, 1993 for the hearing on the Montana State Library budget. Thank you for the opportunity, and for agreeing to come to the State Library for the hearing. The providing of a breakfast hosted by the program managers is a tradition of long-standing begun by my predecessor, and we hope it will provide a relaxed atmosphere for your subcommittee to carry out its charge.

Please feel free, should the hearing end before you or any of your committee members need to return to the Capitol, to tour the State Library. Staff will be happy to answer any questions you have about the operation (and to check out materials to you also).

(Note: Attached to this memo is a copy of my remarks made before the subcommittee.)

JOINT SUBCOMMITTEE ON INSTITUTIONS AND CULTURAL EDUCATION

January 12, 1993

Mr. Chairman, for the record, my name is Richard Miller; I am Montana State Librarian.

- The mission of the State Library is :

To provide library services to all Montanans by giving assistance, advice, and services to all libraries, citizens, and governments.

- The State Library strives to fulfill its mission through the efforts and activities of five divisions within two programs. I will briefly review the activities of these sections:

PROGRAM 01

Information Resources: information services to state agencies, back-up information and borrowing of materials for libraries statewide, combined purchasing of data base services, and collecting and distributing state and federal government publications.

Library for the Blind & Physically Handicapped: Serves approximately 2,500 readers in every county in Montana with tapes, records and braille books and magazines, record and cassette players, free postage, and volunteer-produced Montana books.

Library Development Division: Provides consulting services to local libraries statewide on issues such as budgeting, new technology, library governance, library laws and development of library collections. Is also responsible for children's library services, literacy, and state institutional library services, and statewide coordination of federal library funds.

Administration Section: Provides support services in the areas of personnel, property control, purchasing and accounting; handles public information for the agency; and coordinates Montana's Center for the Book activities.

PROGRAM 07

Natural Resource Information System (NRIS): Makes sources of data and information on Montana's natural resources easily and readily accessible. Serving business and industry, government agencies, and private citizens, NRIS operates a clearinghouse to link users with the best sources of information. It helps coordinate among agencies and organizations that collect, manage, or use the same types of natural resource information to prevent duplication of effort and promote information sharing and helps to develop standards for data collection.

Budget ConcernsProgram 01:

1. Restoration of 5% reduction in Personal Services:
 - a. Publicity Specialist I -- .5 FTE (Gr. 12) -- Now children's library services, statewide literacy, and institutional library services.
 - b. Library Clerk II -- .5 FTE (Gr. 7) -- In Blind & Physically Handicapped, circulation supervisor over volunteers.
 - c. Secretary I -- .5 FTE (Gr. 7) -- In Administration; very few support staff; only secretary on staff now.
 - d. Accountant -- .02 FTE (Gr. 15) -- Lead accounting staff; does all accounting for the agency.
2. Restoration of the "vacant" position (Publicity Specialist II) as of 12-29-92.
3. Restoration of state aid to public libraries lost during the special session,

During the last special session, a 27.4% cut was made in the "new" per capita/per square mile state aid to public libraries.

Total approved before cut: \$258,621

Total distributed: \$194,664

Total reduction: \$ 63,957

4. Donations and Bequests -- \$25,000 for Blind & Physically Handicapped. No effect on General Fund. Withdrew request to establish a special account to be able to use the interest.

Program 07:

1. Restoration of 5% reduction in Personal Services:
 - a. Data Base Technician -- .1 FTE (Gr. 11) -- GIS technician.
 - b. Information System Specialist II -- .1 FTE (Gr. 14) -- GIS.
 - c. Information System Specialist II -- .02 FTE (Gr. 14) -- GIS.

If this funding is not restored, there will be a reduction in the general, statutory services offered. Interagency agreements (under the contract authority) are tied to specific deliverables. So these reductions would result in less service to walk-ins and other non-contract patrons.

2. Additional RIT funding in the NRIS program to offset pay plan increases; appears in the executive budget (an additional \$6091 per year of RIT funds).
3. Department of State Lands Core Support for NRIS -- \$10,000. Change from Administrative Appropriation to put this amount directly into NRIS budget.

• **Requested Language**

Program 01:

1. Coal Severance Tax -- to allow additional collections of CST funds above the estimated income, to be passed through to the public library federations, up to \$30,000 per year.
2. To make per capita and per square mile state aid to libraries a biennial appropriation.
3. To make federal Library Services and Construction Act funding a biennial appropriation.

Program 07:

1. Legislative Contract Authority for NRIS, calling for accounting separate from current level operations, and for annual reports to the legislative fiscal analyst.

Thank you for the opportunity to appear before you today. If there are any questions my staff or I can answer, we would be happy to do that.

MEMORANDUM

TO: Sandy Whitney
Office of Legislative Fiscal Analyst

FROM: Richard T. Miller, Jr.
State Librarian

DATE: January 11, 1993

RE: Language for Coal Severance Tax and NRIS

Following is the language needed to ensure that additional CST monies collected over the estimated amount can be distributed to library federations:

In the event coal severance tax allocated to the state library under 15-35-108(3)(f) exceeds the amounts appropriated to the state library for fiscal 1994 and fiscal 1995, the additional funds are appropriated to the state library commission for pass-through to the library federations. The additional appropriation allowed is not to exceed \$30,000 each year.

Following is the language needed to change the reporting cycle for Legislative Contract Authority to NRIS from annual to biennial (since the contracts often run on a two-year basis):

- (1) Legislative contract authority applies only to federal and private funds.
- (2) Legislative contract authority expenditures must be reported on state accounting records. The records must be separate from current level operations.
- (3) A report must be submitted by the library commission to the legislative fiscal analyst following the end of each fiscal year of the biennium. The report must include a listing of projects with the related amount of expenditures for each project.

Thank you for taking these to the Subcommittee for its consideration.

Positions Removed by Joint Committee Action
House Appropriations & Senate Finance and Claims
January 6, 1993

Position #	Position Description	Total Personal Services		FTE		Total FTE Removed	Non-Approp. FTE
		Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant		
All or Partial General Fund Positions							
00011	Secretary I	11,167	11,179	0.50	0.00	0.50	
00022	Publicity Spec. II	27,955	28,133	0.50	0.50	1.00	
00026	Library Clerk II	11,828	11,932	0.50	0.00	0.50	
00029	Accountant	668	669	0.02	0.00	0.02	
Sub-Total		51,618	51,913	1.52	0.50	2.02	0.00
Non-General Fund Positions						0.00	
* 00043	Data Base Tech	2,676	2,679	0.10	0.00	0.10	
* 00044	Info. Systems Specialist II	2,990	3,007	0.10	0.00	0.10	
* 00038	Info. Systems Specialist II	654	634	0.02	0.00	0.02	
					0.00	0.00	
						0.00	
						0.00	
Sub-Total		6,320	6,320	0.22	0.00	0.22	0.00
TOTAL		57,938	58,233	1.74	0.5	2.24	0.00

* Included in Racicot budget

01/09/93

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LIBRARY COMMISSION
Program Summary

State Library Operations

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	25.50	25.50	23.98	25.50	(1.52)	23.98	25.50	(1.52)
Personal Services	704,210	684,246	719,339	751,993	(32,654)	722,077	754,841	(32,764)
Operating Expenses	320,683	336,778	354,274	354,274	0	346,223	348,423	(2,200)
Equipment	113,174	137,856	119,955	119,955	0	120,823	120,823	0
Grants	728,301	364,741	1,727,580	1,724,946	2,634	372,916	370,393	2,523
Debt Service	<u>1,314</u>	<u>0</u>	<u>1,752</u>	<u>1,752</u>	<u>0</u>	<u>876</u>	<u>876</u>	<u>0</u>
Total Costs	\$1,867,685	\$1,523,621	\$2,922,900	\$2,952,920	(\$30,020)	\$1,562,915	\$1,595,356	(\$32,441)
Fund Sources								
General Fund	1,069,649	1,001,310	1,238,760	1,262,970	(24,210)	1,038,837	1,065,295	(26,458)
State Revenue Fund	156,350	153,905	161,000	158,366	2,634	161,000	158,477	2,523
Federal Revenue Fund	<u>641,684</u>	<u>368,406</u>	<u>1,523,140</u>	<u>1,531,584</u>	<u>(8,444)</u>	<u>363,078</u>	<u>371,584</u>	<u>(8,506)</u>
Total Funds	\$1,867,685	\$1,523,621	\$2,922,900	\$2,952,920	(\$30,020)	\$1,562,915	\$1,595,356	(\$32,441)

Page References

LFA Budget Analysis (Vol. 2), D6-D11
 Stephens' Executive Budget, D4-D6

Current Level Differences

PERSONAL SERVICES—The Executive is 1.52 FTE lower and personal services are less than the LFA current level as a result of:

- 1) the July special session requirement that agencies with more than 20 FTE include a 5 percent FTE reduction as part of their budget requests for the 1995 biennium; and
- 2) an incorrect LFA benefits calculation.

Sub-Total Personal Services

(33,052) (33,167)

398 403
 (32,654) (32,764)

OPERATING EXPENSES—The Executive is lower than the LFA current level because it includes the agency request for increases in contracts for fiscal 1994 and includes the same amount (\$72,741) in fiscal 1995. The LFA current level includes the agency request for \$72,741 in fiscal 1994 and \$74,941 in fiscal 1995.

(2,200)

GRANTS—The Executive includes more grants than the LFA current level because it included coal tax funding of \$161,000 each year of the biennium. The LFA includes \$2,634 less in grants and coal tax in fiscal 1994 and \$2,523 less in fiscal 1995 because it used estimates adopted by the Revenue Oversight Committee that were not available when the Executive Budget was developed.

2,634 2,523

TOTAL CURRENT LEVEL DIFFERENCES

(30,020) (32,441)

Budget Modifications

DONATIONS AND BEQUESTS—The Executive includes: 1) a budget modification for authority to spend donations to the library for the blind and physically handicapped; and 2) a request that these donations be deposited in an account that would accrue interest for the benefit of the library. However, the Library has withdrawn part 2 of the request because it would require a statute change to allow the Library to keep the interest rather than having it deposited in the general fund.

25,000

RESTORE 5 PERCENT REDUCTION—The Stephens' budget included general fund and federal funds to restore 1.52 FTE eliminated as part of the 5 percent reductions. The Racicot Executive Budget does not include this budget modification.

33,053 33,167

Language

LIBRARY COMMISSION

Natural Resource Information Services

Program Summary

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	4.00	4.00	3.78	4.00	(0.22)	3.78	4.00	(0.22)
Personal Services	81,207	120,973	127,440	132,154	(4,714)	127,640	132,368	(4,728)
Operating Expenses	153,589	139,056	123,662	117,574	6,088	123,388	117,298	6,090
Equipment	4,795	5,000	3,772	3,772	0	3,834	3,834	0
Transfers	0	0	850,000	0	850,000	0	0	0
Debt Service	246	0	0	0	0	0	0	0
Total Costs	\$239,839	\$265,029	\$1,104,874	\$253,500	\$851,374	\$254,862	\$253,500	\$1,362
Fund Sources								
State Revenue Fund	224,839	250,029	289,874	238,500	51,374	239,862	238,500	1,362
Federal Revenue Fund	15,000	15,000	815,000	15,000	800,000	15,000	15,000	0
Total Funds	\$239,839	\$265,029	\$1,104,874	\$253,500	\$851,374	\$254,862	\$253,500	\$1,362

Page References

LFA Budget Analysis (Vol. 2), D6-D11
 Stephens' Executive Budget, D4-D6

Current Level Differences

PERSONAL SERVICES—The Executive is 0.22 FTE lower and personal services are less than the LFA current level as a result of:

- 1) the July special session requirement that agencies with more than 20 FTE include a 5 percent FTE reduction as part of their budget requests for the 1995 biennium;
- 2) an incorrect LFA benefits calculation; and
- 3) an incorrect OBPP salary and benefits calculation.

Sub-Total Personal Services

(6,320)	(6,320)
948	955
658	63
(4,714)	(4,7

OPERATING EXPENSES—The Executive is higher in operating expenses because it includes:

- 1) the agency request for contracts; and
- 2) minor differences.

The LFA current level reduces contracts because upgrades resulted in higher personal services, while the current level funding remained fixed (\$50,000 FWP license fees, \$188,500 RIT funds, \$15,000 State Lands grant). The Executive included contracts at the agency request and included more RIT funds to offset the increases resulting from the upgrades.

6,091	6,091
(3)	(1)

TRANSFERS—The Executive is higher than the LFA current level because it included \$850,000 in Legislative Contract Authority (LCA) as a biennial appropriation in fiscal 1994. A budget modification of \$650,000 was approved as a biennial appropriation for the current biennium by the 1991 Legislature.

850,000	0
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TOTAL CURRENT LEVEL DIFFERENCES

851,374	1,362
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Budget Modifications

STATE LANDS CORE SUPPORT NRIS—The Executive includes a budget modification for authority to spend state special and federal funds from the Department of State Lands. In prior years these funds have been appropriated to the Dept. of State Lands and then transferred to the Library.

10,000	10,000
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RESTORE 5 PERCENT REDUCTION—The Executive includes a budget modification for 0.22 FTE and LCA to restore the 0.5 percent FTE removed by the July special session.

6,320	6,320
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Language

Language will be presented by the agency for: 1) coal tax funding; and 2) LCA report language.

EXHIBIT _____
DATE 1-12-93
SD _____

MONTANA STATE LIBRARY



STAN STEPHENS, GOVERNOR

1515 E. 6TH AVENUE

STATE OF MONTANA

(406) 444-3115

HELENA, MONTANA 59620

December 18, 1992

Gaye Walter
2194 No 4 Road
Huntley
Montana 59037

Dear Gaye:

Welcome to the Montana State Library! This letter is to officially offer you the position of Librarian I (P/N 00022 and 00551) at the State Library, effective December 28, 1992.

This position is permanent, full-time and is a combination of two half-time positions, one of which is funded by a federal literacy grant. Funding for Position Number 00551 is guaranteed only through September 30, 1993.

This position is classified as Grade 12. Your starting salary will be \$20,545 per year (\$9.877/hour). Effective "the first complete pay period of January, 1993," (starting January 9) you will receive a raise of 20 cents per hour.

Your supervisor for this position is Sheila Cates, Coordinator of Library Development. Any questions about your position duties should be directed to her.

We are very pleased to have you as part of the staff. Please sign the bottom of this form as acceptance of this employment offer and return a copy to me for your personnel file.

Sincerely,

Mary Jane West
Mary Jane West
Administrative Assistant

I hereby accept this offer of employment with the Montana State Library.

Gaye D. Walter
(Signature)

Dec. 28, 1992
(Date)