



**2013/2014 Library District Task Force
Final Recommendations
February 5, 2014**

Background:

Through the work of the Montana State Library (MSL) the 2001 Legislature passed legislation that allowed for the creation of Public Library Districts codified as [Montana Code Annotated 22-1-7](#). Public library districts are established through the electoral process and include dedicated mill levies to provide funding to support the operation of the districts. It is because library districts have the ability to generate dedicated funding that can be more secure and, can therefore offer more services to their patrons, that they are strongly encouraged by MSL.

In 2005, Stevensville created the first public library district known as the North Valley Library District. Since then several public library districts and one multi-jurisdictional library district have been formed, all in Western Montana.

While Montana has had its share of successful public library district campaigns (most recently in May 2013 with the creation of the Ronan District Library), over the past 12 years, the library community and MSL staff have identified sections of Montana Code that may make the creation and/or administration of public library districts challenging. With the aid of those most experienced with library districts, the Montana State Library sought to evaluate potential improvements to the code.

Appointees:

- Harold Blattie – Montana Association of Counties Executive Director
- John Conlan - former trustee with the North Valley Public Library District
- Kim Crowley – Flathead County Library System Director
- Susan Gregory – Bozeman Public Library Director
- Jane Hamman - North Jefferson County Public Library
- Judy Hart – Montana Library Association Government Affairs
- Representative Ed Lieser – House District 4
- Marilyn Troesper, North Lake County Library District Director
- Mary Vail & Michael Collins – Whitefish Community Library trustee

MSL Staff:

- Jennie Stapp – State Librarian
- Sarah McHugh – Statewide Library Resources Director

Discussion:

Over a period of a four of months, the library district task force discussed a wide variety of issues that libraries have faced when forming and/or administering districts. Those issues are organized and summarized below. Recommendations follow. In forming its recommendations the task force adheres to the following guiding principles:

- The task force must reach consensus on any recommended legislative changes;
- MSL will not carry legislation, or ask MLA to carry legislation, for any proposals that do not have the full support of the library community;
- Proposed changes must benefit or be neutral to all MT libraries;
- Given the potentially significant consequences of opening statute, only those recommendations that address significant identified problems of statewide concern should be carried forward.

Following the initial release of draft recommendations by the task force, the State Library and the Montana Library Association used the months of December and January to seek feedback about the task force recommendations from the Montanan Library community. To that end we drafted a survey that asked if people generally supported, opposed or neither supported nor opposed the overall recommendations. Survey respondents were also given the opportunity to express support or opposition to the three proposed recommendations that called for legislative action and the opportunity to comment on each. Summary data from the survey is included below.

Through continued discussion and review of the survey results the Library District Task Force reached consensus on the following recommendations.

Creation of Library Districts:

1) Legal boundaries

- [22-1-702](#): Should statute require district boundaries be co-terminus with existing tax districts such as counties or school district boundaries? Note: Though not currently required by statute, all current districts are based on school district boundaries.
- **Task force recommendation: take no action as there does not seem to be a statutory problem that doing so would address and doing so could inhibit the creation of districts based on certain boundaries like reservations.**

2) Petition process

- [22-1-702](#): Statute states that 15% of the qualified electors who reside in the proposed district must sign a petition to initiate the creation of a library district. Should these percentages be further defined?
- **Task force recommendation: take no action as doing so could make the petition process more difficult and thereby discourage district formation.**

3) Voted levies

- [22-1-703](#): Is it necessary to improve this statute to further clarify that library districts are funded through voted levies? Note: 22-1-702 and 22-1-708 require that levies be subject to MCA 15-10-420.
- **Update 11/12/13**: Per phone conversation with Attorney Hannah Stone, we agree that the ballot does create a voted levy. Ms. Stone is writing an opinion to that affect.

- **Task force recommendation: take no action as there does not seem to be a statutory problem that doing so would address.**

4) Eligible voters

- [22-1-703](#): Current statute states that only qualified electors who reside in the proposed district may vote on the question of whether or not to create a district. Should the legislation be amended to allow electors outside the boundary of a proposed district to vote if their taxes and or library services may be impacted by the creation of the district?
- The primary concern with the current manner in which some districts may presently be formed is that the door is open for library resources to be centralized within the area served by the district, leaving other areas underserved. The example used is the city of Helena. If Helena was to form a district based on school district boundaries, the tax base needed to support library services to the surrounding areas currently served in Lewis and Clark County would be eroded, greatly diminishing the library services available for communities like East Helena, Augusta and Lincoln.
- Task force member Judy Hart brought to the attention of the committee current statute from the State of Colorado ([Colorado Revised Statute 24-90-106.5](#)) that, in part, is intended to maintain existing library services when new library services are formed.
- This statute was reviewed by the task force and it was agreed that such statute may alleviate current concerns. This statute was shared with Harold Blattie of MACo who could not attend the task force meeting. He stated that he could support similar language.
- **Task force recommendation: take no action. This recommendation received the most opposition from the library community. As was stated by one survey respondent, “Local library services are best sorted out on the local level by those who are served – if it matters to the community they will make it happen.” Given the lack of support and concerns over ambiguity it was determined that it was best to recommend no action on this issue.**

5) Transition plan

- [22-1-702](#): Should statute require a transition plan be included with a library district petition that outlines the transfer of assets including property, staff, materials, and funds in library reserves and/or depreciation funds? [7-3-157](#) offers guidance when transferring to alternative forms of local governance. Similar requirements could be included in [22-1-705](#) to inform how to combine assets when existing library services from separate jurisdictions are combined into a single district.
- **Task force recommendation: take no action. All agree that a transition plan is beneficial to the successful creation of a library district however it was agreed that this recommendation did not warrant statutory change. The State Library should play a more active role to help those libraries that are considering forming a district to develop a transition plan. The Library District Handbook should include a template to help guide planning. Further, if possible the State Library should convene and facilitate meetings of interested parties including library representatives, county**

commissioners, city council members and others community members to identify the questions that should be addressed in a transition plan.

Administration of Library Districts:

1) Personnel

- [22-1-707](#): Statute gives library district boards the authority to administer or contract personnel for the operation of the library district. Should statute provide additional personnel policy requirements? Note: email discussion seemed to indicate agreement that personnel policies are generally local issues. This could be an area where the State Library could provide better guidance to districts.
- **Task force recommendation: take no action except as described in recommendation 5.**

2) Financial administration

- Statute is currently silent regarding the financial administration of library district funds. Should legislation require library districts to deposit funds with the county treasurer as is the case with fire districts? See: [MCA 7-33-2105](#).
- Further clarification regarding local government fiscal management can be found in MCA [7-6-2](#), [7-6-2527](#), [7-7-1](#), and [7-8-101](#).
- **Task force recommendation: take no action except as described in recommendation 5.**

3) Additional powers of the board:

- [22-1-707](#): Statute defines the duties of library district boards. Is there benefit from better aligning this statute with the duties prescribed to library boards in [22-1-309](#)?
- **Task force recommendation: take no action as there does not seem to be a statutory problem that doing so would address.**

4) Election of Boards of Trustees

- [22-1-706](#): It can be inferred that statute requires the election of library district board members be administered by the election administrator (typically a county clerk and recorder). Would the election process be improved if the statute stated this requirement explicitly?
- **Task force recommendation: take no action as there does not seem to be a statutory problem that doing so would address.**

5) Insurance

- Where and how might statute make it easier for library districts to obtain affordable insurance?
- **Update 11/19/13:** MACo confirmed that library districts are eligible for insurance coverage through MACo.
- **Task force recommendation: take no action except as described in recommendation 5.**

6) Library Depreciation Reserve Fund

- [22-7-716](#): Statute gives library districts the authority to establish library depreciation funds. Would libraries benefit by including language from [7-6-616](#) requiring the creation of a capital improvement plan. Note: certain counties already require such plans.

- Upon the creation of a library district, when a district is being formed from already existing library services, should the statute prescribe allocation of funds from the library depreciation fund?
- **Task force recommendation: take no action except as described in recommendation 5.**

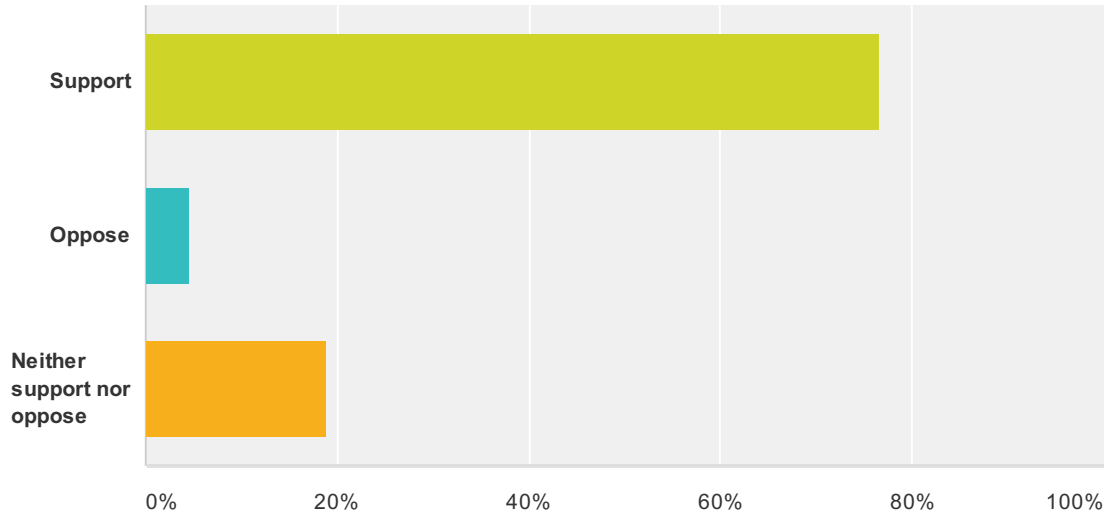
Additional Considerations:

- 1) The issue of double taxation
 - [22-1-313](#): Statute deems that residents served by tax-supported city libraries may be exempted from taxes for county library systems. Would it benefit libraries to enact similar legislation for library districts? Note: double taxation does not seem to be occurring in current practice.
 - **Task force recommendation: take no action as there does not seem to be a statutory problem that doing so would address.**
- 2) Current language in 22-1-703 and 22-1-709 can be improved to be more consistent with uniform tax law
 - There is an inherent conflict in the levy election sections. 708 makes the levy subject to 15-10-420, which is fine, however 709 sets forth a levy election process that is in conflict with 15-10-420 because 15-10-420 requires a levy election be held pursuant to 15-10-425 to exceed the 15-10-420 limit.
 - **Task force recommendation: take no action as the risk to opening statute seems greater than the benefit from changing statute.**

Finally, the task force recommends that the State Library work closely with the MACo and the League of Cities and Towns to advocate for the value of libraries and library districts.

Q1 I generally (support/oppose/neither support nor oppose) the State Library and Montana Library Association’s effort to improve Montana Code in order to make it easier to create and administer library districts.

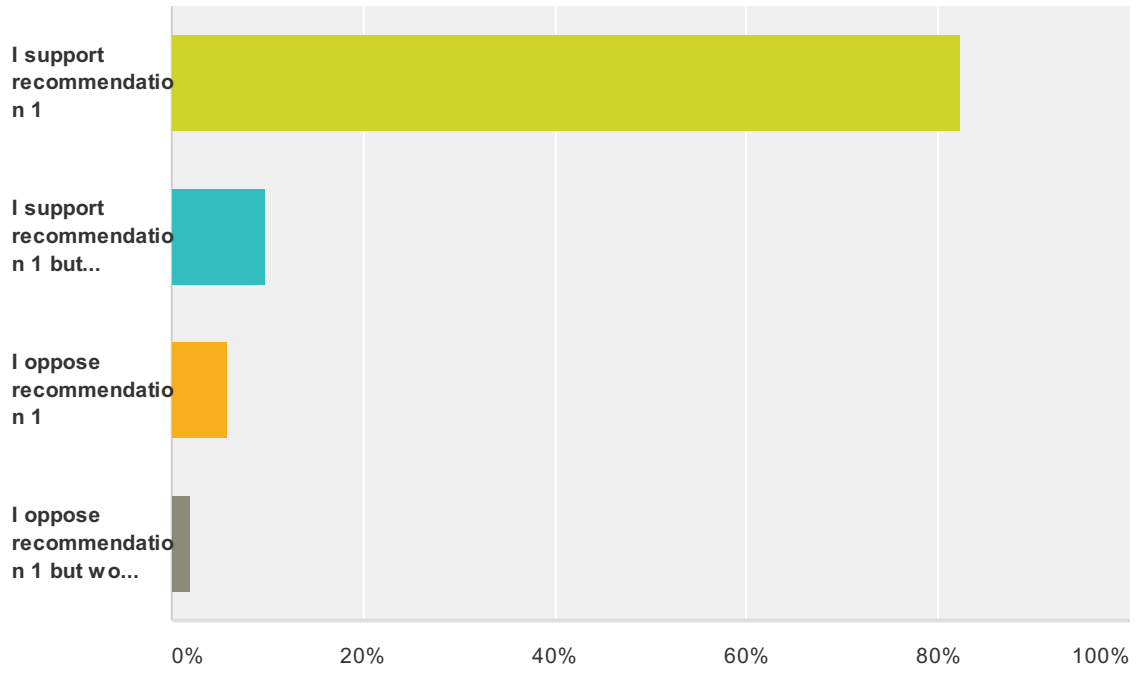
Answered: 64 Skipped: 4



Answer Choices	Responses	
Support	76.56%	49
Oppose	4.69%	3
Neither support nor oppose	18.75%	12
Total		64

Q2 Recommendation 1

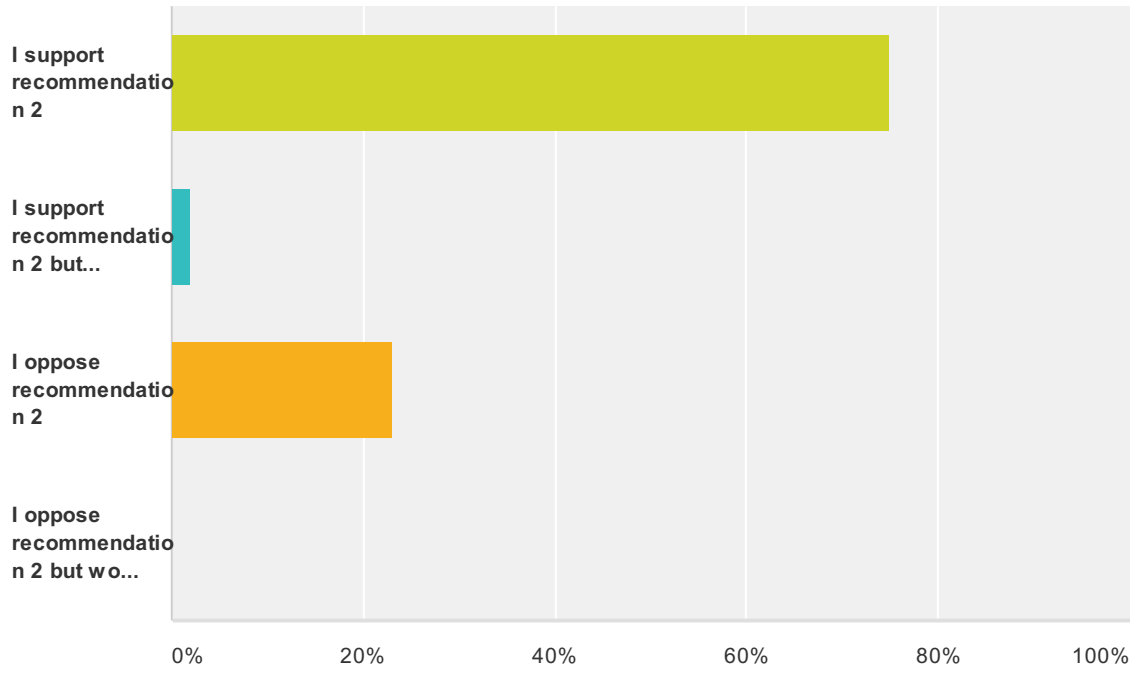
Answered: 51 Skipped: 17



Answer Choices	Responses
I support recommendation 1	82.35% 42
I support recommendation 1 but recommend that the taskforce consider the following (add comment):	9.80% 5
I oppose recommendation 1	5.88% 3
I oppose recommendation 1 but would support it if the taskforce made the following changes (add comment):	1.96% 1
Total	51

Q3 Recommendation 2

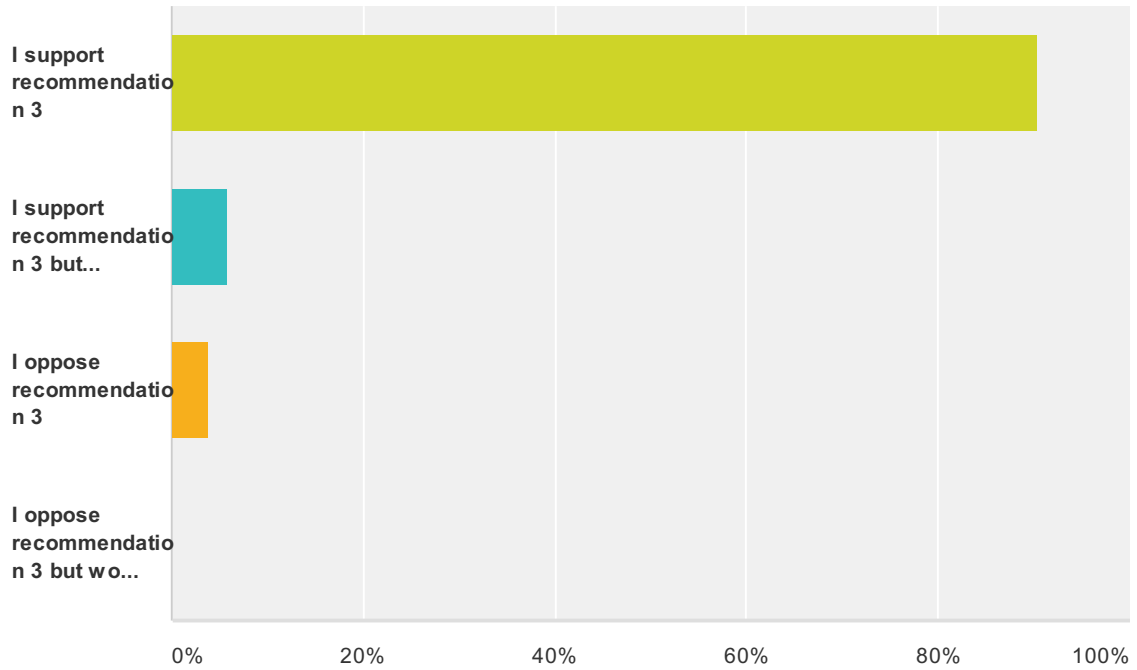
Answered: 52 Skipped: 16



Answer Choices	Responses	
I support recommendation 2	75%	39
I support recommendation 2 but recommend that the taskforce consider the following (add comment):	1.92%	1
I oppose recommendation 2	23.08%	12
I oppose recommendation 2 but would support it if the taskforce made the following changes (add comment):	0%	0
Total		52

Q4 Recommendation 3

Answered: 52 Skipped: 16



Answer Choices	Responses	
I support recommendation 3	90.38%	47
I support recommendation 3 but recommend that the taskforce consider the following (add comment):	5.77%	3
I oppose recommendation 3	3.85%	2
I oppose recommendation 3 but would support it if the taskforce made the following changes (add comment):	0%	0
Total		52