MEMORANDUM 10 October 2012

To: State Library Commission From: Commissioner Jim Gransbery Re: HB 124 and Senate Bill 138 – 57th Legislative Session 2001 Library budgets exempted from local governing body approval

According to former state Sen. Robert Story (R-Park City) House Bill 124 exempted library budgets from local governing body approval as per existing state statute at the time.

HB 124 was the so-called "Big Bill" that was the major overhaul of Montana law concerning local government – a process that had percolated over several decades. The bill was shepherded through the process by the House Select Committee on Local Government, chaired by then-Rep. Story, who also chaired House Taxation during the 2001 session.

In a personal interview on Sept. 18, 2012, Story stated that "the conference report (on HB 124) included the exclusion for libraries." However, that exclusion was lost in the confusion to save the Legislature's major work of the session when late one night (three days before the end of the session?) the Senate killed HB 124. The Legislature was "left scrambling to rebuild the bill," said Story. In that "scramble," the library exemption was lost through action on SB 138. (See Memo to State Librarian from Assistant Attorney General Jim Scheier, dated Sept. 26, 2012, pp 4-5.)

Also, the letter from attorney Peter Michael Meloy to Zach Zipfel, assistant attorney general, on behalf of the Board of Trustees, Livingston-Park County Public Library Board, in response to the draft of AG Opinion 54, No.7, outlines the legislative history in regards to the HB 124 and the exemption for libraries. It is clear that the **legislative intent** was for library boards to retain control over their budgets and would remain exempt from the local governing body control. In her memo to this commission dated Sept. 26, 2012, State Librarian Jennie Stapp includes a comment from Harold Blattie, executive director of MACo, that the counties would oppose any legislation that "gifted levy control" to library boards. The "gift" here was to local governments as it was legislative confusion that removed the exemption library boards had possessed since 1895, according to testimony by State Librarian Karen Straege before the House Select Committee on Feb. 6, 2001. Also, Mr. Blattie's predecessor, Gordon Morris, told the committee that MACo wanted to operate under the present law. Story, at that meeting, said the law creating boards and their taxing authority were created together.