

# Notes from Legislative History of Federations in the Montana Code Annotated

## Federations in the Montana Code Annotated

- Review of legislative history for Title 22, Chapter 1, Part 4 – Library Systems
- Note: no digital access to 1974 and no digital access to translated chapters for 1965 and 1967 for library law. Also, no digital access for library law from 1963. 1975 not available online.

## Policy (MCA 22-1-401)

- Enacted in 1947. Amended in 1965 and 1974.
- 1947 law was about establishing regional libraries. Text from the law allowed 2 or more counties to jointly establish a library that would benefit the region.
- The joint counties established a board of trustees that oversaw library operations. The libraries – if there were independent libraries in the region – would retain their independence and property.
- There was a mechanism for levying a tax for libraries for the region. County commissioners could also levy a tax within their own county that would be transferred to the treasurer in charge of the funds for the regional library systems.
- In 1974 the law was changed to its current wording - “**22-1-401. Policy.** It is the policy of the legislature to encourage the most efficient delivery of library services to the people of Montana. To that end the state should be divided into regions within which libraries desiring to participate in the distribution of such state funding to libraries as may be available from time to time shall organize into library federations to pool resources and information and avoid duplication of effort.”
- 1974 was the last change to this piece of code

## Library Federations – definition (MCA 22-1-402)

- Enacted in 1939
- Chapter 351A – instead of federations, the title was called joint county or regional libraries. Text was like what was found under policy – two or more counties may join in establishing a regional library. Law contained similar guidelines on funding, handling of funds, payment of expenses, and withdrawal from library. Libraries could opt in. The library retained its property and the board retained much of its authority. It could also transfer property to the regional library. The law allowed for taxation to support the regional library. The board oversaw the expenditures.
- 1947 changes are minor. Laws match much of what was passed in 1939.
- 1981 – law uses federations and library systems. This language may have existed in the 1974 version of the code.

- Federations are multi-county or multicity. Only public libraries can participate. State Library Commission designates boundaries.
- The local governments contract with each other to form the federation. The only stipulation was that one of the parties must maintain a headquarters library that is recognized/designated as such by the State Library Commission.
- Federations were funded by funds from the state and/or participating libraries.
- Library network was included as an agreement between libraries or library systems for the exchange of information or to provide specific services not provided in existing library federations.
- 1995 – changed withdrawal from a federation to say that a special election must be held in conjunctions with a regular or primary election.
- 1999 – changes to the definition – all types of libraries may participate in a federation. Previously, only public libraries could participate.
- 2001 – made three key changes
  - Prior to 2001, the governing body of a city or county OR the library board could choose to enter a contract to form a federation. In 2001, this was changed to say that the governing body of a public library may agree by contract to form a federation.
  - Removed the requirement to have an election to withdraw from a federation. Instead, a participating entity’s governing body could withdraw as provided in the contract.
  - Library networks was removed from the code. This was the informal agreement referenced in 1981.
- 2005 was the last time this law was updated.
  - No longer required a contract to form a federation. Governing boards could simply agree to participate.
  - No longer required a federation headquarters’ library
  - Removal from the federation was done by following federation bylaws.

## Participation in a Federation (MCA 22-1-403)

- Enacted in 1939 and repealed in 2005.
- 1939 language matches 1947
- 1947 language focuses on power of the local government body to work with the library board to decide if a library may join a regional library system. The local governing body also decides on whether property will remain with the independent library or be transferred to the joint regional library.
- 1974 language was fairly complex
  - **22-1-403. Participation in the federation.** (1) When a library federation shall have been established, the legislative body of any government unit in the designated library federation area may decide, with the concurrence of the board of trustees of its library if it is maintaining a library, to participate in the library federation. Each local entity may determine the amount of services it wishes to supply to fulfill the needs of its unit. After the necessary contract has been executed and beginning with the next fiscal year, the governmental unit shall participate in the library federation and its residents shall be entitled to the benefits of the library federation and property within its boundaries shall be subject to taxation for library federation purposes.

(2) The board of regents of higher education may contract with the government of any city or county, or the governments of both the city and the county, in which a unit of the Montana university system is located for the establishment and operation of joint library services. Any such contract which proposes the erection of a building shall be subject to the approval of the legislature. Any joint library services established pursuant to this section shall be operated and supported as provided in such contract and under this part.

- It allowed for taxation within federation boundaries.
- 2001 that was simplified to **22-1-403. Participation in federation.** When a library federation is established, the governing body of any library in the designated library federation area may decide to participate in the library federation.
- 2005 – language might have been removed due to it appearing in MCA 22-1-402.

### Board of Trustees – Coordinator (MCA 22-1-404)

- Enacted in 1939. Last amended in 2005
- 1939 – unclear which pieces of code apply. It might be 4573.3 “Board of trustees – personnel – terms – vacancies – salaries – expenses – removals” which spells out how the board of the regional library is appointed, compensation of the board, and removal of board members.
- Perhaps 4573.6 “Librarian – qualifications – salary” covers the coordinator piece?
- 1947 is 44-214 which is mapped to MCA 22-1-404. It has the same language as 1939 code board of trustees – appointment and term.
- 1999 references contract which should spell out the board of trustees of a library federation. Coordinator is the librarian of the headquarters library and is non-voting.
- 2005 – current practice is enacted. Federation bylaws spell out the board of trustees. However, the same stipulations on board of trustees being trustees of a public library exists. As does, the reference to the state library commission adopting rules governing the composition.
  - The coordinator is selected by federation membership – required since 2005. Coordinator remains non-voting on board of trustees.

### Board of Trustees – Authority – Resolution of Disagreements (MCA 22-1-405)

- Enacted in 1947; updated in 1974
- 1947 law is what is quoted above – appointment of a board of trustees
- 1974 – beginning to think this is about the time that the term “federation” came into being. The current law is the language from 1974. The board of trustees of a library federation shall act as an advisor to the participating libraries and their boards of trustees. (2) Control over the budgets and administrative policies of participating libraries shall remain in their boards of trustees as provided in **22-1-309**. (3) Any disagreement among participants in a library federation regarding the apportionment of funds or grants received from the state library commission shall be resolved by the state library commission.

### Appropriations to support library federations (MCA 22-1-411)

- Enacted in 1939. Repealed in 1981.

- 1947 and 1939 law spell out funding options for regional libraries. Once a regional library is established the legislative body of the governmental unit involved shall appropriate money annually for the support of the library and so far as possible, the taxes levied and collected for this purpose shall be levied and collected within the territory to be serviced. Board of trustees shall have exclusive control of expenditures. It goes on to mention audit requirements and inability to incur debt.
- 1974 – don't have online access. However, 1978 code still has language very similar to 1947 – 44-215 language. It gives the ability to levy a tax within a region. Federation language is used in 1978 code.
- This ability was repealed in 1981.

## Purpose (MCA 22-1-412)

- Enacted in 1947. Amended twice – last time in 1997.
- This law gives the state library commission authority to grant libraries state funds through the library federations.
- Code conversion references 44-304 as the 1947 code for 22-1-412. There is no code 44-304. I don't see an equivalent law.
- 1977 code has the 44-304 language. It references state funding for federations. There were three different grant programs for public libraries.
- 44-306 further defined the grant programs – language appears below:

**44-306. Definitions of grant programs.** (1) **Basic grant defined:** Basic grants are annual grants given to all federation headquarters libraries for the purpose of improving public library services within the federation and enabling public libraries within the federation to achieve and maintain the Montana public library standards as adopted and amended from time to time by the Montana state library commission.

(2) **Establishment grant defined:** Establishment grants are grants to federation headquarters libraries in order to provide basic library service to governmental units participating in library federations for the first time. The local governmental unit must contract with the headquarters library for federation services according to the provisions of section 44-213, and must contribute to the costs of providing such services. All funds will be administered by the federation headquarters library.

(3) **Special project grant defined:** Special project grants are grants to federation headquarters libraries to implement services not provided for in basic grants or to provide construction funds or remodeling funds. Grants for construction or remodeling must be equally matched by local funds; grants for services may fund the full cost of such services.

**History:** En. 44-306 by Sec. 3, Ch. 416, L. 1975.

- In 1981, the code was changed to remove the reference to three different grant programs. It moved closer to its current language – saying that state funding would be available to public libraries through library federations.
- 1997 – a minor change to the language was made. It was a cleanup of the bill. No substantive changes were made in 1997.

## Administration by Montana State Library Commission (MCA 22-1-413)

- Enacted in 1947. Amended a few times – last time was in 2001.
- Hein online doesn't show 44-305 which was the code referenced in the translation from MCA to RCM. There appears to be no 44-305 in 1947 or succeeding years.
- 1975 – not available online. However, 1977 has 44-305 and gives the State Library Commission permission to allocate state funding for libraries through federations. At that time the state funds were grants. Library federations/libraries would apply for these grants. Federations were supposed to report semi-annually and were to account for all grant funds received.
- 1981 change – still uses the term grants. Law was changed because previously library federations had three different types of grants. This proved challenging and didn't meet the needs of libraries. The change in law also gave the Commission authority to create a formula for the allocation of funding.
- 1999 change – added the requirement that federations submit a plan for how funds will be expended. Also changed language from Commission "shall" receive funds to Commission "must" receive state funds.
- 2001 change – instead of reporting semi-annually, federations only need to report expenditures annually. This was the last update to this law.

## Definition of grant programs (MCA 22-1-414)

- Enacted 1947; repealed in 1981
- Language from 1978 and earlier codes spells out the grant programs
  - Basic grants to federations for library services
  - Establishment grants to bring in new libraries for the first time
  - Special program grants for expanded services, remodeling, or construction
- Repealed in 1981 due to cumbersome nature of managing program and a consensus that the grants weren't effective and didn't meet the needs of libraries and federations.

## Allocation of funding by grant programs (MCA 22-1-415)

- Enacted 1947 – repealed in 1981
- 1977 language spells out the following allocation of state funds for grants: 60% to basic grant program, 30% to establishment grant, and 10% to special projects
- 1981 – law is repealed; needed to happen due to repeal of law defining grant programs

## Formulae for distribution of grants (MCA 22-1-416)

- Enacted in 1947
- 1977 language reveals a formula that looked at service area population, square miles, and local tax support. The language went on to define when application period for grants for establishment and special projects.
- Law was repealed in 1981.