

# Memo

**To:** Chair Bedey and members of the Legislative Finance Education Subcommittee

**From:** Jennie Stapp, State Librarian

**Date:** October 7, 2019

**Re: House Bill 633 Study initial funding suggestions:**

In support of the Legislative Finance Education Subcommittee's objective to create a diverse and stable funding portfolio for the State Library, the following funding options are intended to spark creative thinking to identify revenue sources that:

- Encourage the model on which the Natural Resource Information System (NRIS) was created to centralize data administration and distribution;
- Align with State programs that are supported by the authoritative data and data services on which the programs rely;
- Ensure equitable access to data and services;
- Do not deter data use;
- Minimize overhead to evaluate and administer revenue sources;
- Can be implemented fairly;
- Support continual adoption of modern library services;
- Are diverse enough to handle revenue volatility;
- Allow for future revenue growth;
- Reflect investment from both the public and private sectors.

## **Internal Service Fund**

Currently four state agencies and the Montana University System contribute “pass through” funds to the State Library to partially fund the Natural Resource Information System. The model was based on an evaluation of usage data in approximately 2003. These agencies have requested a fairer allocation of the pass-through model that recognizes that all state agencies rely on the data and services of the State Library to both provide data on which agencies rely and to support an information infrastructure for open data that delivers state government information directly to Montanans and to and through Montana libraries. For example:

- NRIS was formed to create a central repository for natural resource data to increase government efficiency and to ensure that State Government and other stakeholders used consistent, authoritative, non-biased data. The State Library maintains some data, and data web services, used by most or all agencies including hydrography, administrative boundaries, and Cadastral data. The State Library is also aware of other data such as address data, which, if funded, could become the standard for all state agencies, eliminating the need for agencies to maintain redundant datasets and increasing efficiency for state government processes that rely on addresses.
- The State Library maintains the repository of state government publications for all state agencies. If funded, the State Library would maintain an open data repository for public data, reducing the need for agencies to disseminate data and increasing transparency in government.
- The State Library maintains, and needs to continue to enhance, an information infrastructure that ensures the delivery of digital library services to all Montanans, both directly and through local libraries.
- The State Library provides training to library professionals on the State’s e-government services to help Montanans access our government.

Funding option: A state agency rate assessed on all agencies based on fair and easily-calculated metrics. Examples to consider include an across-the-board assessment on all agencies based on a percentage of their House Bill 2 budget, Full Time Equivalent employees or other comparable metric.

## **State Special Revenue Fees and Other Funding Mechanisms**

The State of Montana relies on fees and other forms of special revenue to support administration of numerous state programs and services where the programs are better informed by, and more efficiently administered using data managed by the State Library. Examples of data used by state agencies include land ownership, addresses, species, land cover and elevation data.

Funding option: In recognition that the data is a necessary cost to effectively administer state programs, a standard percentage of fees assessed, or funds collected could be appropriated to fund data development and maintenance. Examples of funded

programs include, but not are limited to, environmental assessment permitting, water rights, hunting and fishing licenses, State Trust Lands, and Invasive Species Management.

### **911 funding**

Modern Next Generation 911 systems will be built on geographic information systems (GIS) to quickly inform dispatch and ensure rapid and accurate emergency response. The State Library completed an assessment of the current address and transportation data used by local governments and found that only 49% of the data across Montana was accurate enough to support a 911 system. Once the data is improved, it must be continually maintained.

Funding option: The Public Safety community has expressed support for the use of State 911 funds to fund GIS data updates, maintenance, and ongoing coordination.

### **Real Time Network Subscription**

The Montana Department of Transportation and Montana tribes wish to create a real time network of GPS repeater stations that provide sub-meter precision location information. These systems dramatically reduce survey costs and in the future will be necessary for services such as autonomous vehicles. After initial development stakeholders have asked the State Library to administer the RTN data.

Funding option: Based on an evaluation of the system in Utah, the State Library is confident that the model could be self-funded through a subscription service for those persons requiring real-time data access. The State Library is comfortable with this model if it allows for non-real time data to be made available at no charge.

### **Professional licensures fees**

During the 2019 Legislative Session, legislative staff identified numerous professions that require state licensure where the work of the profession is informed by State Library data and/or services.

Funding option: A modest increase to the licensure fees for these professions that rely on State Library data and services could provide additional sources of revenue without imposing a fee for service model that might deter use and that would be expensive to administer.

### **Montana Land Information Act Recordation (MLIA) Fee**

The MLIA fee currently provides about \$950,000 to support a GIS grant program to local governments and GIS Coordination in Montana. The fee was enacted in 2006 and is \$1/page. \$.25 of the fee remains in the county where it was collected and \$.75 is deposited with the State. The revenue source is somewhat volatile and has not kept

pace with the cost of inflation. MSL is aware that the Clerks and Records Association is considering requesting an increase to the recordation fee they collect.

Funding option: The Legislature could consider an increase to the MLIA recordation fee as well.

### **General Fund**

The State Library concurs with the subcommittee discussion during its September 18 meeting that certain services should be funded through general fund to ensure a robust information infrastructure and equitable information access for all Montanans.

Discussion Draft Only