

THE CASE AGAINST PROPOSITION 1, THE “LIBRARY LEVY”

A core public service that we all treasure, Seattle public libraries should be funded by the City’s regular budget (called the General Subfund), which is the City’s statement of its true priorities. Passage of Proposition 1 will move the library to more reliance on temporary funding, reducing its traditional share of the General Subfund as the Mayor and City Council are free to divert portions of that share to other departments, reflecting their lower priority to the Library and leaving its funding more vulnerable.

Worse, an examination of Ordinance 123851, the ordinance that defines Proposition 1, shows it to have less accountability than any property tax levy measure proposed to voters in a generation. Those who saw the weaknesses in the levy ordinance tried mightily to convince the City Council to include in it more certainty that the good things for the Library that have been claimed from the levy would actually happen. We did not succeed, and so now one can hope that these good things will happen--but if so, it will not be because the levy ordinance requires them.

Contrast with the 1998 bond issue. The 2012 levy ordinance’s discretion in how the proceeds can be spent is in marked contrast to the 1998 levy ordinance by which voters approved a property tax increase to fund the Libraries for All bond issue, whose Ordinance 119019 specified (sec. 1) that \$128.6 million would be spent on building a new Central Library, and \$57.9 million would be spent on branch libraries, “which facilities shall include three new libraries, replacement of six current libraries, additions to seven current libraries, interior improvements to seven current libraries, and relocation of two current libraries to improved facilities, all as more specifically listed as ‘elements’ of this component in Attachment A.”

The 1998 levy ordinance also contained safeguards to prevent the ordinance (defined as the “Project”) from being ignored or changed to allow the proceeds to be spent differently: “Elements may be deleted from or added to any component of the Project only by an ordinance amending the list set forth in Attachment A, passed by a two-thirds vote of the City Council after a public hearing and after City Council consideration of the recommendations of the Board, the Oversight Committee established in Section 6, and the Mayor. ... The amounts of Bond proceeds to be devoted to the neighborhood library and central library components of the Project, as established in Section 1, may be changed only by an ordinance passed by a two-thirds vote of the City Council after a public hearing and after City Council consideration of the recommendations of the Board, the Oversight Committee established in Section 6, and the Mayor.”

Seattle’s 2012 levy ordinance lacks the specific commitments to voters on its spending that marked the 1998 levy ordinance. It also lacks the safeguards and hurdles by which the 1998 levy ordinance made it difficult for future City Councils to change the balance between the Central Library and the branches in the funds provided; change or delete what the ballot measure would do for the branches; or make any other change in the ordinance.

The levy proceeds may not even go to the Library. Contrary to publicity by the Library and the pro campaign that calls it the “Library Levy,” the 2012 levy ordinance gives the official ballot title (sec. 7) as “Regular Tax Levy including Seattle Public Libraries.” And in fact section 4 of the ordinance states: “Unless otherwise directed by ordinance, Proceeds shall be deposited in the Library Levy fund.” That is, the Mayor and City Council have the discretion to “temporarily” invest the levy funds elsewhere to gain extra funds in “riskless” investments (have you heard that before?), or even divert some of the levy funds permanently to other purposes, such as to fill the City’s billion dollar pension deficit, which they could claim is partly for Library employee pensions.

If the levy proceeds do reach the Library, they are not required to increase library hours or days of operation, avert branch closures, or improve technology. Much as we would want the libraries to have increased hours and improved maintenance and technology and to avoid branch closures, there is nothing in the levy to assure these results—or indeed to prevent decreased hours, closed branches, or neglected maintenance and technology. It is not accurate to tell voters (as the pro-levy campaign is doing) that the levy proceeds will be spent only or even primarily on these categories of Library services. In fact, the Seattle Ethics and Elections Commission found that even the City Attorney was not accurately describing the levy. The Explanatory Statement that is in the Voter’s Pamphlet was rewritten by the Commission to state correctly that such results from the levy are speculative, not required by the levy ordinance.

The levy ordinance (sec. 5) states that proceeds will be used “for Library services,” and goes on to state that investments will be made “in the following four categories of Library Services,” listing hours and access, collections; technology; and maintenance. However, the ordinance does not say that investment of the levy proceeds in library services will be limited to these categories, only that “investments will be made” in them (however small these investments may be).

Within those categories, the levy ordinance offers “program elements” only as “illustrative examples” such as “supporting operating hours,” “replacements and upgrades to the Library’s computer inventory,” and “regular care and major maintenance.” None of these program elements are required, and the first one only talks about “supporting” operating hours, not increasing or even maintaining them. What is accurate, and what the voters are not being told by the pro-levy campaign, is that the levy ordinance (sec. 5) commits only that “the levy proceeds will be spent in accordance with the annual City budget process.”

Levy dollars spent on the Library will displace existing General Subfund (existing annually budgeted) dollars. In an inexcusable effort to alarm voters into passing this levy, the Mayor and City Council are threatening to cut the Library’s General Subfund dollars by \$5 million in 2013—a ten percent cut that is far more than the proportional cuts they are planning for much larger departments—and after they have just increased by more than \$2 million the Library’s General Subfund dollars in 2012. The pro-levy campaign is not telling the voters that, even if the levy is passed, the Mayor and City Council are already

planning to subtract this \$5 million/year from the Library's traditional General Subfund allocation for each of the levy's seven years—a raid on the Library's share of the General Subfund.

Internal records obtained under the state Public Records Act reveal political deal-making behind the levy, in full knowledge of sacrificing the Library's financial stability, to move some of its regular funds to other departments—and concealing that switch from the voters. This deal between the Library Board and the City Council occurred months before either body asked the public what should go into the levy. Elsewhere on this web site one will find (1) a 2011 Library Board analysis that outlines the deal with the City Council, warns of dangers to the Library in this strategy and unsuccessfully calls for protections to be written in the levy; (2) a Library Board member's objections to the City Council's raid on the Library's general funds, unsuccessfully urging that voters be told the truth about it; (3) City Council staff eliminating from the ballot, language that would have committed the Mayor and City Council to “ensuring libraries remain open” (i.e. not to close branch libraries) or even “maintaining and improving essential services”; and (4) City Council staff facilitating a consensus among the Councilmembers for the levy by moving some of the Library's regular funding away from the Library to other departments, while making sure not to tell voters that the levy does not fully benefit the Library.

The January objections of the Library Board member (and previous City Councilmember) expressed to the City Budget Office are particularly worth quoting:

My concern is that there is no opportunity for an increase in the Library's general funding if and when revenues improve. ... I think the levy would have a much better chance of success if the Library portion of the general fund floats along with the City's revenues and we can be clear with the public about that. Otherwise, we should be clear that this is a library/general fund measure.

In two ways, the Mayor and City Council did not take this good advice. Sustained cuts in the Library's General Subfund allocation are being planned for the seven-year life of the levy (and could be more than the already threatened \$5 million/year). Plus, voters are not being told that on a net basis this levy is allowing the Mayor and City Council to divert part of the General Subfund away from the Library to other departments and the City's billion dollar pension deficit.

March 2012 Letters from the City Neighborhood Council (a City advisory council) and the Seattle Community Council Federation and other groups urged the City Council to include in the levy ordinance a commitment not to cut the existing level of library support from the General SubFund, and to mandate an increase in hours and days of the week in which libraries are open. But as passed, the levy ordinance not only does not commit to maintain the existing level of General Subfund support, it allows the Mayor and Council to remove from the Library's traditional allocation of General Subfund dollars just as much as the levy provides—in fact more than the levy adds!

Passage of the levy will eventually leave the Library with no more total funds than it has today, plus the worst financial crisis in its history when the levy runs out at the end of seven years. Consider that

although part of the 1999 Seattle Parks Department levy provided operating support, when the levy ran out, that funding was not fully restored from the General Subfund, leaving parks funding in worse shape now than before the levy was passed.

Levy dollars should not be spent on ongoing operations of core public services. Voter-approved property tax levies should be spent on infrequent capital projects or unavoidable emergencies. Operations of core public services like the Library should be funded through the General Subfund and the annual budget process. Otherwise, the ongoing existence of government's essential functions becomes a patchwork of temporary funding measures that do not address civic needs or provide proper stewardship of government facilities and functions.

The levy lacks a strong, independent, geographically based oversight committee like that which governed spending from the 1998 Libraries for All bond measure. With the sole exception of this 2012 levy and the 2008 renovation levy for the Pike Place Market (which in addition to its 12-member Public Development Authority has a Historical Commission and an independent advisory group called the Constituency) every property tax levy put before the voters in recent decades has created in the levy ordinance a public oversight committee to ensure that the funds are spent well and accountably. The 1998 levy that funded the Libraries for All bond issue recognized that the five-member Library Board could not fulfill that function, and thus the levy ordinance created the strongest and most geographically balanced public oversight committee that any levy has ever had. This oversight body resisted political pressures from the Mayor, City Council, and Library Board when the public interest required it.

Voter-approved funding for the Library is in particular need of a public oversight committee because the City Council and Mayor and hence the voters have so little power over how the Library Board would spend the levy, and because the Library Board is politically compromised, having already signed off on the Mayor and City Council's raid on the Library's share of the General Subfund. An independent oversight body is needed to prevent further such raids. A geographic system of representation for the oversight committee is particularly needed because of concerns that the Central Library's building and programs will take funds away from operations and hours of the branch libraries.

Conclusion. Proposition 1 is not good for the Library or for democracy. It is the least accountable property tax levy put before the voters in a generation. Voters are not being told that its proceeds may not immediately or ever reach the Library, nor that it does not require improvements in hours and access, technology; or maintenance. We can hope that this is a "Library Levy," but there is no guarantee that it is.

If passed, this levy will move the Library away from regular General Subfund support to temporary and unstable voter-approved support. The Mayor and City Council are already making the first step in that direction by planning to subtract \$5 million/year from the Library's regular General Subfund support, freeing those funds to be committed to other departments. They plan to continue this cut for the seven-

year life of the levy even if the economy and revenues improve, and even worse cuts in the Library's traditional share of the General Subfund are likely.

If the Mayor and City Council truly value the Library, they should support it fully from the General Subfund. By voting no on this tax increase, we vote yes for higher priority for the Library from regular funds.

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