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BILL ANALYSIS

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Senate Fiscal Agency

Lansing, Michigan 48909

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AUG 1 1988

Senate Bill 896

Sponsor: Senator Harmon Cropsey
Committee: Local Government and Veterans

Mich. State Law Library

Date Completed: 6-29-88

SUMMARY OF SENATE BILL 896 as introduced 5-25-88:

The bill would create a new act to provide for the establishment and maintenance of district libraries by doing the following:

- Requiring that an agreement for establishing a district library be approved by the municipalities involved in establishing the library as well as by the State librarian.
- Providing that district libraries established under Public Act 164 of 1955 would be considered established libraries under the bill.
- Providing for the appointment or election of board members, and specifying their authority.
- Providing for funding the establishment and operation of a district library, including allowing an election on a proposed district-wide library tax.
- Permitting a tax of not more than two mills to be levied on taxable property in a municipality for district library purposes.
- Providing for a municipality to withdraw or be added to a district library.
- Repealing Public Act 164 of 1955, which provides for the establishment and maintenance of district libraries.

Establishing a District Library

Two or more municipalities (cities, villages, school districts, townships, or counties) authorized by law to establish and maintain a library or library services jointly could establish a district library if each of the following requirements were satisfied:

- The public library board approved the establishment of the district library, if the proposed district contained a legally established public library.
- Each municipality's legislative body adopted a resolution that provided for the establishment of a district library and approved a district library agreement.
- The agreement provided for the creation of a district library board to govern the operation of the district library and set forth all of the following: the municipalities establishing the district library; the number of board members, their method of selection neither by election or appointment, and their term of office; the percentage of funds needed for the establishment and operation of the district library to be supplied by each municipality pursuant to provisions in the bill; the procedure for amending the agreement; and, other necessary provisions regarding the district library.

(School district would mean one of the following, as defined in the School Code: an intermediate school district, a local act school district or special act school district, or a local school district.)

Agreement

Municipalities establishing a district library would be required to enter into an agreement, which could not take effect unless each municipality establishing the district library became a party to the agreement. A board or the municipalities' legislative bodies would be required to submit to the State librarian the agreement or an amendment to the agreement within 10 days it was adopted.

The State librarian would be required to approve an agreement or an amendment, or a revision in board structure, as provided in the bill, if it conformed to the bill's requirements. The State librarian would be required to disapprove the agreement, amendment, or revision if it did not conform. Within 90 days after the State librarian received the agreement, amendment, or revision, he or she would be required to send to the board or legislative bodies a written statement of approval or disapproval. If the agreement, amendment, or revision were disapproved, the State librarian would be required to explain in a written statement the reasons for disapproval, and the legislative council could not recognize the library as being legally established for the purposes of distribution of State aid and penal fines.

The bill specifies that a district library established pursuant to the bill would constitute an authority under Section 6 of Article IX of the State Constitution.

Currently Established Libraries

The bill specifies that a district library established pursuant to Public Act 164 of 1955 would be considered as established under the bill. Within one year after the bill's effective date, the board of such a district library would be required to submit to the State librarian an organizational plan that included certain information (concerning the municipalities establishing the district library; the number of board members, their method of selection, and terms of office; and operating funds) and would be required to revise the board structure and selection to conform to the bill's provisions for the appointment or election of board members. The State librarian would be required to approve or disapprove the revision of board structure.

Board Members

A candidate for appointment or election as a board member would have to be a qualified and registered elector of the participating municipality, and would have to be at least 18 years of age by the date the appointment was made or by the deadline for filing nominating petitions. Board members would serve four-year terms.

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The office of board member would become vacant when the incumbent died, resigned, was removed from office for cause, ceased to be a member of the municipality or district, was convicted of a felony, or had four unexcused absences from scheduled board meetings during a calendar year.

If an agreement prescribed appointed board members, the board would have to consist of at least five and not more than seven members. The agreement would have to state the total number of board members and the number to be appointed by the legislative body of each participating municipality. The agreement also could provide that the right to appoint one or more board members rotated between two or more municipalities.

If an agreement prescribed elected board members, a provisional board of seven members would have to be appointed by the legislative body of each participating municipality. Members of the provisional board would hold office until their successors were elected and qualified. The permanent board would have to consist of seven members who were elected at large from the district, pursuant to the bill's election provisions. Board members would have to be elected on nonpartisan ballots. The bill would prescribe a schedule for board elections, and separate procedures for a district library whose boundaries coincided with the boundaries of a school district.

Board Authority

A board could do all of the following:

- Establish, maintain, and operate a public library for the district.
- Appoint or remove a librarian or assistants and fix their compensation.
- Purchase books, periodicals, equipment, supplies, and other library materials.
- Purchase sites; erect buildings or lease suitable quarters, or both; and supervise and control district library property.
- Enter into a contract to receive library-related service from, or give library-related service to, a library or a municipality within or without the district.
- Exclusively control the expenditure of all money collected to the credit of the district library fund.
- Adopt bylaws and regulations, not inconsistent with the bill, governing the board and the district library.
- Propose a millage levy for support of the district library.
- Issue bonds, as provided by law.
- Accept gifts and grants for the district library. Gifts, grants, taxes, appropriations, State aid, penal fines, and other money for the district library would have to be paid to the board and deposited in a fund known as the district library fund.
- Do any other thing necessary for conducting the district library service, whose cost would have to be charged against the district library fund.

A board could reimburse each board member for necessary expenses that the member incurred in the performance of official duties. The board would be required annually to establish per diem compensation in an annual budget. The compensation would have to equal the average per diem compensation of the legislative bodies of the participating municipalities.

Operating Funds/Tax Levy

The board would be required annually to determine the amount of money needed for the establishment and operation of the district library and would have to state that amount in an annual budget. Of that amount, the

legislative body of each participating municipality annually would have to appropriate the percentage set forth in the agreement.

Instead of appropriations by the participating municipalities or in addition to those appropriations, money needed for the establishment and operation of a district library could be supplied by a tax levy. A participating municipality could levy a tax for district library purposes on the taxable property in the municipality. The district library could levy a tax of not more than two mills on the taxable property in the district.

A participating municipality could not levy a tax unless it was approved by a majority of the electors of the municipality voting on the proposal. A board could not levy a tax unless it was approved as provided in the bill. The legislative body of a participating municipality would be required to certify a proposed tax to the municipality's clerk for inclusion on the ballot at least 60 days before the election date. The board would be required to certify a proposed district-wide tax.

District-wide Tax and Election

A proposal for a district-wide tax could not be placed on the ballot unless the proposal was adopted by a resolution of the board and certified to the county clerk by the board not later than 60 days before the election. The proposal would be included on the ballot at the next general election or at a special election as specified by the board's resolution. If the district were located in more than one county, the resolution would have to be certified to the clerk of the county that possessed the greatest number of registered voters of the district. A ballot proposal would have to state the amount of the millage. The bill specifies requirements as to the notification of the close of registration and of election as well as the method for charging the district library with the actual costs of conducting the election. If a majority of the votes cast on the question of a district-wide tax were in favor of the proposal, the tax levy would be authorized.

If a special election were requested, within 10 days after receiving the proposal, the county clerk to whom the resolution was certified would be required to request approval of a special election date from the county election scheduling committee of the clerk's county. The proposal would have to be submitted to the qualified and registered voters residing in that district on the date approved by that county election scheduling committee.

An election for district library board members or a district-wide tax would have to be conducted by the clerk of the county in which the district was located. If the district were located in more than one county, the election would have to be conducted by the clerk of the county that possessed the greatest number of registered voters.

If one of the participating municipalities were a school district whose boundaries contained a fractional precinct, the county clerk would be required to conduct the election there by absentee ballot.

Withdrawal from District Library

A participating municipality could withdraw from a district library if each of the following requirements were satisfied:

- At least two months before the next regularly scheduled municipal election, the legislative body of the municipality adopted a resolution to withdraw on a date specified in the resolution. The date could not be less than six months after the next regularly scheduled municipal election.

- Notice of an election on the resolution was published in a newspaper of general circulation in the municipality at least 10 days before the next regularly scheduled election of the municipality following adoption of the resolution.
- The resolution was approved by a majority of the municipality's electors voting on it at the next regularly scheduled municipal election following adoption of the resolution.
- After approval of the resolution by the electors, the municipality's clerk or, if the municipality were a school district, the secretary of the school board filed with the Library of Michigan a copy of the official canvass statement and a certified copy of the resolution and filed with the board a copy of the official canvass statement and enough certified copies for the legislative bodies of each of the participating municipalities.
- Payment or the provision for payment was made to the district Library or its creditors of all obligations of the municipality seeking to withdraw.
- The legislative body of the withdrawing municipality furnished to the Library of Michigan a plan for continuing public library services for residents of the withdrawing municipality after the municipality no longer received library services from the district library.

A district library tax authorized by the district library or by the withdrawing municipality before the withdrawal would continue to be levied, but only for the period of time originally authorized. A withdrawing municipality would continue to receive library services from the district library as long as the tax continued to be levied in the municipality. After a municipality withdrew, the agreement would have to be amended to reflect the withdrawal.

Adding a Municipality

A board could add a municipality to the library district if each of the following requirements were satisfied:

- The board agreed by majority vote to add the municipality to the district and to amend the agreement to reflect the addition of the municipality, including board representation, if board members were appointed, and the percentage of funds needed for establishing and operating the district library that was to be supplied by the additional municipality and each of the other participating municipalities. The percentage of funds that was supplied by a participating municipality before the addition of a municipality could not be increased by the amendment.
- The legislative body of the municipality to be added resolved, by majority vote, to join the district library.
- The municipality agreed to the provisions of the amended agreement.

If there were a district-wide library tax, the board would have to condition acceptance of the municipality into the district on the authorization of that tax by a majority of the electors of the municipality voting on the proposal.

FISCAL IMPACT

Senate Bill 896 would have an indeterminate impact on local governments. Local governments that established a district library could incur expenses as a result of such an action. The actual expenses and source of funding for those expenses would depend on the number and type of library districts established.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.