

OVERLAPPING LIBRARY DISTRICTS

Senate Bill 520 (Substitute H-3) First Analysis (12-10-97)

Sponsor: Sen Dale L. Shugars

Senate Committee: Local, Urban, and

State Affairs

House Committee: Local Government

THE APPARENT PROBLEM:

Recently, according to testimony before the House Local Government Committee, the City of Portage and the Portage School District agreed to form a district library under the District Library Establishment Act. That act permits two or more municipalities (cities, villages, school districts, townships, or counties) to jointly establish a district library with the approval of the state librarian (and, ultimately, the Legislative Council), and establishes requirements and procedures that must be followed. In the Portage case, the proposal was denied by the state librarian, reportedly on the grounds that only a portion of the school district was included in the proposed district. The portion of the school district that had been excluded from the proposed district, according to testimony, is part of the City of Kalamazoo and falls within the existing Kalamazoo Public Library District. The proponents of the new Portage Library District were attempting to avoid placing some taxpayers in two public library districts. The act, however, does not permit a portion of the school district to be excluded. Reportedly, there are a number of district libraries with overlapping jurisdiction. Legislation has been introduced to address the issue of overlapping district libraries and to provide a means of setting and changing district library boundaries to as to avoid such overlapping.

THE CONTENT OF THE BILL:

The bill would amend the District Library Establishment Act to prohibit a proposed district library from overlapping any portion of another district library district and to provide a procedure for resolving cases in which district libraries have common jurisdiction. The bill would require the state librarian to review, and either approve or disapprove, an agreement for a proposed district library district; specify how boundaries of a district can later be amended after an agreement was approved by the state librarian; and permit an existing district library recognized by the Legislative Council to amend its boundaries, if certain requirements were met, in order to eliminate territory located within

the boundaries of a public library or another district library.

The bill also would permit a participating municipality, other than a county, to exclude from a district library district only a portion of its territory already within the boundaries of a public library.

Overlapping District Libraries. The bill would add as a requirement when two or more municipalities proposed to form a district library district that the proposed district could not overlap any portion of another district library district. On or before October 1, 1998, the boards of district libraries having common jurisdiction over parcels of taxable property (that is, with overlapping jurisdiction) would have to file with the state librarian copies of resolutions adopted by each, together with a map, certifying the exclusion of territory from one or the other of the district library districts. The resolution and map would have to demonstrate that no parcels of taxable property remain within more than one district library district and would also have to demonstrate that the remaining library districts were each composed of a contiguous whole.

If overlapping districts had not filed such resolutions and maps by the deadline, the Legislative Council would approve a change in the boundaries of the district libraries, eliminating the overlapped territory. (Territory in more than one district would be placed in the first district in which it was located and would be excluded from any later district.)

District Library Proposal. Participating municipalities that propose to establish a district library would have to file with the state librarian 1) a copy of the agreement identifying the proposed district; 2) a copy of a map or drawing no smaller than eight-and-one-half inches by thirteen inches or larger than fourteen by eighteen inches and clearly showing the territory to be included in the district; and 3) a map that unambiguously showed the relationship of the proposed district to the adjacent and constituent units of government, including counties, cities, villages, townships, school districts, and district libraries. The state librarian would review the agreement

district library district only that portion of its territory that was located within the boundaries of a public and approve or disapprove the proposal in accordance with Section 5 of the act.

Boundary Changes to Existing Districts. A district library recognized by the Legislative Council before the effective date of the bill could amend its boundaries to eliminate territory located within the legal boundaries of a public library or another district library by resolution of the district library board. The territory excluded would have to be within the legal boundaries of a public library established under District Library Establishment Act, Public Act 164 of 1877, the Revised School Code, or Public Act 138 of 1917. (These are acts allowing for the creation of district libraries; city, village, and township libraries; school district libraries; and county libraries, respectively.) The district library would have to file with the state librarian a copy of the resolution together with a map or drawing meeting the requirements of the paragraph above.

Approval of Boundaries/Notification of Treasurers. If the state librarian did not disapprove the amended boundaries within 10 days of receiving the required map or drawing, the boundaries would be amended. Upon receiving approval of a district library proposal by the state librarian, upon receiving a directive from the Legislative Council, or upon the passage of the 10 days without disapproval of boundary changes, the secretary of the district board would submit to the appropriate county and municipal treasurers a copy of the state librarian's written statement of approval or the Legislative Council's directive; the map or drawing of the district; and, if the district library included only a portion of a municipality, the tax identification number of each parcel of property within than municipality included in the district.

<u>Subsequent Boundary Changes.</u> Once an agreement had been approved by the state librarian, the boundaries of a district library could be amended only to 1) provide for the withdrawal of a participating municipality under Section 24 of the act; 2) add a participating municipality under Section 25 of the act; or 3) to allow districts existing before the effective date of the bill to eliminate certain territory as described above.

Grandfathered Debt Retirement. The territory that had been excluded from any district library under the bill would remain a part of the district from which it had been excluded for the purpose of levying debt retirement taxes for bonded indebtedness of the district library existing on the effective date of the bill. The territory would remain a part of that district until the bonds were redeemed or sufficient funds were available in the debt retirement fund of the district library for that purpose.

<u>Excluding Parts of Municipalities.</u> Under the bill, a municipality other than a county could exclude from a

library that was recognized by the Legislative Council as lawfully established for the purpose of the

distribution of state aid and penal fines under the District Library Establishment Act, Public Act 164 of 1877, the Revised School Code, or Public Act 138 of 1917.

MCL 397.173

FISCAL IMPLICATIONS:

The Senate Fiscal Agency reports that the bill would have no fiscal impact on the state. The impact on local units would depend on the number of library districts that would be able to subdivide under the bill. The SFA says the affected counties include Allegan, Barry, Cheboygan, Clinton, Grand Traverse, Ingham, Lenawee, Livingston, Missaukee, Newago, Oceana, Roscommon, Tuscola, Washtenaw, and Wayne. (SFA floor analysis dated 10-9-97)

ARGUMENTS:

For:

The bill provides a mechanism to do away with overlapping jurisdictions by district libraries. According to the Senate Fiscal Agency, there are 15 counties with libraries that have overlapping service areas. The bill would also provide a means of preventing overlapping jurisdictions when new district libraries are proposed that contain territory already served by a local public library or library district.

POSITIONS:

The Michigan Library Association supports the bill. (12-9-97)

Analyst: C. Couch

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.