

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 520 (as enrolled)
Sponsor: Senator Dale L. Shugars
Senate Committee: Local, Urban and State Affairs
House Committee: Local Government

PUBLIC ACT 160 of 1997

Date Completed: 3-30-98

CONTENT**The bill amended the District Library Establishment Act to:**

- Provide that a proposed district library district may not overlap any portion of another district library district.
- Permit a participating municipality to exclude from a district library district the portion of the municipality's territory located within the boundaries of a public library.
- Require the boards of district libraries having common jurisdiction over parcels of taxable property, by October 1, 1998, to file with the State Librarian copies of a resolution excluding territory from one of the districts, and demonstrating that no parcels of taxable property remain within more than one district library district; or require the Legislative Council to approve a change in boundaries of those district libraries, eliminating the overlapped territory.
- Require the State Librarian to review and either approve or disapprove an agreement for a proposed district library district.
- Permit an existing district library to amend its boundaries, if certain requirements are met, in order to eliminate territory located within the boundaries of a public library or another district library district.

The Act provides that two or more municipalities (cities, villages, school districts, townships, and counties) authorized by law to establish and maintain a library or library services may jointly establish a district library if the following requirements are met: a public library's governing board approves the establishment of a district library, if the proposed district contains a public library; and the legislative body of each municipality identified in the district library agreement adopts a resolution providing for the establishment of a district library. Under the bill, the governing board of a public library must approve the establishment of the district library, if the proposed district contains a public library *other than* a district library established under the Act. Also, under the bill, the proposed district library district may not overlap any portion of another district library district.

A participating municipality may provide in its resolution that only a portion of its territory is included in the district. Except as provided in the bill, the portion of a county included in a district must be bounded by county, township, city, village, or school district boundaries.

Under the bill, a participating municipality other than a county may exclude from a district library district only that portion of the municipality's territory located within the boundaries of a public library that is recognized by the Legislative Council as lawfully established for the distribution of State aid and penal fines, and is established under the District Library Establishment Act or any of the following Acts: Public Act 164 of 1877, which allows a city council to establish and maintain a public library; the Revised School Code; or Public Act 138 of 1917, which permits a county board of

supervisors to establish a public library.

The bill provides that, by October 1, 1998, the boards of district libraries having common jurisdiction over parcels of taxable property, must file with the State Librarian copies of resolutions adopted by each, plus a map, certifying the exclusion of territory from one or the other of the districts. The resolution and the map must demonstrate that no parcels of taxable property remain within more than one district library district, as well as demonstrate that the each of the remaining districts is composed of a contiguous whole. If the boards of the district library districts having common jurisdiction over parcels of taxable property have not filed these resolutions and maps with the State Librarian by October 1, 1998, the Legislative Council must approve a change in the boundaries of those district libraries, eliminating the overlapping territory. The Legislative Council must obtain a statement identifying the parcels that are located in the overlapping territory from the treasurer of each county within which the district library district is located, and a statement of the date on which the parcels were first included within the territory of a district library district established under the District Library Establishment Act. The Legislative Council must direct the district library board to ensure that any parcel that was originally located within the boundaries of a district library district remains in that original district, and is excluded from the territories of the other district library districts in which it is located.

Under the bill, participating municipalities that propose to establish a district library must file with the State Librarian all of the following: a copy of an agreement that identifies the proposed library district; a copy of a map or drawing that is at least 8-1/2 inches by 13 inches but not larger than 14 inches by 18 inches and clearly shows the territory proposed to be included in the district library district; and a map that unambiguously shows the relationship of the proposed district library district to the adjacent and constituent units of government, including counties, cities, villages, townships, school districts, and district libraries.

The State Librarian must review the agreement and either approve or disapprove of the proposed district library district in accordance with Section 5 of the Act (under which legislative bodies of municipalities must submit a district library agreement to the State Librarian for approval).

Upon receiving notice of the State Librarian's approval of an agreement, upon receiving notice of a directive from the Legislative Council, or upon the expiration of 10 business days after the State Librarian receives the map or drawing, the secretary of the board of the affected district library must submit to the county treasurer of each county in which the district library district is located, and to the treasurer of each municipality in which the district library district is located, all of the following:

- A copy of the State Librarian's written statement of approval for the district library or the Legislative Council's directive.
- The map or drawing of the district library's territory.
- The tax identification number of each parcel of property within a municipality that is included in the district library district, if the district library includes only a portion of that municipality.

Once the State Librarian approves an agreement, the boundaries of a district library established under the Act may be amended to do only the following: provide for the withdrawal of a participating municipality, add a participating municipality, or eliminate certain territory. For any amendment, the secretary of the board of the district library must file a copy of the map or drawing of the amended boundaries approved by the participating municipalities with the Legislative Council and with the treasurer of each county in which the district library is situated.

A district library recognized by the Legislative Council before the bill's effective date may amend its boundaries to eliminate territory located within the legal boundaries of a public library or another district library district, if that public library or other district library is recognized by the Legislative

Council as lawfully established for the distribution of State aid and penal fines. (The bill specifies that the Act's procedures for amending an agreement do not apply to a boundary amendment described in these provisions.) A district library that amends its boundaries under this provision must meet all of the following requirements:

- The board of the district library adopts a resolution designating the territory to be excluded from its boundaries.
- The proposed amended boundaries exclude only that territory within the legal boundaries of a public library established under the Act or any of the following Acts and recognized by the Legislative Council as lawfully established for the purposes of the distribution of State aid and penal fines: Public Act 164 of 1877, the Revised School Code, or Public Act 138 of 1917.
- The district library files with the State Librarian a copy of the district board's resolution and a map or drawing that complies with the bill's requirements.

If a district library complies with the bill's provisions for excluding or eliminating territory, and the State Librarian does not disapprove the amended boundaries within 10 days after receiving the map or drawing, the boundaries will be amended.

The territory that has been excluded from a district library district must remain a part of the district for the purpose of levying debt retirement taxes for bonded indebtedness of the district that existed on the bill's effective date (December 29, 1997). The territory must remain a part of that district until the bonds are redeemed or sufficient funds are available in the debt retirement fund of the district library for that purpose.

MCL 397.173

Legislative Analyst: S. Lowe

FISCAL IMPACT

The bill will have no fiscal impact on the State. The impact on local units will depend on the number of library districts that are able to subdivide under the bill. There are 13 counties that have libraries with legal service area population overlap. The overlap population totals 36,669. Affected counties include: Allegan, Barry, Cheboygan, Grand Traverse, Lenawee, Livingston, Missaukee, Newago, Oceana, Roscommon, Tuscola, Washtenaw, and Wayne. Local units will lose State aid to the extent of current per capita overlap. The impact on individual areas will be minimal.

Fiscal Analyst: B. Bowerman

S9798\S520ES

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.