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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

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Senate Bill 520 (as introduced 5-21-97)  
Sponsor: Senator Dale L. Shugars  
Committee: Local, Urban and State Affairs

Date Completed: 10-7-97

### **CONTENT**

**The bill would amend the District Library Establishment Act to:**

- **Permit a municipality, other than a county, to exclude from a district library district the portion of the municipality's territory located within the boundaries of a public library.**
- **Require municipalities that proposed to establish a district library to file with the State Librarian certain information, including an agreement that identified the proposed library district.**
- **Require the State Librarian to review and either approve or disapprove an agreement for a proposed district library district.**
- **Permit the boundaries of a district library to be amended after an agreement was approved by the State Librarian.**
- **Permit an existing district library that had been 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 district.**

The Act provides that two or more municipalities 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. ("Municipality" means a city, village, school district, township, or county.) A county, township, city, or village uniting with other municipalities to establish a district library may provide in the resolution that only a portion of its territory is included in the district. The portion of a county included in a district must be bounded by county, township, city, village, or school district boundaries.

The bill would revise these provisions to specify that a participating municipality could provide in the resolution that only a portion of its territory would be included in the district library district. Except as otherwise provided in the bill, the portion of a participating municipality included in a district would have to be bounded by county, township, city, village, or school district boundaries. The bill would delete a provision under which the portion of a township, city, or village to be included in the district must be bounded by township boundaries, city boundaries, or village boundaries, respectively, and by existing district library or school district public library boundaries.

Under the bill, a participating municipality other than a county could exclude from a district library district only that portion of the municipality's territory located within the boundaries of a public library that was recognized by the Legislative Council as lawfully established for the distribution of State aid and penal fines, and was established under this 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.

Participating municipalities that proposed to establish a district library would have to file with the State Librarian all of the following: a copy of an agreement that identified the proposed library district; a copy of a map or drawing that was at least 8-1/2 inches by 13 inches but not larger than 14 inches by 18 inches and clearly showed the territory proposed to be included in the district library district; a map that unambiguously showed the relationship of the proposed district library district to the adjacent and constituent units of government, which would include counties, cities, villages, townships, school districts, and district libraries; and, the tax identification number of each parcel of property located within the proposed district library district.

The State Librarian would have to review the agreement and either approve or disapprove of the formation of the proposed district library district in accordance with the Act's provisions under which legislative bodies of municipalities must submit a district library agreement to the State Librarian for approval (MCL 397.175).

Upon being notified of the State Librarian's approval of an agreement, the secretary of the board of the affected district library would have to submit to the county clerk and the county treasurer of each county in which the district library district was located, and to the Secretary of State, a copy of the State Librarian's written statement of approval for the district library and the map of the district library's territory.

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

A district library recognized by the Legislative Council before the bill's effective date could 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 were recognized by the Legislative Council as lawfully established for the distribution of State aid and penal fines. A district library that amended its boundaries under this provision would have to meet all of the following requirements:

- The board of the district library adopted a resolution designating the territory to be excluded from its boundaries.
- The proposed amended boundaries excluded 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.
- If the district library had borrowed money and issued bonds giving its unlimited tax full faith and credit to secure that debt, taxable property within the district library district remained subject to property taxation for payment of the debt until the bonds were paid in full, or until the district library irrevocably transferred into an escrow account money or assets that provided for the payment of the bonds in full.

- The district library filed with the State Librarian a copy of a map that complied with the bill's requirements.

If a district library complied with the above provisions and the State Librarian did not disapprove the amended boundaries within 10 days after receiving the map, the boundaries would be amended.

MCL 397.173

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

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. There are 15 counties that have libraries with legal service area population overlap. The overlap population totals 36,986. Affected counties include: Allegan, Barry, Cheboygan, Clinton, Grand Traverse, Ingham, Lenawee, Livingston, Missaukee, Newago, Oceana, Roscommon, Tuscola, Washtenaw, and Wayne. By January 1, 1998, the population overlap will decrease to 36,669, due to the establishment of the Capital Area District Library, thereby eliminating the population overlap in Ingham and Clinton Counties.

Fiscal Analyst: B. Bowerman

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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.