

Legislative Analysis



CREATE AND JOIN THE INTERSTATE LIBRARY COMPACT

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Senate Bill 278 as passed Senate
Sponsor: Sen. John Proos
House Committee: Commerce and Trade
Senate Committee: Commerce
Complete to 10-9-17

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

SB 278 would create a new act, the "Interstate Library Compact", and allow Michigan to join the Interstate Library Compact. The compact would apply to Michigan and any bordering state that joined the compact in the same manner.

Generally speaking, the bill would allow Michigan agencies and officials, at any level of political subdivision, to enter into agreements with bordering states for the cooperative conduct of library services to facilitate the effective provision of such services.

A more detailed description of the bill follows.

Purpose of Compact

The purpose states that since services provided by public libraries transcend governmental boundaries, and can be provided more effectively regardless of jurisdictional lines, states party to the compact agree to share responsibilities and provide joint services in areas where an interstate library arrangement is the most effective way to deliver services.

Procedure to Create Agreement

The compact would enable the appropriate officials and agencies in the states party to the compact, or any of their political subdivisions, to enter into agreements for the joint conduct of library services when it is deemed that such an agreement will facilitate library services.

Content of Agreement

The compact would require that any agreement for the cooperation or joint establishment, operation or use of library services, facilities, personnel, equipment, materials, or other items not otherwise excluded must include:

- Details on the specific nature of the services, facilities, properties, or personnel to which it is applicable.
- The allocation of costs and other financial responsibilities.
- The respective rights, duties, obligations and liabilities.
- The terms and conditions for duration, renewal, termination, abrogation, disposal of joint property, if any, and any other appropriate matters.

Administrator

The compact would require that each party state must designate a compact administrator to hold copies of all agreements to which his or her state or subdivisions are party to. The

administrator would have any power given to him by the laws of his or her state, and could consult and cooperate with the compact administrators in other party states to promote the purposes of the compact.

Other Provisions

- Nothing in the compact or an agreement entered into under the compact could be construed to supersede, alter, or otherwise impair any obligation imposed on any public library by otherwise applicable laws.
- The compact would become operative immediately upon its enactment by any state or between it and any other contiguous party state or states.
- The compact would continue in force for each party state until six months after any state has given notice of repealing the legislation. Any withdrawal would not be construed to relieve any party to an agreement authorized under the compact prior to the end of this six-month period.
- Finally, the provisions of the compact would be severable, and the intent is that the provisions would be construed reasonably and liberally.

BRIEF BACKGROUND:

According to the National Center for Interstate Compacts, 34 states have joined the Interstate Library Compact, including Indiana and Ohio.¹

FISCAL IMPACT:

The bill could create an indeterminate cost increase for the state and have an indeterminate fiscal impact on local libraries.

The state could incur administrative costs because the bill requires that the state designate an administrator who manages all of the agreements related to the compact made by local libraries with other states' administrators.

The bill could shift revenue among local libraries because current revenues are based on per capita membership. Both state aid to libraries (state funds) and penal fine (county funds) revenue sources are based on per capita membership counts, and their distribution at the state and county level could be altered if out-of-state populations are counted by Michigan libraries. If a district includes out-of-state populations, it would raise their membership counts which would increase their proportion received from state aid to libraries and penal fine revenues while decreasing the proportion received by other libraries. Also, local libraries could see minimal savings for administering these interstate contracts by working through the state-designated administrator rather than making contractual agreements individually.

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

¹ "Interstate Library Compact." National Center for Interstate Compacts. Available online: <http://apps.csg.org/ncic/Compact.aspx?id=89>. Accessed 2 October 2017.