

Legislative Analysis



COUNT ONLY IN-STATE RESIDENTS FOR CERTAIN STATE LIBRARY FUNDING

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House Bill 5618 as introduced
Sponsor: Rep. Pamela Hornberger
Committee: Commerce and Trade
Complete to 2-26-18

SUMMARY:

House Bill 5618 would amend the State Aid to Public Libraries Act to specify that certain per capita and related payments received from the state are based on a library's population of in-state residents served.

Currently under the act, a cooperative library is granted continuing state aid at the rate of 50 cents per capita for its served population. The bill would change this provision so that the aid would be 50 cents per capita for the cooperative library's population of in-state residents served.

Also under the act, for each fiscal year after 1977-78, a public library that belongs to a cooperative library receives from state aid an additional 50 cents per capita, to be used to pay for the cooperative services. Again, the bill would change this provision so that the aid would be 50 cents per capita for the public library's population of in-state residents served.

Each public library cooperative qualified under the act receives \$10 per square mile for the area that it serves if the area served has fewer than 75 people per square mile. The bill would change this provision so that the \$10 would be received for the area that it serves within this state that has fewer than 75 people per square mile.

Finally, a certain public library that is a county library serving a population of 50,000 or fewer is eligible for a salary reimbursement for a specific employee in certain circumstances. The bill would change the population requirement for this public library to be 50,000 or fewer in-state residents.

MCL 397.563 and 397.566

FISCAL IMPACT:

House Bill 5618 would have no fiscal impact on the state and would have an indeterminate fiscal impact on local libraries.

There would be an indeterminate fiscal impact for local libraries because out-of-state residents could still be counted for per capita membership rates for local libraries meeting minimum standards under Section 16(2).

Public Act 173 of 2017 (Senate Bill 278) entered Michigan into the Interstate Library Compact and thereby possibly permitted local libraries to count out-of-state residents in their per capita membership rate, which is used to distribute state aid to libraries (state funds) and penal fine (county funds) revenue sources. Therefore, if a district includes out-of-state populations, it would raise its membership counts, which would increase its proportion received from state aid to libraries and penal fine revenues while decreasing the proportion received by other libraries. Currently, there are no out-of-state residents counted in local per capita membership.

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