

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 5336 (Substitute H-2 as passed by the House)  
Sponsor: Representative David Mead  
House Committee: Local Government and Urban Policy

### **CONTENT**

The bill would amend the District Library Establishment Act to allow an existing district library agreement to be changed to reduce the number of mills authorized in the agreement if one or more municipalities or parts of municipalities joined the existing district library district. The reduction in the number of mills to be levied in the district would be contingent on approval of the voters of the existing district and the voters of each municipality or part of a municipality seeking to join the existing district. Defeat of the proposal by the electors of the existing district would not have any effect on the validity of the district library's continued levy of the previously authorized millage.

Under the Act, a municipality or part of a municipality other than a school district may become party to an existing agreement if the agreement's requirements concerning the addition of a participating municipality are met or, if there are no such requirements, if the following requirements are met: The legislative body of the municipality resolves by majority vote that the municipality become a participating municipality and that all or a portion of the territory of the municipality be added to the district; the resolution is conditioned upon the library board's adoption of amendments to the agreement; and the library board amends the agreement by majority vote of its members. If the established district levies a districtwide library tax, the library board must condition acceptance of the municipality or portion of the territory of the municipality on the approval of the majority of voters in the municipality or part of the municipality voting on the proposal.

MCL 397.176 et al.

Legislative Analyst: Nobuko Nagata

### **FISCAL IMPACT**

The bill would have no fiscal impact on State government. The bill would have an indeterminate fiscal impact on local government, depending on the size of the local government.

Date Completed: 6-3-02

Fiscal Analyst: Maria Tyszkiewicz