

Act No. 540
Public Acts of 2002
Approved by the Governor
July 25, 2002
Filed with the Secretary of State
July 26, 2002
EFFECTIVE DATE: July 26, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Rep. Mead

ENROLLED HOUSE BILL No. 5336

AN ACT to amend 1989 PA 24, entitled "An act to provide for the establishment and maintenance of district libraries; to provide for district library boards; to define the powers and duties of certain state and local governmental entities; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by amending sections 6, 12, 14, and 25 (MCL 397.176, 397.182, 397.184, and 397.195) and by adding section 25a.

The People of the State of Michigan enact:

Sec. 6. Within 1 year after May 22, 1989, the board of a district library established pursuant to former 1955 PA 164 shall submit to the state librarian an organizational plan including the information required to be set forth in an agreement under section 4(1) and shall revise the board structure and selection to conform to section 9 or to sections 10 and 11. If the board of a district library established pursuant to former 1955 PA 164 complies with this section and the state librarian does not disapprove the revision of board structure and selection, the district library shall be considered to be established pursuant to this act.

Sec. 12. (1) A board may do 1 or more of the following:

- (a) Establish, maintain, and operate a public library for the district.
- (b) Appoint and remove officers from among its members.
- (c) Appoint and remove a librarian and necessary assistants and fix their compensation.
- (d) Acquire real or personal property for use for library purposes by purchase, land contract, installment purchase contract, lease with or without option to purchase, or title retaining contract.
- (e) Erect buildings.
- (f) Supervise and control district library property.
- (g) Enter into a contract to receive library-related service from or give library-related service to a library or a municipality within or without the district.
- (h) Adopt bylaws and regulations, not inconsistent with this act, governing the board and the district library.
- (i) Propose and levy upon approval of the electors as provided in this act a tax for support of the district library.
- (j) Borrow money pursuant to the district library financing act, 1988 PA 265, MCL 397.281 to 397.290.
- (k) Issue bonds pursuant to the district library financing act, 1988 PA 265, MCL 397.281 to 397.290.
- (l) Accept gifts and grants for the district library.
- (m) Do any other thing necessary for conducting the district library service, the cost of which shall be charged against the district library fund.

(2) A board may reimburse a board member for necessary expenses that the member incurs in the performance of official duties. A board may compensate board members for attending meetings of the board and shall include the amount of compensation in the annual budget. Compensation shall not exceed \$30.00 per board member per meeting. A board member shall not be compensated for attending more than 52 meetings per year.

(3) Money for the district library shall be paid to the board and deposited in a fund known as the district library fund. The board shall exclusively control the expenditure of money deposited in the district library fund.

Sec. 14. (1) An election for or recall of board members and an election for a districtwide tax shall be conducted under the provisions of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, and applicable provisions of the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, except to the extent that those provisions are inconsistent with the provisions of this act.

(2) If none of the participating municipalities are school districts, an election for a districtwide tax is governed by sections 15 to 18 and section 23. If 1 or more of the participating municipalities are school districts, an election for a districtwide tax is governed by section 15 and sections 19 to 23.

(3) If none of the participating municipalities are school districts, an election for district library board members is governed by sections 16 to 18 and section 23. If 1 or more of the participating municipalities are school districts, an election for district library board members is governed by sections 19 to 23.

Sec. 25. (1) A municipality other than a school district may become a party to an existing agreement if the agreement's requirements concerning the addition of a participating municipality are satisfied, or, in the absence of requirements in the agreement, if each of the following requirements is satisfied:

(a) The legislative body of the municipality resolves by majority vote that the municipality become a participating municipality and that all or, pursuant to section 3(2), a portion of the territory of the municipality be added to the district.

(b) The resolution is conditioned upon the board's adopting, within a period of time specified in the resolution, amendments to the agreement specified in the resolution. The amendments specified shall reflect the addition of the municipality or of the territory to the district and shall include, but need not be limited to, changes in board representation or the percentage of funds necessary for the establishment and operation of the district library to be supplied by each participating municipality after the municipality becomes a party to the agreement.

(c) The board amends the agreement within the time and in the manner specified in the resolution of the legislative body of the municipality. Notwithstanding anything to the contrary in the procedure for amending the agreement set forth in the agreement pursuant to section 4, the amendment shall be made by majority vote of the members of the board elected or appointed and serving.

(2) If there is a districtwide library tax, the board shall condition acceptance of the municipality or portion of the territory of the municipality into the district on the authorization of that tax by a majority of the electors of the municipality or portion of the territory of the municipality voting on the proposal.

(3) Notwithstanding section 13 or a districtwide tax or taxes authorized by section 13, an existing district library agreement may change the number of mills authorized in the existing district library agreement if 1 or more municipalities or parts of municipalities join the existing district library district. The change of the number of mills to be levied in the district library district shall be contingent on the approval by a majority of the voters of the existing district library district voting on the question and on the approval of a majority of the voters of each municipality or part of a municipality seeking to join the existing library district voting on the question. Defeat of the proposal submitted to the electors of the existing district library district shall not have any effect on the validity of the continued levy by the existing district library of previously authorized millage.

Sec. 25a. (1) A county, having a population of at least 400,000 and not more than 500,000 on the date the amendatory act that added this section became effective, and 1 or more other participating municipalities may jointly establish a consolidated district library if each of the following requirements is satisfied:

(a) The consolidated district library is a consolidation of 2 or more district libraries each of which has been established, under this act, and includes all of the district of each district library included in the consolidated district library, and the district of each included district library is located wholly within the county joining in establishing the consolidated district library.

(b) The legislative body of each participating municipality identified in the agreement for the consolidated district library adopts a resolution providing for establishment of the consolidated district library and approving a consolidated district library agreement.

(c) The participating municipalities in the consolidated district library include at least 1 participating municipality from each of the district libraries included in the consolidated district library. The county may be the required

participating municipality for any included district library if the county is a participating municipality of that district library.

(d) Establishment of the consolidated district library is approved by a majority of the electors of the district of each district library included in the consolidated district library, and by a majority of the electors of each participating municipality in a district library included in the consolidated district library, in which municipality a district library tax is levied by that municipality or is authorized to be levied by the municipality.

(2) Except as otherwise provided by this section, a consolidated district library agreement shall comply with section 4. A consolidated district library agreement may contain the provision authorized by section 4(2), and, if it does include such a provision, the agreement shall comply with the requirements of section 4(2).

(3) A consolidated district library agreement shall specify an establishment date for the consolidated district library and, as to each district library being consolidated into the consolidated district library, a date on which, if the consolidated district library has been established, the district library being consolidated into the consolidated district library will cease providing library services. The specified establishment date for the consolidated district library may be the date on which the electors approve the establishment of the consolidated district library as prescribed in subsection (1)(d).

(4) The board of commissioners of a county proposing to join in establishing a consolidated district library, on behalf of the participating municipalities proposing to establish that consolidated district library, shall file the consolidated district library agreement with the state librarian, and shall otherwise comply with section 3(5). For purposes of section 3(6), (7), and (8), and section 5, the filed consolidated district library agreement is considered to be an agreement described in section 4 if filed in accordance with section 3(5) and section 5(1).

(5) Subject to subsection (1), a consolidated district library is established the later of either of the following:

(a) The establishment date specified in the consolidated district library agreement.

(b) The earlier of the date on which the county board of commissioners receives notice of the state librarian's approval of the agreement, or the expiration of 30 days following the date on which the state librarian receives the agreement, without the state librarian having sent a written statement of approval or disapproval.

(6) On the date specified in the consolidated district library agreement for a district library being consolidated into the consolidated district library to cease providing library services, the board of that district library is dissolved and, subject to subsection (8), the assets and liabilities of that district library are transferred to the consolidated district library. Any contract entered into by a district library consolidated into the consolidated district library, if entered into after the requirements of subsection (1) for establishment of a consolidated district library have been satisfied, may be rescinded by the consolidated district library within 60 days after the consolidated district library is established. If so provided in the consolidated district library agreement, the consolidated district library board may be established and may function prior to the consolidated district library establishment date specified in the agreement for the purpose of preparing for the establishment. Preparation may include, but is not limited to, entering into contracts that will become effective on or after the date on which the consolidated district library is established. Preparation does not include levying a tax. A consolidated district library is a successor district library to the district libraries consolidated into the consolidated district library.

(7) If a consolidated district library agreement prescribes appointed board members, the board shall consist of not fewer than 5 and not more than 9 members. The agreement may authorize 1 or more board members to be appointed by a municipality that was a participating municipality in a district library included in the consolidated district library, even though that municipality is not participating in the consolidated district library.

(8) A tangible asset of a district library being included in a consolidated district library, that was contributed to that district library for use by that district library only, shall be distributed upon establishment of the consolidated district library to the distributee designated by that included district library's agreement to receive that asset upon dissolution of that district library, unless that distributee concurs in a different distribution. A tangible asset that has been transferred to a district library for nominal consideration is considered contributed to that library. A tangible asset that was originally received by a district library being included in a consolidated district library, from a participating municipality of that district library, and which under that district library's agreement is to be distributed to that municipality upon dissolution of that district library, is not transferred to the consolidated district library without the approval of that municipality.

(9) A consolidated district library may not levy a tax that was authorized for a district library included in the consolidated district library. A ballot question for approval of the establishment of a consolidated district library may include authorization for a districtwide tax for the consolidated district library. However, a consolidated district library tax authorization may be stated as a separate ballot question. A question whether to approve the establishment of a consolidated district library, and, prior to establishment of a consolidated district library, a proposal for authorization of a districtwide tax for a consolidated district library, may be submitted to the electorate through adoption of a resolution of, and certification by, the county board of commissioners. After a consolidated district library is established, any ballot proposal for a districtwide tax for that library shall be adopted and certified by that library's board.

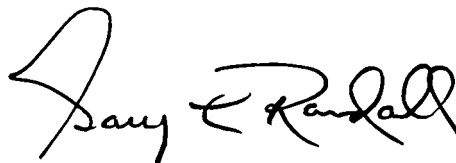
Submission to the electorate of a proposal for authorization of a districtwide tax, as permitted by this subsection through action by the county board of commissioners prior to establishment of a consolidated district library, does not render the tax, if authorized and levied, a county tax as distinguished from a district library tax. If the tax is authorized, any levy of the tax shall be by the board of the consolidated district library. A consolidated district library shall not levy a tax before the boards of all the district libraries being consolidated into the consolidated district library are dissolved as provided in subsection (6).

(10) A question of whether to approve establishment of a district library, and a question of whether to approve a proposal for a districtwide tax for a consolidated district library, shall be certified by the county board of commissioners or the consolidated district library board to the clerk not later than 60 days before the election. The question shall be certified for inclusion on the ballot at the next general election or the next state primary election immediately preceding the next general election, scheduled to be held at least 60 days after the certification, or at a special election not occurring within 45 days of that next general or primary election.

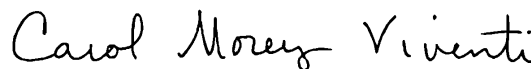
(11) For purposes of sections 14 through 23, a question certified under subsection (10), and an election of members of a consolidated district library board, shall be considered as being for a district in which none of the participating municipalities are school districts, notwithstanding whether 1 or more school districts are such municipalities. If a consolidated district library is established, the costs of an election on whether to approve a resolution providing for establishment of the district library shall be charged to and reimbursed by the consolidated district library in the same manner and to the same extent as costs are charged to and reimbursed by the district library under section 23 for an election for board members or a districtwide tax. If there is an election on whether to approve the establishment of a consolidated district library, and if the consolidated district library is not established, costs of the election, which would be charged to and reimbursed by the consolidated district library under this subsection if the consolidated district library had been established, shall be charged to and reimbursed by the county. Those costs include the costs of any proposal for a districtwide tax for the consolidated district library submitted to the electorate at that same election.

(12) A consolidated district library is a district library established pursuant to this act. Subject to this section, other sections of this act apply to a consolidated district library.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives.



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Secretary of the Senate.

Approved

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Governor.