



**House  
Legislative  
Analysis  
Section**

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**LIBRARIES: INCREASE TAX LEVY**

House Bill 4769 as introduced  
First Analysis (9-30-87)

**RECEIVED**

OCT 15 1987

Sponsor: Rep. Carl Gnodtke  
Committee: Towns and Counties

Mich. State Law Library

H.B. 4769 (9-30-87)

***THE APPARENT PROBLEM:***

Public Act 128 of 1984 authorized townships, cities, or villages which were adjacent to other townships, cities, or villages that supported free public libraries to contract for the use of library services with the adjacent local units. The services contracted for may be paid by levying a tax of not more than one mill of the municipality's state equalized valuation. The decision of whether or not to contract for library services, and the rate of taxation to be levied for the purpose of paying for its use, is determined by the electors in the township, city, or village. Since 1984, however, inflation has left some libraries in need of more funds. In addition, the funds received from the one mill tax levy often fall only slightly short of the amount a library may need to cover costs, and a slight increase to 1.1 mills, for example, would be sufficient. The one mill tax levy, therefore has proven to be too rigid. Often, too, municipalities that contract for the use of library services would be willing to vote in favor of tax of two mills, but there is no provision in the law to allow for voters to decide on this issue.

***THE CONTENT OF THE BILL:***

The bill would amend the act to increase the ceiling on the tax levy for library services to not more than two mills, with the increase to be subject to voter approval.

MCL 397.213

***FISCAL IMPLICATIONS:***

According to the House Fiscal Agency, there are no fiscal implications for the state in this bill. The fiscal implications for local governmental units would vary, according to the taxes levied. (9-29-87)

***ARGUMENTS:***

***For:***

The proposed legislation is necessary to bridge a gap in the law which has resulted in inequities toward some libraries. If the voters in the municipality that use a library's services are willing to vote in favor of a higher tax levy, then they should be allowed to do so.

***POSITIONS:***

The Michigan Library Association supports the bill. (9-29-87)

The Michigan Townships Association supports the bill. (9-29-87)

The Michigan Municipal League supports the bill. (9-29-87)