



DISTRICT LIBRARY INFO SHEET

NOTE: District Library establishment can be complicated. Please do not attempt to establish as a District without the assistance of an attorney.

This sheet is only intended as a brief overview. Please consult the cited statutory sections, and/or an attorney for detailed information

August 13, 2021

WHY?

- District Libraries are autonomous and do not answer to a governing municipal authority.
- District Libraries are in sole control of their monies and maintain their own fund accounts.
- District Libraries are Taxing Authorities and can levy their own millages.
- District Libraries **can** potentially be more financially stable. Since Districts are, by nature, formed by combining municipalities, they tend to be larger entities. This means that they can benefit from higher State Aid payments, potentially larger penal fine payments, larger millage payments (due to increased population), and, since the population is larger, there can be opportunities for greater fundraising opportunities.
- Being a District means merging with another library or municipality as far as library services. This can create a lot of change in current library services, including a change in Board make-up, and even possible administrative personnel (depending on population changes and whether differing State Aid certification requirements will apply to the new District).

WHY NOT?

- District Libraries are dependent on members for funds and smooth operation.
- District Libraries are solely reliant on their own governance to solve problems and maintain funding, as well as maintain everyday operations such as payroll, insurance, etc.
- District Libraries are autonomous and do not have to answer for their operation to individual municipalities except as outlined within the District Library Agreement. Municipalities lose any control they had over the library.
- Any collaboration between the District Library and a municipality must be via a contract or formal agreement.
- Being a District means merging with another library or municipality as far as library services. This can create a lot of change in current library services, including a change in Board make-up, and even possible administrative personnel (depending on population changes and whether differing State Aid certification requirements will apply to the new District).

HOW

- Establish potential partners for District:
 - Current Contracted areas
 - Current Unserved populations (the Library of Michigan maintains a list of municipalities that currently do not have library service).
 - Neighboring municipalities, school districts or established libraries that are currently not part of a District.
 - Municipalities or existing libraries that could benefit from the financial stabilization that can come from being part of a successful District)

Three methods of establishing a District Library under the District Library Establishment Act (DLEA): ([1989 PA 24. MCL 397.171, et. seq.](#))

- 1) Existing Public Libraries and Municipalities (including 1 school district) may form District under [MCL 397.173.](#)
 - a. [Need District Library Agreement](#)
 - b. District cannot overlap with another existing Library's legal service area
 - c. Can include only 1 school district
 - d. Planned boundaries must not include population already being served by another District or another existing library that is not part of the proposed District.
 - e. Board can be appointed or elected (method must be in District Library Agreement)
 - f. Municipalities need resolution
 - g. Documents must be submitted to State Librarian
 - h. Funding can come from approved millage, existing millage (until it expires), and/or Municipal appropriation.
- 2) Individual Municipality may form District:
 - a. Municipality must have attempted to form District for 3 consecutive years without success.
 - b. Must have [District Library Agreement](#) and meet other criteria of DLEA
 - c. Must submit a Plan of Service to the State Librarian
 - d. Municipality must have a population of 4,500 or more.
- 3) 2 or more Municipalities (including 1 school district) may form a District Library via a ballot question under [MCL 397.173a](#)
 - a. Need 5% of electors within total population of proposed district to sign petition
 - b. Can only include 1 school district.
 - c. Planned boundaries must not include population already being served by another District or another existing library that is not part of the proposed District.
 - d. Must include millage request as part of ballot
 - e. Must have elected board
 - f. [Must have District Library Agreement](#)
 - g. Must submit documents to State Librarian

The District Library Agreement:

Each of the methods for establishing a District under the District Library Establishment Act (DLEA), 1989 PA 24, MCL 397.171, et seq, require that the municipalities partnering to form a district approve a District Library Agreement (DLA). Section 4, of the DLEA, MCL 397.174 provides requirements for provisions that must be included as part of a DLA. Additional provisions may also be included in a DLA, but it is best for entities considering a District to consult their attorneys on the contents of a DLA that will work best for their libraries and communities.

Sample District Library Agreements are available from the Library Law Consultant in the Library of Michigan Library Development, membielac@michigan.gov.

Funding

Section 4(d) of the DLEA, 1989 PA 24, MCL 397.174(d), requires that the DLA include a provision stating the fiscal responsibilities of each partner, or member, of the district. It requires that the agreement state the percentage of the district's annual budget that each member of the district is responsible to provide.

Most district libraries are funded by a millage passed in each of the municipalities that are part of the District. However, the law does not require a millage, District Libraries may be funded in other ways, such as direct appropriations from the participating municipalities. District libraries are also eligible to receive Penal Fines from each of the municipalities they serve, and, if eligible, State Aid funds as well. However, State Aid and Penal Fine monies are not sufficient on their own to adequately run a district library of any size. Furthermore, neither State Aid nor Penal Fines are intended as the sole funding mechanism for a library of any type.

When considering how the proposed District Library will be funded, it is important to consider that since a district, by definition, means that multiple municipalities are involved, attention should be paid to the amount of money each population served by the library will be paying towards the operation and maintenance of the library.

NOTE:

The applicable sections of the District Library Establishment Act, (1989 PA 24, MCL 397. 171, et seq.) contain the specific requirements for establishment, including the required contents of a District Library Agreement ([MCL 397.174](#))

Additional information on District Libraries can also be obtained from the [District Library Law guide](#) available on the Library of Michigan's library Law page.

Clare D. Membiela
Library of Michigan
Library Law Consultant