

# State of Wisconsin



1997 Senate Bill 269

Date of enactment: **April 20, 1998**

Date of publication\*: **May 4, 1998**

## 1997 WISCONSIN ACT 150

AN ACT *to repeal* 43.11 (2), 43.11 (4) and 43.24 (2) (c); *to renumber and amend* 43.15 (4) (c) 5., 43.19 (1) (b) and 43.64 (2); *to amend* 43.001 (1) (e), 43.09 (2), 43.11 (1), 43.11 (3), 43.15 (2) (c) 1. and 2. and (d), 43.15 (4) (a), 43.18 (1) (a), 43.18 (3) (e), 43.19 (1) (a), 43.24 (1) (a) 3., 43.24 (2) (a), 43.24 (2) (b), 43.24 (2) (d), 43.24 (2) (e), 43.24 (2) (g), 43.24 (2) (k), 43.52 (1m), 43.54 (1) (a), 43.54 (3) and 43.58 (6) (a); *to repeal and recreate* 43.15 (1) (a) and (b); and *to create* 16.99 (3), 43.05 (14), 43.11 (3) (d), 43.12, 43.15 (3) (c), 43.15 (4) (c) 5. a., b. and c., 43.17 (2m), 43.19 (1) (b) 2., 43.24 (1) (a) 4., 43.24 (2) (fm), 43.24 (2) (i), 43.24 (6), 43.58 (6) (c), 43.64 (2) (a) and (b) 1. and 2. and 43.64 (2m) of the statutes; **relating to:** the number of members on the system board in certain federated library systems; nomination and approval of members of a library system board in a federated public library system; public library advisory committees; exemption from the county property tax levy for library services; the establishment by counties of standards for public libraries; public library system aids; reports on the effectiveness of public library systems; withdrawal from and participation in public library systems; appeals to the state superintendent of public instruction of a county library board or county board of supervisors' disapproval of a town's request to establish a public library; authorizing private colleges and universities to participate in telecommunications networks; and requiring counties to pay public libraries for services provided to residents of the county that reside in municipalities that do not maintain public libraries.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

PREFATORY NOTE: This bill was created by the joint legislative council's special committee on public libraries. The bill contains proposals for miscellaneous revisions in statutes relating to public libraries and includes the following provisions:

A. REDUCED EXPENDITURE FACTOR IN LIBRARY SYSTEM AID FORMULA

Under current law, the amount of state aid given to a particular public library system is based upon a formula consisting of 3 factors: 1) the area of the public library system in square miles; 2) local expenditures for library services in the public library system; and 3) the population of the public library system. For each square mile of territory in a public library system, a single-county system receives \$8 per year and

a multicounty system receives \$20 per year. Each public library system also receives 4% of total operating expenditures by counties and municipalities within the public library system for public library services in the 2nd preceding calendar year.

This bill reduces the "expenditure factor" in the public library system aid formula from 4% to 2% of the total operating expenditures by counties and municipalities within the public library system for public library services in the 2nd calendar year following the first fiscal year that the total amount of state aid appropriated for public library systems equals at least 13% of the total operating expenditures by counties and municipalities for library services.

B. COUNTY PAYMENT FOR LIBRARY SERVICES: EXCEPTION

The bill requires each county that has a population under 500,000 that does not maintain a consolidated public library for the county and that contains residents of municipalities

\* Section 991.11, WISCONSIN STATUTES 1995-96: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

that do not maintain a public library to pay each public library in the county an amount to reimburse the public library for services provided to those county residents. The amount is determined by multiplying the total number of loans of material the public library makes to county residents who do not reside in a municipality that maintains a public library by that public library's "unit costs" of providing loans of library materials. "Unit cost" is determined by dividing the total operational expenditures of the library for the applicable period, not including capital expenditures or expenditures of federal funds, by the total number of loans of material the public library makes during that period.

C. REVISED METHOD FOR CALCULATING COUNTY "MAINTENANCE OF EFFORT" REQUIREMENTS

Under current law, a county must generally maintain its financial support for library services at a level not lower than the average support of the previous 3 years (the "maintenance of effort" requirement). Property within a municipality is subject to the county property tax levy for library services unless the municipality appropriates and spends for a library fund a sum at least equal to the municipality's share of the tax levy for library services in the prior year. When a municipality previously subject to the county property tax levy for library services qualifies for this exemption from the tax, it may recalculate its maintenance of effort requirement and reduce its financial support for library services. This reduction is computed by subtracting the previous year's equalized valuation of tax-exempt property in the municipality from the equalized valuation of property in the county for the previous year and dividing the remainder by the previous year's equalized valuation of property in the county.

Under this bill, the reduction in the county's maintenance of effort requirement is computed by subtracting the previous year's equalized valuation of tax-exempt property in the municipality from the equalized valuation of property within the county that was subject to the county property tax levy for library services in the prior year and dividing the remainder by the previous year's equalized valuation of property within the county that was subject to the county property tax levy for library services in that year.

The bill also provides that funding from the state, the federal government or a private source that has been designated for library service by the source may not be included in determining whether a county has satisfied the maintenance of effort requirement. In addition, the bill provides that: 1) unspent funding appropriated in a prior year by the municipality or county for library services may not be included in the computation of whether a county has satisfied the maintenance of effort requirement for a succeeding year; and 2) funding for library services from a county must not be included for a municipal or joint public library in determining whether a county has satisfied the maintenance of effort requirement.

E. REQUIREMENTS FOR MUNICIPAL EXEMPTION FROM COUNTY PROPERTY TAX LEVY

This bill provides that a city, village, town or school district is exempt from the county property tax levy for library services only if the city, village, town or school district levies a property tax for library services and appropriates and expends for a library fund a sum at least equal to an amount determined by multiplying the county property tax rate for library services in the prior year by the equalized valuation of property in the city, village, town or school district in the current year.

The bill also specifies that no city, village, town or school district is exempt from the county property tax levy for library services if, by September 1 of the year preceding the year for which the tax is levied, the county board determines that the public library of the city, village, town or school district that

is a member of the public library system has not complied with the approved standards, if any, for public libraries.

F. COUNTY LIBRARY PLANNING COMMITTEE

Under current law, if a county board, in a county where all public library service is administered or coordinated by an existing library board, decides to appoint a county library planning committee, the existing library board must serve as the county library committee. This bill specifies that this provision also applies where there is a single-county public library system board and that the existing library board is permitted, but not required, to serve as the planning committee. The bill also details the purposes of a county library planning committee.

G. PUBLIC LIBRARY ADVISORY COMMITTEE

This bill permits every public library board to appoint a public library advisory committee.

H. WITHDRAWAL FROM AND PARTICIPATION IN PUBLIC LIBRARY SYSTEMS

Under current law, if a county wishes to withdraw from a federated public library system whose territory lies within 2 or more counties, it must obtain the approval of the governing body of each participating municipality in the county. This bill provides that a county may withdraw from a federated public library system whose territory lies within 2 or more counties if the governing bodies of participating municipalities that contain at least 80% of the population of participating municipalities in the county approval. This bill also provides that a municipality or county that has withdrawn or been expelled from a public library system must comply with the requirements of initial participation and must adopt a new plan for library service for the county before it may participate in a public library system.

J. REPORT TO DIVISION ON LIBRARY SYSTEM EFFECTIVENESS

This bill requires library boards, in their annual reports to the division of libraries and community learning (DLCL) in the department of public instruction, to include a statement indicating whether the public library system in which the library participates did or did not provide effective leadership and adequately meet the needs of the library and an explanation of why the library board believes so.

M. MISCELLANEOUS PROVISIONS

This bill also does all of the following:

1. Authorizes the department of administration (DOA) to allow regionally accredited 4-year nonprofit colleges and universities that are incorporated in this state or that have their regional headquarters and principal place of business in this state to participate in any telecommunications network administered by DOA.
2. Repeals statutory standards for administrative rules regulating public library systems and permits DLCL to promulgate necessary standards for public library systems.
3. Repeals the provision in current law specifying the composition of county library planning committees.
4. Revises county library planning requirements.
5. Repeals language authorizing county library planning committees to dissolve.
6. Revises minimum population requirements for public library systems.
7. Requires that all territory within a joint library be included in the same public library system. If the territory of a joint library lies in 2 or more counties that are not in the same public library system, the bill requires the joint library board or, if no such board exists, the governing bodies of the municipalities and counties forming the joint library, to determine the public library system in which the joint library will participate.

8. Deletes a provision in current law permitting a single-county public library system (federated or consolidated) to become a part of a multicounty federated system by written agreement of the county board and creates a provision permitting 2 systems to merge with the approval of: a) each public library system board; b) the county boards of the participating counties; and c) 51% of the participating public libraries in the system.

9. Requires that the system board of a federated public library system whose territory lies within a single county must be: a) nominated by the county executive, or by the county chairperson in a county without a county executive; and b) approved by the county board. Current law requires the system board to be appointed by the county board and does not specify a nomination process.

10. Specifies that in a federated public system whose territory lies within 2 or more counties, the members of the system board must be: a) nominated by the county executive in each county in the system, or by the county board chairperson in each county in the system without a county executive; and b) approved by each county board in the system. Current law requires the members of the system to be appointed by the county boards of the counties in the system, acting jointly, and does not specify a nomination process. The bill also permits the system board to consist of more than 20 members if the county boards, acting jointly, determine that each county in the system should be represented by at least 2 members on the system board. Current law limits the board in such a system to not more than 20 members.

11. Requires, as a condition of receiving state library aids, a public library system to develop additional service programs based on the needs of its member libraries and residents of the system area.

12. Provides that not more than 2 members of a municipal library board may be residents of other municipalities. Current law specifies that not more than 2 members may be residents of towns adjacent to the municipality.

13. Deletes the requirement in current law that library board members be appointed for a term of years on a date that begins on the succeeding July 1.

14. Allows public libraries to file annual reports with the governing body of the municipality and with DLCL within 60 days, rather than 30 days (current law), after the conclusion of the fiscal year.

N. EFFECTIVE DATE

The bill provides for July 1, 1998, as the effective date for the provisions in the bill.

**SECTION 1.** 16.99 (3) of the statutes is created to read:

**16.99 (3) PRIVATE COLLEGE AND UNIVERSITY PARTICIPATION IN STATE TELECOMMUNICATIONS NETWORK.** The department may allow regionally accredited 4-year non-profit colleges and universities that are incorporated in this state or that have their regional headquarters and principal place of business in this state to participate in any telecommunications network administered by the department.

NOTE: This SECTION authorizes DOA to allow regionally accredited 4-year nonprofit colleges and universities that are incorporated in this state or that have their regional headquarters and principal place of business in this state to participate in any telecommunications network administered by DOA.

**SECTION 2.** 43.001 (1) (e) of the statutes is amended to read:

43.001 (1) (e) That the most effective use of library resources in this state can occur only through interlibrary cooperation among all types of libraries and the effective use of technology.

NOTE: This SECTION recognizes the importance of technology in library resource sharing.

**SECTION 3.** 43.05 (14) of the statutes is created to read:

**43.05 (14)** Conduct a review of a public library system if at least 30% of the libraries in participating municipalities that include at least 30% of the population of all participating municipalities state in the report under s. 43.58 (6) (c) that the public library system did not adequately meet the needs of the library. If the division determines that the public library system did not adequately meet the needs of libraries participating in the system, it shall prepare an advisory plan suggesting how the public library system can so do in the future, including suggestions designed to foster intrasystem communications and local dispute resolution. The advisory plan shall be distributed to the public library system board, the boards of all libraries participating in the system and the county boards of all counties participating in the system. In this subsection, "participating municipality" has the meaning given in s. 43.18 (1) (c).

**SECTION 4.** 43.09 (2) of the statutes is amended to read:

**43.09 (2) PUBLIC LIBRARY SYSTEMS.** The division, by rule, ~~shall~~ may promulgate necessary standards for public library systems. ~~Such~~ If promulgated, such rules shall be consistent with s. 43.15 and shall be established in accordance with ch. 227, except that the division shall hold a public hearing prior to adoption of any proposed rule. In addition to the notice required under s. 227.17, the division shall endeavor to notify each public library of such public hearings. ~~Standards for public library systems shall be based on the population served, adequacy of the buildings and physical facilities, the qualifications and number of personnel, book resources and other library materials, financial support and such other standards as the division finds necessary to ensure adequate library service.~~

NOTE: This SECTION repeals statutorily specified bases for standards for administrative rules regulating public library systems and permits, rather than requires (current law), DLCL to promulgate necessary standards for public library systems.

**SECTION 5.** 43.11 (1) of the statutes is amended to read:

**43.11 (1) CREATION.** Any county board may appoint a county library planning committee under this section. If a county board, in a county where all public library service is administered or coordinated by an existing county library board or where there is a single-county public library system board, determines to appoint a committee under this section, the existing library board ~~shall~~ may serve as the county library planning committee. The

county board shall notify the division immediately upon appointment of the committee.

NOTE: Under current law, if a county board, in a county where all public library service is administered or coordinated by an existing library board, decides to appoint a county library planning committee, the existing library board must serve as the county library committee. This SECTION of the bill specifies that: 1) this provision also applies where there is a single-county public library system board; and 2) the existing library board is permitted, but not required, to serve as the planning committee.

**SECTION 6.** 43.11 (2) of the statutes is repealed.

NOTE: This SECTION repeals the provision specifying the composition of county library planning committees.

**SECTION 7.** 43.11 (3) of the statutes is amended to read:

43.11 (3) (title) DUTIES AND POWERS. (a) The committee ~~shall investigate the potential of a public library system in the county and adjacent counties, and may prepare a new plan for the organization of a county or multicounty system, revise an existing plan or change the boundaries of a public library system.~~ It shall conduct public hearings concerning these plans, revisions and changes to which representatives of all libraries in the county shall be invited and shall cooperate with similar committees of adjoining counties for the purpose of planning multicounty public library systems.

(b) The committee's final report, including ~~a plan for initial and long-range services~~ a new plan, revisions to an existing plan or changes to the boundaries of a public library system and copies of any written agreements necessary to implement the ~~proposed system proposal~~, shall be filed with the county board and submitted to the division. Plans for multicounty systems shall include a method for allocating system board membership among the member counties.

(c) The plan of library service for a county, whether for a single county or a multicounty system, shall provide for library services to residents of those municipalities in the county not maintaining a public library under this chapter. The services shall include full access to public libraries ~~in the county~~ participating in the public library system and the plan shall provide for reimbursement for that access. Services may include books-by-mail service, bookmobile service, the establishment of additional libraries or other services deemed appropriate by the committee. Services may be provided by contracting with existing public libraries in the county or in adjacent counties or with the public library system or by creating a county library organization under this chapter. The plan of library service for a county may provide for improving public library service countywide and in municipalities that have libraries. The plan shall specify the method and level of funding to be provided by the county to implement the services described in the plan ~~and shall describe the services to be provided by the public library system and the allocation of state and county aid to fund those~~

services, including the reimbursement of public libraries for access by residents of those municipalities in the county not maintaining a public library.

NOTE: This SECTION clarifies county library planning requirements.

**SECTION 8.** 43.11 (3) (d) of the statutes is created to read:

43.11 (3) (d) The plan of library services for a county may include minimum standards of operation for public libraries in the county. The county shall hold a public hearing on any standards proposed under this paragraph. The standards shall take effect if they are approved by the county and the public library boards of at least 50% of the participating municipalities in the county that contain, according to the most recent estimate prepared under s. 16.96, at least 80% of the population of participating municipalities in the county.

**SECTION 9.** 43.11 (4) of the statutes is repealed.

NOTE: This SECTION repeals the authorization for county library planning committees to dissolve.

**SECTION 10.** 43.12 of the statutes is created to read:

**43.12 County payment for library services.** (1) By March 1 of each year, a county that does not maintain a consolidated public library for the county under s. 43.57 and that contains residents who are not residents of a municipality that maintains a public library under s. 43.52 or 43.53 shall pay to each public library in the county an amount that is equal to at least 70% of the amount computed by multiplying the number of loans reported under sub. (2) by the amount that results from dividing the total operational expenditures of the library during the calendar year for which the number of loans are reported, not including capital expenditures or expenditures of federal funds, by the total number of loans of material made by the public library during the calendar year for which the loans are reported.

(2) By July 1 of each year, each public library lying in whole or in part in a county shall provide a statement to the county clerk of that county that reports the number of loans of material made by that library during the prior calendar year to residents of the county who are not residents of a municipality that maintains a public library under s. 43.52 or 43.53 and the total number of loans of material made by that library during the previous calendar year.

(3) A county may enter into an agreement with its participating municipalities or with a public library system to pay no less than the amounts determined under sub. (1) to the public library system for distribution to the public libraries that participate in that system.

(4) Upon request of a county clerk, a public library shall provide access to all books and records used to determine the amount computed under sub. (2).

(5) Nothing in this section prohibits a county from providing its own additional funding for shared services. A library board may elect to have this funding credited to

such shared services rather than to receive it as direct reimbursements.

(5m) Nothing in this section prohibits a county from providing its own additional funding for capital expenditures.

(6) The county library board or, if no county library board exists, the county itself, shall either distribute the aid provided by the county to the public libraries, as provided in the plan prepared under s. 43.11, or shall transfer the aid for distribution to the public library system in which it participates.

(7) This section does not apply to a county having a population of 500,000 or more.

NOTE: This SECTION requires each county having a population under 500,000 that does not maintain a consolidated public library for the county and that contains residents of municipalities that do not maintain a public library to pay each public library in the county an amount to reimburse the public library for services provided to those county residents. The amount is determined by multiplying the total number of loans of material made by that public library to residents of the county who are not residents of a municipality that maintains a public library by that public library's "unit costs" of providing loans of library materials. "Unit cost" is determined by dividing the total operational expenditures of the library for the applicable period, not including capital expenditures or expenditures of federal funds, by the total number of loans of material made by the public library during that period.

**SECTION 11.** 43.15 (1) (a) and (b) of the statutes are repealed and recreated to read:

43.15 (1) (a) Have a population of 100,000 or more. If, because of the withdrawal or realignment of participating municipalities or counties, a public library system has a population under 100,000, the remaining parts of the system shall realign with an existing system within 2 years after the date on which the population falls below 100,000.

(b) After July 1, 1998, no new system may be established unless it serves a population of at least 200,000.

NOTE: This SECTION revises minimum population requirements for public library systems.

**SECTION 12.** 43.15 (2) (c) 1. and 2. and (d) of the statutes are amended to read:

43.15 (2) (c) 1. Subtract the previous year's equalized valuation of that portion of the city, village, town or school district that is located in the county from the previous year's equalized valuation of the county property in the county that was subject to the county tax levied in the previous year.

2. Divide the remainder under subd. 1. by the previous year's equalized valuation of the county property in the county that was subject to the county tax levied in the previous year.

(d) For the year following a the first year for which an exemption is granted under s. 43.64 (2), the product calculated under par. (c) 3. shall be the amount used as the annual county support level for the 2 preceding years preceding the first year for which an exemption is granted for

the purpose of calculating the 3-year average under par. (b). For the 2nd year following a the first year for which an exemption is granted under s. 43.64 (2), the product calculated under par. (c) 3. shall be the amount used as the annual county support level for the 2nd year preceding the year for which the exception is granted for the purpose of calculating the 3-year average under par. (b).

NOTE: Under current law, a county must generally maintain its financial support for library services at a level not lower than the average of the previous 3 years' support (the maintenance of effort requirement). Property within municipalities is subject to the county property tax levy for library services unless the municipality appropriates and spends for a library fund a sum at least equal to the municipality's share of the county property tax levy for library services in the prior year. When a municipality that has previously been subject to the county property tax levy for library services qualifies for this exemption from the tax, the county may recalculate its maintenance of effort requirement and reduce its financial support for library services.

This reduction is computed by: 1) subtracting the previous year's equalized valuation of tax-exempt property in the municipality from the equalized valuation of property in the county for the previous year; and 2) dividing this remainder by the previous year's equalized valuation of property in the county. Under this SECTION of the bill, the reduction in the county's maintenance of effort requirement would be computed by subtracting the previous year's equalized valuation of tax-exempt property in the municipality from the equalized valuation of property within the county that was subject to the county property tax levy for library services in the previous year and dividing this remainder by the previous year's equalized valuation of property within the county that was subject to the county property tax levy for library services in that year.

**SECTION 13.** 43.15 (3) (c) of the statutes is created to read:

43.15 (3) (c) If the territory of a joint library lies in 2 or more counties that are not in the same public library system, the joint library board or, if no such board exists, the governing bodies of the municipalities and counties that created the joint library shall determine the system in which the joint library will participate.

NOTE: This SECTION requires that all territory within a joint library be included in the same public library system. If the territory of a joint library lies in 2 or more counties that are not in the same public library system, the joint library board or, if no such board exists, the governing bodies of the municipalities and counties forming the joint library, must determine the public library system in which the joint library will participate.

**SECTION 14.** 43.15 (4) (a) of the statutes is amended to read:

43.15 (4) (a) A public library system may be organized as a single-county federated public library system, a multicounty federated public library system or a single-county consolidated public library system. ~~A single-county public library system, whether federated or consolidated, may become part of a multicounty federated public library system by written agreement of the county board.~~ Two public library systems may merge with the approval of each public library system board, the county

boards of the participating counties and 51% of the participating public libraries in the system.

NOTE: This SECTION repeals a provision permitting a single-county public library system (federated or consolidated) to become a part of a multicounty federated system by written agreement of the county board and creates a provision permitting 2 systems to merge with the approval of each public library system board, the county boards of the participating counties and 51% of the participating public libraries in the system.

**SECTION 15.** 43.15 (4) (c) 5. of the statutes is renumbered 43.15 (4) (c) 5. (intro.) and amended to read:

43.15 (4) (c) 5. (intro.) Receives funding from the municipal or, for a consolidated county library or a county library service, from the county governing body at a level that is not lower than the average of such funding received for the previous 3 years. The following are not included as funding for purposes of computing the 3-year average:

NOTE: See the NOTE to SECTION 16.

**SECTION 16.** 43.15 (4) (c) 5. a., b. and c. of the statutes are created to read:

43.15 (4) (c) 5. a. Funding received from a state, federal or private source that has been designated as funding for library services.

b. Unspent funding appropriated by a municipality or county for library services for a prior year.

c. For a municipal or joint public library, funding received from a county.

NOTE: This SECTION provides that a municipal, county or joint public library may not include the following funding to satisfy the maintenance of effort requirement:

1. Funding from the state, the federal government or a private source that has been designated by the source for library services.

2. Unspent funding that was appropriated in a prior year by the municipality or county for library services.

3. For a municipal or joint public library, funding for library services from a county.

**SECTION 17.** 43.17 (2m) of the statutes is created to read:

43.17 (2m) **ADVISORY COMMITTEE.** Every public library system may appoint a public library advisory committee to, among other things, advise the system board about the status and needs of libraries in the system, serve as a conduit of information between the system board and individual libraries in the system and make recommendations to the system board relating to libraries in the system.

NOTE: This SECTION permits every public library system to appoint a public library advisory committee.

**SECTION 18.** 43.18 (1) (a) of the statutes is amended to read:

43.18 (1) (a) With the approval of the governing body of each participating municipality in the county bodies of participating municipalities that contain, according to the most recent estimate prepared under s. 16.96, at least

80% of the population of participating municipalities in the county, a county may withdraw from a federated public library system whose territory lies within 2 or more counties.

NOTE: Under current law, if a county wishes to withdraw from a federated public library system whose territory lies within 2 or more counties, it must obtain the approval of the governing body of each participating municipality in the county. This SECTION provides that a county may withdraw from a federated public library system whose territory lies within 2 or more counties if it obtains the approval of the governing bodies of participating municipalities that contain at least 80% of the population of participating municipalities in the county.

**SECTION 19.** 43.18 (3) (e) of the statutes is amended to read:

43.18 (3) (e) A municipality or county that has withdrawn or that has been expelled from a public library system may participate in a public library system only by fulfilling the requirements for initial participation under s. 43.15 (4) (b) or (c) and by adopting a new plan of library service for the county.

NOTE: This SECTION clarifies that a municipality or county that has withdrawn or been expelled from a public library system must comply with the requirements of initial participation and must adopt a new plan of library service for the county before it may participate in a public library system.

**SECTION 20.** 43.19 (1) (a) of the statutes is amended to read:

43.19 (1) (a) In a federated public library system whose territory lies within a single county, the system board shall consist of 7 members appointed nominated by the county executive, or by the county board chairperson in a county without a county executive, and approved by the county board. At least 3 members of the system board, at the time of their appointment, shall be active voting members of library boards governing public libraries of participating municipalities, and at least one of these shall be a member of the library board governing the resource library. At least one but not more than 2 members of the county board shall be members of the system board at any one time.

NOTE: This SECTION requires members of a system board in a federated public library system whose territory lies within a single county to be nominated by the county executive, or by the county chairperson in a county without a county executive and approved by the county board. Current law requires the system board to be appointed by the county board and does not specify a nomination process.

**SECTION 21.** 43.19 (1) (b) of the statutes is renumbered 43.19 (1) (b) 1. and amended to read:

43.19 (1) (b) 1. In Except as provided in subd. 2., in a federated public library system whose territory lies within 2 or more counties, the system board shall consist of at least 15 and not more than 20 members appointed by the county boards, acting jointly nominated by the county executive in each county in the system, or by the county board chairperson in a county without a county executive, and approved by each county board in the system.

Appointments shall be in proportion to population as nearly as practical, but, except as provided in subd. 2., each county shall be represented by at least one member on the system board. Each county board may appoint one county board member to the system board. The public library board governing the designated resource library shall have at least one member on the system board. The remaining system board members shall include such representatives of the library boards governing public libraries of participating municipalities and counties and public members appointed from the counties at large as the county board determines.

**SECTION 22.** 43.19 (1) (b) 2. of the statutes is created to read:

43.19 (1) (b) 2. A system board appointed under subd. 1. may consist of more than 20 members if the county boards, acting jointly, determine that each county in the system shall be represented by at least 2 members on the system board.

NOTE: SECTION 21 specifies that in a federated public system whose territory lies within 2 or more counties, the members of the system board must be: 1) nominated by the county executive in each county in the system, or by the county board chairperson in a county without a county executive; and 2) approved by each county board in the system. Current law requires the members of the system to be appointed by the county boards of the counties in the system, acting jointly, and does not specify a nomination process.

SECTION 22 permits the system board of a federated public library system whose territory lies within 2 or more counties to consist of more than 20 members if the county boards, acting jointly, determine that each county in the system should be represented by at least 2 members on the system board. Current law limits the board in such a system to not more than 20 members.

**SECTION 23.** 43.24 (1) (a) 3. of the statutes is amended to read:

43.24 (1) (a) 3. An Except as provided in subd. 4., an amount equal to 4% of the total operating expenditures for public library services in territory within the system from local and county sources in the calendar year ending in the fiscal year immediately preceding the fiscal year for which aids are to be paid.

**SECTION 24.** 43.24 (1) (a) 4. of the statutes is created to read:

43.24 (1) (a) 4. In the 2nd calendar year following the first fiscal year that the total amount of state aid appropriated for public library systems under s. 20.255 (3) (e) equals at least 13% of the total operating expenditures under subd. 3. and in every calendar year thereafter, an amount equal to 2% of the total operating expenditures specified under subd. 3.

NOTE: Under current law, the amount of state aid given to a particular public library system is based upon a formula consisting of 3 factors: 1) the area of the public library system in square miles; 2) local expenditures for library services in the public library system; and 3) the population of the public library system. For each square mile of territory in a public library system, a single-county system receives \$8 per year

and a multicounty system receives \$20 per year. Each public library system also receives 4% of total operating expenditures (the expenditure factor) by counties and municipalities within the public library system for public library services in the 2nd preceding calendar year. The area and expenditure payments for each system are totaled and subtracted from the total state library aid appropriation. The remaining amount is then divided by the population of all public library systems to establish a per capita amount. Each public library system's aid payment is computed by multiplying the public library system's population by the per capita amount and adding to this product the amounts generated by the public library system's area and expenditure factors.

These SECTIONS provide for a reduction in the expenditure factor from 4% to 2% of total operating expenditures in the 2nd calendar year following the first fiscal year that the total amount of state aid appropriated for public library systems equals 13% of the total operating expenditures and for every calendar year thereafter.

**SECTION 25.** 43.24 (2) (a) of the statutes is amended to read:

43.24 (2) (a) Interlibrary Written agreements to provide, to any resident of the system area, the same library services, on the same terms, that are provided to the residents of the municipality or county that established the member library, except for the group programming preference authorized under s. 43.15 (4) (c) 4., and to provide for the interlibrary loan of materials among all participating public libraries, as evidenced by agreements with those libraries.

NOTE: Current law provides, as a condition of receiving state aid, that a public library system provide, among other things, interlibrary loan of materials among all participating libraries. Current law also provides that a municipal, county or joint public library may participate in a public library system if, among other things, it enters into a written agreement with a public library system board to participate in the interlibrary loan of materials and to provide the same library services, on the same terms, to residents of the municipality or county that establishes the member library. This SECTION makes the requirements in the 2nd provision requirements for receiving state aid.

**SECTION 26.** 43.24 (2) (b) of the statutes is amended to read:

43.24 (2) (b) Backup reference, information and interlibrary loan services from the system resource library, including the development of and access to specialized collections, as evidenced by a written agreement with that library.

**SECTION 27.** 43.24 (2) (c) of the statutes is repealed.

**SECTION 28.** 43.24 (2) (d) of the statutes is amended to read:

43.24 (2) (d) Referral or routing of reference and interlibrary loan requests from libraries within the system to libraries within and outside the system, as evidenced by a plan and service program.

**SECTION 29.** 43.24 (2) (e) of the statutes is amended to read:

43.24 (2) (e) In-service training for and professional consultation with participating public library personnel

within the system as evidenced by a plan and a service program and trustees.

NOTE: These SECTIONS require a public library system to provide professional consultation with participating library personnel and trustees and to provide information services from the system resource library.

**SECTION 30.** 43.24 (2) (fm) of the statutes is created to read:

43.24 (2) (fm) Electronic delivery of information and physical delivery of library materials to participating libraries.

NOTE: This SECTION requires a public library system to provide library materials physically and information electronically to participating libraries.

**SECTION 31.** 43.24 (2) (g) of the statutes is amended to read:

43.24 (2) (g) Service agreements with all adjacent library systems as evidenced by the agreements.

**SECTION 32.** 43.24 (2) (i) of the statutes is created to read:

43.24 (2) (i) Any other service programs designed to meet the needs of participating public libraries and the residents of the system area, as determined by the public library system board after consultation with participating public libraries.

NOTE: These SECTIONS provide that a public library system, to qualify for and maintain its eligibility for state library aids, must provide additional service programs based on the needs of its member libraries and residents of the system area.

**SECTION 33.** 43.24 (2) (k) of the statutes is amended to read:

43.24 (2) (k) ~~Continuous planning with the division and with participating public libraries and counties in the areas in regard to providing~~ Promotion and facilitation of library service to users with special needs and the coordination and implementation of a plan of service as evidenced by the written plan and documentation of its implementation.

NOTE: This SECTION requires that a public library system, to qualify for and maintain its eligibility for state library aids, promote and facilitate library services to users with "special needs".

**SECTION 34.** 43.24 (6) of the statutes is created to read:

43.24 (6) In submitting information under s. 16.42 for purposes of the biennial budget bill, the department shall include an amount for the appropriation under s. 20.255 (3) (e) for each fiscal year of the fiscal biennium equal to 13% of the total operating expenditures for public library services, in territories anticipated to be within all systems in the state, from local and county sources in the calendar year immediately preceding the calendar year for which aid under this section is to be paid.

**SECTION 35.** 43.52 (1m) of the statutes is amended to read:

43.52 (1m) On and after April 10, 1986, any town desiring to establish a new public library or participate in a joint library under s. 43.53 shall in addition to the requirement under sub. (1) obtain the approval of the county library board, if one exists, and the county board of supervisors before final action is taken. The county library board and the county board of supervisors shall render decisions within 90 days of the request being received. A town may appeal to the state superintendent a decision of the county library board or the county board of supervisors that disapproves the participation by the town in a joint library with a municipality located in another county. The state superintendent shall hold a public hearing on the appeal within 60 days after receiving notice of the appeal. The state superintendent shall publish a class 1 notice under ch. 985 of the hearing and shall also provide notice of the hearing to the town board, the county board of supervisors and the county library board. The state superintendent shall decide the appeal within 30 days after the adjournment of the public hearing.

**SECTION 36.** 43.54 (1) (a) of the statutes is amended to read:

43.54 (1) (a) Each public library established under s. 43.52 shall be administered by a library board composed in each city of the 2nd or 3rd class or school district of 9 members, in each city of the 4th class of 7 members and in each village, town, tribal government or tribal association of 5 members. Two additional members may be appointed to a library board for a village, town, tribal government or tribal association so that the board has 7 members. Members shall be residents of the municipality, except that not more than 2 members may be residents of towns adjacent to the municipality ~~other municipalities.~~ Members shall be appointed by the mayor, village president, town chairperson, tribal chairperson or school board chairperson, respectively, with the approval of the municipal governing body. Up to 2 additional members may be appointed under s. 43.60 (3).

NOTE: Current law specifies that not more than 2 members of a municipal library board may be residents of towns adjacent to the municipality. This SECTION provides that not more than 2 members of the board may be residents of other municipalities.

**SECTION 37.** 43.54 (3) of the statutes is amended to read:

43.54 (3) In any city of the 2nd or 3rd class, the common council may, by a two-thirds vote, provide for the reduction of the number of appointive members of the library board to 7. Thereupon, whenever a term expires or a vacancy occurs, no appointment shall be made until the number of such members has been so reduced, whereupon the remaining members shall be by lot divided by the common council into 3 classes, 3 to serve for 3 years, 2 to serve for 2 years and 2 to serve for one year, respectively, from the date of such completed reduction, and there-

after each regular appointment shall be for a term of 3 years, ~~from the succeeding July 1.~~

NOTE: This SECTION repeals the requirement that library board members be appointed for a term of years on a date that begins on the succeeding July 1.

**SECTION 38.** 43.58 (6) (a) of the statutes is amended to read:

43.58 (6) (a) Within ~~30~~ 60 days after the conclusion of the fiscal year of the municipality or county in which the public library is located, the library board shall make a report to the division and to its governing body. The report shall state the condition of the library board's trust and the various sums of money received for the use of the public library during the year, specifying separately the amounts received from appropriations, from the income of trust funds, from rentals and other revenues of the public library and from other sources. The report shall state separately the condition of the permanent trust funds in the library board's control, shall state in detail the disbursements on account of the public library during that fiscal year and shall contain an estimate of the needs of the public library for the next succeeding fiscal year.

NOTE: This SECTION allows public libraries to file annual reports with the governing body of the municipality and with DLCL within 60 days, rather than 30 days, after the conclusion of the fiscal year.

**SECTION 39.** 43.58 (6) (c) of the statutes is created to read:

43.58 (6) (c) The report to the division shall contain a statement by the library board indicating whether the public library system in which the library participated during the year of the report did or did not provide effective leadership and adequately meet the needs of the library and an explanation of why the library board believes so. The division shall design the form of the statement so that it may be removed from the report and forwarded to the division before it is sent to the public library system.

NOTE: This SECTION requires library boards in their annual reports to DLCL to include a statement indicating whether the public library system in which the library participates did or did not provide effective leadership and adequately meet the needs of the library. The report must contain an explanation of why the library board believes the public library system did or did not provide effective leadership and adequately meet the needs of the library.

**SECTION 40.** 43.64 (2) of the statutes is renumbered 43.64 (2) (b) (intro.) and amended to read:

43.64 (2) (b) (intro.) Any Except as provided in sub. (2m), any city, town, village or school district in a county levying a tax for public library service under sub. (1)

shall, upon written application to the county board of the county, be exempted from the tax levy, if the city, town, village or school district making the application levies a tax for public library service and appropriates and expends for a library fund during the year for which the county tax levy is made a sum at least equal to ~~the city's, town's, village's or school district's share of the sum levied by the county board for public library service under sub. (1) in the prior year.~~ In this subsection, "library fund" means ~~the funds raised by the city, town, village or school district by tax levy or appropriation under s. 43.52 (1).~~ an amount calculated as follows:

**SECTION 41.** 43.64 (2) (a) and (b) 1. and 2. of the statutes are created to read:

43.64 (2) (a) In this subsection, "library fund" means the funds raised by the city, village, town or school district by tax levy or appropriation under s. 43.52 (1).

(b) 1. Divide the amount of tax levied by the county for public library service under sub. (1) in the prior year by the equalized valuation of property in that area of the county that was subject to the county property tax levy for public library services in the prior year.

2. Multiply the amount determined under subd. 1. by the equalized valuation of property in the city, village, town or school district for the current year.

**SECTION 42.** 43.64 (2m) of the statutes is created to read:

43.64 (2m) No city, village, town or school district is exempt from the tax levy under sub. (2) for any year if, by September 1 of the year preceding the year for which the tax is levied, the county board determines that the public library of the city, village, town or school district that is a member of the public library system has not complied with standards approved under s. 43.11 (3) (d).

NOTE: SECTIONS 40 to 42 provide that a city, village, town or school district is exempt from the county property tax levy for library services if the city, village, town or school district has complied with approved library standards, if any, and levies a property tax for library services and appropriates and expends for a library fund a sum at least equal to an amount determined by multiplying the county property tax rate for library services in the prior year by the equalized valuation of property in the city, village, town or school district in the current year.

**SECTION 43m. Initial applicability.**

(1) The treatment of section 43.12 of the statutes first applies to county payments made by March 1, 2001, for library services provided in the 1999 calendar year and reported to the county clerk by July 1, 2000.

**SECTION 44. Effective date.**

(1) This act takes effect on July 1, 1998.