

SESSION OF 2024

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2176**

As Amended by Senate Committee on Local  
Government

**Brief\***

HB 2176, as amended, would create the Arkansas City Area Public Library District Act and the Udall Area Public Library District Act (Acts). The Acts would be identical except for references to the cities of Arkansas City and Udall and references to USD 470 (Arkansas City) and USD 463 (Udall). The bill would also make conforming amendments to a statute defining “local public libraries.”

***Creation of Library Districts***

The Acts would authorize the Boards of Trustees of existing public libraries in the cities of Arkansas City and Udall to adopt resolutions submitting to voters the question of creating a library district and a proposed tax levy amount. The library district territory would be the territory within the boundaries of the relevant school district.

Upon a majority of qualified electors of the proposed library districts voting in favor of the proposed library district, the district would be established and all contracts, bonds, debts, and other obligations of the existing public libraries would transfer to the new district, except for debts related to the ownership of real estate of the library, which would remain an obligation of the city.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

### ***Governance of Library Districts***

Library districts under the Acts would be governed by seven-member boards of trustees (board or boards). Four members would be appointed by the governing body of the relevant city with one member residing outside the city, and three members living outside of the city would be appointed by the relevant boards of education. The members would be appointed to terms of four years and would serve until successors are appointed and qualified. Members would be eligible for reappointment, but could not serve more than two consecutive terms without one year of non-service following the second consecutive term. Members would receive no compensation, but would be paid actual expenses associated with their duties.

The boards would be required to annually elect a chairperson, secretary, and treasurer and other officers deemed necessary by the board. Regular meetings would be set by the board, and limited special meetings could be called by the chairperson or a majority of the members of the board. The bill would require the board treasurer to give bond in an amount set by the board and pay out funds on orders of the board signed by the chairperson and secretary. County treasurers would be required to remit funds collected for the board to the board treasurer.

The boards would be required to annually adopt a budget for the library following notice and a hearing concerning the budget. The bill would require the budget to state the amount of tax to be collected, which would be levied on behalf of the library district by the relevant board of education. The bill would require the tax levy to be submitted to an election upon the filing of a petition signed by at least five percent of the qualified voters in the tax district. The bill would prohibit the proceeds of the tax from supporting a regional system of cooperating libraries for any subsequent calendar year.

The bill would state the libraries would cease to be participating libraries in their respective library systems. The bill would authorize the library districts created by the bill to submit a petition to join their respective library systems as participating libraries.

### ***Operation of Libraries***

The bill would require the library to be free for the use of residents of the library district, subject to rules adopted by the board. The library would be permitted to charge non-residents a fee for the use of the library.

The board would be authorized to exercise the usual powers of a corporation for public purposes. Specifically, the board would be authorized to:

- Make appropriate rules for the administration of the library;
- Purchase or lease real estate for the library;
- Acquire library materials;
- Employ a librarian and other employees;
- Establish and maintain a traveling library;
- Contract with other libraries or municipalities;
- Receive gifts, grants, and tax proceeds; and
- Make annual reports to the State Librarian and the board of education.

### **Background**

The House Committee on Taxation inserted the contents of HB 2205 into HB 2176 while retaining the contents of HB

2176. Background information for each bill may be found below.

### ***HB 2176***

The bill was introduced by Representatives Rhiley and Roth.

#### *House Committee on Taxation*

In the House Committee hearing on February 7, 2023, **proponent** testimony was provided by representatives of the Arkansas City Public Library and USD 470 (Arkansas City). The proponents generally stated the bill would allow the library to receive additional tax proceeds, which would exceed the amount provided for in the city's charter ordinance.

Written-only proponent testimony was provided by representatives of the Arkansas City Public Library and four private citizens.

Written-only neutral testimony was provided by the State Librarian of Kansas and a representative of the South Central Kansas Library System (SCKLS).

The House Committee amended the bill to add the provisions of HB 2205, a substantially similar bill regarding the Udall Public Library.

#### *Senate Committee on Local Government*

In the Senate Committee hearing on February 1 and February 15, 2024, **proponent** testimony was provided by representatives of the Arkansas City Public Library and the Udall Public Library. A copy of a resolution adopted by the USD 463 (Udall) Board of Education in support of the bill was provided.

**Opponent** written-only testimony was provided by a representative of the Southeast Kansas Library System (SEKLS). They stated the precedent that the Independence Public Library set for ending rural tax support to the regional system through special legislation could encourage other libraries to do the same which could severely hinder the regional systems' capacity to provide services.

**Neutral** testimony was provided by the State Librarian on behalf of the State Library of Kansas. He provided historical context regarding the regional library system in Kansas including the provisions and distinctions between the taxing authority that belongs to the regional library system and the local libraries. The State Librarian also noted the State Library of Kansas Board has the authority to approve exclusion of a library taxing district from a system taxing district without the exclusion harming the regional system. He stated this bill would allow other districts to follow which could greatly reduce the funds received by the regional systems which would make it difficult to provide services to local libraries.

Written-only neutral testimony was provided by representatives of the Central Kansas Library System (CKLS) and SCKLS.

The Senate Committee amended the bill to:

- Allow the Arkansas City Public Library to submit a petition to rejoin the CKLS once the library ceases to participate in the regional system after transitioning to the new library district under the bill;
- Allow the Udall Public Library to submit a petition to rejoin the SCKLS once the library ceases to participate in the regional system after transitioning to the new library district under the bill; and
- Prohibit a tax levy for any subsequent calendar year to support the regional system of cooperating

libraries on land within the library districts created by the bill after the levies provided for in the bill take effect.

## **HB 2205**

### *House Committee on Taxation*

In the House Committee hearing on February 7, 2023, **proponent** testimony was provided by a representative of the Udall Public Library, stating the bill would better align the library's taxing district with its patron base and allow the library to provide more services while levying a lower tax rate.

Written-only proponent testimony was provided by a representative of the Udall Public Library and a private citizen.

Written-only neutral testimony was provided by the State Librarian of Kansas and a representative of the South Central Kansas Library System.

### **Fiscal Information**

According to the fiscal notes prepared by the Division of the Budget on the bills, as introduced, the bills would have a negligible state fiscal effect. Enactment of the bills could have a local fiscal effect in Cowley County attributable to the costs of special elections to establish the libraries and the change in taxing districts and tax levies associated with the libraries. Each special election is anticipated to cost between \$10,000 and \$15,000. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Public libraries; Arkansas City; Udall; regional library system; district library; Udall area public library district; Arkansas City public library district