

SESSION OF 2024

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2176

As Amended by Senate Committee of the Whole

Brief*

HB 2176, as amended, would create the Arkansas City Area Public Library District Act and the Udall Area Public Library District Act (Library Acts). These 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 make conforming amendments to a statute defining “local public libraries.” The bill would also create the Blind Information Access Act (Access Act).

Creation of Library Districts

The Library 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.

*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 Library Acts would be governed by seven-member boards of trustees (board or boards). The members would be elected at the first general election held after the creation of the library districts. Three members would serve an initial two-year term and four members would serve an initial four-year term. Future terms would be four-year terms. Vacancies on the library district board would be filled by appointment for the unexpired term by the other board members. 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 5 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.

Blind Information Access Act

Contract for Services

The bill would require the State Librarian to estimate the cost of entering into a contract with an organization that delivers on-demand information access services (services) to

persons who are blind, visually impaired, deafblind, print disabled, or have another disability. The services would provide access to digital content through:

- Audio; and
- Electronic text and braille reading technologies; and
 - Other related services, including, but not limited to:
 - Kansas-specific publications;
 - National publications;
 - International publications;
 - Breaking news sources; and
 - Localized emergency weather alerts.

The services would be provided using telecommunication services or internet services.

The State Librarian would be required to submit a report to the Legislature and the Kansas Corporation Commission on or before November 1 of each year that would specify the estimate of the cost to enter into such a contract.

Funding for Services

The bill would require the State Librarian to certify the cost to enter into or renew such a contract to the Director of Accounts and Reports and the Administrator of the Kansas Universal Service Fund (KUSF).

Upon receipt of the certification, the KUSF Administration would make transfers, in 12 equal monthly payments, from the KUSF to the State Treasurer, who would credit that amount to the Blind Information Access Fund, which the bill would create.

The bill would require that, upon receipt of the certified amount for the services, the State Librarian would enter into or renew the contract for services.

Conforming and Technical Amendments

The bill would make conforming amendments to authorize KUSF moneys to be used for services contracted pursuant to provisions establishing the Blind Information Access Act.

The bill would also remove outdated provisions regarding FY 2013 appropriations.

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. The Senate Committee of the Whole added the contents of SB 284 into HB 2176.

HB 2176 (Library Acts)

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.

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to:

- Add the Blind Information Access Act; and
- In the Library Acts, require the library board members to be elected in the next general election after the library districts are created, rather than be appointed.

HB 2205 (Udall Library District)

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 HB 2205 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.

SB 284 (Blind Information Access Act)

SB 284 was introduced by the Senate Committee on Ways and Means at the request of Senator Pittman on behalf of Senator Ware.

Senate Committee on Utilities

In the Senate Committee hearing, **proponent** testimony was provided by Senator Ware and two representatives of the National Federation of the Blind of Kansas. The proponents provided an overview of the different services that would be made available through the State Library by enactment of the bill and discussed information access funding issues.

Written-only proponent testimony was provided by a representative of Envision and 18 private citizens.

Neutral testimony was provided by a representative of the Kansas Corporation Commission. The representative requested three technical amendments.

Written-only neutral testimony was provided by a representative of the State Librarian.

No other testimony was provided.

The Senate Committee amended the bill to:

- Change the date on which the State Librarian is required to submit an annual expenditures report to on or before November 1, and include the Kansas Corporation Commission as an entity to receive such report;
- Require the KUSF Administrator to transfer 12 equal monthly payments to the State Treasurer, who then would credit such amount to the Blind Information Access Fund; and
- Make technical amendments.

Fiscal Information

HB 2176 (Library Acts)

According to the fiscal notes prepared by the Division of the Budget on the library 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*.

SB 284 (Blind Information Access Act)

According to the fiscal note prepared by the Division of the Budget on SB 284, as introduced, the State Library indicates enactment of the bill would increase its annual expenditures by \$99,000 from the Blind Information Access Fund beginning in FY 2024. The agency's estimate includes \$30,000 to contract with an organization to deliver on-demand information access services; \$54,000 in salaries and wages for 1.0 FTE (full-time equivalent) position to promote information access services to eligible individuals; and \$15,000 for expenses associated with outreach, periodical subscriptions, and administrative costs.

The Kansas Corporation Commission indicated enactment of the bill would have a negligible fiscal effect on its operations.

Any fiscal effect associated with enactment of SB 284 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; Blind Information Access Act