



# STRONG LIBRARIES = A STRONGER MICHIGAN

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## MICHIGAN LIBRARY ADVOCACY DAY



TUESDAY, APRIL 16, 2024 MICHIGAN STATE CAPITOL BUILDING

## FACT SHEET - Other Issues of Importance to Libraries

### Reform Headlee

In Michigan, the majority of funding for public libraries (approximately 80% overall) comes from property tax revenues in the form of dedicated millages. Depending on how a public library is legally formed, up to four mills may be levied in dedicated funding.

In 1978, voters approved an amendment to the Michigan constitution known as the Headlee Amendment. Headlee protected property owners from increases in taxes by rolling back the tax rates of millages so that growth would not exceed the rate of inflation from the existing tax base. In 1994, voters approved the Michigan Education Finance Amendment, known as Proposal A. Proposal A separated taxable value from state-equalized value and caps increases in taxable value at 5% or the rate of inflation, whichever is less.

The effect of Headlee and Proposal A together means that millage rates are permanently reduced (or “rolled back”) during periods of economic growth, which achieves the desired outcome of protecting taxpayers from taxes that are too high. However, during periods of economic recession, when property values decline, there is currently no mechanism to restore millage rates to the amount voters originally approved.

A Headlee Override involves asking the voters to approve raising the millage rate to its original rate after it has been forced to be rolled back because of growth in property values. It is the position of MLA that in an economic downturn, when values are decreasing, millage rates should be allowed to go up at the same rate of inflation.

**ASK: MLA supports legislation to reform Headlee and help to stabilize library revenues during an economic downturn.**

### Support School Library Legislation

Michigan ranks 46th in the U.S. in staffing school libraries. Michigan also ranks 43rd in the nation in 4th grade reading achievement, while studies show that students who attend schools with certified school librarians have higher reading and writing scores, better ACT scores, and better graduation rates.

We believe that all students in Michigan deserve equitable access to effective school libraries staffed by certified school librarians who:

- Increase student achievement with focus on reading achievement by supporting and teaching reading and inquiry learning
- Provide equitable access to diverse resources in their schools

- Teach information literacy, research, and digital citizenship skills to prepare students for college and career
- Lead and support technology integration in their schools.

MLA strongly supports the need for policy and funding to ensure every student in Michigan has equitable access to a school library staffed by a certified school librarian.

**ASK: We support the “Library in Every School” Bills introduced by Senator Camilleri and Senator Bayer (SB741, SB742, SB743).**

## **Allow for Remote Meetings in the Open Meeting Act (OMA)**

Allowing public library boards to meet virtually is of prime importance as the distance and time it takes to attend bi-weekly and monthly library board meetings takes its toll on participation. Updating Section 3a (MCL 15.263a) as amended by 2021 PA 54 of the Open Meetings Act (OMA) would allow cooperative library boards and local library boards to meet virtually if they choose.

**ASK: We urge support of these updates to allow for remote participation for elected and appointed trustees.**

## **Halt the Diversion of Penal Fines**

Michigan is the only state to have constitutionally mandated funding for libraries through penal fines which account for 3% to 70% of public libraries' annual budgets. In 2008, penal fines were at their highest level of \$32 million. By 2020, penal fines had dropped to \$24 million. MLA continues to see a slow erosion of this source of income for libraries across the state with little control on reversing this trajectory.

**ASK: We urge you to halt the erosion of penal and civil fines as new legislation is enacted and introduced.**

## **Importance of Millages to Library Funding**

A small group in Michigan is questioning if property taxes should be eliminated by changing the Michigan Constitution and is actively working to get this question onto the November 2024 ballot. It would be cataclysmic to libraries if property taxes were eliminated. Without this vital source of revenue, public libraries in communities throughout Michigan would let go of their staff members, close their doors, and cease to exist.

As locally controlled cultural institutions, most libraries in Michigan are funded primarily (75-95%) through property taxes. For our communities to be welcoming and vibrant places to live, work, visit, and learn we must recognize that this investment is critical and essential for every resident.

With over 7,700 employees working at the 397 library systems in Michigan, libraries are one of the last free and open public institutions in the heart of every single community in Michigan. Over 50% of Michiganders hold library cards and consistently and enthusiastically value their libraries by voting to support them through local millages (some in perpetuity.) Libraries are more than just books and are constantly evolving to provide the community with free and open access to information – offering access to high-speed internet, employment assistance, workspace, early literacy support, and more.

Not only would libraries be affected, but the entire fabric of our communities would be decimated as well...local government, police, fire, schools, jail, downtown development authorities, community colleges, parks and recreation, and the list goes on and on. The snowball effect and tremendous loss of jobs of this chaos would devastate our communities. It has been stated that an \$18 billion dollar hole would be created in state and local finances and there is no indication of how any of these critical and vital services would be funded.

**ASK: We are strongly opposed to the efforts of a small minority to eliminate property taxes.**