**Section 3030.80 Liquidation**

a) Upon receipt of an application to terminate a system and to cause a liquidation thereof, the State Librarian shall:

1) Poll the adjoining systems to assess to what extent and at what date any such adjoining systems can provide, to all or part of the service area of the liquidating system, a level of service equal to that provided by the liquidating system; and

2) Assess whether and to what extent adjoining systems can assume and absorb the assets and liabilities of the system proposed to be liquidated.

b) The board of directors of the library system shall develop the plan of liquidation for approval of the State Librarian. Such plan shall contain:

1) Complete list of all liabilities for the library system

2) Complete list of all assets of the library system, including detailed equipment descriptions

3) Proposals for distribution of all assets and liabilities

4) A plan for the orderly transition of system services.

c) All distribution of assets (including equipment items and real property) and liabilities shall be with the approval of the State Librarian.

d) The sale of any equipment or real property requires the prior approval of the State Librarian. Every effort shall be made to offer equipment items for the continuance of member services.

e) Once the State Librarian has determined that one or more of the adjoining systems meet the conditions stated above, the member libraries within the service area of the liquidating system will be notified that they may apply for membership to a new library system serving that area.

f) The State Librarian shall solicit and consider information regarding proposed boundary adjustments from each of the affected libraries before making the final determination as to the geographic boundaries of the library systems in the area previously served by the liquidating system.

(Source: Amended at 20 Ill. Reg. 3909, effective February 16, 1996)