99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB1523

Introduced 2/20/2015, by Sen. Pat McGuire

SYNOPSIS AS INTRODUCED:

75	ILCS	10/8	from	Ch.	81,	par.	118
75	ILCS	10/8.1	from	Ch.	81,	par.	118.1

Amends the Illinois Library System Act. Provides that the definition of "area served" for the purposes of making and expending annual Library System grants means the area that lies within the geographic boundaries of the library system as approved by the State Librarian. Provides that grant funding awarded to a library system may also be expended for the provision of services to members of other library systems if such an expenditure is included in a library system's plan of service and approved by the State Librarian. Provides that if moneys appropriated for grants exceed or fail to meet the \$1.25 per capita amount for the population of the area served by a qualifying public library, the funding shall be increased or decreased pro rata so that qualifying public libraries receive the same amount in excess of or less than the \$1.25 per capita amount. Effective July 1, 2015.

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FISCAL NOTE ACT MAY APPLY

A BILL FOR

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AN ACT concerning local government.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

4 Section 5. The Illinois Library System Act is amended by 5 changing Sections 8 and 8.1 as follows:

- 6 (75 ILCS 10/8) (from Ch. 81, par. 118)
- 7 Sec. 8. State grants.

(a) There shall be a program of State grants within the 8 9 limitations of funds appropriated by the Illinois General Assembly together with other funds made available by the 10 federal government or other sources for this purpose. This 11 program of State grants shall be administered by the State 12 Librarian in accordance with rules and regulations as provided 13 14 in Section 3 of this Act and shall include the following: (i) annual equalization grants; (ii) Library System grants; (iii) 15 16 per capita grants to public libraries; and (iv) planning and 17 construction grants to public libraries and library systems. Libraries, in order to be eligible for grants under this 18 19 Section, must be members of a library system.

20 (b) An annual equalization grant shall be made to all 21 public libraries for which the corporate authorities levy a tax 22 for library purposes at a rate not less than .13% of the value 23 of all the taxable property as equalized and assessed by the

Department of Revenue if the amount of tax revenue obtained 1 2 from a rate of .13% produces less than (i) \$4.25 per capita in 3 property tax revenue from property taxes for the 2006 taxable year payable in 2007 and (ii) \$7.50 per capita in property tax 4 5 revenue from property taxes for the 2007 taxable year and 6 thereafter. In that case, the State Librarian is authorized to make an equalization grant equivalent to the difference between 7 the amount obtained from a rate of .13% and an annual income of 8 9 \$4.25 per capita for grants made through Fiscal Year 2008, and 10 an annual income of \$7.50 per capita for grants made in Fiscal 11 Year 2009 and thereafter. If moneys appropriated for grants 12 under this Section are not sufficient, then the State Librarian 13 shall reduce the per capita amount of the grants so that the 14 qualifying public libraries receive the same amount per capita, 15 but in no event shall the grant be less than equivalent to the 16 difference between the amount of the tax revenue obtained from 17 the current levy and an annual income of \$4.25 per capita. If a library receiving an equalization grant reduces its tax levy 18 below the amount levied at the time the original application is 19 20 approved, it shall be ineligible to receive further 21 equalization grants.

If a library is subject to the Property Tax Extension Limitation Law in the Property Tax Code and its tax levy for library purposes has been lowered to a rate of less than .13%, the library will qualify for this grant if the library levied a tax for library purposes that met the requirements for this

grant in the previous year and if the tax levied for library 1 2 purposes in the current year produces tax revenue for the library that is an increase over the previous year's extension 3 of 5% or the percentage increase in the Consumer Price Index, 4 5 whichever is less, and the tax revenue produced by this levy is less than (i) \$4.25 per capita in property tax revenue from 6 property taxes for the 2006 taxable year payable in 2007 and 7 8 (ii) \$7.50 per capita in property tax revenue from property 9 taxes for the 2007 taxable year and thereafter. In this case, 10 the State Librarian is authorized to make an equalization grant 11 equivalent to the difference between the amount of tax revenue 12 obtained from the current levy and an annual income of \$4.25 13 per capita for grants made through Fiscal Year 2008, and an annual income of \$7.50 per capita for grants made in Fiscal 14 15 Year 2009 and thereafter. If moneys appropriated for grants 16 under this Section are not sufficient, then the State Librarian 17 shall reduce the per capita amount of the grants so that the qualifying public libraries receive the same amount per capita, 18 19 but in no event shall the grant be less than equivalent to the 20 difference between the amount of the tax revenue obtained from 21 the current levy and an annual income of \$4.25 per capita. If a 22 library receiving an equalization grant reduces its tax levy 23 below the amount levied at the time the original application is ineligible to 24 approved, it shall be receive further 25 equalization grants.

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(c) Annual Library System grants shall be made, upon

application, to each library system approved by the State
 Librarian on the following basis:

(1) For library systems, the sum of \$1.46 per capita of
the population of the area served plus the sum of \$50.75
per square mile or fraction thereof of the area served
except as provided in paragraph (4) of this subsection.

7 (2) If the amounts appropriated for grants are 8 different from the amount provided for in paragraph (1) of 9 this subsection, the area and per capita funding shall be 10 proportionately reduced or increased accordingly.

11 (3) For library systems, additional funds may be 12 appropriated. The appropriation shall be distributed on 13 the same proportional per capita and per square mile basis 14 as provided in paragraphs (1) and (4) of this subsection.

15 (4) Per capita and area funding for a multitype library 16 system as defined in subparagraph (3) of the definition of 17 "library system" in Section 2 and a public library system in cities with a population of 500,000 or more as defined 18 in subparagraph (2) of the definition of "library system" 19 20 in Section 2 shall be apportioned with 25% of the funding granted to the multitype library system and 75% of the 21 22 funding granted to the public library system.

(d) The "area served" for the purposes of <u>making and</u>
<u>expending annual Library System grants</u> this Act means the area
that lies within the geographic boundaries of the library
system as approved by the State Librarian, except that grant

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funding awarded to a library system may also be expended for the provision of services to members of other library systems if such an expenditure is included in a library system's plan of service and is approved by the State Librarian. In determining the population of the area served by the library system, the Illinois State Library shall use the latest federal census for the political subdivisions in the area served.

8 (e) In order to be eligible for a grant under this Section, 9 the corporate authorities, instead of a tax levy at a 10 particular rate, may provide an amount equivalent to the amount 11 produced by that levy.

12 (Source: P.A. 95-976, eff. 9-22-08.)

13 (75 ILCS 10/8.1) (from Ch. 81, par. 118.1)

14 Sec. 8.1. The State Librarian shall make grants annually under this Section to all qualified public libraries in the 15 16 State from funds appropriated by the General Assembly. Such grants shall be in the amount of up to \$1.25 per capita for the 17 population of the area served by the respective public library 18 19 and, in addition, the amount of up to \$0.19 per capita to 20 libraries serving populations over 500,000 under the Illinois 21 Major Urban Library Program. If the moneys appropriated for 22 grants under this Section fail to meet the \$1.25 per capita 23 amount above, the funding shall be decreased pro rata so that 24 qualifying public libraries receive the same amount per capita. If the moneys appropriated for grants under this Section exceed 25

the \$1.25 per capita amount above, the funding shall be increased pro rata so that qualifying public libraries receive the same amount per capita are not sufficient the State Librarian shall reduce the per capita amount of the grants so that the qualifying public libraries receive the same amount per capita.

7 To be eligible for grants under this Section, a public 8 library must:

9 (1) Provide, as determined by the State Librarian, 10 library services which either meet or show progress toward 11 meeting the Illinois library standards, as most recently 12 adopted by the Illinois Library Association.

13 (2) Be a public library for which is levied a tax for 14 library purposes at a rate not less than .13% or a county 15 library for which is levied a tax for library purposes at a 16 rate not less than .07%. If a library is subject to the 17 Property Tax Extension Limitation Law in the Property Tax Code and its tax levy for library purposes has been lowered 18 to a rate of less than .13%, this requirement will be 19 20 waived if the library qualified for this grant in the previous year and if the tax levied for library purposes in 21 22 the current year produces tax revenue for library purposes 23 that is an increase over the previous year's extension of 24 5% or the percentage increase in the Consumer Price Index, 25 whichever is less. Beginning in State Fiscal Year 2012 and 26 continuing through and including State Fiscal Year 2015,

1 the eligibility requirement in this subsection shall be 2 waived if a library's tax levy for library purposes has 3 been lowered to a rate of less than 0.13%, and the State 4 Librarian determines that the library (i) continues to meet 5 the requirements of item (1) of this Section and (ii) 6 received a grant under this Section in the previous fiscal 7 year.

8 Any other language in this Section to the contrary 9 notwithstanding, grants under this Section 8.1 shall be made 10 only upon application of the public library concerned, which 11 applications shall be entirely voluntary and within the sole 12 discretion of the public library concerned.

In order to be eligible for a grant under this Section, the corporate authorities, in lieu of a tax levy at a particular rate, may provide funds from other sources, an amount equivalent to the amount to be produced by that levy.

17 (Source: P.A. 97-675, eff. 2-6-12.)

Section 99. Effective date. This Act takes effect July 1, 2015.

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