



DAVE MURPHY

State Representative • 56th Assembly District

Assembly Committee on Urban and Local Affairs

September 17, 2013

AB 288: county reimbursement for library services

Mr. Chairman and committee members, thank you for the opportunity to speak to you today about Assembly Bill 288, which pertains to county reimbursement for library services between systems.

Last fall, before I was elected, I read about this unfair billing situation in the local paper. Then, in February of this year, I discussed the situation with constituents of mine who came to the Capitol for the Wisconsin Library Association lobby day. I decided to research the issue and see what I could do to fix it.

AB 288 is about equity and autonomy. Simply, it's not fair for a municipal county library system that loans more pieces to another system, to have to pay that system money without recouping their own costs. For example, if I'm Outagamie County and you are Brown County, right now you can bill me for items used by my residents and I must pay. However, if I bill you for the cost of items utilized by Brown County residents, you aren't required to pay me.

This has been allowable since 2005 Act 420, but I believe counties chose not to bill each other until times got tight or because they didn't think it was the right thing to do. When billing began to occur, a problem became clear: only some counties can get paid.

You shouldn't force a library system to become a different type of system to avoid non-reciprocal billing. Allowing one entity to bill, while prohibiting the billed system from billing back, will force changes to the systems that are unnecessary.

Ideally, I'd like library systems and counties to work out their own agreements. That's part of why my bill deals only with this funding issue, not others which have been brought to my attention.

Thank you.

Memo

Outagamie Waupaca Library System

225 North Oneida Street
Appleton, WI 54911
920 832-6190



Date: July 2, 2013
To: Diane
From: Rick
Subject: Co-Sponsorship of Library Bill

Affected Areas

I had a nice chat this morning with Rep. Murphy following the Outagamie County Finance Committee meeting. I told him that I'd send you a list of areas that might be interested in this bill. We also talked about specific legislators who might have an interest in co-sponsoring the bill, and he made a list.

The table below shows all of the counties that operate consolidated county libraries under s. 43.57 and the counties that are adjacent to them. I didn't include any counties operating consolidated county libraries or city-county joint libraries in the list of adjacent counties because their situations vary and they are affected differently by the current law or by the proposed change.

**Wisconsin Counties Operating Consolidated County Libraries
Established Under Section 43.57**

County Operating Libraries (s. 43.57)	Adjacent Counties*
Adams	Columbia, Juneau, Marquette, Sauk, Waushara, Wood
Brown	Calumet, Kewaunee, Manitowoc, Oconto, Outagamie
Door	Kewaunee
Florence	Forest
La Crosse	Jackson, Monroe, Trempealeau, Vernon
Marathon	Clark, Lincoln, Taylor, Waupaca, Wood
Marinette	Forest, Oconto
Portage	Waupaca, Waushara, Wood

*Excludes counties operating consolidated county libraries (s. 43.57) or joint city-county libraries (s. 43.53).

According to information from the DPI Public Library Development Team, in 2011 only La Crosse County Library billed and received funds from adjacent counties. 2012 information hasn't been released by DPI yet, but it will be available very shortly. Of course, we know that in 2012 Brown County Library billed five adjacent counties, and four of the counties paid their bills in 2013.

However, any of the twenty adjacent counties have the potential to be billed by one or more consolidated county libraries, regardless of the volume of service it provides and regardless of whether the amount of inter-county service is reciprocal. This fact may be of interest to legislators representing those areas.

It seems to me that there are several possible explanations for why so few consolidated county libraries bill adjacent counties. First, they may not provide a significant level of service to adjacent counties. (On average, county libraries aren't funded as well as municipal libraries.) Second, the amount of inter-county service is reciprocal, making billing unnecessary. Third, they don't want to antagonize neighboring counties because of the unfair nature of the current law. In any case, I believe the primary reason why legislators representing adjacent counties might object to Rep. Murphy's bill is if they perceive it to be a statewide solution to a local problem. While it might initially appear this way, our experience demonstrates that the only reliable option for remedying this inequity is to change the law.

Possible Memo Language

I'm finding it extremely difficult to concisely explain this issue, but I thought I'd write some things in order to give us a starting place. Please consider everything that follows as a rough draft for discussion purposes.

What does this bill do?

This bill requires counties operating consolidated county libraries established under Section 43.57 to pay libraries in adjacent counties for library services provided to their residents.

What problem does this bill address?

Currently, public libraries may request compensation from adjacent counties for service provided to residents of those counties (who do not live in municipalities to operate public libraries?), and the counties are required to compensate the libraries based upon a statutory formula. Consolidated county public libraries (established under s. 43.57?) are also able to request compensation from their neighboring counties. However, counties that operate consolidated county libraries are exempt from compensating libraries in adjacent counties. This has created (has the potential to create?) inequities where a consolidated county library can receive reimbursement from an adjacent county, but libraries in that adjacent county do not receive any compensation for serving the residents of the county operating the consolidated library, regardless of the fact that inter-county library use is equivalent.

This bill addresses the inequity created when a county library bills an adjacent county, and the libraries in the adjacent county are unable to bill the first county for providing an equivalent or greater amount of service. Requiring counties operating consolidated county libraries to reimburse libraries in adjacent counties for service will provide an incentive for them to negotiate equitable inter-county and service agreements.

Background

Since the establishment of public library systems in Wisconsin, counties have been the building blocks for public library service, ensuring that all residents of the state have access to public library services.

In 61 of Wisconsin's 72 counties, public libraries are established individually or jointly by cities, villages, or towns, and these municipal or joint libraries provide services to rural county residents. In these counties, residents of the cities, villages, and towns that operate public libraries pay for their library service through their municipal taxes. All other county residents pay for their library service through their county taxes, and the county reimburses the municipal or joint libraries for providing countywide library services.

Many counties have a long history of supporting public library service by compensating their municipal or joint libraries for providing countywide library service, but, because some counties were not providing adequate support to their municipal libraries, in 1997 Act 150 was passed specifying how counties were to compensate their own or joint municipal libraries for providing countywide library service. Because consolidated county libraries were already providing service to their entire counties, they were not included in Act 150.

Act 150 worked well to provide more equitable support for public library service within counties, and in 2005 Act 420 was passed extending the requirement for counties to reimburse public libraries to adjacent counties. Act 420 simply added adjacent counties and did not address any other issues that might arise, including a county operating a consolidated county library not being required to pay for use of libraries in adjacent counties by its residents. It can be argued that when s. 43.12 was amended by Act 420 the issue of consolidated county libraries was inadvertently omitted.

The situation created by the current law is inequitable because it creates two classes of library users (citizens?). Residents of most Wisconsin counties are required to reimburse libraries in adjacent counties for the service they receive, but residents of counties operating consolidated county libraries are not required to pay to use libraries in adjacent counties. This is an inequitable situation that will be remedied by this bill.



Testimony to Assembly Committee on Urban and Local Affairs
September 17, 2013

Chairman Brooks and Members of the Committee,

My name is Rick Krumwiede, and I am the director of the Outagamie Waupaca Library System. I'm here today to testify in support of Assembly Bill 288, which has been formally endorsed by the Outagamie Waupaca Library System Board.

Since the establishment of public library systems in Wisconsin, one of their primary goals has been to ensure that all of the state's residents have equitable access to good public library service, and for many years the public library community has also had a goal of any state resident being able to use any public library. The good news is that in the 40 years that public library systems have been in existence, significant progress has been made toward achieving these goals. All of the state's residents do have access to public library service, and many of the state's residents are able to use any public library they desire.

The progress made toward achieving these goals is due in large part to changes in state law and a complex system of contracts and agreements. While the overall goal of the current laws and agreements is for library funding to follow library use, the system isn't perfect. Significant inequities currently exist, and we support AB 288 because it seeks to address one of those inequities.

The Outagamie Waupaca Library System, or OWLS, is in a unique position when it comes to providing service to nonresidents. On a per capita basis, our member libraries lend more items to non-residents than do libraries in any other system in the state. Furthermore, OWLS member libraries provide more service to residents of adjacent non-system counties than libraries in any other system. In fact, in 2012, OWLS libraries accounted for 17% of all the intersystem non-resident loans in the state, lending 327,908 items to residents of other Wisconsin public library systems. This was much greater than the statewide system average (116,765) and 44,657 more loans than were made by the second ranking system.

Under Section 43.12, 60 counties are required to pay their own municipal libraries for the service they provide to county residents who live outside of the municipalities that operate libraries. This system works well, and, in our system, Outagamie and Waupaca Counties do an admirable job of funding municipal libraries for the county service they provide. In addition, current law requires these same 60 counties to pay libraries in adjacent counties for serving their residents. While not all libraries request payment under this provision, the law has been implemented successfully in many areas of the state.

But what about the other 12 counties in the state? Eight counties operate consolidated county libraries and are excluded from the law; three counties operate joint city-county libraries and appear to be excluded from the law, and Milwaukee County is excluded. While some may argue that counties operating consolidated libraries (established under s. 43.57) are appropriately excluded from paying libraries in adjacent counties, their residents still use libraries in those adjacent counties. Consequently,

excluding these counties from having to pay libraries in neighboring counties is unfair and inequitable. This is especially problematic for our system because three of the six counties that surround the system are excluded from having to pay under the current provisions of the law.

Waupaca County libraries provide a significant amount of service to Portage County residents and Shawano County residents, but those counties are not required to pay for this service. An equivalent amount of service is regularly exchanged between Outagamie County libraries and Brown County Library, and Brown County Library bills for this service even though Brown County doesn't have to pay for an equivalent level of service.

The law as it is exists is simply unfair and inequitable. There is no good public policy reason why residents in most counties have to pay libraries in adjacent counties for the services they receive, but residents of a few counties don't have to pay for the services they receive from neighboring libraries. AB 288 would remedy much of this inequity by requiring counties operating libraries under s. 43.57 to pay libraries in adjacent counties for service. If the general principle is for funding to follow use, then AB 288 will result in counties with consolidated libraries paying for the services their residents receive.

I'm sure you will hear that AB 288 will create winners and losers, pit libraries against libraries and counties against counties. Frankly, there have been winners and losers since s. 43.12 was amended in 2005. Requiring more counties to pay for the library service that their residents use in adjacent counties seems like an improvement to me.

You may also hear that AB 288 is a statewide solution to a local problem. If my math is correct, 118 Wisconsin public libraries are located in counties adjacent to counties that operate county libraries under s. 42.57. This inequity could potentially be experienced by any one of them.

I've heard it argued that all residents of counties operating consolidated libraries pay through a county levy to "maintain" a library, while in counties without consolidated libraries not all residents pay to "maintain" a library. This argument is misleading, making it sound like some people don't pay for library service. This is simply not true. All residents of the state pay for library service, either through their municipal taxes or county taxes. What you aren't likely to hear is that the average per capita support for consolidated county libraries is significantly lower than the statewide average. I don't have a problem with this because the level of local library support is a local decision. However, how libraries services are structured and funded within a county is also a local decision, and the vast majority of counties have not elected to establish consolidated county libraries.

You may also hear that requiring residents of counties operating consolidated libraries to pay for the library service they use in adjacent counties is double taxation. I don't agree. If residents of counties with consolidated libraries don't use libraries in adjacent counties, AB 288 wouldn't require them to pay anything. It's only a matter of asking people to pay for the services they actually use, regardless of where they use them.

Finally, you're likely to hear that funding for library service is very complicated, and AB 288 doesn't solve all of the existing problems or inequities. I would agree with that statement. However, AB 288 does solve one more problem and eliminate one inequity that exists in the current law. This is adequate reason to act favorably on AB 288, rather than to wait for "perfect legislation."

Thank you for the opportunity to address the Committee.

EXECUTIVE

Brown County

305 E. WALNUT STREET
P.O. BOX 23600
GREEN BAY, WI 54305-3600



Troy Streckenbach

PHONE (920) 448-4001 FAX (920) 448-4003

BROWN COUNTY EXECUTIVE

TO: Honorable Edward Brooks, Chair
Committee on Urban and Local Affairs

FROM: Troy Streckenbach
Brown County Executive

DATE: September 17, 2013

RE: Library Bill AB288

Dear Chairman Brooks,

At issue is maintenance of effort and shared costs for reimbursement for library services. Current law allows for residents within a municipality that pays 100% to maintain their library district to be able to freely use other libraries system services whether within a county or an adjacent county. For example, a resident from Appleton who pays 100% to maintain their library is able to enjoy the library services of surrounding libraries such as Kaukauna, Waupaca and even Brown County Libraries. Similarly, all residents within Brown County pay 100% to maintain their library services and thus enjoy the same privileges as an Appleton resident. Assembly Bill 288 as drafted will now allow the Appleton Library to be able to bill Brown County residents for library services, thus creating an inequity and a true double taxation. To be clear not all residents in Outagamie County pay the full 100% to maintain libraries, and as such, those non-residents are assessed a reimbursement charge by the library system which can include Appleton, Waupaca, Kaukauna and Brown County.

I am respectfully requesting that AB 288 be tabled and referred to the Wisconsin Library Association to be further reviewed to determine the overall impact to libraries across the State of Wisconsin.

Respectively,

A handwritten signature in black ink, appearing to read "Troy Streckenbach", written over a large, stylized flourish.

Troy Streckenbach
Brown County Executive

2013 Assembly Bill 288

Assembly Bill 288 seeks to change the statute regarding reimbursement to counties with consolidated library systems for providing library services to residents in adjacent counties who do not pay taxes to maintain a public library. If enacted, the above referenced bill could reduce annual funding for Brown County library services by approximately \$250,000.

Background on current law Most funding for public libraries comes from taxpayers of the municipality or county in which the public library is located. Since 1997 Wisconsin law has allowed municipal libraries to receive reimbursement from their county tax levy for serving county residents who live outside the municipality and do NOT pay taxes to maintain a library. Wisconsin Law was amended in 2006 to remedy the inequity where residents from one county use libraries in an adjacent county but pay no taxes to that library district or to maintain a library in their own county. In 2008, the first year of the billing, reimbursements from adjacent counties totaled \$1,745,936. In 2011 reimbursements totaled \$2,168,161, an increase of 24% in four years. Brown County Public Library first sought reimbursement from adjacent counties last year in the amount of \$251,000. The invoices were sent to adjacent counties in July 2012 with payment due in March 2013. All counties have paid their bills except Outagamie County.

Impact of AB 288 If passed this bill would cause a situation whereby Brown County residents are paying twice to support libraries and Outagamie residents are only paying once. Double taxation is the reason the Wisconsin Statutes exempt counties with consolidated library systems from having to pay additional taxes for adjacent county borrowing. There are 8 consolidated county library systems in Wisconsin. While this legislation appears to be aimed at Brown County, changing the law will have unintended consequences on other counties statewide. For example, Wisconsin Valley Library Service staff estimate Marathon County could face a shortfall of as much as \$87,135. AB288 has the potential to pit libraries against libraries and counties against counties across Wisconsin while only creating more inequity rather than serving the public interest.

Serving the public interest. Rather than cherry-picking a particular piece of the funding law, aimed at one county, the legislature should table AB 288, and work with the library community to design reimbursement policies that do not penalize selected property taxpayers and counties while subsidizing others, as well as work in the public's best interest to ensure open access to public library resources and services.

Kathy Pletcher, President Brown County Library Board, August 27, 2013

Resolution Opposing 2013 Assembly Bill 288

Whereas Assembly Bill 288 (“AB288”) seeks to change the existing statute regarding reimbursement to counties with consolidated library systems for providing library services to residents in adjacent counties; and

Whereas all Brown County residents along with the other consolidated county libraries already pay through a county levy to maintain public libraries; and

Whereas in counties without consolidated libraries, not all residents pay to maintain libraries; and

Whereas AB288 would force property taxpayers in some counties to functionally pay twice--to support their own library system and subsidize adjacent county residents; and

Whereas preventing double taxation and some property taxpayers from subsidizing other counties’ residents are the dual public policy purposes of the current law; and

Whereas this bill would discourage county library consolidations for the purpose of creating efficiencies and lowering overhead costs; and

Whereas AB288 could reduce annual funding for Brown County Library services by approximately a quarter of a million dollars; and

Whereas AB288 likely will pit libraries against libraries, counties against counties, and discourage consolidated libraries and their inherent efficiencies, across Wisconsin, as well as create more property tax inequity and subsidies which is not in the public interest;

Therefore be it resolved that the Brown County Board opposes AB288 and strongly urges the legislature to table AB288 and work with the statewide library community to ensure that reimbursement policies that do not penalize selected property taxpayers and counties while subsidizing others, as well as work in the public’s best interest to ensure open access to public library resources and services.

Griffiths, Terri

From: Ganyard, Paula <ganyardp@uwgb.edu>
Sent: Monday, September 16, 2013 6:02 PM
To: Rep.Brooks
Cc: kross@swls.org; Ganyard, Paula
Subject: Request to table AB288

Importance: High

Dear Representative Brooks,

On behalf of the Wisconsin Library Association, we are writing to you as the chair of the Local and Urban Affairs Committee, to ask that you table AB 288, relating to: county payments to public libraries in adjacent counties. This bill did not have the opportunity to be vetted through the library community. We would like to see it tabled at this time to allow the Wisconsin Library Association (WLA) to review the impact it will have on libraries throughout the State. WLA has already begun to look at this issue through our Library & Legislative Development Committee and took action to form a working group, that includes librarians from around the State, to look at the impact of this bill. It is our hope to have a recommendation from this working group within the next couple of months.

Thank you for your consideration,

Paula Ganyard

WLA President

ganyardp@uwgb.edu

920-465-2537

Krista Ross

WLA Vice president/President-elect

kross@swls.org

September 17, 2013
Assembly Committee on Urban and Local Affairs

**Department of Public Instruction Testimony
on Assembly Bill 288**

I want to thank Chairman Brooks for the opportunity to testify today on Assembly Bill 288 (AB 288) related to county payments to adjacent libraries. My name is Jennifer Kammerud. I am the Legislative Liaison for the Department of Public Instruction (DPI) and with me today is John De Bacher, Director of Public Library Development. We are here today to testify for information on behalf of State Superintendent Tony Evers.

The basis for how much funding county libraries should receive was set in 1997 Act 150, which established for the first time in Wisconsin library law a minimum standard for county library funding. The bill that became Act 150 was introduced by the Joint Legislative Council. It was based on recommendations from its Special Committee on Public Libraries. At that time, the funding requirement was limited to payment for library use within the library's own county, and specifically exempted consolidated county libraries.

In 2002, former State Superintendent Elizabeth Burmaster appointed the Wisconsin Public Library Legislation and Funding Task Force to undertake a review of legislation and funding issues relating to public libraries and public library systems and to make recommendations to the State Superintendent. One of the recommendations coming from that task force was to address the library use by Wisconsin's citizens, which frequently flows across county lines. This is especially true for communities located near or on a county border. The task force specifically recommended that the county payments requirements established in 1997 under s. 43.12 should be extended to adjacent counties. The State Superintendent supported this recommendation, which became law along with many other task force recommendations, as part of 2005 Act 420. An unintended consequence of that change permits consolidated county libraries to receive payments from adjacent counties, even though their own counties are not required to make payments. The bill before you today would address this by changing the language of s. 43.12 so that the eight counties that have consolidated county libraries would be required to pay libraries in adjacent counties for use by any of its residents.

While AB 288 would fix the issue of consolidated county libraries being able to bill other counties, but not be billed by others, it creates a new inequity. Current law states that a county must pay to each public library in the county and to each public library in an adjacent county a fee for library loans made to residents of the county who are not residents of a municipality that maintains a public library. Under this bill, however, all residents in a consolidated county library system would be treated as having no member library for billing purposes. This means that adjacent counties would be able to bill consolidated county library systems for more people than consolidated county libraries can.

While the department believes the inequities this bill is attempting to address should be dealt with, we are also concerned with the new inequity created by the bill. The department believes that this, and other library-related issues, should be studied as part of a comprehensive review of the state's library system and its funding.

Thank you again for the opportunity to testify today. We would be happy to answer any questions you may have.



WISCONSIN
LIBRARY
ASSOCIATION

Testimony

AB 288

**Related to: county payments to libraries in adjacent counties
Assembly Committee on Urban and Local Affairs**

Presented by

Paul Nelson

Chair, Library Development & Legislation Committee

Wisconsin Library Association

Tuesday, September 17, 2013

Representative Edward Brooks (Chair) and other members of the Assembly Committee on Urban and Local Affairs,

Thank you for the opportunity to present testimony on AB 288 this morning.

My name is Paul Nelson, and I've been a member of the Wisconsin Library Association (WLA) for 35 years and have served as the Chair of WLA's Library Development and Legislative Committee for the past 8 years.

WLA is a professional organization that brings together nearly 2,000 librarians and support staff, library trustees, friends of libraries, and library vendors representing all types of libraries – public, academic, school, and special. Together we advocate and work for the improvement of library services for all of Wisconsin.

WLA hasn't taken a position for or against AB288, but we respectfully request that the bill under discussion today be tabled for the time being. And let me explain the reasons for this request.

First of all, we feel that it is inadvisable to insert a local "fix" into Wisconsin State Statutes 43.12, especially one that has the potential for statewide unintended consequences.

But more importantly, the WLA Board of Directors has authorized Krista Ross, the incoming WLA President, to appoint a working group to study and make appropriate recommendations for statutory changes related to county payment as currently set forth in 43.12. This working group will issue its final report no later than November 30, 2013.

We will, of course, share these recommendations with you as soon as they are available.

Thank you again for this opportunity to speak. I'm happy to answer any questions you might have.

Paul Nelson
1720 Mayflower Drive.
Middleton, WI 53562
bennel62@gmail.com
608-695-1464



Assembly Committee on Urban and Local Affairs
Noted for county payment to libraries in subsequent counties

Presented by
Paul Nelson
Chair, Library Development & Legislative Committee
Wisconsin Library Association
Tuesday, September 17, 2013

Representative Edward Brooks (Chair) and other members of the Assembly Committee on Urban and Local Affairs

Thank you for the opportunity to present testimony on AB 288 this morning.

My name is Paul Nelson, and I've been a member of the Wisconsin Library Association (WLA) for 35 years and have served as the Chair of WLA's Library Development and Legislative Committee for the past 8 years.

WLA is a professional organization that brings together nearly 2,000 librarians and support staff, library trustees, friends of libraries, and library vendors representing all types of libraries - public, academic, school, and special. Together we advocate and work for the improvement of library services for all of Wisconsin.

WLA hasn't taken a position for or against AB 288, but we respectfully request that the bill under discussion today be tabled for the time being. And let me explain the reasons for this request.

First of all, we feel that it is inadvisable to insert a local "fix" into Wisconsin State Statute 43.13, especially one that has the potential for statewide unintended consequences.

But more importantly, the WLA Board of Directors has authorized Khara Ross, the incoming WLA President, to appoint a working group to study and make appropriate recommendations for statutory changes related to county payment as set forth in 43.13. This working group will issue its final report no later than

Thursday, 10/20/13.

We will, of course, share these recommendations with you as soon as they are available.

Thank you for the opportunity to speak. I'm happy to answer any questions you might have.

Paul Nelson
1750 Taylor Drive
Madison, WI 53706
608-665-1464



September 17, 2013

Chairman Brooks and Members of the Assembly Committee on Urban and Local Affairs,

Today, I am writing to ask that you oppose Assembly Bill 288 (AB 288), legislation that seeks to change the ways in which library payments are exchanged between counties.

As you might know, AB 288 was written in response to a dispute between two Northeast Wisconsin library systems and could have unintended consequences across the state, erecting barriers to the creation and maintenance of consolidated county library systems.

In the Brown County consolidated library system, and in other consolidated systems around the state, every county taxpayer pays a levy for library services. In counties without a consolidated library system, library taxes are only paid by individuals living in municipalities with libraries. In addition, and under current law, counties with consolidated library systems can bill adjacent counties for the use of their materials if particular users reside in an adjacent county and do not live in a municipality served by a library. AB 288 alters this system and would force property taxpayers in some counties to pay twice or more for library services, once to support their own library system and again to subsidize the libraries in adjacent counties.

AB 288, if enacted, would penalize counties that operate consolidated library systems and could prevent additional counties from consolidating into larger, more efficient, and cost-effective consolidated systems. This legislation, which is a clear attempt to intervene on one side of a complex, regional dispute, could also have real and negative financial effects on other consolidated library systems in the state.

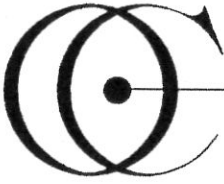
In my view, this is an issue that is deserving of more thoughtful deliberation than is allowed by the introduction of AB 288. Instead, Wisconsin's libraries should be encouraged to work together - through a process initiated by the Department of Public Instruction or the co-chairs of the Joint Legislative Council - on a comprehensive solution that is equitable for all libraries, library patrons and local taxpayers. In light of these concerns, I ask you to oppose AB 288.

Thank you for your consideration, and please feel free to contact me with any questions.

Sincerely,

Eric Genrich
State Representative
90th Assembly District





OUTAGAMIE COUNTY

410 S. WALNUT ST. APPLETON, WISCONSIN 54911
ADMINISTRATION BUILDING

FINANCIAL SERVICES

PHONE (920) 832-1680

To: State of Wisconsin Legislatures

From: Brian Massey, Finance Director, Outagamie County

Date: September 16, 2013

Re: Library Funding Billing Inequity

For roughly two decades, Brown County Library and Outagamie County libraries have not billed each other for services provided to residents of the other county. This was largely due to the fact that service has been fairly equal across county lines.

In 2012, Brown County Library changed that pattern and billed Outagamie County for services provided to Outagamie County residents. This was done despite the fact that library services provided to Brown County residents by Outagamie County libraries actually exceeded services provided by Brown County Library to Outagamie County residents. Due to receiving the billing from Brown County, Outagamie County then billed Brown County for 2011 services Outagamie County libraries provided to Brown County residents. Brown County argues they are not required to pay the bill under current law but Outagamie County is required to pay Brown County because of how the current law is written. This is illogical and inequitable at its best.

Brown County Library argues that they only billed Outagamie County for services provided to Outagamie residents who don't live in a jurisdiction with a library and therefore, don't pay taxes to maintain a library. However, these residents do pay taxes to Outagamie County for their equitable share of library service they receive (to the tune of over \$1.5 to \$1.6 million dollars annually). The County, in turn, pays these tax dollars to the municipal libraries. If Outagamie agreed to pay the bill to Brown County Library and tax these residents accordingly, they would, in effect, be taxed twice for library service. The legislation you are considering, Assembly Bill 288, addresses this inequity in current law.

The fiscal impact to Outagamie County should there be no change to current law and Brown County continues to bill Outagamie County would be as follows:

Year	Brown County Library service to Outagamie County residents	Billable amount allowed under current law (70% of service)
2011	\$47,544	\$33,281
2012	\$49,503	\$34,652

Outagamie County appreciates the attention of state legislators in addressing this obvious inequity in current state law and will be happy to provide any additional information requested on the matter.

If you have any questions, please feel free to call me at 920-832-1675.

