

**Sixty-eighth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2023**

SENATE BILL NO. 2050
(State and Local Government Committee)
(At the request of the State Library)

AN ACT to create and enact a new section to chapter 54-24.2 of the North Dakota Century Code, relating to the ability of the state librarian to recalculate grant payments to public libraries; to amend and reenact sections 40-38-09, 54-24-09, 54-24.2-03, and 54-24.4-05 of the North Dakota Century Code, relating to the public annual report, distribution of state publications to libraries, the computation of mill levies, and the duties of the library coordinating council; to repeal sections 40-38-10 and 54-24.2-02.2 of the North Dakota Century Code, relating to a political subdivision's ability to establish a library without an election and local maintenance efforts of public libraries; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-38-09 of the North Dakota Century Code is amended and reenacted as follows:

40-38-09. Annual report of board of directors - Contents - To whom made.

The board of directors shall make a report ~~on~~by July first of each year to the governing body of the city or board of county commissioners, as the case may be, stating:

1. The condition of the library and property.
2. The various sums of money received from all sources.
3. How much money has been expended and for what purpose.
4. The number of ~~books and periodicals~~library materials on hand.
5. The number of ~~books and periodicals~~library materials added by purchase or gift during the year and the number thereof, withdrawn or lost of, and number of materials loaned out.
6. The ~~character and kind of book~~type of library materials contained in the library.
7. Such other statistics, information, and suggestions as the board may deem of general interest or as may be required by the state library.

Copies of the report shall be filed with the governing body of the political subdivision and with the state library.

SECTION 2. AMENDMENT. Section 54-24-09 of the North Dakota Century Code is amended and reenacted as follows:

54-24-09. Distribution of certain state publications for certain libraries required.

The office of management and budget shall arrange to deposit with the state library eight copies of all publications issued by all executive, legislative, and judicial agencies of state government intended for general public distribution. These publications must be provided to the state library without charge. If expense and limited supply of state publications, particularly audiovisual items, make compliance with the depository requirement impossible, the state library shall accept as many copies as an agency can afford to provide. However, each agency shall provide no less than two copies to the state library. State publications refer to any informational materials regardless of format, method of reproduction, or source, originating in or produced with the imprint of, by the authority of, or at the total or partial

expense of, any state agency. The definition incorporates those publications that may or may not be financed by state funds but are released by private bodies such as research and consultant firms under contract with or supervision of any state agency. In circumstances not directly involving the office of management and budget, a state agency shall comply with the depository requirement by arranging with the necessary parties for the printing and deposit of eight copies of any state publication issued. State publications are specifically defined as public documents ~~appearing as reports, directories, statistical compendiums, bibliographies, laws or bills, rules, regulations, newsletters, bulletins, state plans, brochures, periodicals, committee minutes, transcripts of public hearings, other printed matter, audiotapes, videotapes, films, filmstrips, or slides,~~ but not those administrative or training materials used only within the issuing agency. As the document acquisition and distribution agency, the state library shall retain for its document collection two copies of every state document received and transmit the remaining copies to the depository libraries. These are the libraries of the state historical society, the university of North Dakota, North Dakota state university, library of Congress, and two others to be designated by the state library. ~~All nondepository North Dakota libraries may receive state documents under an optional selection program developed by the state library.~~ The state library shall catalog state publications and arrange for their conversion to microfilm ~~or to optical disk storage~~ a digital format as prescribed by the state records administrator and shall make available for distribution of the same upon request to the designated depository libraries.

SECTION 3. A new section to chapter 54-24.2 of the North Dakota Century Code is created and enacted as follows:

Calculation of payment - Expenditures.

The state librarian may recalculate and adjust each eligible public library grant formula based on a successful appeal by a public library determined to be ineligible. Within thirty days after notification from the state librarian of a public library's ineligibility to receive grant funds, the ineligible public library shall submit the appeal. The state librarian shall apply the difference between the initial calculated grant formula and the recalculated grant formula to the next available grant formula payment.

SECTION 4. AMENDMENT. Section 54-24.2-03 of the North Dakota Century Code is amended and reenacted as follows:

54-24.2-03. Incentive for local funding.

To provide for increased local funding, public libraries eligible to receive funds under section 54-24.2-02 shall have the funds allocated to them modified in accordance with the following formula:

Cities levying

8.00 or more mills	150 percent of allocation
6.00 - 7.99 mills	125 percent of allocation
4.00 - 5.99 mills	100 percent of allocation
3.00 - 3.99 mills	75 percent of allocation
2.00 - 2.99 mills	50 percent of allocation
1.00 - 1.99 mills	33 percent of allocation
0.01 - 0.99 mills	25 percent of allocation
0.00 - mills	0 percent of allocation

Counties levying

4.00 or more mills	150 percent of allocation
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3.00 - 3.99 mills	125 percent of allocation
2.00 - 2.99 mills	100 percent of allocation
1.50 - 1.99 mills	75 percent of allocation
1.00 - 1.49 mills	50 percent of allocation
0.50 - 0.99 mills	33 percent of allocation
0.01 - 0.49 mills	25 percent of allocation
0.00 - mills	0 percent of allocation

The computation of mills must be based upon the levy on the taxable valuation and the mill levy equivalent of other public funds received and deposited in the library fund for the operation of the library by the governing body during the preceding fiscal year as certified by the auditor of the city or county operating the library:

1. The levy on the taxable valuation as certified by the county auditor to the tax commissioner. By May fifteenth of each year the tax commissioner shall provide the state library the certified taxable valuations;
2. The other public funds received and deposited in the library fund for the operation of the library by the governing body during the preceding fiscal year; and
3. Computation of the mill levy equivalent of other public funds as computed by the state library.

SECTION 5. AMENDMENT. Section 54-24.4-05 of the North Dakota Century Code is amended and reenacted as follows:

54-24.4-05. North Dakota library coordinating council - Duties.

The North Dakota library coordinating council shall:

1. Assist in planning, coordinating, and evaluating the services and programs of libraries in the state.
2. ~~Serve as the state advisory council on libraries as required by Public Law No. 101-254.~~
3. Approve the distribution of grants to libraries, except for grants distributed under chapter 54-24.2.
- 4-3. Facilitate the development of a comprehensive statewide online library catalog, promote statewide resource sharing, and encourage electronic networking among all types of libraries.
- 5-4. Strengthen the state library in its role of coordinating and enriching library service in the state.
- 6-5. Support and strengthen library cooperative ventures, including consortia, regional associations, and partnerships, in their role of extending and improving library services in the state.
- 7-6. Promote equitable access to information resources and library services to persons throughout the state.
- 8-7. Promote the services of libraries and librarians.
- 9-8. Take action necessary to carry out chapter 54-24.3 and this chapter.

SECTION 6. REPEAL. Section 40-38-10 of the North Dakota Century Code is repealed.

SECTION 7. REPEAL. Section 54-24.2-02.2 of the North Dakota Century Code is repealed.

SECTION 8. EFFECTIVE DATE. Sections 3, 4, and 7 of this Act become effective on May 15, 2023.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-eighth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2050.

Senate Vote: Yeas 44 Nays 3 Absent 0

House Vote: Yeas 90 Nays 1 Absent 3

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2023.

Approved at _____ M. on _____, 2023.

Governor

Filed in this office this _____ day of _____, 2023,

at _____ o'clock _____ M.

Secretary of State