



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

March 18, 2011

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Third District

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To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

MOTION TO SUPPORT AB 438 (WILLIAMS), IF AMENDED, AND INSTRUCT THE COUNTY'S LEGISLATIVE ADVOCATES IN SACRAMENTO TO ADVOCATE FOR THE PASSAGE OF AB 438, IF AMENDED (ITEM NO. 9, AGENDA OF MARCH 22, 2011)

Item No. 9 on the March 22, 2011 Agenda is a motion by Supervisor Antonovich recommending that the Board of Supervisors: 1) support AB 438 (Williams), if amended, to remove the existing withdrawal provisions that only apply to the counties of Los Angeles and Riverside; 2) request the bill's author to expand voter approval requirement to any cities that wish to withdraw from a county public library system; 3) direct the Chief Executive Office to work with the County Public Library to recommend remedies to the withdrawal provisions in existing law; and 4) instruct the County's legislative advocates in Sacramento to advocate for the passage of AB 438, if amended, and to notify the Board of any substantive revisions that modify the intent of the current bill.

AB 438, as amended on March 16, 2011, would require a city or board of trustees of a library district that intends to operate its public library itself to obtain voter approval of the decision to withdraw from the county free library system prior to submitting a notice of withdrawal to the county board of supervisors. The bill's author indicates that AB 438 would provide taxpayers a clear right to determine how library services should be delivered in their communities by allowing them to vote on the matter in a regularly scheduled election. The author further indicates that some public entities have opted to

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turn their libraries over to private companies. These actions have been opposed by taxpayers in some cases, but under current law, they are not allowed to be heard on this important decision.

Existing law requires a county to sell at fair market value the library buildings, furniture and equipment, and the library collection whether or not it is in the best interest of the county. If a county and a city cannot agree on the fair market value, the final value is determined by a State certified appraiser selected by the city. These provisions of law apply to the counties of Los Angeles and Riverside and do not apply to the other 56 counties in the State.

According to the County Public Library, each library withdrawal action reduces property tax revenue that comes to the county for providing public library services. In the current withdrawal action by the City of Santa Clarita, the County will experience a \$4.6 million loss in property taxes and a special tax revenue loss of \$1.4 million. While there is some offsetting reduction in operating costs related to the withdrawal, some revenue utilized to support department-wide programs and services will be reduced.

The mandatory sale of library assets required under existing law precludes the County the option for reallocation of the furniture, equipment, and collections to other community libraries or repurposing the facilities for other library or County uses, unless the city declines to exercise its option to purchase. These requirements place the rights of the County at a disadvantage and establish clear preferences to the rights of cities. Further, the County Public Library indicates that AB 438 would place an important decision on public service in the hands of the voters before a city can withdraw from the county free library system. Therefore, the County Public Library supports AB 438, if amended, to address the existing withdrawal provisions affecting Los Angeles and Riverside Counties.

Because there is no existing Board policy to amend existing library withdrawal provisions imposed on the counties of Los Angeles and Riverside and requiring voter approval before a city can withdraw from the county free library system, support of AB 438, if amended, is a matter for Board policy determination.

AB 438 is set for a hearing in the Assembly Committee on Local Government on April 6, 2011. There is no opposition on file.

WTF:RA
MR:LY:RM:lm

c: Executive Office, Board of Supervisors
County Counsel
Public Library