

TO: Superiorland Library Directors
FROM: Suzanne Dees
Superiorland Library Cooperative
sdees@uproc.lib.mi.us
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SUBJECT: Penal Fines

Penal Fine Trends per County

Enclosed you will find graphs that show historical trends in penal fine allocations by county. This report was compiled from annual data supplied at the Library of Michigan's web site. The six counties in SLC that show declining penal fines over the past 3 to 6 years are Baraga, Delta, Houghton, Keweenaw, Menominee, and Ontonagon.

Kay Elzinga, SLC board member, and I offer our services to the libraries in these six counties. We will not do anything at all unless library directors in these counties give us a green light. You may wish to run this past your library boards, too. If you are interested in having a penal fine intervention, please read on.

Note: Although Delta County shows declining penal fines, there is little we can do for libraries here because Gladstone and Escanaba city councils reduce general fund appropriations when penal fines go up and increase GF appropriations when penal fines go down by a like amount.

PS If your county is not experiencing a decline in penal fines and you are just curious about your allocation, let me know and we'll visit your district court as time permits.

Penal Fine Intervention

A district court judge has some discretion in the percentage of fines allocated to libraries and the percentage allocated to the cost of operating the district court. So, library advocates do play an important role in keeping judges and clerks aware of how important penal fine revenue is to the public libraries in their jurisdictions. Library advocates can produce graphs showing the high percentage of total library revenue that penal fines represent. We can also show comparative data between Upper Peninsula district courts – the 'shame on you' approach. Of course, we are a lot more polite than that!

Given the green light, Kay & I can pay a visit to county treasurers' offices and ask for copies of 3 years of the monthly transmittal sheets that are sent from the district court to the county treasurer. The transmittals show exactly how much was collected in fines and exactly how that money was divided between assessments, library penal fines, and court costs. For instance, when we did this exercise in Marquette County, we found the ratio of penal fines to court costs to be 17 : 83 in 1999 and 23 : 77 in 2004; that is, of the total amount shared between libraries and court costs, libraries got 17% in 1999 and 23% in 2004. That's actually pretty good; so we recommend leaving Marquette County district court personnel wondering "Who were those masked librarians?" and quietly slipping away.

In the six counties that show declining per capita penal fines, we don't know if this is because the total amount of fines collected in these district courts is declining or because courts are taking a higher percentage of the total for their operating costs. But, we can answer that question with a little legwork. Kay and I are more than happy to do that work, but we want an engraved invitation. Just kidding – any old invitation will do.

Penal Fine Interest

We noticed on the Library of Michigan's annual data reports that some counties are not paying interest on penal fines. Libraries are entitled to interest on penal fines. [Enclosed is documentation for that statement: Memo from the Department of Treasury re Grand Rapids Public Schools v. The City of Grand Rapids.] Alternatively, libraries have the option of asking for a monthly or quarterly distribution of penal fines, rather than an annual distribution. Interest is no longer an issue with frequent distributions. Libraries in the following counties have annual distributions and are not getting interest: Delta (again this may not be helpful here), Dickinson, Houghton, Iron, and Keweenaw. There should be follow up with county treasurers to get the entitled interest.

If you prefer to change the distribution schedule, instead of getting interest, the way to do that is to have all the libraries in the county agree on the schedule first. Then someone goes to the County Treasurer and makes them an offer they can't refuse: Give us interest or give us our money monthly instead of annually. Kay and I would be happy to coordinate agreement on a schedule with all libraries first and then go to talk to county treasurers on behalf of the libraries.

Motor Carrier Safety Violations

Enclosed is information on a new source of penal fines for libraries – 'new' as of May 2000. If you read the enclosed "Report on Penal Fines from Motor Carrier Safety Violations"...Whew! Even our title is long....you will see that Kay and I are using the visits to district courts as an opportunity to learn what we can about the application of this new revenue source. Rest assured, we will keep you apprised.

If you have any questions, please give me a call. I look forward to hearing from you and learning how we can be helpful.