

Department of Legislative Services
 Maryland General Assembly
 2021 Session

FISCAL AND POLICY NOTE
 Third Reader

House Bill 436
 Appropriations

(Delegate Smith)

Budget and Taxation

Enoch Pratt Free Library - Operating Hours and Funding

This bill requires the Governor to continue to provide \$3.0 million in the State budget beginning in fiscal 2023 to support additional operating expenses for branches of the Enoch Pratt Free Library (EPFL) that increase their operating hours above the hours in effect as of January 1, 2016. In order to receive grant funding from the Maryland State Library Agency (MSLA), Baltimore City must (with public and/or private funds) provide a 25% funding match to support additional EPFL operating expenses. The bill also expresses the intent of the General Assembly that the increased operating hours be utilized to advance the library’s commitment to equity, inclusion, and greater access to library resources, programs, and services. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: General fund expenditures increase by \$3.0 million beginning in FY 2023 to cover increased operational costs at EPFL. Additionally, State retirement aid for Baltimore City professional library staff increases beginning in FY 2025. **This bill extends a mandated appropriation beginning in FY 2023.**

(\$ in millions)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	3.00	3.00	3.00	3.00
Net Effect	\$0.00	(\$3.00)	(\$3.00)	(\$3.00)	(\$3.00)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Baltimore City expenditures increase by at least \$750,000 beginning in FY 2023 to provide the required match as well as to cover additional personnel costs. Baltimore City continues to receive and expend \$3.0 million in State funds annually beginning in FY 2023.

Small Business Effect: Minimal.

Analysis

Bill Summary: By September 30, 2023, and annually thereafter, the Mayor and City Council of Baltimore City must provide an annual report to the Department of Budget and Management, the Senate Budget and Taxation Committee, and the House Appropriations Committee that includes (1) a list of EPFL branches with increased operating hours for the previous fiscal year that are above the operating hours in effect on January 1, 2016, and (2) an evaluation of the impact of the increased hours of operation.

Current Law: Chapter 715 of 2016 requires the Governor to provide \$3.0 million in the State budget for fiscal 2018 through 2022 to support additional operating expenses for EPFL branches that increase their operating hours above the hours in effect as of January 1, 2016. Baltimore City must (with public and/or private funds) provide a 25% funding match to support additional EPFL operating expenses.

State Expenditures: Assuming Baltimore City maintains the additional hours facilitated by Chapter 715, this analysis assumes the ongoing extension of hours beginning in fiscal 2023 aligns with the maximum State grant of \$3.0 million each year. Although the bill allows funds other than general funds to be used, this analysis assumes general fund expenditures continue at the higher level required by Chapter 715 each year beginning in fiscal 2023.

MSLA advises that Chapter 715 has had a significant impact in Baltimore City as measured by increased access, usage, and customer satisfaction. Since fiscal 2016, EPFL's hours of operation increased substantially (by more than 37%), and EPFL has hired over 100 full- and part-time positions.

To the extent the \$3 million mandated appropriation is used to maintain existing personnel levels, State retirement expenditures increase beginning in fiscal 2025. The State pays 100% of the retirement costs for local professional library employees. Based on the previous fiscal estimate made by the Department of Legislative Services and the actual number of additional personnel hired by EPFL (according to MSLA), State costs will increase by approximately the same amount beginning in fiscal 2025 as in fiscal 2020 through 2024 due to Chapter 715. The fiscal 2022 proposed State budget includes \$2.4 million for Baltimore City library retirement costs

Local Expenditures: It is assumed that, beginning in fiscal 2023, Baltimore City will continue to receive \$3.0 million; thus, in each year, Baltimore City continues to fund the required 25% match of \$750,000. Therefore, EPFL direct expenditures of State and local funds under the bill total \$3.75 million annually beginning in fiscal 2023. Baltimore City must also fund the retirement costs of additional nonprofessional EPFL staff. It is assumed

that, as discussed above for State retirement costs, the increase is similar to the amounts required in previous years by Chapter 715.

Additional Comments: The hours of operation for EPFL’s central library and its branches are posted on the EPFL [website](#). Hours are currently limited due to the impact of COVID-19. However, the library maintains [additional information](#) on remote and contact-free services available for library patrons. MSLA advises that, while the COVID-19 pandemic has caused branches to be intermittently closed to the public, the staffing level increases supported by Chapter 715 have allowed for staggered in-building staff scheduling, which allows EPFL to keep staff safety and social distancing issues in mind. Services during COVID-19 include, but are not limited to, providing timely access to the collection through contactless curbside pickup, enhanced virtual programming, and the ability to continuously provide services six days a week at 21 branches.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 477 (Senator McCray, *et al.*) - Budget and Taxation.

Information Source(s): Maryland State Library Agency; Department of Legislative Services

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