
By: **Senators Ruben and Dorman**
Introduced and read first time: January 22, 1998
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Public Libraries - Participation by Eligible Municipal Corporations in the**
3 **State Minimum Library Program**

4 FOR the purpose of expanding the State minimum library program for public
5 libraries in the counties and in Baltimore City to certain eligible municipal
6 corporations; establishing a cost-sharing formula; requiring the eligible
7 municipal corporations to levy certain taxes; prohibiting counties from levying
8 certain taxes on certain residents of certain municipal corporations; authorizing
9 the payment of State aid to certain public officials for certain purposes;
10 authorizing the withholding of State aid in certain circumstances; and generally
11 relating to the expansion of the State minimum library program for public
12 libraries in the State.

13 BY repealing and reenacting, with amendments,
14 Article - Education
15 Section 23-501, 23-502, 23-503, 23-505, 23-506, and 23-507 to be under the
16 amended subtitle "Subtitle 5. Financing for Public Libraries"
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 1997 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article - Education**

22 Subtitle 5. Financing for [County] Public Libraries.

23 23-501.

24 (a) In this subtitle the following words have the meanings indicated.

25 (b) (1) "Adjusted assessed valuation of real property" means the most recent
26 estimate by the Department of Assessments and Taxation before the State budget is
27 submitted to the General Assembly, of the assessed value of real property for State

1 purposes as of July 1 of the first completed fiscal year before the fiscal year for which
2 the calculation of State library aid is made under this subtitle.

3 (2) If the Department of Assessments and Taxation estimates that real
4 property in any county is assessed at other than 50 percent of market value, the
5 assessed valuation of those categories of real property that are estimated to be
6 assessed at other than 50 percent of market value, on the basis of surveys made under
7 § 2-202(12) of the Tax - Property Article that are reported on or before November 1 of
8 the first calendar year before the fiscal year for which the calculation is made, shall
9 be adjusted to 50 percent. This adjustment does not apply to public utility operating
10 property.

11 (c) "Capital expense" means principal and interest payments, or current
12 capital spending or accumulation for:

- 13 (1) The purchase of land for libraries;
- 14 (2) The purchase and construction of library buildings;
- 15 (3) Remodeling and adding to library buildings; and
- 16 (4) The purchase of equipment and furniture for these library buildings.

17 (d) "ELIGIBLE MUNICIPAL CORPORATION" MEANS AN INCORPORATED CITY
18 WITHIN THE STATE THAT:

- 19 (1) HAS A PUBLIC LIBRARY AS OF DECEMBER 31, 1997;
- 20 (2) DESIRES TO PARTICIPATE IN THE STATE MINIMUM LIBRARY
21 PROGRAM; AND
- 22 (3) HAS A POPULATION OF AT LEAST 15,000.

23 (E) "Net taxable income" means the amount certified by the State Comptroller
24 for the second full calendar year before the fiscal year for which the calculation of
25 State library aid is made under this subtitle, based on tax returns filed on or before
26 July 1 after that calendar year.

27 [(e)] (F) "Population" means population determined from figures available as
28 of July 1 of the calendar year before the fiscal year for which the calculation is made,
29 from:

- 30 (1) The latest decennial census; or
- 31 (2) Estimates prepared by the Department of Health and Mental
32 Hygiene.

33 [(f)] (G) "Real property" includes:

- 34 (1) Land and improvements to land;

1 (2) Land and nonoperating property of railroads and public utilities; and

2 (3) Public utilities operating property classified as real property by the
3 Department of Assessments and Taxation.

4 [(g)] (H) "Wealth" means the sum of net taxable income and adjusted assessed
5 valuation of real property.

6 23-502.

7 (a) There is a [county-] State minimum library program for the support and
8 growth of public libraries IN THE COUNTIES AND ELIGIBLE MUNICIPAL
9 CORPORATIONS IN THE STATE.

10 (b) The State shall share in the current operating and capital expenses of the
11 [county] public library systems that participate in the minimum library program.

12 23-503.

13 (a) (1) The entire capital and operating cost of the minimum library
14 program for this State as a whole shall be shared as provided in this subsection.

15 (2) The State shall provide:

16 (i) Approximately 40 percent of the total cost of the minimum
17 program; and

18 (ii) Not less than 20 percent of the cost of the minimum program in
19 any county OR ELIGIBLE MUNICIPAL CORPORATION.

20 (3) The counties AND ELIGIBLE MUNICIPAL CORPORATIONS
21 participating in the program together shall provide through local taxes approximately
22 60 percent of the total statewide cost of the minimum program.

23 (b) (1) (I) Each year, each [county] public library system that
24 participates in the minimum library program shall be provided \$9.25 for each
25 resident of the county OR ELIGIBLE MUNICIPAL CORPORATION, to be used for
26 operating and capital expenses.

27 (II) The State shall share in this amount.

28 (III) IF AN ELIGIBLE MUNICIPAL CORPORATION PARTICIPATES IN
29 THE MINIMUM LIBRARY PROGRAM AND RECEIVES \$9.25 FOR EACH RESIDENT OF THE
30 ELIGIBLE MUNICIPAL CORPORATION, THE COUNTY SHALL RECEIVE AN AMOUNT FOR
31 THE MINIMUM LIBRARY PROGRAM THAT REFLECTS A DEDUCTION FOR THE AMOUNT
32 RECEIVED BY THE ELIGIBLE MUNICIPAL CORPORATION.

33 (2) Any county OR ELIGIBLE MUNICIPAL CORPORATION may provide an
34 amount greater than its share under the cooperative program, but the State may not
35 share in the excess.

1 (c) Any employer Social Security contributions required by federal law for any
2 employee in a [county] public library system shall remain the obligation of the
3 employer.

4 23-505.

5 (a) To be eligible for its State share of the minimum program, [a county] THE
6 government OF A COUNTY OR AN ELIGIBLE MUNICIPAL CORPORATION shall levy an
7 annual tax sufficient to provide an amount for library purposes equal to:

8 (1) The wealth of the county OR THE ELIGIBLE MUNICIPAL
9 CORPORATION; times

10 (2) A uniform percentage, rounded to the fifth decimal place equal to:

11 (i) 60 percent of the total minimum program for current and
12 capital expenses to be shared for all counties AND PARTICIPATING ELIGIBLE
13 MUNICIPAL CORPORATIONS; divided by

14 (ii) The total wealth of all the counties AND PARTICIPATING
15 ELIGIBLE MUNICIPAL CORPORATIONS.

16 (3) A COUNTY MAY NOT LEVY AN ANNUAL TAX FOR LIBRARY PURPOSES
17 ON THE RESIDENTS OF AN ELIGIBLE MUNICIPAL CORPORATION, IF THE ELIGIBLE
18 MUNICIPAL CORPORATION LEVIES AN ANNUAL TAX ON ITS RESIDENTS FOR LIBRARY
19 PURPOSES.

20 (b) The State share of the minimum program for current and capital expenses
21 for each county OR ELIGIBLE MUNICIPAL CORPORATION is the difference between the
22 [county] share calculated under subsection (a) of this section FOR THE COUNTY OR
23 ELIGIBLE MUNICIPAL CORPORATION and the minimum program for current and
24 capital expenses to be shared under § 23-503 of this subtitle.

25 (c) Not more than 20 percent of the county OR ELIGIBLE MUNICIPAL
26 CORPORATION SHARES and State shares may be applied to capital expenses.

27 (d) The [county] appropriation OF A COUNTY OR ELIGIBLE MUNICIPAL
28 CORPORATION for capital expenses may include funds from any source except the
29 State.

30 23-506.

31 (a) The State Superintendent shall authorize the payment of funds under this
32 subtitle:

33 (1) To the board of library trustees of each county that has a board of
34 trustees; [or]

35 (2) In each county that does not have a board of library trustees, to the
36 county;

1 (3) TO THE BOARD OF LIBRARY TRUSTEES OF AN ELIGIBLE MUNICIPAL
2 CORPORATION THAT HAS A BOARD OF TRUSTEES; OR

3 (4) IN EACH ELIGIBLE MUNICIPAL CORPORATION THAT DOES NOT HAVE
4 A BOARD OF LIBRARY TRUSTEES, TO THE ELIGIBLE MUNICIPAL CORPORATION.

5 (b) (1) Current operating funds shall be administered by:

6 (I) The [county] board of library trustees FOR THE COUNTY OR
7 THE ELIGIBLE MUNICIPAL CORPORATION, IF THERE IS A BOARD; OR

8 (II) THE COUNTY OR THE ELIGIBLE MUNICIPAL CORPORATION, IF
9 THERE IS NO BOARD OF LIBRARY TRUSTEES.

10 (2) Capital expense funds shall be administered by the county council,
11 board of county commissioners, [or] Mayor and City Council of Baltimore City, OR
12 THE MAYOR AND CITY COUNCIL OF AN ELIGIBLE MUNICIPAL CORPORATION.

13 (c) (1) The funds provided under this subtitle may be used only for library
14 purposes.

15 (2) The State Superintendent shall require that these funds be used
16 subject to any conditions specified by the appropriating agency or imposed under this
17 subtitle.

18 23-507.

19 The State Superintendent shall authorize the State Comptroller to withhold
20 State funds from any county OR ELIGIBLE MUNICIPAL CORPORATION that fails:

21 (1) To appropriate the amount of its share of the minimum program; or

22 (2) To meet the requirements of the law or of the State Board for
23 operating [the county] A PUBLIC library.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 1998.