

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE  
Revised

House Bill 94 (Delegate Hixson. *et al.*)  
Ways and Means

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Public Libraries - Funding

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This bill increases the mandatory funding for each county public library system that participates in the County-State Minimum Library Program from \$9.25 to \$10.75 for each county resident in fiscal 1999. The per capita grant increases to \$11.00 in fiscal 2000, \$11.50 in fiscal 2001, and \$12.00 beginning in fiscal 2002. This bill takes effect July 1, 1998.

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Fiscal Summary

**State Effect:** General fund expenditures would increase by \$3.2 million beginning in FY 1999. Future year expenditures reflect per capita grant and projected population changes. Revenues would not be affected.

(in millions)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	3.2	3.8	4.9	6.0	6.1
Net Effect	(\$3.2)	(\$3.8)	(\$4.9)	(\$6.0)	(\$6.1)

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

**Local Effect:** State aid to local governments would increase by \$3.2 million beginning in FY 1999. Future year State aid increases to \$6.1 million by FY 2003.

**Small Business Effect:** None.

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## Fiscal Analysis

**State Effect:** The State provides 40% of the total cost of the County-State Minimum Library Program. The State share of the total is divided among the counties according to their relative wealth, with no county receiving less than 20% of its minimum program. Three counties (Montgomery, Talbot, and Worcester) receive the minimum State share. Pursuant to this bill, the State portion of the County-State Minimum Library Program would increase from \$19.75 million to \$22.95 million in fiscal 1999, representing a \$3.2 million (16%) increase over current law. As shown in **Exhibit 1**, future year expenditures increase by \$3.8 million in fiscal 2000 and by \$6 million in fiscal 2002, reflecting the bill's per capita grant increases and population increases.

**Exhibit 1**

Fiscal Year	Per Capita Grant	Additional State Aid
1999	\$10.75	\$3.2 million
2000	\$11.00	\$3.8 million
2001	\$11.50	\$4.9 million
2002	\$12.00	\$6.0 million

**Local Effect:** State aid to local governments would increase by \$3.2 million in fiscal 1999 and \$6 million by fiscal 2002. **Exhibit 2** shows the fiscal impact for fiscal 1999 on a county-by-county basis.

**Additional Comments:** The Governor's proposed fiscal 1999 State budget includes \$3.2 million to increase funding for the County-State Minimum Library Program from \$9.25 to \$10.75 per county resident, contingent on the enactment of SB 168 or HB 255. Since this bill does not specifically fulfill the requirements in the Governor's budget, it is assumed that the \$3.2 million in additional funding in the State budget cannot be used to offset the cost associated with this bill.

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**Information Source:** Department of Legislative Services

**Note:** Hard copy of attachment is available in room 226, Legislative Services Building

**Fiscal Note History:** First Reader - January 26, 1998  
tlw Revised - House Third Reader - March 24, 1998

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