

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE

House Bill 480 Delegate Hixson, et al.)
 Ways and Means

**Education - County Public Library Systems - Minimum Library Program
 Funding**

This bill increases the mandatory State funding for public library systems participating in the County-State Minimum Library Program from \$12.00 to \$13.50 for each county resident in fiscal 2004. The per capita grant increases to \$15.00 in fiscal 2005, \$16.50 in fiscal 2006, and \$18.00 beginning in fiscal 2007 and each year thereafter.

Fiscal Summary

State Effect: General fund expenditures would increase by \$3.3 million beginning in FY 2004. Future year expenditures reflect increases in the per capita grant amount and county population. Revenues would not be affected.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditure	0	0	3,300,000	6,600,000	10,000,000
Net Effect	\$0	\$0	(\$3,300,000)	(\$6,600,000)	(\$10,000,000)

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

Local Effect: State aid to local library boards would increase by \$3.3 million beginning in FY 2004. Local library expenditures would not be affected.

Small Business Effect: None.

Analysis

Current Law: The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library program. This minimum library program is specified in statute. For fiscal 2002, the per capita grant is \$12.00.

Background: The County-State Minimum Library Program distributes State aid on an equalized basis to local library boards. The State provides about 40% of the program's funding while local governments provide 60%. The State/local share of funding varies by jurisdiction depending upon local wealth. Less affluent counties receive relatively more aid than affluent counties. No county can receive less than 20% of its minimum program. Three counties (Montgomery, Talbot, and Worcester) receive the minimum State share.

Expenditures for public local libraries in Maryland totaled \$170 million in fiscal 1999 or \$33 per State resident. The State provided 22% of the funding for local libraries and county governments provided 68% of the funding. Per capita spending on local libraries in fiscal 1999 ranged from \$19 in Cecil County to \$43 in Carroll County. Three other local library boards (Baltimore City, and Harford and Montgomery counties) spent over \$40 per capita on library services.

State and Local Fiscal Effect: Pursuant to this bill, the State portion of the County-State Minimum Library Program would increase from \$26.3 million to \$29.6 million in fiscal 2004, representing a \$3.3 million (12.5%) increase over current law. As shown in **Exhibit 1**, State expenditures increase by \$6.6 million in fiscal 2005 and by \$13.4 million in fiscal 2007. **Exhibit 2** shows the projected increase in State aid for each local library board based on a \$18.00 per capita grant using the fiscal 2002 formula calculation variables (population and local wealth). **Exhibit 3** shows the existing funding sources for local library boards in fiscal 1999.

Exhibit 1

Fiscal Year	Per Capita Grant	Additional State Aid
2004	\$13.50	\$3.3 million
2005	\$15.00	\$6.6 million
2006	\$16.50	\$10.0 million
2007	\$18.00	\$13.4 million

Additional Comments: Chapter 575 of 1998 increased the mandatory funding for public libraries from \$9.25 to \$10.75 for each county resident in fiscal 1999. The per capita grant increased to \$11.00 in fiscal 2000, \$11.50 in fiscal 2001, and \$12.00 in fiscal 2002.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Department of Education, Department of Legislative Services

Fiscal Note History: First Reader – February 18, 2001
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Exhibit 2
Increase in State Library Aid - \$18 Per Capita Grant
Based on Fiscal 2002 Formula Calculation

<u>County</u>	<u>Population</u>	<u>Program Amount</u>	<u>State Aid \$18 Grant</u>	<u>State Aid \$12 Grant</u>	<u>Increased State Aid</u>
Allegany	70,600	\$1,270,800	\$864,254	\$576,227	\$288,027
Anne Arundel	485,400	8,737,200	2,826,329	1,885,057	941,272
Baltimore City	621,900	11,194,200	7,813,005	5,209,149	2,603,856
Baltimore	726,400	13,075,200	5,110,700	3,408,262	1,702,438
Calvert	76,100	1,369,800	455,537	303,821	151,716
Caroline	30,000	540,000	329,424	219,646	109,778
Carroll	155,500	2,799,000	1,202,620	801,973	400,647
Cecil	85,800	1,544,400	705,790	470,645	235,145
Charles	123,300	2,219,400	967,548	645,210	322,338
Dorchester	29,700	534,600	290,445	193,665	96,780
Frederick	194,400	3,499,200	1,281,152	854,416	426,736
Garrett	29,400	529,200	254,818	169,917	84,901
Harford	221,000	3,978,000	1,762,351	1,175,215	587,136
Howard	248,700	4,476,600	940,021	627,182	312,839
Kent	19,200	345,600	130,714	87,173	43,541
Montgomery	860,700	15,492,600	3,098,520	2,065,680	1,032,840
Prince George's	787,700	14,178,600	7,360,448	4,907,932	2,452,516
Queen Anne's	41,600	748,800	238,645	159,169	79,476
St. Mary's	90,500	1,629,000	790,443	527,081	263,362
Somerset	24,300	437,400	323,694	215,812	107,882
Talbot	33,800	608,400	121,680	81,120	40,560
Washington	128,100	2,305,800	1,217,129	811,574	405,555
Wicomico	79,900	1,438,200	810,898	540,688	270,210
Worcester	44,700	804,600	160,920	107,280	53,640
Total	5,208,700	\$93,756,600	\$39,057,085	\$26,043,894	\$13,013,191

Prepared by the Department of Legislative Services, February 2001

Exhibit 3
Local Library Funding in Maryland - Fiscal 1999

<u>County</u>	<u>Population</u>	<u>Total Library Expenditures</u>	<u>Per Capita Expenditures</u>	<u>State Funding</u>	<u>Local Library Appropriation</u>	<u>Per Capita Local Appropriation</u>
Allegany	71,160	\$2,118,182	\$29.77	\$532,643	\$688,739	\$9.68
Anne Arundel	480,490	14,230,486	29.62	2,776,190	10,650,000	22.16
Baltimore City	632,680	26,848,432	42.44	10,277,498	12,712,517	20.09
Baltimore	723,920	27,782,735	38.38	3,714,129	19,014,743	26.27
Calvert	73,750	1,634,064	22.16	348,538	1,218,993	16.53
Caroline	29,710	1,113,494	37.48	264,963	798,634	26.88
Carroll	152,460	6,574,342	43.12	1,042,030	4,598,535	30.16
Cecil	84,230	1,598,941	18.98	499,551	891,510	10.58
Charles	120,950	2,088,100	17.26	676,359	1,375,072	11.37
Dorchester	29,710	789,565	26.58	214,105	393,000	13.23
Frederick	190,870	3,797,656	19.90	970,893	2,660,784	13.94
Garrett	29,390	634,775	21.60	198,775	337,900	11.50
Harford	217,910	8,856,164	40.64	1,520,058	6,820,499	31.30
Howard	243,110	9,358,214	38.49	1,147,767	7,537,570	31.00
Kent	19,080	437,203	22.91	104,875	307,076	16.09
Montgomery	852,180	34,827,753	40.87	3,465,682	29,804,361	34.97
Prince George's	781,780	17,330,793	22.17	6,786,518	10,239,800	13.10
Queen Anne's	40,680	1,159,841	28.51	187,986	818,697	20.13
St. Mary's	88,760	1,790,831	20.18	552,585	1,096,963	12.36
Somerset	24,240	481,885	19.88	217,619	223,763	9.23
Talbot	33,550	708,958	21.13	122,198	450,000	13.41
Washington	127,790	2,878,364	22.52	1,424,260	1,113,000	8.71
Wicomico	79,560	1,887,404	23.72	589,016	1,040,150	13.07
Worcester	43,680	1,120,275	25.65	195,376	866,243	19.83
Total	5,171,640	\$170,048,457	\$32.88	\$37,829,614	\$115,658,549	\$22.36

Prepared by the Department of Legislative Services, February 2001
Source: County Budgets

