

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 860
Ways and Means

(Delegate Dwyer, *et al.*)

Public Libraries - Preventing Internet Access to Obscene Materials - Funding

This bill requires each county or board of trustees of a county library to adopt and implement policies and procedures to prevent an individual from obtaining access through the library, by means of the Internet or other interactive computer service, to materials that are obscene or constitute child pornography. Policies and procedures must be adopted by January 1, 2005.

The State Superintendent of Schools must annually report to the Governor and the General Assembly by December 1 on whether local library boards are complying with required policies and procedures. The State Superintendent must authorize the Comptroller to withhold State library grants to counties that are not in compliance with the required policies and procedures.

Fiscal Summary

State Effect: None. The Maryland State Department of Education (MSDE) can monitor local compliance with the required policies and procedures with existing resources.

Local Effect: State aid to local library boards may be reduced if local libraries fail to comply with the required policies and procedures. Local expenditures could increase to the extent that MSDE requires local libraries to install filtering devices. Libraries have not been required to install filtering devices as a condition of complying with similar policies aimed at minors.

Small Business Effect: None.

Analysis

Current Law: Each county or board of trustees of a county library must adopt and implement policies and procedures to prevent minors from obtaining access through the library, by means of the Internet or other interactive computer service, to materials that are obscene or constitute child pornography. A county library board is not required to install filtering devices on its computers.

State funds to a local library board are withheld if a county fails to appropriate the required local funding under the minimum library program or if the library fails to meet certain legal requirements.

Background: Access to child pornography and other obscene materials through online access to the Internet at public libraries is generating increasing concern in Maryland and throughout the nation. The U.S. Congress passed the Children's Internet Protection Act (CIPA) in 2000 that requires schools and libraries receiving federal funds to filter all computers with access to the Internet. On June 23, 2003, the U.S. Supreme Court ruled that the filtering mandate in CIPA is constitutional for public libraries. This action reversed a 2002 federal district court ruling that had found the filtering mandate unconstitutional.

The General Assembly passed legislation at the 2000 session that required each county or board of trustees of a county library to adopt and implement policies and procedures to prevent minors from obtaining access through the library, by means of the Internet or other interactive computer service, to materials that are obscene or constitute child pornography. These policies and procedures had to be adopted by January 1, 2001. The State Superintendent of Schools must regularly monitor the county libraries to determine whether each library is complying with the required policies and procedures. The legislation does not specifically require local library boards to install filtering devices on their computers. As shown in **Exhibit 1**, 15 library systems in Maryland have installed filtering devices on their computers to protect children from obscene materials.

Exhibit 1 Public Library Systems with Filtering Devices

Allegany	Baltimore	Carroll	Harford	Washington
Anne Arundel	Calvert	Charles	Montgomery	Wicomico
Baltimore City	Caroline	Frederick	St. Mary's	Worcester

Costs to Install Filtering Devices

The cost to install filtering devices is dependent on many factors including vendor software, number of personal computers, and the negotiations between the library system and vendor. The costs to install a simple filtering system range from \$1,200 to \$3,000 for smaller library systems and over \$11,000 for larger library systems. For a more complex system, the costs at one library branch can total \$20,000.

Minimum Library Program

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 as \$12 per person. The library aid formula distributes State aid to the local library boards on a wealth-equalized basis. Overall, State and local sharing of the minimum program is 40% State and 60% local. The State's share for a specific library board will be higher or lower depending on county wealth. Less-affluent counties receive more aid per person than wealthier counties. However, no library board may receive less than 20% of the per capita minimum program from the State. The proposed fiscal 2005 State budget includes \$27.8 million in funding for the minimum library program.

Traditionally, all counties provide considerably more support for libraries than is required under the formula. In fiscal 2002, the minimum library program required localities to appropriate at least \$37.5 million to the library boards. Actual local funding for libraries in fiscal 2002 was \$130.2 million, \$92.7 million more than the required funding amount. State funding as a percent of total library revenues averages 22.1% statewide with the percentage ranging from 8.6% in Talbot County to 45.7% in Washington County. **Appendix 1** compares the required local funding under the minimum library program with actual local funding as well as the percent of library revenues funded by the State.

Local Fiscal Effect: State aid to local libraries under the library aid formula totals \$27.8 million in fiscal 2005 as shown in **Appendix 2**. If the State Superintendent of Schools determines that local library boards are not in compliance with the provisions of the bill, State aid will be withheld. It is assumed that local libraries will comply with the required policies and procedures. Local expenditures could increase to the extent that MSDE requires local libraries to install filtering devices; however, public libraries have not been required to install filtering devices as a condition of complying with similar policies aimed at minors.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Carroll County, Cecil County, Harford County, Montgomery County, Prince George's County, St. Mary's County, Comptroller's Office, Maryland State Department of Education, Department of Legislative Services

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lc/ljm

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Appendix 1

State and Local Funding for Public Libraries in Fiscal 2002

<u>County</u>	<u>Required Local Funding Minimum Program</u>	<u>Local Funding</u>	<u>State Funding</u>	<u>Total Revenues</u>	<u>Percent State</u>
Allegany	\$279,330	\$740,000	\$635,276	\$1,517,814	41.9%
Anne Arundel	4,005,679	10,533,330	2,630,088	13,825,305	19.0%
Baltimore City	2,288,387	12,102,800	14,421,800	31,682,300	45.5%
Baltimore	5,209,018	22,004,037	3,737,551	30,040,279	12.4%
Calvert	619,035	1,588,780	294,165	2,039,898	14.4%
Caroline	140,085	899,000	276,556	1,310,682	21.1%
Carroll	1,061,990	5,017,095	1,099,944	7,231,255	15.2%
Cecil	526,972	1,149,918	589,592	1,900,881	31.0%
Charles	832,793	1,830,776	802,133	2,813,152	28.5%
Dorchester	159,389	462,740	229,288	763,654	30.0%
Frederick	1,502,286	3,647,594	1,037,158	4,885,000	21.2%
Garrett	186,309	562,962	211,175	1,160,670	18.2%
Harford	1,473,958	8,765,813	1,560,993	10,871,858	14.4%
Howard	2,352,705	9,507,471	1,178,205	11,510,681	10.2%
Kent	145,819	353,534	109,102	491,662	22.2%
Montgomery	9,030,919	30,811,670	3,724,939	35,854,465	10.4%
Prince George's	4,535,768	13,310,000	5,812,982	20,369,088	28.5%
Queen Anne's	352,513	935,439	212,317	1,236,043	17.2%
St. Mary's	557,849	1,473,840	634,326	2,394,391	26.5%
Somerset	77,003	260,994	234,460	553,802	42.3%
Talbot	385,778	550,000	113,600	1,320,935	8.6%
Washington	751,360	1,476,640	1,727,213	3,778,109	45.7%
Wicomico	424,709	1,115,896	764,109	2,168,095	35.2%
Worcester	<u>613,103</u>	<u>1,146,788</u>	<u>185,685</u>	<u>1,375,078</u>	<u>13.5%</u>
Total	\$37,512,757	\$130,247,117	\$42,222,657	\$191,095,097	22.1%

Appendix 2
State Aid Under the Minimum Library Program

<u>County</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>Difference</u>	<u>% Difference</u>
Allegany	\$633,117	\$618,814	-\$14,303	-2.3%
Anne Arundel	1,868,440	1,815,358	-53,082	-2.8%
Baltimore City	5,463,630	5,425,974	-37,656	-0.7%
Baltimore	3,963,316	4,041,215	77,899	2.0%
Calvert	299,769	321,278	21,509	7.2%
Caroline	218,223	218,729	506	0.2%
Carroll	724,802	768,972	44,170	6.1%
Cecil	518,920	531,575	12,655	2.4%
Charles	616,566	668,741	52,175	8.5%
Dorchester	210,415	194,176	-16,239	-7.7%
Frederick	846,621	931,767	85,146	10.1%
Garrett	161,649	150,220	-11,429	-7.1%
Harford	1,153,660	1,194,461	40,801	3.5%
Howard	627,120	639,120	12,000	1.9%
Kent	83,903	85,284	1,381	1.6%
Montgomery	2,161,920	2,217,600	55,680	2.6%
Prince George's	5,236,092	5,463,809	227,717	4.3%
Queen Anne's	129,216	122,039	-7,177	-5.6%
St. Mary's	467,177	483,582	16,405	3.5%
Somerset	222,601	227,938	5,337	2.4%
Talbot	82,800	82,800	0	0.0%
Washington	857,067	840,784	-16,283	-1.9%
Wicomico	618,683	607,565	-11,118	-1.8%
Worcester	<u>118,800</u>	<u>119,040</u>	<u>240</u>	<u>0.2%</u>
Total	\$27,284,507	\$27,770,841	\$486,334	1.8%