

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 1094

(Delegate Hixson, *et al.*)

Ways and Means

Budget and Taxation and Education, Health,
 and Environmental Affairs

Education - Libraries - Reorganization of Governance Structure

This bill establishes the Maryland State Library Agency (MSLA) and a 12-member Maryland State Library Board (MSLB) and abolishes the Division of Library Development and Services (DLDS) within the Maryland State Department of Education (MSDE), as well as the 12-member Maryland Advisory Council on Libraries (MACL). The State Librarian is appointed by MSLB, with the advice and consent of the Senate, as the head of MSLA. The bill generally transfers the authority and responsibilities of the Maryland State Board of Education related to library development in the State to MSLB.

The bill takes effect July 1, 2017; effective on that date, MSLA and MSLB are established, and DLDS and MACL are abolished under the bill.

Fiscal Summary

State Effect: General fund expenditures increase by up to \$128,100 in FY 2018, increasing to \$234,200 by FY 2022. The FY 2018 estimate includes \$33,300 in increased costs due to replacement of MACL with MSLB as well as an increase in personnel costs associated with replacement of DLDS with MSLA. Out-year expenditures reflect annualization and inflation as well as the elimination of one-time costs. Revenues are not affected.

(in dollars)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	128,100	207,800	216,100	224,900	234,200
Net Effect	(\$128,100)	(\$207,800)	(\$216,100)	(\$224,900)	(\$234,200)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary:

Maryland State Library Board

MSLB is the successor to MACL; its structure and member selection are the same as for MACL (described below), except that the State Librarian (as opposed to the Assistant Superintendent for Libraries) serves as secretary to MSLB. When appointing members to the MSLB, the Governor must ensure geographic diversity. MSLB must gather information on the needs of libraries throughout the State, oversee MSLA, advise the Governor on library matters, and promote improvement of library services in the State.

The bill generally transfers the authority and responsibilities of the Maryland State Board of Education as they relate to library development in the State to MSLB. MSLB must consider the recommendations of the State Librarian before establishing library policies and procedures for the statewide library system. However, the bill does not alter the responsibility of the Maryland State Board of Education to certificate professional library personnel. Furthermore, certain responsibilities of MSDE with respect to libraries are also assumed by MSLB. It is within the MSLB budget, not the MSDE budget, that funding may be included for the State Library Resource Center, regional resource centers, the Maryland Library for the Blind and Physically Handicapped (LBPH), each metropolitan service program, and (under the bill) the Deaf Culture Digital Library.

State Librarian and Maryland State Library Agency Employees

MSLA is the successor to DLDS and therefore generally assumes the powers and responsibilities of DLDS (described below). In addition, the bill specifies that MSLA must provide professional and technical advice to higher education and special library officials. The State Librarian is the head of MSLA and is appointed by and serves at the pleasure of MSLB. The State Librarian must select, organize, and direct the staff of the State Library Agency; perform the duties MSLB assigns; and see that the policies and decisions of MSLB are carried out. MSLA employees, including the State Librarian, are entitled to the salary provided in the State budget and must join the Teachers' Pension System or the Employees' Pension System.

Current Law:

Division of Library Development and Services

DLDS, within MSDE, is charged with the following responsibilities:

- provide leadership and guidance for the planning and coordinated development of library and information services in this State;
- develop statewide public and school library services and networks, resource centers, and other arrangements to meet the library and information needs of the State;
- provide professional and technical advice on improving library services to specified public and library officials;
- administer federal and State funds appropriated to it for library purposes;
- develop and recommend professional standards and policies for libraries, and establish requirements and procedures for the certification of librarians and library personnel;
- provide specialized library service to the blind and other physically handicapped individuals in this State, and other desirable specialized library services;
- encourage, advise, and assist in establishing, operating, and coordinating libraries at State institutions and agencies and administer the operation of library and information services for MSDE;
- administer the State grant program for county public library capital projects;
- adopt guidelines for the administration of public libraries and recommend rules and regulations to the State Board of Education;
- cooperate with national library agencies and those of any other state; and
- develop the Deaf Culture Digital Library.

DLDS must also collect library statistics and other data, identify library needs and provide for needed research and studies of them, publish and distribute findings in these areas, coordinate library services with other information and education services and agencies, and perform any other duty necessary for its proper operation.

Maryland Advisory Council on Libraries

MACL must gather information on the needs of libraries throughout the State; advise DLDS, the State Superintendent, the State Board of Education, and the Governor on library matters; and promote improvement of library services in the State. MACL consists of 12 members, each serving five-year terms without compensation. Seven members are appointed by the Governor, including one who is a professional librarian and one who is a library trustee. The remaining 5 members serve in an *ex officio* capacity and each may

select a designee to serve in his or her place. Specifically, they are the Secretary of Higher Education; the Presidents of the Board of Trustees of Enoch Pratt Free Library, the Maryland Library Association, and the Maryland Educational Media Organization; and the Dean of the University of Maryland College of Library and Information Services.

(MSDE advises that the Maryland Educational Media Organization is now named the Maryland Association of School Librarians. The bill makes a technical change to account for this change.)

Maryland State Board of Education

The State Board of Education must exercise general direction and control of library development in the State and may:

- adopt rules and regulations necessary to administer this title;
- after considering the recommendations of MACL, establish library policies and procedures for the statewide system of libraries;
- consider the library needs of the State and recommend to the Governor and the General Assembly desirable legislation;
- with the approval of the Governor, accept, administer, and spend any appropriation, gift, or grant for library purposes from the federal government; and
- report annually to the Governor and the people of the State on the support, condition, progress, and needs of libraries.

The State Board of Education must approve county public library capital projects for State funding in accordance with Section 23-510 of the Education Article. In accordance with the bylaws, rules, and regulations of the State board, the State Superintendent must certificate professional library personnel.

Background: The fiscal 2018 State budget includes 28 regular positions as well as 2 contractual positions within DLDS and includes \$4.6 million: \$3.1 million in general funds as well as \$1.5 million in federal funds. Staffing for LBPH accounts for 21 of the 28 DLDS regular positions. MSDE advises that though MACL is only required to meet once annually, it tends to meet approximately three times per year at various locations around the State. The fiscal 2018 budget includes approximately \$50,000 to cover MACL travel and meeting expenses and special programs related to MACL.

State Fiscal Effect: General fund expenditures increase by \$128,100 in fiscal 2018, increasing to \$234,200 by fiscal 2022. As described below, the estimate accounts for (1) increased costs for MSLB as compared to MACL and (2) increased personnel costs

associated with establishing MSLA, while abolishing DLDS. The effect on State retirement costs is assumed to be negligible.

Maryland State Library Board

MSLB assumes a similar structure as and the same membership total (12) of MACL, but is required to meet at least four times per year (three more annually than MACL must, and at least once more annually than under current MACL practice) and may hold special meetings as necessary. Given this, and because MSLB must oversee MSLA (instead of acting in an advisory capacity), it is assumed that its annual expenditures will exceed those of MACL. It is estimated that MSLB costs for oversight of MSLA, meetings, travel, and other programs will total approximately \$83,300 in fiscal 2018, or \$33,300 above the estimated \$50,000 proposed for MACL under current law. Out-year expenditures reflect annual inflation.

Maryland State Library Agency

Generally, DLDS employees will be transferred to MSLA without change to their rights, benefits, or employment status. However, MSDE advises that two existing LBPH positions within DLDS will be reclassified and placed within MSLA as a human resources specialist position and a fiscal officer position. This will reduce LBPH-specific staffing by two positions. MSDE also anticipates that one part-time information technology position and one part-time assistant Attorney General position will be required to assist MSLA.

As a result of the upgrades for two positions as well as the net increase of one position (*i.e.*, the combination of two half positions), general fund expenditures increase by \$94,700 in fiscal 2018 and by \$198,100 in fiscal 2022. This estimate accounts for a six-month start-up delay and includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. Out-year expenditures reflect annualization and the elimination of one-time costs as well as annual inflation.

The 21 regular positions located at LBPH will remain at its Park Avenue location in Baltimore City, and no move is anticipated for the library capital projects managerial (contractual) position. MSDE advises that it is not certain that any of the 7 remaining current DLDS positions (6 regular positions and 1 contractual position) will be required to vacate their office space at 200 West Baltimore Street in Baltimore City. However, MSDE advises that, to the extent that this is necessary, the Enoch Pratt Free Library (also in Baltimore City) will provide office space in one of its currently underutilized facilities for MSLA staff at the cost of \$1 annually. Any related moving expenses can be covered with existing resources.

Local Fiscal Effect: The direct effect upon Baltimore City of providing excess office space for seven MSLA employees at the Enoch Pratt Library is assumed to be both voluntary and negligible.

Additional Information

Prior Introductions: None.

Cross File: SB 587 (Senator King, *et al.*) - Budget and Taxation and Education, Health, and Environmental Affairs.

Information Source(s): Maryland State Department of Education; Department of Budget and Management; State Retirement Agency; Department of Legislative Services

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