

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 276
Ways and Means

(Delegate D. Jones, *et al.*)

Budget and Taxation

Education - Libraries - Funding

This bill codifies the intent of the General Assembly to provide enhanced funding to local library systems at levels established by Chapters 496 and 497 of 2022. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: No impact. The bill codifies existing funding levels for local library systems.

Local Effect: No impact. The bill codifies existing funding levels for local library systems.

Small Business Effect: None.

Analysis

Current Law: The State and local governments share in the cost of funding local public library systems through the library aid formula, which establishes minimum State and local contributions. The formula distributes funds on the basis of county population and wealth. Less wealthy counties, as measured by net taxable income and assessable property tax base, receive relatively more aid than wealthier counties. A total program cost for each county and Baltimore City, which is shared by the State and local governments, equals a specified dollar amount per county or city resident (\$17.10 in fiscal 2022). Generally, the State pays approximately 40% of the total statewide formula cost, with the per county amount determined on a wealth-equalized basis; however, no library board receives less than 20% of the program cost from the State. State aid for local libraries totaled \$44.7 million in fiscal 2022, excluding retirement-related expenses.

Under Chapters 496 and 497, the library aid program per resident amount is scheduled to increase annually through fiscal 2027, when per capita funding is set at \$19.10. The bill codifies the intent of the General Assembly to maintain this level of funding.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 205 (Senator King, *et al.*) - Budget and Taxation.

Information Source(s): Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - February 1, 2023
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