

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 49 Public Libraries

**SPONSOR(S):** Garcia

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1408, SB 1434

---

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Tourism</u>	<u>5 Y, 0 N</u>	<u>Judy McDonald</u>	<u>J. Paul Whitfield, Jr.</u>
2) <u>Commerce</u>	<u>16 Y, 0 N</u>	<u>Judy McDonald</u>	<u>J. Paul Whitfield, Jr.</u>
3) <u>Local Affairs (Sub)</u>	<u>8 Y, 0 N</u>	<u>Nelson</u>	<u>Highsmith-Smith</u>
4) <u>Local Government &amp; Veterans' Affairs</u>	<u>17 Y, 0 N</u>	<u>Nelson</u>	<u>Highsmith-Smith</u>
5) <u>Transportation &amp; Econ. Dev. Approp. (Sub)</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
6) <u>Appropriations</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

---

### SUMMARY ANALYSIS

The State Aid to Libraries Grant Program, established in by law in 1961, is an incentive program designed to encourage local governments to establish and continue development of free library service to residents and to provide funding to support that library service. There are several forms of grants for which libraries may apply: equalization, multicounty library, establishment and operating. Operating grants are capped at a maximum matching fund amount of 25 percent of the funds expended locally for the operation and maintenance of a public library. These funds principally go to county libraries and, currently, the only way municipal libraries can receive funds is by entering into cooperative agreements with county library systems.

The bill implements the statutory proposals recommended in the Department of State, Division of Library and Information Services' status report to the Legislature on improving the State Aid to Libraries Grant Program. To accomplish this, the bill: makes municipalities eligible to participate in the State Aid Program and receive assistance directly; requires service provision to incorporated and unincorporated areas; library hours of operation; types of planning activities and plans; qualifications for the single administrative head; and eliminates the establishment grant which is no longer needed.

The bill also clarifies the Public Library Construction Grant Program's rate of local match requirement and waiver of match for certain rural areas.

With regard to library records, current law only allows municipal or county law enforcement officials, judicial officials, or any business to have access to such patrons information for the purpose of collecting fines or recovering overdue books, documents, films, or other items or materials belonging to the library. The bill amends that section to allow the parent or guardian of a public library patron under 16 to have access to that patron's library records for the purpose of collecting fines or recovering overdue books, documents, films, or other items or materials belonging to the library. The bill does not allow access for any other reason.

The bill does not have a fiscal impact on state government. The bill does not have a fiscal impact on the amount of funds local jurisdictions in the aggregate will receive. However, by enabling additional local jurisdictions to receive a share of a finite amount of state grant money, the amount each local jurisdiction will receive could potentially be smaller. See "Fiscal Comments" for more detail.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h0049e.lgv.doc

**DATE:** March 27, 2003

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |   |                             |   |
|--------------------------------------|---|-----------------------------|---|
| 1. Reduce government?                | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| 2. Lower taxes?                      | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |

For any principle that received a "no" above, please explain:

Section 6 of the bill does support the principle of reducing government. Other provisions relating to eligibility for receipt of operating grants for public libraries, however, could hinder privatization or outsourcing of a local government's library day-to-day operation and management if it is to receive assistance from the state.

#### B. EFFECT OF PROPOSED CHANGES:

##### State Aid to Libraries

The State Aid to Libraries Grant Program, established in 1961, is an incentive program designed to encourage local governments to establish and continue development of free library service to residents and to provide funding to support that library service. Grant formulas are based largely on local funds invested in library service. The more local money spent on library services, the higher the grants earned under the State Aid to Libraries Program. There are several forms of grants for which libraries may apply: equalization, multicounty library, establishment and operating.

Section 257.17, F.S., establishes the operating grant that is prorated based on remaining available funds in the annual appropriation by the Legislature and provides a match. The grant may be applied for by a political subdivision designated by a county as the single library administrative unit. If this designated unit meets certain criteria, it is eligible to receive an annual operating grant of not more than 25 percent of all local funds expended by that unit during the second preceding fiscal year. Grant formulas are based largely on local funds invested in library service. The more local money spent on library services, the higher the grants earned under the program. Libraries established or maintained by the political subdivisions must be operated under a single administrative head and expend its funds centrally, have an operating budget of at least \$20,000 per year from local sources, and give free library service to all residents of the county or residents of the special district or special tax district.

Chapter 2001-263, Laws of Florida, required the Department of State, Division of Library and Information Services (division), to review the State Aid to Libraries Program and determine any revisions that may be needed to encourage and improve the delivery of free library service to the residents of the state. The division specifically was asked to explore the feasibility of extending the benefits of the State Aid to Libraries Program to municipal libraries.

On December 17, 2001, *Improving The State Aid To Libraries Grant Program*, a report prepared by consultants employed by the division, was issued. The report states that changes by the Legislature in the State Aid Program in 1973, 1983 and 1992 made substantial improvements in the provision of library services statewide. As a result of the changes, all 67 counties now meet the requirements to receive State Aid. However, there are still 26 municipal libraries that do not participate in county or multicounty libraries and, therefore, do not receive State Aid. Statutory changes were recommended to improve the existing system.

Additionally, the Joint Administrative Procedures Committee questioned some of the statutory basis for eligibility requirements in the division's Guidelines for State Aid such as employment and qualifications of the single administrative head. A 2002 study by the Committee on Tourism joined with the JAPC in its questions concerning the single administrative head and also indicated requirements such as library hours of operation and planning requirements which should be considered for statutory inclusion.

House Bill 49 addresses recommendations made in the Division of Library and Information Services' report to the Legislature as well as some of the other concerns raised above by doing the following:

- Extending eligibility for operating grants to municipalities;
- Eliminating the requirement that a library have an annual operating budget of at least \$20,000 from local sources;
- Specifying planning requirements, hours of operation, and qualifications of the single administrative head; and,
- Eliminating establishment grants which are no longer needed.

### Library Construction Grants

Section 257.191, F.S., authorizes the Division of Library and Information Services to accept and administer library construction money appropriated to it on a matching grant basis. The Public Library Construction Grant Program, established in 1973, provides assistance in the construction of new buildings, site acquisition, and the acquisition, expansion or remodeling of existing buildings to be used for public library services in municipal, county and regional public libraries. The grants are required by law to have a local match of no less than 50 percent of the grant (a dollar-for-dollar match). By rule, the maximum state grant is set at \$500,000 in non-recurring funds and the minimum is set at \$10,000.

Section 288.06561, F.S., provides for a reduction of waiver of financial match requirements for rural areas meeting the requirements under the Rural Economic Development Initiative in s. 288.0656, F.S.

House Bill 49 clarifies the match requirement for the Public Library Construction Grant Program by changing it to state that it will be a "dollar for dollar" match and by recognizing the waiver for certain rural areas.

### Library Registration and Circulation Records

In 1978, the Florida Legislature enacted Chapter 78-81, Laws of Florida. This act created a public records exemption for library registration records and circulation records. The only exception to the exemption was for judicial orders. Additionally, the act made any violation a second degree misdemeanor. In 1996, the Florida Legislature amended the public records exemption to include additional exceptions. Currently, a municipal or county law enforcement official or a judicial official may have access to such records for the purpose of recovering overdue books, documents, films or other items or materials owned or otherwise belonging to the library or for collecting fines on overdue books, documents, films, or other items or materials. Any confidential and exempt information regarding a library patron under the age of 16 may not be released. A public library only may release information relating to the parent or guardian of such patron.

Section 6 of House Bill 49 amends that public records exemption to allow the parent or guardian of a public library patron, under the age of 16, to have access to that patron's library records for the purpose of collecting fines or recovering overdue books, documents, films, or other items or materials belonging to the library. The bill does not allow a parent or guardian of the patron to have access to that patron's library records for any other reason than those previously listed. The bill does not grant a parent or guardian access to his or her child's library records for the purpose of monitoring or discovering what books the child checks out at the library.

## C. SECTION DIRECTORY:

Section 1: Amends s. 257.17, F.S., relating to library operating grants, to revise eligibility requirements for receipt of such grants by expanding the ability of municipalities to participate in the grant program and receive funds directly; by eliminating the minimum operating budget requirement; by codifying current rule requirements relating to hours of library operation, planning and budgeting, level of service, and qualifications of the single administrative head of the library. Additionally, the amended language requires the single administrative head to be an employee of the eligible political subdivision, unlike the current rule which provides for designation as well as employment.

Section 2: Amends s. 257.191, F.S., relating to library construction grants, to clarify that the match requirement is a dollar-for-dollar match up to the maximum. Cross reference to a statutorily required waiver or reduction of match requirements for rural areas is cited. The section also provides that the initiation of a library construction project 12 months or less prior to a construction grant award will not affect the eligibility of an applicant to receive a library construction grant.

Section 3: Amends s. 257.22, F.S., relating to the allocation of funds administered by the Division of Library and Information Services, to allow all eligible political subdivisions to receive warrants.

Section 4: Amends s. 257.23, F.S., relating to application for grants, to align the December 1 document submission date with political subdivision budget development timelines and to clarify the appropriate authority responsible for signing the application.

Section 5: Repeals s. 257.19, F.S., relating to establishment grants, to eliminate grants that were provided to assist newly formed county systems in meeting their non-recurring start-up costs. As library service is available in all 67 counties, these grants are no longer needed.

Section 6: Amends s. 257.261, F.S., relating to library registration and circulation records, to revise provisions relating to confidentiality of public library registration and circulation records to authorize disclosure of information to the parent or guardian of a library patron under age 16, for the purpose of collecting fines or recovering overdue books or other materials.

Section 7: Provides an effective date of July 1, 2003.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See, Fiscal Comments.

2. Expenditures:

Possible cost associated with eligibility changes posing privatization or outsourcing option limitations.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

Certain provisions of this bill could hinder a private sector for-profit corporation from contracting with a local government to operate that local government's library service.

**D. FISCAL COMMENTS:**

According to the Department of State, the only provision of the bill with a fiscal impact is that which makes municipalities eligible for operating grants under the State Aid to Libraries Grant Program. Because of the way in which grants are calculated, it is not possible to accurately estimate the impact of the change at this time. The impact will depend on the number of municipalities applying, their local appropriations for public library service, and the FY 2003-04 legislative appropriation for the State Aid to Libraries Grant Program.

Under s. 257.17, F.S., eligible political subdivisions can receive from the state up to 25 percent of local funds expended during the second preceding fiscal year for the operation and maintenance of a library. This legislative appropriation, to be divided among eligible local jurisdictions, varies annually and has never provided enough to reach the 25 percent maximum match. According to the department's fiscal analysis of the bill, the match in FY 2002-03 is 8.3 cents on the dollar with an appropriation of \$32.4 million.

Operating grants of political subdivisions establishing public library service for the first time are based on their appropriation for library service. The amounts of local appropriations will not be set until September 30, 2003.

The provisions of the bill do not provide more revenue, or require more expenditure, so far as state funds are concerned. Nor will the bill lessen or increase the amount of money local jurisdictions, as a group, will receive. However, as the state grant money the local jurisdictions can receive in the aggregate is finite, by adding additional local jurisdictions as potential recipients of the money, the amount of funds each local jurisdiction currently receiving funds will receive could decrease as it will be split among a larger number of entities.

The Department of State estimates that up to 26 municipalities may be eligible to apply. It is not known how many actually would submit applications.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

The legislation does not require expenditure of funds by local governments, does not reduce the authority to raise revenue, nor reduce the percentage of state tax shared with local governments.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

None.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

#### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.