

HOUSE OF REPRESENTATIVES STAFF ANALYSIS - Revised

**BILL #:** HB 657  
**SPONSOR(S):** Bean  
**TIED BILLS:**

Public Libraries  
**IDEN./SIM. BILLS:** SB 966

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Tourism Committee</u>	<u>8 Y, 0 N</u>	<u>McDonald</u>	<u>McDonald</u>
2) <u>Local Government Council</u>	<u>7 Y, 0 N</u>	<u>Nelson</u>	<u>Hamby</u>
3) <u>Transportation &amp; Economic Development Appropriations Committee</u>	<u>18Y, 0 N</u>	<u>McAuliffe</u>	<u>Gordon</u>
4) <u>State Infrastructure Council</u>	<u>9 Y, 0 N</u>	<u>McDonald</u>	<u>Havlicak</u>
5) _____	_____	_____	_____

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**SUMMARY ANALYSIS**

The public library construction grant program 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 to have a local match of no less than the grant amount, on a dollar-for-dollar basis, up to the maximum grant amount, unless the matching requirement is waived or reduced for rural areas meeting statutory criteria.

The bill provides for a grant program for small county public library construction in addition to the public library construction grants currently available to municipal, county and regional libraries. The purpose of the small county public library construction grant program is to assist counties and municipalities that have been designated rural communities to construct, expand or renovate public library facilities to meet a requirement of 0.6 square feet per capita of total library floor space. The bill specifies criteria for a competitive funding process for counties seeking assistance through the grant program. The bill also prohibits a library from receiving funds from both public library construction grant programs in the same fiscal year. Rules for the administration of the small county public library grant program are to be developed by the Division of Library and Information Services of the Department of State.

The bill does not appear to have any impact on General Revenue. Funding for the small county public library grant program is dependent upon legislative appropriation. See "Fiscal Comments" for more detail.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

*Provide limited government* – The bill increases the responsibility of the Division of Library and Information Services within the Department of State through the creation of a new library grant program, if funded, and by requiring the adoption of rules for the administration of the program.

#### B. EFFECT OF PROPOSED CHANGES:

##### ***Present Situation:***

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 to have a local match of no less than the grant amount, on a dollar-for-dollar basis, up to the maximum grant amount, unless the matching requirement is waived or reduced pursuant to s. 288.06561, F.S. By rule, the maximum state grant is set at \$500,000 in non-recurring funds and the minimum is set at \$10,000.<sup>1</sup> The minimum project size is 3,000 square feet. Any of the 67 county general governments, incorporated municipalities, special districts and special tax districts that establish or maintain a public library and provide free public library service can apply for a construction grant. In FY 2004-05, funding was appropriated for 26 grants to projects serving 16 counties: Bay, Broward, Charlotte, Citrus, Duval, Escambia, Gadsden, Highlands, Hillsborough, Lee, Manatee, Miami-Dade, Polk, Okaloosa, St. Lucie and Santa Rosa.<sup>2</sup>

Section 288.06561, F.S., provides for a reduction or waiver of financial match requirements for rural areas meeting the requirements under the Rural Economic Development Initiative (REDI) in s. 288.0656, F.S.<sup>3</sup> Based upon the REDI county library facility needs chart, many counties have insufficient revenue capacity at the local level to generate the money to construct or expand library facilities to meet federal square footage per capita standards. These counties are in need of more than the \$500,000 cap to begin to meet construction needs.

##### ***Effect of Proposed Changes:***

The bill provides for a grant program for small county public library construction in addition to the public library construction grants currently available to municipal, county and regional libraries. The purpose of the small county public library construction grant program is to assist counties and municipalities that have been designated rural communities in accordance with ss. 288.0656(2)(b) and 288.06561, F.S., to construct, expand or renovate public library facilities to meet the nationally accepted standard of 0.6 square feet per capita of total library floor space. The bill specifies criteria for a competitive funding process for counties or municipalities seeking assistance through the grant program. In order to compete for funds, a county or municipality must certify that it will appropriate and expend sufficient funds to operate the completed library facility. The bill also prohibits a library from receiving funds from

<sup>1</sup> See Rule 1B2-2.011(2)(b), F.A.C.

<sup>2</sup> Information provided by the Division of Library and Information Services of the Department of State.

<sup>3</sup> "Rural community" is defined as (a) a county with a population of 75,000 or less, or a municipality within that county; (b) a county with a population of 100,000 or less, or a municipality within the county, that is contiguous to a county with a population of 75,000 or less; or (c) an unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or less and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has certain factors of economic stress.

both public library construction grant programs under s. 257.191, F.S., in the same fiscal year. Rules for the administration of the small county public library grant program are to be developed by the Division of Library and Information Services of the Department of State. Finally, as is currently required for public library construction grants, small county public library grants are not available unless money is specifically appropriated to the Division of Library and Information Services to fund the grants.

C. SECTION DIRECTORY:

Section 1. Amends s. 257.191, F.S., relating to library construction grants, establishing a small county public library construction grant program; providing criteria for eligibility for receipt of grants; prohibiting a public library from receiving grants from both public library construction grant programs in the same fiscal year; providing funding contingency for implementation of the small county public library construction grant program; requiring rules.

Section 2. Provides an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None. The bill does not create, modify or eliminate a revenue source.

2. Expenditures:

See "Fiscal Comments."

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See "Fiscal Comments."

2. Expenditures:

See "Fiscal Comments."

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See "Fiscal Comments."

D. FISCAL COMMENTS:

The bill does not appear to have an impact on General Revenue because the establishment of the small county public library construction grant program is contingent upon legislative appropriation. Because it is contingent upon appropriation, it does not appear to have an impact on local government nor the private sector.

If monies were appropriated, the funding would benefit local governments by the amount appropriated. Local governments are not required to provide a match for construction dollars. One criterion for selection is that the local government certifies that it will appropriate and expend sufficient funds to operate the completed library.

According to the Department of State, if funds were expended on library construction in rural communities, the local economies would be positively impacted. However, the level of the fiscal impact is unknown.

According to the Department of State, additional funding appropriated for rural library construction projects would aid in the development of new libraries in rural communities without jeopardizing the construction of new libraries in all Florida communities. Analysis by the Division of Library and Information Services indicates that for the 33 counties and five rural communities with rural designation, eight counties and two rural communities currently meet the .6 square foot per capita standard, and the remaining 25 counties and three rural communities have a combined deficit of 247,862 square feet. The analysis also stated that using typical library construction costs of \$130 per square foot as the basis for estimating, the total cost of this program would be approximately \$32,221,930, subject to legislative appropriation.

### **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:**

The bill requires the Division of Library and Information Services to adopt rules for the administration of public library construction grants; however, this is not a new requirement in the law and simply a restructuring of the section. New rules would have to be adopted to accommodate the small county public library construction grant program.

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

None.

### **IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES**

None.