



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2015 Biennium

**Bill #** HB0203

**Title:** Revise direct state aid to public libraries

**Primary Sponsor:** Clark, Christy

**Status:** As Amended in Senate Committee

- Significant Local Gov Impact     
 Needs to be included in HB 2     
 Technical Concerns  
 Included in the Executive Budget     
 Significant Long-Term Impacts     
 Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<b>Expenditures:</b>				
General Fund	\$292,936	\$292,936	\$292,936	\$292,936
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$292,936)</u>	<u>(\$292,936)</u>	<u>(\$292,936)</u>	<u>(\$292,936)</u>

**Description of fiscal impact:** HB 203 creates a statutory appropriation to increase per capita state aid distributed as grants to public libraries and public library districts by \$292,936 general fund per year terminating July 1, 2017.

### FISCAL ANALYSIS

#### Assumptions:

1. Present law states that the Library Commission shall distribute grants to public libraries and public library districts on a per capita and per square mile basis. Current funding for these grants is a general fund appropriation of \$102,830 per year in the library's HB 2 budget.
2. HB 203, as amended, creates a statutory appropriation at the rate of 40 cents per state resident based on the most recent decennial census of the population.
3. The number of state residents is to be determined by the most recent decennial census of the population produced by the U.S. bureau of census. For the purposes of this fiscal note, the 2010 census number (989,416) has been used.
4. The Library budget currently includes a base appropriation for this purpose of \$102,830. The increased general fund expenditure related to HB 203 would be 292,936 per year.

5. Section 3 of the bill contains coordination instructions between HB 2 and this bill. HB 203 states that if the appropriation in HB 2 is passed and approved at an amount equal to or greater than the amount calculated per this bill, then the statutory appropriation does not become effective until July 1, 2015.
6. As of March 13, 2013, HB 2 includes base funding of \$102,830 plus restricted, one-time-only funding of \$292,936 in each year of the 2015 biennium for grant distribution to public libraries and public library districts on a per capita and per square mile basis. The current HB 2 general fund appropriations (\$395,766 per year) are equal to the amount calculated per HB 203 at 40 cents for each year of the 2015 biennium. Therefore, the statutory appropriation would not become law until FY 2016.
7. HB 203, as amended, terminates July 1, 2017.

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Grants	\$292,936	\$292,936	\$292,936	\$292,936
<b>TOTAL Expenditures</b>	<u>\$292,936</u>	<u>\$292,936</u>	<u>\$292,936</u>	<u>\$292,936</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$292,936	\$292,936	\$292,936	\$292,936
<b>TOTAL Funding of Exp.</b>	<u>\$292,936</u>	<u>\$292,936</u>	<u>\$292,936</u>	<u>\$292,936</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$292,936)	(\$292,936)	(\$292,936)	(\$292,936)

\_\_\_\_\_  
Sponsor's Initials

\_\_\_\_\_  
Date

\_\_\_\_\_  
Budget Director's Initials

\_\_\_\_\_  
Date



**17-1-508(2), MCA.**

1. 17-1-508, MCA, requires analysis of the statutory appropriation relative to the guidance in 17-1-508(2), MCA, to be published in the fiscal note. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines.

	<u>YES</u>	<u>NO</u>
a. The fund or use requires an appropriation.	X	
b. The money is not from a continuing, reliable, and estimable source.		X
c. The use of the appropriation or the expenditure occurrence is not predictable and reliable.		X
d. The authority does not exist elsewhere.	X	
e. An alternative appropriation method is not available, practical, or effective.		X
f. Other than for emergency purposes, it does not appropriate money from the state general fund.		X
g. The money is dedicated for a specific use.	X	
h. The legislature wishes the activity to be funded on a continual basis.	X	
i. When feasible, an expenditure cap and sunset date are included.		X