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Maryland State Library Agency - Capital

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Response to the Analyst's Review

**Senate Capital Budget Subcommittee
February 14, 2023**

**House Capital Budget Subcommittee
February 15, 2023**



**Irene M. Padilla
State Librarian**

The Maryland State Library Agency (MSLA) welcomes this opportunity to share with the Committees some of its success stories and to address information in the analysis.

The Maryland State Library Agency (MSLA) wishes to express its appreciation to the General Assembly for establishing the Public Library Capital Grant Program in FY 2008, implementing a wealth-based cost sharing formula in FY 2014 and for enacting SB 847/ HB 1249 during the 2022 Session which adjusted the State share for Garret County to the same level as Allegany County. The increase in the State share for counties with less wealth enabled 23 of Maryland's 24 public library systems to participate in the program through FY 2023. And, for the first time in the history of the program, we are pleased to recommend a project for Garrett County's Ruth Enlow Library, the only library system that has not yet benefitted from State capital funding, in the FY 2024 capital budget you are considering.

Fiscal 2024 is the seventeenth year that State assistance will be available to public libraries in Maryland. Program priorities include geographic diversity in grant distribution and stimulating local support for library facilities development. Since the inception of the program, \$82,325,000 has been authorized, leveraging more than \$370,000,000 in local matching funds, or more than four times the amount of the State's investment.

While the majority of the grant awards have funded basic, but critical renovations including roof, window and HVAC replacement, 19 new public libraries have been opened with State support. Substantial completion of the new Riviera Beach Library in Anne Arundel County is scheduled for next month, and two additional new library facilities are currently underway in Calvert (Twin Beaches) and Frederick (Middletown) Counties which will bring the total to 22. MSLA's FY 2024 capital budget request includes another 3 new library projects in Anne Arundel (Glen Burnie), Garrett (Friendsville) and Worcester (Pocomoke) Counties.

As you recognized by increasing the funding mandate to \$7.5 million in FY 2023, this level of progress was not sustainable while funding remained flat at \$5 million annually and construction costs continued to escalate. As the analyst points out, "since fiscal 2020, total requests for library capital funds have averaged approximately \$9.3 million per year, with a range of \$7.7 million to \$11.2 million per year and an average shortfall of \$2.3 million from the allowance. The Governor's budget as introduced has a total of \$12.5 million in future spending for the projects funded in fiscal 2024. If requested in fiscal 2025, this amount exceeds the mandated grant allowance of \$7.5 million by \$5.0 million."

MSLA should comment on anticipated fiscal 2025 spending and plans to accommodate these costs.

We are extremely grateful for the General Assembly's decision to increase the funding mandate for the program from \$5 million to \$7.5 million, but even without any new projects next year, future funding of current projects will continue to exceed the mandated amount. The agency is currently accepting notices of intent to request FY 2025 funds from library systems with a due date of February 24, 2023. In addition to current projects, MSLA is aware of at least three new construction projects and two major renovation and expansion projects that will request funding in FY 2025.

The only way the agency can accommodate these requests is through additional supplemental funding for the program, another increase in the mandate, or through the

enactment of current pending legislation, SB 501, *Aging Infrastructure Capital Improvement Grant Program*, which would authorize an additional \$40 million annually over the next six years for library capital projects above the existing capital grant program. The alternative is to stall the completion of current projects and wait to fund any new projects.

According to the most recent statewide facilities assessment conducted in December 2022, more than half of the 191 public library buildings in Maryland are over twenty five (25) years old. Consequences of this aging infrastructure are: 5 buildings need a new roof, 3 facilities require alterations for ADA compliance, 4 libraries have HVAC systems that are at the end of their useful life, 26 buildings require technological upgrades in order to provide 21st century library services, 23 existing facilities require general renovation, and 6 buildings have been identified for replacement with a new structure. The total estimated cost of these projects is **\$424.38 million.**

The Department of Legislative Services (DLS) suggests that MSLA comment on the need for additional capital investment to expand broadband access to county libraries.

The Office of Statewide Broadband in the Department of Housing and Community Development was established by SB 66 in 2021 to ensure that every resident of the State is supported by high-quality, affordable broadband Internet service and has the tools necessary to take advantage of the Internet. The Office is required to develop a statewide plan to ensure that all State residents have the ability to connect to reliable broadband Internet by December 31, 2026.

In order to prepare that plan, the Office has created the Maryland Broadband State Agency Collaboration Workgroup that meets quarterly to collaborate with the appropriate units of state and local government to ensure that efforts to expand and enhance broadband internet services are coordinated statewide. The Maryland State Library Agency (MSLA) is an appointed member of this Workgroup.

MSLA has established a Library Broadband Taskforce to identify what the library community's needs might be from the new Office of Broadband. This taskforce will participate in discussions to develop the goals and objectives for broadband from the library point of view to ensure equitable access to the internet for all Marylanders. This task force includes representation from school, academic, special, public and regional libraries.

This work is still in its beginning stages. MSLA defers to the Office of Statewide Broadband to develop this assessment of existing broadband infrastructure by county and the need for additional capital investment to expand broadband access to county libraries.

GO Bond Recommended Actions

1. Approve the \$11,600,000 in general obligation bond funding for the Public Library Capital Grant Program.

The agency concurs.