
**Maryland State Library Agency
Fiscal Year 2027 Operating Budget**

Response to Department of Legislative Services Analysis

**Senate Budget and Taxation
Education, Business & Administration Subcommittee
Senator Nancy J. King
February 2, 2026**

**House Appropriations
Education & Economic Development Subcommittee
Delegate Stephanie Smith
January 29, 2026**



**Morgan Lehr Miller
State Librarian**

The Maryland State Library Agency (MSLA) ensures that all Marylanders have access to outstanding services and innovative spaces. We achieve this by administering state and federal funding to the 24 public library systems and three regional systems, empowering professionals through certification, overseeing legislative compliance, and facilitating collaboration across public, school, and academic libraries. MSLA also oversees specialized programs including the Maryland State Library for the Blind and Print Disabled (LBDP), the Maryland Deaf Culture Digital Library (DCDL), and the County Library Capital Grant Program.

The largest component of MSLA's operating budget is state aid, which received a standard increase in Governor Moore's proposed FY2027 budget. Maryland's libraries are community hubs that provide equitable access to information, technology, and opportunity. They deliver vital programs supporting early-childhood literacy, youth mental health, digital access, workforce development, and services to veterans. Libraries leverage these resources to serve the public in the most cost-effective ways possible.

Instability at the federal level has required libraries to be even more responsive to community needs. During federal government shutdowns, citizens turned to libraries for support. For families managing tight budgets, free programs and borrowed materials provide essential financial relief. Furthermore, libraries serve as frontline workforce development hubs, offering job search tools, resume support, and career coaching in trusted spaces that remove barriers to employment.

Librarians also build relationships to provide customized solutions, often filling gaps caused by eroding safety nets. This includes providing access to social workers, food pantries, and health resources. By partnering with government and nonprofit agencies, libraries connect citizens to vital services such as tax assistance and benefits enrollment.

State funding is critical to the success of Maryland public libraries. Given the instability and disinvestment in federal funding, state support is essential to ensure high-quality services remain available. Any reduction in funding will negatively impact library programs and the millions of Marylanders who rely on them.

The Maryland State Library Agency is proud to report:

- More than 3.3 Marylanders hold public library cards. They accessed over 53 million items from libraries every year.
- Maryland libraries saw approximately 17 million visits annually and answered 3.5 million questions from the public.
- Libraries offered nearly 85,000 programs to their communities with corresponding attendance of more than 2.1 million. More than half of attendance occurred at children's and teen programs.
- Citizens were able to access free computers with internet at their local libraries more than 2.2 million times. Libraries hosted more than 23.7 million Wi-Fi sessions.
- Maryland's 193 public libraries focus on providing equitable access to information, services and the resources people need and want. Twenty-six mobile libraries bring Maryland's public library services, collections and digital connectivity to customers.

- The Maryland Library for the Blind and Print Disabled distributed nearly 350,000 books and reading materials in accessible formats to thousands of citizens.
- The LBPD led Maryland Accessible Textbook program ensured access to more than 1,000 textbook materials for blind and low vision students at Maryland universities.
- More than two-thirds of students in 4th and 8th grade lack proficiency in reading. Public libraries are outstanding education partners that help children and parents build literacy, confidence in connection throughout the continuum of their school years. When school is out, the library is in: in 2025, the MSLA-led statewide Summer Reading and Learning program saw over 560,000 program attendees.
- The Agency delivers targeted professional development opportunities for librarians in the public, K-12 and academic sectors. Last year, MSLA offered 81 training events, including workshops, webinars, and symposiums, that reached thousands of library workers throughout the state.

FY 2026 Proposed Deficiency

MSLA should comment on the factors contributing to the \$220,000 deficiency appropriation for Montgomery County retirement costs and whether the factors are anticipated to cause similar spending growth in the future.

When the employees of the county library boards were classified as teachers and allowed to join the Teachers' Retirement System, the librarians in Montgomery County elected to remain in the Montgomery system. Therefore, The Maryland State Library Agency (MSLA) is responsible for reimbursing Montgomery County for the State's contribution for the Teacher's Retirement System and the Teachers' Pension System for professional and clerical employees of the Department of Public Libraries of Montgomery County. The relevant code and details can be found in the Maryland State Personnel and Pensions Code Ann. § 21-308.

This disbursement is determined by both the State's contribution percentage for the Teachers' Retirement System and the Teachers' Pension System and the percentage of the payroll that Montgomery County has contributed to the Employees' Retirement System of Montgomery County. Montgomery County has different rates for different retirement plans, some are higher than the State contribution percentage, while others are lower. Per the legislature, the State reimburses Montgomery County the lesser of these two percentages.

Over the past three years, the actual total payments for Montgomery County retirement have increased and are as follows:

FY 2023 - \$1,362,453

FY 2024 - \$1,582,238

FY 2025 - \$1,777,175

For FY 2023 and 2024, the Legislative Appropriation was \$2,119,750 which was more than sufficient and the remaining balances were reverted back to the State. In FY 2025, the appropriation was reduced to \$1,800,000, leaving a very small portion remaining at year-end to be reverted back to the State.

In addition, the Montgomery County Retirement rates have changed since 2023 as seen below:

FY 23		FY24		FY25		FY26	
Plan	Rate	PLA N	RATE	PLA N	RATE	PLA N	RATE
A0	0.00%	A0	2.58%	A0	4.92%	A0	5.34%
AK	0.00%	AK	2.58%	AK	4.92%	AK	5.34%
CM	6.12%	CM	6.10%	CM	5.94%	CM	6.82%
CN	6.12%	CN	6.10%	CN	5.94%	CN	6.82%
HK	0.00%	HK	0.00%	HK	0.00%	HK	5.37%
HZ	0.00%	HZ	0.00%	HZ	0.00%	HZ	5.37%
JK	10.30 %	JK	2.86%	JK	5.91%	JK	8.97%
RM	8.00%	RM	8.00%	RM	8.00%	RM	8.00%
RN	8.00%	RN	8.00%	RN	8.00%	RN	8.00%
RP	10.00 %	RP	10.00%	RP	10.00%	RP	10.00%

The FY 2026 Legislative Appropriation is \$1,800,000 which will not be enough to fully fund the Montgomery County retirement. Using the FY26 rates and FY25 salaries, the total for Montgomery County retirement in FY26 would be at least \$2,019,750.

Fiscal 2027 Overview of Agency Spending

MSLA should comment on the intended use of the additional funding provided for the Baltimore City Young Readers Program and the Young Readers Matching Grant Program.

The State currently mandates \$200,000 for the Baltimore Young Readers Program and \$350,000 for the Young Readers Matching Grant Program. The funding allows for any child 5 and under living in Maryland to enroll in the Dolly Parton Imagination Library (DPIL) and receive a book each month, supporting critical access to early literacy and learning throughout the state and especially in low income households.

There are currently 55,555 children enrolled in DPIL programs statewide, an increase of 41% over two years. Effective January 1, 2025, the Dolly Parton Imagination Library increased the cost of each book from \$2.10 to \$2.60. This increase of 50 cents per book, per month significantly reduces the impact of support that the State's funding provides. The additional funds will be used to help alleviate the increased costs of the program and support its expansion.

Library Programming and Attendance

While these trends suggest a gradual return toward prepandemic engagement levels, MSLA should comment on the factors contributing to the reduced rate of growth in library programs and attendance from fiscal 2024 to 2025 and describe any actions that the agency is taking to encourage continued increases in library activity.

Between FY2024 and FY2025, Maryland libraries reported a 15% increase in public programs and an 18% increase in attendance. This represents an additional 11,810 programs and 33,104 attendees. This 15% growth rate is significant, even exceeding pre-pandemic trends such as the 9.7% program increase seen between FY2018 and FY2019.

These figures highlight the resourcefulness of Maryland libraries. Despite flat population growth and limited increases in budgets or staffing, libraries have successfully met the demand for high-quality community programming. Furthermore, many systems have optimized program frequency and formats to maximize impact with reduced resources, often resulting in higher attendance per event.

	2018	2019	2020	2021	2022	2023	2024
Programs	92124	100019	76288	22897	41421	72766	84576
Attendance	2433000	2591000	1960000	607000	1004000	1840000	2171049

It is important to note that the dramatic increases observed from FY2022 to FY2023 (78% in programs and 83% in attendance) were post-pandemic anomalies due to the rapid restoration of hours and services. Sustaining that level of growth is unsustainable for both the library system and the community.

While the type and quantity of library programs offered is decided at the local level, MSLA supports public library systems with a wealth of resources to promote library activities that are of high quality and aligned with the needs of their communities. In addition to facilitating numerous statewide programming interest groups and hosting ongoing professional development activities, MSLA leads statewide programming initiatives such as Maryland Libraries Together, the Summer Reading and Learning Program, and Career Success Month. MSLA also administers federal grants to support local program and initiative development.

Shifts in Digital Collection Use and Holdings

MSLA should comment on whether current data collection methods allow for adequate assessment of shifts in user demand and discuss whether the agency tracks information on unmet demand for digital materials and resources.

MSLA regularly reviews data and collection methods to accurately reflect the importance and relevance of Maryland libraries. While collection usage is a key part of the narrative regarding how residents use library services, information concerning unmet demand—such as holds lists and material recommendation forms—is managed at the county level.

MSLA does not request this specific data, as purchasing decisions are best made by trained professionals familiar with their local community needs and resources. Furthermore, the reallocation of resources to meet changing needs within fixed budgets remains at the discretion of each county library system.

MSLA does, however, engage with the statewide library community regarding the ebook licensing environment, which currently makes it challenging for libraries to fully meet digital demands due to unfair pricing practices on the part of publishers.

BRFA

The Department of Legislative Services recommends shifting 100% of the fiscal 2027 increase in the State share of librarian retirement costs to local jurisdictions.

The Maryland State Library Agency (MSLA) disagrees with this recommendation. Shifting the full cost of the FY2027 pension increase will do little to resolve the state's budget deficit, but it will have a significantly negative impact on local library operations and the communities they serve.

At a time when local operating budgets are already stressed and many library systems are anticipating flat or reduced funding, any additional cost shift beyond the \$772,970 will create an undue hardship for counties. This burden will likely be passed on to library systems, further impacting their ability to provide essential services.

MSLA is deeply grateful to the General Assembly for their support of Maryland's libraries and thus, all Marylanders.