

FY20-21 State Budget Bill HB 166 Talking Points on “As Passed by the House” Version

May 16, 2019

House Bill (HB) 166, the \$69 billion state budget bill for Fiscal Years 2020-2021, was recently passed by the Ohio House and is currently pending in the Ohio Senate. While the House decided to maintain the Public Library Fund at 1.68% of the state’s General Revenue Fund (GRF), they added significant tax reform changes to the proposal - some that would increase revenues as well as others that would reduce the GRF base.

We need public library directors, fiscal officers and library trustees to contact the Ohio Senate!

PLF

- The current version of HB 166 maintains the Public Library Fund (PLF) at 1.68% of the state’s General Revenue Fund (GRF) – it does NOT reduce it to the 1.66% rate that is set in permanent law.
- The Governor’s budget proposal assumed natural growth in state revenues would result in the PLF distribution increasing by \$20 million in FY20. However, this was based on no additional tax cuts or other major tax reform changes being added to the bill that would impact the GRF.
- The House’s budget proposal included significant tax reform changes that would both increase state tax revenues as well as others that would decrease the state’s GRF base.
- Investing in Ohio’s public libraries is critical as the usage and demand for our services is growing and broadening – especially in the areas of early childhood education, broadband connectivity and workforce development.
- Making public libraries a priority in this budget and maintaining the PLF at 1.68% is a step in the right direction.
- However, state funding for public libraries has been cut by more than \$113 million since 2001 – a 23% reduction in funding over the past 17 years with no adjustment for inflation.
- In addition, the PLF percentage has been reduced since 2008 and has not fully recovered from the recession.
- There are still several unknowns related to the tax reform proposals that could impact the GRF base and ultimately reduce the PLF.

Urge Ohio Senators to Restore the PLF to 1.7% of the GRF!

- This would cost \$5 million – it is a reasonable “ask” for the Senate and NOT a heavy lift.
- Public libraries provide a strong Return on Investment by returning \$5 in economic value to Ohioans for every \$1 spent.

Ask your Senator to Sponsor/Support Amendment SC3424 in the Senate’s Version!

- Setting the PLF at 1.7% will help to restore state funding for Ohio’s public libraries.
- It will also help public libraries prepare for the online 2020 Census and maintain other critical services related to early childhood education, broadband connectivity and workforce development.
- 20% of Ohio’s public libraries rely solely on their state funding for operations and DO NOT have a local property tax levy.