

To: Members of the Ohio Senate

From: Michelle Francis, OLC Executive Director
Jay Smith, OLC Director of Government and Legal Services

Date: April 28, 2021

Re: State Budget Bill and Ohio's Public Libraries

As the statewide organization representing Ohio's 251 public library systems and the 8.4 million library cardholders they serve, we are disappointed that the Ohio House did not include a provision in Amended Substitute House Bill 110 to maintain the Public Library Fund (PLF) for Ohio's libraries at 1.7% of the General Revenue Fund (GRF).

Based on what is included in the House Budget, libraries are being negatively impacted in several different ways:

- The PLF percentage is being cut from 1.7% to 1.66%.
- The base of the GRF will be negatively impacted by the 2% income tax cut.
- Libraries will automatically see a \$5 million deduction each fiscal year for the Ohio Public Library Information Network and the Library for the Blind.

In addition, libraries are not receiving any of the American Rescue Plan Act stimulus money for local governments directly from the federal government. Now is not the time to cut funding for public libraries while the demand for services continues to rise. The fact that libraries saw a 33% increase in digital book circulation last year, combined with the cost of these materials which is often three to five times greater than the consumer price, greatly impacts library budgets.

A reduction in funding will negatively affect libraries, especially those that do not have a local property tax levy and rely solely on their state funding as their main source of revenue for day-to-day operations.

Attached are some bullet points illustrating the important work of Ohio's libraries and how our state funding is utilized. Ohio's public libraries have the highest use per capita in the nation and for every one dollar we spend, over \$5 in value is returned to Ohioans.

A primary reason for our success is the state funding we receive through the PLF. Prior to voting the bill out of the Senate, we urge you to consider amending the House version of the budget and preserve the PLF at the current rate of 1.7% in addition to holding libraries harmless from any unintended consequences from tax reform.

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