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**OHIO LIBRARY
COUNCIL**

State Budget Wrap-Up
HB 33 - Enacted

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OHIO LIBRARY
C O U N C I L

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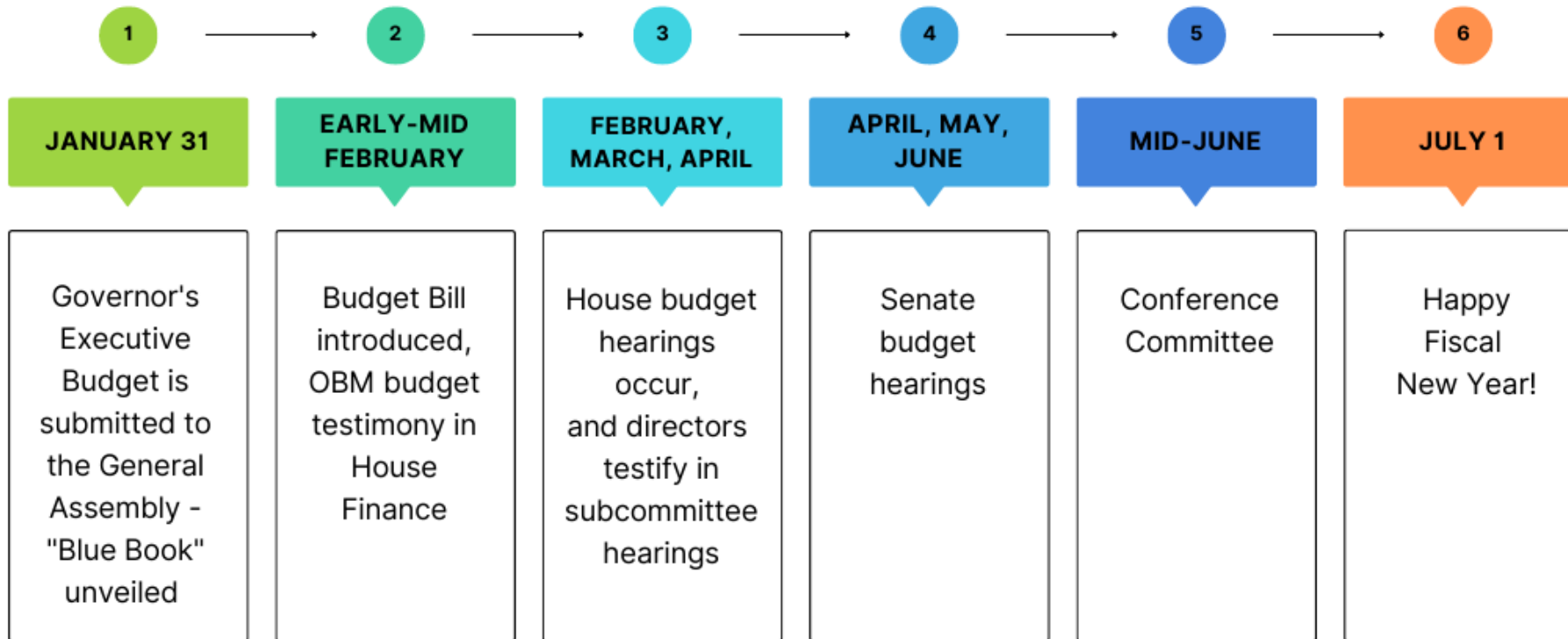
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Overview

- Budget Bill - HB 33 - Enacted
- Public Library Fund (PLF)
- What's in the Budget
- What's not in the Budget
- Next Steps
- Questions



State Budget Timeline



Public Library Fund (PLF) -

Funding at new statutory levels in FY 2024 and FY 2025

- 1.70% (permanent law)
- OBM PLF distribution estimates:
 - FY 2023: \$492 million (actual \$503 million)
 - FY 2024: \$505 million (2.6% increase)
 - FY 2025: \$530 million (5.0% increase)

Public Library Fund Estimates vs Actual

► LSC Estimates Included in State Budget Documents

FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
\$404.3 Million	\$386.3 Million	\$398.1 Million	\$422.3 Million	\$452.0 Million	\$439.0 Million	\$492.0 Million

► Actual Distributions

FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
\$378.5 Million	\$384.6 Million	\$402.8 Million	\$393.1 Million	\$452.0 Million	\$489.8 Million	\$503.2 Million
- \$25.8 M	- \$1.7 M	+ \$4.7 M	- \$29.2 M	\$0	+\$50.8 M	+\$11.2 M

LSC = Legislative Services Commission
 FY = Fiscal Year

PLF Distribution

PLF Distributions: CY08 Compared to Selected Years

Calendar Year (CY)	Public Library Fund (PLF) Annual Total (millions)	% Change from 2008 base	% Change from year prior
CY 2008	\$450.6		
CY 2009	\$370.4	- 17.8%	- 17.8%
CY 2010	\$347.9	- 22.8%	- 6.1%
CY 2011	\$364.7	- 19.1%	+ 4.8%
CY 2012	\$344.3	- 23.6%	- 5.6%
CY 2013	\$351.9	- 21.9%	+ 2.2%
CY 2014	\$345.1	- 23.4%	- 1.9%
CY 2015	\$380.9	- 15.5%	+ 10.4%
CY 2016	\$377.0	- 16.3%	- 1.0%
CY 2017	\$378.5	- 16.0%	+ 0.4%
CY 2018	\$393.7	- 12.6%	+ 4.0%
CY 2019	\$410.2	- 8.9%	+ 4.2%
CY 2020	\$409.4	- 9.1%	- 0.2%
CY 2021	\$464.4	+ 3.1%	+13.4%
CY 2022	\$502.4	+ 11.5%	+ 8.18%

Public Library Fund (PLF) - Going Forward

- CY23 Certification
 - ODT June Estimate \$498,867,095
 - ODT Dec. 2022 Est. \$493,574,719
- CY24 Certification
 - ODT July Certification \$491,781,756
 - Next update in December

What's In the Budget:

- Income Tax Changes
- Commercial Activities Tax (CAT) Changes
- Expanded Sales Tax Holiday
- Study Committee on Local Property Taxes
- Competitive Bidding
- Library Provisions
- Other Provisions

Tax Changes in HB 33:

- Income Tax Changes
 - TY23 consolidates two lowest brackets (\$26,050 - \$46,100) (\$46,100 - \$100,000) - 2.75%,
 - Reduces rate of highest bracket (\$115,300 +) 3.99% - 3.75%
 - TY24 consolidates top two brackets (\$100,000 - \$115,300 +) - 3.5%
 - PLF estimated loss - \$15m in FY24, \$16m in FY25

Tax Changes in HB 33:

- Commercial Activities Tax (CAT) Changes
 - Beginning in 2024, excludes business with taxable gross receipts of \$3 million or less and, beginning in 2025 and thereafter, businesses with taxable gross receipts of \$6 million or less from the CAT.
 - Reduction in PLF - \$3m in FY24, \$6m in FY25

Additional Tax Changes in HB 33:

- Expanded Sales Tax Holiday in Aug. 2024
 - Replaces the current 3 day “back-to-school” sales tax holiday with a sales tax holiday that is at least 3 days or more.
 - Transfers \$741 million FY23 surplus GRF into a sales tax holiday fund.
 - Requires the Tax Commissioner and OBM Director to consult with County Commissioners when determining the length of a sales tax holiday.
 - Provides reimbursements paid to the PLF, LGF, and GRF for loss of revenue.

Additional Tax Changes in HB 33:

- Joint Committee on Property Tax Review & Reform
 - Made up of five Senators and five Representatives
 - Authorizes the committee to hold hearings and make recommendations on pending legislation related to property taxation.
 - Report submitted to General Assembly by Dec. 31, 2024, making recommendations on reforms to property tax law.

Additional Changes in HB 33:

- **Competitive Bidding Thresholds**
 - Increases the competitive bidding thresholds from \$50,000 to \$75,000 through CY24.
 - 3% annual increase to bidding threshold beginning in 2025, as determined and published by the Dir. Of Commerce.
 - Increases the allowable difference between a public improvement project's estimate to the project's contract price from 10% to 20%.

Other Library Provisions (each FY):

- OPLIN (\$3,689,788 from PLF)
- Library For the Blind (\$1,274,194 from PLF)
- State Library
 - Operating Expenses (\$5,335,000)
 - Regional Library Systems (\$494,000)
 - Services for Libraries (\$6,818,338)
 - Services for State Agencies (\$8,000)
- Ohioana Library Association (\$314,000)
- INFOhio (\$2,500,000)
- Ohio Governor's Imagination Library (\$8,000,000)

Other Provisions In the Budget:

- Creation of the Department of Education and Workforce
- Creation of the Department of Children and Youth
- Appointments to the State Library Board
- “Science of Reading”
- Youth Online Parental Notification
- One Time Strategic Community Investments Fund

What's Not In the Budget:

- Property tax sales-assessment ratio studies
- Elimination of Replacement Levy Language
- Seed Library language
- Local property tax changes
- State Employee Work From Home Provisions

Next Steps:

- OLC State Budget Analysis
- Final Thoughts
- What's ahead?
 - August 8 “Special” Election
 - Legislature returns in September
 - Redistricting?
 - Capital Budget

Facilities Funding Talking points:

- Provide facilities funding to public libraries for emergency needs and critical repairs.
- Unlike other local governments and schools, Ohio's public libraries did not receive direct federal funding through the American Rescue Plan Act (ARPA).
- We are respectfully asking the General Assembly to support public libraries with funding to address emergency needs and critical repairs for items such as roofs, elevators, HVAC systems, flooring and security systems.

OLC Resources and Tools

<http://libraryfunding.olic.org/>

- Advocacy Tools and Templates
- White Paper and Talking Points
- Statehouse Directory
- Webinar Recordings
- Testimony & News Updates
- ROI Calculator *recently updated
- Fact Sheets

Questions?

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