

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3595-01
BILL NO.: SB 790
SUBJECT: Education, Higher: Libraries
TYPE: Original
DATE: January 31, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Coordinating Board For Higher Education (CBHE)** assume there would technically be a significant fiscal impact to the CBHE as two large operations would be transferred to the Board's responsibility. It is assumed that the resources currently used by the Secretary of State's office would be transferred into the CBHE's budget resulting in no net fiscal impact to the state.

Officials from the **Secretary of State's Office** assume approximately 56 FTE and expenses and equipment would be transferred from the libraries to the Coordinating Board For Higher Education (CBHE). These costs would be transferred from General Revenue and Federal Funds. The SOS assumes funds passing from the SOS to local libraries would continue to do so under the CBHE. Approximately \$8,978,326, of which \$1,500,000 is federal aid to libraries; \$2,843,341 is state aid for public libraries; \$786,426 is for public library automation; \$2,950,000 is for the REAL Project; \$69,450 is for literacy; and \$829,109 is for library networking, goes to local libraries. The SOS also assumes equipment currently used for the libraries would be under the control of the CBHE. Therefore, equipment values are not included in the fiscal impact. The SOS officials stated it is unknown if the transfer of the libraries would mean a move out of the Kirkpatrick Information Center. The State Library and Wolfner Library currently occupy 50,099 square feet in the Kirkpatrick Information Center. For purposes of the fiscal note, the **Oversight Division** assumes the location of the libraries would not change.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Savings-Secretary of State's Office-SOS</u>			
Personal Services	\$964,798	\$1,186,703	\$1,216,370
Fringe Benefits	\$296,675	\$364,911	\$374,034
Expense and Equipment	\$558,683	\$690,532	\$711,248
Local Library Assistance	<u>\$6,231,938</u>	<u>\$7,702,676</u>	<u>\$7,933,756</u>
Total <u>Savings</u> -SOS	\$8,052,094	\$9,944,822	\$10,235,408

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Cost-Coordinating Board For Higher Education (CBHE)</u>			
Personal Services	(\$964,798)	(\$1,186,703)	(\$1,216,370)
Fringe Benefits	(\$296,675)	(\$364,911)	(\$374,034)
Expense and Equipment	(\$558,683)	(\$690,532)	(\$711,248)
Local Library Assistance	<u>(\$6,231,938)</u>	<u>(\$7,702,676)</u>	<u>(\$7,933,756)</u>
Total <u>Costs</u> -CBHE	(\$8,052,094)	(\$9,944,822)	(\$10,235,408)

**ESTIMATED NET EFFECT ON
 GENERAL REVENUE FUND** \$0 \$0 \$0

FEDERAL FUNDS

<u>Savings-Secretary of State's Office-SOS</u>			
Personal Services	\$398,562	\$490,231	\$502,486
Fringe Benefits	\$122,558	\$150,746	\$154,514
Expense and Equipment	\$189,645	\$234,401	\$241,434
Aid to Libraries	<u>\$1,250,000</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>
Total <u>Savings</u> -SOS	\$1,960,765	\$2,375,378	\$2,398,434

<u>Cost-Coordinating Board For Higher Education (CBHE)</u>			
Personal Services	(\$398,562)	(\$490,231)	(\$502,486)
Fringe Benefits	(\$122,558)	(\$150,746)	(\$154,514)
Expense and Equipment	(\$189,645)	(\$234,401)	(\$241,434)
Aid to Libraries	<u>(\$1,250,000)</u>	<u>(\$1,500,000)</u>	<u>(\$1,500,000)</u>
Total <u>Cost</u> -CBHE	(\$1,960,765)	(\$2,375,378)	(\$2,398,434)

**ESTIMATED NET EFFECT ON
 FEDERAL FUNDS** \$0 \$0 \$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
---	---------------------	---------	---------

\$0 \$0 \$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

L.R. NO. 3595-01
BILL NO. SB 790
PAGE 4 OF 4
January 31, 2000

DESCRIPTION

The proposal would transfer the control of the State Library and Wolfner Library from the Secretary of State's Office to the Coordinating Board For Higher Education.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Secretary of State's Office
Coordinating Board For Higher Education



Jeanne Jarrett, CPA
Director
January 31, 2000