

**State Library
Budget 250
Senate Bill No. 2013**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	29.75	\$6,773,655 ¹	\$2,438,751	\$9,212,406
2013-15 legislative appropriation	29.75	5,875,988	2,394,145	8,270,133
2015-17 appropriation increase (decrease) to 2013-15 appropriation	0.00	\$897,667	\$44,606	\$942,273
2015-17 general fund budget allotment (4.05 percent)	0.00	(\$274,333)	\$0	(\$274,333)
Adjusted 2015-17 appropriation after budget allotment	29.75	\$6,499,322	\$2,438,751	\$8,938,073

¹The original legislative appropriation amount includes \$250,000 of one-time funding from the general fund. Excluding this amount, the agency's original ongoing general fund appropriation is \$6,523,655.

Item Description

General fund budget allotment - In February 2016 the Governor ordered a 4.05 percent general fund budget allotment for state agencies.

One-time funding - The Legislative Assembly identified \$250,000 of one-time funding from the general fund for the 2015-17 biennium for library repair and maintenance grants. Library repair and maintenance grants require a 1:1 match and a written agreement that the library and its community will provide proof that the match can be met. Grants may not be used for new construction or to purchase new buildings.

State aid to public libraries - The Legislative Assembly appropriated \$2,133,000 from the general fund for aid to public libraries, an increase of \$366,500 from the \$1,766,500 appropriated for the 2013-15 biennium.

Status/Result

The budget allotment reduced general fund appropriations for the State Library by \$274,333. The State Library has reduced the salaries and wages line item by \$32,000, the operating expenses line item by \$182,333, and the grants line item for state aid to public libraries by \$60,000. Salaries and wages savings will be made by holding 3 vacant FTE positions open until November 2016. Operating expense reductions will be made to online databases, travel, books and subscriptions, supplies and printing, professional development, and equipment.

Library repair and maintenance grant applications were taken through March 31, 2016. The State Library received 19 applications totaling \$307,480. In April 2016 the Library Coordinating Council awarded 15 library repair and maintenance grants totaling \$250,000. Individual grant amounts ranged from \$2,104 to \$50,000.

The State Library is providing the state aid to public libraries in accordance with North Dakota Century Code Section 54-24.2-02 that provides \$1 per capita for city libraries and \$1 per capita and \$5 per square mile for county libraries. Libraries must continue their maintenance of effort. The maintenance of effort requirement provides that a public library is not eligible to receive any state aid to libraries during a fiscal year if the governing body has diminished the appropriation for public library services below the average of the 3 preceding fiscal years. No more than one-half of the 2015-17 legislative appropriation may be expended during the first year of the biennium. Based on the current formula, one-half of the appropriation for the 2015-17 biennium, allocated to the first year of the biennium, exceeds the amount required to provide 100 percent of the state aid to libraries formula during fiscal year 2016 by \$60,000. As a result, the State Library has reduced the grants line item by \$60,000 as part of the budget allotment.

Library Vision project - The Legislative Assembly appropriated \$237,500 from the general fund for grants relating to the Library Vision project for the 2015-17 biennium.

In July 2014 the North Dakota Library Coordinating Council adopted the final version of the Library Vision 2020 document, effective January 2015. The State Library awards Library Vision grants to school and local libraries to pay costs associated with cataloging library records and adding the records to the statewide library database. Grants are also provided to purchase computers and updated technology for libraries. Through March 2016, the State Library has added 141 libraries to the statewide library database. The State Library reviewed all of the libraries in the state and found that some libraries would not meet eligibility criteria and some were not interested in joining the statewide library database. The State Library has identified an additional 7 public libraries, 5 tribal libraries, and 31 school libraries that would be eligible to add library records to the statewide library database.