

STATE AID TO PUBLIC LIBRARIES **by Bill Bowerman, Chief Analyst**

The following provides a brief overview of State Aid to Public Libraries and a summary of the current statutory requirements for State Aid grants. Based on data from Michigan's public libraries, reported to the Library of Michigan for each of the libraries most recent fiscal year completed prior to October 1, 1999, State funding to libraries accounted for approximately 5.8% of the operating income for local libraries. This calculation includes separate line item grants to specific libraries and excludes State Aid paid directly to library cooperatives. Local income, consisting of property tax millage, appropriated tax revenue, penal fines, contract fees, and other local funds accounted for 93.7% of public library operating income.¹⁾ The State of Michigan has been providing funding to public libraries since 1937. A history of State Aid to Libraries from fiscal year (FY) 1938-39 to FY 2001-02 is provided in [Table 1](#).

In 1977, the State revised the method of distributing funds to public libraries and cooperative libraries. Public Act 89 of 1977 (the State Aid to Public Libraries Act) created five grant categories for State Aid, and repealed the former grant distributions contained in Public Act (PA) 286 of 1965.

The following is a brief summary of the five grants contained in the State Aid to Public Libraries Act:

1. **Public Libraries**

Section 16(2) of PA 89 of 1977 provides that public libraries that meet certain requirements are to receive a 50-cents-per-capita grant from the State Aid to Libraries appropriation. The Act defines "public library" as a library "which is lawfully established for free public purposes by 1 or more counties, cities, townships, villages, school districts, or other local governments or a combination thereof, or by a public or local act, the entire interests of which belong to the general public." "Public library" does not include special libraries such as technical, professional, or school libraries. In order to receive State Aid, public libraries must meet certain requirements including maintaining local support of at least 3/10 of a mill on taxable value for the area served. The local support can include property tax millages, penal fines, or local general fund support. Public libraries also must keep minimum hours of operation and obtain certification of certain library personnel. In FY 1999-2000, 379 libraries were approved for funding from this grant.

2. **Public Libraries Belonging to Cooperative Libraries**

Section 16(4) of PA 89 of 1977 provides that a public library belonging to a cooperative library is to receive an additional 50 cents per capita to pay for cooperative services. After the cost of cooperative services has been paid, any remaining portion of the grant may be used for local services. In FY 1999-2000, 378 libraries were approved for funding from this grant.

3. **Cooperative Library Grants**

Section 13 of PA 89 of 1977 provides for a 50-cents-per-capita grant from State Aid to cooperative libraries. The Act defines "cooperative library" as the library or service center designated by the cooperative board to perform services established by the cooperative plan and provided to public libraries in the cooperative. Services may include: a central pool or rotating book collection, in-service training, book selection aids, bibliographic services, audio visual services, bookmobile service, public relations, printing, centralized purchasing, centralized cataloging, reference services, and delivery service. In FY 1999-2000, 14 cooperative libraries received funding from this grant.

Table 1

STATE AID TO LIBRARIES FUNDING HISTORY					
Fiscal Year	State Aid Payment	Percent Change	Fiscal Year	State Aid Payment	Percent Change
1938-39	\$367,566	--	1970-71	\$1,400,000	0.0
1939-40	0.0	(100.0)	1971-72	1,924,996	37.5
			1972-73	1,925,000	0.0
1940-41	0.0	0.0	1973-74	4,300,000	123.4
1941-42	243,625	--	1974-75	4,575,920	6.4
1942-43	243,420	(0.1)	1975-76	4,431,000	(3.2)
1943-44	292,312	20.1	1976-77	4,431,000	0.0
1944-45	293,328	0.3	1977-78	7,131,000	60.9
1945-46	362,569	23.6	1978-79	7,131,000	0.0
1946-47	363,015	0.1	1979-80	7,881,000	10.5
1947-48	363,246	0.1			
1948-49	363,547	0.1	1980-81	6,831,000	(13.3)
1949-50	361,983	(0.4)	1981-82	7,600,000	11.3
			1982-83	6,700,000	(11.8)
1950-51	361,925	0.0	1983-84	8,000,000	19.4
1951-52	362,057	0.0	1984-85	8,000,000	0
1952-53	361,960	0.0	1985-86	8,400,000	5.0
1953-54	304,003	(16.0)	1986-87	8,800,000	4.8
1954-55	303,444	(0.2)	1987-88	10,619,800	20.7
1955-56	309,740	2.1	1988-89	10,619,800	0.0
1956-57	327,722	5.8	1989-90	10,427,400	(1.8)
1957-58	386,869	18.0			
1958-59	380,178	(1.7)	1990-91	9,710,900	(6.9)
1959-60	373,069	(1.9)	1991-92	11,098,800	14.3
			1992-93	10,790,500	(2.8)
1960-61	367,789	(1.4)	1993-94	10,671,800	(1.1)
1961-62	378,469	2.9	1994-95	12,934,400	21.2
1962-63	385,014	1.7	1995-96	12,934,400	0.0
1963-64	390,760	1.5	1996-97	13,019,600	0.6
1964-65	492,754	26.1	1997-98	13,519,600	3.8
1965-66	620,000	25.8	1998-99	14,210,700	5.1
1966-67	999,999	61.3	1999-2000	14,327,453	0.8
1967-68	1,200,000	20.0	2000-01 ^{a)}	14,289,200	(0.3)
1968-69	1,200,000	0.0	2001-02 ^{b)}	14,063,700	(1.6)
1969-70	1,400,000	16.7			

^{a)} Current estimate. The final county reimbursable payment for FY 2000-01 will be made in September 2001. ^{b)} FY 2001-02 Appropriation

Source: Library of Michigan

4. **Cooperative Library Density Grants**

Section 16(4) of PA 89 of 1977 requires that each legally approved public library cooperative receive \$10 per square mile for the area that it serves, if the area served has fewer than 75 people per square mile. In FY 1999-2000, five library cooperatives qualified for funding from this grant.

5. **County Salary Grants**

Section 16(5) of PA 89 of 1977 requires that a county library that serves a population of 50,000 or less be reimbursed for a portion of a head librarian's salary not to exceed \$4,800 annually. The head librarian must have a bachelor of arts or a bachelor of science degree, one full year of training in a library school accredited by the American Library Association, and four years' experience in an administrative capacity in an approved library. In FY 1999-2000, 13 county libraries qualified for this reimbursement.

From FY 1976-77 through FY 2000-01 the appropriation for State Aid to Public Libraries increased from \$4,431,000 to \$14,350,700. However, prior to FY 1999-2000 the appropriation was not sufficient to fully fund grants as outlined in PA 89 of 1977. Therefore, grants were prorated based on the appropriation. While the appropriation for FY 2000-01 is sufficient to continue full funding pursuant to the Act, due to budget constraints the appropriation for FY 2001-02 has been reduced by \$287,000 (2.0%), from \$14,350,700 to \$14,063,700. The 2000 census also will have an impact on State Aid to Libraries in FY 2001-02. Michigan's population increased by 643,147 between 1990 and 2000, from 9,295,297 to 9,938,444. This increase in population will increase per capita grants approximately \$964,720 in FY 2001-02. The census and the reduced appropriation will result in the proration of State Aid payments again. Based on the appropriation, the rate for per capita payments will be reduced to approximately 46.0 cents.

Table 2 provides a 10-year history of the State Aid to Public Libraries appropriation pursuant to Public Act 89 of 1977.

Table 2

STATE AID TO PUBLIC LIBRARIES PURSUANT TO PUBLIC ACT 89 OF 1977 10-YEAR HISTORY								
	Per Capita Grants				Library Cooperative Density Grant		County Reimbursable Salaries	
Year	Minimum Requirements	Cooperative Membership	Library Cooperative	Per Capita Rate	Amount	Sq. Miles Rate	Amount	Grant per Librarian
1990-91	\$3,152,061	\$3,116,908	\$3,175,520	\$0.341	\$211,562	\$6.83	\$54,850	\$3,341
1991-92	\$3,606,665	\$3,564,887	\$3,634,133	\$0.389	\$241,746	\$7.78	\$51,368	\$3,861
1992-93	\$3,506,686	\$3,468,326	\$3,538,896	\$0.379	\$235,276	\$7.58	\$41,317	\$3,641
1993-94	\$3,455,690	\$3,420,588	\$3,527,949	\$0.378	\$227,376	\$7.56	\$40,197	\$3,745
1994-95	\$4,179,492	\$4,175,885	\$4,252,573	\$0.456	\$274,298	\$9.12	\$52,151	\$4,329
1995-96	\$4,179,931	\$4,175,874	\$4,245,454	\$0.455	\$275,015	\$9.10	\$58,126	\$4,436
1996-97	\$4,207,230	\$4,202,754	\$4,276,604	\$0.458	\$276,921	\$9.17	\$56,091	\$4,399
1997-98	\$4,360,899	\$4,356,368	\$4,456,074	\$0.478	\$288,573	\$9.55	\$57,686	\$4,584
1998-99	\$4,618,769	\$4,564,786	\$4,660,961	\$0.499	\$301,384	\$9.99	\$64,800	\$4,800
1999-2000	\$4,652,645	\$4,650,830	\$4,660,690	\$0.500	\$300,889	\$10.00	\$62,400	\$4,800

Source: Library of Michigan