



Public Library Fund

The Public Library Fund, formerly known as the Library and Local Government Support Fund, was created by the General Assembly in 1985 as part of a broader effort to phase out the intangible personal property tax. The fund was designed to offset the loss of revenue from the intangibles tax, then a key source of revenue for local libraries, by directing a share of state income tax collections to a fund established in each county. In turn, county officials distribute the revenue from that county fund to libraries and local governments.

The name of the state fund was changed from the Library and Local Government Support Fund to the Public Library Fund effective June 20, 2008 by Senate Bill 185.

Since 1993, permanent law had called for the fund to receive a fixed 5.7 percent of income tax collections, distributed to counties according to a formula outlined in the Ohio Revised Code. But these provisions were set aside by the 124th, 125th and 126th general assemblies as part of a series of temporary local government fund "freezes." Accordingly, from mid-2001 through mid-2007, Public Library Fund revenue was distributed to counties based largely on the amount received during the previous year.

The fund was reorganized as part of House Bill 119, enacted in June 2007 by the 127th General Assembly. Starting in January 2008, the Public Library Fund began receiving a fixed 2.22 percent of all General Revenue Fund (GRF) tax collections. Distributions from the fund to counties returned to the old formula outlined in R.C. 5747.46.

In 2009, the 128th General Assembly enacted House Bill 1, temporarily reducing the fixed percentage of GRF tax collections that are to be deposited into the fund. From Aug. 1, 2009 through June 30, 2011, this percentage will be 1.97 percent.

In August 2011, the 129th General Assembly enacted House Bill 153 reducing the amount credited to the PLF to 95% of the amount received during the respective month in the previous year.

During the 2011 calendar year, counties received about \$364.7 million from the Public Library Fund.

Revenue Source

(Ohio Revised Code 131.44, 5747.03)

In January 2008, following a series of fund "freezes," the Public Library Fund began receiving a fixed 2.22 percent of all General Revenue Fund tax collections each month. Half of this monthly amount is credited against the sales and use tax and half against the kilowatt-hour tax.

House Bill 1 of the 128th General Assembly temporarily reduced the fixed percentage of GRF tax collections that are to be deposited into the fund. The formula for calculating the entitlements is dynamic and the exact amount to which a county is entitled cannot be known for certain until the end of each distribution year, when the total amount of revenue into the fund is known. Accordingly, each December, the department certifies the actual amount each county was entitled to receive under the distribution formula during the current calendar year, the amount each county actually received, and the difference between the two. During the first six months of the following year, each county's distribution is adjusted for any overpayment or underpayment received in the preceding year.

In 2011, House Bill 153 (the main operating budget bill for FY 2012 and 2013) funded the PLF based on 95% of the July 2010-June 2011 distributions. Items to note:

- July 2011 was still based on permanent law, so the new funding calculation did not begin until August 2011.
- Must account for \$3,689,401 transfer to OPLIN and \$1,274,194 transfer to Library for Blind in FY 2012.

For the July 2011-December 2011 distribution months, each county is to receive in distribution the same percentage that it received during CY 2010 distributions.

Use of Funds Distributed

(R.C. 3375.05, 3375.121, 3375.40, 3375.403, 3375.82, 3375.85, 5705.32)

County budget commissions (composed of a county commissioner, the county auditor, and the county treasurer) determine the amounts to be allocated to all libraries. The amount is given to each library based on its needs for building construction and improvement, operations, maintenance, and other expenses required by the library and its branches. By law, libraries collectively may never receive a smaller share of county Public Library Fund distributions than the average percentage of the county's intangible property taxes that were distributed to all libraries in 1982, 1983, and 1984.

After fixing the amount to be distributed to libraries within the county, the county budget commission fixes an amount to distribute to municipal corporations in the county. By law, each municipal corporation receives a percentage of the remainder equal to the percentage share of all classified, or intangible, property taxes originating from that municipality in 1984.

Generally speaking, the vast majority of revenue distributed from the Public Library Fund is provided to libraries, with the remainder provided to other local governments in a few counties.

Recent Legislation

House Bill 1, 128th General Assembly (FY 2010-2011 biennial budget bill; budget provisions effective July 17, 2009; other provisions effective on Oct. 17, 2009 or on other dates)

Reduction of revenue percentage –The bill temporarily reduced the percentage of all GRF revenues credited to the fund from 2.22 percent to 1.97 percent for the period of Aug. 1, 2009 – June 30, 2011.

Information network transfer –The bill provides for a transfer of \$3,702,150 from the Public Library Fund to the Ohio Public Library Information Network (OPLIN) for FY 2010 and FY 2011.

Fund for the blind transfer –The bill provides for a transfer of \$1,274,194 from the Public Library Fund to the Library for the Blind Fund for FY 2010 and FY 2011.

Transfer from GRF –The bill provides that a transfer of \$5 million will be made from the GRF to the Public Library Fund on July 1 of both FY 2010 and FY 2011, or as soon as

possible thereafter.

House Bill 153, 129th General Assembly (FY 2012-2013 biennial budget bill; budget provisions effective July 1, 2011)

In 2011, H.B. 153 (the main operating budget bill for fiscal years 2012 and 2013) funded the PLF based on 95% of the July 2010-June 2011 distributions. Items to note:

- July 2011 was still based on permanent law, so the new funding calculation did not begin until August 2011.
- Must account for \$3,689,401 transfer to OPLIN and \$1,274,194 transfer to Library for Blind in FY 2012.
- For the July 2011-December 2011 distribution months, each county is to receive in distribution the same percentage that it received during CY 2010 distributions.

Table 1

Library & Local Government Support Fund/Public Library Fund Total Amounts Distributed to Counties: Calendar Years 1988 - 2011				
Calendar Year	Guaranteed Share	Equalization Share	Total Distribution	Percent Change in Total Distribution
1988	\$215,253,994	\$3,009,660	\$218,263,654	5.30 %
1989	226,775,936	24,554,945	251,330,881	15.2
1990	262,655,557	–	262,655,557	4.50
1991	268,793,142	–	268,793,142	2.30
1992 ¹	268,793,142	–	268,793,142	0.00
1993 ²	276,856,936	7,843,064	284,700,000	5.90
1994	293,810,400	3,172,181	296,982,901	4.30
1995	303,813,180	15,019,721	318,832,901	7.40
1996	329,035,554	13,564,940	342,600,494	7.50
1997	352,535,908	23,461,438	375,997,346	9.70
1998	384,269,286	40,394,095	424,663,381	12.90
1999	431,882,659	23,881,967	455,764,626	7.3
2000	465,355,682	25,664,582	491,000,264	7.70
2001 ³	–	–	496,458,342	1.10
2002 ⁴	–	–	457,671,290	-7.80
2003 ⁵	–	–	452,648,009	-1.10
2004 ⁶	–	–	455,470,323	0.60
2005 ⁷	–	–	457,970,324	0.50
2006 ⁷	–	–	457,970,324	–
2007 ⁷	–	–	457,970,324	–
2008 ⁸	450,578,991	–	450,578,991	-1.67
2009 ⁹	370,367,615	–	370,367,615	-17.8
2010 ⁹	347,952,236	–	347,952,236	-6.10
2011 ¹⁰	349,963,756	14,707,352	364,671,108	4.80

1 Distributions during calendar year 1992 were capped at the 1991 dollar level.

2 Total calendar year 1993 distributions were guaranteed to equal at least \$284.7 million.

3 Beginning in July 2001, distributions were "frozen" at the amount received during July 2000 – December 2000. Figure shown is after transfers to OPLIN Technology Fund.

4 Distributions during calendar year 2002 were "frozen" based upon the amounts distributed during July 2000 – June 2001. Figure shown is after monthly transfers to OPLIN Technology Fund and after March 2002 and July 2002 reconciliation adjustments pursuant to H.B. 405.

5 Distributions during calendar year 2003 were "frozen" based upon the amounts distributed during July 2000 – June 2001. Figure shown is after monthly transfers to OPLIN Technology Fund, the July 2003 reconciliation adjustments pursuant to H.B. 405, and the \$9.7 million reduction in July 2003 as required by H.B. 40.

6 Distributions during calendar year 2004 were "frozen" based on the amounts distributed during calendar year 2003. Figure shown is after transfers to OPLIN Technology Fund.

7 Distributions during calendar years 2005 – 2007 were frozen based on amounts distributed during calendar year 2004. Transfers to OPLIN no longer are applied.

8 Distributions during calendar year 2008 and subsequent years returned to the statutory pre-"freeze" methodology.

9 Amount of GRF tax revenue deposited into fund is reduced from 2.22 percent to 1.97 percent from Aug. 1, 2009 - June 30, 2011.

10 The 2011 share of excess was applicable for Jan - June 2011 period only due to H.B. 153.

Table 2

Public Library Fund: Calendar Year 2011					
Amount	County	County	Amount	County	County
ADAMS	\$800,375	HAMILTON	\$37,647,070	NOBLE	\$372,974
ALLEN	\$3,337,613	HANCOCK	\$2,376,763	OTTAWA	\$1,248,826
ASHLAND	\$1,551,864	HARDIN	\$928,908	PAULDING	\$598,249
ASHTABULA	\$3,017,973	HARRISON	\$541,399	PERRY	\$979,518
ATHENS	\$1,775,016	HENRY	\$866,859	PICKAWAY	\$1,495,424
AUGLAIZE	\$1,415,340	HIGHLAND	\$1,140,661	PIKE	\$778,592
BELMONT	\$2,148,800	HOCKING	\$806,843	PORTAGE	\$4,411,680
BROWN	\$1,136,054	HOLMES	\$1,053,531	PREBLE	\$1,223,997
BUTLER	\$9,388,486	HURON	\$1,761,858	PUTNAM	\$1,020,994
CARROLL	\$830,195	JACKSON	\$958,934	RICHLAND	\$3,991,004
CHAMPAIGN	\$1,091,793	JEFFERSON	\$2,334,975	ROSS	\$2,151,180
CLARK	\$4,376,927	KNOX	\$1,538,023	SANDUSKY	\$1,869,388
CLERMONT	\$4,889,459	LAKE	\$7,001,451	SCIOTO	\$2,386,620
CLINTON	\$1,172,811	LAWRENCE	\$1,867,955	SENECA	\$1,831,428
COLUMBIANA	\$3,289,238	LICKING	\$4,078,860	SHELBY	\$1,426,361
COSHOCTON	\$1,101,287	LOGAN	\$1,313,749	STARK	\$11,875,482
CRAWFORD	\$1,446,768	LORAIN	\$8,328,050	SUMMIT	\$17,066,327
CUYAHOGA	\$51,058,757	LUCAS	\$14,815,720	TRUMBULL	\$6,875,134
DARKE	\$1,614,948	MADISON	\$1,167,218	TUSCARAWAS	\$2,613,404
DEFIANCE	\$1,186,174	MAHONING	\$8,030,335	UNION	\$1,113,262
DELAWARE	\$2,748,016	MARION	\$1,954,641	VAN WERT	\$907,497
ERIE	\$2,515,451	MEDINA	\$4,095,694	VINTON	\$351,139
FAIRFIELD	\$3,500,215	MEIGS	\$696,767	WARREN	\$4,105,970
FAYETTE	\$838,767	MERCER	\$1,219,058	WASHINGTON	\$1,886,863
FRANKLIN	\$33,232,898	MIAMI	\$2,996,392	WAYNE	\$3,368,973
FULTON	\$1,236,043	MONROE	\$451,052	WILLIAMS	\$1,168,016
GALLIA	\$944,895	MONTGOMERY	\$18,877,387	WOOD	\$3,943,344
GEAUGA	\$3,084,162	MORGAN	\$423,258	WYANDOT	\$680,594
GREENE	\$4,336,937	MORROW	\$884,333		
GUERNSEY	\$1,187,535	MUSKINGUM	\$2,516,327	TOTAL	\$364,671,108