



# State Fiscal Note for Bill Number: 2015-H-5836

**Date of State Budget Office Approval:**  
**Date Requested:** Friday, April 10, 2015  
**Date Due:** Monday, April 20, 2015

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2015	N/A	FY 2015	N/A
FY 2016	\$614,509	FY 2016	N/A
FY 2017	\$629,872	FY 2017	N/A

**Explanation by State Budget Office:** This bill amends section 29-6-2 of the Rhode Island General Laws (RIGL) entitled "State Aid to Libraries", directing the state to provide additional funding to distressed communities as defined in section 45-13-12 of the RIGL equal to the city or town's payment of the Ocean State Libraries (OSL) annual assessment charge. Currently, there are a total of eight communities that are considered "distressed".

**Comments on Sources of Funds:** Reimbursement of annual assessment charges would be from general revenue funds, which is also used to finance State Aid to Local Libraries.

**Summary of Facts and Assumptions:** Section 1 of this bill directs the State to include an amount equal to a distressed city or town's payment of the Ocean State Libraries annual assessment charge in state aid payments to these cities and towns.

Section 2 of this bill designates that this act shall take effect upon passage, which is assumed to be July 1, 2015.

Distressed communities as defined in section 45-13-12 include Central Falls, Cranston, East Providence, North Providence, Pawtucket, Providence, West Warwick, and Woonsocket. It is noted that Cranston is removed from this list starting in FY 2016 and East Providence is included in FY 2016 and presumably FY 2017. In addition, Providence includes two Libraries: Providence Community and Providence Public (the total membership fees below are represented as one amount for Providence).

The Ocean State Libraries consortium, a non-profit 501©, sets the fee structure and collects fees for member libraries. The consortium has calculated FY 2015 and FY 2016 fees, but not FY 2017. This analysis assumes FY 2017 fees in line with historical increases. Fees, by distressed city/town and fiscal year, are as follows:

- Central Falls – FY 2015 (\$18,566), FY 2016 (\$20,069), FY 2017 (\$20,571)
- Cranston – FY 2015 (\$128,419)
- East Providence – FY 2016 (\$77,468) FY 2017 (\$79,405)
- North Providence – FY 2015 (\$48,437), FY 2016 (\$52,358), FY 2017 (\$53,666)
- Pawtucket – FY 2015 (\$65,124), FY 2016 (\$70,396), FY 2017 (\$72,156)
- Providence – FY 2015 (\$284,423), FY 2016 (\$293,227), FY 2017 (\$300,558)
- West Warwick – FY 2015 (\$40,321), FY 2016 (\$43,585), FY 2017 (\$44,675)
- Woonsocket – FY 2015 (\$53,107), FY 2016 (\$57,406), FY 2017 (\$58,841)

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Monday, April 13, 2015

*Summary of Fiscal  
Impact:*

Library fees for distressed communities total \$638,396 in FY 2015, \$614,509 in FY 2016, and \$629,872 in FY 2017.

It is estimated that this legislation would have an expenditure impact of \$614,509 in general revenue funds in FY 2016 and \$629,872 in general revenue funds for FY 2017. There is no fiscal impact in FY 2015 as it is assumed that passage of this bill will occur on July 1, 2015. There is also no revenue impact associated with this bill. As identified in the Summary of Facts and Assumptions section above, Cranston is omitted from calculations for FY 2016 and FY 2017 and East Providence is included in FY 2016 and FY 2017.

*Budget Office Signature:*



*Fiscal Advisor Signature:*