

June 23, 2005

The Honorable
77 South High Street
Columbus, Ohio 43215

Dear Representative,

The Ohio Library Council appreciates the efforts of the Ohio General Assembly as, once again, we deal with a difficult budget in difficult economic times.

We appreciate the elimination of the proposed 5% cut to the Library and Local Government Support Fund. Libraries will continue to look for ways to conserve resources to offset the rising costs of providing services. Continuing library funding at the current level will certainly help our efforts.

The language adopted by the Ohio General Assembly restores the LLGSF to the same funding level as 2004 or the statutory formula *whichever is less*. The LLGSF statutory formula establishes that 5.7% of the personal income tax revenue be placed in the LLGSF each month. We believe that even with the personal income tax cut of 4.2% beginning in July 2005 that rate will still produce enough income tax revenue that the statutory formula would produce more revenue than the freeze, and therefore public libraries will receive the freeze amount. We do have concerns that the second year of the personal income tax cut will reduce the personal income tax revenues below the freeze amount, and therefore trigger a cut to library funds in FY 2007. We believe that this is something that we need to monitor to determine if there may be some need for revision later in the biennium budget. We recognize that tax reform is necessary and that it is impossible to accurately predict at this time the impact of all of these measures.

We appreciate the General Assembly's recognition that the tax reform measures will have long-term impact on all local government, including public libraries. We look forward to working with the members who are appointed to the new committee established to review the funding of local governments.

We are also interested in the work of the committee established to monitor the impact of the elimination of the tangible person property tax. Although we are not members of that committee, we believe the work of that committee is important, and we look forward to participating in those hearings.

The Ohio Library Council looks forward to working with you throughout the rest of the 126th General Assembly. If I can provide any information to assist you in legislation or responding to constituent inquiries, please feel free to contact me.

Sincerely,

Lynda Murray
Director of Government Relations