

INDIANA LIBRARIES AT RISK

Funding & Policy Impacts

What's Happening

Indiana libraries are facing significant funding challenges due to state budget cuts, federal funding uncertainty, and new legislation that reduces local property tax revenue. These changes threaten essential library services that communities rely on every day.

KEY FUNDING IMPACTS

State Budget Cuts

- Major reductions to the Indiana State Library budget undermine statewide support and shared services.

Elimination of Critical State Funding

- INSPIRE Databases: State funding eliminated this budget line, putting education and research resources at risk.
- Internet Connectivity: Cut, shifting rising internet costs to local library budgets.

Federal Funding Uncertainty

- Potential elimination of the Institute of Museum and Library Services (IMLS) threatens:
 - Statewide library resources

Early Literacy Programs

- State funding for Dolly Parton's Imagination Library was cut, so the program now relies on fundraising to keep free books available for children ages 0–5 in Indiana.

LEGISLATIVE IMPACTS

Property Tax Reductions (SEA 1)

- New property tax legislation is projected to reduce public library funding by millions statewide by 2026.

Shift to Local Budget Control

- Proposed legislation (SB4/SB8) moves approval of some library funding to county councils, creating uncertainty and requiring libraries to repeatedly justify core services.

WHAT THIS MEANS FOR COMMUNITIES

If these trends continue, libraries may be forced to:

- Reduce hours
- Cut staff
- Limit access to ebooks, streaming, and databases
- Reduce programs, outreach, and early literacy services

Smaller and rural libraries will be hit hardest, increasing inequities in access to education, technology, and community resources.

HOW YOU CAN HELP

- Share why your library matters to you
- Contact your state and local elected officials
- Support library advocacy efforts and funding protections

Libraries are not optional—they are essential public infrastructure.

Questions? Contact Julie Wendorf, Library Director at jwendorf@crownpointlibrary.org



INDIANA LIBRARIES AT RISK

Funding & Policy Impacts

1. What's going on with library funding?

Indiana libraries are facing funding challenges from several directions at once:

- State budget cuts
- Uncertainty around federal funding
- New state legislation that reduces and destabilizes local revenue, compromising the major source for funding library operations

Together, these changes create financial uncertainty and put pressure on everyday library services.

2. Is our local library being affected?

Yes. Even if changes are not immediately visible, these funding decisions significantly impact how libraries plan, budget, and sustain their services. Some impacts are already happening, and others may occur over the next one to two years.

3. What state funding was cut?

- The Indiana State Library received major budget reductions, which limit statewide support and shared services that local libraries rely on.
- Several statewide grants that helped offset local costs were eliminated.

4. What happened to INSPIRE and internet funding?

- INSPIRE databases (used for homework, research, and lifelong learning) lost state funding. The quality of the resource has been reduced due to lower funding.
- The Internet Connectivity Grant was cut, shifting the cost of rising internet expenses directly to local library budgets. The local library must now shoulder the entire cost of providing high-speed, free internet access for the community.

5. Is federal funding also at risk?

Potentially. Federal funds support services beyond individual library buildings. Proposed elimination of the Institute of Museum and Library Services (IMLS) could impact:

- Statewide library resources are coordinated through the Indiana State Library.

6. What about children's programs like Imagination Library?

State funding for Dolly Parton's Imagination Library was cut. Libraries and community partners now rely on fundraising to keep free books available for children ages 0–5 in Indiana.

7. How does legislation affect libraries?

- SEA 1 (property tax changes) is projected to reduce public library funding by millions statewide by 2026, while providing little taxpayer relief.
- Proposed legislation, including SB4 and SB8, would shift library budget approval to county councils, creating uncertainty and requiring libraries to justify core services while risking significant budget reductions.

8. What could this mean for library services?

If funding challenges continue, libraries may have to consider:

- Reduced hours
- Staffing cuts or hiring freezes
- Fewer resources, including physical materials, books, and e-materials
- Reduced programs, outreach, and early literacy services

9. Why does this matter to the community?

Libraries are an essential public infrastructure. Funding instability makes it harder to maintain these services consistently:

- Free access to books, technology, and the internet
- Support for students, families, job seekers, and seniors
- Early literacy and lifelong learning opportunities

10. What can community members do?

- Share how the library helps them or their family
- Contact state and local elected officials
- Support library advocacy and funding protections

KEY MESSAGE TO REMEMBER:

Libraries are not optional services. Stable funding ensures equal access to education, information, and opportunity for everyone in the community.