

**FAQS:
LSTA GRANTS TO STATES MAINTENANCE OF EFFORT REQUIREMENT**

Q: What is maintenance of effort?

A: The Library Services and Technology Act (LSTA) helps ensure that federal dollars enhance and do not replace state support for library services. To receive the full amount of federal funds available under the LSTA Grants to States formula, a state must maintain its financial support for library programs and services at not less than the average amount reported for the previous 3 years. This level of State financial support is called maintenance of effort (MOE).

Q: Where do I find detailed information about the LSTA Grants to States MOE requirement?

A: The MOE requirements are found in 20 U.S.C. Chapter 72.

Q: What happens if a state does not meet the MOE?

A: The law requires that the State's allotment be reduced by the same percentage by which the SLAA failed to meet the MOE requirement. 20 U.S.C. §9133(c)(1)(A).

Q: What is included in the calculation of the state's financial support referred to above?

A: *"All State dollars expended by the State library administrative agency for library programs that are consistent with the purposes of this subchapter. ...and shall not include capital expenditures, special one-time projects costs, or similar windfalls."* 20 U.S.C. §9133(c)(2).

The MOE provisions ensure that the states are committed to and supporting library programs in general, and not just the projects supported by the Grants to States program. Accordingly, maintenance of effort funds include money expended by the state for library programs that are "consistent" with the purposes of LSTA.

Q: May the MOE requirement be waived?

A: The law provides that the MOE requirements may be waived by IMLS if a State seeks a waiver and can demonstrate that such a waiver is warranted under the following circumstances:

"The Director may waive the requirements of paragraph (1) if the Director determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State." 20 U.S.C. §9133(c)(3).

Q: What happens if a state does not receive a waiver of the MOE requirement?

A: If a state does not meet its MOE requirements and is not granted an MOE waiver by IMLS, the amount of Grants to States funding available to that state will be reduced by an

amount equal to the percentage by which the SLAA fell short of its MOE requirement. 20 U.S.C. §9133(c)(1)(A)(i)

Q: Can a state appeal the MOE waiver decision denying its waiver request?

A: A state may request reconsideration of the decision by filing a written notice including any supporting documentation to the Director no later than sixty (60) calendar days from the date of the denial letter.

Maintenance of Effort Review: 2011 – 2020

| | 2011 Allotment (FY2008 FSR) | 2012 Allotment (FY2009 FSR) | 2013 Allotment (FY2010 FSR) | 2014 Allotment (FY2011 FSR) | 2015 Allotment (FY2012 FSR) | 2016 Allotment (FY2013 FSR) | 2017 Allotment (FY2014 FSR) | 2018 Allotment (FY2015 FSR) | 2019 Allotment (FY2016 FSR) | 2020 Allotment (FY2017 FSR) |
|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| # States not meeting MOE | 7 | 11 | 8 | 13 | 6 | 9 | 4 | 5 | 7 | 6 |
| No Waiver requested | 2 | 2 | 0 | 5 | 2 | 7 | 3 | 2 | 1 | 2 |
| Waiver requested | 5 | 9 | 8 | 8 | 4 | 2 | 1 | 3 | 6 | 4 |
| Waiver approved | 4 | 9 | 8 | 3 | 2 | 0 | 1 | 2 | 1 | 0 |
| Waiver denied | 1 | 0 | 0 | 5 | 2 | 2 | 0 | 1 | 5 | 4 |

Updated 3/20/2020