



House Finance and Appropriations Committee
House Bill 64 Testimony
Ohio Library Council
March 25, 2015

Good morning, Chairman Smith, Ranking Member Driehaus, members of the House Finance and Appropriations Committee. Thank you for the opportunity to speak to you today regarding House Bill (HB) 64 and Ohio's public libraries.

My name is Tom Adkins and I am the director of the Garnet A. Wilson Public Library of Pike County and a member of the Ohio Library Council's Government Relations Committee. I am testifying today on behalf of the Ohio Library Council, Ohio's 251 public libraries and the 8.9 million Ohio library cardholders we serve.

Ohio's public libraries are the cornerstone of their communities. We serve all Ohioans from small, rural communities like Ada to large, metropolitan communities like Cincinnati, and everything in between. We are committed to providing our communities with the very best public library service and we truly are open to all.

As an example, my library serves a county population of just over 28,700, with over 21,100 of them as active library cardholders – 73% of the total county population. And in 2014, nearly 386,000 items were circulated to the library's patrons. Clearly, Ohio relies more heavily on its public libraries than ever.

Ohio's public libraries are more than repositories for books. We help Ohioans find jobs and provide training courses. We are often the only place where people can come for free Internet access to apply for jobs, complete school assignments or access government services. We make computers available to citizens and offer the latest technology and eBooks. We help children prepare for Kindergarten, read at grade level, and graduate on time. We are frequently the only library students can access. We serve as a place for the community to gather and provide life-long learning opportunities and programming for all ages. The data speaks for itself:

- Total statewide annual library attendance is more than 85 million.
- More than 8.9 million Ohioans are library cardholders.
- Library computers are used more than 21 million times in a year.

- Ohioans download more than 8.7 million items from public libraries – including eBooks, music, magazines and videos.
- 460,000 Ohio children and teens participated in library summer reading programs.

Ohio's public libraries have received numerous national awards and recognition for the services we provide. A primary reason for our success is the state funding we receive through the Public Library Fund (PLF).

PLF

The PLF has been the primary source of funding for Ohio's public libraries since 1985. However, it is not a line-item appropriation like the numerous programs and state agencies before you in HB 64. The PLF is in permanent law and is a set percentage of the state General Revenue Fund (GRF). It ebbs and flows each month depending on state revenues. The PLF is currently set at 1.66% of the GRF.

Since 2008, state funding for public libraries has dropped 24%; from \$450.6 million in 2008 to \$345.1 million in 2014. There has been no increase to keep pace with inflation. This significant reduction in funding for public libraries is not a result of one or two funding cuts, but rather a series of freezes, reductions and recalculations of the PLF percentage.

With more than half of library operating expenses coming from the State PLF, these reductions have meant tough choices. Some libraries reduced expenses by reducing hours and services, freezing or cutting salaries, or buying fewer new books and materials. Others worked to increase revenues by asking local taxpayers for more money. Many did both to survive. But, public libraries' level of state funding remains the same as in 1996.

As an example - prior to the large cut sustained by public libraries, my library provided in-house computer training classes to patrons by an on-staff computer expert. But, due to the 30% reduction in state funding in 2009, the computer trainer was permanently laid off and the service discontinued. Also, our ability to purchase materials for patrons, most notably eBooks which are not discounted for public libraries, has been greatly diminished by the reduction in state funding.

There is a growing demand from our patrons – Ohio's citizens – for new technologies, digital content, education and job searching services, and more. Keeping up with the growing demand for services is only possible with adequate funding.

HB 64 includes various new tax reform proposals that will impact the GRF and the distribution to the PLF. If the General Assembly decides to reduce the personal income tax, we request that these reductions be offset by increases in the PLF percentage to make-up for those losses.

TPP and PUTPP

In addition to the PLF, there are other provisions in HB 64 that we would like to bring to your attention. HB 64 re-activates the phase-out of the Tangible Personal Property Tax (TPP) and Public Utility Tangible Personal Property Tax (PUTPP) replacement payments to libraries and other local governments. Of the 251 public libraries, 43 currently receive either TPP or PUTPP reimbursement payments. The payments vary from hundreds of dollars to several million dollars depending on the location and size of the library system.

If there are to be reductions in the TPP and PUTPP replacement payments, we respectfully request that these reductions be offset by increases in the PLF percentage to make-up for those losses.

Conclusion

Last year, the PLF distributed to Ohio's libraries the same amount of dollars that it distributed in 1996. Today, we are asking you to hold us harmless from any additional cuts in funding that may result from the tax reform measures in HB 64 and the accelerated phase-out of the TPP and PUTPP reimbursement payments and that you restore some of our funding so that we do not receive the same level of funding we received almost 20 years ago.

Changing the PLF percentage represents an extremely small fraction of the state budget, but is invaluable to Ohio's excellent public libraries and the citizens we serve. At a time when our services are needed more than ever, this funding is also needed more than ever. Libraries may be free to all but they are not free to operate. We have always been good stewards of public dollars, and it is time that the citizens of Ohio and their communities have their library funding restored.

We hope we can count on your support.

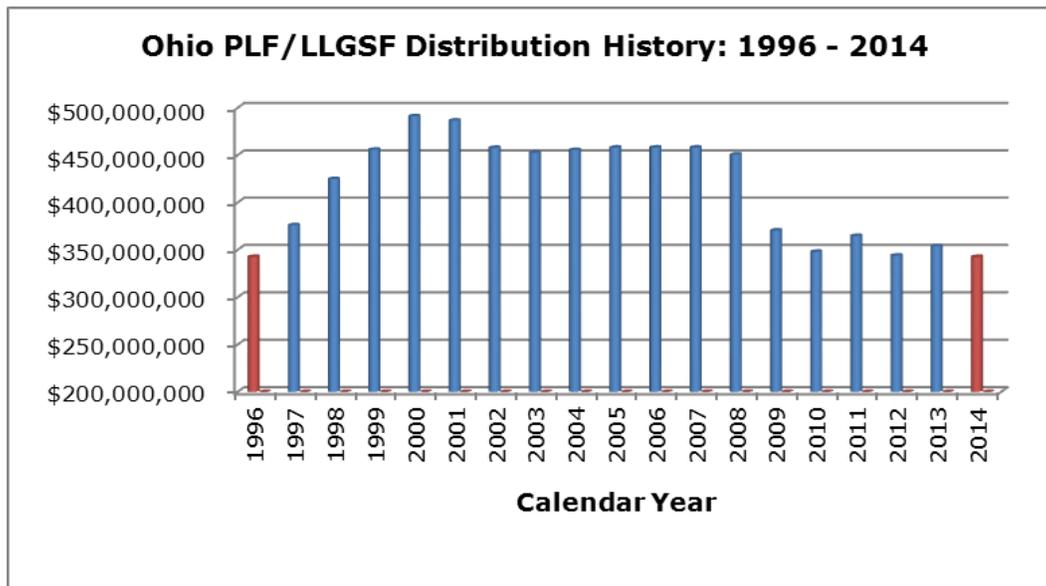
Thank you for your time. I am happy to answer any questions you may have.



OHIO LIBRARY COUNCIL

RESTORE Public Library Funding **#RestorethePLF**

- State funding for public libraries has been **cut by more than \$105 million** since 2008 – a **24% loss** in funding.
- In 2014, public libraries received about the **same amount of state funding** they received in **1996**.
- Libraries have always been good stewards of public dollars – citizens and communities need to have state funding for libraries **RESTORED**.



PLF Distributions: CY08 Compared to Selected Years (\$ in Millions)

Calendar Year	PLF Percentage of GRF Taxes	PLF Distribution
2008	2.22%	\$450.6
2009	2.22%/1.97%	\$370.4
2010	1.97%	\$348.0
2011	1.97%/95% Freeze	\$364.7
2012	95% Freeze	\$344.0
2013	1.66%	\$354.0
2014	1.66%	\$345.1