

Chairman Oeslager, Vice Chairwoman Manning, Ranking Member Skindell, and members of the Senate Finance Committee, as State Librarian of Ohio, I am honored to provide this testimony regarding the State Library's proposed budget for Fiscal Years 2018 and 2019.

In 1817 Governor Thomas Worthington recognized the importance of having a state government comprised of educated and well-informed staff and elected officials. To help achieve this, Governor Worthington established the State Library of Ohio to serve the information needs of the young government. Two hundred years later, helping Ohio's state government stay well-informed on topics including innovations in technology, trends and best practices in public administration, fiscal responsibility, and more, remains the core service of the State Library. In fact, the vision of the State Library of Ohio is **A Smarter Ohio** where not just state employees, but every Ohioan, can access the necessary resources to be engaged citizens, excel at their jobs, participate in the workforce, and pursue their passions and interests. We cannot accomplish that without adequate funding.

The State Library of Ohio, on its own and in partnership with other state agencies, libraries, and organizations, administers programs and services that generate an **annual savings of at least \$425 million** for state agencies, libraries, and Ohio taxpayers. These vital programs, services, trainings, and resources are available at no cost to State of Ohio employees, Ohio libraries of all types, and by extension, Ohio residents.

The State Library provides a wide range of services to the employees and officials of Ohio's state government, including access to the more than 52 million print and electronic materials in the collections of the State Library and 121 Ohio college and university libraries that are members of OhioLINK. Additionally, State Library staff have the expertise necessary to provide high-quality training and one-on-one help to assist state employees with finding and using the resources they need to perform their jobs efficiently and effectively. The State Library is a continuous learning center for state employees, serving as a hub for information and job training resources.

The State Library is the official depository for Ohio state agency publications and serves as Ohio's only full regional depository for federal government documents. State and federal mandates for maintaining these collections ensure continued access to government information. These unique collections of documents form an important historical record of the work of Ohio and federal governments, and contain information that is invaluable to state agencies and researchers. A reduction in the State Library's status in the Federal Library Depository Program might also have an adverse impact on the partial federal depositories located in Ohio and their collective ability to meet the information needs of Ohioans.

The State Library also plays a unique and vital role in providing services to Ohio libraries and maximizes the use of public funds by facilitating resource and information sharing among Ohio's public libraries through programs such as the Serving Every Ohioan (SEO) Library Consortium, the Ohio Digital Library, and the Statewide Delivery System, administered jointly by the State Library and OhioLINK. The Statewide Delivery System supports statewide resource sharing among public libraries and college and university libraries across the state by delivering nearly 9 million books and other library materials to Ohio library users each year.

Following several years of significant reductions, GRF funding for the State Library has remained relatively flat since 2012. The Governor's Executive Budget for Fiscal Years 2018 and 2019 recommended flat GRF funding for State Library Operating Expenses of \$5,206,745 for each year of the biennium. However, **the version of the budget currently under consideration reduces GRF Operating Expenses for the State Library to \$4.5 million for each year of the biennium, a reduction of 13.57%. The proposed budget also reduces GRF funding for Ohio's four Regional Library Systems to a total of just \$500,000 per year, a reduction of 14.16%.** (Please see Appendix.)

When considering the issue of funding for State Library operations, it bears mentioning that the issue of rent remains an ongoing and ever-present concern for the State Library. When the Supreme Court claimed the Ohio Departments Building at 65 South Front Street as its home, the State Library was evicted and forced to relocate. After a search that took nearly three years the State Library, with the assistance of DAS/Real Estate, moved to its current location at 274 E. First Avenue in the Jeffrey Corporate Center. At that time, the State committed funds upwards of \$1 million to assist the State Library with its move. Even if another suitable location were currently available, DAS/Real Estate has said there are no monies available to fund such a massive undertaking. Although the Jeffrey location is ideally suited to the State Library, the current rental obligation is \$1,321,044 per year, accounting for just over 29% of the proposed \$4.5 million allotted for the State Library's operating expenses.

While at first glance it appears that proposed GRF funding for the State Library equals \$5,295,114 in FY 2018 and \$5,300,114 in FY 2019, let me stress that those amounts include funding for the Regional Library Systems and the Ohioana Library, organizations over which the State Library has little, if any authority. This misleading picture of State Library funding is magnified when all funding sources are considered. For FY 2018, total State Library funding when all funds are included totals \$ 21,807,930. However, in addition to the Regional Library Systems and the Ohioana Library, several more library-related organizations receive funding through the State Library's budget. The chart below represents proposed funding for FY 2018.

Budget Support Testimony FY2018 – FY2019

Organization	Funding Source	Funding Amount
Regional Library Systems	GRF	\$ 500,000
Ohioana Library	GRF	\$ 295,114
Ohio Public Library Information Network (OPLIN)	PLF	\$5,689,788
Ohio Library for the Blind and Physically Disabled	PLF	\$1,274,194
Total		\$7,759,096

As the chart illustrates, for FY 2018 roughly 36% of the funds included in the proposed budget are not supporting the State Library, but are directly supporting other library-related services and organizations. If you also include the approximately \$5 million the State Library receives each year in federal LSTA funds, which are awarded to libraries in the form of grants and used to support a number of statewide programs including the Ohio Digital Library (eBooks) and the Ohio Web Library (online information databases), the percentage of funding passing through the State Library's budget as funding for other programs and organizations is in reality 58%.

Additionally, the State Library administers two programs for participating libraries: the Statewide Delivery Service and the SEO Library Consortium. Funding for those programs is represented within Fund 4590, 350-603 Services for Libraries. For FY 2018, 4590 funding amounts to \$4,190,834, or approximately 19% of the State Library's overall budget. Approximately \$3,717,332, or 88% of fund 4590 is used to support Statewide Delivery Services and the SEO Library Consortium. The State Library bills and receives payments from the participating libraries and then uses the money received to pay the vendors providing the services, pay a portion of salaries for staff who administer the programs, and pay for other essential items necessary to make the programs run effectively. These funds can only be used to support these two programs. Both programs generate significant cost savings for participating libraries. For example, the Statewide Delivery Service makes it possible for libraries to send books and other materials anywhere in the state for approximately twenty cents per item. By comparison, a single book weighing one pound or less would cost a library \$2.38 to send using the U.S. Postal Service Library Rate. At that rate, it would cost Ohio's libraries \$21.4 million each year to ship the 9 million items currently moving through the Statewide Delivery Service.

The preceding information illustrates that the proposed 13.57% reduction in GRF 350321 Operating Expenses for the State Library represents a reduction in essential funding that cannot be supplemented or replaced by other funds within the State Library's budget. This proposed reduction can only be absorbed by significantly reducing State Library staff, materials such as books and online resources, programs, services, and possibly, hours of operation. (Please see Appendix, page 3.)

Reductions to GRF funding for the State Library are particularly worrisome given the current threat to federal funding for libraries. The administration of federal Library Services and Technology Act (LSTA) funds from the Institute of Museum and Library Services (IMLS) is a primary responsibility of the State Library. LSTA funds, and the critical programs they support,

are now at risk due to the president's proposed budget for discretionary spending in Federal Fiscal Year 2018, which calls for the elimination of the Institute of Museum and Library Services (IMLS).

The State Library of Ohio uses the approximately \$5 million it receives each year in federal LSTA funds in ways that touch every community across the state. The loss of these funds would eliminate or significantly reduce many of the library programs, resources, and services Ohioans use for school, work, lifelong learning, and leisure. LSTA funding has allowed the State Library to maintain a robust program of cost-saving initiatives for Ohio's libraries and Ohioans even while GRF funding has remained relatively flat over an extended period.

Even if the threat of complete elimination of the LSTA program is avoided, **a reduction in GRF funding for the State Library could have an adverse impact on our ability to meet federal match and Maintenance of Effort (MOE) requirements necessary to maintain Ohio's current level of LSTA funding.** The current threats to both state and federal funding for the State Library and the programs it supports would come at a time when state funding for Ohio's public libraries lacks the stability it needs to ensure that our libraries remain able to innovate, adapt quickly to local needs, and develop programs and services that enable all members of their communities to thrive.

As Ohio's State Librarian, I am grateful to the legislature for the efforts you have made to recognize and support Ohio's nationally recognized public libraries. However, I must point out that a reduction in State Library funding will have an adverse impact on many of the programs and services our public libraries, especially those smaller libraries located in less affluent and/or rural areas, rely upon to ensure their continued success. Cuts to far-reaching programs such as the SEO Library Consortium, which receives approximately 16% or \$311,242 of its funding in the form of GRF funds, making it a cost effective, affordable shared catalog and resource sharing system for small and mid-sized libraries throughout the state, could cost participating public and school libraries more at a time when their own funding sources are in flux.

I understand this is a particularly difficult budget and that cuts must be made to align spending with revised revenue projections and the the State Library is certainly willing to bear a share of that burden. However, a GRF Operating Expenses reduction of 13.57% for the State Library and a GRF reduction of 14.16% for the Regional Library Systems seem disproportionate to the cuts that have been proposed for most state agencies. Reductions of this magnitude would be devastating to the State Library and to the Regional Library Systems, which provide direct services and support to public and school libraries across the state.

Programs and projects facilitated by the State Library are extremely valuable to the residents of Ohio, as evidenced by annual usage data. For example, Ohioans of all ages used Ohio Web Library databases to retrieve over 15.9 million documents during the eighteen month period from July 1, 2014 – September 30, 2015, and Ohioans borrow more than 600,000 items per year using the Ohio Talking Book Program. Circulation of library materials through the SEO Library Consortium was over 14.5 million items in 2016. Also in 2016, Ohioans downloaded more

than 3.3 million eBooks through the Ohio Digital Library. As previously mentioned, the Statewide Delivery Service delivers approximately 9 million physical items among Ohio's public, academic, and school libraries each year, making it possible for libraries to share materials with other libraries all across the state.

The Regional Library Systems (RLS), which play a valuable role in supporting Ohio's libraries, have also been adversely impacted by declines in state funding and the diminished capacity of public, school, academic, and special libraries to support the RLS through membership dues and/or fees for continuing education. When libraries and the communities they serve are struggling to meet increased demands with fewer resources, it is even more imperative that the Regional Library Systems are positioned to provide affordable and effective training and development opportunities for library staff.

After years of significant reductions, state funding for the Regional Library Systems has remained flat for a number of years. The current version of the budget reduces funding for the Regional Library Systems to a total of \$500,000 in each year of the biennium. In order to maintain services at current levels, Regional Libraries would have to increase fees to member libraries at a time when PLF funding for public libraries has not been meeting expectations.

In closing, **I respectfully request that GRF funding for the State Library and the Regional Library Systems be returned to the level recommended in the Governor's Executive Budget, minus 4%.** Funding at this level (\$4,998,475 per year in GRF operating funds for the State Library and \$559,170 per year for the Regional Library Systems) would allow both the State Library and the Regional Library Systems to maintain uninterrupted services somewhat near current levels. Deeper cuts would jeopardize the State Library's ability to meet federal requirements for match and MOE for the receipt of LSTA funds and have a devastating impact on libraries and library services for Ohioans across the state.

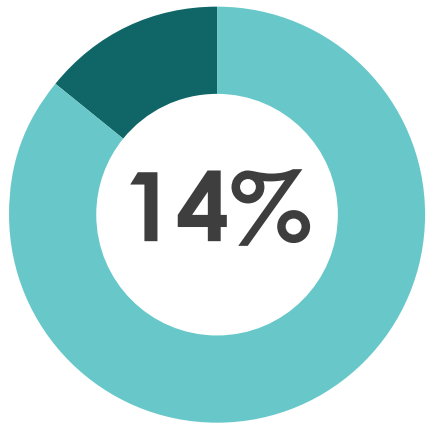
Thank you for considering the State Library's budget proposal, which has been carefully developed in an effort to maximize limited state resources to ensure the uninterrupted delivery of critical information resources and vital services to Ohio government, libraries of all types, and Ohio residents. I am happy to answer questions you may have about the State Library's budget.

Sincerely,

Beverly L. Cain
State Librarian

In the Last Decade

We've Decreased Staffing by



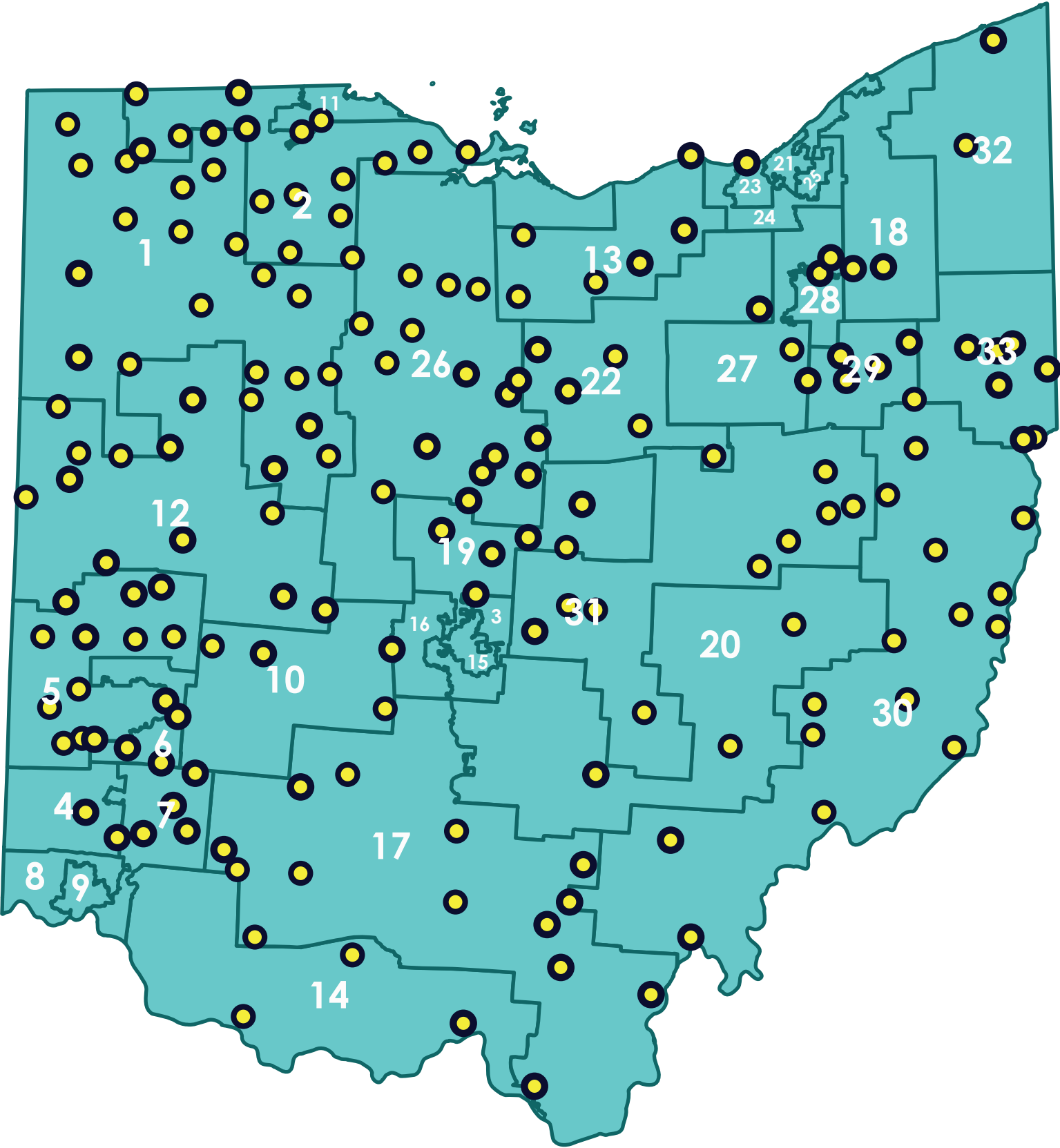
Our GRF Funding Has Fallen



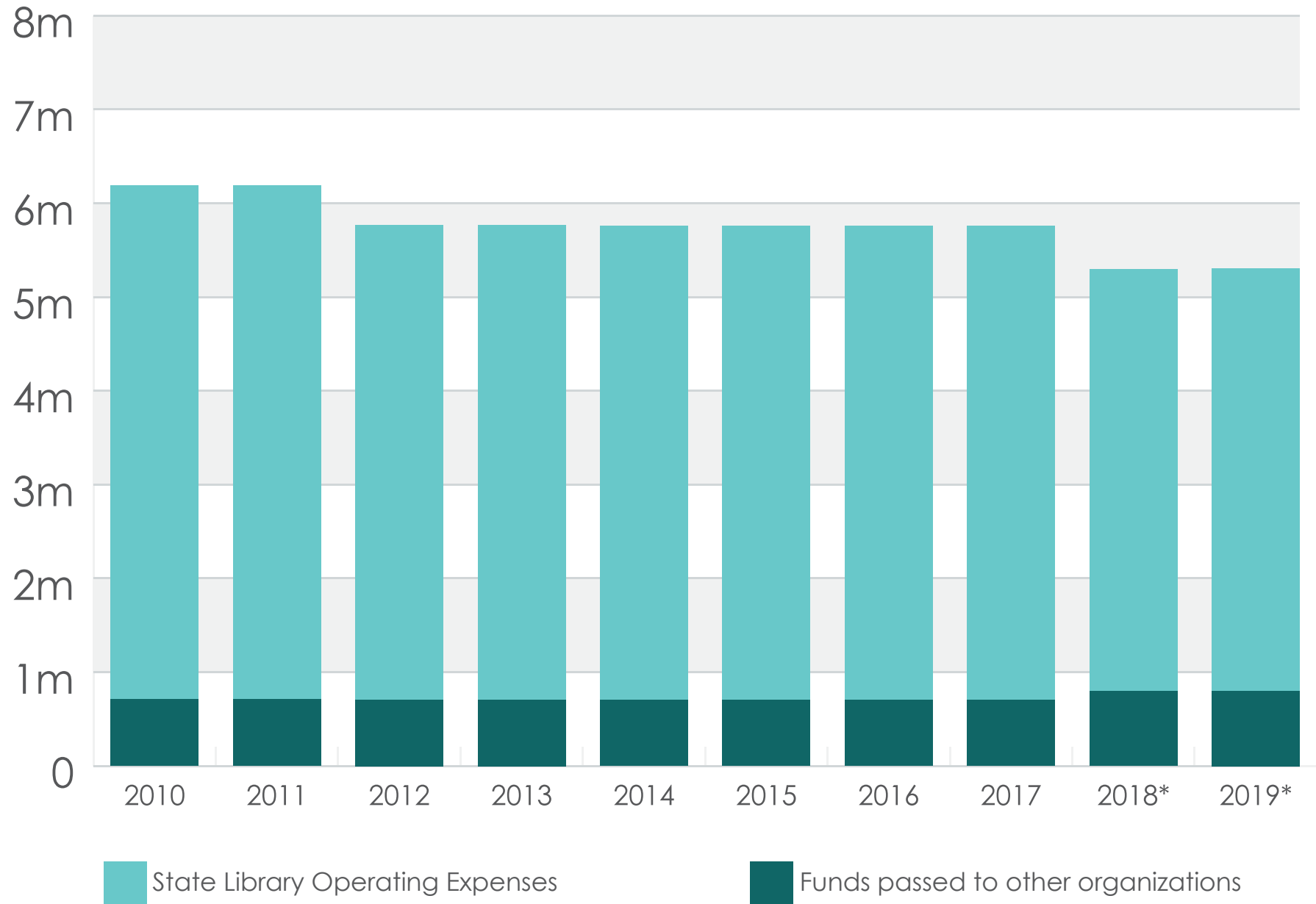
With the Proposed Cuts, These Programs Supporting Ohioans Through Ohio's Public Libraries Are at Risk



Libraries Using the SEO Library Consortium or Ohio Digital Library



State Library Appropriations From the General Revenue Fund, 2010-2019



State Library Operating Expenses From the General Revenue Fund, 2010-2019

