Senate Finance Committee
Substitute House Bill 110 Testimony
May 19, 2021

Good morning, Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee. Thank you for the opportunity to testify today on Substitute House Bill (HB) 110 on behalf of Ohio's public libraries.

My name is Michelle Francis and I am the Executive Director of the Ohio Library Council (OLC). Joining me today for testimony is Jay Smith, OLC's Director of Government and Legal Services. The Ohio Library Council is the statewide association representing Ohio's 251 public library systems (rural, urban, and suburban) and the 8.4 million library cardholders they serve.

We are here to share our thoughts on certain provisions in the budget proposal related to the Public Library Fund (PLF) and we hope to give you a glimpse of the services provided to Ohioans throughout the pandemic by public libraries and how we can assist in Ohio's recovery efforts.

Based on state and national data, we know that Ohio's public libraries are extremely popular and in high demand with the highest use per capita in the nation. We have the highest percentage of registered borrowers, highest number of visits, and highest circulation. Libraries are open to all and a resource that Ohio's citizens increasingly turn to for vital services. Our success is dependent on the strong partnership between the State and the local library systems.

Library Services Throughout the Pandemic
Public library services are essential to the communities we serve. This was already evident pre-pandemic and became even more profound over the past year. Our members will always have books on the shelves, but our services today go far beyond books. We meet patrons where they are – if they are at home, at school or outside one of our buildings. Libraries today provide a wide range of services to Ohio's citizens based on the needs of each individual community (see attachment A). In your local communities, we serve as a critical resource by providing connectivity to the Internet and computers for personal, employment and student use. Libraries provide wrap-around services through homework help centers (both virtual and in-person) and serve as feeding sites for both children and adults impacted by food insecurity. Ohioans utilize their local libraries for job search assistance, online training and to start small businesses.

In March 2020, our libraries quickly pivoted and adjusted their service delivery models to continue to meet the needs of their local communities. Here are just a few specific examples provided throughout the pandemic and continue today:

- 2020 Census outreach
- Polling locations
- Wi-Fi on library property
- Wi-Fi hot spots
- Digital resources (see attachment B)
- Online educational courses through LinkedIn Learning/Lynda.com
- Homework help/tutoring
- Tech assistance
- Food distribution and assistance
- Blood drives
- Outreach to seniors and nursing homes
- Job search assistance while Ohio Means Jobs Centers are closed
- Modernized lending of plexiglass and Zoom meeting rooms
- Tax services

In September 2020, we surveyed our members on their service levels and learned the following:
- 95% Offering curbside/drive-thru/delivery services
- 85% Providing virtual storytimes
- 75% Providing one-on-one training/tech tutor appointments
- 74% Actively partnering with schools to deliver services to students and parents
- 67% Providing job search assistance (including resume & interview help)
- 62% Added resources for homeschooling and remote learning
- 62% Loaning mobile Wi-Fi hot spots

Now that we have three vaccines in Ohio, our libraries are continuing to provide special COVID-19 related assistance:
- Partnering with local health centers to provide testing
- Distributing COVID-19 at-home test kits
- Sharing reliable information with our communities on the vaccine
- Assisting patrons with scheduling vaccine appointments

As we come out of the pandemic, Ohio's public libraries will be here to work with our schools to address the pandemic educational gaps we are seeing in Pre-K and Kindergarten as well as minority populations and economically disadvantaged communities. We will be here to assist in workforce development efforts to help displaced workers take online courses and apply for employment. We will still be here providing programming and lifelong learning opportunities for all ages. However, to continue these efforts, we will need resources.

Governor's Imagination Library
HB 110 funds the Governor's Imagination Library at $8 million in each FY22 and FY23. As public libraries, we know the importance of early childhood literacy and laying the foundation for future success. Our members have both sponsored and promoted this program at the local

level and we continue to support its efforts. We truly appreciate the Governor and Mrs. DeWine making literacy a priority and ensuring children ages 0-5 have access to the program.

Broadband
Ohio's public libraries recognized the need for broadband connectivity long before the pandemic. We know that a significant number of Ohioans still lack access to this basic utility. In 2019, Ohioans utilized public library computers more than 12.7 million times and our Wi-Fi more than 23.9 million times. We know that the digital divide and the need for access to broadband connectivity is real – we have not only the anecdotal stories to prove it, but the statistical data to support it. We are a strong proponent of HB 2 (and SB 8). We have been there each step of the way for prior proposals, and we support the broadband provisions in HB 110. Many of you have heard Rep. Carfagna share the story of a library in southeast Ohio where 50% of their Wi-Fi usage was when the library was closed – that example came from our state budget testimony in 2019 and was pre-pandemic. Over the last year, many of our libraries had parking lots filled with rows of cars utilizing the Wi-Fi for school, work, and personal use. Some libraries even had individuals set up their own table with a computer and printer outside of the library and had food delivered while they were utilizing the library's Wi-Fi and electrical outlets outside of the building. The need for reliable broadband is real.

I will now turn testimony over to Jay Smith to discuss library funding.

Public Library Fund
In HB 110, Ohio's public libraries are looking for revenue stability to respond to the needs of Ohio's citizens as the demand for services is continuing to increase. Keeping up with the growing demand for services is only possible with adequate funding. For example, in 2020, public libraries saw a 33% increase in digital book circulation (eBooks and audiobooks) over 2019. This significantly impacts budgets because of the increased cost associated with eBooks (see attachment C)

We would like to formally thank the Ohio Senate for your work over the last three budget cycles to begin to restore state funding to Ohio's public libraries through the Public Library Fund. Unfortunately, it is those efforts that are now in jeopardy under the House version of HB 110.

The Public Library Fund is not a line-item appropriation like the numerous programs and state agencies before you in HB 110. It is in permanent law and is a set percentage of the state's monthly tax receipts that go into the General Revenue Fund (GRF). It ebbs and flows each month depending on state revenues and is currently set in temporary law at 1.7% of the GRF for FY 2021.

The House version of HB 110 would reduce state funding to Ohio's public libraries from 1.7% to 1.66% of the state's GRF. In fact, our funding has not been set at this reduced rate since FY15. (see attachment D). Under the proposal, OBM is estimating the PLF will decrease by 0.5% in FY22 and increase by 3.5% in FY23. However, these estimates are based on assumed growth in Ohio's economy and the assumption that no additional policy changes will impact the GRF.

Most often, libraries do not realize these estimates. Only once in the past seven years has the PLF met the estimates included in budget documents. (See attachment E).

It is also important to note that funding for both the Ohio Public Library Information Network (OPLIN) and the Library for the Blind are deducted from the PLF – these two important programs together account for about $5 million each year, but artificially inflate the figures you see in the Blue Book.

State funding through the PLF is critically important because it remains a primary source of revenue for public libraries. Statewide, more than 48% of the total funding for Ohio's public libraries comes from the state through the PLF. In addition, 20% of Ohio's public library systems (50 of 251) do not have a local property tax levy and rely solely on their state funding as their main source of revenue for day-to-day operations (see attachment F). As a reminder, our libraries are separate political subdivisions, similar to our other local government partners, but we do not have taxing authority to implement a local sales tax or income tax. Also, unlike counties, cities and school districts, public libraries do not receive casino revenue. Therefore, we are concerned that HB 110 proposes to reduce the PLF to the same rate as the Local Government Fund (LGF).

American Rescue Plan (ARP)
In recent weeks we have been receiving questions related to federal funding. Let me be clear, Ohio's public libraries are *not* receiving $170 million in federal funding through the American Rescue Plan (ARP). Instead, about $200 million will go to libraries nationwide through the federal Institute of Museum and Library Services (IMLS). Of that amount, the State Library of Ohio will receive an estimated $4.5 million to divide among university academic libraries, K-12 school libraries, prison libraries, and public libraries (OLC members).

Also, even though public libraries are separate political subdivisions in the state of Ohio, we are *not* receiving the billions of dollars that other local government units will be receiving directly through ARP.

State Revenues and the Public Library Fund
Even though state revenues are currently coming in above estimate, funding for Ohio's public libraries will be cut in the current proposal.

- The base of the GRF will be impacted by the proposed 2% income tax cut which will further compound reductions in funding for public libraries.
- In 6 of the last 7 years, actual PLF distributions have been below estimate by 3.3%. On average this equates to $13 million below estimate each year for the last 7 years.
- FY 19 was the only year that the PLF distributions were above estimate over the past 7 years by only 1.2% ($4.7 million).

Conclusion
In conclusion, investing in public libraries is critical as the usage and demand for our services is growing and broadening – especially as we assist in Ohio's recovery efforts. None of the services Michelle mentioned earlier would be possible without our state funding. Making public

libraries a priority in this budget and maintaining the PLF at 1.7% is a step in the right direction. Because there are still several unknowns regarding Ohio's economy and the budget process between now and June 30 that could impact the state's GRF base (indirectly reducing the PLF), we are urging the Ohio Senate to keep the PLF at our current (FY21) rate of 1.7%.

The Ohio Library Council and Ohio's public libraries look forward to working with you over the next several weeks as you work your way through the budget process. Thank you for your time and we will be more than happy to answer any questions.

Attachment A

Public libraries offer Ohioans a wide variety of programs, services, and materials based on the needs of their local community, including, but not limited to:

Examples of Lending	*Examples of Services*
Personal Wi-Fi Devices	Wi-Fi
Tablets and iPads	3-D Printers
Musical Instruments	Homework Help Centers
Digital Materials (eBooks, eAudiobooks, etc.)	MakerSpaces
Artwork	eGovernment Assistance
Bicycles	Income Tax Assistance/Tax Form Booklets
Auto Code Readers	Job Search Assistance
Tools (Air Quality Monitors/Energy Check)	Resume Assistance
Toys (Including Adaptive Toys)	Storytime
Physical Books, Music, Movies	Food Service Program Feeding Sites
Kitchen Equipment	Musical & Theatrical Performances
Memory Kits	Passport Services
Early Learning Kits	Summer Reading Programs
Telescopes	Early Literacy Programs (Ready to Read)
Board Games	Early Childhood Programs (Ready for Kindergarten)
	Educational/Computer/Technology Programs/Classes
	GED/ACT/SAT Test Preparation Programs
	Meeting Room Space
	Polling Locations & Training
	Computers
	Online Educational Courses

OLC | OHIO LIBRARY COUNCIL

Use your library card to access these amazing resources!
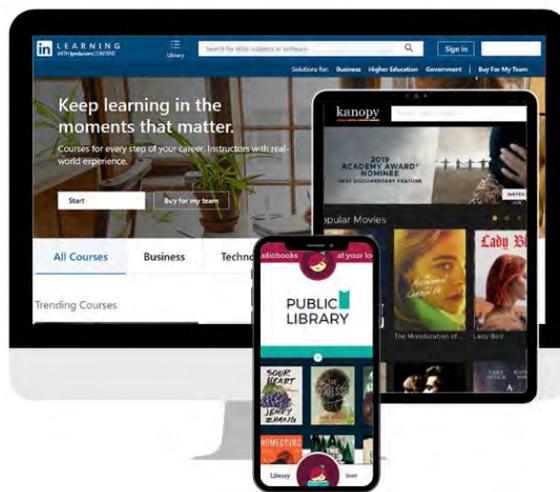
Online Courses	ACT & SAT Test Prep
Linked in LEARNING WITH **Lynda.com** CONTENT	**rb digital**
Books & Audiobooks	**Magazines & News**
OverDrive · libby · hoopla	Flipster · pressreader
Music	**Movies**
freegal music	kanopy

Visit your library's website for a full list of our digital resources and databases!

Digital Services

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LIBRARY
COUNCIL

| Name	Services Provided	Devices Supported
Flipster	Magazines	Computers Mobile Devices (App)
Freegal	Music	Computers Mobile Devices (App)
Hoopla	Books Audiobooks Comics Music Movies TV	Computers Mobile Devices (App)
Kanopy	Movies	Computers Mobile Devices (App)
Libby	Books Audiobooks Magazines	Mobile Devices (App)
LinkedIn Learning **with Lynda.com content**	Online Classes	Computers Mobile Devices (Browser)
Overdrive	Books Audiobooks Movies Magazines	Computers Mobile Devices (App)
PressReader	Newspapers Magazines	Computers Mobile Devices (App)
RBdigital	ACT & SAT Test Prep Movies TV	Computers Mobile Devices (App)

Attachment C
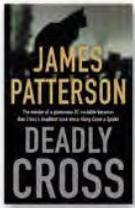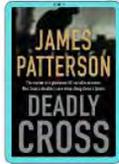
Public Library Fund (PLF) Distributions in Millions

Fiscal Year	PLF Percentage of GRF Taxes	PLF Distributions
2008	2.22%	$418.2
2009	2.22%	$414.2
2010	1.97%	$340.6
2011	1.97%	$367.6
2012	Freeze with 95% of Previous Year	$352.2
2013	Freeze with 95% of Previous Year	$344.3
2014	1.66%	$341.0
2015	1.66%	$360.5
2016	1.7%	$377.6
2017	1.7%	$378.5
2018	1.68%	$384.6
2019	1.68%	$402.8
2020	1.7%	$393.1

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GRF = General Revenue Fund
PLF = Public Library Fund

Public Library Fund

LSC Estimates Included in Final State Budget Documents

FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
$359.3 Million	$369.0 Million	$389.5 Million	$404.3 Million	$386.3 Million	$398.1 Million	$422.3 Million

Actual Distributions

FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
$341.0 Million	$360.5 Million	$377.6 Million	$378.5 Million	$384.6 Million	$402.8 Million	$393.1 Million
- $18 M	- $8.5 M	- $11.9 M	- $25.8 M	- $1.7 M	+ $4.7 M	- $29.2 M

OLC OHIO LIBRARY COUNCIL

LSC = Legislative Services Commission
FY = Fiscal Year

Ohio Public Libraries
WITHOUT A LOCAL TAX LEVY (50)
May 2021

OLC
OHIO
LIBRARY
COUNCIL

1895-2020
125
YEARS
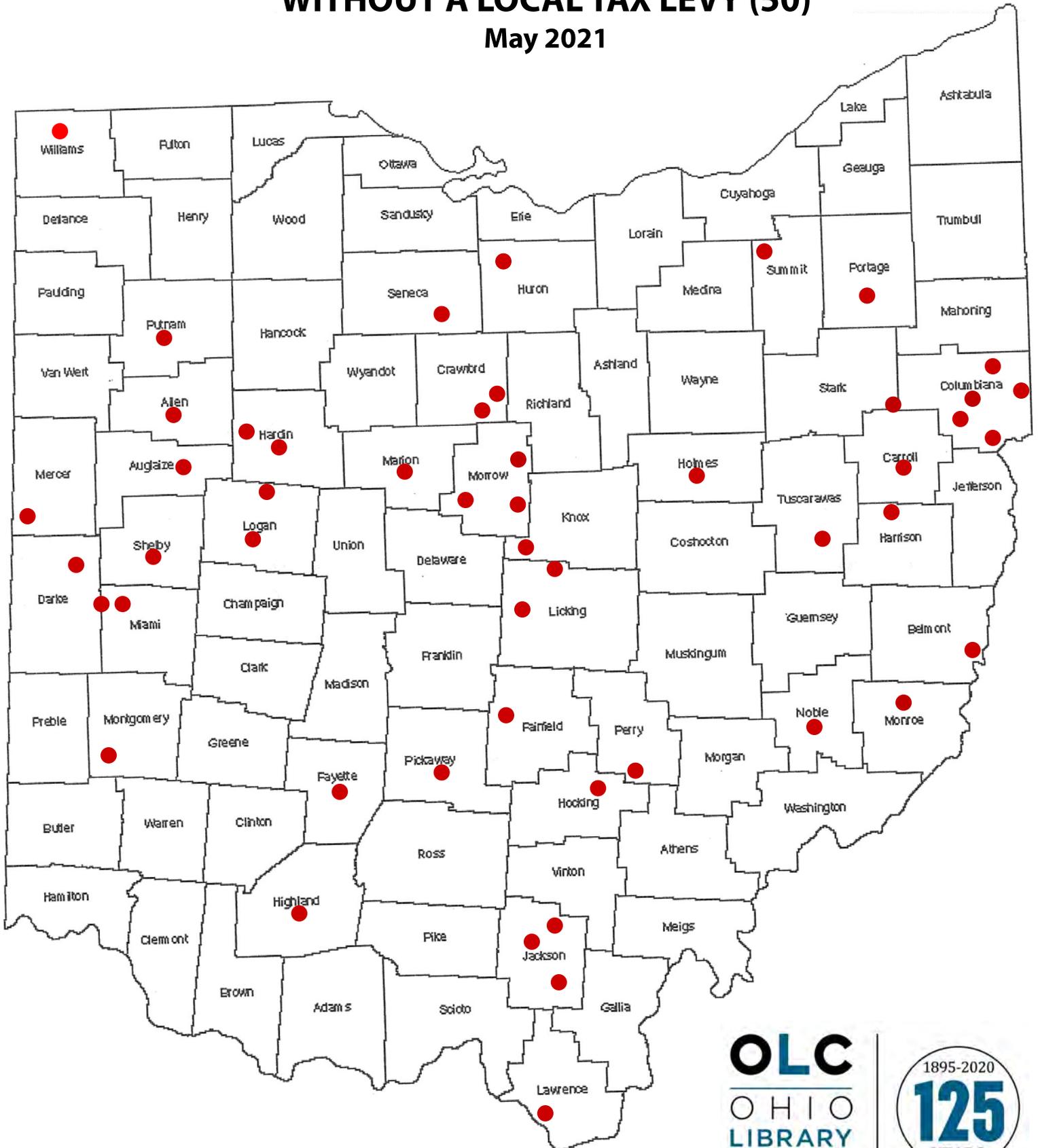
Ohio Library Council`
LIBRARIES WITHOUT LEVIES`
May 2021

	LIBRARY	COUNTY
1	Alexandria Public Library	Licking
2	Alger Public Library	Hardin
3	Auglaize County District Public Library	Auglaize
4	Bellaire Public Library	Belmont
5	Belle Center Public Library	Logan
6	Bliss Memorial Public Library	Seneca
7	Bowerston Public Library	Carroll
		Harrison
8	Bradford Public Library	Darke
		Miami
9	Briggs Lawrence County Public Library	Lawrence
10	Caldwell Public Library	Noble
11	Cardington-Lincoln Public Library	Morrow
12	Carnegie Public Library - Washington CH	Fayette
13	Carroll County District Library	Carroll
14	Centerburg Public Library	Knox
15	Claymont School District Public Library	Tuscarawas
16	Columbiana Public Library	Columbiana
		Mahoning
17	Community Public Library - Leetonia	Columbiana
		Mahoning
18	Crestline Public Library	Crawford
19	East Palestine Memorial Public Library	Columbiana
20	Fort Recovery Public Library	Mercer
21	Galion Public Library	Crawford
22	Germantown Public Library	Montgomery
23	Highland County District Library	Highland
24	Holmes County District Public Library	Holmes
25	Homer Public Library	Licking
26	Jackson City Library	Jackson
27	JR Clarke Public Library	Miami
28	Lepper Community Public Library	Columbiana
29	Lima Public Library	Allen
30	Logan County District Library	Logan
31	Logan-Hocking County District Library	Hocking
32	Marion Public Library	Marion
33	Minerva Public Library	Carroll
		Columbiana
		Stark
34	ML Johnson-Hardin Co. Dist. Public Library	Hardin
35	Monroe County District Library	Monroe
36	Monroeville Public Library	Erie
		Huron
37	Montpelier Public Library	Williams
38	New Straitsville Public Library	Perry
39	Oak Hill Public Library	Jackson
40	Peninsula Library	Summit
41	Perry Cook Memorial Library	Morrow
42	Pickaway County District Public Library	Pickaway
43	Portage County District Library	Portage
44	Putnam County District Library	Putnam
45	Selover Public Library	Morrow
46	Shelby County Libraries	Shelby
47	Sylvester Mem. Wellston Public Library	Jackson
48	Wagnalls Memorial Library	Fairfield
49	Wellsville Carnegie Public Library	Columbiana
50	Worch Memorial Public Library	Darke