



STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

LATE

SENATE COMMITTEE ON EDUCATION

Monday, February 4, 2019

2:45 p.m.

Conference Room 229

State Capitol

By

**Stacey A. Aldrich
State Librarian**

S.B. 37 – Relating to Public Libraries

To: Chair Michelle N. Kidani
Vice Chair Donna Mercado Kim
Members of the Senate Committee on Education

The Hawaii State Public Library System (HSPLS) **strongly supports** S.B. 37, which would provide additional operating budget appropriations to HSPLS to meet its mission to nurture a lifelong love of reading and learning through our staff, collections, programs, services, and physical and virtual spaces.

Specifically, the additional budget appropriations would support the following:

- **1.0 Librarian III Position.** This position is necessary for the planned expansion of the Naalehu Public Library and to provide adequate coverage for the Pahala Public and School Library. Pahala Library was closed 35 days to the community last fiscal year, and already has been closed 29 days in this fiscal year. This library is well-used and has been important to the community during the eruptions of Kilauea, because the library had air conditioning and clean air. Unfortunately, due to the staffing levels on Big Island, often times we did not have staff from other locations to temporarily move on short-notice to

keep the Pahala Library open. Without this position, we will continue to struggle to keep this library open for this community that values access to the library.

- **\$17,000 for Operations of the New Nanakuli Library.** The original appropriation amount for operations of this facility was \$4,000. After six months of being open, and an analysis of the operational costs, additional funding is needed to maintain this new library. During the first six months of FY19, the average monthly electricity bill for the Nanakuli Library has been \$5822 per month, or an estimated annual cost of \$69,867. The requested additional funding would increase the base budget accommodate the increased utilities cost associated with this new library.
- **\$522,942 Additional Funding for Security Services.** We currently have security guards in 39 of our 51 public library branches. The security guards are present to provide protection of State property and the personal safety of the library patrons and staff during public service hours, and sometimes when our libraries are closed. Additional funds are needed to provide for cost increases, including pay increases, additional libraries needing security services, an increase in hours of services needed at some public libraries, the need for additional night monitoring when we are experiencing surges in destructive behavior around our facilities, and the addition of towing services for vacated vehicles.
- **\$1,500,000 for Library Collections.**
The Board of Education approved a request to increase HSPLS' collection base budget by \$3 million dollars for Fiscal Budget 19-21. This funding request would increase the collection base budget to \$3.25 million. Although Governor Ige had included a \$1.5 million increase in HSPLS' collection base budget in his budget, HSPLS respectfully requests that the Senate Committee on Education consider HSPLS' original request to increase its collection base budget by \$3 million dollars.

The Hawaii State Public Library System continues to face the challenges of a growing library system (now 51 branches), increasing costs of titles to provide in multiple formats, and the need to provide more access to digital collections that are accessible from all of our islands. Collections are a core service and are vital for creating opportunities for our communities to have access to the resources they need to be successful.

At this time, except for the current base budget of \$250,000, the collection is supported by Special Funds only. The source of special funds are: fines and fees charged to patrons for overdue, damaged and lost materials; fees charged for DVDs; and meeting room rentals.

Revenue in general has continued to decline, in large part due to changes in library patron behavior and improving services for patrons. For example, the rental of DVDs, has declined due to more streaming of digital content by patrons. In FY2014, DVD revenue was \$626,895.84. In FY2018, DVD revenue dropped to \$391,100.14. Fines and fees have begun to decline due to patrons' ability to use the Libraries Hawaii App to use as a library card and track when materials are due, thereby reducing the number of late-returned materials.

At the same time as revenue has decreased, library patrons continue to request more copies of library materials in digital format, which increases the cost of purchasing and maintaining our library collection, as we are now maintaining paper, digital and audio copies to meet all of our library patrons' needs. Providing access to electronic collections is expensive, but it also enhances our ability to provide access to the same resources for patrons through all 51 branches across 6 islands, instead of requiring the purchase of multiple physical copies for every branch.

The following is an example of the cost to purchase one title in multiple formats. It demonstrates the change in the purchasing structure from 20 years ago when all the library needed to purchase was physical copies.

TITLE	COST		
	Format	List Price	Discounted Price*
Count to Ten by James Patterson	Paper	\$35.00	\$21.22
	Digital (ebook)	\$48.00	
	Audio (eaudio)	\$47.99	
	TOTAL	\$117.21	

**HSPLS receives discounts for purchasing multiple copies.*

We must continue to bridge the physical and virtual collections, and it is vital that we have enough funding to have the collections that our communities need. Digital content has a different cost structure, directly affecting our ability to acquire and maintain the digital collection used by our library patrons.

When we pay for digital content, we are only leasing copies of the material. Publishers have differing thresholds of when we must pay more to continue access to the publication; in other words, the cost of keeping the most popular publications that library patrons want, in our collection, will continuously rise. In the end, this means we must ensure there is a continuous stable source of funding to ensure patrons have access.

We are seeking alternatives for increasing revenue, but a consistent base level of funding ensures we can provide patrons with the titles, materials and information resources that they need. A larger base budget also enables us to look for new ways to remove barriers to access to our collections and materials for children and families,

because we will not have to rely on fines to be the main support of our collection budget.

- **\$240,000 to implement RFID technology.** Funding would allow us to expand use of RFID technology into the libraries that would most benefit immediately, including our highest circulating library branches in FY2020 and FY2021. The new Nanakuli Public Library is the first library to have RFID technology to manage a branch collection more efficiently and effectively.

RFID tags are placed in every book and those tags are used to check-out materials at the circulation desk and self-check machines. The system provides a check-out process with amazing speed, provides security for materials by interacting with gates as patrons leave, and enables staff to do inventories by using a simple device to scan the shelves. This funding will be used to implement RFID in four of our highest circulating branches to increase efficiencies for staff and provide better service for patrons. The cost includes all of the equipment, maintenance agreements, and RFID tags for four additional libraries for each fiscal year.

Thank you for the opportunity to comment on this measure.