



State Aid Legislation

COST ANALYSIS - MARCH 31, 2022

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Summary

As Montana Library Association and the State Library Commission prepare to ask the 2023 Legislature to reauthorize 22-1-327. State aid --per capita -- per square mile. MCA, the State Library staff present the following cost analysis in support of funding:

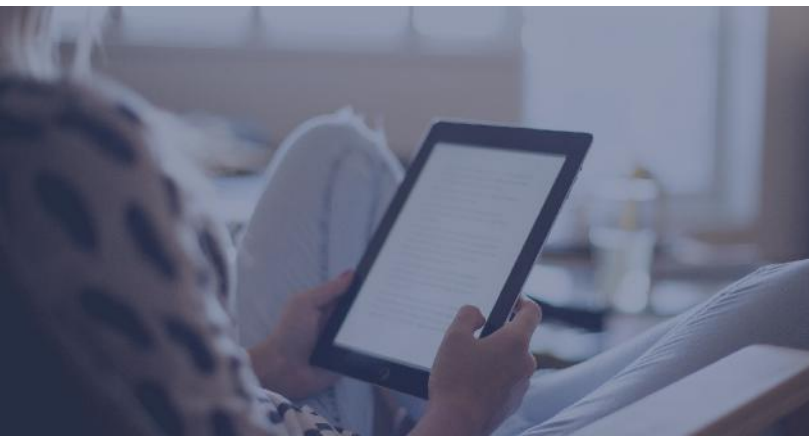
- An increase in direct state aid to public and tribal libraries
- Resource sharing programs
- Permanent access for the MSL Hotspot program
- Expanded e-resource content

Request: \$5.4M

Direct State Aid	\$542,112.50*
Montana Shared Catalog	\$450,000
Statewide Courier	\$300,000
OCLC Group Services	\$340,000
Hotspot Program	\$480,000
OverDrive	\$280,000
E-Resource Content	\$3,000,000

*Current expiring appropriation \$430,000

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Direct Aid Request: \$542,112.50

At present, Montana public libraries receive \$0.40 per capita in direct state aid, a figure much smaller than what is offered by bordering states and nationally.

- With other forms of state income such as grants from library federations included, Montana public libraries receive only 2.79% of their annual revenue from the State.
- Total operating revenue in Montana's libraries is less than two-thirds the national average, making the impact of direct state aid even more pertinent.



Supporting 21st Century Libraries

Modern libraries provide a wide range of services beyond lending books. With expanded service comes increased expense.



Regional Comparison

Idaho and North Dakota reported an average state revenue of \$2.60 and \$3.29 per capita, respectively.



National Comparison

Nationally, libraries can expect \$3.77 per capita on average, with 7.5% of overall operating revenue coming from state sources.

The requested funds would increase state aid to \$0.50 per capita. Though still short of regional and national averages, when packaged with other statewide resource requests, the increase provides an equitable foundation for all libraries.

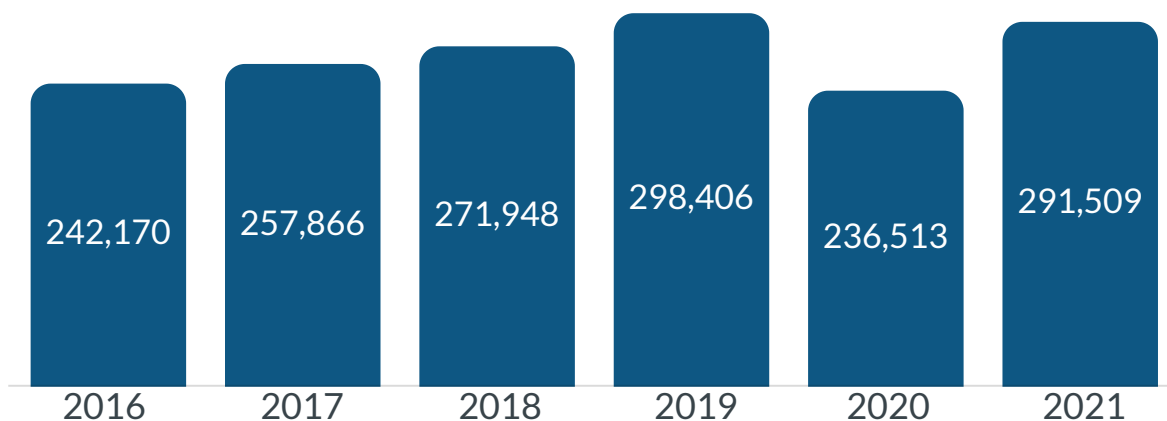
Analysis

MSC Request: \$450,000

Montana Shared Catalog (MSC) annual cost is \$535,500, not including staff covered by the State Library. Besides staff, MSL's annual contribution is \$140,000.

- 396,754 registered borrowers visit 186 MSC libraries, including public libraries in 48 counties and 91 cities.
- Montanans also use 68 school libraries, 6 academic libraries, and 7 special libraries that participate in the MSC.
- 15 public libraries do not participate which impacts 76,491 residents.
- The catalog features 3,551,183 books and other library materials. Last fiscal year, Montanans borrowed these items 2,964,337 times.
- In FY21, readers requested 291,509 items that were procured from other MSC libraries participating in sharing groups.

Reader Requests Filled by Sharing Group Transits



Reciprocal borrowing via MSC sharing groups is by far the easiest and most cost-effective way to provide access to a wider selection of items to the local community. A state funded catalog would allow more libraries to partake in the efficiency and broader access that sharing groups provide.

Analysis

Courier Request: \$300,000

Current MSL investment in the courier is \$9,500 annually. However, the direct cost to participating libraries is \$71,000.

- Drop-site locations serve 610,000 residents in 22 counties in 47 communities.
- Montanans received over 300,000 items via courier in FY21.
- Access to the courier network, at present, is limited to the I-90 corridor, Highway 93, and I-15 between Dillon and Great Falls.



Connecting
47 communities



Delivering
300,000 items



Serving
610,000 people

With added resources, MSL could expand service to every county, enabling any library to participate in affordable resource sharing so that every Montanan has timely access to information. A minimum of three weekly stops per location could help bring wait times down to seven days.

Service Model	Locations Served	Annual Expense
Current service	47 communities 1-2x a week	\$80,500
Expanded service to existing sites	47 communities 3x a week	\$256,620
Statewide service	81 communities 3x a week	\$442,260

Analysis

OCLC Request: \$340,000

The total annual contract cost for OCLC Group Services is \$430,000, including an annual contribution of \$160,000 from MSL and 0.5 FTE staff support.

- 122 public library locations in 54 counties and 112 communities participate in OCLC Group Service for interlibrary loan and cataloging resources.
- Montanans received 13,086 items via interlibrary loan in FY21, items that residents' libraries borrowed from other libraries and did not have to purchase with local dollars.
- OCLC cataloging interfaces were used 345,660 times by libraries in FY21 to find, update, create, and export bibliographic and authority records.

OCLC Empowers Libraries to Share Resources Near and Far

515 million
bibliographic records



3.5 billion
global item holdings



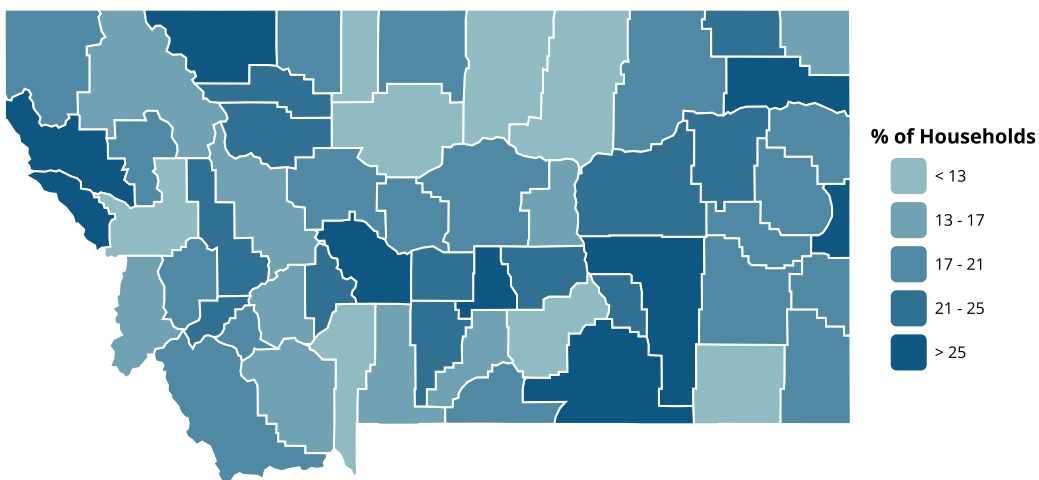
Support for this program would mean that all libraries in Montana have access to high-quality bibliographic records through OCLC and original cataloging services. With expanded participation, any Montana resident can obtain a book from another library at no cost, and readers can request items directly through the online catalog. This expands access to millions of items across the world, connecting patrons with information they need, no matter where it is shelved.

Hotspot Request: \$480,000

Montana libraries currently circulate 938 hotspots. Libraries report that they will be unable to maintain that number at the local level when the funding ends December 31, 2022. However, hotspot use continues to indicate a need for access in people's homes and around the community.

- 47% of surveyed hotspot users report using the service for education or work-related needs.
- Out of the 50 states, Montana ranks last for broadband availability. While significant investments are being made to improve connectivity, it will take years for the impact of these investments to be realized. Hotspots help bridge the gap so that residents can connect with family, work remote, apply for jobs, use telehealth services, and learn online.

Montana Households Without Internet Access



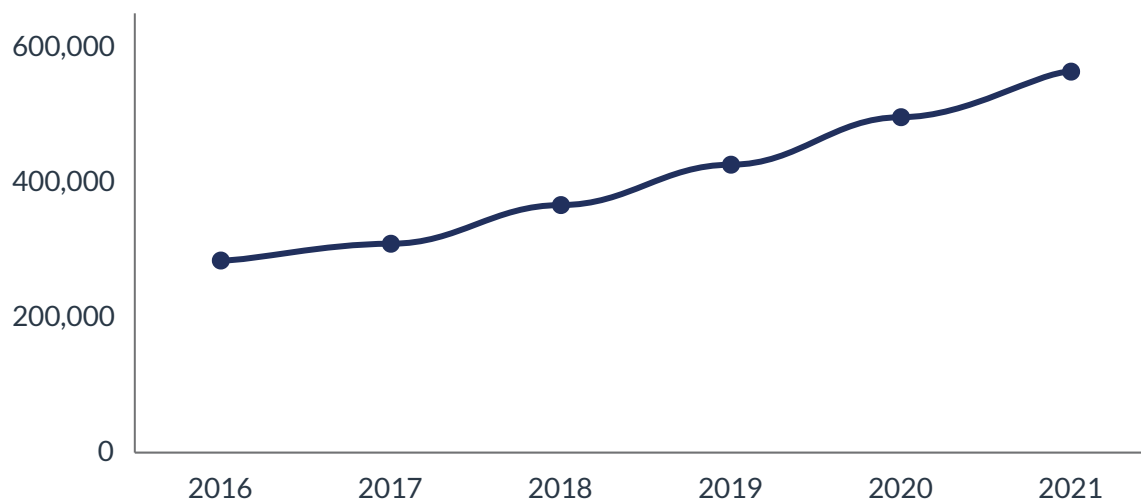
In an ideal state, there would be funding to maintain a ratio of 1 hotspot per 1,500 people. This would require around 800 hotspots and technical support, a total of \$387,916. A funded program would mean permanent, affordable broadband access for Montanans.

OverDrive Request: \$280,000

The annual content budget for OverDrive is \$280,000. The expense is divided out among 88 public library locations in a group called MontanaLibrary2Go.

- 112,960 registered borrowers in 56 counties and 88 communities can checkout ebooks and audio from MontanaLibrary2Go through their library.
- Approximately 11% of Montanans have a MontanaLibrary2Go card.
- Readers have access to 61,488 items, with an average cost of \$0.30 per person. The average cost per item in the collection is \$0.05.
- Montanans wait an average of 42 days to checkout ebooks.

Ebook Hold Requests Made by Montanans



Financial support for this program will help ensure every resident has access to digital materials. Added e-resource funds beyond the current content budget will help reduce wait times to 30 days. To reach this goal, per capita spending will need to meet the optimal regional average of \$0.70 per resident.

E-Resources Request: \$3M

Accessible by the public and students, the Montana Memory Project (MMP) delivers digital content relevant to Montana's cultural heritage. In its present state, MMP program costs are \$235,500. K-12 schools and higher education offer additional e-resources to readers in an academic setting. Support for the programs has historically been funded directly by the libraries, though an infusion of ARPA and GEER CARES Act funds allowed for an expansion of the collections.



94K

people liked this
image on Facebook

The image of a Blackfeet woman on a horse with a travois garnered the highest engagement on the Montana Memory Project's social media pages in FY22 to date.

- People viewed the MMP website 318,000 times in FY22 to date, exploring collections such as photographs and oral histories from 42 counties.
- 22,013 students at 128 K-12 schools access 19,821 items through the Montana Schools Shared Overdrive.
- 49,500 students, faculty, and registered borrowers at 24 institutions use a collection of 4 million items from the Treasure State Academic Information & Library Services (TRAILS) consortium.

To decrease the time readers wait for ebooks, MontanaLibrary2Go per capita spending will need to increase to \$0.70 per resident or \$758,958. Expanding the school OverDrive to all 145,632 K-12 students will cost approximately \$143,500. Increasing MMP's annual budget to \$355,000 will allow for content expansion, hosted storage, and a geocaching platform. The remaining \$1.7M would increase the quantity and quality of resources available to Montanans for academic and personal research.