

## Executive Summary

### The Crisis in Michigan Public Library Funding

There is significant inequality in funding public libraries in Michigan and there is every likelihood that there will be increased instability in that funding if action is not taken immediately. Chapters Two through Five document these inequalities. Furthermore, many public librarians who believe they provide “good enough” services are, in fact, providing poor or mediocre services, which are limited in their quality, scope, and application of new information technologies. A strategic plan of action should be set in place immediately to improve the quality and range of public library funding mechanisms. Adequate and ongoing support for public libraries is needed, and it’s needed *now*.

Public libraries find themselves in the difficult position of having to both maintain and extend traditional library services, and develop, implement, and upgrade electronic and networked based services. Thus, increased demands on library services and the provision of electronic/networked resources oftentimes have not been adequately accommodated through increased funding sources. Moreover, because of situational factors unique to individual local libraries within the state of Michigan, there continues to be significant discrepancies between the resource bases of some public libraries in Michigan as opposed to others (Library of Michigan, 1999).

Clearly, public libraries in Michigan are under a range of pressures and demands to maintain and improve the delivery of information and services. These forces must be addressed if public libraries are to be successful in the new millennium. Perhaps the most important issue will be the degree to which public libraries can secure sound and continuous statewide funding. Funding issues related to securing a good mix of local support, state aid, and state-based funding mechanisms will be critical to produce an environment where libraries can plan strategically for successful provision of both traditional and networked services. Furthermore, the decision to implement any new approach for public library funding will require local officials, community members, the public library community, library cooperatives, the state library, and the state government to promote equity and stability in library service funding throughout the state.

### Study Objectives

The objectives of the study were outlined in the Public Library Funding Initiative Group (PLFIG) Request for Proposal and included the following:

- Provide an analysis of how public libraries in Michigan are currently funded.
- Identify current threats to revenue streams and comment as appropriate

- Conduct a policy analysis of existing statewide laws affecting the funding of Michigan public libraries.
- Describe the funding relationships between library cooperatives and public libraries and how such funding relationships might evolve in the future.
- Provide a means of dealing with covering the cost of inflation when considering any funding formula for public libraries and cooperatives.
- Identify existing funding models in other states that could be adapted to Michigan.
- Recommend models of public library and cooperative funding for Michigan.
- Initially, develop a strategy to gain the support of public libraries throughout the state and subsequently, the state legislature for the recommended funding model.

PLFIG, the initiator and partner in the study, recognized the breadth of these initiative objectives and some modifications were made as the study progressed given the complexity of the topic and the availability of resources. Most importantly, the overall goal of the study was to recommend possible approaches for addressing the specific funding problems identified through the research, and outline a strategy for the systemic implementation of potential solutions.

## **Overview of Study Method**

The study employed multiple qualitative and quantitative techniques to assess the existing funding conditions in Michigan as well as to develop recommendations for improving the current situation. Data gathering techniques included:

- Review of previous studies
- Policy analysis of Michigan laws
- Survey
- Focus and discussion groups
- Site visits around the state
- Public hearings
- Individual interviews with key opinion leaders.

From the beginning of the project, the study methodology provided for direct and regular involvement by members of PLFIG and other librarians and officials in the state. PLFIG established a Project Advisory Committee (PAC) that served as a working group that was regularly and actively engaged in both developing and completing project activities.

## **Selected Key Findings**

The numerous laws pertaining to the establishment, governance, and funding of public libraries in Michigan constitute a patchwork of efforts rather than a comprehensive structure to support public libraries. In fact, a number of the existing laws pose serious threats to the long-term equity and successful growth and development of public library

funding in Michigan. Additionally, the ambiguity of the many laws illustrates a lack of coordinated evaluation regarding the sustaining of successful public libraries.

Equally problematic is the divisive effect of Michigan's laws on cooperative library services across the state. Different laws have different impacts on different library systems. For example, penal fines constitute the majority of total operating income for certain libraries, and contribute very little revenue for others.

Additionally, differing impacts occur from municipal finance reform laws that help some libraries and hurt others. To address these ambiguities and contradictions, the study team analyzed public library funding mechanisms utilized in Ohio, Pennsylvania, and Florida for approaches that may be applicable in developing a new model for public library funding in Michigan (see Chapter Three "Examining Peer State Public Library Funding"). During this process, the study team determined that public libraries in Michigan do *not* receive state funding comparable to public libraries in neighboring states. For example, Michigan public libraries receive approximately half of the state funding that Illinois libraries receive, and less than the national average. Conversely, Ohio receives nearly 18 times more state funding for public libraries than Michigan, and about 9 times more than the national average.

Clearly, the current patchwork of existing laws makes any agreement on how best to revise these laws very difficult for Michigan's public library community. Thus, revision of laws concerning public libraries will need to be done in such a way that most libraries are "held harmless" and resulting changes do *not* translate to less funding for individual libraries. Therefore, a comprehensive overhaul of public library laws in Michigan must increase the overall "pot" of resources available to *all* public libraries. The overhaul should produce a coherent and integrated approach that, at a minimum:

- Encourages equity of funding among various types of public libraries,
- Develops long-term growth and evolution of stable funding for Michigan public libraries,
- Provides incentives for local libraries to develop initiatives and improve the quality and extent of their library services,
- Can be agreed upon by the vast majority of public libraries, and
- Results in better funding for libraries and better library services for the residents of Michigan.

If Michigan public libraries are to develop and grow, a major reassessment of the laws affecting public libraries needs to occur. This reassessment must result in a comprehensive proposal that can be presented to the public library community and ultimately to the state legislature for approval and implementation. Without undertaking this reassessment and legislative initiative, efforts to institute alternative statewide funding models may be for naught.

## **Ending the Crisis: Short-Term and Long-Term Initiatives**

Findings from this study suggest that there is considerable support for a combined short-term and long-term strategic effort. Public libraries in Michigan need immediate and significant relief as soon as possible, but they also need a long-term strategy to address a range of legal/statutory problems. The public library community should resist a “band-aid” approach to solve one or two problems in a piece-meal fashion. A carefully thought-out, strategic approach is the best approach for moving the broad public library community forward and toward improvement in overall quality and impact of public library services in the state. This approach should be comprised of two components, a short-term strategy and a long-term strategy

### **The Short-Term Strategy**

An effective short-term effort would encompass several steps. The first step is clarifying leadership for the development of strategic plan. The need for clear and coordinated public library leadership to direct the strategic plan is essential. Effective leadership will necessitate the direct support and involvement of the Library of Michigan, the Cooperatives, the Michigan Library Association, and key opinion leaders in public libraries throughout the state. An organizational structure that included an advisory committee with representatives from these organizations and individuals might be one way to proceed. But regardless of the structure chosen, direct and ongoing financial support for staff to manage the strategic plan is essential – regardless of where those staff are located and to whom they report.

The second step of the short-term plan involves beginning a statewide education and awareness program for the library community and the residents of the state. Such a program is needed to inform residents, Trustees, Friends, librarians, and government officials about a range of topics and issues. It is important to think of this second step as a individual program. That is, there needs to be someone who is responsible for developing and implementing the program; there needs to be specific educational products and modules that are seen and disseminated statewide so a uniform message is heard across the state; there should a time line, a schedule, and tasking for how this will be implemented; and there should be some ongoing evaluation of the program so it can be fine-tuned as it is developed and implemented. Successful implementation of this education/awareness program is critical to the overall success of the strategic plan.

The third step in this process may seem fundamental. Quite simply, all involved parties must "agree to agree, and agree to disagree, if they cannot agree." Public wrangling and finger pointing about statewide problems, historical issues, personalities, etc. must stop. The public library community and its Friends and Trustees must put forth a common vision and plan that they can all agree upon, at least to the point that participants will not sabotage the plan publicly. The library community must have a united front as it promotes the strategic plan and works with state and local government officials to implement the plan. They must be willing to work for the benefit of statewide public library services.

The existence and effective functioning of PLFIG has shown that there are a significant number of public libraries, directors, staff, cooperatives, and others in the state that can work together toward the common goal of increased stability and improved equity of public library funding. This is a significant step in “agreeing to agree.” This attitude needs to continue and be nurtured throughout the public library community. Working together, having a common vision, and promoting the importance of public libraries statewide will be another critical success factor for the overall success of the strategic plan.

The short-term plan will also be comprised of several essential initiatives designed to strengthen the foundation of library infrastructure and technological capabilities. This initiative includes the following:

- **The Michigan Public Library Technology Infrastructure Enhancement Initiative**

This initiative, designed to benefit all public libraries and Michigan residents, builds on currently existing and successful models and expands programs that librarians report they need most. Importantly, this initiative provides libraries the opportunity to work together toward improved services and resources for residents and to raise libraries’ visibility throughout the state.

- **Statewide Portal**

This service would improve Michigan residents’ access to significant and key statewide resources and raise the Library of Michigan’s visibility within state government. This includes a statewide library catalogue, Michigan Electronic Library (MEL), Access Michigan, state government information services, and some special collections within the state.

- **Statewide Access to Materials in Libraries**

This initiative would provide full funding to support the MichiCard program, significant incentive funding for purchase of library materials, and a formula-based funding to reimburse net lenders in the statewide interlibrary loan program.

- **Technological Enhancement**

If Michigan public libraries are to enter the Information and Networked Age, there must be support to design and operate the information technology infrastructure. This initiative would: (1) provide for full-time technology specialists and supplemental technology costs for every library cooperative; (2) provide funds for the design, installation, and operation of four interactive, electronic classrooms and meeting rooms for public library services, education, training, and statewide meetings/conferences (along with a fully-staffed and professional instructional studio at LM; and (3) establish a 1-800 dial-up number to make Internet connectivity available to all public libraries in the state that are unable to afford or otherwise obtain adequate connectivity.

- **Technology Infrastructure Grants**

This initiative would be a one-time program with two major components. The first component of this program is support for building, construction, information technology development, and technology upgrades at the Detroit Public Library. The second component of this program would include competitive grant awards submitted by public libraries to the Library of Michigan.

The following chart shows the annual costs for the Short-Term Strategy for funding Michigan's public libraries, as discussed above.

## **The Long-Term Strategy**

The long-term strategy will be proposed legislation, *The Omnibus Public Library Reorganization Act*. This long-term strategy should evolve in tandem with the short-term strategy and will require establishing principles for reorganizing Michigan's public library funding laws. It may be helpful to begin the reorganization process by considering the following principles:

- Begin with a “clean slate” for the comprehensive reorganization of statewide funding and operation of public libraries.
- Simplify and reduce the laws governing public library organization and funding.
- Increase the total amount of state aid available to public libraries.
- Provide incentives for improving library services.
- Require accountability from public libraries and cooperatives.
- Establish a transition period for libraries to meet new services and funding standards.
- Encourage public libraries to take a role in state and local economic development.
- Above all else, do no harm to existing public library funding.
- Promote statewide access to and use of information for ALL Michigan residents.

These principles provide a framework by which any reorganization of public law and regulations can best proceed. Agreement on these principles will assist in the detailing of specific proposals.

## **Specific Long-Term Recommendations**

The following areas of public library funding offer specific areas where change in the public law and regulations is essential if public libraries in Michigan are going to flourish, grow, and enhance the overall quality of life in the state. The following areas must be addressed:

- Equity of Penal Fines

- The function of the Library of Michigan (LM)
- Changes to PA 89 and related laws (including revisiting state aid formulas and establishing performance standards.
- Initiation of incentives and accountability programming.
- Elimination of millage caps for support of public libraries.

These specific recommendations only begin to address the range of statutory and regulatory changes that are needed to update Michigan public library laws, to simplify them, to make them coherent and understandable, and to support high quality public library services throughout the state. Significant additional work and discussion among the public library community, local and state government officials, Friends and Trustees, and others will be needed to propose the Public Library Omnibus Comprehensive Reorganization Act for legislative review.

Funding recommendations for the long-term strategy include these components:

1. Direct state aid to public libraries should be in the \$5 to \$7 per capita range.
2. Direct state aid to cooperatives should be formula-driven and include:
  - a. a base grant of \$300,000 to \$500,000 indexed to inflation,
  - b. a per capita grant of \$1.50 to \$3 indexed to inflation,
  - c. special grants for large geographic areas with low population density,
  - d. technology specialists and assistance outlined in the short-term strategy.
3. Standards, service quality guidelines, accountability and incentive awards all need to be developed.

## **End the Crisis**

The current problems with public library funding in Michigan must be addressed and resolved immediately. As one citizen at a public hearing stated, “we deserve better library services than what we currently get.” Because of the wide range of disparities across the state in terms of funding, it is possible to point to well-funded public libraries in Michigan. This is not the norm, however. Public libraries in Michigan need help and support right away. Residents and state officials need to be made aware of the somber plight of public libraries. They also need to recognize the need and importance of moving forward with a comprehensive strategic plan.

Public libraries in Michigan and residents they serve deserve better; they deserve adequate, stable, and equitable funding. The public library community needs to implement a plan to insure that residents and users of public libraries receive high quality, state-of-the-art information services and resources. Public libraries will continue to play an increasingly important role in the access to and use of electronic information.

They must be adequately funded if the residents in the state of Michigan are to successfully compete in the global networked environment. *Action must be taken NOW.*