Government Administration and Elections Committee JOINT FAVORABLE REPORT

Bill No.: SB-1234

AN ACT MAKING CERTAIN TERMS IN ELECTRONIC BOOK AND DIGITAL

Title: AUDIOBOOK LICENSE AGREEMENTS OR CONTRACTS UNENFORCEABLE.

Vote Date: 2/28/2025

Vote Action: Joint Favorable

PH Date: 2/7/2025

File No.:

Disclaimer: The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.

SPONSORS OF BILL:

Government Administration and Elections Committee

Rep. William Heffernan 115th Dist.

Sen. Tony Hwant 28th Dist.

Rep. Michael MJ Shannon 117th Dist.

Sen. Ceci Maher 26th Dist.

Rep. Matt Blumenthal 147th Dist. Rep. Eleni Kavos DeGraw 17th Dist.

Rep. Jullian Gilchrest 18th Dist.

REASONS FOR BILL:

Digital audiobooks and eBooks have grown more popular as an alternative to physical book. Libraries are purchasing these digital forms of media to help engage users and drive more readership through providing more accessible options. Due to the high cost of eBook and digital audiobook licenses for commercial use, libraries are often forced to let expiring licenses go and are limited to the number of eBooks and audiobooks that can be purchased for the libraries use. This has placed a financial burden on the libraries who are working with limited financial resources. This bill seeks to assist libraries by prohibiting them to enter into contracts that contain certain restrictions.

RESPONSE FROM ADMINISTRATION/AGENCY:

Deborah Schander, State Librarian, Connecticut State Library:

Thanks to past laws, Connecticut now operates the first statewide eBook platform. These materials are shared with hundreds in schools and academic libraries. It would cost much more if each library bought its own content. We lose about 14% of its content due to expiring licenses and we only can renew 500 titles. One copy of an eBook can cost up to six times more than a consumer pays and our access expires after two years when we then need to purchase another two-year license. Those licenses usually cost between \$55 and \$95 dollars. We are just a library, and this is state-wide. We must decide between purchasing more titles or renewing what we already have.

NATURE AND SOURCES OF SUPPORT:

Colleen Bailie, CT Library Directors:

The written testimony includes approximately 50 leaders of public libraries who support the bill.

Ellen Paul, Executive Director, Connecticut Library Consortium:

We are funded partially by the Connecticut State Library budget. Our job is to negotiate publicly contracts to ensure that taxpayer dollars are spent responsibility. We do not have a publicity bid discount contract for eBooks. We have tried but are told eBooks are not a discountable product. We have no leverage, so libraries are forced to overspend tax dollars to support their collections. We need the state to regulate contracts on eBooks.

Yuliya Ziskina, Policy Fellow-eBook:

We are submitting this extensive testimony as authors of the eBook policy paper. This bill only covers library eBooks and will not affect any other licenses offered to the public. The bill does not require publishers to grant a license but to harness existing state law to ensure eBook licenses and contracts are fair, equitable, and reflective of a library's mission. The current digital market prevents Connecticut Libraries from providing access to materials. Included in our testimony are other state legislation and how they compare.

Shannon Angelone, Digital Services Librarian, West Haven Library:

As a Digital Librarian for over 5 years, I help patrons access digital content. Many patrons utilize eBooks and Audiobooks because of a disability. There are large print books available but with eBooks you can increase the size, the font, the brightness and margins. Libraries pay up to 10x more than consumers for the same digital books and we do not get to keep them. Basic privileges should not cost non-profits more for them to provide it to their communities.

Carrie Firestone, Author:

As a midlist author who has been on may state list and won state awards including the Nutmeg Award in Connecticut I do not know if any of the libraries are purchasing the eBook versions of my work. Thousands of authors release books every year and the best way to build careers is to cultivate a relationship with libraries. We rely on librarians and libraries to introduce our books, host book clubs and author events. Underfunding and limiting access to books hurts authors.

Rebecca Harlow, LION:

As chair of the E-Book Committee for LION – a consortium of 30 libraries in Connecticut I am responsible for the management of our digital collection in OverDrive. Since we began collecting eBooks we have spent over 2.2 million leasing digital books. In 2024 we lost access to over 1 million dollars of content. Every time we make an order, we must find a balance between buying new content and repurchasing expired content. The prices increase every year as publishers move to restrict licensing models. After a decade of tracking data, I can say thar restrictive licenses are a problem. This system harms libraries and we continue to allow the system to exist without regulation.

Jason Deeble, Selectman, East Lyme:

I consume a lot of books through my local library and do not understand how publishers can charge me one amount and then as a town official see a much higher charge. Libraries and towns are already stretched thin, and publishers should not be able to collude and scheme to rake in taxpayer dollars.

Alice Knapp, CEO, The Ferguson Library:

When eBooks were first introduced it was to be an answer to the may collection development concerns. The biggest barrier has been the licensing terms, cost and availability. As we try to meet the demands for the latest bestsellers, we are then not able to replace a title in a series or repurchasing bestselling books. It is difficult to maintain a series because of titles not being available. We hope this bill passes so that librarians can negotiate fair prices.

Leslie Imse, Volunteer, Friends of the Simsbury Library:

As a library member and now a volunteer I see the cost of items lent out by the library. eBooks are critical to our circulation in our town and across our region. They are expensive and patrons with disabilities and older use eBooks because of the ease of making the text larger. eBooks are a powerful learning tool and should be funded for our community libraries circulation.

Joseph Jankowski, President, Board of Trustees, Booth & Dimock Library, Coventry:

Our school and public libraries need digital materials to serve our communities. The high cost of licensing does not allow dull use of these resources. It is unfair that schools and public libraries pay 4-6 times more than the public and are not owned but leased for two years. Taxpayers should not be paying these unfair prices for digital materials.

Angela Badore, Childrens Service, Case Memorial Library, Orange:

Our families over the last 5 years have needed the digital collection more than ever with COVID and other illnesses. We have digital for children so if they are not able to come to the library, they still have access. Physical audiobooks are difficult as most parents do not have access to a CD player. Our eBook vendors justify their pricing claiming that their digital copies last longer than physical books, but this is not always true. As librarians we are obligated to spend our money wisely, but we also have a responsibility to provide our children with access to literature and learning.

Catherine Egan, Author:

As the author of several Young Adult and Middle-Grade novels, a parent, and part-time worker at the West Haven Public Library, I am in support of the bill. An author hopes for someone to borrow their first in a series book and hopes they will continue to read the others in the series. Many books are not always available or able to be accessed. Authors want to be discovered and grow our readership. Having books available is good for future sales and benefits individual authors and our publishers.

Windsor Geraci, Town of Wallingford:

Previous attempts at similar bills have been vetoed because it would present financial harm to the author. The wording in Section 1, Lines 68-72 clearly gives options to publishers regarding the licensure. (6) "Restricts the duration of the contract or license agreement unless the library also has the option of a contact or license agreement on commercially reasonable terms in consideration of the library's mission. That either (A) is based on a pay-per- use model of (B) provides for the perpetual public use of the electronic literary materials." I hope that Connecticut will be the first in the nation to pass this legislation.

Perry Maresca, Town of Branford:

Libraries are a not-for-profit business and an essential part of communities. People that read electronically as opposed to print and these entities that provide this service should not be penalized. Any increase in cost hurts individuals, businesses and municipalities. We need to protect these entities for the good of all.

Katie Huffman, Town of Madison:

So much attention is put on how tax dollars are being spent by government that it is time for Connecticut to take fiscal responsibility seriously. There is no reason for libraries to pay 3-10 times more for a title that expires when a private citizen pays for the same title that they keep indefinitely. Those that argue publishing is suffering and libraries should pay more should look at the data provided by the Association of American Publishers. Together we can ensure that electronic resources are available at a fair price.

Greg Pretak, Town of Branford:

As an avid reader and frequent user of my local library I have experienced firsthand the frustration of long wait times, limited selections, and disappearing digital titles. Many rely on digital books whether due to mobility challenges, visual impairments, or the convenience of borrowing remotely. Libraries pay 3 to 10 times more for these items than consumers. This is a waste of taxpayer dollars and a restriction on equitable access to knowledge.

Bethany Poer:

As a person with dyslexic tendencies and ADD, audio books and eBooks are an invaluable resource in helping me stay connected. I travel frequently on long drives, and it is impossible to read physical books on the road. Audiobook services like Libby have been essential. It is often difficult for me to visit the library so having access to digital audiobooks are critical. Please support this bill so our libraries can continue to provide access to eBooks and audiobooks.

Kyke Sheehan, Arborist, Plainfield:

Growing up I faced challenges with reading because of learning disabilities. I have overcome these challenges and my love of reading made possible by my mother and with books on tape. Today the new formats and technologies and the method of accessing these stories has evolved but they are still unchanged. Through audiobooks I was able to develop skills and learn to read in a way that suited my needs. It is critical for people to access these resources, but they are often faced with resource constraints due the funds. I urge you to pass this bill to ensure others may have the opportunities I had.

<u>The following librarians, directors and assistants' librarians testified how important libraries to our communities:</u>

Nicole, Cigoli, Director, Edith Wheeler Memorial Library

Luca Bartlomiejczyk, Edith Wheeler Memorial Library

Cecilia Caride, Metadate Librarian, Yale Library

Emily Cantor, Children's Services, Woodbridge Library

Christina Celone, Case Memorial Library

Taylor Cordova, West Haven Public Library

Kim Rogers, New Haven Public Schools Library

Manuel Fernandez, Hartford Public Library

Catherine Bushman, Asst. Director, West Haven Public Library

Shane Maher, West Haven Public Library

Patricia Colwell, Director, Putnam Public Library

Lisa Miceli, Director, Simsbury Public Library

Lindsay Delligan, Director, Jonathan Trumbull Library

Kate Byroade, Director, Cragin Memorial Library

Glenn Grube, Director, Avon Free Public Library

Kiera Parrott, Director, Darien Library

Kim Rogers, Lead Librarian, New Haven Public Schools

Jessica Zaccagnini, Asst. Director, Oxford Public Library

Danitza Velazguez, Library Assistant, West Haven Public Library

Emily Sheehan, Librarian, Griswold

Alan Sherman, Farmington Libraries

Kate Mundy, Librarian, Milford Public Schools

Marianne ONeil, Simsbury Library

Gary Ontko, Farmington Libraries

Kirste Orth, Librarian, Darien Library

Ryan Tice, Librarian, Case Memorial Library

Brooke Faison

Over 85 people also submitted testimony in support of the bill.

NATURE AND SOURCES OF OPPOSITION:

<u>Umair Kazi, Director of Policy & Advocacy, The Authors Guild:</u>

As the oldest and largest professional association of published writers we opposed the bill because of it has the potential to harm authors in Connecticut. Prohibiting Connecticut libraries from entering licenses that contain common terms will impact the availability of books in Connecticut libraries. Publishers will not concede to changing the terms and therefore the libraries will not be able to license new books or renew existing licenses. Beyond affecting readers, it could harm our members and other Connecticut authors. If publishers pull out of the Connecticut market, authors will be deprived of potential income. We believe that books should be available to libraries. We object to interferences with the balance of market that authors rely on for their livelihood.

Reported by: Pamela Bianca Date: March 13, 2025