



State Senator Sheila Harsdorf

Date: January 14, 2016

To: Senate Committee on Elections and Local Government

Fr: Senator Sheila Harsdorf

Re: Senate Bill 466- Allowing libraries to collect on delinquent accounts

Dear Chair LeMahieu and Committee Members,

Thank you for holding a public hearing on Senate Bill 466 (SB 466), which would allow libraries to pursue collection of unreturned materials and fines on delinquent accounts. I appreciate the opportunity to speak in support of this proposal.

The intent of this legislation is to provide libraries with methods to collect fines and reimbursement for overdue materials on delinquent library accounts. Libraries are supported through tax dollars and currently have no means by which to collect from those who are abusing their borrowing privileges. The financial loss of unreturned library materials and unpaid fines ultimately falls on taxpayers.

Current law protects the privacy of library patrons' personal information, prohibiting libraries from sharing information about accounts with third parties except under very specific circumstances including a court order, interlibrary loans, and parents of minors. Because of these strict privacy protections, libraries have no way to collect or compel a patron with a delinquent account balance to return overdue library materials and pay their fines. SB 466 would allow libraries to share certain information with collections and law enforcement agencies to aid in recovering delinquent fines and unreturned materials. The bill restricts the information that can be shared to only the patron's name, contact information, amount owed, and number and types of unreturned materials. Under the bill, a patron must owe at least \$50 in combined fines and materials for the library to involve law enforcement.

This bill is supported by and was drafted in coordination with library stakeholders and the Wisconsin Libraries Association.

I urge your support of this legislation that provides options for libraries in collecting unpaid fines and overdue materials in an effort to save taxpayer dollars. I would welcome the opportunity to respond to any questions.



NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Senate Committee on Elections and Local Government

FROM: State Representative Nancy VanderMeer

DATE: January 14, 2016

SUBJECT: Testimony in Support of SB 466

Thank you Chairman LeMahieu and members of the Senate Committee on Elections and Local Government for holding a hearing on Senate Bill 466 today. As the author of this legislation, along with Senator Harsdorf, I am pleased to testify before you and to take any questions that committee members may have.

Current law protects the privacy of library patrons' personal information, prohibiting libraries from sharing information about accounts with third parties except under very specific circumstances including a court order, interlibrary loans, and parents of minors.

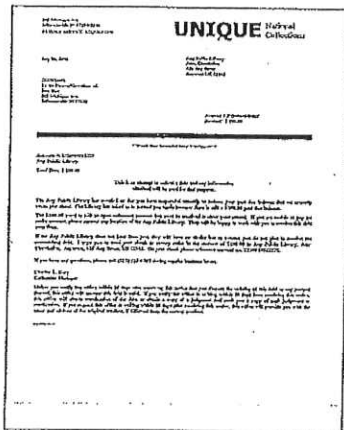
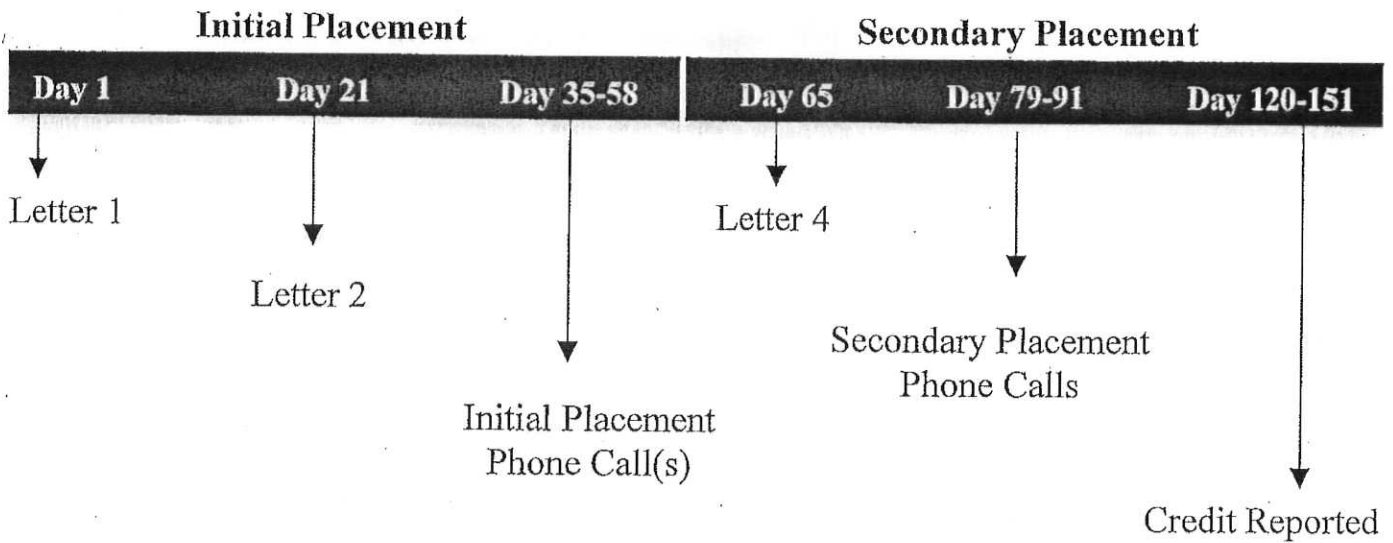
Due to those privacy protections, libraries have no means by which to collect from those who are abusing their borrowing privileges. Since libraries are supported through tax dollars, the financial loss of unreturned library materials and unpaid fines ultimately falls on taxpayers and other library users.

At the request of our constituents and library stakeholders, this legislation will provide libraries with a method to collect fines and reimbursement for overdue materials on delinquent library accounts. This bill is supported by and was drafted in coordination with the Wisconsin Libraries Association.

This legislation would allow libraries to share certain information with collections and law enforcement agencies in order to aid in recovering delinquent fines and materials. The bill restricts the information that can be shared to only the patron's name, contact information, amount owed, and number and types of unreturned materials. Under the bill, a patron must owe at least \$50 in combined fines and materials for the library to involve law enforcement.

In closing, I ask that you join Senator Harsdorf and myself in support of this legislation. Thank you for the opportunity to testify here today, I would be happy to answer any questions you may have at this time.

Timeline of Letters and Phone Calls



← *** Letter 3 (remaining balance letter) is mailed if patron responds in part.***

UNIQUE

Management
Services, Inc.

Library Division

Yearly Recovery Statistics: Madison Public Library

| | Cash | Material | Waives | Recovery Total | Submissions | Amount Listed | Invoice Amount |
|--------------------------------------|--------------|--------------|-------------|----------------|-------------|----------------|----------------|
| January 2015 - November 30, 2015 | \$20,832.82 | \$45,043.15 | \$6,907.88 | \$72,783.84 | 928 | \$134,539.21 | \$8,439.85 |
| January 2014 - December 31, 2014 | \$19,358.17 | \$41,854.77 | \$6,418.90 | \$67,631.84 | 993 | \$129,070.64 | \$9,236.40 |
| January 2013 - December 31, 2013 | \$20,572.18 | \$44,479.62 | \$6,821.45 | \$71,873.26 | 984 | \$146,133.26 | \$8,520.40 |
| January 2012 - December 31, 2012 | \$23,140.83 | \$50,033.35 | \$7,673.18 | \$80,847.36 | 1,245 | \$167,441.30 | \$10,319.35 |
| January 2011 - December 31, 2011 | \$30,879.93 | \$56,730.44 | \$10,070.06 | \$97,680.43 | 1,503 | \$204,150.76 | \$12,950.65 |
| January 2010 - December 31, 2010 | \$37,348.29 | \$72,122.49 | \$11,830.06 | \$121,300.84 | 1,517 | \$221,953.45 | \$13,308.65 |
| January 2009 - December 31, 2009 | \$34,526.46 | \$75,521.54 | \$11,487.79 | \$121,535.79 | 1,553 | \$229,968.57 | \$13,523.45 |
| January 2008 - December 31, 2008 | \$35,705.94 | \$75,266.43 | \$11,509.77 | \$122,482.14 | 1,699 | \$255,848.59 | \$14,857.00 |
| January 2007 - December 31, 2007 | \$34,364.47 | \$87,853.61 | \$9,972.51 | \$132,190.59 | 1,701 | \$273,262.02 | \$15,071.80 |
| January 2006 - December 31, 2006 | \$25,314.48 | \$74,931.21 | \$8,395.02 | \$108,640.71 | 1,668 | \$257,101.19 | \$16,226.35 |
| December 1, 2005 - December 31, 2005 | \$580.09 | \$2,449.66 | \$962.00 | \$3,991.75 | 199 | \$34,509.06 | \$0.00 |
| ALL TIME | \$282,623.67 | \$626,286.26 | \$92,048.63 | \$1,000,958.56 | 13990 | \$2,053,978.05 | \$122,453.90 |

UNIQUE Management
Services, Inc.

L i b r a r y D i v i s i o n

Cumulative Recovery:

Madison Public Library

| | |
|-------------------------|----------------|
| Accounts Submitted: | 13,990 |
| Dollars Submitted: | \$2,053,978.05 |
| Cash Recovery: | \$282,623.67 |
| Material Recovery: | \$626,286.26 |
| Waives: | \$92,048.63 |
| Recovery Total: | \$1,000,958.56 |
| | |
| Total Outstanding: | \$1,053,019.49 |
| | |
| Percentage of Recovery: | 48.73% |
| | |
| Total Invoice Amount: | \$122,453.90 |
| | |
| Total ROI: | 8:1 |
| Asset ROI: | 7:1 |

UNIQUE Management Services, Inc.

L i b r a r y D i v i s i o n

Cumulative Recovery:

Pauline Haass Public Library

May 26, 1998 through December 31, 2015

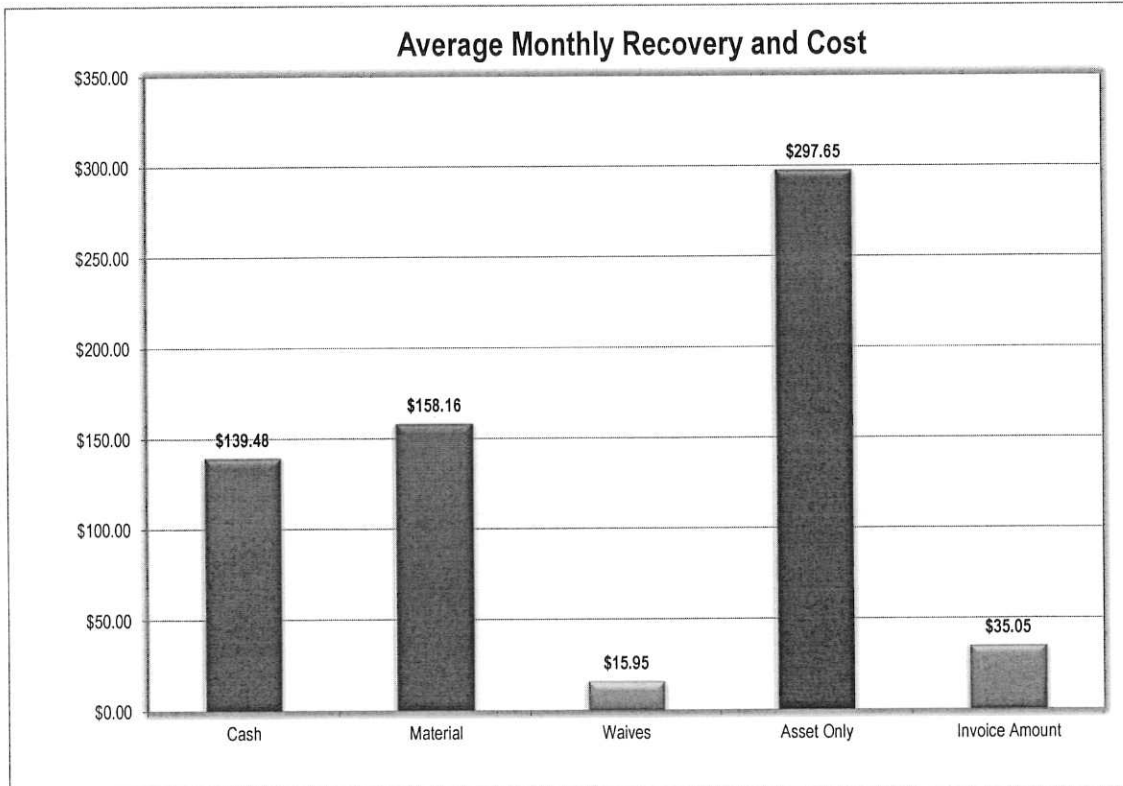
| | |
|------------------------------|---------------------|
| Accounts Submitted: | 1,275 |
| Dollars Submitted: | \$118,180.24 |
| Cash Recovery: | \$29,566.61 |
| Material Recovery: | \$41,340.67 |
| Waives: | \$7,323.30 |
| Recovery Total: | \$78,230.58 |
| Total Invoice Amount: | \$11,323.74 |
| Total ROI: | 7:1 |
| Asset ROI: | 6:1 |

Please note, for the purposes of these reports the term 'Asset' will refer to the recovery of Materials and Cash.

Monthly Recovery Statistics: Pauline Haass Public Library
1/2015 Through 12/2015

| Month | Cash | Material | Waives | Total | Assets Only | Invoice Amount |
|----------------|-------------------|-------------------|-----------------|-------------------|-------------------|-----------------|
| December-15 | \$80.00 | \$0.00 | \$0.00 | \$80.00 | \$80.00 | \$44.75 |
| November-15 | \$0.00 | \$181.00 | \$5.40 | \$186.40 | \$181.00 | \$0.00 |
| October-15 | \$137.19 | \$30.00 | \$30.00 | \$197.19 | \$167.19 | \$35.80 |
| September-15 | \$43.29 | \$157.00 | \$0.00 | \$200.29 | \$200.29 | \$44.75 |
| August-15 | \$4.50 | \$215.00 | \$0.00 | \$219.50 | \$219.50 | \$17.90 |
| July-15 | \$90.16 | \$91.00 | \$40.00 | \$221.16 | \$181.16 | \$53.70 |
| June-15 | \$125.00 | \$110.00 | \$3.80 | \$238.80 | \$235.00 | \$35.80 |
| May-15 | \$216.40 | \$256.98 | \$0.00 | \$473.38 | \$473.38 | \$8.95 |
| April-15 | \$192.00 | \$284.00 | \$0.00 | \$476.00 | \$476.00 | \$17.90 |
| March-15 | \$418.27 | \$349.00 | \$46.80 | \$814.07 | \$767.27 | \$71.60 |
| February-15 | \$120.00 | \$193.99 | \$0.00 | \$313.99 | \$313.99 | \$26.85 |
| January-15 | \$247.00 | \$30.00 | \$65.40 | \$342.40 | \$277.00 | \$62.65 |
| Total | \$1,673.81 | \$1,897.97 | \$191.40 | \$3,763.18 | \$3,571.78 | \$420.65 |
| Average | \$139.48 | \$158.16 | \$15.95 | \$313.60 | \$297.65 | \$35.05 |

Asset ROI for Past 12 Months: \$8.49:\$1.00



UNIQUE Management
Services, Inc.
L i b r a r y D i v i s i o n

Cumulative Recovery:

Manitowoc Public Library

October 10, 2003 through December 31, 2015

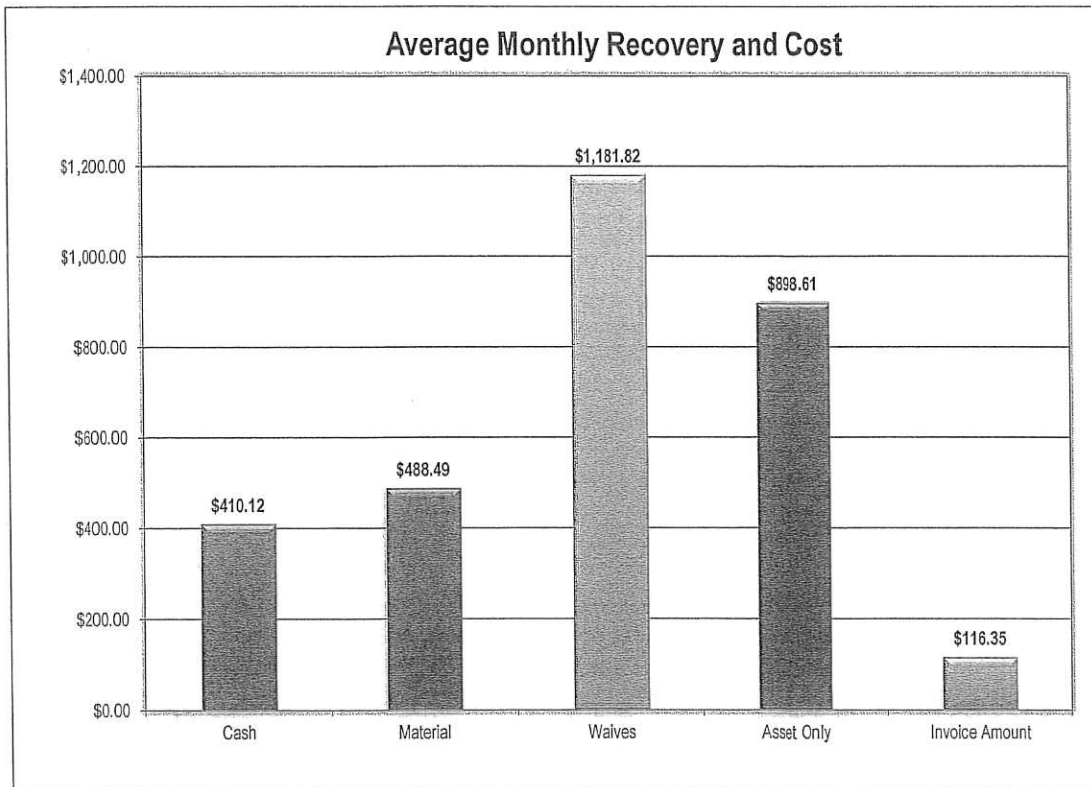
| | |
|-----------------------|--------------|
| Accounts Submitted: | 3,636 |
| Dollars Submitted: | \$398,271.86 |
| Cash Recovery: | \$87,107.57 |
| Material Recovery: | \$109,558.10 |
| Waives: | \$35,826.56 |
| Recovery Total: | \$232,492.23 |
| | |
| Total Invoice Amount: | \$37,803.13 |
| | |
| Total ROI: | 6:1 |
| Asset ROI: | 5:1 |

Please note, for the purposes of these reports the term 'Asset' will refer to the recovery of Materials and Cash.

Monthly Recovery Statistics: Manitowoc Public Library
1/2015 Through 12/2015

| Month | Cash | Material | Waives | Total | Assets Only | Invoice Amount |
|----------------|-------------------|-------------------|--------------------|--------------------|--------------------|-------------------|
| December-15 | \$114.80 | \$266.89 | \$326.73 | \$708.42 | \$381.69 | \$89.50 |
| November-15 | \$119.50 | \$33.00 | \$166.25 | \$318.75 | \$152.50 | \$125.30 |
| October-15 | \$184.14 | \$154.73 | \$168.10 | \$506.97 | \$338.87 | \$179.00 |
| September-15 | \$182.18 | \$1,400.70 | \$410.04 | \$1,992.92 | \$1,582.88 | \$143.20 |
| August-15 | \$804.43 | \$168.88 | \$472.47 | \$1,445.78 | \$973.31 | \$107.40 |
| July-15 | \$819.83 | \$844.10 | \$3,833.49 | \$5,497.42 | \$1,663.93 | \$98.45 |
| June-15 | \$503.65 | \$339.26 | \$2,698.00 | \$3,540.91 | \$842.91 | \$134.25 |
| May-15 | \$442.60 | \$623.67 | \$2,184.87 | \$3,251.14 | \$1,066.27 | \$161.10 |
| April-15 | \$148.80 | \$311.81 | \$2,042.73 | \$2,503.34 | \$460.61 | \$80.55 |
| March-15 | \$408.83 | \$415.64 | \$938.54 | \$1,763.01 | \$824.47 | \$44.75 |
| February-15 | \$499.62 | \$770.64 | \$426.64 | \$1,696.90 | \$1,270.26 | \$98.45 |
| January-15 | \$693.08 | \$532.59 | \$514.02 | \$1,739.69 | \$1,225.67 | \$134.25 |
| Total | \$4,921.46 | \$5,861.91 | \$14,181.88 | \$24,965.25 | \$10,783.37 | \$1,396.20 |
| Average | \$410.12 | \$488.49 | \$1,181.82 | \$2,080.44 | \$898.61 | \$116.35 |

Asset ROI for Past 12 Months: \$8:\$1





WISCONSIN
LIBRARY
ASSOCIATION

SB466/AB609 - Return of Library Materials

Contact: WLA Executive Director Plumer Lovelace
(608) 245-3640 or 608 235-8887 (cell)
or lovelace@wisconsinlibraries.org

This bill will revise WI Statutes Ch 43.30 to make it clear that public libraries may share limited information with appropriate third parties for the express purpose of retrieving overdue library materials or collecting replacement costs for lost library materials.

The Wisconsin Library Association (WLA) has endorsed this bill in support of local library boards protecting the community assets of their libraries. WLA supports this bill because:

- Librarians are frugal and attentive guardians of the public's assets.
- Libraries respect and protect the privacy rights of citizens who utilize library services and resources.
- This bill strikes the proper balance between patron privacy and the protection of public assets while providing libraries with clear statutory support.
- Information to be disclosed is limited to the individual's name, contact information, amount owed and the number and types of overdue materials (NOT the titles of the materials)
- The legislation is enabling, not mandatory. No library board will be obligated to contract with a collection agency. No law enforcement agency will be obligated to retrieve library materials or collect amounts owed for lost items.
- The bill is directed at return of materials and replacement costs, not ordinary "nickel and dime" library fines.

More than 50 Wisconsin libraries contract with Unique Management Service and its Library Division, which uses a soft but effective approach with delinquent borrowers. For example, over the past twelve years the Eau Claire Public Library has recovered \$353,672 for materials purchased with local tax dollars, at a cost of \$72,870 in management fees, demonstrating a five to one return on investment.

It is expected that local communities choosing to use some variant of law enforcement assistance would craft mutual agreements that take both the library board/library policies and municipal or county law enforcement policies into account. In other words, it's ultimately a matter of local control, with both parties participating in constructing and implementing a policy that fits the community.

Please support SB466/AB609 to ensure that local library boards can use effective means to get library materials returned for public use. Thank you!



741 N. Grand Ave., #210
Waukesha, WI 53186

P 262.896.8080
W bridgeslibrarysystem.org

January 14, 2016

Dear Senator LeMahieu and members of the Senate Committee on Elections and Local Government:

As the director of a library system in Wisconsin that is responsible for providing services and programs as well as statutory compliance oversight of the 24 public libraries in Waukesha and Jefferson Counties, I urge your support of SB466. Our libraries need statutory guidance to clarify the competing interests of a patrons' right to privacy and the libraries' responsibility to protect its investments in public property.

Libraries in our library system—and throughout the state—strive to be the best possible stewards of the assets entrusted to them. Privacy is also a fundamental tenet of the library profession and libraries have strict privacy policies in accordance with ss. 43.30. Shared automation systems, such as our CAFÉ system, exist to allow the libraries to share resources and be more cost effective. In this shared environment, the libraries not only have responsibility to their own communities' public property, but they also have a responsibility to all the other communities within the consortium. When a municipality doesn't allow its library the ability to utilize the services of collections or police and the library can't get materials returned, it can be very problematic—and costly--for all the libraries.

This legislation would clarify the allowed methods for retrieving long overdue items or compensation for them. It strikes the proper balance between patron privacy and the libraries' responsibility for the items it is responsible to manage in a prudent manner.

Thank you for your consideration of this important library legislation.

Sincerely,

Connie Meyer
Director