

Libraries: No Longer Free of Fee

by Kenneth Marks

A historic myth has pervaded American public librarianship during the twentieth century. The myth is that any member of U.S. society should have free and equal access to the library and, by definition, the resources that have been assembled. Although this has been the premise espoused most often by public librarians, it has also found considerable support among academic librarians and school librarians. Any discussion of the issue of fees for library services and collections inevitably focuses on the pros and cons of the debate. This article will briefly identify some of the arguments on each side. Of more importance from a pragmatic point of view, the question of how to determine the amount of the charge will be addressed.

This philosophical commitment to free access to information became the focus of a substantial debate beginning in the 1970s with the advent of online database searching. While there were earlier incidents (the widespread introduction of the photocopy machine) that raised the question of "free" access, online database searching became the battleground. Over the years, libraries imposed charges and fees in a variety of circumstances, including fines, book rental charges, room rental fees, film rentals, and interlibrary loan charges. These levies elicited little opposition and were accepted by the user population.

The sudden availability of online databases with their alleged advantages over the traditional means of accessing information presented libraries with a new set of challenges. The principle challenge was how to finance this new service without compromising existing library services. The typical reaction among libraries of all types was to institute a schedule of charges that would be applied to any person wishing to utilize the new technology.

Reactions among librarians from every type of library were swift in surfacing and persist to this day. There has, in fact,

been no resolution of the philosophical differences identified by the protagonists in this debate. The literature is replete with exhaustive discussions of both sides of the issue. "Careful scrutiny of the literature on the fees issue reveals a recurrence of arguments or points scored on either side." According to Harry M. Kibirige, "Some are significant and others facile."¹

Arguments Against Charging Fees for Information

Some of the significant points advanced include the following:

1. The American tradition of free library services is damaged by charging fees.
2. Users are double charged, first by taxes for running public services and then by charges for special services.
3. Before one can charge one must have a sound basis for charging. It is argued that methods of evaluating information are still primitive.
4. Charging fees causes inequalities vis-a-vis the users, for only those who can pay may use special services. This negates the equal access to education ethic.
5. Acquisition of materials will begin to be geared to those who can pay.

Arguments for Charging Fees for Information

Equally justifiable points have been presented for fees as follows:

1. The tradition of selling services to those who can pay is part of the American culture.
2. Subscription libraries as well as rental collections are well known features in American library history.
3. Users pay for other public utilities like bridges, highways, museums, and parks.
4. Fees will allow development of special services which would not otherwise be provided, like online bibliographic searches.
5. Users do not seriously object to

charges for services which are vital to them.

6. If fees are not collected, some of the costly services would be abused and thus become a drain on the budget.

Additional justifications for instituting fees for service have been identified by Barbara Smith.² They include:

- Fees encourage efficient use of public resources.
- Fees limit waste and over-consumption.
- Fees promote service levels based on need and demand.
- Fees control growth of and lower demand for service.
- Fees encourage management improvements.
- The tradition of charging for services is part of the American culture.

The following arguments for fees are related to funding issues.

- Escalating service costs make user fees a necessity.
- Without fees, public and academic libraries could not serve the larger community or nonresidents.
- Fees cover only a small portion of the total costs of service provision.
- Fees encourage a better understanding of the financial limitations of the local government.
- In the face of funding cuts and escalating expenses, particularly telecommunications, the costs of providing online services impose a serious burden on an already strained library budget.

One or two of the arguments for and against deserve further exploration. There is the issue of "free" library service and determining exactly what it means. Does "free" mean without cost, or is the term a replacement for the word "equal"? Even before the advent of online database searching, many libraries had begun to levy charges for a variety of services or situations. Had overdue fines or room rentals made library service less free? Many library clients would

have said "no." An essential question that many librarians choose to ignore consciously or subconsciously relates to the matter of what library service is supposed to be. Does library service include the acquisition of books and journals, their storage and circulation? What about additional non-traditional materials, videotapes, audio tapes, laser disks, CDs, computer programs being included in library service? If reference assistance is part of library service, is it the traditional assistance that uses print sources, or does it include the newer technologically based resources? Until there is an accepted description of "basic" library service, it is difficult to address in a coherent fashion the issue of what should be "free" and what should be available for a fee.

The contention is presented that library fees result in a double charging for some library clients. As a person who pays taxes regularly for these community services, how can I legitimately be charged again for an activity that is an integral part of a library's functions? Is it not reasonable to think "that tax support obliges the public library to provide all of its services on an equal basis, free of charge? A failure to fund its total operation from tax revenues will, in the long run, have the effect of weakening public support for libraries."³ A quandary exists, however, when public support will not fund even a minimally acceptable level of library service. At this point, is it appropriate to charge for selected library services, or should the services be abandoned so that no one can have access or use?

The side favoring fees may suggest that throughout American history services have been sold. This has enabled new and expensive services to enter the marketplace where they can be tested by user demand. If there is sufficient demand, then prices will fall and alternatives will be developed that will permit the extension of the service at ever-diminishing rates. Fees will minimize the tendency for clients to abuse the availability of new and attractive services. Rather than work through the process of delimiting an online search, many patrons will opt for a surfeit of citations or other data. The fact that a large percentage of the results are irrelevant to their specific needs or only minimally useful is discounted in the light of being able to use a hitherto unavailable resource.

Ignoring the legitimacy of both sides of the debate over fees, librarians have had to address the pragmatic needs of their organizations. The result has been a persistent and widespread move to utilize fees to augment the financial resources available to libraries. Type of library is an irrelevant factor in determining whether fees will be

levied. According to Alice Sizer Warner, "An increasing number of libraries in not-for-profit institutions are charging fees"⁴:

- At least 75% of association libraries now have fee schedules in response to persistent requests by nonmembers for information service. Some charge members as well.
- At least one library school has contracted with a government agency to manage, for a fee, the agency's regional library.
- Increasing numbers of public libraries do research for a fee as an alternative to regular reference service. Minneapolis Public Library has done this for years, with its goal to recover the salaries of staffers in the fee-based service plus 35% to pay for their benefits. Cost of space is not recovered.
- Among university fee-based services, the University of Wisconsin/Madison library's is one of the oldest. In 1964 — long before online searching existed — the library got 539 requests for information; in 1986, UW/Madison got 20,000 requests and the number continues to rise. Purdue University Libraries offers a two-tier fee structure. Indiana residents pay \$40 an hour (billable in 15-minute increments) plus librarians' out-of-pocket costs. Non-Indiana clients pay \$80 an hour plus out-of-pocket expenses.

Robinson reports that "in a 1987 survey done by the American Library Association it was found that forty-one percent of public libraries charged for rental of books and thirty percent charged for videos. Of course, there are scores of other charges made for different services or classes of materials. In any event, it seems very, very clear that the tradition of charging small fees for some materials or services is both historically honored and widespread in public libraries in this country."⁵

The overriding pragmatic reality for librarians, however, is not whether it is philosophically appropriate to charge, but whether it is legal for them to levy fees. Special librarians may have the easiest time in resolving this question. Being part of a profit-making organization results in only one solution: fees will be levied or charges passed on. It is increasingly common for special libraries to be expected to recover a significant portion or all of their operating costs.

Libraries in the not-for-profit sector may face a different set of circumstances. Before proceeding to institute a fee structure, there is a need to ascertain whether charges can be legally adopted. There may be existing state statutes or municipal or-

dinances that dictate what a public library may or may not be able to do. The unfortunate reality is that many of these laws are so ambiguous that an unequivocal answer cannot be found. The only option may be to ask an appropriately empowered attorney at the city or state level to provide an interpretation. What will be delivered is an opinion, nothing more. A definitive assessment can only be delivered through a judicial opinion or, more unlikely, through a clarification by the relevant legislative body. Academic libraries should consult their institutional attorney to determine if instituting fees will compromise the non-profit status of the college or university. There may be no threat to the non-profit status if it can be clearly demonstrated that only costs are being recovered through the charges.

At the risk of stereotyping the profession, it can be asserted that librarians as a group tend to be uncomfortable when it comes to dealing with money. Personal finances are not in question at this point; rather the discomfort is associated with attaching a value to the work we do and the services that we deliver to our clientele. Perhaps one of the reasons that libraries are not valued is due to our inability to establish a value for our own activities.

The reason librarians may find setting values for their work and/or service difficult is due to a lack of training and preparation for engaging in that type of activity. There seems to be a mind set supporting the concept that, because we are dependent upon the public largess, we should be silent and satisfied with the allotted portion of resources, regardless of how small, that is doled to us. Librarians must acquire the skills that permit them to analyze the costs of their various activities, services, and programs. Librarians must acquire the

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capacity to make the very difficult decisions about ending programs, services, subscriptions, and units if new ones are to be initiated when there are limited resources. Librarians must stop believing they can be all things to all peoples or that

they have a moral obligation to make the effort. In the process of attempting to be all things and deliver all services, too often the result is second-rate service that deprives the library's clientele of real quality.

If it has been determined that there is no legislative prohibition regarding fees, the question becomes how to proceed. Librarians are advised to proceed cautiously to introduce fees for any services that are offered. It seems apparent that librarians have failed, too often, to consider fully the implications of what they want to do. A simple checklist may help clarify some of the uncertainty.

1. What is the library's mission and will it encompass the proposed action?

2. What are the library's goals and objectives and will they encompass the proposed action?

3. What client groups will be affected by the proposed action?

4. What are the labor costs associated with the proposed action?

5. What are the equipment costs associated with the proposed action?

6. What are the miscellaneous costs associated with the proposed action?

7. What new systems will be required by the proposed action?

8. What productivity gains will be realized among library personnel by the proposed action?

9. What is the basis for concluding that the proposed action cannot be funded from existing budgetary resources?

10. What existing service or function is being used so little that it can be replaced by the proposed action?

The first two questions may be the easiest to answer. If there are no legal prohibitions, the answer is dependent on the library's interpretation of its mission, goals, and objectives. The third question is more complex because it requires a careful delineation of the library's client population. Most libraries have a core client population that can be identified with minimum difficulty. The problems arise with the clients at the margin, such as those who do not live within the legal jurisdiction of the public library but who work within the jurisdiction or those who are alumnae of a college or university but are no longer enrolled or employed by the institution. The library administration may believe in one response, but the parent institution may dictate another relationship. Once all of the possible client groups have been identified, how will charges be levied? Do some clients receive preferential treatment, or is everyone charged the same rate?

Questions 4, 5, 6, and 7 require a variety of information that many libraries

are unable to provide. Does the library have the hourly cost for every staff member readily at hand? Does that cost include all of the benefits or should that be factored into the equation? The non-profit nature of most libraries prevents them from amortizing the cost of equipment. As a result, libraries have tended to ignore the cost implications of equipment and supplies as the effort is made to determine the true cost of an activity. Finally, what is the cost of the technological services that we receive from outside vendors? Can it be demonstrated that all the alternatives in the marketplace have been fully explored so that the library is receiving the most competitively priced option?

Librarians typically have had little training to enable them to determine the cost of existing library services. Librarians should assume they will be called upon to explain how much it costs to buy a book or catalog a journal (generally, they can), and how much it costs to answer a reference question, circulate a book, or house a volume annually in the library (generally, they can not). As the costing of library services and functions is established, then librarians can move to the next project. Establishing performance measures and applying them is as crucial as determining costs. Librarians seem to be reluctant to establish performance measures for fear that the measures would indicate that there are more effective ways to accomplish a goal. Until there are measures of performance, however, it is nearly impossible to predict the impact that new technologies or services will have on the library.

Questions 8 and 9 raise troublesome issues, for these are topics that most librarians are ill-equipped to answer. Can it be demonstrated that the addition of a new service or technology will change the way in which work or client assistance is provided, with a subsequent improvement in the amount of work done or the number of patrons assisted? Can it be demonstrated that the proposed service or technology cannot be funded from within existing budgetary resources? How often have each of us heard the refrain that a particular item cannot be funded from a budget, but the next day another item, piece of equipment, or service suddenly can be supported? Did the library unexpectedly acquire additional funding, or did the item originally requested fall outside the established view of what is acceptable budgetarily?

It is intriguing that libraries have been willing to commit enormous sums of

money to installing and utilizing new technologies and services in the "back rooms" of technical services, but less eager to put them into public areas. It may be that the traditional technical services have been more amenable to cost-benefit analysis than the public services areas, but the advent of electronic technologies facilitates the collection of data related to improved or enhanced job performance. If a similar investment in the public services segment of the library had occurred, would the question of fees for database searching or video rental even have been raised? As interesting as it might be to speculate, the

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answer is essentially irrelevant today. It is clear that librarians must analyze their own library's operation, especially the public services, so they will have the information necessary for making effective decisions regarding fees.

If there is a fault with many libraries, it is an overwhelming conservatism when it comes to experimenting with new services or new technologies that might directly enhance service to the public. Librarians are reluctant to take the lead in testing promising or intriguing new technologies. They have demonstrated by conscious action or inaction that exploration and experimentation is the province of the private sector, not the public sector; and as a result, library clients have been systematically short-changed when it comes to realizing the full benefits of new technologies.

Question 10 is the most potentially damaging because libraries never abandon any service once it has been offered. What library regularly conducts any type of market survey to determine whether its existing services are being used by an acceptable number of patrons? What library regularly surveys its clientele to identify services they would find helpful? What is common practice among members of the for-profit sector is uncommon practice among libraries. In all fairness, it can be alleged that librarians are not trained to perform these types of analyses and questioning. The response might appropriately be, why not?

Librarians are instilled with the belief they are public servants prepared to respond to the needs of their clientele. Train-

ing to be a librarian tends to prepare individuals to be reactive rather than proactive in responding to established clientele. There is little, if any, education, training, or other preparation that prepares librarians to address the challenges of being in what is essentially and fundamentally a service business. The emphasis in the previous sentence is on both "service" and "business." Until there is appropriate training and education, librarians will be unprepared to face the task of identifying the changes in patrons' needs for information.

When the appropriate analyses have been conducted and the critical decisions made, how is the calculation made so that fees can be fixed? Sometimes other libraries are contacted to learn what their fee structures are. Another approach is to examine some of the relevant bills related to the service that the library has received. There is often a suspicion that figures have been picked out of the air and have no relevance to the actual costs being incurred. If the imposition of fees is to be successful, this suspicion must be avoided at all costs. The impression can be avoided if librarians can demonstrate that they know in a fiscal sense the cost of the service or resource and its comparative value within the larger library environment.

Once the data are collected in answer to the checklist, then four critical questions can be addressed.⁶

1. Will there be a charge?
2. Who will be charged?
 - a. Equal
 - b. Some groups lower
 - c. Some groups higher
3. What costs will be covered by the charges?
 - a. Labor/staff time
 - b. Computer services: connect time and print charges
 - c. Other costs: equipment, supplies, etc.
4. How can an efficient charging system be operated?
 - a. Communications
 - b. Collection

The answer to the first critical question will be dependent upon an understanding of the legal environment, an objective assessment of client needs, and an evaluation of the costs that the library is currently incurring and potentially could incur with the new service. The answer to this question must be based upon a dispassionate consideration of all factors from the checklist presented earlier. Becoming emotionally involved to the point that the final decision is swayed by personal preference is the worst thing that can be done.

If the answer to question one is "yes, there should be a fee imposed," the next

critical issue is "who will pay?" Will all library patrons be susceptible to the levy? Will only those patrons who are not within the library's legal jurisdiction be charged? Will only those patrons with exceptional needs or demands, however defined, be liable for the fee? Careful delineation of the patrons to whom the fees apply must occur. Seek outside counsel from a variety of perspectives who will challenge the assumptions that are being used to make this decision. Too often, librarians are reluctant to confront the hidden biases as they wrestle with this issue.

The resolution of the third critical question requires at least a minimal understanding of the idea of cost recovery and the variations that are possible. There are three variations to cost recovery that can be considered: "full cost pricing; variable cost pricing; and 'free' pricing. Full cost pricing involves charging the user a price that reflects all of the costs associated with the provision of the service. These costs include the variable costs of labor, materials and specific user-chargeable fees (such as photocopy charges, postage, online search costs, and so on), as well as some pre-determined amount in fixed costs (management costs, depreciation, heat, lighting, and so on).... Variable cost pricing involves setting a price solely on the variable costs of labor, materials and specific user-chargeable fees such as photocopy charges, postage, online search costs, and so on...." ⁷ 'Free' pricing means that no charge is passed on to the client, the library absorbs all the related costs.

Whichever variation is adopted, be absolutely certain that all concerned in the decision making process clearly understand the cost components on which the fee will be based. The worst situation that could develop is one in which there is the perception that the fee is "making money" for the library. Be prepared to detail the specific costs that have been identified as attributable to the activity or service. Each of us may have our own opinion of "bean-counters," but this is one place where their involvement may be essential in preventing recriminations at a later date.

If, after answering the first three questions, there is still a positive decision to levy fees, there are a series of issues that focus on how the system will collect those charges in order to operate. How will the decision to impose fees be publicized? Who will be responsible for the publicity? How much lead-time will be required before the fees can be applied? Who will handle the collection of moneys? Where will the charges be levied, and where will payment be received? Will the fee have to be paid at the time the work is done or is

billing permitted? If billing is allowed, what will happen to recover funds owed when bills are unpaid? Who will balance the funds received against the charges made to the library? What equipment will be necessary to provide some security for the funds received? Will cash registers be needed, a safe purchased? It is conceivable that the cost of operating the charging system will be large enough to make the service unworkable. Many of these issues and questions may be dismissed as unnecessary trivia or bureaucratic nit-picking. If these details are not resolved before fees are imposed, however, it can be extremely embarrassing to all involved to have to answer then extemporaneously during the course of providing service to the public.

As much as we may prefer that the debate over fees for service disappear from librarianship, it is unlikely that any of us will be so fortunate. Librarians are faced with intractable problems revolving around the increased cost of providing library and information collections and services at a time when the pool of available resources is shrinking. Solving the continued demand for expanded and enhanced services is going to be increasingly traumatic for most librarians. Being prepared to conduct the necessary analyses and evaluations is a prerequisite to insuring that the "correct" decision can be made. If there is a goal that should be held before all of us, it is to seek every possible way to avoid imposing fees even if it means abandoning activities that have traditionally been considered part of the core of librarianship.

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