

# ELIMINATING OVERDUE LIBRARY FEES

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## A BRIEF HISTORY OF FINE FREE LIBRARIES

Fine elimination at public libraries began in 1969 all around the United States and has exponentially grown in the past six years. Beginning in 2018, public libraries began to more widely adopt fine-free service models that eliminate charging overdue fees for materials. Most libraries that have instituted a no-overdue fees policy report an increase in the number of long-overdue items that are returned and a corresponding decrease in lost items, reducing the amount spent replacing lost items. Today over 50% of the libraries in the City's benchmarking cities have eliminated overdue fees.

### FINE-FREE BENCHMARK CITIES



Bedford  
Coppell  
Euless  
Flower Mound  
Frisco  
Grapevine  
Keller  
Southlake  
The Colony



Allen  
Colleyville  
Desoto  
Mansfield  
Richardson  
Duncanville\*  
Hurst\*  
Lewisville\*

*\*Hurst and Lewisville Libraries are currently writing similar fine-free proposals. Duncanville will move fine-free in the upcoming fiscal year.*



**Additionally, the following North Texas libraries have also gone fine free:**

Fort Worth, Dallas, Arlington, Aubrey, Benbrook, Carrollton, Cedar Hill, Denton, Forest Hill, Garland, Haltom City, Kennedale, Irving, McKinney, Mesquite, Mineral Wells, Plano, Prosper, Richland Hills, Sachse, Saginaw, Sherman, and Weatherford.

# OVERDUE FEES AT NRH

## THE LIBRARY'S CURRENT OVERDUE FEES ARE AS FOLLOWS:

Material.....	Fine Rate.....	Max Fine
Books (all types).....	\$0.30/per day.....	\$12.00
DVDS.....	\$1.00/per day.....	\$20.00

## THE LIBRARY'S CHECKOUT PERIODS ARE AS FOLLOWS:

Material.....	Checkout Period
Books (all types) and non-fiction DVDs.....	3 weeks
All other DVDS.....	1 week

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**Below are two scenarios that demonstrate how quickly overdue fees can become a barrier to accessing the Library.**

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### SCENARIO 1

A homeschool parent with three children checks out five books per child and five books for the parent. They also check out ten movies, seven are films to use in teaching their children and three are children's films. Should this family misread the due date or have a problem getting to the Library for just one week, their total overdue fees would be \$112.00.

$$\begin{aligned} 20 \text{ books} \times \$0.30 \times 7 \text{ days} &= \$42 \\ + \\ 10 \text{ DVDs} \times 1.00 \times 7 \text{ days} &= \$70 \\ = \\ \mathbf{\$112.00} \end{aligned}$$

$$\begin{aligned} 15 \text{ books} \times .30 \times 21 \text{ days} &= \$94.50 \\ + \\ 10 \text{ DVDs} \times \$20.00 &= \$200 \\ = \\ \mathbf{\$294.50} \end{aligned}$$

### SCENARIO 2

A senior citizen who only has transportation available to them once every three weeks checks out 15 books and ten movies to ensure they have enough reading material for the next three weeks. Their transportation falls through and they forget to call the Library. When the patron returns next time, their materials are now three weeks overdue and their total overdue fees are \$294.50.

# BENEFITS OF ELIMINATING FINES

There are several benefits to eliminating overdue fees. These include more equitable access, enhanced customer service, and more efficient and effective use of staff.

## **MORE EQUITABLE ACCESS:**

Eliminating overdue fees reduces financial barriers to access especially for children. Often children bear the burden of overdue fees. Almost 10% of our children's accounts are currently blocked due to overdue fees where all materials have been returned. Additionally over 500 families fall into this same category. This restricts children's access to the materials they need to develop literacy skills and support their classroom learning. This is particularly important now due to the staggering reading gaps in education because of the impact of the pandemic on the last two school years. While schools have the responsibility to close that gap, libraries serve a significant role in the community to ensure that reading materials are available for all students.

Children should not be restricted from having access to library materials

because of their parent's financial limitations or irresponsibility. Libraries that have eliminated overdue fees have seen the greatest impact on the circulation of children's materials. San Rafael Public Library reported an increase in circulation of their children's materials and a 40% increase in youth borrowers after dropping late overdue fees for children's materials. High Plains Library District's children's circulation increased 16% in the year after going fine free.

## **ENHANCED CUSTOMER SERVICE:**

Circulation staff reports that almost 100% of all negative interactions (where patron express anger or frustration towards the Library) occur in the process of trying to collect overdue fees. By eliminating overdue fees, we can eliminate the majority of negative interactions with citizens and contribute to a more positive image of the Library and the City. As neighboring and benchmark libraries continue to eliminate overdue fees, there is an increased expectation that the NRH Library will as well – not doing so will lead to a greater perception of poor customer service.

## **EFFICIENT AND EFFECTIVE USE OF STAFF TIME:**

Overdue fees require staff time to explain, discuss, and collect the fees. Additionally it requires staff time to balance drawers, process overdue fees, and create daily manual entries for finance. Typically, Library staff spend an average of 10 hours per week collecting and processing overdue fees. During the pandemic the Library is not collecting overdue fees to eliminate cash handling and possible COVID transmission. We reprioritized staff hours to provide more positive and direct services to patrons by assisting in classes and events such as Library in the Park that was part of this summer's The Mayor's Summer Reading Program (MSRP). Utilizing these staff hours allowed us to expand our MSRP events from 70 in 2019 to 90 in 2021. Additionally, we plan to utilize these staff hours to help execute 157 programs between now and December.



San Rafael Public Library reported a

# 40%

increase in youth borrowers after dropping overdue fees.



*Part-time staff Alejandra and Amanda assisting with Library at the Park.*

# REDUCTION OF OVERDUE & NON-RETURNED MATERIALS:

Both on a local and national level, libraries report a reduction in the number of overdue and non-returned materials when eliminating overdue fees. Additionally, some libraries report an increase in the return of existing long overdue materials upon the elimination of overdue fees.



Haltom City Library reported a

**50% increase**

in the return of long overdue materials when they eliminated overdue fees.



The High Plains Library District reports that **after six months** of eliminating overdue fees they found that **95% of materials** were being **returned within one week** of when they were due.



Martin Public Library reports that their item loss rate has dropped to

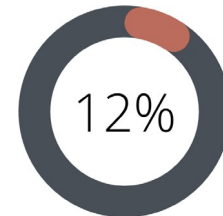
**less than 1%**

and that they have experienced a 60% drop in overdue items from the time they eliminated overdue fees.

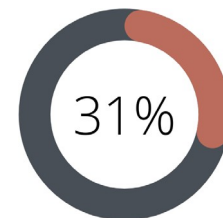


Vernon Public Library saw the **average number of days an item is overdue decrease by 42%** once it eliminated overdue fees.

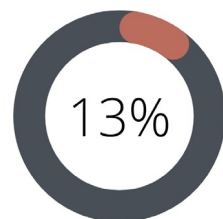
**Decrease in overdue & non-returned items at libraries who have eliminated fines.**



McKinney Public Library



Weatherford Public Library



Aubrey Area Library

# PATRON ACCOUNTABILITY

The library profession has little empirical evidence that charging overdue fees results in greater circulation of library materials or the return of items in a timely manner and many libraries have reported a decreased late return rate as demonstrated in the Benefits section.

This can be accounted for because when libraries eliminate overdue fees, they replace overdue fees with other means of accountability that provide more of an incentive to return materials on time and are more equitable. Based on our research the NRH Library would implement the following accountability methods:

## **RESTRICT ACCESS TO ALL LIBRARY SERVICES:**

For over a dozen years, the Library has allowed patrons to set up a payment plan to pay off accrued overdue fees. This allowed patrons to carry a balance of any size and continue to use all Library services. It disincentivizes returning materials on time.

If overdue fees are eliminated to hold patrons accountable the Library would block the patron's card from all Library services until the overdue items are returned or paid for. This block would include checking out materials, using computers, using The Maker Spot, and requesting Interlibrary Loans. Patrons will be incentivized to return materials to restore privileges rather than to avoid returning materials because they cannot pay the fines.

## **RESTRICT NUMBER OF CHECKOUTS FOR NEW CARDHOLDERS:**

Research at other libraries and our Library reflect that many non-returned items and overdue fees are acquired by new card holders who only visit a library one time rather than from regular library users. At the NRH Library, 22% of long overdue items are from new cardholder cards. Should overdue fees be eliminated, the Library will reduce the number of long overdue items by limiting the number of items a new cardholder can check out.

## **REDUCED TIME FOR AUTOMATED OVERDUE TO LOST TRANSITION:**

Currently, we allow patrons 90 days to return an overdue item before our system bills the patron for it as a lost item. We propose reducing that time frame to 30 days if overdue fees are eliminated, holding patrons accountable in a more timely manner.

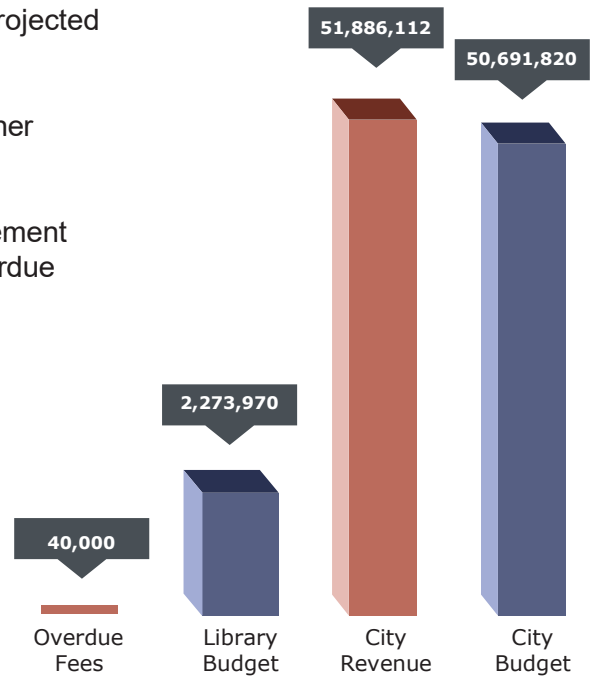
# BUDGETARY IMPACT

While the Library's overdue fees are included in the Library's projected revenue, it accounts for only 0.08% of the City's revenues.

One of the benefits of eliminating overdue fees, as reported by other libraries, is a higher return rate. (See Patron Accountability)

A higher return rate has the financial benefit of reducing replacement costs for non-returned material. Replacement costs of long-overdue materials is \$25,795.54 for FY21.

Using the anticipated return rate of 50%, as reported by neighboring library Haltom City, the initial impact would be a projected reduction of \$12,897.77 in replacement costs in year one.



<b>ANTICIPATED COST REDUCTIONS RELATED TO COLLECTING OVERDUE FEES (ANNUAL BASIS)</b>	
Reduced Replacement Costs from increased Long Overdue Return Rate	<b>\$12,897.77</b>
Reduced Replacement Costs from New Cardholder Restrictions (See Patron Accountability)	<b>\$4,466.88</b>
Credit Card Processing Costs	<b>\$600.00</b>
<b>Total:</b>	<b>\$17,964.65</b>

# RECOMMENDATION

Library staff and the Library Board recommends eliminating overdue fees. At only 0.08% of the City's projected revenue, the financial impact of eliminating overdue fees would be minimal compared to the benefits it would provide. Eliminating overdue fees will reduce barriers to access, increase the Library's return rate, reduce funding spent on replacement costs, improve the quality of our customer service interactions with patrons, and allow staff time to be spent more productively in service to our patrons rather than in conflict with them.