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TEXAS SUNSET ADVISORY COMMISSION

Texas State Library
and Archives Commission

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STAFF REPORT

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**TEXAS STATE LIBRARY AND
ARCHIVES COMMISSION**

March 1994

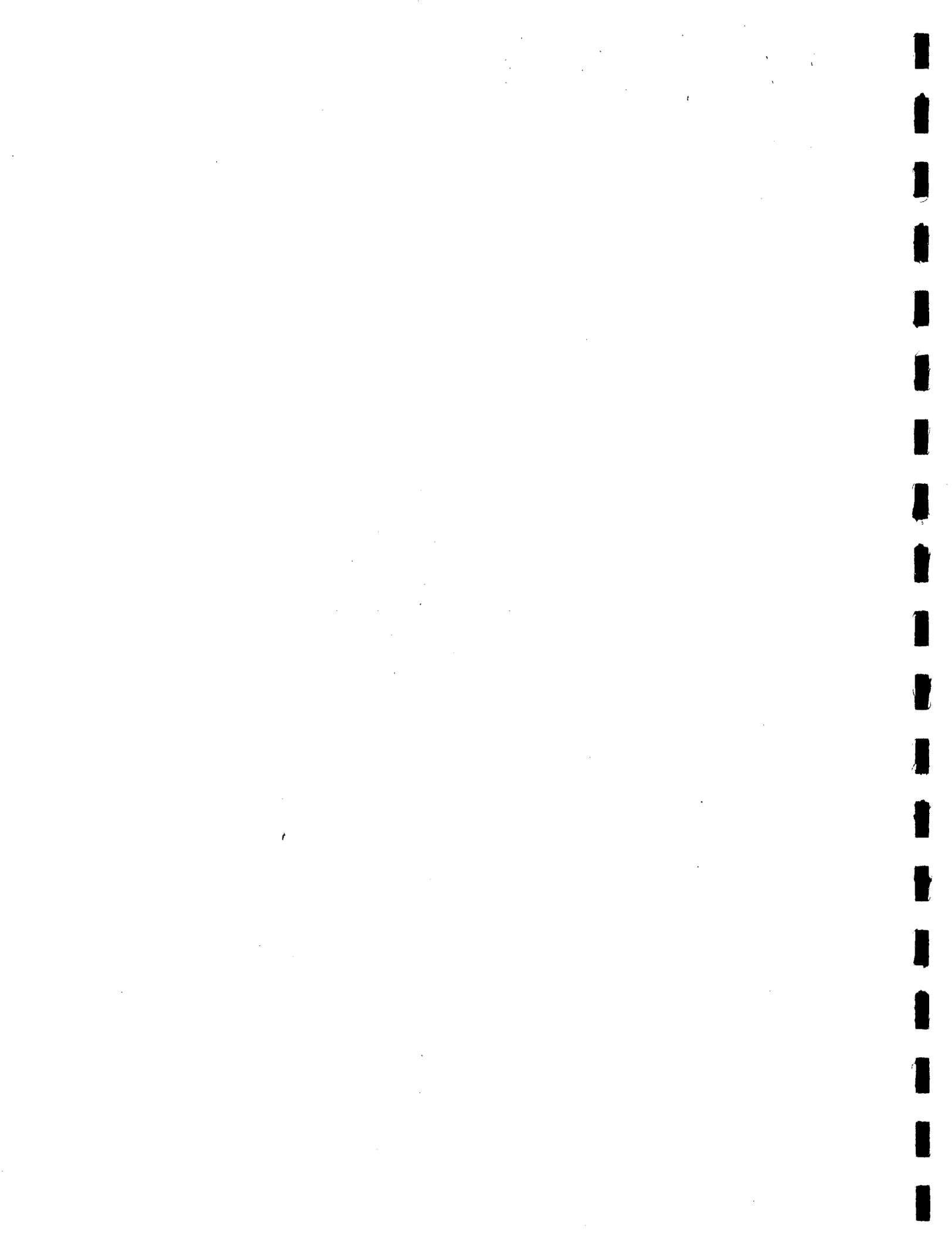


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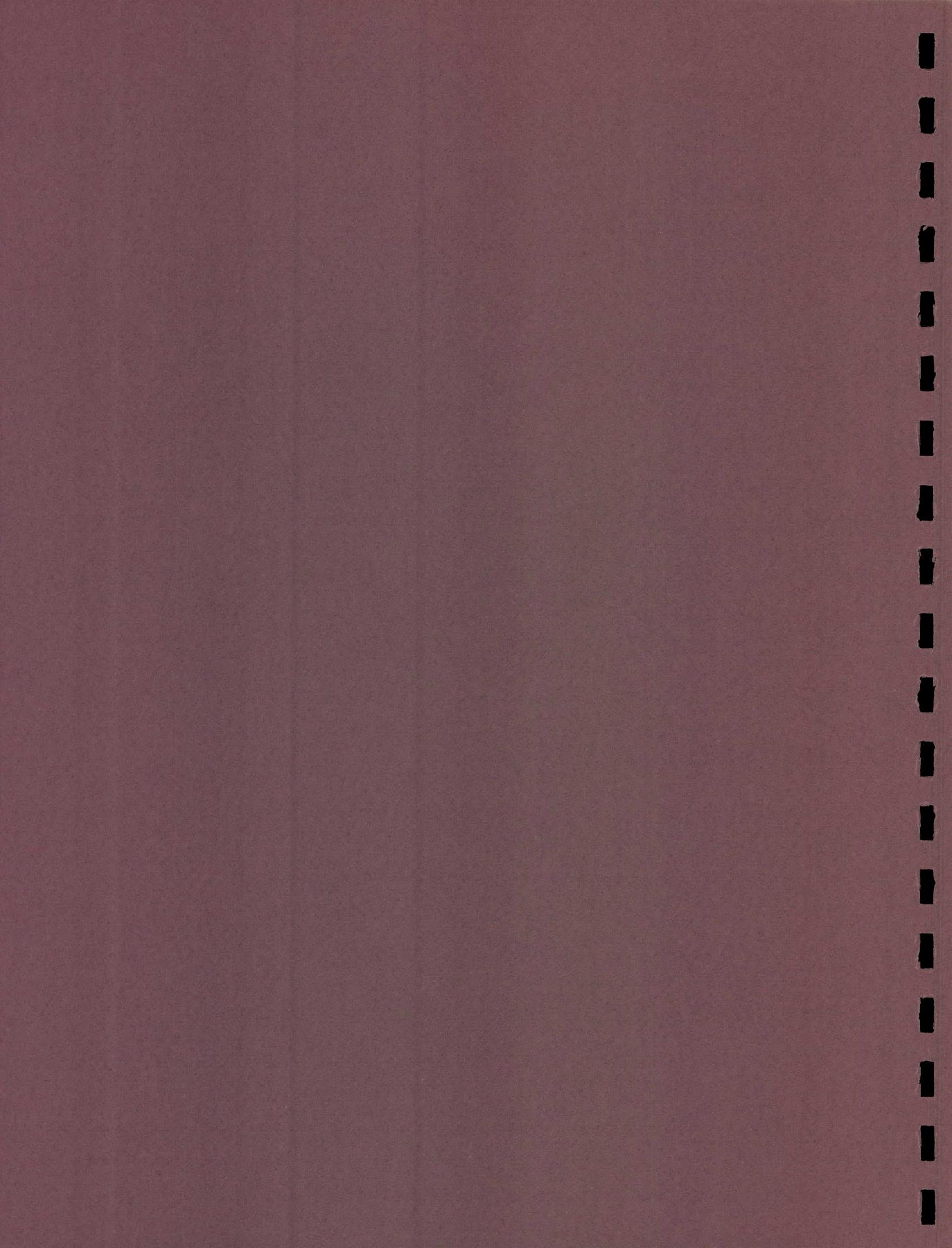
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SUMMARY



SUMMARY

The Texas State Library and Archives Commission is subject to the Texas Sunset Act and will automatically be abolished unless statutorily continued by the 74th Legislature in 1995. The review of the state library included an analysis of agency operations with respect to the 13 statutory Sunset criteria, which were used to evaluate the state library's efficiency and effectiveness. Based on the assessment of these criteria, the staff report contains recommendations on whether the state library's functions continue to be needed; if benefits could be gained by reorganizing the state library; and if existing statutory policies should be changed to improve the state library's programs and functions. These recommendations are listed below.

NEED FOR THE AGENCY

The Texas State Library and Archives Commission should be continued for 12 years and reviewed again in 2007. The review found that the state library's functions continue to be needed and are appropriately placed.

REORGANIZATIONAL ALTERNATIVES

No substantial benefits of reorganization were documented. As a result, the staff report does not contain recommendations for reorganizing the state library.

POLICYMAKING STRUCTURE

No changes were recommended.

OVERALL ADMINISTRATION

No changes were recommended.

EVALUATION OF PROGRAMS

The state library's programs and functions should be changed by:

- requiring the State Council on Competitive Government to review certain records management services to determine if the services should be competitively procured;
- requiring the Texas State Library to charge fees to recover costs for records storage services provided to state agencies;

- authorizing the Texas State Library to use state grants to target local library needs that cannot be met through existing library development programs;
- abolishing the Records Management and Preservation Advisory Committee and replacing it with an interagency coordinating council to review activities of member agencies that affect the current records management system;
- requiring the Texas State Library to develop an on-line index and provide access to state agency electronic publications;
- allowing local governments to adopt the records retention schedules developed by the Texas State Library in lieu of developing their own individual retention schedules; and
- streamlining the process used to adopt records retention schedules and rules affecting local government records by modifying the composition and duties of the Local Government Records Committee.

ACROSS-THE-BOARD RECOMMENDATIONS

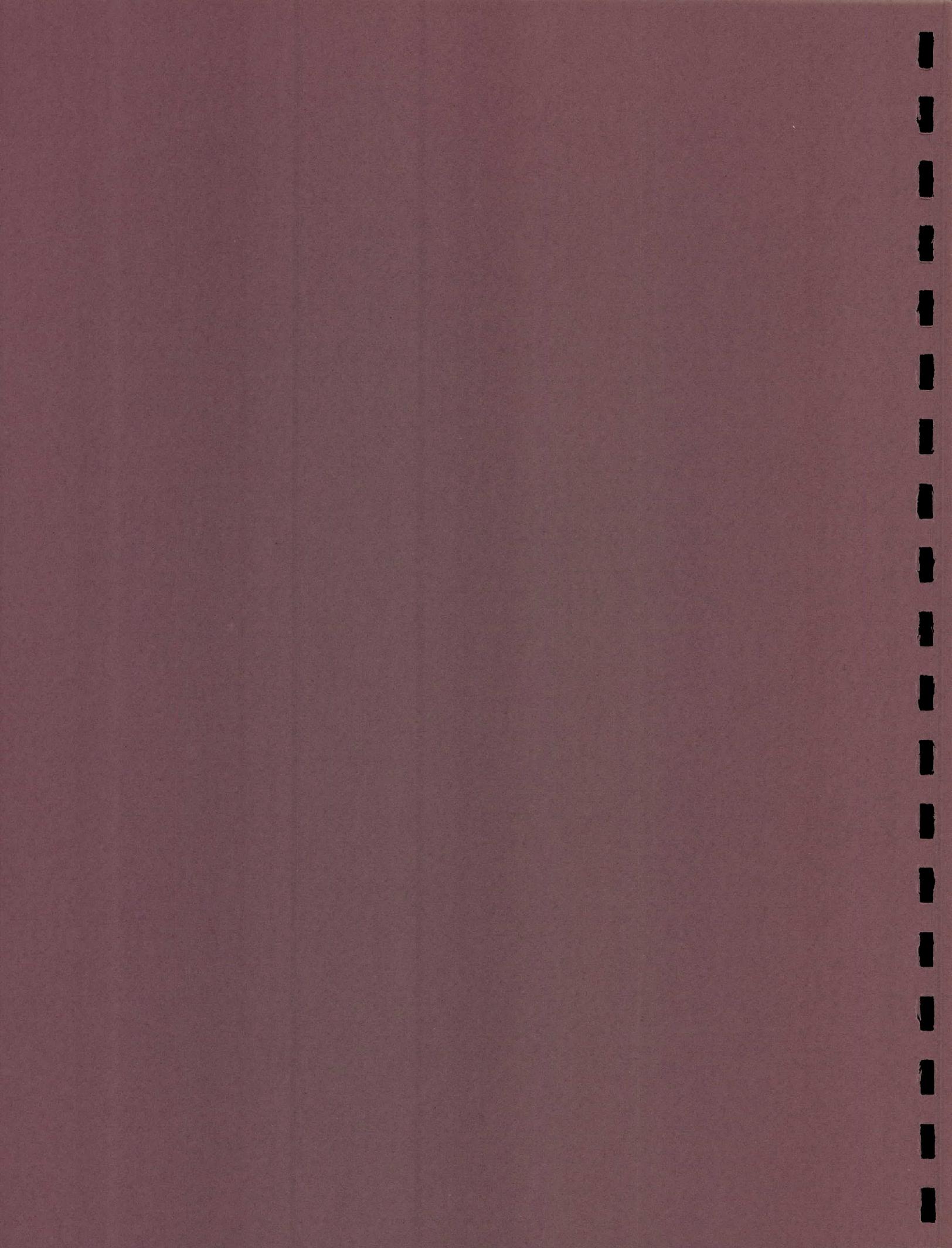
All of the relevant Sunset across-the-board recommendations (ATBs) were recommended for the Texas State Library and Archives Commission. In many cases, the ATBs were placed in the state library's statute during the last Sunset review but need updating to reflect current language. All of the general ATBs were recommended to be included or updated in the state library's statute. The state library has a limited certification program that certifies county librarians. Due to the nature of the program, only four of the licensing ATBs were recommended.

FISCAL IMPACT

Three recommendations in the staff report have a significant fiscal impact. First, the recommendation to recover the cost of records storage services would have no net fiscal impact to the state. However, this recommendation would result in using about \$37,000 of dedicated funds to support this service rather than general revenue funds. Second, the recommendation to create an on-line index and provide access to state agency electronic publications would result in a cost to the state of between \$500,000 and \$1 million each year. This cost may be further offset since the recommendation requires the state library to coordinate with other agencies and to use computer technology that is already in place to the extent possible. Finally, the recommendation to streamline the adoption process for records retention schedule and rules affecting local government records would result in a savings to the general revenue fund of \$2,500 each year. The known fiscal impact is summarized in the following table.

Fiscal Year	Costs to Other Dedicated Funds	Costs to Dedicated Accounts in General Revenue Fund	Net Revenue to Undedicated Portion of General Revenue Fund	Savings to the General Revenue Fund
1996	\$17,000	\$20,000	\$37,000	\$2,500
1997	\$17,000	\$20,000	\$37,000	\$2,500
1998	\$17,000	\$20,000	\$37,000	\$2,500
1999	\$17,000	\$20,000	\$37,000	\$2,500
2000	\$17,000	\$20,000	\$37,000	\$2,500

BACKGROUND



CREATION AND POWERS

The history and mission of the Texas State Library and Archives Commission (TSLAC) date back more than 150 years. The National Library of the Republic of Texas was created in 1839 and in 1866 the Office of State Librarian was created. Legislation in 1876 created the Department of Insurance, Statistics, and History; transferred the state library and all non-current, permanently valuable Texas government records to the new agency; and required that all non-current records still in any state agency be turned over to the new agency. The Texas Library and Historical Commission was created in 1909 and in 1979 was renamed the Texas State Library and Archives Commission. Due to the nature of the agency's duties, the agency is generally distinguished from the policymaking body by referring to it as the Texas State Library.

Since 1909, the Texas State Library and Archives Commission's functions have continued to grow. Services to Texans who are blind began in 1919 with a legislative appropriation to purchase materials for the blind. These services were expanded in 1931, when Texas began participating in a federal program, National Library Services for the Blind and Physically Handicapped administered by the Library of Congress. This program provides materials in recorded format and in braille through the postal service. In 1985, the Texas Legislature expanded the state library's services to the blind by creating a program to provide reading devices in public libraries. In 1993, the Legislature replaced the reading devices program with the authority for the Texas State Library to purchase print access aids for loan to public libraries.

Since 1927, the Texas State Library has assisted with the creation and development of local public libraries. Since the federal Library Services and Construction Act (LSCA) was enacted in 1956, the Texas State Library has participated in this federal program to assist local library development. The state's approach to assisting local public libraries was significantly modified by the enactment of the Texas Library Systems Act in 1969. Implementation of this act grouped libraries in the same region into a cooperative system and shifted the focus of the state library's effort from providing direct services to each local library to providing funding and technical assistance to each system of libraries, which then provide direct services to local public libraries.

The Texas State Library's responsibilities were expanded again when the state records management program was established in 1947. Similar responsibilities for local records were given to the Texas State Library in the early 1970s with the creation of the local government records management program. In 1989, the Local Government Records Act expanded the state library's responsibility to provide training and consulting to local governments in records management, to establish minimum retention periods for local government records, and to establish microform and electronic record keeping standards.

The Texas State Library continues to collect and preserve information and documents about Texas government, its history and people. In 1963, the state library was authorized to act as a clearinghouse and depository for state and federal documents.

Today, the Texas State Library is the state agency responsible for collecting and preserving information about Texas and making this information available to the public. The library also provides materials to Texans who are unable to read standard print, assists local public libraries with their development, and administers the state and local government records programs.

POLICYMAKING STRUCTURE

The Texas State Library and Archives Commission is composed of six members appointed by the Governor, with the advice and consent of the Senate, who serve staggered six-year terms. Although the statute does not specify qualifications for serving on the commission, it prohibits a person who is required to register as a lobbyist or who is an officer, employee, or paid consultant of a trade association in the library or archival industry from serving on the commission. The presiding officers of the commission are chosen by its members.

The commission is required by the statute to appoint the director and librarian who carries out the administrative and executive functions of the commission. The statute specifies the director and librarian must have at least two years of training in library science or the equivalent experience in teaching or research, and two years of administrative experience in the field of libraries or research. The commission is also required to approve the director and librarian's appointments of an assistant state librarian, state archivist, and other assistants necessary for the maintenance of the libraries and archives of Texas.

The commission is required to hold at least one regular meeting each year and as many special meetings as are necessary. The commission met six times in fiscal year 1992 and four times in fiscal year 1993. The statutory duties of the commission include governing the Texas State Library; adopting policies and rules to encourage cooperation among all types of libraries; collecting and preserving materials relating to the history of Texas and adjoining states; and diffusing knowledge related to the history of Texas. The commission is also responsible for encouraging historical work and research, providing assistance for the development and maintenance of public libraries, adopting rules governing effective records management programs in local governments, and administering the talking book program.

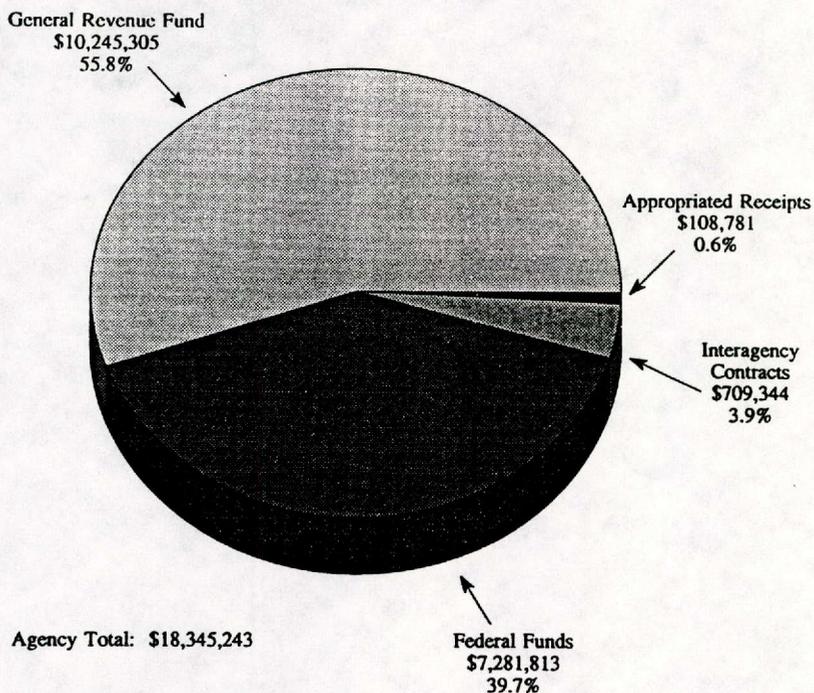
The commission is assisted by four advisory committees: the Library Services and Construction Act Advisory Council; the Library Systems Act Advisory Board; the Local Government Records Committee (LGRC); and the Records Management and Preservation Advisory Committee. The Local Government Records Committee has greater authority than most advisory committees. The

LGRC must adopt records retention schedules that are used as guidelines by local governments and forward these retention schedules on to the commission. The commission may either approve or reject the LGRC recommendations, but may not modify them.

FUNDING AND ORGANIZATION

The Texas State Library and Archives Commission received total funding in fiscal year 1993 of more than \$18.3 million, which includes about \$10.2 million of state funds and \$7.3 million of federal funds. The remaining \$800,000 came from interagency contracts and appropriated receipts. The Texas State Library has the statutory authority to charge fees for the publications and microfiche it produces, for microfilming services it provides to state agencies and local governments, and for certifying county librarians. The sale of publications and microfiche generated revenue of about \$109,000 in fiscal year 1993. Currently, only the microfilming services are operated on a cost-recovery basis, which generated revenue of about \$829,000 in fiscal year 1993. Exhibit A shows the sources of funding the state library received in fiscal year 1993.

Exhibit A
SOURCES OF FUNDING
 Texas State Library and Archives Commission
 Fiscal Year 1993



During fiscal year 1993, the Texas State Library expended more than \$18.3 million. The largest percentage of the fiscal year 1993 expenditures was in the statewide library development program, which accounted for \$12.7 million or 69 percent of total expenditures. The state library spent about \$2 million or 10.9 percent on the state and local records management program, and about \$1.3 million or 6.9 percent on the talking book program. All other program's expenditures accounted for the remaining \$2.3 million of the state library's total budget. Exhibit B shows a breakdown of the state library's expenditures by major program. Exhibit C provides expenditure information for the last five years.

Exhibit B
EXPENDITURES BY MAJOR PROGRAM
Texas State Library and Archives Commission
Fiscal Year 1993

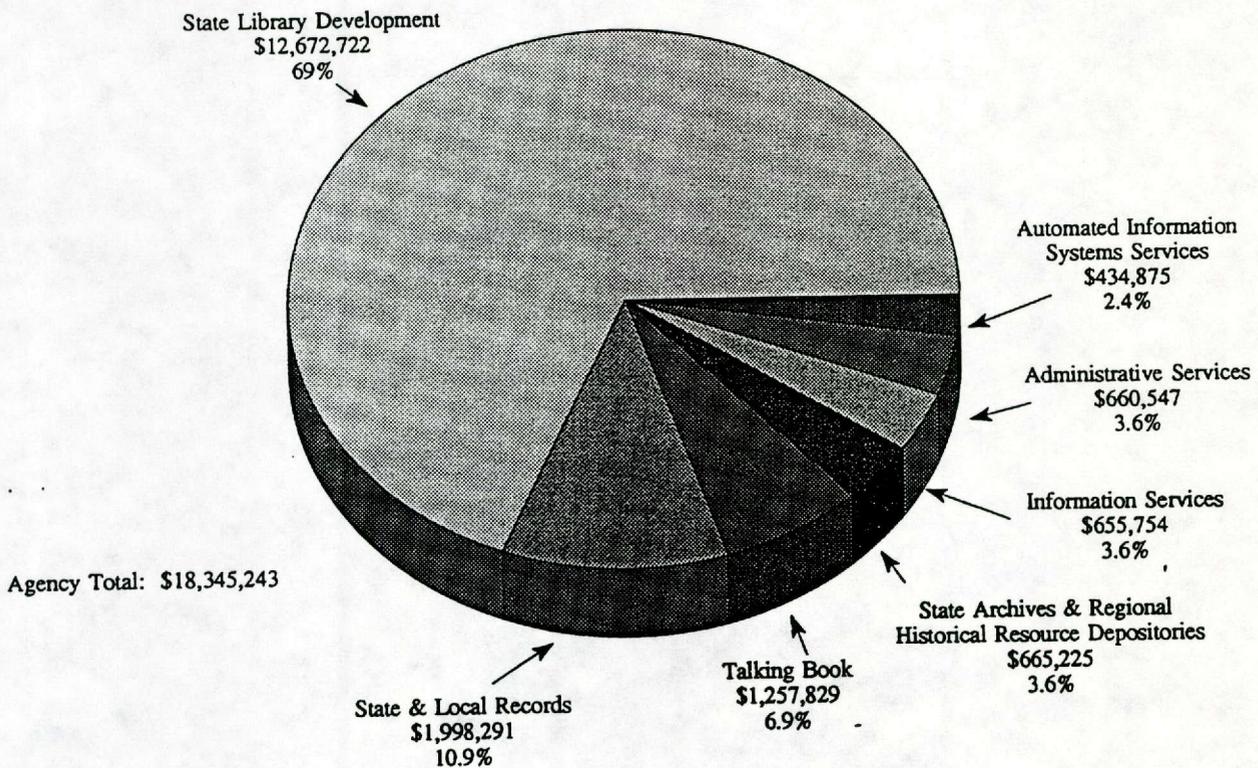
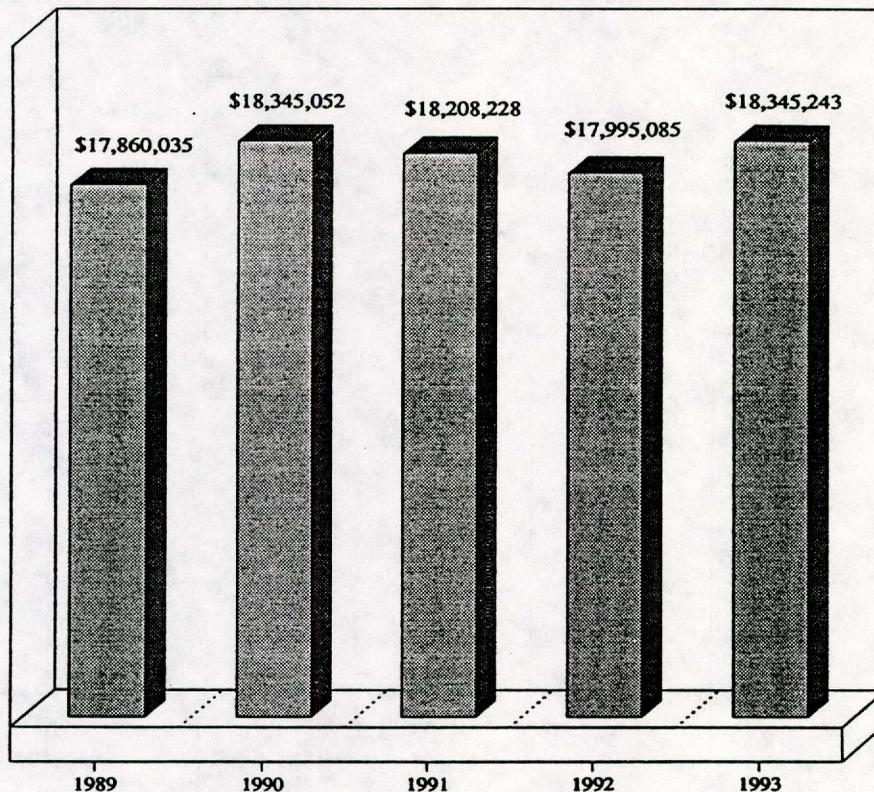
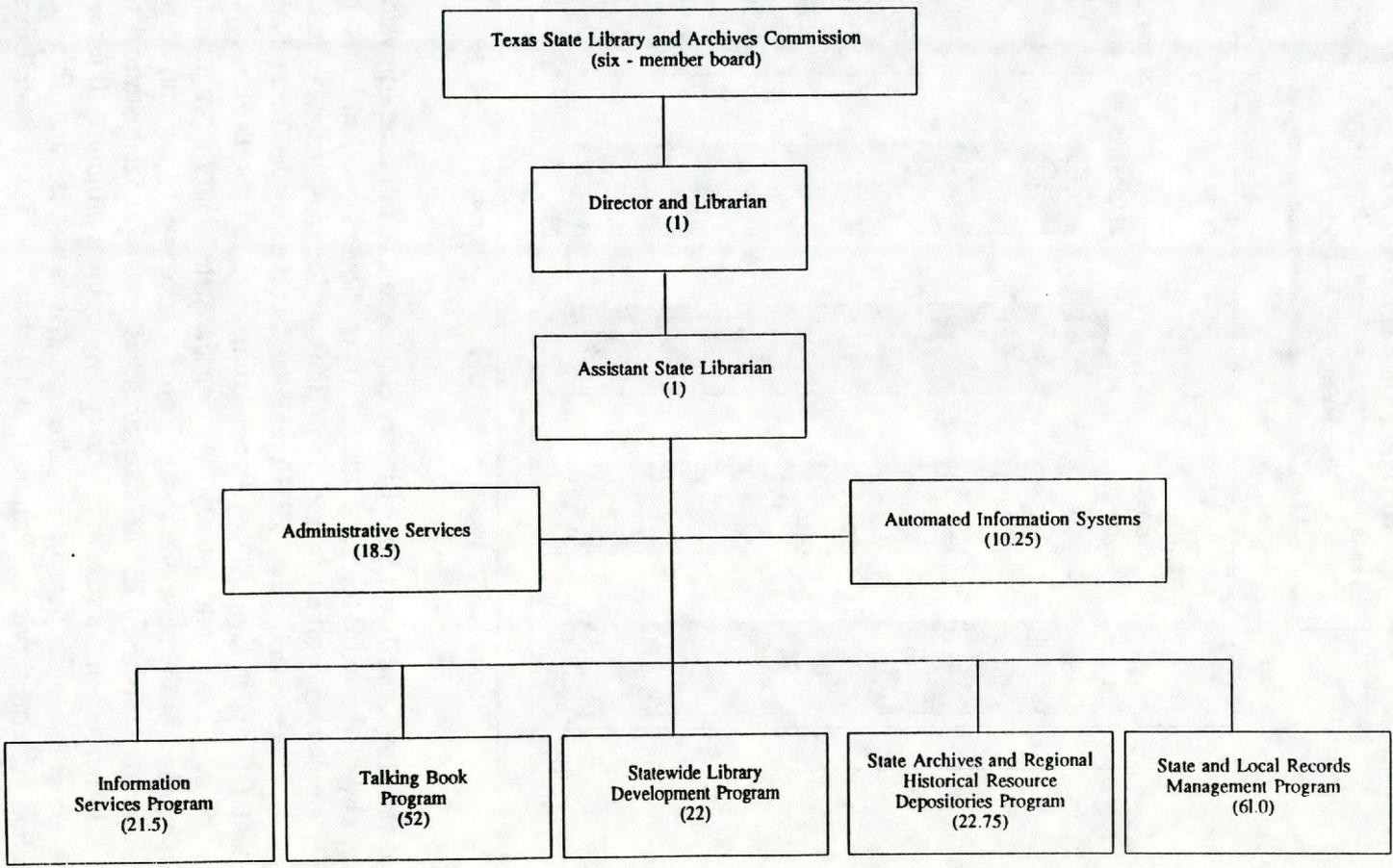


Exhibit C
HISTORY OF EXPENDITURES
Texas State Library and Archives Commission
Fiscal Years 1989 - 1993



In fiscal year 1993, the Texas State Library employed 210 full-time equivalent (FTE) employees. The majority of the work force, or 200.5 FTE employees, worked in the two Austin facilities, 7.5 FTE employees worked in the Sam Houston Regional Library and Research Center in Liberty, and the remaining two FTE employees worked in the Texas State Library's Records Consultant Offices in San Antonio and Arlington. Exhibit D illustrates the organizational structure of the Texas State Library. Among the state library's programs, about 29 percent of the staff worked in the state and local records management program, 25 percent in the talking book program, 11 percent in the state archives and regional historical resource depositories program, 11 percent in the statewide library development program, 10 percent in the information services program, nine percent in administrative services, and five percent in automated information systems services. Exhibit E shows how the Texas State Library's work force has changed over the five-year period in different categories of employment and how it compares with minority employment goals established by the General Appropriations Act.

Exhibit D
ORGANIZATIONAL CHART
 Texas State Library and Archives Commission
 Fiscal Year 1993



Total Full-time Equivalent Employees: 210

Exhibit E
PERCENTAGE OF MINORITIES IN AGENCY'S WORK FORCE
Texas State Library and Archives Commission

Job Category	1989 Total Work Force 206		1993 Total Work Force 220		1992-1993 Appropriations Act Statewide Goal for Minority Work Force Representation
	Total Positions	% Minority	Total Positions	% Minority	
Administrators	10	0%	9	11%	14%
Professionals	67	16%	73	18%	18%
Technicians	8	25%	6	33%	23%
Para-Professionals	21	19%	30	37%	25%
Administrative Support	80	41%	77	45%	25%
Skilled Craft	17	53%	21	43%	29%
Service/Maintenance	3	33%	4	25%	52%

PROGRAMS AND FUNCTIONS

The Texas State Library is responsible for making and implementing policies concerning the access, storage, preservation, and destruction of government information and materials related to Texas history and its people. The state library serves as a depository for state and federal documents and gives federal grants to Texas library systems for library development and for improving the sharing of library resources, and administers the federal talking book program to meet library needs of Texans with visual and physical disabilities. The state library also provides guidelines and standards for the operation of regional historical resource depositories for valuable local government records and archival materials. Finally, the state library provides assistance to state agencies and local governments in the development of records retention schedules and records management programs. These major programs and other activities performed by the state library are described in the following sections.

STATEWIDE LIBRARY DEVELOPMENT

The statewide library development program focuses on expanding public access to the resources of libraries, encouraging the sharing of library resources, and assisting local library development. The program receives more than 50 percent of its funding from the federal government through the Library Services and Construction Act (LSCA). Although the LSCA places certain restrictions on the federal funds, the state has a good deal of flexibility in the way it spends the federal funds. The program currently spends its library development funds in three areas. These areas are statewide resource sharing, the Texas Library System, and direct aid to local libraries. In addition, the program certifies county librarians as required by state law.

The statewide library development program is the state library's largest program in terms of funding, accounting for about 69 percent of the total funding. In fiscal year 1993, the program had 22 FTE employees and operated with a total budget of \$12.7 million, of which 43 percent was state general revenue funding and 57 percent was federal LSCA funding. The program spent about 97 percent of its budget on resource sharing and library development, and the remaining balance on program administration. To remain eligible for the LSCA funding the state must spend at least 90 percent of the amount of state funds it spent two years ago.

The commission is advised by two advisory committees on library development in Texas. The Library Services and Construction Act Advisory Council is mandated by the federal act to advise the commission on the development of the state plan, and assist the commission in evaluating activities under the act. The council also approves federal grant applications and required documents submitted by local libraries for the direct grants awarded by the Texas State Library under the LSCA. The Library Systems Act Advisory Board is established by the Texas Library Systems Act. The board assists the commission by providing an independent review of issues regarding the Texas Library System. The board is responsible for hearing appeals brought by local libraries that have lost membership, and proposing changes in the administration of the Texas Library Systems Act.

► Statewide Resource Sharing

The statewide library development program administers two federally funded projects to encourage resource sharing. The first project, major urban resource library (MURL) grants, allocates funding to the 18 largest city libraries for providing some library services to people who live outside their boundaries. The 18 libraries were selected based on the federal eligibility criteria for the MURL grants. The MURL grants are federally mandated under the Library Services and Construction Act. In fiscal year 1993, the MURL grants totaled approximately \$629,000.

The second library development project is the statewide interlibrary loan network (TexNet). The Texas State Library contracts with 10 large public libraries to allow smaller public, academic and special libraries to borrow books and journal articles that are needed by their patrons. In fiscal year 1993, about \$1.9 million in federal funds were expended on this project which included funding approximately 45 FTE employees in the contracting libraries, computer network costs, postage, telephone and administrative overhead.

► **Texas Library System**

The Texas Library System is one way the Texas State Library aids and encourages the development of local public libraries. The Library Systems Act requires the Texas State Library and Archives Commission to establish a state library system and sets out the basic framework of the system. The Texas State Library allocates state and federal LSCA funds to 10 library systems created under the act. The components of the Texas Library System are described below.

► Structure

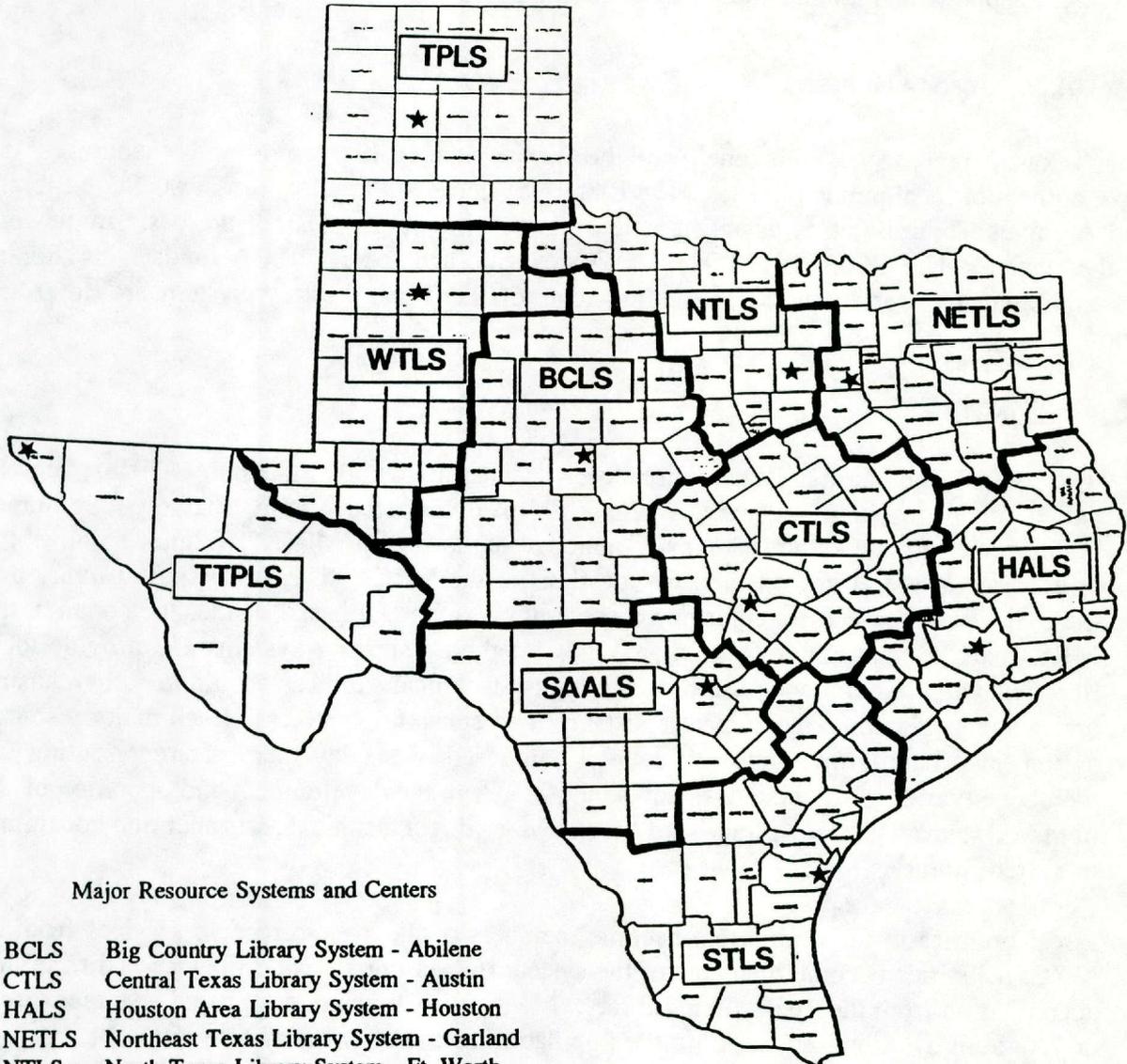
The commission, through its administrative rules, has divided the state into 10 library regions called "major resource systems." Within each major resource system, a large public library is designated by the commission as a "major resource center (MRC)." Exhibit F shows the boundaries of the 10 regions and the locations of the MRCs. The Texas State Library and the major resource centers enter into a contract on an annual basis. Under the contract, the MRCs handle grant administration activities for their respective systems and provide local libraries with continuing education programs, technical services, equipment purchasing assistance, collection development assistance, and consulting services. Each major resource system also has its own advisory council composed of six lay members representing the member libraries of the system to advise the MRCs in the development and operation of the library system. The state library staff also provides direct technical assistance and consulting to system libraries.

Local libraries in the region that become members of the system receive services from an MRC. Libraries become members of the system by passing a local ordinance and receiving accreditation from the Texas State Library. Member libraries are designated as either "area" or "community" libraries based on the population of the community they serve.

► Accreditation

To maintain active membership in the system, member libraries must be accredited each year. A public library must file a report with the Texas State Library to determine if the local library meets the accreditation standards. These standards include the local library's ability

Exhibit F
TEXAS LIBRARY SYSTEMS
 Texas State Library and Archives Commission
 Fiscal Year 1993



Major Resource Systems and Centers

BCLS	Big Country Library System - Abilene
CTLS	Central Texas Library System - Austin
HALS	Houston Area Library System - Houston
NETLS	Northeast Texas Library System - Garland
NTLS	North Texas Library System - Ft. Worth
SAALS	San Antonio Area Library System - San Antonio
STLS	South Texas Library System - Corpus Christi
TPLS	Texas Panhandle Library System - Amarillo
TTPLS	Texas Trans-Pecos Library System - El Paso
WTLS	West Texas Library System - Lubbock

to maintain the same level of per capita expenditures, the type and level of services provided, staffing, books owned, hours of operation, and telephone access. Local libraries may be provisionally or probationally accredited if they fail to meet only one of these standards. The MRC staff will assist in improving the performance of local libraries that fail to meet accreditation standards. Local libraries that fail to meet more than one of the standards are ineligible for system membership or direct grants for the ensuing fiscal year, but remain eligible for consulting, continuing education, and interlibrary loan services. However, accreditation is based entirely on self-reports; the state library does not have the resources to conduct on-site inspections or audits.

▶ Funding

The 10 major resource systems receive federal funding under the federal Library Services and Construction Act (LSCA) administered by the U.S. Department of Education. The federal funding is combined with the state funds and allocated among the 10 major resource systems using the formula specified in the Texas Library Systems Act. The formula specifies that 25 percent of the total available funds is allocated evenly among the 10 systems, and the remaining 75 percent is allocated to each system based on the population within the region of the library system. In fiscal year 1993, the Texas Library System expended about \$8 million.

▶ **Direct Aid to Local Libraries**

Direct aid to local libraries is the second way the Texas State Library aids and encourages the development of local public libraries. The direct aid is provided through grants to local libraries, consulting and continuing education services, and the Texas Reading Club. All local libraries are eligible for consulting and continuing education services and the Texas Reading Club; however, only members of the Texas Library System may receive direct grants.

▶ Grants to Local Libraries

The program administers three federally funded direct grants to local libraries. Construction grants are offered on a competitive basis to build, remodel or renovate a public library facility. In fiscal year 1993, eight grants were awarded to local libraries for a total of about \$1 million. Establishment grants are offered to start public libraries in counties without library services. Twelve counties did not have library services during fiscal year 1993. The counties without library services include Borden, Bosque, Duval, Glasscock, Loving, McMullen, Marion, Mills, Reeves, Sterling, Throckmorton, and Zavala. Under this grant libraries can apply for up to three years of funding. In fiscal year 1993 three grants were awarded for a total of about \$105,000. Disadvantaged grants are offered on a competitive basis to local public libraries to conduct demonstration or start-up programs to serve the

elderly, the limited English-speaking, adults with less than a 12th grade education, the poor, or the unemployed. In fiscal year 1993 seven grants were awarded for a total of about \$200,000.

▶ Consulting and Continuing Education

The program provides consulting and continuing education to help improve the skills and knowledge of local library staff through training and consulting in library automation, organizational development, literacy and adult education, services to special populations, and children's and youth programming. Training is also offered for library directors who lack formal schooling in library science. A library science collection, maintained by the Texas State Library, includes specialized library-related materials and information. The materials in the collection are available by mail and telephone to librarians and local library board members to help them enhance their skills, solve problems, and develop new ideas. In fiscal year 1993, about \$290,000 was expended on consulting and continuing education.

▶ Texas Reading Club

The Texas Reading Club of the Texas State Library offers an annual theme to attract children to the joy of reading. Local public libraries receive free promotional materials and a manual to help librarians and volunteers manage a local summer reading club. More than 420,000 children and 650 public libraries participate in the program each year. The Texas Reading Club expended about \$61,000 in fiscal year 1993.

▶ **Certification**

According to the county library law, a library that is wholly or partially supported by county funds must employ a librarian who meets the Texas State Library and Archives Commission's certification requirements. To carry out its statutory responsibilities, the Texas State Library has adopted three grades of county librarian certification. These grades include: Grade I, a permanent certificate for librarians holding a master's degree in library science from a school accredited by the American Library Association; Grade II, a temporary certificate requiring a college degree or a combination of at least two years of college and up to 2,000 hours of library experience; and Grade III, a temporary certificate requiring 30 hours of college credit or a combination of a high school diploma, college credit, and library experience. A Grade I certificate is required to administer a county library serving more than 25,000 people; a Grade II certificate is required to administer libraries serving between 10,000 and 25,000 people; and a Grade III certificate is required to administer libraries serving less than 10,000 people. Temporary certificates must be renewed every two years and require proof of continuing education. The statute authorizes the commission to establish a fee schedule for certification, but

the commission has not adopted one. Expenditures for the county librarian certification program are included in the administrative budget of the statewide library development program.

TALKING BOOK

The talking book program provides direct, free library service by mail to Texas citizens with qualifying disabilities from a centralized collection of materials in large-print, cassette, braille, and record formats. The talking book program receives materials and equipment from the federal government under the National Library Service for the Blind and Physically Handicapped. The state supplements the materials it receives with materials by Texans and about Texas. The Texas State Library distributes these materials and equipment to eligible Texas citizens who register to participate in the program either directly or through institutions such as schools, hospitals, and nursing homes. The program also enlists volunteers to deliver program services using a total of 18,000 volunteer hours in fiscal year 1993. In the same fiscal year, the program expended about \$1.3 million and had 52 FTE employees. The total collection of the talking book program is 900,000 volumes in large print, braille, cassette, and record formats.

► Reader Services

To help patrons select the materials they would like to receive, the program staff develops and maintains individual reader profiles on an automated system, called ACCESS. The reader profiles include subject matters of interest, the format of the materials to be sent, as well as other patron preferences. The staff served 25,851 persons in fiscal year 1993 and expended about \$349,000.

► Circulation

Reading materials and playback equipment are mailed to patrons by postage-free service and received from patrons daily. Each day about 3,000 volumes are mailed to patrons and the staff receives about 3,000 volumes that patrons have returned. Total circulation was 718,845 volumes in fiscal year 1993. To meet this workload, the circulation function relies on volunteers to support staff efforts. The circulation activity expended about \$312,000 in fiscal year 1993.

► Public Awareness

In order to reach unserved eligible Texans and to maintain ties with registered patrons, the staff conducts a variety of public awareness activities. Typical activities include writing articles, developing brochures, exhibiting at professional conferences and responding to telephone inquiries. About \$24,000 was expended on public awareness activities in fiscal year 1993.

► Volunteer Services

The volunteer services consists of recruiting volunteers, coordinating their efforts in the division and operating the volunteer recording studio. Volunteers throughout the division contributed more than 18,000 hours in fiscal year 1993. The volunteers used the recording studio to produce materials on cassette to supplement the materials received from the federal government under the National Library Service. The volunteers record books and magazines that are of particular interest to Texas users of the program. The more than 90 studio volunteers produce between 200 to 300 titles each year. About \$88,000 was expended on volunteer services in fiscal year 1993.

► Disabilities Reference

The staff provides information and referral services to patrons, teachers, or families who have questions about disabilities or adaptive technology that can assist persons with a variety of disabilities to function independently. About \$65,000 was expended on disabilities reference in fiscal year 1993.

► Support Services

To keep the talking book program operating several support services are required. First, to handle the high volume of patron activity and daily transactions, the staff uses a comprehensive automated system called ACCESS. To maintain this system, the program spent about \$184,000 in fiscal year 1993. The second service, the bibliographic control project, orders all library materials for the program, enters the bibliographic information for new materials into ACCESS, selects titles to be recorded in the volunteer recording studio, and requests copyright clearance for titles selected for recording. This support service expended about \$24,000 in fiscal year 1993. The third service, audio operations, produces multiple copies of cassette books and magazines by operating a variety of audio duplicating and recording equipment. Audio operations also performs advanced equipment maintenance and repairs, and diagnoses and corrects problems with cassette books that have been returned as defective. Audio operations expended about \$61,000 in fiscal year 1993. The last support service, administrative services, provides general support services to the program including mail processing, purchasing, travel arrangements, maintenance requests, and parking permits. Administrative services expended about \$149,000 in fiscal year 1993.

INFORMATION SERVICES

The information services program provides and promotes the use of information resources by serving as a clearinghouse and depository for state and federal government information as well

as collecting a broad range of information about Texas. In fiscal year 1993, the information services program expended about \$656,000 with 21.5 FTE employees.

► Texas State Publications Clearinghouse

The state depository law requires the Texas State Library to acquire, organize, collect and provide public access to state agency publications. The state depository law also authorizes the creation of state depository libraries throughout the state. The state library has designated 49 libraries in 34 cities as state depository libraries. The clearinghouse staff receives enough copies of most state agency publications to distribute a copy to each depository library. The clearinghouse distributes about 250 state agency publications to the depository libraries each month. In fiscal year 1993, the clearinghouse expended about \$102,000.

► Federal Depository Program

The Texas State Library serves as one of the two regional federal government depositories in the state. The library receives and catalogs federal publications and information, and provides the public with easy access to federal government information. Access to the federal census information is enhanced by the state library's link to a federal government network with the Texas Department of Commerce, Texas A&M University, and the Texas Natural Resource Information System. Each of the members of the network provides different services to make more complete and detailed information available to the public. The state library receives an average of 70,000 items of federal information each year. Expenditures related to the federal depository program are included in the reference and technical services budget.

► Reference and Technical Services

The program provides library services directly to state agencies and the public. The staff provides reference services to patrons to help them locate the information they seek. Besides the materials collected by the information services program, the staff can access many electronic databases and download the information for patrons. One of these databases allows the staff to identify other libraries that own materials and to borrow them for the Texas State Library's patrons through an interlibrary loan system. In addition to the state and federal government information and general information on Texas, the state library has a large genealogy collection. The genealogy collection maintains records on Texas and Texans including birth and death indexes, Texas biographies and county histories, marriage and cemetery records, as well as genealogical books and data about some other states. The collection also includes all available census schedules for all states from 1790 through 1910, and periodicals published by major American genealogical societies and Texas county and area genealogical societies. In fiscal year

1993, the information services staff answered 64,234 inquires and referred 4,217 questions to their appropriate sources.

The program staff performs the technical services necessary to develop and maintain the state library's collection. The staff acquires and catalogs library information by using an international bibliographic database and by including the information in an on-line public access catalog system. The staff also purchases materials for state school and prison libraries under the Library Services and Construction Act. The program expended \$554,000 on reference and technical services in fiscal year 1993.

STATE AND LOCAL RECORDS

State and local governments generate a large amount of information and a large number of publications. Proper identification, storage and preservation of these records ensures public access and use of government records. The state and local records program is responsible for providing records management training and consulting to state agencies and local governments; for providing free records storage services to state agencies; and for providing microfilming services on a fee basis to state agencies and local governments. The purpose of these efforts is to achieve increased cost-effectiveness and efficiency in records management practices throughout government while ensuring that records are properly retained and preserved. In fiscal year 1993, the program expended about \$2 million, with a total of 61 FTE employees.

► Records Management Administration

The records management administration staff produces guidelines, policies, procedures and administrative rules to help state agencies and local governments develop and implement records management programs required by law. The staff provides direct assistance in records management to state agencies and local governments through classroom training and consulting. The staff also reviews and analyzes retention schedules for government records and updates the *State of Texas Records Management Manual*. Staff consultants work from the Austin, Arlington, and Liberty offices. In fiscal year 1993, the staff fielded more than 9,800 requests for assistance, provided more than 7,300 hours of workshop training to more than 2,700 state and local government officials, and delivered close to 8,000 hours of one-on-one consulting with 7,000 government officials. The program expended about \$390,000 on these activities in fiscal year 1993.

► State Records Center

The state records center provides state agencies in Austin with cost-effective control over non-current, infrequently used state records in hard copy, electronic and microform formats. Currently the center stores more than 190,000 cubic feet of hard copy records, more than 4,000

cubic feet of electronic media records, and more than 269,000 rolls of microfilm for 96 state agencies. In fiscal year 1993, the staff retrieved, delivered, and refiled more than 82,000 individual records; acquired, transferred or destroyed about 84,000 cubic feet of hard copy records and 41,000 rolls of microfilm; and handled nearly 30,000 cubic feet of disaster recovery backup records maintained in electronic format. In fiscal year 1993, the center expended about \$314,000.

► Micrographic Services

Micrographic services provides microfilming services to state agencies and local governments. The centralized services help reduce the costly duplication of space, equipment, and staff resources at the state and local level. In fiscal year 1993, the staff microfilmed 9.8 million documents, developed more than 79,000 rolls of film, and duplicated more than 55,000 rolls of film. Operating on a cost-recovery basis, micrographic services generated about \$829,000 in fee revenue and expended about \$726,500 in fiscal year 1993.

► Support Services

To keep the state and local records management program operating several support services are required. Office support, facilities and equipment maintenance services are provided to records management administration, the records center, and microfilming services. The support services unit also provides word and data processing and automation support; administrative assistance associated with the delivery of records management services to state and local governments and the public; and accounting, purchasing, statistical analysis and reporting services. The unit is also responsible for maintaining the records center building, grounds and equipment. Other support services provided include equipment inventory, facility security, and destruction of obsolete records. In fiscal year 1993, the program expended about \$576,500 on these activities and generated fee revenue of about \$40,000 for shredding obsolete state and local government records.

STATE ARCHIVES AND REGIONAL HISTORICAL RESOURCE DEPOSITORIES

The state archives and regional historical resource depositories program is responsible for identifying, acquiring, preserving, and making available the non-current and permanently valuable fiscal, legal, and historical records of Texas state agencies and local governments, as well as private papers, maps, photographs, books, newspapers, and microfilms that are relevant to Texas history. The Texas State Library also operates a state-funded regional depository in Liberty and has agreements with 23 local entities that serve as regional historical resource depositories. In

fiscal year 1993, the state archives and regional historical resource depositories program expended a total of about \$665,000, with 22.75 FTE employees.

► State Archives

Currently, the state archives has a total collection of more than 30,000 cubic feet of records that have permanent value. The staff works with state agencies and with the staff of the state and local records management program to determine which records should be retained permanently in the state archives. About one to three percent of state agency records have permanent, archival value. Once records of permanent, archival value have been identified and transferred to the archives, the staff cleans, mends, and uses chemical treatments to preserve these materials, and sometimes makes preservation duplicates on microfilm or better paper.

The materials collected in the state archives are available to the public under conditions necessary to ensure the material is not damaged. The staff provides direct service to assist the public's use of the materials or refers patrons to appropriate sources. In fiscal year 1993, the staff answered 30,091 inquiries and referred 4,333 questions to their appropriate sources. Clients are charged for copies and for expenses associated with the mailing, delivery, shipping or facsimile transmission of those copies. Publication such as guides, inventories, and indexes to the archival collections are produced for sale to the general public.

The state archives has been required for more than 20 years to document current events with photographs. The state archives contracts with a photographer to document events. Although the majority of the photographer's time is generally spent on legislative and gubernatorial events, recently this has shifted to the capitol and General Land Office Building restorations. The current photographic collections include more than 500,000 images.

In fiscal year 1993, the state archives expended about \$471,000 with 15.25 FTE employees. The state archives generated about \$2,600 in fee revenue from publication sales.

► Regional Historical Resource Depositories

The Texas State Library was authorized in 1971 to administer regional historical resource depositories (RHRD). These depositories provide a uniform, statewide system for the professional retention and preservation of permanently valuable local government records and historical resources in the region of origin or interest. To become an RHRD, a local entity, usually a large public or academic library, enters into an agreement with the Texas State Library to provide suitable and free space to store records, and staff to maintain and provide access to the records. The Texas State Library advises the regional depositories on the development of the archival depositories. Either the state library or the local entity can end the agreement to serve

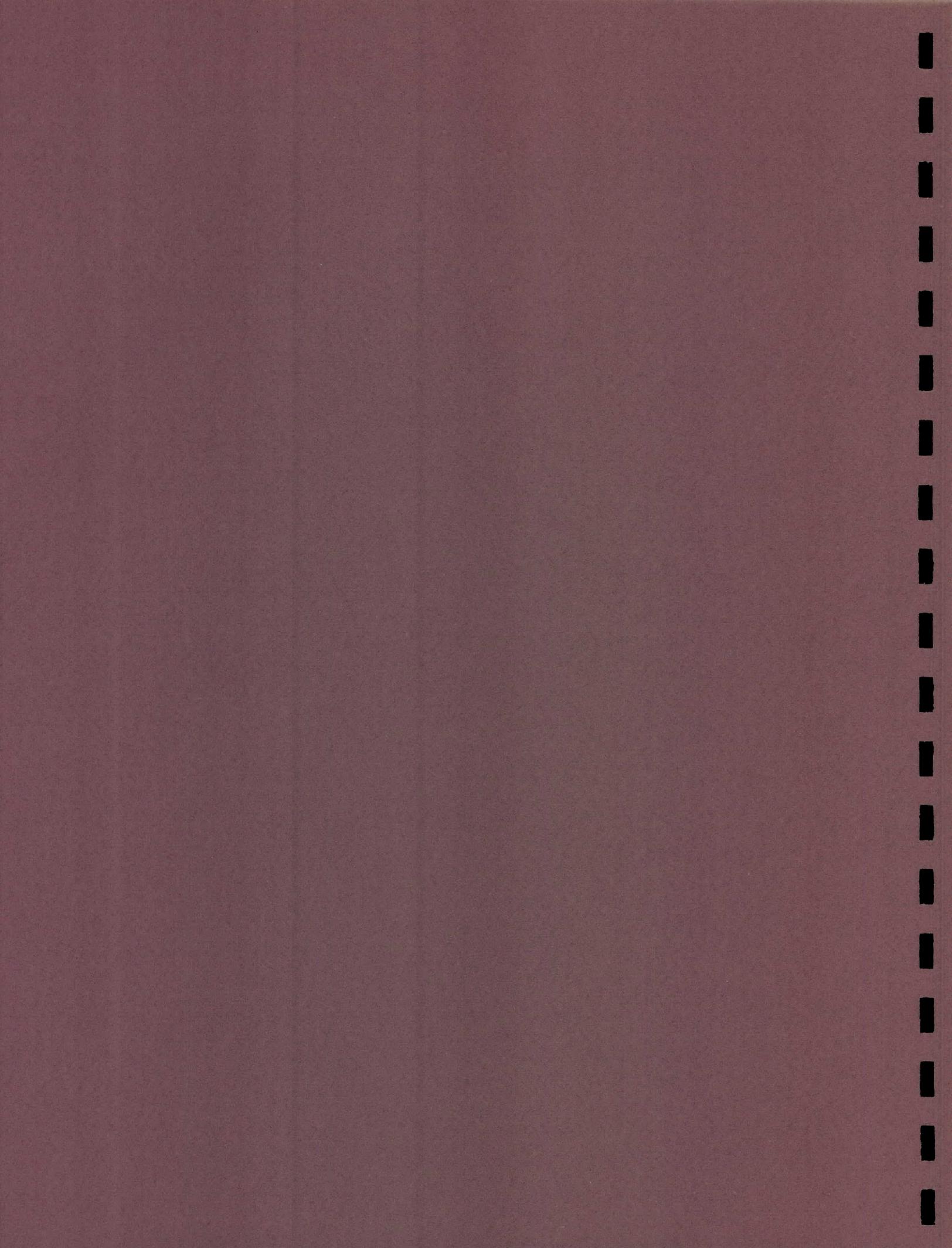
as an RHRD with proper notice to the other party. The state library staff also advises local governments on the preservation of local government records.

Currently, the 24 regional historical resource depositories in the state store approximately 14,000 cubic feet of permanently valuable local government records. Only one of those depositories, the Sam Houston Regional Library and Research Center in Liberty, is owned and administered directly by the Texas State Library. Local governments are not required to transfer their records to an RHRD, but many choose to do so due to the expense of maintaining their own records. In fiscal year 1993, the regional historical resource depositories program expended about \$194,000 with 7.5 FTE employees.

ADMINISTRATION

The Texas State Library's administration consists of administrative services and automated information systems services. Administrative services provides accounting, personnel, reproduction, mail, public information, and facilities management to the entire agency. The staff processes purchase vouchers and deposits, assists applicants for employment with the Texas State Library, processes purchase orders for goods and services, handles the state library's mail, and produces printing impressions. Automated information systems services operates and maintains computer systems to support state library operations, provides data communications between the two Austin facilities, and supports data communication with other state agencies and customers throughout the world.

*FINDINGS AND
RECOMMENDATIONS*



OVERALL APPROACH TO REVIEW



OVERALL APPROACH

The Texas Sunset Act requires the Sunset Commission to consider 13 specific criteria when reviewing an agency. These criteria are used to evaluate the agency's efficiency and effectiveness. The staff review of the Texas State Library and Archives Commission used these criteria to determine whether the state library's functions continue to be needed, if benefits could be gained by transferring the state library's functions to another agency or by moving another agency's functions to the state library, and if the state library's statutes should be changed to improve its programs and functions.

An analysis of the need to continue the state library focused on whether continued state involvement in managing and preserving government records and information, promoting the use of information resources in the state, and encouraging the development of local public libraries is necessary. The analysis also took into consideration whether benefits would result from transferring the functions of the state library to any other state agency. In addition, the review included consideration of statutory changes needed if the state library is maintained as it is currently structured.

To analyze each of these areas, the review team conducted a number of activities during the five-month review. These included:

- ▶ review of the scope and results of the previous Sunset review of the state library;
- ▶ review of state library documents and reports, state and federal statutes, legislative reports, other states' reports and statutes, previous evaluations of agency activities, and literature containing background material;
- ▶ interviews with key agency staff;
- ▶ discussions with legislative agencies;
- ▶ meetings and discussions with staff from the Comptroller's Office, the General Services Commission, and the Department of Information Resources;
- ▶ telephone interviews with individuals and groups involved in library development and records management in Texas and in other states;

- ▶ a survey of other states' library development and records management efforts; and
- ▶ a survey of the state library's constituent organizations and associations asking them to identify problems in the state library as well as potential solutions.

The overall approach to the review was shaped from these activities and focused on two primary questions. First, is the Texas State Library and Archives Commission needed to effectively carry out its responsibilities? Second, do the statutes need to be adjusted to improve the state library's ability to carry out its programs and functions?

The Texas State Library and Archives Commission was previously reviewed through the Sunset process in 1983. The state library was continued with four major changes. The four major provisions in the sunset bill required the state library to encourage cooperation among all types of libraries in the state through the Texas Library System; authorized the creation of regional library systems as an alternative form of governance under the Texas Library System Act; authorized the state library to charge county librarian certification fees; and modified the composition and duties of the Records Management and Preservation Advisory Committee (RMPAC). In addition, all of the recommended across-the-board provisions were placed in the state library's statute.

The state library was not able to implement the multitype library cooperation provision as the Sunset bill specified. An Attorney General's opinion concluded that the state library could only encourage cooperation among local public libraries through the Texas Library System because the statute did not authorize other types of libraries to be members of library systems. During the 73rd Legislative Session, House Bill No. 1589 clarified that public school libraries, libraries of institutions of higher education and libraries operated by state and local governments could become members of regional library systems. The state library implemented the provision related to regional library systems, but to date only one library system has chosen to adopt this alternative form of governance. The state library chose not to charge county librarian certification fees. The changes to the RMPAC have been implemented: the committee meets regularly and has issued the required reports.

The recommendations in this report address only some of the issues raised during the review process. Some of the issues raised were outside the scope of a Sunset review or involved a change in agency management and could not be resolved through statutory changes. These issues were left for consideration by other legislative oversight agencies. The issues in this report were selected to provide the state library with the appropriate statutory structure and level of authority needed to effectively perform its duties.

NEED FOR THE AGENCY



Issue 1: Continue the Texas State Library and Archives Commission for 12 years.

Background

The history of the Texas State Library and Archives Commission (TSLAC) dates back to 1839 when the National Library of the Republic of Texas was established. Over time the name, organizational structure and responsibilities of the agency have changed to meet the changing needs of the state. The Texas State Library, as the agency is commonly referred to, continues to collect and preserve information about Texas and make this information available to the public; to provide materials to Texans who are unable to read standard print due to visual or physical disabilities; to assist local public libraries with their development; and to promote the systematic management of government records and information.

To accomplish its mission, the Texas State Library (TSL) administers five major programs. The TSL's statewide library development program allocates state and federal funding for local public library development and provides technical assistance to local public libraries. The second program, the talking book program, provides reading materials to Texans who cannot read standard print due to visual or physical disabilities. The TSL also administers the information services program that provides library services to state government and the public. The fourth program, the state archives and regional historical resource depositories program, preserves significant records, papers and other historical material. Finally, the state and local records management program promotes and oversees the systematic management of government information and records.

To justify continuing an agency's functions, specific conditions should exist. First, the state should have a current and continuing need for providing the agency's functions or services. Second, the agency's functions should not duplicate services or functions being provided by other agencies. Third, the potential benefits of maintaining a separate agency must outweigh any disadvantages of transferring the agency's functions or services to other agencies. The evaluation of the need to continue the agency's functions led to the following findings.

Findings

- ▶ **The Texas State Library and Archives Commission's activities and functions are needed to promote the systematic management of government records and information, and the use of information resources by all Texans.**

- ▶ State agencies and local governments create and receive records daily as they carry out their duties. These records need to be maintained and preserved until their useful life has expired. The records management and archival functions of the Texas State Library provide services to state agencies and local governments to help them manage their records.
 - ▶ At the state level the information services program collects information about Texas and state government and makes that information available to the public in Austin and in 49 depository libraries throughout the state. The statewide library development program facilitates local library development by encouraging cooperation among libraries and providing support to their staffs. The statewide library development program also receives and distributes a substantial amount of federal funds for local library development each year.
 - ▶ For many Texans with disabilities the Texas State Library's talking book program is their only source of reading material. Texans with visual or physical disabilities that prevent them from reading standard print use the materials and services provided by the TSL. In addition, only a portion of the Texans eligible to participate in this program currently do so and since the eligible population is forecast to increase, the demand for this program is also likely to increase.
- ▶ **A review of other states found that while organization structures varied, all other states perform functions similar to the Texas State Library and Archives Commission.**
- ▶ No dominant organization pattern for performing similar functions was found. Similar functions were found in various agencies such as departments of education, secretaries of states offices, general services departments, and cultural affairs offices.
 - ▶ All of the other states provide some level of library services to state government and the public; support the development of local public libraries; preserve historical records; have a role in the management of government records; and provide materials in alternate formats to their citizens with visual or physical disabilities that prevent them from reading standard print.
- ▶ **Abolishing the functions of the Texas State Library and Archives Commission would result in a loss to the state of \$7.3 million of federal funds and \$1.3 million of in-kind federal investment annually, as well as \$12 million of previous in-kind federal investment that would have to be returned to the federal government.**

- ▶ The Texas State Library receives about \$7.3 million in federal funds under the Library Services and Construction Act (LSCA). These funds are allocated to local public libraries in the state for library development and are contingent upon the state administering a state-funded library development program.
 - ▶ The Texas State Library also receives reading materials in alternative formats and playback equipment through the National Library Services for the Blind and Physically Handicapped. The estimated total value of this federal in-kind investment is \$12 million. To continue to retain as well as receive additional federal materials and equipment, the state must fund a means for distributing the materials and equipment to its citizens who meet federal requirements.
- ▶ **An assessment of the Texas State Library and Archives Commission and other state agencies did not reveal any viable alternatives for transfer of functions.**
- ▶ The review examined whether the records management function would be more efficiently performed if it were transferred to the General Services Commission (GSC). The GSC provides centralized support services to state agencies and, in some cases, to local governments. The GSC's services include custodial services, travel services, telecommunications services, building construction and purchasing. The review did not reveal any significant cost savings or other operational efficiencies that would result from transferring the records management function to the GSC.
 - ▶ While the state library's records management functions are in the realm of the GSC's activities, the archival function is not. Since few states separate these two functions and the GSC is not an appropriate agency to carry out the archival function, the state library should continue to administer the state records management program.

Conclusion

The functions assigned to the Texas State Library and Archives Commission are functions the state should perform and are appropriately placed in the Texas State Library as it is currently structured. No organizational structure found in other states would provide any significant benefit over the current structure. In addition, no benefits would be achieved by transferring any functions to another agency. Based on these factors, the review concluded that the TSLAC should be continued.

Recommendation

- **The statute should be changed to continue the Texas State Library and Archives Commission for 12 years.**

This recommendation would continue the Texas State Library and Archives Commission for 12 years and provide for review again in 2007. The Texas State Library would continue to promote the systematic management of government records and information and the use of information resources by all Texans. If the functions of the TSL were abolished, the federal funds for local library development and investment in the talking book program would be discontinued.

Fiscal Impact

If the TSLAC is continued, its annual appropriation of approximately \$18.3 million would continue to be required. The TSLAC's annual appropriation includes about \$7.3 million of federal funds, \$10.2 million in general revenue funding and \$800,000 of appropriated receipts and revenue from interagency contracts. In addition, the Texas State Library continues to receive in-kind investment from the federal government of about \$1.3 million each year through the National Library Services for the Blind and Physically Handicapped.

EVALUATION OF PROGRAMS



Issue 2: Require certain records management services to be reviewed by the State Council on Competitive Government to determine if the services should be competitively procured.

Background

The Texas State Library's state and local records program provides two commercially available services to state agencies and local governments. These services are microfilming and storing inactive and essential records.

Microfilming services are provided to state agencies and local governments. Fees are charged for microfilming to recover the full cost of the service. The program collected about \$829,000 in revenue from microfilming in fiscal year 1993. The program staff microfilmed about 9.8 million documents, developed more than 79,000 rolls of film, and duplicated more than 55,000 rolls of film during fiscal year 1993. Until fiscal year 1992, microfilming services were provided primarily to state agencies. These services have been extended to local governments.

The program also stores inactive and essential records for state agencies free of charge. In fiscal year 1993, these records included about 194,500 cubic feet of paper and electronic media records and more than 269,000 rolls of microfilm records for 96 state agencies. The program staff retrieved, delivered, and refiled more than 82,000 individual records, acquired or destroyed about 84,000 cubic feet of paper records and about 41,000 rolls of microfilm, and handled nearly 30,000 cubic feet of disaster recovery backup records maintained in the electronic format.

State agencies and local governments have three options when establishing a records management program: use the Texas State Library's services, purchase similar services from private firms or government entities, or perform them in-house. During fiscal year 1993, the Texas State Library's records management program provided records storage services to 96 state agencies and microfilming services to 47 state agencies and five local governments.

Since the mid-1980s, the state has made various efforts to identify alternatives that would enable the government to maximize its resources while providing services. One of these efforts has been to review commercially available services that are provided by state agencies and to continue to provide these services only if the state can provide the same quality of services at a lower cost. The 73rd Legislature created the State Council on Competitive Government to perform this review function. The council is required to identify commercially available services currently performed by state agencies and to compare the cost of such services among all the providers, either government agencies or private sources. If the council determines that a current service

of the government can be provided as well or better by another government entity or by the private sector, it will require the service to be competitively procured.

The review of the state and local records management program's commercially available services focused on an approach to ensure that the services be provided cost effectively. The results of the review are described below.

Findings

- ▶ **The Texas State Library provides microfilming and records storage services that are commercially available.**
 - ▶ Providers of microfilming and records storage services are available in the state. In Austin, more than 20 firms provide either microfilming or records storage services.

- ▶ **State and local government entities frequently use services provided by the private sector.**
 - ▶ Among the state government entities using commercial services are the Employee Retirement System of Texas, the Texas Department of Insurance, the Department of Veterans Affairs, the Lower Colorado River Authority, and the Texas Board of Private Investigators and Private Security Agencies.
 - ▶ Among the local government entities using commercial services are Travis County Records Management, City of Austin Information Systems, and City of Austin Police Department.

- ▶ **Since the mid-1980s, the state's policy has been to provide commercially available services only when the state can provide the same quality of service at a lower cost. The commercially available services provided by the state and local government records management program have not been evaluated to determine whether the state should continue to provide these services.**

- ▶ **The state's current approach to evaluate the need for state agencies to provide commercially available services is to require the Council on Competitive Government to review the services.**

- ▶ The Council on Competitive Government has the authority and capacity to determine whether competitive procurement of certain government services is feasible by considering the quality of all providers and the total cost of the current services, including all relevant indirect costs such as the Comptroller, the Treasurer, the Attorney General, and other support services.
- ▶ The council has conducted reviews of four commercially available services provided by state agencies and required these services to be competitively procured. The council is in the process of conducting reviews of three other services. Examples include services of the Department of Information Resource's data center and the Comptroller's print shop operation.

_____ Conclusion _____

The Texas State Library provides services that are commercially available in the state. The state's current policy is to provide commercially available services only when the state can provide the same quality of service at a lower cost. The microfilming and records storage services provided by the Texas State Library have not been evaluated to determine whether the state library is providing the same quality of service more cost effectively.

_____ Recommendation _____

- **The statute should be changed to:**
 - **require the State Council on Competitive Government to review the Texas State Library's commercially available microfilming and records storage services; and**
 - **specify that the review be completed no later than September 1, 1997.**

This change would ensure that the microfilming and records storage services of the Texas State Library are evaluated to determine whether the state library should continue to provide these services or whether they should be competitively procured. The State Council on Competitive Government has the expertise to evaluate both the cost and quality of services provided. The council has the flexibility to study all aspects of the services including the impact on operations of state agencies and local governments, and the effects on records that need to be maintained permanently.

Fiscal Impact

The results of the evaluation could lead to additional cost savings to the state that cannot be estimated at this time. The council's mission is to conduct studies of this kind and this requirement could be absorbed by their current budget.

Issue 3: Require the Texas State Library to charge fees for certain records management services provided to state agencies.

Background

The statute authorizes the Texas State Library (TSL) to charge fees to recover the cost of certain services provided or documents produced. The authority extends to published documents such as guides to the state archives, access to databases, and microfilming of documents. In fiscal year 1993, the state library generated about \$938,000 in fee revenue. Of that amount, about \$829,000 was collected for microfilming state agency and local government documents. Fees for microfilming recovered 100 percent of the state library's costs for this service.

The Texas State Library is not authorized to charge fees to recover the cost of providing records storage to state agencies. The program expended about \$427,000 on providing free records storage services to state agencies in fiscal year 1993.

Over the years the state has developed several fiscal accountability policies. The review of the Texas State Library examined three of these policies. The policies focused on were minimizing the use of general revenue to fund agency efforts when other sources of revenue are available; requiring an agency to pay for services received from other agencies to provide true cost accountability; and to ensure that, to the extent possible, users of state agency services pay for the services they receive. The results of the evaluation of these fiscal policies resulted in the following findings.

Findings

- ▶ **The Texas State Library, supported by general revenue, provides free records storage services to state agencies that are supported by dedicated funds. This precludes the dedicated funds being used as intended to totally support those agencies.**
 - ▶ The Texas Department of Transportation (TxDOT) stored more than 4,800 cubic feet of paper records in the state library's records center during fiscal year 1993. The TSL estimates that the cost of storing and managing these records was about \$11,000.
 - ▶ In addition to the TxDOT, 22 agencies using the state records center are funded from dedicated revenue sources. These 22 agencies stored a total of about 16,500 cubic feet of paper records and 27,000 rolls of microfilm at the state

records center. During fiscal year 1993, the storage and management cost of these records, more than \$26,000, was paid for with general revenue funds.

- ▶ **The state library also provides these free services to other agencies supported by general revenue. This prevents the true accountability of the costs of those agencies.**
 - ▶ Seventy-three state agencies funded with general revenue use the state records center.
 - ▶ The costs of these services, estimated at \$390,000, are borne by the state library even though the agencies receiving the services should be accountable for the expenses.

_____ Conclusion _____

The state library's current fee authority prevents it from following the state's fiscal accountability policies. The TSL provides records storage services using general revenue funding to state agencies that are funded with dedicated funds when dedicated funds could be used to pay for those services. The TSL also provides free record storage services to other general revenue funded agencies shifting the accountability for the costs of records management from those agencies to the TSL.

_____ Recommendation _____

- **The statute should be changed to require the Texas State Library to charge fees to recover the total cost of performing its records storage services.**

This change would bring the operations of the Texas State Library in line with the fiscal accountability policies of the state. The TSL would no longer provide free records storage services using general revenue to state agencies funded from other sources. This change would also place more fiscal accountability for their operations on other general revenue funded state agencies. To implement this change certain accounting and budgeting procedures would need to be put in place to allow for these funds to be collected and properly accounted for.

Fiscal Impact

This change will have a positive fiscal impact. Additional revenue will be placed in the unrestricted portion of the general revenue fund. The funds will come from dedicated funds and dedicated amounts in the general fund.

Fiscal Year	Costs to Other Dedicated Funds	Costs to Dedicated Accounts in General Revenue Fund	Net Revenue to Undedicated Portion of General Revenue Fund
1995	\$17,000	\$20,000	\$37,000
1996	\$17,000	\$20,000	\$37,000
1997	\$17,000	\$20,000	\$37,000
1998	\$17,000	\$20,000	\$37,000
1999	\$17,000	\$20,000	\$37,000

Issue 4: Authorize the Texas State Library to use state grants to target local library needs that cannot be met through existing programs.

Background

The Texas State Library encourages the sharing of library resources and local library development in Texas using three strategies under the statewide library development program. These three areas are statewide resource sharing, the Texas Library System, and direct aid to local libraries. The Texas State Library encourages statewide resource sharing primarily through two federally funded projects. The first project, major urban resource library (MURL) grants, allocates funding to the 18 largest city libraries for providing some library services to people who live outside their boundaries. The second project, the statewide interlibrary loan network (TexNet), provides funding to the largest public library in each of 10 regions established in the state to provide or obtain materials not available in local libraries.

The state library encourages local public library development through the Texas Library System. The Texas Library System consists of 10 major resource systems that receive state and federal funds that are allocated by the state library using a formula specified in statute. Each resource system has a major resource center that manages grant administration activities for the member libraries of the system and provides member libraries with educational, technical, and collection development services.

Development of local public libraries is also encouraged by the state library through direct aid to local libraries. The direct aid is provided through three federally funded grants to help establish public libraries in unserved counties, construct or renovate public library buildings, and fund programs for disadvantaged populations. Direct aid is also provided through consulting and continuing education services to help improve the skills and knowledge of local library staff, and through the Texas Reading Club that offers an annual summer theme to attract children to the joy of reading.

While the state library is sensitive to local library needs, its ability to respond is limited because the state library is not authorized to use state funds to directly fund efforts by local libraries to develop new programs that address user needs.

The Texas State Library has a responsibility through its statewide library development program to focus on expanding public access to the resources of libraries, encourage the sharing of library resources, and assist local library development. The review focused on the ability of the Texas State Library to address local library needs directly. The review resulted in the following findings.

Findings

- ▶ **The goal of the Texas State Library is to improve the availability and delivery of library and information services for all Texans.**
 - ▶ The Texas State Library is the state's main agency responsible for establishing and implementing policies concerning the development and management of library collections.
 - ▶ The statewide library development program focuses on expanding public access to the resources of libraries, encouraging the sharing of library resources, and assisting local library development.
- ▶ **The Texas State Library works toward its goal by administering currently authorized resource sharing and library development programs.**
 - ▶ Resource sharing is encouraged through two federally funded projects. The first project, major urban resource library (MURL) grants, allocates funding to the 18 largest city libraries for providing some library services to people who live outside their boundaries. The second project, the statewide interlibrary loan network (TexNet), provides funding to the largest public library in each of the 10 regions of the state to provide or obtain materials not available in local libraries.
 - ▶ Local library development is encouraged through the Texas Library System and direct aid to local libraries. The Texas Library System consists of 10 major resource systems that receive state and federal funds from the Texas State Library. These funds are allocated using the formula specified in the Texas Library Systems Act. Direct aid to local libraries is provided through three federally funded grants to help establish public libraries in unserved counties, construct or renovate public library buildings, and fund programs for disadvantaged populations. Direct aid is also provided through state-funded consulting and continuing education services and the Texas Reading Club.
- ▶ ***Access Texas*, the report of the Joint Committee on Planning for Statewide Library Development, identified some new programs that would help the Texas State Library achieve this goal.**

- ▶ Programs recommended in *Access Texas* include offering state-funded incentive grants to promote cooperative projects and pilot programs among all types of libraries, purchase multilingual and culturally relevant materials and for bibliographic access to these materials, and encourage individual libraries to upgrade their service to qualify for system membership.
- ▶ To reach its goal of improving the availability and delivery of library and information services, *Access Texas* recommended the Texas State Library take the lead in encouraging and assisting the development of multitype library systems and other larger units of service for resource sharing as well as the development of a statewide library borrower card.
- ▶ **The Texas State Library lacks the authority to implement the programs identified as needs by *Access Texas*.**
 - ▶ Currently the Texas State Library is authorized only to administer three strategies as part of the statewide library development program. The three strategies are statewide resource sharing, the Texas Library System, and direct aid to local libraries.
 - ▶ While the state library is sensitive to local library needs, its ability to respond is limited because the state library is not authorized to use state funds to directly fund efforts by local libraries to develop new programs that address user needs.
 - ▶ Under direct aid to local libraries, the Texas State Library once used LSCA Title III funds to award competitive grants to encourage interlibrary cooperation. The Texas State Library does not have the authority to use state funds to create a similar program.
- ▶ **Direct grants to local libraries could be used to implement these programs.**
 - ▶ Direct grants could allow the state library to directly fund local libraries to encourage the development of new programs that meet local needs but cannot be addressed through the Texas Library System.
 - ▶ Awarding grants directly to local libraries on a competitive basis is one approach that would create a real incentive for libraries to develop new programs. Public libraries could benefit from the change and innovation brought on by the need to compete for funding.

Conclusion

The goal of the Texas State Library is to improve the availability and delivery of library and information services for all Texans. The Texas State Library works toward its goal by administering currently authorized programs to encourage resource sharing and library development. The statewide library development program currently spends its library development funds on statewide resource sharing, the Texas Library System, and direct aid to local libraries. *Access Texas*, the report of the Joint Committee on Planning for Statewide Library Development, identified some new programs that would help the Texas State Library encourage resource sharing and library development. However, the Texas State Library needs authority to implement these programs. Authorizing the Texas State Library to administer direct grants to local libraries would allow the state library to implement these programs and provide real incentives for local libraries to develop new programs to address user needs.

Recommendation

- **The statute should be changed to authorize the Texas State Library to create a state-funded grant program that targets local library needs.**

This recommendation will allow the Texas State Library to directly fund local libraries. These grants could help encourage the development of new programs that meet information needs of the people of Texas that cannot be addressed through the current strategies. The guidelines for awarding these grants would be developed as rules by the commission. This approach would be more in line with the federal legislation which is seeking to target specific priorities and not just fund the general operation and improvement of public libraries. The Texas State Library staff could look at the federal priorities and design competitive programs to address them. This may be important when this federal legislation is reauthorized and re-written during the coming year.

Fiscal Impact

The fiscal impact of this recommendation cannot be determined. The recommendation provides authority to grant money to local libraries. The amount actually spent will be determined through the appropriations process. The state library will develop a funding priority as part of its appropriations request. The funds may be in addition to or reallocated from current funding provided to the Texas State Library.

Issue 5: Abolish the Records Management and Preservation Advisory Committee and replace it with an interagency coordinating council.

Background

All state agencies create, receive and maintain records necessary to perform their duties. Managing these records in an efficient and cost-effective manner while ensuring that they are properly retained and preserved is a challenge to all state agencies. To manage records effectively state agencies must identify the useful life of their records so that records with long-term historical value are preserved; ensure that necessary records are available to state government and the public during the records' useful life; and reduce the cost of maintaining records by destroying records when their useful life has expired.

To assist state agencies in managing their records, the Legislature established the state records management program in 1947. The state records management program requires the Texas State Library (TSL) to manage all state records with the cooperation of the heads of various agencies in charge of the records; requires state agencies to establish and maintain records management programs within their agencies; establishes record destruction procedures; and authorizes the State Auditor to audit state agencies' compliance with the state policy.

The 59th Legislature, in 1965, created a seven-member advisory committee to advise the director of the records management division of the TSL and to review the state's entire records program at least once every two years. In 1983, the committee was expanded from seven to 12 members and its name was changed to the Records Management and Preservation Advisory Committee (RMPAC). The committee's duties were also modified in 1983 to require it to recommend improvements to the state's records management system. The RMPAC was further required to report its recommendations in March of each even-numbered year to the Texas State Library and Archives Commission, the Legislative Budget Board, the budget division of the Governor's Office, the Lieutenant Governor and the Speaker of the House of Representatives.

In addition to the duties assigned to the TSL, the efforts of several other state agencies affect the state records management system. These agencies include the General Services Commission, Department of Information Resources, Office of the State Auditor, and Office of the Attorney General. The General Services Commission purchases equipment for state agencies, assigns space to state agencies, oversees the acquisition and construction of new space, and develops cost effective recycling programs for records and equipment. The Department of Information Resources approves the development of computer systems used by state agencies to create, store, and dispose of state records. The Office of the State Auditor determines compliance with statutory requirements of state records management laws. The Office of the Attorney General

reviews issues concerning the open records act, determining whether records are open or not, and whether confidential records are properly disposed of.

The implementation of state policies can require the efforts of several state agencies to plan for and implement various components of the policies. One method the state has used is to ensure that various components of a policy are implemented is to create a coordinating council composed of the state agencies responsible for implementing the components. The evaluation of the state's current approach to implementing the state records management system resulted in the following findings.

Findings

- ▶ **State agencies' management of their records is becoming more complex and more important to the operations of state agencies.**
 - ▶ State government records are no longer only stored in filing cabinets or on microfilm, but include information created and stored on computers and complex databases.
 - ▶ Some state government records have archival value and are never destroyed. Maintaining and preserving these records in paper form is sometimes difficult. However, this difficulty increases when records are kept in electronic format because electronic formats are not permanent and technology used to retrieve the records is constantly changing.
 - ▶ The duties of many state agencies are directly tied to the records they create and maintain. All regulatory agencies rely heavily on their records to determine who is licensed to perform regulated activities. The Comptroller relies on state records to know who needs to be paid for providing services to the state.
- ▶ **As state agencies manage their own records they must take into account the guidelines and policies established by the state agencies responsible for implementing the state's records management system.**
 - ▶ The Texas State Library is responsible for establishing a recommended records retention schedule for state agencies, providing training and consulting on the development and administration of records management programs, and identifying and preserving archival records.

- ▶ The Department of Information Resources (DIR) is responsible for developing a statewide strategic plan for information resources as well as reviewing and coordinating the computer technology purchased by state agencies, and advising agencies on data security and disaster recovery plans.
- ▶ The General Services Commission (GSC) allocates and assigns space to state agencies. The GSC has been directed by the Legislature to allocate a maximum of 153 square feet of space per employee to each state agency. As the GSC implements this requirement and decreases the amount of space agencies occupy, the amount and format of the records maintained by the agencies must be evaluated.
- ▶ The roles of the State Auditor and Attorney General focus on compliance with state records laws. The State Auditor is authorized to review state agencies' compliance with the state's records management policies. The Attorney General reviews questions concerning the open records act and issues opinions to clarify whether the records in question are open and whether they must be provided to the person asking for them.
- ▶ **The Legislature created an advisory committee, the Records Management and Preservation Advisory Committee (RMPAC), composed of most of the agencies that have a role in implementing the state's records management system to review and recommend changes to the state's system.**
 - ▶ The committee is made up of 12 members including the Secretary of State, the State Auditor, the Comptroller, the Attorney General, the state archivist, the General Services Commission and representatives of six major state agencies. The committee does not include the Department of Information Resources which did not exist when the committee was established.
 - ▶ The committee is required to recommend improvements to the state's records management system including an evaluation of the savings that would result from the implementation of its recommendations. The committee reports these recommendations in March of each even-numbered year to the Texas State Library and Archives Commission, the Legislative Budget Board, the budget division of the Governor's Office, the Lieutenant Governor and the Speaker of the House of Representatives.
- ▶ **The RMPAC was created to review the state's entire records management system. The committee has focused on the internal operations of the Texas State Library's records management program. No entity has reviewed the state's entire system or attempted**

to coordinate the efforts of the various agencies with records management related duties.

- ▶ In its past three reports the committee has made eight recommendations. Four of these recommendations related to the operations of the Texas State Library's records management program. The TSL implemented three of the committee's recommendations.
- ▶ Of the four remaining recommendations, one suggested that the committee's duties related to forms management should be transferred to individual agencies. Another recommendation suggested that state agencies be allowed to hire full-time records administrators. The committee also recommended that the State Auditor review records management practices as part of its operational audit and that the Governor's Office include records management in its training program.
- ▶ The state faces a number of records management issues that have not been addressed by the RMPAC. These issues relate to electronic records management, efficient use of state space for storing records, and duplication of effort in microfilming and storing records.
- ▶ Although the DIR has a substantial role in the state's technology decisions and how records are created and maintained by state agencies, the committee has not recommended adding the DIR to the committee. The committee has involved the DIR to some extent by inviting staff to attend and participate in committee meetings.
- ▶ **When more than one state agency is responsible for implementing a state policy, the state has generally used a coordinating council to coordinate implementation.**
 - ▶ The state frequently uses interagency coordinating councils to jointly develop a state policy when more than one agency is responsible for implementing the policy. The state has created at least 10 interagency coordinating councils.
 - ▶ The interagency coordinating councils created by the state include the interagency coordinating council on solid waste; the Pollution Prevention Council; the Texas Interagency Council on Early Childhood Intervention; the Health Professions Council; the Texas Interagency Council on the Homeless; and the Alternative Fuels Council.
 - ▶ Use of a coordinating council provides a means to develop a policy that must be consistently implemented by the member agencies.

_____ Conclusion _____

State agencies' management of their records is becoming more complex and more important to the operations of state agencies. Currently state agencies must take into account the records management guidelines and policies established by multiple state agencies that are responsible for implementing components of the state's records management system. The Legislature created the Records Management and Preservation Advisory Committee (RMPAC), composed of most of the agencies that have a role in implementing the state's records management system, to review and recommend changes to the state's system. Although the RMPAC was created to review the state's entire records management system, the committee has focused the operations of one member agency. No entity has reviewed the state's entire system or attempted to coordinate the efforts of the various agencies with records management duties. When more than one state agency is responsible for implementing a policy, the state has generally used a coordinating council to coordinate the development and implementation of the policy's components.

_____ Recommendation _____

- **The statute should be changed to:**
 - **abolish the Records Management and Preservation Advisory Committee;**
 - **create a seven-member interagency coordinating council composed of the Secretary of State, the Comptroller of Public Accounts, the Attorney General, the State Auditor, the executive director of the General Services Commission, the executive director of the Department of Information Resources, and the director and librarian of the Texas State Library and Archives Commission or their designees;**
 - **require the council to review the activities of each member agency that affect the current records management system as well as study records management issues and report its findings and any needed statutory changes to the Legislature and the Governor once every two years;**
 - **require the council to develop policies to coordinate the activities of each member agency and to implement improvements in the records management system;**

- o **require state agency members of the council to adopt the council's policies as rules unless they conflict with other state or federal law; and**
- o **require state agency members of the council to report on their implementation of the rules to the council each biennium.**

This change would establish a council to focus more resources on improving the state's overall records management system and coordinate their efforts in implementing those improvements. The members of the council would develop policies for each of the member agencies to adopt as rules ensuring that all of the components of the policies are implemented. Since the rules of the seven member agencies affect the majority of state agencies, the council's policies should be implemented statewide. Because the council's activities would affect many state agencies, its meetings should be treated as open meeting to allow agencies interested in records management policy to attend the council's meetings. The council's operations would be staffed by the member agencies of the coordinating council. The term for serving as chair would be two years and the position of chair would rotate among the members. The director and librarian of the Texas State Library should serve as the first chair.

_____ Fiscal Impact _____

No fiscal impact is anticipated from this change. The current membership of the advisory committee is composed of state employees who assume this responsibility in addition to their other duties.

Issue 6: Require the Texas State Library and Archives Commission to develop an on-line index and provide access to state agency electronic publications.

Background

Since 1909 the Texas State Library and Archives Commission has been responsible for collecting, distributing and preserving state government publications. Before 1979, the distribution of state publications was informal and random. The 66th Legislature passed the state depository law in 1979. The state depository law defines state publications, authorizes the creation of depository libraries, and specifies the responsibilities of state agencies and the Texas State Library (TSL). The statute defines a state publication as printed matter produced in multiple copies under the authority of an agency, at the total or partial expense of an agency, or by another entity under contract with the agency. The commission's rules specify that material printed on paper, microfilm or microfiche are classified as printed matter.

A system of state depository libraries was created to make state information more accessible to the public by placing the information in libraries across the state. Currently, 49 libraries in 34 cities have been designated as state depository libraries. The Texas State Library collects a sufficient number of most state agency publications to send a copy to each state depository library. The TSL also produces a monthly index of all the state publications it receives. The monthly index is available by subscription free of charge. Currently, the depository libraries receive about 250 publications each month that they are responsible for processing and making available to the public free of charge within 30 days of receipt. In addition, the state depository libraries must provide assistance to patrons using these materials.

State agencies are required to provide copies of all of their new publications each month to the Texas State Library. Under the state depository law agencies provide copies to the TSL free of charge even if they charge a subscription fee to the general public. For example, the public can only receive *Texas Highways* magazine if a subscription fee is paid to the Texas Department of Transportation (TxDOT). However, the TxDOT must provide the Texas State Library with enough copies of each issue to be sent to the 49 state depository libraries.

As technology has developed, more state agencies are making information accessible to the public using on-line electronic means. For example, the Comptroller of Public Accounts' *Window on State Government* and the Texas Department of Commerce's *Texas Marketplace* can be accessed by the public via computer. State agencies also produce information in electronic formats such as floppy disks or CD-ROM discs. While some information is produced in both paper and electronic format, other information is produced only in electronic format. Although the majority

of information available in electronic format would generally be disseminated to the public in agency publications, some of the information is only usable in electronic format. The comparison of the requirements placed on information in printed and electronic formats, and the access to the information resulted in the following findings.

Findings

- ▶ **The state publications law, enacted in 1979, defines state publications and specifies how they are to be made available to the public.**
 - ▶ State publications are defined as printed matter produced in multiple copies by the authority of or at the total or partial expense of an agency or by another entity under contract with the agency. The commission's rules specify that material printed on paper, microfilm or microfiche are classified as printed matter.
 - ▶ Each state agency is required to submit lists of its publications and to provide the TSL copies of all of its new publications in depository quantity each month. State agencies also provide copies to the TSL free of charge even if they charge a subscription fee to the general public. The TSL distributes these publications to the 49 state depository libraries.
- ▶ **State agencies' publications are no longer limited to printed formats. In recent years state agencies are making more information available to the public in electronic formats.**
 - ▶ Based on a survey conducted by the TSL, at least 170 electronic publications are currently being made available to the public by state agencies. These electronic publications include only electronic information an agency has chosen to make available to the general public free of charge or for a fee and not internal agency information in electronic format that is used to carry out its duties.
 - ▶ The Comptroller of Public Accounts' *Window on State Government* and the Texas Department of Commerce's *Texas Marketplace* are two examples of on-line electronic publications.
 - ▶ Publications are also produced by state agencies in other formats including floppy disks and CD-ROM discs. For example, the Secretary of State produces *Texas Register* on floppy disks.

- ▶ **Since the state publications law only applies to printed formats, electronic publications are not subject to the same dissemination requirements and may not be as accessible to the public.**
 - ▶ State agencies producing information in electronic formats that is made available to the public are not required to submit information about these publications or copies of the publications to the TSL nor are they required to provide any free access to the public.
 - ▶ Some electronic publications, such as the Texas Department of Commerce's *Texas Marketplace*, are available to the public only after a subscription fee is paid. Unlike printed publications, these electronic publications are not available free of charge to anyone at any location.
- ▶ **State publications are one type of government record containing public information that is required to be accessible to the public regardless of the form in which it is maintained.**
 - ▶ The open records law defines public information as information that is collected, assembled or maintained by or for a governmental body under a law or in connection with the transaction of official business. The open records law further defines public records as the portion of all documents, writings, letters, memoranda, or other written, printed, typed, copied or developed materials which contain public information.
 - ▶ The Attorney General's interpretation of the open records act has concluded that the form in which the information is stored should have nothing to do with the issue of its availability under the open records act.
- ▶ **The federal government and other states recognizing the difficulty of locating and accessing decentralized electronic information are studying and implementing centralized indexes and locators for this information.**
 - ▶ The federal Government Printing Office Electronic Information Enhancement Act of 1993 directs the Government Printing Office (GPO) to maintain an electronic directory of federal electronic information, provide a system of on-line access to certain publications such as the Federal Register, and operate an electronic storage facility for information which is provided on-line. Upon request of other federal agencies, the GPO is to include that agency's electronic information in its on-line system. The federal statute allows the GPO to charge

- fees to use the on-line system, but must provide the service free of charge to federal depository libraries.
- ▶ The Information Network of Kansas (INK), a public/private partnership, is responsible for providing electronic access for the public to state agencies and local governments' public information through a centralized gateway. INK enters into agreements with state agencies and local governments to provide access to their information through INK's gateway. INK charges an annual \$50 subscription fee to the public and a per minute fee for certain databases. Libraries pay a monthly subscription fee of \$15 and their patrons can access all the databases free. Incorporated in the network's fee structure are the fees that state agencies were previously charging. INK collects all the fees and allocates them back to the agencies based on the use of each agency's database.
 - ▶ Minnesota is completing an interim study on creating a Minnesota Public Information Network (MPIN). The study proposes that the MPIN will create a central coordination point for government information in electronic format. This common access point would include an information locator system that would provide details on government information resources and directions on where to obtain information not accessible through the common access point.

Conclusion

The state publications law defines state publications and specifies how the publications are disseminated to the public. The state's open records policy does not limit the public's access to information based on the format in which the information was created or maintained. However, the state publications law only applies to information in printed formats. The information that state agencies produce in electronic formats is not included in the definition of state publication nor is it subject to the same requirements for public access as publications produced in printed format.

Recommendation

- The statute should be changed to:
 - clarify the definition of state publication to include information that is produced in electronic formats and made available to the public;

- o **require the Texas State Library to develop and maintain an on-line index and to provide access to state publications in electronic formats;**
- o **require state agencies to provide the TSL with a list of their new electronic publications as they become available;**
- o **require state agencies to provide depository quantity of their publications in electronic formats to the TSL;**
- o **require state agencies to provide the TSL at least one free connection to their electronic on-line publications;**
- o **require the TSL to coordinate with other state agencies when developing its system to use current systems to the extent possible and avoid duplication of effort;**
- o **allow these requirements to be phased-in over a four-year period; and**
- o **allow the director and librarian to exempt a publication from these requirements.**

This change would modify the definition of state publication to include public information that state agencies make available in electronic formats to the general public. This change would not require agencies to make all of their electronic information accessible, but only place the same requirements on electronic information that they chose to make available to the public. This change would place the same requirements on the collection and distribution of information in electronic format that is currently placed on printed publications. This change would also apply the director and librarian's authority to exempt printed publications from requirements of the state publications law to publications in electronic formats. The Texas State Library would index the electronic publications on an on-line system in addition to the monthly publication they use to index printed materials. In developing its system, the Texas State Library would be required to coordinate with other state agencies and to use existing computer systems to the extent possible to avoid duplication and reduce costs. Since the index and the means to link the various electronic publications together will take some time to plan and execute, the TSL would have a four-year period to implement this change.

Fiscal Impact

The fiscal impact of this change cannot be fully estimated at this time. The Texas State Library would incur certain costs associated with developing, implementing and maintaining its system.

Other state agencies may incur costs to connect their current on-line public databases to the new system. Since the TSL is required to coordinate with other agencies and use systems that are currently in place to the extent possible, the total cost of this change is difficult to determine. However, the review estimates that implementing this recommendation could result in a cost of \$500,000 to \$1 million each year.

Issue 7: Allow local governments to adopt the retention schedules developed by the Texas State Library in lieu of developing their own individual retention schedules.

Background

The Local Government Records Act, passed during the 71st Legislature in 1989, consolidated the statutory requirements for local government records management into one body of law and expanded local authority and responsibility for preserving public records. The intent of the act is to encourage local governments to establish, promote and support an active and continuing program for the efficient and economical management of all local government records. Efficient preservation of local government records of permanent value is necessary to provide the people of the state with resources concerning their history and to document their rights of citizenship and property. Disposing of obsolete records in a timely fashion promotes cost-effective records management.

The local records act requires local governments to prepare a records retention schedule and file it with the Texas State Library (TSL). A records retention schedule is a list of the various types of local government records and the length of time they must be retained. The purpose of the records retention schedule is to provide local governments with a working inventory of their records to promote efficient and cost-effective records management. The records retention schedule includes three broad categories of records. These categories are all records the local government or elective county office creates or receives; any old records the local government still possesses that have a retention period on the schedule issued by the TSL that has not expired, and any old records whose retention period has expired, but will not be destroyed in the local government's initial destruction of obsolete records.

Before the filing of a records retention schedule a local government record may be destroyed only with the approval of the Texas State Library. After a records retention schedule has been approved, a local government is not required to seek approval to destroy a record once its retention period expires. All local governments are required by the local records act to complete their records retention schedules by January 2, 1995. A local government may request an extension of the deadline to allow the local government to complete its schedule. The deadline cannot be extended for more than three years. The act exempts a local government from the records retention schedule requirement if the local government declares its intention to keep all records permanently. Local governments choosing to keep all records permanently may still dispose of records for which no retention periods have been established, but must first receive approval from the Texas State Library.

The requirements of the Local Government Records Act apply to more than 8,800 units of local government. As of February 1994, 552 had submitted a records retention schedule to the Texas State Library and 1,120 had declared their intention to keep all records permanently. With less than one year remaining until the deadline, more than 7,000 local governments have not completed their schedules. To create a retention schedule, a local government must take an accurate inventory of their records and conduct a thorough analysis of those records in light of the minimum retention periods established by the state. They must then submit a schedule for approval to the director and librarian of the TSL. If a local government lacks the resources to conduct their own inventory and analysis, it may hire a records consultant to provide the service and submit a schedule.

The Texas State Library is required to assist local governments in developing their retention schedules. The state library creates generic records retention schedules that serve as guidelines for the local governments and distributes these schedules free of charge. These generic schedules state the minimum retention periods for various local government records. The Texas State Library also has four employees who are responsible for assisting local governments in preparing their own records retention schedules and developing and managing their records management programs.

Records retention schedules are the foundation of cost-effective and efficient records management programs. The review focused on the process used to develop local government records retention schedules. The review resulted in the following findings.

Findings

- ▶ **As many as 7,000 local governments and elective county offices are in danger of missing the January 2, 1995 deadline.**
 - ▶ Of the more than 8,800 local governments and elective county offices subject to the act, only 552 have submitted and had approved a records retention schedule.
 - ▶ Another 1,120 local governments have submitted documents stating their intention to retain all records permanently instead of submitting records retention schedules.
- ▶ **Some local governments do not have the resources to develop their own customized retention schedules.**

- ▶ Many local governments lack the knowledge or experience to take accurate physical inventories of their records and conduct a thorough analysis of those records because records management programs have received little personnel or funding.
- ▶ Many local governments cannot afford to pay a records management organization to perform a physical inventory or develop a schedule for them.
- ▶ **Adoption of the state-developed generic schedules would allow the TSL staff to refocus their efforts on assisting local governments with records management programs.**
 - ▶ The Texas State Library staff could spend time assisting local governments with various records management related issues rather than reviewing schedules to determine if they comply with the state generic schedule.
- ▶ **Local governments could re-focus resources on actually managing records rather than on duplicating the effort of the state library to develop a records retention schedule.**
 - ▶ Local governments would save the resources required to conduct a physical inventory of their records and determine the individual retention periods based on the state's generic schedule. Local governments could spend time periodically reviewing and amending current retention schedules as needed.
 - ▶ Retention schedules developed by local governments contain very few records added to those included on the generic schedules developed by the state library.
- ▶ **Records not on the generic schedule would continue to be protected from inappropriate destruction because local governments would still need approval to destroy non-scheduled records.**
- ▶ **At least three other states including Florida, Pennsylvania, and New York permit local governments to adopt the state issued records retention schedule as their own records schedule in lieu of preparing custom tailored records schedules.**

_____ Conclusion _____

As many as 7,000 local governments and elective county offices in Texas are in danger of missing the January 2, 1995 deadline for filing a records retention schedule. Some local governments do not have the resources to develop their own customized retention schedules or

to hire a consultant to prepare one for them. Authorizing local governments to adopt the state developed generic schedules would allow the TSL staff to refocus their efforts on assisting local governments with records management programs. Adoption of the state's schedule would also enable local governments to re-focus resources on actually managing records rather than on duplicating the effort of the state library in developing a records retention schedule. Records not on the generic schedule would continue to be protected from inappropriate destruction because local governments would still need approval to destroy non-scheduled records.

Recommendation

- **The statute should be changed to authorize the governing bodies of local governments to adopt the records retention schedules developed by the Texas State Library as their own, rather than developing similar schedules themselves.**

This recommendation would allow local governments to adopt the generic records retention schedules developed by the Texas State Library. This would eliminate the duplicative practice of developing individual records schedules that mirror the generic schedules and would allow local governments to refocus their resources on actively managing their records. Allowing local governments to adopt the state's schedule would not endanger non-scheduled records because approval would be required to destroy them. Local governments would continue to be encouraged to develop their own customized schedules. For those local governments that cannot meet the initial deadline, this recommendation would provide an option for them to meet the requirement before the maximum three year extension period expires. This would also encourage those local governments who have declared their intention to retain all records permanently to adopt the state's schedule and dispose of records in accordance with that schedule.

Fiscal Impact

Authorizing local governments to adopt the state developed records retention schedule would have no fiscal impact. Only local governments or elective county offices that voluntarily choose to develop customized schedules would bear costs.

Issue 8: Streamline the process used to adopt records retention schedules and rules affecting local government records.

Background

The Local Government Records Act encourages local governments to take an active role in the management of their records and to develop records retention schedules so that obsolete records may be disposed of in a timely manner. To assist local governments in developing their own records retention schedules, the Texas State Library is required to prepare and distribute generic retention schedules free of charge for each type of local government. Each retention schedule must list the various types of local government records and state the length of time the record must be retained. The retention period is the period prescribed by federal or state law, rule of court, or regulation. If no retention period is specified for a record, the commission must determine an appropriate retention period. The period set by the commission has the same effect as if prescribed by law after the generic records retention schedule is adopted as a rule of the commission.

The statute specifies the process to be used to develop the state's generic retention schedules. First, the statute requires the director and librarian of the state library to consult with local government records custodians and other local government officials whose records are affected by the schedules. A proposed schedule is drafted by the state library staff and sent to these officials to seek input so that necessary revisions can be made to the schedule. In addition to sending the draft to these record custodians and officials, the staff sends copies of the proposed schedule to members of the Local Government Records Committee (LGRC) to seek their input. After revisions are made based on local government input, the proposed schedule is formally sent to the LGRC. The committee reviews and approves the schedule by a majority vote of its members. Once the LGRC approves the schedule, it is sent to the commission for adoption. This process is also used to adopt other commission rules affecting local government records. Along with reviewing and approving retention schedules and proposed rules, the LGRC is required to advise the commission and the director and librarian on all matters concerning the management and preservation of local government records.

The LGRC is composed of 35 local government officials and two state agency officials. The chart below describes the required membership of the committee. The Office of the Attorney General and the Texas Comptroller of Public Accounts represent the state. The local government members represent various types of local governments and are appointed by the director and librarian through a nomination process. The only exception is the district judge member who serves as chair of the committee and is appointed by the president of the Texas Judicial Council.

Composition of the Local Government Records Committee

- the Attorney General or the designee of that officer
- the Comptroller of Public Accounts or the designee of that officer
- an active or retired district judge
- a county judge or commissioner
- a county clerk
- a district clerk
- a county auditor
- a county attorney
- a district attorney
- a county sheriff
- a county tax assessor-collector
- a county treasurer
- a justice of the peace or municipal court judge
- a mayor or other member of the governing body of a municipality
- a city manager
- three municipal clerks or secretaries
- three police chiefs
- a fire chief
- a municipal tax collector
- a director or superintendent of a municipal public works project, a municipal utility or a municipal building inspection department
- an executive director of a hospital district or a health district or authority or the designee of the executive director
- two executive directors of water districts or their designees
- two chief appraisers of appraisal districts or their designees
- three public school district representatives or their designees
- two local government records management officers other than elected county officers
- a municipal attorney
- a municipal finance officer
- a municipal personnel officer

State agencies generally seek responses to rules they propose from the individuals or entities those rules affect. The state's policy has generally been to ensure that adequate notice is provided to affected groups and that they have the opportunity to comment on proposed rules. One approach for getting a broad range of responses is to use an advisory committee composed of those affected groups. The review looked at the appropriateness of the current process used to adopt records retention schedules and rules affecting local government records. The results are described below.

Findings

- ▶ **The records retention schedule adoption process is designed to ensure the commission receives input from local governments. Local governments have three opportunities to provide input on a proposed records retention schedule.**
 - ▶ Local governments affected by a proposed records retention schedule are consulted during the development of those schedules by the Texas State Library.

Local government responses and comments are incorporated into a revised version of the retention schedule.

- ▶ Members of the LGRC are consulted during the same period as local governments so their comments and responses can also be used to develop a revised version of the schedule. In addition, the committee meets to formally review and adopt the revised records retention schedule.
- ▶ The schedule adopted by the LGRC is then adopted by the commission through the state's standard rulemaking process.
- ▶ **The current role of the LGRC is unlike that of most advisory committees created to assist state boards and commissions.**
 - ▶ The standard approach for using advisory committees is to allow the committee to act in an advisory capacity providing technical expertise or a needed perspective to a board or commission.
 - ▶ The LGRC is structured so that it has the ability to preclude the Texas State Library and Archives Commission from adopting rules affecting local government records until the committee has reviewed and approved a new rule or a rule revision.
 - ▶ Most state boards and commissions are created as a policy body with authority to establish rules to carry out the state laws for which the board or commission was created to administer.
- ▶ **The current size of the LGRC prevents it from operating effectively as an advisory committee.**
 - ▶ The LGRC is so large that it is difficult for the state library to keep all appointments current and to schedule meetings where enough members can attend to approve proposed records retention schedules or rules.
 - ▶ The travel and per diem cost to conduct one meeting is estimated at more than \$3,500. These costs limit the number of meetings that can be held. When funds are not available to call an LGRC meeting for approval of critical rules or schedules, the commission is unable to act.

- ▶ **The current role and size of the LGRC could be reduced without affecting the ability of local governments to have adequate input into the retention schedule adoption process.**
 - ▶ Input would still be sought during the consultation period provided for by the state library in the initial development phase of the schedule process.
 - ▶ The LGRC, composed primarily of local government representatives, could be structured so that it continues to provide input to the commission in the developing of the rules to be proposed.
 - ▶ Local governments would continue to have the opportunity to review and comment on the proposed rules as part of the formal rulemaking process.

Conclusion

The current retention schedule adoption process provides several opportunities for input from local governments. The use of the LGRC in the process is unlike that of most advisory committees created to assist state boards and commissions. The LGRC can prevent rules from being adopted by the commission without the committee's approval.

In addition, the size of the LGRC prevents it from operating effectively as an advisory committee. Changes could be made to the role and size of the LGRC without reducing input from local governments in the retention schedule adoption process.

Recommendation

- **The statute should be changed to:**
 - **reduce the size of the LGRC to 12 members, including 10 members equally representing counties, cities, school districts, appraisal districts, and water districts and the Attorney General and the Comptroller or their designees; and**
 - **remove the requirement that the LGRC approve the proposed rules or records retention schedules and specify that the LGRC be allowed to review and comment on the proposals before commission action.**

This recommendation would streamline the process used to adopt proposed records retention schedules or rules affecting local government records while ensuring local governments would continue to have input into the process. The LGRC would continue to have a role in schedule development but would act in an advisory capacity as is the case with most advisory committees attached to state boards and commissions.

Fiscal Impact

Reducing the size of the Local Government Records Committee would result in a savings of \$2,500 to the general revenue fund each year. The savings would result from a decrease in travel and per diem costs.

Fiscal Year	Savings to the General Revenue Fund
1996	\$2,500
1997	\$2,500
1998	\$2,500
1999	\$2,500
2000	\$2,500



***ACROSS-THE-BOARD
RECOMMENDATIONS***

From its inception, the Sunset Commission identified common agency problems. These problems have been addressed through standard statutory provisions incorporated into the legislation developed for agencies undergoing Sunset review. Since these provisions are routinely applied to all agencies under review, the specific language is not repeated throughout the reports. The application to particular agencies is denoted in abbreviated chart form.

TEXAS STATE LIBRARY AND ARCHIVES COMMISSION	
RECOMMENDATIONS	ACROSS-THE-BOARD PROVISIONS
	A. GENERAL
Apply/Modify	1. Require at least one-third public membership on state agency policymaking bodies.
Update/Modify	2. Require specific provisions relating to conflicts of interest.
Update	3. Prohibit persons required to register as a lobbyist from acting as general counsel to the agency or policymaking body or serving as a member of the policymaking body.
Update	4. Require that appointment to the policymaking body be made without regard to the appointee's race, color, disability, sex, religion, age, or national origin.
Update	5. Specify grounds for removal of a member of the policymaking body.
Apply	6. Require agencies to prepare an annual financial report that meets the reporting requirements in the appropriations act.
Update	7. Require the agency to establish career ladders.
Update	8. Require a system of merit pay based on documented employee performance.
Update/Modify	9. Provide for notification and information to the public concerning agency activities.
Update	10. Require that all agency funds be placed in the treasury to ensure legislative review of agency expenditures through the appropriations process.
Update	11. Require information to be maintained on complaints.
Update	12. Require that all parties to written complaints be periodically informed in writing as to the status of the complaint.
Update	13. Require development of an E.E.O. policy.
Update	14. Require that information on standards of conduct be provided to members of policymaking bodies and agency employees.
Update	15. Provide for public testimony at meetings of the policymaking body.
Apply	16. Require the agency's policymaking body to develop and implement policies that clearly separate the functions of the policymaking body and the agency staff.
Apply	17. Require development of an accessibility plan and compliance with state and federal accessibility laws.
Apply	18. Provide for the Governor to designate the presiding officer of a state agency's policymaking body.
Update	19. Require the agency to comply with the state's open meetings law and administrative procedures law.
Apply	20. Require training for members of policymaking bodies.

TEXAS STATE LIBRARY AND ARCHIVES COMMISSION (cont.)	
RECOMMENDATIONS	ACROSS-THE-BOARD PROVISIONS
	B. LICENSING
Apply	1. Require standard time frames for licensees who are delinquent in renewal of licenses.
Not Applicable	2. Provide for notice to a person taking an examination of the results of the examination within a reasonable time of the testing date.
Not Applicable	3. Provide an analysis, on request, to individuals failing the examination.
Apply	4. Authorize agencies to establish a procedure for licensing applicants who hold a license issued by another state.
Not Applicable	5. Authorize agencies to issue provisional licenses to license applicants who hold a current license in another state.
Apply	6. Authorize the staggered renewal of licenses.
Not Applicable	7. Authorize agencies to use a full range of penalties.
Apply	8. Specify disciplinary hearing requirements.
Not Applicable	9. Revise restrictive rules or statutes to allow advertising and competitive bidding practices that are not deceptive or misleading.
Not Applicable	10. Require the policymaking body to adopt a system of continuing education.

TEXAS STATE LIBRARY AND ARCHIVES COMMISSION

Report prepared by:

Ann Blevins

John Morgan

Ying Tang

Dawn Volcik

Joey Longley

Sunset Advisory Commission

P.O. Box 13066

Austin, Texas 78711

(512) 463-1300





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