

Statement of James H. Billington
The Librarian of Congress
before the
Subcommittee on Legislative Branch Appropriations
Senate Appropriations Committee
United States Senate
FY 2008 Budget Request
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Madam Chairwoman, Senator Allard, and other members of the Subcommittee:

I appreciate the opportunity to appear before you today to discuss the past accomplishments and future goals of the Library of Congress in the context of our FY 2008 budget request. I ask for your continued support to ensure that the Library maintains its prestigious place as the world's largest repository of human knowledge and the main research arm of the United States Congress.

With all the distinction that this institution has achieved in the print world, it now faces the unprecedented challenge of sustaining its leadership amidst the revolutionary changes of the digital world. Information-seekers have many ways of finding what they need, but they are often overwhelmed or misled by the profusion of unfiltered and sometimes inaccurate information on the Internet. The Library of Congress is redefining its role in this new environment.

The budget request we have submitted to you includes the following basic assumptions:

- There is no change in the Library's historic mission of acquiring, preserving, and making its materials accessible and useful to the Congress and the nation. But the amount of information and the explosion in the number of creators are driving the greatest revolution in the generation and communication of knowledge since the advent of the printing press. The Library must seamlessly blend new digital materials into the traditional artifactual collections so that knowledge and information can be objectively and comprehensively provided by a fully integrated library.
- The Library of Congress must continue to build comprehensive, world-wide collections in all formats so that Members of Congress, scholars, school students, and the American people will have access to valid, high-quality information for their work, their research, and their civic participation.
- The Library must actively seek new and innovative ways to recognize, highlight, and celebrate the knowledge and creativity that the Congress has charged us to preserve for more than 200 years.
- A comprehensive institutional workforce transformation will be required for staff to continue providing the highest levels of service to the Congress and to the public. The Library has developed an agency-wide framework for program assessment of every division and support office. Congressional support has already enabled us to reengineer copyright functions and to create a state of the art National Audiovisual Conservation Center. We are developing new roles for key staff to become objective "knowledge

navigators who can make knowledge useful from both the artifactual and the digital world.

The Library and Its Programs

The Library of Congress is the world's largest repository of human knowledge and the main research arm of the United States Congress. It directly serves not only the Congress, but the entire nation with the most important commodity of our time: information. The Library's diverse programs sustain its responsibility to foster a free and informed society by building, preserving, and providing resources for human creativity, wisdom and achievement. Through these programs, the Library strives to place its resources at the fingertips of our elected representatives, the American people, and the world for their mutual prosperity, enlightenment, and inspiration.

The Library of Congress collections are made up of approximately 135 million artifactual items in more than 470 languages including:

- 32 million books (among them more than 5 thousand printed before the year 1500)
- 14 million photographs and other visual items
- 5.3 million maps
- 2.8 million audio materials
- 981 thousand films, television, and video items
- 5.5 million pieces of music
- 59.5 million manuscripts
- hundreds of thousands of scientific and government documents

Under the Library's four major appropriations, the Library funds the following major services:

Library of Congress, S&E

Acquisitions ó The Library staff adds more than 13 thousand items to the collections every day. The Library collects not only regularly published materials, but also reports that have limited distribution, international ephemera that illuminate other cultures and socio-political movements, and special collections that have been carefully assessed and selected by our curators. The collections, and the information they contain provide important support for the many services the Library provides to the Congress and the nation.

Cataloging ó The Library produces bibliographic records and related products and develops policy and standards for libraries and bibliographic utilities in all fifty states, the District of Columbia, and territories ó cataloging more than 345 thousand books and serials in FY 2006 ó services that save America's libraries millions of dollars annually (the money it would cost them if they had to catalog the books and other materials themselves).

Research and Reference ó The Library responds to, at no cost to users, nearly one million information requests a year from across the nation, including more than 500 thousand in-person requests in the 20 reading rooms open to the public in Washington, D.C. In addition, the Library responds to some 56 thousand interlibrary loan requests from across the nation and more than 25 thousand requests for book loans from the Congress each year.

Online Access Services ó The Library is at the forefront of providing comprehensive online digital access services, the conversion of analog materials into digital form, Web archiving, the provision of the Library's web based digital library services, and education outreach services that encourage use of the Library's online primary sources. The Library's online presence during 2006 resulted in 5 billion hits. There are now more than 22 million digital items represented on the Library's web sites, including materials digitized from the collections and exhibitions, program activities, and interpretive information. Over half of these digital items reside in the Library's virtual historical collections, American Memory. The Library's web site offers electronic versions of many resources of historical research and educational value that no other institution provides. In addition, the Library already has captured a total of 56 terabytes of content from the Web, and this volume continues to grow significantly. This total represents more than 1 billion documents downloaded from the Web, the equivalent of digital text information from more than 55 million books (1 megabyte per book of text only).

American Creativity ó The Library manages the largest, most varied, and most important archival collection of American creativity ó including motion pictures, sound recordings, maps, prints, photographs, manuscripts, music, and folklore covering a wide range of ethnic and geographic communities. The Library provides reference assistance to researchers and the general public, conducts field research, and promotes the preservation of American culture throughout the United States.

Preservation ó The Library develops and manages a program to preserve the diverse materials and formats in the Library's collections. The program provides a full range of prospective and retrospective preservation treatment for hundreds of thousands of items a year, conducts research into new technologies, emphasizes prevention techniques including proper environmental storage and training for emergency situations, conserves and preserves materials, and reformats materials to more stable media. The Library plays a key role in developing national and international standards that support the work of federal, state, and local agencies in preserving the nation's cultural heritage.

Reading Promotion and Outreach ó The Library promotes books, reading, and literacy through the Library's Center for the Book, its affiliated centers in fifty states and the District of Columbia, and nearly one hundred national organizational partners. The Library encourages knowledge and use of its collections through other outreach programs (cable TV, lectures, publications, conferences and symposia, exhibitions, poetry readings--all primarily supported by private funding) and through the Library's virtual presence on the Web. The Library also gives some 90 thousand surplus books annually to qualified libraries and nonprofit educational institutions through its nationwide donation program.

Digital Initiatives ó The Library oversees and coordinates cross-institutional digital initiatives, including the National Digital Information Infrastructure and Preservation Program (NDIIPP). The vision of NDIIPP is to ensure access over time to a rich body of digital content through the establishment of a national network of committed partners, collaborating in a digital preservation architecture with defined roles and responsibilities.

Law Library ó The Law Library program provides direct research service to the Congress in international and comparative law. It serves as the National Law Library. In addition to Members and Committee staffs of the Congress and the Congressional Research Service, the Law Library provides officers of the legislative branch, Justices of the Supreme Court and other judges, members of the Departments of State and Justice, and other federal agencies with bibliographic and informational services, background papers, comparative legal studies, legal interpretations, and translations. In support of this mission, the Law Library has amassed the largest collection of authoritative legal sources in the world, including more than 2.5 million volumes as well as almost 134 thousand digital items. As its congressional priorities permit, the Law Library makes its collections and services available to a diverse community of users ô the foreign diplomatic corps, international organizations, members of the bench and bar, educational institutions, non-governmental libraries, legal service organizations, and the general public ô directly serving more than 100 thousand users annually and offering information to the global public through its online services, including its Global Legal Information Network (GLIN).

Copyright Office, S&E

The Copyright Office (CO) administers the U.S. copyright laws, provides copyright policy analysis to the Congress and executive branch agencies, actively promotes international protections for intellectual property created by U.S. citizens, and provides public information and education on copyright. In FY 2006, the CO registered almost 521 thousand claims to copyright, accompanied by more than 825 thousand deposit copies of work; transferred more than 1.1 million registered and non-registered works to the Library, valued at more than \$41.2 million; recorded 13,016 documents containing more than 350 thousand titles; logged more than 31 million external electronic transactions to its web site; responded to nearly 339 thousand in-person, telephone, and email requests for information; and collected \$227 million in royalty fees and distributed more than \$191 million in royalties to copyright owners. Registration fees and authorized reductions from royalty receipts fund almost half of the CO. Copies of works received through the copyright system form the core of the Library's immense Americana collections, which provide the primary record of American creativity.

The Copyright Royalty Board (CRB), which is comprised of three Copyright Royalty Judges and their staff, administers the copyright statutory license and determines the rates and terms for the purpose of (a) distributing hundreds of millions of dollars in royalties that are collected under various compulsory license provisions of the copyright law, and (b) adjusting the royalty rates of these licensing provisions. The CO currently provides administrative support to the CRJs in budget preparation and human resource management.

Congressional Research Service, S&E

The Congressional Research Service (CRS) assists all Members and committees of the Congress with its deliberations and legislative decisions by providing objective, authoritative, non-partisan, and confidential research and analysis. As a shared resource, serving the Congress

exclusively, CRS experts work alongside the Congress throughout all stages of the legislative process and provide integrated and interdisciplinary analyses and insights in all areas of legislative activity. These services are provided by confidential individual policy consultations and memoranda; analytical reports; seminars; and a secure CRS web site available to the Congress. In 2006, CRS delivered more than 933 thousand research responses and services.

Books for the Blind and Physically Handicapped, S&E

The National Library for the Blind and Physically Handicapped (NLS/BPH), manages a free national reading program for more than 794 thousand blind and physically handicapped people circulating, at no cost to users, approximately 25 million items in FY 2006. A cooperating network of 131 regional and sub-regional (local) libraries distribute the machines and library materials provided by the Library of Congress. The U.S. Postal Service receives an appropriation to support postage-free mail for magazines, books, and machines which are sent directly to readers. Reading materials (books and magazines) and playback machines are sent to a total readership of 794 thousand comprising more than 500 thousand audio and braille readers registered individually, in addition to more than 200 thousand eligible individuals located in 32 thousand institutions.

The Library's FY 2008 Budget Request

As the Library's budget was submitted prior to the enactment of the FY 2007 full-year continuing resolution, the FY 2008 request is based on the total FY 2006 operating level. As a result, the FY 2008 budget request is unique in that it includes 1) adjustments for FY 2007 **and** FY 2008 mandatory pay and price level increases, 2) the resubmission of most FY 2007 program increases, and 3) several new FY 2008 program increases. This request covers two years of costs needed to keep the Library on schedule with its programs.

In FY 2008, the Library requests a **total budget of \$703.339 million (\$661.616 million in net appropriations and \$41.723 million in authority to use receipts)**, which is **an increase of \$99.716 million above the FY 2007 (2006) level**. The total includes \$43.9 million for the construction of the Library of Congress Ft. Meade Logistics Center, proposed for transfer to the Architect of the Capitol. Funding also includes \$45.947 million in mandatory pay and price level increases and \$28.118 million in program increases (excluding the \$43.9M for the Logistics Center), offset by \$18.249 million in non-recurring costs.

The requested funding supports 4,244 full-time equivalents (FTEs), a net decrease of 58 FTEs below the current authorized level of 4,302.

FY 2008 funding is allocated as follows:

- Library of Congress, S&E (\$467.452M/2,888 FTEs), which includes:
 - National Library (\$324.294M/2,259 FTEs)
 - National Library ó Basic
 - Purchase of Library Materials (GENPAC)
 - Office of Strategic Initiatives
 - Cataloging Distribution Service
 - Law Library (\$13.394M/101 FTEs)
 - Management Support Services (\$129.764M/528 FTEs)

- Copyright Office, S&E (\$51.562M/523 FTEs)
- Congressional Research Service, S&E (\$108.702M/705 FTEs)
- Books for the Blind and Physically Handicapped, S&E (\$75.623M/128 FTEs)

The Library's Funding Priorities

Mandatory Pay and Price Level increases

The Library is requesting an additional **\$45.947 million to maintain current services**. This is the amount needed to support the annualization of the FY 2006 pay raise, the FY 2007 pay raise and annualization in FY 2008, the FY 2008 pay raise, within-grade increases, and unavoidable inflation and vendor price increases for the period FY 2007 - 2008. These funds are needed simply to sustain current business operations and to prevent a reduction in staff that would severely affect the Library's ability to manage its programs in support of its mission and strategic objectives.

Unfunded Mandates

The Library is requesting **\$2.005 million for one unfunded mandate: the Department of State (DOS) Capital Security Cost-Sharing Program**.

In FY 2005, the DOS, mandated by the executive branch, began its 14-year program to finance the construction of approximately 150 embassy compounds, requiring increasing contributions from all agencies with an overseas presence, including the Library. The Library's yearly assessment was \$1.2 million in FY 2005 and \$2.4 million in FY 2006 - 2007. The proposed increase for FY 2008 is \$2.005 million. If funding is not provided for the next phase of the program, the Library will have insufficient resources to operate its overseas offices. This would result in the curtailment and in some cases, termination of international acquisitions programs in areas that are of increasing importance to the nation (Brazil, Egypt, Kenya, India, Pakistan, and Indonesia).

Major Ongoing Projects

The Library is requesting a net total of **\$1.771 million for three ongoing major projects** that are either in their last year of development or on a time-sensitive schedule that must be maintained if the entire project is to succeed.

- **Acquisitions (GENPAC/Electronic Materials)** Advances in technology have opened opportunities for the Library to acquire materials from parts of the world about which, until recently, there had been little access to primary sources. National interest, especially with respect to security and trade, dictates that we acquire emerging electronic publications and other difficult-to-find resources that document other cultures and nations. The GENPAC appropriation, which funds the purchase of all-important current collections materials, declined precipitously in its purchasing power during the 1990s. Consistent with our previous budget request for a multi-year, \$4.2 million base increase to the GENPAC budget, the Library is requesting the next incremental adjustment of **\$2 million**, which will bring the total base adjustment up to \$3.3 million. Funding is needed to help keep pace with the greatly increased cost of serial and electronic materials, that risks eroding the comprehensiveness and value of the Library's collections.

- **National Audio-Visual Conservation Center (NAVCC), Culpeper, VA** ó A five-year plan for the completion of NAVCC was included in the Library's FY 2004 budget. FY 2008 represents the fifth year in the Library's five-year cost model, which is adjusted annually to align with shifts in the construction schedule of the Packard Humanities Institute and the Library's occupancy schedule. In 2007, construction will be completed; the entire property transferred to the government; staff relocations will begin; and digital preservation equipment and systems will be purchased and integrated into the conservation facility. Funding is needed in FY 2008 to continue purchasing equipment for the facility as well as for operations support. **The FY 2008 total funding of \$13.617 million reflects a net decrease of \$1.429 million and 5 FTEs from the base.**
- **Global Legal Information Network (GLIN)** ó The Law Library's GLIN is a multinational, cooperative legal database with members of the network representing countries in Africa, Asia, Europe, and the Americas. In FY 2003, the Congress provided the Library with a five-year appropriation to implement the technical upgrade, to digitize and incorporate retrospective legal material, and to engage in targeted recruitment to expand the diversity and number of nations contributing legal materials to the GLIN database. All goals have been met. To maintain this world-class legal information resource, the Library requests that **\$1.2 million** be added to the Law Library base in FY 2008. Funding is required to continue operating GLIN and cover ongoing costs associated with software licensing and upgrades, system hosting, technology refreshment, content expansion, and membership recruitment.

In addition, the Library's FY 2008 budget did not include a request for the National Digital Information Infrastructure and Preservation Program (NDIIPP), as the budget was submitted prior to the rescission of \$47 million as part of the FY 2007 continuing resolution. The Library is seeking **\$21.5 million** to partially restore funding for NDIIPP. The FY 2007 rescission of \$47 million endangers another \$37 million in matching funds already committed by pending partners.

New Projects

The Library is requesting **\$24.342 million for several new critical initiatives as follows:**

- **Digital Talking Book Program** – A four-year, \$76.4 million initiative is needed to implement a revolutionary change from analog to digital technology that has been projected and planned since 1990. In brief, the change consists of replacing cassette tape players with Digital Talking Book (DTB) players and introducing a new medium (flash cartridges) for distributing the DTBs. This request is critical, as the technology currently used will be obsolete in a few years' time. This change is also being demanded by the users of the service. The new technology has been proposed after wide and deep consultation with users and technology experts. In FY 2008, the Library is requesting **\$19.1 million**, to remain available in the NLS base until FY 2011 ó the last year of the implementation schedule. Funding is requested **in both annual (\$14.454M) and no-year funds (\$4.646M)** in FY 2008, with the mix changing each succeeding fiscal year, as appropriate.

- **Copyright Records Preservation** - A six-year, \$6 million initiative is needed to image digitally 70 million pages of pre-1978 public records that are deteriorating, jeopardizing the mandatory preservation of, and access to, these unique records of American creativity. In FY 2008, the Library is requesting the first **\$1 million – in offsetting collections authority**, which will permit the scanning of 10 million page images.
- **Abraham Lincoln Bicentennial Exhibition** – The Library's Abraham Lincoln Bicentennial Exhibition in 2009 will be a centerpiece of the nationwide celebration to mark the bicentennial of Lincoln's birth. The Library will draw on its unparalleled Lincoln materials to focus on Lincoln's rise to national prominence and the thinking and writing that underlie his career. A total of **\$1.442 million** will be needed for this project in FY 2008, and with **multi-year (3-year) authority**. FY 2008 funding will support the design and implementation of the exhibition and travel needed to visit other venues and/or other institutions that will be lending materials to the Library exhibition.
- **Escape Hoods** ó A **one-time cost of \$1.189 million** is needed to purchase NIOSH-approved escape hoods for approximately 6,200 non-Library staff (researchers, contractors, and other visitors to the Library) and 110 cabinets to store the hoods throughout the Library. Procuring and providing escape hoods for contractors and visitors is consistent with the policy set by the USCP for the Capitol Hill complex.
- **Custodial Services** ó A total of **\$517 thousand** in contract funds is requested for custodial services support and includes funding for six contract custodial quality control inspectors and increased costs related to new space at Ft. Meade (Modules 2 - 4). The Library's facilities on Capitol Hill comprises four million square feet, with no independent inspectors monitoring its custodial contract (industry standards reflect at least one inspector per 500 thousand square feet of facility). Based on industry standards, the Library would require a total of eight inspectors, though the Library is only requesting six. Library space at Ft. Meade will increase by 83 thousand square feet between FY 2006 - 2008, increasing the base cost of the custodial service contract.
- **Legislative Branch-Wide Payroll Formulation Software System** ó The Library is requesting a total of **\$500 thousand** to support a legislative branch-wide pilot program to procure and implement a payroll budget formulation software system that will allow a name-by-name calculation of payroll costs using a standard calculation methodology for all legislative branch agencies. This request is the result of congressional guidance to the Legislative Branch Financial Managers Council (LBFMC) to develop a standard methodology for formulating payroll costs within and across the legislative branch agencies. Since the Library has one of the largest staffs in the legislative branch, the LBFMC, with congressional approval, selected the Library to pilot the system, with funding for all legislative branch agencies to be requested in subsequent years ó after testing and implementation are finalized at the Library. Consistent with guidance, the software and subsequent formulation of payroll costs will be managed by each agency's central budget office to ensure consistency within each agency.
- **Library-Wide Contracts Management Support** -- Currently, the Office of Contracts has a total working capacity of 22 FTEs (comprised of in-house staff and contractors). Based on a GSA workload analysis model that was applied to the Library's FY 2005 contract actions, a total of 26 FTEs is needed to support the Library's contract workload.

Since 2001, the volume and complexity of the Library's contracting workload have increased significantly. The average annual dollar value of contract actions administered per contract specialist increased from \$2.9 million in FY 2001 to more than \$13.8 million in FY 2005. That trend is expected to become more pronounced in FY 2007 and beyond. Funding of **\$318 thousand** is requested to support the salaries and benefits of an additional three FTEs in the Office of Contracts for a total working capacity of 25 FTEs. The three additional FTEs will be absorbed within the Library's FTE base.

- **Workforce Transformation Project** – Renewal and development of the Library's workforce are essential to retrain staff with the necessary skills for the digital age, and to capture for the future the vast knowledge of large numbers of experienced staff who are near retirement. In FY 2008, the Library will begin a program to enhance digital competencies, leadership skills, career development, recruitment, and other workforce counseling and services. These activities are particularly important for sustaining the Library's commitment to a diverse workforce. Funding of **\$276 thousand** is requested to support these initiatives.

Other Program Changes or Requests

- **Library of Congress Ft. Meade Logistics Center** – The Library is requesting \$43.9 million, to be transferred to the Architect of the Capitol, for the construction of the Library of Congress Ft. Meade Logistics Center. Current deplorable life safety and environmental conditions at the Landover Center are unacceptable and present extremely high risk to staff and collections. The proposed Logistics Center is a 162 thousand square foot environmentally controlled facility supporting the day-to-day mission critical operating requirements of the Library. The new facility will consolidate storage and inventory and supply from multiple leased facilities and Library buildings on Capitol Hill and will also benefit from the synergy and centralized security of the Ft. Meade master plan. Alternatives have been extensively evaluated, and all are more costly than the proposed construction – which will result in immediate savings of approximately \$3 million per year after consolidation at Ft. Meade.
- **Digital Collections and Educational Curricula Program** – In 2005, Congress created and passed the Library of Congress Digital Collections and Educational Curricula Act. Beginning in FY 2006, the Act moved the administrative and programmatic ownership of the Adventure of the American Mind program (AAM) from the Educational and Research Consortium to the Library. Of the \$6.016 million requested in FY 2008 (FY 2006 - 2007 enacted level adjusted for mandatory pay and price level increases), \$2.006 million will fund administrative support costs, with the balance of \$4.010 million supporting grant awards. In addition, the Library will begin developing standards-based, field-tested curricula, using a train-the-trainer model to create a network of partners from all parts of the country.

Architect Of The Capitol - Library Of Congress Buildings And Grounds

The Architect of the Capitol (AOC) is responsible for the structural and mechanical care and maintenance of the Library's buildings and grounds. In coordination with the Library, the AOC is requesting a FY 2008 budget of \$42.788 million to support life safety, deferred maintenance, and upgrades to the Library's buildings on Capitol Hill. The deferment of maintenance and upgrades require projects to be completed concurrently, often at higher costs. Deferments and delays have also created longer lists of projects. The cost increase is compounded by inflationary pressures and by the steadily growing risks in health, safety, and security to the Library's staff and collections. The cost of maintenance and upgrades will increase exponentially if the Library cannot stop, or at least slow down, the rate of deterioration of its buildings.

Proposed Changes To Legislative Language

The Library has proposed language to improve employment options elsewhere in the Federal Government for Library staff. The first provision confers *competitive status* to Library employees who have successfully completed their probationary period at the Library – the basic eligibility to be non-competitively selected to fill vacancies in the competitive service of the Federal Government. This will enable Library staff to apply for positions in the executive branch on an equal footing with career executive branch employees. A related provision would enhance the employability of Library employees displaced because of a Reduction-in-Force (RIF) or failure to accept a transfer to an alternative work location. This provision would give separated staff selection priority for competitive service positions, comparable to that enjoyed by separated employees from other federal agencies.

The Library also proposes new appropriation language to address the requirement specified in the Cooperative Acquisitions Program Revolving Fund legislation (CAP), Public Law 105-55, that the revolving fund receive its own audit by March 31 following the end of each fiscal year. The Library requests that the March 31 audit requirement be rescinded and that the CAP be subject to the same audit requirement as the Library's other revolving funds.

Conclusion

We are deeply grateful for what Congress has already created and admirably sustained. New investments will enable us to continue providing the Congress with comprehensive nonpartisan research, and the nation with the wonderful learning resources that digital technology is delivering to schools, libraries and homes. Appropriations for today's Library will be investments in tomorrow's minds, in our future creativity, and in America's global leadership well into the information age.

Thank you, Madam Chairwoman.