

## Chapter VII. Summary of Quantifiable Economic Impacts

Public libraries in the State of Texas generate significant economic impacts. In 2011 more than 12,000 jobs in Texas were dependent on public library expenditures. When analyzed as business and organizational entities, public libraries produced \$1.043 billion in local economic activity. In addition, the total value of six primary public library services was conservatively estimated at \$1.364 billion.<sup>47</sup> Total economic benefits from Texas public libraries in 2011 were approximately \$2.407 billion.

Spending by public libraries in 2011 totaled \$544.9 million: \$450.8 million in operating expenditures and \$94.1 million in capital expenditures.

Overall, with economic benefits of \$2.407 billion and expenditures of \$544.9 million, there was an ROI of \$4.42—for every dollar, there was \$4.42 in local economic activity.

Table 7.1 shows the financial benefit ratio (return on investment) for prior studies of select states and cities. Comparisons of these ratios across different jurisdictions must be conducted with caution and, in some instances, may be inappropriate due to different types of services and other localized conditions. Nonetheless, it often proves useful to determine more generally if the results are in line with other analyses. The two Texas ratios, one for all libraries and a second for the sample of 14 of individual libraries, are in line with the ratios evident in other cities and states. Given the conservative approaches used in this analysis and the fact that some library services could not be included due to intractable problems with data availability or measurement, the Texas ratios are rather impressive.

In addition to measuring the economic benefits of public libraries, this research:

- Documented numerous, specific examples in which libraries have enabled business organizations, businesses, and self-employed individuals to improve their economic activities;
- Described libraries' activities that assist individuals to obtain employment; and

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<sup>47</sup> Circulation: \$934,502,271; Computer terminals/Internet: \$317,285,503; Reference Services: \$34,511,683; Programs: \$28,908,942; Volunteers: \$26,027,930; Wireless: \$22,551,992. Sum: \$1,363,788,321.

- Identified educational and occupational programs libraries have provided to enhance their patrons’ quality of life and meet the information, data, and social needs of their communities and regions.

**TABLE 7.1. RETURN ON INVESTMENT IN SELECTED REPORTS**

<b>Jurisdiction</b>	<b>Return on the Dollar</b>
STATES	
Colorado	\$4.99
Florida	\$8.32
Indiana	\$4.76
South Carolina	\$4.48
<b>Texas – Statewide</b>	<b>\$4.42</b>
Wisconsin	\$4.06
CITIES	
Charlotte	\$4.61
Southwestern Ohio	\$3.81
<b>Texas – 14 cases</b>	<b>\$4.19</b>

*Note: Summary statistics were unavailable for Philadelphia and Seattle.*

The impact Texas public libraries have is still underestimated. Public libraries serve their communities by making information and learning readily accessible to any individuals who choose to enter a library’s doors or, in recent years, use a library’s online portal. The individuals who use the libraries directly benefit by gaining knowledge and ideas and those who choose not to use their local public library benefit by being part of a more educated community. Substantial research has concluded that economic growth and leadership is highly correlated with highly educated communities. Public libraries offer every person an opportunity to improve their education and every business an opportunity to improve their productivity. Public libraries are an overlooked factor in economic leadership among states.