



Senate

General Assembly

File No. 132

January Session, 2025

Substitute Senate Bill No. 1234

Senate, March 19, 2025

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT PROHIBITING LIBRARIES FROM AGREEING TO CERTAIN TERMS IN ELECTRONIC BOOK AND DIGITAL AUDIOBOOK LICENSE AGREEMENTS OR CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2026, and applicable to contracts or*
2 *license agreements entered into or renewed on or after said date*) (a) As used
3 in this section:

4 (1) "Electronic literary material" means any digital audiobook or
5 electronic book;

6 (2) "Digital audiobook" means a sound recording of a reading of any
7 literary production that has been converted into or published in a digital
8 audio file that may be listened to on a computer or portable electronic
9 device;

10 (3) "Electronic book" means a text document that has been converted
11 into or published in a digital format that may be read on a computer or

12 portable electronic device;

13 (4) "Portable electronic device" means any self-contained electronic
14 device for personal use for communicating, reading, viewing, listening,
15 playing video games or computing, including, but not limited to, a
16 mobile telephone, tablet computer, electronic book reader or other
17 similar device;

18 (5) "Library" includes (A) any public library, public elementary
19 school library, secondary school library, academic library, research
20 library or public archive (i) that is funded directly or indirectly, in whole
21 or in part, during a fiscal year by the state or a political subdivision of
22 the state, including, but not limited to, matching expenditures, grants,
23 loans, bonding, insurance or guarantees, and (ii) for the duration of any
24 fiscal year in which such funding is received and the fiscal year next
25 succeeding; and (B) the State Library;

26 (6) "Publisher" means any person in the business of the manufacture,
27 promulgation, license or sale of books, audiobooks, journals, magazines,
28 newspapers or other literary productions, including those in the form of
29 electronic literary materials, and includes any aggregator who enters
30 into a contract with any library for the purpose of providing materials
31 for purchase or license from any publisher;

32 (7) "Aggregator" means any person in the business of licensing access
33 to electronic literary material collections that include electronic literary
34 material from multiple publishers;

35 (8) "Technological protection measure" means any technology that
36 enhances the security of loaning or circulating electronic literary
37 materials by a library;

38 (9) "Borrower" means any person or organization, including another
39 library, to whom a library loans a copy of electronic literary material;

40 (10) "Loan" means the creation and transmission by a library to a
41 borrower of a copy of any electronic literary material and the deletion
42 of such copy by the library upon the expiration of the loan period; and

43 (11) "Loan period" means the period of time commencing with the
44 creation and transmission by a library to a borrower of a copy of any
45 electronic literary material and concluding with the deletion of such
46 copy by the library, as determined by the library.

47 (b) The provisions of this section shall apply to any contract or license
48 agreement entered into or renewed on and after July 1, 2026, by a library
49 in the state with a publisher for the license of any electronic literary
50 material.

51 (c) On and after July 1, 2026, no library in the state shall enter into or
52 renew any contract or license agreement with a publisher that
53 precludes, limits or restricts the library from performing customary
54 operational or lending functions, including any provision that:

55 (1) Prohibits the library from loaning any electronic literary material,
56 including through any interlibrary loan system;

57 (2) Restricts the number of times the library may loan any electronic
58 literary material over the course of the contract or license agreement if
59 such contract or agreement also restricts the library's loan period for
60 electronic literary material;

61 (3) Limits the number of electronic literary material licenses the
62 library may purchase on the same date such electronic literary material
63 is made available for purchase by the public;

64 (4) Prohibits the library from making nonpublic preservation copies
65 of any electronic literary material;

66 (5) Restricts the library from disclosing the terms of the contract or
67 license agreement to any other library in the state;

68 (6) Restricts the duration of the contract or license agreement unless
69 the library also has the option of a contract or license agreement on
70 commercially reasonable terms in consideration of the library's mission,
71 that either (A) is based on a pay-per-use model, or (B) provides for the
72 perpetual public use of the electronic literary material;

73 (7) Requires the library to violate the provisions of section 11-25 of
74 the general statutes;

75 (8) Provides that the contract or license agreement is not severable
76 from any provision within such contract or agreement that is found in a
77 judicial forum to be prohibited by this subsection; or

78 (9) Allows the enforcement of any of the provisions prohibited by this
79 subsection other than in a judicial forum.

80 (d) Any library in the state may enter into a contract or license
81 agreement with a publisher that contains:

82 (1) A limitation on the number of borrowers the library may allow to
83 have simultaneous access to any electronic literary material; or

84 (2) A provision concerning the library's reasonable use of any
85 technological protection measure that prevents a borrower from:

86 (A) Maintaining access to any electronic literary material beyond the
87 access period specified in the contract or license agreement; and

88 (B) Providing other borrowers with access to any electronic literary
89 material.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2026, and applicable to contracts or license agreements entered into or renewed on or after said date</i>	New section
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Statement of Legislative Commissioners:

The title was changed.

GAE Joint Favorable Subst. -LCO

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Library, CT State	GF - Potential Savings	None	See Below
Constituent Units of Higher Education	OF - Potential Savings	None	See Below

Note: GF=General Fund; OF= Other Funds

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Various Municipalities; Local and Regional School Districts	Potential Savings	None	See Below

Explanation

The bill results in a potential savings annually beginning in FY 27 to the Connecticut State Library (CSL), municipal libraries, and libraries operated by local and regional school districts and the constituent units of higher education. It does so by prohibiting certain provisions in licensure and contract agreements between libraries and electronic book publishers.

To the extent the bill produces e-book lending terms that are more favorable to libraries, the bill may result in a savings beginning in FY 27 to publicly funded entities statewide that provide e-books. As an illustration: In FY 25, it is anticipated that CSL will spend approximately \$196,700 on e-book content. Of that amount, it is estimated that \$20,600 is associated with repurchasing content with expired licenses. The bill prohibits e-book contracts from including restrictions on the duration of such licenses unless certain conditions are met.

The extent of the potential savings depends on contract terms, the cost differential between e-books and traditional books, and the extent to which interlibrary loan access reduces a library's need to independently purchase content.

The Out Years

The ongoing fiscal impact identified above would continue into the future subject to inflation and contract terms.

OLR Bill Analysis**sSB 1234*****AN ACT PROHIBITING LIBRARIES FROM AGREEING TO CERTAIN TERMS IN ELECTRONIC BOOK AND DIGITAL AUDIOBOOK LICENSE AGREEMENTS OR CONTRACTS.*****SUMMARY**

This bill generally prohibits publicly funded libraries from entering into agreements with publishers of electronic literary materials (i.e. electronic books (eBooks) and digital audiobooks) that prevent, limit, or restrict the library from performing certain customary operational or lending functions specified in the bill. It applies to contracts and licensing agreements (collectively referred to as “agreements” below) entered or renewed on and after July 1, 2026.

The bill applies to (1) the Connecticut State Library and (2) any public library, public elementary or secondary school library, academic or research library, or public archive if it is partially or fully funded (e.g., through grants, loans, insurance, or matching expenditures) by the state or one of its political subdivisions (e.g., municipalities). The bill’s prohibition applies for the duration of the fiscal year in which the library or archive receives the funding and the next fiscal year after that.

Under the bill, “publishers” are (1) businesses that manufacture, promulgate, license, or sell books, journals, magazines, newspapers, or other literary productions (including digital formats and digital audiobooks) or (2) aggregators in the business of licensing access to material collections, including works from multiple publishers, and entering into contracts with libraries to sell or license these materials.

EFFECTIVE DATE: July 1, 2026, and applicable to contracts or license agreements entered into or renewed on or after that date.

AGREEMENT TERMS***Prohibited Terms***

The bill generally prohibits the covered libraries from entering or renewing agreements with publishers that prevent, limit, or restrict their ability to perform customary operational or lending functions. More specifically, the bill prohibits the libraries from entering agreements that:

1. prohibit the library from lending any electronic literary material, including through an interlibrary loan;
2. restrict the number of times the library may loan electronic literary material over the course of the agreement if it also restricts the library's loan period for the material;
3. limit the number of licenses the library can buy on the day the material is made available for public purchase;
4. prohibit the library from making nonpublic preservation copies;
5. restrict the library from disclosing an agreement's terms to another Connecticut library;
6. restrict the agreement's duration unless the library also has the option of an agreement on commercially reasonable terms, considering the library's mission, that allows (a) a pay-per-use model or (b) perpetual public use of the electronic literary material;
7. require the library to violate the law that protects its patrons' confidential information;
8. are non-severable from any of its provisions that a judicial forum finds prohibited by the bill; or
9. allow any of the bill's prohibited provisions to be enforced outside of a judicial forum (e.g., through arbitration).

Permissible Terms

The bill also specifies that the libraries' agreements with publishers may do the following:

1. limit the number of borrowers with simultaneous access to any electronic literary material or
2. require the library to reasonably use technological protection measures that prevent a borrower from (a) maintaining access to material beyond the agreement's allowable loan period or (b) sharing access to the material with other borrowers.

BACKGROUND***Related Bill***

HB 6958, favorably reported by the Planning and Development Committee, is identical to this bill.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 14 Nay 5 (02/28/2025)