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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3698

02/25/2026 Authored by Gottfried, Kotyza-Witthuhn, Xiong, Rehrauer, Pursell and others
The bill was read for the first time and referred to the Committee on Education Policy

1.1 A bill for an act
1.2 relating to public libraries; prohibiting certain terms in libraries' electronic book
1.3 and digital audiobook license agreements or contracts; proposing coding for new
1.4 law in Minnesota Statutes, chapter 134.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [134.52] ELECTRONIC BOOK AND DIGITAL AUDIOBOOK LICENSES.

1.7 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
1.8 the meanings given.

1.9 (b) "Aggregator" means any person in the business of licensing access to electronic
1.10 literary material collections that include electronic literary material from multiple publishers.

1.11 (c) "Borrower" means any person or organization, including another library, to whom
1.12 a library loans a copy of electronic literary material.

1.13 (d) "Digital audiobook" means a sound recording of a reading of any literary production
1.14 that has been converted into or published in a digital audio file that may be listened to on
1.15 a computer or portable electronic device.

1.16 (e) "Electronic book" means a text document that has been converted into or published
1.17 in a digital format that may be read on a computer or portable electronic device.

1.18 (f) "Electronic literary material" means any digital audiobook or electronic book.

1.19 (g) "Library" means:

1.20 (1) a library that provides free access to all residents of a city or county, receives at least
1.21 half of its financial support from public funds, and is organized under the provisions of this

2.1 chapter, except that a library under this clause does not include libraries that are law, medical,
2.2 or other specific libraries organized to serve a special group of persons and not the general
2.3 public;

2.4 (2) a library jointly operated by a city and a school district under section 134.195;

2.5 (3) a school district or charter school library or media center under section 124D.991,
2.6 including libraries operated by an intermediate school district or cooperative unit under
2.7 section 123A.24, subdivision 2; or

2.8 (4) the Minitex library network.

2.9 (h) "Loan" means the creation and transmission by a library to a borrower of a copy of
2.10 any electronic literary material and the deletion of such copy by the library upon the
2.11 expiration of the loan period.

2.12 (i) "Loan period" means the period of time commencing with the creation and
2.13 transmission by a library to a borrower of a copy of any electronic literary material and
2.14 concluding with the deletion of the copy by the library, as determined by the library.

2.15 (j) "Portable electronic device" means any self-contained electronic device for personal
2.16 use for communicating, reading, viewing, listening, playing video games, or computing,
2.17 including but not limited to a mobile telephone, tablet computer, electronic book reader, or
2.18 other similar device.

2.19 (k) "Publisher" means any person in the business of the manufacture, promulgation,
2.20 license, or sale of books, audiobooks, journals, magazines, newspapers, or other literary
2.21 productions, including those in the form of electronic literary materials and includes any
2.22 aggregator who enters into a contract with any library for the purpose of providing materials
2.23 for purchase or license from any publisher.

2.24 (l) "Technological protection measure" means any technology that enhances the security
2.25 of loaning or circulating electronic literary materials by a library.

2.26 Subd. 2. **Applicability.** (a) The provisions of this section shall apply to any contract or
2.27 license agreement entered into or renewed by a library in the state with a publisher for the
2.28 license of any electronic literary material on and after 60 days following the date the secretary
2.29 of state, as certified by the state librarian, determines that a substantially similar law to the
2.30 provisions of this section has been enacted in one or more states, not including this state,
2.31 and the aggregate population of such state or states equals at least 7,000,000, as enumerated
2.32 in the most recent United States decennial census. Each quarter, starting July 1, the state
2.33 librarian must certify to the secretary of state the number of states that have enacted any

3.1 such substantially similar laws until the number certified reaches the aggregate population
3.2 requirement.

3.3 (b) Not later than 30 days after the date the secretary of state, in consultation with the
3.4 state librarian, makes the determination in accordance with paragraph (a), the state librarian
3.5 must electronically notify the commissioner of education and all libraries operated by a
3.6 state agency of the determination and the date the requirements of this section become
3.7 effective. The secretary of state and commissioner of education must ensure that the
3.8 determination and effective date are posted on the websites of the office of the secretary of
3.9 state and the Department of Education. The secretary of state must electronically notify the
3.10 Office of the Revisor of Statutes of the determination and effective date. The secretary of
3.11 state must electronically notify all counties, cities, and towns of this state and the
3.12 commissioner of education shall electronically notify all public schools, of the determination
3.13 and effective date.

3.14 Subd. 3. **Contract requirements.** On and after 60 days following the date of
3.15 determination by the secretary of state, in consultation with the state librarian, under
3.16 subdivision 2, paragraph (a), no library in the state may enter into or renew any contract or
3.17 license agreement with a publisher that precludes, limits, or restricts the library from
3.18 performing customary operational or lending functions, including any provision that:

3.19 (1) prohibits the library from loaning any electronic literary material, including through
3.20 any interlibrary loan system;

3.21 (2) restricts the number of times the library may loan any electronic literary material
3.22 over the course of the contract or license agreement if such contract or agreement also
3.23 restricts the library's loan period for electronic literary material;

3.24 (3) limits the number of electronic literary material licenses the library may purchase
3.25 on the same date such electronic literary material is made available for purchase by the
3.26 public;

3.27 (4) prohibits the library from making nonpublic preservation copies of any electronic
3.28 literary material;

3.29 (5) restricts the library from disclosing the terms of the contract or license agreement to
3.30 any other library in the state;

3.31 (6) restricts the duration of the contract or license agreement for electronic literary
3.32 material unless the library also has the option of a contract or license agreement on
3.33 commercially reasonable terms in consideration of the library's mission, that either:

- 4.1 (i) is based on a pay-per-use model; or
- 4.2 (ii) provides for the perpetual public use of the electronic literary material;
- 4.3 (7) requires the library to violate the provisions of section 13.40;
- 4.4 (8) provides that the contract or license agreement is not severable from any provision
4.5 within the contract or agreement that is found in a judicial forum to be prohibited by this
4.6 subdivision; or
- 4.7 (9) allows the enforcement of any of the provisions prohibited by this subdivision other
4.8 than in a judicial forum.