

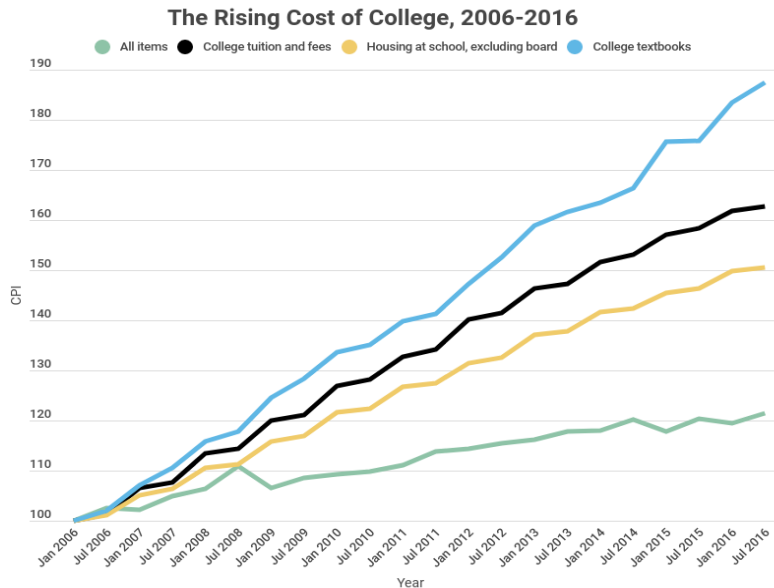


### Written Testimony – SB904

Chairman Guzzone, Vice Chairman Rosapepe, and Esteemed Members of the Senate Budget and Taxation Committee,

This testimony has been written on behalf of the University System of Maryland Student Council, and organization which represents over 170,000 students across the state of Maryland. The USMSC voices its **strong support for SB904**, and we urge that it receive a favorable report.

College affordability is one of the biggest issues that students face in this day and age. A significant portion of the overwhelming cost of college is related to the prices of college textbooks, which have been rising dramatically in price over the last few decades at the expense of students. The price of textbooks for college students has risen over 800% since the late 1970s,<sup>1</sup> significantly outpacing the price inflation of tuition and housing.



Source: Bureau of Labor Statistics

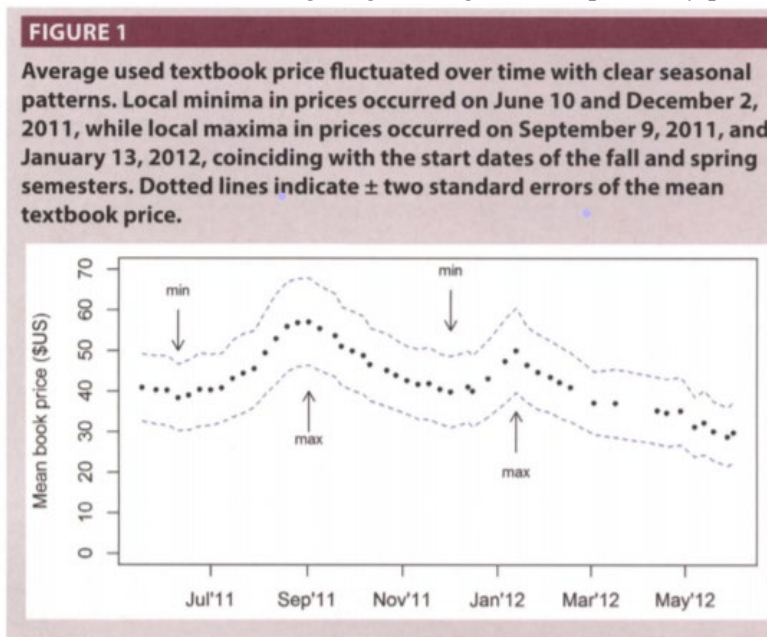
In addition to the rapidly rising prices of college textbooks, students are losing purchase options that previously helped keep the prices of the textbook market in control. Previously, the secondhand market and rentals provided a useful way to acquire textbooks for below market prices, allowing resourceful students to dodge rising costs. Advances in digital technology have begun to snuff out these two markets, as many textbooks use digital tie-ins designed to prevent rentals and secondhand sales. The

<sup>1</sup> <https://www.nbcnews.com/feature/freshman-year/college-textbook-prices-have-risen-812-percent-1978-n399926>

elimination of these options for students have forced students to buy brand new books at full retail price, a trend which is further accelerating the increase in textbook costs students are facing each year

In the face of rapidly rising textbook costs, students are forced to seek out alternatives to purchasing critical course material. Although it may seem strange, many students choose to take a class without its required material in the face of high textbook costs. Forgoing the purchase of textbooks can be detrimental to the success of students in any class that requires a textbook. Recent surveys have determined that 65% of college students have forgone the purchase of a textbook in a class would be required. Almost all of them cited cost of the primary factor and nearly 95% were worried that their performance would be negatively impacted by the decision to not purchase a textbook.<sup>2</sup> There is also several studies that show a significant dip in expected course grades and GPA associated with college students not utilizing textbooks which are required for their courses.<sup>3</sup> This shows that there are real academic consequences for students who are financially incapable of dealing with rising textbook costs.

This bill addresses this problem of rising textbook costs in a small, but very significant way. Exempting college textbooks from the sales tax for two weeks a year is going to lower textbook prices for students by 6% at the times when most students are purchasing textbooks. This lessens the financial burden placed on students when buying course material. The timed nature of the tax exemptions stipulated by SB904 also inadvertently addresses the problem of fluctuating textbook prices. Textbook companies, knowing that students are most likely to buy books during the first few weeks of the semester, frequently raise the prices of their material during these times.<sup>4</sup> By offering a temporary “discount” in the form of a tax exemption, the state would be fighting back against this predatory practice.



In conclusion, this bill has much to offer when it comes to alleviating the financial pressure on students who buy textbooks, and the academic pressure for students who currently cannot afford them. We urge a favorable report on SB904.

<sup>2</sup> <https://www.usnews.com/news/articles/2014/01/28/report-high-textbook-prices-have-college-students-struggling>

<sup>3</sup> College Teaching, January-March 2012, Vol. 60, No. 1 (January-March 2012), pp. 17-24

<sup>4</sup> Journal of College Science Teaching, May/June 2015, Vol. 44, No. 5 (May/June 2015), pp. 38-41

