F2 8lr2448 CF SB 657

By: Delegates Rice, Ali, Barve, Cardin, Carr, Dumais, Feldman, Gilchrist, Gutierrez, Haddaway, Heller, Hixson, Hucker, Ivey, Jennings, Kaiser, Kramer, Krebs, Manno, Mizeur, Murphy, Olszewski, Pena-Melnyk, Ramirez, Reznik, Ross, Schuler, Tarrant, Taylor, F. Turner, Valderrama, Vaughn, Waldstreicher, and Walker

Introduced and read first time: February 7, 2008

Assigned to: Appropriations

## A BILL ENTITLED

1 AN ACT concerning

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## College Textbook Competition and Affordability Act of 2008

FOR the purpose of requiring certain institutions of postsecondary education to develop and implement certain processes to make certain faculty members aware of certain information; providing that certain prices must remain in effect for a certain term under certain circumstances; requiring certain faculty members to allow certain students to use certain editions of certain textbooks under certain circumstances; prohibiting certain faculty members from selecting certain textbooks unless a certain percentage of material will be used for certain courses; prohibiting certain access codes from exceeding a certain percentage of the price of certain textbooks except under certain circumstances; requiring certain faculty members to make certain affirmations under certain circumstances; prohibiting certain bookstores from bundling certain materials without prior approval from certain faculty members; requiring certain institutions of postsecondary education to adopt certain procedures; requiring certain institutions of postsecondary education to list certain information regarding certain textbooks on certain websites at certain times; prohibiting certain revenues from exceeding certain expenditures except under certain circumstances; requiring certain institutions of postsecondary education to make certain reports to the Maryland Higher Education Commission regarding certain analyses of certain textbook prices and certain other information on or before a certain date; requiring the Commission to compile certain reports and forward the compilation to the Governor and the General Assembly on or before a certain date; requiring certain institutions of postsecondary education to develop and implement certain policies for lowering the cost of textbooks on or before a certain date; defining certain terms; and generally relating to the sale of college textbooks.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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1 2 3 4 5	BY adding to Article – Education Section 15–111 Annotated Code of Maryland (2006 Replacement Volume and 2007 Supplement)
6	Preamble
7 8 9 10	WHEREAS, In 2005, the Government Accounting Office (GAO) reported that during the period of December 1986 through December 2004, tuition and fees increased 240%, college textbook prices increased 186%, and inflation increased only 72%; and
11 12 13	WHEREAS, The textbook market is supply-driven rather than demand-driven and consequently offers consumers (students) no role in determining price, format, or quality of the product; and
14 15 16 17	WHEREAS, The dissemination of a book's International Standard Book Number (ISBN) in advance of a course enables a student to more easily access the used book market and on-line book markets, thereby promoting competition and saving the student money; and
18 19 20 21 22	WHEREAS, The practice of packaging textbooks with supplemental materials and selling the package for a combined price known as "bundling" causes consternation for the student who later discovers that the professor did not use the supplemental materials and purchase of just the textbook would have been less expensive; and
23 24	WHEREAS, The State of Maryland has passed legislative initiatives to control the cost of tuition but not to control the cost of textbooks; now, therefore,
25 26	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
27	Article – Education
28	15–111.
29 30	(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
31 32 33	(2) (I) "BUNDLE" MEANS ONE OR MORE COLLEGE TEXTBOOKS OR OTHER SUPPLEMENTAL MATERIALS THAT ARE PACKAGED TOGETHER TO BE SOLD AS COURSE MATERIALS FOR ONE PRICE.

- 1 (3) "ISBN" MEANS THE UNIQUE INTERNATIONAL STANDARD 2 BOOK NUMBER ASSIGNED TO A TEXTBOOK THAT IS USED BY PUBLISHERS TO
- 3 IDENTIFY EACH EDITION AND PRINTING OF A TEXTBOOK.
- 4 (B) EACH PUBLIC INSTITUTION OF POSTSECONDARY EDUCATION IN 5 THE STATE SHALL DEVELOP AND IMPLEMENT A PROCESS BY WHICH ITS 6 FACULTY MEMBERS ARE MADE AWARE OF:
- 7 (1) THE CHANGE IN CONTENT FROM ONE EDITION OF A 8 TEXTBOOK TO THE NEXT EXPRESSED AS A PERCENTAGE OF EDUCATIONAL 9 CONTENT CHANGED AND AS AN ITEMIZED LIST;
- 10 (2) A SAMPLING OF PRICES INDICATIVE OF THE RANGE OF 11 PRICES BEING CHARGED FOR THE NEWEST VERSION OF A SELECTED TEXTBOOK;
- 12 (3) THE AVAILABILITY OF USED VERSIONS OF A SELECTED 13 TEXTBOOK:
- 14 (4) A SAMPLING OF PRICES INDICATIVE OF THE RANGE OF PRICES BEING CHARGED FOR THE USED VERSION OF A SELECTED TEXTBOOK;
- 16 (5) THE FISCAL IMPACT ON STUDENTS OF SELECTING BUNDLED
  17 MATERIALS; AND
- 18 **(6)** ANY OTHER PROVISIONS OF THIS SECTION THAT APPLY TO 19 FACULTY MEMBERS.
- 20 (C) IF AN INSTITUTION OF POSTSECONDARY EDUCATION SEEKS THE
  21 INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION FROM A
  22 PUBLISHER, A QUOTED PRICE FROM A PUBLISHER SHALL REMAIN IN EFFECT
  23 DURING THE TERM FOR WHICH THE TEXTBOOK IS BEING USED.
- (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, WHEN SELECTING A TEXTBOOK A FACULTY MEMBER SHALL ALLOW A STUDENT TO USE THE PRIOR EDITION OF A NEW TEXTBOOK IF LESS THAN 30% OF THE EDUCATIONAL CONTENT, AS REPORTED UNDER SUBSECTION (B)(1) OF THIS SECTION, HAS BEEN CHANGED.
- 29 (2) A FACULTY MEMBER MAY NOT SELECT A TEXTBOOK TO BE 30 PURCHASED BY STUDENTS UNLESS AT LEAST 50% OF THE MATERIAL IN THE 31 TEXTBOOK WILL BE USED FOR THE COURSE.

1 2	(E) WHEN SELECTING A WEB ACCESS CODE AS A SUPPLEMENTAL MATERIAL FOR A COURSE, THE PRICE OF THE WEB ACCESS CODE MAY NOT
$\frac{3}{4}$	EXCEED 10% OF THE PRICE OF THE TEXTBOOK UNLESS THE WEB ACCESS CODE HAS BUY-BACK OR RESALE POTENTIAL.
5	(F) (1) WHEN SELECTING BUNDLED MATERIALS RATHER THAN
6	SELECTING A TEXTBOOK AND SUPPLEMENTAL MATERIALS INDIVIDUALLY, A
7	FACULTY MEMBER SHALL AFFIRM THAT EACH ITEM IN THE BUNDLE WILL BE
8	USED FOR THE COURSE.
9	(2) A BOOKSTORE MAY NOT BUNDLE MATERIALS WITHOUT PRIOR
10	APPROVAL FROM THE FACULTY MEMBER WHO SELECTED THE TEXTBOOK.
11	(3) EACH INSTITUTION OF POSTSECONDARY EDUCATION SHALL
12	ADOPT PROCEDURES TO IMPLEMENT THE PROVISIONS OF THIS SUBSECTION.
13	(G) (1) AN INSTITUTION OF POSTSECONDARY EDUCATION SHALL LIST
14	INFORMATION REGARDING EACH ASSIGNED TEXTBOOK ON THE WEBSITE OF THE
15	INSTITUTION THE EARLIER OF:
16	(I) EIGHT WEEKS BEFORE THE COMMENCEMENT OF A
17	COURSE; OR
18	(II) WHEN THE CAMPUS BOOKSTORE PLACES THE INITIAL
19	ORDER FOR THE TEXTBOOK.
20	(2) THE INFORMATION POSTED UNDER PARAGRAPH (1) OF THIS
21	SUBSECTION SHALL INCLUDE:
22	(I) THE TITLE;
23	(II) THE AUTHOR;
24	(III) THE PUBLISHER;
25	(IV) THE EDITION;
26	(V) THE PUBLICATION DATE; AND
27	(VI) THE ISBN.
28	(H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
29	SUBSECTION, REVENUES GENERATED BY AN INSTITUTION OF POSTSECONDARY

- EDUCATION THROUGH THE OPERATION OF A CAMPUS BOOKSTORE MAY NOT EXCEED EXPENDITURES NEEDED TO SUPPORT THE CAMPUS BOOKSTORE.
- 3 **(2) REVENUES**  $\mathbf{BY}$ **INSTITUTION GENERATED** AN **OF** 4 POSTSECONDARY EDUCATION THROUGH THE OPERATION OF A CAMPUS 5 BOOKSTORE MAY EXCEED EXPENDITURES NEEDED TO SUPPORT THE CAMPUS 6 BOOKSTORE IF THE REVENUES ARE USED TO LOWER THE OVERALL COST OF 7 TEXTBOOKS FOR ITS STUDENTS WHICH MAY INCLUDE THE IMPLEMENTATION OF
- 8 TEXTBOOK RENTAL PROGRAMS.

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## SECTION 2. AND BE IT FURTHER ENACTED, That:

- (a) On or before November 1, 2008, each institution of postsecondary education in the State shall report to the Maryland Higher Education Commission a scientific and data—driven analysis of textbook prices at that institution, efforts to lower the cost of textbooks for its students, and recommendations for statewide policy initiatives that will further ameliorate the high cost of undergraduate and graduate education as impacted by textbook prices; and
- (b) On or before December 1, 2008, the Maryland Higher Education Commission shall compile the reports required under paragraph (a) of this section and shall forward a copy of the compilation to the Governor and, in accordance with § 2–1246 of the State Government Article, to the General Assembly.
- SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1, 2009, each institution of postsecondary education in the State shall develop and implement a "best practices" policy for lowering the cost of textbooks for its students.
- SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.