

HOUSE BILL 1067

F2

8lr2448
CF SB 657

By: **Delegates Rice, Holmes, Barnes, Ali, Barve, Cardin, Carr, Dumais, Feldman, Gilchrist, Gutierrez, Haddaway, Heller, Hixson, Huckler, 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

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: April 3, 2008

CHAPTER _____

1 AN ACT concerning

2 **College Textbook Competition and Affordability Act of 2008**

3 FOR the purpose of ~~requiring certain institutions of postsecondary education to~~
4 ~~develop and implement certain processes to make certain faculty members~~
5 ~~aware of certain information; providing that certain prices must remain in effect~~
6 ~~for a certain term under certain circumstances; requiring certain faculty~~
7 ~~members to allow certain students to use certain editions of certain textbooks~~
8 ~~under certain circumstances; prohibiting certain faculty members from selecting~~
9 ~~certain textbooks unless a certain percentage of material will be used for certain~~
10 ~~courses; prohibiting certain access codes from exceeding a certain percentage of~~
11 ~~the price of certain textbooks except under certain circumstances; requiring~~
12 ~~certain faculty members to make certain affirmations under certain~~
13 ~~circumstances; prohibiting certain bookstores from bundling certain materials~~
14 ~~without prior approval from certain faculty members; requiring certain~~
15 ~~institutions of postsecondary education to adopt certain procedures; requiring~~
16 ~~certain institutions of postsecondary education to list certain information~~
17 ~~regarding certain textbooks on certain websites at certain times; prohibiting~~
18 ~~certain revenues from exceeding certain expenditures except under certain~~
19 ~~circumstances; requiring certain public institutions of higher education to~~
20 develop and implement certain campaigns, certain textbook adoption processes,
21 certain best practices processes, and certain procedures relating to certain
22 affirmations; requiring certain textbook publishers to disclose certain prices,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 variances in prices, content revisions, and textbook-related information;
 2 requiring certain publishers and certain bookstores to provide and sell certain
 3 textbooks and certain supplemental materials in a certain manner; requiring
 4 certain textbooks and certain supplemental materials to be available in certain
 5 packages; requiring certain institutions to make certain information available
 6 by posting it on certain websites on or before a certain time; providing for a
 7 certain exception to the provisions of this Act; providing for the construction of
 8 this Act; requiring certain institutions of ~~postsecondary~~ higher education to
 9 make certain reports to the Maryland Higher Education Commission regarding
 10 certain analyses of certain textbook prices and certain other information on or
 11 before a certain date; requiring the Commission to compile certain reports and
 12 forward the compilation to the Governor and the General Assembly on or before
 13 a certain date; ~~requiring certain institutions of postsecondary education to~~
 14 ~~develop and implement certain policies for lowering the cost of textbooks on or~~
 15 ~~before a certain date; requiring certain institutions to report regarding certain~~
 16 policies developed in accordance with this Act; requiring the Commission, in
 17 consultation with certain stakeholders, to conduct certain feasibility studies on
 18 or before a certain date; requiring the University System of Maryland to
 19 conduct a certain study regarding certain business models and report the
 20 results of the study to the Board of Regents and the General Assembly; defining
 21 certain terms; and generally relating to the sale of college textbooks.

22 BY adding to

23 Article – Education

24 Section 15–111

25 Annotated Code of Maryland

26 (2006 Replacement Volume and 2007 Supplement)

27 Preamble

28 ~~WHEREAS, In 2005, the Government Accounting Office (GAO) reported that~~
 29 ~~during the period of December 1986 through December 2004, tuition and fees~~
 30 ~~increased 240%, college textbook prices increased 186%, and inflation increased only~~
 31 ~~72%; and~~

32 ~~WHEREAS, The textbook market is supply-driven rather than demand-driven~~
 33 ~~and consequently offers consumers (students) no role in determining price, format, or~~
 34 ~~quality of the product; and~~

35 ~~WHEREAS, The dissemination of a book's International Standard Book~~
 36 ~~Number (ISBN) in advance of a course enables a student to more easily access the~~
 37 ~~used book market and on-line book markets, thereby promoting competition and~~
 38 ~~saving the student money; and~~

39 ~~WHEREAS, The practice of packaging textbooks with supplemental materials~~
 40 ~~and selling the package for a combined price known as "bundling" causes~~
 41 ~~consternation for the student who later discovers that the professor did not use the~~

1 ~~supplemental materials and purchase of just the textbook would have been less~~
2 ~~expensive; and~~

3 ~~WHEREAS, The State of Maryland has passed legislative initiatives to control~~
4 ~~the cost of tuition but not to control the cost of textbooks; now, therefore,~~

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
6 MARYLAND, That the Laws of Maryland read as follows:

7 **Article - Education**

8 **15-111.**

9 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
10 MEANINGS INDICATED.

11 (2) (I) “BOOKSTORE” MEANS ANY ENTITY THAT OFFERS BOOKS
12 OR OTHER COURSE MATERIALS FOR SALE.

13 (II) “BOOKSTORE” INCLUDES CAMPUS BOOKSTORES AND
14 ONLINE VENDORS.

15 ~~(2)~~ (3) (I) “BUNDLE” MEANS ONE OR MORE COLLEGE
16 TEXTBOOKS OR OTHER SUPPLEMENTAL MATERIALS THAT ARE PACKAGED
17 TOGETHER TO BE SOLD AS COURSE MATERIALS FOR ONE PRICE.

18 (II) “BUNDLE” DOES NOT INCLUDE SINGLE, CUSTOM, OR
19 INTEGRATED TEXTBOOKS.

20 (4) “CAMPUS BOOKSTORE” MEANS A BOOKSTORE UNDER THE
21 JURISDICTION OF A PUBLIC INSTITUTION OF HIGHER EDUCATION.

22 (5) (I) “CUSTOM TEXTBOOK” MEANS A TEXTBOOK THAT IS
23 COMPILED AT THE DIRECTION OF A FACULTY MEMBER AND MAY INCLUDE
24 ORIGINAL INSTRUCTOR MATERIAL, PREVIOUSLY COPYRIGHTED MATERIAL, OR
25 COPYRIGHTED THIRD-PARTY MATERIAL.

26 (II) “CUSTOM TEXTBOOK” DOES NOT MEAN A TEXTBOOK
27 THAT DIFFERS ONLY ON AN AESTHETIC BASIS FROM OTHER TEXTBOOKS WITH
28 THE SAME SUBSTANTIVE MATERIAL.

29 (6) “INTEGRATED TEXTBOOK” MEANS A COLLEGE TEXTBOOK
30 THAT IS:

1 (I) COMBINED WITH MATERIALS DEVELOPED BY A THIRD
2 PARTY AND THAT, BY THIRD-PARTY CONTRACTUAL AGREEMENT, MAY NOT BE
3 OFFERED BY PUBLISHERS SEPARATELY FROM THE COLLEGE TEXTBOOK WITH
4 WHICH THE MATERIALS ARE COMBINED; OR

5 (II) FUNCTIONALLY INTERDEPENDENT WITH
6 SUPPLEMENTAL COURSE MATERIALS DESIGNED TO BE USED SOLELY AS A
7 SINGLE UNIT AND WHOSE SEPARATION WOULD SUBSTANTIALLY DEGRADE THE
8 ACADEMIC CONTENT SO THAT ITS COMPONENTS WOULD NOT BE USEFUL TO THE
9 STUDENTS.

10 ~~(3)~~ (7) “ISBN” MEANS THE UNIQUE INTERNATIONAL
11 STANDARD BOOK NUMBER ASSIGNED TO A TEXTBOOK THAT IS USED BY
12 PUBLISHERS TO IDENTIFY EACH EDITION AND PRINTING OF A TEXTBOOK.

13 (8) “SUBSTANTIAL CONTENT” MEANS A PART OF A COLLEGE
14 TEXTBOOK, SUCH AS NEW CHAPTERS, ADDITIONAL ERAS OF TIME, NEW THEMES,
15 OR NEW SUBJECT MATTER.

16 (9) (I) “SUPPLEMENTAL MATERIAL” MEANS EDUCATIONAL
17 MATERIAL DEVELOPED TO ACCOMPANY A TEXTBOOK AND INCLUDES PRINTED
18 MATERIALS AND ELECTRONIC MATERIALS INCLUDING COMPUTER DISKS AND
19 WEB ACCESS CODES.

20 (II) “SUPPLEMENTAL MATERIAL” DOES NOT MEAN
21 MATERIAL THAT IS BOUND BY THIRD-PARTY CONTRACTUAL AGREEMENT TO BE
22 SOLD AS PART OF AN INTEGRATED TEXTBOOK.

23 ~~(B) EACH PUBLIC INSTITUTION OF POSTSECONDARY EDUCATION IN~~
24 ~~THE STATE SHALL DEVELOP AND IMPLEMENT A PROCESS BY WHICH ITS~~
25 ~~FACULTY MEMBERS ARE MADE AWARE OF:~~

26 ~~(1) THE CHANGE IN CONTENT FROM ONE EDITION OF A~~
27 ~~TEXTBOOK TO THE NEXT EXPRESSED AS A PERCENTAGE OF EDUCATIONAL~~
28 ~~CONTENT CHANGED AND AS AN ITEMIZED LIST;~~

29 ~~(2) A SAMPLING OF PRICES INDICATIVE OF THE RANGE OF~~
30 ~~PRICES BEING CHARGED FOR THE NEWEST VERSION OF A SELECTED TEXTBOOK;~~

31 ~~(3) THE AVAILABILITY OF USED VERSIONS OF A SELECTED~~
32 ~~TEXTBOOK;~~

33 ~~(4) A SAMPLING OF PRICES INDICATIVE OF THE RANGE OF~~
34 ~~PRICES BEING CHARGED FOR THE USED VERSION OF A SELECTED TEXTBOOK;~~

1 ~~(5) THE FISCAL IMPACT ON STUDENTS OF SELECTING BUNDLED~~
2 ~~MATERIALS; AND~~

3 ~~(6) ANY OTHER PROVISIONS OF THIS SECTION THAT APPLY TO~~
4 ~~FACULTY MEMBERS.~~

5 ~~(C) IF AN INSTITUTION OF POSTSECONDARY EDUCATION SEEKS THE~~
6 ~~INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION FROM A~~
7 ~~PUBLISHER, A QUOTED PRICE FROM A PUBLISHER SHALL REMAIN IN EFFECT~~
8 ~~DURING THE TERM FOR WHICH THE TEXTBOOK IS BEING USED.~~

9 ~~(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, WHEN~~
10 ~~SELECTING A TEXTBOOK A FACULTY MEMBER SHALL ALLOW A STUDENT TO USE~~
11 ~~THE PRIOR EDITION OF A NEW TEXTBOOK IF LESS THAN 30% OF THE~~
12 ~~EDUCATIONAL CONTENT, AS REPORTED UNDER SUBSECTION (B)(1) OF THIS~~
13 ~~SECTION, HAS BEEN CHANGED.~~

14 ~~(2) A FACULTY MEMBER MAY NOT SELECT A TEXTBOOK TO BE~~
15 ~~PURCHASED BY STUDENTS UNLESS AT LEAST 50% OF THE MATERIAL IN THE~~
16 ~~TEXTBOOK WILL BE USED FOR THE COURSE.~~

17 ~~(E) WHEN SELECTING A WEB ACCESS CODE AS A SUPPLEMENTAL~~
18 ~~MATERIAL FOR A COURSE, THE PRICE OF THE WEB ACCESS CODE MAY NOT~~
19 ~~EXCEED 10% OF THE PRICE OF THE TEXTBOOK UNLESS THE WEB ACCESS CODE~~
20 ~~HAS BUY-BACK OR RESALE POTENTIAL.~~

21 ~~(F) (1) WHEN SELECTING BUNDLED MATERIALS RATHER THAN~~
22 ~~SELECTING A TEXTBOOK AND SUPPLEMENTAL MATERIALS INDIVIDUALLY, A~~
23 ~~FACULTY MEMBER SHALL AFFIRM THAT EACH ITEM IN THE BUNDLE WILL BE~~
24 ~~USED FOR THE COURSE.~~

25 ~~(2) A BOOKSTORE MAY NOT BUNDLE MATERIALS WITHOUT PRIOR~~
26 ~~APPROVAL FROM THE FACULTY MEMBER WHO SELECTED THE TEXTBOOK.~~

27 ~~(3) EACH INSTITUTION OF POSTSECONDARY EDUCATION SHALL~~
28 ~~ADOPT PROCEDURES TO IMPLEMENT THE PROVISIONS OF THIS SUBSECTION.~~

29 (B) THIS SECTION DOES NOT APPLY TO THE OVERSEAS PROGRAMS OF
30 THE UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE.

31 (C) EACH PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE
32 SHALL DEVELOP AND IMPLEMENT:

33 (1) A CAMPAIGN TO ASSIST FACULTY AND MAKE THEM AWARE OF
34 TEXTBOOK-RELATED ISSUES, INCLUDING:

1 **(I) WHOLESALE PRICE AND SUGGESTED RETAIL PRICES, IF**
2 **ANY, OF TEXTBOOKS;**

3 **(II) VARIANCES IN WHOLESALE PRICE AND SUGGESTED**
4 **RETAIL PRICES, IF ANY, OF BUNDLED AND UNBUNDLED MATERIALS;**

5 **(III) SUBSTANTIAL CONTENT REVISIONS MADE BETWEEN A**
6 **CURRENT EDITION OF A TEXTBOOK AND A PREVIOUS EDITION OF A TEXTBOOK**
7 **AS REPORTED TO THE INSTITUTION UNDER SUBSECTION (D) OF THIS SECTION;**
8 **AND**

9 **(IV) THE FISCAL IMPACT TO STUDENTS OF THE HIGH COST**
10 **OF TEXTBOOKS;**

11 **(2) A TEXTBOOK ADOPTION PROCESS THAT INCLUDES THE**
12 **PROVISION OF INFORMATION TO INSTITUTIONS AND CAMPUS BOOKSTORES**
13 **REGARDING THE AVAILABILITY AND SUGGESTED RETAIL PRICES OF CURRENT**
14 **AND USED VERSIONS OF PARTICULAR TEXTBOOKS;**

15 **(3) A BEST-PRACTICES PROCESS FOR FACULTY IN SELECTING**
16 **TEXTBOOKS AND RELATED COURSE MATERIALS THAT:**

17 **(I) ENSURES EARLY ADOPTION OF TEXTBOOK AND OTHER**
18 **COURSE MATERIALS;**

19 **(II) ENCOURAGES THE MAXIMUM USAGE OF USED**
20 **TEXTBOOKS AND PREVIOUS EDITIONS OF TEXTBOOKS, WHEN POSSIBLE;**

21 **(III) FOR UNDERGRADUATE TEXTBOOKS, ENSURES THAT**
22 **THE MAJORITY OF THE ASSIGNED MATERIAL WILL BE USED IN THE COURSE**
23 **UNLESS IT WOULD BE IN THE STUDENT'S FINANCIAL INTEREST TO PURCHASE**
24 **SEPARATE MATERIALS; AND**

25 **(IV) ENSURES THAT FACULTY ARE AWARE OF VARIOUS**
26 **OUTLETS FOR THE SUPPLY OF TEXTBOOKS AND OTHER COURSE MATERIALS;**
27 **AND**

28 **(4) A PROCEDURE BY WHICH FACULTY AFFIRM THAT USE OF A**
29 **CURRENT EDITION OF A TEXTBOOK IS JUSTIFIED DUE TO A MATERIAL CHANGE**
30 **IN SUBSTANTIAL CONTENT.**

31 **(D) EACH COMMERCIAL TEXTBOOK PUBLISHER THAT SELLS**
32 **TEXTBOOKS AND OTHER MATERIALS TO AN INSTITUTION OF HIGHER**
33 **EDUCATION SHALL DISCLOSE TO THE INSTITUTION:**

1 **(1) THE WHOLESALE PRICE AND SUGGESTED RETAIL PRICE, IF**
2 **ANY, AT WHICH THE PUBLISHER INTENDS TO MAKE THE TEXTBOOK AVAILABLE**
3 **TO A BOOKSTORE;**

4 **(2) VARIANCES IN WHOLESALE PRICE AND SUGGESTED RETAIL**
5 **PRICES, IF ANY, BETWEEN BUNDLED AND UNBUNDLED MATERIALS;**

6 **(3) SUBSTANTIAL CONTENT REVISIONS MADE BETWEEN THE**
7 **CURRENT EDITION OF A TEXTBOOK AND A PREVIOUS EDITION OF A TEXTBOOK**
8 **EXPRESSED AS AN ITEMIZED LIST; AND**

9 **(4) THE TITLE, AUTHOR, PUBLISHER, EDITION, COPYRIGHT DATE,**
10 **PUBLICATION DATE WHEN AVAILABLE, AND ISBN OF TEXTBOOKS AND OTHER**
11 **SUPPLEMENTAL MATERIALS, BOTH AS BUNDLED AND UNBUNDLED ITEMS.**

12 **(E) (1) A PUBLISHER AND A CAMPUS BOOKSTORE SHALL PROVIDE**
13 **AND SELL TEXTBOOKS AND SUPPLEMENTAL MATERIALS IN THE SAME MANNER**
14 **AS SELECTED AND ORDERED BY FACULTY.**

15 **(2) (I) IF A TEXTBOOK OR SUPPLEMENTAL MATERIAL IS**
16 **UNAVAILABLE AS ORDERED, THE PUBLISHER AND THE CAMPUS BOOKSTORE**
17 **SHALL WORK WITH THE FACULTY MEMBER TO FIND ALTERNATIVES.**

18 **(II) A PUBLISHER COLLABORATING WITH A CAMPUS**
19 **BOOKSTORE AND A FACULTY MEMBER UNDER SUBPARAGRAPH (I) OF THIS**
20 **PARAGRAPH SHALL PROVIDE WHOLESALE PRICES AND SUGGESTED RETAIL**
21 **PRICES, IF ANY, FOR ALTERNATIVES.**

22 **(3) A PUBLISHER THAT SELLS A TEXTBOOK AND ANY**
23 **SUPPLEMENTAL MATERIALS ACCOMPANYING THE TEXTBOOK IN A BUNDLE**
24 **SHALL MAKE THE TEXTBOOK AND THE SUPPLEMENTAL MATERIALS AVAILABLE**
25 **AS SEPARATE AND UNBUNDLED ITEMS, EACH SEPARATELY PRICED.**

26 ~~**(C) (1) AN INSTITUTION OF POSTSECONDARY EDUCATION SHALL LIST**~~
27 ~~**INFORMATION REGARDING EACH ASSIGNED TEXTBOOK ON THE WEBSITE OF THE**~~
28 ~~**INSTITUTION THE EARLIER OF:**~~

29 ~~**(I) EIGHT WEEKS BEFORE THE COMMENCEMENT OF A**~~
30 ~~**COURSE; OR**~~

31 ~~**(II) WHEN THE CAMPUS BOOKSTORE PLACES THE INITIAL**~~
32 ~~**ORDER FOR THE TEXTBOOK.**~~

1 ~~(2) THE INFORMATION POSTED UNDER PARAGRAPH (1) OF THIS~~
2 ~~SUBSECTION SHALL INCLUDE:~~

3 (F) (1) NOT MORE THAN 3 WEEKS AFTER A FACULTY MEMBER OF AN
4 INSTITUTION OF HIGHER EDUCATION IDENTIFIES A TEXTBOOK AND TRANSMITS
5 THE SELECTION TO A CAMPUS BOOKSTORE OR TO ANY OTHER BOOKSTORE
6 UNDER THE JURISDICTION OF THE INSTITUTION, THE INSTITUTION SHALL
7 MAKE THE FOLLOWING INFORMATION AVAILABLE TO STUDENTS AND THE REST
8 OF THE PUBLIC BY POSTING THE INFORMATION ON ITS WEBSITE:

9 (I) THE TITLE;

10 (II) THE AUTHOR;

11 (III) THE PUBLISHER;

12 (IV) THE EDITION;

13 (V) THE COPYRIGHT DATE AND PUBLICATION DATE WHEN
14 AVAILABLE; AND

15 (VI) THE ISBN; AND

16 (VII) THE ANTICIPATED ENROLLMENT FOR THE COURSE.

17 (2) IN ADDITION TO THE INFORMATION POSTED UNDER
18 PARAGRAPH (1) OF THIS SUBSECTION, AN INSTITUTION SHALL POST ON ITS
19 WEBSITE:

20 (I) WHETHER SUPPLEMENTAL MATERIALS ARE REQUIRED
21 OR ONLY SUGGESTED BY FACULTY; AND

22 (II) WHETHER AN EARLIER EDITION OF AN ASSIGNED
23 TEXTBOOK WILL SUFFICE.

24 ~~(H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~
25 ~~SUBSECTION, REVENUES GENERATED BY AN INSTITUTION OF POSTSECONDARY~~
26 ~~EDUCATION THROUGH THE OPERATION OF A CAMPUS BOOKSTORE MAY NOT~~
27 ~~EXCEED EXPENDITURES NEEDED TO SUPPORT THE CAMPUS BOOKSTORE.~~

28 ~~(2) REVENUES GENERATED BY AN INSTITUTION OF~~
29 ~~POSTSECONDARY EDUCATION THROUGH THE OPERATION OF A CAMPUS~~
30 ~~BOOKSTORE MAY EXCEED EXPENDITURES NEEDED TO SUPPORT THE CAMPUS~~
31 ~~BOOKSTORE IF THE REVENUES ARE USED TO LOWER THE OVERALL COST OF~~

1 ~~TEXTBOOKS FOR ITS STUDENTS WHICH MAY INCLUDE THE IMPLEMENTATION OF~~
2 ~~TEXTBOOK RENTAL PROGRAMS.~~

3 (G) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO SUPERSEDE
4 THE INSTITUTIONAL AUTONOMY OR ACADEMIC FREEDOM OF FACULTY
5 INVOLVED IN THE SELECTION OF TEXTBOOKS AND SUPPLEMENTAL MATERIALS.

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

7 (a) On or before November 1, ~~2008~~ 2009, ~~each institution of postsecondary~~
8 ~~education in the State~~ the University System of Maryland, St. Mary's College of
9 Maryland, Morgan State University, and the Maryland Association of Community
10 Colleges shall report to the Maryland Higher Education Commission a scientific and
11 data-driven analysis of textbook prices at ~~that institution~~ the constituent or member
12 institutions, as appropriate, efforts to lower the cost of textbooks for ~~its~~ their students,
13 and recommendations for statewide policy initiatives that will further ameliorate the
14 high cost of undergraduate and graduate education as impacted by textbook prices;
15 and

16 (b) On or before December 1, ~~2008~~ 2009, the Maryland Higher Education
17 Commission shall compile the reports required under paragraph (a) of this section and
18 shall forward a copy of the compilation to the Governor and, in accordance with §
19 2-1246 of the State Government Article, to the General Assembly.

20 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1,
21 2009, each public institution of ~~postsecondary~~ higher education in the State shall
22 ~~develop and implement a "best practices" policy for lowering the cost of textbooks for~~
23 ~~its students~~ report to the Governor and, in accordance with § 2-1246 of the State
24 Government Article, to the General Assembly, regarding the "best-practices" policy
25 developed under § 15-111(c)(4) of the Education Article, as enacted by Section 1 of this
26 Act.

27 SECTION 4. AND BE IT FURTHER ENACTED, That:

28 (a) On or before December 1, 2010, the Maryland Higher Education
29 Commission, in consultation with the University System of Maryland, St. Mary's
30 College of Maryland, Morgan State University, the Maryland Association of
31 Community Colleges, and the Maryland Independent College and University
32 Association, shall conduct a feasibility study regarding:

33 (1) the establishment of one or more textbook rental programs in
34 Maryland that would allow students to lease textbooks on a per book, per credit hour,
35 or per course basis, including an analysis of start-up costs and funding options such as
36 private sector donations and grants; and

37 (2) the establishment of a statewide digital marketplace for textbooks
38 and supplemental course materials including:

1 (i) an analysis of the infrastructure, technology, and support
2 services necessary to allow institutions, students, faculty, bookstores, publishers, and
3 other stakeholders to interact efficiently; and

4 (ii) a consideration of digital rights management capabilities
5 and transactional processes needed for both fee-based and no-cost content.

6 (b) On or before December 31, 2010, the Maryland Higher Education
7 Commission shall submit the results of the feasibility studies conducted under
8 paragraph (a) of this section and make recommendations regarding textbook rental
9 programs and the establishment of a digital marketplace including cost estimates to
10 the Governor and, in accordance with § 2-1246 of the State Government Article, to the
11 General Assembly, based on information gathered under subsection (a) of this section.

12 SECTION 5. AND BE IT FURTHER ENACTED, That:

13 (a) The University System of Maryland, under the direction of the Board of
14 Regents, shall conduct a study of changes that the University System of Maryland and
15 its constituent institutions can make to their business models regarding textbook
16 assignments and textbook purchasing in order to reduce the cost of textbooks to
17 students while preserving and enhancing the quality of educational materials
18 available to students. Principles underlying this review shall include:

19 (1) the protection of academic freedom;

20 (2) the promotion of competition among publishers, bookstores, and
21 other textbook vendors;

22 (3) the empowerment of faculty and students to access information
23 about options which will strengthen their market power; and

24 (4) the exploration of:

25 (i) alternative approaches used in other universities, states,
26 and countries;

27 (ii) new technologies; and

28 (iii) legal structures.

29 (b) The study conducted under subsection (a) of this section shall include, but
30 not be limited to, an exploration of:

31 (1) using the market power of faculty and students to drive down
32 prices;

33 (2) strategies to increase the use of used textbooks;

1 (3) the creation of textbook rental programs;

2 (4) increasing faculty awareness of textbook costs and options for
3 reducing textbook costs;

4 (5) minimizing the impact of publishers’ “planned obsolescence”
5 marketing strategies; and

6 (6) cost-effective substitution of content-licensing for textbook
7 purchasing.

8 (c) On or before December 1, 2009, the University System of Maryland shall
9 submit to the Board of Regents and, in accordance with § 2-1246 of the State
10 Government Article, to the General Assembly, the results of the study required under
11 subsection (a) of this section.

12 (d) Nothing contained in this section bars the University System of
13 Maryland from implementing changes consistent with its intent before December 1,
14 2009.

15 SECTION 4 6. AND BE IT FURTHER ENACTED, That this Act shall take
16 effect July 1, 2008.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.