

UMDSGA_FAV_SB904.pdf

Uploaded by: Alpert, Dan

Position: FAV

The University of Maryland Student Government Association
Testimony for SB904
Budget and Taxation, Tuesday, March 9, 2021
Sales and Use Tax - Tax-Free Periods - University and College Textbooks
POSITION: FAVORABLE

My name is Dan Alpert and I am the Student Body President at the University of Maryland, College Park. I'd like to start by thanking Chair Guzzone and all the members of the Budget and Tax Committee for the opportunity to share our thoughts on this bill. Thank you also to Senator Salling for introducing the legislation, which will expand a tax break that already benefits over a million K-12 students to hundreds of thousands of Maryland college students.

Maryland currently hosts a tax-free week in August for students and families to buy clothes, backpacks, and school supplies for the upcoming school year. However, textbooks, which are one of the single greatest recurring costs of attending college besides tuition, are not included. According to a student survey conducted by the Maryland Higher Education Commission (MHEC), Maryland students spent about \$660.00 on textbooks alone in the 2019-2020 school year.

This bill would expand the state's back-to-school tax-free week to include textbooks and digital materials. The inclusion of digital materials is critical to the reality of how our students learn in this day and age. Furthermore, it would establish a second tax-free week in February for the spring semester, remedying an oversight in Maryland tax code that currently neglects the start of spring semester which negatively impacts college students.

It is a matter of fairness that one of the greatest auxiliary costs be included in the state's tax free week. Kindergartners buy crayons, middle schoolers buy notebooks, and we have to buy textbooks. As an unavoidable cost of education, they should be included in the tax free week.

This legislature has previously taken action towards alleviating the difficulty and often hidden price of textbooks. Last year, our SGA proposed the Textbook Transparency Act of 2020, which was passed unanimously and signed by the Governor. We urge you to follow in those footsteps and give a favorable report for a textbook tax-free week.

Sincerely,
Dan Alpert, *Student Body President*
Ben Baitman, *Director of Government Affairs*

SB 904.pdf

Uploaded by: Daily, Samantha

Position: FAV

February 8, 2021

To the committee on budget and taxation,

My name is Samantha Daily and I am currently a Salisbury University transfer student. I graduated from the College of Southern Maryland in May of 2020 and studied at the University of North Alabama for three years prior. I have a disability that makes reading, writing, word finding, and comprehension difficult. This means I must focus on school more than a student without epilepsy. I cannot work during the school year because of this, making money tight and adding stress on top of everything else. It is difficult to save money for emergencies. I recently ran over a nail and had to replace my tire. I am about to be 25, I can't keep asking my parents for help when something happens. But college makes saving money close to impossible. I do not qualify for unemployment, and I did not receive a stimulus check. I rely on my Pell grant and scholarships to help me survive the school year. The money the school gives me mostly goes to books, art supplies for my classes because I am an art minor, and food. I work three jobs over the summer and pay my rent in full for the school year so I will be set, but that still is not enough. Doing this takes away opportunities like internships and other possible resume-boosting jobs. However, I must do what I must do. Making textbooks tax exempt would be a huge step in the right direction. Possibly motivating future generations to take the college path, because it would make college more affordable for students, and would ease the financial burden that we all face.

— Please vote in favor of SB 904 to send it to the full House for further consideration.

MGA SB904 Testimony .pdf

Uploaded by: Dineen, Kyle

Position: FAV

Members of the Senate's Budget and Taxation Committee,

It is with absolute conviction that I give my strongest possible testimony in favor of SB904 this session. As a university student, community college alumni, and dedicated Marylander, I enthusiastically support SB904 and the economic relief that it offers Maryland students.

Like many Marylanders, I lacked the financial means to pursue my education. After completing my high school studies, I was left with few higher education opportunities and limited financial aid. My path led me to my local community college, where I excelled as a student, leader, researcher, conference presenter, and author. Through my academic and professional work, I earned a scholarship to Maryland's flagship institution in College Park and began studying on a medical track. During this period of growth, I, like many other Marylanders, continued to face financial barriers in accessing an affordable education. I was often unable to cover school expenses and rarely purchased required textbooks for classes in order to save money. My status as a minority student likely increased this circumstance, requiring me to financially account for every aspect of my education. At times, this included being aware of every dollar that was being invested in my undergraduate education and future career.

The issue of textbook cost is a widely expressed, and often neglected, issue that students of this and future generations face. Students will routinely pay substantial percentages of their class expenses on the books required to participate in their coursework. This leads students to lean on colleagues for support or accept additional debt in order to complete their course of study. It is a fundamental educational issue felt by all students, in all institutions, and is often reported as a tremendous obstacle.

By supporting SB904, this legislation is putting dollars back into the pockets of every Maryland student, regardless of class, age, or circumstance, and it will allow our hardworking and passionate college students far greater access and success in higher education. While I strongly believe that this long-term need necessitates action, the underlying and powerful implications of our pandemic also play a key factor in this bill. Many Maryland students lost on-campus jobs, paid internships, or stipends as a result of the shutdown. Furthermore, many did not receive stimulus checks as their parents claimed them as dependents--disqualifying them from aid.

Maryland students are committed to educational excellence and are purpose driven individuals that engage and push society forward. While the issues surrounding educational access are broad, this legislation aims to resolve a massive barrier on a practical scale. While it is often easier to detach and focus on the price tag associated with lowering the cost of education, it is essential to remember the group that this legislation is supporting: Marylanders. This is not a tax break for rich and wealthy students, nor is it designed to make college an expense free venture. Your support for this bill relieves perhaps the most basic cost associated with education and establishes a platform where students can graduate with less debt and, therefore, contribute to a growing Maryland economy and prosperous state.

Sincerely,

Kyle Dineen

MGA-SB904-Testimoy.pdf

Uploaded by: Dineen, THOMAS

Position: FAV

Members of the Senate's Budget and Taxation Committee,

I would like to express my support for SB904, "Sales and Use Tax - Tax-Free Periods - University and College Textbooks". As a parent of students attending the University of Maryland, I am keenly aware of the costs incurred pursuing higher education goals. Especially during these turbulent economic times, defraying costs of education would represent a great benefit to parents and students alike. Any cost savings realized by students from this legislation will be applied against other school related costs. Furthermore, the long term benefits of this legislation would help to ease the economic strain student's encounter covering just the basic costs of their education.

Thank you for taking the time to consider this legislation.

Sincerely,

Thomas Dineen

SB 904_MICUA_FAV.pdf

Uploaded by: Fidler, Sara

Position: FAV

MEMBERS

Capitol Technology University

Goucher College

Hood College

Johns Hopkins University

Loyola University Maryland

Maryland Institute College of Art

McDaniel College

Mount St. Mary's University

Notre Dame of Maryland University

St. John's College

Stevenson University

Washington Adventist University

Washington College

AFFILIATE MEMBERS

Ner Israel Rabbinical College

St. Mary's Seminary & University

TESTIMONY

Budget and Taxation Committee

*SB 904 (Salling) Sales and Use Tax – Tax-Free Periods –
University and College Textbooks*

Sara C. Fidler, President

sfidler@micua.org

March 9, 2021

On behalf of Maryland's independent colleges and universities and the 65,600 students we serve, thank you for the opportunity to submit this written testimony in support of *Senate Bill 904 (Salling) – Sales and Use Tax – Tax-free Periods – University and College Textbooks*. Senate Bill 904 designates a one-week tax-free period at the beginning of each fall and spring semester for full-time or part-time students to purchase textbooks required for a course at a public or private nonprofit higher education institution or a regional higher education center. These tax-free periods have the potential to help reduce educational costs for students enrolled in Maryland's two-year and four-year colleges and universities.

MICUA member institutions are concerned about the rising costs of college textbooks and the impact these costs have on access and affordability. As required by law, Maryland's colleges and universities post information on required course materials, including the title, author, publisher, edition, publication date, and International Standard Book Number (ISBN) for every academic course, weeks prior to the fall and spring semesters. In recent years, Maryland's independent colleges and universities have established new policies to help reduce the costs of textbooks, and many courses and programs are now using electronic books and other types of digital instructional materials.

It is important to note that semester start dates vary by institution. Some institutions begin the fall semester in mid-to-late August and the spring semester in early-to-mid January. While the tax-free periods in this bill would be beneficial to many students, they will not assist them all. We urge the Committee to consider expanding the tax-free periods to additional weeks or to shift the tax-free periods back by one to two weeks.

For these reasons, we encourage the Committee to give Senate Bill 904 a favorable report.

SB 904 Testimony.pdf

Uploaded by: Freedman, Chaim

Position: FAV

Dear Members of the Committee on Budget and Taxation,

My name is Chaim (Freddy) Freedman, and my story is more unique than my name. The short version is that I grew up poor in a Jewish-Orthodox community, a faith which I do not believe in, and my only way out was college. That is not itself a bad thing- college has a lot of value. However, I was left to my own devices to get myself here, which meant I had to figure out everything from the application process to the finances by myself. It was a great developmental experience and I am better for it, but it was also the first of many experiences that taught me what it means to struggle.

My education has gone well (I will be graduating Summa Cum Laude in May), but I changed my major many times along the way. Originally starting in the STEM field with a major in exercise science, I quickly switched to philosophy, which was then uprooted by my current degree in interdisciplinary studies. I entered college with what aggregated to be a full scholarship, but parts of it disappeared once I was no longer a part of the STEM field. I have since taken out federal loans and am scraping by, but I keep a very close watch on my finances.

My dear friend Nate Sansom made me aware of this bill and the details around it just recently, and I immediately shared his passion for supporting it. I felt that my story relates to the SB 904 bill in a very simple way, and I saw an opportunity to prevent others from facing some of the challenges that I did. The average student is projected to spend around \$660 on textbooks in the coming school year, and the tax cut proposed in this bill would save 6% of that: roughly \$40. While this is a relatively small number, this is pretty much my budget for food for a week. I would be remiss if I didn't take this opportunity to share my struggle and say that a simple tax cut on textbooks will help me and many students like me afford food.

Thank you for taking the time to read and engage with my story. I hope that this letter will help you help thousands of students every year.

Sincerely,

Freddy Freedman

Hershman NACS Testimony SB 904 3-9-21.pdf

Uploaded by: Hershman, Richard

Position: FAV



**Testimony on Behalf of the National Association of College Stores
By Richard Hershman
Before the
Senate Budget and Taxation Committee**

SB 904- Sales and Use Tax – Tax-Free Periods – University and College Textbooks

March 9, 2021

Chairman Guzzone and members of the Senate Budget and Taxation Committee, on behalf of the National Association of College Stores (NACS), I thank you for the opportunity to provide written testimony today in strong support of SB 904 exempting print college textbook purchases from state sales taxes.

My name is Richard Hershman and I am the Vice President of Government Relations for NACS.

Headquartered in Oberlin, Ohio NACS is the professional trade association representing the collegiate and school bookstore community. Our members are college and university, K-12 school owned and independent non-profit stores in Maryland and across the country.

NACS strongly supports SB 904 which will provide all college students in Maryland an exemption from sales tax for academically required textbooks during peak purchasing periods. With many students struggling to pay their education costs, sales tax on required textbooks is an unnecessary added tax burden on students' learning. SB 904 will provide much needed relief to students and ensure limited financial aid grants are maximized to help students stay in college and succeed.

Maryland is a National Leader on Textbook Affordability

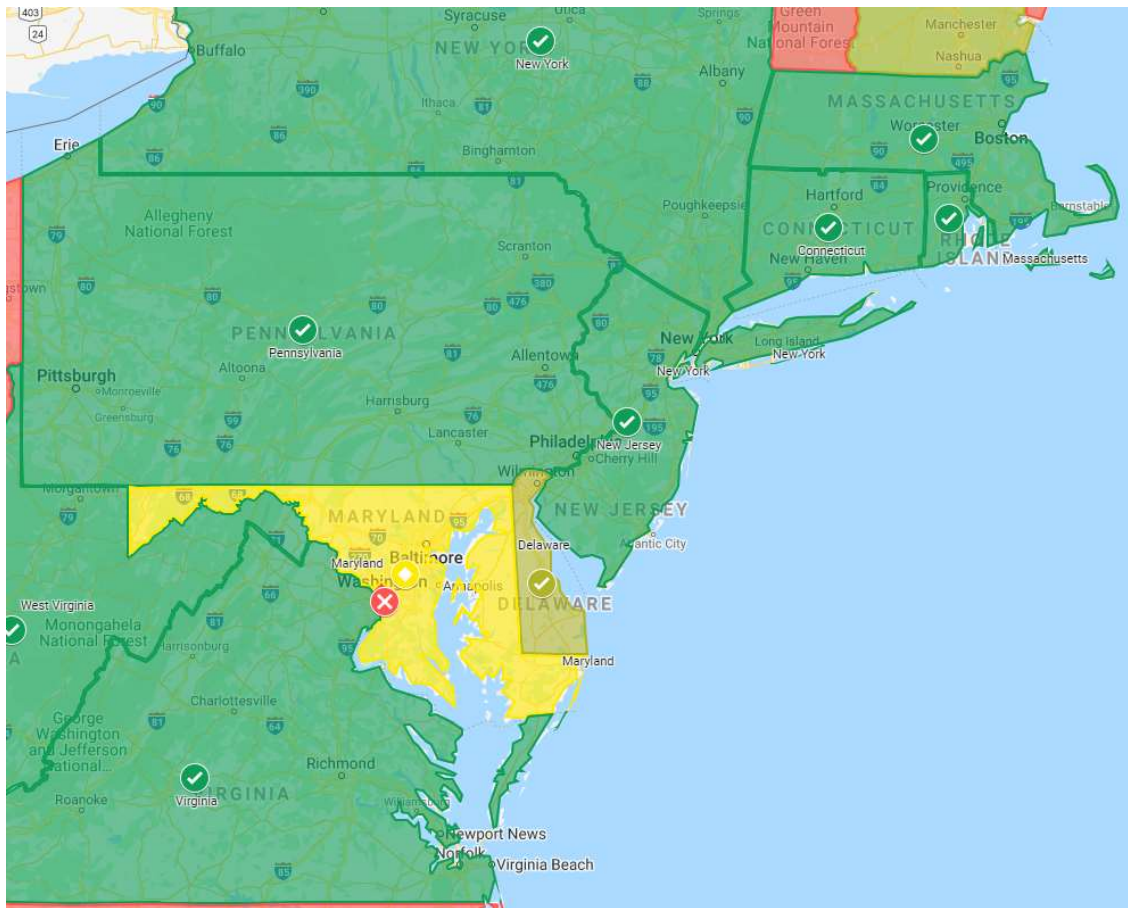
Maryland has been a leader on textbook affordability for more than a decade. Thanks to the leadership of Senator Rosapepe and Senator Pinsky, the state has one of the most comprehensive college textbook affordability laws in the nation. Last year, the legislature expanded the law through legislation sponsored by Senator Rosapepe to promote the greater use of free open-source textbooks and lower cost commercial course materials. The legislature has also provided funding to help lower the cost of course materials. The state leads the way except on one issue –it continues to tax students and financial aid when students acquire required print textbooks.

College Textbook Sales Tax Exemptions

Twenty-one states and Puerto Rico explicitly exempt college textbooks from sales taxes.¹ An additional 5 states have no sales taxes and 10 more states, including Maryland, that tax printed

¹College Textbook exemptions map. <https://bit.ly/36WbIFg>

textbooks exempt digital goods. This translates to 36 states and Puerto Rico with some form of sales tax exemption for course materials. While Maryland collects sales taxes on academically required print course materials, all neighboring states in the mid-Atlantic exempt them.



Financial Aid Considerations

Required course materials, like tuition and fees, are considered core academic costs. Campus and other sources of financial aid such as Pell Grants, the GI bill's stipend for books and supplies, and the Veteran Readiness and Employment program help students acquire the learning materials they need to succeed. Inevitably, for states that tax required learning materials, states end up taxing these limited financial aid dollars, which diminish the buying power of these aid programs targeted to students with the greatest need.

Confusing and Unfair System

Maryland students taking the same class and acquiring the same required course materials may or may not pay sales taxes depending on the formats available, student needs, preferences, product packaging, seller location, and distribution model. Research is clear that students want choices in formats to fit their learning needs, but the current Maryland sales tax rules hurt students who prefer print materials either as a primary or as a low-cost supplement to the digital

material. For example, nursing majors, who are in critical need due to the pandemic, have higher course material costs where many prefer to purchase print materials for reference in their studies and future careers. Some students who take classes using free digital open educational resources (OER), similarly prefer a low-cost print copy, while some students with disabilities may require or prefer having print versions.

Fiscal Note Concerns

We have had significant concerns about the accuracy of the fiscal notes in similar proposals in previous legislative sessions and unfortunately these concerns continue for this year. It's unconscionable that the Department of Legislative Services continues to provide incomplete information to the committees. These concerns include:

- Overstating student spending on course materials, which has declined by 41% over the last 10 years and specifically print textbooks and the percentage of transactions that would occur during the week holiday.
- Including digital course material and courseware in the estimate, which are already exempt from sales taxes in Maryland. There is no reason to score something as revenue when its not taxed under current law.
- Including student enrollment at UMGC, which several years ago eliminated nearly all commercial textbooks to purchase in favor of using open licensed digital materials and commercial digital materials imbedded into their tuition that are not subject to sales taxes.
- Not factoring in the growth of tuition and fee based bulk purchase discounted digital course material programs and the greater use of digital open educational resources at schools like University of Maryland Baltimore County, Salisbury University, and Montgomery College to name a few.
- Not factoring deflation in recent years and the mixture of textbook costs as a decreasing share of financial aid office budgets for books and supplies for the cost of attendance. For example, the Consumer Price Index (CPI) for new print textbooks in 2020 finished lower than in 2016 with two straight years of deflation and one year below inflation.:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2016	4.5	4.0	3.3	4.8	4.5	6.9	6.6	6.3	6.3	5.9	6.7	6.1	5.5		
2017	4.7	6.5	7.6	4.6	3.8	2.5	3.4	1.7	-0.9	-0.6	0.1	-1.1	2.6		
2018	-0.7	-0.5	-0.7	-0.3	3.8	2.3	1.6	0.5	2.7	2.4	0.7	-0.2	1.0		
2019	-0.7	-1.1	-1.5	-0.4	-4.2	-2.5	-3.9	-0.8	-3.3	-4.2	-3.8	-1.7	-2.4	-1.7	-3.0
2020	-3.1	-3.1	-2.9	-2.2	-1.6	-2.3	-0.9	-2.1	-0.1	0.4	-0.5	0.1	-1.5	-2.5	-0.5

- Understanding the shift to digital and free course material use which grew significantly in 2020 according to the latest faculty survey data. Faculty use of print textbooks declined 9% last year versus 2019 while digital use increased by 9%. Faculty are expecting to use more digital course materials in the 2021-2022 school year.²

The result of all these trends is the state is collecting less and less sales taxes from textbooks than in previous years and collections will likely continue to decline.

² <https://www.nacs.org/nacs-faculty-report-pandemic-spurred-increased-use-of-digital-course-materials>

In conclusion, we believe that the cost of a college textbook sales exemption to treat all textbook sales equally is minimal when compared to the immediate and upfront cost savings for Maryland students who need or prefer printed course materials. It is long past time to give all Maryland students a break whether they choose to acquire print or digital.

The NACS supports efforts to enhance affordable and equitable access to quality course materials, and will continue to work as an ally for student interests. Thank you for this opportunity to testify on this important issue and we are happy to answer any questions the committee has on this issue.

SB 904 (2).pdf

Uploaded by: Kerr, Patrick

Position: FAV

March 3, 2021

Maryland State Senate
Budget and Taxation committee
Annapolis, Maryland

RE: Senate Bill (SB 904) "Sales and Use Tax- Tax-Free Periods – University and College Textbooks"
sponsored by Senator Salling

Dear Members of the Maryland State Senate:

My name is Patrick Kerr and I am currently a student at Wor-Wic community college, where I am working on a transfer degree to eventually become a teacher in a middle or high school. Through my eyes as a college student and hopefully a future educator, I am in full support of SB 904. There are many reasons for my support of SB 904. Today I would like to share three main reasons for my support. The first reason is that even as a community college student, books can still be expensive. Adding taxes on to already expensive books increases the cost. As a student, I know every single dollar counts and adding on 6% for sales tax could prevent some people from being able to access higher education. In a world where more and more jobs require college degrees this could set some up for generational poverty. My second major reason for supporting this legislation is the fact that the current tax structure on "textbooks" only affects those who buy physical copies. My fear is that this disproportionately effects those who cannot afford or do not have access to technology. Currently under the pandemic the state has so graciously made funds available for those who need assistance to afford technology. My fear is that beyond the pandemic those who cannot afford technology will once again be put at a disadvantage by this tax. The final reason I will share with you today is my view looking forward, as someone who wants to be an educator in this state which takes great pride in its education system. I believe that our state should do everything it can to empower students and education. In my personal opinion if a two-week tax-free period on textbooks would allow just one student to farther their college education, then

it would be more than worth it for the state to allow. Thank you for taking the time to read my letter. I hope that you will consider the letters of all students when voting upon SB 904.

Sincerely,

Patrick Kerr

Testimony in support of SB904.pdf

Uploaded by: Khaghani, Ryan

Position: FAV

Testimony of Ryan Khaghani

In support of: **S.B. 904** –

Relating to Sales and Use Tax – Tax-Free Periods – University and College Textbooks

Thursday, March 05, 2021

Dear Senator Guzzone, Senator Rosapepe, and members of the Committee on Budget and Taxation,

My name is Ryan Khaghani, I am currently a second-year undergraduate student enrolled at the University of Maryland, College Park. I am writing today to express my strong support for Senate Bill 904, relating to Sales and Use Tax – Tax-Free Periods – University and College Textbooks.

As a Pell Grant recipient, I know first-hand the overwhelming toll finances take on a student's life. I also know that what might seem like mere pocket change to some, could mean eating or skipping a meal for a student on a tight budget. Making textbooks tax-exempt would put money back into the pockets of hardworking college students – and for most of us, every dollar truly counts.

During the COVID-19 pandemic, thousands of students were forced to leave their on-campus jobs when colleges halted in-person learning. This meant a loss of a steady stream of income for many of my peers, income many would use to pay for school-related expenses such as workbooks and textbooks. While their income might have disappeared, those school-related expenses didn't. Last semester, even with remote learning, I spent over five hundred dollars on textbooks and other class-related expenses. While I would have typically used the money I earned through my retail job to pay for these expenses, I lost my job last spring so I was forced to dip into my savings. These expenses added yet another weight on my shoulders during an already stressful time, and after speaking to many of my peers, I know my situation is not an isolated one.

Students are the future leaders of our country, and they are currently facing unprecedented levels of financial stress. On behalf of all my peers, I urge you to support S.B. 904 so the students of our state can earn a degree without the shadow of expensive textbooks hanging over their heads. Thank you for your consideration.

Testimony submitted by:

Ryan Khaghani
6504 Madeira Lane
Bethesda, MD 20817

SB904_FAV_MRA.pdf

Uploaded by: locklair, cailey

Position: FAV

MARYLAND RETAILERS ASSOCIATION

The Voice of Retailing in Maryland



**SB904 Sales and Use Tax – Tax-Free Periods – University and College Textbooks
Budget and Taxation Committee
March 9, 2021**

Position: Favorable

Background: SB904 would create two annual tax-free periods for the sale of textbooks.

Comments: The Maryland Retailers Association collaborates with the Office of the Comptroller on tax-free periods throughout the year and strongly supports SB904. The continually rising cost of college textbooks is an immense financial burden for students that are already struggling to pay regularly increasing tuition and housing costs. Providing a tax-free period for textbooks would assist with the price of higher education and would incentivize students to spend their money in Maryland bookstores, supporting local jobs and providing community stabilization and opportunities for increased philanthropy.

We would respectfully urge a favorable report on SB904. Thank you for your consideration.

MD Catholic Conference_SB 904_FAV.pdf

Uploaded by: O'Day, Garrett

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

March 9, 2020

SB 904

Sales and Use Tax – Tax-Free Periods – University and College Textbooks

Senate Budget & Taxation Committee

Position: Support

The Maryland Catholic Conference offers this testimony in SUPPORT of Senate Bill 904. The Catholic Conference represents the public policy interests of the three (arch)dioceses serving Maryland, including the Archdioceses of Baltimore and Washington and the Diocese of Wilmington, which together encompass over one million Marylanders.

We offer our support for Senate Bill 904 – Sales and Use Tax – Tax-Free Periods – University and College Textbooks. This legislation would provide college students with a one-week period each semester wherein they can buy textbooks free of state sales tax. The first annual tax-free period would run for the last seven days of August, beginning in 2021. The second annual tax-free period for college textbooks runs for the first seven days of February, beginning in 2022.

The Catholic Conference supports education policies that enable all students the ability to afford high-quality educational options. With the rising costs of college and students incurring sometimes crippling debt to simply afford their college educations, every bit of assistance the state can afford to give within its means should be provided. We also support this bill because it would encourage students to purchase textbooks from in-state suppliers, rather than shopping online or elsewhere.

For these reasons, we urge your support and favorable report of Senate Bill 904.

Bill SB904 Tax-free textbooks.pdf

Uploaded by: Rojas, Melanie

Position: FAV

Members of the Senate's Budget and Taxation Committee,

I am writing to you to give my strongest support and written testimony to advance Bill SB904. As a first-generation college student and campus leader, I believe this bill will impact the lives of countless students who do not have the financial means to purchase costly textbooks and mandatory supplies.

Before I was a student at the University of Maryland, College Park, I attended Frederick Community College, where most of the necessary class materials were free or of low cost. However, few classes would require expensive textbooks, and this placed pressure on students to spend the few savings they have accumulated on textbooks worth \$100-\$150 per course. At the University of Maryland, the cost of materials is much higher and creates a barrier for myself and other students to excel in our classes. As a full-time undergraduate student, it is difficult to find a paying job that will work with your class schedule. And because of the pandemic, there are now even fewer opportunities for paid internships.

By allowing a tax-free weekend for textbooks, you are opening the doors for many students who are unable to purchase their class materials. These students can succeed in their classes and save their money to pay off their student loans with your help.

Thank you
Melanie Rojas

Itr to committee.pdf

Uploaded by: salling, johnny

Position: FAV

JOHNNY RAY SALLING
Legislative District 6
Baltimore County

Budget and Taxation Committee
Public Safety, Transportation,
and Environment Subcommittee



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Annapolis, Maryland 21401
410-841-3587 · 301-858-3587
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JohnnyRay.Salling@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 5, 2021

Budget and Taxation Committee

Re: SB 904 / HB792 – Sales and Use Tax- Tax-free Periods- University and College Textbooks

Position: Favorable

Dear Chair, Vice Chair and Committee Members:

I would like to offer for your consideration Senate Bill 904. This bill will allow our students at our colleges and universities to have to tax free periods each year in which to purchase textbooks. As we know, textbook costs can be rather significant for our college students. This bill is a simple way for them to be able to keep their college costs down by allowing for a tax-free purchase period in August and February. The bill will apply to both to our colleges and universities. I think it is a great way to help our students and promote a broader spectrum of our constituency being able to attend college by removing one of the financial barriers that they may face, and I ask for a favorable report.

Sincerely,

Senator Johnny Ray Salling

SB_904_WrittenTestimony.pdf

Uploaded by: Sansom, Nathaniel

Position: FAV

9 March 2021

Members of the Senate Budget and Taxation Committee:

Thank you for this opportunity to offer testimony in support of SB 904.

My name is Nate Sansom; I am proud to serve our USM community of over 172,000 students as Student Regent. Speaking with my peers from across our state, I realize the struggle that many encounter trying to make ends meet in order to provide for themselves while also pursuing a world-class education.

One of the many challenges our students across Maryland encounter on a daily basis is that of financial hardship. While the COVID-19 pandemic has affected us all in a myriad of ways, our students have been amongst those hardest hit. A year ago, when the pandemic began, many students employed on campus lost their jobs as we transitioned to a virtual setting. Although Congress passed the CARES Act to assist families struggling to make ends meet, many of our students were excluded from receiving a stimulus check as anyone who had been claimed as a dependent in 2020 tax filings was ineligible to receive these federal funds. We are Maryland Strong, and we are resilient, yet many of us are also struggling to make ends meet while furthering our education.

Through the taxation of physical textbooks, we have created an uneven playing field within higher education as our students with disabilities are also being economically disadvantaged. Students who need physical copies of textbooks on account of a learning disability or special need are essentially forced to pay a premium for their education as the cost of their textbooks are going to be at least 6% more expensive than that of their peers using fully digital materials, which are currently untaxed.

Furthermore, despite serving as a leader in higher education, it is regrettable that we are still taxing textbooks as **no other state bordering Maryland taxes the pursuit of an education in this manner**. (You may refer to the graphic included on following page for an illustration of this)

At our Bill hearing, you heard from students who emphasized the importance of SB 904 by illustrating tangible ways in which this Bill has the potential to affect positive change within the lives of thousands of community, private, and public college and university students from across our great state. I hope you will also take an opportunity to read the many letters of support that have been submitted. Through students' written testimony, you will hear the stories of my peers as they detail the many ways in which textbook tax relief will leave a lasting impact while enabling our students to focus on the pursuit of an education while helping to mitigate the financial burden they must bear.

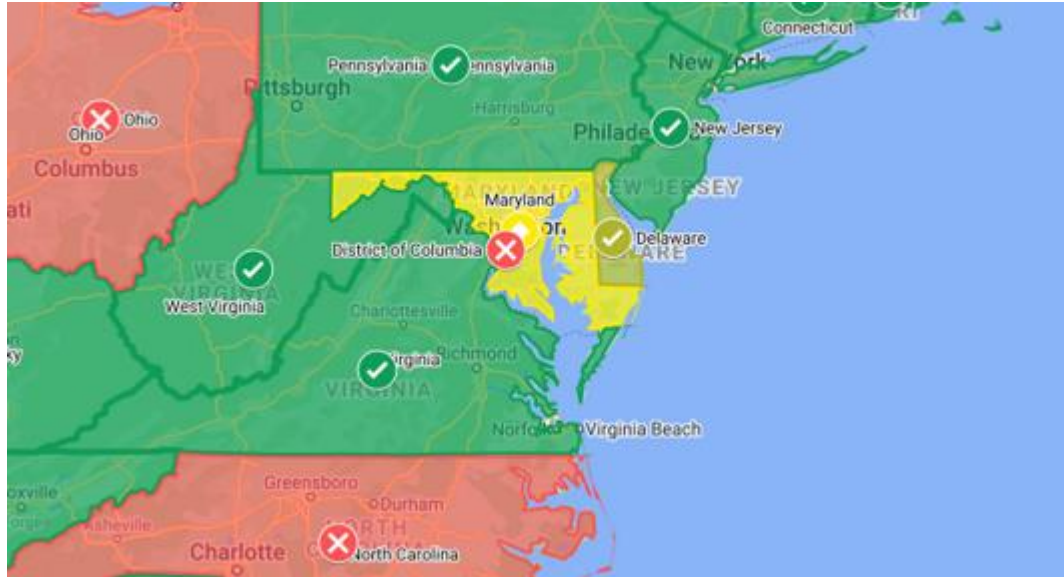
Maryland students are struggling; we need your help. Please stand with us and support SB 904 as we continue to pursue an education in Maryland. We cannot do this without you.

Thank you for your support of Maryland Students.

Very Respectfully,

Nathaniel Sansom

Illustration of Textbook Taxation in our region



Green states- Do not tax textbooks

Red States – Tax Textbooks

Maryland- Taxes physical but not fully digital textbooks as of January 1, 2021

Data provided by the National Association of College Stores: <https://www.nacs.org/>

SB904 Testimony.pdf

Uploaded by: Siddiqui, Arsalan

Position: FAV

Good Afternoon Mr Chair, Mr. Vice-Chairman and thank you
Senator Salling for sponsoring this bill.

I am Arsalan Siddiqui, Co-Director of Government Affairs at the **University System of Maryland** Student Council, helping to advocate for over 170,000 students across the state of Maryland, and we stand in support of SB904. Almost all courses at higher-ed institutions require textbooks of some-kind for students, and SB904 is really a common-sense bill that allows college students tax-exemption on their textbooks for two weeks every year. It is no surprise that college expenses, whether they be tuition, or fees, have risen astro-nomialicly over the years, and textbooks in particular are outpacing that by a large factor. It is said that a community college student will spend more hours in a minimum-wage job to pay for their textbook than they would sitting in a course they're buying the book for. On average, college students pay for over \$900/year on textbooks, and although that amounts to roughly just \$55/60 dollars in taxes, every dollar saved for college students can go a long way. Which is why so many neighboring states, like New York, New Jersey, West Virginia, Virginia and Pennsylvania have understood such a need, and have some type of tax empetion on textbooks for college students. That money saved is only helping students pay off their tuition, college debt, or their student fees, or their bills etc. which is why we ask for a favorable report of SB904.

Thank You!

Written Testimony for Bill SB904.pdf

Uploaded by: Weaver, Ryland

Position: FAV

Budget & Taxation Committee Members,

I am emailing you in support of Bill SB904; that if passed, will expand the Back-to-School tax-free week to include textbooks, which are not currently included.

During the Pandemic, many students were disproportionately affected as many student workers lost their on-campus jobs. And making textbooks tax-exempt would put dollars back into the pockets of hardworking college students- and for many of us, every dollar truly counts.

For students who cannot afford to purchase textbooks, it can be harder to perform well in class needing to borrow from other students. Occasionally our library will have course textbooks on reserve, but this is not the case for most classes. None of the states that border Maryland tax textbooks; as a state that prides itself in being a leader in education (and rightfully so), it is ironic that we are behind the time with regard to this issue.

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Uploaded by: Williams , Michael

Position: FAV

To the Committee on Budget and Taxation,

Hello, my name is Michael Williams, I am 22 years old, and I am in my second semester here at the University of Maryland, College Park. I graduated from Anne Arundel Community College in the fall of 2019 and then transferred to the University of Maryland in the fall of 2020. The pandemic has made many of our lives much more difficult than before. This is especially the case for myself, both of my parents are older, my father is going to be 70 in the spring and my mother will be 69 in the summer, both also have multiple underlying health conditions. Making my parents have a much higher risk if infected by COVID-19. To prevent any possible contact with the virus, I have stopped working these past couple months. This has made money very tight on top of bills, tuition, and even books. Many students, just like myself, are claimed as dependent by our parents, meaning we were not eligible for a stimulus check, and do not qualify for unemployment. Those that cannot afford expensive textbooks are at a huge disadvantage. Through past experiences, it is much more difficult to perform in class without the correct resources, textbooks aren't always online or in our libraries. Until my entire family, including myself are vaccinated money will be hard to come by. Making textbooks tax exempt would play a monumental role in the lives of students attending school now. Every single dollar truly counts for students right now, and this would put some of those dollars back into hard working students' pockets. Please vote in favor of SB904.

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Uploaded by: Zirkle, Andrew

Position: FAV

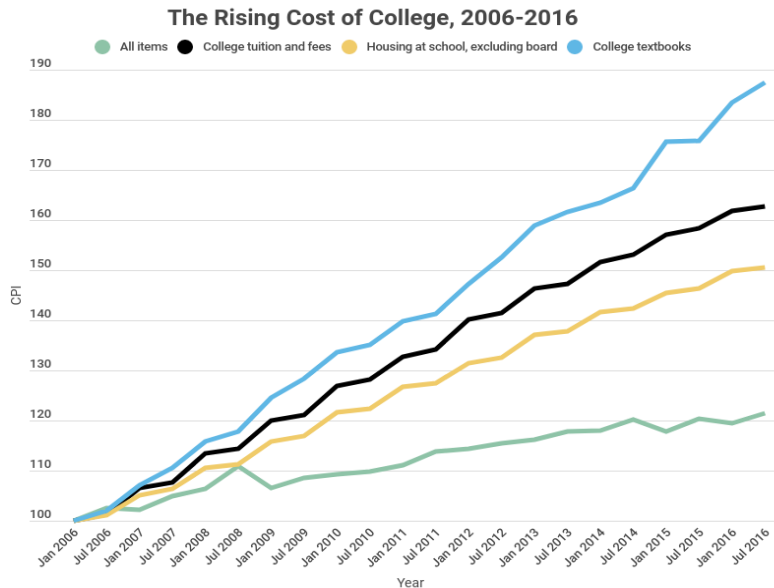


Written Testimony – SB904

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,¹ significantly outpacing the price inflation of tuition and housing.



Source: Bureau of Labor Statistics

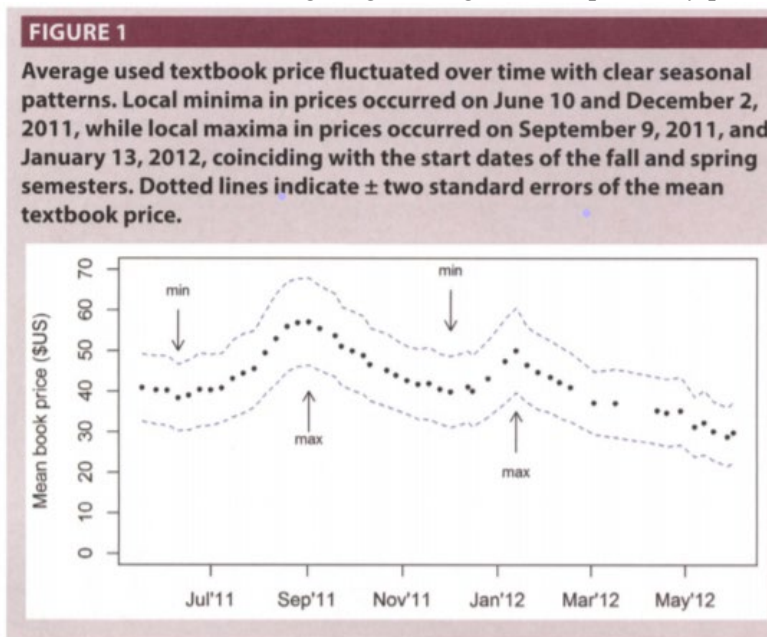
In addition to the rapidly rising prices of college textbooks, students are losing purchase options that previously helped keep the prices of the textbook market in control. Previously, the secondhand market and rentals provided a useful way to acquire textbooks for below market prices, allowing resourceful 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

¹ <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.² 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.³ 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.⁴ 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.

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

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

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

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Uploaded by: Zolenski, Luke

Position: FAV

Dear Maryland General Assembly Senate,

Hello, my name is Luke Zolenski and I am a second-year student at Wor-Wic Community College in Salisbury, Maryland. I am writing to you all today to show my support for SB0904. This bill will reduce the costs for textbooks and will greatly improve my wellbeing due to the money that I will be saving. Further, it will improve the wellbeing of *any and all* students. I come to you all today in good health and in good faith and ask with utmost sincerity and graciousness to please consider passing this bill. Thank you all for your generosity and kindness senators!

Sincerely,

Luke Zolenski