



SENATE EDUCATION, HEALTH AND ENVIRONMENTAL  
AFFAIRS COMMITTEE  
WEDNESDAY, FEBRUARY 4, 2009

Testimony of Patrick Hogan  
Support with Amendments to SB 183  
College Textbook Competition and Affordability Act of 2009

Chairman Conway, Vice Chairman Dyson, and Committee members, thank you for the opportunity to testify on SB 183 – the College Textbook Competition and Affordability Act of 2009. The University System of Maryland (USM) supports the *intent* of SB 183. This issue of the rising costs of textbooks has become a major concern at the Federal level as well as the State level and the Higher Education Community in Maryland. On November 24, 2008 we convened all segments of Higher Education to hold an all day Textbook Summit. The Summit was designed to bring all parties involved in the issue of textbooks together and provide the following:

- Fully understand the textbook provisions in the Federal Higher Education Act that recently became law.
- Explore options that are being utilized around the country to reduce the costs of textbooks.
- Explore the utilization of E-Textbooks, Textbook Rental Programs and other alternatives.
- Fully understand the issues affecting students, faculty, campus bookstores, off campus bookstores as well as legislators. Sen. Rosapepe, Sen. Pinsky and Del. Rice participated.

The summit was helpful in focusing everyone's attention on the issue. The USM Board of Regents (BoR) subsequently tasked its Effectiveness and Efficiency Committee to study the issue and recommend policies to the BoR for systemwide adoption. As of today the E&E Committee and the Education Policy Committee have approved a Textbook Policy with 10 provisions for adoption by the BoR that will take place at their next full board meeting on 2/13/09. I have attached that draft policy. This will be the first time that the USM has adopted any formal policy with regard to textbook and course material selection.

This brings us to the bill before you, SB 183. We applaud the passion and commitment of the bill Sponsors; Senators Pinsky, Rosapepe, Brochin, Conway, Dyson, Forehand, Frosh, Harrington, Kramer, Lenett, Madaleno, Peters, and Raskin to help reduce the cost of textbooks for students. The bill in its current form poses serious questions about unfunded mandates on institutions and unintended consequences on students of some of the provisions contained in the bill. This is a very complicated issue which is why you will hear from many experts on the issue to assist the committee in it's deliberations on SB 183.

Through the support of Governor O'Malley and the Maryland General Assembly and the efficiency and effectiveness savings of the USM we are proud of the fact that tuition for in-state undergraduate students has been and may well be held flat for 4 years. The quickest and most strategic way to reduce the cost of textbooks would be for the state to exempt textbook and course related materials from the sales tax. I raise this point because just as the state has it's fiscal constraints and has been unwilling to give up this revenue you will hear that the Universities use the revenue generated from the university bookstores to provide student services that the state is prohibited from funding and to close the gap between state support, tuition and fees and operating expenses. Without this revenue stream these programs would be funded through increased student fees.

Page 4, Section (C) places a large unfunded burden on institutions to research variances in wholesale and suggested retail prices as well as "Substantial Content Revisions". Who would do this research and at what cost. You will see from the fiscal note this is an expensive proposition.

Also on page 4, Section (C) (3) and (4) will be addressed by both the Federal Legislation adopted this past summer and the USM Regents policies to be adopted on February 13<sup>th</sup>.

We respect and support the concept of allowing faculty to maintain their academic freedom in choosing the course materials that are best suited to maximize the educational experience for the student. That being said we do feel that with this academic freedom comes the responsibility of faculty to make the best decisions in choosing course materials and recognizing and considering the fiscal impact to their students.

We feel that the Board of Regents Textbook policy to be adopted places that responsibility on the faculty member without the overly prescriptive language of page 5 Section (D) contained in SB 183. We also feel that most of page 7 is covered under federal law to be required by 2010.

The issue of bundling when it originates at the publisher level has been dealt with by Congress in the Reauthorization of the Higher Education Act dealing with the issue of bundling. *“UNBUNDLING OF COLLEGE TEXTBOOKS FROM SUPPLEMENTAL MATERIALS.—A publisher that sells a college textbook and any supplemental material accompanying such college textbook as a single bundle shall also make available the college textbook and each supplemental material as separate and unbundled items, each separately priced.”*

We agree that the earlier decisions are made regarding textbooks and course materials the better for the students. This is why in the Regents Textbook Policies to be adopted the very first policy reads as follows: “All University System of Maryland degree-granting institutions shall post on the institutional website ISBN, title, author, publisher, and edition information for required course material as soon as faculty members have submitted their book orders but no later than May 1 for the fall semester and December 1 for the spring semester.”

I will defer my comments on page 8 of the bill to the individual institutional representatives you will hear from.

We feel that the implementation section of the attached Board of Regents Policy addresses the issue of periodic reports on the impact and effectiveness of reducing the costs of textbooks to students. We also feel that the Regents policies will produce a best practices process and therefore Section 3 is not necessary. Due to the fact that technology and textbooks as we know them are changing dramatically we agree with Section 4. We also feel that with the Regent’s policies and Section 4 of SB 183 Section 5 is not necessary and is duplicative.

Thank you for allowing the University System of Maryland to share these thoughts about SB 183. We hope our concerns will be taken under consideration.

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