

H.R. 4137: TEXTBOOKS

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SUMMARY

Textbook costs are a barrier to an affordable education. The average student spends about \$900 per year, and textbook prices increase faster than inflation. To address this problem, the US House included a strong set of policies in The College Opportunity and Affordability Act.

The textbooks section has three main components:

1. Requires publishers to disclose pricing information up-front to faculty
2. Requires publishers to offer textbooks and supplemental materials “unbundled” (separately)
3. Requires institutions, to the maximum extent practicable, to provide the prices and ISBNs of required and recommended textbooks when students register for classes.

1. PRICING INFORMATION DISCLOSURE

What it says:

Publishers are required to include pricing information with any information they provide to faculty about a textbook. Pricing information includes the following four items:

- Wholesale price
- Prior copyright dates of editions within the past 10 years
- Substantial changes between editions
- The existence and prices of alternative formats

Why it is necessary:

The primary reason textbooks are expensive is that the textbooks market does not function like a normal market. The person who chooses the textbook (faculty) is not the same person who buys the textbook (students). Therefore, price is removed as a primary factor in the sale.

Textbook publishers exacerbate this problem by withholding price information from faculty. A recent study¹ released by The Student PIRGs found that 77% of faculty report that publishers rarely or never report the price of a book during sales interactions. Inevitably, when price is not put on the table, the more expensive items will prevail.

How it lowers costs:

This provision injects price information into sales conversations. Faculty will have the information necessary to choose the right book at the best price. Additionally, faculty have the information to consider using an older edition or a less expensive format to save students money.

2. UNBUNDLING

What it says:

Publishers are required to offer all “bundled” textbooks for sale as individual unbundled textbooks and supplemental items. Supplemental items in integrated textbooks are exempt.

Why it is necessary:

Publishers use “bundling” – the practice of shrink-wrapping textbooks supplemental items including CDs, workbooks and online passcodes – to justify increased prices and to suppress the used book market. Research conducted by The Student PIRGs found that about half of all textbooks are bundled, and that bundled textbooks are more expensive than the textbook alone.

Supplemental items do not always contribute to the educational value of a textbook. PIRG research² found that 65% of professors report they “rarely” or “never” use supplemental items included in bundled textbooks.

How it lowers costs:

Students are given the option to purchase only the materials that are required for their classes. Instructors will have the option to select less expensive, unbundled textbooks. Students will be able to shop around for lower prices on textbooks and purchase individual components from different sources.

3. ISBN DISCLOSURE**What it says:**

Schools must post the list of required and recommended textbooks with the internet course schedule students use for registration. This list is to include the retail price, title information, and the ISBN (unique identifying code for each book). This provision is to be followed “to the maximum extent practicable.”

Why it is necessary:

Textbooks are an unpredictable expense. Students often find out their bill when they go to the campus bookstore the week before school starts, and do not plan ahead for the cost. Furthermore, students do not always have their booklists in time to shop for better deals online.

How it lowers costs:

Students will be able to predict the cost of their books during registration (to an extent) and prepare for the full cost of the next term. Students will also be given time to search for lower prices and leave enough time for shipping. Knowing ISBNs makes searching more efficient..

STATE LEGISLATION

Recent state legislation establishes the precedent for these policies. Five states have passed price-disclosure bills, and a number of states are currently considering similar measures.

Connecticut [HB 5527](#) (2006)
 Washington [HB 2300](#) (2007)
 Oregon [SB 365](#) (2007)
 Oklahoma [HB 2103](#) (2007)
 Minnesota [HF 1063](#) (2007)

California [SB 832](#) (vetoed, 2007)
 Massachusetts [HB 1200](#) (introduced, 2007)
 Arizona [SB 1175](#) (introduced, 2008)
 Colorado [SB 73](#) (introduced, 2008)

¹ The Student PIRGs. *Exposing the Textbook Industry*. (2007)

www.maketextbooksaffordable.org/exposing_the_textbook_industry.pdf

² The Student PIRGs. *Rip-off 101*. (2004) <http://www.maketextbooksaffordable.org/ripoff101.pdf>