

Textbook Turmoil

Is containing the cost of college textbooks a role for state legislatures?

BY JULIE DAVIS BELL AND VINCENT BADOLATO

Carlyn Mumm paid more for her books—\$975—one semester as a freshman at Arizona State University than her father paid for tuition—\$600—at the University of Illinois in 1977. For some of her science and business classes, one book can cost nearly \$200.

Mumm's biggest frustration is that many of her textbooks are used for only one semester and students get very little when selling the books back. She says she got nothing at all for a \$175 accounting book because a new edition was coming out.

Undergraduate students have many courses with expensive textbooks that contain extra supplementary material such as CDs and workbooks that they never use but have to buy. The extra materials run about 30 percent of the cost of the books, Mumm says. "Professors don't generally teach from the course books and the CDs and workbooks are just study guides that don't help in any way." Worse, she says, is that classes often require two books and normally one of them is never used.

Professors often create "course packs" of materials and articles for students that are much cheaper, but bookstores don't allow students to return them—even if they are unused.

"My dad tried to help me buy some Microsoft booklets for a computer science class on the Internet," she says. "But we found out that what I needed was written specifically for ASU. I could only get them at the bookstore," Munn says.

State legislators are hearing similar stories from students and parents frustrated by the high cost of college textbooks piled on top of tuition hikes.

"Many students and their families are

increasingly finding college financially out of reach," says Oklahoma House Speaker Lance Cargill. "Tuition costs are just one component, we need to look at all of the hidden costs, such as fees, textbooks and supplies."

Legislators are struggling to figure out the best ways to contain the rising cost of college. In 2007 alone, more than 85 bills in 27 states dealt with textbook affordability. At the end of the year, 10 states enacted 15 laws or resolutions to reduce textbook costs. They take a variety of approaches from mandates and regulations to encouragements and promotions of rental and buy-back programs.

The College Board estimates that the average four-year undergraduate student spent

\$942 on textbooks and supplies during the 2006-07 academic year. That's 16 percent of the average tuition of \$5,836 and about 6 percent of total costs (including room and board) for an in-state student. It's an even higher percentage for community college students who pay less tuition, but the same for books.

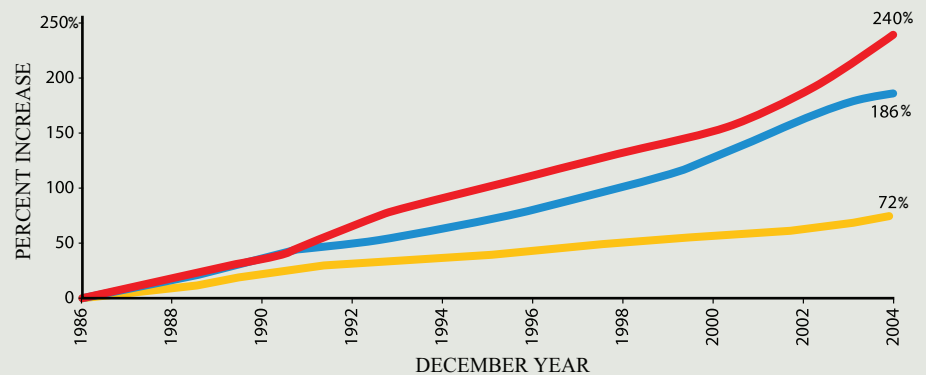
The Association of American Publishers, which has mobilized both at the state and national level to deal head on with increased legislative activity on the issue, says the real cost for textbooks is about \$600. The AAP argues that the College Board figure is misleading because it includes supplies—including computers, lab equipment and calculators.

Whether the number is \$900 or \$600, many students claim there's been an unfair price increase in books. According to a 2005 GAO Report, college textbook prices have increased at twice the rate of inflation over the last two decades. From December 1986 to December 2004, overall inflation was 72 percent, while textbooks increased 186 percent, and tuition and fees increased by 240 percent.



Soaring Prices

The annual percentage increase in college textbook prices is nearly as high as increases in tuition and fees and much higher than overall price inflation, December 1986 to December 2004.



Source: GAO Highlights, July 2005.

Julie Bell heads NCSL's education program. Vincent Badolato tracks higher and adult education issues for NCSL.

MINNESOTA'S SOLUTION

Minnesota Senator Charles Wiger turned to college students to help keep textbook costs down. He enlisted members of the Minnesota State College Student Association to redraft a bill that hadn't passed.

"If anything was going to get done to seriously address textbook costs, the students and student organizations had to step up to the



SENATOR
CHARLES WIGER
MINNESOTA

plate and get active to make this an issue that commands attention in the Legislature," he says.

"Our goal is to provide students with more options and to help contain the escalating costs of a college education," Wiger says. "Skyrocketing textbook prices are part of the equation that we can and should address."

Representative Frank Moe, who teaches at Bemidji State University, sponsored the legislation in the House. "What we needed was



REPRESENTATIVE
FRANK MOE
MINNESOTA

more disclosure from the publishers along with more accountability from faculty and institutions," says.

The new bill directs colleges and universities and the Minnesota Office of Higher Education to come up with ways to help reduce the cost of course materials. Their charge? Look at what drives textbook prices, such as a lack of stakeholder communication; consider many different options for faculty and students; and create ample time and resources for students to shop for the best price.

Scott Formo, president of the student association, says students need the opportunity to find lower price alternatives. "This should make a difference in the overall cost of higher education in Minnesota."



ducing more low cost materials and more choices than any time in history. They are extremely sensitive to the cost of books and have been proactive in meeting the needs of faculty and students."

According to Schroeder, the publishing industry is "highly competitive," which drives it to respond to the market by offering options and choices for faculty and students. For example, bundled textbooks have a role to play in providing supplementary learning material for students. This could be a CD-ROM to assist in an introductory to biology course, additional readings or online work to help students who are behind in the course.

"These supplemental materials can help lower the cost of instruction by replacing, for example, expensive language labs and give students interactive online tools available 24/7. They also improve college remediation and retention rates and help students who enter college behind in a subject," she says. Top schools such as Harvard use online course materials to provide students with opportunities to practice the math and science concepts learned in the classroom. "Faculty have plenty of choices about which package to choose—low-cost texts, split editions, electronic," says Schroeder.

Caught in the middle are the college bookstores. The publishers produce the products and pitch them to faculty who select the

course materials. The bookstores order the materials, stock them and sell them—and students pay for them. The average markup is 22.4 percent on a new book and 35.8 percent for used books. Charles Schmidt of the National Association of College Stores says they are working in several ways to help keep costs down.

"We've been very proactive to ensure a strong used book market so students can buy cheaper books, which is the simplest, easiest most direct way to lower textbook costs. We've also been active in trying to communicate with faculty about the options available in the textbook selection process."

STATE ACTION

So what are states doing? About 10 mandate and regulate how college textbooks are packaged by publishers, chosen by faculty or sold by bookstores. For example, some legislation requires bookstores and publishers to offer both bundled and unbundled course materials; publishers to provide summaries of changes in updated text editions; and faculty to consider cheaper options or submit their course material lists by a deadline so students have the opportunity to shop around for the best price.

Other states closely examined what drives textbook prices, such as faculty choices, bookstore mark-ups, bundling by publishers and barriers to competition. Then they

encouraged changes to reduce costs, including rental programs, which are being used in approximately 26 institutions in nine states. At least eight states have exempted textbook purchases from sales tax. Finally, some states and university systems have looked into negotiating prices with publishers, purchasing in bulk across institutions or shifting from printed to digital forms of course material.

The Illinois Senate, for example, passed a resolution calling for universities and community colleges to select and implement cost-reducing measures using a 2007 state report as guidance. Maryland has looked at creating a consortium of the state's public universities to enable them to receive a volume discount. Lawmakers there have asked for a report on cost factors—including faculty choices, bookstore mark-up, publisher price methods and barriers to competition—along with posting cost information online and requiring that tuition include the cost of textbooks.

Some states have opted to open up communication among college bookstores, faculty and students in order to increase options and improve value. Laws in Washington and Oklahoma require college bookstores to disclose all student costs of instructional material packages to the faculty. They also require bookstores to spell out how new text editions differ from previous editions, and actively promote and publicize book buy-back programs.

Oklahoma's law requires publishers to disclose the revisions made from one edition to the next to college faculty, who can then determine if the changes are significant enough to require assigning the new edition.


"The cost of textbooks is largely dependent on the books chosen by professors," says Speaker Cargill. "If professors are aware of the price of the books they assign, they will be more likely to pick the less expensive of equally good options. Our law gives faculty the tools to make an educated decision and to factor expense to students into their selection of the textbooks they assign."

Some states are trying to rein in the price of college materials by regulating the actions of faculty, college stores and publishers. Tennessee and Arkansas, for example, require faculty members to consider the lowest cost text options and provide both bookstores and students with easily accessible lists of required texts well in advance of the start of each semester. California's legislation urges textbook publishers to stop bundling books with supplemental materials. Oregon requires publishers to provide faculty with a complete list of all different text versions and supplemental material or a printed summary of substantive content differences in new editions.

"We absolutely welcome transparency," said Bruce Hildebrand of the Association of American Publishers, "as long as we are not prevented from producing the highest quality books and materials to meet the educational needs of the students."

"The best thing states can do," says the College Store's Schmidt, "is encourage the organization of textbook advisory committees on campuses. This will help everyone get on the same page to discuss the issues and problems and help keep costs as low as possible."

New technology and increasing reliance on the Internet may send college textbooks the way of the dinosaurs. We're likely to see a whole new generation of policy questions regarding college course material—issues of quality, access and copyright. In the meantime, legislators continue to look for ways to help students deal with rising prices. ■■■■

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