## **BILL ANALYSIS**

Senate Research Center 84R12874T

S.B. 915 By: Kolkhorst Higher Education 3/11/2015 As Filed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In December 2012, the American Enterprise Institute estimated that college textbook prices increased by 812 percent between 1978 and 2012. In the same period of time, the Consumer Price Index (CPI) rose by 250 percent. College Board estimates that the average student attending a public four-year in-state on-campus university spent \$1,255 on books and supplies during the 2014-15 academic year.

The federal government attempted to address this growing problem in the Higher Education Opportunity Act of 2008 (HEOA). Under HEOA, publishers are required to provide pricing information to course instructors as they choose textbooks for their students. Another provision requires that a course's required textbooks be posted on the syllabus or course description. The HEOA, however, allows universities to submit textbook information at a time "to be determined." This reduces a student's ability to search for the best bargain on a textbook because the sooner reading lists are available, the sooner students can compare prices online and in bookstores to find the best-priced book.

According to the National Conference of State Legislatures, five states enacted five laws addressing college textbook costs in 2008, and in 2007 10 states enacted 15 laws and resolutions addressing the issue. Some of the bills require publishers to offer bundled and unbundled versions of textbooks or to provide more information to faculty about the changes made to textbooks from one edition to the next. Other states have required instructors to consider lower-cost options when choosing course materials and have urged colleges and universities to implement options that will reduce costs.

S.B. 915 intends to explore options to address the ever increasing cost of college textbooks by establishing a pilot project at Texas A&M University to provide students with access to college textbook pricing information and to encourage the adoption of more affordable textbook options.

As proposed, S.B. 915 amends current law relating to the textbook affordability pilot program and to certain studies and reports by the Texas Higher Education Coordinating Board regarding achievable cost-saving measures and the use and availability of electronic, public domain, and open source textbooks at institutions of higher education.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0764, as follows:

Sec. 61.0764. TEXTBOOK AFFORDABILITY PILOT PROGRAM. (a) Defines "department," "electronic textbook," "faculty member," "institution," "open source textbook," and "public domain textbook."

(b) Requires the Texas Higher Education Coordinating Board (THECB) to establish and administer a pilot project at Texas A&M University to provide

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students with access to textbook pricing information and to encourage the adoption of more affordable textbook options. Requires THECB to designate a department of the institution to administer the program.

- (c) Requires that the pilot program established by Subsection (b) require:
  - (1) each faculty member in the department to calculate the total estimated cost of all textbooks and materials for each course the faculty member teaches and to send the estimated cost to the head of the department administering the program;
  - (2) the department to prominently display the estimated costs submitted under Subdivision (1) in the course description and on the syllabus for the course; and
  - (3) the department to use open source, public domain, or electronic textbooks where possible.
- (d) Requires the department to keep a record of the textbook costs for the duration of the program.
- (e) Provides that this section expires January 31, 2019.

Sec. 61.0765. STUDY ON THE USE OF OPEN SOURCE, PUBLIC DOMAIN AND ELECTRONIC TEXTBOOKS. (a) Defines "electronic textbook," "open source text book," and "public domain textbook."

- (b) Requires THECB to conduct a study and recommend policies regarding the use of open source, public domain, and electronic textbooks in higher education in this state and in other states. Requires that the study and policy recommendations include a specific focus on the results of pilot program implemented by Texas A&M University under Section 61.0764 with respect to the use of open source, public domain, and electronic textbooks and address methods for encouraging the use of open source, public domain, or electronic textbooks at public or private institutions of higher education in this state.
- (c) Requires that the department designated under Section 61.0764 assist THECB in performing THECB's duties under Subsection (b). Requires THECB to establish procedures to assist a department in complying with this subsection.
- (d) Authorizes THECB to solicit and accept gifts and grants from any public or private source to conduct the study and develop policy recommendations under this section.
- (e) Requires THECB to make an initial report and recommendations based on the study to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of each legislative standing committee with primary jurisdiction over higher education, not later than December 1, 2016. Authorizes THECB to include recommendations in the study to expand the pilot program created under Section 61.0764 to the entire Texas A&M University System or to each institution of higher education. Provides that this subsection expires January 31, 2017.

SECTION 2. Effective date: upon passage or September 1, 2015.

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