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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to higher education; creating a textbook pricing and access act;
1.3 establishing a pilot textbook rental program; requiring a report; appropriating
1.4 money; proposing coding for new law in Minnesota Statutes, chapter 135A.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [135A.25] TEXTBOOK PRICING AND ACCESS.

1.7 Subdivision 1. **Short title.** This section may be cited as the Textbook Pricing and
1.8 Access Act.

1.9 Subd. 2. **Purpose and intent.** The increasing cost of postsecondary education
1.10 and the sharp increase in the price of textbooks, along with new and costly packaging
1.11 techniques, puts a greater financial burden on the students and threatens their opportunity
1.12 for higher education.

1.13 The purpose of this act is to ensure that every student in higher education is offered
1.14 better and more timely access to affordable textbooks. It is the policy of the state of
1.15 Minnesota that any postsecondary institution that receives money from the state must
1.16 work to find ways to decrease the cost of textbooks for students. Therefore, the legislature
1.17 finds and declares all of the following:

1.18 (1) It is in the best interests of the state of Minnesota that high-quality course
1.19 materials be available and affordable to students.

1.20 (2) It is critical that each student has access to all required textbooks prior to the
1.21 start of their classes.

1.22 (3) To deliver high-quality materials to students that are affordable, all of the
1.23 following should occur:

2.1 (i) textbook publishers should produce textbooks that are as inexpensive as possible
 2.2 without sacrificing educational quality;

2.3 (ii) textbook publishers should keep their products on the market for as long as
 2.4 possible without sacrificing educational quality and textbook revisions should only be
 2.5 done when the new content is significant;

2.6 (iii) textbook publishers should disclose to faculty members and the public all of
 2.7 the different products they sell, the price of each product, and how long they intend to
 2.8 produce each product;

2.9 (iv) textbook publishers should ensure that any textbooks and supplementary items
 2.10 bundled together should also be available for purchase separately;

2.11 (v) faculty should consider the least costly practices in assigning textbooks,
 2.12 consistent with educationally sound practices;

2.13 (vi) bookstores should work with faculty to review timeliness and processes for
 2.14 ordering and stocking textbooks, disclose textbook costs, and actively promote and
 2.15 publicize book buyback programs; and

2.16 (vii) postsecondary institutions should do everything possible to promote a vibrant
 2.17 used book market, including, but not limited to, exchange programs, buyback programs,
 2.18 and textbook rental programs.

2.19 Subd. 3. **Definitions.** For the purposes of this section, the following definitions
 2.20 have the meaning given.

2.21 (1) "Bundled" means a textbook and any other learning material packaged together
 2.22 to be sold for one price, including, but not limited to; workbooks, dictionaries, cd-roms,
 2.23 and books.

2.24 (2) "Bookstore" means a store that is in the business of selling textbooks,
 2.25 supplemental learning materials, bundled textbook packages, or school-related supplies on
 2.26 the campus of or in the near vicinity of a postsecondary institution in Minnesota.

2.27 (3) "Publisher" means publishing house, firm, or company that publishes printed
 2.28 material.

2.29 (4) "Required textbook" means any textbook, bundled or unbundled, that is required
 2.30 for a course.

2.31 (5) "Supplemental learning material" means learning materials used in teaching a
 2.32 course that supplement the primary textbook in the form of another book, workbook, or
 2.33 a cd-rom.

2.34 Subd. 4. **Textbook bundling; publisher disclosure.** (a) No postsecondary
 2.35 institution shall have business dealings related to the sale of textbooks with any publisher
 2.36 that is in violation of this act.

3.1 (b) A publisher engaging in a discussion on the sale of any textbook with any faculty
3.2 member at a postsecondary institution must, at the time of an offering, disclose in writing:

3.3 (1) all modifications to all textbook editions printed within the last ten years;

3.4 (2) the price of all textbooks;

3.5 (3) the modifications to all supplemental learning materials within the last ten years;

3.6 (4) the price of all supplemental learning materials;

3.7 (5) the total price of the bundled materials if a sale includes supplemental learning
3.8 materials bundled with a textbook; and

3.9 (6) the modifications to all supplemental learning materials that are bundled with a
3.10 textbook within the last ten years.

3.11 Subd. 5. **Faculty specificity for textbooks.** Any faculty member or entity in charge
3.12 of selecting textbooks, supplemental learning materials, and bundled textbook packages:

3.13 (1) must consider the least costly practices in assigning textbooks, consistent with
3.14 educationally sound practices as determined by the appropriate faculty or entity;

3.15 (2) must consider the use of textbooks, supplemental learning materials, and bundled
3.16 textbook packages for a longer period of time, to the extent they are not outdated;

3.17 (3) work with bookstores to review timeliness and the processes involved in ordering
3.18 and stocking selected course materials, disclose textbook costs to students, and actively
3.19 promote and publicize book buyback programs;

3.20 (4) must provide a written statement to the postsecondary institution detailing the
3.21 textbooks or supplemental learning materials, whether bundled or unbundled, that are
3.22 required for each course and any textbooks or supplementary learning materials, bundled
3.23 or unbundled, that are recommended for the course; and

3.24 (5) must provide a written statement to the postsecondary institution indicating the
3.25 earliest edition of any required textbook that may be effective for use by a student for
3.26 a particular course.

3.27 Nothing in this act shall prohibit the faculty member from requiring the most recent
3.28 edition of a textbook.

3.29 Subd. 6. **Bundling restrictions.** (a) A publisher may bundle together a required
3.30 textbook and any other required textbook or required supplemental learning material.

3.31 (b) Any bookstore or faculty member that places an order with a publisher for a
3.32 required textbook or required supplemental learning material bundled with a textbook or
3.33 supplemental learning material that is not required must also order the textbook in an
3.34 unbundled form in at least the same quantity as in the bundled form. The requirement
3.35 for ordering equal quantities does not apply after an initial shipment of bundled and

4.1 unbundled textbooks if both the faculty member and the bookstore determine that there is
4.2 a disproportionate need for either bundled or unbundled textbooks.

4.3 Subd. 7. **Notice to purchase.** At student registration, all bookstores and
4.4 postsecondary institutions must make available a listing of all textbooks and supplemental
4.5 learning materials required and recommended for courses taught during the upcoming
4.6 term. The list must include the International Standard Book Number (ISBN) for each
4.7 textbook. The listing must be available on the Internet with the link communicated to
4.8 students, or posted in a nonrestricted area of the bookstore if a Web site is unavailable.

4.9 Subd. 8. **Textbook affordability.** Bookstores under this section must adopt policies
4.10 to price required textbooks and supplemental learning materials so these are affordable
4.11 to students. All postsecondary institutions that distribute financial aid to students must
4.12 establish a policy and procedures to provide credit or financial aid for the purchase of
4.13 required textbooks and supplies at any bookstore under this section.

4.14 **Sec. 2. TEXTBOOK RENTAL PILOT PROGRAMS.**

4.15 (a) The governing boards of the University of Minnesota and Minnesota State
4.16 Colleges and Universities are each authorized to establish a textbook rental program
4.17 for the students of a single campus with an enrollment up to 5,000 students that meets
4.18 the following conditions:

4.19 (1) the student government association of the campus votes to request a textbook
4.20 rental program; and

4.21 (2) any existing contracts or other established arrangements with entities operating
4.22 bookstores allow or can be made to accommodate a textbook rental program.

4.23 (b) A campus with a pilot project may convene a task force to determine
4.24 recommended procedures and policies to establish and operate a textbook rental program.
4.25 The task force must include, but is not limited to, students, faculty, administrators, and
4.26 bookstore managers.

4.27 (c) A pilot textbook rental program must comply with the following requirements:

4.28 (1) the program must be self-sustaining through revenue generated from student
4.29 tuition and fees, excluding the initial startup costs to be paid from supplemental funding
4.30 from other sources;

4.31 (2) the average annual textbook rental cost for full-time students must not exceed 33
4.32 percent of the average annual retail purchase cost of textbooks for full-time students;

4.33 (3) the program must not limit the rights of faculty to select appropriate textbooks
4.34 in accordance with established policies and procedures;

4.35 (4) students must have the option to purchase textbooks they rent under the program;

5.1 (5) the program may be disbanded with the approval of the student government
5.2 association of the campus; and

5.3 (6) the campus must report to the Minnesota Office of Higher Education for a
5.4 minimum of four years any information required to effectively evaluate the pilot textbook
5.5 rental program including savings to students, system efficiency, and faculty satisfaction.
5.6 After four years, the Minnesota Office of Higher Education must report the findings of
5.7 the pilot textbook rental study to the chairs of committees of the legislature responsible
5.8 for higher education.

5.9 (d) A participating campus with a textbook rental program may do the following:

5.10 (1) charge a campus-based or course-based textbook rental fee to each student as
5.11 a part of tuition or mandatory fees to cover the costs of administering the program and
5.12 maintaining an appropriate stock of textbooks;

5.13 (2) establish policies for the program, including, but not limited to, implementing
5.14 practices to achieve the best possible purchase price for textbooks and for the provision
5.15 of rental services;

5.16 (3) charge students a fine for any late, lost, or damaged book, as determined by
5.17 the textbook rental service; and

5.18 (4) establish other procedures required to establish and operate a textbook rental
5.19 program in accordance with the provisions of this act.

5.20 **Sec. 3. APPROPRIATIONS.**

5.21 (a) \$..... is appropriated for fiscal years 2008 and 2009 from the general fund to the
5.22 Board of Regents of the University of Minnesota for the purposes of section 2.

5.23 (b) \$..... is appropriated for fiscal years 2008 and 2009 from the general fund to the
5.24 Board of Trustees of the Minnesota State Colleges and Universities for the purposes of
5.25 section 2.

5.26 (c) The governing boards may use up to \$1,000 of these appropriations per student
5.27 for the campus participating in a tuition rental program for startup and administrative
5.28 costs. This is a onetime appropriation.