
SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

Bill No: AB 2385 **Hearing Date:** June 13, 2018
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Urgency: No **Fiscal:** No
Consultant: Lynn Lorber

Subject: Public postsecondary education: textbooks.

SUMMARY

This bill urges textbook publishers to post online specified information about college textbooks, and expands the types of information to be reported related to how the newest edition differs from previous editions.

BACKGROUND

Existing federal law requires, when a publisher provides a faculty member or other person or adopting entity in charge of selecting course materials at an institution of higher education receiving federal financial assistance with information regarding a college textbook or supplemental material, the publisher to include, with any such information and in writing (which may include electronic communications), all of the following:

- 1) The price at which the publisher would make the college textbook or supplemental material available to the bookstore on the campus of, or otherwise associated with, such institution of higher education (net price) and, if available, the price at which the publisher makes the college textbook or supplemental material available to the public (list price).
- 2) The copyright dates of the three previous editions of such college textbook or supplemental material, if any.
- 3) A description of the substantial content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any.
- 4) Whether the college textbook or supplemental material is available in any other format, including paperback and unbound, and for each other format of the college textbook or supplemental material, the price at which the publisher would make the college textbook or supplemental material in the other format available to the bookstore on the campus of such institution of higher education (net price) and, if available, the price at which the publisher makes such other format of the college textbook or supplemental material available to the public (list price).
(United States Code, Title 20, Chapter 28, Subchapter I, Part C, Section 1015b).

Existing state law:

- 5) Requires the California State University (CSU) Trustees and the California Community Colleges (CCC) Board of Governors, and requests the University of California (UC) Regents to:
 - a) Work with the academic senates to encourage faculty to give consideration to the least costly practices in assigning textbooks; encourage faculty to disclose to students how new editions of textbooks are different from previous editions and the cost to students for textbooks selected; review procedures for faculty to inform bookstores of textbook selections; encourage faculty to work with publishers and bookstores in creating bundles and packages.
 - b) Require college and university bookstores to work with the academic senates to review issues relative to timelines and processes involved in ordering and stocking selected textbooks; work closely with faculty or publishers to create bundles and packages.
 - c) Encourage college and university bookstores to disclose retail textbook costs to faculty and make this information otherwise publicly available.
 - d) Encourage campuses to provide as many forums for students to access as many used books as possible. (Education Code § 66406)
- 6) Urges textbook publishers to:
 - a) Provide all of the following information to faculty and departments when they are considering what textbooks to order, and post information on the publishers' websites:
 - i) A list of all of the different products they sell, including both bundled and unbundled options, and the net price of each product.
 - ii) An explanation of how the newest edition is different from previous editions.
 - iii) Give preference to paper or online supplements.
 - iv) Disclose to faculty the length of time they intend to produce the current edition.
 - v) Provide to faculty a free copy of each textbook selected by faculty for use in the classroom for placement on reserve in the campus library. (EC § 66406)
- 7) Establishes the College Textbook Transparency Act, which among other things, requires textbook publishers to print specified information on the outer cover or within the standard textbook (including a summary of the substantive content differences between the new and prior editions); requires each campus bookstore at any public postsecondary education institution to post in its store or

on its website a disclosure of its retail pricing policy on new and used textbooks; encourages textbook adopters to place their orders with sufficient lead time to enable the bookstore to confirm the availability of the requested materials. (EC § 66406.7)

- 8) Requires a textbook publisher to provide a prospective purchaser with all of the following:
 - a) A list of all the products offered for sale by the publisher.
 - b) The wholesale or retail price of the product, and the estimated length of time the publisher intends to keep the product on the market.
 - c) For each new edition, a list of the substantial content differences or changes between the new edition and the previous edition of the textbook. (EC § 66407)
- 9) Requires, by January 1, 2020, any person, firm, partnership, or corporation that publishes textbooks offered for sale at the University of California, California State University, California Community College, or a private college or university, to make the textbooks available for sale in electronic format. (EC § 66410)
- 10) Establishes the College Textbook Affordability Act to reduce costs for college students by encouraging faculty to accelerate the adoption of lower cost, high-quality, open educational resources. Existing law establishes the Open Educational Resources Adoption Incentive Program to carry out this purpose. Existing law requires this initiative to use those identified, housed, produced, and otherwise found appropriate pursuant to the California Open Education Resources Council and the California Digital Open Source Library. (EC § 67421)

ANALYSIS

This bill:

- 1) Urges textbook publishers to post in a prominent location on the publishers' website, where it is readily available to college faculty, students, and departments specific information related to textbooks (rather than providing that information only to faculty and departments).
- 2) Expands the information to be reported, from an explanation of how the newest edition is different from previous editions, to a detailed description of how the newest edition differs from the previous edition, including an initial summary of content changes such as reordered, renamed, added, or deleted chapters.
 - a) Requires the description to detail changes in each chapter, including but not limited to additions, subtractions, and revisions.
 - b) Requires the description to apply to changes in text, illustrations, statistics, graphics, and any other component of the chapter.

- c) Urges online textbook sellers to add to their websites links to the publishers' descriptions.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, "Many college students struggle to afford course materials. In some classes, they could save money by buying an older, less expensive edition of a book. But they often lack enough information about differences between editions to be able to judge whether buying an older edition would reduce their ability to do well in a class; in response, students sometimes buy expensive new editions when a less expensive older edition would have serviced just as well. In some admirable instances, publishers already provide enough detailed information for students to make informed decisions about whether to buy an old edition; but it is easy to find other instances in which not enough information is provided."
- 2) ***Differs from federal law.*** The federal Higher Education Opportunity Act and existing state law require publishers to provide specific information to faculty or person selecting course materials. This bill requires publishers to post this information on the publishers' website where it is readily available to college faculty, students, and departments.

In addition, the federal Higher Education Opportunity Act and the state College Textbook Transparency Act require publishers to provide to faculty or person selecting course materials a description of the *substantial* or *substantive* content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any. This bill requires publishers to provide a detailed description of how the newest edition differs from the previous edition, including an initial summary of content changes and detail changes in each chapter; and apply to changes in text, illustrations, statistics, and graphics. Currently, it's up to the publishers to determine what is substantial or substantive; the explanations can be vague, such as "improved discussion of cash basis vs. accrual basis accounting," "clarified discussion of what constitutes of a discontinued operation," and "revised discussion of goods in transit."

Is it reasonable to require publishers to provide such detailed information? Could this requirement cause publishers to increase the cost of their products?

- 3) ***Author's amendment.*** The author wishes to amend this bill to clarify that urging textbook publishers to take specified actions is consistent with Part C of Title I of the Higher Education Act of 1965 as amended by Title 1, section 112 of the Higher Education Opportunity Act of 2008 (20 U.S.C. 1015).

(b) **Consistent with Part C of Title I of the Higher Education Act of 1965 as amended by Title 1, section 112 of the Higher Education Opportunity Act of 2008 (20 U.S.C. 1015),** The **the** state urges textbook publishers to do all of the following:

- 4) ***Related legislation.*** SB 727 (Galgiani) authorizes a public postsecondary educational institution to adopt policies that allow for the use of innovative pricing

techniques and payment options for textbooks and other instructional materials. SB 727 is pending on the Senate Floor.

AB 2075 (Quirk-Silva) prohibited higher education institutions to require its students to purchase bundled textbooks, and required faculty to inform their students of the most economically viable options for purchasing textbooks. AB 2075 was never heard.

AB 960 (Brough) provided a partial Sales and Use Tax exemption for the purchases of textbooks purchased by students of an institution of higher education from a retailer whose primary purpose is to provide textbooks to those students. AB 960 was held in the Assembly Appropriations Committee.

SUPPORT

California Association of College Stores

OPPOSITION

Association of American Publishers

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