

AMENDED IN ASSEMBLY JUNE 1, 2007

AMENDED IN ASSEMBLY APRIL 10, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1548

Introduced by Assembly Member Solorio

February 23, 2007

An act to add Section 66406.7 to the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1548, as amended, Solorio. Public postsecondary education: ~~Transparency in College Textbook Publishing Practices~~ *Transparency Act*.

(1) The Donahoe Higher Education Act authorizes the activities of the 4 segments of the postsecondary education system in the state. These segments include the 3 public postsecondary segments: the University of California, which is administered by the Regents of the University of California, the California State University, which is administered by the Trustees of the California State University, and the California Community Colleges, which is administered by the Board of Governors of the California Community Colleges. Private and independent postsecondary education institutions constitute the other segment.

Provisions of the Donahoe Higher Education Act apply to the University of California only to the extent that the regents act, by resolution, to make them applicable.

Existing law urges textbook publishers to take specified actions aimed at reducing the amounts that students currently pay for textbooks. Existing law requires the Trustees of the California State University

and the Board of Governors of the California Community Colleges, and requests the Regents of the University of California, among other things, to work with the academic senates of each respective segment to encourage faculty to give consideration to the least costly practices in assigning textbooks, to encourage faculty to disclose to students how new editions of textbooks are different from previous editions and the cost to students for textbooks selected, to review procedures for faculty to inform college and university bookstores of textbook selections, and to encourage faculty to work closely with publishers and college and university bookstores in creating bundles and packages that are economically sound and deliver cost savings to students.

Existing law expresses the intent of the Legislature to encourage private colleges and universities to work with their respective academic senates, and to encourage faculty to consider practices in selecting textbooks that will result in the lowest costs to students.

~~This bill would express findings and declarations of the Legislature relating to the cost of college and university textbooks. The bill would add the Transparency in College Textbook Publishing Practices Transparency Act to the Donahoe Higher Education Act. The bill would prohibit a public postsecondary education institution from buying, selling, or allowing the sale on its campus of a textbook, as defined, unless and until the publisher of that textbook posts on its Internet Web site specified information about that textbook or otherwise makes this information available in a manner acceptable to the trustees, board of governors, or regents as appropriate. The~~

This bill would require the publisher, as defined, of a textbook to print certain information on the outer cover of, or within, a textbook, as defined.

This bill would authorize the Attorney General, a district attorney, or any affected resident of this state to bring a civil action to enforce the bill.

This bill would require a public postsecondary education institution to institute policies that encourage faculty members, departments, or other adopters, as defined, with course material selection responsibilities to place their orders with sufficient lead time to enable the university-managed bookstore or contract-managed bookstore to confirm the availability of the requested materials. The bill, except as specified, would prohibit an employee or department at an institution of higher education from demanding or receiving any payment, loan,

advance, or deposit of money, present or promised, for adopting specific course materials required for coursework or instruction.

This bill would prohibit a publisher or campus bookstore from soliciting faculty for the purpose of the sale of free review textbooks that have been provided by a publisher at no charge to a faculty member or other state employee. The bill would prohibit a bookstore from permitting book wholesalers conducting buyback on campus to accept review course materials from faculty or staff and from engaging in any trade of any course material marked, or otherwise identified, as free review course materials.

Pursuant to existing law, the bill would apply to the University of California only to the extent that the regents act, by resolution, to make these provisions applicable. Because the bill would impose new duties on community college districts, the bill would constitute a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. The Legislature finds and declares all of the~~
2 ~~following:~~
3 ~~(a) Textbook prices add to the total cost of postsecondary~~
4 ~~education, which can serve to deny lower income students the~~
5 ~~opportunity to receive high-quality, affordable education in~~
6 ~~California. According to a 2005 GAO report, college textbook~~
7 ~~prices have increased by 186 percent from 1986 to 2004, inclusive,~~
8 ~~which is almost triple the rate of inflation over the same period.~~
9 ~~(b) Textbook affordability is an issue that directly affects all~~
10 ~~students in California. California students spend an average of~~
11 ~~nine hundred dollars (\$900) per year on textbooks, an amount that~~
12 ~~exceeds tuition for many community college students. With rising~~
13 ~~tuition, fees, and living expenses, and diminishing student aid, the~~

1 price of textbooks represents an increasing portion of the overall
2 cost of education.

3 (e) Several factors contribute to rising textbook prices.
4 Publishers have shortened revision cycles, so that as new editions
5 become available, used textbooks become obsolete and students
6 are no longer able to sell or buy less expensive, used versions.
7 Textbook publishers also “bundle” supplemental materials such
8 as workbooks and CD-ROMs with textbooks to increase prices.
9 However, 65 percent of faculty interviewed for the California
10 Public Interest Research Group study reported that they rarely or
11 never use these additional bundled materials. Some faculty
12 members and administrators may also receive compensation from
13 textbook publishers as inducement for adopting particular
14 textbooks.

15 (d) Students, families, faculty members, and administrators do
16 not have adequate information about factors influencing the high
17 costs of textbooks. This act will create more transparency in the
18 practices of college textbook publishing companies serving
19 California, and will provide the public, and especially students,
20 with the information they need to have access to affordable,
21 high-quality textbooks.

22 SEC. 2.

23 SECTION 1. Section 66406.7 is added to the Education Code,
24 to read:

25 66406.7. (a) This section shall be known, and may be cited,
26 as the Transparency in College Textbook Publishing Practices Act.
27 *as the College Textbook Transparency Act.*

28 (b) A public postsecondary education institution shall not buy,
29 sell, or allow the sale on its campus of a textbook unless and until
30 the publisher of that textbook posts all of the following on its
31 Internet Web site or otherwise makes the following information
32 available to the public in a manner acceptable to the governing
33 body of the segment:

34 (1) For any bundled textbook, the price difference between the
35 bundled textbook and the same unbundled textbook.

36 (b) *The publisher of a textbook shall print on the outer cover*
37 *of, or within, the textbook, both of the following items of*
38 *information:*

39 (2)

1 (1) For any new editions of textbooks, a summary of the
2 substantive differences between the new edition and the prior
3 edition.

4 ~~(3)~~

5 (2) For any new editions of textbooks, an estimate of how long
6 the new edition will remain in print *or the previous edition print*
7 *dates.*

8 ~~(4) The amount and recipient of any compensation provided to~~
9 ~~faculty or administrators of a public postsecondary education~~
10 ~~institution as inducement to adopt particular textbooks for~~
11 ~~university courses, except for sample copies or royalties.~~

12 (c) *Each campus bookstore in any public postsecondary*
13 *education institution shall post on the store shelf or its Internet*
14 *Web site a description of its mark-up policies for the sale of new*
15 *and used books.*

16 ~~(e)~~

17 (d) The Attorney General, a district attorney, or any affected
18 resident of this state may bring a civil action to enforce this section.

19 (e) *Any publisher that makes available for sale two or fewer*
20 *textbooks in California is exempt from this section.*

21 (f) (1) *Each public postsecondary education institution shall*
22 *institute policies that encourage faculty members, departments,*
23 *or other adopters with course material selection responsibilities*
24 *to place their orders with sufficient lead time to enable the*
25 *university-managed bookstore or contract-managed bookstore to*
26 *confirm the availability of the requested materials.*

27 (2) *An employee or department at an institution of higher*
28 *education shall not demand or receive any payment, loan, advance,*
29 *or deposit of money, present or promised, for adopting specific*
30 *course materials required for coursework or instruction, except*
31 *that an employee may receive any of the following:*

32 (A) *Free review course materials, instructor's copies, or*
33 *instructional materials that are not to be sold by college faculty,*
34 *staff, or bookstores.*

35 (B) *Royalties or other compensation from sales of course*
36 *materials that include the instructor's writing or other work.*

37 (C) *Honoraria for academic peer review of course materials.*

38 (D) *Training in the use of course materials and course*
39 *technologies.*

1 (g) (1) A publisher or campus bookstore shall not solicit faculty
2 for the purpose of the sale of free review textbooks that have been
3 provided by a publisher at no charge to a faculty member or other
4 employee.

5 (2) A bookstore shall not permit book wholesalers conducting
6 buyback on campus to accept review course materials from faculty
7 or staff.

8 (3) A campus bookstore shall not engage in any trade of any
9 course material marked, or otherwise identified, as free review
10 course materials.

11 ~~(d)~~

12 (h) As used in this section:

13 ~~(1) “Bundled textbook” means a textbook that is packaged with~~
14 ~~additional materials, including, but not necessarily limited to, a~~
15 ~~supplemental workbook or a CD-ROM.~~

16 (1) “Adopter” means any faculty member or academic
17 department or other adopting entity at institutions of higher
18 education responsible for considering and choosing course
19 materials to be used in connection with the accredited courses
20 taught at those institutions.

21 (2) “Publisher” means any publishing house, publishing firm,
22 or publishing company that publishes textbooks or other course
23 materials.

24 ~~(2)~~

25 (3) “Textbook” means a book that is intended for use as a source
26 of study material for a class or group of students, a copy of which
27 is expected to be available for the individual use of each student
28 in that class or group.

29 ~~(3) “Unbundled textbook” means a textbook that is offered for~~
30 ~~sale without any additional materials.~~

31 ~~SEC. 3.~~

32 SEC. 2. If the Commission on State Mandates determines that
33 this act contains costs mandated by the state, reimbursement to
34 local agencies and school districts for those costs shall be made
35 pursuant to Part 7 (commencing with Section 17500) of Division
36 4 of Title 2 of the Government Code.