

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Finance and Tax Committee

BILL: CS/CS/SB 254

INTRODUCER: Finance and Tax Committee, Higher Education Committee and Senator Wise

SUBJECT: Sales Tax/Bookstore Books

DATE: April 13, 2007

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Brown</u>	<u>Matthews</u>	<u>HE</u>	<u>Fav/CS</u>
2.	<u>Keating</u>	<u>Johansen</u>	<u>FT</u>	<u>Fav/CS</u>
3.	_____	_____	<u>GA</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill prohibits all employees of community colleges or state universities from receiving any form of compensation for requiring a certain textbook. Exceptions are provided for sample copies, instructional copies, educational materials, or royalties for the instructor's work.

The bill requires community colleges and state universities to notify students of the required textbooks 30 days prior to the first day of class or when the instructor or academic department identifies the required or recommended book. Also, the bill allows the State Board of Education and the Board of Governors to include in their policies, procedures and guidelines, certain limited exceptions to this notification requirement.

The bill requires the State Board of Education and the Board of Governors to adopt policies, procedures, and guidelines by March 1, 2008, to further efforts to minimize the cost of textbooks. These policies, procedures, and guidelines must include: sufficient time for bookstores to confirm availability, especially with regard to used books; confirmation, as part of the adoption process, that all required bundled materials will be used; confirmation, as part of the adoption process, that the new edition differs substantially from the earlier editions; and ways to provide required textbooks to students who could not otherwise afford them.

The bill requires the Office of Program Policy Analysis and Government Accountability to conduct a study of the rising costs of textbooks and textbook purchasing practices of public postsecondary educational institutions in the state and provide a final report to the President of the Senate and the Speaker of the House by December 1, 2007.

This bill creates section 1004.09 of the Florida Statutes.

II. Present Situation:

Textbook costs across the country have increased at twice the rate of inflation over the last 2 decades.¹ States across the country have been proposing and implementing legislation to address this issue. The Florida State Board of Education and the Board of Governors, currently, have no policies, procedures, or guidelines regarding textbook adoption for postsecondary education institutions. Postsecondary education institutions across Florida have individually created textbook adoption processes, policies for notification of required textbooks to students, and restrictions on instructors from receiving compensation. The textbook adoption policies created by each institution vary from formal processes set out in their collective bargaining agreements between the union and the Board of Trustees to less formal faculty discussions or committee meetings. Most institutions follow the less formal textbook adoption process of faculty discussions or committee meetings. Most postsecondary education institutions make the textbook information available to students prior to the first day of class through online syllabi, a specific textbook information web page, or most commonly through the campus bookstore website. A minority of institutions have an express prohibition against instructors receiving compensation from textbook publishers. Other institutions have less formal restrictions on instructor compensation ranging from filing Conflict of Interest forms to relying on the institution's Code of Ethics. Postsecondary education institutions have general processes regarding textbook adoption and affordability, however, there is currently no uniformity in these processes, even between branches of the same institution.²

III. Effect of Proposed Changes:

Section 1. of the bill creates section, s. 1004.09, F.S., addressing textbook affordability and establishing requirements for the State Board of Education, the Board of Governors, state universities, community colleges, and their employees regarding this issue. The bill prohibits employees of state universities and community colleges from receiving any form of compensation for requiring a certain textbook. The only exceptions to this restriction are sample copies, instructor copies, or educational materials, and royalties from sales of textbooks that include the instructor's writing or work. The bill also requires state universities and community colleges to notify students of the required textbooks 30 days prior to the first day of classes or when the instructor or academic department identifies the required or recommended textbook. The State Board of Education and the Board of Governors must include certain limited exceptions to this notification requirement in their policies, procedures and guidelines required by the bill.

The bill requires the State Board of Education and the Board of Governors to adopt policies, procedures, and guidelines by March 1, 2008, to further efforts to minimize the cost of textbooks. These policies must provide for adopting textbooks with sufficient lead time to ensure bookstores have the textbooks and are able to have as many used textbooks as possible. The policies must include a requirement for confirmation, by the instructor or the academic department, of the intent to use all items ordered, especially bundled materials, a single package

¹ U.S. Gov't Accountability Office, *College Textbooks: Enhanced Offerings Appear to Drive Recent Price Increases*, GAO-05-806 (July 2005).

² See Survey on Textbook Policies and Practices at Florida's postsecondary education institutions, conducted by the Committee on Colleges and Universities in summer 2006.

including a textbook with other materials. The course instructor or the academic department offering the course, must confirm that the new edition of the required textbook significantly differs in a substantive way from earlier editions. The final requirement for these policies is to provide for the availability of required textbooks to students who could not otherwise afford the cost.

Section 2. of the bill requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to conduct a study of the rising costs of textbooks and textbook purchasing practices of public postsecondary educational institutions in the state and provide a final report to the President of the Senate and the Speaker of the House by December 1, 2007. OPPAGA is required to conduct a sample survey of students in these institutions on the cost of textbooks each semester. OPPAGA then must review and analyze the different textbook purchasing policies around the state and develop and disseminate best practices for textbook purchasing. OPPAGA must also review textbook policies and practices being considered or implemented in other states in an effort to reduce textbook costs, including, but not limited to, use of used textbooks, rental textbook systems, digital textbook subscriptions, textbook financing programs, faculty education, and standard procedures for institutions and college bookstores.

Section 3. provides that the bill will take effect July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

This bill may reduce the cost students in postsecondary education institutions pay for textbooks.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VIII. Summary of Amendments:

None.

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