



All Things Course Materials Policy Trends and How to Support College Stores

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Richard Hershman
Director of Government Relations
National Association of College Stores

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How did we get here?

The Policy Landscape of Textbook Affordability

- Noticeable increases in college prices in tuition, fees, and college textbooks;
- State budget cuts for higher education;
- Federal student aid funding not keeping up with need/students more dependent on loans;

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How did we get here?

Landscape of Textbook Affordability

- Higher Education Act renewal in 2008 (HEOA) brings greater attention to Higher Education among policy makers;
- Students more active and organized; and
- Changes in the textbook industry/internet
 - Shorter edition cycles/bundling
 - Price increases
 - Growth of used book market/rentals
 - E-textbooks/licensing/open source movement

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Key themes of federal and state textbook transparency laws.

- Empowering consumers (students, faculty, and bookstores) will lead to desirable changes such as lowering textbook costs.
- Ensure stakeholders (faculty, students, bookstores and publishers) have or are sharing information at key decision points about course materials.
- Hold parties accountable for disclosure and decision making process.

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Key themes of federal and state textbook affordability methods laws

- Unbundling.
- Promoting used books.
- Reducing frequency of changes in adoptions.
- Earlier decisions and earlier release of information.
- Faculty ethics.
- Custom, low frills editions.
- Open source textbooks.
- E-textbooks.
- Library reserves.
- Licensing/bulk purchasing.

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State Course Material Legislation and Policy

Types of Legislation/Policy:

Mandate and regulate college course materials by:

- how they are adopted (including faculty ethics)
- how they are packaged (bundles)
- how they are procured, sold, rented or delivered
- disclosing pricing, adoption lists and other information on course materials

Encourage, but not mandate:

- Same as above items
- Promoting rental programs (MN and IL have funded rentals)
- Convening task groups/study/policy recommendations

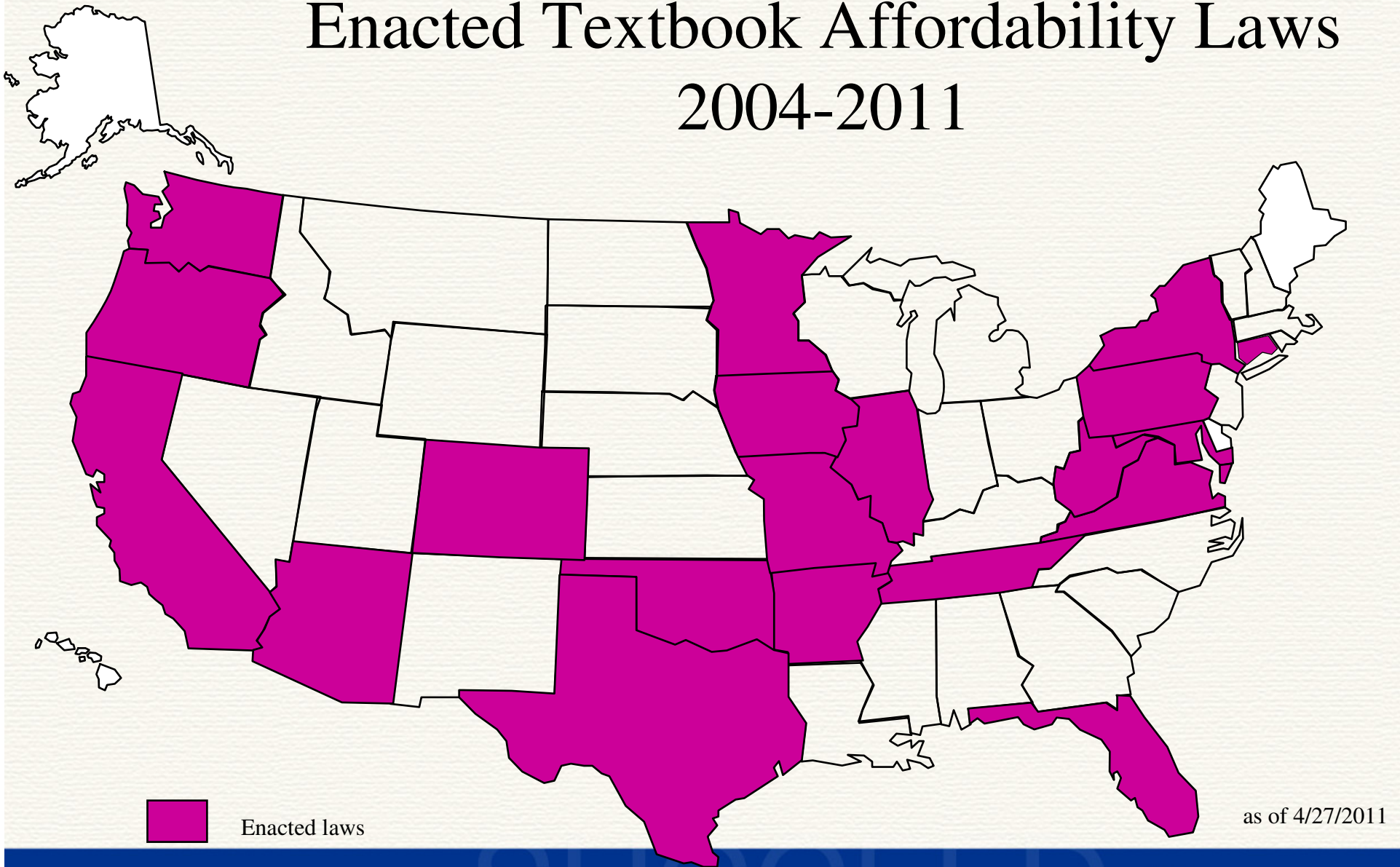
Adjusting education tax and student aid policy

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Enacted Textbook Affordability Laws 2004-2011



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Better Estimating Costs

- Several state systems have looked at what actual costs are for students and how to make better estimates for accountability and net cost reporting as well as for improving financial aid cost of attendance estimates.
- UNC system has devised such a formula to better estimate average student costs.

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Recent Market Trends –The Good News

- We are seeing significant innovations leading to more affordable options and greater choices for faculty and students in the course material marketplace.
- These developments are having a positive impact on students as student surveys are showing that average student course material spending have remained steady or declining for most students.
- Lower and middle income students are receiving more recognition of financial aid for course materials than they have had in the past –primarily tax credits.

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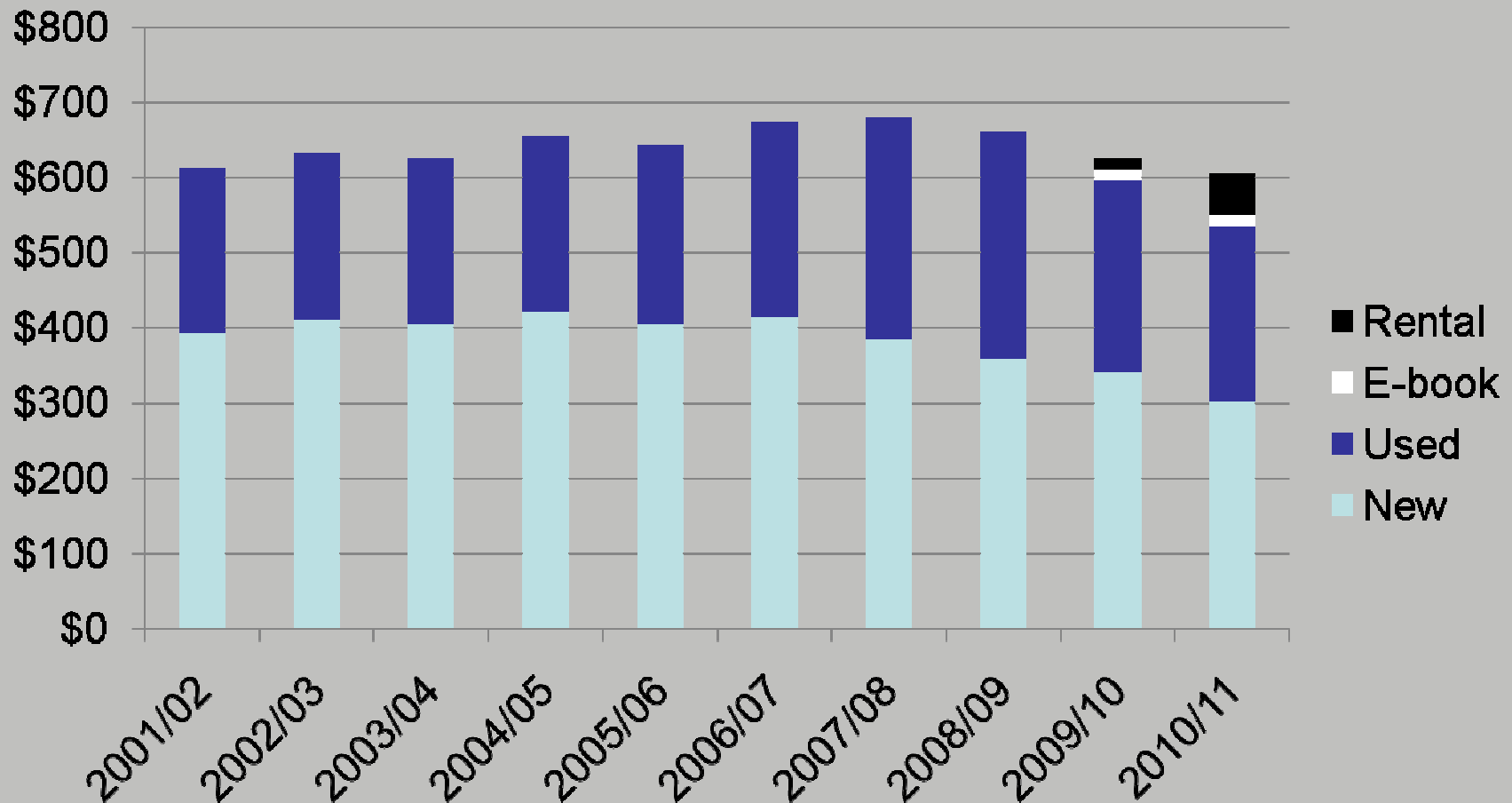


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Per Capita Spending for Textbooks

Not adjusted for inflation



Source: *Student Monitor*

Other Recent Market Trends

Rentals

- Textbook rental programs have exploded on college campuses. In the fall of 2010 semester approximately 2,200 college stores offered textbook rental programs of some kind. Only 300 existed in fall 2009.
- Two-thirds of the stores surveyed plan to expand the number of titles offered for rent in the next 12 months, and 43% of the stores that did not offer rental in fall 2010 said they “have definite plans to begin offering a book rental program within the next 12 months.

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Higher Education Opportunity Act Textbook Provisions

- Section 112 went into effect July 2010.
- Dept. of Education guidance issued in June 2010.
- Most schools are now in “compliance.”
- Conversation starting to emerge at some campuses over realistic expectations of the law regarding timing and pressure on faculty and for earlier decisions and reliability of information.
- About 27 fed textbook rental demos funded in FY09 and FY10.
- US Dep’t of ED course materials accessibility commission underway.
- GAO review study will begin soon.

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HEOA Textbook Provisions

Section 133

- The purpose of the provisions is to ensure that students have access to affordable course materials by decreasing costs to students and enhancing transparency and disclosure. To encourage all stakeholders to work together to identify ways to decrease the cost of college textbooks while supporting the academic freedom of faculty
- New Textbook information reporting must be in place by July 2010.

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HEOA Textbook Provisions – Publishers

- Requires Publishers to Provide to the faculty and staff:
 - The Net Price to the campus bookstore and if available the price the publisher would charge the public.
 - The copyright dates of the three previous editions.
 - A description of the substantial content revisions of a new edition.
 - What alternative formats are available and the net price to the campus bookstore and if available the price the publisher would charge the public.

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HEOA Textbook Provisions – Publishers

- Requires publishers to offer unbundled textbooks and supplemental materials each separately priced, unless it is part of an integrated textbook.
- Integrated Textbook:
 - Bound by third party contract, or
 - combined with other materials that are so interrelated with the content of the college textbook that the separation of the college textbook from the other materials would render the college textbook unusable for its intended purpose.

HEOA Textbook Provisions - Institutions

- Requires Institutions to the “maximum extent practicable”:
 - Make verified required and recommended textbook information in a manner of its choosing including ISBN and retail price available on its internet course schedule or provide a link in the internet course schedule to another appropriate website.
 - When ISBN is not available, the institution is to provide author, title, publisher, and copyright date.

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HEOA Textbook Provisions - Institutions

- If information is deemed by the institution as not practicable to provide, then indicate “to be determined” in lieu of the information.
- If applicable, include in a written course schedule a link to the location of the book information.

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HEOA Textbook Provisions - Institutions

- Requires institutions to make available to a college bookstore that is operated by, or in a contractual relationship or otherwise affiliated with, the institution, as soon as is practicable upon request the most accurate information available regarding the institution's course schedule, class enrollment, and adoption information.

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HEOA Textbook Provisions – Other

- Encourages institutions to disseminate information to students on INSTITUTION BASED initiatives to reduce costs such as used books, guaranteed buy-back, rental programs, alternative content (e-books, print-on-demand, etc);
- Requires a new GAO study in 2013 to review the implementation by institutions, bookstores, and publishers, as well as the cost, and benefits to institutions and students of the textbook provisions;
- Authorizes start-up grants for bookstore rental programs.
- Establish an advisory commission and competitive grant program to make course materials more accessible for students with disabilities; and
- Net cost calculators for determining likely institution costs.

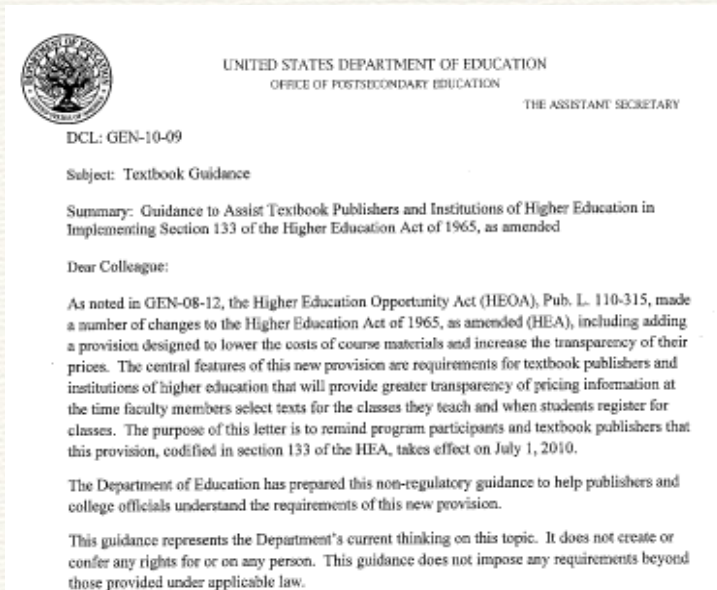
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US Department of Education

Dear Colleague



- Letter released 6/8/10 on IFAP website:
<http://ifap.ed.gov>
- Couple of takeaways:
 1. post verified textbook pricing information.
 2. linked to the course schedule from another site, such as a college-designated bookstore, in a manner of the institution's choosing.

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Example of class schedule with book information imbedded links

CITY COLLEGE OF SAN FRANCISCO **Schedule of Classes** City College of San Francisco

Admissions/Registration | Educational Programs | Learning Resources | Student Services | Campuses | Administration | Community Outreach | Faculty/Staff Resources

Fall 2008 Accounting

[How To Read The Class Listing](#)

ACCT 10 Introduction to Accounting 4.0

77927 001 Lec M W	08:30-11:00AM	BNGL 702	Leung, B	Deadlines	Book
77928 002 Lec MTWRF	10:00-11:00AM	CLOU 102	Johnson, D	Deadlines	Book
77929 003 Lec M W	04:00-06:30PM	CLOU 104	Stiles, P	Deadlines	Book
77930 501 Lec T R	06:30-09:00PM	CLOU 223	Lowry, J	Deadlines	Book
77838 551 Lec T R	06:30-09:00PM	1125 Valencia St.	275 Wikamulia, S	Deadlines	Book
77931 581 Lec M W	05:00-07:30PM	88 4th St.	33 Hege, L	Deadlines	Book

Students can access textbook information three ways: 1) when they register through the registration portal (REGLINK), 2) browsing the online course schedule as seen above; and 3) students may go directly to www.ccsfbookstore.com and compile a listing for all courses they are interested in.

Registrar, Bookstore and IT department involved. Supporting vendors: Banner by SunGuard and MBS.

Courtesy of Don Newton, City College of San Francisco Bookstore

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The Congressional intent of earlier posting:

1. Students budget for course material costs.
2. More time to shop around.
3. College bookstores have adoption information prior to buyback so the stores can pay students more for their books and maximize the availability of used books and other cost saving strategies.
4. **The primary reason** referencing registration was the belief that if a price of the materials were attached to the class, it would provide a way that students could hold faculty more accountable for their selections.

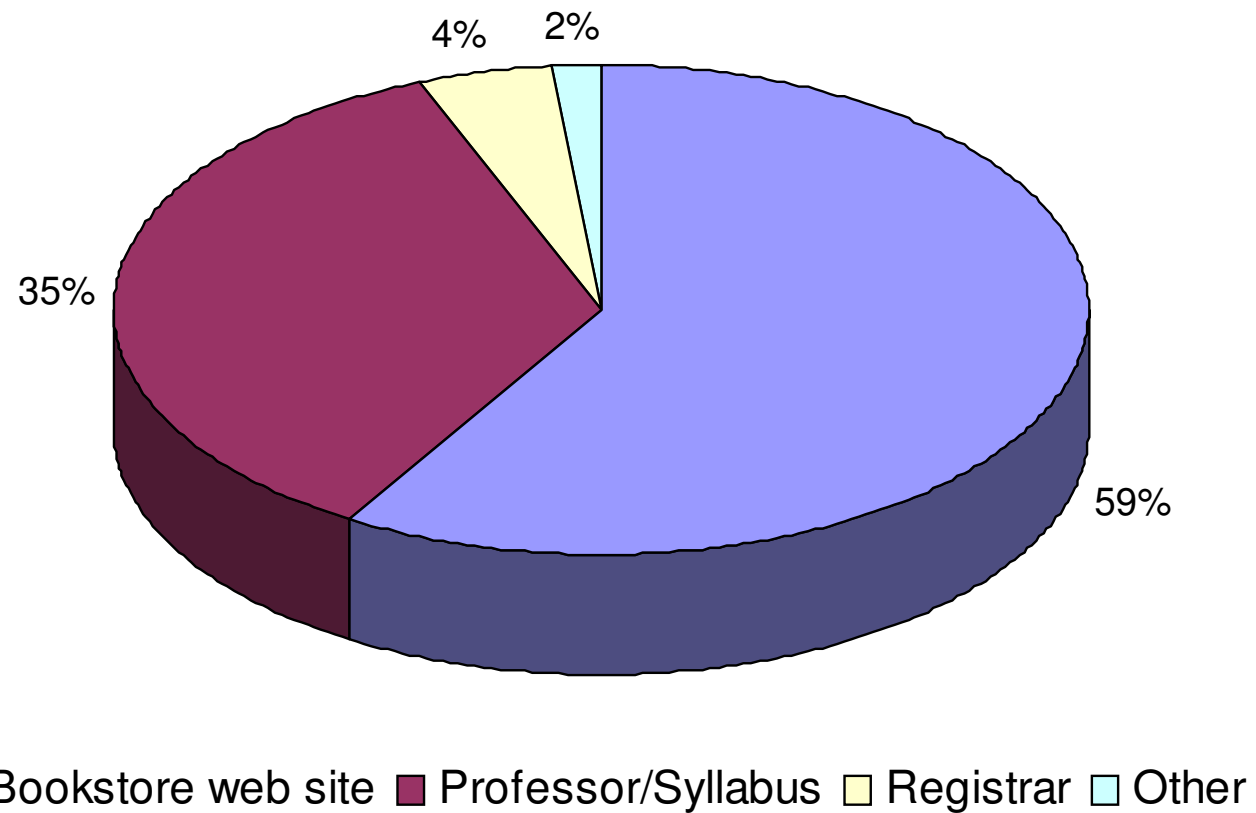
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Locations Students Generally Visit To Find Information About Their Required Course Materials



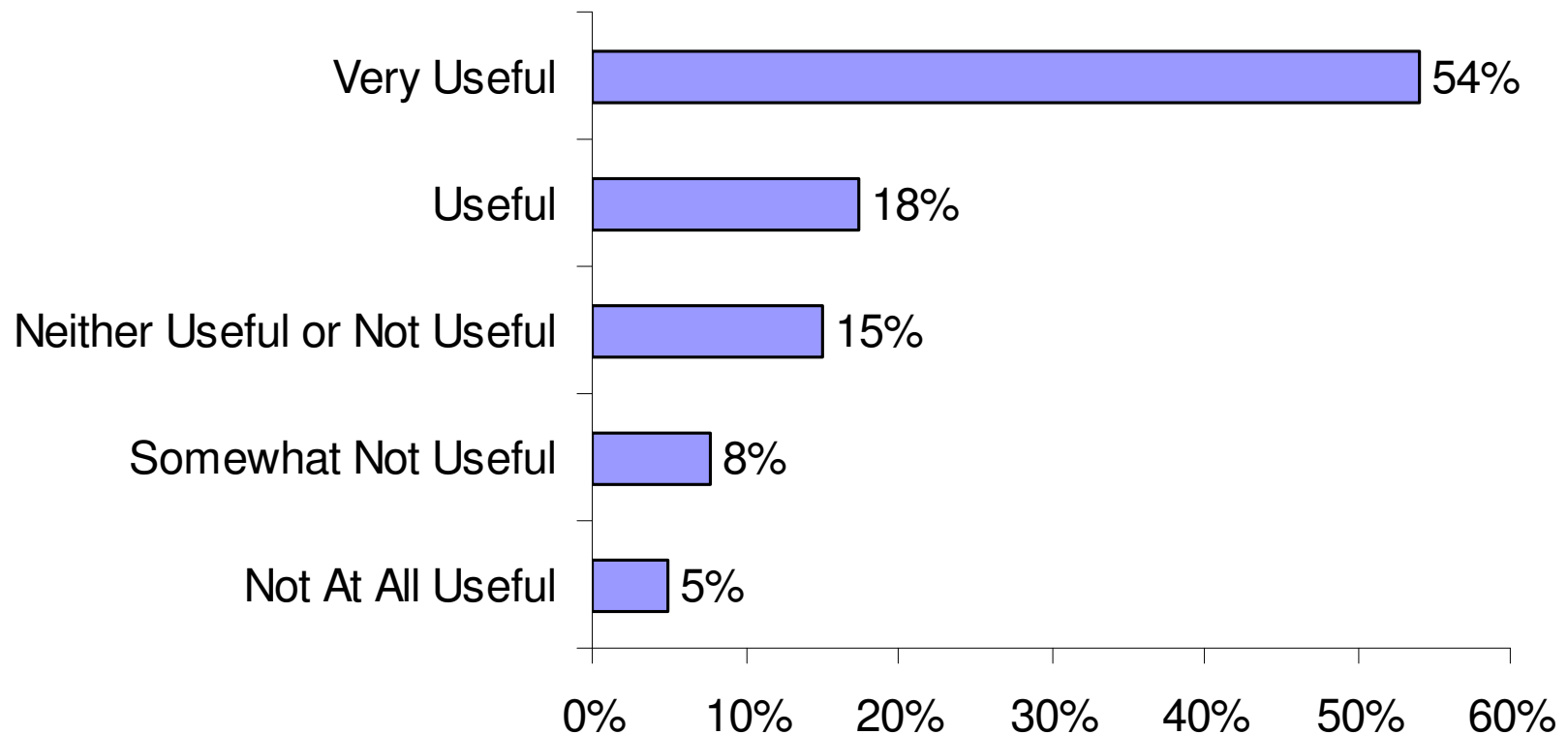
Source: *Student Watch 2010, Student Attitudes and Perceptions: A Comprehensive Analysis on Textbooks and Course Materials*

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How Useful is it to have Required Course Material Info While Choosing Courses?



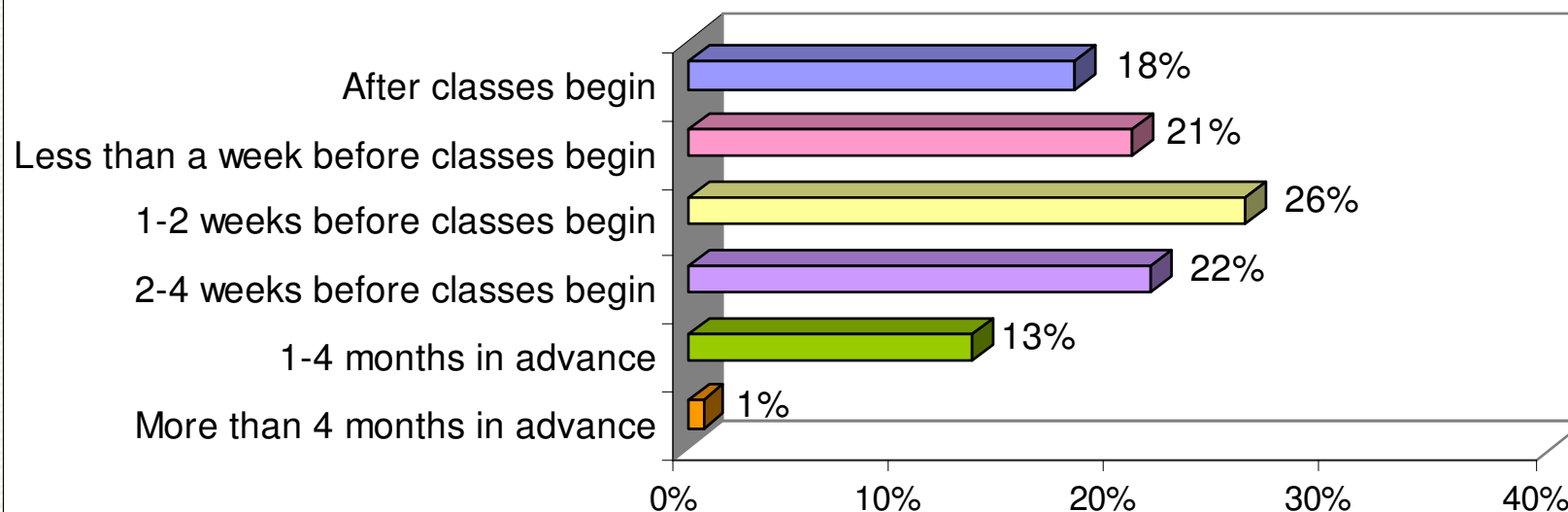
Source: *Student Watch 2010, Student Attitudes and Perceptions: A Comprehensive Analysis on Textbooks and Course Materials*

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When Students Generally Purchase Their Required Course Materials



Source: *Student Watch 2010, Student Attitudes and Perceptions: A Comprehensive Analysis on Textbooks and Course Materials*

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Potential Positives

- Faculty and staff will be armed with more information from publishers which will allow them to make more informed choices in their material selections understanding how much materials cost, how frequent new editions come out, and what format and options exist.
- Publishers, with a few exceptions, will make available bundled textbook and supplemental materials separately available.
- Bookstores may receive more complete and earlier information from faculty to allow them to lower costs for students and increase value at buyback.

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Things to Watch for and Work on Going Forward

- **The TBD Catch 22** -Timing versus faculty academic freedom and reality of adjunct hiring.
- Accuracy versus timing.
- **The All and Powerful Oz Factor** -Competing campus and state systems stakeholders vision of info portal.
- Providing more choices for students and earlier delivery.

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Things to Watch for and Work on Going Forward

- Greater transparency in store margins and competition.
- **I don't fit in my HEOA clothing anymore** - Pricing and delivery models evolving as well as nature of course materials.
- **Sniffing the glue**. States and systems going far beyond HEOA in search of Nirvana.

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States begin to examine effectiveness of HEOA and State Textbook Laws

- Legislators are asking about HEOA and previous state laws and what is being done to address textbook affordability.
- A few states explore codifying HEOA's textbook provisions into state law or “strengthen” the federal law.
 - Oregon proposed bill proposes to study effectiveness of state textbook laws and HEOA.
 - University of North Carolina System continues annual report on affordability efforts.

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2011 State Textbook Bill Trends

- Fewer textbook bills have been introduced this year than previous years.
- Some states have been incorporating elements from HEOA into state law or learning about HEOA and their own existing state laws.
- Legislation generally follows the market or lobbying of special interests. 2010 and 2011 e-textbooks and e-readers are receiving more attention as is open source. 2006-2010 it was rentals. Book list posting and bundling in 2004-2009.
- States are cutting aid for books in K-12 space, considering repealing sales tax exemptions, raising sales tax.

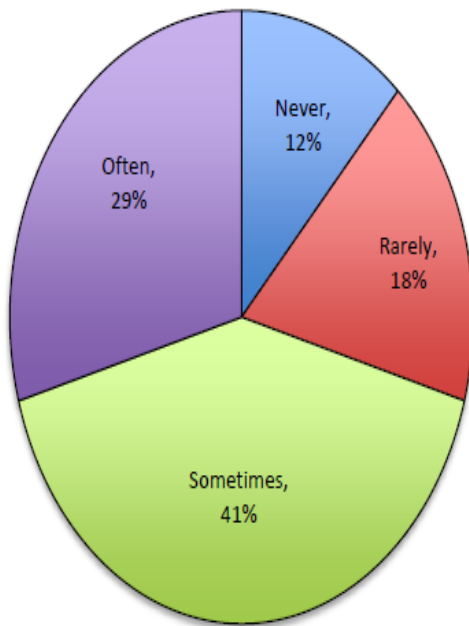
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Minnesota Office of Higher Education Study on HEOA implementation

Bookstore Operator Survey: How often do the faculty submit textbook requests prior to registration for the coming term?



Minnesota Office of Higher Education, *Reducing Textbook Costs* January 2011

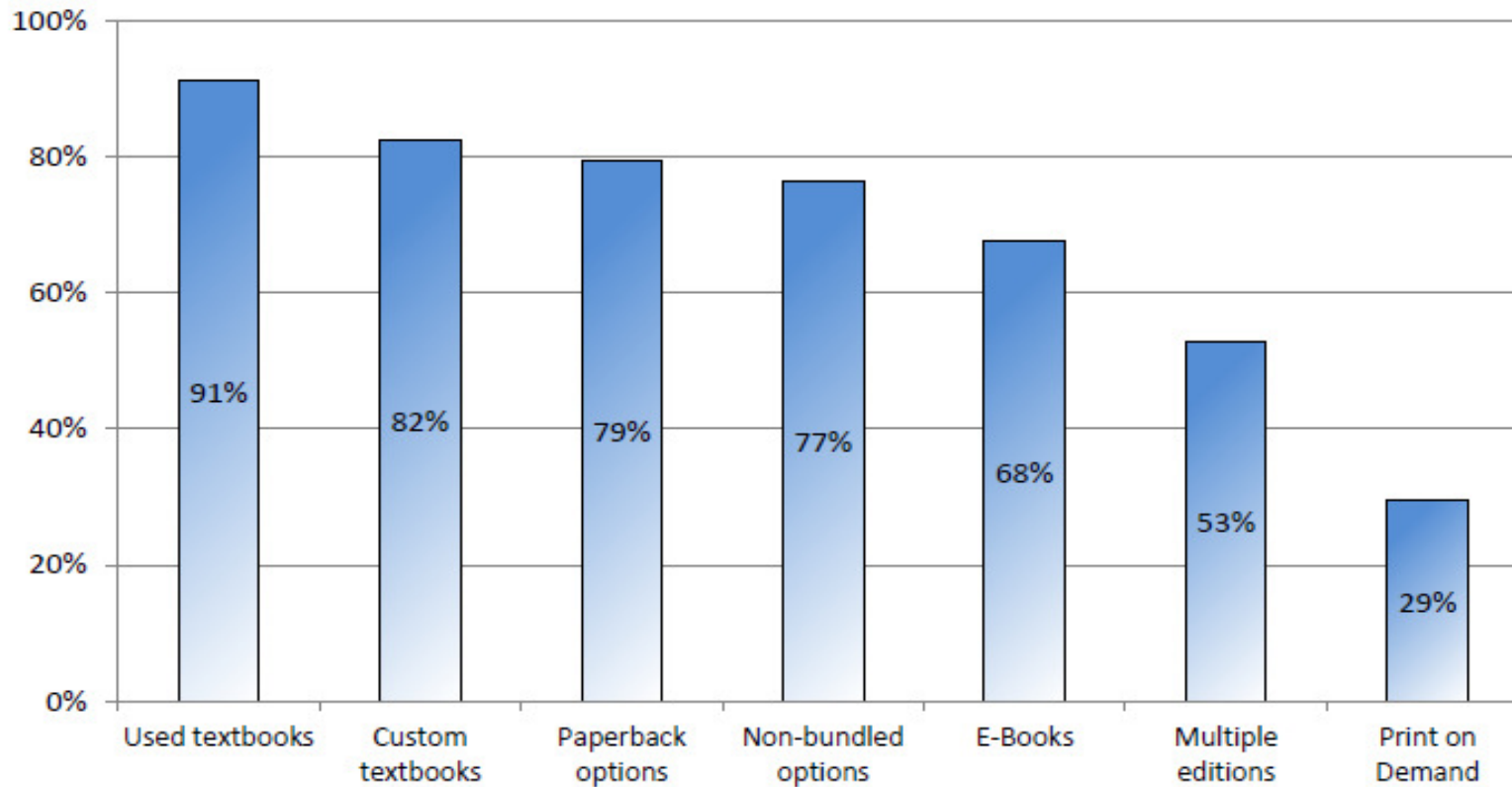
- Campus bookstores and publishers are making substantial efforts to provide information to faculty and students.
- Faculty who place textbook orders early and who make themselves aware of options that may reduce costs for students help control costs.
- Students who take an active role in advocating with faculty and bookstores for more textbook options and students who take time to shop for textbooks may be able to reduce their costs.

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Bookstore Operator Survey: Which of the following cost-saving options have been made available to faculty in ordering their textbooks?



Minnesota Office of Higher Education, *Reducing Textbook Costs* January 2011

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Minnesota Recommendations

- Increase efforts to make sure faculty understand the extent to which their textbook choices affect what students pay.
- Getting textbook orders into the school's bookstore as early as possible is the single best way to help students reduce their textbook costs.
- Faculty who are unsure how content covered in their course has changed can get this information from the publisher.
- Faculty can cut down student costs by making sure that supplemental material that will not be used in the course is not ordered by the bookstore.
- Faculty can share more information about textbook options with students.

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American Opportunity Tax Credit



- Congress extended AOTC for two additional years under the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.
- Tax credit through 2012 of up to \$2,500 of the cost of tuition and related expenses including **course materials** paid during the taxable year for first four years of college
- Eligible 100% of the first \$2,000 and twenty-five percent (25%) of the next \$2,000.
- (40%) of the credit refundable.
- Phase-out for taxpayers income in excess of \$80,000 (\$160,000 for married couples filing jointly).
- **President Obama's FY2012 budget proposes to make credit permanent and indexed for inflation.**
- www.textbookaid.org,

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Open Access Course Materials

- OACM movement continues to expand and mature.
- Increasingly seeking government funding and policy to promote and sustain initiatives as foundation funding appears to be declining.

Federal:

- FIPSE grants.
- US Department of Education's new National Technology Plan and discretionary grant priorities promote OACM.

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The Trade Adjustment Assistance Community College & Career Training Grant Program

- On January 20, 2011, the Department of Labor (DOL) announced a new \$2 billion grant program to develop, improve and revitalize job training courses at 2-year colleges.
- The Dept. of Labor will award \$500 million this year. Grants will range \$2.5-5 million for individual applicants, and \$2.5-\$20 million (potentially more) for consortia.
- Funds can be used to develop educational materials and software including textbooks.
- Grantees must license all materials created through the program using the [Creative Commons Attribution 3.0 License](#), which allows any member of the public to revise, reproduce and redistribute the material at no cost, as long as they attribute the creator.
- Proposals were due on April 21, 2011.

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Streamlined Sales Tax

- Federal legislation will be introduced in a few days.
- States enact laws in New York, North Carolina, Rhode Island, Colorado.
- More and more states consider similar bills or other measures.
- Stars may be in alignment for this to finally happen.

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Swipe Fee Reform

- Requires that for transactions involving debit cards (excludes declining balance cards) issued by banks with assets over \$10 billion, the interchange fee charged on the transaction must be reasonable and proportional to the cost incurred in processing the transaction. Regs expected very soon. Effective July 11, 2011.
- Prevents card networks from forcing merchants to use a single debit network for processing even if it is not the best or cheapest option.
- Allows merchants to offer customers discounts for use of cash, checks or debit cards.
- Allows merchants to set a \$10 minimum for credit card transactions without penalty from card networks. Allows colleges to set a maximum.

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How Auxiliary Services Can Support College Stores

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Awareness

- Give Me an “A” for Advocates
 - Textbook affordability committees can start a campus-wide conversation
 - Work with the campus bookstore to take the leadership role if possible; if not, be an active and vocal participant.
 - Be inclusive; affordability solutions involve multiple stakeholders
 - Bookstore, faculty (credit and non-credit reps), library, IT, virtual campus, print shop, disability support services, student activities, financial aid, business office

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Awareness

- Give Me a “S” for Support
 - Get your message out to leadership, ask for their support
 - President/Vice-Presidents
 - Executive leadership group
 - “HEOA is the floor, not the ceiling.”
 - Compliance with federal and state legislation

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Awareness

- Give Me an “E” for Educate
 - Educate store staff about affordability issues and solicit their expertise and creativity
 - Educate faculty about affordability issues and solicit their help
 - Faculty textbook survey
 - Presentation to Faculty Organization
 - Academic division and department meetings
 - Faculty orientation workshops
 - Faculty one-on-ones

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Implementation

- Give Me a “W” for Website
 - Added affordability pages for students, faculty and publishers
 - Created an online textbook affordability tutorial for faculty (based on MD legislation)
 - Enhanced faculty resource page
 - OER links
 - Included recommended best practices for textbook adoptions

Implementation

- Give Me a “C” for Choice...
 - New, used
 - Bundled and a la carte
 - E-textbooks/digital content
 - Rentals
 - OER
 - Print on demand
- ...and Cost-Savings
 - Discount program
 - Guaranteed buybacks
 - Swap feature
 - Textbook scholarship
 - Library reserves

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Winning Results

- Being lead cheerleader positions the store as the go-to resource on textbook affordability issues and solutions for faculty and students
- Builds credibility with administration
 - Support for store of 2015 initiatives

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NACS Gov't Relations Contact

Richard Hershman

Director of Government Relations
National Association of College Stores
1233 20th Street, NW Suite 204
Washington, D.C. 20036

www.nacs.org

E-mail: rhershman@nacs.org

Phone: (202) 778-4598

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