

SENATE BILL 657

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CF HB 1067

By: **Senators Conway, Pinsky, Rosapepe, Colburn, Dyson, Greenip, Klausmeier, Lenett, ~~and Raskin~~ Raskin, ~~and Harrington~~ Harrington, and Middleton**

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CHAPTER _____

1 AN ACT concerning

2 **College Textbook Competition and Affordability Act of 2008**

3 FOR the purpose of ~~requiring certain institutions of postsecondary education to~~
4 ~~develop and implement certain processes to make certain faculty members~~
5 ~~aware of certain information; providing that certain prices must remain in effect~~
6 ~~for a certain term under certain circumstances; requiring certain faculty~~
7 ~~members to allow certain students to use certain editions of certain textbooks~~
8 ~~under certain circumstances; prohibiting certain faculty members from selecting~~
9 ~~certain textbooks unless a certain percentage of material will be used for certain~~
10 ~~courses; prohibiting certain access codes from exceeding a certain percentage of~~
11 ~~the price of certain textbooks except under certain circumstances; requiring~~
12 ~~certain faculty members to make certain affirmations under certain~~
13 ~~circumstances; prohibiting certain bookstores from bundling certain materials~~
14 ~~without prior approval from certain faculty members; requiring certain~~
15 ~~institutions of postsecondary education to adopt certain procedures; requiring~~
16 ~~certain institutions of postsecondary education to list certain information~~
17 ~~regarding certain textbooks on certain websites at certain times; prohibiting~~
18 ~~certain revenues from exceeding certain expenditures except under certain~~
19 ~~circumstances; requiring certain public institutions of postsecondary education~~
20 ~~to develop and implement certain campaigns, certain textbook adoption~~
21 ~~processes, certain best practices processes, and certain procedures relating to~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 certain disclosures and certain affirmations; requiring certain textbook
 2 publishers to disclose certain prices, variances in prices, content revisions, and
 3 textbook-related information; requiring certain publishers and certain
 4 bookstores to provide and sell certain textbooks and certain supplemental
 5 materials in a certain manner; requiring certain textbooks and certain
 6 supplemental materials to be available in certain packages; requiring certain
 7 institutions to provide certain information to certain bookstores under certain
 8 circumstances; requiring certain institutions to make certain information
 9 available by posting it on certain websites on or before a certain time; requiring
 10 certain institutions to allow certain bookstores to advertise and have certain
 11 access to certain students under certain circumstances; providing for a certain
 12 exception to the provisions of this Act; providing for the construction of this Act;
 13 requiring certain institutions of postsecondary education to make certain
 14 reports to the Maryland Higher Education Commission regarding certain
 15 analyses of certain textbook prices and certain other information on or before a
 16 certain date; requiring the Commission to compile certain reports and forward
 17 the compilation to the Governor and the General Assembly on or before a
 18 certain date; ~~requiring certain institutions of postsecondary education to~~
 19 ~~develop and implement certain policies for lowering the cost of textbooks on or~~
 20 ~~before a certain date; requiring certain institutions to report regarding certain~~
 21 policies developed in accordance with this Act; requiring the Commission, in
 22 consultation with certain stakeholders, to conduct certain feasibility studies on
 23 or before a certain date; requiring the University System of Maryland to
 24 conduct a certain study regarding certain business models and report the
 25 results of the study to the Board of Regents and the General Assembly; defining
 26 certain terms; and generally relating to the sale of college textbooks.

27 BY adding to
 28 Article – Education
 29 Section 15–111
 30 Annotated Code of Maryland
 31 (2006 Replacement Volume and 2007 Supplement)

32 Preamble

33 WHEREAS, In 2005, the Government Accounting Office (GAO) reported that
 34 during the period of December 1986 through December 2004, tuition and fees
 35 increased 240%, college textbook prices increased 186%, and inflation increased only
 36 72%; and

37 WHEREAS, The textbook market is supply-driven rather than demand-driven
 38 and consequently offers consumers (students) no role in determining price, format, or
 39 quality of the product; and

40 WHEREAS, The dissemination of a book's International Standard Book
 41 Number (ISBN) in advance of a course enables a student to more easily access the
 42 used book market and on-line book markets, thereby promoting competition and
 43 saving the student money; and

1 WHEREAS, The practice of packaging textbooks with supplemental materials
2 and selling the package for a combined price known as “bundling” causes
3 consternation for the student who later discovers that the professor did not use the
4 supplemental materials and purchase of just the textbook would have been less
5 expensive; and

6 WHEREAS, The State of Maryland has passed legislative initiatives to control
7 the cost of tuition but not to control the cost of textbooks; now, therefore,

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
9 MARYLAND, That the Laws of Maryland read as follows:

10 **Article – Education**

11 **15-111.**

12 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
13 MEANINGS INDICATED.

14 (2) (I) “BOOKSTORE” MEANS ANY ENTITY THAT OFFERS BOOKS
15 OR OTHER COURSE MATERIALS FOR SALE.

16 (II) “BOOKSTORE” INCLUDES CAMPUS BOOKSTORES AND
17 ONLINE VENDORS.

18 ~~(2)~~ (3) (I) “BUNDLE” MEANS ONE OR MORE COLLEGE
19 TEXTBOOKS OR OTHER SUPPLEMENTAL MATERIALS THAT ARE PACKAGED
20 TOGETHER TO BE SOLD AS COURSE MATERIALS FOR ONE PRICE.

21 (II) “BUNDLE” DOES NOT INCLUDE SINGLE, CUSTOM, OR
22 INTEGRATED TEXTBOOKS.

23 (4) “CAMPUS BOOKSTORE” MEANS A BOOKSTORE UNDER THE
24 JURISDICTION OF A PUBLIC INSTITUTION OF POSTSECONDARY EDUCATION.

25 (5) (I) “CUSTOM TEXTBOOK” MEANS A TEXTBOOK THAT IS
26 COMPILED AT THE DIRECTION OF A FACULTY MEMBER AND MAY INCLUDE
27 ORIGINAL INSTRUCTOR MATERIAL, PREVIOUSLY COPYRIGHTED MATERIAL, OR
28 COPYRIGHTED THIRD-PARTY MATERIAL.

29 (II) “CUSTOM TEXTBOOK” DOES NOT MEAN A TEXTBOOK
30 THAT DIFFERS ONLY ON AN AESTHETIC BASIS FROM OTHER TEXTBOOKS WITH
31 THE SAME SUBSTANTIVE MATERIAL.

1 **(6) “INTEGRATED TEXTBOOK” MEANS A COLLEGE TEXTBOOK**
2 **THAT IS:**

3 **(I) COMBINED WITH MATERIALS DEVELOPED BY A THIRD**
4 **PARTY AND THAT, BY THIRD-PARTY CONTRACTUAL AGREEMENT, MAY NOT BE**
5 **OFFERED BY PUBLISHERS SEPARATELY FROM THE COLLEGE TEXTBOOK WITH**
6 **WHICH THE MATERIALS ARE COMBINED; OR**

7 **(II) FUNCTIONALLY INTERDEPENDENT WITH**
8 **SUPPLEMENTAL COURSE MATERIALS DESIGNED TO BE USED SOLELY AS A**
9 **SINGLE UNIT AND WHOSE SEPARATION WOULD SUBSTANTIALLY DEGRADE THE**
10 **ACADEMIC CONTENT SO THAT ITS ~~COMPETITORS~~ COMPONENTS WOULD NOT BE**
11 **USEFUL TO THE STUDENTS.**

12 **~~(3)~~ (7) “ISBN” MEANS THE UNIQUE INTERNATIONAL**
13 **STANDARD BOOK NUMBER ASSIGNED TO A TEXTBOOK THAT IS USED BY**
14 **PUBLISHERS TO IDENTIFY EACH EDITION AND PRINTING OF A TEXTBOOK.**

15 **(8) “SUBSTANTIAL CONTENT” MEANS A PART OF A COLLEGE**
16 **TEXTBOOK, SUCH AS NEW CHAPTERS, ADDITIONAL ERAS OF TIME, NEW THEMES,**
17 **OR NEW SUBJECT MATTER.**

18 **(9) (I) “SUPPLEMENTAL MATERIAL” MEANS EDUCATIONAL**
19 **MATERIAL DEVELOPED TO ACCOMPANY A TEXTBOOK AND INCLUDES PRINTED**
20 **MATERIALS AND ELECTRONIC MATERIALS INCLUDING COMPUTER DISKS AND**
21 **WEB ACCESS CODES.**

22 **(II) “SUPPLEMENTAL MATERIAL” DOES NOT MEAN**
23 **MATERIAL THAT IS BOUND BY THIRD-PARTY CONTRACTUAL AGREEMENT TO BE**
24 **SOLD AS PART OF AN INTEGRATED TEXTBOOK.**

25 **~~(B) EACH PUBLIC INSTITUTION OF POSTSECONDARY EDUCATION IN~~**
26 **~~THE STATE SHALL DEVELOP AND IMPLEMENT A PROCESS BY WHICH ITS~~**
27 **~~FACULTY MEMBERS ARE MADE AWARE OF:~~**

28 **~~(1) THE CHANGE IN CONTENT FROM ONE EDITION OF A~~**
29 **~~TEXTBOOK TO THE NEXT EXPRESSED AS A PERCENTAGE OF EDUCATIONAL~~**
30 **~~CONTENT CHANGED AND AS AN ITEMIZED LIST;~~**

31 **~~(2) A SAMPLING OF PRICES INDICATIVE OF THE RANGE OF~~**
32 **~~PRICES BEING CHARGED FOR THE NEWEST VERSION OF A SELECTED TEXTBOOK;~~**

33 **~~(3) THE AVAILABILITY OF USED VERSIONS OF A SELECTED~~**
34 **~~TEXTBOOK;~~**

1 ~~(4) A SAMPLING OF PRICES INDICATIVE OF THE RANGE OF~~
2 ~~PRICES BEING CHARGED FOR THE USED VERSION OF A SELECTED TEXTBOOK;~~

3 ~~(5) THE FISCAL IMPACT ON STUDENTS OF SELECTING BUNDLED~~
4 ~~MATERIALS; AND~~

5 ~~(6) ANY OTHER PROVISIONS OF THIS SECTION THAT APPLY TO~~
6 ~~FACULTY MEMBERS.~~

7 ~~(C) IF AN INSTITUTION OF POSTSECONDARY EDUCATION SEEKS THE~~
8 ~~INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION FROM A~~
9 ~~PUBLISHER, A QUOTED PRICE FROM A PUBLISHER SHALL REMAIN IN EFFECT~~
10 ~~DURING THE TERM FOR WHICH THE TEXTBOOK IS BEING USED.~~

11 ~~(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, WHEN~~
12 ~~SELECTING A TEXTBOOK A FACULTY MEMBER SHALL ALLOW A STUDENT TO USE~~
13 ~~THE PRIOR EDITION OF A NEW TEXTBOOK IF LESS THAN 30% OF THE~~
14 ~~EDUCATIONAL CONTENT, AS REPORTED UNDER SUBSECTION (B)(1) OF THIS~~
15 ~~SECTION, HAS BEEN CHANGED.~~

16 ~~(2) A FACULTY MEMBER MAY NOT SELECT A TEXTBOOK TO BE~~
17 ~~PURCHASED BY STUDENTS UNLESS AT LEAST 50% OF THE MATERIAL IN THE~~
18 ~~TEXTBOOK WILL BE USED FOR THE COURSE.~~

19 ~~(E) WHEN SELECTING A WEB ACCESS CODE AS A SUPPLEMENTAL~~
20 ~~MATERIAL FOR A COURSE, THE PRICE OF THE WEB ACCESS CODE MAY NOT~~
21 ~~EXCEED 10% OF THE PRICE OF THE TEXTBOOK UNLESS THE WEB ACCESS CODE~~
22 ~~HAS BUY-BACK OR RESALE POTENTIAL.~~

23 ~~(F) (1) WHEN SELECTING BUNDLED MATERIALS RATHER THAN~~
24 ~~SELECTING A TEXTBOOK AND SUPPLEMENTAL MATERIALS INDIVIDUALLY, A~~
25 ~~FACULTY MEMBER SHALL AFFIRM THAT EACH ITEM IN THE BUNDLE WILL BE~~
26 ~~USED FOR THE COURSE.~~

27 ~~(2) A BOOKSTORE MAY NOT BUNDLE MATERIALS WITHOUT PRIOR~~
28 ~~APPROVAL FROM THE FACULTY MEMBER WHO SELECTED THE TEXTBOOK.~~

29 ~~(3) EACH INSTITUTION OF POSTSECONDARY EDUCATION SHALL~~
30 ~~ADOPT PROCEDURES TO IMPLEMENT THE PROVISIONS OF THIS SUBSECTION.~~

31 (B) THIS SECTION DOES NOT APPLY TO THE OVERSEAS PROGRAMS OF
32 THE UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE.

33 (C) EACH PUBLIC INSTITUTION OF POSTSECONDARY EDUCATION IN
34 THE STATE SHALL DEVELOP AND IMPLEMENT:

1 **(1) A CAMPAIGN TO ASSIST FACULTY AND MAKE THEM AWARE OF**
2 **TEXTBOOK-RELATED ISSUES, INCLUDING:**

3 **(I) WHOLESALE PRICE AND SUGGESTED RETAIL PRICES, IF**
4 **ANY, OF TEXTBOOKS;**

5 **(II) VARIANCES IN WHOLESALE PRICE AND SUGGESTED**
6 **RETAIL PRICES, IF ANY, OF BUNDLED AND UNBUNDLED MATERIALS;**

7 **(III) SUBSTANTIAL CONTENT REVISIONS MADE BETWEEN A**
8 **CURRENT EDITION OF A TEXTBOOK AND A PREVIOUS EDITION OF A TEXTBOOK**
9 **AS REPORTED TO THE INSTITUTION UNDER SUBSECTION (D) OF THIS SECTION;**
10 **AND**

11 **(IV) THE FISCAL IMPACT TO STUDENTS OF THE HIGH COST**
12 **OF TEXTBOOKS;**

13 **(2) A TEXTBOOK ADOPTION PROCESS THAT INCLUDES THE**
14 **PROVISION OF INFORMATION TO INSTITUTIONS AND CAMPUS BOOKSTORES**
15 **REGARDING THE AVAILABILITY AND SUGGESTED RETAIL PRICES OF CURRENT**
16 **AND USED VERSIONS OF PARTICULAR TEXTBOOKS;**

17 **(3) A PROCEDURE BY WHICH BOOKSTORES AND STUDENTS ARE**
18 **MADE AWARE OF THE INFORMATION REQUIRED TO BE DISCLOSED UNDER**
19 **SUBSECTION (G) OF THIS SECTION;**

20 **(4) A BEST-PRACTICES PROCESS FOR FACULTY IN SELECTING**
21 **TEXTBOOKS AND RELATED COURSE MATERIALS THAT:**

22 **(I) ENSURES EARLY ADOPTION OF TEXTBOOK AND OTHER**
23 **COURSE MATERIALS;**

24 **(II) ENCOURAGES THE MAXIMUM USAGE OF USED**
25 **TEXTBOOKS AND PREVIOUS EDITIONS OF TEXTBOOKS, WHEN POSSIBLE;**

26 **(III) FOR UNDERGRADUATE TEXTBOOKS, ENSURES THAT**
27 **THE MAJORITY OF THE ASSIGNED MATERIAL WILL BE USED IN THE COURSE**
28 **UNLESS IT WOULD BE IN THE STUDENT'S FINANCIAL INTEREST TO PURCHASE**
29 **SEPARATE MATERIALS; AND**

30 **(IV) ENSURES THAT FACULTY ARE AWARE OF VARIOUS**
31 **OUTLETS FOR THE SUPPLY OF TEXTBOOKS AND OTHER COURSE MATERIALS;**
32 **AND**

1 **(5) A PROCEDURE BY WHICH FACULTY AFFIRM THAT USE OF A**
2 **CURRENT EDITION OF A TEXTBOOK IS JUSTIFIED DUE TO A MATERIAL CHANGE**
3 **IN SUBSTANTIAL CONTENT.**

4 **(D) EACH COMMERCIAL TEXTBOOK PUBLISHER THAT SELLS**
5 **TEXTBOOKS AND OTHER MATERIALS TO A PUBLIC INSTITUTION OF**
6 **POSTSECONDARY EDUCATION SHALL DISCLOSE TO THE INSTITUTION:**

7 **(1) THE WHOLESALE PRICE AND SUGGESTED RETAIL PRICE, IF**
8 **ANY, AT WHICH THE PUBLISHER INTENDS TO MAKE THE TEXTBOOK AVAILABLE**
9 **TO A BOOKSTORE;**

10 **(2) VARIANCES IN WHOLESALE PRICE AND SUGGESTED RETAIL**
11 **PRICES, IF ANY, BETWEEN BUNDLED AND UNBUNDLED MATERIALS;**

12 **(3) SUBSTANTIAL CONTENT REVISIONS MADE BETWEEN THE**
13 **CURRENT EDITION OF A TEXTBOOK AND A PREVIOUS EDITION OF A TEXTBOOK**
14 **EXPRESSED AS AN ITEMIZED LIST; AND**

15 **(4) THE TITLE, AUTHOR, PUBLISHER, EDITION, COPYRIGHT DATE,**
16 **PUBLICATION DATE WHEN AVAILABLE, AND ISBN OF TEXTBOOKS AND OTHER**
17 **SUPPLEMENTAL MATERIALS, BOTH AS BUNDLED AND UNBUNDLED ITEMS.**

18 **(E) (1) A PUBLISHER AND A CAMPUS BOOKSTORE SHALL PROVIDE**
19 **AND SELL TEXTBOOKS AND SUPPLEMENTAL MATERIALS IN THE SAME MANNER**
20 **AS SELECTED AND ORDERED BY FACULTY.**

21 **(2) (I) IF A TEXTBOOK OR SUPPLEMENTAL MATERIAL IS**
22 **UNAVAILABLE AS ORDERED, THE PUBLISHER AND THE CAMPUS BOOKSTORE**
23 **SHALL WORK WITH THE FACULTY MEMBER TO FIND ALTERNATIVES.**

24 **(II) A PUBLISHER COLLABORATING WITH A CAMPUS**
25 **BOOKSTORE AND A FACULTY MEMBER UNDER SUBPARAGRAPH (I) OF THIS**
26 **PARAGRAPH SHALL PROVIDE WHOLESALE PRICES AND SUGGESTED RETAIL**
27 **PRICES, IF ANY, FOR ALTERNATIVES.**

28 **(3) A PUBLISHER THAT SELLS A TEXTBOOK AND ANY**
29 **SUPPLEMENTAL MATERIALS ACCOMPANYING THE TEXTBOOK IN A BUNDLE**
30 **SHALL MAKE THE TEXTBOOK AND THE SUPPLEMENTAL MATERIALS AVAILABLE**
31 **AS SEPARATE AND UNBUNDLED ITEMS, EACH SEPARATELY PRICED.**

32 **(C) (1) AN INSTITUTION OF POSTSECONDARY EDUCATION SHALL LIST**
33 **INFORMATION REGARDING EACH ASSIGNED TEXTBOOK ON THE WEBSITE OF THE**
34 **INSTITUTION THE EARLIER OF:**

1 ~~(I) EIGHT WEEKS BEFORE THE COMMENCEMENT OF A~~
2 ~~COURSE; OR~~

3 ~~(II) WHEN THE CAMPUS BOOKSTORE PLACES THE INITIAL~~
4 ~~ORDER FOR THE TEXTBOOK.~~

5 (F) (1) ON THE REQUEST OF A BOOKSTORE, AN INSTITUTION OF
6 POSTSECONDARY EDUCATION SHALL PROVIDE THE INFORMATION LISTED
7 UNDER PARAGRAPH (2) OF THIS SUBSECTION TO A BOOKSTORE AS SOON AS A
8 FACULTY MEMBER IDENTIFIES A TEXTBOOK AND TRANSMITS THE SELECTION TO
9 A CAMPUS BOOKSTORE OR TO ANY OTHER BOOKSTORE UNDER THE
10 JURISDICTION OF THE INSTITUTION.

11 (2) THE INFORMATION ~~POSTED~~ PROVIDED UNDER PARAGRAPH
12 (1) OF THIS SUBSECTION SHALL INCLUDE:

13 (I) THE TITLE;

14 (II) THE AUTHOR;

15 (III) THE PUBLISHER;

16 (IV) THE EDITION;

17 (V) THE COPYRIGHT DATE AND PUBLICATION DATE WHEN
18 AVAILABLE; ~~AND~~

19 (VI) THE ISBN; AND

20 (VII) THE ANTICIPATED ENROLLMENT FOR THE COURSE.

21 (3) (I) AN INSTITUTION OF POSTSECONDARY EDUCATION
22 SHALL MAKE THE INFORMATION LISTED UNDER PARAGRAPH (2) OF THIS
23 SUBSECTION AVAILABLE TO STUDENTS AND THE REST OF THE PUBLIC BY
24 POSTING ON ITS WEBSITE BY THE EARLIER OF:

25 1. ONE WEEK FOLLOWING THE PROVISION OF
26 INFORMATION UNDER PARAGRAPH (1) OF THIS SUBSECTION; OR

27 2. WHEN A CAMPUS BOOKSTORE OR OTHER
28 BOOKSTORE UNDER THE JURISDICTION OF AN INSTITUTION PLACES A FINAL
29 ORDER FOR A TEXTBOOK.

1 (II) IN ADDITION TO THE INFORMATION POSTED UNDER
 2 SUBPARAGRAPH (I) OF THIS PARAGRAPH, AN INSTITUTION SHALL POST ON ITS
 3 WEBSITE:

4 1. WHETHER SUPPLEMENTAL MATERIALS ARE
 5 REQUIRED OR ONLY SUGGESTED BY FACULTY; AND

6 2. WHETHER AN EARLIER EDITION OF AN ASSIGNED
 7 TEXTBOOK WILL SUFFICE.

8 ~~(H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~
 9 ~~SUBSECTION, REVENUES GENERATED BY AN INSTITUTION OF POSTSECONDARY~~
 10 ~~EDUCATION THROUGH THE OPERATION OF A CAMPUS BOOKSTORE MAY NOT~~
 11 ~~EXCEED EXPENDITURES NEEDED TO SUPPORT THE CAMPUS BOOKSTORE.~~

12 ~~(2) REVENUES GENERATED BY AN INSTITUTION OF~~
 13 ~~POSTSECONDARY EDUCATION THROUGH THE OPERATION OF A CAMPUS~~
 14 ~~BOOKSTORE MAY EXCEED EXPENDITURES NEEDED TO SUPPORT THE CAMPUS~~
 15 ~~BOOKSTORE IF THE REVENUES ARE USED TO LOWER THE OVERALL COST OF~~
 16 ~~TEXTBOOKS FOR ITS STUDENTS WHICH MAY INCLUDE THE IMPLEMENTATION OF~~
 17 ~~TEXTBOOK RENTAL PROGRAMS.~~

18 (G) ON THE REQUEST OF A BOOKSTORE, IF A PUBLIC INSTITUTION OF
 19 POSTSECONDARY EDUCATION ALLOWS A CAMPUS BOOKSTORE TO:

20 (1) ADVERTISE OR SUBMIT ADVERTISING FOR INCLUSION IN
 21 ORIENTATION PACKETS, IN OTHER PRINT MATERIAL, OR ON THE WEBSITE OF
 22 THE INSTITUTION, THEN THE INSTITUTION SHALL ALLOW OTHER BOOKSTORES
 23 TO ADVERTISE OR SUBMIT ADVERTISING FOR THE SAME INCLUSION; AND

24 (2) ACCESS STUDENTS AS PART OF A PRESENTATION OR TOUR
 25 FOR A STUDENT GROUP OR A GROUP OF POTENTIAL STUDENTS, THEN THE
 26 INSTITUTION SHALL ALLOW OTHER BOOKSTORES TO HAVE THE SAME ACCESS
 27 TO STUDENTS.

28 (H) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO SUPERSEDE
 29 THE INSTITUTIONAL AUTONOMY OR ACADEMIC FREEDOM OF FACULTY
 30 INVOLVED IN THE SELECTION OF TEXTBOOKS AND SUPPLEMENTAL MATERIALS.

31 SECTION 2. AND BE IT FURTHER ENACTED, That:

32 (a) On or before November 1, ~~2008~~ 2009, ~~each institution of postsecondary~~
 33 ~~education in the State~~ the University System of Maryland, St. Mary's College of
 34 Maryland, Morgan State University, and the Maryland Association of Community
 35 Colleges shall report to the Maryland Higher Education Commission a scientific and

1 data-driven analysis of textbook prices at ~~that institution~~ the constituent or member
2 institutions, as appropriate, efforts to lower the cost of textbooks for ~~its~~ their students,
3 and recommendations for statewide policy initiatives that will further ameliorate the
4 high cost of undergraduate and graduate education as impacted by textbook prices;
5 and

6 (b) On or before December 1, ~~2008~~ 2009, the Maryland Higher Education
7 Commission shall compile the reports required under paragraph (a) of this section and
8 shall forward a copy of the compilation to the Governor and, in accordance with §
9 2-1246 of the State Government Article, to the General Assembly.

10 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1,
11 2009, each public institution of postsecondary education in the State shall develop and
12 implement a “best practices” policy for lowering the cost of textbooks for its students
13 report to the Governor and, in accordance with § 2-1246 of the State Government
14 Article, to the General Assembly, regarding the “best-practices” policy developed
15 under § 15-111(c)(4) of the Education Article, as enacted by Section 1 of this Act.

16 SECTION 4. AND BE IT FURTHER ENACTED, That:

17 (a) On or before December 1, 2010, the Maryland Higher Education
18 Commission, in consultation with the University System of Maryland, St. Mary’s
19 College of Maryland, Morgan State University, the Maryland Association of
20 Community Colleges, and the Maryland Independent College and University
21 Association, shall conduct a feasibility study regarding:

22 (1) the establishment of one or more textbook rental programs in
23 Maryland that would allow students to lease textbooks on a per book, per credit hour,
24 or per course basis, including an analysis of start-up costs and funding options such as
25 private sector donations and grants; and

26 (2) the establishment of a statewide digital marketplace for textbooks
27 and supplemental course materials including:

28 (i) an analysis of the infrastructure, technology, and support
29 services necessary to allow institutions, students, faculty, bookstores, publishers, and
30 other stakeholders to interact efficiently; and

31 (ii) a consideration of digital rights management capabilities
32 and transactional processes needed for both fee-based and no-cost content.

33 (b) On or before December 31, 2010, the Maryland Higher Education
34 Commission shall submit the results of the feasibility studies conducted under
35 paragraph (a) of this section and make recommendations regarding textbook rental
36 programs and the establishment of a digital marketplace including cost estimates to
37 the Governor and, in accordance with § 2-1246 of the State Government Article, to the
38 General Assembly, based on information gathered under subsection (a) of this section.

1 SECTION 5. AND BE IT FURTHER ENACTED, That:

2 (a) The University System of Maryland, under the direction of the Board of
3 Regents, shall conduct a study of changes that the University System of Maryland and
4 its constituent institutions can make to their business models regarding textbook
5 assignments and textbook purchasing in order to reduce the cost of textbooks to
6 students while preserving and enhancing the quality of educational materials
7 available to students. Principles underlying this review shall include:

8 (1) the protection of academic freedom;

9 (2) the promotion of competition among publishers, bookstores, and
10 other textbook vendors;

11 (3) the empowerment of faculty and students to access information
12 about options which will strengthen their market power; and

13 (4) the exploration of:

14 (i) alternative approaches used in other universities, states,
15 and countries;

16 (ii) new technologies; and

17 (iii) legal structures.

18 (b) The study conducted under subsection (a) of this section shall include, but
19 not be limited to, an exploration of:

20 (1) using the market power of faculty and students to drive down
21 prices;

22 (2) strategies to increase the use of used textbooks;

23 (3) the creation of textbook rental programs;

24 (4) increasing faculty awareness of textbook costs and options for
25 reducing textbook costs;

26 (5) minimizing the impact of publishers' "planned obsolescence"
27 marketing strategies; and

28 (6) cost-effective substitution of content-licensing for textbook
29 purchasing.

30 (c) On or before December 1, 2009, the University System of Maryland shall
31 submit to the Board of Regents and, in accordance with § 2-1246 of the State

1 Government Article, to the General Assembly, the results of the study required under
2 subsection (a) of this section.

3 (d) Nothing contained in this section bars the University System of
4 Maryland from implementing changes consistent with its intent before December 1,
5 2009.

6 SECTION 4 6. AND BE IT FURTHER ENACTED, That this Act shall take
7 effect July 1, 2008.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.