

Background

AB 2477 (Liu), Chapter 556, Statutes of 2004, was enacted urging:

- 1) Textbook publishers to take specified actions to reduce the cost of college textbooks; and
- 2) The statewide boards of the University of California (UC), the California State University (CSU) and the California Community Colleges (CCC) to work with the academic senates to encourage faculty to give consideration to the least costly practices in assigning textbooks.

The purposes of this hearing are to:

- 1) Assess statewide progress in addressing this issue; and
- 2) Identify areas where further action by the California Legislature might be helpful.

Clearly, the increasing costs for textbooks are impacting affordability issues for students. During the past year, the United States Government Accountability Office (GAO) published a report entitled "College Textbooks: Enhanced Offerings Appear to Drive Recent Price Increases." This report presented the following conclusions:

- During the last two decades, college textbook prices have increased at twice the rate of inflation.
- While many factors affect textbook pricing, the increasing costs associated with developing products designed to accompany textbooks, such as CD-ROMs and other instructional supplements, best explain price increases in recent years.
- Publishers say they have increased investments in developing supplements in response to demand from instructors.
- Students may lower their cost by purchasing used textbooks and may search for lower-priced textbooks from online sources, including international retailers and directly from other students. However, these options are unlikely to provide a sustainable source of lower prices.

- As teaching and learning have changed with increasing reliance on technology, the nature of the college textbook has evolved from a stand-alone text to the inclusion of a variety of ancillary products designed to enhance the educational experience for instructors and students.

According to the textbook publishers, the "vast majority of costs needed to develop a single textbook, which can total more than \$1 million, are intellectual costs: authors, editors, reviewers, and designers. But unlike novels that can sell in the millions, textbooks are not 'mass market' products. A textbook that sells 40,000 copies is considered a best seller. The significant up-front investment for a textbook must be spread over a small, niche market. With such a complex industry, selling sufficient copies of a new book in a particular subject area to justify subsequent revisions is challenging; only 20% to 30% of books are revised after the first printing." (Association of American Publishers, "Textbook Facts vs. Rhetoric," December 2005)

Committee staff has reviewed textbook prices at a local college campus. Some of the findings are:

- Students enrolled in community college nursing programs face high textbook prices. For example:
 - *Nursing 405 (Fundamentals of Health and Nursing Care)* requires 10 textbooks. The cost for new copies of all required books is \$571.55, while used copies cost \$429.00. There are also seven optional books which total \$183.70 for new copies, and \$138.00 for used copies.
 - *Nursing 415 (Nursing and Health Maintenance through Adult Years)* requires two textbooks (combined total of \$109.00 new and \$82.50 used) and has three optional textbooks (combined total of \$149.85 new and \$112.50 used).
 - *Nursing 425 (Nursing Complex Health Problems throughout the Life Cycle)* has one required book (\$323.00 new and \$243 used) and one optional text (\$250.85 new and \$188.25 used).
 - *Nursing 435 (Complex and Multiple Patient Care)* has one required textbook (\$41.95 new and \$31.50 used) and five optional textbooks (combined total of \$228.75 new and \$171.75 used).
- Students enrolled in Intersegmental General Education Transfer Curriculum courses also face high textbook prices. For example:
 - *Introduction to US Government*: Depending upon the instructor teaching the course and the number of textbooks required, the amount a student could pay varies from 1 textbook, ranging from \$105.35 - \$89.00 new and \$79.05 - \$67.05 used, to 2 textbooks with a combined total ranging from \$118.70 - \$69.20 new and \$ 89.05 - \$ 51.95 used.

- *Psychology 300 (General Principles)* : Depending upon the instructor teaching the course and the number of textbooks required, the amount a student could pay varies from 1 textbook ranging from \$104.40 - \$39.95 new and \$78.30 – \$30.00 used, to 2 textbooks with a combined total ranging from \$144.40 new and \$97.25 used.
- *Geography 300 (Physical Geography)*: Depending upon the instructor teaching the course and the number of textbooks required, the amount a student could pay varies from 1 textbook, ranging from \$105.80 - \$102.70 new and \$79.35 - \$77.05 used, to 2 textbooks with a combined total ranging from \$117.85 new and \$ 88.45 used.
- *Biology 308 (Contemporary Biology)*: The price of the required textbook costs \$85.00 new and \$63.75 used.
- *Spanish 401 (Elementary Spanish)*: The price of the required materials (textbook, dictionary and CD-ROM) cost \$185.35 new and \$139.05 used.

Attachments:

1. Student Financial Aid for Textbooks. Assembly Higher Education Committee, February 28, 2006
2. Survey of Textbook Prices at Sacramento City College. Assembly Higher Education Committee Staff, February 2006
3. College Textbooks: Enhanced Offerings Appear to Drive Recent Price Increases. US General Accountability Office, July 2005
4. Textbook Facts vs. Rhetoric. Association of American Publishers, December 2005

