

BILL ANALYSIS

Senate Research Center
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S.B. 114
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The cost of textbooks has risen dramatically over the past 10 years. According to a study conducted by the Texas State University faculty and staff, a Texas college or university student currently pays an average of \$900 per year for textbooks.

One of the contributing factors to rising textbook costs is that universities and colleges have entered into exclusive contractual agreements under which they exclusively extend credit to their own university bookstores. In return, institutions receive a percentage of the profits. These exclusive contracts and extensions of credit have the effect of requiring students to purchase instructional materials from college-owned and university-owned bookstores instead of allowing students to buy lower-priced books elsewhere.

As proposed, S.B. 114 requires colleges and universities to implement business practices that provide additional opportunities for non-university-owned bookstore to participate in the textbook market.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter Z, Chapter 51, Education Code, by adding Section 51.949, as follows:

Sec. 51.949. INFORMATION FOR BOOKSTORES RELATING TO INSTRUCTIONAL MATERIALS. (a) Defines "institution of higher education," "instructional materials," and "university-affiliated bookstore."

(b) Requires each institution of higher education (institution) to provide, on request, a list of required or recommended instructional materials for an academic term to a retailer or provider of instructional materials at the same time it is provided to an operator of a university-affiliated bookstore.

(c) Requires an institution to provide equal opportunity to a retailer or provider of instructional materials to participate in any program relating to the dissemination or provision of such material for students of the institution, including at certain events, to the extent that space is available for an activity described by this subsection.

(d) Prohibits an institution from charging another provider of instructional materials an amount higher than that charged to the operator of a university-affiliated bookstore for an activity described in Subsection (c).

(e) Requires an institution to provide to other providers of instructional materials equal access and opportunity to use or develop a method for the extension of credit or delayed payment for such materials, if the institution works in conjunction with a university-affiliated bookstore to provide such method of payment.

SECTION 2. (a) and (b) Makes application of this Act prospective.

(c) Requires each institution, as soon as practicable on or after the effective date of this Act, to designate an officer or employee of the institution to ensure the institution's compliance with Section 51.949, Education Code, as added by this Act.

SECTION 3. Effective date: upon passage or September 1, 2007.