

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number** HB1726

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron**        Oder

**3. Committee**    Education

**4. Title**            SCHEV to adopt guidelines for textbook designation and sale of textbooks

**5. Summary/Purpose:** Directs the State Council of Higher Education (SCHEV) to adopt guidelines regarding the designation and sale of textbooks required for coursework at the various public institutions. The guidelines shall include, among other things, provisions that (i) prohibit agreements whereby textbook publishers provide financial incentives to faculty for requiring students to purchase such publisher's version of a specific textbook required for coursework or instruction, and (ii) create exceptions for instructors receiving royalties or other compensation from sales of textbooks that include such instructor's own writing or work.

**6. Fiscal Impact Estimates are:**

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2004-05			
2005-06	\$85,000	.50	GF
2006-07	\$85,000	.50	GF
2007-08	\$85,000	.50	GF

**7. Budget amendment necessary:** Yes, Item 165. Without additional general fund support, the State Council of Higher Education (SCHEV) would be required to cover the cost of staff time, consultant services, and other nonpersonal service expenditures through existing resources that have already been committed for other purposes.

**8. Fiscal implications:** The estimated fiscal impact included in #6 above is based on the following costs:

\$45,000 = Equivalent of .50 FTE staff position (salary + fringe benefits)  
\$25,000 = Consultant fee  
\$15,000 = Travel, supplies and materials, etc.  
\$85,000

**9. Specific agency or political subdivisions affected:**

All Virginia public institutions of higher education  
State Council of Higher Education

**10. Technical amendment necessary:** None.

**11. Other comments:** The proposed legislation directs governing boards of the public institutions of higher education to adopt policies by December 1, 2005, consistent with the guidelines to be promulgated by the State Council of Higher Education for posting listings of textbooks required or assigned for particular courses at the institution on the relevant institutional website.

According to SCHEV, the December 1, 2005 date not allow enough time for the Council to select a qualified consultant, complete the necessary research, and draft guidelines with input from institutional officials including faculty groups and campus administrations.

The State Council of Higher Education also notes that matters of academic freedom, such as the designation of textbooks, are typically left to the discretion of the faculty member teaching the course. Further, SCHEV does not presently have the staff or expertise to adequately evaluate the academic coursework needs and bookstore business practices that exist at each of the institutions of higher education.

**Date:** 01/19/05/aps

**Document:** g:\aps\legislation\2005\HB1726

cc: Secretary of Education