

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2499

03/08/2016 Authored by Thissen

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance

1.1 A bill for an act
1.2 relating to higher education; requiring state college and university bookstores
1.3 to provide a policy of price-matching; requesting the University of Minnesota
1.4 to provide a policy of price-matching at bookstores operated in its facilities;
1.5 enacting a performance goal related to textbook cost reduction; amending
1.6 Minnesota Statutes 2014, sections 135A.25, subdivision 5, by adding a
1.7 subdivision; 136F.58, by adding a subdivision.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2014, section 135A.25, subdivision 5, is amended to read:

1.10 Subd. 5. **Bookstores; course materials and pricing policy.** The University of
1.11 Minnesota and private colleges are encouraged to comply with the requirements under
1.12 section 136F.58, subdivisions 2, 2a, ~~and 3,~~ and 5.

1.13 Sec. 2. Minnesota Statutes 2014, section 135A.25, is amended by adding a subdivision
1.14 to read:

1.15 Subd. 6. **Reduction in textbook cost to students; performance goal.** (a)
1.16 Beginning with the appropriation for fiscal year 2018, through the appropriation made for
1.17 fiscal year 2021, one percent of the state appropriation in each fiscal year to the Board
1.18 of Regents of the University of Minnesota for operations and maintenance is conditional
1.19 on demonstration to the commissioner of management and budget that the board has
1.20 reduced the average cost to students for textbooks and related course materials by at
1.21 least five percent in the previous fiscal year.

1.22 (b) Beginning with the appropriation for fiscal year 2018, through the appropriation
1.23 made for fiscal year 2021, one percent of the state appropriation in each fiscal year to the
1.24 Board of Trustees of the Minnesota State Colleges and Universities for operations and

2.1 maintenance is conditional on demonstration to the commissioner of management and
 2.2 budget that the board has reduced the average cost to students for textbooks and related
 2.3 course materials by at least five percent in the previous fiscal year.

2.4 (c) No later than August 1, 2016, the Board of Regents of the University of Minnesota
 2.5 and the Board of Trustees of the Minnesota State Colleges and Universities must each
 2.6 enter an agreement with the commissioner of higher education and the commissioner of
 2.7 management and budget on procedures for implementing this subdivision. The agreement
 2.8 must include planned strategies for reducing costs, along with the numerical indicators
 2.9 and definitions to be used in demonstrating that the goal provided in this subdivision has
 2.10 been met. Strategies for reducing costs may include, but are not limited to:

2.11 (1) textbook buy-back or rental programs;
 2.12 (2) increased availability of used textbooks at a discounted price;
 2.13 (3) increased use of open-source textbooks and related materials;
 2.14 (4) the placement of supplemental materials on reserve at campus library facilities;
 2.15 and
 2.16 (5) encouraging faculty teaching courses with high-cost materials to seek out and
 2.17 use materials that are available for a lower cost.

2.18 (d) No later than April 15, 2017, and each year thereafter, the Board of Regents
 2.19 and the Board of Trustees must each submit a report to the legislative committees with
 2.20 jurisdiction over higher education finance and policy on the system's progress toward
 2.21 meeting the goal provided in this subdivision.

2.22 (d) The appropriation base for each fiscal year shall include appropriations not made
 2.23 available for failure to meet the goal provided in this subdivision. All of the appropriation
 2.24 that is not made available in a fiscal year due to failure to meet the goal is appropriated
 2.25 to the commissioner of higher education in that fiscal year for the purpose of the state
 2.26 grant program under section 136A.121.

2.27 (e) The performance goal provided in this subdivision is in addition to any other
 2.28 performance goals provided by law.

2.29 Sec. 3. Minnesota Statutes 2014, section 136F.58, is amended by adding a subdivision
 2.30 to read:

2.31 Subd. 5. **Price-matching policy.** (a) A bookstore operated in a state college or
 2.32 university facility must offer a price-matching policy for the purchase of a new textbook,
 2.33 if the same textbook is offered for sale at a lesser price by a competing retailer. To the
 2.34 extent that a bookstore is operated in a college or university facility pursuant to a contract,
 2.35 the requirements of this subdivision must be included in the terms of the contract.

3.1 **(b) For purposes of this subdivision, "competing retailer" means a retailer operating**
3.2 **online or at a physical location that engages in the business of selling textbooks to students**
3.3 **of that college or university. Competing retailer does not include an individual who resells**
3.4 **new or used textbooks on a secondary market.**

3.5 **EFFECTIVE DATE.** **This section is effective the day following final enactment.**
3.6 **To the extent that a bookstore is operated according to the terms of a contract with a state**
3.7 **college or university, this section applies to contracts entered into on or after that date,**
3.8 **provided that a college or university must make a reasonable effort to renegotiate any**
3.9 **existing contract to include the requirements of this section, if the contract includes terms**
3.10 **that allow for modifications or amendments.**