

Testimony on House Bill 337

Ohio House of Representatives Ways and Means Committee
Representative Tim Schaffer, Chair

Dr. Beth Quitslund,
Vice Chair, Ohio Faculty Council
and Dr. Bennet Givens,
Chair, The Ohio State University Senate

Chair Schaffer, Vice Chair Sherer, Ranking Member Rogers, and Committee members, my name is Beth Quitslund and I am Associate Professor of English at Ohio University. I also have the honor of serving as the Vice Chair of the Ohio Faculty Council which represents the faculty at all of the four-year public universities in the State of Ohio; with me today is Dr. Bennet Givens, Associate Professor of Psychology at The Ohio State University, who is President of their University Senate and represents his institution on the Ohio Faculty Council. Thank you for allowing us to appear before you today to give a faculty perspective on House Bill 337.

I would like to start by reminding your committee that the Ohio Faculty Council represents the faculty at all of the four-year public institutions of higher education in Ohio. The Council is deeply committed to supporting and bringing attention to the critical role that Ohio's institutions of higher education play in revitalizing the economy of the State and the nation by attracting and training an educated workforce. We thus seek out opportunities to make a high-quality education affordable and accessible to all Ohioans.

Thank you for giving us this opportunity to provide a faculty perspective on the proposal to exempt textbook sales from Ohio's sales tax.

In October of this year the OFC unanimously adopted a resolution (<https://www.ohiofacultycouncil.org/sites/ohiofacultycouncil.wright.edu/files/page/attachments/TextbookAffordabilityResolutionOFC.pdf>) that outlines a set of four complementary initiatives. Conservatively estimated, full implementation of these would result in annual savings of \$300 million in textbook costs to students in the two- and four-year public institutions of higher education in Ohio. One of those four initiatives is the adoption of legislation such as the 132nd Ohio General Assembly's HB 337 that would exempt post-secondary textbooks from state sales tax.

Faculty are well aware of the difficulties that textbook costs impose on students. Consider:

- Textbook cost increases have out-paced inflation. Textbook costs have increased by more than four times the rate of inflation (significantly more than the increase in the cost of medical care or new homes) since 2006 and by 945% since 1978.
- Textbook costs have a significant impact on higher education costs. The U.S. Public Interest Research Group has found that nationwide textbook costs are approximately 26% of the cost of tuition at state universities and 72% of the cost of tuition at community colleges¹. College and University students in Ohio paid between \$25 and \$30 million sales tax on textbook purchases during the 2015-16 academic year.
- Student concerns about textbook costs have a direct impact on academic success. A 2017 survey of more than 1,000 students from four-year colleges in the US and Canada found that 85% had delayed or avoided purchasing textbooks for their courses even though half did so expecting that their grades would be negatively impacted by their decision². Other studies have shown that students who delay purchasing a book for a course perform less well than those who do not. Faculty often feel that they cannot begin serious discussions about the content of their courses until they have impressed upon students the importance of having the textbook for a course.
- Many states exempt textbooks from state sales tax. Arizona, Connecticut, Florida, Hawaii, Iowa, Kentucky, Massachusetts, Minnesota, Mississippi, Missouri, New Jersey, New Mexico, New York, North Dakota, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Virginia, and West Virginia specifically exempt textbook purchases for secondary education from sales tax³. This policy difference confers a competitive advantage to colleges and universities in these states over those in ours in the recruitment of students. That, in turn, makes it harder to increase the fraction of Ohio residents who have associate and bachelor's degrees.
- We can reduce costs through the use of Open Educational Resources and other low- or no-cost options, but students will also for the foreseeable future still need to purchase traditional textbooks.

Chair Schaffer and members of the committee, thank you again for the opportunity to share with you a university faculty perspective on HB 337. We strongly support the exempting of textbooks from Ohio's state sales tax and see that change as being

¹ <http://www.uspirg.org/news/usp/student-group-releases-new-report-textbook-prices>

² <https://www.insidehighered.com/quicktakes/2017/09/20/study-high-textbook-prices-lead-poor-grades>

³ <https://trustfile.avalara.com/blog/state-sales-tax-rules-for-textbook-purchases/>

an important means of making it easier for students at Ohio's public institutions of higher education to obtain a high-quality education at an affordable price. We would welcome any questions you might have for us or the Ohio Faculty Council.