

Chairman Schaffer, Vice Chair Scherer, Ranking Member Rogers, and members of the Ohio House of Representatives Ways and Means Committee,

Good morning, I am very thankful and humbled to be speaking before you today. I am blessed to be representing not only my school, but also the behalf of the students in Ohio's University System addressing House Bill 337.

First and foremost, I'd like to introduce myself. My name is James Curlis. I am currently a freshman enrolled at Wright State University as an economics major with aspirations of pursuing a constitutional law degree afterwards. I am involved in Wright State's Student Government, working apart of the student affairs and lobbying committees respectfully, while also serving as a member of the Economics Club on campus.

I have the honor to speak in support of a bill that will be vitally beneficial financially to students. The issue discussed in House Bill 337 is the rapid increase in the price of textbooks for students and the possibility of amending tax laws on them. Eliminating the sales tax on textbooks will make the cost of obtaining a higher education more affordable, obtainable, and prove to be beneficial to the hundreds and thousands of students in Ohio.

Since 1978, the price of college textbooks have increased an astonishing 812%. The price of these textbooks have well outpaced the 559% increase in tuition and fees over the same time period. In comparison, the consumer price index has increased by roughly 250%, meaning the textbook prices outpaces the CPI inflation measurement by over three times.¹

According to the National Association of College Stores (NACS), the average college student spends \$655 on textbooks yearly, but with some textbooks priced as much as \$300, that total can easily be much higher for students pursuing more advanced level education. The College Board says that the annual costs of books and materials is at \$1,168 per student annually, not including outside required resources. Assuming the textbook inflation rate that we have seen continues, the costs of college textbooks and materials beyond 2018 will be priced at \$1,600.²

These high prices for textbooks have left a negative impact towards aspiring college students. According to a survey done in 2017, more than 1,000 students from four-year colleges in the U.S. and Canada found that 85% had delayed or avoided purchasing textbooks for their respected courses, half doing so expecting that their grades would be negatively impacted by their decision.³

A poll done by Ohio State University shows that 70% of students stress about financial difficulties, resulting in many to drop out due to the expensive costs required to go to school and purchasing the required materials. It's been reported that roughly 32% of students neglected their

¹ Huffington Post: College Textbook Prices Increasing Faster than Tuition and Inflation, Tyler Kingkade.
https://www.huffingtonpost.com/2013/01/04/college-textbooks-prices-increase_n_2409153.html

² Finaid: Cutting the Costs of College Textbooks, N.p.
<http://www.finaid.org/questions/textbooks.phtml>

³ Insider Higher Ed: Study: High Textbook Prices Lead to Poor Grades, Lindsay McKenzie.
<https://www.insidehighered.com/quicktakes/2017/09/20study-high-textbooks-prices-lead-poor-grades>

studies and responsibilities as students because of money they owed. An estimated 39% of individuals either took less courses, transferred to another school, or took an extended break to help ease the financial burden. Even after graduation, 24% of students said they owed between \$30,000-\$50,000 in debt, while 14% said they owed \$50,000-\$80,000 in debt, and an additional 7% owed more than \$80,000.⁴

These high prices for tuition and textbooks are discouraging many from going to college or finishing their education, as the Pew Research Center issued a survey and found that over 48% of young Americans said they dropped out due to financial pressure.⁵

If passed and enacted, House Bill 337 will provide financial relief to students. Students spend between \$455 million and \$563 million on textbooks in Ohio annually. Making college textbooks tax exempt would benefit student's by helping them save between \$23 million and \$26.2 million each year.⁶

If passed and signed into law, Ohio would join the numerous states that have put something similar into place. These states include 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 are included as states that exempt textbook purchases from sales tax for secondary education.⁷

This bill has generated interest from both students and administration. The Wright State Board of Trustees is considering a resolution in support of the bill, while the Wright State University Faculty Senate and Ohio Faculty Council are in support of this bill. The Student Governments from both Wright State University and Ohio State University have both passed resolutions in support of making college textbooks tax-exempt. A petition was sent to calling for support for the bill and it currently has nearly 1,200 signatures.⁸ When sent to the residential students at Wright State University, 600 signatures were added overnight, showcasing the importance of this bill to the student body.

Chairman Schaffer, Vice Chair Scherer, Ranking Members Rogers, and the members of the Ohio House of Representatives Ways and Means Committee, I thank you all for your time and consideration, and for allowing me the opportunity to speak before you all on this issue. I welcome any questions, comments, or concerns at this time.

⁴ Ohio State News: 70 Percent of College Students Stressed about Finances, Jeff Grabmeier
<https://news.osu.edu/news/2015/07/01/financial-wellness/>

⁵ The Atlantic: Why Do So Many Americans Drop Out of College, Jordan, Weissmann
<http://www.theatlantic.com/business/archive/2012/03/why-do-so-manyu-americans-drop-out-of-college/255226/>

⁶ Principal Economist Jean J. Botomogno, Ohio Legislative Service Commission.

⁷ State Sales Tax Rules for Textbook Purchases, Avalara TrustFile. Ryan O'Donnell
<https://www1.avalara.com/trustfile/en/blog/state-sales-tax-rules-for-textbooks-purchases/>

⁸ Pass House Bill 337: Sales Tax Exemption of College Textbooks
<https://www.change.org/p/ohio-state-house-of-representatives-pass-house-bill-337-sales-tax-exemption-of-college-textbooks>