



State Representatives Niraj J. Antani & Bride Rose Sweeney

42nd Ohio House District | 14th Ohio House District

House Committee on Ways and Means – December 10, 2019

Sponsor Testimony for House Bill 410

Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers, and Members of the Ways and Means Committee, thank you for allowing me to provide sponsor testimony on House Bill 410, which would exempt post-secondary student textbooks from sales tax.

Under the current law, students in institutions of higher education have a great burden in purchasing the tools they need to be prepared in the classroom with the high costs of textbooks. This bill aims to provide tax relief on “college books” which include textbooks, workbooks, reference books, and reference maps and globes, in physical or digital form that are designed for use in a course of study.

To ensure it is current college students who are benefitting from this tax cut, the vendor will be required to obtain the student’s school identification card or some other documentation sufficient to prove the individual’s part-time or full time enrollment in a course of study at an institution of higher education.

This bill would relieve one of the many barriers that comes with obtaining a college degree. The proposed tax cut would allow for students to buy more textbooks needed for future courses. The absurd rise of college costs must be combatted. A little bit of extra money can go a long way for a college student. We do not tax other aspects of the college experience such as tuition, room and board or meal plans, so why would we have a tax on textbooks? This tax cut will make college more affordable to all Ohioans.

Thank you for the opportunity to testify in support of HB 410. I am happy to take any questions you may have.

Thank you, Representative Antani. Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers, Members of the House Ways and Means Committee, thank you for allowing me to offer sponsor testimony on House Bill 410. As two of the most recent college graduates in this General Assembly, Rep. Antani and I have seen firsthand the rising costs of higher education in the State of Ohio.

Our legislation would exempt college textbooks from state sales tax. Out-of-pocket expenses like textbooks can be a significant barrier to achieving a degree, especially for low income students and STEM majors. Two-thirds of students skipped renting or buying a textbook that is essential for their success in the classroom and, eventually, in the workforce because they could not afford it.¹ Because of the cost, it is not uncommon for a student to be unable or choose not to purchase a \$150 access code for an online textbook that is required to complete 20 percent of a final grade.

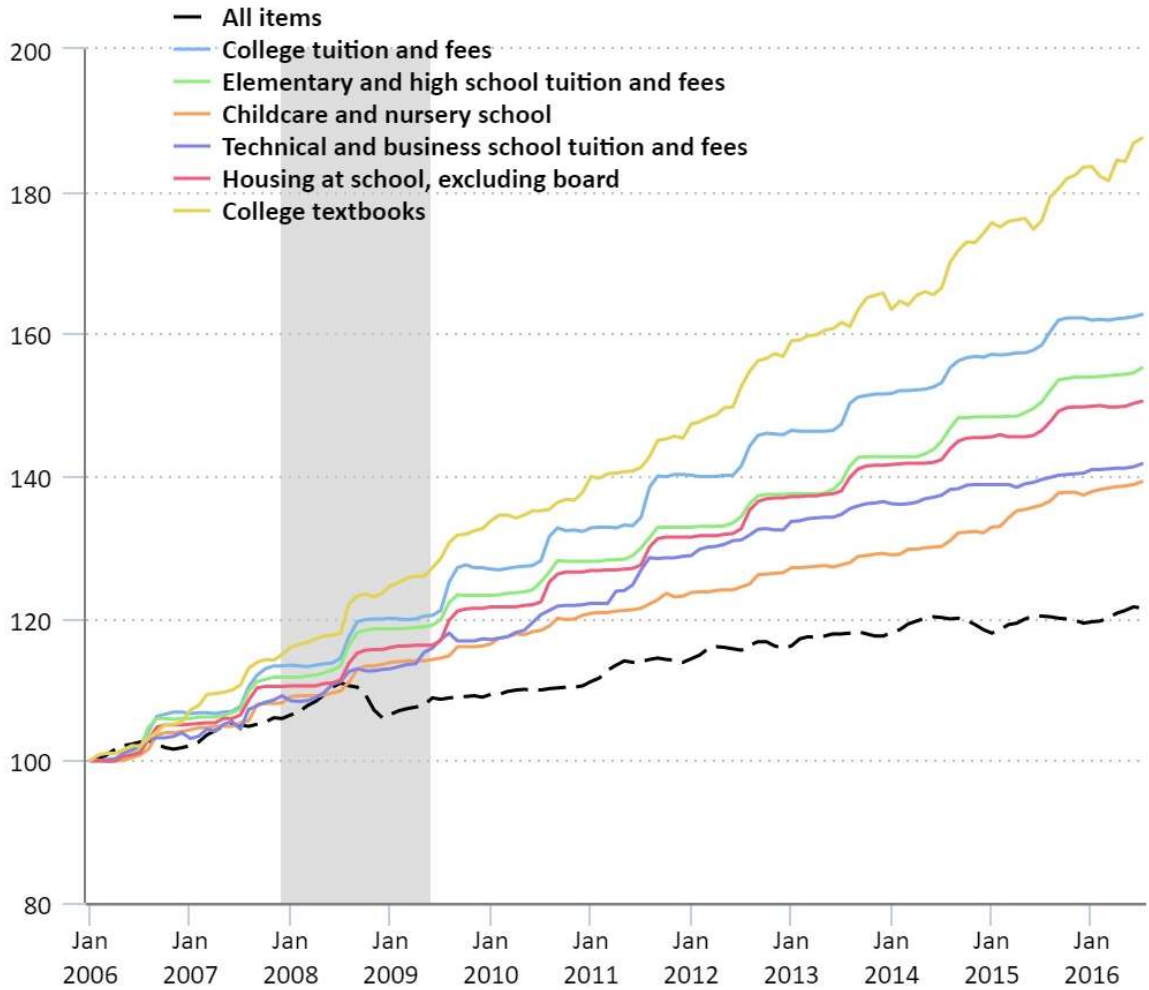
I commend those young people who brave the many hurdles required to obtain a degree today. Their efforts fuel Ohio's economic competitiveness, and we as lawmakers should leave no stone unturned when it comes to lightening their burden. The College Board, a nonprofit group that administers the AP and SAT exams, says undergraduate students at four-year public universities budget an estimated \$1,225 for books and supplies each year.ⁱⁱ LSC estimates that House Bill 410 would reduce the GRF by five-one-hundredths of one percent (0.05%) or \$17.5 million per year out of the GRF's forecasted \$34.21 billion for Fiscal Year 2020.ⁱⁱⁱ

From 2006 to 2016, the price of textbooks increased 88 percent – more than triple the rate of inflation over the same period.^{iv} At least 26 states – including Kentucky, Tennessee, and West Virginia – have exempted textbooks from state sales tax in some way.^v 21 of those states have a total exemption. While House Bill 410 would be an incremental state solution to an endemic national issue, it would send an important message: “Come to Ohio, an opportunity state where you can get a quality, affordable college education.” Many textbooks are mandatory in classrooms today, and they should not be a barrier to someone continuing or getting the full value out of their education.

Thank you again for the opportunity to testify on House Bill 410. We would be happy to answer any of your questions and hope to earn your support for this important legislation.

Consumer price indexes for tuition and school-related items, not seasonally adjusted, January 2006–July 2016

January 2006=100



Click legend items to change data display. Hover over chart to view data.

Shaded area represents recession, as determined by the National Bureau of Economic Research.

Source: U.S. Bureau of Labor Statistics.

ⁱ U.S. Public Interest Research Group Education Fund, 2014. 2,039 students surveyed. <https://www.vox.com/the-goods/2019/3/6/18252322/college-textbooks-cost-expensive-pearson-cengage-mcgraw-hill>

ⁱⁱ <https://www.dispatch.com/article/20150825/NEWS/308259676>

ⁱⁱⁱ “Main Operating Budget in Brief: House Bill 166 – As Enacted,” *Legislative Budget Office of the Legislative Service Commission*, 2019.

^{iv} “College tuition and fees increase 63 percent since January 2006,” *Bureau of Labor Statistics: CPI*, 2016.

<https://www.bls.gov/opub/ted/2016/college-tuition-and-fees-increase-63-percent-since-january-2006.htm>

^v <http://studentdebtwarriors.com/students/these-states-dont-charge-sales-tax-on-textbooks/>