



## Advisory Committee on Student Financial Assistance



June 1, 2007

Dear Colleague:

One year ago, Congressmen McKeon and Wu requested that the Advisory Committee conduct a one-year study of the cost of college textbooks and make recommendations on increasing textbook affordability. Our major finding is that rapid price increases and lack of affordability are best understood as symptoms of a structural imperfection in the market for textbooks and learning materials—a market driven by supply rather than demand.

Treating both the symptoms—escalating prices and lack of affordability—and the underlying cause of the problem—market failure—requires a dual approach. In the short term, steps must be taken to increase affordability for all students, but especially for those from low- and moderate-income families. In the long term, a supply-driven, producer-centric market must be transformed into a demand-driven, college- and student-centric market. Pursuing short-term improvements in affordability alone, without concurrently addressing the long-term problem of market failure, is likely to undermine the quality and accessibility of learning resources in the future.

Our report lists a variety of short-term steps now under way across the country to lower the burden of yearly outlays for textbooks and learning materials on students and parents. It also identifies the long-term need for a collaborative effort to build a national digital marketplace that can meet the needs of all stakeholders. That effort can and should be informed by the groundbreaking work done by California State University (CSU).

Both the short- and long-term efforts to improve textbook affordability must be led by the higher education community with the close involvement and cooperation of the publishing and technology industries. Our report also identifies several constructive steps that Congress and the Secretary of Education can take to advance, integrate, and complement the best state and college initiatives to improve the affordability and quality of learning resources for all stakeholders.

On June 5, 2007, the Advisory Committee will host a hearing at the Holiday Inn on the Hill in Washington DC (415 New Jersey Avenue, NW). The first session of the hearing will be devoted to a discussion of the textbook report. To register or attain additional information, visit: <http://www.ed.gov/about/bdscomm/list/acsfa/detailedann.pdf>.

If you have any questions about the report's findings and recommendations, please do not hesitate to contact our Deputy Director, Michelle Asha Cooper, at 202-219-2099.

Sincerely,

Judith N. Flink, Chair

Claude O. Pressnell, Vice Chair

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An independent committee created by Congress to advise on higher education and student aid policy